Oregon Department of Transportation

Alternative Contracting: Method Selection Manual

June 2026

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Purpose

The purpose of this document is to provide details and expectations for identifying, evaluating, and selecting an Alternative Contracting Method (ACM), and the concurrence needed to use an alternative contracting method on an ODOT-delivered Statewide Transportation Improvement Program (STIP) project.

Alternative Delivery Overview

By Project Initiation, all projects over $10M in total project costs are recommended to be evaluated for an alternative contracting method.

ODOT has established an Alternative Delivery Services (ADS) program, within the Project Controls Office (PCO), with the purpose of helping project teams navigate the unique alternative delivery processes and provide project teams with consistent statewide guidance.

ODOT's conventional delivery method is design-bid-build. An Alternative Contracting Method (ACM) is an alternative to the design-bid-build or "low-bid" process, whereby the agency's selection of a construction contractor is not only on the basis of price, but other factors such as time, qualifications or a contractor's approach to the project work.

For more information, contact ADS, visit the Alternative Delivery SharePoint (internal ODOT users only), or Alternative Contracting page.

Alternative Contracting Method(s)

Price Plus Time (A+B)

This ACM determines the best value contractor based on a combination of price (A) and time (B). Time is the number of days to complete the project. There are incentive/disincentive requirements that are applied to the entire contract completion. The incentive/disincentive amounts are project specific. The incentive amount is applied for early completion of the project. The disincentive amount is applied for late completion of the project. Liquidated damages can be applied after the disincentive time period is complete.

Projects needing innovations in schedule acceleration during construction could be considered for this alternative delivery method.

Viability factors include, but are not limited to the following:

- Total project cost of $4 million or greater
- Design Acceptance Phase (DAP) complete to PS&E Phase Gate is at least six (6) months or more; complex projects may require additional time
- Availability of staff in the Resident Engineer's office to resource the project

- Viable project work type(s): e.g. pavement overlays, reestablishment of roadways or bridges, resurfacing, rockfalls and slides (non-emergency repairs)
- Road closures, average daily traffic amounts
- State funds available for incentive (above Federal Highway Administration (FHWA) contribution of up to 5% of construction budget)
- Limited schedule impacts from third parties

Note: Although projects may have a viable project work type, other considerations may impact the use of this ACM. Project teams may need to perform a risk assessment if there are any circumstances requiring further mitigation.

The project cost and time thresholds must include the additional resourcing efforts needed for the following:

- Comparison of project schedule to an accelerated schedule
- Calculation of road user cost to determine incentive/disincentive amounts
- Additional project specific procurement (Findings of Fact for Exemption (FFE)) and exemption process related tasks
- Acquiring a state exemption
- Major Projects must develop and enforce a RACI (Responsible, Accountable, Consulted, Informed) chart

The Alternative Delivery SharePoint has additional information regarding method evaluation, selection, benefits, and challenges of alternative delivery methods.

Price Plus Multi-Parameter (A+C, A+D, or A+C+D)

This contracting method determines the best value contractor based on a combination of price (A) and one or more of the following factors: contractor qualifications (C) and contractor's approach (D).

The current FHWA programmatic agreement with ODOT for selecting the best value contractor weights factor (A) at 40% of the scoring and (C) and/or (D) factors, in combination, equaling 60%.

Note: Weighting criteria is in accordance with FHWA's September 2005 programmatic approval, allowing ODOT to use A+C+D Best Value methodology. Modifications to the weighting allocations requires prior approval from PCO state specification engineer, DOJ and FHWA headquarters. Modifications to the weighting allocations shall be documented in the SEP-14.

Projects needing innovations, specialized or technical qualifications, and/or approach above the standard contractor qualifications could be considered for this alternative contracting method.

Viability factors include, but are not limited to the following:

- Total project cost of $6 million or greater

- DAP complete to PS&E Phase Gate is at least ten (10) months or more (eight (8) months if Consultant under contract); complex projects may require additional time
- Viable project work type(s): e.g., new alignments, facilities, bypasses, highway reconstruction with major alignment improvements, major widening, bridge replacement/new bridge, bridge widening, raising, or deck repair, and tunnels

The project cost and time thresholds must include the additional resourcing efforts needed for the following:

- Developing and determining the evaluation and scoring criteria of the contractor's qualifications, experience, and/or approach (means and methods)
- Additional project specific procurement and exemption process related tasks, including FHWA related Special Experimental Project No. 14 (SEP-14) documentation
- Acquiring both state exemption (FFE) and federal request to use non-traditional contracting (SEP-14)
- Major Projects must develop and enforce a RACI chart

Note: Although projects may have a viable project work type, other considerations may impact the use of this ACM. Project teams may need to perform a risk assessment if there are any circumstances requiring further mitigation.

