# Vermont Agency of Transportation

**WORK PLAN – UTILIZING STATE CONTRACTING PROCEDURES
(BULLETIN 3.5) AN ALTERNATE CONTRACTING METHOD FOR VARIOUS PREVENTIVE MAINTENANCE, PRESERVATION, AND REPAIR
CONTRACTING NEEDS AT STATE-OWNED REST AREAS**

# Special Experimental Project No. 14 (SEP 14)

# Alternative Contracting

# March 2021

# Introduction

There are 17 state-owned rest areas statewide (map can be found using the following link ([https://informationcenter.vermont.gov/map](https://informationcenter.vermont.gov/map%20) ). VTrans and the Department of Buildings and General Services (BGS) have a Memorandum of Understanding (MOU) that defines the roles and responsibilities of each entity with respect to the 15 state-owned facilities on the National Highway System. One primary role of BGS is to operate the facilities to ensure that they are clean, safe and in good repair. BGS accomplishes their preventive maintenance, preservation and repair projects using the contracting procedures outlined in the State of Vermont Agency of Administration Bulletin 3.5 Revised December 16, 2019. Historically, State dedicated funds have been used for these activities.

When contractors are utilized to accomplish the work, they are obtained using the procedures outlined in Bulletin 3.5. This document has bidding monetary thresholds for contracting methods. These thresholds are as follows:

**Services Up to $100,000** – Standard or Simplified Bid Process
A standard bidding process is preferred. However, a “simplified bidding process” may be used when the anticipated Contract amount will not exceed $100,000.

1. Simplified Bidding Process
2. Prepare written specifications before soliciting bids. Include elements of:
	* 1. Statement of work;
		2. Performance requirements;
		3. Expectations regarding location, schedule, including deadlines for deliverables and/or milestones if applicable; and
		4. Other State requirements of conditions.
3. Solicit price quotations from 3 or more qualified Vendors. All communications with the Vendors to obtain quotes must be documented (emails, fax, notes form phone calls, etc.).
4. The Vendor solicited must understand they will be required to enter into a standard State Contract for Service, including Attachment C, should they be selected.
5. All records relating to the Simplified Bid process, including proposals and a record of the selectin process, shall be retained in the Contract file in accordance with the Agency’s records retention schedule.
6. The quotation most responsive to the selectin criteria should be selected.
7. Standard Bidding (“Requests for Proposals” or “RFP”)
	1. A standard RFP is required for all services which are anticipated to exceed a maximum Contract Amount of $100,000.
	2. For all state construction and transportation projects with a total project cost exceeding $250,000, the RFP must include language mandating the Contractor record a pay period census of workers onsite each day and upon request submit this record to authorized State Agencies and shall become public information.
	3. At a minimum all RFPs, RFIs and RFCs shall include posting on the Electronic Bulletin Board (EBB), operated by the agency of Commerce and Community Development (ACCD) ad part of the Business to Business registry. The opportunity to bid must be broadly publicized.
	4. RFPs or large or complex projects shall require a pre-bid meeting (conference). The purpose of the pre-bid meeting is for the State to have an opportunity to review the Statement of Work and other RFP documents with bidders to ensure the State and the Vendors fully understand the requirements of the RFP. If a pre-bid meeting is required, it must be identified in the RFP and describe the form and format the meeting shall take.
	5. A public bid opening and reading of bids should be the norm and is required for Contracts over $100,000.
8. Sole Source Contracts
	1. Sole Source Contracts will be avoided except when no available alternative exists.
	2. The Appointing Authority may enter into a Sole Source Contract of $10,000 or less providing sole source justification is documented in the contract file and the Contract process complies with other aspects of this Bulletin.
	3. In other than an emergency situation an Appointing Authority desiring to enter into a Sole Source Contract having a value greater than $10,000 must obtain approval to Sole Source from the Secretary of Administration.
	4. In an emergency situation, a Sole Source Contract may be executed in accordance with Agency protocols and applicable law.

