

SB 382 STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

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Meeting Dates: 3/1

WHAT THE MEASURE DOES:

Increases, from \$100,000 to \$500,000, the threshold contract price at which a contracting agency is allowed to directly appoint an architect, engineer, photogrammetrist, transportation planner or land surveyor. Becomes effective January 1, 2018; takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

[-1 amendment] Defines "price of a consultant's service". Creates provisions for a prequalification process for proposal submission. Allows for direct appointment of professional in an emergency or if estimated cost of services does not exceed \$100,000.

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, for architectural, engineering, photogrammetric, transportation planning or land surveying services. 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.