Florida DOT

General Information	
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Relevant Statute	*Fla. Stat. Ann. §337.11(7 and 8)* • Broad legislation that gives the DOT the responsibility to adopt procedures for administering DB contracts
DB Program Characteristics	• 3.2 billion total annual construction budget • Started DB program in 1987 • Over 500 DB projects since the initial pilot • Approximately 62% of the construction budget is on DB projects (25-26 projects completed last year) • DB was used on many ARRA projects

Agency Culture, Organization and Training	
Dedicated DB Program Staff	• One individual (Larry Ritchie) along with a staff of about 2, are dedicated to alternative project delivery • DOT in general is fairly decentralized - Central Office staff act as a sounding board for issues related to how things are handled on a DB project vs. DBB
Outsourcing	• CEI services are 100% outsourced • 60 – 70% of project management functions are outsourced (DOT representative is the responsible party in charge)
Internal Issues Related to DB Use	Nothing noteworthy

Industry Issues Related to DB Use	• Despite maturity of program, FDOT still gets some complaints from industry; issues heard from industry include:
	   - Evaluation process can seem subjective
	   - Cost of preparing an unsuccessful proposal can be high (in response to this complaint, FDOT has tried to streamline their proposal requirements to minimize the amount of effort required to produce a responsive proposal)
	 • Industry's perspective on DB benefits:
	   - DB reduces overall construction time
	   - Working with designers helps provide design solutions suited to the contractor's means and methods (allows contractors to build what they want to build)

Procedural Guidance and Template Documents	• Manual on DB Procurement and Administration • Boilerplate RFP documents that include guidance and considerations on how to adapt the template to a specific project

Training	• Policies and procedures are regularly revised to incorporate lessons learned
	• FDOT's training process has grown more formal over time:
	  - Districts are provided training on DB
	  - Post-award workshops are conducted with the project team to address administration of DB projects

Selection of Project Delivery Method	
Drivers for Using DB	• Schedule (DB had been used on many ARRA projects) • Innovation • Less owner oversight
Process and Tools	• No formal tool – FDOT has a one page guidelines document that identifies project types that are/are not suitable for DB delivery
Key Considerations	Per FDOT's "Project Selection Guidelines," DB should be considered on the following project types: • Projects that demand an expedited schedule and can be completed earlier • Projects that require minimum Right of Way acquisition and utility relocation • Projects that can have a well-defined scope for all parties (Design & Construction) • Projects that have room for innovation in the design and/or construction effort • Projects with low risk of unforeseen conditions • Projects with low possibility for significant change during all phases of work Examples of project that may <u>not</u> be candidates for DB contracting include: • Major bridge rehab/repair with significant unknowns • Rehab of movable bridges • Urban construction or reconstruction with major utilities, major subsoil, ROW or other major unknowns • Mill and resurfacing *(Written approval from the State Roadway Design Engineer is required to use DB on such projects)*

Entity Making the Delivery Decision	• Regions make the decisions and run the projects
	• Central Office provides oversight and advice
	• Chief Engineer approval is required for:
	  - Projects with combined design and construction cost of less than $25 million
	  - DB Pushbutton projects (regardless of combined design and construction cost)
	  - DB Maximum Price projects (regardless of combined design and construction cost)
	  - Factored DB projects (regardless of combined design and construction cost)

DB Project Development	
Project Development Activities	• Project Manager works with a multi-disciplined team to determine prequalification requirements and to develop design and construction criteria • Boilerplate RFP document is used as the basis for developing project-specific solicitation documents • Changes to the boilerplate are to be identified and submitted to the State Construction Office for review and approval
Use of Performance Requirements	• Most of FDOT's specifications try to be performance-oriented • Pavement decision is usually made and not left to the DB Team • Bridge requirements tend to be more open and flexible • DB Teams usually use FDOT specifications; the innovation comes from geometric layout

Lessons Learned	• FDOT's Design Manual is usually cited as a reference document in the RFP
	  - The Manual contains options and flexibility intended for FDOT designers only (not DB Teams)
	  - FDOT went through all of its manuals to identify what was not optional for DB teams

Procurement Process	

Delivery Options	• Delivery Options:
	  - DB Maximum Price
	  - DB Pushbutton
	  - DB with Options
	  - CM/GC (uncommon – still requires significant owner oversight; believe DB a better option for FDOT's needs)
	• Procurement Options
	  - Adjusted Score DB (Used when a number of alternatives exist that may provide the outcomes desired, e.g., a bridge project where alternative foundations, spans, and material types are acceptable)
	  - Factored DB (done once or twice; 90 to 95% of DB program is done by a 2-step best-value approach)
	  - Low Bid DB (Used when the RFP is concise, clearly defined, and innovation or alternatives are not being sought, e.g., bridge projects with a specified foundation type, span length, and beam type. Resurfacing projects are restricted to the use of the LBDB process.)

