

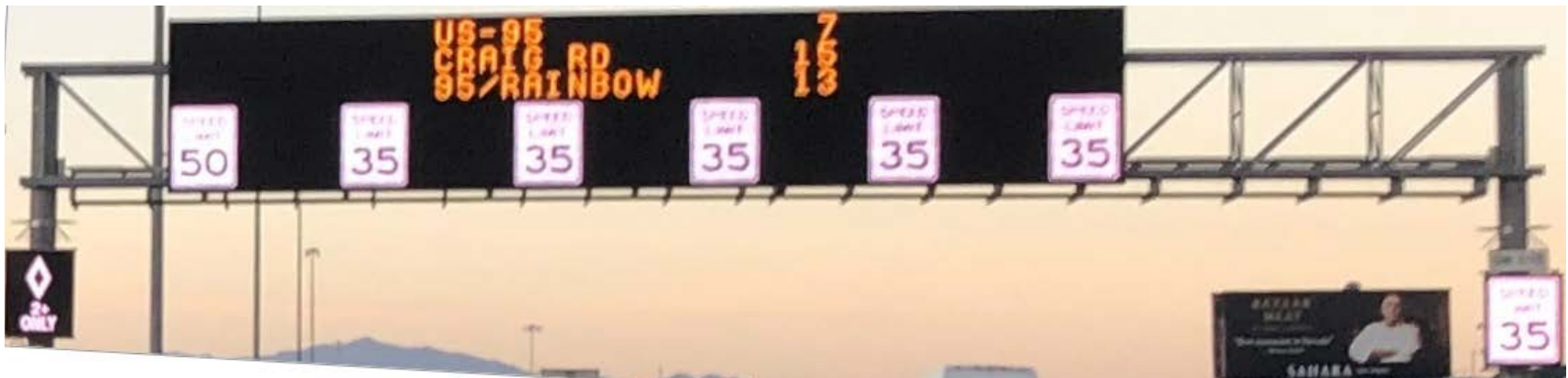
Mohave County, Arizona

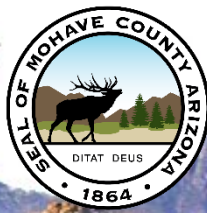
Innovative Procurement and Contracting

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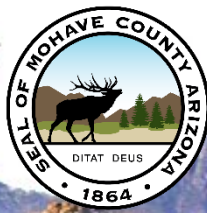
Shifting from Contracting Capital Projects and Equipment for Full Life Cycle





Capital Project Delivery Methods

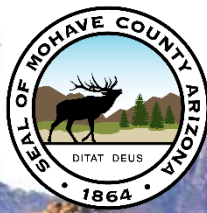
- ❖ Traditional Design-Bid-Build (DBB) Method
 - A separate Contract is awarded for the completion of Project Design
 - Once the Design has been accepted by the Agency it is used to create an Invitation For Bids (IFB)
 - The IFB results in the award of a separate contract for project completion



Capital Project Delivery Methods

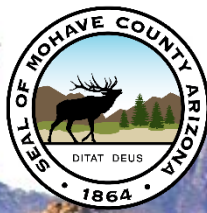
❖ Alternative Delivery Methods

- Design-Build (DB)
 - ✓ One contract that combines design and construction performance
- Construction Manager at Risk (CMAR, CM@R, CMR, CM@Risk)
 - ✓ Two separate contracts awarded at or near the same time – one for design and one for a construction manager
 - ✓ Construction Manager acts as advisor early in the process and then acts as the general contractor when design is complete
- Job Order Contract (TOC, IDIQ)
 - ✓ Indefinite Delivery/Indefinite Quantity Contracts intended for routine small construction or maintenance



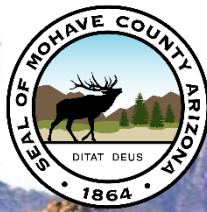
Selecting the Appropriate Delivery Method

Construction Project Delivery Methods	Award Criteria		
	Low Price: Award is made to the responsive, responsible bidder who submits the lowest bid	Best Value: Award is made to offeror who provides best value (price and other criteria)	Best Qualified: Award is made based solely on qualifications – price is negotiated with most qualified
Design-Bid-Build	X	X	
Design-Build		X	X
CMAR		X	X



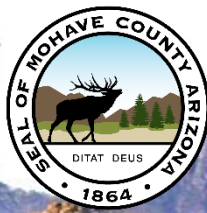
Selecting the Appropriate Delivery Method

