

# **SPECIFICS OF BIDDING**

**How To**  **PRICE IT RIGHT!**

# WELCOME



**COMPETITIVE  
PRICING**



# FACILITATORS

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# AGENDA



ASSESSMENT

**Is this a good fit for us?**  
The Assessment Process



EVALUATION

**Evaluating the cost requirements:**

- Understanding the service requirements
- Understanding the pricing terms
- Understanding previous price points
- Understanding the benefits of debriefing



# ASSESSMENT BASICS

Is this a good fit for my firm?

## STEP 1 – REVIEW THE BID / RFP / RFQ!!

- ✓ **Scope**
- ✓ **Insurance Requirements**
- ✓ **Experience Requirements**
- ✓ **Financials**
- ✓ **Deadlines**



**It is vital that you review the solicitation very carefully BEFORE questions deadline!!**



# ASSESSMENT BASICS

Is this a good fit for my firm?

## STEP 2 – SELF / CORPORATE ASSESSMENT!!

- ✓ What Services Do We Provide
- ✓ What Experience Do We Bring
- ✓ What Is Our Project History
- ✓ What Was Our Past Performance
- ✓ What Do We Know About The Client



**It is vital that you complete a self/corporate evaluation BEFORE you decide to bid!!**



# ASSESSMENT BASICS

Is this a good fit for my firm?

## STEP 3 – HOW AM I BIDDING?

### ✓ Prime Contractor

- ✓ Attending Pre-bid meetings: Why go? (Mandatory/Non-mandatory)
- ✓ Partnering: Build a Strong Team
- ✓ Financial Responsibilities: Can I afford to bid as a Prime?
- ✓ Certification Requirements: Am I certifiable as a Prime?

### ✓ Sub-Contractor

- ✓ Attending Pre-bid meetings: Why go? (Mandatory/Non-mandatory)
- ✓ What Value Do I Bring?
- ✓ Who's Winning?
- ✓ Certification Requirements: Am I certifiable as a sub-contractor?



# ASSESSMENT DECISION

This is a good fit for my firm?

**BID**







# COST EVALUATION





# GOAL: Full Cost Recovery

## Elements of Cost:

- ✓ **Labor/Benefits**
- ✓ **Equipment**
- ✓ **Overhead**
  - Advertising**
  - General Insurance**
  - Indirect Salaries**
  - Office Rent**
  - Leases**
  - Travel/Entertainment**
  - Association Dues**
  - Other**



# **CONSIDER THIS....BEFORE Bidding**

- ✓ **Reviewing item summary reports – RS Means**
- ✓ **Understand your cost structure**
- ✓ **Review and understand the project scope**
- ✓ **Compare pricing with competition**
- ✓ **Reviewing historical bid information for similar projects**
- ✓ **Submitting bids - if not lowest bidder - review and deconstruct bids of competition.**



# ESTIMATING STEPS

STEP	DESCRIPTION
<b>Determine Estimate Basis</b>	<p><b>Document project type including:</b></p> <ul style="list-style-type: none"> <li>*Scope Documents</li> <li>*Drawings</li> <li>*Project Design Parameters</li> <li>*Project Complexity</li> <li>*Unique Project Location Characteristics</li> <li>*Skills Needed to perform work</li> </ul>
<b>Prepare Base Estimate</b>	<p><b>Prepare estimate including:</b></p> <ul style="list-style-type: none"> <li>*Ensure that estimates are consistent with past experience</li> <li>*Apply appropriate estimation techniques</li> <li>*Document estimate assumptions, types of and adjustments to cost data</li> <li>*Cover all known project elements and conditions</li> </ul>



# ESTIMATING STEPS (Continued)

STEP	DESCRIPTION
<p><b>Determine Risk and Set Contingency</b></p>	<p><b>Identify and quantify areas of uncertainty related to:</b></p> <ul style="list-style-type: none"> <li>*Project knowns and unknowns</li> <li>*Potential risks associated with these uncertainties</li> <li>*Appropriate level of contingency congruent with project risks</li> </ul>
<p><b>Review Total Estimate</b></p>	<p><b>Review estimate basis and assumptions including:</b></p> <ul style="list-style-type: none"> <li>*Methods used to develop estimate parameters- quantities and associated costs</li> <li>*Completeness of estimate relative to project scope</li> <li>*Reconciliation of current estimate with previous estimates- understand differences</li> <li>*Preparation of an estimate file (hard copies or electronic) that compiles information and data used to prepared the bid estimate</li> </ul>



# RESULTS OF POOR ESTIMATING

**Estimates are too low =  
You Lose Money**



**Estimates are too high =  
You Lose Bid**





# SELECTION CRITERIA

LOW BIDDER**	BEST VALUE	BEST QUALIFICATIONS
Selection is based solely on <b>Price</b>	Selection is based on a weighted combination of <b>Price</b> and <b>Qualifications</b>	Selection is based solely on <b>Qualifications</b>

