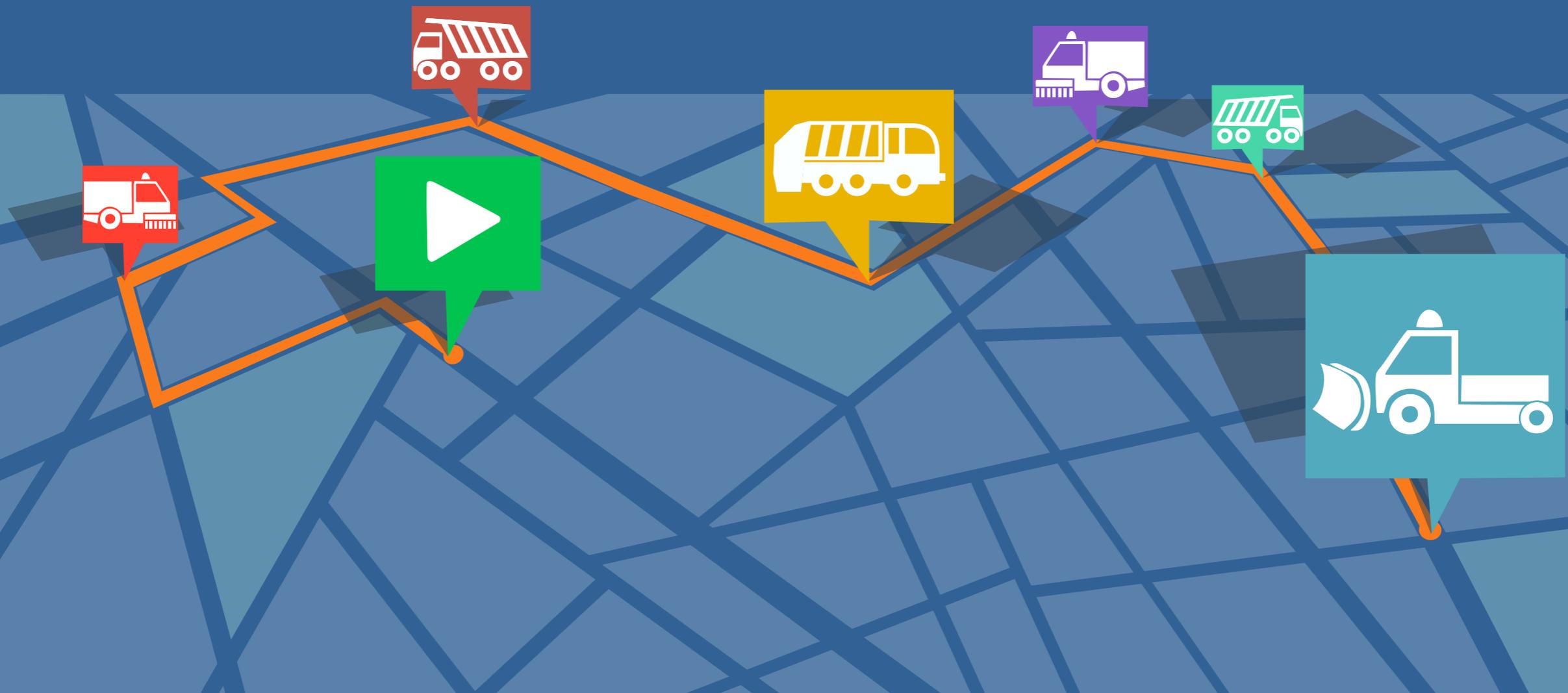


Route Optimization Procurement for the Public Works Industry

A Step-by-Step Guide for
Assembling an Effective RFP





About this guide...

Nearly every public works process can be enhanced by using geographic information. This is why more and more municipalities are looking to route optimization to visualize their data to improve the effectiveness of field operations.

When assembling a Request for Proposal (RFP) for procurement of a routing solution, it is critical to know what to look for.

To issue an effective RFP that returns comprehensive proposals, you need to invest time, thorough research and measurement of all available routing solutions to ensure the right one is selected.



This step-by-step guide is designed to help you through the decision-making process as you look for ways to improve your waste collection routes and operational effectiveness.

#1

Determine what you want to do...

What types of routing tasks do I need to manage?

- Residential waste collection
- Commercial waste collection
- Recycling
- Bulky waste collection
- Winter maintenance
- Street sweeping
- Work and service orders

#2

Identify what is needed to write a better RFP...

How does route optimization fit into my organization?

Know which capabilities are needed and prioritize them. Then, research the possible solutions before creating your RFP. Write separate RFPs for any technology that is not typically part of a vendor's solution. Once you know more about what is available, you can begin to tighten the scope of the RFP; this will yield the most competitive bid for your project.

