

# Working With Planning Consultants

## PART I

by C. Gregory Dale, AICP

The use of a private planning consultant can be an efficient way of conducting a local planning project. If handled properly, consultants can be a valuable addition to the planning resources of a community. However, like any undertaking, this process has its keys to success as well as potential problem areas. This is the first in a series of articles designed to provide an overview of the "ins and outs" of working with planning consultants. It is admittedly prepared by a planning consultant. Hopefully, however, this private sector perspective will benefit planning commissions and planning staff in the public sector.

The following are what I consider to be ten key elements to successfully getting started on a project that will involve consultants.

**1. Know the Law.** Many communities have local laws or regulations relating to the selection of consultants; there may also be state laws that come into play. If you have any uncertainty, consult with

your legal counsel to understand the legal framework within which you operate before doing anything else.

**2. Have Clear Definition of Need for Project.** Before you begin a consultant selection process, your department/commission should also be clear about the scope and nature of the project. Too many communities use the consultant selection process as a means to help define a project. Unfortunately, this often leads to widely divergent proposals being submitted, which are quite difficult to compare.

**3. Confirm Leadership Commitment.** Related to the above, some communities use the proposal process as a way to generate local interest and agreement in engaging in a planning process. Unfortunately, this often results in confusing discussions where some decision-makers are focusing more on whether or not a planning project should be pursued

rather than on selecting the most suitable consultant for the community. Before you begin a consultant selection process you should have a commitment on the part of the decision-makers that the project should be undertaken.

**4. Learn from Others.** Take advantage of your planning network to learn from other communities. Undoubtedly, there are other communities in your region or state that have gone through a planning process utilizing consultants. It is worth comparing notes to find out what has worked well and what has not worked well for them.

**5. Establish Budget Parameters.** In your research with other communities, you should be able to get a general understanding of the consulting market in your area. This should help you in developing a realistic budget for your project — a budget that should be agreed on before you seek proposals from consultants. Note that budgets can be expressed in either dollar amounts or estimated labor hours.

Too often communities invite consultants, as part of their proposals, to tell the community how much it should spend on the project. The problem with this (similar to my earlier point about the scope of the project) is the likelihood of receiving proposals that will be quite difficult to compare.

**6. Determine the Selection Process.** A decision will need to be made as to how the consultant will ultimately be selected. If you have used a planning consultant before and were happy with their performance, you may wish to explore a "sole source" selection, which means that you would not go through a competitive selection process (but check that this is permissible in your jurisdiction).

If you decide on a competitive process, who will do the screening of



### On-Line Comments

"Speaking as a consultant and former chairman of the Summit County Commission, it is difficult to over-emphasize the importance of - 'Clear definition of Need for Project.' Very specific tasks and objectives have to be established to assure that a consultant can be effective. ... In all cases, the selection process is critical. The consultant will furnish you with information on their most recent work and should be willing for you to talk with past clients. Checking with references and past clients can help you make certain that your candidate has the skills you are looking for. Quite often there is a

human-resources person who can be 'borrowed' pro-bono from a nearby firm to help establish a recruiting/selection process."

— H. Gene Moser, Park City, Utah

"It is easy to create an rfq/rfp/bid process, under the guise of openness or fairness, that takes far too much staff or public processing time. Indeed, it would be possible to spend so much time and resources on the bid process that one could/should have done the project oneself! As with any project, clarity as to the hows, whys and wherefores will benefit all involved."

— Lee A. Krohn, AICP, Planning Director, Town of Manchester, Vermont

consultants, review of qualifications, review of proposals, and interviewing? Typically a selection committee will be established that will act in an advisory capacity and may include representatives of the legislative body, the planning commission, as well as key departments such as planning, engineering, public works, etc. Also, consideration should be given as to whether citizen representatives should be on the selection committee.

**7. Select the Consultant Candidates.** Make a decision early in the process as to whether you will be opening the process up to any consultant who wishes to submit, or whether you will prescreen consultant candidates. Do you want to invite consultants to submit on a local, regional, or national basis? Some communities have a strong preference for local consulting firms. If this is the case, it is not fair to invite national submissions by firms that have no realistic chance of success. On the other hand, some communities determine that they want a national perspective, which has obvious cost implications related to travel.

I suggest that you begin with a request for qualifications and use that as a basis to narrow the number of candidate firms that you will then request full proposals from (I'll discuss the content and process involved in RFQs and RFPs in my next column).

