

# The Best Practice: Selecting a Professional Consultant





ASSOCIATION OF CONSULTING ENGINEERING  
COMPANIES | **NEW BRUNSWICK**

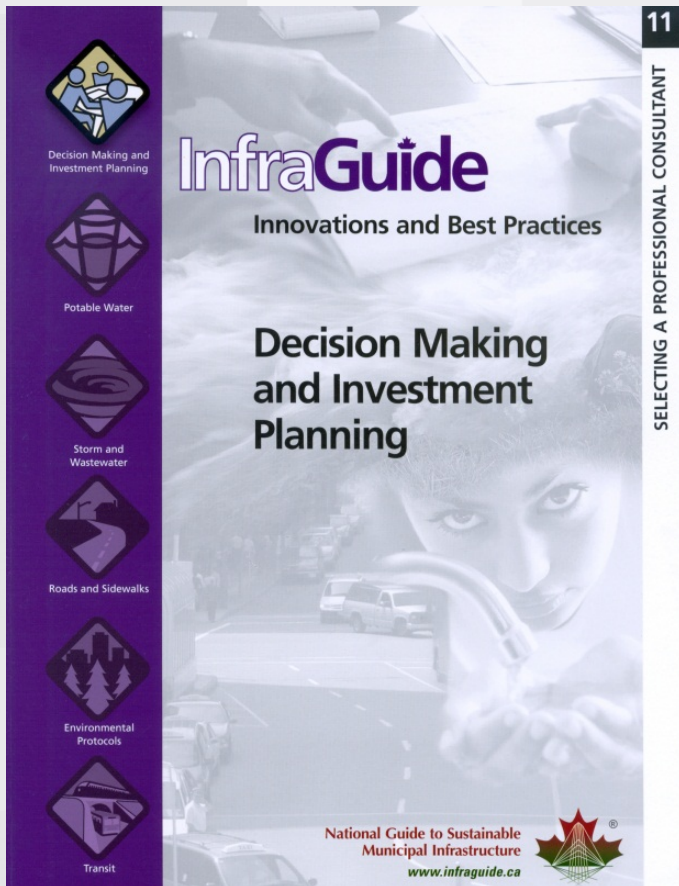
ASSOCIATION DES FIRMES D'INGÉNIEURS-  
CONSEILS | **NOUVEAU-BRUNSWICK**

- Voice for the business of consulting engineering in New Brunswick
- We represent 24 firms in NB
- Member firms collectively employ ~1100 people
- Most members firms are SMEs
- Members provide a wide range of engineering and other professional services to public and private clients
- We are part of a Federation of 12 provincial and territorial associations with the parent body being ACEC Canada

# The potential of public procurement

- Fulfilling government mandates and commitments
- Access to expertise and experience
- Providing flexibility and savings
- Creating jobs and opportunities for New Brunswickers and Canadians
- Growing businesses and creating tax revenue
- Encouraging innovation
- Fairly sharing risk and reward

# Our recommendation

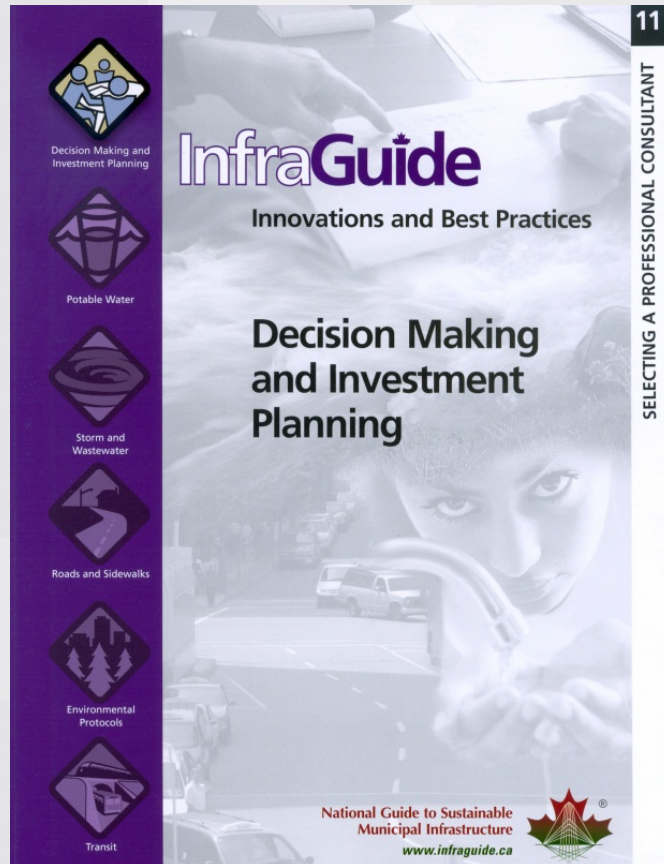


Public agencies adopt ***Selecting a Professional Consultant***, the procurement best practice developed in 2006 by the **National Guide to Sustainable Municipal Infrastructure (InfraGuide)**

