



Project Number

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Project Manager

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Florida Department of Transportation Research Alternative Contracting Research

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Current Situation

To conserve taxpayer money, many governmental agencies use a low-bid process for design and construction services. The Florida Department of Transportation's (FDOT) Design-Bid-Build process falls in this category. However, a low-bid approach does not guarantee that a project will meet expectations of cost, quality, and on-time delivery. FDOT has found that alternative contracting approaches, including A+B, Design Build, Incentive/Disincentive, No Excuse Bonus, and Lump Sum contracting, have shown benefits such as decreased project schedule, increased job quality, and improved on-time delivery.

Research Objectives

University of Florida researchers evaluated the effectiveness of alternative contracting methods and compared them to Design-Bid-Build.

Project Activities

The researchers conducted the project in three stages. First, they conducted a literature review that served as the basis for designing a survey in which over 100 designers, contractors, and inspectors agreed to participate. Some questions asked participants to rank their experiences and opinions of alternative contracting methods.

Other questions provided an opportunity to comment.

The sixty-one participants that provided comments were interviewed in the second stage of the project to elicit more detailed responses regarding their experiences with alternative contracting methods. Together, the survey and interviews provided a broad range of data about perceptions and use of alternative contracting methods. Specifically, insights were gained into FDOT administration of the various methods, concerns that could be addressed, and potential conflicts between project parties.

In a third stage of the project, the researchers examined a number of FDOT projects that had been accomplished using alternative contracting methods. FDOT provided data on over 1,400 projects, and the researchers selected for analysis a sample of 190 projects representing a range of cost, contracting method, and project type. Analysis of the projects focused on cost and time performance. A number of projects were determined to be statistical outliers and were omitted from detailed analysis.

Comparison of survey, interview, and project analyses provided the basis of recommendations for changes to FDOT's handling of alternative contracting. The researchers also suggested other analyses that might further clarify the strengths and weaknesses of the alternative contracting methods in specific applications.

Project Benefits

Alternative contracting methods provide important options in getting the best performance and best products for Florida taxpayers. More detailed knowledge of how these methods work and how to improve them offers further improvements in Florida's transportation systems and more efficient use of taxpayer dollars.



On projects large and small, FDOT seeks to employ contracting methods which will ensure good contractor performance and high quality construction.

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