



NEW HAMPSHIRE MUNICIPAL ASSOCIATION

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Qualifications Based Selection (QBS) for Design Professionals

Presented by:

*New Hampshire Qualifications-Based Selection
(NHQBS) Coalition*

July 20, 2016

How to Participate Today

Open and close your Panel

Submit text questions

- Couple of poll questions for your entertainment today
- Q&A addressed at the end of today's session

The screenshot displays the GoToWebinar interface. At the top, there is a menu bar with 'File', 'View', and 'Help'. Below it, the 'Audio' panel is visible, featuring a 'Panel' icon (a right-pointing arrow) and a 'Questions' icon (a hand with a question mark). Red arrows point from the text instructions to these icons. The 'Audio' panel includes 'Audio Mode' options: 'Use Telephone' (unselected) and 'Use Mic & Speakers' (selected). Below this is a 'MUTED' status indicator with a speaker icon and a volume level bar. A 'Send' button is located at the bottom right of the 'Questions' panel. The bottom of the interface contains a promotional banner for 'Start Holding your Own Web Events with GoToWebinar' and the 'GoToWebinar' logo.



Today's Agenda

What is the NHQBS Coalition and Why Owners Should Use It?

Representing the Coalition:

**Nick Cricenti, P.E. of SFC Engineering Partnership
(NH Section of American Society of Civil Engineers)**

&

**Bill Straub, P.E. of CMA Engineers, Inc.
(NH Society of Professional Engineers)**

Who and What is the NHQBS Coalition?

- *Organizations of NH Design Professionals*
 - **Architects, Engineers, Surveyors, Landscape Architects** -
 - *formed the **NHQBS Coalition** in 1994 to educate and promote the use of **Qualifications Based Selection** for design professionals.*
- The coalition now includes:
 - **American Council of Engineering Companies - NH**
 - **American Institute of Architects - NH**
 - **Granite State Landscape Architects**
 - **NH Section of American Society of Civil Engineers**
 - **NH Society of Professional Engineers**
 - **Structural Engineers of NH**
 - **NH Land Surveyors Association**



Question: What is the point of Qualifications-Based Selection (QBS)?

Answer: (in a metaphor)

If you required major surgery, or had an important legal problem –

Would you:

A) Send out for bids for low-cost doctors or lawyers?

or

B) Seek a professional relationship based on capabilities, experience, and trust?



The same applies for design professionals

- Design and construction projects can be complicated.
- Public owners make significant investments in projects of all types:
 - Buildings;
 - Utilities;
 - Site development;
 - transportation infrastructure;
 - Many others.

→ Maximizing project value is often an Owner's prime objective.



There are many types of Owners of Capital Projects requiring design professionals:

Public Sector-

- Municipalities
- Utility districts
- School districts
- Federal, State or County governments

Private Sector-

- Corporations
- Individual proprietors
- Condominium or homeowner associations



Owner's value is maximized when design professionals are selected based on capabilities, experience, and trust.

Remember the metaphor of choosing a doctor or lawyer?

→ Choosing a design professional includes the same considerations.



Name the city or town that is identified as "Spacetown" by nickname or motto?

1. Dover
2. Derry
3. Durham
4. Dunbarton



Why not just “bid” professional design services and get the lowest cost?

- With “Bidding” of design services there is often a disconnect between an owner’s expectations and the services actually proposed.
- ***Owner does not control the scope and costs.***



Why not just “bid” professional design services and get the lowest cost? (continued)

- Bidding encourages market forces that often result in the least effort being proposed for design. **Bidding does not encourage design for best long term project value.**
- **Design services are a small fraction of a project’s total cost (typically much less than 10%) yet determine all subsequent aspect of project costs. Least cost design usually lowers overall value.**
- Total project costs include much more than design:
 - Construction
 - Long term O&M
 - Energy costs



The Alternative to Bidding: Maximize Project Value using QBS

- **QBS** is the best way to get maximum project value over its life cycle;
 - **QBS** allows the **Owner** to retain the best design professionals, with the best ideas, project understanding, experience, and professional rapport with the owner;
- **With QBS, the Owner maintains maximum control over how a project is planned, designed, constructed, and operated.**



Key Steps in the QBS Process

- 1. Owner issues a Request for Qualifications (RFQ)** for professional design services. The RFQ will present the project, it's requirements and objectives, requirements for responses, and outline of selection criteria;
- 2. Design professionals submit qualifications packages** outlining experience, capabilities, personnel, as well as project understanding and approach;
- 3. Owner Interviews most favorable firms** based on submittals (typically 2-4);
- 4. Owner ranks firms;** selects of top ranked firm;
- 5. Owner enters negotiation** of project elements, scope, costs, and contract with the selected firm.
- 6. If contract is not successfully negotiated, Owner chooses** to go to next ranked firm.



