



U.S. Department
of Transportation

Federal Highway
Administration

Memorandum

Subject: **ACTION:** Colorado Best Value Procurement under
Special Experimental Project No. 14 (SEP-14)

Date: September 24, 2019

\Originally Signed by:\

From: Brian J. Fouch
Director, Office of Preconstruction,
Construction, and Pavements

In Reply Refer To:
HICP-20

To: John Cater
Division Administrator
Lakewood, CO

This memorandum is in reference to emails sent from August 8 through September 6 -18, 2019 by Brian Dobling of your office, which transmitted the following:

1. A Colorado Department of Transportation (CDOT) workplan for the use of Best Value Procurement under Special Experimental Project No. 14 (SEP-14); and
2. A draft of the "CDOT Best Value Request for Proposal (RFP) Notice to Contractors" document that explains the Best Value selection process.

Under the SEP-14 Workplan, CDOT will evaluate full and open competitive proposals to determine award of the contract based on a Best Value evaluation process. The Project is located on US 36 in Larimer County near Mile Posts 7 and 8, with a Fall 2019 advertisement for construction. This will be the first time CDOT has used Best Value Procurement on a federally funded project.

Best Value Evaluation: CDOT will score Best Value Proposals according to the following formula:

Best Value = Technical Proposal Score + Schedule Proposal Score + Bid Proposal Score

1. Technical Proposal Score (TPS): The maximum TPS = 50. CDOT will score all Technical Proposals before any price proposals are opened or the identity of the bidders is known. The TPS will be based on the bidder's answers to proposal questions, which will focus on the following criteria:
 - Recognize and address project risks
 - Experience
 - Safety
 - Project First-CDOT's Formal Partnering Process/dispute resolution
 - Project Management/Organization
 - Quality and Budget Control

2. **Schedule Proposal Score (SPS):** The maximum SPS = 35. Each bidder is required to submit a basic construction schedule with key milestones. The maximum road closure duration is 4 weeks with detours on US 34 and SH 7. Every day less than 4 weeks will add 3 points to the CS score. If the selected contractor's road closure duration is less than 4 weeks, it will sign an affidavit stating that the project will be complete during the shortened road closure time. If the contractor exceeds their commitment closure time, CDOT would assess liquidated damages of \$5,500 per day
3. **Bid Proposal Score (BPS):** The maximum BPS = 15. After the TPS and the SPS are calculated, the project cost will be reviewed. The BPS will be determined by comparing each firm's sealed BPS submittal with the lowest BPS submittal using a ratio. That ratio will then be applied to the total points available for the BPS submittal to determine the points earned by the bidder
4. **Best Value Determination (BV):** To determine which contractor has proposed the Best Value, CDOT will aggregate the individual scoring components of each proposal for the TPS, the SPS, and the BPS. The bidder with the highest Best Value Score will be selected. CDOT will offer a contract to this bidder; however, if the parties are unable to execute a contract, CDOT may offer the contract to the bidder with the next highest composite score.

Other details are contained within the SEP-14 Workplan and RFP.

CDOT's Workplan for Best Value Procurement is satisfactory. You may consider this project approved for evaluation under SEP-14.

Thank you for the opportunity to review and comment on this SEP-14 request. Should you have any questions, please contact John Huyer at (720) 437-0515 or Gerald Yakowenko at (202) 366-1562.