

Qualifications Based Selection in Kentucky

QBS Resource Manual.

A guide to selecting the highest qualified architect or engineer for your project.

“The public interest is best served when architects, engineers, and related professional technical consultants are selected for projects through qualifications based selection (QBS) procedures. Basing selections on qualifications protects public safety, encourages creativity and flexibility, improves delivery of services, increases value, and minimizes the potential for disputes and litigation.”

~ QBS Kentucky Coalition

QBS Resource Manual.

This publication is produced as a public service by the QBS Kentucky Coalition, which was chartered by the following organizations:



AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Kentucky

**American Council of Engineering Companies
of Kentucky**

160 Democrat Drive
Frankfort, KY 40601
(502) 695-5680
www.kyengcenter.org



AIA
Kentucky

American Institute of Architects of Kentucky

P.O. Box 911128
Lexington, KY 40591
(859) 223-8201
www.aia.org/kentucky



**Kentucky Society of
Professional Engineers**

Kentucky Society of Professional Engineers

160 Democrat Drive
Frankfort, KY 40601
(502) 695-5680
www.kyengcenter.org

A full list of QBS Kentucky Coalition members can be found at www.QBS-KY.org.



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INTRODUCTION – THE IMPORTANCE OF GOOD DESIGN

The most important element of any construction project is its design. The quality of design is paramount in determining a project’s “life-cycle cost” — the initial cost of construction, plus the long-term cost for operation and maintenance.

Design is one of the very first steps in the process of developing any facility, but it is the design that dictates everything that follows: the size and layout of the facility, the type of construction materials to be used; the capacity of mechanical and electrical systems; energy efficiency; and other factors. Not even the best contractor using the finest of materials can overcome the failings of a poor design.

Architectural and Engineering (A/E) services represent only a small percentage of the overall budget for any construction project — and a far smaller percentage of the overall life-cycle cost — so it makes sound financial sense to make sure your architect or engineer has the experience and expertise needed to deliver a high-quality design.

Qualifications Based Selection (QBS) is a process that enables the project owner to obtain the advice and service of a highly qualified architect or engineer at a fair and reasonable cost, an investment in quality that will result in substantial savings over the life of the project.

Federal agencies, most states and many local governments award architectural and engineering design contracts using a QBS process. In addition, the QBS process is endorsed by groups such as the American Public Works Association and the American Bar Association because this method provides the owner with the greatest assurance of obtaining a high-quality design and a successful project.

This manual will explain, in detail, how to select and retain a consulting professional engineer or architect using the QBS process.

Throughout this manual, the terms “owner” and “public authority” are used interchangeably to refer to public construction project owners. While the primary purpose of this manual is to assist cities, counties, school boards and other “public authorities,” private construction owners can reap the same benefits from the use of QBS.

WHY USE QUALIFICATIONS BASED SELECTION?

Construction of any physical facility is a complicated and highly technical process. Yet, at the outset of most construction projects, owners do not fully comprehend the complexities of the projects they envision and the wide range of design and construction services that will be required in order to transform their vision into reality.

The consulting engineer or architect takes the owner’s general concepts and transforms them into technical documents — plans and specifications — that are used by the construction contractor to build the owner’s facility.

In the construction process, the professional architect/engineer serves as the agent of the owner, representing the owner's interests in day-to-day dealings with contractors, suppliers, equipment manufacturers and others providing goods and services on the project. The architect/engineer is also the owner's "eyes and ears" on the construction site. Obviously, it is vital that the owner and architect/engineer share a professional relationship characterized by trust, respect and effective communication.

Qualifications Based Selection fosters this type of relationship by bringing the owner and architect/engineer together as a team, enabling them to define the project in detail and agree upon the services that will be required to make the project a reality. No wonder, then, that QBS is the most widely endorsed method for selecting a design professional.

Since 1972, all agencies of the federal government have been required to use the QBS procedure for selecting design professionals. In 1992, the Kentucky legislature passed its own law declaring it to be the policy of the Commonwealth to award a contract for architectural, engineering, or engineering-related services to the best firm, qualified to perform the work on a project, on the basis of demonstrated competence and qualification for the type of professional services required and at fair and reasonable prices. See page 37 for additional details contained in Kentucky's Model Procurement Code, KRS Chapter 45A.

The **American Bar Association** recommends the use of Qualifications Based Selection by state and local governments, saying:

"The principal reasons supporting this selection procedure for architect, engineer and land surveying services are the lack of a definitive scope of work for such services at the time the selection is made and the importance of selecting the best qualified firm. In general, the architect, engineer or land surveyor is engaged to represent the (state's) interest and is, therefore, in a different relationship with the (state) from that normally existing in a buyer-seller situation. For these reasons, the qualifications, competence, and availability of the most qualified architect, engineer or land surveyor firms are considered initially, and price negotiated later."

The **American Public Works Association**, agrees, saying:

"Competitive bidding for engineering and architectural services is not in the best public interest because it may lead to the employment of the least qualified rather than the best qualified, as should be the objective. The sole objective of bidding is low cost. Only when the services or a product can be described in exact detail, where all parties can bid on the same basis for comparison, should bidding be considered. Professional services in engineering, law, architecture, and medicine — to name a few — are not recognized as being amenable to detailed specifications."

