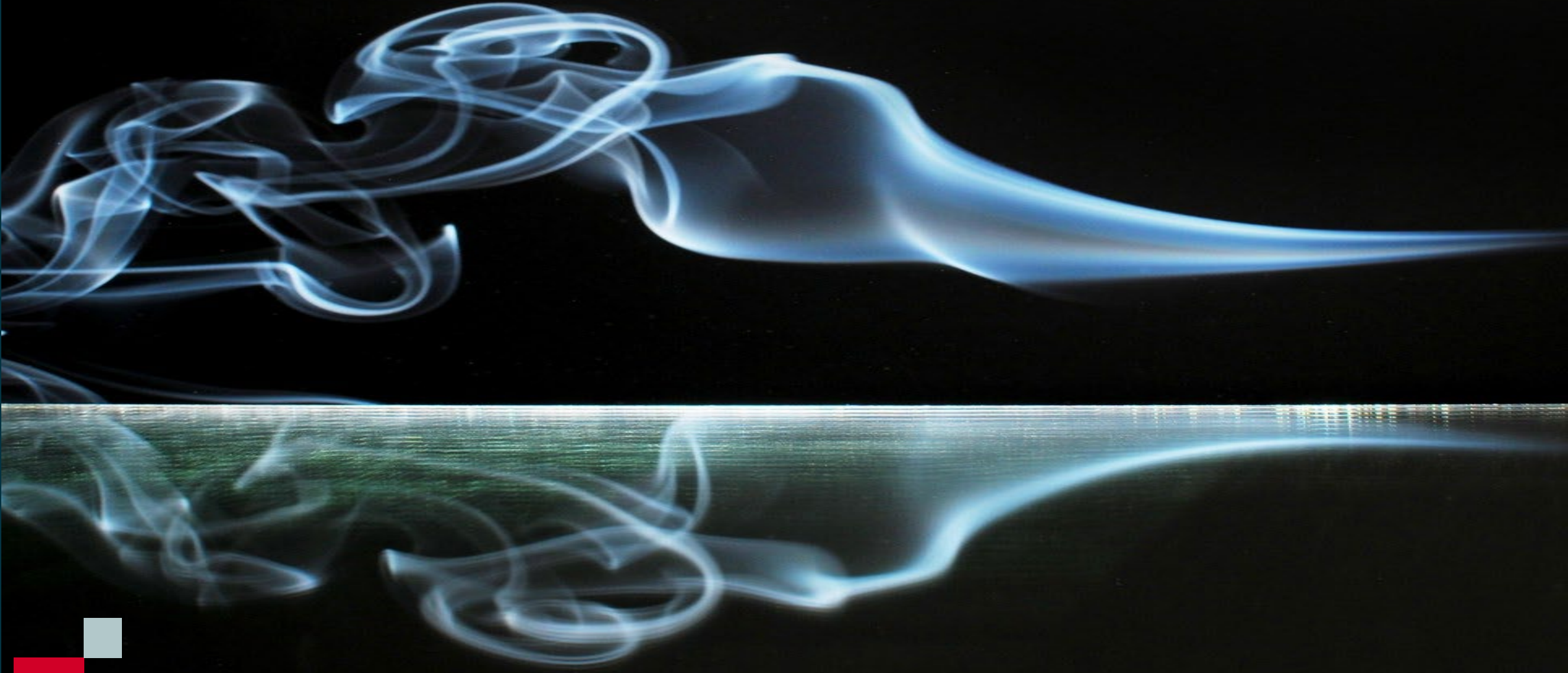
