The UTAH Department of Transportation’s Expedited Delivery Contracting (EDC)

2012 Annual Report

Submitted to: FHWA, Utah District

In accordance with MOU for Special Experimental Projects No. 14 – Alternative Contracting

Prepared with Oversight from UDOT’s Construction Division

January 28, 2013
Contributing UDOT Divisions:

- Procurement
- Traffic and Safety
- Construction
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Introduction
This annual report fulfills the Memorandum of Understanding (MOU) between the Federal Highway Administration (FHWA) and the Utah Department of Transportation (UDOT) dated February 29, 2012 pertaining to the Alternative Contracting Process – SEP 14 Expedited Delivery Contracting.

This report includes an analysis of this year’s (2012) project delivered via the Expedited Delivery Contracting (EDC) program. The analysis evaluates the Preconstruction Engineering costs and Construction Engineering costs to prepare and deliver an EDC project, and also time required to procure a contractor. For evaluation purposes, the data is compared to similar type projects that were delivered with traditional design bid build procedures. This section gives an overview of the EDC process as outlined in the MOU. Subsequent sections include a description of the project delivered this year via EDC, a performance analysis of the process, and finally a summary of the lessons learned after this year’s analysis.

Expedited Delivery Contracting Program
The purpose of EDC is to reduce administrative work and speedup project delivery. EDC is suited for small repetitive projects which currently take as much administrative effort to procure a contractor as a large highway project. The EDC program streamlines the design preparation process, and utilizes pre-approved contractors to bid competitively on small projects.

EDC contractors are selected based on qualifications and low bid pricing of selected standard bid items. Being an EDC Contractor entitles the contractors to bid on EDC projects once the designs are prepared and advertised. Bid total is summation of the total cost for the quantities of the standard bid items, the costs of the unscheduled bid items, and the value of the price plus time bidding component currently used by UDOT. EDC projects are awarded to the apparent low bidder.

The MOU requires UDOT to report the following performance measures:

1. Analysis of Change Orders, overruns, and under runs.
2. Bid comparison with the Engineer’s Estimate.
3. Track project timeline to include start date, advertisement date, and award dates.
4. Number and scope of project time extensions compared with traditional design bid build projects of similar scope and complexity.

This analysis is included in the Budget Analysis and Change Orders sections of this report.

Summary of Construction Program
Currently the MOU only allows safety programs to use the EDC process. This section outlines the project that was delivered during the 2012 season.
Project Types
The only project that was delivered via the EDC process during 2012 was a Safe Routes to School (SRTS) project F-ST99(166). Utah’s SRTS program uses FHWA funds to construct pedestrian corridors along roadways. There are several other SRTS projects that may use the EDC program based on the performance of this first project and the implementations recommended in the Lessons Learned section below.

Locations
The SRTS project included the construction of a continuous walkable path at three locations within Utah County including Traverse Mountain, American Fork, and Lehi. A short description of each location is given below.

Traverse Mountain
The Traverse Mountain site included the construction of a pedestrian path to match the current paths within the planned unit development. This key connector path allowed school children to walk from the upper development area to the elementary school. The pedestrian path included approximately 1400 linear feet of pathway with drainage and landscape retaining walls. The project also included radar speed limit signing to provide traffic calming within the residential area adjacent to the school. The project was done in cooperation with Traverse Mountain Elementary School, the planned unit development of Traverse Mountain, and Lehi city.

American Fork City
The American Fork City site included installing sidewalk, curb and gutter, and asphalt shoulder to create a continuous walkable path. The sidewalk length was approximately 460 linear feet. Also included in the project was the installation of four pedestrian ADA ramps. The project was done in cooperation with American Fork City and Greenwood Elementary.

Lehi City
The Lehi City site included installing sidewalk and curb and gutter to create a continuous walkable path. The sidewalk length is approximately 1100 linear feet. Fencing was replaced along the route and several driveway accesses were included. The project was done in cooperation with Lehi City, and Fox Hollow Elementary School.
Contractor Procurement
On May 5, 2012 five contractors were notified that they had been selected to participate in the EDC program based on the pre-qualification process. These EDC contractors were invited to provide unit prices on the Standard Bid Item list used to determine the low bid selection. Unit prices were submitted on May 22, 2012 and the EDC parent contracts were prepared based on the pricing provided.

The following issues were discussed in an FHWA status report dated November 5, 2012:

Each EDC Contractor’s bid list was reviewed for budgetary purposes of upcoming contracts and it was determined that three of the five bidders had either tried to unbalance their bid or made an error in data entry. The errors were egregious and resulted in three of the five contractors becoming noncompetitive. Advertising of the upcoming projects was prepared knowing that the competitive list was significantly reduced. Reasons for the lack of competitive pricing included:

1. Process did not allow correction of errant unit prices in the scheduled bid items.
2. EDC Contractors failed to submit subsequent bids because they were not allowed to change errant bidding.
3. One Contractor requested more time to perform site visits prior to bidding.

Despite these shortcomings the UDOT SRTS Project Manager and the Contractors agreed that the process has value and should be continued. To deliver the remaining SRTS projects next summer, UDOT proposes the following changes:

1. Cancel current EDC contracts and absolve the current contracting group.
2. Reform the EDC Contracting Group using the same process used in 2012.
3. Change the parent contract to allow for pricing review prior to contracting for errors and/or allow contract amendments of bid prices if errors are identified to allow a reduction of prices. A requested amendment must be independent of a current EDC Project Advertising.
4. EDC Contractors will be given a pre-advertising announcement of the scope and location of the upcoming project so that they can schedule site visits independent of the advertising date.

UDOT feels that these changes will result in a more competitive bidding field that will benefit both the Federal and State Governments.

Budget Analysis
In accordance with the MOU, the project delivered via the EDC Program is compared to historical projects of the similar scope that were delivered with the traditional Design Bid Build (DBB) process. This section addresses the performance of the EDC.