The Alternative Delivery SharePoint has additional information regarding method evaluation, selection, benefits, and challenges of alternative delivery methods.

Construction Manager/General Contractor (CM/GC)

This is a two-phase contracting method where ODOT contracts early in the Project Design Phase with a construction contractor. The construction contractor provides pre-construction services (e.g., constructability reviews, cost estimating, scheduling, permit assistance, and bid packaging), and then construction services. The solicitation includes a request for proposal (RFP), and the selection of a contractor is based on qualifications, approach, CM/GC Contractor fee, and pre-construction services hourly rates.

The CM/GC delivery method could be considered for projects needing innovation, contractor input during the design, a significant amount of interested party involvement, and owner control over the design.

Viability factors include, but are not limited to the following:

- Total project cost of $25 million or greater
- Timeline of at least 18 months or more from the concurrence of the ACM to the release of the RFP for CM/GC pre-construction services; complex projects may require additional time. This timeframe includes additional durations for separate procurements of an outsourced A&E and an Independent Cost Estimator (ICE)
- NEPA decision or determination must be completed prior to execution of any Early Work Amendment(s) or Guaranteed Maximum Price (GMP) Amendment

- Viable project work type(s): e.g., new alignments, facilities, bypasses, highway reconstruction with major alignment improvements, major widening, adding through lanes, passing and acceleration/deceleration or auxiliary lanes, grade separation, bridge replacement/new bridge, bridge widening, raising, or deck repair, and tunnels

The project cost and time thresholds must include the additional resourcing efforts needed for the following:

- Additional procurements for the owner's representative (if applicable), A&E firm, and the Independent Cost Estimator (ICE)
- Developing and determining the evaluation and scoring criteria of the contractor's qualifications, experience, and/or approach (means and methods)
- Providing additional project specific procurement and exemption process related tasks (FFE)
- Executing value engineering studies, constructability reviews, and risk analyses
- Blind ICE reviews
- Any additional administration of the deliverables during Pre-construction and Construction Phases
- Acquiring a state exemption
- Major Projects must develop and enforce a RACI chart

Note: Although projects may have a viable project work type, other considerations may impact the use of this ACM. Project teams may need to perform a risk assessment if there are any circumstances requiring further mitigation.

The CM/GC provides professional services during the design process (Pre-construction Phase) that includes constructability reviews, feedback on design options, production-based cost estimating with open-book pricing, schedule optimization, and identification of risks based on the contractor's established means and methods. The CM/GC is not the Professional of Record, as ODOT will either hire a separate A&E firm or complete the design services in-house.

When ODOT considers the design to be complete, the CM/GC has an opportunity to provide a cost proposal for construction services on the completed design (GMP). If the owner, designer and ICE agree that the CM/GC has submitted a fair price, the owner executes an amendment to the contract for construction services. The Construction Manager then becomes the General Contractor and constructs the project.

The Alternative Delivery SharePoint has additional information regarding method evaluation, selection, benefits, and challenges of alternative delivery methods.

Design-Build (DB)

Design-Build is a contracting method where ODOT contracts with a single entity, the design-builder, to design and construct a project. Typically, this is a two-step solicitation process, which includes a request for qualifications (RFQ) and a request for proposals (RFP) to select the design-builder.

The RFQ phase is used to shortlist proposers based on their qualifications. Those shortlisted proposers are then invited to submit proposals during the RFP phase. The proposals are evaluated based on quality and price, and may include alternative technical concepts. The best value proposer is awarded the contract.

The design-builder is responsible for the design, as the engineer of record, and the construction of the project.

Projects seeking innovation and contractor involvement through collaborative and integrated design and construction phases and schedule acceleration could be considered for this alternative contracting method.

Viability factors include, but are not limited to the following:

- Total project cost of $10 million or greater
- Timeline of at least 12 months or more, from the concurrence of the ACM to the release of the RFQ (which includes finalized contract documents); complex projects may require additional time
- NEPA decision or determination must be completed prior to advertisement of the RFQ
- Viable project work type(s): e.g., new alignments, facilities, bypasses, highway reconstruction with major alignment improvements, major widening, adding through lanes, passing and acceleration/deceleration or auxiliary lanes, grade separation, bridge replacement/new bridge, and tunnels

Note: Although projects may have a viable project work type, other considerations may impact the use of this ACM. Project teams may need to perform a risk assessment if there are any circumstances requiring further mitigation.

