

Legislative Analysis



LOCAL GOVERNMENT PROFESSIONAL SERVICES SELECTION ACT

Phone: (517) 373-8080
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Analysis available at
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House Bill 5238 & 5239 as introduced
Sponsor: Rep. Robert L. Kosowski

House Bill 5240 as introduced
Sponsor: Rep. Peter J. Lucido

House Bill 5243 as introduced
Sponsor: Rep. Kurt Heise

House Bill 5241 as introduced
Sponsor: Rep. Jason M. Sheppard

House Bill 5244 as introduced
Sponsor: Rep. Andy Schor

House Bill 5242 as introduced
Sponsor: Rep. Klint Kesto

House Bill 5245 as introduced
Sponsor: Rep. Harvey Santana

Committee: Local Government
Complete to 12-6-16

BRIEF SUMMARY:

House Bill 5238 would create the Local Government Professional Services Selection Act, which designates a process whereby a local unit of government requests statements of interests and qualification from companies providing certain services, evaluates and ranks those companies, and negotiates a contract with the chosen company for performance of those services. It applies to architectural services, engineering services, and land surveying services,

House Bills 5239 to 5245 would give that new act precedence over the provisions in various other municipal acts.

DETAILED SUMMARY:

House Bill 5238

The bill would provide the following procedure by which a local unit would contract with a firm for the performance of architectural services, engineering services, or land surveying services:

- ***Publish a notice:*** The local government would publish a notice requesting a statement of interest in the project by the firm, along with a statement of qualifications and performance data. The notice would include the scope and nature of the proposed project and contact information for the local unit point person.
- ***Evaluate the applicants:*** The local unit would evaluate the statements of interest, statements of qualifications, and performance data submitted by the firms. The local unit must consider the qualifications of the firm, ability of the firm's professional

personnel, past record and experience, and any other qualifications-based factors the local unit deems applicable.

- ***Discussions and public presentations:*** The local unit may conduct discussions with and require public presentations from firms under consideration.
- ***Ranking of firms:*** Based on these factors, the local unit would rank the most qualified firms in order of qualification.
- ***Contract negotiations:*** The local unit would enter into contract negotiations for completion of the services with the highest ranked firm at compensation that the local unit determines to be fair and reasonable, accounting for the estimated value, scope, complexity and professional nature of the services. If the parties are unable to negotiate a satisfactory contract, the local unit will proceed to negotiations with the next highest ranked firm, and will continue in this manner until an agreement is reached or the process is terminated. If the local unit exhausts the list of ranked firms, it will compile and proceed with another list of ranked firms.

A local unit may waive the requirements of the act if the governing body of the local unit determines that an emergency situation exists and selection must be expedited, or if the services would cost less than \$20,000.

The local unit need not proceed under the act when it already has a "satisfactory relationship" with one or more firms, meaning that a firm is performing architectural services, engineering services, or land surveying services for the local unit and performing those services to the satisfaction of the local unit.

House Bills 5239 to 5245 would state that the following acts are subject to the provisions of the proposed Local Government Professional Services Selection Act in House Bill 5238.

- The General Law Village Act (House Bill 5239)
- The Home Rule Village Act (House Bill 5240)
- The Charter Counties Act (House Bill 5241)
- The Home Rule City Act (House Bill 5242)
- The County Boards of Commissioners Act (House Bill 5243)
- The Optional Unified Form of County Government Act (House Bill 5244)
- The Revised Statutes of 1846 (House Bill 5245)

The bills would take effect 90 days after enactment. House Bills 5239 to 5245 are tie barred to HB 5238, meaning that they would not take effect unless HB 5238 is also enacted.

FISCAL IMPACT:

The bill would not appear to have a significant fiscal impact.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.