



## REQUEST FOR PROPOSAL #22-04

### *Development of Equipment Rental Schedule for Illinois*

**POSTED DATE:** 4/1/2022

**CLOSE DATE:** 4/30/2022 at 11:59 p.m. CST

Submit Proposals to: [ICTProjectManagement@illinois.edu](mailto:ICTProjectManagement@illinois.edu)

#### **PROJECT INFORMATION**

**Funds:** \$250,000 total (includes a required 25% cost share of \$62,500 from proposing agency)

**Estimated Contract Term:** 24 months

**Projected Start Date:** 8/16/2022

#### **BACKGROUND**

During highway construction, Illinois Department of Transportation's resident engineer commonly adds "extra work" to the contract as needed for satisfactory completion of the project in accordance with Article 109.04 of IDOT's *Standard Specifications for Road and Bridge Construction*. One of the formats for contractor reimbursement requires that the commercial, subscription-only *Equipment Watch Rental Rate Blue Book* be used to establish the hourly compensation rate for contractor-owned equipment used to perform the "extra work" and similar equipment owned by local agencies that is eligible for Motor Fuel Tax funding. This is a burden for many contractors who only work on a small number of department projects per year, as the compensable equipment cost is less than the subscription costs. In accordance with Chapter 23 Part 635 of the Code of Federal Regulations as well as the Federal Highway Administration's additional guidance, available at <https://www.fhwa.dot.gov/construction/contracts/0635asup.cfm>,

rate adjustment tables based on equipment age and region will be developed to be applied when determining the eligible equipment hourly rate.

## **OBJECTIVE**

The objective of this study is to develop a user-friendly, web-based equipment rate schedule maintained by IDOT. The developed equipment rate schedule can be used in lieu of the Equipment Watch *Rental Rate Blue Book* to establish hourly compensation rates for contractor-owned equipment used to perform “extra work.” The developed equipment rate schedule will be indexed to an appropriate, sustainable cost index identified by the research, or another automated technology, to ensure schedule rates remain current.

## **RESEARCH TASKS AND REQUIRED DELIVERABLES**

The proposed research will address the following tasks.

Task 1 — Review the current state of knowledge to synthesize best practices, challenges, synergistic criteria, and strategies being employed to maintain a web-based equipment rate schedule.

Task 2 — Develop an equipment rate schedule that involves, but is not limited to, determining the hourly equipment ownership and operating costs for different types of construction and highway maintenance equipment as well as a methodology for updating it on at least an annual basis. The equipment rate schedule must be current, reasonable, and acceptable to the agency, FHWA, contractors, and local agencies. This study’s equipment hourly costs shall be compared with a commercially available database to understand the appropriateness of the proposed methods.

Task 3 — Develop a web-based equipment rate schedule that can be used to establish hourly compensation rates, standby rates, and rate adjustment tables based on equipment age and region for contractor-owned equipment used to perform “extra work.” Using an appropriate costing model and relevant data sources, the equipment rate schedule will be developed for a multitude of construction and highway maintenance equipment categories based on industry standards for light, medium, and heavy construction machinery and certain non-operating devices commonly used in highway construction activities. Ownership and operating costs for the above shall be determined to provide equipment standby hourly rates.

Task 4 — Prepare a final report detailing the study’s process, findings, and recommendations.

## **INSTRUCTIONS FOR SUBMITTING A PROPOSAL**

The proposal shall be prepared in accordance with the guidelines presented in Appendix A.

By submitting a proposal, potential principal investigators are acknowledging they have read and understand the IDOT/ICT [PI responsibilities and Guidebook](#) and terms and requirements under the current [IDOT/ICT Intergovernmental Agreement \(IGA\)\\*](#).

Technical questions regarding the research project or RFP procedures should be submitted to the ICT Project Management team via email at [ICTProjectManagement@illinois.edu](mailto:ICTProjectManagement@illinois.edu) within 14

[days of the posting date](#). Technical questions and answers will be posted on ICT's website as they are received.

\* A new IGA will be effective July 1, 2022. Terms and conditions, excluding the F&A rate, are not anticipated to change.

## **SPECIAL CONDITIONS FOR REVIEWING PROPOSALS AND AWARDING ICT FUNDS**

Please note that the following conditions will be applied when reviewing all received proposals and in awarding ICT funds:

- 1) Preference will be given to Illinois universities (both public and private) when multiple proposals from this solicitation are reviewed and have identical scores.
- 2) The award of this project is contingent upon the availability of funds at the time of award.

## **APPENDIX A: Guidelines for Preparing Proposals for the Illinois Center for Transportation**

Please use the following format when submitting Illinois Center for Transportation proposals for consideration. Proposals should be a maximum of 15 pages (excluding the cover page, itemized budget, budget justification and optional appendices) with a minimum 11pt font, standard margins, and in Adobe PDF file format.

