

Points Award System

When working to establish the best value for your agency's dollars, one option to consider is the Points Award System. This widely used method of evaluation incorporates both the actual cost of the product and the vendor capabilities associated with supporting that product. The Points Award System can provide peace of mind when making a heavy equipment purchase.

Although a particular vendor may be able to provide the lowest initial purchase price, that vendor may not be able to support the product to the degree required by your organization. Following the Points Award System gives you additional background information and allows you to assign a value to individual measurements based on their level of importance to your organization. This process can help ensure you get the entire package you expect.

Some of these additional considerations include:

Parts Availability: Consider how long will it take the dealer to get you the parts you need to make repairs. How much inventory is readily available? What percent of the dealer's inventory will accommodate the largest portion of typical repairs for your machine? You'll also want to understand what type of equipment inventory the dealer has to support your contingency plans in case your machine experiences a situation that would require significant unforeseen downtime.

Here's an example of the type of information to gather about parts availability:

PARTS AVAILABILITY

Vendor to provide price, in-stock availability and freight charges for items not in stock. The County reserves the right to audit parts inventory and pricing listed. Additionally, the County may request to order each part and record actual time and freight cost to vendor location.

Vendor agrees to participate in the parts availability analysis at no charge	Yes	_____	No	_____
Vendor to state if third party (not machine provider) is subcontracting parts	Yes	_____	No	_____
If applicable, state subcontractor company name _____				

Description	Part Number	New Price - each	In Stock Yes/No	If No - Hours to Vendor	Exchange/ Rebuilt Price - each	Available Yes/No	In Stock Yes/No	Freight Charge Available at vendor location within 48 hours
Starter		\$			\$			\$
Alternator		\$			\$			\$
Hydraulic Pump		\$			\$			\$
Injector		\$			\$			\$
Fuel Pump		\$			\$			\$
Lift Cylinder		\$			\$			\$
Brake Valve		\$			\$			\$
After Cooler		\$			\$			\$
AC Blower Motor		\$			\$			\$
Compressor		\$			\$			\$
Seat		\$			\$			\$
Seat Shock		\$			\$			\$
Fuel Transfer Pump		\$			\$			\$
Engine Cylinder Head		\$			\$			\$
Steering Tie Rod		\$			\$			\$
Fuel Cap		\$			\$			\$
Electronic Control		\$			\$			\$
Cab Steps		\$			\$			\$
Muffler		\$			\$			\$
Fan Belt		\$			\$			\$
TOTALS		\$			\$			\$

Dealer Location: Proximity may be an issue in terms of providing timely service. Consider the number of dealer locations and where they are compared to where your equipment will be used. Also clarify what capabilities are available at those locations. Can they service your products or do they simply act as a dispatch for actual service departments? This may not be an issue since many vendors use mobile service trucks today, but in certain circumstances this information may provide additional value to the final proposal.

Here's an example of the type of information to gather about dealer locations:

FIELD SERVICE TRUCK CHARGES (from vendor location to point of origin)

Vendor to state charge for unlimited coverage of field service truck travel. Travel would be for round trips in six-month increments for the duration of the machine bid. State any special conditions that apply.

		Exceptions
Six-Month Unlimited Trip Charge	\$	

Vendor to state amount of single round-trip charges for the duration of the machine bid term, plus any special conditions that apply.

		Exceptions
Single Round-Trip Charge	\$	
Cost per Hour	\$	
Cost per Mile	\$	

Vendor to state number of company-owned field service _____

Vendor to state if third party (not machine provider) is subcontracting Yes ____ No ____

If applicable, state subcontractor company name _____

Dealer Capabilities: Understanding what the dealer can support at various locations is also important. For example, does it matter if there's a storefront 15 minutes away if the service ultimately has to be performed at a location two hours away? Ask how many full-service bays are available at each location and what services and procedures can be performed at each. Do they support only simple maintenance procedures or do they have the capability to perform large component repairs that require a much higher level of expertise?

Service and Support History: Feedback from your peers regarding how a particular vendor has supported them in the past can provide peace of mind that you'll be supported in a similar manner.

Here's an example of the type of information to gather about service and support history:

REFERENCES

Vendor to provide reference list of a minimum of seven like-kind, customer-owned machines operating in the nearest radius of Cochise County.

Company/Agency	Machine Year and Model	Contact Person	Phone Number	Distance from Bisbee (Miles)	Time Machine in Service and Possession

When you hire an employee, you typically request a resume and don't make a final decision until you've thoroughly reviewed that resume. Since the dealer ultimately will be working for you, it only makes sense to apply similar standards.

The Points Award System may not offer the most practical method for making every purchase decision, but it can help your organization determine the best option for your dollars in certain situations.

OPERATOR TRAINING SERVICES

Vendor to state if professional operator training is available. Yes _____ No _____

Number of Dealer Full-Time Operator Trainers	Professional Training Class Offered for this Product	Price per Student	Hours per Class	Maximum # of Students per Class
		\$		

TECHNICAL TRAINING SERVICES

Vendor to state if professional technical training is available. Yes _____ No _____

Number of Dealer Full-Time Technical Trainers	Professional Training Classes Offered for this Product	Price per Class	Hours per Class	Maximum # of Students per Class
		\$		

Evaluation and Award Criteria: Consider using the following evaluation and award criteria the next time you purchase a piece of heavy equipment.

EVALUATION AND AWARD CRITERIA

An evaluation committee composed of Heavy Fleet Management, Highway and Floodplain and Procurement staff will evaluate the proposal responses according to the criteria listed below. The evaluation process will review conformity to desired specifications, machine job performance, warranty, parts and service availability, cost of operation, price and overall response to the Request for Proposal. Demonstrations of the equipment being offered may be required prior to award of a contract.

OVERALL EVALUATION AND CRITERIA

Evaluation for: _____

For the Proposed Subject _____

Award Criteria	Weight	X	Rating	=	Value	Comments
1. Price – Outright Purchase	_____	X	_____	=	_____	_____
2. Price – Life Cycle Cost (LCC) Machine Price + Guaranteed Repairs – Guaranteed Buy Back	_____	X	_____	=	_____	_____
3. Conformity to desired specifications	_____	X	_____	=	_____	_____
4. Warranty coverage	_____	X	_____	=	_____	_____
5. Travel time and mileage offering	_____	X	_____	=	_____	_____
6. Local parts availability	_____	X	_____	=	_____	_____
7. Service availability	_____	X	_____	=	_____	_____
8. Cost of operation – Fuel Burn, III. Demonstration + Maintenance cost, X. Preventative Maintenance	_____	X	_____	=	_____	_____
9. Delivery – Lead time	_____	X	_____	=	_____	_____
10. Vendor operating hours	_____	X	_____	=	_____	_____
11. Past performance with vendor	_____	X	_____	=	_____	_____
12. Operator evaluation and acceptance	_____	X	_____	=	_____	_____
13. Overall responsiveness to RFP	_____	X	_____	=	_____	_____
TOTAL					<input style="width: 40px; height: 20px; border: 1px solid black;" type="text"/>	

Rating Score:

- Outstanding = 7
- Good = 5
- Average = 3
- Poor = 1
- Not Addressed = 0

Weight factor will be established by the Evaluation Committee, as to the importance of each category, before the Rating Score is assessed.

Reviewed by: _____ Date: ____/____/____

Its: _____ Signature: _____