



Best Value for Clients

Presented to the Canadian Public Procurement Forum
by Glenn Martin, Executive Director
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Purchasing the services of a consultant is like purchasing a commodity?

True or False?

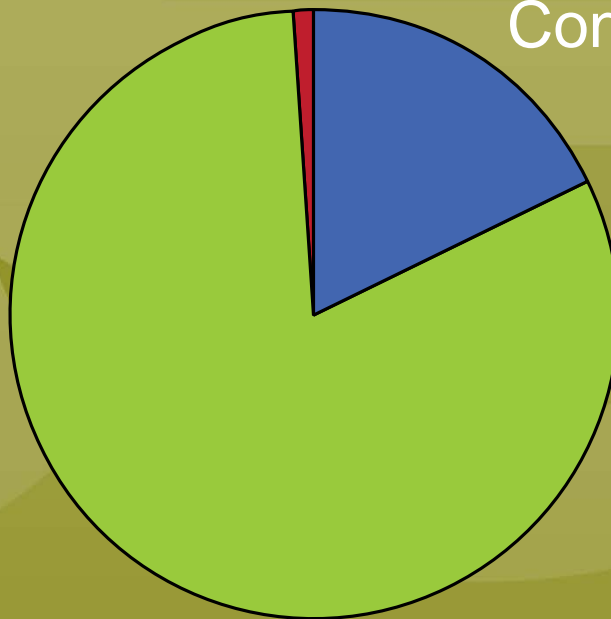
What's wrong with the lowest price?

- Rewards firms for providing less experienced and less senior staff
- Increases client costs (more staff time and resources)
- Penalizes firms with greater appreciation of the client's needs
- Penalizes firms that accurately anticipate complications or propose innovation
- No added value to decrease life cycle costs of the project

