



Memorandum

Subject: **ACTION:** Virginia Indefinite Delivery/
Indefinite Quantity Contracting under Special
Experimental Project No. 14 (SEP-14)

Date: December 15, 2016

From: **/S/**Peter J. Stephanos
Director, Office Of Program Administration

In Reply Refer To:
HIPA-30

To: Jessie Yung
Division Administrator
Richmond, VA

This is in reference to the email sent to this office by Gilberto De León of your staff on November 14, 2016, which transmitted the following documents:

1. The Virginia Department of Transportation's (VDOT's) for SEP 14 Workplan Application Indefinite Delivery/ Indefinite Quantity (ID/IQ) Contracting;
2. A cover letter, dated October 18, from Don E. Silies of VDOT transmitting referenced SEP-14 Workplan to FHWA via your office for review and approval; and
3. A Memorandum from the FHWA Virginia Division Office to this office, dated November 14, which endorsed the VDOT SEP-14 workplan and recommended its approval.

VDOT will utilize ID/IQ contracts as a way to competitively bid projects with an indefinite amount of quantity for given work items with work limited to a geographical region. Contractors will competitively bid "estimated" individual work items within the contract without knowing actual quantities or exact work locations. The overall contract value and duration will be set by the Department prior to bid time. The contract will expire upon reaching either the original contract value or the pre-established timeframe set forth in the contract, whichever comes first. The contract will permit two 1-year renewals for the original contract value, based on mutual consent.

VDOT would utilize this type of contract for selected bridge maintenance projects. VDOT plans to let four pilot ID/IQ projects for fiscal year 2017.

VDOT's SEP-14 request to use ID/IQ Contracting is approved for a period of three years from the date of issuance of this memorandum. The number of additional ID/IQ contracts let by VDOT in FY 2018 and FY 2019 is subject to the satisfactory evaluation results of the FY 2017 projects.

Thank you for the opportunity to review this SEP-14 request. If you have any questions, please contact Gerald Yakowenko at (202)366-1562, or John Huyer at (202)291-6111.