



Iowa Department of Transportation

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November 23, 2009

John M. Palatiello, Executive Director
Management Association for Private Photogrammetric Surveyors
1856 Old Reston Avenue, Suite 205
Reston, Virginia 20190

Dear Mr. Palatiello:

Thank you for your November 12 letter regarding the Iowa Department of Transportation's (DOT) solicitation for Roadway Digital Image Capture Equipment. I share your interest in minimizing taxpayer costs, avoiding duplication of services, and utilizing private sector services as appropriate, which is why we have written the solicitation in its current form.

The solicitation you reference is for the purpose of replacing an existing videolog van that has exceeded its useful life. In addition to soliciting bids for a replacement van, the request for bids is also written to solicit bids on some additional optional equipment, listed as "Group B - Future Potential Expansion." This request for bids on optional equipment is for the primary purpose of understanding our options in order to most effectively utilize taxpayers' money. We intend to evaluate the options and do extensive research in this area prior to deciding whether to purchase any of the "Group B - Future Potential Expansion" items. The intent of our solicitation is to purchase a roadway image collection system that is expandable and allows for additional equipment in the future if it is found to be cost effective. As the solicitation is written, the Iowa DOT is under no obligation and makes no commitment to purchase the additional equipment.

The Iowa DOT has an extensive history of utilizing private services to support our operations and those services have been a value to both our agency and the public. For many years we have worked with Iowa State University to fund the private sector collection of pavement distress data; therefore, we have a good understanding of the process and costs for utilizing private sector services to collect this type of data. In order to assure taxpayer dollars are utilized wisely, it is important to also have cost information regarding providing a service ourselves to compare with the cost of hiring the private sector to do the service. You express concern that we have underestimated the costs of owning and operating this equipment. As you can see, we have requested the cost data for this equipment for that very reason - so that we don't underestimate the costs of owning and operating this equipment. I assure you that we will closely evaluate all available information prior to making a decision.

You also express concern about the potential for unfair competition with the private sector if Iowa DOT were to purchase and operate this equipment ourselves. I assure you that would not be the case. If we purchase and operate any of the optional equipment for which we are seeking bids, it will be solely to meet our own needs. We will not compete with the private sector by making the equipment and services available for the needs of other customers.

Let me know if you have any other questions about our solicitation.

Sincerely,

Nancy J. Richardson
Director

NJR:ckw

cc: Governor Chet Culver