

Owner's Handbook

Qualifications Based Selection

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Introduction

When you undertake a project requiring engineering services, you face one of the most important decisions for the success of the project – the selection of a professional engineering firm. This decision influences the success of every project element, from site selection, cost estimating, aesthetics, plans and specifications, construction observation to efficient operation and maintenance. **The Qualifications-Based Selection (QBS) process provides you an objective and common sense approach to selecting the highest qualified professional engineering firm for your project.**

What is QBS?

QBS stands for “qualifications-based selection.” It is a process that helps you select the highest qualified engineering firm. The process focuses on engineering firm qualifications and competence in relation to the scope and particular needs of your project. The QBS process is:

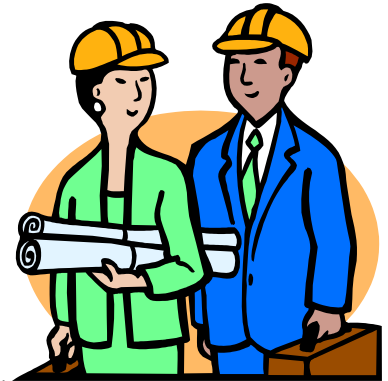
- Straightforward,
- Easy to implement,
- Objective and fair, and
- A well-documented and defensible process.

Why Use QBS?

- QBS provides an objective, step-by-step process that allows you to select the highest qualified engineering firm based on qualifications specific to the needs of your project.
- QBS develops a successful and cooperative relationship between you and the engineering firm.
- QBS benefits both you and the engineering firm by saving time and money.
- QBS gets the engineering firm onboard early enough to improve project planning, minimize total project costs and enhance efficiency and effectiveness.

How Does Qualifications-Based Selection (QBS) Work?

QBS is a fair and rational procedure that facilitates the selection of a professional consultant on the basis of qualifications and competence in relation to the scope and needs of a particular project. One prominent Director of Public Works compares selecting a consultant to hiring an employee. Both work best as two-step processes: *first*, the selection is made, *then* the financial arrangements are agreed upon. In fact, many of the steps outlined below have similarities to employee selection procedures.



Local agency heads often adopt a formal policy and publish a procedure for the selection and use of consultants. This brings uniformity to different project selections and better orients staff, elected officials, and the community's consultants on the process by which projects will be awarded.

QBS evolves from many variables that must be tailored to fit each specific project's requirement and should include all, or some of the following steps. To assist you during the QBS process, sample forms are included:

#1. Planning

- The owner identifies the general services desired ("*Preliminary Scope of Services*").
- The projected time frame is established ("*Schedule of Activities*").
- A list of professional consultant firms appropriate to the project is compiled.
- Statements of qualifications are requested from the identified firms ("*Request for Statements of Qualifications*").
- Distribute the SOQ requests.

#2. Selection

- Evaluate SOQ's ("*Statements of Qualification Evaluation*").
- Establish a short-list of engineering firms to be interviewed.
- Inform all engineering firms of selection results ("*Memo to Short Listed Firms*").
- Arrange a site tour for short-listed firms.
- Conduct interviews and rank firms ("*Interview Evaluation*").
- All firms receive post-selection communications ("*Memo to Interviewed Firms*").

#3. Negotiation

- Negotiations are conducted relative to actual scope, services, fee and payment schedule. If an agreement cannot be satisfactorily negotiated with the top-ranked firm, negotiations are terminated and the owner enters into negotiations with the second-ranked firm, and so on down the line, until agreement is reached and a firm is selected.
- A contract is executed.

Are Public Agencies Required to Bid?

