

# QUICKNOTES

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## Hiring a Consultant: RFQs and RFPs

There are many reasons a municipality may want to hire a consultant. Planning departments and agencies commonly use consultants to supplement staff time for large projects, such as comprehensive plan updates or zoning ordinance rewrites, or to augment staff expertise where detailed technical or subject matter knowledge is required. Consultants are typically skilled at facilitating the extensive public outreach and involvement required in major planning projects. Outside experts can also bring credibility and a sense of objectivity to planning processes.

To hire a consultant, an agency must first define the project requiring consulting services. Important factors to consider include project goals; technical, political, and administrative specifications; definitions of agency staff and consultants' respective roles; and project deliverables, timetable, and budget.

To achieve the highest quality project results, it is vital that agencies select the consultant that best meets the agency's needs. One approach is a two-step process consisting of a Request for Qualifications (RFQ) followed by a Request for Proposals (RFP).

### Request for Qualifications

In a combined RFQ-RFP process, an agency first releases an RFQ concisely describing the project and inviting consulting firms to submit their qualifications for consideration. RFQs should be widely advertised and can also be sent directly to individual firms. Because RFQs do not require a significant investment of time or resources for consultants to answer, response rates are generally high, and because they do not take significant amounts of time to review, staff can quickly review and rank the applications received. This is a good way for agencies who might not have previously worked with consultants to generate a short list of qualified candidates—typically between four or five of the highest ranked—to invite to submit full proposals through the RFP process.

### Request for Proposals

Other communities may decide to forego the RFQ and directly issue an RFP. The RFP should describe the scope of work for the project at hand and the consultant services needed, requirements for application, and evaluation and selection criteria. Agencies must write clear and accurate RFPs so that consultants' proposals may respond precisely to communities' needs. Preparing a response to an RFP takes significant time and resources on the part of the consultant, as well as significant review time on the part of the agency, so using an RFQ to identify a limited number of prequalified firms for the RFP invitation can be valuable for both parties.

The RFP should contain certain basic elements, including:

- a **cover page** providing the name of the project and agency contact information;
- an **introduction** clearly summarizing the project and the nature of the services sought;
- a **description of the project** detailing the project by providing community background and project history, covering the project purpose and basic components and aspects, and specifying a project budget range;
- a **description of services required** itemizing the scope of work, identifying major project milestones and deliverables, and providing a suggested schedule for project completion;
- **directions for submission**, explaining when and where proposals are due and in what form they should be submitted; and
- **evaluation criteria** describing how proposals will be evaluated and by whom.

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Agencies typically request applicants to describe the process, products, and deliverables they will use to meet the project requirements laid out in the scope of work; develop a proposed project schedule; provide a detailed budget with breakouts of costs for each element or task; and specify contract requirements and billing procedures. Providing a project budget range enables firms to determine appropriate levels of costs and services, producing proposals of similar scales for agencies to better compare.

Agencies should also provide a way to answer any questions from consultants regarding the RFP. This could take the form of a scheduled preproposal meeting at which firm representatives may raise questions, or a designated staff member who responds to individual questions as they come in. In both cases, questions and responses should be documented and made publicly available to all interested consultants.

### Selecting the Winning Proposal

Once proposals have been received, the consultant selection team must review and rank them. Selection criteria typically include professional qualifications of the firm and personnel who will be assigned to the project; quality of the proposal content and presentation; past experience of the firm in working on similar projects and in similar environments; demonstration of creativity and innovation; familiarity with the project site or local context; and overall project cost and ability of the firm to perform work on schedule and within budget. The agency should contact references and carefully review samples of prior relevant work to narrow the field to three or four finalists to interview.

The interview team should ask consultants to describe how they would execute the project and explore those skill sets and intangible factors that will be most important for successful completion of the project at hand. After interviews are completed, the agency should rank the candidates, contact its top choice, and begin negotiating a work program and contract. If an agreement cannot be reached, the agency can then contact the next firm on the list. Once the contract is finalized, the agency can announce the “winner.”

### Successful Project Implementation

Once the agency has selected its top choice, it should clearly define project expectations and its relationship with the consultant through a contract. A formal agreement should clearly define the consultants’ scope of work, including project milestones, deliverables, timetables, and budget; define the relative roles and responsibilities of both the consultant and the agency; and establish billing and payment protocols. Down the line, this formal agreement can act as a guide to keep the project on track or help resolve any issues that might come up regarding consultant roles and responsibilities. Both the agency and consultant should consult their respective attorneys to help draw up, review, and approve the contract.

Agency staff must establish and maintain a pattern of close cooperation with the consultants throughout the duration of the project, providing information, data, and guidance where needed. Consultants must also keep agency staff updated on project process, whether through periodic meetings, interim written reports, or project update presentations.

For successful project management, it is important to develop and adhere to a detailed work schedule listing project tasks, milestones, completion dates, and required meeting or reporting times. The schedule should also include any responsibilities and duties of the agency. The consultant and the agency should work together to create this schedule during initial negotiations and include it in the formal agreement.

Hiring a consultant can augment staff time and expertise and help a planning agency successfully complete big planning projects or smaller technical tasks. By carefully defining project objectives, using the RFP process to most effectively and efficiently solicit a manageable number of qualified consultant proposals, and negotiating a comprehensive formal agreement and working relationship, both the agency and the consultant it selects will be primed for successful planning.

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### 2. Other Resources

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