

CONSTRUCTION CONTRACTING OPTIONS

Description

Contracting options can play an important role in mitigating the congestion and delay experienced during major road projects. These options reduce the time to completion thereby limiting how long drivers may experience abnormal traffic. They can also ensure corridors are properly maintained on a regular basis or reduce the cost of the project, allowing funds to be used for other needed projects.

There are several contracting options that can be used:

- **Design-Build:** A contractor designs and builds the project for one cost
- **A+B Bidding:** Time to build the project is valued on a per-day basis; this is added to the construction cost
- **Job Order Contracting:** Contracts given to 'on-call' contractor
- **Incentive/Disincentive:** Bonuses for early completion and fines for late completion of the project



Satellite, Inc.

Cost:	●○○○○
Time:	Immediate
Impact:	Spot
Who:	City/State
Hurdles:	None

Target Market

Congested work zone areas or very important projects.

How Will This Help?

- Reduce delay for drivers by incorporating it into the contract bidding process to increase efficiency.
- Encourage contractors to creatively mitigate congestion in work zones to reduce project time.
- Eliminate "red tape" that prolongs project start times and increases congestion.
- Lower construction costs so more projects can be performed.

Success Stories

- TxDOT has established specific guidelines regarding the use of accelerated contracting for projects (<ftp://ftp.dot.state.tx.us/pub/txdot-info/cmd/construction.pdf>).
- Information on national practices and experiences regarding alternative contracting efforts is available (http://onlinepubs.trb.org/onlinepubs/nchrp/nchrp_syn_379, http://onlinepubs.trb.org/onlinepubs/nchrp/docs/NCHRP20-68A_07-02.pdf).

Implementation Issues

There are no major implementation issues that greatly inhibit different contracting options from a legal standpoint. However, if a region wishes to use a relatively new option, policy guidelines should be developed to govern project oversight, bid, review, and awarding. Standards for estimating traveler costs, including the cost of delay, should also be established.