

State Designer Selection Board Task Force Report

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AIA Minnesota
American Council of Engineering Companies of Minnesota
Minnesota State Arts Board

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Executive Summary

A Task Force of representatives from the American Institute of Architects – Minnesota (AIA Minnesota), the American Council of Engineering Companies of Minnesota (ACEC/MN) and the Minnesota State Arts Board was organized to study the current State Designer Selection Board (SDSB) thresholds and the current process to determine if any changes or updates would be recommended to improve the outcomes of the SDSB process.

To complete its analysis and develop recommendations, the Task Force reviewed previous Task Force reports, conducted surveys of architecture and engineering firms, clients of SDSB and members and former members of the SDSB. The Task Force also conducted an audit of project awards made by the SDSB from 1976-1996 and 2006-2016.

The Task Force focused particularly on several key issue areas:

- A. Whether the current thresholds for state agency projects to use the SDSB process are set at appropriate levels;
- B. Whether the criteria currently expressed in statute continue to be effective in maintaining a qualifications-based selection process; and
- C. Whether the SDSB process as it currently exists is efficiently and effectively establishing the goals as laid out in Minnesota statutes.

The process and data used to prepare recommendations is described in detail on page five of this report and was critical in developing this list.

The Task Force offered several recommendations for legislative and administrative consideration:

1. The Task Force recommends an immediate increase to thresholds of \$4 million for construction cost and \$400,000 for planning fees.
2. The Task Force recommends that the SDSB and Department of Administration do more to ensure that a higher number of firms located in Greater Minnesota and firms that are small in size can compete successfully in the SDSB process.
3. The Task Force recommends that the criterion related to experience designing projects similar to the project in question be revised to remove the five-year timeframe.
4. The Task Force lauds the State of Minnesota's goals in incentivizing firms to attract and retain diverse employees and to engage underrepresented populations and veterans in public work. The Task Force discussed the pass-fail requirement and waiver process at length and while it did not reach a consensus recommendation for change to current practice, the group noted a number of concerns that it asks the Department of Administration and SDSB to take under consideration.
5. The Task Force recommends that the criteria be prioritized (rank ordered) by the agency at the RFP stage of the project, in order to best inform proposals submitted by firms and the SDSB's deliberations and decision-making.
6. The Task Force recommends adding a landscape architect as a defined position on the SDSB, thus expanding the SDSB's understanding of the considerations important to projects that involve landscape design.
7. The Task Force recommends revisions to the current communications and submittal approaches of the SDSB, intended to take into consideration regular working hours, the unique needs of Greater Minnesota members, and the needs of firms that submit proposals infrequently.

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8. The Task Force recommends that the number of firms shortlisted not exceed four, and commonly be limited to three. In regard to shortlisting meetings of the SDSB, they recommended that these meetings be held by videoconference, thus allowing SDSB members to participate remotely and therefore increasing the ability of Greater Minnesota individuals to more easily serve on the SDSB. Regarding interviews, the Task Force recommends that interviews should be held near the project location.
9. The Task Force recommends that the process utilized by the University of Minnesota and Minnesota State be consistent with Qualifications Based Selection and not introduce questions, information requests, or other approaches that relate to fees outside the core process.

The Task Force was unanimous in its gratitude to SDSB members for the time they take to engage in the process of the Board, and for the transparency of the process; for example, the recordings of SDSB meetings are invaluable to the firms that are seeking public work before the Board, especially if they seek such work only periodically. The Task Force also recognizes that the good work of the Board and the Department of Administration requires adequate resources be made available. If additional resources are needed by the Department of Administration to pursue the implementation of the recommendations within this document, AIA Minnesota and ACEC/MN will help in working to secure those resources.

Task Force Process Summary

In the summer of 2017 an SDSB Task Force was established by the American Institute of Architects - Minnesota (AIA Minnesota), with representation from the American Council of Engineering Companies of Minnesota (ACEC/MN) and the Minnesota State Arts Board was organized to study the State Designer Selection Board process and outcomes.

The following is the stated purpose of the Task Force, as found in the Task Force charter:

The core aims of the Task Force are two-fold: 1) to provide evidence-based recommendations to the Legislature focused on whether and to what extent the current SDSB construction cost and design fee thresholds should be revised; and 2) to provide administrative recommendations for process improvements to the SDSB.

The Associated General Contractors of Minnesota (AGC/MN) was invited to participate but did not provide a representative to the Task Force, due to the disclosure of a conflict of interest upon initiation of the work of the Task Force and difficulty identifying a replacement for that conflicted individual.

Process Summary

To accomplish a comprehensive review, the Task Force completed several steps:

- Revisited other Task Force studies completed in 1990, 1998, and 2007;
- Conducted a survey of member firms of AIA Minnesota and ACEC/MN to capture the experience of the architecture and engineering communities, and to understand the perceived value and fairness of SDSB;
- Conducted a survey of past members of SDSB and of agency clients to capture their understanding of the original legislative intent of the SDSB, the understanding of the stated selection criteria and how application of criteria has evolved over time, and to examine current thresholds and practices for any needed modifications;
- Conducted an audit of SDSB project awards from 1976-1996 and 2006-2017 to identify trends in submission, short-listing, and awarding of projects; and
- Informed by survey and audit results, deliberated to identify recommendations to be shared with the Department of Administration and the Minnesota State Legislature regarding the SDSB.

This report compiles all the data and information gathered, which forms the basis of the recommendations put forward by the Task Force.

Members of the 2017-2018 SDSB Task Force

AIA Minnesota

Greg Hulne, AIA – Minneapolis, MN

Jose Rivas, AIA – Rochester, MN

Ken Sheehan, AIA – Minneapolis, MN

Ann Voda, AIA – Minneapolis, MN

Mark Wirtanen, AIA – Hibbing, MN

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ACEC/MN

Doug Cooley, PE – Minneapolis, MN

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Minnesota State Arts Board

Ben Owen – St. Paul, MN

History of SDSB and QBS

The Minnesota State Designer Selection Board (SDSB) was created in 1974 to prevent conflicts of interest, fraud and patronage when selecting design professionals for certain state projects.

The law was patterned after Public Law 92-582 (40 USC §1101), the “Brooks Act,” which formally established Qualifications Based Selection (QBS) for architects and engineers at the federal level in 1972. The Brooks Act codified a system where demonstrated competence and qualifications of design professionals, rather than low price, are the basis of selection for government projects.

Minnesota’s QBS law (Minn Stat. 16C) was enacted in 1974 following the scandal that drove Vice President Spiro Agnew from office. The Minnesota bill was sponsored by State Senator Nick Coleman and supported by Minnesota architects and engineers. The SDSB was required to select primary designers for certain state agency and University of Minnesota projects. In addition to qualifications and experience, subsequently adopted selection criteria included ability to deal with aesthetic factors, capacity to accomplish services within the required restraints, availability of appropriate personnel, geographic location of designer relative to the project site, and in the interest of equitable distribution of work, designer’s recent fee structure.

The original project dollar threshold for SDSB selection of designers, as set in 1974, was a construction cost of \$250,000 or planning project/study fees of \$20,000. The current thresholds, set in 1996, are \$2,000,000 in project construction costs or planning projects with fees of \$200,000 or more.

The SDSB was originally made up of five voting members; that number is now seven. Members are nominated by AIA Minnesota, the American Consulting Engineers Council of Minnesota (ACEC/MN), and the Minnesota Board of the Arts, often referred to as the Minnesota State Arts Board, along with public members.

The expansion to seven members came in 2000, to include the Association of General Contractors, along with a provision that allowed University of Minnesota and Minnesota State Colleges and Universities (once referred to as “MNSCU,” now referred to as Minnesota State) to make the final selection of a designer from two finalists selected and forwarded by the SDSB.

Since its inception, several reports examining the effectiveness of SDSB have been completed, the most recent in 2007. This 2018 report is the result of a Task Force convened in 2017 to provide evidence-based recommendations to the Legislature focused on whether and to what extent the current SDSB cost and fee thresholds should be revised, and to provide administrative recommendations for process improvements to the SDSB.

The State Designer Selection Board has a proven track record of successfully implementing qualifications-based selection in Minnesota. The Task Force continues to support this essential approach to the selection of design firms for state projects and has recommendations to strengthen and improve the process for the future.

Recommendations for Legislative Action

The Task Force recommends that the Minnesota State Legislature enact legislation to institute an immediate increase in the dollar thresholds from \$2 million for construction cost and \$200,000 for planning study fees to reflect inflationary increases since these thresholds were established in 1996. According to the Means Quarterly Construction Cost Index – Average of 5 Minnesota Cities: (Duluth, Minneapolis, St. Paul, St. Cloud, Rochester), construction costs in Minnesota have increased an average of 4.15 percent annually since 1996.

This means that \$2 million in January 1996 is equivalent to \$3.89 million in 2017 dollars, and \$200,000 in January 1996 escalates to \$388,980 in 2017 dollars.

Therefore, the Task Force recommends an immediate increase to thresholds of \$4 million for construction cost and \$400,000 for planning fees. However, the Task Force is open to other sources which may be appropriate to indicate Minnesota's average annual construction cost increases to establish the new thresholds.

The Task Force also recommends that the Legislature establish automatic, periodic adjustments to keep pace with inflation in the years following an immediate increase in the thresholds, utilizing the Means Quarterly Construction Cost Index – Average of 5 Minnesota Cities or similar source.

Recommendations for Administrative Action / Process Improvements

1. Selection Criteria

a. Geography and Firm Size / Number of Firm Employees

The Task Force recommends that the SDSB and Department of Administration do more to ensure that a higher number of firms located in Greater Minnesota and firms that are small in size can compete in the SDSB process. This might include examining the current approach of relegating criteria related to geography and fees per employee to be “fairness factors,” which are brought into decision-making only in the case of a tie in the final stage of the selection process; this approach does not appear to be successful in ensuring that there is recognition of the public benefit gained by Greater Minnesota and small firms being afforded the opportunity to do state-funded work. The data shows a marked reduction in the participation of these types of firms in the process and substantial measures need to be taken to reverse this trend.

While the Task Force talked extensively about potential remedies related to these criteria, the group was unable to reach consensus and asks that the Department of Administration and SDSB work to develop revisions to the process that ensure geography and firm size are truly taken into account in a more effective manner than the current approach. Specifically, regarding firm size, the Task Force believes the “fee per firm employee” measure should be removed as a “fairness factor” and that another approach to ensuring firm size is appropriately considered should be established.

b. DBE/Veteran Pass-Fail Requirement and Waiver Process

The Task Force lauds the State of Minnesota’s goals in incentivizing firms to attract and retain diverse employees and to engage underrepresented populations and veterans in public work. The Task Force discussed the pass-fail requirement and waiver process at length and while it did not reach a consensus recommendation for change to current practice, the group noted a number of concerns that it asks the Department of Administration and SDSB to take under consideration:

- The timeframe for pursuing a waiver is particularly challenging for Greater Minnesota firms, where the industry-wide underrepresentation of people of color in architecture and engineering tends to be more pronounced.
- DBE/Veteran firms often establish partnerships with specific firms beyond one particular project, adding to the difficulties of Greater Minnesota firms and firms applying to work on an SDSB project for the first time securing a partner DBE/Veteran firm.
- While the architecture and engineering industries are putting significant time and dollars toward growing equity, diversity, and inclusion, the path forward is long and likely one of incremental progress.
- Design firms often have a diverse staff of employees, which are not considered when determining the overall percentage on the team. Considering these staff would provide additional incentive to design firms to continue to expand their efforts in this area.

d. Clarity and Prioritization of Criteria in Context of Specific Project

The Task Force recommends that the criteria be prioritized (rank ordered) by the agency at the RFP stage of the project, in order to best inform proposals submitted by firms and the SDSB's deliberations and decision-making. While the Task Force noted that some flexibility for the SDSB to adapt its prioritization based on the proposals received is appropriate, if the prioritization changes based on the proposals this should be clearly stated for the record.

2. Composition of the SDSB & Support for / Participation in Meetings

The Task Force recommends adding a landscape architect as a defined position on the SDSB, thus expanding the SDSB's understanding of the considerations important to projects that involve landscape design.

While the Task Force discussed options for growing the number of members who sit on the SDSB, in light of periodic difficulties in ensuring a quorum of the SDSB is present, the Task Force determined that such an expansion would exacerbate existing difficulties in finding individuals who are willing and qualified to serve and is instead recommending additional changes related to remote participation (see recommendations to follow) and meeting start times to help address this issue. The Task Force recommends changing SDSB meeting times to begin at 10:30 am in order to be less burdensome to SDSB members from Greater Minnesota, and to make it more likely that individuals from Greater Minnesota would be willing and able to serve.