No. Arizona law mandates state agencies, counties, cities, and schools to select engineering, surveying, architectural, landscape architectural, geology and assaying services on the basis of competence and experience through the “Qualifications Based Selection” (QBS) process. *Please refer to the section on “Arizona Procurement and Indemnification Law,” A.R.S. 34-603 and A.R.S. 41-2578.*

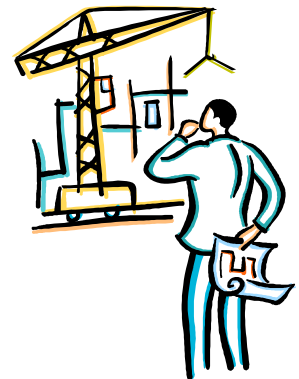
Arizona law is in keeping with the Brooks Act (P.L. 92-582) enacted by Congress in 1972 which established a qualification-based selection (QBS) process for federal agencies when acquiring architectural and engineering services.

Who Uses QBS?

QBS has been so successful at the federal level that it has been adopted by 44 states and hundreds of localities throughout the country. The QBS process is widely endorsed by the American Bar Association, the American Public Works Association, the Associated General Contractors and all major design professional associations.

How Much Time Will QBS Take?

Depending on the project and the number of decision-makers, it can take from one week to five months. Between two to three months is common.



Are There Cost Savings?

Yes! The services provided by design firms are the single most important factor in determining a project’s overall construction and life-cycle costs. Your engineer can help you to understand the ongoing operation and maintenance costs of running the building or project will into the future, long after the engineer has left the scene. For instance, certain types of windows may be much cheaper than energy efficient windows, but the utility costs over a twenty year period might run far more than (*several hundred percent*) if you invested up front in the better windows. Your engineer can help you with these budgeting details.

While this is a simple example, it demonstrates the importance of having the opportunity to discuss these tasks with your engineer and come to a mutual understanding of them prior to entering into a final contract for services.

Is There Assistance Available to Start the QBS Process?

Yes! Volunteers from the professional societies have banded together to form a Professional Technical Advisory Board (PTAB) as a clearinghouse to receive requests for assistance and assign Professional Technical Advisors (PTA) to assist in the QBS process. The American Council of Engineering Companies of Arizona hosts the office for the PTAB and may be reached by calling 1-800/982-5986 or email to engineers@acecaz.org.



The Qualifications Based Selection assistance program is available:

1. Out of concern for the misunderstanding that owners often have about how to select design professionals.
2. To help the owner become a more informed consumer.
3. To help the owner develop and use an objective selection method.
4. To help the owner's selection of a design professional progress in a timely and equitable manner.
5. To help the owner develop the right tools for selecting a qualified firm for the project.
6. To help the owner obtain the most cost-effective and appropriate project.

The Professional Technical Advisor is:

1. Independent of any firm submitting statements of qualification for a particular project.
2. Speaking for all the design professions, including architects, engineers, planners, surveyors and landscape architects.
3. A volunteer whose duty is to educate and provide assistance in establishing a Qualification Based Selection (QBS) professional design procurement system structured to provide the best and most complete project, meeting the owner's needs at the most reasonable overall cost.
4. A senior member of an engineering, architectural, surveying or landscape architectural business or a senior member of a public agency with experience appropriate to the type of public works project proposed. Ideally, he/she is a licensed design professional with at least ten years' experience in responsible charge.

The Professional Technical Advisor will:

1. Meet with the owner, board, committee, staff, individual or group to provide information on what design professionals do, and explain the advantages of the qualification-based method of selecting a design professional.
2. Develop materials to be used by the owner, based on the owner's individual needs and specific requirements.
3. Provide assistance on customizing materials and communications, answer questions, and provide ongoing guidance throughout the selection process.
4. Assist in preparing the request for statements of qualification.
5. Assist in the selection process (but not in the selection itself).
6. Assist in the negotiations. This assistance is limited to providing advice only and will not include fee estimates or indications of the appropriateness of any proposed compensation.
7. Provide other resources, such as additional materials or referrals to owners who have used the QBS process, and general assistance as appropriate.



The PTA will not:

1. Recommend a firm or firms.
2. Provide an evaluation or critique of any design professionals or firms.
3. Dictate the process to be used in selecting a design professional.
4. Participate in the interviewing process except as an observer.
5. Participate in contract negotiations between the owner and the selected design professional firm (*the PTA may provide guidance only*).
6. Warrant or in any way be responsible to the firm and/or owner as to the timely and proper completion of the selection or process.
7. Have any personal or firm interest in any statements of qualification submitted.

