CASE STUDY

Minnesota Department of Transportation's Journey to Electronic Bidding

CHALLENGE

In 2001, the Minnesota Department of Transportation (MnDOT) first began the transition to electronic bidding to eliminate the challenges of paper bidding. Over the next 14 years, MnDOT would take gradual steps away from paper-based bidding processes until going fully electronic in 2015.

SOLUTION

Bid Express® - a secure electronic bidding platform for transportation agencies.

RESULTS

The introduction of Bid Express and the eventual transition to fully electronic bidding has allowed MnDOT to streamline their bidding process to save time and resources needed to process bids more efficiently and reduce the number of non-responsive bids the agency receives.

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The Challenges of Hard-Copy Bidding

Nancy Boeve, Contracts and Lettings Supervisor at MnDOT, first joined the unit in 2004 and was promoted to her current role in 2006. Though MnDOT first began implementing Bid Express in 2001, electronic bids were only required on projects above the threshold of $5 million. Over the years, MnDOT continued to lower that threshold to gradually transition to fully electronic bidding without negatively impacting smaller contractors. Because of this gradual transition, many of the challenges of paper-based bidding remained, as Boeve details below.

"Hard-copy bidding was cumbersome."

CHALLENGE

Delayed Bid Analysis

Hard-copy bidding required extensive data entry and coordination with another state agency to perform the task.

"We'd have bid lettings on a Friday, hard copies would be returned to us on Monday with a file we used to upload bid data in order to run our final detailed estimates and abstracts. The process took longer even just for bid analysis to start."

SOLUTION

With Bid Express and electronic bidding, all the necessary data is instantly available for reporting and bid analysis, expediting the process.

"Our reporting post-letting is quicker so there are efficiencies that way. The reporting post-letting is very good."

Overloaded Staff

"We needed a lot of people to work on the day of the letting."

Receive and time stamp bids + Open and organize proposals

+ Verify details + Announce results

+ Write down bids + Enter data into system

= Staff members for every letting

In 2008, MnDOT went to the state legislature to do away with public reading of bids which were often to an empty room, and instead publish results online.

"I can download the bids directly on my computer, I can sit in my office with my staff of two and conduct a letting; it is much more efficient for everyone."

CHALLENGE

Non-Responsive Bids

Electronic bidding all but eliminates non-responsive bids, hard-copy bidding makes them all too common.

"It was common for contractors to forget to initial a change or erasure; electronic bidding eliminates those mistakes."

SOLUTION

By using Bid Express in conjunction with AASHTOWare Project Bids™ with error and omission alerts, MnDOT has all but eliminated non-responsive bids, removing the risk of rejecting a low bid.

"It's really hard for a contractor to submit a non-responsive bid with electronic bidding which saves the State financial resources by not having to reject a potentially low bidder."

Inclement Weather

Weather and traffic can cause significant impacts on a contractor's ability to submit their hard-copy bid on time.

"Inclement weather or traffic delays could cost someone their bid. Sometimes we'd have contractors sprinting in just to miss the deadline by seconds."

Contractors submitting through Bid Express simply need an internet-connected device and an Infotech Digital ID with a state's approved Request to Bid, eliminating travel and weather-concerns from the equation.

Milestones on the Journey to Electronic Bidding

Transitioning to fully electronic bidding is a challenge for any agency, as all often have to deal with a bidding community that is resistant to change. Agencies looking to eliminate hard-copy bidding can learn from MnDOT's gradual, phased approach.

2001
MnDOT executes its contract to use Bid Express for electronic bidding.

2002
MnDOT has its first electronic letting and sets an electronic bidding threshold of $5 million.

2008
MnDOT lowers its bidding threshold to $1 million to increase the number of electronic bids.

2008
MnDOT campaigns with the legislature to eliminate public reading of bids with the caveat that bid results are unveiled immediately online after the letting closes.

2011
MnDOT lowers its bidding threshold again to $150,000 to accommodate small contractors.

2015
MnDOT moves forward with mandating the use of solely electronic bids.

Working with Infotech

One of the challenges that MnDOT faced with electronic bidding was the expectation that new bidders would be capable of electronic bidding within a day. That used to not be possible because the required Digital IDs took 7-10 days to process through the mail. Infotech's introduction of new electronic signatures has vastly expedited that process.

"We can get people set up to bid electronically much quicker than we could in the past, which is hugely beneficial and more efficient not only for the bidder but also for the state because it means more competition. I'll have someone call me up the day before a bid to get set-up and we can make that happen. Infotech's team has been fabulous to help all of the contractors who need to get their Digital IDs expedited."

Of course, working relationships can't always be sunshine and roses. But when issues do arise, Boeve trusts the Infotech team to work diligently until they are resolved.

"We once had issues of bid results shadowing in the next call. Infotech sent two people on-site until we got it all worked out. I have had nothing but positive experiences dealing with the team. If we have any questions, Infotech figures it out for us."

Bid Better with Bid Express

Amplify the quality and quantity of your bid submissions with the e-Bidding platform that streamlines the letting process for agencies and vendors everywhere.

+ Minimize discarded low bids with error checks and omission alerts
+ Reduce paper waste from printed bid packets and plans
+ Get instant online bid tabs with ranked and exportable results

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