

QBS Q&A

1. Question: If the short list is composed of three to five firms that are each capable of providing the services, why not ask for a price from each? If the top three ranked firms receive virtually the same score from the interview or technical proposal, why not ask for a price from each or just the top two? If all of the firms on the short list are quality firms with good reputations, why not ask for a price from each?

These are all the same question. It can be restated as “If qualifications are equal, why not use price as the determining factor in selection?”

Answer: When firms compete on the basis of price, no matter what their qualifications, they will cut scope to get the work. Cutting scope simply means less services to the owner. This results in more conservative designs, less innovations, higher potential for change orders, higher construction costs, delays, and more risk for the owner.

2. Question: As a Public servant with fiduciary responsibilities and not trained in architecture or engineering, how do I know that the AE is offering an appropriate fee for these services without a price comparison?

Answer: There are several ways to determine that a proposed fee is fair and reasonable. Most of the larger public agencies employ experienced design professionals on their staff that can negotiate the scope and fees on your behalf. They will review the scope, manhours, rates and other costs and compare them to similar projects. Those that do not employ staff AE's, might seek advice from other jurisdictions. Most importantly however, is the frank discussion with the selected AE. Second only to public safety dictated by his profession, the AE's business interests include building trust with clients to create future opportunities. Most firms do over 85% of their business with repeat clients. This means that overpricing work is contrary to his business interests.

And finally, you do not have to buy his services. The QBS process provides the opportunity to terminate negotiations with the first ranked AE and negotiate with the second ranked AE.

3. Question: Can an Owner negotiate with two AE's at the same time?

Answer: This is bidding. When the AE knows or suspects that he is placed in a position of price competition, he will look for ways to reduce the scope and offer minimum services. You will then make him put his business interests before your interests. You get the best value from the AE when he is permitted to focus on your interests. The QBS process is the best mechanism for this to occur.