The following forms may be modified as needed ...

PRELIMINARY SCOPE OF SERVICES

- 1) Owner/Client _____
- 2) Project Name _____
- 3) Project Location _____
- 4) Owner/Client's Representative _____

Limit contact to one person and include mailing address, direct telephone number, fax number, email address, and website as appropriate.

- 5) Other involved groups (*i.e. boards, committees, or citizens groups*)
- 6) Description of available and relevant studies, surveys and preliminary feasibility work.
- 7) Project description: intended size, function, capacity and general requirements (e.g., preliminary design/studies, demolition, renovation, new construction, waste management, energy, land use and site selection considerations).
- 8) Timeline:
 - a. Award of engineering contract
 - b. Commencement of design work
 - c. Beginning of construction
 - d. Planned project completion date
- 9) Description of engineering selection process.
- 10) Other requirements (e.g., referendums, public hearings)

SCHEDULE OF ACTIVITIES

The following schedule has been established by:

Owner _____

For Project _____

DATE	DESCRIPTION
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_____	Develop a preliminary scope of services and project description.
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_____	Identify a selection committee.
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A good selection committee mix includes individuals who are decision makers, have technical experience, and at least one board/council member. Provide all selection committee members with a copy of the OBS handbook.

_____	Identify interested and potential firms.
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_____	Mail requests for Statements of Qualifications (SOQs).
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_____	SOQ due date.
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Allow a minimum of two weeks for firms to submit their material.

_____	Review references and develop a short-list of firms to interview.
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_____	Notify short-listed firms of the pre-interview tour date, the interview date and the interview criteria.
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_____	Notify and thank all non-selected firms for their interest and share the names of the short-listed firms to be interviewed.
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_____	Tour facility/site at (time), (date), and (location).
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Schedule tours at least ten days before the interview date to allow for preparation.

_____	Interview short-listed firms.
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_____	Review SOQs and interview notes. Rank firms.
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_____	Notify all firms interviewed of the results and express appreciation for their involvement.
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_____	Negotiate and execute a contract with the selected firm.
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_____	Arrange for any post-selection requirements, such as public hearings.
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REQUEST FOR STATEMENTS OF QUALIFICATIONS

Once you have formulated your project's scope, invite potential firms to submit their Statements of Qualifications (SOQs). When requesting SOQs, remember that firms' responses can be lengthy and will require careful review. Keep this in mind when deciding how many firms you will contact. You can find potential firms by contacting facility owners who have completed projects similar to yours. A listing of ACEC Arizona member firms is at www.acecaz.org. Allow at least 14 days for firms to submit their SOQ.

To: ____ (List all firms in alphabetical order) _____

From: ____ (Owner/Client) _____

____ (Owner/Client Representative, Title, Phone Number, E-mail) _____

Re: **Request for Statements of Qualifications**

Your firm is invited to submit your Statement of Qualifications to become eligible for a possible interview for engineering services related to design and construction requirements for the _____ (Owner/Client) _____. This project's _____ (Description) _____ preliminary requirements are based on studies performed by the _____ (Name of committee/group) _____.

Attached to this memo are the following:

- 1) A list of information and materials that you should include with your Statement of Qualifications.
- 2) A general definition of the Preliminary Scope of Services.
- 3) A Schedule of Activities for the selection process.

We will arrange a tour of the facility/site, if appropriate, for firms selected for an interview.