Comparable DBB Projects
Table 1 indicates previous SRTS projects that were delivered using Design-Bid-Build methods. These projects will constitute the baseline for comparison of the EDC Program Performance completed in 2012.
Table 1 Comparable Design Bid Build Safe Route to School Projects

<table>
<thead>
<tr>
<th>Project No.</th>
<th>PIN</th>
<th>Awarded Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRS-2008(7)</td>
<td>7316</td>
<td>$164,465.50</td>
</tr>
<tr>
<td>SRS-2009(001)</td>
<td>7563</td>
<td>$67,198.00</td>
</tr>
<tr>
<td>SRS-2009(11)</td>
<td>7853</td>
<td>$87,754.30</td>
</tr>
<tr>
<td>SRS-2009(12)</td>
<td>7852</td>
<td>$172,456.75</td>
</tr>
<tr>
<td>SRS-2009(13)</td>
<td>7851</td>
<td>$257,546.00</td>
</tr>
<tr>
<td>SRS-2007(005)</td>
<td>6662</td>
<td>$1,475,229.50</td>
</tr>
<tr>
<td>F-R399(95)</td>
<td>8267</td>
<td>$133,902.20</td>
</tr>
<tr>
<td>SRS-2009(10)</td>
<td>7801</td>
<td>$501,777.68</td>
</tr>
<tr>
<td>F-ST99(98)</td>
<td>8648</td>
<td>$685,905.10</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$3,546,235.03</td>
</tr>
<tr>
<td>Mean</td>
<td></td>
<td>$394,026.11</td>
</tr>
</tbody>
</table>

**Savings in Preconstruction and Construction Engineering Services**

The EDC Program reduces the effort in Preconstruction Engineering services (PE) by streamlining the review process prior to advertising. Instead of having traditional design review meetings at each design stage, the review process is limited to key personnel and only a kickoff and final design review. The project scope is defined by the design team in a design kickoff meeting with the project sponsors. The final design is reviewed internally by the design team, a third party registered professional engineer, and the project sponsor. Table 2 identifies the anticipated design costs for the EDC project based on the average Preconstruction Engineering and Construction Engineering costs of the historical projects listed in Table 1 above. Table 2 suggests a -32% difference between the actual costs for PE costs and the projected PE costs of the EDC project.

Savings of the Construction Engineering Services was not anticipated by EDC. However, Table 2 suggests a -20% difference in Construction Engineering costs. One spinoff benefit of the EDC process is that each EDC contractor is under contract to deliver a number of standard bid items at a previously agreed price. This enables the Resident Engineer to use a standardized pricing list to justify change orders and overruns of the project by simple reference to the established contract. Though this may not account for all of the savings mentioned in Table 2, this advantage was noted by the Resident Engineer (see Appendix A).

Overall savings of engineering services may also be attributed to:

1. Single EDC project compared to standard delivery processes.
2. Efficiencies of the individual consultant firms.
3. Minimal time required to coordinate projects prior to advertising.
Table 2 Performance of EDC Project Based on Historical Averages

<table>
<thead>
<tr>
<th>Average PE and CE Cost</th>
<th>Percentages Base on Historical Averages ¹,²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Construction Engineering</td>
<td>47%</td>
</tr>
<tr>
<td>Construction Engineering</td>
<td>35%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EDC Project Costs</th>
<th>Projected ³</th>
<th>Actual ⁴</th>
<th>Difference</th>
<th>Percent Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDC Contract Bid Amount</td>
<td>$341,362.75</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-Construction Engineering</td>
<td>$160,203.95</td>
<td>$109,585.00</td>
<td>$50,618.95</td>
<td>-32%</td>
</tr>
<tr>
<td>Construction Engineering</td>
<td>$119,440.67</td>
<td>$95,783.81</td>
<td>$23,656.86</td>
<td>-20%</td>
</tr>
<tr>
<td>Total</td>
<td>$279,644.62</td>
<td>$205,368.81</td>
<td>$74,275.81</td>
<td>-26.6%</td>
</tr>
</tbody>
</table>

Notes:
1. PE and CE services were based on the average percentages of historical SRTS previously enumerated.
2. Percentages of PE and CE costs are calculated from the projects mentioned above based on the individual percentages of billings reported on the ePM 506 report screen (not weighted).
3. Projected costs are the costs that would occur if the average cost percentages (historical) were applied to the bid amount of the EDC project.
4. Actual prices are the amounts reported from the PE billing logs and CE consultant’s contract amount.

Time Savings
Savings achieved by EDC was due to the reduction in the design effort. However, a principle key to reducing the delivery process was working to minimize the required advertising and procurement processing. Time was reduced through the following efforts:

1. Advertising for the initial EDC contractor selection process was held at 21 days, however, because the announcement of project bidding was focused on a small group of qualified bidders, the time between plan presentation and bid opening was drastically reduced.
2. Once awarded, contractors were under contract to process paperwork and begin construction much earlier.

Figure 4 illustrates the potential time savings of the EDC Program. The first EDC project shows a total of 28 days from advertising to final award. Because the pricing in the first bid opening was not consistent with prices in the parent contract the project was retracted, re-scoped, and rebid. To re-scope the project a fourth site was removed from the bid package, quantities were updated and the project was bid again. The second bid opening went smoothly and the project was awarded to Lyndon Jones Construction. The time savings showed in Figure 4 included two design addendums, two bid openings and a project re-scoping between bid openings (See Figure 5). If the second bid opening was not required, the time to advertise and award would have been 14 days rather than the 28 days as reported in Figure 4.
Not all projects listed in Table 1 were included in the analysis presented in Figure 4. Many of the projects in Table 1 were delivered using variable start times or had special permission to reduce the advertising time from the FHWA. EDC affords these luxuries by using the MOU and the SEP-14 process to obtain permission for the entire program. The “By Specification” column of Figure 4 represents the time limits specified by current UDOT standards.

**Figure 5 F-ST99(169) Timeline**

**Engineer’s Estimate vs. Bid**

The MOU requires a comparison of the Engineer’s Estimate and the bid prices. This comparison is shown in Table 3. It is important to note that because EDC Contractors are held to their unit pricing of the standard bid items, the Engineer’s Estimate is based primarily off of the contracted pricing list.
### Change Orders

Because many of the bid items of an EDC project are based on the standard item prices, the opportunity to unbalance bidding is mostly eliminated. With the reduction of design review and the possibility of contractors overrunning bid items, the cost impact due to change orders and overruns of the project were also compared to the historical projects. Table 4 compares these increases to the original contract amounts. This data compares the average percent of change orders and overruns/underruns compared to the original bid amount of the historical SRTS projects (see Table 1). Impacts to the original contract are well within the limits of the SRTS projects previously delivered via the Design-Bid-Build process.

