



Memorandum

U.S. Department
of Transportation

**Federal Highway
Administration**

Subject: **ACTION:** Programmatic Approval of
Alternate Pavement Type Bidding

Date: November 8, 2012

From: *for* John R. Baxter
Associate Administrator for Infrastructure

Reply to
Attn. of: HIF-1

To: Directors of Field-Services
Division Administrators

Title 23 U.S.C. 112 provides that Federal-aid construction contracts shall be awarded only on the basis of the lowest responsive bid. Since 2000, FHWA has allowed the States to evaluate alternate pavement type bidding procedures with Life Cycle Cost Analysis (LCCA) bid adjustments under the authority of Special Experimental Project No. 14 (SEP-14) – Innovative Contracting. Several SEP-14 workplans and evaluations for alternate pavement type bidding with LCCA adjustments are available on the [SEP-14 Active Project List](#).

During this evaluation time period, a number of State DOTs worked with their paving industries to develop fair and transparent evaluation and bidding procedures. These States reported several advantages in using this contracting technique including: a) increased competition, b) lower unit construction costs, and c) flexibility in design, construction, and bidding.

Please be advised that projects utilizing alternate pavement type bidding with LCCA bid adjustments will no longer be considered to be experimental and SEP-14 approval will no longer be necessary. Under separate cover, the Office of Asset Management, Pavement and Construction is issuing a Technical Advisory concerning the appropriate use of these procedures. When performed consistent with that Technical Advisory, alternate pavement type bidding procedures may be used on Federal-aid projects.

Should you have any questions regarding this matter, feel free to contact Mr. Gerald Yakowenko, (202-366-1562).