Lifecycle Costs

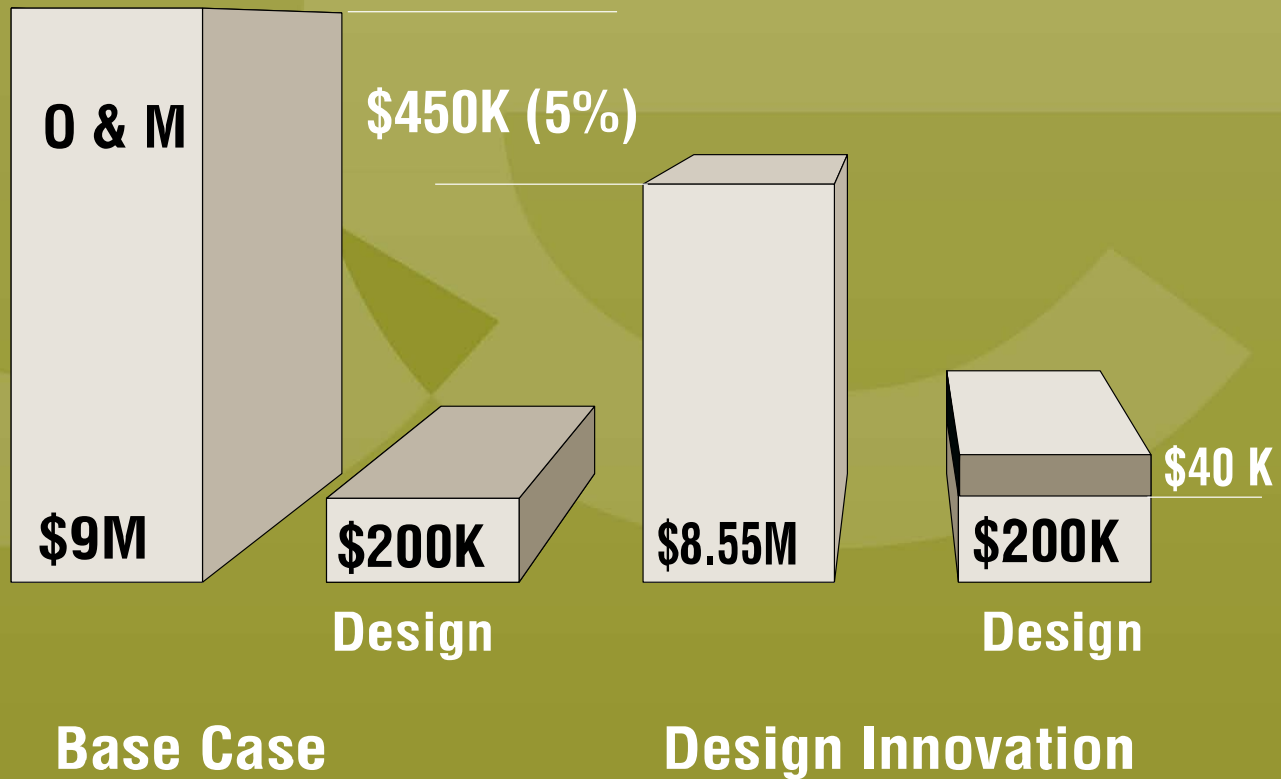
Engineering 1%

Construction 18%



Operations and Maintenance – 81%

Lifecycle Savings through Design Innovation



Wise Quote

“It is unwise to pay too much, but it is worse to pay too little. When you pay too little, you sometimes lose everything because the thing you bought was incapable of doing the thing you bought it to do.”

John Ruskin (1809-1900)

Author and Scientist, Oxford University

About InfraGuide

- National Guide to Sustainable Municipal Infrastructure:
 - Federation of Canadian Municipalities
 - National Research Council
 - Infrastructure Canada
 - Canadian Public Works Association
- Publisher of over 50 'Best Practice' documents supporting sustainable infrastructure decisions.

Best Practice Provides Best Value

- Developed by the public sector for the public sector.
- Recognized national network of experts in public and municipal infrastructure.
- “The recommended consultant selection process is a competitive Qualifications-Based Process (QBS).”
- This BEST PRACTICE provides the BEST VALUE for our clients.

How Does the Best Practice Work?

- Professionals compete on qualifications and on understanding of the client's needs.
- The client ranks the proposals based on providing the best service and achieving the project objectives.
- A detailed scope, including deliverables that achieves the client's objectives is established with preferred consultant.
- Appropriate fees and schedule that achieves the clients objectives are negotiated.

Who Uses this Approach?

- 47 States, USA
- The Government of Quebec
- The City of Calgary
- The City of London
- The City of Coquitlam

QBS Works! APWA Study 2009

- Georgia Institute of Technology and University of Colorado reviewed 200 projects
- 93% of clients expressed high or very high satisfaction with consultants selected by QBS with a high level of trust between owners and designers on QBS projects.
- QBS reduced construction cost growth by 70%
- QBS reduced construction schedule growth by 20%;

Recommended Best Practice: Qualifications Based Selection

- Request for Qualifications
- Evaluate and Rank Consultants
- Request for Proposals
- Select Highest-ranked Consultant
- Define Scope – The Trusted Advisor
- **Negotiate Fee Agreement – The Price Component**
- Award Assignment

Best Practice is Good Policy

- Competitive and transparent process focusing on merit, quality and long-term value
- Long-term savings realized over decades
- Encourages in-house expertise to represent the clients' (and taxpayer's) interests
- Permits innovation and sustainable infrastructure
- Allows for creative risk management.

Client Benefits

- The client gets the right team
- for the right job
- More realistic schedules and budgets
- Fewer change orders and disputes
- Great business relationship between the client/consultant/contractors/external agencies
- Great service, better quality and better value for taxpayers

Client Savings

- Savings on staff hours
- Savings on consultants hours
- Savings on time to begin design
- Savings on lifecycle costs
- **NOW THAT'S BEST VALUE FOR YOU!!**

Summary

- Procuring consulting services is NOT procuring a commodity
- Consultants bring added value to save clients money
- Qualifications Based Selection works
- Our challenge
- We need champions
- May I count on you?

Consulting Engineers of British Columbia

Glenn Martin, Executive Director

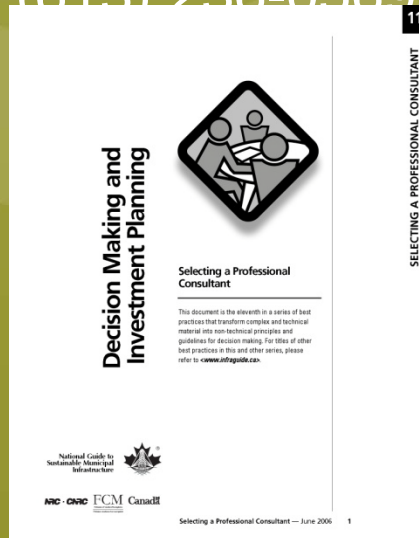
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InfraGuide booklets available at the CEBC booth

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InfraGuide Best Practices:
www.thebestpractice.ca

Canadian Standards Association (CSA)
Training Course – under development