

As background to your discussion about the consultant hiring, Nicholas and I have gathered your interests, facts and assumptions about this issue and summarize them here. Please let us know if we missed something vital or got something wrong.

The question about agreeing to keep Stratus as the Real Deal consultants or going out with an RFQ or RFI is complicated. Partly it is complicated because the option of looking for another lead contractor has different junctures: you could look over the field and decide not to proceed. You could continue with the process and decide on Stratus. You could hire someone different. Understanding the cost of going forward or not going forward is confusing because going forward could take several twists and turns.

1. What are the interests related to the choice of going out with a solicitation at all?

**a. Procedural Interests** are key here:

- i. Honoring the agreement made in May.
- ii. Providing a solid basis for a consultant decision. If solicitation of proposals had been for the actual job--lead contractor--rather than for a narrower job--providing economic analysis--there may have been candidates who would provide a better fit for the ctte's work.
- iii. Continuing in a timely, well-organized manner.
- iv. Interest in *not* using urgency or efficiency as a lever to quash the agreement made in May (avoiding such quashing was part of the May agreement).
- v. Avoiding something that will clog the ctte agenda and demand considerable subctte member time.
- vi. Advantage, as a ctte, of working through these issues.
- vii. In decision theory, there is a basic notion that one should keep one's options open so long as significant new information will be forthcoming and the risks of waiting are comparatively low. In your case the new information would be:
  1. Knowing Stratus better, being able to judge their 'fit' to the ctte better
  2. Knowing more about who might have applied had the original solicitation been ctte-tailored.

**b. Substantive Interests** include:

- i. Avoiding the risk of inviting a built-in economic bias.
- ii. Not having to re-integrate and re-familiarize another team.
- iii. Not losing the work done in choosing the subconsultants who now work for Stratus.
- iv. Avoiding expenditure of labor, energy, focus of staff and ctte on solicitation and evaluation of proposals, putting together contract, etc.
- v. Avoiding interruption of the ctte momentum.
- vi. Avoiding duplication of effort if Stratus (and their team of subs) is replaced. This isn't just the consultant effort but the ctte's and staff's. (It costs upwards of \$50,000 to support a single ctte meeting, so this is not a trivial question.)

**c. Relationship Interests** include

- i. Relationships among ctte members, especially for Peter who "stood aside" before and has deep concerns about a well-framed procedure.
- ii. Trust between the ctte members and the City.
- iii. Trust between the ctte members and the consultant.

- iv. Trust between the ctte members and the public (that the ctte can claim “this was our process; these are our results” and the public feels confidence in that.)
  - v. Depth of relationship between ctte and Stratus vs ctte and a new set of players.
2. What are the issues about the solicitation? (These issues lean towards substantive stuff but that in no way implies that the procedural interests are less important.)
- a. A submitter typically spends 10% of the contract amount on a bid; they do a fair amount of research before committing to an RFQ. Proposers may see this situation as a bit iffy (e.g. because Stratus already has an ‘in’) and choose not to bid. Thus, the interest in finding out who might actually bid may not be met. (On the other hand, an RFI, though it is peculiar and will likely raise some eyebrows, is inexpensive to prepare so the field for an RFI may be oddly large.)
  - b. Doing an RFI would slow the ctte process more than an RFQ.
  - c. The RFI is less formal and doesn’t have evaluation criteria, which may mean a hodge-podge of submittals that are difficult to compare rigorously.
  - d. To mitigate the disruption of hiring a different consultant, one idea is to ask the proposers to articulate their team and pick the *team* not just the lead.
  - e. Because the RFI/RFQ costs money, it will be on the Council’s agenda for their October 14th meeting.
3. What are the issues at different junctures?
- a. In the ‘interests’ section I tried to outline the key issues you have in choosing whether to go forward with a solicitation this month.
  - b. The next ‘junction’ might be at the RFI stage, if you choose to go that route. By that time you will have very brief descriptions of the lead (general contractor), team and approach and of course you can google them to your heart’s content. You will also know Stratus better. At that point you have to choose whether to go on to an RFQ or not, perhaps shortlisting the RFI submitters. Here are some issues that may be relevant:
    - i. Will you then have an answer to the question “how broad might the field be?” If not, then what?
    - ii. What process will you put in place to make the decision about whether to proceed? A subctte empowered to make decisions?
    - iii. When you compare the field of candidates to Stratus, do you take into consideration Stratus’s putative advantage in experience and familiarity with you and your work? (Is it legitimate to say “these consultants seem equally good but we will choose to continue with Stratus because they know more about the project?”)
    - iv. When you compare the field do you then take into consideration the efficiencies of sticking with the existing Stratus contract (is it fair to say “yeah I might have liked Smith better but it isn’t worth the hassle?”)
  - c. If you go forward to an RFQ you have to choose whom to interview. Subctte again?
  - d. Interview, presumably 2 or 3 ctte members-- empowered to opine?
  - e. Building the contract-- subctte involved?