

Work Plan
Special Experimental Project No. 14 (SEP-14)
Michigan Department of Transportation
Fixed Cost Variable Scope or Budget Contracting
February 3, 2012

Project Number: 113613A
Control Section: 84916
Counties: Hillsdale, Ingham, Jackson, and Lenawee
Length of Project Limits: 120.016 miles
Location: I-94, US-12, US-127, M-49, M-50, M-60, M-99, M-106, & M-124
Contract Cost: \$430,340 (fixed)

Introduction

The Michigan Department of Transportation (MDOT) proposes to use fixed cost variable scope or build to budget contracting under the provisions of Special Experimental Project No. 14 (SEP 14) for the use of innovative contracting practices.

Purpose

The purpose of this fixed cost variable scope or build to budget contracting method is to use a fixed dollar amount attached to the project to obtain the greatest amount of treated roadbed miles. Because the proposed work is consistent throughout the segment locations and the final segment end point can be adjusted, the MDOT expects to gain more value for the dollar by using this innovative contracting method.

Scope

This project will consist of Overband Crack Fill or HMA Crack Treatment on fourteen (14) specified sections of state trunkline routes in Hillsdale, Ingham, Jackson, and Lenawee Counties. MDOT sets the segment priority which the contractor will follow until the fixed budget amount is reached. The expected limits of work will extend up to 120.016 roadbed miles of treatment.

Schedule

This project is expected to be advertised for the April 6, 2012 letting. The contractor selection will be based on the lowest bid if all work is completed. If all work cannot be completed using the fixed dollar amount, the contractor completing the most roadbed miles of work will be selected. In the event of a tie, bidders will be required to submit a revised bid, with the lowest bidder selected. If accepted, the bid will be awarded within 45 days of bid letting. Construction is expected to begin in June 2012 with a completion date in September 2012.

Evaluation

In order to evaluate the success of this innovative contracting method for this type of treatment, MDOT will assess completed roadbed miles under this contract compared to a typical bid let project. Industry reaction will also be measured by comparing the bids on recent similar HMA crack treatment contracts to the number of bids on this contract.

Reporting

The MDOT will prepare and submit a report on this project to FHWA. The report will be submitted to FHWA upon completion of the contract and final acceptance by the MDOT. The final report will contain an overall evaluation of the project along with any suggestions and recommendations for improving the process.