HOW QUALIFICATIONS BASED SELECTION WORKS

The QBS process involves three distinct phases:

Phase I — Selection of the Most Qualified Architect/Engineer

The project owner prepares a basic description of the project to be built or the problem to be solved, then invites architectural/engineering firms to submit statements of qualifications for review and consideration. Interested firms are rated objectively on the basis of their qualifications and ultimately, the most qualified firm is identified and offered the opportunity to enter contract negotiations.

Phase II — Defining the Scope of Service

The selected architectural/engineering firm meets with the owner to discuss the proposed project in detail. These discussions enable the architect/engineer to write a detailed scope of service, a document that specifies exactly the various tasks they will perform on behalf of the owner.

Phase III — Fee and Contract Negotiation

Once the scope of services is agreed upon, the architect/engineer develops a fee proposal for the owner's consideration. If the fee proposal is agreeable, the two parties enter into a contract. If the fee proposal is not acceptable, the two parties agree on revisions to the scope of work and budget, then enter into a contract for the project. If agreement is not reached, the owner should terminate discussions and begin negotiations with the next most qualified architectural/engineering firm.

The following pages describe each of these phases in detail.

PHASE I — SELECTION OF THE MOST QUALIFIED ARCHITECT/ENGINEER

STEP 1: PREPARE A PRELIMINARY PROJECT DESCRIPTION

To begin the selection process, prepare a brief written description of the project. This helps interested architectural/engineering firms decide whether they are capable and qualified to perform the services needed. When the preliminary project description is properly written and communicated, it saves time, money, and effort for both the owner and the interested firms.

The preliminary project description should include:

- The project name or identification and planned location.
- Project details, including intended size, function, capacity, and other general requirements. Is the project a renovation, replacement or modernization? Will it involve demolition, additions, new construction, or energy or land use studies?
- Project budget and anticipated funding sources.
- Anticipated project schedule, including completion of design work, beginning of construction, and planned project completion date.
- Unique requirements or restrictions such as zoning or environmental problems.
- Specific services to be provided by the architect/engineer, such as feasibility studies, program development, design, construction observation or management, budget development.
- Other specific/required disciplines, as necessary.

STEP 2: INVITE SUBMISSION OF QUALIFICATION STATEMENTS

Once the preliminary description of the project has been prepared, interested and qualified architectural/engineering firms should be invited to submit statements of their professional qualifications.

Adequate public notice should be provided when a public authority is about to contract for architectural or engineering services. The public authority may choose to publish the announcement on their website or portal, in a local newspaper or regularly issued municipal bulletin, by sending the announcement to professional organizations for wider distribution, or mail the announcement directly to a preselected group of firms.

No matter which form of announcement the public authority chooses, documentation of the announcement should be kept on file at least until project completion.

The contract announcement/request for statement of qualifications should include:

- The preliminary project description.
- The project owner's name and the name, address and phone number of the project contact person. It's important that all firms have access to the same project information. Having a single point of contact designated by the project owner will ensure that responding firms receive the same, consistent information.
- A list of information each firm should include in its statement of qualifications, such as the names of firm owners, number of years in business, the types of services offered, background on key technical personnel, similar projects designed by the firm, projects underway, etc.
- The deadline for submitting statements of qualifications.

See page 24 for a Request for Statement of Qualifications (commonly referred to as "SOQ") sample form.

STEP 3: EVALUATE STATEMENTS OF QUALIFICATIONS

When the deadline for submission of statements of qualifications has passed, the owner should then evaluate the qualifications of those firms that submitted statements and narrow the field of interested firms to a "short list" of three to five firms.

Each firm that submitted a statement of qualifications should be evaluated on the basis of its experience on similar projects, expertise of its key professional staff, its physical equipment and facilities, references, and other factors of importance to the owner.

This evaluation can be conducted by one individual or a committee appointed by the owner. The most important consideration is that the person or persons performing the evaluation are fair and competent and capable of making rational decisions.

A sample of a scoring sheet like that normally used in the evaluation of the statements of qualifications is provided on page 23.

Frequently, an owner will attach more importance to certain firm qualifications than others (for instance, experience on similar projects might be most important). This form can be tailored to meet those concerns simply by assigning a higher arithmetic weight to those factors that are of greatest significance to the owner.

Before meeting to perform the evaluations, the owner should check the references of each firm under consideration. This check should not be limited to the references supplied by the firms. A model form to aid in checking of references is included on page 26.

Based upon the evaluation of the statements of qualifications and reference checks, lesser-qualified firms can be disqualified, leaving a short-list of three to five firms for further consideration. For most

projects it is recommended that three firms be short-listed. For a very large project, a short list of four or five firms may be desired.

The short-listed firms should be officially notified that they have been selected for further consideration. A model of a memorandum that informs the short-listed firms of their selection for further consideration is included on page 29. As a courtesy, the owner should also send a letter of thanks to those firms not selected for further consideration. See page 30 for a sample memo.

STEP 4: EVALUATE AND RANK THE SHORT-LISTED FIRMS

Once the short-list of firms selected for further consideration is complete, the owner begins the final step in the selection process: evaluation and ranking of the short-listed firms. To accomplish the final selection, the owner should ask each of the three firms to submit a technical proposal for the project.