The project cost and time thresholds must include the additional resourcing efforts and extensive project and contract development duration needed for the following:

- Providing additional project specific procurement and exemption process related tasks (FFE)
- Acquiring a state exemption
- Developing and refining project-specific Performance Specifications and Contract
- Developing and determining the evaluation and scoring criteria of the contractor's qualifications, experience, and/or approach (means and methods)
- Evaluating confidential alternative technical concepts during the procurement
- Major Projects must develop and enforce a RACI chart

The Alternative Delivery SharePoint has additional information regarding method evaluation, selection, benefits, and challenges of alternative delivery methods.

Indefinite Delivery/Indefinite Quantity (ID/IQ)

Note: At this time, ID/IQ is still a pending contracting method and has not been fully developed for use on ODOT's STIP portfolio.

Indefinite Delivery/Indefinite Quantity (ID/IQ) is a contracting method in which a contractor is required to provide an indefinite quantity of supplies or construction services over a predetermined amount of time. This contracting method is similar to price agreements for architecture and engineering (A&E) services. However, ID/IQ is meant for construction services using Federal funds.

Once a price agreement is established, construction services are initiated by executing task order contract(s) with one or multiple contractors during a fixed period of time. The amount of time covered in these task order contracts, including extensions, does not exceed five years.

ID/IQ can utilize either competitive bidding or an approach similar to best value contractor selection. While the competitive, single award, low-bid approach of ID/IQ is not considered a "best value contract", it does require a state exemption from competitive bidding to be in place prior to advertisement.

Groups of projects that are of a limited nature, fall under a dedicated program to address system-wide upgrades, and require minimal design effort could be considered for this contracting method.

Viability factors include, but are not limited to the following:

- Limited Environmental, such as a programmatic categorical exclusion, or most basic CAT-X (No Historic/Archeological, Endangered Species Act, Environmental Justice, Hazmat, 4f/6f)
- No Right of Way impacts, (possible minor construction easement)
- Limited permit requirements (e.g. noise ordinance)
- No utility relocations (e.g. only minor manhole adjustment or valve boxes)
- Viable project work type(s): e.g. signing, guardrail, cable barrier, pavement resurfacing, landscaping or plant establishment, tree removal, noise walls, striping, traffic control device installation and traffic signal upgrades and installation and other simple, single function types of work
- Includes Federal funds
- Total project costs (include entire anticipated construction cost for the duration of the contracting period)
- Uncertain timeline from method concurrence to advertisement

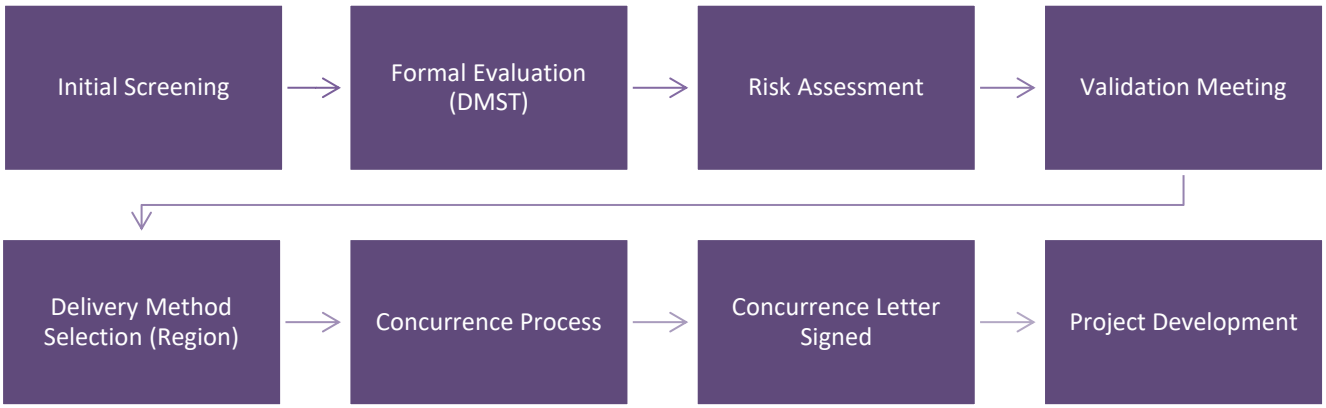
Note: Although projects may have a viable project work type, other considerations may impact the use of this ACM. Project teams may need to perform a risk assessment if there are any circumstances requiring further mitigation.

Note: the ADS team has a separate assessment tool for evaluating potential ID/IQ projects.

The Alternative Delivery SharePoint has additional information regarding method evaluation, selection, benefits, and challenges of alternative delivery methods.

