



# Memorandum

Subject: **ACTION:** Alabama Design-Bid-Build Contracting  
with Alternative Technical Concepts under Special  
Experimental Project No. 14 (SEP-14)

Date: March 17, 2017

From: /S/ Peter J. Stephanos  
Director, Office of Program Administration

In Reply Refer To:  
HIPA-30

To: Mark D. Bartlett.  
Division Administrator  
Montgomery, AL

This memorandum is in reference to the January 24 and February 28, 2017 emails submitted by Christopher (Shaun) Capps of your staff, which endorsed, recommended for approval and transmitted the following:

1. An Alabama Department of Transportation (ALDOT) Work Plan, dated January 23, (received February 28) for the use of Alternative Technical Concepts (ATCs) for a Design-Bid-Build (D-B-B) Contract under Special Experimental Project No. 14 (SEP-14)
2. The Request for Proposals for projects ACIMF-I059(385) and ACIMF-I059(394), dated January 23 (received February 27), which is the focus of the workplan; and
3. A transmittal letter, dated January 23, which transmitted the SEP-14 workplan and related documents to the FHWA Alabama Division Office

Under authority granted in 2016 by the Alabama Legislature, ALDOT proposes to utilize ATCs on this D-B-B project. ALDOT anticipates that using ATCs will provide: 1) enhanced competition by encouraging innovation in the materials and techniques proposed, and 2) a potentially less disruptive Maintenance of Traffic (MOT) plan.

As stated in ALDOT's workplan, the contract award will be made on basis of the lowest adjusted bid (best value) which includes bid prices for the base contract work, bid prices for approved ATCs and a value for the cost-plus-time component for completing critical work on the interstate.

The SEP-14 Workplan is approved, subject to the following: a paragraph regarding reporting requirements should be added to the workplan as follows:

## **Reporting**

Within six months of project completion, ALDOT will evaluate this process and generate a summary report of their findings. The report should include the following elements:

1. Industry Reaction: ALDOT will record and track the response from its contracting industry. This will also include an assessment of improvements to the process that may be proposed by industry.
2. ATCs Proposed: ALDOT will assess the number of ATC concepts proposed, the number of concepts approved for further development, and the number of concepts proposed at the time of bidding.
3. Time and Cost Savings: ALDOT will compare the cost of the Engineer's Estimate of the MOT concepts considered during design to the cost of the selected contractor's MOT plan.
4. Lessons Learned: ALDOT will provide a summary of any lessons learned throughout the project and will include any items that may be improved for any future projects that propose to utilize the technique.

Thank you for the opportunity to review and comment on this SEP-14 request. If you have any questions, please contact Gerald Yakowenko at (202)366-1562 or John Huyer at (651)291-6111.