Identify your most pressing issues:

- Creating better balanced routes in large residential areas
- Balancing commercial service of varying frequencies and patterns
- Minimizing travel distance
- Accounting for safety issues, like same-side service and minimizing U-turns
- Integration with billing and other systems

WHAT SOLUTIONS EXIST AND HOW DO THEY WORK TOGETHER?

ROUTE PLANNING

BILLING AND CUSTOMER SERVICE

VEHICLE TELEMATICS FOR TRACKING AND DRIVER BEHAVIOR

RFID TECHNOLOGY



#3

Determine the results you want to achieve...

Where will route optimization offer improvement?

Measuring the results achieved by route improvement is critical to your success, particularly in the early stages of implementation and investment. To help you decide which solution(s) to choose in order to meet your goals, review your most important Key Performance Indicators (KPIs), such as:

- Reducing travel distances
- Lowering total work hours
- Minimizing overtime
- Balancing employee workloads
- Measuring and reducing CO2 emissions
- Eliminating service days
- Increasing vehicle utilization
- Improving service levels
- Improving service levels

#4

Unbundle your RFP...

How do I determine my RFP strategy?

- Don't try to streamline the RFP by bundling too many solutions under one request
 - This may backfire when the RFP requests that vendors pool together to offer a solution that does not exist
- Beware of ending up with a cobbled-together patchwork of potentially incompatible solutions which could result in:
 - Significant implementation effort
 - Cost overruns and a higher risk of project failure
 - A “solution” that may never be fully functional
- Remember the broader the scope, the riskier the project
 - You need to make informed decisions about what actually exists to get exactly what you need



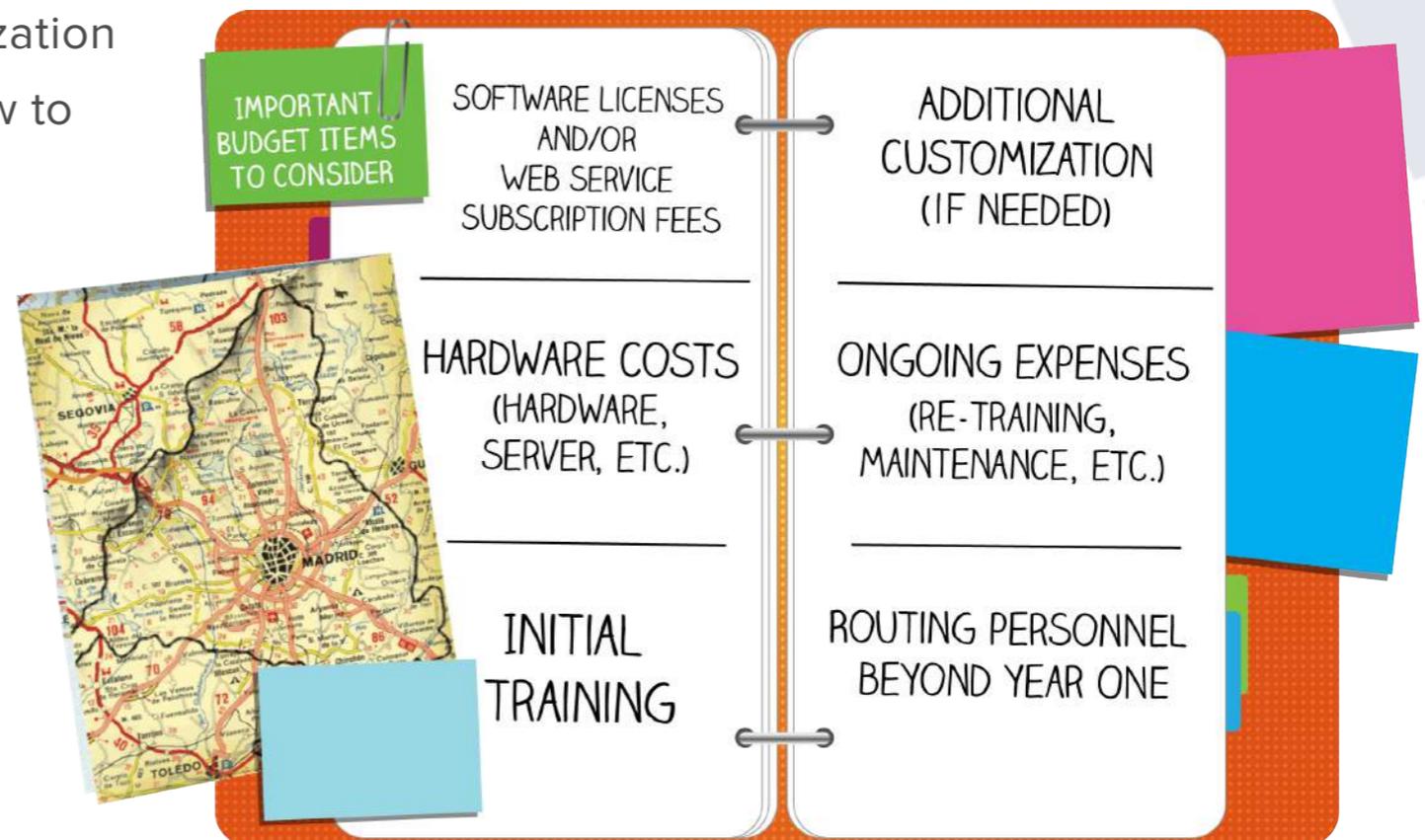
#5

Define the scope and costs...

