



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N749
Indianapolis, Indiana 46204

Eric Holcomb, Governor
Michael J. Smith, Commissioner

Memorandum

To: INDOT; Consultant Firms
From: INDOT Division of Economics and External Audit
Date: June 1, 2023
Subject: **Consultant Firm Direct Hourly Billing Rate Notice**

INDOT and our consulting partners have a long history of cooperation regarding the metrics that are considered and applied to generate annual labor rates and maximum allowable reimbursements.

The ECI index for "Professional, Scientific, and Technical Services" as set forth by the US Department of Labor's Table 9: Wages and Salaries has been the standard used to establish the annual rate increase for professional services contracts. This year, the national ECI Table 9 average increase was reported as 4.7%.

Continuing our effort of working together and keeping our state competitive, **we are setting the annual labor rate adjustment, effective July 1, 2023**, at 4.7 % and the maximum allowable reimbursement, without executive approval, for consultant's incurred direct labor shall be \$79.25 per hour.

The annual labor rate adjustment and the maximum allowable reimbursement shall apply to all INDOT contracts signed on or after July 1, 2023 through June 30, 2024 and is not retroactive for contracts signed before July 1, 2023, unless indicated by an explicit clause in the contract. The annual labor rate adjustment and maximum allowable reimbursement affects contract agreement and amendment hourly rate escalation terms as provided in the relevant contract types.

A handwritten signature in blue ink that reads "Lyndsay Quist".

Lyndsay Quist, Deputy Commissioner
Indiana Department of Transportation