The Task Force noted the importance of ensuring that a quorum of SDSB members is present at SDSB meetings, as well as the importance of the client Agency's representation and active participation on the SDSB when the selection process relates to one of its projects; the variety of perspectives provided by SDSB members is viewed as one of its great strengths.

Finally, the Task Force also recommends that onboarding of SDSB members be strengthened with a specific focus on helping SDSB members to understand the various types of projects that will likely come before them and the specific needs of such projects.

3. Communication & Submittal of Information / Proposal

The Task Force recommends the following revisions to the current communications and submittal approaches of the SDSB, intended to take into consideration regular working hours, the unique needs of Greater Minnesota members, and the needs of firms that submit proposals infrequently:

- Create a notification system alerting when a new SDSB project opportunity is released, such as an email alert to complement the notifications provided in the Register.
- Change to an electronic submission process, thus reducing costs and gaining efficiencies in SDSB processes.
- Change the due date of submittals from Mondays. Tuesdays would be the preferred day.

The Task Force also suggests that the SDSB consider simplifying the nature of the proposals to be submitted in terms of graphic elements. While the Task Force did not endorse a purely templated approach, other entities such as the University of Minnesota and the State of Wisconsin take a more simplified approach that could prove helpful, especially for firms that submit infrequently.

4. Shortlisting and Interviews

The Task Force recommends that the number of firms shortlisted not exceed four, and commonly be limited to three. (The time and expense of pursuing a project through the SDSB is a significant outlay of resources and shortlisting of more than four firms was viewed as excessive by the Task Force.)

The Task Force also had two recommendations designed to make the participation of individuals and firms from Greater Minnesota in the SDSB more workable. In regard to shortlisting meetings of the SDSB, they recommended that these meetings be held by videoconference, thus allowing SDSB members to participate remotely and therefore increasing the ability of Greater Minnesota individuals to more easily serve on the SDSB. Regarding interviews, the Task Force recommends that interviews should be held near the project location; the Task Force recognizes the added costs to the Department of Administration of making such a change but believes this would be an important and impactful step to take and worth the investment of time and dollars.

5. Different approaches utilized for the University of Minnesota and Minnesota State Colleges & Universities

The Task Force discussed the fact that the University of Minnesota and Minnesota State Colleges and Universities (“Minnesota State”) have, since the year 2000, had the ability to make the final designer selection from two finalists selected and forwarded by the SDSB. The Task Force does not recommend reopening this specific question at this time but does recommend that the process utilized by the University of Minnesota and Minnesota State be consistent with Qualifications Based Selection and not introduce questions, information requests, or other approaches that relate to fees.

The Task Force additionally recommends that all communication from the issuance of the RFP through final selection of the design team be transparent and posted to the SDSB website. This would include any post-interview communication between the two finalist design teams and the University.

6. Support of the SDSB’s work

The Task Force was unanimous in its gratitude to SDSB members for the time they take to engage in the process of the Board, and for the transparency of the process; for example, the recordings of SDSB meetings are invaluable to the firms that are seeking public work before the Board, especially if they seek such work only periodically. The Task Force also recognizes that the good work of the Board and the Department of Administration requires adequate resources be made available. If additional resources are needed by the Department of Administration to pursue the implementation of the recommendations within this document, AIA Minnesota and ACEC/MN will help in working to secure those resources.

APPENDIX

Current Minnesota Statutes and Rules Governing SDSB

16B.33 DESIGNER SELECTION BOARD.

Subdivision 1. **Definitions.** As used in this section, the following terms have the meanings given them:

- (a) "Agency" has the meaning given in section 16B.01.
- (b) "Architect" means an architect or landscape architect registered to practice under sections 326.02 to 326.15.
- (c) "Board" means the state Designer Selection Board.
- (d) "Design-build" means the process of entering into and managing a single contract between the commissioner and the design-builder in which the design-builder agrees to both design and construct a project as specified in the contract at a guaranteed maximum or a fixed price.
- (e) "Design-builder" means a person who proposes to design and construct a project in accordance with the requirements of section 16C.33.
- (f) "Designer" means an architect or engineer, or a partnership, association, or corporation comprised primarily of architects or engineers or of both architects and engineers.
- (g) "Engineer" means an engineer registered to practice under sections 326.02 to 326.15.
- (h) "Person" includes an individual, corporation, partnership, association, or any other legal entity.
- (i) "Primary designer" means the designer who is to have primary design responsibility for a project, and does not include designers who are merely consulted by the user agency and do not have substantial design responsibility, or designers who will or may be employed or consulted by the primary designer.
- (j) "Project" means an undertaking to construct, erect, or remodel a building by or for the state or an agency.
- (k) "User agency" means the agency undertaking a specific project. For projects undertaken by the state of Minnesota, "user agency" means the Department of Administration or a state agency with an appropriate delegation to act on behalf of the Department of Administration.

Subd. 2. **Organization of board.** (a) **Membership.** The state Designer Selection Board consists of seven individuals, the majority of whom must be Minnesota residents. Each of the following four organizations shall nominate one individual whose name and qualifications shall be submitted to the commissioner of administration for consideration: the Consulting Engineers Council of Minnesota after consultation with other professional engineering societies in the state; the AIA Minnesota; the Minnesota chapter of the Associated General Contractors after consultation with other commercial contractor associations in the state; and the Minnesota Board of the Arts. The commissioner may appoint the four named individuals to the board but may reject a nominated individual and request another nomination. The fifth member shall be a representative of the user agency, the University of Minnesota, or the Minnesota State Colleges and

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Universities, designated by the user agency. The remaining two citizen members shall also be appointed by the commissioner.

(b) **Nonvoting member.** In addition to the seven members of the board, one nonvoting member representing the commissioner shall participate in the interviewing and selection of designers pursuant to this section.

(c) **Terms; compensation; removal; vacancies.** The membership terms, compensation, removal of members, and filling of vacancies on the board are as provided in section 15.0575. No individual may serve for more than two consecutive terms.

(d) **Officers, rules.** At its first meeting, the board shall elect a voting member of the board as chair. The board shall also elect other officers necessary for the conduct of its affairs. The board shall adopt rules governing its operations and the conduct of its meetings. The rules shall provide for the terms of the chair and other officers.

(e) **Meetings.** The board shall meet as often as is necessary, not less than twice annually, in order to act expeditiously on requests submitted to it for selection of primary designers.

(f) **Office, staff, records.** The Department of Administration shall provide the board with suitable quarters to maintain an office, hold meetings, and keep records. The commissioner shall designate an employee of the Department of Administration to serve as executive secretary to the board and shall furnish a secretarial staff to the board as necessary for the expeditious conduct of the board's duties and responsibilities.

Subd. 3. **Agencies must request designer.** (a) **Application.** Upon undertaking a project with an estimated cost greater than \$2,000,000 or a planning project with estimated fees greater than \$200,000, every user agency, except the Capitol Area Architectural and Planning Board, shall submit a written request for a primary designer for its project to the commissioner, who shall forward the request to the board. The University of Minnesota and the Minnesota State Colleges and Universities shall follow the process in subdivision 3a to select designers for their projects. The written request must include a description of the project, the estimated cost of completing the project, a description of any special requirements or unique features of the proposed project, and other information which will assist the board in carrying out its duties and responsibilities set forth in this section.

(b) **Reactivated project.** If a project for which a designer has been selected by the board becomes inactive, lapses, or changes as a result of project phasing, insufficient appropriations, or other reasons, the commissioner, the Minnesota State Colleges and Universities, or the University of Minnesota may, if the project is reactivated, retain the same designer to complete the project.

(c) **Fee limit reached after designer selected.** If a project initially estimated to be below the cost and planning fee limits of this subdivision has its cost or planning fees revised so that the limits are exceeded, the project must be referred to the board for designer selection even if a primary designer has already been selected. In this event, the board may, without conducting interviews, elect to retain the previously selected designer if it determines that the interests of the state are best served by that decision and shall notify the commissioner of its determination.

Subd. 3a. **Higher education projects.** (a) When the University of Minnesota or the Minnesota State Colleges and Universities undertakes a project involving construction or major remodeling, as defined in

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section 16B.335, subdivision 1, with an estimated cost greater than \$2,000,000 or a planning project with estimated fees greater than \$200,000, the system shall submit a written request for a primary designer to the commissioner, as provided in subdivision 3.

- (b) When the University of Minnesota or the Minnesota State Colleges and Universities undertakes a project involving renovation, repair, replacement, or rehabilitation, the system office may submit a written request for a primary designer to the commissioner as provided in subdivision 3.
- (c) For projects at the University of Minnesota or the State Colleges and Universities, the board shall select at least two primary designers under subdivision 4 for recommendation to the Board of Regents or the Board of Trustees. Meeting records or written evaluations that document the final selection are public records. The Board of Regents or the Board of Trustees shall notify the commissioner of the designer selected from the recommendations.
- Subd. 4. Designer selection process.** (a) **Publicity.** Upon receipt of a request from a user agency for a primary designer, the board shall publicize the proposed project in order to determine the identity of designers interested in the design work on the project. The board shall establish criteria for the selection process and make this information public, and shall compile data on and conduct interviews of designers. The board's selection criteria must include consideration of each interested designer's performance on previous projects for the state or any other person. Upon completing the process, the board shall select the primary designer and shall state its reasons in writing. If the board's vote for the selection of a primary designer results in a tie vote, the nonvoting member appointed under subdivision 2, paragraph (b), must vote for the selection of the primary designer. Notification to the commissioner of the selection shall be made not more than 60 days after receipt from a user agency of a request for a primary designer. The commissioner shall promptly notify the designer and the user agency. The commissioner shall negotiate the designer's fee and prepare the contract to be entered into between the designer and the user agency.
- (b) **Conflict of interest.** A board member may not participate in the review, discussion, or selection of a designer or firm in which the member has a financial interest.
- (c) **Selection by commissioner.** In the event the board receives a request for a primary designer on a project, the estimated cost of which is less than the limit established by subdivision 3, or a planning project with estimated fees of less than the limit established by subdivision 3, the board may submit the request to the commissioner of administration, with or without recommendations, and the commissioner shall thereupon select the primary designer for the project.
- (d) **Second selection.** If the designer selected for a project declines the appointment or is unable to reach agreement with the commissioner on the fee or the terms of the contract, the commissioner shall, within 60 days after the first appointment, request the board to make another selection.
- (e) **Sixty days to select.** If the board fails to make a selection and forward its recommendation to the commissioner within 60 days of the user agency's request for a designer, the commissioner may appoint a designer to the project without the recommendation of the board.
- (f) **Less than satisfactory performance.** The commissioner, or the University of Minnesota and the Minnesota State Colleges and Universities for projects under their supervision, shall forward to the board a written report describing each instance in which the performance of a designer selected by the board or the commissioner has been less than satisfactory. Criteria for determining satisfaction include the ability of the designer to complete design work on time, to provide a design responsive to program needs within the constraints of the budget, to solve design problems and achieve a design consistent with the proposed

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function of the building, to avoid costly design errors or omissions, and to observe the construction work. These reports are public data and are available for inspection under section 13.03.

Administrative Rules and Procedures

CHAPTER 3200, STATE BUILDING DESIGNER SELECTION

3200.0200 OFFICERS.

At the first meeting after the last day of June of each year, the voting members shall elect from among their numbers persons to serve as chair, vice-chair, and secretary. Persons so elected shall take office at the first meeting following their election and shall serve for one year or through the duration of the meeting at which their successors are elected. Officers may be reelected.

3200.0300 MEETINGS.

The board shall meet at the call of the chair or at the request of any two members.

Meetings of the board shall be public; participation by persons other than members of the board, its staff, and the candidates shall be by express request or permission of the board.

3200.0400 NOTICE OF MEETINGS.

Notice of meetings shall be posted at an appropriate public place and shall be published in the State Register.

3200.0500 QUORUM.

A quorum shall consist of three voting members. No business shall be transacted without a quorum.

3200.0600 RESTRAINTS ON DISCUSSION.

Board members shall not discuss with candidates any matters relating to the projects under consideration except during scheduled interviews before the board.

3200.0700 DESIGNER SELECTION CRITERIA.

In making its selection of designers the board shall consider the criteria listed below:

- A.** qualifications and technical competence in the required field of design;
- B.** ability to deal with aesthetic factors;
- C.** capacity to accomplish the work and services within the required constraints;
- D.** availability of appropriate personnel;
- E.** geographic relationship of the designer's base to the project site; and
- F.** awards previously made to a designer by the state. This is in the interest of equitable distribution of commissions.

The criteria do not necessarily have the same weight, nor are their relative weights necessarily constant from one project to another. The board may issue statements regarding criteria as they relate to individual projects.

Tools Used During Evaluation

When evaluating responses to its requests for proposal (RFPs), the State Designer Selection Board (SDSB) looks to information from the responder's proposal and interview that reflects their abilities across each of the RFP's stated criteria.