[https://www.acec.ca/advocacy/procurement/selecting\\_consultant/index.html](https://www.acec.ca/advocacy/procurement/selecting_consultant/index.html)

# Selecting a Professional Consultant

## National Guide to Sustainable Municipal Infrastructure



Developed by the public sector... for the public sector:

- Federation of Canadian Municipalities
- National Research Council
- Infrastructure Canada
- Canadian Public Works Association

Based on extensive interviews and research

**Recommends “competitive qualifications-based process” (QBS)**



# Our mutual goals

TIMELY  
DELIVERY

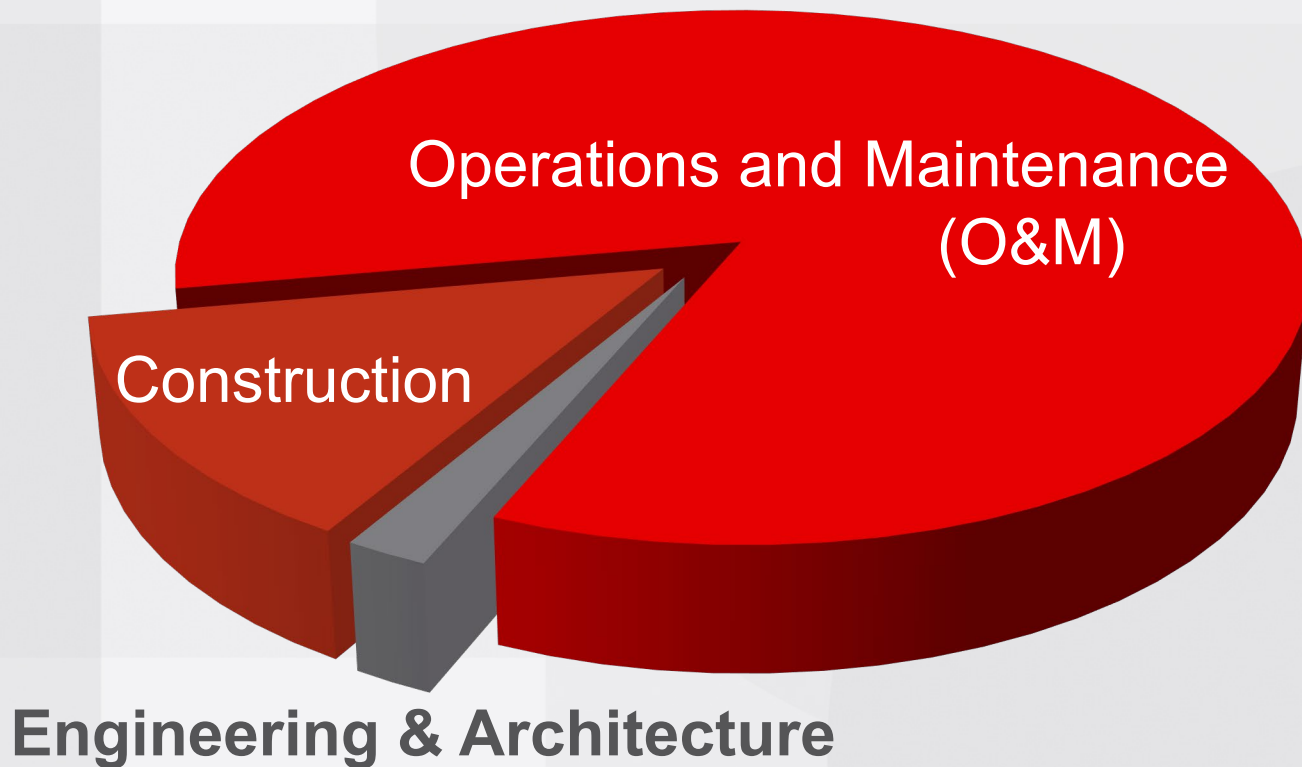
FISCAL  
RESPONSIBILITY

PUBLIC  
INTEREST

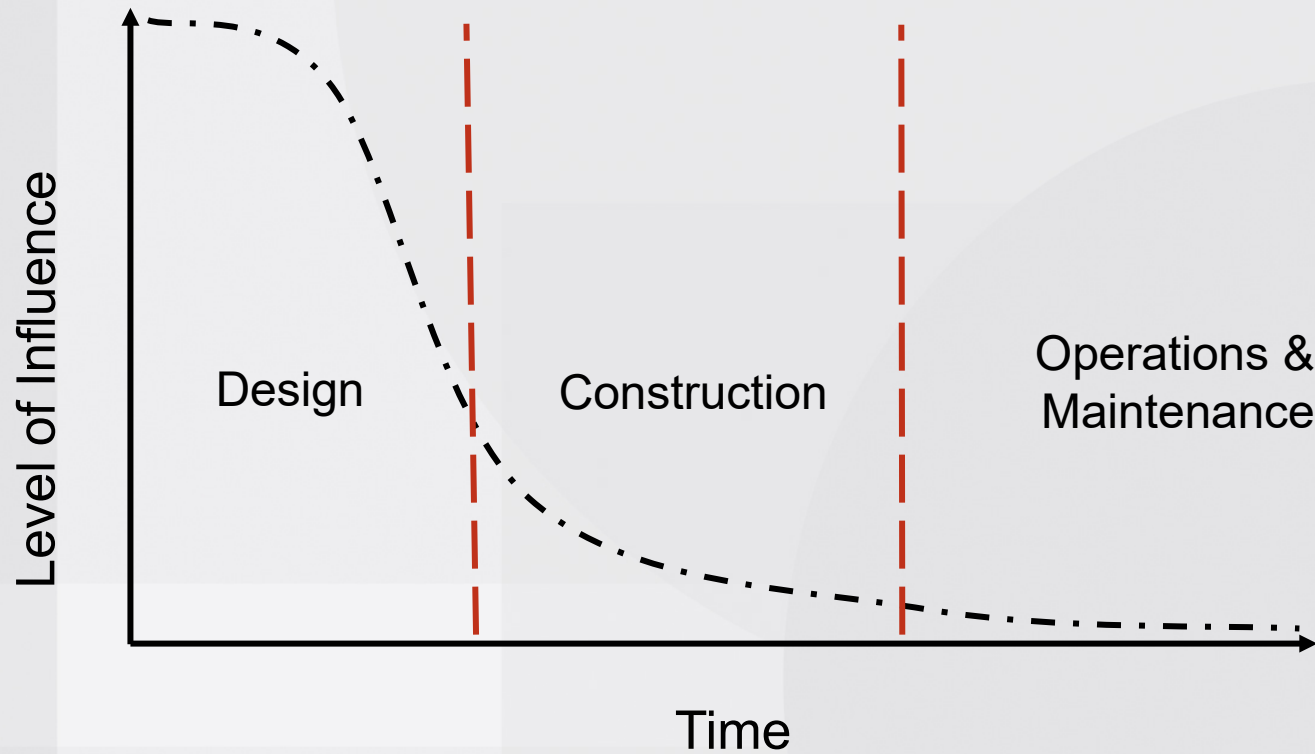
QUALITY &  
INNOVATION



# Total life-cycle costs

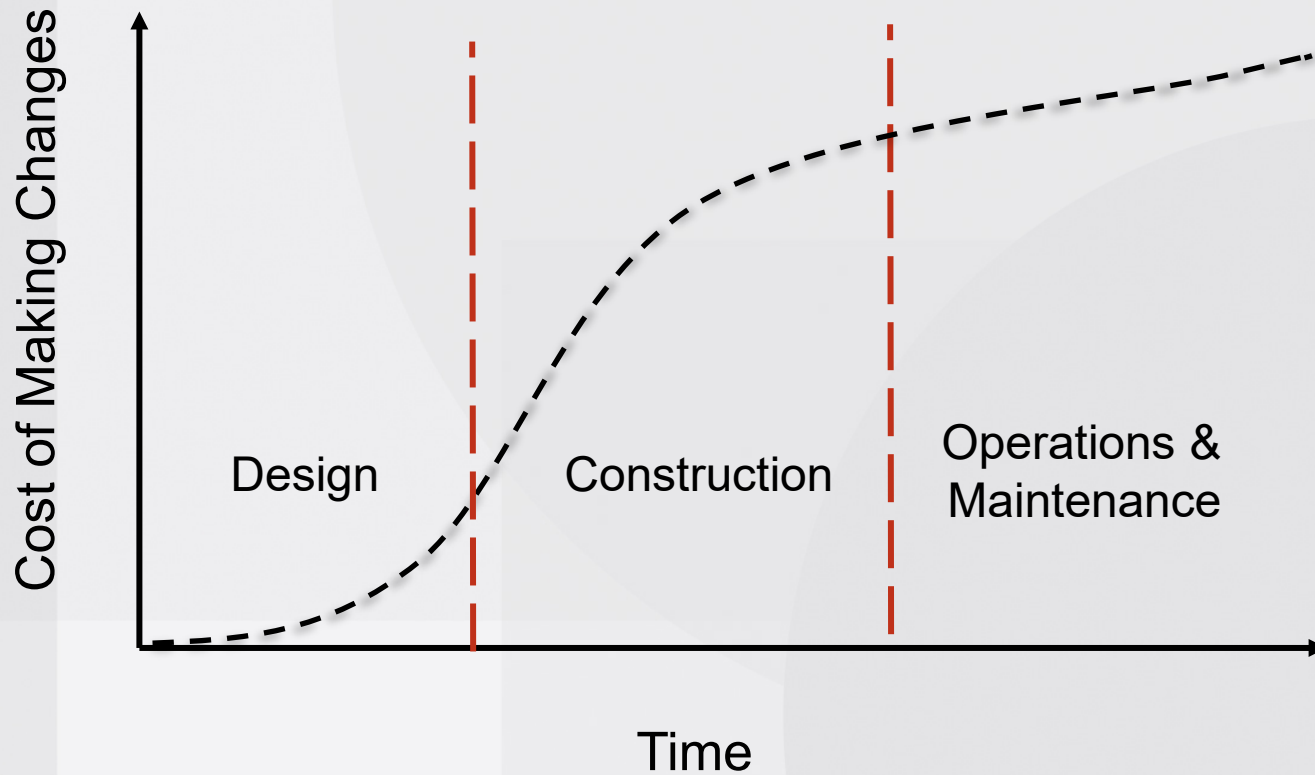