#### Table 4 EDC Project Construction Performance Based on Historical Averages

<table>
<thead>
<tr>
<th>Similar Project &lt;sup&gt;2&lt;/sup&gt; Averages</th>
<th>Bid Amounts</th>
<th>Quantity Over/Underruns</th>
<th>Change Orders</th>
<th>Total Change to Contract</th>
<th>Days Added to Contract &lt;sup&gt;4&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Similar Project &lt;sup&gt;2&lt;/sup&gt; Averages</td>
<td>$394,026.11</td>
<td>3.0%</td>
<td>10.8%</td>
<td>13.8%</td>
<td>5</td>
</tr>
<tr>
<td>EDC Project &lt;sup&gt;3&lt;/sup&gt;</td>
<td>$341,362.71</td>
<td>3.9%</td>
<td>1.9%</td>
<td>5.8%</td>
<td>9</td>
</tr>
</tbody>
</table>

**Notes:**
1. Similar projects include other SRTS projects previously enumerated.
2. All values based on UDOT's change order and overrun/underrun analysis at Closed status except SRS-2009(13) which was estimated based on data in PDBS as of October 2, 2012. SRS-2009(13) had not reached the Closed status at the time of this report.
3. Values of F-ST99(166) (the current EDC project) are estimated using the UDOT's change order and overrun/underrun analysis as of 12/17/12 (with Final Pay Estimate Approved prior to submittal to Region).
4. Days added via the change order process for changes in site conditions.

Despite the reduction in design review, there was no appreciable increase in change orders or overruns based on the comparison of this one project. From interviews with the project Resident Engineer, overruns were mostly due to cut and fill bid items that were bid by the unit (ton) rather than by the plan quantity (cu yds). The Resident Engineer recommended that the quantities for future projects be based on plan quantity measurements. The overruns were mostly offset by the underrun of bid items that were canceled by the local governments. Efficiencies during construction can be attributed to the same reasons for EDC’s success listed in *Savings in Preconstruction and Construction Engineering Services* section previously mentioned.
**Lessons Learned**

After the final advertising process, each group that participated in the EDC Program project delivery was interviewed. Notes from the interviews conducted are provided in Appendix A. Table 5 summarizes the lessons learned by UDOT’s Construction Division and forms the basis to proposed changes to the process prior to implementing more projects via the EDC Program in subsequent years.

**Table 5 EDC Project Lessons Learned 2012**

<table>
<thead>
<tr>
<th>Issue</th>
<th>Explanation</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of QA/QC of contractor bidding</td>
<td>Initial pricing of standard bid items included many mistakes that left some EDC contractors non-competitive for all EDC projects.</td>
<td>EDC Contracts were canceled and new advertisement was conducted to generate new EDC Contractor Group.</td>
</tr>
<tr>
<td>Contractors need more time to inspect site</td>
<td>Though contractors can bid rapidly, making a site visit is a requirement for most contractors.</td>
<td>Provide a pre-advertising notification that simply mentions the location and scope of upcoming project.</td>
</tr>
<tr>
<td>Constructability Review</td>
<td>Resident Engineer felt that design reviews did not adequately cover constructability issues.</td>
<td>Use the Resident Engineer to perform the 3rd party review required by the MOU specifically focusing on constructability issues.</td>
</tr>
<tr>
<td>Qualifications of EDC Contractors</td>
<td>Projects require contractors to meet the overhead associated with the contractual requirements of the FHWA.</td>
<td>EDC Contractors should exhibit FHWA experience.</td>
</tr>
<tr>
<td>Qualifications of EDC Contractors</td>
<td>EDC requires rapid execution of bidding, and processing of awarded contracts.</td>
<td>EDC Contractors must be made aware of timing requirements and agree to them at time of qualification.</td>
</tr>
<tr>
<td>Lack of EDC Contractors</td>
<td>Current group of EDC Contractors was advertised through State Purchasing which many UDOT contractors do not watch.</td>
<td>Invitation to all contractors that typically do UDOT work to participate in the EDC pool. Maintain the current advertisement duration of 21 days (min).</td>
</tr>
<tr>
<td>Sponsors changing mind on scope</td>
<td>Sponsors did not take accelerated design seriously and wanted to implement changes at final review.</td>
<td>Use Comment Resolution forms at design kickoff meeting to capture sponsor's comments and hold them to their word.</td>
</tr>
</tbody>
</table>
Conclusion

With the completion of the one EDC project during 2012, the delivery and construction went smoothly. There was no escalation of change orders or overruns based on the EDC delivery method. More EDC projects were not delivered during 2012 due to lack of competition in the EDC Contractor Group. This lack of competition was due primarily to the pricing errors submitted during the selection process. UDOT has canceled the current EDC contracts and is in the process of selecting a new EDC Contractor Group for 2013. Corrective measure includes the review of pricing proposals for errors prior to contracting, and an annual amendment process for pricing.

Comparison of the EDC process at this time is difficult because of the lack of EDC projects currently completed. Though the one project appeared to be successful, more projects are necessary to build confidence in the overall process. UDOT intends to deliver four additional projects during the construction season of 2013. Ultimately the goals declared in the SEP-14 application were achieved (e.g. simplifying the design process, accelerating the advertising process, and delivering the projects more quickly).
INTERNAL MEMO

To: Dallas Wall P.E.
From: Paul Peterson, P.E., Vicky Doehring, P.E.
Date: 1/11/2013
Re: Expedited Delivery Contracting Design Phase Lessons Learned

As requested, Vicky and I held a brain storming session and reviewed the Expedited Delivery Contracting (EDC) process as it pertains to the design aspects of the Safe Routes to School Projects. We discussed items that we feel could be improved with the preparation of Plans, Engineers Estimate, Measurement and Payment and the Specifications Package.

Our observations are as follows:

**Parent Contract Bid Items**

- **Bid Item breakdown**- The bid items were broken down into quantity increments to allow bidders to bid different amounts based on quantity per site. We feel this was beneficial for some items such as gravel, untreated base and asphalt. However, after going through the process it would be beneficial to remove or add items based on what we have learned. For example, all of the reinforcing steel quantity breakdowns did not vary much between quantity breakdowns; this could be bid as one item rather than having three breakdowns. This would require going through the bid list item by item and evaluating if any others should be added. **Bid item prices for some items does not vary much like steel.**

- **Item Numbers**- Some item numbers overlapped (Remove Concrete Sidewalk and Remove Concrete Driveway). This caused problems when entering items into the Engineers Estimate and creating the M and P. This is not a big issue and we worked around it by creating additional roadway categories in the engineers estimate, but if EDC is re-advertised it should be checked to make sure no items overlap. **you cannot have multiple same item numbers in the same group.**

- **Standard Bid Items**- The preparation of the Engineers Estimate and Measurement and Payment could be simplified if as many items as possible used in the parent contract reflect standard bid items (minimal P items). Most of the standard items are automatically populated in PDBS so when these items are modified it requires the designer to populate all of these items. This opens up another avenue for errors and requires additional work.