OVERVIEW

Typical evaluation criteria on SDSB RFPs include:

- Qualifications and technical competence in the required field of design.
- Ability to deal with aesthetic factors
- Availability of appropriate personnel, and their capacity to accomplish the work within the required constraints.
- Understand the constraints and issues affecting the proposed project
- Leadership, integration and cohesiveness of the team
- Approach/methodology of the team
- Unique qualifications of the team
- Past performance of the team on projects for the state or other
- Compatibility between the proposed team and the project stakeholders

EXPERIENCE

When determining the level of experience of an individual, team or staff, the board may look to any of the following as indicators:

- Successful completion of comparable work.
- Experience as a Designer or, experience of members of the same team providing design, pre-construction and construction phase services on comparable projects.
- Leader demonstrates experience as a leader of a Design/Build team on comparable projects.
- The team demonstrates experience working together as a team, preferably on comparable projects.
- Has the responder has comparable project experience? (i.e. projects with comparable work, other projects done for the owner, similar scope projects for other institutions or owners, similar length and cost).
- Greater length of experience.
- Examples of relevant projects recently completed or in progress (Examples may include: Name and location; brief description; photographs, sketches and/or plans; firm of record; involvement of proposed project team members (if from another firm this is noted); completion date or current status; names, phone #s and addresses of contact persons for referenced projects. The projects listed by the responder should have been managed by the responder to the RFP. Projects completed by present employees of the responder for former employers should not be used unless clearly identified as such).
- Technical Competence of Team Personnel (i.e. educational level, certifications and training; running meetings; people skills; knowledge and ability to use the tools of the industry such as software and equipment; past projects monitoring and tracking document use).

AESTHETICS

When discussing a responder's ability to address aesthetic issues and concerns related to the project, the board may look to any of the following as indicators:

- Has the responder identified the aesthetic needs of the current project?

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- How will a design support the agency's mission within the context of the site?
- How have past designs from the team supported the mission of the project within the context of the site?
- Has the proposer demonstrated innovation in the field for past and present projects? How is this shown?
- How will the knowledge related to incorporating the aesthetic into past design work be used address the aesthetic needs of the current project?
- How does the aesthetics of the past or present projects promote the function of the building project proposed?
- How are the aesthetics going to be sensitive to the users' needs?
- What is the quality of the aesthetic: Does it improve the project; is it neutral, does it 'fight' the site?
- Does the aesthetic stimulate the users to be more thoughtful of their work?

CAPABILITIES

When determining the capacity of an individual or team to perform, the board may consider any of the following as indications of their ability:

- What is the organization of the project team? (How does its structure best use the talents of the individuals?)
- Who has been committed to support the team members proposed?
- Is the team of sufficient size and caliber to accomplish the work?
- Has the proposed team (or only certain members) successfully completed comparable work projects?
- What is the team's ability to manage successful projects within an established scope of work, schedule and budget?
- What is the team management and communication structure, including primary contact with the owner?
- What is the role and involvement of team members at each phase of the design? (i.e. planned responsibilities, anticipated % of time of each member at each portion of the work)
- Are there special talents or abilities represented by the team that address unique requirements of the project?

UNDERSTANDING

The board may look to any of the following as indications of a responder's understanding of a project:

- Is the responder able to articulate the constraints and issues affecting the project?
- What are the challenges of the project that will need to be managed?
- Is there an analysis of possible solutions?
- Is there a plan for systematically addressing restraints, difficulties, or challenges?
- What will the coordination with the owner, agency, or users entail?
- If the responder has prior experience with similar projects, what has the responder learned from the prior experience that will assist them in anticipating and managing potential similar issues on this project?
- Can the responder articulate and address the unique concerns, as they pertain to this project, of the agency/owner?

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- Is there a preferred method or approach the team takes when beginning new projects? How will this be 'fine-tuned' to the needs of this project?

TEAM

The board may evaluate a team using any of the following as indications of the team's leadership, integration, and cohesiveness:

- Has the team worked together previously? Or have certain members worked together? And if so, in what capacities?
- What is the organization of the project team?
- Have members of the proposed team worked on the projects used as references in the proposal? If so, in what capacity and with who else on the proposed team?
- Does the leader demonstrate experience a leader of a team on a comparable project?
- Does each of the members, or the group as a whole, demonstrate the required design or construction experience for which they will be used on this project?
- Were the projects listed in the proposal managed and constructed by the business entity identified in the proposal, or were projects completed by present employees for former employers used?
- Are the projects listed by a member of the team projects for which that member was the architect of record?
- Does the proposal include a chart or table with respect to all employees assigned to the project, their planned responsibilities, anticipated % of time each will devote to the project, and the years' experience in industry and educational experience of the proposed member?
- Is there a group cohesiveness that has been established through prior working relationships? How is this shown?
- What special services, project characteristics, or other benefits or advantages will be afforded to the owner if the team is selected for the project?

PAST WORK

The board evaluates past experiences and performance on projects to inform their selection process for the current project. To do this they may review proposals and interviews with the following questions in mind:

- Has the responder shown prior performance on projects?
- Has the responder shown how the prior project's experience can be used to assist them with their work on the current project?
- Have they been able to show that what they learned in the past is applicable to the present project?
- Were they able to describe their past working relationship with the agency?
- Is there a past history of quality assurance and control?
- Do they have peer reviews and what have they done with the results that will affect how they approach this project?
- Have they provided a chart of prior awards to them from the state in the last four years?
- Have they shown which if any prior awards from the state are similar projects in nature, size or scope? And if so, how?

Procedures

These procedures were last approved by board members on July 10, 2007.

Request for Proposals

The SDSB process begins with a request for proposals (RFP).

1. Executive Secretary receives draft copy of RFP by email from user agency.
2. Executive Secretary assigns a board member (based on rotation of board members) and forwards the draft RFP to that member for review. Executive Secretary notifies the agency which board member will be reviewing the draft RFP.
3. Board member reviews and electronically (email/fax) responds to agency, with a cc to Executive Secretary. (If the board member is unable to review the RFP, the member notifies the Executive Secretary who will assign a new member to review it.)
4. Executive Secretary and agency establish a calendar of events for the project that is incorporated into the RFP, et al. Whatever changes the agency makes in response to the board member's comments to the RFP are forwarded to the Executive Secretary in the final draft RFP, together with the Project Initiation Form (PIF) and the Notice for the State Register.
5. Executive Secretary receives documents and date stamps them. Executive Secretary dates the PIF, calculates the 60 day calendar, and enters this information on the PIF. Executive Secretary reviews Notice and forwards it to the State Register for publication on specified dates.
6. On the first date of publication, the Executive Secretary posts the project summary on the SDSB Website. The Agency posts the RFP and associated documents on their Website on the first date of publication.
7. Agency posts any addenda on their website and notifies Executive Secretary of its posting.
8. On the day the RFP responses are due, the Executive Secretary downloads project specific information from agency's website to copy for the board's evaluation of proposals.

Proposal Receipt

The SDSB follows a specific process when receiving proposals.

1. Usually, the submission deadline for receipt of proposals from firms will be 12:00 p.m. on the Monday two weeks after the last date the Notice of RFP was published in the State Register¹.
2. All proposals are received at Department of Administration, Real Estate and Construction Services, 309 Administration Building, 50 Sherburne Avenue, St. Paul, MN 55155.
3. All proposals are date-stamped at the time and date they are received.
4. The Executive Secretary prepares a Submittal Evaluation Worksheet for the board members to use when reviewing the proposals.
5. The Executive Secretary labels each proposal by letter in the order of arrival, collates the proposals, and sends a packet to each board member by U.S. Mail as soon as possible after the proposals are received². The packet includes the following:
 - One copy of each proposal
 - RFP
 - Any Addenda
 - Reading Day Submittal Evaluation worksheet
 - Executive Summary of the Predesign, or the Predesign if available
 - Project site/location map

¹Any late proposal is rejected and the firm is sent a letter of disqualification.

²The mailing must occur no later than the following morning to allow time for the board members to review the documents when the shortlisting meeting is the following week.

Preliminary Review

Next, SDSB members read and review all proposals.

- Prior to the shortlisting meeting of the board, each member reads and reviews all proposals.
- On the date scheduled in the RFP, the board meets to discuss proposals. The board discusses each proposal in alphabetical order by the letter assigned to it. Note: The board includes one voting member from the user agency, and the non-voting representative from the Dept. of Administration.
- The user agency is encouraged to comment on any aspect of the project under consideration which, in their judgment, may not have been covered adequately in the Request for Proposals (RFP) Project Description. In addition, the board's voting members may request clarification from the user agency on any aspect of the project, which will assist them in their evaluations.
- The board especially values the user agency's input relative to user's mission and operations, past experiences in working with designers, the merit of the proposals, the subsequent presentations, and the site, architectural, and engineering characteristics important to the facility's design.
- The board votes to determine the number of firms to interview.
- The board then votes to determine the time length of the interviews and question and answer periods.
- Finally, the Board votes to select the firms to be interviewed. Each member is given the same number of votes as there are firms being interviewed. (Typically three.) Each member is polled for their votes. After each member states their votes, the totals are tallied, and the top vote getters, equaling the previously determined number of interviews, are shortlisted.
- Within a day of the shortlisting meeting, the Executive Secretary prepares a letter to the shortlisted firms notifying them of their selection and the time and date of their interview. The firms that are not shortlisted are copied on the letter. The letter is sent out by email to the email address provided on that firm's Transmittal Form included with their proposal.
- The Executive Secretary then updates the project summary information on the SDSB website.

Interview Selection

Next, the SDSB coordinates interviews with finalists.

- Each firm, in turn, is welcomed and congratulated for having been shortlisted for the project. (Board chair)
- Introduction of participants (board voting/non-voting members; department and user agency representatives; State or agency project manager; and, board's Executive Secretary). (Board chair)
- Introduction of observers, if any. (Board chair)
- Each firm, in turn, is informed of the time limits for the presentation and question/answer portions of the interview with the chair being the timekeeper.
- Upon completion of each firm presentation, board initiates the question/answer portion of the interview until the time set for the question/answer period has expired.
- At the completion of each interview, the board chair will thank the firm for their appearance before the board. Each firm is told when they can expect to be informed of the board's decision by the board's Executive Secretary.
- After the interviews, the board will discuss each firm using the RFP criteria. After discussion, the agency will caucus to determine the firm(s) they want to choose.
- Following the agency caucus, the user agency-voting representative will be asked to inform the board both (1) the results of the caucus and (2) the strengths and weaknesses of each firm interviewed, as perceived by the caucus.

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- The Chair asks the board if there are any additional comments. Each of the board's voting members may make final comments if they choose.
- For State projects, the board then votes to select the designer. Each member votes once and the team with the greatest number of votes is selected. In the event of a tie, the non-voting representative from the Dept. of Administration will cast the deciding vote. The board then determines which team will be an alternate in case the selected firm is unable to finalize contract terms. The remaining firm with the next greatest number of votes is chosen as the alternate. If needed, the board will vote for the alternate team. For University of Minnesota or MnSCU projects, the board determines the number of firms that will be forwarded to the agency for further consideration by vote. After determining the number of firms to be forwarded, each board member votes for that number of firms. The top vote-getters are forwarded for further consideration. In the event of a tie, the board will consider whether to forward the names of the firms that tied for further consideration.
- After completion of the vote, the board states the RFP criteria upon which the selected firm(s) was chosen. The selected firm(s) and reasons for selection are recorded in the meeting minutes.
- Within a day of the interviews, the Executive Secretary prepares a letter to the interviewed firms notifying them of the board's decision. All interviewed firms are copied on the letter. The letter is sent out by email to the email address provided on that firm's Transmittal Form included with their proposal.
- The Executive Secretary then updates the project summary information on the SDSB website.
- For higher education projects, once the Executive Secretary is told who the final selection is, the secretary will post this information on the SDSB website project summary.

Meeting Minutes

The SDSB process for recording meeting minutes is below.

All meetings will be digitally recorded. These recordings are uploaded to the SDSB website and are left on the site for two weeks following the interviews. Thereafter, they are available upon request. Following each meeting, the Executive Secretary drafts written minutes for review and approval by the board. After approval, the Executive Secretary signs and distributes them to the board members, Dept. of Admin. Commissioner's Office, and the Attorney General's Office. Written minutes are kept by the Executive Secretary in SDSB files.

ORIGINAL RESEARCH CONDUCTED BY THE 2017-2018 TASK FORCE

The SDSB Task Force developed two survey instruments that were distributed to stakeholders in 2017. The first survey was sent to architecture and engineering firms in Minnesota who engage with SDSB and was geared toward capturing their current experience with the process and their ideas for potential modifications. The second survey was sent to current and past members of the SDSB, and to agencies that use the SDSB for designer selection. The goal of the second survey was to identify any areas of concern for these professionals and compare their experiences with the SDSB process with those of the architecture and engineering communities.

