

## Things to Consider

- To ensure that you receive good responses, require the proposals to be focused. You want to receive a detailed project proposal that includes the firm's qualifications, project schedule and proposed fees. Limit the number of pages so that you don't get lots of "glitz" without the necessary content.
- When purchasing a service, you need to be specific about the expected results and the schedule
- The schedule is usually the most important item. It should include the desired number of meetings with your consultant since this involves travel, preparation time, and management staff time.
- A small consulting firm may be able to deliver more "personal" service while a large company may be able to offer more specialized services. In the proposal, require that the project manager attend the interview.
- Pick a qualified consultant who is interested in your problem and enthusiastic about the work.



## Definitions

**Lump sum payment** - A payment based on a specific task that can be well defined. A lump sum is also called a *fixed fee*. With a lump sum payment, you know that the result will cost a certain amount, but the value of the proposed product may be difficult to judge or compare.

**Hourly not to exceed** - The consultant proposed a fee based on the applicable hourly rates. Normally, the consultant prepares a spreadsheet with the anticipated number of hours to show how the fee is derived. A spreadsheet of hours and personnel should clearly show the hours to be spent on each task and by which staff members.

**Fully loaded rate** - This is an hourly rate that has hourly wages, overhead and profit all in a single number.

**Unloaded rate** - This rate shows the wages with a multiplier for overhead and profit.

Regardless of the method, the hourly rates should result in the same number.

## Join NYSFOLA!

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## Hiring a Lake Management Professional: Tips for NYSFOLA Members





## Define Your Goals & Objectives

Before you hire a lake management professional, you need to clearly define your goals and objectives. For most lake associations, the goal is to improve the recreational quality of their lake. The objectives are measurable steps that can be taken to achieve that goal such as eliminating invasive aquatic plants or controlling stormwater discharges.

Form a committee to take charge of the project and report back to the organization. The committee should:

- Develop clear goals and objectives
- Prepare a realistic budget
- Define expectations
- Set the project schedule
- Prepare a Request for Proposals (RFP)
- Review proposals and contracts
- Ensure project coordination
- Report back to the association

## Planning and Budgeting

When developing a plan and budget for any lake management project, it is important to remember that most lake management professionals are employed by “for profit” businesses. Your budget must be in line with your expectations. Be honest about the amount of money you have to spend. Things to think about:

- What sources of data already exist about the lake that could be collected ahead of time?
- Could local government agencies or universities play a role in the project at a reduced cost?
- If your project is being funded by a grant, what is the timing of the funding cycle? How will that impact the project? Are there deadlines or other requirements set by the grantor that need to be considered?
- Do you expect the consultant to travel to lake association meetings? How often? Do you want them to produce written reports, obtain any necessary permits, or hire and/or oversee subcontractors? If so, that should be clearly communicated so that there are no budget overruns when these tasks are added at a later date.



## Request for Proposals

Once you have clearly defined the project goals, objectives, budget, and expected outcomes, you should prepare a Request for Proposals (RFP) and send it to multiple consultants. **The RFP should fully describe the project, timeline, and expected deliverables.** Remember that the more precisely you define the project and expectations, the easier it will be to compare “apples with apples” when responses come in.

## Selecting a Consultant

Before you make a final decision, here are some things to consider:

- Insurance - Does the consultant carry necessary general liability, workman’s compensation or other required insurance? Should your association be coinsured for the duration of the project?
- Ask for references and names of previous clients. Were they satisfied with the work?
- Does the consultant have full knowledge of state and local regulations and permitting requirements?
- Are the individuals doing the work licensed or certified by any state or national organization?
- Have a signed contract that includes the project description, budget and deliverables.