



## INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

# SELECTING AN ENVIRONMENTAL CONSULTANT OR CONTRACTOR

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### **Introduction:**

This fact sheet offers some tips on how to choose an environmental consultant or contractor that best suits your needs. A competent consultant or contractor will help you define the problem and develop solutions that are protective, in compliance with environmental regulations, and cost effective. Consultants and contractors specialize in different areas such as permitting, design and engineering, construction, sampling and testing, waste management, due diligence, abatement, and cleanup. Skills, experience, and track records of consultants and contractors vary widely. Hiring an appropriate and qualified company is crucial in developing solutions. Environmental consultants will often subcontract with environmental contractors, law firms, laboratories, and manufacturers, depending on your project needs. Commonly, you need an environmental consultant to ensure that all of your needs are managed by one company. In some cases, you may only need one service that allows you to directly hire a contractor. Nothing in this document is intended as legal advice and should not be taken as such.

### **Before you start:**

**Understand your responsibility.** It is important to remember that when you hire a company to help you meet your environmental obligations, you remain ultimately responsible for compliance with those obligations and cannot completely transfer those obligations. You should consider requiring the company you hire to indemnify you for its errors and omissions. You should also consider ensuring that they have adequate insurance to cover errors and omissions.

**Check qualifications.** Ask the potential company for a Statement of Qualifications (SOQ). An SOQ is a written document where the company lays out their professional qualifications to do your kind of work. The SOQ will contain the names and experience of employees who work for the company. Be sure to ask who will be working on your project. Make sure that the company has staff with experience and credentials in the kind of work you want them to do for you. Make sure the SOQ contains specific examples of experience in the relevant areas of concern.

### **Where to begin:**

**Determine scope of work.** Make a list of the services that you need your company to provide. Providing as much information as possible will enable prospective companies to give you more accurate estimates (cost and time) for completing the project. You may have information that will help meet your environmental needs that will save time and money and potentially eliminate errors and omissions when the work is completed.

Outline a scope of work, as best as you can, that describes what needs to be done, as well as the expected result of the work. Having a good understanding of the situation and what needs to be done will assist in determining the best company for the project. If you are unsure about what needs to be done at your site and how you should proceed, get help. Keep in mind that environmental investigations often encounter unexpected situations and new information that may change the scope of work.

Once you have a potential list of companies, you should be prepared to ask questions about their area of expertise, qualifications, and scope of services.

**Request proposals.** Send a request for proposals (RFP) to companies that appear qualified. You may want to send RFPs to more than five companies, but to no more than 10, although there is no general rule. Your goal is to get at least three comparable proposals back for the work you need done. The RFP should include the following information:

- Description of the site.

- Discussion of the scope of the project and expected deliverables.
- Time constraints for completing the work.
- Directions for getting access to relevant records and getting access to the site, for bidders.
- Request for a statement of qualifications of the company, staff resumes, and references.
- Request for unit rates and cost estimates. (Itemization of costs will allow you to compare proposals better.)
- Directions for submitting proposals and project contact(s).

**Review proposals.** When reviewing proposals, keep in mind the following:

- Has the company worked on projects similar to yours?
- How much work does the company subcontract, and who are the subcontractors?
- Is the company knowledgeable about federal, state, and local environmental laws and policies?
- How well does the company communicate in writing?
- Beware of bids that are significantly lower than those of competing companies and overly optimistic time schedules. Be wary of “hard sell” approaches, conflicts of interest, or anything that makes you feel uneasy.
- If something in the proposal is unclear to you, ask.
- Is the company insured and, if necessary, bonded?
- Is the company currently involved, or has it ever been involved in lawsuits regarding its work performance?

**Conduct interviews.** Once you have identified the most qualified companies, you may want to conduct interviews to clarify any items in their proposals and meet the individuals who will be working on your project. Some example questions to ask during the interview may include the following:

- Who will be assigned to the project? What is the training and experience of project team members?
- Will the assigned project team be available for the duration of the project?
- What knowledge of environmental regulations and policies do the team members have?
- What tasks will be subcontracted and to whom? What is the subcontractor’s experience with similar projects? How will subcontracted service be charged?
- What is the company’s current workload?
- What percentage of projects did the company complete within time and budget constraints?

**Check references.** Checking references is probably the most important part of the selection process. Before choosing a company, it is critical to talk with businesses the company cites as references. Some questions you may want to ask include:

- Were you satisfied with the company’s work?
- Did you have any concerns about the company’s performance or fees?
- What specific staff members were on your team?
- Was your project completed on time and within budget?
- Did you encounter any unexpected delays or staff turnover? If so, were these handled to your satisfaction?
- Did the company have to “re-do” any part of your project because it wasn’t done adequately the first time?

### **Selection:**

**Make the selection.** The knowledge you have collected through the company’s submitted proposal, the interview, and reference checks should provide enough information to select who is right for you. When choosing your company, don’t automatically go with the lowest bid. Be sure to review all the terms and conditions of your contract, the SOQ, and references from the company. Make sure you know what you are buying.

**Get it in writing.** To avoid misunderstandings, it is usually a good idea to establish a written and legally enforceable contract with the company you hire. You should always consider enlisting the assistance of a competent attorney before entering into a contract. While IDEM cannot give you legal advice, the following questions are provided for your consideration when you are evaluating a contract for services with an environmental company:

- Does the contract stipulate the exact amount of payment for the exact services rendered?
- Does the contract establish the terms under which the contract will be paid?
- Does the contract allow for any unspecified fee such as “administrative” or “processing” fees?

- Does the contract clearly establish all services that will be performed by the company?
- Does the contract allow for additional activities be undertaken and billed to you without additional written permission from you?
- Does the contract provide for a change in the contract amount based on contingencies like additional meetings with you or “excessive” contact?

These considerations are provided only as examples of issues to consider and are not intended as an exhaustive list. As noted above, this information is not intended as legal advice, and IDEM encourages you to seek the assistance of an attorney to advise you on the specifics of your circumstances.

**Remember, it's up to you.** This document has been prepared to assist in hiring and retaining a company. The ideas presented here do not represent a comprehensive list. In any endeavor, always remember that common sense should be the rule. You and your company are ultimately liable for your environmental compliance. If dealings with an environmental company seem irregular, it is in your interest to fully investigate and correct the situation.

**More Information:**

A list of environmental consultants and contractors who have requested that their names be made available to businesses and individuals seeking assistance is available on the IDEM website at [www.idem.IN.gov/4988.htm](http://www.idem.IN.gov/4988.htm). IDEM will revise this list as new vendors are made known to us. Publication of information on this list does not constitute an endorsement by the Indiana Department of Environmental Management for any services provided.

For questions and concerns, contact the IDEM program area you are working with and/or IDEM staff member(s) who are providing you with guidance on specific environmental requirements. You can also obtain technical and confidential compliance assistance on a wide array of environmental topics by contacting IDEM's Compliance and Technical Assistance Program (CTAP). Information about CTAP is available on IDEM's website at [www.idem.IN.gov/ctap](http://www.idem.IN.gov/ctap), or by telephone at (317) 232-8172 or (800) 988-7901, toll free.