Method Selection

The following flow chart provides a high-level overview of the method selection process, from Initial Screening through Project Development.



Evaluation Timeframes

The overall evaluation timeline and timeframes between deliverables and meetings are established in this Manual to ensure viability of method(s) being considered remains adequate. Schedule is not the only factor in method viability, but it is a limiting factor.

Re-evaluation or re-submission of deliverables, such as Questionnaires, is required when evaluation timeframes are not met to ensure Scope or Schedule have not been modified. ADS and PM must discuss next steps regarding re-evaluation or re-submission of deliverables.

Adherence to evaluation timelines are critical to ensure project completion times can be met.

Considerations

Project teams considering an alternative contracting method need to ensure adequate funding is available in the STIP for a project.

- Projects using CM/GC and Design-Build allow construction to start earlier than a conventional low-bid project. The timing of the funding approvals will need to be earlier and correspond to different timeframes.

Note: The Area Manager and Region Manager are responsible for the delivery of the project. Therefore, they are also responsible for selecting the appropriate ACM, given any identified risks. The Program Funding manager is responsible for concurring that funds will be available for the ACM. In some cases, such as with Design-Build or CM/GC, funds are required to be available earlier than the conventional low-bid process.

Some ACMs require additional project tasks. These tasks may include additional pre-procurement activities and reporting. Program Funding Managers, Area Managers, project sponsors, and project teams need to consider the additional tasks, additional resourcing (if outsourcing) and any scheduling constraints associated with the use of an ACM.

Note: DOJ and FHWA are required to review and approve all ACM solicitation documents prior to advertisement. DOJ will provide legal sufficiency review for Change Orders and FHWA will provide their concurrence.

Additional considerations that are not included in the Formal Evaluation – Delivery Method Selection Tool (DMST), but are discussed throughout the evaluation process, include:

1. Project Goals, including priorities of scope, schedule, budget, quality, etc.
2. Agency Experience (Project team experience, including project manager and resourcing strategy)
3. Agency Availability (Others in Region, Program, OPO, ADS, PCO, DOJ, and other technical discipline involvement, etc. to help support the project)
4. Level of Oversight (Does the budget, time and resources support the use of a particular method)
5. Level of Design Control (Particularly related to Design-Build and CM/GC, these can result in somewhat of a switch from an adversarial to collaborative working relationship and can impact Agency staffing considerations)
6. External factors such as industry capacity and experience given the type of project and its location
7. Political factors, external interested parties, community involvement or public engagement opportunities
8. Climate and resiliency considerations
9. Workforce Development considerations, including equity topics or diversity plans

Core Skills

The NCHRP Synthesis 518: Staffing for Alternative Contracting Methods, *"indicate[s] that staff competency required for the traditional D-B-B approach does not directly apply to the implementation of ACMs. The successful implementation of ACM projects often requires staff with different skill sets, knowledge domain, and competencies.*

The top five foremost knowledge domain and skill sets found to be critical for implementing ACM projects are summarized as follows:

- *Leadership and ability to coordinate other staff,*
- *Risk identification and analysis skills,*
- *Strong partnering and team-building skills,*
- *Knowledge of project delivery and procurement procedure, and*
- *Ability to analyze constructability reviews and project phasing.*

The top three "soft" skills essential for the success of implementing ACM projects are:

- *Strong commitment to successful outcomes,*

- *Accountability and trust, and*
- *Innovative problem solving attitude."*

Consultant Support

The procurement time to acquire external resources (i.e. Consultant or Owner's Rep) to support the project tasks (may include project development through construction) could add more time to the estimated timeframes required for the selected ACM (see Alternative Contracting Methods sections). The procurement of external resources will require a different Statement Of Work for an ACM, than low-bid projects.

- Price Plus Time, Price Plus Multi-Parameter – Project Teams must coordinate with PCO for any Statement of Work language
- Design-Build and CM/GC – Project Teams must coordinate with ADS for Statement of Work language

Evaluation Process

PDTs considering the use of an ACM will need to reach out to ADS for an evaluation of a project as close to Project Initiation as possible. This will ensure maximum time available for project delivery. ADS may also reach out to the Area Managers and program Funding Managers to flag any project types that could be a good fit for the various alternative contracting methods. This evaluation will identify any risks early in the project lifecycle and determine which delivery method will be most viable for the project based on the unique project attributes.

Initial Screening

The PDT should contact ADS for an initial screening to see if the project is suitable for one or more alternative contracting methods.

Initial Screening Meeting

The initial screening meeting will include a brief discussion between the PM and ADS to determine if further evaluation is needed. This meeting should happen no later than Project Initiation.

