

Design-Build Evolution

- Legislative Evolution
 - Initial authority granted in 1998 for three trial projects
 - Authority extended to 25 per annum in 2003-2004 with a sunset of SFY 2009
 - Sunset removed in 2009
 - Quantity limit removed in 2011
 - Increased usage mandated legislatively in 2013

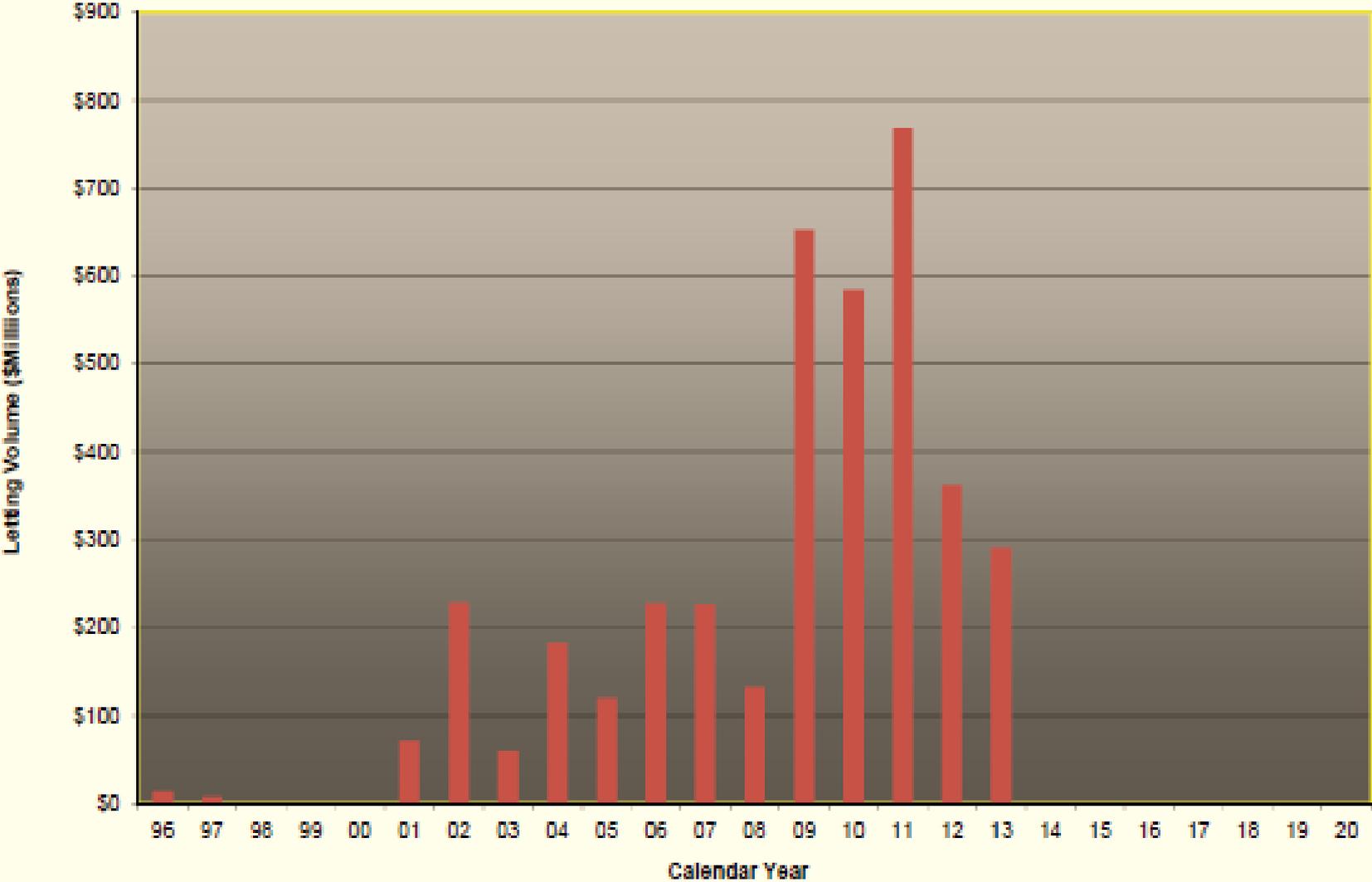
Design-Build Evolution

- Process Evolution
 - Formed committee of NCDOT/AGC/ACEC to develop DB process and procedures
 - About a year iterative process
 - Formed the basis for the procurement process
 - Committee still meets quarterly to discuss issues and make improvements

