

Work Plan
Special Experimental Project No. 14
Hawaii Department of Transportation, Highways Division
Indefinite Delivery / Indefinite Quantity (IDIQ) Contracting

for the Installation of Enhanced Pavement Marking and New Milled Rumble Strip;
Installation and Replacement of Signs; Installation and Replacement of Guardrail;
Installation of Pavement Surface Treatments; and Installation of Pavement
Preservation Strategies.

March 13, 2018

1. PURPOSE

The purpose of this work plan is to utilize IDIQ contracting as an alternative contracting method to expand HDOT's preventive maintenance and new operational safety improvements program at various locations on State Highway system under the provisions of Special Experimental Projects No. 14 (SEP-14). With the Federal Highway Administration's (FHWA) approval of the work plan, HDOT expects to expedite delivery with low bid construction procurement of various federal-aid highway funded projects.

2. Current Method

HDOT typically utilizes the traditional Design-Bid-Build method for Federally funded improvement projects.

HDOT also utilizes the IDIQ delivery method using 100% State Funds. This contracting method has allowed HDOT to quickly and efficiently implement preventive maintenance and new operational safety improvements at various locations on the State Highway system.

3. SCOPE

HDOT will procure a maximum of four individual IDIQ contracts for each of the four districts (Oahu, Kauai, Maui, and Hawaii) that will cover the following work type categories at various locations on the state highway system.

- Installation of Enhanced Pavement Marking and New Milled Rumble Strip at Various Locations
- Installation and Replacement of Signs at Various Locations
- Installation and Replacement of Guardrail at Various Locations
- Installation of Pavement Surface Treatments; and
- Installation of Pavement Preservation Strategies.

Each of the individual IDIQ contracts will be competitively bid. There will be sixteen (16) contracts in all Statewide. The IDIQ solicitation will contain a master set of specifications, construction methods and typical detail drawings, traffic control requirements, pay items,

method of measurement, method of payment and terms and conditions. Specific project locations, scopes of work, designs, and specific quantities will not be known at the time of letting. For each contract, work orders will be issued with a defined work order scope as determined by HDOT under the applicable IDIQ contract. An optional Minimum Proposal Guarantee Amount (MPGA) for each of the individual contracts is under consideration. Final determination on the use of the MPGA will be made at the time of contract letting after discussion with the FHWA Hawaii Division office. Should the cumulative approved work order total value for a contract be less than the MPGA established for that contract, the difference between these amounts shall be paid to the Contractor at the completion of the contract. The MPGA will be entirely State funded.

All work will comply with Federal, State and local laws and permitting requirements. Environmental permitting will not occur prior to Contract letting as specific project locations and scope of work need to be developed.

The method of measurement (e.g. linear foot, each, unit, etc.) and payment (e.g. per linear foot, each, unit, etc.) section will contain a list of construction items with approximate quantities of a typical work order for each District. These construction items may or may not be used depending on the District's need and available funding. The contract language will state that quantities are for bidding purposes only and this is no guarantee of the quantity of work that will be issued. HDOT will advertise the project for bids. No funds will be encumbered into these IDIQ contracts.

HDOT will be responsible for providing the work orders to the Contractor to accomplish the work.

4. DURATION

The duration of these individual IDIQ contracts will be for one year, with options to extend in one year increments up to two additional years for a total of three years maximum. The contract may not meet maximum annual amount if funding does not become available or HDOT elects to not add work.

Each District's individual IDIQ contract will have an annual maximum value that varies. Specific District contracts and anticipated annual maximum value for the first year of the contract are noted in Attachment 1. Prior to the end of a yearly contract, HDOT will evaluate the previous year's work order totals, the planned work order totals for the upcoming year for that contract and adjust the upcoming year's anticipated annual maximum value for each of the contracts accordingly to meet HDOT needs. The final value will then be set and included in each of the one year increments up to two additional years for a total of three years maximum.