The procedures also allow for pre-qualified bidding in cases where a type of work is routinely bid on. BGS has such a list of pre-qualified vendors that may be performing some types of work under this preventative maintenance program.

All contractors that are responsive to meet the requirements of the Request for Proposal (RFP) are awarded contracts through the BGS Office of Purchasing and Contracting in consultation with VTrans Highway Division (HD). Once a work project is developed, contractor selection is then based on the lowest rates, experience, and availability. In some cases, contractors are requested for lump sum contracts to provide labor, equipment, and materials.

VTrans and BGS are seeking to address these types of small preventative maintenance, preservation, and repair projects at rest area facilities in a timely and cost-effective manner with federal-aid participation. Using the standard method for highway project delivery is not conducive to delivering an efficient rest area preventative maintenance program*.* Many of the projects considered for the program are relatively low cost and it is impractical to combine them into a large project due to the great distance between facilities. In addition, greater flexibility in the project’s delivery schedule is needed to ensure that the repairs to the facility are done in a timely manner to maintain the high maintenance standards.

# Purpose

The purpose of this work plan is to provide a format to evaluate the use of federal-aid funding for preventative maintenance projects that follow the contracting procedures outlined in the State of Vermont Agency of Administration Bulletin 3.5 (copy attached) and comply with the small dollar procurement procedures in 2 CFR 200.88. VTrans submits this work plan for review and approval under the provisions of Special Experimental Project No. 14 (SEP 14) for the use of innovative contracting practices.

# Scope and Schedule

VTrans is requesting approval to use federal-aid funds - STBG or NHPP- to participate in the categories of work for preventive maintenance, preservation, and repair activities under the SEP-14 “Alternative Contracting” program. The types of work activities to be done using contracts which follow the procedures of Bulletin 3.5 are as follows:

* Exterior Wall Systems
* Exterior Doors and Hardware
* Roofing
* Elevators
* Heating System
* Air Handling System
* Cooling System
* Mechanical Controls
* Water Heaters
* Sewage Pump & Controls
* Septic Tanks
* Leach Fields
* Well/Booster Pump
* Water Storage
* Generator
* Lighting & Controls
* Fire/Security Alarms
* Security Cameras & Equipment
* Fuel Tank
* Sprinkler System
* Flooring
* Windows (if replacing all the windows)
* Walkway & Sidewalk
* Exterior Painting (structure preservation)
* Emergency/Safety Issues (for eligible items listed)

The duration of this program will be 3 years from the date of approval.

The VTrans HD will act as the overall administrator of this “Alternative Contracting” program. However, BGS with the assistance of VTrans HD will be responsible for developing appropriate projects. Additionally, VTrans HD with the assistance of BGS will be responsible for submitting annual status reports and a final evaluation report to FHWA.

Each project will be administered in general accordance with the guidelines established in the State of Vermont Agency of Administration Bulletin 3.5 Contracting Procedures Revised: December 16, 2019 and VTrans Project Development Process Manual. These documents discuss the various state and federal requirements that typically need to be addressed for VTrans projects, including but not limited to: PS&E development, environmental permitting and NEPA, utility and ROW certifications.

VTrans HD will keep records for each federal-aid project using Bulletin 3.5 contracting procedures. Project records will include a PS&E (plans, specifications, and estimate), but the PS&E package will generally be of a more limited and simplified nature when compared to the typical competitive bid package. Records will include any appropriate certifications, environmental permits, contract documents, etc. that may be required to accomplish the project (ex. ROW and utility certifications, CE, etc.). Actual project costs will be tracked. Included in cost tracking will be the portion of project costs attributable to contractors and to state administration of the project.

