

QBS

(Qualifications-Based Selection)



*Frequently
Asked
Questions*

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1 What is QBS?

QBS is the acronym for Qualifications-Based Selection, a method of procuring professional architectural and engineering (A/E) services that makes relevant qualifications and experience the paramount basis for selection. It is an accepted, time-tested, fair, and equitable method of selecting design professionals that replaces bidding and results in the best overall value for the project.

Where did QBS come from?

The US Congress has long recognized the merits of competitive selection based on qualifications by requiring A/E services [for federal projects] be selected on the basis of competence and unique abilities. It was in the best interest of the taxpayers. In 1972, the US Congress established **US Public Law - 92-582 referred to as the "Brooks Act"**, which states that *"The Congress hereby declares it to be the policy of the Federal Government to publicly announce all requirements for architectural and engineering services and to negotiate contracts for architectural and engineering services on the basis of demonstrated competence and qualifications*



The General Mitchell International Airport Parking Structure Addition project in Milwaukee used the QBS process. It won an ACEC WI Engineering Excellence Award in 2004.

1 What is QBS?

for the type of professional services required and at fair and reasonable prices."

Forty-six states and numerous local governments have followed the lead of the federal government requiring procurement of A/E services based on Qualifications-Based Selection.

How does Qualifications-Based Selection work?

The QBS process can be summarized in four steps:

- (1) The owner determines it needs A/E services for a project and invites interested firms to submit their qualifications and experience.
- (2) The owner reviews and evaluates the submissions and either selects an A/E firm or a short list of A/E firms.
- (3) Personal interviews may be conducted with these A/E firms to discuss their philosophy and approach to the project.
- (4) The owner ranks the firms and invites the top firm to negotiate a formal agreement. During negotiation, the scope of the project is further defined. If an agreement cannot be reached, which is unusual, the owner negotiates with the next highest rated firm.

The cost of A/E services is a factor in procurement, just not the only factor.

2 Why use QBS?

Selecting design professionals is a key component to a successful project. The design team's performance will influence the entire course of the project - financial, feasibility, public response, design, functional efficiency, construction costs, and maintenance costs during the project's life. It is in the best interest of the public to retain professionals that are hired based on qualifications, not price.

Cheap design is expensive. Studies have shown for a typical public works project the costs, over the life of the facility, are 99% for operation, maintenance, and construction costs, and 1% for design costs. This demonstrates that if the "best-qualified" designer were able to reduce the long-term O&M and/or construction costs, it would be well worth any small increase in design fees.

I have been very pleased with the QBS process. The proposals I receive allow me to understand each firm's capabilities and compare the value that each will provide. Because price is not the only criteria I am able to select a firm that best satisfies the requirements of the project for the least cost.

Roy Simonson, PE
Director of Public Works
City of De Pere

3 *What are the benefits of QBS?*

- It reduces overall costs. The owner's time and money is saved through an organized approach. Involving the design team early in the project improves the design phase and can eliminate costly errors and re-design.
- It produces a better quality project based on the owner's needs and goals. This process fosters innovative, creative, cost-saving, and timesaving approaches to problems. It makes sure that project expectations are clear and minimizes long-term maintenance and repair costs.
- It allows a fair and open competition. QBS uses a uniform set of criteria and information shared equally with interested or invited A/E firms.
- It provides a defensible step-by-step process. This provides the owner with a written record to verify that a fair and open selection process was followed. It also allows the owner to select the highest qualified A/E firm based on qualifications specific to the needs of the project.
- It safeguards public interest by allowing the owner to focus on qualifications to achieve the owner's requirements, which will lead to a successful and cost effective construction project rather than just the lowest design cost.
- It allows the owner to maintain control of the design process. The selection of the A/E firm is based upon qualifications. The fee is negotiated. It gives the owner and A/E firm the chance to define the project scope and to add or subtract options so that the owner's expectations can be met.

QBS is unlike the "bidding" process that requires the A/E firm to only provide the narrow definition of services required in the bid document. With bidding, there is no ability for the owner to be assured the most cost effective solution will be developed. Bidding discourages the design professional from looking at alternatives and "thinking out of the box." Instead the quickest and easiest design answer will be used to minimize design time. The consequence is a design based only on basic standards without concern for construction cost and, more importantly, maintenance and life cycle costs, resulting in the owner not knowing the difference until it's too late.

The QBS system was a great solution for our recent selection process. The QBS Workbook provided us with the "nuts and bolts" of an excellent procedure for selecting the right firm for our planning projects. We were more than pleased with the system, as the firm we selected was truly the best choice. We (I) consistently recommend the process to other managers responsible for preparing RFPs.

Again, QBS is a great system! We will definitely use it again.

Tim Krueger
Village Manager
Village of Maple Bluff

4 *Is the competition fair?*

Is QBS consistent with competitive procedures?

Yes, the concept that public procurement should be on a competitive basis is fully met by QBS and negotiation procedures. It is highly competitive among the firms seeking the assignment. Congress' 1984 Competition in Contracting Act explicitly includes procurement of A/E services under the Brooks Act.

Does this process inhibit competition?

Not at all. It simply focuses competition for professional services on the most meaningful factors for the specific project: qualifications, competence, previous performance, and availability.

Does QBS eliminate price competition?