Project Characteristics	Construction Delivery Methods		
	Design-Bid-Build	Design-Build	CMAR
Project Schedule	Slowest	Fastest	Middle
Project Cost	Lowest	Highest	Middle
Change Orders	High Probability	Low/None	Low/None
Collaboration	Lowest	Highest	Highest
Complexity of Scope	Lowest	Highest	Middle
Expertise/Capacity	Owner	Contractor	Joint
Risk/Responsibility	Owner	Contractor	Joint
Control Over Design	Owner	Contractor	Owner



Design-Build Process

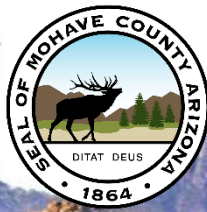
- ❖ Enabling Legislation: Before moving forward, work with your procurement professionals to determine if you're allowed to use alternative methods
- ❖ Arizona's Method
 - Requests for Qualifications
 - Evaluation of Statements of Qualifications (SOQ) and Ranking
 - May invite to interview/may request Technical Proposals
 - Top Ranked Firm notified of intent
 - Intent to Negotiate if based on SOQ/Interview
 - Intent to Award if Technical Proposal



Smart Contracting

❖ Purpose

- Legacy intelligent transportation system assets transition to *smart assets*.
- Rapid technology transformation.
- *Smart highway* integration across jurisdictions and private entities.
 - ✓ Infrastructure sourced
 - ✓ Mobile (traveler information) sourced



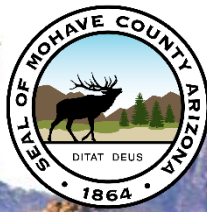
Smart Contracting

❖ Goal

- Establish *qualified products listing* (QPL).
- *Products* may entail technology, device, system, etc.
- *Products* may support single capital project or multiple (maintenance) purchases.

❖ Objective

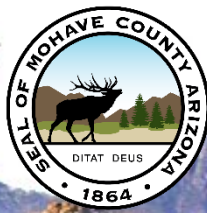
- *Smart* request for proposals (RFP)



Smart RFP Overview

- ❖ Scope of Work and Requirements
 - Need and outcome based
 - Performance-based
 - Cost-effectiveness based

- ❖ Focus
 - Promote *innovation*.
 - Provide flexibility and *competitiveness* among proposers not (traditionally) restricted to low bid.

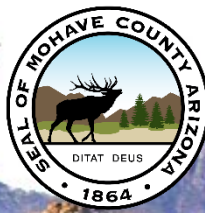


Smart RFP Delivery

- ❖ Permit proposers to identify published specification satisfying product proposal.
- ❖ Require published scientific study evaluating product performance.

A. Products furnished through this RFP shall meet or exceed the following requirements:

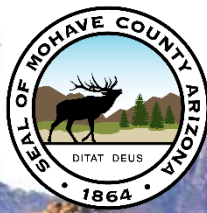
1. All products shall demonstrate full compliance under a minimum of one (1) published state department of transportation specification. Mohave County will assign preference to products fully compliant under multiple published state department of transportation specifications as well as any products compliant with published Arizona Department of Transportation and/or Maricopa Association of Governments (MAG) specifications.
2. All products shall have been tested and evaluated under a minimum of one (1) scientific study performed through an Accreditation Board for Engineering and Technology (ABET) accredited university or engineering evaluation performed by a professional engineer licensed in the United States.



Smart RFP Delivery

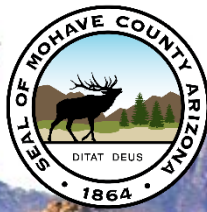
- ❖ Consider multiple product pricing schemes.
 - Small versus large project based with contractor specified threshold
 - Geographic area based

Proposed Product:		
Area 1: Escalation will be requested for ____% of the material cost		
Small Project Bid Price	Price Break Point	Large Project Bid Price
_____ \$/sy	_____ Square yards	_____ \$/sy
Area 2: Escalation will be requested for ____% of the material cost		
Small Project Bid Price	Price Break Point	Large Project Bid Price
_____ \$/sy	_____ Square yards	_____ \$/sy
Area 3: Escalation will be requested for ____% of the material cost		
Small Project Bid Price	Price Break Point	Large Project Bid Price
_____ \$/sy	_____ Square yards	_____ \$/sy



Smart RFP Benefits

- ❖ Proposers may submit on any but not necessarily all product (project) categories if multiple solicited.
- ❖ Proposers open to submit *innovative yet proven* products, including “new to market” products.
 - Agency reviews product as well as submitted qualifying specification and evaluation.
- ❖ Agency retains total latitude under *quality based selection* to award contracts to multiple vendors and products for immediate and/or future purchase orders.



Questions



Thank You!