# Opportunities to add value





# Opportunities to add value



# Procurement is the key

- Establishing common objectives and desired outcomes
- Developing clear and accurate scopes of work
- Understanding cost-benefit-risk relationships
- Clarifying roles and responsibilities
- Selecting the right team for the right job
- Identifying required resources (cost and schedule)

*The RIGHT price is the BEST price!*

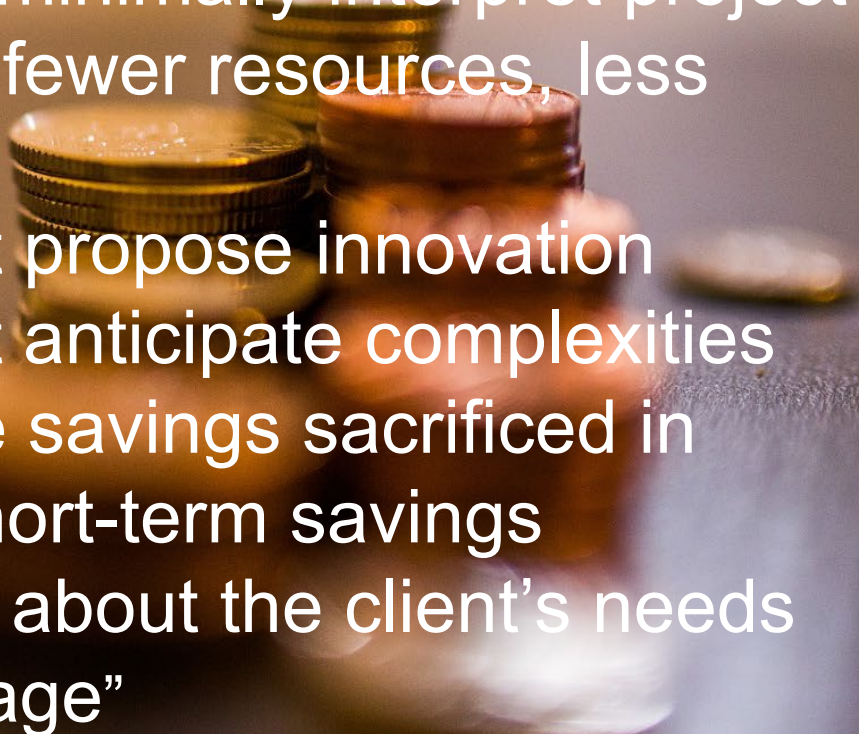
# Common procurement challenges...

