



U.S. Department
of Transportation
**Federal Highway
Administration**

Memorandum

Subject: **ACTION:** Michigan Progressive Design-Build
Project Delivery under Special Experimental
Project No. 14 (SEP-14)

Date: July 12, 2023

From: Brian R. Hogge
Acting Director, Office of Preconstruction,
Construction, and Pavements

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In Reply Refer To:
HICP-20

To: Theodore G. Burch
Division Administrator
Lansing, MI

This is in reference to Mr. Jon Stratz's July 10 email that forwarded and endorsed a revised Michigan Department of Transportation (MDOT) workplan for the use Progressive Design-Build (PDB) Project Delivery under Special Experimental Project No. 14 (SEP-14). MDOT proposes to use PDB for the I-375 Reconnecting Communities Project.

According to the SEP-14 Workplan, the project will replace a nearly 60-year-old limited-access, depressed, urban one-mile freeway with an at-grade boulevard. In addition, MDOT will reconfigure I-375 at the existing I-75 freeway by addressing the outdated interchange design to improve safety and operations from Mack Avenue to John R Street, including the Gratiot Connector from the I-75/I-375 interchange east to Gratiot Avenue. According to the Environmental Assessment (EA) (www.michigan.gov/i375study), this project will require permanent de-designation of the I-375 roadway as a freeway. In addition, the Gratiot Connector would be removed from the National Highway System (NHS). As part of the change in the NHS, I-375 would be renamed to M-375.

Under 23 CFR 636.302(a)(1), the contracting agency "must evaluate price in every source selection where construction is a significant component of the scope of work." The price of construction is typically required as criteria in the selection of a design-builder after the NEPA process is complete. The Finding of No Significant Impact (FONSI) for the Project was signed March 7, 2022. Also, under PDB, the total contract price will not be known upon selection of the Design-Build Team (DBT). MDOT is requesting approval under SEP-14 to deviate from 23 CFR 636.302(a)(1) and allow the selection of a DBT to be based on qualifications and proposal score. A cost component for preconstruction services will also be part of the Request for Proposal (RFP) selection criteria.

MDOT selected the PDB contracting method to maximize contractor input into both design and construction approach, while preserving the benefits of designer-contractor integration. In MDOT's judgement, PDB would also support the unique Project goals described in the SEP-14 workplan.

Other details are contained in the SEP-14 workplan.

This SEP-14 workplan is approved.

The FHWA's approval of the SEP-14 workplan for the Project is limited to the deviations from FHWA's procurement rules at 23 CFR Part 636 as set forth in the Workplan. FHWA's approval is not intended to be and should not be interpreted as an approval, either expressly or implied, of deviations from any other title 23 USC, title 23 CFR, or other Federal requirement (including provisions contained in the recently enacted Bipartisan Infrastructure Law, enacted as the Infrastructure Investment and Jobs Act, Pub. L. 117-58 (Nov. 15, 2021) applicable to any other aspect of the project advanced under the SEP-14 Workplan.

Thank you for the opportunity to review and comment on this SEP-14 request. Should you have any questions, please contact Brian Hogge at (202) 366-1562, or John Huyer at (720) 437-0515.