**\*\* CCWA BIDS ARE BASED ON LOW COST**



# Cost Evaluation: Lowest Responsive/Responsible Bidder

**Lowest Cost:** Which bid has the lowest proposed cost?



**Responsive/Responsible Bid:** Is lowest bid responsive and responsible?

- ✓ Bid meets applicable legal requirements
- ✓ Bid conforms “**substantially**” to the bid specifications
- ✓ Bidder is able to **perform** as specified





# BID COMPARISON EXERCISE

Carol's Paint Factory	Base Price	OH Markup 28%	Yolanda's Color Wheel	OH Markup	Researched Market Markup %
Material	\$95,000	\$26,600	\$95,000	\$1,900	2 %
Subcontractors	\$60,000	\$16,800	\$60,000	\$1,200	2%
Labor w/Burden	\$14,000	\$3,920	\$14,000	\$9,100	65%
Equipment	\$6,000	\$1,680	\$6,000	\$600	10%
Total Cost	\$175,000	\$49,000	\$175,000	\$12,800	
<b>BID TOTAL</b>		<b>\$ 224,000</b>		<b>\$187,800</b>	

Who will **Win** the Bid and **Why**?



# SOLICITATION REVIEW



## REQUEST FOR BID

### ANNUAL CONTRACT FOR JANITORIAL SERVICES

Bid Number 2018-GS-11

April 2018

CLAYTON COUNTY WATER AUTHORITY  
1600 Battle Creek Road  
Morrow, GA 30260

Bid Opening: Tuesday, May 1, 2018 at 2:00 p.m. (local time)  
1600 Battle Creek Road, Morrow, Georgia 30260

Non-Mandatory  
Pre-Bid Meeting  
And Site Visits: Thursday, April 19, 2018 at 2:00 p.m. (local time)  
1600 Battle Creek Road, Morrow, Georgia 30260

**This bid has a SLBE BID DISCOUNT**



# SOLICITATION REVIEW (Continued)

## CLAYTON COUNTY WATER AUTHORITY

Request for Bids

### Annual Contract for Janitorial Services

Bid Number: 2018-GS-11

Bid Opening: Tuesday, May 1, 2018 at 2:00 p.m. (local time)

#### ADDENDUM # 1

Dated: April 24, 2018

**Acknowledgment of receipt of this addendum MUST BE SIGNED AND INCLUDED IN YOUR RESPONSE TO THE RFB.**

#### REVISIONS:

1. Replace Bid Form of the RFB package with the revised Bid Form provided with this addendum on pages 2-4.1R through 2-4.6R.  
Revision includes the removal of item 12 (Old Casey Administrative Building).
2. Site Visits:  
CCWA will allow additional self-guided tours of the Forest Park Office, Wetlands Center, Shamrock CUB, and Smith CUB from **Wednesday, April 25 to Friday, April 27, 2018 from 9:00 a.m. to 2:00 p.m. only.**

#### QUESTIONS:

1. Regarding the price of the current contracts, can you please forward the information?  
Answer: The current contract is with Intercontinental Commercial Services, Inc. (ICS, Inc.) at the prices shown below:

#### ICS, Inc. - 2016 Janitorial - bid prices

	Sq. Ft. Info	Monthly	Carpet Clean p/SF	C.U.R. Per Occur	Strip, wax, buff floors p/SF	Monthly (Nov-Feb)	Monthly (Mar-Oct)	TOTAL
HQ ADMINISTRATIVE BLDG	32,091	1,850.00	0.04	35.00				25,607.28
BLDG A		570.00						6,840.00
BLDG B		500.00						6,000.00
BLDG C		450.00						5,400.00
SW		570.00						6,840.00
FOREST PARK OFFICE	902	450.00	0.08					5,544.32
SHAMROCK CUB	5,080			45.00	0.28			7,849.60
OLD CASEY ADMIN BLDG		320.00						3,840.00
J.W. SMITH CUB	2,160			40.00	0.28			1,564.80
WETLANDS CENTER				35.00		200.00	330.00	3,545.00
								73,031.00



