



Formal Competitive Solicitation Methods

Bob Gleason, CPPO, Director
Broward County Purchasing Division

Solicitation Methods



Overview of each method



**Benefits and Considerations
of Each Method**



Planned Innovations for Broward County

Invitations to Bid (ITB)

Primary use

- Commodities
- Construction projects
- Selected non-professional services

Awarded on

- Responsiveness
- Responsibility
- Lowest cost

Highlights

- Majority of contracts (>80%)
- Sufficient time
- Only method DOP can approve
- Prebid conferences

Benefits

Speed

Lowest possible cost

Easier to solicit / award

Transactional contract models

Easier contract to manage

Considerations

No flexibility or little room for innovation

Need adequate number of vendors to bid

Remedies for vendor mistakes are problematic

Commoditizes relationship

Request for Proposals (RFP)

Primary Use

- Complex business needs
- Professional services e.g. A/E
- IT systems, applications, etc.
- Select construction projects e.g., Design-Build, Managing General Contractor

Awarded on Evaluation Factors

- Technical solutions and approach
- Staff experience and capability
- Reasonableness of Cost or Price
- Maintenance and Training
- Quality and past performance

Highlights

- Fewer contracts (<20%)
- Pre-proposal conferences

Benefits

Considerations

| | |
|------------------------------------|---|
| Vendor-based approach | Time and risks to vendors |
| Tailored and flexible results | Staff and time intensive |
| Innovation & best value | Vendor costs to respond |
| Greater contract management effort | Length of steps, time, and number of participants |
| Relational contract models | Relationship management |

Request for Letters of Interest (RLI)

Primarily used

- Unsolicited proposals
- Select software systems
- Highly complex business problems

Awarded on Evaluation Factors

- Solution focused
- Factors other than price (similar to RFPs e.g., quality, approach, experience, etc.)
- May include pricing
- No scoring – ranking only

Highlights

- Value and innovation

Benefits

Allows for diverse solutions

Enables innovation and best value

Uncovers emerging industry solutions

Considerations

Must evaluate between different solutions

Evaluation is on full submittal and does not identify points

Time and risks to vendors

Request for Qualifications (RFQs)

Primarily used:

- Develop Qualified Vendor Lists (QVLs) and Qualified Product Lists (QPLs)
- Step One of a two-step solicitation preparatory to either an ITB or RFP
- Construction, non-professional services, etc.

RFQs

- Only solicits vendor qualifications

Highlights

- Goods or services

Benefits

Identifies and confirms vendor qualifications/capabilities

Establishes firm pool of prequalified vendors

Shortens downstream time to source qualified vendors

Considerations

Can accomplish same goal through use of ITB/RFP/RLI

May need to open pool periodically to vendors

May require secondary competition

Two-Step Procurement

Primarily used:

- Design-Build (RFQ/RFP)
- Two-step construction (RFQ/Bid)
- Complex projects

Two-Step

- Hybrid (can use various combinations)
- Only qualified vendors move forward
- Allows vendor qualification first, then submit price or detailed project information

Highlights

- Step One – Use RFP, RLI or RFQ
- Step Two – Use an ITB or RFP

| Benefits | Considerations |
|--|--|
| Both lowest possible cost and flexibility | Potential additional time with multiple solicitations |
| Best elements of both bids and negotiations | Reduces needless work by vendors to produce price proposals if qualified |
| Allows performance based requirements | Staff and time intensive |
| Do not need specs to support price-based award | Need adequate number of vendors |
| Understand vendor innovation capabilities | |

Plan for Innovations

RFP Business Process Re-engineering

Procurement Innovation Council

Vendor Management Office

Strategic Sourcing Tools and Program

Procurement Manual

Vendors Manual

Structured Delegations and Standards

Staff Procurement Certification

Vendor Ready Certification

Questions

And ...

Happy National Procurement Month!