Procurement Steps	*Best-Value* 1. Advertisement 2. Letters of Interest (LOI) submitted by interested firms (Phase I) 3. Evaluators review LOIs and submit scores to Selection Committee 4. Public meeting of Selection Committee to review and confirm LOI scores 5. Shortlisting (FDOT typically receives about 7 LOIs and shortlists about 5; per statute, FDOT must receive at least 3 LOIs to proceed with an RFP) 6. DB Teams affirmatively declare their intent to continue with Phase II of the procurement process 7. RFP distributed to DB Teams providing Affirmative Declaration of Intent to continue 8. Pre-proposal meeting 9. Utility Pre-proposal meeting 10. One-on-one ATC meetings 11. Submittal of Technical Proposals 12. Proposal Evaluators review Technical Proposals:

	- Technical Proposal Page-Turn Meeting with each DB firm
	- Question and Answer Session
	- Evaluators independently score technical proposals; they do not convene to reach consensus (then it would have to be open to the public); instead of Proposal Evaluator meetings, the District Contracting Unit may schedule Technical Advisor Presentation Meetings
	- Procurement Officer compiles the scores
	13. Selection Committee reviews the Technical Review Committee's evaluations
	14. Public announcement of Technical Proposal scores and opening of Price Proposals
	15. Public meeting of Selection Committee to determine the intended award
	Low Bid DB
	1. Issue RFP
	2. Open price proposals to determine apparent low bidder
	3. Review the technical proposal of the apparent low bidder to determine responsiveness
Selection Method	*Adjusted Score*
	• Overall Technical Score is a combination of LOI and Technical Proposal scores (e.g., LOI usually worth 20 points; Technical Proposal worth 80 points)
	• Since 2012 (after FDOT began to score the LOIs), the successful proposer was not the lowest price about 24% of the time (Prior to 2012, the successful proposer was not the lowest price 31% of the time)
	• Adjusted Score is calculated as follows: $$\frac{BPP + (PCT \times TVC)}{TS}$$
	BPP = Bid Price Proposal
	PCT = Proposed Contract Time (not used when FDOT establishes a contract duration for the project)
	TVC = Time Value Cost ($X per day)
	TS = Technical Score (combined scores from the LOI and Technical Proposal)
Bundling DB Projects	Not discussed
Use of Alternative Technical Concepts (ATC)	• In general, have found ATCs to be a great source of innovation, but they can also take a lot of time to review
	• Have found that several DB Teams submit "strategic" ATCs to get FDOT to issue an addendum to clarify or close the door on an issue (force all proposers to see things the same way)
	• Cost Savings Initiatives (FDOT's version of VECP) is still used with DB, but only for credits back to FDOT. For example, if the Contractor's plan showed 8 beams, but ultimately only needed 6, FDOT wants a credit
Stipends	• Stipends awarded to a limited number of non-selected short-listed DB Teams (generally the top 2 proposers receive stipends)
	• Historically, FDOT used a formula to calculate stipends (i.e., X% of estimated contract value)
	- Industry recently challenged the amount of the stipends, providing data to demonstrate that FDOT was not capturing all of the proposer's costs
	- FDOT now uses a table to calculate stipends (see page 19 of DB Procurement and Administration guidelines)
	- Using the current guidelines for calculating stipends, FDOT is now paying about twice as much as previously

Other Comments	• *One-on-one meetings*: Project schedule allows for numerous meetings between FDOT and DB Teams:
	- Scope meeting to ensure all proposers understand the RFP
	- ATC meetings
	- Page-turn-meetings: one-on-one meeting between proposer and FDOT during which DB team highlights important aspects of its proposal to FDOT (communication is completely one-sided)
	- Q&A meetings during evaluation
	• *Scoring the LOI*: Since 2012, FDOT has been scoring the LOI (after receiving pushback from industry during the financial crisis that FDOT was not being transparent.) Both industry and FDOT are happy with the new approach. Industry likes knowing where they stand after the LOI phase (helps them with the decision of whether or not to continue on with the RFP phase)

Risk Allocation	
Risk Management Philosophy	Allocate risk to party that is in the best position to effectively manage it
Differing Site Conditions	• DB Team is expected to build its estimate of DSC risks into its bid
Permitting	• FDOT does the initial legwork to do permitting based on the FDOT conceptual plans
	• If the DB Team has a different concept, they are responsible for modifying the permit as necessary
Utilities	• RFP will identify the utilities that will likely be impacted
	• If reimbursable, FDOT will pay up to the stipulated amount in the RFP (if the DB Team's design impacts utilities more than the reimbursable amount, the DB Team must absorb the overrun)
Right-of-Way	• Projects are intended to be constructed within the existing ROW
	• If an approved ATC requires acquisition of additional ROW, the additional ROW will be acquired by FDOT
	- DB Team is to submit with its Technical Proposal all ROW maps and parcel information needed to support FDOT's acquisition of the additional ROW needed for the ATC
	- All costs for additional ROW are to be borne by the DB Team
	- Schedule risk related to additional ROW acquisition to be borne by the DB Team
Third Parties	

DB Contract Administration	
Design Oversight	• DB Team provides a schedule of its most critical items
	• FDOT establishes set timeframes for reviews
	• FDOT designers understand the push on DB projects
Construction Oversight and Quality Management	100% of projects have consultant inspection
Payment	Contractor provides both a schedule of values and a schedule of quantities (because testing is based on quantities)

Performance Outcomes	
Tracking of Metrics	• Have been trying to better document lessons learned • Track claims, cost increases, time increases
Success Factors	*Primary Success Factors* • Interaction of the DB Team • Equitable Risk Allocation (make sure the RFP is clear on what risks are on the DB team) • Communication and coordination between FDOT and industry (FDOT holds many industry meetings) • Clarity of RFP scope (Scope needs to establish clear boundaries between what you can do vs. what you cannot do, to give the DB Teams room to innovate) • Timely owner reviews/approvals *Secondary Success Factors* • DB Team qualifications (the RFP sets the minimum qualifications; *experience* level is more important than qualifications) • Use of performance specifications (FDOT's existing specifications are already fairly open) • ATCs (can be great but also time consuming)