

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE

Senate Bill 960 (Senators Brinkley and Mooney)

Education, Health, and Environmental Affairs

Health and Government
Operations

Frederick County - Procurement Contracts - Architectural and Engineering Services

This bill expands the procedures that Frederick County may use to procure architectural and engineering (A & E) services that cost more than \$30,000. Specifically, for A & E procurements, Frederick County may evaluate the technical proposals and qualifications of at least two individuals and establish a contract price that is fair, competitive, and reasonable.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: None.

Local Effect: The expedited procurement process allowed by the bill could reduce administrative expenses for Frederick County without significantly reducing the competitiveness of A & E procurements. The extent of the savings from the expedited process cannot be reliably estimated. The bill could also accelerate the awarding of contracts for A & E services, leading to earlier project completion times.

Small Business Effect: Minimal. Small businesses bidding on A & E procurements in Frederick County could benefit from expedited contract awards.

Analysis

Current Law: Frederick County must use competitive bidding to procure contracts for supplies and materials valued in excess of \$30,000, with the exception of A & E services. For A & E services costing more than \$30,000, Frederick County must use either competitive sealed bidding or competitive negotiation, the latter of which involves the submission of written technical and price proposals from two or more sources and a written evaluation of those proposals in accordance with specified criteria.

State agencies that wish to procure A & E services in excess of \$200,000 must submit their request to the General Professional Services Selection Board in the Department of General Services (for all but transportation-related projects) or the Transportation Professional Services Selection Board in the Maryland Department of Transportation for transportation-related projects. After reviewing the technical proposals and qualifications of at least two individuals, the respective boards begin negotiations with the most qualified person and seek to negotiate a contract that includes a rate that is fair, competitive, and reasonable. If they are unable to reach agreement on a compensation rate, the boards begin negotiations with the next most qualified individual.

Additional Comments: It is unclear whether the contract rate for A & E services specified in the bill is negotiated, as required for State procurements, or dictated by Frederick County.

Additional Information

Prior Introductions: None.

Cross File: HB 905 (Frederick County Delegation) – Health and Government Operations.

Information Source(s): Frederick County, Department of Legislative Services

Fiscal Note History: First Reader - March 8, 2007
ncs/hlb

Analysis by: Michael C. Rubenstein

Direct Inquiries to:
(410) 946-5510
(301) 970-5510