- **Bid Prices**- There were several items that we felt would be confusing to the contractor and therefore would be very difficult to bid on without seeing the actual item. For example, the Remove Tree bid item was broken down into different sizes; however, another significant variable that determines the cost of removing a tree is the location. A tree that is under power lines, over fences or next to houses takes a lot more time and resources to remove versus a tree that is out in the open. **Just because there is a scheduled bid item does not mean we have to use it if we think it is an issue.**
We feel that a review of the original bid items should be done and any items that have variables that could significantly affect the price or be difficult to specify be removed from the original bid list. These items could be bid as an unscheduled bid item, giving the contractor a fair chance at bidding them appropriately and also giving UDOT a fair price for these items. Other items that we feel would need to be bid as unscheduled items are Mobilization, Public involvement and Traffic Control. Others may be determined after reviewing the bid list.

Parent Contract Specifications
The parent contract was confusing at first. We did not know what specifications from the parent contract to use and what not to use. The main confusion came because UDOT issued an addendum to the 2012 supplemental specifications after EDC was advertised. When we prepared bid packages for actual projects it took some time to clarify which specifications we should use, whether it was the original EDC Specifications or if we needed to use the addendum to the 2012 specifications. This also caused some confusion with UDOT staff assisting with the advertisement who typically look for specific specifications.

It would be beneficial for new designers using the EDC process to have a tutorial on what specifications in the parent contract should be used and what ones should be rewritten according to any addendum to the specs.

Design Process
We experienced several design changes at the 90% design stage of the project. This was largely due to the fact that we went from a concept level design to a 90% review. Even with these changes, we still feel that this is the appropriate way to proceed with these projects; however, it may be beneficial to hold a 30% design review meeting before going to final design to discuss items such as utilities, final typical sections, project limits, right of way responsibilities, etc. This meeting would be simple and it is recommended that team members sign off on the meeting minute commitments rather than doing a formal design review. We believe that having the city sign off on it would create more commitment from the city to take the review seriously.

EDC project qualifications
We discussed the SRTS projects that did not run as smoothly as others and tried to figure out why. We came up with three items that could be considered before approving the use of the EDC process on a project. They are as follows:

1. **Right of Way Impacts**- There were a couple of projects that would have been advertised much sooner if it wasn’t for the time it takes to clear right of way and perform the right of way negotiations. If a project has extensive right of way it might make sense to advertise the project using the traditional method of advertising. If the right of way takes a while, it becomes the critical path and EDC loses its value except for the turnaround time after bid opening. A very preliminary right of way search would determine what kind of right of way impacts the project might see.

2. **Amount of Cat Ex work**- Several of the sites required very simple Cat Ex documents with minimal impacts. However, some sites involved historical
properties where right of way was being purchase, this required consultation with SHHPO and more involvement from UDOT. We feel that either a streamlined method of preparing the CatEx be implements by involving the appropriate UDOT personnel or advertising the project using the traditional method. Because of this and similar to right of way, the effectiveness of the EDC process was minimized except for the turnaround time after advertising.

3. **EDC project is not tied to another project**- Some projects were tied to other projects by coordinating other work with the sidewalk project in preparation for a future project (i.e. paving, clearing right of way for other projects, curb and gutter, etc.). While these are things that should be done for good planning purposes, it held up the EDC process. Additionally, it resulted in more design, more right of way and more requirements that needed to be met for the CatEx documents. This is not to say other projects should not be coordinated and planned but it does say that the EDC process may not be appropriate for these kinds of projects.

If EDC is used on a project it might make sense to select projects that did not include the above items and leave them to more traditional projects or by require the city to take a more active role to ensure these items are taken care of prior to the EDC project beginning.

**Miscellaneous Items**

Additional items that could be considered that might improve the EDC design process are as follows:

**Do not combine projects into the same PIN**- There are obviously other factors involved but from a design standpoint, it would not require much more work to prepare a design package for each individual site. This would allow projects that are simple, are ready to go and have city cooperation to move along and get constructed sooner.

**Someone on the UDOT end to work with design consultant to help drive the project**- It would be beneficial to have someone from UDOT who understands the purpose of EDC and how it works to help drive the project. In particular during the CatEx phase and the advertising/review phase. There was a lot of explanation on what EDC is and how it works. If someone from UDOT could explain these issues, there might be better buy in from UDOT personnel by having "one of their own" explain it to them.

**Conclusion**

This memo was intended to address things that we think could be improved. Overall, we feel that the EDC process worked very well from a design perspective. The recommendations we have made are focused mainly on clarifying the bidding of the project and the coordination of design efforts and process with the city and UDOT.
AGENDA

EDC Lessons Learned – Procurement

September 5, 2012

8:00 a.m. – 9:00 a.m.
Meeting called by: Dallas Wall, WCEC

Attendees: Reuel Alder, UDOT
Paul Kikuchi, UDOT
Aaron Wall, WCEC
Dallas Wall, WCEC

Standard Bid List - Review

Review of Bidding Process

1st Project (PIN 9917)
The original project included 4 construction sites in Utah County. Advertisement had two addendums, one was due to confusion with the EDC Survey bid item, and the other had to do with contract time.

First Bid Opening
- 4 of the 5 bidders submitted bids (5th bidder claimed that they were too busy to consider bidding on project).
- The two lowest bidders submitted LOWER prices than allowed by the parent contract.
- 2nd lowest bidder bid less project time than allowed by P+T.
- Highest bidders were WELL over the engineer’s estimate limit.
- All bids were disqualified, project was re-scoped (removed a site from the project) and re-bid.

Second Bid Opening
- Two companies bid the project.
- Contract awarded to the lowest bidder.

Results
From Advertising to Construction – 6-19-12 to 8-14-12: 56 Days

Standard process (by specification): Advertising 21 days; Award 30 days, execution 15 days, UDOT’s NTP 30 days, startup 10 days: 106 days. 48% reduction and included two addendums.
2nd Project (PIN 10417)

- One Bidder submitted bids.
- Bid was WELL over the Engineer’s Estimate
- Unscheduled bid items were very high.
- Other contract asked if they could lower their unit bid prices for the Standard Bid Price

Results
Bid was cancelled however, under current process time to construction would have been: 30 days from advertising to construction 72% reduction in time.

Design costs are reduced.

Process Concerns

1. Large fluctuations in unit prices per Standard Bid Item.

May suggest lack of contractor confidence in bidding items without drawings. We could incorporate an analysis to eliminate those items from the standard bid list.