Key Steps in the QBS Process (continued)

- The final scope, and therefor the costs, for services are developed jointly between the **Owner** and designer.
- The **Owner** chooses elements of long term project value, with collaboration and input of the design professional.
- Most professional design firms have similar cost structures. Design costs are largely a function of the **time and effort** committed to the project; as well as the costs of supporting disciplines.



Essential Features of QBS

- QBS focuses on interests of the **Owner**. Owners are best assured that they are provided with the right capabilities and project approach, responsiveness, good communication, mutual trust, management, quality control, and design excellence; all focused on their project.
 - QBS allows the **Owner** and Design Professional to evaluate alternative project approach ***prior to finalizing them***, to choose the best combination of scope and costs.
 - QBS recognizes cost as an essential part of selection of a Design Professional, and balances cost with all other aspects of the Owner-Design Professional relationship, and the range of services to be completed.
- ➔ If design costs are the “driver” for selection (as with bidding), the collaborative process described above is discouraged or prevented. This is not in either the **Owner’s** or Design Professional’s interests.



Name the city or town that is identified as "Garrison City" by nickname or motto?

1. Dover
2. Dublin
3. Durham
4. Dunbarton





- About N.H.Q.B.S
- Members & Supporters
- The Q.B.S. Process
- Industry Links
- News & Information
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About NHQBS

If You Bid Professional Services Consider...

- The low bidder is often the one who proposes to provide the least service, not the firm with the best approach or qualifications.
- You may need assistance defining your need for services.
- A failure to clearly define your needs may result in a disparity between the bid and the contracted services.

QBS has been required by law for all Federal Projects since 1972. In addition, the law requires that all State Agencies use QBS. Numerous other organizations use QBS because it works. In addition, the QBS process is included in the Association's Model Procurement Code for State and Local Government.

What is QBS?

Qualifications-Based Selection (QBS)... a quality investment which will save money over the life of a project. It's a process which provides a fair and equitable way of enabling you to obtain the services of qualified architects, engineers and other professionals on professional qualifications, at a fair and reasonable cost.

Why use QBS?

QBS has been required by law for all Federal projects since 1972. In addition, the law mandates that all State Agencies use QBS. Numerous other organizations use QBS because it works. In addition, the QBS process is included in the Association's Model Procurement Code for State and Local Government.

- American Institute of Architects New Hampshire Chapter (AIA)
- New Hampshire Society of Professional Engineers (NHSPE).
- American Council of Engineering Companies - New Hampshire
- American Society of Civil Engineers New Hampshire Section (ASCE)
- Structural Engineers of New Hampshire (SENH).
- New Hampshire Land Surveyors Association (NHLSA).

HELP?

The Q.B.S. Forms

Model forms are offered to assist in the selection process. They may be customized based on the size and scope of the project.

- [1. Preliminary Scope of Services](#)
- [2. Schedule of Activities](#)
- [3. Request for Letters of Qualifications](#)
- [4. Requirements for Letters of Qualifications](#)
- [5a. Letters of Qualifications Evaluation Process](#)
- [5b. Letters of Qualifications Evaluation Process - Tally Sheet](#)
- [6. Reference Check Form](#)
- [7a. Memo to Firms Not Selected for an Interview](#)
- [7b. Memo to Firms Selected for an Interview](#)
- [8. Interview Process: Issues & Score Sheet](#)
- [9. Group Interview Evaluation Form](#)
- [10. Memo to Firms After Interview](#)

[DOWNLOAD ALL FORMS](#)

New Hampshire QBS Coalition
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www.nhqbs.org

