

---

**From:** Patrick Keller <pkeller@dowl.com>  
**Sent:** Monday, February 26, 2018 1:08 PM  
**To:** SGGA Exhibits  
**Subject:** HB 4127-A Testimony

To whom it concerns:

I understand that the committee is considering changes to Oregon's Qualifications Based System (QBS) rules via HB 4127-A. As an employee of engineering and construction firms for the past 13+ years, I have seen first-hand the importance of basing decisions on the providers' qualifications, and the positive effect it can have on long-term performance of public works projects.

While it may *appear* to save money on the front end, making decisions based on price all too often requires firms to take shortcuts that result in expensive change orders (price increases as work progresses), increased life-cycle costs, and reduced performance and/or safety down the road. In short, decisions based on price miss the big picture by focusing solely on up-front savings.

Furthermore, this change would severely harm the ability of small and emerging businesses to compete, as larger firms would be able to undercut these businesses, and make up the difference through the techniques already mentioned (change orders, cost-cutting measures), as well as outsourcing or other non-competitive practices.

When decisions are based on qualifications and past performance, on the other hand, I have seen companies produce incredible work and collaborative develop opportunities for savings that rival or even surpass gains from lowest-price efforts. One QBS-based ODOT project at my previous employer to improve bridge clearances in Marion County saw the team develop concepts for bridge lowering/road raising that not only created tremendous cost savings, but also shortened the proposed schedule, and utilized a groundbreaking new approach for differential bridge elevation (raising the bridge by different amounts on each side). I sincerely believe that results like these would become more and more rare if cost considerations were foremost in decisions, and cost overruns more and more common.

Indeed, most contractors relying on bids require firms to produce sufficient qualifications before considering those bids. Why should public agencies eliminate this level of protection?

**Please** stop this bill before it can do harm to Oregon's public works and the vibrant business community that works to produce them. Thank you.

**Patrick K. Keller**  
Proposal Manager

**DOWL**  
971.280.8641 | office  
971.280.8662 | direct

720 SW Washington Street, Suite 750  
Portland, Oregon 97205

who we are | what we do  
[www.dowl.com](http://www.dowl.com)