Not at all. Price is always a factor. The difference is price comes into play later in the selection process, after the highest technically ranked A/E firm is selected and the scope of work is fully defined.

Does bidding for A/E services create more competition?

No, the opposite is true. Many of the more qualified firms are not willing to "bid" on projects. Quality-oriented firms are far more interested in QBS opportunities, in part, because they can present their best ideas to save the owner money and find approaches to improve the projects.

Does QBS give small firms a fair chance?

Yes, QBS encourages competition based on a firm's ability to

perform a job. A small firm has the same opportunity to match its design team's experience against a larger firm for the project. The skills, experiences, and specialization of a firm and individuals are considered, not merely the number of employees.

What happens if the owner and A/E firm cannot agree on the fee?

The owner is not obligated to contract with the top ranked firm if the two parties cannot agree on the tasks and money. The owner is never required to pay more than it can afford or has budgeted. The owner can simply move to the next firm on the list.

QBS means the owner can negotiate a fair and reasonable price for services. Price is negotiated after the selection of the most competent, qualified professionals. Most importantly, it means our buildings, bridges, roadways, and wastewater treatment facilities will be designed in the most competent and cost effective manner, not only for today, but also for the future.

The QBS process was extremely thorough. We felt very confident using QBS to select an engineering firm for our sewage treatment plant upgrade. The information and forms were easy to use and helped us make sure that "no stone was unturned."

QBS was the right way to go. The Village is very pleased with our selection. We will definitely use the process and the services of the QBS Wisconsin program, again!

Joel Yaeger
Utility Superintendent
Village of Wittenberg

5 *Who uses QBS?*

QBS has long been recognized as the process that best serves the public interest throughout the nation and in many parts of the world.

- The State of Wisconsin procures A/E services through the QBS process (Wis Adm 20).
- Transportation projects with federal funding require QBS selection of design firms.
- Wisconsin municipalities and counties voluntarily use QBS, recognizing the influence on the entire project cost and outcome.
- The American Public Works Association, a professional association of public agencies, endorses QBS.
- QBS is included in the American Bar Association's model procurement code for state and local governments.
- Private owners use QBS, realizing it generates quality construction documents and realistic contractor bids.

These varied decision makers know QBS projects put the proper emphasis on public health, safety, and quality of life. Taxpayers benefit because QBS fosters the development of innovative, cost-effective design solutions at a fair market value. This consistently results in lower overall project costs; the minimization of delays, cost overruns and litigation; and reduced operating and ownership costs over the life of the project.

The Trinity Creek Wetland and Stream Enhancement project in Mequon used QBS. It won an ACEC WI Engineering Excellence Award in 2005.



6 Why legislate QBS?

- To clarify a confusing situation. It is a common misconception for Wisconsin public owners to believe A/E services must be bid. Professional services related to public works projects should not be confused with construction contractors' work, which typically must be publicly bid. In fact, the League of Wisconsin Municipalities includes information on its website clarifying A/E services do not have to be bid.

Your QBS system is great. We followed the suggestions in the workbook to the letter in selecting the architect to design our new office & visitors' center. It made the entire process work smoothly, kept us on track and made sure we didn't forget anything. It was especially helpful for our Building Committee members, none of whom were experienced in selecting professional services for a project like this.

Our facility opened on September 17th. The QBS process resulted in an excellent choice in architects and, more importantly, a fantastic finished project. We encourage everyone to stop by and see our new Center!

Glenn Brill
Executive Director
Fond du Lac Area Convention &
Visitors Bureau

- To provide value and save Wisconsin taxpayers money. The Department of Administration understands the value of QBS. Wisconsin Adm Chapter 20 specifies A/E services shall be selected using a Qualifications-Based Selection. Forty-six states have passed legislation calling for the use of QBS to hire design professionals and the American Bar Association endorses QBS in its *Model Code for State and Local Government*.

7 *Where can I find more information?*

Visit the following websites for helpful resources and reference material.

QBS Wisconsin website

www.qbswi.org

American Council of Engineering Companies of Wisconsin (ACEC WI)

www.acecwi.org (608) 257-9223

American Institute of Architects of Wisconsin (AIA Wisconsin)

www.aiaaw.org (608) 257-8477

League of Wisconsin Municipalities

<http://www.lwm-info.org/legal/faq/faq5.html#4>

The Interstate 894 resurfacing project in Milwaukee County used QBS. It won an ACEC WI Engineering Excellence Award in 2005.



8 The QBS Process

1 Planning

- 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



If you already have a relationship with a firm and determine the firm meets the criteria for your project, you may proceed to step 3, negotiation.

- Prepare a request for Statements of Qualifications (SOQ)
- Distribute the SOQ requests

2 Selection

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



If you are able to make a decision based on SOQ, 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

- Discuss approach, schedule and resources with highest ranked firm
- Negotiate fee, terms and conditions

The cities that I have worked for have procured professional engineering services using various methods over the years, ranging from competitive priced proposals to QBS. The QBS system, when used, has resulted in a better understanding by all the parties involved with respect to the project scope, work effort required and how the compensation was established. We have found QBS to be beneficial on those projects where the work scope is difficult to define, such as studies, project development and preliminary engineering analysis that require a significant amount of public participation to arrive at an ultimate decision.

Brian Amundson
Director of Public Works
City of Eau Claire

Contact us:

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QBS resources are offered as a public service by:



1-800-ARCHITECT

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