QUALIFICATIONS – BASED SELECTION

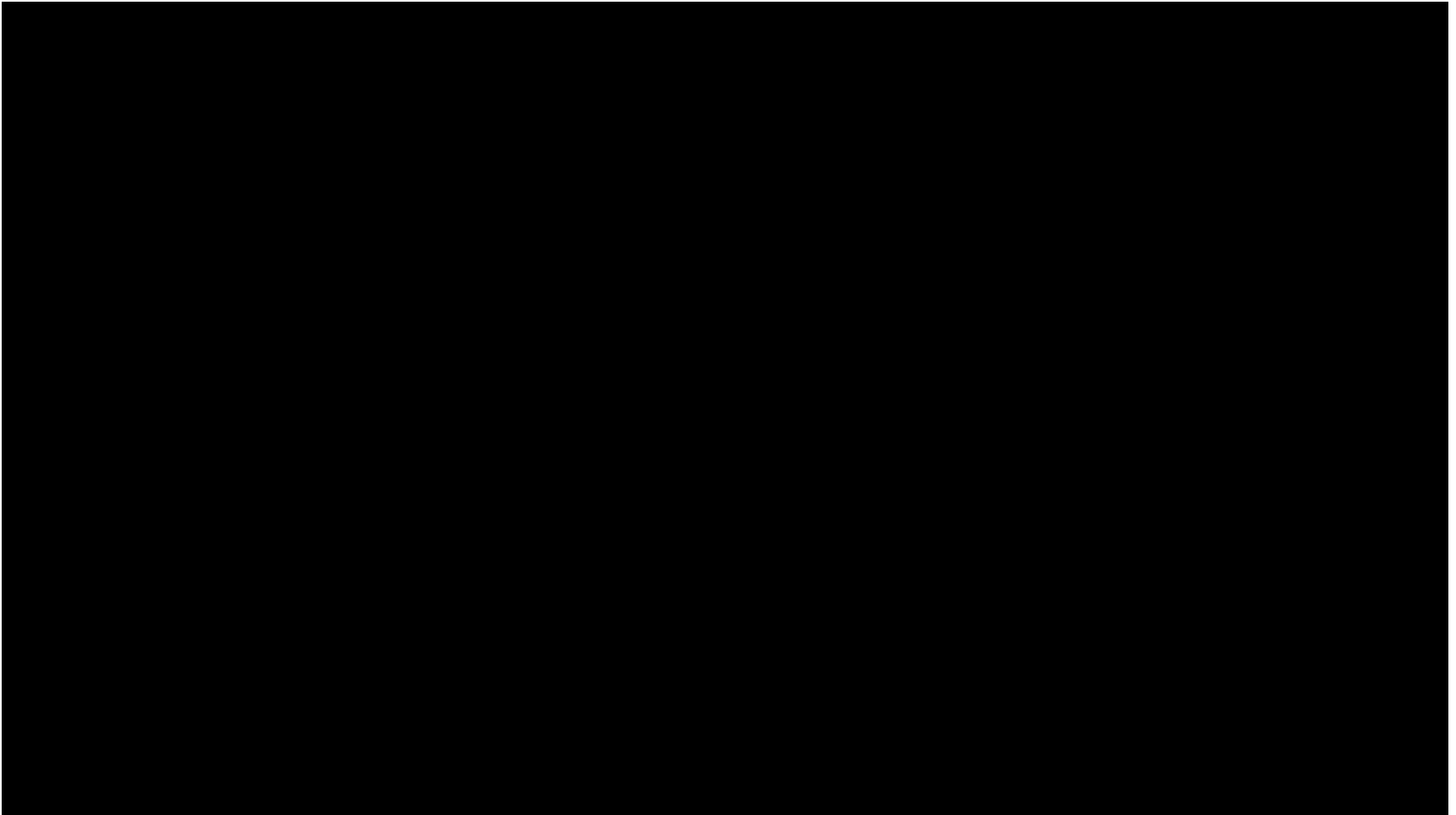
QBS: A Guide for Selecting an Architect or Engineer *For Public Owners*

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A short video prepared by ACEC of British Columbia, CA:
(It makes many of the points we have discussed today)



Why use QBS?

- ***The competence and quality of professional services*** is critical in determining overall project quality, construction costs, and life cycle costs;
- ***QBS*** aligns owner and design professional ***for benefit of Owner***;
- ***Relying on bids, regardless of Owner's intent,*** limits creativity and total project value;
- ***The Owner has maximum control*** of project quality and project costs when QBS is used. Scope and cost decisions remain the Owner's to make throughout project development;
- ***The most effective professional relationships for Owner*** are best assured with QBS.



The Federal Law

- The **Brooks Act** is a [United States federal law](#) passed in 1972 that requires that the U.S. Federal Government to select [engineering](#) and [architecture](#) firms based upon their competency, qualifications and experience, rather than by price.
- **Brooks Act therefore requires application of the QBS Process as outlined in today's discussion.**

The NH State Law

- In New Hampshire, RSA 21:I requires that all State Agencies use QBS for procurement **by the State agencies** of professional design services.
- For municipal projects using State and/or Federal Funding, **most regulatory agencies require QBS as a condition for funding.**

Local Municipal Procurement Policies/Ordinances

- May be barriers to application of QBS.
- Sometimes combine professional services with providers of materials or construction.
- For advantages of QBS to be possible, municipal ordinances may need to be modified to provide for this method of procurement.