- ✘ Process becomes an end unto itself  
– rather than a means to an end
- ✘ Treats professional services as a commodity
- ✘ Discourages innovation
- ✘ Assumes all proponents are equal
- ✘ Takes extended period to award
- ✘ Is used to justify pre-decided outcome
- ✘ Confuses value with low price

# A good procurement system...

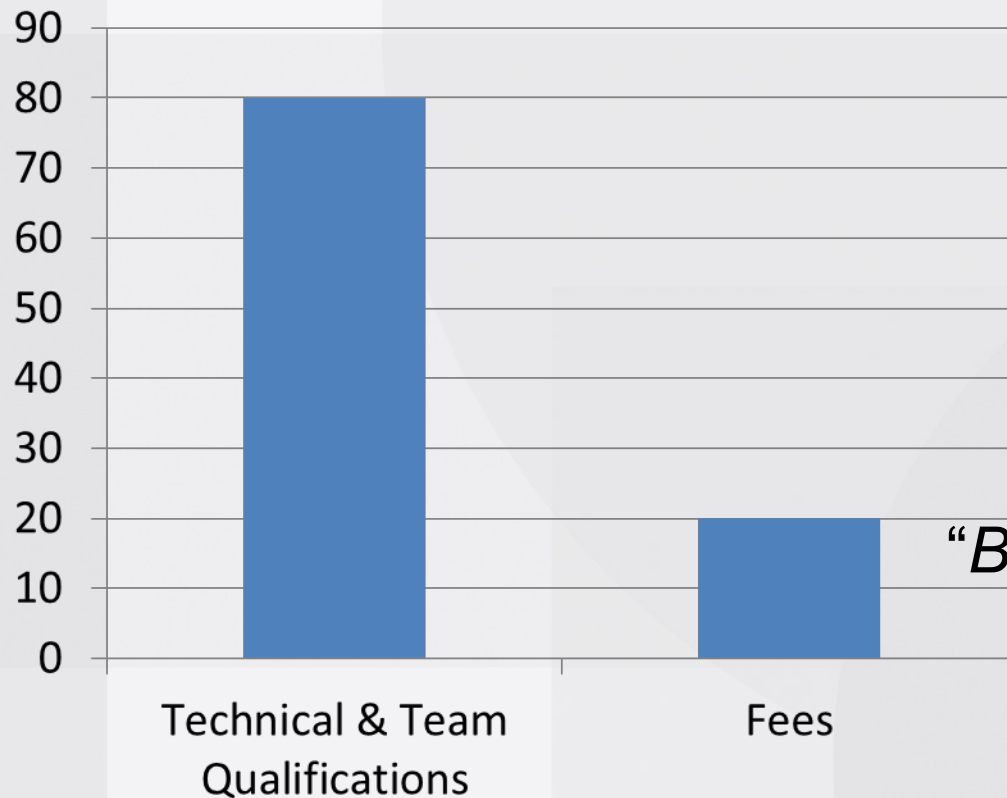
- ✓ Clearly defines objectives and scope
- ✓ Evaluates what distinguishes proponents
- ✓ Fairly shares risk and reward
- ✓ Rewards proposals that add value
- ✓ Uses a short list where necessary –  
Proposals are expensive
- ✓ Considers project life-cycle
- ✓ Focuses on best value – not lowest price

# What's wrong with lowest price?

- Rewards firms that minimally interpret project scope (e.g. commit fewer resources, less experienced staff)
  - Penalizes firms that propose innovation
  - Penalizes firms that anticipate complexities
  - Significant life-cycle savings sacrificed in favour of modest short-term savings
  - Knowing “too much about the client’s needs can be a disadvantage”
- 
- A photograph of several stacks of coins, likely Euro coins, on a dark, reflective surface. The coins are arranged in several stacks of varying heights, with some coins scattered around. The lighting is warm and focused, creating soft shadows and highlights on the metallic surfaces of the coins.

