



**Michigan Association of Planning
A Chapter of the American Planning Association**

Excerpted from the MSPO Community Planning Handbook

RFQ's and RFP's

Description

Two techniques that are frequently used to obtain professional consulting services are Requests for Qualifications (RFQ's) and Requests for Proposals (RFP's). These techniques have helped many communities wisely identify appropriately skilled professionals.

The RFQ involves inviting consultants to submit their qualifications to perform specified work desired by the community. Once consultant qualifications have been reviewed, then a few of the consultants, usually not more than two or three, are requested to prepare a proposal to perform specific work as may be embodied in an RFP. The RFP spells out the requirements for a proposal and asks the consultant to submit a work outline (or scope of work), cost estimate and related background information.

These two techniques permit the community to identify skilled professionals without wading through an unnecessary amount of material prepared by many consultants, and allow consultants to respond to Requests for Proposal only when they know they are going to be seriously considered. Since time is a valuable commodity on the part of both the public and private sector, any process like the RFQ/RFP process that results in efficient use of resources is deeply appreciated by everyone involved.

Planning Considerations

Before a community initiates either the RFQ or the RFP process it needs to know exactly what it wants. Unless the community knows clearly what its goals and objectives are, what process it wants to have followed, and/or the products that it desires to have created, then it may not be happy with the services provided. This is because the community will be unable to compare proposals, as they will be like

“apples and oranges.” Occasionally, a community is so uncertain of its needs or the area in which it desires services is so new that a vague and general RFP must be prepared. However, this is highly unusual. For a common sort of proposal (such as an update to a master plan or a revision to zoning regulations), the more precisely a community understands what it wants and why, and articulates that in an RFP the more likely it will get proposals that can be readily compared.

Since the community has already decided, by seeking qualifications and/or, subsequently, proposals, that it is not going to contract with a single provider (“sole source” basis), it is important that the community also understand that proposals should not be sought on a bid basis. Professional planning services are not like cars or nails or playground equipment. They should not be obtained by sending out requests for bids which seek only to buy exactly the same product, or one with comparable specifications at the lowest possible price. Aside from the fact that the low bid is often not the cheapest price in the end, professional planning services represent the application of the art and science of community planning as applied according to the methods, techniques and skills of the professional planner providing the service. No two plans, or even any two planning processes, are likely to be identical.

A number of factors need to be taken into account in addition to the cost when considering/reviewing proposals. These include such considerations as the “chemistry” that exists between the consultant and the community; the time frame within which the services are desired and the consultants schedule to perform them; and the ability/willingness of the consultant and the community to flexibly adapt to changes once the process has been initiated. If the community is willing to be flexible on any aspect of the proposal (e.g. the scope of work, the deadline, the amount of resources available, what the community might be able to undertake themselves, etc.), then this should be clearly stated. The proposals should go out to the firms that are identified as qualified and a reasonable period of time should be provided for reply. If the work requested is anticipated to cost more than \$100,000, then six to eight weeks should be permitted for a consultant to prepare a thoughtful proposal. Obviously, the community should also have a budget for the services desired. While an absolute maximum budget figure is not necessary to include in an RFP, a range is very useful. The old adage “you get what you pay for” is often accurate.

One technique becoming more common prior to initiating a request for consultant qualifications or proposals is the preparation of a “plan for planning.” This permits the community to very carefully delineate, in the RFP what the process and product should be like. The “plan for planning” should involve the planning commission and governing body. This can save a significant amount of time and money later as the community can rest assured that proposals will be consistent with the RFP and the desires of both the planning commission and governing body.

Listed below are items commonly included in an RFP.

- Instructions.
- Deadline for proposals.
- Proposal format.
 - Project work tasks.
 - Project staffing and management.
 - Cost proposal.
 - Qualifications of firm and team members.
- Description of services requested.
- References, including only local or regional experience.
- Proposal review and selection process.
- Criteria for selection.
- Experience with "like" projects.

Some communities offer a preproposal meeting where consultants are invited to an oral presentation on the proposed project. An opportunity for questions and answers is offered. Oral presentations of finalist firms are also common for large projects.

A community should have its criteria for consultant selection in place before initiating the RFP process. This will insure fairness to all consultants and objectivity on the part of the planning commission.

Advantages

- An RFP requires the community to carefully think through its needs before soliciting consultant services.
- It makes the selection process easier because proposals are more comparable.
- It makes the selection process fairer.
- Competition stimulates ideas.
- It helps find the right expertise for the project.

Disadvantages

- It takes longer than a "sole source" contract.
- It can result in a disproportionate emphasis on price if the process is conducted as a "bid" process.

Limitations

- Some firms don't reply to RFP's if one is poorly prepared or if no identification of budgetary resources is given.