



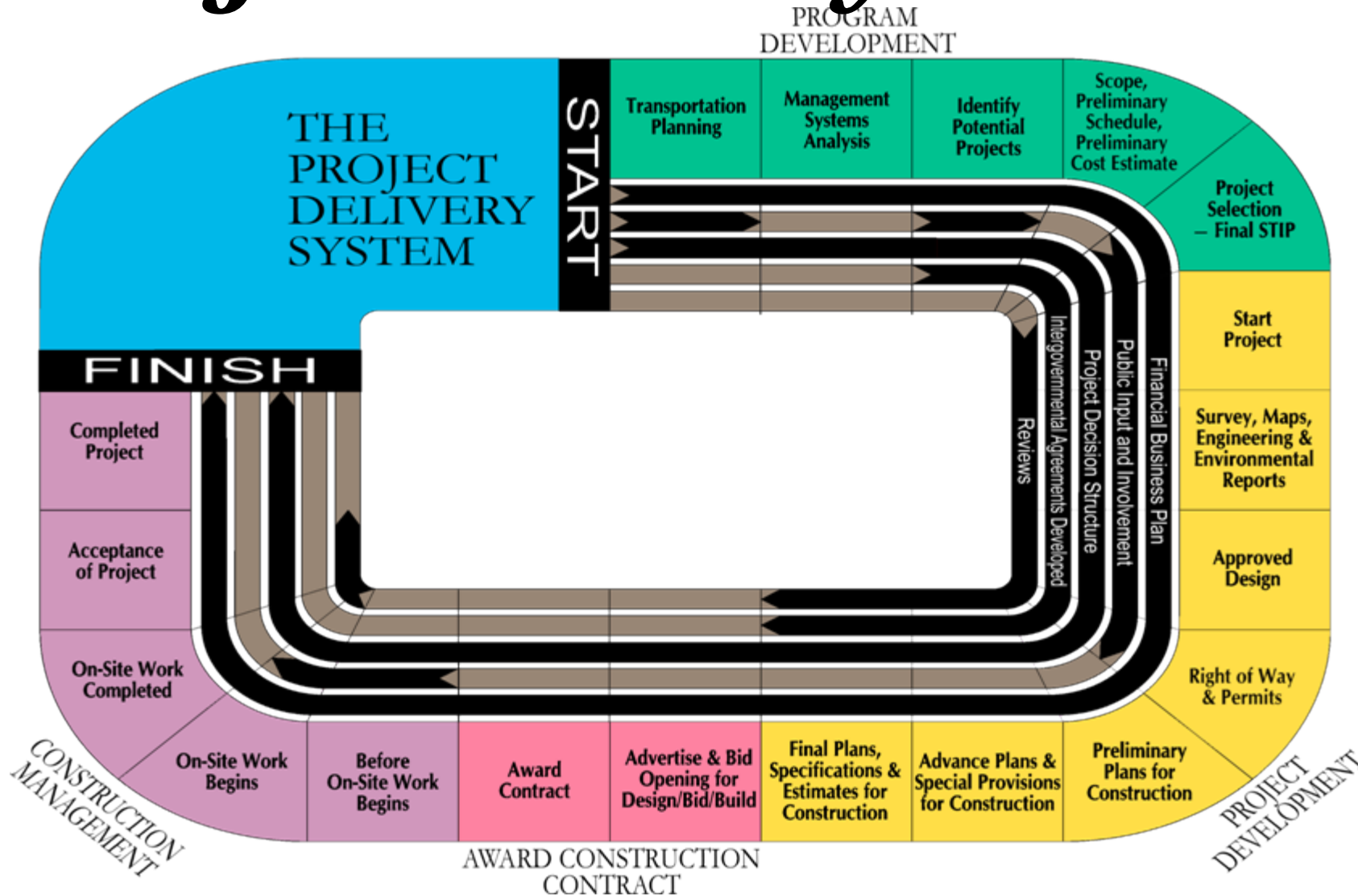
Project Delivery Performance Improvement

Report to the
Oregon Transportation Commission

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Bid & Award Construction Contract
Phase 4