Your Statement of Qualifications with ____ (Number) ____ copies should be forwarded to the following address and be received no later than ____ (Time) ____ on ____ (Day and Date) ____ :

To: (Name/Title) _____

(Complete Address) _____

STATEMENT OF QUALIFICATIONS

Information and Materials

Owner: _____

Project: _____

- 1) Firm name, address, contact person, telephone/fax numbers, e-mail address.
- 2) A one-page statement of interest and qualifications for this project.
- 3) A brief (maximum two-page) project understanding description. Include any concerns regarding permits, schedule, site, etc.
- 4) Discussion of firm's specific abilities and expertise to provide the required professional services and qualifications related to project requirements, including project management skills and methodology to monitor project budgets.
- 5) Key personnel proposed as project team members, including detailed resumes. Clearly identify sub-consultants, if proposed, with similar information.
- 6) Examples of specific knowledge, expertise and project management experience related to this type of project.
- 7) Description of recent and related projects completed by the firm.
- 8) References of other owners for which the firm has provided similar professional services. Reference information must include:
 - a. Name of owner
 - b. Project name
 - c. Brief description of firm's involvement including dollar amount
 - d. Contact person
 - e. Address
 - f. Telephone number/E-mail address
 - g. Firm's key personnel assigned to the referenced project.
- 9) You may include a maximum of one page (*may allow more*) of information not included above, if you feel it may be useful and applicable to this project.

RECEIPT AND EVALUATION OF

STATEMENTS OF QUALIFICATIONS

The owner should formally establish a policy that statements of qualification received after the deadline will not be considered.

It is up to the owner to ensure the selection committee is composed of competent individuals able to make an intelligent selection decision based on factual information, and that these members of the selection committee evaluate each proposal. **Important:** *The selection committee should document its proceedings and decisions, in the event questions arise about any decisions made.*

The number of firms to be included on the short list (and possibly subsequently interviewed, if necessary) may vary depending on the size and scope of the project. Three to five firms are generally sufficient. For the smaller project, three firms should be short-listed, with interviews if appropriate.

A generic “Statements of Qualification Evaluation” form and “Statements of Qualification Evaluation Summary” form are included. With assistance from the Professional Technical Advisor, the owner can tailor this form to meet the specific project needs.

References should be checked during the interim between the time the statements of qualification are received and the selection committee meets to develop a short list. A suggested form for “The Reference Check” is also included. The owner is encouraged to check references other than those listed by the design professional.

If the owner desires, the Professional Technical Advisor may sit in with the selection committee in an advisory capacity to answer questions and provide guidance. *The PTA shall not vote or evaluate the statements of qualification.*

STATEMENTS OF QUALIFICATION EVALUATION

Questions may be added/deleted as appropriate for your specific situation. Weights and values assigned should be on the same scale as those used for interviewing short-listed firm, which you will do later.

Owner _____
 Contact Person _____
 Project Description _____
 Professional Design Firm _____
 Address _____
 City _____ State _____ Zip _____
 Telephone (_____) _____ Fax (_____) _____
 Contact _____ Email _____

*Highest Number: Most Value / Rating Column: 1-5 points
 Weight Column: 1-10, depending on importance to the project.*

	Rating	X	Weight	=	Total
1. Firm's history and resource capability to perform required services	X			=	
2. Evaluation of assigned personnel	X			=	
3. Related experience (<i>as appropriate</i>): ● Design Services ● Construction Coordination ● Demolition ● Studies ● Other	X			=	
4. Budget, cost controls, experience & results	X			=	
5. Familiarity with local area – geography and facilities	X			=	
6. Ability to relate to project requirements	X			=	
7. Analysis of subjective statements (<i>one page</i>) applicable to the project as required on the RFQ	X			=	
8. Reference Check (<i>evaluation transfer from "Reference Check" form</i>)	X			=	
9. Other criteria desired by owner	X			=	
GRAND TOTAL:					

Name of Reviewer _____

STATEMENTS OF QUALIFICATION

EVALUATION SUMMARY

To be used by the review group person in charge for compiling the evaluation results of all "Statements of Qualification" submitted. Note: Enter the grand total for each firm's qualifications (from the respective evaluation sheets for comparative purposes) to select the three to five most qualified firms to be interviewed.

Firms	1	2	3	4	5	6	7	8	9	10
Reviewer No. 1										
Reviewer No. 2										
Reviewer No. 3										
Reviewer No. ---										
Reviewer No. ---										
Grand Totals										

List the top-ranked firms as short-listed to be interviewed.