**8. Interviews.** After narrowing the candidates down to a realistic number based upon qualifications (typically this should be no more than five or six firms), you may then want to further narrow it for the purpose of scheduling personal interviews with the consultants. For this process to be manageable the number of firms interviewed should be no more than four, preferably two or three. Scheduling more than four interviews results in a burdensome process for the local selection committee.

Considerations such as the length of the interview, the type of presentation desired, and logistics of the interview room should also be resolved beforehand.

**9. Final Consultant Selection.** How will the final selection be made? Will there be explicit criteria or will the process involve an open consensus building discussion? If criteria are established, what will they involve? To what extent will references, qualifications, understanding of the local community, staff availability, time proposed to be spent on-site, etc. be considered? Again, these are all matters that need to be discussed and resolved in advance.

**10. Contract Negotiations.** After a consultant is selected, the contract and scope of services should be carefully negotiated. Even if the process involved a full proposed scope of services, there is still the opportunity for the community to negotiate the details and content of that scope of services with the consultant. The community may conclude that it favors most of what the consultant proposed, but revisions to the scope are necessary. The cost, method of invoicing, scheduling, definition of work products, and commitment of personnel, should all be addressed in the contract.

#### SUMMING UP:

Ultimately the consultant process involves people working with people. The challenge is to find the right mix of qualifications, approach and philosophy, and personality compatibility between the client and consultant. ♦

C. Gregory Dale, AICP, is Director of Planning with the planning and engineering firm of Pflum, Klausmeier & Gehrum, and works in their Cincinnati, Ohio office. Dale is also a past president of the Ohio Chapter of the American Planning Association, and frequent speaker at planning and zoning workshops. His next two columns will focus, respectively, on the request for qualifications / request for proposal process, and on dealing with "management" issues that can come up during the course of a project.



## When to Hire a Consultant

Even if your community has a professional staff, there are a number of situations in which it will make good sense to hire a consultant for a specific project:

- *Staff is too busy.* Preparing a comprehensive plan or updating a zoning code is a time-consuming project. The staff that conducts the day-to-day business of the planning department may not have time to undertake such a project without help.

- *Staff needs expert help.* A planning director may be involved in drafting one or two zoning ordinances in his or her entire career. There are consultants who prepare several zoning ordinances every year. Experience does count and the right consultant can bring a lot of experience to your project.

- *Project requires objectivity.* The community may need an objective evaluation of a complex situation that has become an emotional issue for people living in the community.

- *Project requires credibility.* There is some truth to the old adage that a consultant is someone from at least 50 miles away. Sometimes the community just needs the credibility of an outside expert, even if the planning staff and planning commission know what needs to be done.

- *Consulting contract avoids legal obstacles.* Sometimes there are technical and legal reasons for hiring a consultant — for example, when an agency has money available to fund a project but is under a hiring freeze or can get matching grant funding.

All of those are good reasons for hiring the right consultant.

The above is excerpted from Eric Damian Kelly's "The Commission and the Consultant" which ran in PCJ #13.



# Working With Planning Consultants

## Part II

In my previous column (*PCJ* #29, Winter 1998), I provided an overview of ten key elements to successfully getting started on a planning project involving consultants. One of those elements involves a clear understanding of the Request for Qualifications (RFQ) / Request for Proposal (RFP) process. This column focuses on the benefits of starting your consultant selection process by using an RFQ and then, if necessary, moving on to request proposals from the "short list" of firms you have screened from the responses to your RFQ.

### 1. Beginning with an RFQ

I suggest that you began the consultant selection process with an RFQ. An RFQ can be fairly simple. You are primarily interested in understanding the background, experience, skills, and capabilities of various firms. Here are several tips:

Make sure you specifically request identification of the project manager and senior level staff to be assigned to the project, as well as any proposed sub-consultants. You will also want to receive a summary of representative projects managed and staffed by that team, along with project references and resumes. You may receive qualifications from a large firm with a very impressive list of projects and clients, but you will not be working with

the entire firm — you will be working with a small group of people within that firm.

Also, since you will want a consultant who will recognize the unique problems of your community, you may want to ask for sample plans. This



by C. Gregory Dale, AICP

will help you separate the "cookie cutter" firms from those that respond to local needs, conditions, and tastes.

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A mistake that communities sometimes make is to publish what they refer to as an RFQ, but that, in reality, reads like an RFP (i.e., requesting a proposed scope of services, budget, cost estimate, and so on). One difficulty with this is that the community may end up receiving submissions by consultants that vary widely in their scope, making them difficult to compare. In addition, it defeats the very purpose of the RFQ which is to develop a "short list" of qualified consultants and then move on to the more detailed part of the selection process.

