

NEW YORK STATE COUNTY HIGHWAY SUPERINTENDENTS ASSOCIATION

Qualifications-Based Selection (QBS)

QBS is a procurement process widely authorized and used throughout the state and the country. QBS designates qualifications and experience as the basis for selecting engineering and architectural professionals for public facilities projects. QBS provides the public owner with the most qualified firm who can deliver design services to meet the needs of the project.

Consistently resulting in design and construction that is of highest quality, QBS:

- Allows agencies to select the design firm with the best experience, capabilities, technical approach and quality of personnel, matched to the needs of the project and the agency
- Generates better overall designs, plans and specifications; resulting in higher quality contract documents that make bidding on and carrying out construction more efficient
- Fosters the development of innovative, cost-effective design solutions resulting in lower overall project costs
- May minimize project delays, cost overruns and litigation
- Generates innovative design solutions that best meet the needs of the project, emphasizing public health, safety and quality of life

Cost-based procurement which focuses primarily on price, may result in a lower initial design cost, but QBS often generates a better project with lower overall costs – from design through construction to ongoing operation and maintenance. A recent study by the American Council of Engineering Companies (ACEC) shows that the use of QBS for public projects produced both lower construction costs and lower schedule growth. As reported in the study, the rate of change-orders decreased from 10% to 3% on average, and schedule growth was reduced by approximately 1.5% on average with 60% of the projects studied experiencing schedule growth reduction of 7%.

It is important, however, to remember that price *is* a factor in QBS. Unlike cost-based procurement, with QBS price comes into play later in the selection process, after the highest technically ranked firm is selected and the project scope is fully defined. QBS generates a realistic cost based on a fee proposal by the consultant and negotiations with the agency. If an agency cannot negotiate a fair price with the first choice of consultant, it has the option to negotiate with the next highest qualified consultant.

In 1972, through the passage of the Brooks Act, QBS was officially mandated for virtually all federal projects. QBS was also mandated in 46 states, including New York State, which in 1980 passed Section 136-a of the State Finance Law to codify a QBS process that had not been used in

the state for many years. All state agencies use QBS as standard policy, as do many counties, towns, cities and villages throughout the state and country.

For the reasons identified above the New York State County Highway Superintendent's Association (NYSCHSA) follows a QBS process for Locally Administered Federal Aid projects, and hereby recommends that local government agencies consider the use of QBS as a procurement method for design services for municipal projects.

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