
Transportation Committee

SSB 6853

Brief Description: Modifying vessel procurement provisions for design-build ferries.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Haugen and Benson; by request of Department of Transportation).

Brief Summary of Substitute Bill

- Modifies the provisions related to ferry vessel procurement through a design-build process to allow for the selection of the best and final proposal rather than the lowest bid from a responsive and responsible proposer.
- The determination of the best and final proposal is based on both the price and a variety of criteria regarding the proposal and the proposer.

Hearing Date: 2/21/06

Staff: David Munnecke (786-7315).

Background:

The design-build ferry procurement process is divided into three phases. In order to commence the utilization of the process, the Department of Transportation (DOT) publishes a notice of intent to issue a request for proposals (RFP).

In phase one, the DOT evaluates and selects pre-qualified proposers to participate in development of technical proposals. DOT rules outline pre-qualification requirements which include both a technical and financial test. In phase two, qualified proposers prepare technical proposals in consultation with the DOT, sufficient to generate a firm, fixed price bid to the department. Phase three includes the submission and evaluation of bids, award of the contract, and design and construction of the auto ferries.

In order to be considered, bids must conform with the technical proposals submitted in phase two and proposers must have qualified through phase two. The DOT may select the lowest total bid price and award the contract or reject any or all of the bids, republish the RFP, or revise or cancel the RFP. If the DOT is unable to enter into a contract with the successful bidder, the DOT may award the contract to the next lowest bidder and so on until the list of proposers is exhausted. The DOT may provide an honorarium to reimburse each unsuccessful phase three proposer for a portion of its technical proposal preparation costs.

Summary of Bill:

Phase two of the proposal process requires the development of a proposal price. The goal of the review of the selected proposers' designs, drawings and specifications is indicated as assisting the development of technical proposals for evaluation as part of the best and final proposal process that occurs in phase three of the process. The DOT's review of the proposers' technical proposal as part of the best and final proposal process is not to replace the builder's responsibility to meet the requirements of the RFP.

Phase three involves a "best and final" proposal selection process. The "best and final" process is a scored evaluation process which considers price and other evaluation factors and results in the selection of the highest scoring proposal. The factors, weighting, and process used to score the proposals must be identified in the RFP. The DOT may amend the RFP to add factors if the process is already underway.

Factors may include, but are not limited to:

- quality and responsiveness of the technical proposal;
- price;
- ability, capacity, and skill of the proposer's project team and other key personnel to perform the contract;
- the integrity, reputation, experience, and efficiency of the proposer;
- design capability;
- build strategy;
- location and quality of the shipyard facilities intended for performance of the contract;
- ability to meet the vessel delivery dates;
- recent, current, and projected work load;
- experience and quality of performance on previous contracts;
- recent and current compliance with laws relating to ship construction and repair;
- objective, measurable criteria as may be defined in the request for proposal; and
- such other information as may be secured having a bearing on the decision to award the contract.

The DOT must negotiate with the submitting firm with the highest score. If it is unable to execute a contract with that firm, the DOT may negotiate with the next highest scoring bidder, and so on until a contract agreement is reached or the process is terminated.

DOT may use an independent panel of experts to provide oversight and make recommendations to DOT on the implementation of phases two and three.

Appropriation: None.

Fiscal Note: Requested on February 21, 2006.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.