### 2. After the RFQ

Once you have a file of potential consultants generated by your RFQ, you will want to review their qualifications in order to develop a short list of firms warranting further consideration — usually three or four of the best qualified firms.

After you have done this, you may choose to request a full proposal from each of the short listed firms or proceed directly to interviews with the short list-

ed firms and make a tentative selection of a preferred consultant based upon the interviews (if you take the latter course, you can request a detailed proposal and negotiate a budget directly with the preferred consultant with the understanding that if negotiations are not successful you will move on to the second ranked consultant).

When you request a proposal, whether from your short list of consultants or from a single preferred consultant, one of the issues you should consider is how much guidance to provide. If you spell out each and every step you expect to be taken in the project, you may never hear potentially valuable ideas the consultants might have based on their experience.

Of course, there's also the other extreme where a community offers virtually no guidance as to what it expects. Your objective should be to achieve a balance providing consultants an understanding of your community's expectations, while allowing them freedom to suggest different approaches.

One of the more difficult issues to deal with involves the project budget. When consultants receive an RFQ or an RFP they will want to know what the project budget is. You will need to make a decision early-on as to whether to share this information with the consultants and whether to ask them to include cost estimates in their proposals. [Note: As I mentioned in my previous column, there are often local or state laws that govern the consultant selection process; some cover when you can request cost information.]

There are several things to consider. First, asking consultants to submit a proposal without their knowing the project budget can lead to your receiving a wide range of scope of services, making proposals difficult to compare. Furthermore, if you do not require consultants to

include a cost estimate with their scope of services, it can be very tempting for consultants to "promise the world." But asking consultants to submit cost estimates without their knowing the community's budget for the project can lead to a "bidding process," which is not appropriate for a planning project. This creates greater potential for future contract extension requests due to under-funded projects.

I believe the most effective approach is to establish a project budget and make it known to submitting consultants, *but* ask the consultants to submit a cost estimate under separate cover from their proposed scope of services — with the understanding that your review of the proposals will be made without consideration of the cost estimates. This ensures that your preliminary selection of a consultant will be based upon the quality of the proposal. If you are subsequently unable to negotiate a satisfactory budget with the preferred consultant (which is very rare) you can then proceed to negotiate with another consultant.

#### SUMMING UP:

It is important to understand that planning projects are not engineering projects. There are typically no "right or wrong" approaches to planning. Finding the right match for the local community in terms of personalities, approach, vision, and skills is critical. Understanding the differences between qualifications and proposals can help ensure that you end up with the best consultant for your project. ♦

C. Gregory Dale, AICP, is Director of Planning with the planning and engineering firm of Pflum, Klausmeier & Gehrum, and works in their Cincinnati, Ohio office. Dale is also a past president of the Ohio Chapter of the American Planning Association, and frequent speaker at planning and zoning workshops. His next column will focus on the business aspects of hiring a consultant, including the contract and oversight process.



## Don't RFP

by Joel S. Russell

The single biggest aggravation I have as a planning consultant is wasting time on RFPs. Why is dealing with RFPs so frustrating to so many consultants — and wasteful to many communities that issue them?

1. Too many RFPs are written without a clear idea of what is needed. I have seen hundreds of thousands of dollars wasted on poorly thought-out planning studies because the RFPs were just mindless wish lists.

In contrast, talking with the firms short-listed based on an RFQ enables the community to clarify its objectives and, more importantly, see how good the prospective consultants are at guiding them through the thought process. The best projects come about because the prospective consultant has worked with the client to define what the project is before a formal proposal is written. Then the proposal itself is easy.

2. Hiring a consultant is like hiring any other professional adviser: doctor, psychologist, lawyer, accountant, etc. You do not need to know in detail exactly what the professional will do at each step of the process. You do need to feel comfortable, trusting, and confident in the person's professional expertise and reputation, which means knowing about the person's track record and talking to references.

Put another way: would you rather choose a doctor who answered an RFP that went out to fifty doctors and took the time to write an elaborate proposal telling you in painstaking detail the course of treatment (before he has made a diagnosis), or a doctor who comes highly recommended and who spends his time helping patients, not writing proposals?