2. Contractor’s desire to lower unit prices of Standard Bid Items.

Paul will look into policy. There is a concern that if the bid prices are not held firm the contract becomes meaningless. – Paul

From a political stand point we cannot defend a decision to disallow contractors from lowering their bid if that is what they are offering. This should be revisited with the FHWA and point out the similarity of the Design Build process with the BAFO (best and final offer). – Aaron

Allowing contractor’s to rebid items may impact the logic as to why our advertisement time is so reduced. - Dallas

3. $50,000 cap of Unscheduled Bid Items.

Paul to look into policy. This would allow us to place Mobilization and Traffic Control into the Unscheduled work item list.

4. Entry errors of Parent Contract.

This is most easily resolved by allowing contractors to re-bid items on the standard bid list.

If a contractor makes an error they should be held accountable for that error. - Paul

5. Limited Pool Size

We need to do a better job of getting notification out to other bidders. – Aaron.
EDC Lessons Learned – 3rd Party Reviewer
September 10, 2012
Time: 1:00 p.m. – 2:00 p.m.

Meeting called by: Dallas Wall, WCEC

Attendees: Reuel Alder, UDOT
          Andy Powell, URS
          Dallas Wall, WCEC

Project Review
How did your review process change for EDC as opposed to a standard project?

• No change, it was treated the same as a regular review.

What are your observations pertaining to drawings, specifications, M&P, and Estimate?

• Not really, plans sets that were reviewed followed the same UDOT process.

What recommendations would you make to the EDC process based on your involvement?

• As far as design review goes I don’t have any recommended changes. The remaining process I would recommend the following:
  o Have the 4th floor send out a general email about EDC and BidSync so that your initial pool is larger.
  o Make a new pool now so that things are ready for the spring.
AGENDA

EDC Lessons Learned – Civil Rights

September 13, 2012

9:00 a.m. – 10:00 a.m.
Meeting called by: Dallas Wall, WCEC

Attendees:
Tori Gagon, UDOT
Margaret Gish, UDOT (separate conversation)
Steve Wilkins, UDOT (separate conversation)
Reuel Alder, UDOT
Dallas Wall, WCEC

Bid Award
There was some confusion on how the contractor was to address the 0% goal. How can we address that?

- The confusion arises because the good faith efforts are still required in PDBS regardless of the goal number. There does not seem to be issues with other projects that are bidding the standard process with a zero percent goal. Allowing them to sublet after the project is awarded requires Steve Wilkins to adjust the status in PDBS manually.
- Zero goals were appropriate for experimentation but we need to have options to add DBE goals in the future.

Is there a bid limit that DBE goals are not normally assigned to projects?

- No not by policy. However a goal on small projects ($50-100K) don’t have enough money to be of interest to the DBE contractors. Once we get over $500,000 we should have DBE goals assigned.
- Goals are set based on which bid items of the project can be performed by DBE’s, the status of the current state goal.

Bidding through EBS (with Margaret Gish)
I spoke with Margaret Gish about how bidding proceeds on a project with a zero DBE goal. We prepared a fictitious bid in PDBS on one of the recent projects and found that if we mark the “intend to sublet” check box we are required to use DBE contractors or provide an explanation of good faith. Margaret directed me to talk to Steve Wilkins.
Bidding through EBS (with Steve Wilkins)

I spoke with Steve who explained that to simplify the approach we should direct the contractors to NOT select the “intend to sublet” checkbox. We said that if that is marked the contractors could not generate the C-115 and C-116 forms in PDBS. Steve said that he would check to see if the reports are reliant on that flag but feels that it should not be an issue.

With the upcoming update to PDBS this should be addressed (to be release 1st quarter of next year 2013).
AGENDA

EDC Lessons Learned – UDOT Advertising
September 11, 2012

Meeting called by: Dallas Wall, WCEC

Attendees:
Stacy Frandsen, UDOT
Margaret Gish, UDOT
Amber Routson, UDOT
Dirk Parker, UDOT
Vicky Hanshew, UDOT
Reuel Alder, UDOT
Dallas Wall, WCEC

Advertising Process
Were your processes impacted by EDC that cause difficulties on your part? If so what?

- Contract time was short but was not a difficulty.
- Perhaps in lieu of bonding we should have the pool bond it with a self bonding type application.
- Fewer bid items with fixed prices or not fixing any of the bid pricing (making more of the items unscheduled bid items).

Bid Openings
Is it still preferred to have bid openings on Monday (this reduces the reaction time for issues due to the weekend)?

- We can open them anytime.

Issues in the bid opening for EDC seem to be in conflict with standard procedures (excessive bids, single bidders, process of notifications etc.). How should we mimic the standard process?

- Current process for bids over the EE:
  - PM makes a decision to proceed or retract pertaining to budget based on the bid results only.
Then the bid abstract is sent to the RE, PM, and the Deputy Engineer who collaborate to determine if the bid items are unbalanced. They may determine to proceed or cancel based on their review of the abstract.

- We should have the tools in place to see the UDOT bid unbalancing tool blinded in the next few weeks. This will allow us to see the bid opening results blinded and determine if unbalanced bids exist before we expose the bidders.

Any suggestions as to the Advertising or bidding process?

- No, everything was fine.
EDC Lessons Learned – Lyndon Jones

September 11, 2012
Time: 11:00 am to 12:00 noon.

Meeting called by: Dallas Wall, WCEC

Attendees: Reuel Alder, UDOT
            Paul Ellis, Lyndon Jones Construction
            Dallas Wall, WCEC

Selection Process – Review
How was your experience with the multi-step bid process (qualifications and then pricing)?

- Pretty typical, simple and straightforward, similar to our city work.
- Federal overhead is significant and should be considered.

How does pricing items without seeing plans impact your bidding process?

- It is much more difficult the charge for striping may be minimized for a small quantity but the overhead for striping is the same.
- Separating unit prices into quantity ranges was helpful.
- Overruning is an issue.
- When we were asked to provide price for “strip and stockpile topsoil” we could not use it because it was out of specification so we had to clean it up to meet specification.

Of the bid list attached (from your office), would you recommend any changes?

- The two projects were represented very well with the bid list.
- Changes to the specifications for items like HMA needs to be done more rapidly.
- Lump sum on traffic control will be problematic. The current system works well for us.

Project Bidding
Did you bidding strategy change from the 1st project to the 2nd? If so why?

- We were not surprised once the work of the 1st project began, once the team started working together.
- The work window between school hours was too restrictive we could not get any work done.
How can the process be changed to make the bidding more competitive?

- Ranking and scoring of the performance of pool contractor’s is important because once everyone knows the prices they will just underbid the project and then re-coup with change orders and overruns.
- We felt that we are competitive.