ADS will set up a meeting with the Agency Project Manager within a week of the PM reaching out to ADS to discuss the project. The Project Manager should be prepared to discuss project timelines, estimates, high-level scope, and budget.

After the initial screening meeting, the Project Team will discuss whether to move forward with a Formal Evaluation, and inform ADS via email of their decision within a week of the meeting.

Formal Evaluation (DMST) and Questionnaire Workshop

If the project is viable for further evaluation, ADS will work with the region to move forward with a formal project evaluation, no later than at Project Initiation.

ADS will send a Delivery Method Selection Tool (DMST) Questionnaire to the PDT, asking them to fill out project information. A DMST Questionnaire must be completed for all projects being evaluated formally for an ACM.

- Evaluation factors include project specific information, project dollar value, project type, risks, constraints, schedule, project complexity, opportunity for innovation, level of design, total project costs and identified project risks
- If a project is considering any lane or road closures, there is additional information the PDT is required to submit including road user costs and average daily traffic data

After ADS sends the PM a DMST Questionnaire, ADS will schedule a DMST Questionnaire Workshop. The PM will send the Questionnaire, completed to the best of their ability, to ADS at least 3 business days prior to the DMST Questionnaire Workshop.

ADS will facilitate the DMST Questionnaire Workshop to review the answers to the Questionnaire and clarify any other questions for or from the PDT. Additional information or clarification may need to be gathered by the PDT as a result of the Questionnaire Workshop. Additional check-ins may be needed to refine the Questionnaire, which ADS will coordinate.

The PDT will confirm the DMST Questionnaire is final and send the DMST Questionnaire to ADS within 10 business days after the DMST Questionnaire Workshop, so ADS can generate a DMST Report.

DMST Report Meeting

ADS will provide the PM with a report from the DMST with the results of the project evaluation. The DMST results may recommend one or more ACMs, but it could also recommend low-bid.

Note: For projects considering use of the ID/IQ method, the ID/IQ method assessment tool will be used for the evaluation, in place of the DMST.

After the DMST report has been sent to the PM, ADS will schedule a DMST Report Meeting.

At ADS's discretion, the following individuals will be invited:

- Project Manager
- Area Manager
- Program Funding Manager
- Tech Center Manager
- Region Manager
- State Specifications Engineer (for A+B, A+C+D and ID/IQ methods)
- OPO Construction Unit Procurement Analyst

The DMST Report Meeting will cover the following:

- ADS will review the DMST Executive Summary and Report, and answer any questions from attendees
- ADS will review possible reasons for method viability outcomes and identify if there are risks or circumstances that, if changed or mitigated, may impact the results of the DMST
- ADS will provide the PDT with information to help with timeline development, resourcing, and cost considerations associated with alternative method tasks

ADS will email the PM indicating that the DMST Questionnaire and Report are considered final. After that, the PM has 10 business days to discuss among their team and contact ADS via email indicating whether or not they would like to proceed with the Validation Process, or need additional time.

If more than 30 calendar days pass since the DMST Report Meeting and the PDT has not made a decision regarding Validation or has not informed ADS of their decision, the PDT will need to re-submit an updated DMST Questionnaire to ADS for method re-evaluation.

The Project Manager will save the final DMST Questionnaire (PM_K#####_DMSTQ_Y####M##D##_##) and DMST Report (PM_K#####_DMSTRPT_Y####M####D##_##) in ProjectWise.

Validation Process

The Validation Process may begin after ADS has received an email from the PM indicating support from the Area Manager, Program Funding Manager, Tech Center Manager, and the Region Manager to move forward with Validation.

Schedule Development

The PM will be provided with a copy of the schedule template, for the selected alternative contracting method, after ADS receives confirmation from the PM indicating a desire to move forward with Validation.

- Price Plus Time, Price Plus Multi-Parameter – Processes are established by PCO and OPO
- Design-Build, CM/GC – Processes are established by ADS and OPO

The PDT will use the provided template to draft a schedule to discuss at the Validation Meeting.

The PDT shall not change any task items associated with ADS, PCO, OPO, DOJ, or FHWA in the schedule (i.e. durations, predecessor/successor relationships, etc.). These are critical path tasks. Any proposed impacts to critical path tasks for the groups listed above must be brought to ADS to facilitate review by the impacted group(s).

Schedule development is a key component of successful project delivery. The Project Schedule will be attached to the Concurrence Letter.

At any point during Schedule Development, the PDT may reach out to ADS for a schedule workshop(s). ADS may also request a schedule workshop with the PDT.

