

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	5 - 0 - 1
Yeas:	Girod, Monroe, Starr, Thomsen, Beyer
Nays:	0
Exc.:	Edwards
Prepared By:	Patrick Brennan, Administrator
Meeting Dates:	3/21, 4/4

WHAT THE MEASURE DOES: Allows contracting agency to directly appoint consultant to provide architectural, engineering, photogrammetric mapping, transportation planning or land surveying services if the estimated value of the services is less than \$100,000. Prohibits contracting agency from using consultant's pricing policies and proposals or other pricing information as basis for direct appointment. Becomes effective January 1, 2014. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Purpose of direct appointment of architects and engineers
- Suggestion that local governments are using price as selection criterion
- Ways that price can be used to determine qualification
- House Bill 3316 (2011)

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Public procurements for engineering, architectural and other related technical services are typically done through a process referred to as "qualifications-based selection," or QBS. Unlike the selection process for other types of public procurements, QBS typically does not consider price when making the initial selection of the best or most appropriate provider of the professional services required, though fees are generally negotiated prior to contracting. QBS was developed for these creative types of services that cannot always be fairly priced before the creative process takes place; for example, an engineer would have difficulty submitting a bid for service when part of his or her cost will be determined later in the process. Also, lowest cost is generally a less effective method for selecting a service provider in areas where quality and professional creativity are the services being sought. For procurements on contracts with an estimated value of less than \$100,000, contracting agencies may also directly appoint a consultant for these services.

Senate Bill 644 modifies provisions within ORS 279C.110, which allows a direct appointment of a consultant in cases where the estimated cost of engineering, architectural, photogrammetric mapping, transportation planning and land surveying services are not expected to exceed \$100,000. The measure clarifies that a consultant that is directly appointed in such cases may actually provide these services.