ARCHITECTURE AND ENGINEERING FIRM SURVEY

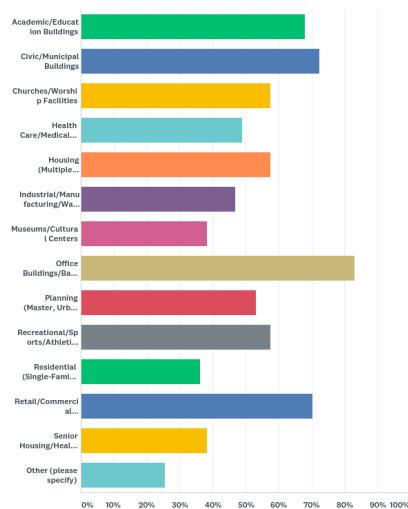
The architecture and engineering firm survey was distributed to all member firms of AIA Minnesota, ACEC Minnesota. 47 firms completed the survey, which included 53 questions on a wide range of topics. Firm leaders were asked to convene individuals within their firm to collaborate in developing one response on behalf of their firm.

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Initial questions on the survey focused on firm demographics, to give surveyors a sense of the audience participating in the survey. Nearly 90 percent of firms surveyed had offices in the Twin Cities. Twenty-three percent (23%) also had offices in Greater Minnesota and 17 percent had offices outside Minnesota. Nineteen percent (19%) of participating firms had more than 100 employees; the largest group of responding firms, 55 percent, had less than 10 employees. Architecture firms made up 68 percent of respondents, with engineering firms making up 12 percent and firms that provide both architecture and engineering services making up 10 percent of responding firms.

The survey also asked firms to identify the types of projects they work on, allowing for firms to select all of the types of projects in which they engage. Responding firms complete projects in virtually all sectors, from academic buildings and office buildings to retail, housing, civic and cultural institutions.

Q6 What types of projects does your firm work on? (Select all that apply)



Responding firms were also given an opportunity to articulate the purpose of the SDSB in their own words. Many respondents articulated the purpose of the SDSB as qualifications-based selection. Fairness, objectivity and transparency were also common themes articulated by respondents.

Firms were next asked if they had participated in the SDSB process in the past 20 years. Fifty-eight percent (58%) of firms responding indicated that they had participated in SDSB processes; 42 percent answered in the negative. Most respondents who had participated had done so more than 10 times with several reporting participating more than 50 times in 20 years.

For firms that have not participated in the SDSB process, they listed low chance of success (29 percent), a mismatch between offered services and types of projects available (24 percent) and the difficulty of the SDSB process (11 percent) as reasons for non-participation. They also listed challenges for small firms and solo practitioners as reasons they did not participate, and the SDSB criterion focused on experience in particular types of projects within the previous five years as reasons they did not participate.

For the 23 firms that had participated in the SDSB process (“participating firms”), questions about the process followed. During the past 20 years, all 23 participating firms had been shortlisted. Forty-eight percent (48%) of respondents were shortlisted more than 10 times during the period, 17 percent were shortlisted five to nine times, and 35 percent shortlisted fewer than five times during the past 20 years.

When asked about changes in the frequency of participation over the past 20 years, 52 percent of participating firms indicated an increase in participation, and 48 reported a decrease. Among those who reported a decrease, top reasons for the decrease were lack of interest in available projects (27 percent), frustration with not being selected for projects (27 percent), overall workload limiting capacity to participate (18 percent), and a need to be selective in choosing RFPs to respond to as a business practice (18 percent).

Of the 23 participating firms, 20 had been selected in the past 20 years. Of those 20, all had been selected more than once, with three firms reporting being selected 20 or more times. The average number of times one of those 20 firms had been selected was eight.

Questions next turned to resources required to participate in the SDSB selection process. Participating firms were asked whether they agreed that the resources required to participate in the SDSB process significantly reduces how often their firm submits proposals to SDSB. Thirty-six percent (36%) of respondents selected that they “somewhat agree” that the resources required to participate significantly reduce their participation, and 23 percent selected that they “agree.” Twenty-seven percent (27%) selected “disagree,” and 14 percent selected “somewhat disagree.”

Participating firms were then asked to provide their typical cost to submit a proposal to SDSB. Answers ranged from \$1,000 to \$30,000, with several noting that the investment depends on the scale of the project; two firms providing no answer to the question.

Participating firms were also asked about costs specifically related to the interview process for SDSB. Answers ranged from \$400 to \$50,000, again with caveats related to the scope and technicality of the projects. Two firms provided no answer to this question.

Participating firms were then asked to compare the cost of participating in the SDSB process with the cost of competing for non-SDSB projects. Thirty-six percent (36%) indicated the costs were about the same; another 36 percent indicated that costs were somewhat higher to participate in the SDSB process, as compared to other processes. Twenty-seven percent (27%) responded that costs to compete for SDSB projects were significantly higher than non-SDSB projects.

Participating firms were given an opportunity to provide ideas for ways to reduce the cost in time and resources to participate in SDSB process without diminishing the quality of information provided to the SDSB. Answers ranged from reducing or eliminating paper copies of materials (making the process fully electronic) to limiting the number of firms interviewed and more prescriptive scoring systems. Several respondents also indicated that no changes were needed.

A follow-up question asked how the entire SDSB process might be made more efficient for participating firms. Answers to that question included suggestions that a database of qualifying information be kept and automatically included in proposals, limits on the amount of information that can be included in a proposal, raising the fee threshold for which projects move through the SDSB selection process, moving the process to locations near the project sites, and providing more training materials for firms that wish to participate. Additional comments included that the variety of expectations among agencies and the university system create inefficiencies, and that doing separate selection for pre-design and design slows the process.

The next question explored whether there is shared understanding among proposers, SDSB members and public clients about the definitions of selection criteria and how they are applied. Thirty-two percent

(32%) disagreed that there is shared understanding; another 32 percent disagreed somewhat, and nine percent were neutral on the question. 27 percent agreed somewhat.

A majority of participating firms felt that there are ways to build greater shared understanding of the criteria, including suggestions for clearer definitions of criteria and of RFP contents, proactive outreach by the SDSB to help foster understanding of the process, briefing by clients about the goals and ultimate purpose of the project that is open to the board and to proposers, and finding objective measures of criteria (or scoring) to make results clearer.

Continuing on the topic of criteria, participating firms were asked whether criteria should be weighted differently depending on the nature of each project. Eighty-five percent (85%) of respondents either agreed or somewhat agreed that weighting criteria was desirable, with only 9 percent responding that they somewhat disagreed and 4 percent remaining neutral. Comments on this question noted the dramatic differences in project types, scope and desired outcomes.

Participating firms were divided as to whether the current use of geographic location as a tie-breaker criterion is appropriate. Seventy-six percent (76%) felt it should continue to be used as a tie-breaker, and 24 percent suggested that it should be treated as a core criterion (not just as a tie-breaker). Some participating firms noted that one approach might be to allow clients to determine the degree of importance that should be placed on this criterion for each project, and others questioned whether location was truly something to be considered if work is to be distributed evenly.

Participating firms were also asked about the Targeted Group/Economically Disadvantaged/Veteran-Owned pass/fail qualifier that is part of the current SDSB process, particularly as related to acquiring a waiver where one is required. Comments on this topic ranged from firms having no issue with the pass/fail qualifier or the waiver process, to firms sharing the difficulties they have faced in identifying partners who can perform the functions required for projects, to challenges with the time frame for completing due diligence and requesting a waiver, as well as concerns about potential stigma affiliated with requesting a waiver.

Participating firms were asked whether firms that engage frequently in the SDSB process are perceived to have an advantage over those that engage less frequently. Eighty-one percent (81%) of respondents indicated that frequent participants are perceived to have an advantage; 19 percent responded that no advantage was perceived.

For those who perceived an advantage, they were asked for ways this perceived advantage might be addressed. Suggestions included simplifying the level of graphic design and formatting that goes into submittals, a separate process for small firms, consideration of the frequency with which work is awarded to firms during the selection process and using a scoring system to increase objectivity.

Participating firms were asked whether the RFP/proposal submission process is transparent. Thirty-three percent (33%) agreed that it is transparent and 24 percent agreed somewhat; 10 percent were neutral, 24 percent disagreed somewhat, and 10 percent disagreed that the process is transparent.

Participating firms were also asked if the RFP/proposal process is accessible. Thirty-eight percent (38%) of respondents agreed that it was accessible, and 24 percent somewhat agreed; 19 percent were neutral. 10 percent somewhat disagreed, and 10 percent disagreed with the statement that the process is accessible.

Participating firms were given an opportunity to provide feedback on whether there was anything not currently provided by public clients that, if added, would make a substantive difference in how proposals are crafted. Many responding firms noted that information varies from project to project, and that in many cases sufficient information is provided. Suggestions included distillation of goals and descriptions of scope of work and clear articulation of any unique criteria for projects.

The survey also addressed specialized expertise as it impacts the SDSB process. Participating firms were asked whether requirements for specialized expertise reduces the likelihood that they will submit proposals. Answers were fairly evenly distributed across the spectrum for this question, with comments noting that proposers often address this by assembling specialized teams and noting that understanding the specialized knowledge required for a project helps firms determine whether they are truly qualified and whether submitting a proposal is appropriate.

All participating firms had partnered with other proposers on SDSB projects. Reasons for partnership include addition of core expertise (70 percent), regional expertise (50 percent), specialized technical expertise (65 percent), and prior experience (55 percent). Sixty-five percent (65%) saw partnership as advantageous, and comments on the advantage gained through partnerships include the ability to create the best team for the job, to acquire the best talent on a per-project basis and to meet the need for specialized expertise. Responses also noted that partnership may allow smaller, more specialized firms to engage in SDSB projects and to work on projects large-scale projects.

Sixty percent (60%) of participating firms felt that certain types of partnership are viewed more favorably by the SDSB, such as partnerships for the purpose of building depth of team experience, drawing in leading experts with specific technical skills, and heightening design gravitas.

Interview process questions revealed that 35 percent of participating firms believe the process is transparent, with 30 percent neutral on the question and 20 percent in the disagree somewhat or disagree categories. Responses to a query on satisfaction with the interview process were more evenly distributed, with comments noting that presentation times could be longer, expectations could be made more clear, and consistent application of the current process is appreciated.

Participating firms were relatively evenly split on their level of satisfaction with the SDSB interview process, regardless of selection. Comments on this question related to perceived bias toward particular firms influencing outcomes in favor of those firms and referred to greater consistency as something desired. When given an opportunity to respond to an open-ended question asking for suggested improvements to the interview process, responses included limiting the number of shortlisted firms participating, improving technology to make the process more transparent, offering more time for question and answer, and finding ways to consistently and transparently implement the process, such as a scoring system.

Participating firms were next asked about the timeline for the SDSB process. Overall, participants agreed (55 percent) or somewhat agreed (25 percent) that the timeline is reasonable. Comments from participants suggested that the time between shortlisting and interviews can be tight for coordinating travel and team participation in interviews, and that having the meetings and deadlines on Mondays can be problematic.

Participating firms were asked whether, setting aside their own level of success with the SDSB process, they felt that proposals selected are responsive to the needs of the projects. Twenty-five percent (25%) agreed with the statement and 30 percent agreed somewhat; 40 percent were neutral, and 5 percent somewhat disagreed. Comments noted that access to competing firm proposals is very helpful, and demonstrates the challenge the SDSB has in comparing firms. Some exceptions were noted, but most felt that the selections were responsive to the needs of the project most of the time.

Answers related to the transparency of the selection process were more evenly distributed. Responses noted that transparency seems to disappear once two firms have been selected for the University of Minnesota and Minnesota State projects.

When asked about ways to enhance the transparency of the selection process, many noted that existing resources provide a great deal of transparency. Several firms requested an ability to meet with the board and the client after the decision to get more feedback on non-selected proposals, and several also mentioned a scoring system as a way to enhance transparency.

Further exploring the scoring system question, participating firms were asked about the pros and cons of adding a scoring system to the SDSB selection process. Positive aspects of the scoring system noted by firms is that it could provide objective, comparable metrics, and could increase consistency in SDSB deliberations. Other comments about potential positive impact included the ability to help firms determine whether they should pursue the process and that it might create more equity between firms.

Negatives of the scoring system concept articulated by participating firms include that the level of structure and prescription could become too great. Responses expressed concern that scores could be applied without transparency around the reasons why certain scores were selected, and that biases and subjectivity would still play a role in assigning a score. Some who responded to this question also wanted to allow SDSB to maintain some subjectivity and review of the intangible elements of a proposal in order to assess the full merits of each submission.

When asked to suggest overall changes to the decision-making process, participating firms noted the importance of clearly articulating criteria and making every attempt to consistently apply the criteria across projects as very important. Responses also noted that better understanding of projects among both board members and proposers, with clearly-stated goals from clients, could result in better decision-making for end users.