Validation Questionnaire

The information the PDT is responsible for filling out in the Validation Questionnaire includes:

- Project name and project information
- Project description
- Alternative Contracting Method information
- Project resourcing
- Risk and Mitigation items
- Roles and responsibilities
- Project management information
    - Contract administration requirements
- Contract document development
- Procurement/solicitation phase information

Validation Questionnaire Handoff Meeting

ADS will schedule a Validation Questionnaire Handoff Meeting to provide the PM with a copy of the Validation Questionnaire, discuss instructions for the Questionnaire, and review the questions for clarity with the Project Team.

ADS will fill in Risk Mitigation sections of the Validation Questionnaire prior to handoff. These sections must be completed by the Project Team, in addition to other Risk sections the Project Team identifies. ADS may invite OPO and PCO (when applicable) to enter risks into the Risk Mitigation section.

Validation Questionnaire Check-In

ADS will schedule a Validation Questionnaire Check-In within a week of the Validation Questionnaire Handoff Meeting. The PM and Project Team will develop draft responses to the Validation Questionnaire to discuss at the Validation Questionnaire Check-In.

After the Validation Questionnaire Check-In meeting, ADS will schedule a Validation Meeting approximately 10-15 business days out from the Validation Questionnaire Check-In Meeting.

Validation Questionnaire Development

The following cycle will occur until ADS acceptance of the Validation Questionnaire:

1. PM submits Validation Questionnaire to ADS within 5 business days of the Validation Questionnaire Check-In meeting
2. ADS review within 5 business days of receipt and provides comment to the PM
3. PM to respond to ADS within 5 business days
4. PM and ADS collaborate to address comments
5. PM submits updated Validation Questionnaire
6. Return to Step 1-4 until ADS accepts Validation Questionnaire.

ADS may reschedule the Validation Meeting if additional time is needed to complete and accept the Validation Questionnaire.

Risk Assessment

A Risk Assessment must be conducted as part of the Validation Questionnaire. The PDT must conduct a Risk Assessment for each "Risk Category" (see Validation Questionnaire) that generated a non-viable outcome for the desired ACM on the DMST Report. The Risk/Value Engineering (VE) Team is willing to facilitate a Risk Workshop as part of the Risk Assessment process. If the PDT identifies "Other Risks" (see Validation Questionnaire) not identified from the DMST Report, the PDT must include them and any mitigation plans on the Validation Questionnaire. The PDT can move forward to the Concurrence process if there are outstanding risks. However, ADS will not sign the Validation Questionnaire for non-validated methods, which increases the risk of Non-Concurrence by the PCO Manager.

The following risks may lead to non-concurrence for an ACM, and the PDT will return to the low-bid process:

- The ACM selected was not identified as viable based on the results of the DMST
- The amount of risk impacting the procurement or the contract administration is high
- The project manager does not have program, funding, and/or region management support to pursue an ACM
- The timing of funds in the STIP will not meet early authorization requirement for the selected ACM
- If multiple alternative contracting projects are already in the queue for procurement and project support, contributing to potential program resourcing constraints or capacity issues
- The timelines of the project schedule are unreasonable, or do not support the required timelines, or availability of resources
- Industry capacity and competition concerns

Validation Meeting

The Validation Meeting will involve confirming scope, schedule, and budget (funding availability and timing) schedule constraints, and documenting any risks and mitigation plans.

ADS will coordinate and schedule the Validation Meeting. ADS will coordinate with OPO and others in PCO to determine participant availability for the Validation Meeting. ADS will coordinate with the PM to determine participants from the program/region. The PM must include the Area Manager and Program Funding Manager. ADS strongly recommends the PM include the tech center manager and the following additional subject matter experts:

- Right of way (ROW)
- Environmental
- Geotechnical
- Hazardous materials
- Hydraulics

- Traffic/Roadway
- Bridge
- Construction project managers
- Maintenance
- Others

Best Practices: Having additional SMEs provides a well-rounded discussion concerning the benefits, drawbacks, and associated risks of each alternative contracting method as it relates to the project specific attributes.

Note: If the project design is outsourced, the PM is responsible for determining the participant list from the design consultant and providing the list to ADS. If the project is outsourced, but the consultant is not available for the Validation Meeting, the PM shall identify ODOT SMEs to attend the Validation Meeting.