Endorsements

- **QBS is endorsed by The APWA**
- The QBS process is included in the **American Bar Association's Model Procurement Code** for State and Local Government



Summary- Why QBS?



The competence and quality of professional services are critical in determining overall project value, including

- Quality,
- Construction costs, and
- Life cycle costs;

The Owner has maximum control of project quality and project costs when QBS is used. Scope and cost decisions remain the Owner's to make throughout project development.

Simply put:

When QBS is used, ***Project Value*** is maximized, and that's in the ***Owner's*** interests

Questions and Comments



Presented by:
The NH
Qualifications -
Based Selection
(QBS) Coalition



PROD.

COMING ATTRACTIONS

August 17

**Federal Overtime Rule and
Municipal Governments**

VENUE

www.nhmunicipal.org



Budget & Finance WORKSHOP

Tuesday, September 20
Puritan Conference & Event Center,
Manchester, NH

Tuesday, September 27
Attitash Grand Summit Hotel,
Bartlett, NH

9 a.m.— 4:30 p.m.

Cost: \$80

Continental breakfast & lunch provided.

Attendees will receive a copy of NHMA's 2015-2016 edition of
The Basic Law of Budgeting: A Guide for Towns, Village Districts, and School Districts, including the 2016 Supplement!

Understand the Municipal Budget Process

This full-morning session will walk attendees through the municipal budget process focusing on appropriations, separate v. special warrant articles, amendments, transfers, "no means no," lapses, multi-year contracts, unanticipated revenue, financing options, and estimating appropriation and revenue impacts on the tax rate, among other topics. In addition, the presenters will address the role of official budget committees and specific requirements for SB 2 towns and districts.

Presented by: Stephen Buckley, NHMA Legal Services Counsel, Margaret Byrnes, NHMA Staff Attorney and Barbara Reid, NHMA Government Finance Advisor

You Have Questions? We have Answers!

This always popular Q&A session will provide answers to your burning budget questions as well as inquiries posed by other participants. So bring those gnawing budget questions to the NHMA panel of experts. We'll do our best to answer on the spot, and if we can't (which happens on rare occasions) we promise to follow up with you after the workshop.

Presented by: Stephen Buckley, NHMA Legal Services Counsel, Margaret Byrnes, NHMA Staff Attorney and Barbara Reid, NHMA Government Finance Advisor

Budget Comparisons Made Easy

Ever wonder how your public safety budget compares with other municipalities your size? Or the 10-year history of your own public works appropriations or motor vehicle registration revenue? How does your year-end fund balance as a percentage of property tax revenue compare to municipalities across the state? This session will offer easy answers to these types of questions and other budgetary comparisons through the use of the NH Public Finance Consortium's redesigned data model.

Sponsored by: NH Government Finance Officers Association

Presented by: David Salzer, Principal and Justin Lowe, Director of Operations, Axiomatic, LLC

"A Little Help from My Friends"

It's always nice to have friends willing to donate or bequeath money for specific municipal projects or help raise money for other municipal purposes. But there are special laws regarding the custody, control and regulation of these gifts including legal and fiduciary responsibilities for Trustees of Trust Funds, Library Trustees and Cemetery Trustees. This session will address the special rules for properly administering these private funds used for public purposes.

Presented by: Terry Knowles, Assistant Director, NH Department of Justice, Charitable Trust Unit

Register online at www.nhmunicipal.org under Calendar of Events

Questions? Call 800.852.3358, ext. 3350, or email NHMAregistrations@nhmunicipal.org



Save the Date!

75th New Hampshire Municipal Association Annual Conference

Wednesday and Thursday, November 16-17, 2016
The Radisson Hotel - Manchester, NH



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Celebrating Seventy-Five Years
of Service to Your Hometown



**Visit NHMA's Anniversary Webpage:
www.nhmunicipal.org/anniversary**





*for attending
our webinar
presentation
today!*

Mission Statement

The New Hampshire Municipal Association non-profit, non-partisan association working strengthen New Hampshire cities and towns their ability to serve the public as a member-funded, member-governed and member-association since 1941. We serve as a resource information, education and legal services. NHMA is a strong, clear voice advocating for New Hampshire municipal interests.