This proposal should describe in detail each firm's technical approach to the project; their plan for managing and performing the required work; the personnel they will assign to the project; their proposed work schedules; the office in which the work will be performed; and other project-specific information.

PRE-INTERVIEW TOURS OF PROJECT SITE

Generally, it is to the benefit of the owner to allow the short-listed firms to tour the project site prior to the deadline for submission of technical proposals. Touring the site gives the firms the opportunity to obtain information about the proposed project that can help them prepare better proposals and aids them in preparing for interviews, should the owner elect to interview the firms.

Tours work best when a representative of the owner meets independently with representatives of each firm. On larger projects, a group tour for all short-listed firms may be more expeditious.

At this time, the owner should also make available to all of the short-listed firms any feasibility studies, surveys, or other preliminary information that could help the firms in the preparation of their technical proposals.

INTERVIEWING SHORT-LISTED FIRMS

Depending on the size and complexity of the project, the owner may want to interview representatives of the short-listed firms. These interviews should be conducted after technical proposals have been reviewed, but before the final ranking process.

By interviewing representatives of the short-listed firms, the owner has the opportunity to compare each firm's interpretation and understanding of the project and the various technical approaches that the firms have proposed to accomplish the project.

Interviews also give the owner an important insight into each firm's management style and communications abilities. For this reason, the owner should require that all short-listed firms send

managers or owners, as well as the key engineers and other professionals who will be responsible for the work, to these interviews.

The following are suggested guidelines for setting up and conducting the interviews:

- The physical setup for the interview should be comfortable, with good acoustics and sufficient room. A separate area should be provided for firms waiting to be interviewed. Equipment such as blackboards, flip charts, and audiovisual screens will be useful if available. Most firms will bring their own equipment to present their information. Since equipment setup time may cause some delays in the interviewing process, two rooms should be used if possible. While one firm is being interviewed in the first room, another firm can set up for its presentation in the second room, thereby facilitating the process and ensuring that important interview time is not spent connecting and checking equipment.
- Allow approximately 45 minutes for each interview and 15 minutes between interviews. This will allow ample time for representatives of the architectural/engineering firms to make their presentations and for you to ask questions. This should also allow sufficient time for selection committee members to discuss the presentations among themselves before beginning the next interview.
- Schedule all of the interviews on the same day. This enables the committee to compare all of the interviewed firms while information is fresh in their minds and ensures consistent interview scoring.
- Most interviews are held in a closed session. If ordinances or regulations require that the interviews be conducted publicly, the firms should be notified of this.
- While it is appropriate to question firms about how they would approach the design of a project, owners should not expect an actual design solution during the interview. Appropriate and responsive designs require considerably more interaction between the owner and the architect/engineer than is possible during the interview. Design concepts and other design elements may be introduced to demonstrate the firms approach to the project; however, preconceived solutions require considerable time and energy to prepare and may inhibit the flexibility and creativity required for the best outcome.

THE FINAL RANKING PROCESS

After technical proposals have been received and interviews have been conducted, each firm should be evaluated independently by the owner and/or each member of the selection committee in a timely manner. It is critical that this evaluation be as fair and impartial as possible, and for this reason it is helpful to rate each firm by using a standard form that lists the significant selection criteria.

A sample interview evaluation form is included on page 33. Again, this form should be tailored to reflect the owner's priorities in terms of which criteria are most important.

If one individual is conducting the evaluations, that person ranks the firms, highest to lowest, according to their total scores. When a committee is involved, the chairman should collect the evaluation sheets from the members of the committee. Each firm's scores are then tallied and averaged, and the firms are then ranked, from the highest average score to the lowest. A model tally sheet for the evaluation forms is included on page 34.

The firm that is rated most highly overall should be notified that it has been selected to receive the contract, pending agreement on the scope of service and the fee for those services. The other short-listed firms should be notified of their final ranking in a timely manner as well. A model memorandum to short-listed firms, announcing the final selection, is included on page 35.

At this point, the owner is ready to proceed to the next phase of the QBS process.

PHASE II — DEFINING THE SCOPE OF SERVICE

From the moment the most qualified firm has been identified, the owner and the selected architectural/engineering firm will begin working together as a team. They start by sitting down together to discuss the project in detail and to gain a better understanding of one another.

The architect/engineer will want to learn about the owner's priorities and objectives for the project. Is the most important objective to keep the initial construction cost as low as possible? Or is very high dependability (i.e., low risk of failure or interruption of service) more important? Is it imperative that the design and construction time be kept to a minimum, to realize operational benefits more quickly, or is it more important to design and construct the facility to ensure that long-term operating costs are minimized? Are there unique social, environmental or political issues involved in the project? Is it possible the facility will be expanded or modified in the future? What is the reaction of the affected public toward the project and will they need to be involved throughout the design process?

While it is vital that the design professional has a full and detailed understanding of the owner's goals and objectives, it is just as important for the owner to understand exactly what can and cannot be expected as a result of the architect's/engineer's work.

This exchange, which can take several days on a major project, leads to the development of the detailed scope of service, the written document that specifies the services to be provided by the architect/engineer. This document is the foundation of the contract between the two parties, and can only be modified by mutual agreement of both parties.