What's the value of my project?

Defining the scope of your project is the first step in determining your project's value and developing a budget.

- Find out how vendors price their solutions
- Interview organizations like yours that have successfully implemented route optimization
 - This will help you determine how to staff your project
- Consider the quality of the solution as well as the cost of the project



#6

Align all your departments...

Is my organization ready for route optimization?

- We are committed to better routing processes
- We have full buy-in from all necessary departments
- We are willing to commit time, resources and personnel to route planning and optimization
- We know there is no “easy button” solution
- We want route optimization to become an engrained part of our operations for years to come

Department buy-in is
the key to success





#7

Recognize the commitment that is required...

How much time will I need to allot to route improvement?

- Dedicate a team to route improvement
 - This may depend on the size of your organization, your growth rate, the current state of your routes and internal buy-in
- Train your team to become routing professionals
 - Make sure vendors offer a wide range of training options, including on/off-site training, webinars, user conferences, certification programs, etc.
 - Know that education and training are critical for initial and ongoing success
- Commit to continuous route improvement in order to maximize the inherent benefits

#8

Educate yourself on solution providers...

How can I get a better understanding of potential vendors before my RFP goes out?

Not all solutions are created equal, and not every solution will be compatible with other components. Everyone may look good to you on paper, but you will get a better understanding of the solutions when you interview industry-leading candidates.

Important questions to ask:

- Can we speak to references, especially similar organizations that have been using the solution for more than three years?
- How long have you been in business?
- Does your company develop the solution itself, or are you an authorized partner or reseller?
- Do you provide all components solely and in an integrated package?
- How will you partner with other vendors during the proposal and/or integration stages?
- What is your implementation plan for organizations like ours?
- What are your technical support and product life cycle policies?
- What is the cost of ongoing maintenance and support?

#9

Investigate procurement options...

Is an RFP the only way?

The average RFP process may extend six months to one year, so it is worthwhile to investigate all available purchasing avenues for procurement.

Whether you actually need to go through a formal RFP process will depend on the requirements of the project, the scope and the budget. You may want to consider these other options:

- **Sole source** - Choosing a product that is only available from one source or vendor
- **Piggy-backing** - Riding on another agency's contract (provided that all requirements and product deliverables are equal)

Discuss all procurement options with your purchasing department prior to writing and releasing your RFP solicitation.

#10

Review the proposals...

What's the best way to evaluate the proposals we receive?

To evaluate the proposals you have received, put together a matrix based on your perceived value for each requirement in the RFP. Remember that price alone is not the only determining factor. And, not every vendor will address every capability requirement.

Review the proposals and break them down according to the matrix, and score the requirements and pricing for each component. Your decision will become more clear as you work through this process.

SOME KEY SCORING FACTORS

- OVERALL QUALITY OF THE SOLUTION
- BREADTH OF FUNCTIONALITY
- INTEGRATION CAPABILITIES
- PROJECT MANAGEMENT AND PROJECT IMPLEMENTATION PLAN
- TRAINING AND SUPPORT
- INITIAL COSTS OF SOFTWARE
- RESELLER VERSUS PROPRIETARY
- YEARS IN BUSINESS
- VALUE BASED ON QUALITY REFERENCES



Summary...

RFPs can be complex.

To get what you want from your procurement, you must give close consideration to both the short- and long-term objectives you need to achieve.

While you may want to catalog and inventory all possible requirements and "wish list" items for integrated offerings, it is best to avoid taking on more than you can manage. To decrease risk, make sure to understand the practical realities of both your organization and the technologies you are evaluating.

Understanding the capabilities of the available solutions is as important as knowing what you want to achieve from the outset. Defining these priorities ahead of time will help you realize a meaningful return on investment for your organization.

We hope this e-book has been helpful in structuring your procurement process so that you can get more out of your route optimization initiative once a selection has been made.



About RouteSmart...

Since the early 1980s, RouteSmart Technologies has worked with municipal public works agencies around the globe—both small and large—to improve service and reduce operating costs. Clients rely on RouteSmart for ArcGIS®, RouteSmart’s flagship product, for its comprehensive suite of route optimization tools. Routesmart balances workloads and maximizes service order sequencing for high-density residential and lower-density point-to-point route operations.

Hundreds of municipalities and private organizations worldwide work with RouteSmart software to consolidate routes, reduce mileage, eliminate overtime, improve safety and reduce costs to improve bottom-line results.



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