

## Basis of Bid/Basis of Award (BOB/BOA) Bid Format

The Basis of Bid Format from an Engineer's and Owner's Perspective:

1. The engineer and owner make the decision on all alternate equipment, not the contractor. The engineer does not have to subject himself and his firm to the pressure of delayed submittals or trial balloon submittals from the contractor. These tactics cost money and put undue pressure on the engineer.
2. It gives the engineer and the owner better quality equipment; namely, equipment which has been specified by the engineer, has been evaluated to be in the best interests of his client and will meet the required effluent limits.
3. All bidding contractors are evaluated equally, using the same basis of equipment, which results in the contractors being evaluated on what they do best-contracting, and/or those contractors which are willing to accept a lower margin of profit on a particular project.
4. Eliminates the postbid shopping by the contractors; each manufacturer and contractor should be bidding his best price at the time of bid in order to receive consideration. The owner receives any alternate cost advantages that might be warranted based upon the alternate equipment being approved.
5. There is no prebid evaluation of submittal packages. This will be done after the bid, and only for those alternate items which are used by the low contractors.
6. Any alternate equipment which is being proposed by a contractor will have to meet the minimum standards set by the engineer in the bidding documents.
7. It eliminates the packaging of various pieces of equipment by the manufacturers and manufacturers' representatives.
8. It allows for free competition.
9. All major equipment items are determined prior to the award of a contract, rather than going through trial balloon submittals as is so often the case.
10. This bid format is acceptable to the federal EPA, and it does allow for substitute bids at the time of bid, giving competition to those manufacturers which are listed as the basis of bid.

**Basis of Bid Format from a Bidding Contractor's Perspective:**

1. Probably a bigger advantage than what most engineers and manufacturers believe. This basis of bid format takes the equipment decision away from the contractor; and therefore, he knows that he will be evaluated on his contracting ability, and not his calculated risk trying to get substitute equipment approved, which often is not equal to that which has been specified by the engineer. Further, he is not evaluated based upon his competitor's ability to get alternates approved or his competitor's ability to shop prices after the bid opening.
2. Breaks up bidding packages by the manufacturers and/or manufacturers' representatives.

Advantages for Aqua-Aerobic Systems' Representatives to Sell the Basis of Bid Format:

1. We and the engineer keep control of the situation through the basis of bid format, which means if we can influence the engineer or sell him, then we have more control over our competition.
2. It is a format which is for the representative and manufacturer that will help design the plant-not for those manufacturers who get involved after the project has been advertised for bid. Aqua-Aerobic Systems and our representatives generally do a very good job up front working with the engineer and selling the design of our equipment; and therefore, it should be an advantage for us.
3. The contractor doesn't make an "or equal" decision at bid time based upon price.
4. All bidders will be evaluated equally after the bid by the engineer.
5. If no alternatives are offered, the basis of bid manufacturer will be used.
6. If your competition is lazy, they may not bid; and again, no alternate would be used.
7. No postbid shopping.
8. It breaks up the packages by your potential competitors.