PHASE III — FEE AND CONTRACT NEGOTIATION

ESTABLISHING FEES

When the detailed scope of service is agreed upon, the architect/engineer is able to develop and submit a detailed fee proposal to the owner. Consulting engineers and architects generally use the following methods to calculate fees for their services. No matter which of these methods is used, the owner has a right to expect that the design professional will be able to fully document the proposed fee.

Lump Sum

Lump sum is perhaps the most common fee structure in use today. As its name implies, under a lump sum arrangement, the owner and architect/engineer agree in advance on the total compensation that will be paid for the agreed-upon services. This fee basis is best used when all the project goals and required services are well-defined and can be mutually agreed upon during negotiation. While the lump sum fee basis may provide the highest comfort level for the owner, because costs are fixed at the outset of the project, it should be recognized that the lump sum fee must be renegotiated if the architect/engineer is required to perform additional work not included in the original scope of service, or conversely, should the original scope of service be reduced.

Hourly

Another frequently used fee structure is hourly rate. Most firms have developed a standard hourly fee rate for each of their employees by classification. Project fees are estimated by multiplying the estimated number of hours the professional will spend on the project, times the standard hourly rate. Frequently, hourly rate contracts will provide for an estimated maximum fee. Generally, the consulting architect/engineer will inform the owner when costs are approaching 75 percent of the estimated budget figure, then forecast the probable total cost. This allows the owner to examine progress and, if appropriate, to revise either the scope or the budget for the project.

Percent of Construction Cost

In this method, a percentage of the cost to construct the project is multiplied by the actual construction cost to determine the consultant fee. Fees based on the percent of construction cost method require a detailed scope of services and total project budget. If either the scope or overall project cost are changed the consultant fee is adjusted accordingly.

THE NEGOTIATION PROCESS

If the fee proposed by the consultant is more than the owner has budgeted, the two sit down together to review options for modifying the scope of services, in order to reduce the fee. The architect/engineer informs the client of any risks or problems that might result from any changes in the scope of services, and a revised fee is agreed upon. This kind of open, communicative relationship greatly enhances the odds for a successful project.

On occasion, two parties negotiating in good faith will be unable to reach a contract agreement. This happens infrequently because, by its very nature, the QBS process fosters excellent communication and understanding between the owner and architectural/engineering firm. If an impasse is reached, however, the owner should terminate discussions with the first-ranked firm and invite the firm ranked second on the short-list to enter into contract discussions.

THE CONTRACT FORM

It is standard practice today for the project owner and consultant to enter into a written contract for professional services. While some public authorities believe it is in their best interest to draft their own contract forms, generally it is wise to consider use of a standard contract form, such as those developed by the Engineers Joint Contract Documents Committee (EJCDC) or the American Institute of Architects (AIA). The EJCDC and AIA documents are widely used, have been tested in courts throughout the United States over several decades, and are generally regarded as fairly protecting the interests of the owners, the consultants and contractors.

QUALIFICATIONS BASED SELECTION IS FLEXIBLE

Qualifications Based Selection is a comprehensive process, but it need not be burdensome. In fact, the great virtue of the process is that it can be adapted to any project, large or small.

You can tailor each step in the process to meet your needs and your timetable. For instance, on a small project, the preliminary project description might be very brief, perhaps only a few paragraphs.

On projects of greater urgency, you may want to request simultaneous submission of statements of qualifications and technical proposals from a small pool of reputable firms, then proceed directly to selection, scope definition and execution of a contract. As noted previously, neither project site tours nor interviews are necessary on all projects.

The point is, QBS is a flexible, reliable process that is widely recommended because it enables you to obtain quality design services at a fair and reasonable cost. This investment in quality will save you money over the life of your project.

QUALIFICATIONS BASED SELECTION MEANS QUALITY

Our society is becoming more and more conscious of the need to build quality into everything we do and everything we produce. We have come to learn that simply paying a low price for something isn't enough; we expect to get value for the price we pay.

Dr. W. Edwards Deming, one of the fathers of the quality management initiative in American industry, said it this way in the fourth of his 14 rules for quality improvement:

“End the practice of awarding business on the basis of price tag. Instead, minimize total cost. Move toward a single supplier for any one item, on a long-term relationship of loyalty and trust.”

In a nutshell, this quotation describes the philosophy behind QBS. Engineers and architects are licensed professionals, just as are lawyers and doctors. To remain in practice, they must build long-term, trusting relationships with their clients, and this is possible only by providing high-quality service at a fair and reasonable cost.

It is said that, “Some people know the price of everything and the value of nothing.” By using Qualifications Based Selection, you can be assured of receiving true value at a fair and reasonable price, and that translates into a quality project.

FREQUENTLY ASKED QUESTIONS

What is QBS?

QBS stands for “Qualifications Based Selection.” It is a process that helps you select the highest qualified architect or engineer for your project. This process focuses on helping owners identify the design professional with the optimal qualifications and experience for the project at hand. 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 identify and contract with the architect or engineer who has the best qualifications for your specific project.*
- *QBS develops a successful and cooperative relationship between you and the architect/engineer firm.*
- *QBS benefits both you and your architect or engineer by saving time and money.*
- *QBS gets the architect/engineer on board early enough to improve project planning, minimize total project costs and enhance efficiency and effectiveness.*

Am I required to use QBS?