Additional program criteria include:

* + FHWA 1273 will be included in all contracts.
	+ Projects will be included in VTrans Statewide Transportation Improvement Plan (STIP).
	+ Non collusion Statement (23 CFR 635.112(f))
	+ Disadvantaged Business Enterprise (DBE) requirements as detailed in the attached document titled: “Vermont SEP 14 Rest Areas – DBE Requirements” will be followed.
	+ Buy America Provisions (23 U.S.C. 313 and 23 C.F.R. 635.410) in all contracts.
	+ For projects with anticipated construction duration of less than one month, jobsite posters, as an alternative, will be posted at the contractors’ offices or at the jobsite and workers will be given copies.

# Measures

For the duration of the program VTrans/BGS will track and report various items and evaluate the effectiveness of this federal-aid alternative contracting method.

Of primary importance are answers to the following concerns:

* Can following the State’s own contracting procedures (Bulletin 3.5) with federal- aid participation help VTrans/BGS meet preventive maintenance, preservation and repair needs in a timely and cost-effective manner?
* How do the cost, schedule, and quality obtained through this procurement procedure compare with the estimated cost, schedule, and quality obtained using the traditional procurement procedures?
* What impacts does using this procurement procedure have on DBE firms and small businesses?
* What impacts does using this procurement procedure have on industry as a whole? Could these procedures be used for other work types in VTrans?

Some additional specific areas of interest are:

* Staffing requirements for the oversight and administration of the relatively small and low-cost contracts.
* The contractor’s ability/willingness to prepare a proposal in a timely manner for relatively small projects.
* Has all work performed met the limits of programmatic categorical exclusion?
* Have the procedures listed in the State’s Bulletin 3.5 Contracting Procedures been followed?

# Reporting

Three reports - initial, interim, and final - will be developed for this alternative contracting program. Reports will be submitted to the local FHWA Division office in electronic form. These reports will be forwarded to FHWA Headquarters (HICP-20) by the local FHWA Division office.

## Initial Report

Within 2 months of the conclusion of the first year of the program, VTrans HD with the assistance of BGS will submit an initial status report to FHWA. The report will provide a listing (spreadsheet acceptable) of the projects that have gone forward under this alternative contracting method. As a minimum, information on each project will include the following items: project name, location, scope, cost estimate, expenditures to date (broken down by state and federal portions), and status of project (in progress, substantially complete, on hold, etc.).

## Interim Report

Within 2 months of the conclusion of the second year of the program, VTrans HD with the assistance of BGS will submit an interim status report to FHWA. This report will include the same (but updated) information required for the initial Report. Additionally, the report will discuss any issues arising from this alternative contracting method with respect to work performance and monitoring, quality, completion time, claims, and other contract administration or legal issues.

## Final Report

Within 4 months of the conclusion of the 3-year program timeframe, VTrans HD with the assistance of BGS will submit a final evaluation report to FHWA. In a fashion like the initial and interim reports, the final report will update and summarize all of the projects that have gone forward under this alternative contracting program as well as any issues that have arisen. Additionally, the report will address each of the concerns and areas of interest as outlined in the “Measures” section of this alternative contracting work plan. Included in the report will be suggestions for improvements, pitfalls to avoid and a recommendation as to further use of this alternative contracting method.

# List of Appendices

**Appendix A** - Map of State-Owned Rest Areas

**Appendix B** – Memorandum of Understanding Regarding Reconstruction, Renovation and Operation of Vermont Highway Rest Areas

**Appendix C** – State of Vermont Agency of Administration Bulletin 3.5 – Procurement and Contacting Procedures – Revised; December 16, 2019

**Appendix D** – State of Vermont Agency of Administration Bulletins

**Appendix E** – State of Vermont Buildings and General Services Forms

**Appendix F** – List of Eligible Work Activities

**Appendix G** – Preventative Maintenance Program Summary State FY2021- 2024

**Appendix H** – Vermont SEP-14 Alternative Contracting for Rest Areas – DBE Requirements

**Appendix I** – Contracting Procedures Checklist