Sample Validation Meeting Agenda:

- PDT will provide an overview of scope of the project
- ADS will provide a brief overview of the different alternative contracting methods that were considered
- ADS will provide a summary of the DMST Report
- ADS and PDT will review the Validation Questionnaire
- Meeting attendees will discuss project risks and mitigation plan (i.e. schedule, resources, funding, ROW, environmental, etc.)
- ADS will review key Project Team member roles and responsibilities, and overview of key resources (i.e. DB RACI, DB Development Manual, DB Process Map, etc.)
- OPO will discuss the Finding of Fact for Exemption (FFE) state exemption process
- OPO will discuss the SEP-14 process for Price Plus Multi-Parameter projects, if federal funds are involved
- The PDT will present an overview of the draft schedule
- Validation Meeting attendees discuss whether ACM can be validated
- Meeting will adjourn for PDT decision

If the proposed ACM is validated, ADS will accept and sign the Validation Questionnaire. ADS will not accept and sign the Validation Questionnaire if an ACM cannot be validated.

The PM will save the Validation Questionnaire in ProjectWise (PM_K#####_ACMValQ).

Next steps are for PDT to discuss and determine if they will continue with an ACM or low-bid.

Delivery Method Selection (Region)

The PDT has 10 business days from the Validation Meeting to discuss among their team and contact ADS via email with a method selection decision. If more than 30 calendar days pass since the Validation Meeting and the PDT has not informed ADS of their decision, the PDT will need to resubmit an updated DMST Questionnaire to ADS for method re-evaluation.

The PM will email ADS with the following:

Delivery Method Selection Notice - Email Template

From: Project Manager
To: Alternative Delivery Services Team
CC: Region Manager, Funding Manager, Area Manager, Tech Center Manager
Subject: K##### Delivery Method Selection

The Project Team has decided to move forward with the following delivery method: [low-bid, A+B, A+Multi-Parameter, Design-Build, CM/GC] for K##### project. Everyone CC'd on this email concurs with the method selected.

Thank you,

If an ACM is selected and the Delivery Method Selection Notice email is provided, ADS will move forward with coordinating the Concurrence Process.

Concurrence Process

Project Schedule

The Project schedule will be used by the Agency to monitor the project, assess progress and evaluate the effects of time-related issues on the project.

The Project Manager is responsible for submitting the Project Schedule to ADS for ADS and OPO review within 5 business days of Delivery Method Selection Notice (Region) email.

- The PM will update the Project Schedule, as needed, and submit it to ADS for review.
- The following cycle will occur until ADS accepts the Project Schedule:
    1. ADS review within 10 business days of receipt and provides comment to the PM
        - ADS will coordinate schedule reviews with OPO and PCO
    2. PM to respond to ADS within 5 business days
    3. PM and ADS collaborate to address comments
    4. PM submits updated Project Schedule
    5. Return to Step 1-4 until ADS accepts Project Schedule

Once the Project Schedule is accepted, it is the responsibility of the Project Manager to update and maintain its Project Schedule from schedule acceptance to contract award.

Concurrence Form

The Concurrence Form is an agreement between the PDT, ADS, PCO, OPO, and SPDB indicating that a project is suitable for an ACM. The PDT also acknowledges, by signing the Concurrence Form, that they understand and accept responsibility for the additional effort, resources, processes, and timeframes required to deliver a project using an ACM. The PDT also

acknowledges that ADS is the SME/Technical Resource for alternative delivery and will work in partnership with ADS.

After receiving the Delivery Method Selection Notice (Region) email from the PM, ADS will provide the PM with a template for the Concurrence Form.

- The PM is responsible for drafting and submitting the Concurrence Form to ADS for review within 5 business days of acceptance of the Project Schedule by ADS.
- ADS will review the Concurrence Form and send comments to the Project Team.
- Project Team shall update the Concurrence Form and return to ADS for review.

Concurrence Meeting

ADS will schedule a Concurrence Meeting after accepting the Concurrence Form and Project Schedule. **The Concurrence Meeting must take place within 60 business days of the Validation Meeting to ensure project delivery timeframes are maintained.**

If more than 60 business days pass between the Validation Meeting and Concurrence Meeting, the PDT will need to resubmit a DMST Questionnaire for re-evaluation, as delays between Validation and Concurrence will adversely impact the project schedule.

The Concurrence Meeting is for management at the Region, SPDB, and OPO to make a final determination and agreement to proceed with an ACM.

ADS will schedule a concurrence meeting with OPO, PCO, the Region (including the tech center manager), the program funding manager, others in the SPDB, and DOJ.

Sample Agenda:

- Scope of the project - PM
- Review Concurrence Form - ADS
- Review full Project Schedule - PM
- Adjourn for Concurrence Form signatures

Project Manager will coordinate Region signatures, and then send Concurrence Form to ADS. ADS will coordinate gathering Program signatures.

