

RFPs: Finding a Perfect Fit

Michigan Association of Planning
2018 Annual Conference
Grand Rapids | September 20, 2018

Brad Strader, AICP, PTP
MKSK

Sarah Traxler, AICP, NCI
McKenna

Carmine Avantini, AICP
CIB Planning, Inc.,

John Enos, AICP
Carlisle | Wortman
Associates, Inc



michigan municipal league



Introduction

Brad Strader, MKSK

Topics for this Session

- Using a Consultant – The Basics (Sarah Traxler)
- Preparing an RFQ/RFP (Brad Strader)
- RFPs Best Practices (Carmine Avantini)
- The Interview and Contract Negotiation Process (John Enos)

The Consultant Perspective

The Proposal Preparation Effort

The Proposal	Hours Involved
○ Evaluation of RFP, determine go or no/go	2-4
○ Communications to form a team	1-2
○ Preparing qualification materials	2+
○ Cover letter	1-2
○ Research/Site Visit	4+
○ Writing up a tailored scope of work	8+
○ Prepare custom materials	4-6
○ Preparing a budget	2
○ Final Review	2-4
○ Assembly	4
○ TOTAL	28 – 38+

The Consultant Perspective

The Proposal Preparation Effort

The Interview	Hours Involved
○ Preparation, practice, etc.....	4
○ The Interview (inc. travel, 2 attending).....	10
○ TOTAL	14

The Consultant Perspective

The Proposal Preparation Effort

The Take-Away:

- Hours Invested (42-52) = \$4,200 - \$5,200 (and more for a complex RFP)
- Assume 10% profit – need \$42,000 – \$52,000 to break even (not including payment to subconsultants)

- So Responding to an RFP is a significant investment by the consultant!

Using a Consultant, The Basics

Sarah Traxler, McKenna

Benefits of Using a Consultant

Benefits

- Flexibility of service – no municipal obligation (on-call scenario)
- Maintain quality of service during overwhelming work periods
- Diversity of skills, specialties
- Outside lens on your project, community, strengths, etc.
- Direct saved staff time to other initiatives
- Can lead to internal innovation

What's the Right Approach for My Project?

Deciding between staff, private planning consultant, County, region, etc.

- Schedule, Budget, Quality (three pillars)
 - **Your staff's time is quantifiable with real costs – don't underestimate required resources**
 - What am I choosing to maximize and which approach best aligns?
- Accountability
- Advocacy
- Focus
- Talent alignment



Typical Roles

On-Call Services

Staff	Consultant
Main contact with electeds	Supports staff with electeds
Attends PC, Council / Board, etc.	Often attends PC, Council / Board, etc.
Assigns development reviews, etc.	Prepares development reviews, etc.
Performs counter-work / pre-apps, etc.	Participation varies

Special Projects

Staff	Consultant
Main contact with elected	Supports staff with elected
Attends PC, Council / Board, etc.	Attends agreed-upon meetings
Manages work of consultant	Performs work per agreement
Provides background info	Analyzes background info
Available to provide comment	Responsive to client

Pricing Models

On-Call Services

1. Development Reviews	2. Office Hours
Per agreement with consultant:	
<ul style="list-style-type: none">Fixed review fees Often <u>base price + per-unit charge</u>; should align with City fee schedule	Retainer for set hours Hourly fees for varied or set hours
<ul style="list-style-type: none">Applicant pays fee (to cover review) and/or pre-set escrow	Often not fee-driven

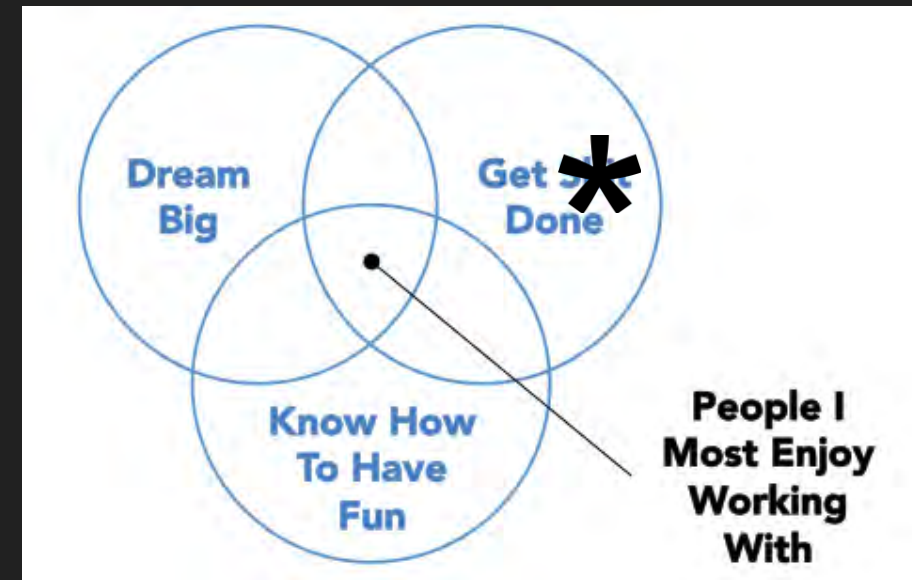
Special Projects

3. Often “Lump Sum”
<ul style="list-style-type: none">Almost always paid for by municipality; developers occasionally subsidize

Be Deliberate – Plan for Projects!