5. SCHEDULE

HDOT will be advertising and executing approximately 16 contracts over the course of the next year. It is anticipated that the first project will be advertised by March 2018. With contract execution estimated for April-May 2018 and NTP on the first work order by May-June, 2018.

6. FINANCING

Funding for SEP-14 will be identified on the STIP and utilize appropriate federal-aid highway funds.

HDOT will work with FHWA – Hawaii Division to develop and manage a list of projects to potentially utilize the SEP-14 process and FHWA-Hawaii Division will obligate funding prior to HDOT issuing a work order.

Financing of work will be specified in each work order and will be part of the work order package issued to the Contractor.

7. SUBMITTAL REQUIREMENTS TO FHWA

HDOT will provide the FHWA-Hawaii Division with contract documents for each IDIQ solicitation for review prior to advertising for bids.

These IDIQ contracts and work orders may have a DBE Goal or may be designated as non-specified because work will be performed by only one Contractor and there may not be any subcontracting opportunities.

Work orders must also comply with all applicable Federal Requirements (Form FHWA-1273, Davis Bacon Wage Rates, compliance with the material requirements in 23 CFR 635 subpart D, etc.).

When federal funds are utilized, FHWA will have the discretion to review and approve each work order prior to the Districts issuing the work orders to their Contractors. FHWA may require that work orders be reviewed by HDOT Office of Civil Rights to determine an appropriate DBE goal.

8. MEASURES

To ensure that the ID/IQ contracting method is meeting expectations, HDOT will analyze the following measures and will compare them to typical values for similar work efforts associated with traditional design-bid-build procurement methods:

- a. Time to complete IDIQ bid documents
- b. Time from obligation to NTP
- c. Comparison of unit bid prices
- d. Evaluation of Bidders
- e. Contractor's ability to complete each work order
- f. Quality of work delivered by Contractor.
- g. Evaluate differences between District's annual maximum value for individual IDIQ contracts.
- h. Effects of ID/IQ contracting on DBE contractors, as applicable.

9. REPORTING

A. Interim Reports

For each fiscal year the program is active, HDOT will submit interim annual reports to FHWA within 3-months after the federal fiscal year has ended. The interim annual reports will include the following:

- (1) A summary of the type of work performed during the federal fiscal year per District.
- (2) A summary of funds expended for each type of work during the federal fiscal year per District.
- (3) Comparison of IDIQ work performed to the Design-Bid-Build process.
- (4) For each project, address the MEASURES listed above.
- (5) Interim lessons learned and recommendations for improving the IDIQ contract.
- (6) Industry and HDOT reaction to the IDIQ process.

B. Final Report

Upon completion of the IDIQ program, HDOT will submit a final report to FHWA within 3 months after the final project has completed. This final report will include the following:

- (1) A summary of the type of work performed for each project under the SEP-14 IDIQ program.
- (2) A summary of funds expended under the SEP-14 IDIQ program
- (3) Comparison of IDIQ work performed to the Design-Bid-Build process.
- (4) For all ID/IQ projects, summarize and address the MEASURES listed above.
- (5) Lessons learned and recommendations for improving the IDIQ contract
- (6) Industry and HDOT reaction to the IDIQ process

Attachment 1

SEP 14 - Anticipated Breakdown of Contract Annual Maximum Value for each District

Contract Description	Hawaii District HWY-H	Kauai District HWY-K	Maui District HWY-M	Oahu District HWY-O
Installation of Enhanced Pavement Marking and New Milled Rumble Strip at Various Locations	\$8,000,000	\$2,000,000	\$4,000,000	\$13,000,000
Installation and Replacement of Signs at Various Locations	\$2,500,000	\$1,000,000	\$2,000,000	\$18,000,000
Installation of Pavement Surface Treatments; and Pavement Preservation Strategies	\$11,000,000	\$2,500,000	\$11,000,000	\$11,000,000
Installation and Replacement of Guardrail at Various Locations	\$3,500,000	\$2,000,000	\$3,000,000	\$10,000,000

Contract maximum value for the first year to be reviewed and adjusted for each of the subsequent years if required