### **1. Cover Page**

Use the cover page found [here](#).

### **2. Research Plan**

Clearly and concisely address the proposed approach for solving the issue described in the problem statement. The research plan should be subdivided into the following sections:

#### **(a) Introduction, Including Research Objective**

Introduce the proposal and provide a concise overview of the research approach. Outline the objectives of the research project and explain the questions that will be answered by the research.

#### **(b) Research Approach/Work Plan**

Include details of the research project and strategies to accomplish the project objectives. Itemize the tasks and provide clear explanation of the research approach, deliverables, and identify the research team lead for each task.

#### **(c) Anticipated Research Results**

State the anticipated research results and deliverables.

#### **(d) Expected Implementable Outcome(s)**

All IDOT/ICT research is expected to be implementable. Describe what implementable outcomes (e.g., specification, test, recommendations, etc.) are anticipated that will facilitate implementation of the research results.

### **3. Qualifications and Accomplishments of the Research Team**

Identify who will perform the research and provide a brief explanation of each researcher's qualifications and related research efforts.

### **4. Other Commitments of the Research Team**

Outline the other commitments of the research team to demonstrate the ability to fulfill the commitments of the proposal.

## 5. Facilities and Equipment

Describe the facilities and equipment available to conduct the research.

## 6. Timeline Requirements

Include a timeline of the research project's tasks in this section. Describe the required time to complete the research, including final report preparation, ICT's editing process, review of the report by the Technical Review Panel, and publication of the report. Please note the final report must be submitted in Section 508 compliant format at least three months before the project's end date. Below is an example of a project timeline.

Project Milestones (assuming an August 16 Start Date, and a 24 month project)	2022				2023								2024												
	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8
1 Kickoff Meeting	█																								
2 PI conducts Research	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
3 PI writes DRAFT report																									
4 PI Submits Final DRAFT report to ICT for editing																									
5 ICT Preliminary editing phase																									
6 PI/TRP editing phase																									
7 Final editing phase																									
8 Report published																									
(Quarterly Progress Reports Due)		█			█				█				█					█				█			█
(TRP Meetings)		█			█				█				█					█				█			█

## 7. Itemized Budget

Provide an itemized project budget including the cost of personnel, consultants, subcontracts, equipment, materials, travel, indirect costs, and cost share.

A minimum 25% of the total project budget must be cost share from the proposing agency. Under the IGA effective July 1, 2022, the indirect cost rate used for institutions with a federally negotiated F&A rate cannot exceed 37.7% of the modified total direct costs. If the proposing agency does not have a federally negotiated rate, a 10% de minimus rate must be used.

Subaward costs from outside the proposing agency cannot exceed 50% of the total project budget without prior approval.

A part of the cost share requirement may be fulfilled using unrecovered indirect costs. Any proposal submitted by an agency outside of the University of Illinois system that plans to use unrecovered indirect cost as cost share must submit a request for approval to IDOT/Federal Highway Administration. More information on this letter will be provided if a proposal is selected for funding.

Please utilize ICT's budget templates when submitting a proposal: [UIUC Budget Template](#) and [Subawardee Budget Template](#).

## 8. Budget Justification

Include a budget justification that explains the itemized budget in narrative form. The budget justification shall provide sufficient detail so there is a clear understanding of how the project costs were calculated and why they are necessary. The narrative discussion of the project cost categories and related line items should be presented in the same order as they appear in the itemized budget. If the project requires the purchase of equipment, out-of-state travel, or out-of- or in-state conference registration/attendance expense, please list and explain here.

*Under the terms of our IGA, equipment is defined as any tangible or intangible product, having a useful life of **two years or more**, an acquisition cost of at least \$500, and solely purchased for use in the IDOT-ICT project. Equipment purchased on IDOT-ICT projects is to be returned to IDOT at the conclusion of the project, unless otherwise agreed upon. Equipment purchases on IDOT-ICT projects must have a **signed** pre-approval.*

*Travel expenses should include, but are not limited to, travel to TRP meetings, travel for testing / sampling, etc. Any out-of-state travel expenses and **any** conference expenses charged to the project must have a **signed** pre-approval.*

***Inclusion of equipment and travel expenses in the project budget and workplan does not meet the requirement for pre-approval. Signed, pre-approval request forms must be submitted prior to purchase of any equipment or travel meeting the above criteria to be considered allowable expenses on the project. Expenses not meeting this requirement may not be reimbursed.***

## 9. Cooperative Features (if appropriate)

If assistance or cooperation is required from other agencies, public or private, to complete this proposed research, describe the plans for securing this assistance.

## 10. Appendices (if appropriate)

References or any additional materials deemed necessary may be provided here.