



## Florida Department of Transportation Research Evaluation of Alternative Contracting Techniques on Florida Department of Transportation Construction Projects BCD51 (9/07)

The Florida Department of Transportation (FDOT) began using alternative contracting methods in 1987, when it initiated a design-build program that contracts with a single company for both design and construction services. FDOT has added several other alternative contracting practices since then, and has published continual updates on the time and cost savings of these methods in its Construction Cost and Time Report, most recently in 2005. FDOT believed that a more detailed method of analyzing the contracting procedures would provide additional data that would help refine the contracting process.

Researchers obtained performance data on all FDOT construction projects completed between January 1998 and March 2006. They evaluated



project performance in four areas: cost, time, contractor performance, and value contribution. The analysis revealed significant cost and time savings through the use of alternative contracting methods. The data showed that during the period studied, alternative contracting methods, not including design-build, provided an estimated \$2.89 million in savings and saved an estimated 54,455 project days.



Alternative contracting practices resulted in contractor performance that was equivalent to the performance of contractors when traditional contracting methods were used. The data revealed that when performance incentives or bonuses were part of the contract, contractors received them more than 50 percent of the time. The study shows that the use of alternative contracting methods should continue to provide valuable savings on FDOT projects. ■

Project Manager: Shawn Murphy, Project Management Office, shawn.murphy@dot.state.fl.us  
Principal Investigator: Ralph D. Ellis, Jr., University of Florida, relli@ufl.edu