What is your opinion of locking the prices of the standard bid items?

- OK with locking prices.
- If we went to a GMP for the unit prices upfront they would become meaningless.

Was bidding this process a hardship? In what ways?

- No.

Construction
Did payment of the bid items match your intention when you set your unit prices? If not, what was different and why?

- There was some give and take to be expected on these projects.

Do you feel that the construction proceeded differently than any other federal aid project?

- We thought that getting started was an urgency but everyone else seemed to think that it was business as usual (there was no urgency in things moving).

What concerns do you have with the EDC process? And what advice would you give other contractors?

- Buy America is a difficulty.
- There was not much give and take on this project.

Do you feel that your standard bid item pricing list adequately cover the risks that you encountered in construction? If not why? What needs to be changed?

- Yes, no issues.
- We would like to participate again if the process is redone.

Other information:

- Having a “project completed by” date was difficult especially for this project.
- We need quick turn-around on problems on site. This is key to construction.
EDC Lessons Learned – Construction Engineering Oversight

September 11, 2012

10:00 a.m. – 11:00 a.m.
Meeting called by: Dallas Wall, WCEC

Attendees: Tyler Turner, Civil Science
Dallas Wall, WCEC

How did the EDC Process impact your work as the RE?

- Timing for design review was a little short. This happens with traditional projects also but it would help if I had more time with the plans prior to construction.
- Make sure that extra effort is in the design and 3rd party review especially when it comes to constructability.

How did EDC bid items impact your work on site?

- Traffic control is better suited as an “unscheduled bid item”.
- Planned quantities could be used on the cut and fill items (e.g. UTBC, borrow, roadway excavation, etc.) to avoid quantity overruns.
- Having scheduled bid items was helpful in justifying costs of change orders.

Are there any bid items that became more complex for your work on site?

- It would have been better to specify pre-cast boxes rather than cast in place drain boxes.
- When piping is called out on the plans, the pipe material would be nice to include so that we don’t have to question the installation on site. The standard bid item leaves it up to the contractor to determine the pipe material they want to use.

What recommendations would you make to the EDC process?

- Nothing really, I like the idea; I have done it before for State funded projects.
- I think there is a need for something like this.
Selection Process – Review
How was your experience with the multi-step bid process (qualifications and then pricing)?

- It was good to get the pool narrowed down, it was good to make sure that the contractors had federal work experience. This important to get appropriate pricing. Our first federal jobs were very difficult.
- I spent more time than anticipated on the application, but it wasn’t bad.

How does pricing items without seeing plans impact your bidding process?

- I had to spend more time preparing the bid to make sure risks were covered. Some unit prices were high due to mistakes in our input.
- Much of our work is based on unit quantities, so not having plans was not an issue.
- Prices don’t vary much just Mobilization and Traffic Control.

Of the bid list attached (from your office), would you recommend any changes?

- I felt good about the bid items. Turf sod was high because for small quantities I included travel time and hourly rate in the unit price.
- Plan quantity allows us to be more competitive, we are OK with plan quantity.
- We self-perform the majority of our work so bidding from subs is not an issue.
Project Bidding

2nd Project (PIN 10417)
B Hansen did not bid the project, why?

- I know I was not competitive due to errors in my unit prices of the parent contract so it did not make sense to waste my time.

How can the process be changed to make the bidding more competitive?

- No real changes. My major issue was just errors I made in submitting the unit prices of the parent contract.

Would it be advantageous to ask for “max prices” in the selection process and then have you provide actual bidding prices once the plans are prepared?

- Max pricing adds frustration to the process, not recommended.

What is your opinion of locking the prices of the standard bid items?

- Good; just make sure there are no errors in the prices we provide.
- For our current State jobs we have reduced our scheduled prices (MOB) if it was not needed or used. Locking the prices is kind of a double edged sword.

Was bidding this process a hardship? In what ways?

- OK with the process as it stands. Everything made logical sense.

Other Observations.

- Providing a unit price for Mobilization has worked well for us in the past on State contracts. It is not a bad idea to have Mobilization as an unscheduled bid item, but may not be necessary.
- Traffic control as is seems OK (unit rate per day as required).
- Turnaround time for the primary bidding of unit prices on Bid Sync was too tight and did not allow me time to check for errors.
- It would be nice to have 4-5 working days between mandatory pre-bid meeting and bid opening.

Is B Hansen interested in participating in EDC again.

- For sure, without a doubt we would like to participate again.
- (They are very confident that they are competitive).
You attended the second pre-bid meeting but did not submit a bid. Why?
Selection Process – Review
How was your experience with the multi-step bid process (qualifications and then pricing)?

- It was important to make sure contractors know what federal requirements are. The additional work requires additional overhead costs.
- No comments pertaining to the original application.

How does pricing items without seeing plans impact your bidding process?

- All unknown risk was included in our price for Mobilization (including the wage of the foreman).
- The subcontractors also placed their own risks in Mobilization which compounded problem of high Mobilization costs.
- We determined longest haul distance for all estimation of costs.
- We self-performed a lot - all site work, drainage and preparation work. Paint, concrete, signs, landscape etc. is all subcontracted out.

Of the bid list attached (from your office), would you recommend any changes?

- Road ex was an issue, where do you dump it?
- The concept of allowing the maximum bid prices and allowing the prices to be reduced when plans are available would be a good option.

Project Bidding

2nd Project (PIN 10417)
B Jackson did not bid the project, why?
• We did not go to the pre-bid meeting. I knew that I was not competitive in my bidding because my Mobilization was too high.

How can the process be changed to make the bidding more competitive?

• To have more information would be nice. If I knew the min-max days on a site I could control costs of Mobilization better. (length of project 7-14 days, 14-21 days, etc.)
• I was just really wary of Mobilization and I did not update prices when the description of Mobilization changed.
• Perhaps bidding the cost of oversight (super intendant wage).

What is your opinion of locking the prices of the standard bid items?

• It was fine, it drives prices up.
• Not locking Mobilization (making it an unscheduled bid item) might be a good suggestion.
• Traffic control was OK to bid. We will self-perform the work next time.

Was bidding this process a hardship? In what ways?

• It was hard to teach the sub-contractors about how to bid with assumptions.
• Timing on project bidding was OK. I did not get the notes from our representative for the pre-bid meeting on the first contract.

You attended the second pre-bid meeting but did not submit a bid. Why?

• No, I knew my mobilization put us out of the competition with prices once we saw Lyndon Jones prices.

Other comments.