Project Delivery Process

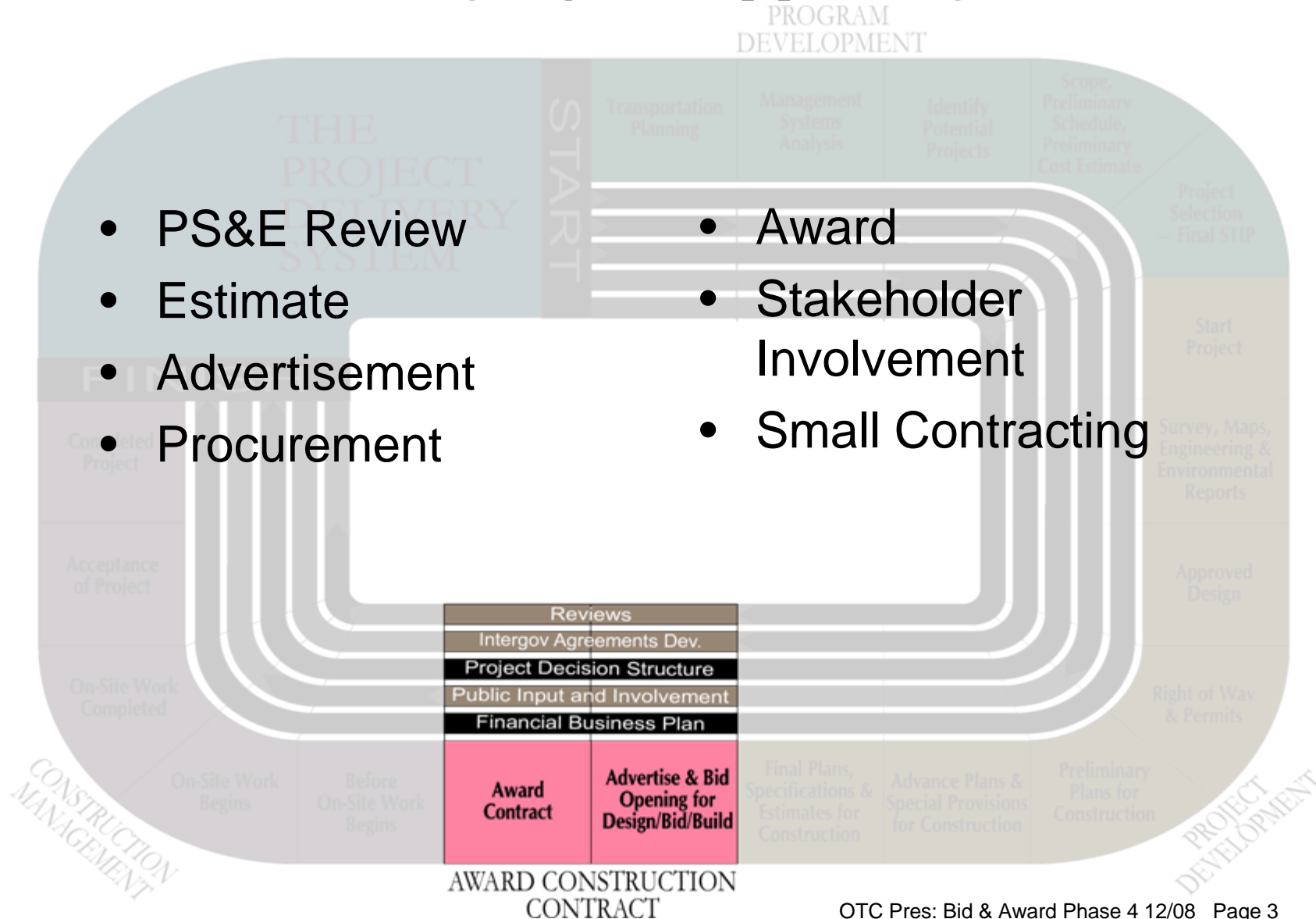




Bid & Award

- PS&E Review
- Estimate
- Advertisement
- Procurement

- Award
- Stakeholder Involvement
- Small Contracting





PS&E Review/Estimate

- Review of project package from region
- PS&E checklist
- Final engineer's cost estimate
 - Confidential
- Final estimate lines up with project funding