In the procurement of architectural and engineering services, KRS 45A.735 says a local public agency may adopt the provisions of KRS 45A.740, 45A.745, and 45A.750, which details the QBS process. If support for your project includes federal or state funds, you are required to use QBS when procuring architectural/engineering design services.

Who uses QBS?

QBS is endorsed and promoted by the American Public Works Association. QBS is also recommended by the American Bar Association in its Model Procurement Code for State and Local Governments, and is currently used by most states, numerous localities and private owners. The Kentucky Finance and Administration Cabinet, the Kentucky Transportation Cabinet, the U.S. Army Corp of Engineers and all other state boards, commissions and authorities authorized to develop capital projects use the QBS process to select architectural/engineering firms. Since 1972, with passage of the Brooks Act, the federal government requires QBS for its architectural/engineering services procurement.

How much time will QBS take?

Depending on the complexity of the project and the number of decision-makers involved, it can take from one week to five months. Generally, the larger the project and the more individuals involved in the process, the more time will be required.

1

PLANNING**THE QBS PROCESS**

- Describe your project needs and goals
 - Identify your selection committee
 - Establish a schedule for selection
 - Establish selection criteria
 - Compile a list of Architecture/Engineering (A/E) firms
 - Prepare a request for Statements of Qualifications (SOQ)
 - Distribute the SOQ requirements and keep a record of advertisement
-

2

SELECTION

- Evaluate SOQs
- Establish short-list of A/E firms
- Inform all A/E firms of selection results



If you are able to make a decision based on the submitted SOQs, you may proceed to Step 3 – Negotiation.

- Arrange a site tour
 - Conduct interviews and rank firms
 - Inform short-listed A/E firms of selection results
-

3

NEGOTIATION

- Open formal discussion with the highest ranked design professional regarding the firm's proposed technical approach to the project, project schedule, and key personnel that will be assigned to the project
- Negotiate a fair and reasonable fee based on the specific scope of services to be provided by the design firm
- Enter into contract

QBS PROCESS DOCUMENTS

PAGE

1

PLANNING

- Establish a schedule: *Schedule of Activities*.....21
- Describe your project: *Preliminary Scope of Services*.....22
- Establish selection criteria and compile list of A/E firms:
Qualifications Evaluation Criteria.....23
- Prepare a request for Statements of Qualifications (SOQs)
and distribute SOQ requests: *Request for SOQs*.....24

2

SELECTION


- Evaluate SOQs: *Qualifications Evaluation Criteria*.....23
Reference Check Form.....26
Qualifications Evaluation Summary.....27
- Establish a short-list: *Short-List Highest Qualified A/E firms*..28
- Inform all A/E firms: *Memo to Short-Listed Firms*.....29
Memo to Firms Not Selected for Interview.....30
- Arrange a site tour: *Providing a Tour of the Facility/Site*.....31
- Conduct interviews and rank:
Interviews.....32
Interview Evaluation Form.....33
Selection Committee Score Sheet.....34

3

NEGOTIATION

- Discuss scope of services with highest ranked firm
and negotiate agreement:
*Negotiate Scope of Services,
Compensation and Agreement*.....36

QUALIFICATIONS EVALUATION CRITERIA




General suggestions:

- Document all selection proceedings in the event questions arise.
- Establish a policy that you will not consider SOQs submitted after the deadline.
- Check references before you meet to determine your short-list. If possible, check references other than those suggested by the firm. (See page 26, Reference Check Form.)
- A short-list of three firms is usually sufficient.

project

firm



The items below represent general criterion for rating firms. Add to this list, depending on project needs (e.g. environmental experience if the project has extraordinary environmental concerns). Weight each category if certain items are more important to the project than others by adjusting the Best Possible Rating for each criterion.

| Qualifications Evaluation Form | | |
|--|-----------------------------|---------------|
| Criteria | Best Possible Rating | Rating |
| 1) Project interest & understanding | | |
| 2) Firm’s history and performance | | |
| 3) Firm’s ability & experience | | |
| 4) Personnel assigned to project | | |
| 5) Related project experience | | |
| 6) Reference check (Reference Check Form pg. 26) | | |
| 7) Project/Owner specific criteria | | |
| Total | | |

REQUEST FOR STATEMENT 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 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. State professional associations representing architects and engineers also publish member directories or have on-line membership listings. Allow at least 14 days for firms to submit their SOQ.

TO: _____
firm name

FROM: _____
owner/client

owner/client representative

RE: Request for Statement of Qualifications

Your firm is invited to submit a Statement of Qualifications to become eligible for an interview for A/E services for

project

owner

Attached to this memo are the following:

- 1) A list of information and materials that you should include with your Statement of Qualifications.
See following page.
- 2) A Schedule of Activities for the selection process.
See page 21.
- 3) A Preliminary Scope of Services.
See page 22.

We will arrange a tour of the facility/site, if appropriate, for firms selected for an interview. Forward your Statement of Qualifications to:

name

address

REQUEST FOR STATEMENT OF QUALIFICATIONS (cont.)

