76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session MEASURE: HB 3316 A CARRIER: Rep. Doherty

House Committee on Business and Labor

REVENUE: No revenue impact FISCAL: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 8 - 0 - 0

Yeas: Conger, Doherty, Esquivel, Hoyle, Johnson, Matthews, Kennemer, Schaufler

Nays: 0 Exc.: 0

Prepared By: Theresa Van Winkle, Administrator

Meeting Dates: 3/21, 4/13, 4/18

WHAT THE MEASURE DOES: Adds photogrammetric mapping and transportation planning to the list of services subject to procedures for contracting with architects, engineers, and land surveyors. Modifies the usage of Qualification-Based Selection (QBS) in selecting consultants to provide architectural, engineering, photogrammetric mapping, transportation planning, or land surveying services. Clarifies that a contracting agency can adjust procedures to accommodate the scope, schedule or objectives for a particular project if the estimated cost for services does not exceed \$250,000, and may directly appoint a consultant if the estimated cost for services on a project does not exceed \$100,000. Establishes an operative date of January 1, 2012. Allows the Department of Administrative Services, Attorney General, and contracting agencies subject to the state's model Public Contracting Rules to take any action on or before the measure's operative date necessary to enable to exercise the measure's provisions. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Overview of and rationale behind using the Qualification-Based Selection (QBS) process
- Quantification of "best price"
- Background of current QBS statute in the state's Public Contracting Code
- Local government entities that currently use QBS
- Requirement for Department of Transportation to use QBS for architectural and engineering services when federal funds are used on a project

EFFECT OF COMMITTEE AMENDMENT: Adds photogrammetric mapping and transportation planning to portions of ORS chapter 279C. Changes terminology of "photogrammetry" to "photogrammetric mapping." Establishes definitions for "photogrammetric mapping," "photogrammetrist," and "transportation planning services." Establishes that such procedures may be adjusted to accommodate the contracting agency's scope, schedule or objectives for a particular project if the estimated cost of services does not exceed \$250,000, and may directly appoint a consultant if the estimated cost for services on a project does not exceed \$100,000.

BACKGROUND: Qualification-Based Selection (QBS) is a method used by government agencies, and codified in federal law, to select architectural and engineering services for public projects. The focus of QBS is essentially two-tiered; potential consultants compete based on their level of experience and technical expertise first, and the price for services is negotiated following the selection of a firm and before the contract is finalized. Current statute requires QBS to be used for all architectural, engineering or land surveying projects if the services contract is issued by a state contracting agency. However, the QBS process is only required on similar projects of local contracting agencies if they receive moneys from the State Highway Fund or a grant or loan from the state that will be used to pay for any portion of the design and construction of the project, the total amount of any grants, loans or moneys from the State Highway Fund and from the state for the project exceeds 10 percent of the value of the project, and the value of the project exceeds \$900,000.

House Bill 3316-A expands the usage of QBS by removing the current statutory thresholds for local contracting agencies to use the process, and also establishes specific information related to price that is to be considered, such as the number of hours proposed for the service, expenses, hourly rates, and overhead. The measure also clarifies when a contracting agency can use an informal selection process or direct appointment of a consultant.

House Bill 3316-A also adds photogrammetric mapping and transportation planning to the list of professional services in the state's Public Contracting Code chapter related to architectural, engineering, land surveying and related services (ORS 279C). Photogrammetry is the science of making reliable measurements by the use of photographs, such as aerial photographs, and is used in different fields such as topographic mapping, architecture, engineering and geology. Transportation planning services are projects that require compliance with the National Environmental Policy Act (NEPA), such as environmental impact statements, environmental assessments, and categorical exclusions.