MEMO TO SHORT-LISTED FIRMS

To: _____ (*List, in alphabetical order, all firms you plan to interview*) _____

From: _____ (*Owner*) _____

_____ (*Individual, Title, Telephone, E-mail*) _____

_____ (*Project*) _____

Re: **Interview Schedule and Requirements**

Congratulations! Your firm has been chosen to be interviewed by our Selection Committee. We respectfully request your firm's project manager and key personnel attend the interview.

Please find the following attached:

Interview Questions and Score Sheet which will be used by interviewers.

Copies of ___ (*name of studies or reports*) ___ for your information and review.

Each firm will be allowed 45 minutes to present their qualifications and answer questions. The interviewers will schedule 15 minutes between interviews for informal discussion of the information presented during the preceding interview. At the completion of the interviews, the committee will rank the firms. The firm deemed to be most qualified will then be invited to define the scope of work and negotiate contract terms. If contract terms cannot be reached, the firm deemed the next most qualified will be invited for scope definition and contract negotiation.

Interviews will be held on ___ (*date*) ___ at ___ (*address*) _____.

The order and time of interviews is:

Firm A _____ (*time*) Firm B _____ (*time*) Firm C _____ (*time*)

A tour of the site, if appropriate, will be held on ___ (*date*) ___ at ___ (*time a.m./p.m.*) ___.

Confirm arrangements with ___ (*owner's representative*) at (____) ___ (*phone number*).

The committee anticipates making a decision and notifying short-listed firms of final rankings by ___ (*date*) ___.

MEMO TO FIRMS *NOT* SELECTED FOR INTERVIEW

To: ____ (*List in alphabetical order all firms you have not selected for an interview*) _____

From: _____ (*Owner*) _____

_____ (*Individual, Title, Telephone, E-mail*) _____

Re: Status of Selection Process for _____ (*Project*) _____

The ____ (*Name of committee or group*) ____ appreciates your interest in our project. After careful consideration, we have decided to interview the following firms:

(List short-listed firms in alphabetical order.)

Although your firm was not short-listed, we appreciate your interest in our project and the resources spent preparing your statement of qualifications.

TOUR OF THE SITE/FACILITY

In major or complex projects, a tour of the project site or facility can be an important part of the selection process. Tours provide interested firms with the opportunity to obtain first hand information on the proposed project and to have their questions answered.

Schedule tours at least ten days before the interview date to allow firms enough time to incorporate any new information into their presentations.

In most cases, you should provide tours for short-listed firms only. Whether to offer tours to all interested firms or only to short-listed firms depends on the project requirements. A group tour that includes all interested firms can be effective, but discussion under these conditions may be somewhat limited.

Depending on the complexity of your project, one-on-one tours may be appropriate, with your representative meeting with firm representative's one firm at a time.

For one-on-one tours, the following is suggested:

- Schedule all tours for one date.
- Limit times for each tour to be consistent for each firm (e.g., one hour for each short-listed firm).
- Ensure that the owner's representative is the only "owner's voice" on the tour to prevent possible conflicting information. Also, the owner's representative should strive to answer similar questions from each of the firms with the same information.

INTERVIEWS

Interviewing the short-listed firms gives you the opportunity to compare each firm's creative approach to the project as well as its interpretation and understanding of the project requirements.

The Interview Environment: The room for the interview should be comfortable, have good acoustics and be large enough to accommodate the expected number of people. You should provide a separate area for firms waiting to be interviewed.