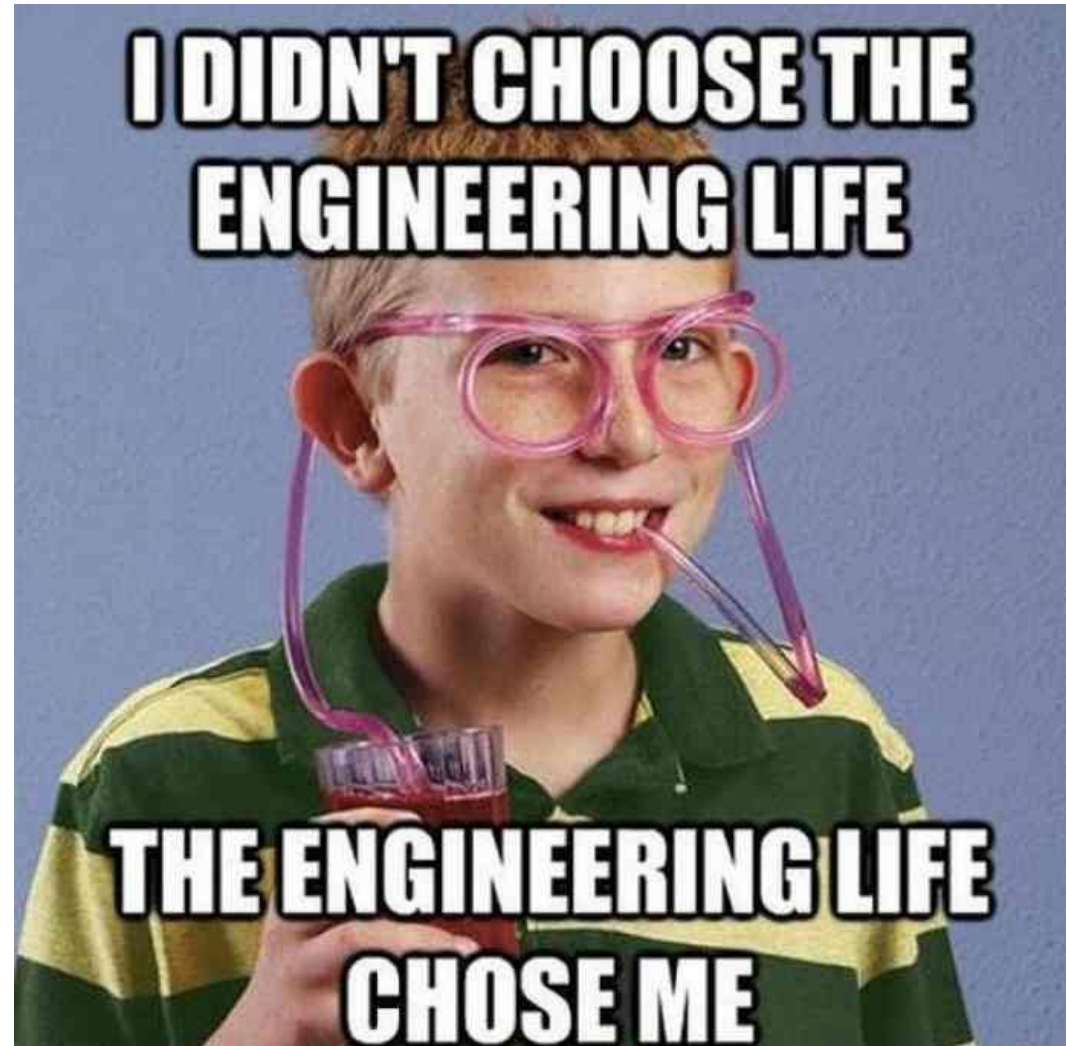