• We would be interested in trying the process again.
AGENDA

EDC Lessons Learned – Geneva Rock

September 7, 2012

9:00 a.m. –10:00 a.m.
Meeting called by: Dallas Wall, WCEC

Attendees: Reuel Alder, UDOT
Scott Thayne, Geneva Rock Products
Dallas Wall, WCEC

Selection Process – Review

How was your experience with the multi-step bid process (qualifications and then pricing)?

• Redundancy of forms for these pre-qualification processes is a little annoying. We know them, they know us. They know the information that we supplied them. Why more paperwork. It did not take long to prepare but is seemed a little redundant.
• It would be good to know what the anticipated size of the pool of contractors that the department is looking for.
• Federal work is not a problem for us. Others might have issues. It is a good qualification.

How does pricing items without seeing plans impact your bidding process?

• This is the biggest challenge with the EDC process. It makes it difficult to negotiate with subcontractors because we can’t guide them on pricing.
• It required the contractor to assume quantities to get prices from the subs.
• Rough quantities would be nice for the contractor to get better pricing.
• It is difficult to bid all risk into Mobilization. But spreading it around becomes costly to the Department.

Of the bid list attached (from your office), would you recommend any changes?

• Plan quantity puts risk on contractor.
• Standard quantities can be normally used but it requires the RE and the contractor to come to some agreements on site concerning measurements of what is expected prior to beginning work.
• Plan Quantity is “lazy”.
• Pushing the survey bid item interrupts the contractor’s means and methods. Pushing too hard puts the efficiency at risk.
Project Bidding

1st Project (PIN 9917)
Geneva did not bid the project, why?

- We knew that we were not competitive and we did not want to divulge our pricing list.
- The second project did not allow us enough time to react. With pre-bid on a Thursday and bid due on Monday it conflicted with other bids we were preparing over the weekend.

How can the process be changed to make the bidding more competitive?

- Rough quantities and location would result in better prices.
- Yearly adjustments with contracts would be fair.
- Identifying the “key items that we anticipate using” would help us focus on better pricing.
- Size of job dictates cost of our supervision which does not allow us to distribute over the job or add to Mobilization.

What is your opinion of locking the prices of the standard bid items?

- I understand locking price, this is the first time we did this bidding we have learned a lot and will approach it differently in the future.
- Leave Mobilization out so it can cover the risks of not knowing location or quantities. (this was an idea that we kept returning to and discussing).
- Traffic control was good because it was easily defined and paid for. Since it is a safety issue it allows charging for what is necessary not what you can afford in your lump sum bid.
- (it should be noted that we agreed that this requires careful control and monitoring by the RE to ensure that we pay for what is needed not what is being billed every day. We need to have a better understanding of estimating traffic control with what is required).

What is your opinion of allowing the reduction of pricing of the unscheduled bid items?

- Asking for a “maximum allowed price” never seems to work right. Maintaining your bid prices is better but allow Mobilization to be unscheduled.

Was bidding this process a hardship? In what ways?

see previous comments.

You attended the second pre-bid meeting but did not submit a bid. Why?

- The timing was bad for our company so we did not look at it.
- Re-bidding is a two edge sword. Timing is an issue, we would like to have more time to spend bidding. We must look at all bid items even if the price is set because is dictates what we bid on the unscheduled bid items.
- The “no risk” of not being forced to bid is great. Being not obligated to bid is important.
• 7 days to prepare bids would be better. We don’t like to work over the weekend either.

Other Observations

• Geneva would be interested to participate again if we re-advertised after contract ends.
• Bid schedules seem to be complete. It was good to keep the standard bid items and not unusual bid items like landscape wall for example.
• The process seems to be best suited if you can keep it within the Wasatch front. Other parts of State bid pricing differently and using these prices in other areas would not work well.
• Perhaps you should have pools by geographic region in the state.
AGENDA

EDC Lessons Learned – Consolidated Paving
September 12, 2012
2:00 p.m. – 3:00 p.m.
Meeting called by: Dallas Wall, WCEC

Attendees: Reuel Alder, UDOT
Jeremiah Falslev, Consolidated Paving
Dallas Wall, WCEC

Selection Process – Review
How was your experience with the multi-step bid process (qualifications and then pricing)?

- We like the multi-step bid process; it makes sure that the pool is qualified to do the work.
- The application process was very easy and seemed to work well.
- Federal experience is important because of the additional paperwork and required overhead. Overhead costs could hurt inexperienced contractors.

How does pricing items without seeing plans impact your bidding process?

- Bidding lists were good and complete.
- We are trying to get good prices but we need to add a contingency to cover the unknown costs.
- We have had a number of federal contracts with pre-priced items both with the Forest Services and with the Air Force so this type of bidding is not an issue.
- We self-perform most of the work except for fencing, signs, etc. We may sub-out work if we don’t have the manpower.

Of the bid list attached (from your office), would you recommend any changes?

- Breaking the bid items in to quantity ranges was very helpful.
- Traffic control was difficult to bid. We sub-contract and also self-perform traffic control.
- It would have been nice to have a quantity range on UTBC of like 0-200 tons.
- It does not matter to us if you use plan quantity or just volume on the bid items.
- Signs were hard to get price quotes from our subs because of the ambiguity.

Project Bidding
Consolidated Paving did not bid any projects, why?
• Timing on first project bid was bad for construction. We had other projects going on and could not commit the labor force to the project.
• The 2nd project bid had a bad turn-around time for us. I did not have a chance to get down and see the site and I had trouble getting a quote from a sub so I finally gave up submitting a true bid. It was just bad timing, had it been another week it would not have been an issue.
• A pre-notice of an upcoming advertisement would have been nice. Some announcement that just states the location and type of work would have been very helpful to schedule our work for bidding.

How can the process be changed to make the bidding more competitive?

• When I bid a job I start at the top and completely re-bid the project and then compare it with the totals on the agreed pricing list. (I asked if that ever influenced his decision to bid. He said no not on these two projects but it could).

What is your opinion of locking the prices of the standard bid items?

• Allowing the contractors to lower their standard unit bid prices would be good but the initial prices would be inflated and not mean much.
• I would recommend just a stiffer selection of the pool based on Qualifications and then just bid the items straight up.
• The Air Force uses qualified standard bidding on one project and then creates a pool from that. Once the pool is formed they just bid the project with the existing pool of contractors.

Was bidding this process a hardship? In what ways?

• Timing allowed to generate bids was a hardship.

You attended the second pre-bid meeting but did not submit a bid. Why?

• Timing with other project was not feasible.

