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Qualifications-Based Selection

"when quality and value matter"

FACT SHEET

Please vote for AB 654 on Thursday, March 4

ISSUE

It is in the public's best interest when consulting engineers are selected on the basis of qualifications rather than price. Qualifications-Based Selection (QBS) safeguards the public safety and funds by enabling public agencies to acquire the services of the most qualified engineering firm for a particular project at a reasonable cost.

Engineering projects are typically complex. Years of education and experience are required to effectively apply these skills to obtain the best value for the public client. Too often, procurement of engineering services are being bid and awarded to the lowest price. Often low bid design results in problems including change orders and high construction cost.

KEY POINTS

- The federal government requires QBS in order to save money and ensure quality design on all projects using federal funding.
- Wisconsin is 1 of only 4 states that does not have QBS legislation on the books.
- Using QBS provides value and saves Wisconsin taxpayers money.
- The Wisconsin Departments of Administration and Transportation use the QBS process in the selection of engineers and architects with exceptional results.
- Cheap design is expensive. Design costs typically represent 1% of the total life-cycle cost of the project. It makes sense to hire the best-qualified designer in order to reduce construction costs and longer-term operations and maintenance costs for a project.

ACTION REQUESTED

Please vote for AB 654 on Thursday, March 4

ACEC

Wisconsin Council of Professional Engineers
www.acecwi.org

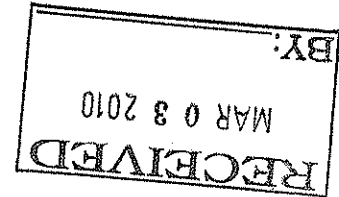
ACEC WI is the business voice of the Wisconsin consulting engineering industry. Contact us at 608-257-9223 or visit www.acecwi.org.



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To: Wisconsin State Assembly
From: Curt Witynski, Assistant Director, League of Wisconsin Municipalities
Date: March 3, 2010
Re: **AB 654, Requiring Municipalities to Use Qualifications-Based Selection Process When Selecting Engineers for Certain Projects**

The League of Wisconsin Municipalities opposes AB 654, which is scheduled for a floor vote tomorrow. The bill requires municipalities to use a qualifications-based selection (QBS) process when selecting engineering or architectural consultants for public construction projects that exceed \$250,000 in cost and are funded in part by the state.

While municipalities support and often voluntarily use QBS, we oppose mandating the process even under the limited circumstances specified in the bill. The state has not required itself to follow the QBS process whenever selecting engineers or architects. Moreover, we have the following specific concerns:

- ◆ The bill explicitly prohibits asking about price in phase one of the QBS process. Many communities currently use a hybrid QBS process that provides for limited consideration of cost in the first phase of the selection process. We are opposed to eliminating price considerations entirely from the selection process.
- ◆ Some of our members are concerned that the bill places municipalities in a relatively weak position to negotiate a contract once a firm is selected. Unlike DOT, municipalities are not regularly involved in projects that necessitate the selection of consulting engineers. The selected engineering firm need not be worried about developing a long term relationship and winning future contracts as it negotiates with the municipality.
- ◆ The process seems to favor and benefit established and larger firms and would for the most part foreclose the ability of start-ups or fledgling consulting firms with limited performance histories to compete for municipal work.
- ◆ Small and medium sized communities with less staff and resources will find it difficult and expensive to comply with the QBS process spelled out in the bill draft.

The bottom line is that municipalities should have flexibility to choose professional consultants in the manner that best meets their needs. There is no need to change current law.

For the above reasons we urge you to vote "no" on AB 654. Thanks for considering our comments.

STRONG COMMUNITIES MAKE WISCONSIN WORK

Kerkman, Samantha

From: Greiveldinger, Geoff [Geoff.Greiveldinger@goRacine.org]
Sent: Tuesday, February 02, 2010 3:16 PM
To: Kerkman, Samantha
Subject: AB 654/SB 442

TO: State Legislators Representing Racine County

Racine County strongly opposes AB654/SB442 and urges that you not vote for them.

In the view of Racine County, these bills

(1) undermine the concept of basing contracting decisions on the cost to the taxpayer
(2) impinge on the independence of action of local governments to judge what is in the best interest of their residents and taxpayers

(3) create two favored classes: (a) large, well established firms and (b) other firms, regardless of qualifications, with which a local government has had some undefined relationship in the past

Ultimately, Racine County is concerned that these bills will stifle growth of small businesses, by tilting selection in favor of firms with longer histories and/or histories of connections to local governments. Racine County is concerned that this bill will diminish opportunities for new, small businesses and thereby hamper job growth.

Thank you for your attention to this matter.

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