Participating firms were also asked about the composition of the SDSB, which currently has six members. Responses on the appropriateness of the current board were wide-ranging, with comments about the current makeup noting that the mix of professionals might be re-examined based on the current and recent mix of projects considered by the board.

Participating firms were also asked about the threshold for projects requiring the SDSB process. Responses were evenly split, with half stating that the threshold should be increased, and half stating that it should remain where it is. Comments noted a range of potential dollar amounts, from \$2 million to \$10 million, as well as inflationary increases being a suggested rationale for any threshold increases.

The survey gave participating firms an opportunity to list their top priority for change in the SDSB process. Responses noted a range of priorities, from moving to a scoring system to changing the makeup of the board to moving proceedings and deadlines from Mondays. Respondents also suggested ranking selection criteria for each project, and removing the pass/fail element on TG/EV/VO but measuring it as criteria.

Participating firms also had an opportunity to weigh in on what they do *not* want to see changed in the SDSB process. Comments here included not wanting to change the current level of transparency, the interview process and access to materials, the use of qualifications-based selection criteria, and the emphasis on fairness as elements of the process.

SDSB CLIENT SURVEY

The Task Force also submitted a survey to agency clients whose projects go through the SDSB process. Three agencies replied to the survey. Their responses are captured here.

Respondents to the survey were either department level employees of state agencies, or campus-level employees of higher education clients. They described the purpose of the SDSB as assistance and oversight of designer selection for large projects supported by state funding.

Clients were also asked about technology enhancements that might improve the process. Clients responded that online submissions and video conferencing could enhance the process.

When asked about the greatest challenges that they see with the SDSB process from a client's perspective, clients noted that the five-year previous experience criterion is overly limiting, and that the client would like to have more influence on decision-making.

Clients were also asked about their key selection criteria in selecting designers, whether within the SDSB process or outside of it. Responses noted identifying the best qualified candidates for each unique project as the deciding factor for them.

Clients felt that the current makeup of the SDSB is appropriate.

Clients somewhat agreed that there is shared understanding among all parties of the SDSB criteria. When asked how better shared understanding could be achieved, they suggested more standardized requirements on formatting and RFP-required components and a meeting prior to the interview and selection process to enhance the understanding of projects under consideration.

Clients either somewhat agreed or agreed that selection criteria should be weighted based on the individual needs of each project. Two of three respondents suggested that geographic location and previously-awarded work, currently used as tiebreakers, should be fully integrated into the consideration process as core criteria.

Two of three respondents also suggested that the TG/EV/VO pass/fail element should be revisited in terms of how it is implemented as part of the SDSB process.

Two thirds of respondents were satisfied with the interview process, with one respondent answering as somewhat dissatisfied. Comments on improvements to the interview process included a suggested change of venue and increasing the voting power of the agency.

When asked about additional information that could help proposers understand why they were or were not selected for a project by the SDSB, clients suggested ensuring ability to review submissions and adding a feedback sheet prepared by the SDSB.

To address the perceived advantage among firms that propose regularly to the SDSB, clients suggested adding an “SDSB 101” course to help those with less experience master the process, and again repeated loosening the five-year previous work restriction to increase the field of potential participants.

Clients were also asked about the pros and cons of reducing the number of shortlisted firms. Positives noted by respondents included faster processing and less unnecessary investment by proposing firms. Negatives noted were fewer firms to choose from and fewer “dark horse” candidates making it to the interview stage where they can share their qualifications.

When asked about the pros and cons of potentially adding a scoring approach to the application of the criteria by the SDSB, positives noted by clients were that it could improve the speed of the process and give more quantitative feedback to proposers. Potential negative impacts listed were concerns about proposals becoming more formulaic and less responsive to project needs, and a reduction in interaction with proposing firms.

Clients noted that the process generally works well for them, and they appreciate having other voices at the table during designer selection. When asked if there are any changes they would suggest to enhance the decision-making process overall, clients suggested weighted scores and the potential to award without shortlisting or to limit the number on the shortlist. When asked about anything they would *not* want changed, clients noted that they do not want the SDSB eliminated, and that they want to protect the open discussion that is part of the process.

Clients were also asked to react to the idea of a regional approach for SDSB interviewing. Perceived advantages identified by clients were enticing more firms from Greater Minnesota to submit and helping the SDSB understand the geography and special regional issues related to projects. Challenges noted were expense and travel coordination.

All client respondents felt that the threshold for SDSB consideration of projects should be raised, with \$5 million and \$10 million suggested as amounts. Escalations for inflation and other market factors are also recommended for evaluation every two years. The potential advantages of a significant threshold increase are perceived by clients as fewer reviews and more department control, as well as saving time before projects start. Disadvantages include concerns about the varying levels of expertise within agencies, who would have to go through the process of choosing a designer without SDSB support.

SDSB BOARD MEMBER SURVEY

The Task Force sent a survey to current and past members of the SDSB (“board members” or “members”). Four current and five past members of the SDSB responded, with most having served on the board for 3-4 years.

Members of the SDSB articulated the purpose of the board as selection of primary designers for agency and university projects based on pre-established qualifications. They noted the responsibility for equitable distribution of projects as part of the purpose of the board.

Members were also asked about additional resources that might assist them in completing their work. Some members noted a desire for more training and staffing resources, but many felt that they have sufficient resources to complete their work. Two members noted that regional meetings would help bring them closer to the project sites to inform their decision-making process.

Electronic proposals were nearly universally suggested by respondents to a question about ways to use technology to improve the SDSB process. The ability to meet via video conference was also suggested as a way to engage more board members from Greater Minnesota and to deal with disruptions due to inclement weather.

Time commitment and location were identified as challenges for SDSB member participation, including both time to review proposals and travel time to attend meetings. Members also noted that the workload is not evenly distributed throughout the year, or very predictable, which may limit the ability of some professionals to commit to serving on the board.

Seven of nine respondents agreed or somewhat agreed that the current makeup of the SDSB is appropriate. Comments noted that while the number of panelists makes sense, more professional diversity (especially additional expertise in landscape architecture) would be welcome and a permanent member from the Department of Administration would also be helpful.

Electronic proposals and moving the start day and time of meetings were suggested as ways the costs associated with proposing to SDSB could be reduced. One respondent also noted that the RFP could be streamlined and made more consistent to reduce the amount of redundant work required. Several members noted that the process is not significantly different than pursuing non-SDSB work and did not feel changes were required.

Board members were evenly divided about the prevalence of shared understanding among proposers, board members and public clients regarding the selection criteria and how the criteria will be applied. Suggestions for improving this shared understanding included reviewing tapes and other publicly-available materials, prioritization of criteria at the RFP stage, clarifying the criteria and making them more concrete and providing more educational materials for proposals about how to be efficient and successful.

Board members were divided on the issue of weighting criteria, with some noting that agency expertise variations could make this difficult, and that the RFP currently allows the agency to select priority criteria.

Respondents were nearly evenly split on whether to fully integrate geographic location and previously-awarded work at the level of core criteria or to leave them as tie-breakers, with five suggesting integration and four suggesting keeping them as tie-breakers. Comments from respondents included noting that those criteria would not be reasons to elevate a proposal on their own, that there are concerns about extra expenditures for awarding work to firms operating at significant distance from the project location, and that agencies might be given the opportunity to raise these beyond fairness factors if it is a priority for the project.

The TG/EV/VO pass/fail is seen by the board as an important step to expanding participation by disadvantaged groups in the architecture and engineering communities, and something that should be continued. They perceive that current struggles with meeting this requirement are growing pains that will subside as more firms join the industry. However, four of nine members did suggest that the subject should be revisited by the board.

Seven of nine board members are satisfied with the interview process, with the remaining two board members reporting that they are somewhat satisfied. Suggestions noted for improving the interview process include taking steps to ensure that all firms address all critical questions, improving the space in which interviews take place to increase interaction, holding meetings regionally, and reducing elaborate graphic design elements of presentations.

Board members suggest that beyond listening to the tapes of proceedings, staff from participating firms should consider attending the meetings. They also suggested identifying ways for proposers to ask staff questions without impeding the public process and having an opportunity to talk directly with proposers when the process is complete.

Several board members were skeptical of the perception that firms that propose more often are more successful. Among the few who wanted to address this, a proposers' seminar series was suggested, as was prequalifying interested firms once per year and then doling out projects based on financials alone.

Board members identified consistency, uniformity and simplicity as potential advantages of adopting a numbered scoring system for proposals. Board members were concerned that this approach would restrict conversation and full consideration of proposals' potential and would not eliminate elements of subjectivity as desired.

Several board members had no changes to suggest when asked if any changes would improve the SDSB decision-making process overall. Suggestions from other board members included enhancing training for incoming board members, making the selection process for board members more robust, and increasing the dollar value threshold for SDSB consideration to reduce the number of projects the board must consider.

When asked about taking a regional approach to SDSB meetings, potential advantages noted by board members included better exposure for the board to Greater Minnesota designers, a reduction of the burden on proposing firms from Greater Minnesota and an overall increase in visibility for the SDSB. Challenges noted focused on cost and time burdens for members and administrative staff. Approaches suggested by the board included webinar/teleconference meetings where appropriate and selecting a few regional locations each year for meetings rather than taking a regional approach based on specific project sites.

Two-thirds of responding board members felt that the thresholds for SDSB project consideration should remain where they are, with the other third stating that thresholds should be raised. Concerns about raising the thresholds centered on how the quality of significant projects can be maintained and that the ability of small design firms to participate via qualifications-based selection in large public projects might be reduced. Advantages of raising thresholds listed by board members included more regional control of projects by public clients and more flexibility for smaller projects. Disadvantages centered on conflicts of interest and a lack of ability for proposers to bring new ideas. More than two thirds of respondents were concerned that a raise in the threshold would defeat the purpose of the SDSB in raising the bar for design and assisting in fair qualifications-based selection for proposers.

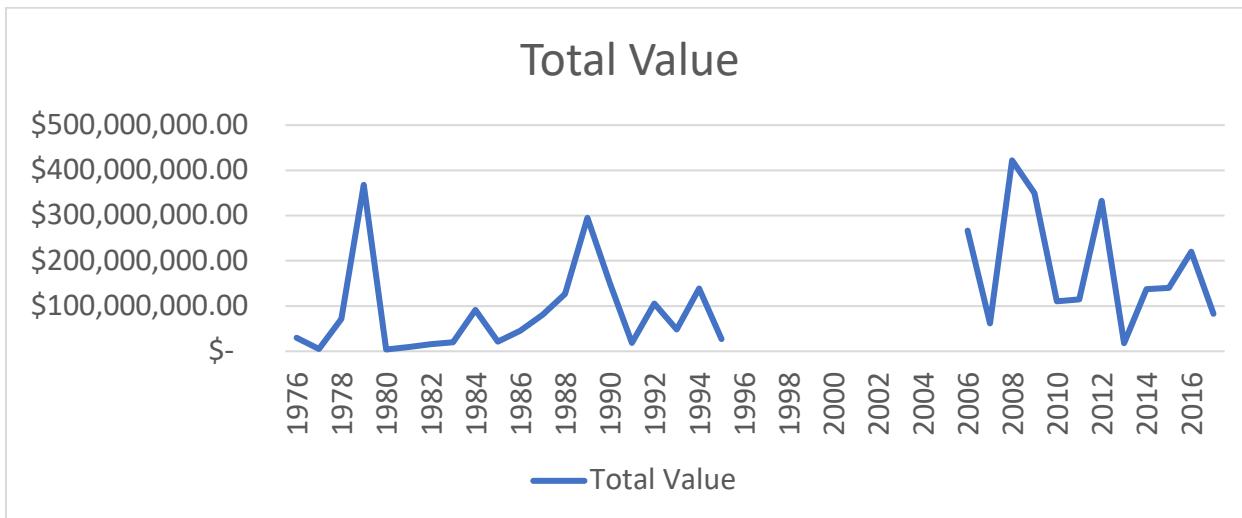
When asked about priorities for change in the SDSB process, ideas mentioned included electronic meetings and proposals, better training of incoming SDSB members, more engagement with the Minnesota design community and keeping meetings running as efficiently as possible. When asked what they do *not* wish to see changed, members noted a desire to preserve the criteria, to protecting the diversity of perspectives represented on the board, and a desire to avoid a points-based system for ranking proposals.