How do you determine the skills and experience you're looking for?

- Solicit background from your counterparts in other towns
- Write and workshop a purpose description for the project **itself; go beyond “to comply with MPEA”**
 - **What's order of importance for three pillars? (Schedule, Budget, Quality)**
 - **Discuss meaning of “quality” in this context**
- Review qualifications / proposals in context of your priorities
- Then, sprinkle in the personal elements
 - Fit of project team, public engagement approach



Single vs. Team

Consider / study / confirm the following:

- If have existing relationship:
 - Can my preferred planning consultant expertly perform the services I need?
 - If not, are they willing to bring in a partner to augment their experience?
- **If issuing RFP/Q “cold”:**
 - Ask for specific details on whether a sub-consultant is proposed as part of team
 - Consider whether one firm could get the job done to your standards
 - Local knowledge + national / special expertise sometimes a benefit
 - If team, is prime consultant charging more for managing more partners? Worth it?

Advertising

Cast a wide net or send to few who are clearly qualified?

Ideas for “wide net”:

- [MAP - Planningmi.org](http://Planningmi.org)
- MAP PIPP list (Planners in Private Practice)
- APA - Planning.org
- Planetizen.com/RFP
- Direct mail to advertisers in relevant publications

Proposal Efforts

We ALL want to partner

We ALL invest heavily when compete

- Telephone / email questions and answers + dialogue
- Research on past planning efforts, current events, etc.
- Gathering teammates (when applicable)
- Develop creative approach
- Develop right-**sized approach (especially difficult when don't know budget!)**
- Staff time in producing quals / proposal documents
- **Interview prep and attendance...** **...+ loss of sleep and sanity!**

Do I Have To?!

What if you already know who you want to hire?

- Professional services = not bound by lowest price
- Review purchasing ordinance to ensure consistency
- Work closely with purchasing, if applicable
 - **Help inject “common sense” into approach**
- If certain, avoid going through effort (wastes your time, too)!

Preparing an RFQ/RFP

Brad Strader, MKSK

First off,
Is it a “Q”
or a “P” ?



Source:
Muppet Wiki

Different Tools for Different Steps of the Process

“Q” vs. “P”

Request for Qualifications (RFQ)

- Introduce the Firm/Team
- Demonstrate relevant experience
- Demonstrate firm's understanding of the project
- May ask the firm to describe a general approach they would take to complete the project

Request for Proposals (RFP)

- Detailed, formal proposal, including:
 - Scope of Work
 - Schedule/Timeline
 - Proposed Fee
 - Additional Services (optional)

“Q” vs. “P”

Request for Qualifications (RFQ)

- Benefit to Client:
 - Minimize review time by narrowing down potential consultants before issuing RFP
- Benefit to Consultant:
 - Typically shorter/less time-intensive to prepare

Request for Proposals (RFP)

- Benefit to Client:
 - Can review comparable proposals from competing consultants
- Benefit to Consultant:
 - Can customize the proposal to client's needs

Is it both? (Combined RFQ/RFP)

- Most typical approach
- Benefit to Client:
 - Minimize staff preparation and advertising by eliminating 2-step process
- Benefit to Consultant:
 - Minimize (potentially) the overall project pursuit timeline
- Potential Drawbacks:
 - Client may receive more submissions, requiring additional time/resources to review and compare
 - Consultant may spend much time/resources to prepare without the benefit of client indicating interest in advance

Basic Structure of an RFP

Typical Contents

- Project Purpose
- Background Information
- Minimum Qualifications/Areas of Expertise
- Scope of Work
- Required Deliverables
- Project Schedule/Key Deadlines
- Budget or Fee Proposal Criteria
- Evaluation & Selection Process
- Contact Information/Procedures
- Terms & Conditions/Legal Requirements

The image displays three overlapping Request for Proposal (RFP) documents. The top document is from the City of Birmingham, titled "REQUEST FOR PROPOSALS FOR MASTER PLAN UPDATE". It includes a table of contents with sections such as Introduction, Scope of Work, and Evaluation Procedure. The middle document is from Deerfield Township, Ohio, titled "Request for Qualifications for Professional Services to Perform a Comprehensive Plan Update". It includes sections for Request for Qualifications and Overview. The bottom document is from Monroe County, Indiana, titled "REQUEST FOR PROPOSAL: ZONING ORDINANCE REWRITE/CONSOLIDATED DEVELOPMENT ORDINANCE". It includes sections for Request for Proposal and a list of requirements for the consultant.