Other Information:

• We would be interested to participate again in the process.
• Perhaps mobilization could be bid on calendar day. It seems that most of the contractors include their superintendent’s salary as part of their mobilization costs as well as overhead, as projects drag on their overhead costs increase. Lump sum is good for short projects but cal-day may be better for longer contracts.
• It was suggested that indirect costs be taken out of mobilization and either be billed per day or based on a range of contract price.
• Bidding of mobilization as unscheduled bid item is OK but not a big deal either way.
• Consolidated never looked at the other bidder’s unit prices, they intended to but never got around to it.
MEMORANDUM

DATE: NOVEMBER 5, 2012
TO: FHWA
FROM: UDOT
RE: SEP-14, EDC RECOMMENDED PROCESS CHANGES

On November 1, 2012 the FHWA and UDOT met to discuss the status of the Expedited Delivery Contracting (EDC) program in accordance with the current MOU. The notes of the meeting have been attached to this memo. Currently EDC delivered one Safe Routes to School (SRTS) project during the summer of 2012. Other projects were not delivered via EDC because of a lack of competitive bidding by participating contractors. Reasons for the lack of competitive bidding are as follows:

1. Process did not allow correction of errant unit prices in the scheduled bid items.
2. EDC Contractors failed to submit subsequent bids because they were not allowed to change errant bidding.
3. One Contractor requested more time to perform site visits prior to bidding.

Despite these shortcomings the EDC Program, the UDOT SRTS Project Manager and the Contractors agreed that the process has value and should be continued. To deliver the remaining SRTS projects next summer, UDOT proposes the following changes:

1. Cancel current EDC contracts and absolve the current contracting group.
2. Reform the EDC Contracting Group using the same process used in 2012.
3. Change the parent contract to allow for pricing review prior to contracting for errors and/or allow contract amendments of bid prices if errors are identified to allow a reduction of prices. A requested amendment must be independent of a current EDC Project Advertising.
4. EDC Contractors will be given a pre-advertising announcement that announces the scope of the upcoming project so that they can schedule site visits independent of the advertising date.

UDOT feels that these changes will result in a more competitive bidding field that will benefit both the Federal and State Governments.
NOTES PERTAINING TO MEETING HELD ON NOVEMBER 1, 2012.

PARTICIPANTS: MICHELLE PAGE, UDOT; JOHN HAYNES, FHWA; AARON WALL, WCEC; DALLAS WALL, WCEC

RE: SEP-14, EDC RECOMMENDED PROCESS CHANGES – BACKGROUND INFORMATION

This summary represents a list of lessons learned from the Expedited Delivery Contracting (EDC) process used this summer (2012) discussed during a meeting held at the UDOT Central Offices on November 1, 2012. In accordance with our current MOU, UDOT is preparing a year-end report that summarizes the required information. The intent of this memo is to identify the recommended changes to the procurement stage now so that modifications can be implemented in time for next year’s upcoming projects. The projects identified below were held strictly to the proposed process outlined in the MOU.

**Pool Selection**

On May 5, 2012 five contractors were notified that they had been selected to participate in the EDC program based on the pre-qualification process. These EDC contractors were invited to provide unit prices on the Standard Bid Item list used to determine the low bid selection. Unit prices were submitted on May 22, 2012 and the EDC parent contracts were prepared based on the pricing provided.

Each EDC Contractor’s bid list was reviewed for budgetary purposes of upcoming contracts and it was determined that three of the five bidders had either tried to unbalance their bid or made an error in data entry. The errors were egregious and resulted in three of the five contractors becoming noncompetitive. Advertising of the upcoming projects was prepared knowing that the competitive list was significantly reduced.

**Issue:** Process did not allow correction of errant unit prices in the scheduled bid items.

**Recommendation:** See Bid Award below.

**Bid Award**

The first EDC Project’s bid opening occurred on June 28, 2012. Three of the five EDC Contractors submitted bids. However, two of the bidders submitted unit pricing in the bid that was different than unit prices on the standard bid list. The third bid was well above 110% of the Engineer’s Estimate. All five EDC Contractors were notified that the project would be re-scoped and re-bid. The new bids were opened on July 12, 2012. Only two EDC Contractors submitted bids. The bid was awarded to Lyndon Jones Construction.

**Issue:** Errors of bid entry eliminated competitive bidders because they were locked into the unit prices of their parent contract.

**Recommendation:** Cancel current group of EDC Contractors and reform the group.
The second EDC Project’s bid opening occurred on August 27, 2012. One EDC Contractor bid the project. The submitted bid was well above the 110% of the Engineer’s Estimate. The project was retracted and not awarded.

**Issue:** Contractors recognized that they could not be competitive due to locked in unit prices from the standard bid item list; the single bidder unbalanced the unscheduled bid items because they knew there was a lack of competition.

**Recommendation:** New contract will allow for pricing review prior to contract award for errant bid schedules. Amendments only allowed when a current project is not being advertised. Changes will only be allowed to lower unit prices. Requests to raise unit prices will not be allowed.

**Personal Interviews**

After the cancellation of the second EDC Project each of the contractors were interviewed to help the Department determine what occurred. Results of the interviews concluded that the issues identified above were correct. Furthermore, additional information was collected:

1. Contractors typically re-bid the entire bid list regardless of set prices. This is done to determine the unit prices for unscheduled bid items.
2. Site visits are key to bidding. A pre-announcement of the location and scope would allow contractors to bid the projects in a shorter time period once the projects are advertised.

**Issue:** Reduced advertising schedule made it difficult to schedule site visits prior to bidding.

**Recommendation:** Give a Pre-advertise notice to EDC contractors pertaining to location and scope of the project to allow Contractors to conduct site visits independent of the advertising.

**Conclusion**

Presented herein are the lessons learned from the first year of the EDC process. While other lessons have been identified most of them can either be addressed with the given recommendations or are not related to the contractor procurement process. Due to the observed process this previous construction season, UDOT requests that the following changes be made to the current process:

1. Regenerate the EDC Contractor Group with flexibility of amending contracts.
2. Continue pre-qualifying the EDC Contractor list as currently allowed by the FHWA. The criteria for pre-selection should include the following:
   a. Contractor must have delivered at least one FHWA funding highway project in the past so that they are aware of the necessary costs to meet all requirements of the CFR.
   b. Contractor must agree to meet the accelerated schedule of advertising, awarding and beginning work of the contract.
3. Continue with the accelerated schedule as proposed by the EDC process and currently approved by the FHWA.
UDOT is confident that these changes will make the EDC process more efficient and economical. UDOT is committed to continue using the SEP-14 program to develop the EDC process.