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**CONSTRUCTION**  
AND  
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performance of highway systems  
TECHNOLOGIES

# Contracting Goes Online: Electronic Systems Streamline Bidding and Letting

Many State transportation agencies are using electronic media to facilitate their contracting processes. Some States publish bid letting and award data on their Web sites. Others use electronic media for bid posting, and some are significantly reducing paperwork by posting bid information, receiving bid proposals, and announcing awards over the Internet.

Electronic systems promise greater accuracy and efficiency, potentially saving time and money for highway agencies and contractors. Costs are reduced for paper, filing and handling, postage, and data storage. Repeated rounds of data entry and data processing by bidders and highway agencies are eliminated, reducing the chance of costly bidding errors and the time required for bid evaluation and approval. Standardization improves control over the bidding process. These benefits are available through bid preparation software and online bidding exchanges.

## BID PREPARATION SOFTWARE ASSISTS PROJECT OWNERS AND CONTRACTORS

Bid preparation software speeds up pre-letting processes for highway agencies and streamlines bid submittal for prospective contractors. One such system, Expedite, is offered by the American Association of State Highway and Transportation Officials as part of its Trns•port software suite. By late 2001 Expedite was being used by 38 States.

Expedite allows contractors to download bid information from a State department of transportation (DOT) Web site and fill in unit prices interactively. Item extensions and section and proposal totals are calculated and displayed immediately. The software alerts contractors to omissions and incorrect alternates and prevents them from making computation errors. In addition, Expedite can exchange data with Trns•port PES (Proposal and Estimates System), LAS (Letting and Awards System), and similar systems, and can share proposal information with other word processing, database, or spreadsheet software. Standard, customizable reports are provided (Bid Submission Report, Bid Error Report, Amendment Report), as well as a custom report feature. An enhancement in recently released Expedite version 5.0 provides for bid bond verification.

Bidders can submit their proposals manually, on floppy disks, or via the Internet. Built-in file compression, data encryption, and optional digital signature certification support quick and secure electronic transmission for submission, resubmission, or withdrawal of bids.

## INTERNET SERVICE MAKES ONLINE BIDDING POSSIBLE

Another component of the online bidding process is a Web-based subscription service such as Bid Express, which provides one-stop access to electronic bid information from participating State

DOTs. Prospective bidders who use Bid Express can access an agency's historical and current letting information as well as schedules of prices and items for each contract, eligible bidders, planholder lists, bid tabulations, and addenda. Contractors have instant access to bid information from all over the country.

The service also acts as a sort of lock-box agent for participating States, enabling secure Web-based bidding. By using Bid Express in conjunction with Expedite, contractors can download letting information, prepare their bids, and submit their proposals electronically with improved accuracy and time-efficiency.

Bid Express service is available to contractors for a nominal monthly or annual fee. Expedite is funded by participating DOTs and available at no

charge to contractors. Although Expedite software can be used to prepare an electronic bid without Bid Express, and Bid Express can be used to view and download letting information without Expedite, the two programs are most effective when used together.

### ONLINE BIDDING: SECURITY, RELIABILITY, AND SUPPORT

One concern about Web-based commerce is whether or not it's safe from hacking. To ensure the privacy of contractors, Bid Express and Expedite use state-of-the-art encryption technology. Bid files are unreadable to anyone other than the DOT to which the information is sent on the official bid opening day. Bid Express has been 99.95 percent reliable in the 5 years it has been online, according to the service's owner, BidX.Com, a wholly owned subsidiary of InfoTech, Inc. To make sure the process works at all times, the system uses redundant power sources and file backups, as well as duplicate sets of hardware in different locations and alternative Internet service providers. Customer support is available by phone and e-mail.

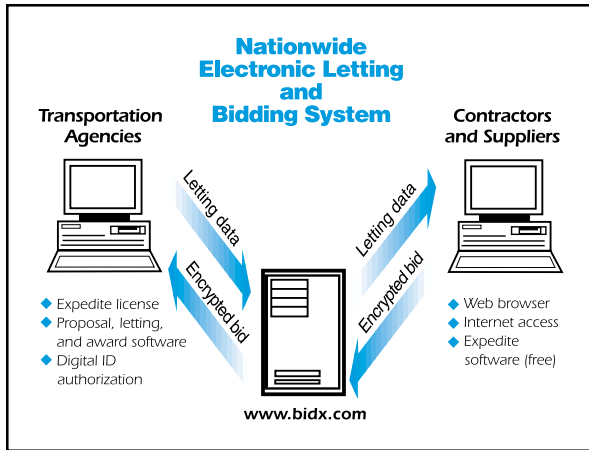
### A GROWING TREND

By winter 2001/2002, eight State DOTs were in production with Internet bidding programs using Bid Express: Georgia, Iowa, Michigan, Minnesota, North Carolina, South Carolina, Wisconsin, and Virginia. Five other States were piloting Internet bidding/Bid Express: Arizona, Indiana, Louisiana, Oklahoma, and Wyoming. Georgia is well advanced in its electronic bidding; in recent monthly lettings, between 60 and 70 percent of bids were submitted electronically. More than seven other States are considering initiating pilot programs using the Internet service, and at least two other States—California and Texas—are developing Internet bidding systems of their own.

For more information about using electronic bidding for highway projects, contact your local FHWA division office or:

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To learn more about electronic bidding, visit these Web sites:

[www.cloverleaf.com](http://www.cloverleaf.com)—for Expedite and related Transport software  
[www.bidx.com](http://www.bidx.com)—for Bid Express services

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