Page 2 of 2

The deadline for submission is: _____ on _____
Time *date*

Statement of Qualifications Information and Materials

- 1) Firm name, address, telephone number and contact person.
- 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) Descriptions 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
 - d) contact person
 - e) address
 - f) telephone number
 - g) firm's key personnel assigned to the referenced project

REFERENCE CHECK FORM

References checked for _____
firm name

_____ *owner*

_____ *address*

_____ *project referenced*

_____ *phone* _____ *person contacted*


What was your project? _____

When was it completed? _____

What did the firm do for you (e.g. design work, construction phase services, project budget, studies, other)?

Who was the staff person assigned to the project? _____

| Rate the following: | Rating 1-5 (5=highest) | Comments |
|--------------------------|---------------------------|----------|
| Quality of key personnel | | |
| Timeliness | | |
| Budget control | | |
| Communication | | |
| Creativity | | |
| Total | | |

 **Other project-specific rating factors may be added by the selection committee.**

QUALIFICATIONS EVALUATION SUMMARY



Use this form to compile the evaluation results of all SOQs. Enter the grand total for each firm as recorded by individual reviewers.

| Evaluation Summary Table | | | | | | | | | | |
|--------------------------|-------|---|---|---|---|---|---|---|---|---|
| Reviewers | Firms | | | | | | | | | |
| | A | B | C | D | E | F | G | H | I | J |
| 1 | | | | | | | | | | |
| 2 | | | | | | | | | | |
| 3 | | | | | | | | | | |
| 4 | | | | | | | | | | |
| 5 | | | | | | | | | | |
| 6 | | | | | | | | | | |
| 7 | | | | | | | | | | |
| 8 | | | | | | | | | | |
| Total | | | | | | | | | | |

SHORT-LIST HIGHEST QUALIFIED A/E FIRMS

To finalize your short-list, rank the firms' SOQs and select highest rated. A short-list of three firms is usually sufficient. Notify all firms of your decision.

1) **Notify the firms that you have selected them for your short-list.** Your project's size and complexity will determine whether you should conduct subsequent interviews in person or by telephone. If you decide to interview in person, the short-listed firms will need the following information:

- The date, place and time of the interviews.
- The date and time of the tour(s), when appropriate, of the facility/site.
- A list of the project issues, the interview criteria and an explanation of the scoring and selection process.
- List any feasibility studies, project program or other background information that will be made available to all short-listed firms.

A sample memo to short-listed firms is on page 29.

2) **Notify the firms you did not select for further consideration.** Because A/E firms devote considerable time and expense in preparing their SOQs, recognition for their efforts should be made. Personal contacts will also help preserve good relations with the firms you are not selecting.

A sample memo thanking participating firms for their interest is on page 30.

MEMO TO SHORT-LISTED FIRMS

TO: _____
firm name

FROM: _____
owner

RE: Interview Schedule and Requirements

Congratulations. Your firm has been short-listed for consideration to provide professional services for

project

Following is information regarding the interview process.

Each firm will have 45 minutes to present its qualifications and to answer questions. The interviewers will schedule 15 minutes between interviews for informal discussion of information presented during the preceding interview. After the interviews, the interviewers will rank the firms according to their qualifications and compatibility for the project. The firm deemed highest qualified will then enter into negotiations for a contract to provide the necessary services. If contract terms cannot be reached, the firm ranked second will be invited in for contract negotiations.

Interviews will be held on _____ at _____ .
date *location*

The order and times of the interviews are:

| | |
|---------------|-------------|
| _____ | _____ |
| <i>firm A</i> | <i>time</i> |
| _____ | _____ |
| <i>firm B</i> | <i>time</i> |
| _____ | _____ |
| <i>firm C</i> | <i>time</i> |

We have arranged a tour of the facility/site for _____ .
date and time

Please have your firm’s representative contact _____ , acknowledging attendance at the tour and at the interview.
owner’s representative

The committee anticipates making a decision and notifying short-listed firms of final rankings by

date

MEMO TO FIRMS NOT SELECTED FOR INTERVIEW

TO: _____
firm name

FROM: _____
owner

RE: Status of Selection Process for _____
project

The _____ appreciates your interest in our project.
committee or group

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 effort made preparing your statement of qualifications.

PROVIDING A TOUR OF THE FACILITY/SITE



For very large or complex projects, a tour of the project facility or site can be an important part of the selection process. Tours provide interested firms with the opportunity to obtain first-hand information about the proposed project.

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 may inhibit firm representatives from openly discussing the project and raising questions, for competitive reasons.

Depending on the complexity of your project, one-on-one tours may be appropriate, with your representative meeting with firm representatives 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. Interviews need not be conducted on relatively small or non-complex projects.

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 on page 33. You may develop other versions of this form, depending on your project's complexity.
- 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. See page 30 for a Selection Committee Score Sheet.

After completing interviews and rankings, it is customary to notify firms of the final selection decision. A sample Memo to Interviewed Firms is provided on page 35.

INTERVIEW EVALUATION FORM



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.