The Secret to Hiring the Right Engineer



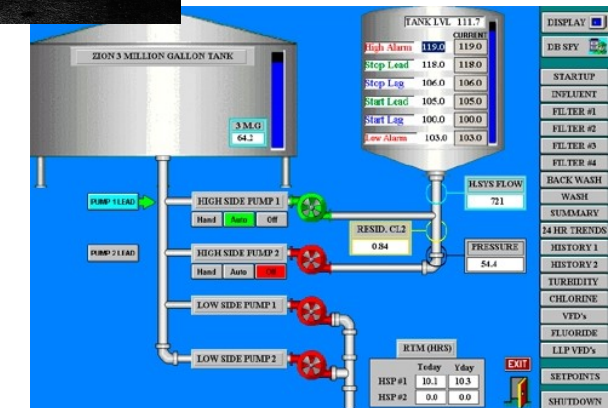


Andrew Kimmel, PE

ENGINEERING SERVICES ARE UNIQUE

City & District Responsibilities

- Deliver high quality projects
- Safeguarding public's health and well-being
- Accountable to taxpayers
- Engineers Provide
 - Technical Expertise
 - Innovation
 - Latest Technology
 - High Degree of Professional Competence
- Quality Based Selection (QBS)



What is QBS?

A competitive procurement approach for selecting and retaining design professionals (Architects and Engineers) that emphasizes qualifications to achieve final project performance and ownership cost objectives, which for public good is legally required to be used by government agencies.

What is QBS?

Brooks Act

Competitive Process

Owner Choses Most Qualified Firm

Negotiation

- Scope Further Defined
- Schedule
- Budget

If negotiations fail – second ranked firm

Why Does QBS Make Sense...



Results in lower overall cost



Safeguards public interest



Promotes communication and technical innovation



Encourage competition among best performers

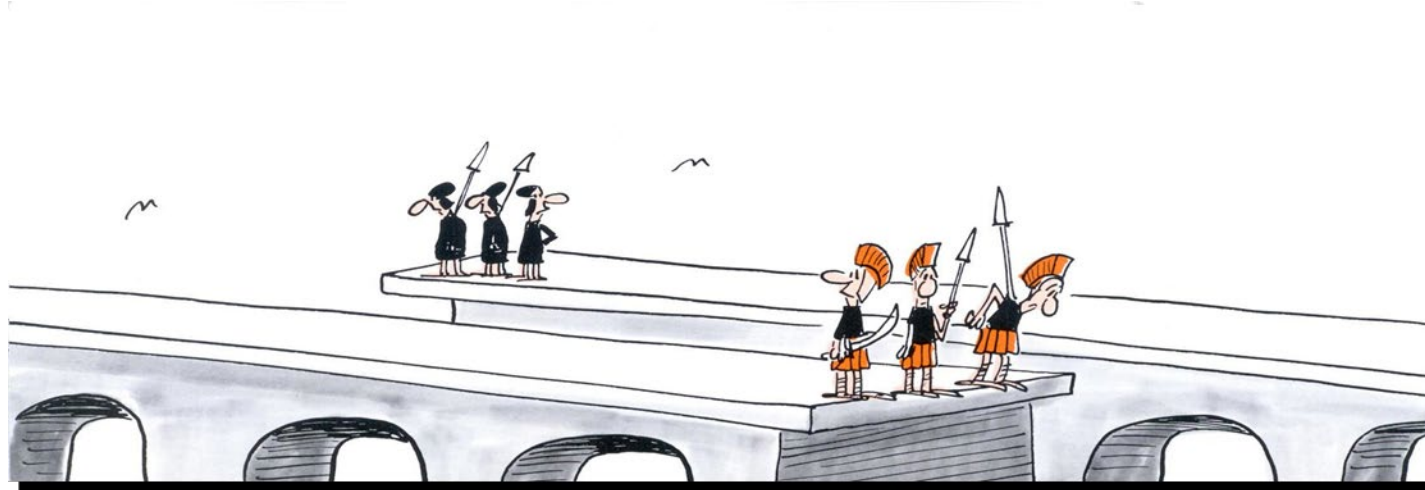
Why not price bidding...

- To those not familiar with our industry low-bid may seem logical



Why not price bidding...

- Low-bidding leads to inferior results and actually increases overall project and long-term ownership costs



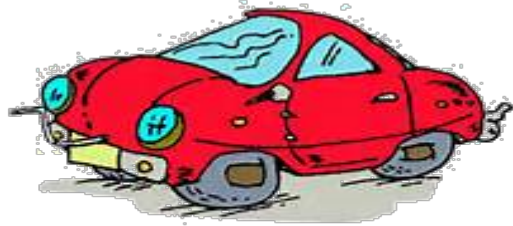
Why not price bidding...

- The cost of A/E services is typically less than 1% of the project life-cycle costs.



The Most Qualified Designer Leads to the Best Final Project Based on Need and Budget

Everyday decisions are based on this principal.



\$500

Vs.



\$250,000

Or?



\$35,000

Why not price bidding...