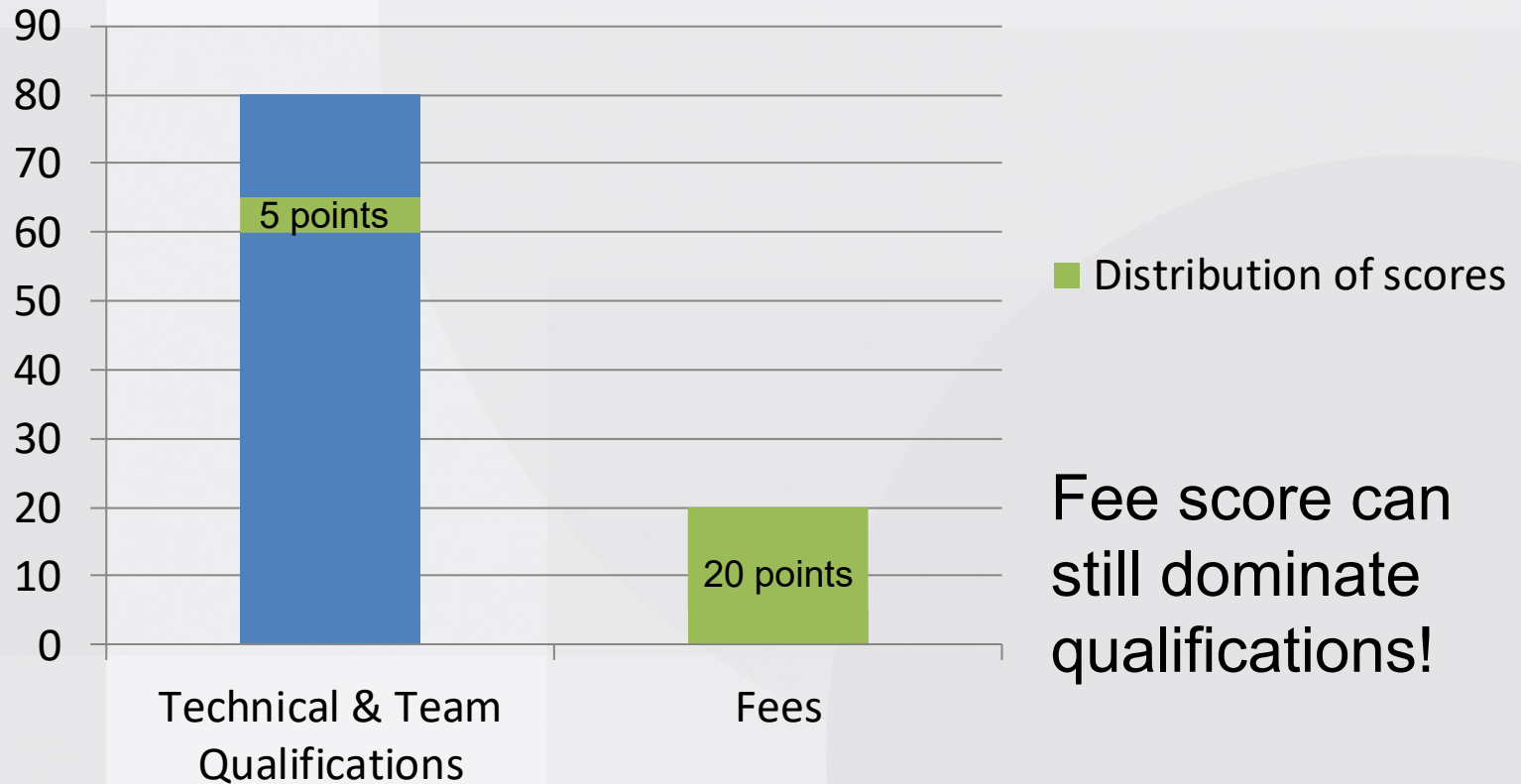


# But what if fees are only part of the evaluation?



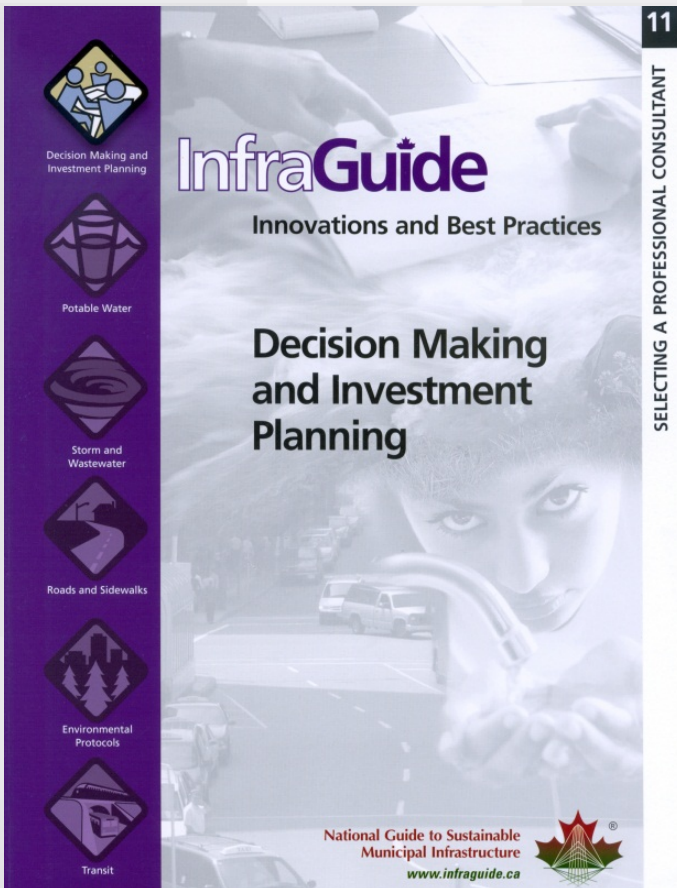
*“But fees are only 20% of the weight!”*

# Actual distribution of scores



Fee score can still dominate qualifications!