Project: _____

Firm: _____

Rate each firm using the categories listed below. Depending on your needs, you may wish to weight the categories by determining different Best Possible Ratings for each one. Develop a rating system in advance that your group is comfortable with. You may tailor categories as appropriate to your project.

| Interview Evaluation Form | | |
|---|----------------------|--------|
| Category | Best Possible Rating | Rating |
| 1) Project requirements Firm's analysis, preparation and interest | | |
| 2) Design approach/methodology Firm's or individual's creativity | | |
| 3) Key personnel and roles Qualifications and professional skills of key individuals | | |
| 4) Previous experience of firm Related projects | | |
| 5) Resources and abilities Quality and importance of support services | | |
| 6) Project management Project cost controls, construction observation, conflict resolution and schedule control | | |
| 7) Responsiveness to owner's concerns Firm's ability to communicate and form successful working relationships | | |
| Total | | |

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.

| Selection Committee Score Sheet | | | |
|---------------------------------|-------|---|---|
| Interviewer | Firms | | |
| | A | B | C |
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| Combined Total | | | |

MEMO TO INTERVIEWED FIRMS

TO: _____
firm name

FROM: _____
owner

address

RE: Status of Selection Process for _____
project

The _____ has completed the selection process for professional
owner
services for _____.
project

Our objective was to select the highest qualified firm to perform this service.

We have now entered into contract negotiations with _____
firm #1

On behalf of _____ 's selection committee, I would like to
owner
express our appreciation for your time, effort and interest spent on our behalf.

Sincerely,

selection committee chair

NEGOTIATE SCOPE OF SERVICES, COMPENSATION and AGREEMENT



As soon as possible after an A/E firm is selected, begin detailed discussions on the agreement for professional services. This gives you the opportunity to refine your goals, project requirements (scope of services), fees and expectations of the selected firm.

From this point on, you and the selected firm will work as a team. You should discuss the project in detail with the selected firm so that you both have a good understanding of what the project entails and what services the firm is to provide. For a major project, these discussions might require several meetings. The result of your discussions — a detailed scope of services — is the foundation of your agreement.

When you have agreed on the scope of services, the A/E firm will develop a detailed fee proposal which will serve as the basis for your fee negotiations. Common fee proposals include:

- Lump Sum
- Hourly
- Percent of Construction Cost
- Combination of above

If the proposed fee exceeds your budget, the firm can suggest modifications to the scope of services. At this time, the firm's project manager will also explain the possible ramifications of any changes to the original scope of services.

In the unlikely event that you and the selected firm are unable to reach an agreement on the scope of services and/or compensation, you should terminate discussions and begin negotiations with the second-ranked firm.

A written agreement between you and the A/E firm is important to ensure that both parties have the same expectations and understanding of the project requirements, responsibilities, scope of services and compensation. The firm may recommend using a standard form of agreement developed by either The American Institute of Architects (AIA) or the Engineers Joint Contract Document Committee (EJCDC).

These standard contract documents are widely used and accepted because they are time-tested and reflect the consensus of opinion among organizations representing facility owners, attorneys, insurance industry and contractors, as well as engineers and architects. These AIA and EJCDC standard agreements are part of a coordinated family of contract documents, which is important and beneficial to the owner.

It is advisable to involve legal counsel when finalizing the agreement and its subsequent approval by your governing board.

KENTUCKY'S QBS LAW

(<http://www.lrc.ky.gov/Statutes/chapter.aspx?id=37250>)

45A.005 Title.

This chapter shall be known as the “Kentucky Model Procurement Code.”

45A.730 Definitions for KRS 45A.730 to 45A.750.

As used in KRS 45A.730 to 45A.750, unless the context requires otherwise:

- (1) “Architectural services” means any professional service involved in the practice of architecture as defined in KRS 323.010;
- (2) “Engineering services” means any professional service as defined in KRS 322.010(4) and (5);
- (3) “Firm” means any individual, firm, partnership, corporation, or other legal entity permitted by law to practice the profession of architecture or engineering and provide the services defined in subsections (1) and (2) of this section;
- (4) “Local public agency” shall have the same meaning given in KRS 45A.345;
- (5) “Project” means any capital improvement project, study, plan, survey, or new or existing program activity of a political subdivision that requires architectural or professional engineering services;
- (6) “Qualification statement” means federal form SF254 and any other supporting documents that present a firm’s qualifications and performance data.

45A.735 Authorization for local public agency to adopt KRS 45A.740, 45A.745, and 45A.750 -- Effect of adoption -- Qualification statements.

- (1) In the procurement of architectural and engineering services, each local public agency may adopt the provisions of KRS 45A.740, 45A.745, and 45A.750. Upon adoption of these provisions, each local public agency shall:
 - (a) Establish a monetary limit; and
 - (b) Use the process set out in KRS 45A.740, 45A.745, and 45A.750 to procure architectural or engineering services for projects whose costs exceed this limit.
- (2) If any agency adopts the provisions of KRS 45A.740, 45A.745, and 45A.750, then it shall accept qualification statements from firms engaged in the lawful practice of their professions. These qualification statements shall remain on file for one (1) year from the date they are submitted.

45A.740 Procedures for proposed project requiring architectural or engineering services.