Requires clearly specified scope

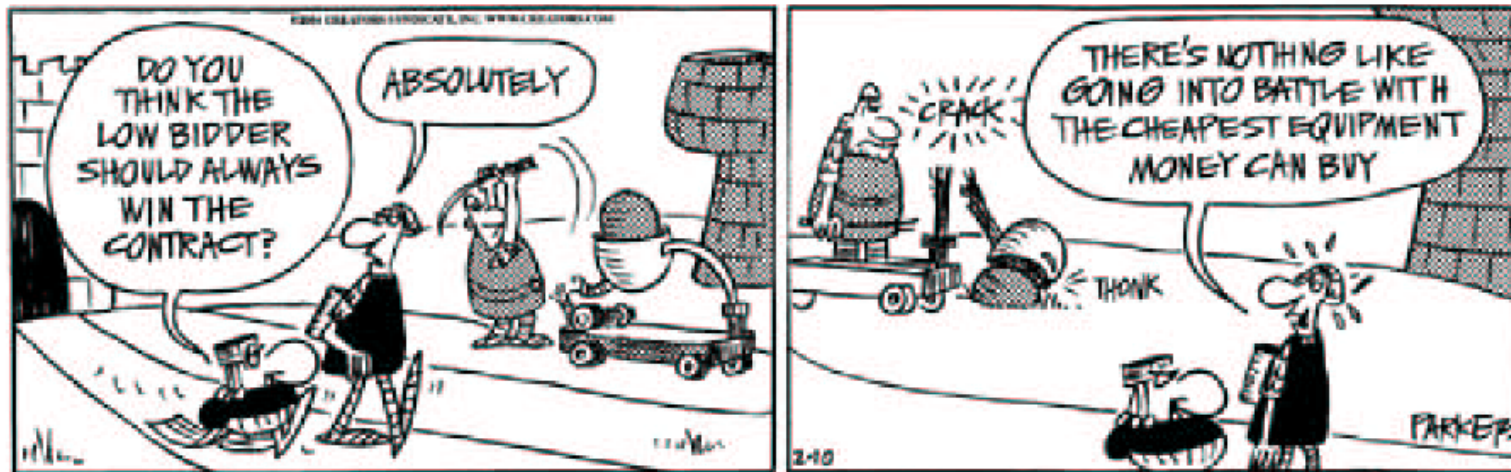
Assumption of needs

Minimal standards

Advanced technologies or new features which could save money over life of project may not be considered to offer lower price

What Does the Owner Really Want?

- Lowest Construction Cost
- Lowest A/E Cost
- Lowest Life-Cycle Cost
- ☒ Performance and Long-Term Value



Idaho QBS

54-1218 “Public Work”

- Mandate using a Professional Engineer (PE)

67-2320 “Professional Service
Contracts with Design Professional,
Construction Managers and
Professional Land Surveyors”

- Mandatory
- Greater than \$25,000 = formal
- Less than \$25,000 = informal – established by client

What if...



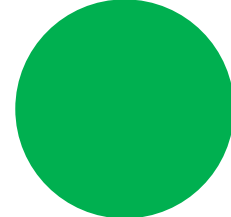
“Break up” project – ILLEGAL



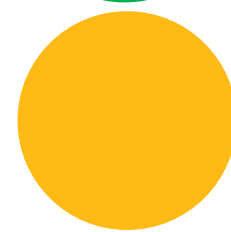
Owner request bid – ILLEGAL



PE submit bid – ILLEGAL



Phased Work – OKAY, if QBS



Nonpublic entities – QBS not mandatory

Key Terms

Client Documents

- Request for Qualifications (RFQ)
- Request for Proposal (RFP)
- Notice of Availability of Request for Proposal (NOAORFP)

