

Fixed Budget/Variable Quantity Procurement Method

Frequently Asked Questions

Q1: When can the department use fixed budget/variable quantity?

A1: If you are designing a project with a scope that is covered in the approved specific scope list, you can use this contracting method.

Q2: How does this contracting method differ from regular low bid method?

A2: This method is still a low bid method, BUT instead of giving a cost for each project item, the contractor provides a cost per unit measurement to perform the work. The lowest unit cost (i.e. largest quantity) wins the bid. In the event of a tie, another bidding metric, such as contract time may be used as the tiebreaker. The bid with the least amount of contract time would win the bid.

Q3: Does this method provide me any design shortcuts?

A3: No. You still have to follow all the regular design steps including doing an engineer's estimate based on unit bid items necessary to complete the work.

Q4: Am I required to use this method?

A4: No, it is optional.

Q5: What are the reporting requirements?

A5: Each district has to prepare a single, final report on their projects at the end of the construction season where they used this method being sure to address the questions in the approved work plan. A template to be used for the report is available and included on the innovative contracting website.

Q6: What are perceived benefits of using this method?

A6: This contracting method should provide a highly competitive environment allowing the contractors to capitalize on their competencies producing a larger quantity of completed work than if we had bid it by unit item. Also, typically, less construction administration is required.

Q7: What changes do I have to make to my bid schedule?

A7: Your bid schedule from Estimator will not be used downstream in the Trns*port modules, so a work around will be necessary.