# How does the Best Practice work?



- ✓ Request for Qualifications
- ✓ Evaluate & Rank Consultants
- ✓ Request for Proposals
- ✓ Select Highest-Ranked Consultant
- ✓ Refine and Clarify Scope
- ✓ Negotiate Fee Agreement
- ✓ Award assignment
- ✓ Monitor Performance; Provide Feedback

# Who else supports QBS?



RAIC | IRAC  
Architecture Canada



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# Who uses this approach?

- QBS legislated by the US federal government and 46 state governments
  - Municipalities across the US
  - City of Calgary, City of London
  - Pilot Programs:
    - MetroLinx
    - Alberta Transportation
    - PSPC (National Capital Region)
- 



# *An Analysis of Issues Pertaining to QBS*

- Georgia Institute of Technology and University of Colorado (2009)
- Reviewed over 200 projects across the USA
- 93% of clients expressed high or very high satisfaction with consultants selected using QBS
- QBS reduced construction change orders costs by 70%
- QBS reduced schedule overruns by 20%
- QBS provided better ability to address societal issues or stakeholder concerns

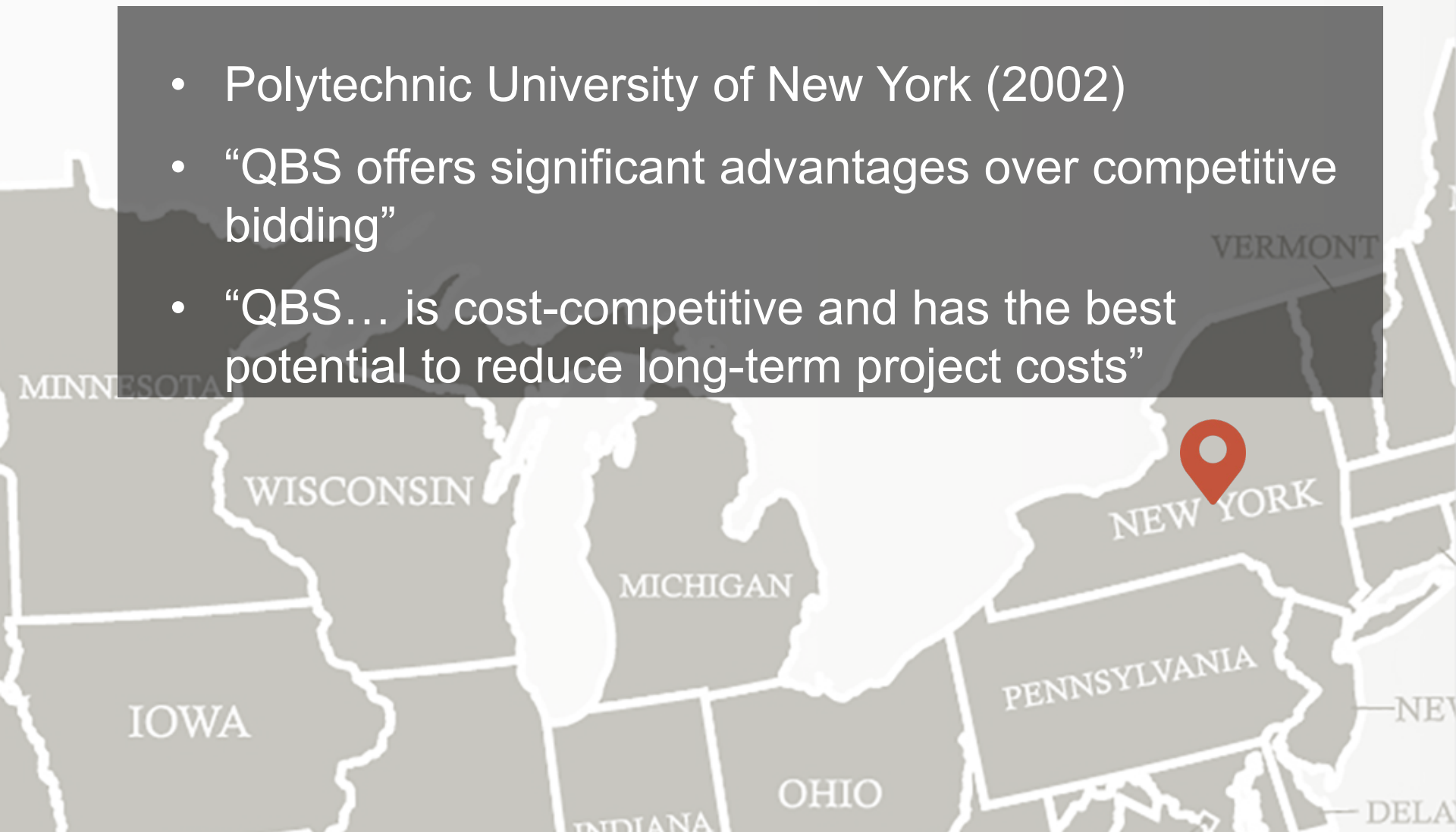
# *An Analysis and Comparison of Maryland and Florida Systems*