Engineer Documents

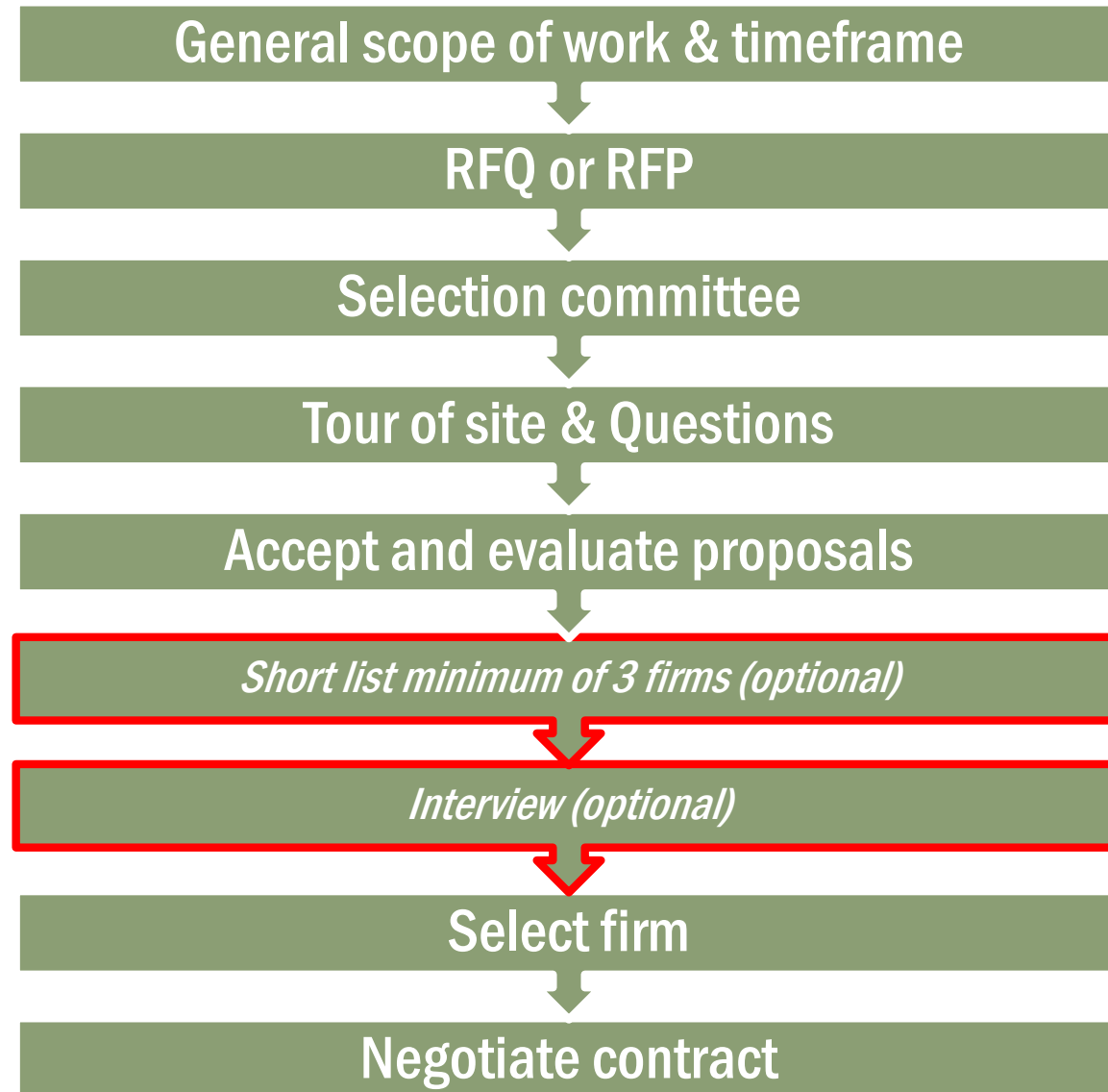
- Statement of qualifications (SOQ)
- Proposal

The Knack

The Knack



Hiring Process



Client Scope of Work & Timeframe

General

- Facility Plan (example)

Fee estimation \geq \$25,000

Timeframe

- QBS process
- Project

RFQ/RFP

RFP

- General information for Engineer
- Technical Requirements
- Criteria for Selection
- Scope of Work

Publish per Idaho code
67-2320

Pro Tip – RFQ/RFP

NOAORFP

- **Saves money**
- **Estimates interest**

Pro Tip – RFQ/RFP

- PM's role & relevant experience
- Team's experience vs company
- Teaming/subconsultant past experience
- Recent experience
- Company commitment on team presented

Selection Committee



Qualified

- Public works department
- Contract administration officials
- Operators
- Elected officials
- Other stakeholders

Tour of Site & Questions

Tours are optional

- **First-hand information**
- **One on one or group**

Designate one person for questions

Evaluate Proposals

Check references

Rank using selection
criteria

Document

Why Interview...