# BID TABULATION REVIEW

CCWA - ANNUAL CONTRACT FOR JANITORIAL SERVICES - 2016 BID RESULTS

BIDDERS	HQ Bldg	Bldg A	Bldg B	Bldg C	SW Bldgs	Forest Park	Shamrock CUB	Old Casey	JW Smith CUB	Wetlands	TOTAL BID AMOUNT
Bidder A	27,206.46	-	-	-	-	6,812.73	8,459.20	-	-	-	42,478.39
Bidder B	25,607.28	6,840.00	6,000.00	5,400.00	6,840.00	5,544.32	7,849.60	3,840.00	1,564.80	3,545.00	73,031.00
Bidder C	17,157.78	9,606.36	8,664.12	7,721.88	9,559.68	7,806.04	4,339.20	4,850.16	1,360.80	4,294.16	75,360.18
Bidder D	30,509.10	8,058.00	6,924.00	6,468.00	6,732.00	5,886.20	6,705.60	3,540.00	1,684.80	3,355.00	79,862.70
Bidder E	32,116.02	9,198.00	7,866.00	7,380.60	7,674.36	6,606.04	7,884.80	-	1,526.40	3,685.14	83,937.36
Bidder F	47,627.64	6,330.72	4,101.96	2,904.00	6,518.28	1,556.28	8,625.60	3,085.56	1,672.80	3,113.72	85,536.56
Bidder G	31,174.56	8,700.00	7,200.00	7,200.00	7,800.00	5,880.40	8,569.60	3,900.00	1,564.80	3,805.00	85,794.36
Bidder H	33,903.66	8,820.00	7,560.00	7,560.00	8,820.00	6,534.52	5,208.00	3,600.00	1,404.00	3,700.00	87,110.18
Bidder I	42,288.42	6,575.28	5,652.96	5,284.08	6,460.32	5,217.72	10,360.32	2,888.28	1,619.28	2,910.10	89,256.76
Bidder J	26,562.97	7,080.00	7,020.00	6,120.00	7,140.00	5,691.38	16,526.24	3,600.00	6,085.20	4,275.00	90,100.79
Bidder K	34,383.66	9,240.00	7,440.00	7,320.00	7,680.00	6,744.32	8,016.00	4,020.00	1,608.00	3,770.00	90,221.98
Bidder L	38,609.10	9,480.00	8,280.00	7,800.00	9,480.00	7,711.40	32,662.40	4,140.00	9,900.00	5,141.00	133,203.90
Bidder M	49,512.78	6,300.00	6,300.00	6,300.00	6,300.00	1,896,892.00	26,239,840.00	3,300.00	1,734,360.00	3,575.00	29,952,679.78
Bidder N	192,823,872.00	10,673.28	8,542.80	8,640.00	9,600.00	549,494.40	3,049,680.00	-	271,200.00	4,980.00	196,736,682.48



# BID TABULATION REVIEW

## CCWA - ANNUAL CONTRACT FOR JANITORIAL SERVICES - 2018 BID RESULTS

BIDDERS	HQ Bldg	Bldg A	Bldg B	Bldg C	SW Bldgs	Forest Park	Shamrock CUB	JW Smith CUB	Wetlands	TOTAL BID AMOUNT
Company A	36,246.00	6,720.00	6,423.00	6,420.00	13,050.00	10,290.20	5,262.40	43,372.80	8,305.84	136,090.24
Company B	25,059.60	5,229.84	3,388.56	2,399.04	5,284.80	1,205.64	6,952.00	1,476.00	3,553.96	54,549.44
Company C	28,929.60	6,840.00	6,000.00	5,400.00	6,840.00	5,544.32	8,256.00	1,488.00	3,500.56	72,798.48
Company D	28,021.50	9,000.00	6,000.00	6,000.00	7,200.00	6,153.34	9,880.00	3,048.00	4,201.92	79,504.76
Company E	41,637.60	11,301.12	8,136.00	7,200.00	9,696.60	5,163.12	12,192.00	7,387.20	12,658.56	115,372.20
Company F	34,458.00	6,600.00	6,000.00	5,400.00	6,600.00	5,616.48	9,862.40	1,771.20	3,538.00	79,846.08
Company G	32,197.20	7,774.08	6,342.00	5,304.00	7,350.84	5,076.40	7,960.00	1,586.40	3,963.20	77,554.12
Company H	21,842.40	6,240.00	5,760.00	4,800.00	6,000.00	2,280.80	6,796.80	1,344.00	4,026.40	59,090.40
Company I	41,577.48	7,249.44	7,045.80	4,988.16	7,343.64	2,664.96	3,843.36	886.80	2,943.01	78,542.65
<b>Company J</b>	<b>204,514.80</b>	<b>38,400.00</b>	<b>33,600.00</b>	<b>19,200.00</b>	<b>52,800.00</b>	<b>19,723.16</b>	<b>188,600.00</b>	<b>9,900.00</b>	<b>43,373.28</b>	<b>610,111.24</b>
Company L	75,441.60	7,534.08	4,881.60	3,456.00	7,757.28	1,983.60	24,076.80	5,318.40	4,726.40	135,175.76



# POTENTIAL PITFALLS

- ✓ **Failing to Read Relevant Documents**
- ✓ **Skipping the Pre-Bid Meetings**
- ✓ **Skipping the Site Visit**
- ✓ **Mistakes and Omissions**
- ✓ **Arbitrary Cost Adjustments**
- ✓ **Failing to Check Your Work**



# AWARD NOTIFICATIONS

CCWA **does not** post award notifications on their website. Award notifications are made by the following:

- ✓ All bidders who bid on the solicitation are notified of the bid award via email.
- ✓ Anyone else who would like the award notification information can simply make a request for the information and it will be provided.





