The Benefits and Pitfalls of Electronic Bidding

Jeff O’Brien, PE
Design Engineer
Road Commission for Oakland County
What is in this for you?

- Reasons for the change from paper to E-bid
- How the RCOC transitioned
- Hurdles to watch out for if you choose to move to E-bid
- Overall benefits of E-bid
The RCOC Story.....

- Two main bidding entities at the RCOC – Projects (Eng,T/S,Maint,TOC) and COD
- 100% paper bidding
  - Plan/proposal distribution
  - Issuance of addendums
  - Receipt of bids/bid bonds
  - Data entry to complete bid tabulations
Issues with Paper Bidding...

- Production and distribution of plans/proposal - Plan production issues
- Addenda issuance – insure all bidders have received addenda
- Sub-contractors would need to purchase package to prepare bids to Prime
Issues with paper...

- Data entry of bids – addition errors/legibility of bids
- Incomplete bid submissions and bid disqualification
- Travel to/from office twice for each bid
Transition Committee....

- Formed a small internal committee to;
  - Review various off the shelf solutions
  - Review internal processes
  - Review legal issues with E-bid
  - Provide internal training
  - Recommendation of a solution provider
Transition Scope....

- Security/Integrity of bid process
- Easy to use/minimal training
- Cost
- Can be used for projects as well as services/materials/RFPs/RFQs etc
Transition Scope (con’t)....

- As little IT involvement as possible
- Economical and easy to use for vendors
- One solution for the entire process
- E-notifications to vendors
- Customer support – Agency and Vendor
Committee Recommendations

- Vendor – Infotech, Inc. (BidExpress.com)
- Some vendors familiar with operation
- Secure bidding - electronic keys/lock boxes
- Ability to solicit bids for projects, materials, RFQs, RFPs etc
- No on-going IT involvement
Recommendations (con’t)...

- Allows for posting of proposals, Addenda, vendor questions, e-notifications, bid submittal, e-bid bonds
- Nominal cost for vendors
- No cost to RCOC to implement or operate
- Zero cost customer support
The Transition....

- First committee mtg held in July 2015
- Conducted a survey of vendors regarding preferred types of bid bonds
- Developed bid ‘templates’ for use in Bid Express
Transition (con’t)...

- Completed in house staff web-training (Infotech)
- Created internal step by step instructions
- Vendor Notification (RCOC/Infotech)
- Go live was Feb 1, 2016 with only E-bids accepted after Sept 1, 2016
Pitfalls....

- Transition from Paper to Electronic
- Vendor Awareness
- Small Businesses
Transition from Paper to E-bid

- Phased in deployment...
  - Strongly recommended
- Allowed vendors a slow transition or to ‘test’ the e-bid
- Allows time to work out any bugs in the solicitation process
Vendor Awareness

- Some reluctance to change
- Cost to place bids
- Update website and other forms of communication to vendors
Small Businesses

- Need more support during transition
- Training
- Other Solutions
  - Allow for paper bid submission by request
  - Setup a kiosk for vendors to submit bids
Benefits

➢ Ensure best response pricing and value
➢ Increase efficiency
➢ Save vendors time and money
Ensure Best Responses

- Minimize response errors and omissions
- Receive last minute price cuts
- Increased participation
Increase Efficiency

- Automated communication
- Streamlined bid/proposal openings
- Reduce paper management
Save Vendors Time and Money

- Minimize bidder mistakes
- Eliminate paper bidding costs
- Eliminate missed deadlines
How does it work?

Owner/Agency

Bidding Information

Secure Internet Bid

Bid Express

Bidding Information

Secure Internet Bid

Bidder/Vendor

- Gets bid information
- Gathers bid data
- Prepares a bid

Sealed bid via digital media and/or paper (optional)

Bid bond verification via registry (optional)
RCOC Experience

- Value
- Significant internal time/cost savings
- Allows for wider dissemination of proposals local/state/nationwide
- Exceptional customer support from Bid Express staff
Questions?
Contact Info

Road Commission for Oakland County
Jeff O’Brien, PE
248-645-2000
jobrien@rcoc.org

Infotech, Inc.
Joey Myer
352-381-4622
Joseph.Myer@infotechfl.com
www.bidexpress.com