3. Elaborate RFPs requiring elaborate proposals systematically (if unintentionally) discriminate against small firms, who are often the ones least likely to do "cookie-cutter" work. Small firms don't have staff assigned to writing proposals, and many won't waste time answering "kitchen sink" RFPs. The end result: communities issuing exhaustive RFPs are unlikely to hear from high-quality small firms who might do the best job.

4. Most RFPs ask for far more in services than the community can afford. Consultants then have the following unpleasant choices:

- Bid the project at what it would really cost to do the job well (assuming that the RFP is clear enough to be able to tell). If you do this, you end up as the "high bidder" and often don't get the job.
- "Low-ball" the project and, after being selected, ask for more money or a reduced scope of services. This is a common strategy and often works to get the project — but it usually results in strained relations between the consultant and the community.
- "Low-ball" the project and try to do all of it within the budget — this usually means compromising the quality of the project and/or the process.
- Tell the client the truth: that the RFP is way out of line with the budget (if known) or that it is too vague to give a clear price, or that it otherwise needs to be clarified. This is a high risk strategy because it can offend a potential client.

The smartest communities I've worked with have decided first they want to work with me, usually by comparing me with other qualified consultants. We then work together to define the scope of the project and the budget. This is a far more efficient use of both client and consultant resources. It is my fervent hope that the formal RFP will someday become extinct.

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# Working With Consultants – Part III

by C. Gregory Dale, AICP

*[Editor's Note: This is the final article in a three part series dealing with the hiring and management of planning consultants. The two previous articles focused on getting organized to hire a consultant and the RFQ/RFP process.]*

Once your community has selected a consultant, there are certain steps you can take to assure the project runs smoothly. A well defined scope of services, a carefully structured contract, and a clear understanding of how the project will be managed are all important elements to resolve in the beginning.

The following are some tips that should help to make the consultant-assisted planning process as efficient and productive as possible.

1. *Clarify the scope and cost.* Do not automatically assume that the scope of services included with a consultant's original proposal will be incorporated into the contract. Work with the consultant to make sure you have a scope of services and process that works for your community and establishes a clear understanding of the costs. On the one hand, be as explicit as possible with regard to the work tasks. On the other, build in some flexibility to allow mutually agreeable changes in emphasis as the project unfolds.

2. *Clarify roles.* Make sure all have a clear understanding of the roles of the consultant, the planning commission, the legislative body, the planning staff, and any citizen-based steering committee. Who will the consultant be expected to answer to? How and when will planning commissioners and elected officials be involved? What will be the composition and role of any steering committee?

3. *Identify project manager.* Clearly identify your consultant's project manager. Similarly, designate a contact person

from the planning department. You will want to have defined lines of communication on both logistical and substantive planning issues.

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4. *Be clear on the products.* Make sure there is an identified list of products that the consultant is responsible for producing. Ideally products are delivered by a consultant periodically over the course of a project. This provides tangible signs of progress, and allows for feedback or direction to the consultant if necessary.

5. *Be specific on meetings and trips.* To the maximum extent possible, specify the number of on-site meetings by the consultant, particularly if the consultant is from out of town. Identify how the cost of any trips beyond the scope of the contract will be apportioned.

6. *Address direct costs.* Clarify whether direct costs such as reproduction, mailing, long distance calls, and travel, are included within the contract amount. Consider having a separate direct cost budget with a not-to-exceed amount.

7. *Communicate regularly.* There is no substitute for regular communication between client and consultant. When a consultant is expected to do substantial amounts of work without feedback from the client, surprises tend to occur. And these surprises are not usually pleasant!

8. *Stay in touch with constituents.* Your planning staff (or steering committee)

should be in a better position than the consultant to detect early warning signs of any community concerns or problems related to the project. Early communication of those issues to the consultant is essential to a successful project.

9. *Be clear on invoicing procedures.* Make sure there is a clear understanding of how the project will be invoiced. For example, will it be invoiced monthly, based on percentage completion? Or will it be invoiced based on the production of products?

10. *Provide for a project ending.* Some planning projects tend to drag on, without seeming to have any clear concluding point. Avoid this by identifying the final products that are expected from the consultant. Pay particular attention to the issue of the consultant's role and responsibilities in any plan or ordinance adoption process, as these often become unexpectedly time-consuming.

11. *Establish trust.* While the consultant/client relationship is a business relationship, it should be founded on trust. View the consultant as a team member, not simply an outside expert.

Consultants can be a valuable complement to a community planning process. But remember that a good consultant helps plan *with* the community, not *for* the community. ♦

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