Non-Concurrence

At the Concurrence Meeting, if Concurrence cannot be reached between the Funding Manager, OPO Construction Manager, PCO Manager, or the SPDB Manager, and the PDT still wants to pursue the ACM then decision-making authority will need to be escalated. The PM will determine next steps with the Area Manager and, if applicable, the Region Manager.

Within 10 business days of the Concurrence Meeting the Region will make a determination to escalate or return to low-bid. PM will notify ADS via email of decision whether to continue with Non-Concurrence or return to low-bid.

If using an ACM, the Region will contact the Statewide Capital Program Engineer and Chief Procurement Officer to initiate a meeting.

Note: the Region will also need to include SPDB Manager, OPO Construction Manager, PDS Manager, and PCO Manager at this meeting.

PM to notify ADS within 5 business days of the escalation, Non-Concurrence, meeting with whether they will be using an ACM or returning to low-bid.

If Concurrence is reached by those with escalated authority, then ADS will gather signatures and will distribute the fully executed Concurrence Form to all applicable parties.

If Concurrence is still not reached, then the PDT will move forward with the low-bid process.

Concurrence

Concurrence happens when the Concurrence Form is signed and the Project Schedule has been accepted by ADS, OPO, PCO, and Project Team.

ADS will distribute the signed Concurrence Form to the applicable parties.

The Project Manager is responsible for saving the Concurrence Form in ProjectWise (PM_K#####_ACMConcur).

Project Development

After Concurrence, the project moves into the Project Development phase. Please refer to the Alternative Contracting website for next-step resources, depending on the selected ACM, such as the Design-Build Project Development Manual.

Resources and Definitions

Alternative Contracting: Method Selection Workflow

See the Alternative Contracting: Method Selection Workflow Diagram

Alternative Contracting Method(s), ACM

Alternative contracting methods use combinations of price, qualifications, experience, schedule, and approach to select a construction contractor. Examples include Price Plus Methods (e.g. A+B, A+C, A+D, or A+C+D), CM/GC, Design-Build and ID/IQ.

Best Value

A procurement process that, in addition to price, looks at other factors such as quality and expertise, when selecting contractors.

Delivery Method Selection Tool (DMST)

All projects in the STIP delivered by ODOT, considering the use of an ACM will be evaluated by the ADS Delivery Method Selection Tool (DMST).

The DMST was developed to evaluate a project as early as the Scoping Phase, but more commonly at Project Initiation, to determine whether there are opportunities for innovation, fast tracking, specialized contractor qualifications, and/or specialized construction approach outside the conventional low-bid method.

Findings of Fact for Exemption (FFE)

By law, ODOT awards highway construction projects to the contractor with the lowest bid. However, Oregon law allows for the use of alternative contracting methods with written approval from ODOT's Director.

ODOT may exempt a contract or a class of contracts from competitive bidding requirements if findings are submitted (and approved) that identify the following:

- Whether the exemption is unlikely to encourage favoritism.
- Will likely result in substantial cost savings or other benefits to the agency.
- Allows the use of an alternative contracting method to be considered as a pilot project.
- A public hearing was held to offer any interested party an opportunity to comment.

See ORS 279C.335 for additional details.

Special Experimental Project No.14 (SEP-14)

A SEP-14 is an FHWA Alternative Contracting exemption. The objective of SEP-14 is to evaluate "project specific" innovative contracting practices, undertaken by State highway agencies that have the potential to reduce the life cycle cost of projects, while at the same time, maintain product quality.

At this time, there are no CFR rules on Price + Qualifications and/or Approach. The intent of SEP-14 is to operate within this administrative flexibility to evaluate promising non-traditional contracting practices on selected Federal-aid projects.

Projects using the Price Plus Multi-Parameter delivery method (A+C, A+D, and A+C+D) with federal aid funding are required to complete additional SEP-14 documentation. Design-Build, CM/GC, and A+B do not require a SEP-14.

Total Project Cost

All financial costs associated with the planning, development, design, construction, and administration, including but not limited to, the costs for environmental considerations, right of way acquisition, utility relocation, permitting, geo-environmental considerations, internal ODOT resources, consultant contracts, and construction contracts. For projects using the ID/IQ method, it includes the total budgeted construction value of the price agreement for its entire duration.

Other Resources

- Alternative Delivery Internal SharePoint
- Alternative Contracting External Home Page
- ORS 279c – Public Contracting – Public Improvements and Related Contracts
- FHWA Alternative Contracting Methods (ACMs) Library
- FHWA Alternative Contracting Methods Performance in U.S. Highway Construction (PDF)
- FHWA Construction Program Guide – Special Experimental Project No. 14 (SEP-14) – Alternative Contracting
- NCHRP Synthesis 518 – Staffing for Alternative Contracting Methods