

Final Report for Special Experimental Project 14 (SEP-14)

Evaluation Report of Contractor Selection Using Best Value Award

For: Special Experimental Projects 14 (SEP-14)

Proposed by: Idaho Transportation Department

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I. Introduction

The Idaho Transportation Department (ITD) launched an effort to improve the level of weight enforcement for OTR (Over the Road) tractor -trailers. Traditionally, ITD had used a low bid contracting method for their construction projects. However, ITD was moving to a performance-based asset management approach, and felt that the low bid process was inadequate for selecting a contractor since it did not provide information on the Offers' qualifications or provide a measure of the adequacy of how the Offeror plans to accomplish the work. Even more since this project handed over the management of the project to a private contractor, it was essential that ITD chose the best value available to them, not just the lowest price.

The safety of the motoring public depends on a reliable, functioning Weigh in Motion system. ITD had to be comfortable with the Offeror's technical approach, management plan, staffing plan, QC/QA plan, past performance and facilities as well as their price. Consequently, ITD proposed to use a Best Value Award contracting method for the project and submitted a work plan for review as a Best Value Award project under the provisions of Special Experimental Project No. 14 for the use of innovative contracting practices.

II. Background

ITD teamed with the University of Arizona to develop the bid documents. The main focus was on the concepts and ideas that were going to lead to program success. Equal amount of efforts was devoted to the definition of the service outcomes, the financial incentives and disincentives. This encouraged the desired level of performance, the performance measurement system and the controlling system to monitor the contractor's activities; the implementation of new materials; and maintenance processes to make the operation more efficient and effective.

The contract was structured as a firm fixed price with a construction period to be determined during the interview phase. The request for proposal was due on September 09, 2012. ITD provided a limited scope of work which allowed the proposers to submit value added options.

The following table shows the milestones of the awarding process.

DATE	MILESTONE
07/09/2012	RFP Release
07/18/2012	Pre-Proposal/Educations Meeting (Mandatory)
07/20/2012	Due Date for Questions
08/09/2012	Interviews
08/23/2012	Identification of Potential Best-Value
08/23/2012	Notice of Intent to Award
08/26/2012	Contract Awarded

The awarding process was completed after extensive review of the proposals.

Interview Evaluation

The following are the evaluation scores for the two proposals:

CATEGORY	Possible Points	Mettler Toledo	International Road Dynamics
Project Manager	10/5/1	5	5
Superintendent	10/5/1	5	1

Mettler Toledo visited the work site prior to the interview, inspected the pavement conditions and studied the traffic pattern prior to the interview. Mettler Toledo had a strong understanding of our goals. **Mettler Toledo's** superintendent was required to be on site during the entire construction process.

International Road Dynamics did not visit the site and did not present a strong understanding of our goals. **International Road Dynamics** superintendent stated that he did not manage the project on site and that he would manage it via phone remotely.

The lump-sum price negotiated with the contractor matched the District budget.

III. Lessons Learned

The main lesson learned from the Weigh in Motion System is that it is possible to achieve a high performance level with a public-private partnership. At present, the WIM system is a reliable service for Idaho Transportation Department, Idaho State Police, and Wyoming Department of Transportation, marked by a continuous process improvement. The achievement was possible mainly due to the good relationship between ITD and the Contractor, the use of data to drive understanding and decision making, and a proactive approach to asset maintenance. The lessons learned that apply to future utilization of a Best Value Award are:

- Contractor Education*: Ensuring that the potential bidders are familiar with Performance Based Maintenance Contracting's requirements and challenges.
- Performance Measures*: Clear and well-defined performance measures to decrease contention regarding interpretation.
- Use Data to Drive the Procurement Process*: An accurate asset inventory to help reducing bidder risk and increase competitive bids.
- Outreach Efforts*: Reaching out to the contracting community early in the proposal process to gain buy in and generate awareness is critical for a healthy bidding environment.
- Proactive Maintenance*: Patrolling caught problems before they were reported by the public which had a positive impact on public perception of the Program.

IV. Self-Assessment

- The amount of ITD/IT resources that were available for managing the contract was adequate.
- The process for managing the contract increased in complexity when compared with a traditional low bid approach.
- The process for managing the contract required developing new skills.
- The contractor provided a service conforming to ITD standards.

When the participant was asked about the processes associated with the management of the contract, they agreed that the new approach did increase the complexity of the management processes.

- The complexity was due to the contract being Best Value performance based. A large amount of work was required of the vendor prior to the award of the contract without any guarantees that they would be awarded the contract.
- When selecting a contractor not just on low bid, but weighing other factors, such as assets; the contractor knew that experience and expertise could be a deciding factor.

Finally, all participants strongly agreed that the contractor selected through the Best Value Award contracting method did provide a service conforming to ITD standards.

V. Conclusions

Overall, ITD is very satisfied with the Best Value Award contracting methods adopted for the D6 Ashton Weigh in Motion System. The cumulative experience and lessons learned throughout the implementation of the innovative contracting method has been incorporated to the second generation of the performance-based contract.

ITD will continue using the Best Value Award method for future projects that qualify for the process.