Performance Contracting in Michigan

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Highways for Life
Performance-Based Contract

• 5.5 Mile, Rural, Two-lane Road and Bridge Reconstruction

• Best-Value Contract Award

• Formula for Evaluating Price and Non-Price Factors
HfL and Project Goals

1. Open to Traffic
2. Construction & Cleanup Completion
3. Pavement Performance
4. Worker Safety During Construction
5. Work Zone Crashes
6. Motorist Delay
Seven Evaluation Factors Totaling 150 Points

1. Open to Traffic Date (max points 20)
2. Construction and Cleanup Completion Date (max points 5)
3. Pavement Performance Goal (max points 50)
4. Worker Safety Plan (max points 5)
5. Work Zone Safety Plan (max points 10)
6. Reducing Motorist Delay Plan (max points 30)
7. Project Innovations (max points 30)
# Best-Value Determination

<table>
<thead>
<tr>
<th>Contractor Name</th>
<th>Contractor Score</th>
<th>Cost Multiplier</th>
<th>Contractor Bid</th>
<th>Best Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rieth-Riley Construction Company, Inc.</td>
<td>111</td>
<td>0.8520</td>
<td>$5,755,413.00</td>
<td>$4,903,611.87</td>
</tr>
<tr>
<td>Central Asphalt, Inc. (Awarded)</td>
<td>80</td>
<td>0.8933</td>
<td>$4,477,777.77</td>
<td>$3,999,998.88</td>
</tr>
<tr>
<td>Pyramid Paving and Contracting Company, Inc.</td>
<td>62</td>
<td>0.9173</td>
<td>$4,190,777.00</td>
<td>$3,844,199.74</td>
</tr>
<tr>
<td>(Unable to secure a single term, six-year warranty)</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
Lessons Learned

- Pavement Warranty
- Innovations in Violation
- Test Project Requirements/Goal
- Inaccurate Existing Bridge Plan
- Provisions to Accommodate Site Changes
Performance Contracting?
(Driven from HfL Project)

• Develop Innovative Construction Contracting Guidance Document

• Construction Manager/General Contractor (CMGC) Project Delivery. Zilwaukee Precast Segmental Bridge Replacement.

• MDOT’s Goal 10% of Projects P.C.
Hy-Span Bridge Design
Hy-Span Bridge Design
Self-Adjusting Temporary Traffic Signals
Rubblizing Existing Pavement
Material Transfer System
Shoulder and Centerline Corrugations
Stream Realignment
Thank You