REVIEW OF SDSB RECORDS AND DATA

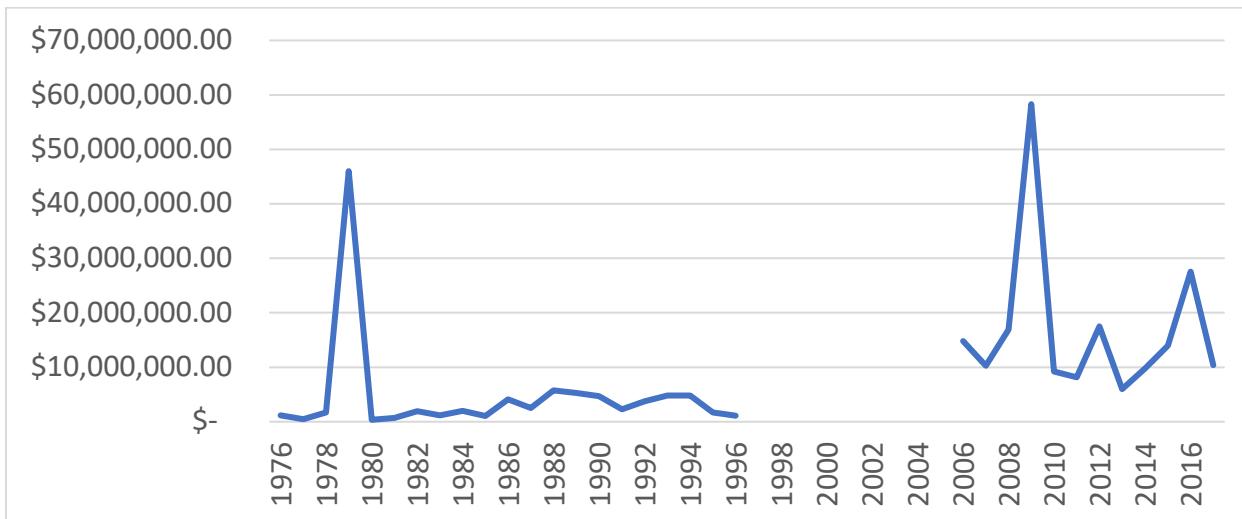
The Task Force also compiled and reviewed data related to selections and proposers from the entire history of the SDSB to test the validity of perceptions about awards and geographic representation. The University of Minnesota Office of Measurement Solutions was engaged by AIA Minnesota to complete a portion of this work.

Records of SDSB projects were available for the periods from 1976-1996, and 2006-2017. For the time period of 1997-2005, data compilation would have required on-site review of individual project files. It was determined that the amount of time required to complete this task was more than AIA Minnesota or ACEC/MN were able to devote.

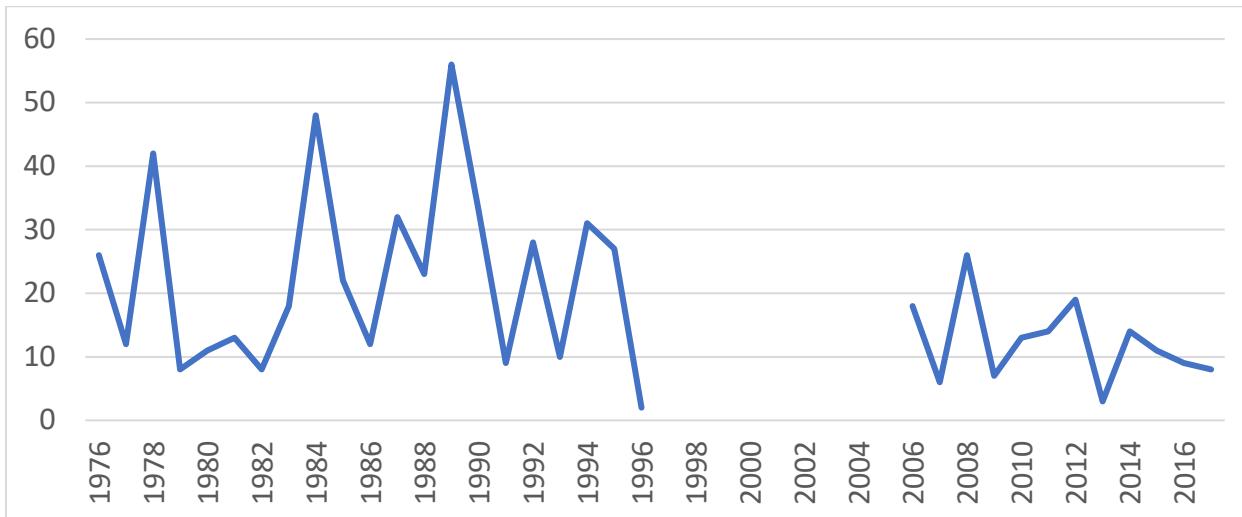
The total dollar value of the projects that went through the SDSB process spiked significantly in 1979, 1989 and 2008 due to key university projects in those years. The dollar value of the 2008 spike year does not appear to have kept pace with inflation when compared to the spike years of 1979 and 1989.



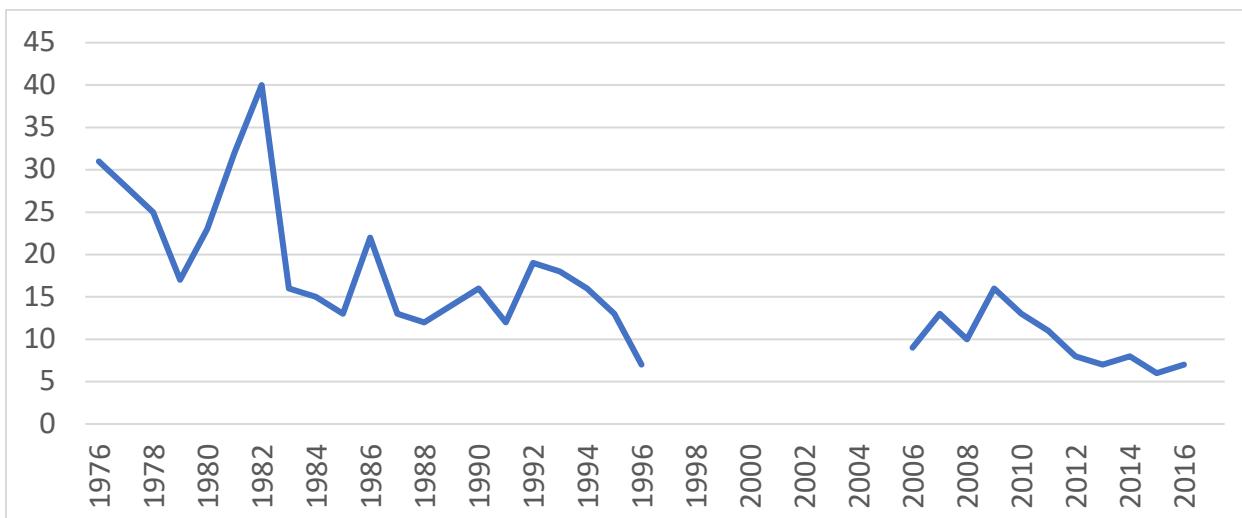
Average project costs spiked in 1979 and 2009, when significant University projects drove up the overall average for the year. General increases in the average from 1996 to 2006 reflect the change in the threshold for projects to be considered by SDSB in 1996.



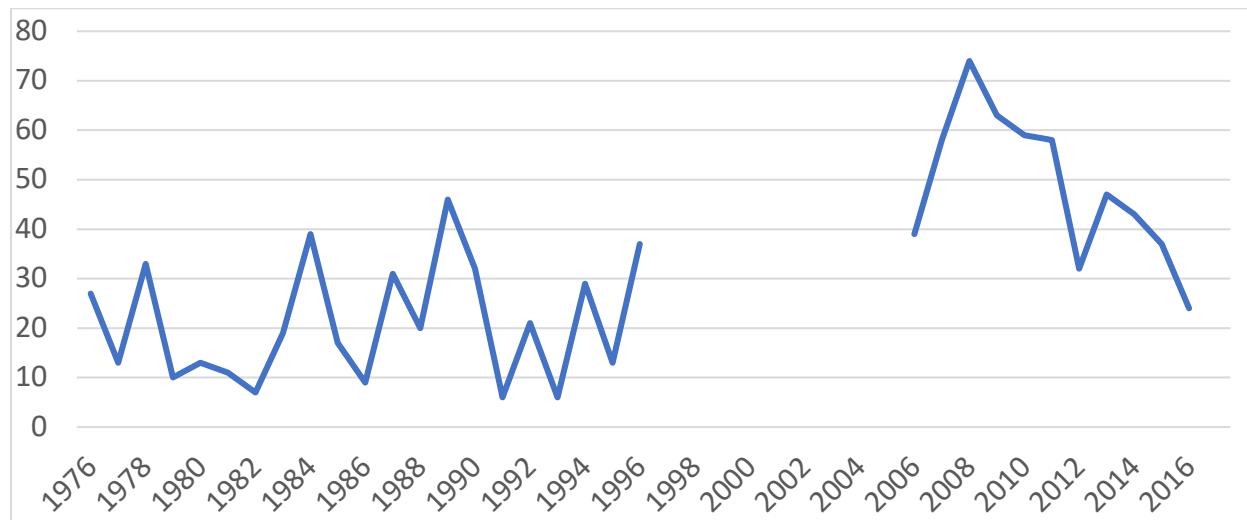
The total number of projects that went through the SDSB process peaked in the late 1980s, with spikes that matched the passage of large bonding bills by the state legislature.



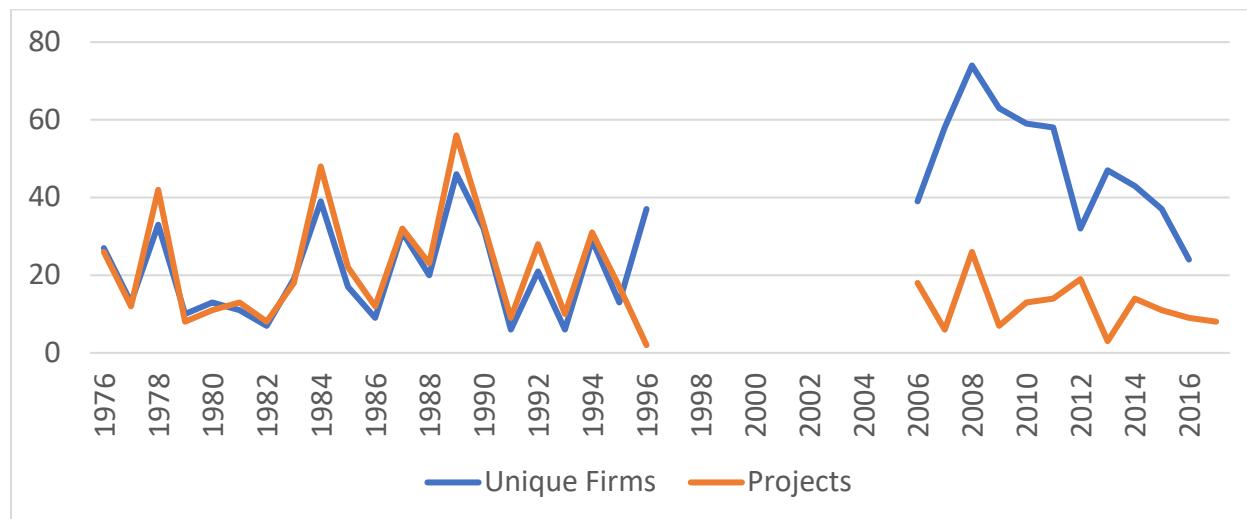
The average number of firms submitting proposals for projects using the SDSB process has diminished since its peak in the early 1980s.



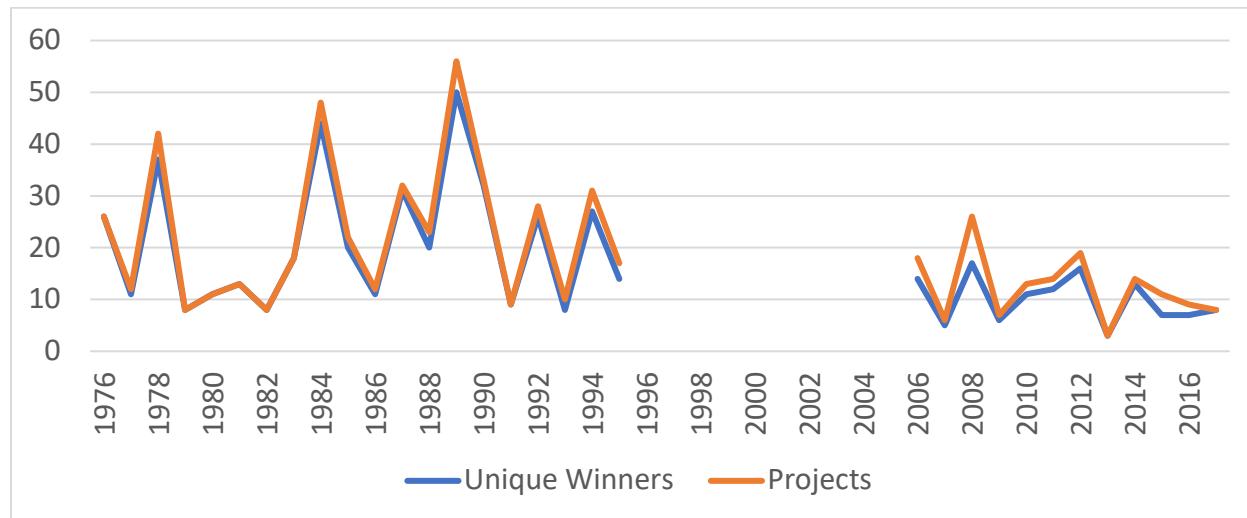
The Task Force also reviewed the number of unique firms that submitted proposals each year; that means that each firm was counted only once per year regardless of the number of times they submitted within that given year. It appears that more unique firms are submitting proposals in the SDSB process in the period of data since 2006.