- (1) When a project requiring architectural or engineering services is proposed by a local public agency, except as provided by subsections (2) and (3) of this section, the agency shall:
 - (a) Transmit a notice requesting a statement of interest in the proposed project from all firms that have a current qualifications statement on file;
 - (b) Give adequate public notice of the proposed project, which may include posting on the Internet

- or newspaper advertisement, requesting firms to submit qualification statements and statements of interest in the proposed project; or
- (c) Contact an appropriate professional organization for a list of firms capable of providing the necessary services.
- (2) If the regulations of a federal department or agency require a procurement process that is different from the process in KRS 45A.730 to 45A.750 in order that financial aid can be granted, then the local government agency may exempt itself from the provisions of KRS 45A.730 to 45A.750.
- (3) When a local public agency has formed a working relationship with one (1) or more firms based on work previously contracted between them, then the local public agency may enter directly into negotiations according to KRS 45A.750. If no contract is successfully negotiated, then the local public agency shall comply with this section, KRS 45A.745, and KRS 45A.750.

45A.745 Criteria for evaluation of interested firms.

- (1) A local public agency shall evaluate those firms submitting statements of interest in a proposed project according to the following criteria:
- (a) Qualifications;
 - (b) Ability of professional personnel;
 - (c) Past record and experience;
 - (d) Performance data on file;
 - (e) Willingness to meet time and budget requirements;
 - (f) Location;
 - (g) Workload; and
 - (h) Any other factors that the local public agency has set forth in writing, including the reciprocal preference for resident bidders required by KRS 45A.494.
- (2) The local public agency may then conduct discussions and require interviews with firms deemed to be the most qualified according to the criteria in subsection (1) of this section. Bids for the cost of the proposed project shall not be a factor in the evaluation of firms until negotiations are begun in accordance with KRS 45A.750.
- (3) The local public agency shall select, on the basis of the evaluations done in subsections (1) and (2) of this section, at least three (3) firms that are judged to be the most qualified and rank them accordingly. If fewer than three (3) firms are judged to be qualified, then those firms that remain shall be ranked in like manner.

45A.750 Negotiation of contract.

- (1) Based on the rankings developed in KRS 45A.745(3), the local public agency shall contact the highest-ranked firm and attempt to negotiate a contract for a fair and reasonable value that takes the following into account:

- (a) The estimated value of the services needed;
 - (b) The scope and complexity of the proposed project;
 - (c) The business risk anticipated; and
 - (d) The professional nature of the services required.
- (2) If the local public agency is unable to negotiate a satisfactory contract with the highest-ranked firm, negotiations with that firm shall be terminated. The local public agency shall then go through the negotiation process with the next firm in the rankings, continuing this procedure until an agreement is reached or the list of ranked firms is exhausted.
- (3) If negotiations with all of the ranked firms fail to result in a satisfactory contract, the local public agency shall reevaluate the architectural or engineering services involved in the proposed project and proceed to comply with KRS 45A.740 and 45A.745 until a contract is successfully negotiated.

45A.800 Definitions for KRS 45A.800 to 45A.835, 45A.195, 45A.440, and 45A.695.

As used in KRS 45A.800 to 45A.835, 45A.195, 45A.440, and 45A.695, unless the context requires otherwise:

- (1) “Architect” means an architect licensed under KRS Chapter 323 or a landscape architect licensed under KRS Chapter 323A;
- (2) “Engineer” means an engineer licensed under KRS Chapter 322;
- (3) “Procuring agency” means either the Finance and Administration Cabinet or the Transportation Cabinet;
- (4) “Project” means any undertaking requiring professional architectural, engineering, or engineering-related services, except as provided in KRS 45A.100;
- (5) “User agency” means the state agency or any public supported institution of higher education, when it declines to exercise the authority granted under KRS 164A.590, that will occupy or otherwise be the primary beneficiary of a completed Finance and Administration Cabinet project;
- (6) “User division” means the division of the Transportation Cabinet that requires the procuring of engineering or engineering-related services for a project;
- (7) “Engineering-related services” means specialized professional services performed by individuals, consultants, or other organizations of recognized technical competence, education, or experience that are involved in the planning, design, construction, maintenance, or operation of Kentucky’s transportation systems or construction projects in accordance with applicable licensing statutes; and
- (8) “Firm” means an individual or other entity that offers professional architectural, engineering, or engineering-related services.

45A.803 Engineering or related services for federal highway project.

When the Transportation Cabinet provides engineering or related services for a federal highway project pursuant to 23 U.S.C. sec. 112(b)(2), the Transportation Cabinet shall follow the process established in KRS 45A.800 to 45A.835 as the only alternative to the process established in federal law.

45A.805 Legislative findings of policy.

- (1) The General Assembly finds and declares it to be the policy of the Commonwealth of Kentucky to:
- (a) Insure the fair and equitable treatment of all firms interested in providing architectural, engineering, or engineering-related services to the Commonwealth;
 - (b) Announce publicly all requirements for architectural, engineering, and engineering-related services; and
 - (c) Award a contract for architectural, engineering, or engineering-related services to the best firm, qualified to perform the work on a project, on the basis of demonstrated competence and qualification for the type of professional services required and at fair and reasonable prices.

NOTES

QBS in Kentucky.
www.QBS-KY.org