

Government officials are often responsible for projects that require the services of consulting engineers, such as erecting a building, widening a highway, expanding a utilities system, planning a new housing or educational facility, improving a runway, or creating a city park. At the outset of such projects, selecting a qualified consulting firm becomes a crucial decision. The consulting firm's performance, frequently in conjunction with other professional firms, determines the entire course of the project—feasibility, planning, location, design, plans and specifications, construction costs, and the operating and maintenance costs over the project's lifetime.

Public entities hire consulting firms long before construction begins on a project. These trained professionals translate their clients' needs and concepts into detailed project plans. Despite the important contributions these consultants make to the success of a project, many clients harbor misconceptions about the best way to select such a firm and the laws that exist related to the selection process. The American Council of Engineering

Companies of Florida (ACEC-FL) trusts this brochure will help clarify some of these misconceptions.



Consultant's Competitive Negotiation Act (CCNA)



ACEC

AMERICAN COUNCIL OF ENGINEERING COMPANIES
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Q) What is the Consultant's Competitive Negotiation Act (CCNA)?

A) Adopted by the Florida Legislature in 1973, Florida Statute 287.055 (CCNA) requires state government agencies, municipalities or political subdivisions, school boards and school districts, to select a consulting firm* based on qualifications rather than on a "lowest bid" basis.

Q) Why is selecting a firm based on CCNA better than "lowest bid" selection?

A) Qualification-based selection elevates this competitive process to its proper plane—qualifications, competence, track record, and availability. Successful projects warrant the time and expense of:

- Hiring qualified staff paid at competitive wages
- Giving technical matters the scrutiny that they deserve
- Estimating crucial data that the firm should collect, refine, and crosscheck to ensure accuracy
- Applying situation specific answers to technical questions
- Thoroughly evaluating applicability of "standards"
- Considering the long term cost-benefits to the owner/operator of various options and emerging technologies

Bidding professional consulting services causes disadvantages to the owner as the firm attempts to make a profit despite their "lowest bid" fee. The resulting work product, which may include inadequate drawings and indefinite specifications, may result in:

- Increased construction costs and project durations
- Increased change orders and cost overruns during construction
- Increased operating costs after the engineer and contractor have completed their work
- Increased right-of-way requirements and costs for roadway projects.

The unscrupulous professional can find endless ways to cut their costs. Unjustified cost cutting may prove difficult to detect; is generally detrimental; undermines the quality of the finished product; may increase the total cost of the project; and essentially works against the client's best interests.

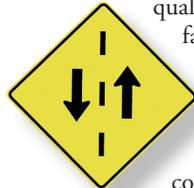


Q) How does a public agency choose a consultant-based on CCNA?

A) The method of procuring professional services applies to a planning or study activity where compensation exceeds \$35,000 and in projects where the basic cost of construction, as estimated by the agency, will exceed \$325,000.

A simple and effective four step process for choosing a consultant:

1. Public announcement of the contract. A public notice of requirements for professional services is advertised, including a description of the project and application process information.
2. Qualification and certification of firms. Consulting firms submit qualifications indicating their interest in the contract. The agency certifies qualified firms.
3. Selection of certified qualified firms. The agency rates and compares the qualifications of the certified firms. The agency then selects and ranks no less than three firms in order of preference, based on those qualifications.
4. Negotiation of professional service contracts. The agency negotiates a contract with the firm ranked as the most qualified, at a compensation which the agency deems fair, competitive, and reasonable. The firm and the agency hold detailed discussions to establish a clear project scope and the exact services the consultant will provide. Such negotiations usually succeed. Should the two parties fail to agree upon the level of compensation, however, the agency ends negotiations with the first firm and begins negotiations with the second-ranked firm. If again unsuccessful, the agency repeats the process with the next highest-ranked firm.



Evaluation forms commonly used in this procurement process can be found and downloaded from the ACEC-FL website at: www.fleng.org/page/CCNA



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Q) Does CCNA allow continuing contracts?

A) Yes. Florida Statute 287.055 specifically states that nothing in the act shall be construed to prohibit a continuing contract. Equally important to note is that firms providing professional services under continuing contracts shall not be required to bid against one another.

A "continuing contract" is defined by the statute as a contract for professional services entered into in accordance with all the procedures of this act whereby the firm provides professional services to the agency for which the estimated construction cost of each individual project under the contract does not exceed \$2 million, the fee for professional services for each individual study under the contract does not exceed \$200,000, or for work of a specified nature as outlined in the contract required by the agency, with the contract being for a fixed term or with no time limitation except that the contract must provide a termination clause.



Q) Does CCNA apply to design-build contracting?

A) Yes, but indirectly. The design criteria package must be prepared and sealed by a design criteria professional employed by or retained by the agency. If the agency elects to enter into a professional services contract for the preparation of the design criteria package, then the design criteria professional must be selected and contracted with under the requirements of subsections (4) and (5). A design criteria professional who has been selected to prepare the design criteria package is not eligible to render services under a design-build contract executed pursuant to the design criteria package. If the procuring agency elects the option of qualifications-based selection, during the selection of the design-build firm the procuring agency shall employ or retain a licensed design professional appropriate to the project to serve as the agency's representative.

* As used in this document, the word "firm" refers to those trained professionals who are permitted by Florida law to provide engineering, architectural, landscape architecture, and surveying and mapping services.

Additionally, the complete
CCNA statute may be viewed
at: www.fleng.org/page/CCNA