Considerations for Preparing a Good RFP

- Clearly outline the proposal structure for easier comparisons
- Describe the specific services or project tasks needed
- Identify the expertise desired – what type of consultants do you need?
- Describe the previous plans and policies that need to be considered – link to them online if possible
- Who will the consultant be working with: staff, officials, committees?
- If municipal staff are available to assist, describe that in some detail – what tasks or products, how many hours?
- Outline the general level of public involvement desired
- Any goals or requirement for DBE, WBE, local firm? Or other special contract requirements (like insurance, local business license)?
- Project schedule – how important is it compared to other project objectives?
- Pros and cons of budget details

The Do's & Don'ts of RFPs

Or

How to keep your consultants from
banging their head against the wall



Do's and Don'ts

DON'T



- Call it an RFQ, but require an actual proposal
- Throw in the kitchen sink
- Develop RFP by committee
- Copy and paste (at least without proofreading!)
- Include contradictory requirements
- Be unreachable
- Overly micro-manage the scope

DO



- Be clear about the process
- Prioritize what you want/need
- Assign a lead RFP writer
- Spend time writing an RFP that will tell consultants the client is serious about the project
- Make the proposal specifications and submittal procedures simple, clear and consistent
- Provide contact information and be available for questions
- Allow the consultant to be creative and propose an alternative approach

Do's and Don'ts

DON'T



- Require a list of other commitments or available hours of personnel
- Use bid language for a professional service RFP
- Overpromise what staff can do or time available
- Require an overly detailed fee and hours breakdown for individual tasks, individual personnel and all expenses
- Expect consultant to attend “all meetings necessary”

DO



- Recognize that consultants are busy (you are too!). Judge them based on their qualifications, approach and fee.
- Treat planning projects like planning projects – flexibility and creativity are your friends
- Be realistic – is this an effort to save money, or to keep staff engaged? You are spending resources either way.
- Consider how important this really is. If at all, keep it general (e.g. overall hours by personnel assigned to the project)
- Recognize that meetings cost time and money. Allocate a contingency budget for additional meetings that may arise.

Do's and Don'ts

DON'T



- Ask for free work
- Be silent on the budget
- Issue an RFP that is clearly written to favor a particular firm or team

DO



- Allocate a stipend budget if the proposal or interview requests some sort of preliminary deliverable
- Consider publishing the budget. If no budget is allocated yet, be up front about that in the RFP.
- If you know who you want, direct select if you can.

Definite Don'ts

(at least from a consultant's perspective)

- List a budget but also encourage a lower or more “competitive” fee
- Public interviews or interviews open to competing teams
- Post proposals online in the middle of the selection process

RFPs Best Practices

Carmine Avantini, CIB Planning

Contact with Consultants

- Complete information = Good proposals
- Some proposals require all contact through purchasing department
- Open lines of communication with consultants
- Consider pre-proposal meeting for larger projects

Providing Budget Information

- Community might be concerned about getting value for fee
- Consultants base fee on scope and assigned professionals
- Most RFP's are not detailed enough to receive comparable submissions
- Providing budget information better helps communities align with consultants appropriate for that project
- Make sure the money is committed before sending out RFP
- Helps eliminate wasting the time of both community administrators and consultants

Who's Paying for the Project?

- Detail how the project is being funded in the RFP
- Outside funding may add to the administrative cost of the project
- Consultant may have prior experience with funding programs
- Can lend insight into how it might be managed differently from other similar projects
- Funding programs might have prolonged payment timeframes

Describe Program Requirements

- Projects funded using programs with agencies such as MEDC, EDA, MDNR, etc.
- Detail any program-specific requirements in the RFP
 - For example, the Redevelopment Ready Communities Program (RRC) has Best Practice and certification requirements to be met.
- Some federally-funded programs have reporting requirements

Tips for Working with Consultants

- Be clear on expectations
- Make time for communication and feedback
- Follow-through on administrative requirements of the community
- Stay involved in the process and inform the public about progress
- Ask questions!!!

The interview and contract negotiation process

John Enos, Carlisle | Wortman



"To make it more sporting, I've also blindfolded the men."



So now you have it narrowed down, now what?

- Selection Committee
 - Planning Commission
 - Elected Officials
 - Administration
 - Others?
- Selection Criteria
 - RFP/RFQ
 - Similar Clients
 - Administration
 - References

The Interview Process

- Select at least 3-4 firms (See Slide #1 Presenter List for good options 😊)
- Dependent upon Selection Committee (e.g. Day or Night?)
- Contact firms a few weeks in advance (Avoid schedule conflicts)
- Attempt to coordinate all on one day
- Suggest 30-40 minutes hour for each firm to present (plus Q&A)
 - Dependent on project type

The Interview Process

- Have set of questions in hand (Leave time for discussion)
- Have other firms leave the interview room (Egads uncomfortable!)
- Be clear on representation (Who will be present at client meetings?)
- What's your gut telling you?

Final Selection

- Contact chosen firm with the Good News!
- Request contract or send municipal contract
- Coordinate any potential issues (Additional meetings, mileage/expenses)
- Meeting with staff and client representatives
- Coordinate introductory kick-off meeting

Final Selection

- Send participation ribbon to the losers (don't leave them hanging with no contact!)
- Contact via mail/e-mail and follow-up with a personal phone call
- Provide constructive critique of the RFP response and interview