Interview Guidelines:

- 1) All interviewed firms should have an equal opportunity to prepare their presentation and equal access to all pertinent information. Send all firms the criteria to be used for the interview scoring.
- 2) Schedule all interviews on the same day, so the committee can compare all firms while the information is fresh in their minds. The same interviewers should be present at all of the interviews. This will also result in consistent interview scoring.
- 3) Schedule 45 minutes for each presentation and 15 minutes between interviews. This will allow ample time for the presentation, the question and answer period, and discussion of the presentation among the selection committee members.
- 4) Request that the firm's project manager and key personnel attend the interview.
- 5) Let all firms know when the selection decision will be made and when they will hear from you.
- 6) A sample Interview Evaluation Form is provided. You may develop other versions of this form, depending on your project's complexity. The individual firm score sheet is an effective tool for rating, ranking and ultimately selecting a qualified and compatible firm. This system also provides a well-documented record of your selection process.
- 7) Each interviewer should evaluate each firm and record his/her score on separate forms. The chair of the committee will then compile the individual score sheets. Refer to the Selection Committee Score Sheet.
- 8) After completing interviews and rankings, it is customary to notify firms of the final selection decision. A sample Memo to Interviewed Firms is provided.

INTERVIEW EVALUATION FORM

Project: _____

Firm: _____

Instructions for the Selection Committee

Using the following Weight/Rating System will allow you to quantify your interview results.

The highest number represents the most value for each column. **“Weight”** column: 1-10 points. **It is extremely important your committee agree on the WEIGHT for each item prior to doing individual RATING.** **“Rating”** column: 1-5 points. In this column you rate the firm based on each qualification.

At the completion of the interview, multiply the weight by the rating for each category and enter the total. Add all totals to establish the grand total. The chairperson will combine all of the totals for those participating in the interview session on the Interview Evaluation Form.

	Weight (1-10)	X	Rating (1-5)	= Total
1. Understanding of Project Requirements: <i>(Owner may evaluate firm’s analysis, preparation and level of interest.)</i>	X		=	
2. Approach/Methodology: <i>(Owner may evaluate firm or individual’s creativity and problem solving abilities.)</i>	X		=	
3. Key Personnel and Roles: <i>(Owner may evaluate qualifications and professional skills of key individuals.)</i>	X		=	
4. Firm’s Pertinent Experience: <i>(Owner may evaluate related projects presented as previous work of the firm.)</i>	X		=	
5. Sub-Consultant vs. In-house Resources: <i>(Owner may evaluate firm’s in-house capabilities versus use of sub-consultants.)</i>	X		=	
6. Project Management: <i>(Owner may evaluate firm’s abilities related to technical functions such as project cost controls, scheduling, construction observation, etc.)</i>	X		=	
7. Communication Skills: <i>(Owner may evaluate firm’s abilities to form successful working relationships and communicate with the owner.)</i>	X		=	
8. References: <i>(Owner may evaluate results of reference checks.)</i>	X		=	
9. <i>(Other Owner Issues)</i>	X		=	
GRAND TOTAL:				

Committee Member: _____

SELECTION COMMITTEE SCORE SHEET

The chairperson should use this form to compile all of the individual evaluation scores. Enter the total for each firm as recorded by individual interviewers.

COMMITTEE MEMBER	FIRM A SCORE	FIRM B SCORE	FIRM C SCORE
Member 1	_____	_____	_____
Member 2	_____	_____	_____
Member 3	_____	_____	_____
Member 4	_____	_____	_____
Member 5	_____	_____	_____
Grand Total	_____	_____	_____
Average	_____	_____	_____

AVERAGE = Grand Total divided by number of scores entered.

(NOTE: Your selection committee may have other factors to consider once the average scores have been determined.)

MEMO TO INTERVIEWED FIRMS

To: ____ (*List in alphabetical order all firms interviewed*) _____

From: ____ (*Owner*) _____

____ (*Individual, Title, Telephone, E-mail, Address*) _____

Re: Status of Selection Process for ____ (*Project*) _____

The ____ (*Owner*) _____ has completed the selection process for professional services for the above named project. It has been our objective to select the most qualified firm to perform this service. The results of ____ (*Interviewers'*) _____ decision ranks the firms interviewed in the following order:

Firm #1 _____

Firm #2 _____

Firm #3 _____

We have now entered into contract negotiations with ____ (*Firm #1*) _____. On behalf of ____ (*The Owner*) _____'s selection committee, I would like to express our appreciation for your time, effort and interest spent on our behalf.

Sincerely,

____ (*Selection Committee Chair*) _____