Final Engineers Estimate

- Confidential
- Created prior to bid opening, used as comparison with low bid
- Evaluate market value of bid items/monitor commodities pricing information for cost escalation items
- Provides unbiased economic evaluation and recommendations



PS&E Review/Estimate

- Approval to advertise
- Provide contract documents to OPO and Project Managers Office
- PS&E review process and final engineer's estimate completed in 2 weeks
- Coordinate additional 3 week review period by FHWA on full federal oversight projects



Advertisement

- Printing – state printer (2 weeks)
- Copy of ad for each project to be bid for publication to Daily Journal of Commerce
– Hard copy & electronic
- Ad posted on OPO Website and Bid Express
- Communication with bidders exclusively through OPO and Project Manager's Office



Procurement

- Bid opening
- Bid review for responsiveness and responsibility
- Bid analysis to determine if award or rejection is in the best interest of the public
- Recommendation to award or reject



Procurement: Bid Opening Schedule

- Bid openings primarily on Thursdays
- Encourage competition by
 - Less 10 projects per bid opening
 - Restricted bid dates for select projects (generally high complexity or high \$\$)
 - Balance location and primary work type
 - Electronic bidding capability
 - Continually monitoring bid pool and results and making adjustments if warranted



Procurement

- Notice of intent to award
- 3 day timeframe for protest filing
- Construction authorization
- Review and execution of contract





Construction Authorization

- Prepared by OPO
- Provide overview of costs that will be incurred
- Informational items
 - Engineer's estimate
 - Name of low bidder
 - Funding deposits received from others
- Construction authorization
 - Lowest responsive bid
 - Construction engineering budget
 - Contingencies
 - Anticipated items



Final Approval

- Chief Engineer
- Deputy Director
- OTC
- FHWA
- Notice to Proceed





Award

- Contract executed within 57 days of bid opening
- 2005 99% executed within 57 days
- 2006 91% executed within 57 days
- 2007 98% executed within 57 days
- 2008 95% executed within 57 days
- Most are executed in 40 days or less



Timeframes

- PS&E to bid opening - 45 days to 80 days
 - PS&E review, estimate, approvals (2w)
 - FHWA oversight review (3w) (only specific projects)
 - Print, send to advertisement, distribute plans (2w)
 - Advertisement (3-5w) based on project size and complexity)
- Bid opening to notice to proceed – 57 days
- Bid and award (Total)
 - 85 days or less is typical project
 - 137 days maximum



Reasons for delay

- Protest
- Lawsuit
- High bid price (analysis/justification)
- Local agency project budget approval
- Disadvantaged Business Enterprise goal compliance
- Receipt of Insurance Certificate



Stakeholders

(construction contractors)

- Coordination via Association of General Contractors
- Key issues
 - Bid advertising
 - Rejection of bids
 - Protest filings





Costs

Phase	Modernization	Bridge	Preservation	Safety/Ops
Planning	9.1%	5.2%	0.4%	3.0%
Design	9.1%	5.4%	6.7%	13.0%
RoW / Utility Relocation	3.4%	1.3%	1.6%	4.5%
Bid & Award	0.1%	0.1%	0.2%	0.8%
Construction Engineering				
Construction				
Total (%)	21.7%	12.0%	8.9%	21.3%



Continuous Improvements completed

- Electronic bidding (Bid Express)
- Contractors web portal
- Streamlined PS&E review phase
- Close coordination on bid planning with OTIA projects
- PS&E metrics
- PS&E checklist



Continuous Improvements Future

- Electronic bid document distribution
- Continue to streamline process from PS&E submission to award for small projects
- OPO procurement vs region procurement
- Small contracting web presence



Continuous Improvements Small Contracting

- Directors commitment to diversity
- 9th Circuit ruling impacts
- Disparity study (African American / Asian)
- FHWA waiver
- Assistance for small business to get involved with electronic bidding



Discussion