Major Statistics

- **90 Projects with Bids Opened to Date**
 - **11 Interstate Widening / Reconstruction**
 - **45 Bridge**
 - **15 New Location**
 - **3 Interstate Rehabilitation**
 - **4 Urban Widening**
 - **6 Rural Widening**
 - **6 Other**
- **Over \$3.9 Billion Total of Bids Opened**
- **Currently, another 3 Design-Build Projects Advertised**
- **Next 12 months, Design-Build Projects increase to 96, and dollar volume to \$5.2 Billion**

Design-Build Volume (\$)



Major Statistics

- 50% of winning bidders also had highest Technical Score
- 94% of winning bidders had the highest or second highest Technical Score
- Programmatic Cost 8.9% Below Final Design-Build Engineer's Estimate
- Nearly 2,800 design submittals in State Fiscal Year 2013

Design-Build Innovation

- Nested Design-Build
- Modified Design-Build
- Design-Build Finance
- Alternate Technical Concepts
- Express Design-Build

Alternate Technical Concepts

“An Alternative Technical Concept is a private query to the Department that requests a variance to the requirements of the RFP, or other documents incorporated into the contract by reference, that is equal or better in quality or effect as determined by the Department in its sole discretion and that have been used elsewhere under comparable circumstances.”

Averaging 40 per project - High of 69 / Low of 9

Express Design-Build

•Results:

- Total Bids of \$221.4M
- Bids more than 9% under estimates, collectively
- Broader contractor participation in program:
 - Total of 116 Statements of Qualifications
 - Representing 47 different prime contractors
 - 40 prime contractors shortlisted at least once
 - 22 of the 30 contracts awarded to unique prime contractors
 - 13 prime contractors new to DB Program

Express Design-Build

- Broader design firm participation as well:
 - 80 lead design firms submitted
 - 73 design firms short-listed
 - 54 design firms part of at least one award

Two-Step Process

**Step 1 - Short-listing prequalifies prospective
Design-Build Teams**

**Step 2 - Short-listed Teams compete with a Best-
Value Procurement Process that considers both
cost and Technical Score**

Typically a six-month process

Process

Technical Review Committee (TRC) Selection

Scoping Meeting

Advertisement

Statement of Qualifications (SOQ) Submittal

Design-Build Teams Short-listed

Request for Proposals (RFP) Distribution

Technical and Price Proposals Submittal

Technical Proposal Evaluation

Price Proposal Opening

Best-Value Determination

Stipend

Partial compensation for each unsuccessful Short-listed Team that submits a responsive Technical Proposal

Based on project size and complexity - \$0 to \$150,000

Amount made available to prospective Teams during Advertisement Phase

Team has option to accept or refuse

Design-Build Teams Short-listed

Evaluation based on criteria outlined in RFQ

Preferably three Teams Short-listed - A maximum of five - A minimum of two required

Only opportunity to eliminate a responsive Team

Alternate Team may be selected

All prospective Teams, regardless of Short-list status offered a de-briefing - Both positive and negative feedback provided

Technical Proposal Evaluation

Evaluation based on criteria and assigned weight outlined in RFP

Design and construction elements

Team's composition and project understanding

Anticipated problems and solutions

Long Term Maintenance

Innovation

Safety

Schedule

Non-Responsive Technical Proposals

Typical Evaluation Criteria

Evaluation Factor	Points
Management	18
Responsiveness to RFP	32
Long Term Maintenance	8
Schedule and Milestones	15
Innovation	10
Maintenance of Traffic & Safety	12
Oral Interview	5
Extra Credit	5
Total	100

Secondary Evaluation Factors

Reduction of Pass-Through Costs

Design Features - Additional Provided / Enhanced

Safety Enhancements

Self-Imposed Liquidated Damages

Detailed Site Specific Safety Action Plan, Quality Control / Assurance Plan and Environmental Quality Control Plan

Best-Value Determination

- Maximum Quality Credit is defined in RFP
 - Quality Credit - Prorated from 100 to 70
 - Technical Score of 100 = maximum quality credit
 - Technical Score of 70 = 0% credit
- In accordance with Policy and Procedures, maximum Quality Credit ranges from 15 - 50%
- Typical range is 15 - 30%

Example of Best Value Determination

Proposer	Technical Score	Quality Credit (%)	Price (\$) Proposal (\$)	Quality Credit	Adjusted Price (\$)
A	95	12.5	3,000,000	375,000	2,625,000
* B	90	10.0	2,700,000	270,000	2,430,000
C	70	0.0	2,600,000	0	2,600,000

- Proposer B wins based on lowest adjusted bid (based on 15% maximum quality credit)