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March 15, 2016

To: Sen. Mike Petersen, Chairman

Members, Senate Transportation Committee

From: Ashley Sherard, Vice-President

Lenexa Chamber of Commerce

Re: Alvarez & Marsal Recommendation on Qualifications-Based Selection (QBS)

We appreciate the opportunity to share our concerns regarding Alvarez & Marsal's recommendation that KDOT forego Qualifications-Based Selection (QBS) when contracting for engineering services unless otherwise mandated by federal law – presumably leaving "lowest bidder" as the primary evaluation standard.

We feel repealing the current statutory requirement KDOT follow QBS on all projects may be penny wise but pound foolish. Transportation projects are highly complex, and an evaluation process that considers competency, qualification, and experience in addition to a fair and reasonable price makes good sense where quality on-time outcomes are key and taxpayer dollars, commercial access, and public safety and convenience are all at stake.

In addition, QBS provides for a more competitive procurement environment. Because the process is based on a firm's specific expertise and ability to perform a job, rather than simply lowest bid, small firms can readily compete and succeed against larger competitors. This environment encourages a greater number of firms to bid for projects, enabling KDOT to maximize quality, value, and cost-effectiveness in its contracting.

In short, we believe QBS allows for more high-quality design, and high-quality design produces substantial savings on maintenance and operations over a project's lifespan -- among a number of other important benefits and considerations -- which far outweigh the short-term financial gains that A&M recommends. For these reasons, we would strongly encourage you to reject this recommendation and maintain the current statutory requirement KDOT follow QBS on all projects.

Thank you for your consideration of our input.