# AWARD NOTIFICATIONS (Continued)

**GDOT award notifications are found on their website!**

DEPARTMENT OF TRANSPORTATION  
STATE OF GEORGIA  
AWARD ANNOUNCEMENT

Page 2

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FEDERAL PROJECT M005624, CHATHAM. 3.104 MILES OF MILLING AND PLANT MIX RESURFACING ON SR 204 SPUR BEGINNING WEST OF PIN POINT RD AND EXTENDING TO SR 204 AND MCWHORTER/GREEN ISLAND RD.  
(E) December 31, 2018 COMPLETION DATE. B1CBA1800669-0 DISTRICT 5 - JESUP, AREA OFFICE 5 - SAVANNAH PI #M005624

LOW BIDDER	PREFERRED MATERIALS, INC.
AMOUNT \$1,025,061.50	
	47 TELFAIR PLACE
	SAVANNAH GA 31415
	(912)443-3410
	*****1468
DBE PARTICIPANTS ARE AS FOLLOWS:	TYPE OF WORK:
SCOTT & SONS TRUCKING, LLC	HAULING ASPHALTIC CONCRETE MIX

003

FEDERAL PROJECT M005134, CHATTAHOOCHEE, STEWART. 11.279 MILES OF MILLING, PLANT MIX RESURFACING AND SINGLE SURFACE TREATMENT PAVING ON SR 520 BEGINNING AT SR 52 AND EXTENDING SOUTH OF US 280/SR 27.  
(E) December 31, 2018 COMPLETION DATE. B1CBA1800664-0 DISTRICT 3 - THOMASTON, AREA OFFICE 2 - COLUMBUS PI #M005134

LOW BIDDER	OXFORD CONSTRUCTION COMPANY & ROBINSON PAVING COMPANY (JOINT)
AMOUNT \$6,796,654.50	
	3200 PALMYRA RD.
	ALBANY GA 31707-1221
	(229)883-3232
	*****8940
DBE PARTICIPANTS ARE AS FOLLOWS:	TYPE OF WORK:
WILLIE D. PIERCE CONTRACTOR	HAULING AGGREGATE
LT SUPPLY COMPANY	HAULING FUEL
MIDDLE GEORGIA SIGNS - DESIGN EFFEX, INC	TRAFFIC CONTROL
KELLY ROAD BUILDERS, INC.	MILL ASPHALT PAVEMENT
COLUMBUS BARRICADES, INC.	TRAFFIC CONTROL







# What If You Don't Win?

(other than cry....) **FIGURE Out Why?**

- ❑ Bid Too High
- ❑ Errors or Omissions in Your Bid
- ❑ Missed Deadlines



- ❑ ALWAYS DO 2 THINGS:
  - Find Out Who Won the Bid
  - **Request a Debriefing:**  
To find out how to improve on the next round



# BID ASSISTANCE

- ✓ GTPAC – GA Tech Procurement Assistance Center  
<http://gtpac.org/>
- ✓ SBA – Small Business Administration  
<https://www.sba.gov/>
- ✓ SBDC – Small Business Development Center (UGA)  
<https://www.georgiasbdc.org/>
- ✓ SCORE – The SCORE Association, supported by SBA  
<https://www.sba.gov/tools/local-assistance/score?page=3>

**Get Aggressive about Bidding**

**Know Your Competition - Conduct SWOT Analysis**

**Track Your Bid-Hit Ratio by Month/Quarter/Year**



# WHERE TO LOOK

## Clayton County Water Authority:

[www.ccwa.us](http://www.ccwa.us) > Work With Us > Procurement > Vendor Registry, Bids and Contracting

## Clayton County Government:

[www.claytoncountyga.gov](http://www.claytoncountyga.gov) > Government > Central Services > Bids and Proposals

## City of Atlanta:

[www.atlanta.gov](http://www.atlanta.gov) > Government > Departments > Procurement > Solicitations

## DeKalb County Government:

[www.dekalbcountyga.gov](http://www.dekalbcountyga.gov) > Government > Procurement > Departments > Purchasing & Contracting > DeKalb Purchasing Contracts

## Georgia Department of Transportation:

[www.dot.ga.gov](http://www.dot.ga.gov) > Doing Business > Bid Information >



Thank  
you