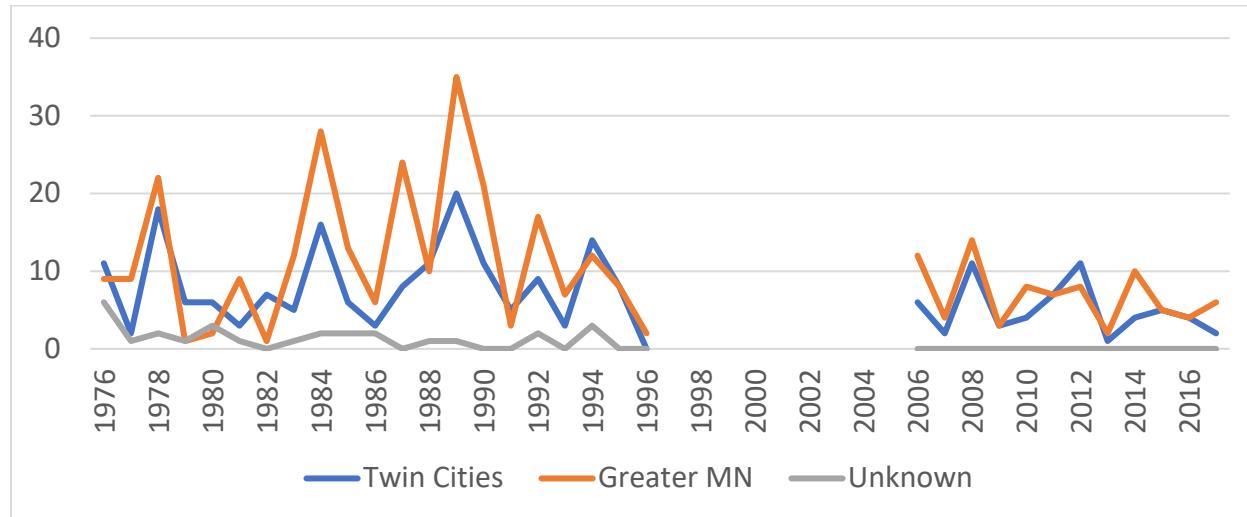
When the number of projects is compared against the number of unique firms submitting, we see that the trends track closely in the early years of the SDSB, with later years showing more firms submitting for fewer projects.



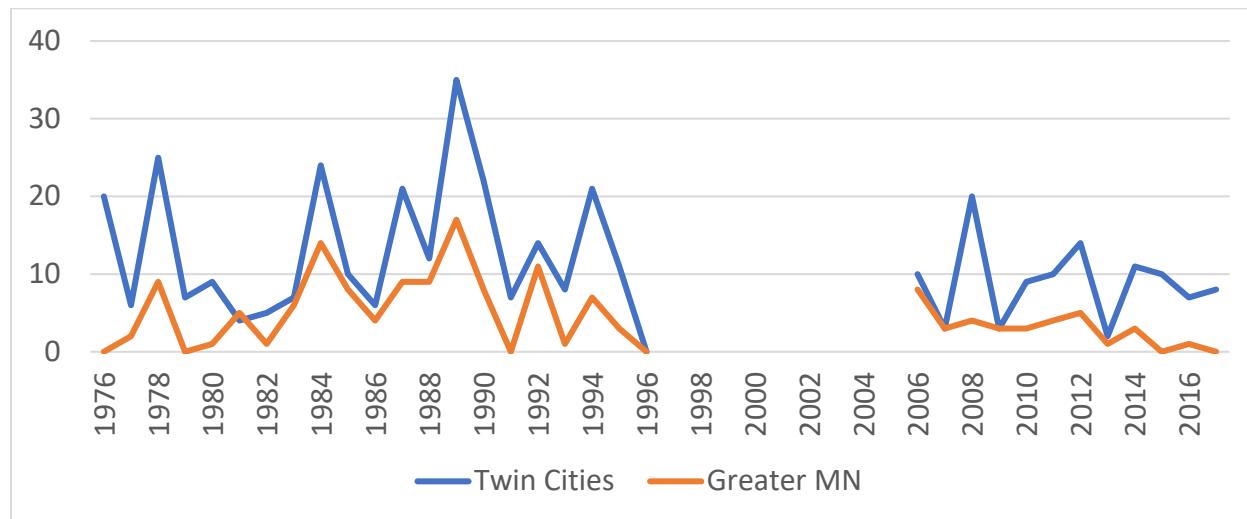
Unique winners of projects per year appear to track roughly on par with the number of projects that went through the SDSB process that year, with exceptions in 1990 and 2008 where fewer unique firms won projects.



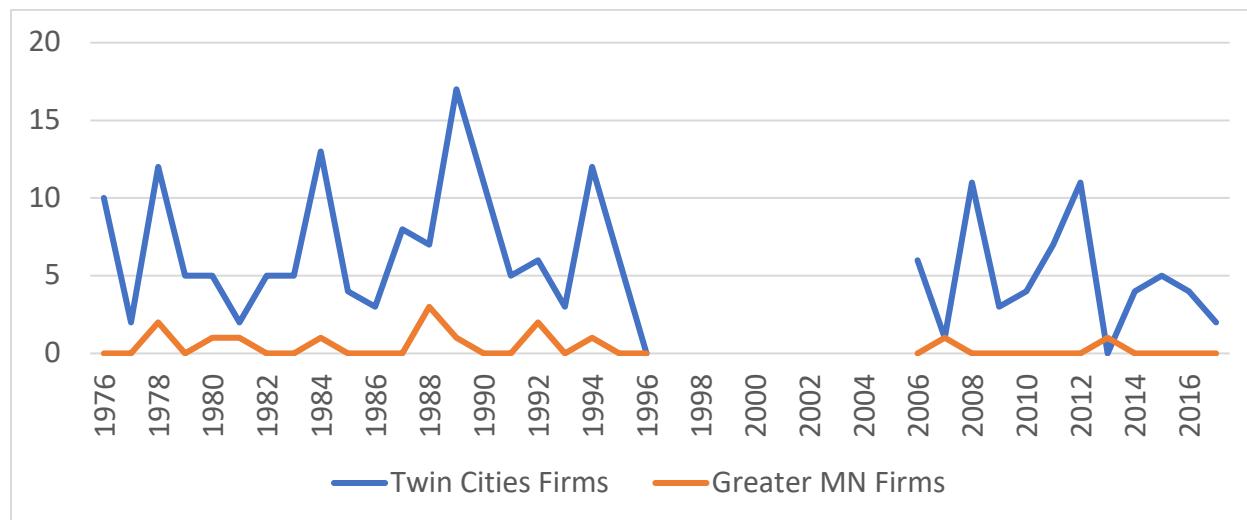
It was not always possible to determine a project's location with the data made available to the Task Force; however, the Task Force analyzed the breakout of Twin Cities projects ("Twin Cities" refers to the seven-county metropolitan area that includes the cities of Minneapolis and St. Paul) as compared to Greater Minnesota projects.



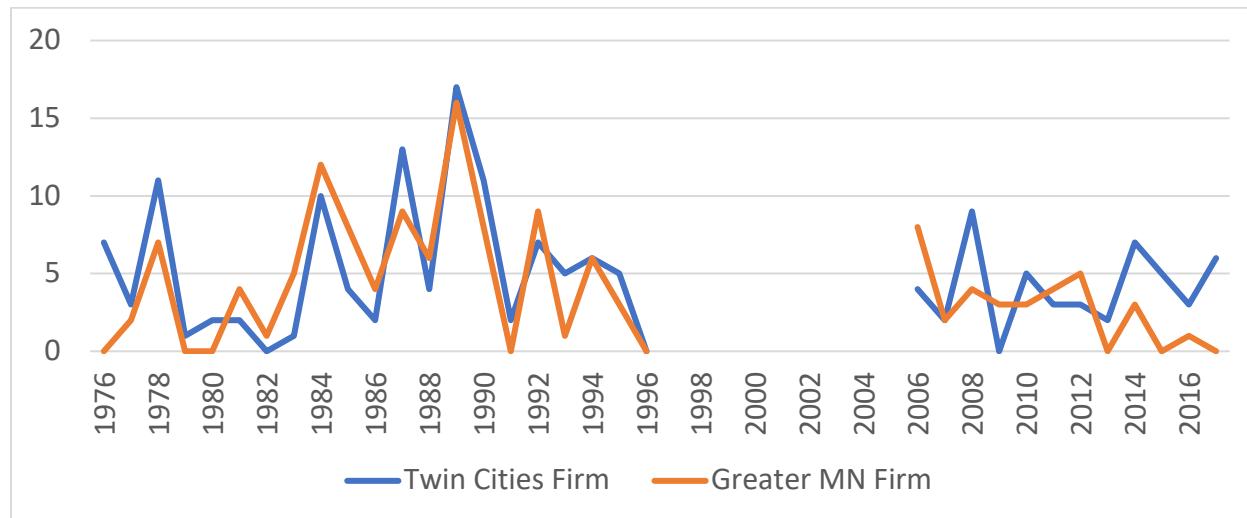
The Task Force also evaluated the locations of the winning firms, splitting them between Greater Minnesota and Twin Cities locations.



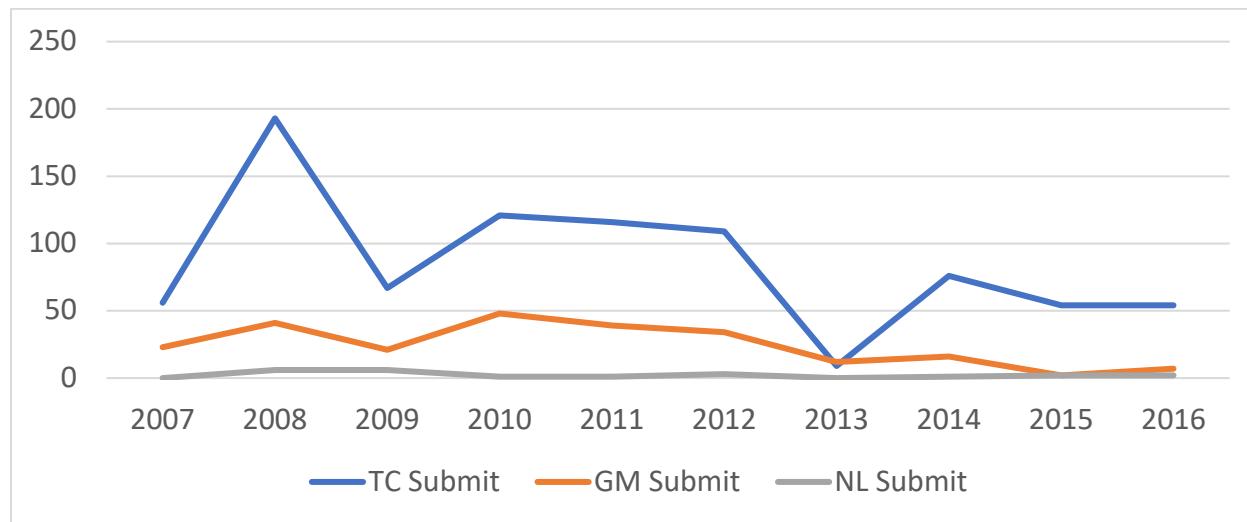
Twin Cities projects were then evaluated as to whether Twin Cities firms or Greater Minnesota firms were awarded the work. Nearly all Twin Cities projects were awarded to Twin Cities firms.