- American Institute of Architects (1985)
- Compared QBS (Florida) to Qualifications/Price-Based System (Maryland)
- Maryland's process was significantly more expensive and took longer
- Maryland's Qualifications/Price-Based System resulted in low-bidder winning 85% of the time
- Florida viewed as "preferred client"
- Maryland viewed as "client of last resort"



# *QBS for the Procurement of Professional A/E Services*

- Polytechnic University of New York (2002)
- “QBS offers significant advantages over competitive bidding”
- “QBS... is cost-competitive and has the best potential to reduce long-term project costs”



# Canadian Example: City of London

- After pilot program, QBS introduced in 2007
- Focus on quality and life-cycle costs, not consultant fees
- Design the solution for the problem
- Quicker into design – 3 month saving
- Staff savings – 200 to 400 hours
- Profession savings - \$70k to \$100k

*Source: City Manager 2008*



# Canadian Example: City of London

- Getting better quality work from the same consultants with much less effort
- More control over project scope
- The best consultants can be competitive under QBS
- City is a preferred client
- More senior staff involvement provides better oversight

*Source: City Manager 2008*





# QBS outcomes

- The right team for the right job
- Realistic schedules and budgets
- Fewer change orders and disputes
- Better business relationship between parties
- Better service, better quality & better value for taxpayers

# Current situation

- PSPC have been working with design and construction stakeholders in recent months to get familiarized with QBS
- We have jointly examined other international and provincial jurisdictions
- Projects that used QBS for procurement were shown to have both lower construction costs and schedule delays
- PSPC issued two QBS procurements as pilot in 2018



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**THANK YOU!**



Decision Making and  
Investment Planning



Potable Water



Storm and  
Wastewater



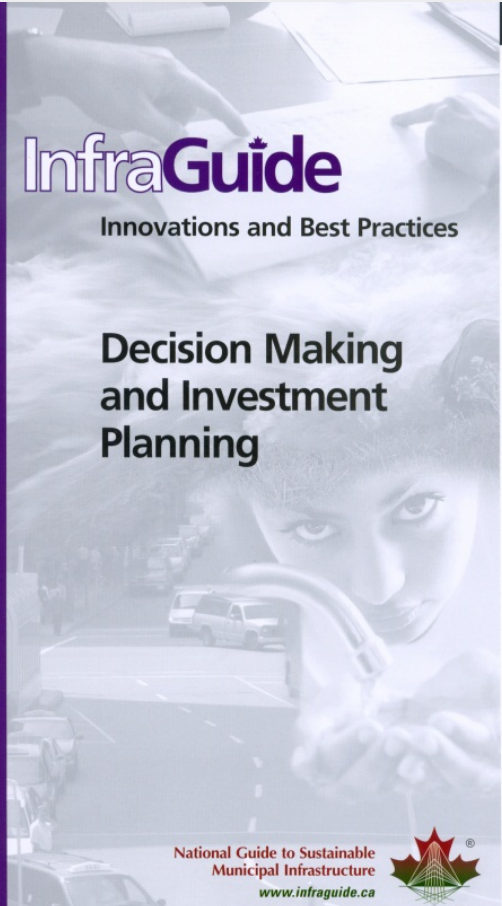
Roads and Sidewalks



Environmental  
Protocols



Transit



# InfraGuide

Innovations and Best Practices

## Decision Making and Investment Planning

National Guide to Sustainable  
Municipal Infrastructure  
[www.infraguide.ca](http://www.infraguide.ca)

