

## **A+B Bidding**

A+B bidding provisions should be considered for large and highly critical projects where road user costs are substantial enough that early completion should be considered in the award of the contract. Care should be taken to ensure that delays in construction time, such as Utility or ROW delays, are eliminated to the greatest extent possible before project letting. This will reduce the chance of contractor claims brought against the department.

## **Specifications**

**Section 2.11.5.2** of the general requirements and covenants allows the use of A+B bidding provisions, Section 2.11.5.2 indicates that the bids will be tabulated by the total amount bid for the total construction cost or the “A” part of the bid. **The “B” part of the bid is the total number of days bid per project phase/milestone or substantial completion multiplied by the Road User Cost liquidated damages per day calculated for the project.**

The **Road User Cost** is calculated by determining the delay caused by the project and multiplying it by the value of time. The value of time used is updated yearly by the Construction Division, and can be found on their crossroads website.

<http://www.txdot.gov/inside-txdot/division/construction/road-user-costs.html>

For more information on Road User cost see the PS&E Preparation manual link below.

[http://gsd-ultraseek.dot.state.tx.us/txdotmanuals/pse/specification\\_list.htm#i1009408](http://gsd-ultraseek.dot.state.tx.us/txdotmanuals/pse/specification_list.htm#i1009408)

Special provision **008-006** allows for the introduction of incentives and disincentives using a combination of Contract Administrative Liquidated Damages and Road User Costs as Accelerated Construction Strategies. This special provision also allows the number of working days bid as the “B” part of the bid to become the working days allowed at the rate (5, 6, 7 day work weeks, or calendar day) specified in the plans.

## **General Notes**

The following information needs to be included in the general notes:

Under Item 2:

- Indicate that the project includes A+B bidding, and further information can be found under Item 8 in the general notes.

Under Item 8:

- **Add mandatory pre-bid meeting (two meeting options) for purposes of explaining how A+B bidding works (utilize powerpoint presentation available on the DES-FPP website), and a statement that proposals will be available to request the day after the second meeting.**  
**\* If a mandatory pre-bid meeting is not included, then the general notes must specify the minimum number of working days that will be accepted as a responsive bid (see below) – exceptions to this must be approved by the Construction Division Director.**

- Road user cost per day calculated for substantial completion of the contract, and/or per phase/milestone.
  - If including milestones, clearly define the begin and end work activities for purposes of charging working days for each milestone.
  - If any milestones overlap, add a note requiring the contractor to have sufficient work force to perform the milestone activities at concurrent locations at the same time for the duration of the overlapping milestones.
- The maximum number of working days that will be accepted as a responsive bid for substantial completion, or for phases/milestones. It is important because the maximum working days do not show up in the bid inserts in the proposal.
- The minimum number of working days that will be accepted as a responsive bid for substantial completion, or for phases/milestones. It is important because this gives the department flexibility to reject bids for the “B” portion of the project that were made in error due to typos in the “B” bidding or other oversights. Without a minimum, a presumed low bid that is due to a typo for the “B” portion of the project would likely result in having to re-let the project.
  - \* **If the minimum number of days are not specified, then the general notes must specify that there will be a mandatory pre-bid meeting (see above) – exceptions to this must be approved by the Construction Division Director.**
- The total number of days allowed for final acceptance of the project after substantial completion. Usually this is 15-30 days.
- Call out the total working days (sum of days bid for Item 800, plus days for any other parts of the project that will have a fixed duration, plus days for final cleanup) for purposes of determining when liquidated damages will be assessed in accordance with SP 000-658.
- The total sum of incentive payments (in terms of total dollar amount, or working days for early completion, or both) available to the contractor for substantial completion of the project or phases/milestones.
- Working day determination other than standard workweek must be used (must use 5-day, 6-day, 7-day, or calendar day).

### **TxDOT Connect Engineer’s Estimate screen**

- Select the “Bid Type” as “A+B Bidding”
- At the bottom of the Estimate screen, within the “A+B” Grid, add item 800-6001 with the Road-User Cost per day, and the Maximum working days allowed to bid. The maximum working days does not show up in the proposal. Note that 800-6001 is the bid item for substantial completion. Use 800-6002, 6003, or 6004 if you need bidding for working days for milestones.

### **TxDOT Connect Specifications List screen**

- Include special provision 008-006.

## **Milestone Notes Example**

A+B Projects: Include maximum and minimum (minimum optional) working days and road user cost. If A+B for a milestone rather than the entire contract, include information above and specify the number of additional days in the contract. For example:

Time charges for Milestone 1 begins when traffic control for Phase 3 is implemented. Time charges for Milestone 1 shall end when Phase 3 is substantially complete.

The maximum number of working days that will be accepted as a response bid for completion of Milestone 1 shall be 194. The daily road user cost for completion of Milestone 1 is \$5,750 per day.

The maximum number of working days for computing the incentive credit for Milestone 1 will be 30 days.

The Contract Time will be 486 days plus the duration bid for Milestone 1.

## **Post-Letting – Site Manager**

Recommend reviewing A+B and milestone general notes with the Area Office so they will understand how working day charges need to be setup in Site Manager. Please contact Cullen Pfeiffer and Aaron Lenz in CST Division if you have any questions about Site Manager.