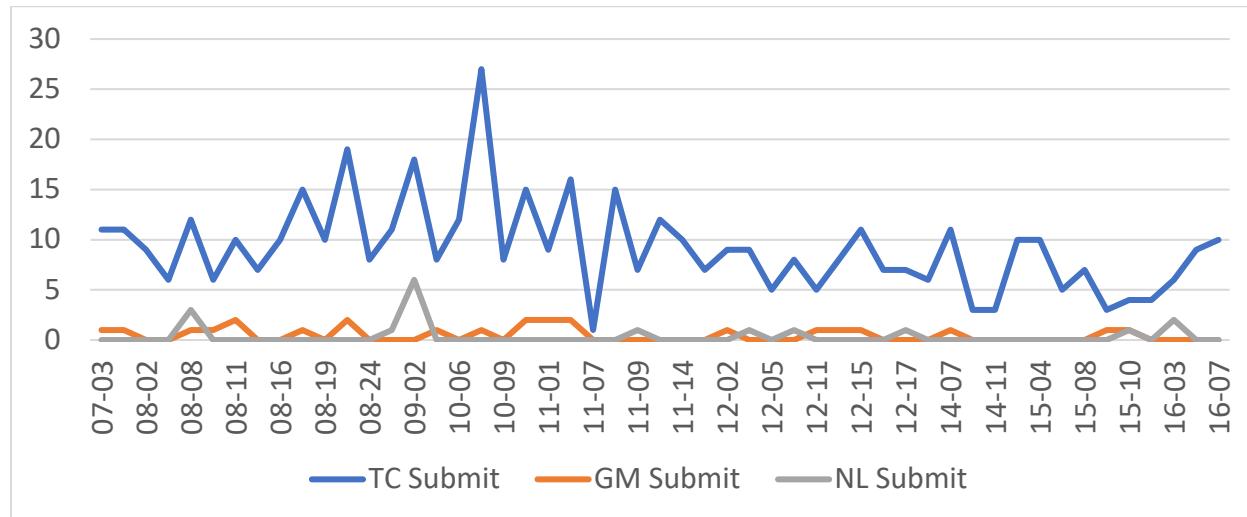
For Greater Minnesota projects, the split between Greater Minnesota and Twin Cities firms being awarded the work was more even, and Twin Cities firms won significantly more Greater Minnesota projects from 2013 forward.



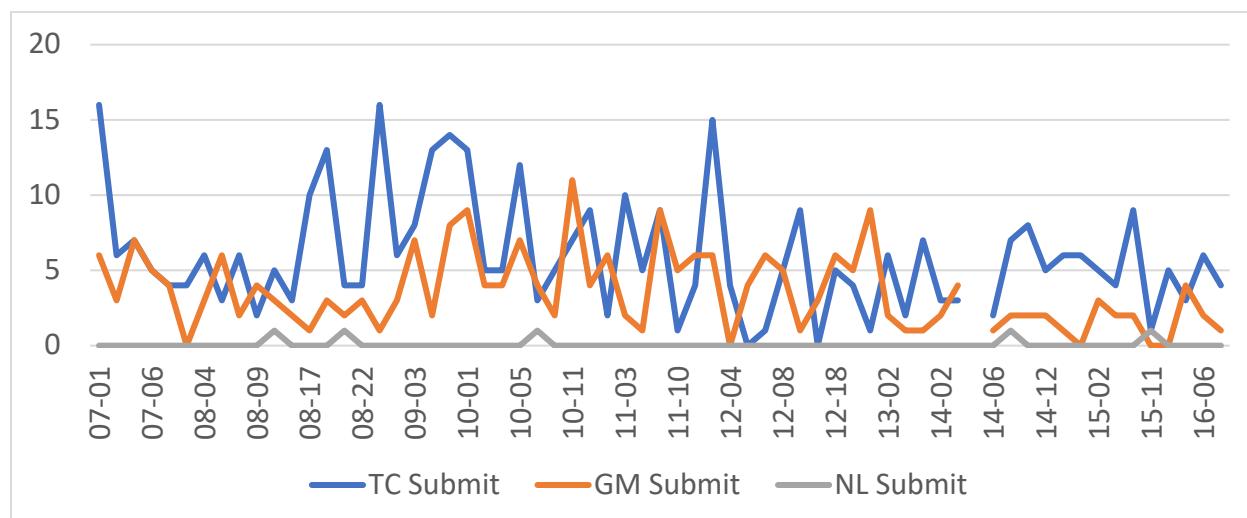
The Task Force also examined rates of submission (the number of proposals submitted) by geography for the period from 2007 to 2016, when submission information was available (data on the location of individual firms submitting was not available for other years). Since firms did submit proposals from office locations outside Minnesota for some projects, they were also included in the analysis, listed as national.



For Twin Cities projects within the decade of 2007-2016, a dramatically higher number of Twin Cities firms submitted proposals than Greater Minnesota or national firms.



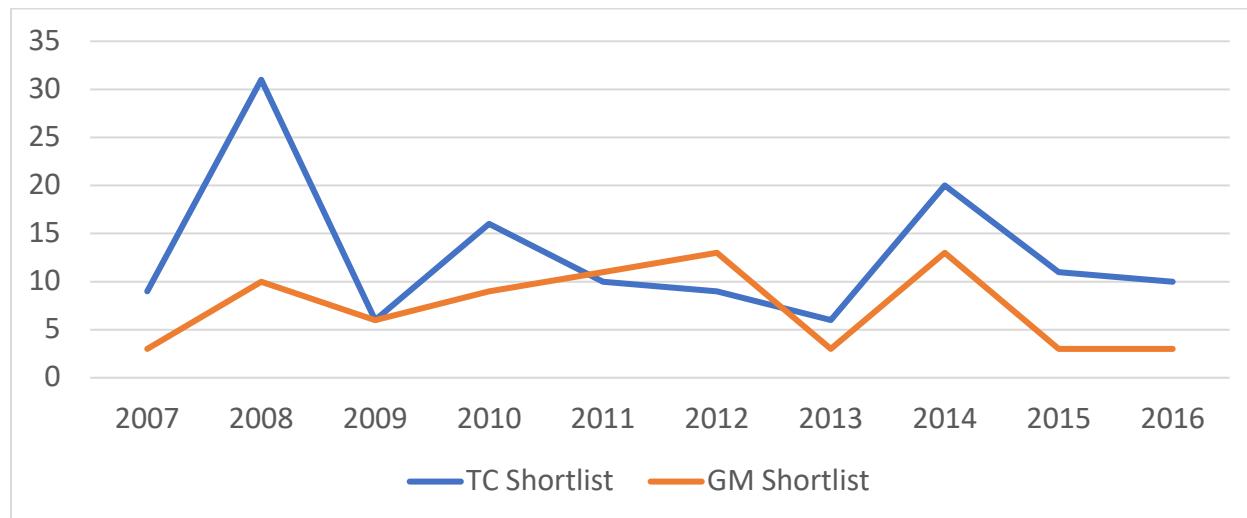
For Greater Minnesota projects, submissions were nearly evenly split between Greater Minnesota and Twin Cities firms.



The Task Force also reviewed shortlisting decisions of the SDSB for geographic breakout. For Twin Cities Projects, Twin Cities firms largely outpaced Greater Minnesota and national firms.



The numbers were more mixed for Greater Minnesota projects, with Greater Minnesota firms making up a larger portion of shortlisted firms on those projects. There were several Greater Minnesota projects for which no Twin Cities firm was shortlisted.



Previous SDSB Task Force Recommendations

1990 Task Force Recommendations:

1. We recommend that the composition of the Designer Selection Board be modified as follows:
 - a. At least two of the five members should be registered architects. One should continue to be nominated by the MSAIA and the other should be an architect selected at large.
 - b. Consideration should be given to having two members of the Board from outside the metro area. Ideally, one member would represent the northern Minnesota area and one would represent the southern Minnesota area.
2. All projects involving legislatively-designated funds exceeding the statutory dollar thresholds should be required to use the Designer Selection Board for design teams.
3. The Designer Selection Board should establish a written format for feedback to firms, including any negative comments, following submittals.
4. Current and past fees received by prime firms should not be a factor in selection after establishment of a short list, and this should be a rule of the Designer Selection Board.
5. If a project is cancelled, the remaining unexpended fees should not be counted toward a firm's tally of fees submitted in the written proposal. Also, the Designer Selection Board should establish a clear and consistent format for reporting current and past fees in the proposal.
6. Local facility users should have more input to the Designer Selection Board in selection of design teams to be short-listed.
7. Facility users and agency representatives and agency representatives should be asked to develop thorough project descriptions, priorities, and scopes of service required for inclusion in the State Register Announcement.
8. The minimum project budget dollar threshold for projects should be increased from \$400,000 to \$800,000, and the fee threshold for planning studies from \$35,000 to \$70,000.
9. Larger, more complex projects should have a longer interview time, and interviews should be held in a place more conducive to larger audiences.
10. The scheduled time between short-listing and interview should be a minimum of two weeks to accommodate firm personnel and to allow adequate time for firms to prepare for the interview.

1998 Task Force Recommendations:

1. The DSB should keep up its exceptional record of applying the proven principles of qualifications-based selection of design teams. Good work!! The DSB should resist using numerical rankings as a method of making selections; selection decisions are necessarily subjective. AIA Minnesota trusts the Board to continue to make fair and impartial judgments in the selection process.
2. The Executive Secretary of the DSB should be knowledgeable in the areas of design and construction, with a job description flexible enough to allow a 100% assignment to DSB activities in heavy capital bonding years. The ES should be encouraged to debrief winning and losing proposers after project awards.
3. The Commissioner and the three nominating organizations should encourage geographic diversity in proposing and selecting DSB members.
4. The project descriptions contained in the State Register should be complete, and consistent in format to promote better proposals from designers. If possible, better advance notice of project postings should be implemented.
5. If the legislature provides capital bonding for significant, public non-state agency projects in Minnesota, the legislature, in its appropriation language, should encourage use of the DSB or a

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similar local QBS selection process to select designers for those projects; (e.g., Minneapolis Convention Center, St. Paul Hockey Arena).

6. If allowed by statute, Design/Build projects for state agencies subject to the DSB should be awarded by the DSB based on the qualifications of design/build teams.
7. In the opinion of AIA Minnesota, consideration of professional fees by the DSB is a violation of the intent of the statute which created the Board. The Qualifications-Based Selection process is founded on the idea that professional qualifications, not low fee, should be the basis of A/E selection. Professional A/E fees are properly negotiated with the agency whose budget is involved, at a time when the required scope of professional services can be discussed in adequate detail.

2007 Task Force Recommendations:

1. Require the agency to designate a local representative of the user agency or institution as one of the project contacts.
2. Provide specific guidelines to user agencies regarding pre-proposal conferences and other communications with submitters. Require that attendance and minutes be taken and that such information is available and that it is communicated back to the board prior to the short-listing and interviews.
3. Change the commencement of the 60-day window to start on the date the RFP is published in the State Register.
4. Reverse the SDSB decision requiring A/E contract acceptance as a condition of submitting a proposal.
5. Require proposers to identify the street address of the office where the majority of the work would be accomplished.
6. Formalize the process by which the Executive Secretary assists agencies in the development of quality RFP language to ensure that the RFP identifies the unique requirements of each project. Commit resources to facilitate this process.
7. Require SDSB member approval of final RFP language prior to publication.
8. Increase efforts to include representation from Greater Minnesota on the State Designer Selection Board.
9. Set interview times with consideration of project location in order to allow for travel time for the state institutions and state agencies, as well as for designers to meet and prepare for the interview.
10. Require user agencies to specifically state their recommendation for Greater Minnesota (local) designer involvement, either as a prime or support consultant, when it would be of benefit on their project.
11. Raise the dollar thresholds for project selection by the SDSB to \$5 million in construction cost and to \$300,000 in consultant fees for studies in order to be consistent with historic construction cost increases.
12. Hold informational forums, sponsored by the professional organizations, throughout the state to communicate the SDSB process to agencies and institutions participating in projects, as well as to design firms.
13. Enact a methodology such as “Robert’s Rules of Order” to assist the SDSB in conducting their meetings.

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14. Provide the resources to elevate the position of executive secretary in terms of time commitment and responsibility. The enhanced position should include the following:
 - a. Be fully informed as to the legal requirements under which the SDSB operates and be prepared to advise the SDSB on proper procedures.
 - b. Maintain records of SDSB decisions and proceedings and make information readily available to the public.
 - c. Be responsible for coordinating SDSB communication outreach.
 - d. Develop and maintain an SDSB procedures manual with SDSB approval that includes the rules governing its operations and the conduct of its meetings
 - e. Be fully informed on the history of SDSB adoptions of procedures or rules of order for conducting SDSB business.
 - f. Annually conduct a refresher session on the SDSB procedures.
15. Require that the “nonvoting” Department of Administration representative be present for the entire interview and selection process in order to fulfill statutory requirements to vote as tiebreaker.
16. Continue efforts to bring further transparency to the process through communication of deliberations and historical project awards on the website, educational/informational opportunities for interested design firms to meet with the SDSB and learn about the process.
17. Require that both the U of MN and MNSCU make their selections the same day as the SDSB interview and that no additional interviews be conducted; additional information required by those agencies for selection must be provided as part of the RFP.
18. Clarify use of past fees as a criterion for selection.
19. Continue with the current qualifications-based selection (QBS) process without using numerical scoring.