Compare approaches

Determine project understanding

Personal styles

Ask questions

Pro Tips - Interview

Interview only shortlisted firms

Schedule 15 minutes between interviews

Interview time 30-45 minutes

Schedule all interviews on same day

Follow evaluation criteria

Be careful of preconceived design solutions

Provide selection timeframe

Don't ask

- Fee
- Man-hours

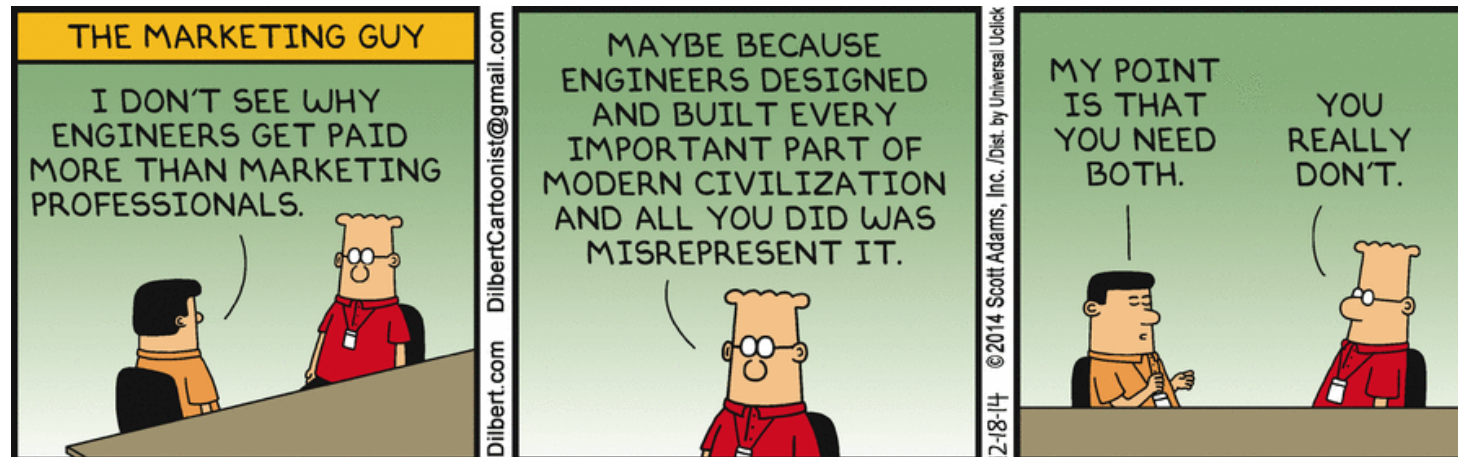
Pro Tips - Interview

Focus on Project Manager

Specific vs predetermined questions

Don't ask

- **Fee**
- **Man-hours**



Select Firm

Follow selection criteria provided to Engineer





Negotiate Contract



Top Ranked Firm

Scope
Schedule
Fee



Contract types



Start right, stay right

Same expectations &
understanding

Failed Negotiations

Go to second ranked firm

Can't go back

Post Selection Communications



Process is expensive
for Engineers



Letter to unsuccessful
engineers



Debriefing

FAQs

- **Why not ask for prices from three qualified firms?**
 - Each firm will offer a price based on its own interpretation of the scope and not necessarily that of the owner. Each price therefore, represents a unique and unilateral scope.
 - Since most equally qualified firms have similar labor cost, overhead, and profit structures, they will cut scope and/or limit approach to be price competitive.

FAQs

- **Does QBS encourage competition?**
 - Absolutely. The Engineer will make a serious investment in teaming, approach, the preparation of qualifications packages and the interview process at minimal expense to the Owner. This investment will also ensure that the Engineer – Owner negotiations are successful.

FAQs

- How does the owner know that he is getting a fair price in the negotiation?
 - Engineers typically get about 85% of their business from repeat clients. Client satisfaction ranks second only to the Engineer's public safety professional responsibility. A reputation of inflated fees without commensurate high quality (value) is a sure formula for losing clients and not in the best business interest of the Engineer.
 - If the owner can not be convinced that the fees are fair, he does not have to buy the Engineers services.



FAQs

- **I have lots of smaller projects a year – do I have to use this process each time?**
 - No, both federal and Idaho law allow you to set up a list of qualified professionals in all of the areas of expertise to hire from, as long as that list was created through a QBS process. For example, you simply need to summarize the type of engineering work you might need over the next year, rank the applicants on a list and then chose from that list as projects that fall within the engineering work delineated come up.

Questions & Answers

References:

The Qualifications Based Selection Facilitator Council, “*Qualification Based Selection, A Guide for Idaho Communities*” found at: www.idahoqbs.com

Idaho, Department of Environmental Quality, February 2013, *How to Hire an Engineer for Public Water System and Wastewater System Design or Modification*

ACEC, “*Federal Procurement of Architect-Engineering Services*”

