INVESTIGATING PROJECT BUNDLING PRACTICES FOR TRANSPORTATION CONSTRUCTION PROJECTS

Project Statement

Project Bundling is an innovative contract procurement strategy that is being widely used in bridge and highway projects to save project delivery time and costs. The guidebook developed by FHWA on project bundling also provides a wealth of information on project bundling. However, the guidebook is primarily focused on the project bundling practices that STAs adopted for bridge projects. Thus, a knowledge gap in project bundling for roadway projects (such as added travel lanes, resurfacing, intersection improvement, interchange work, shoulder rehabilitation and repair, etc.), might exist.





Research Methodology

- Phase I: Survey
- Phase II: Interview & Case Study



Objectives

The main objectives of this study is to explore the current state of practices of project bundling among various state transportation agencies (STAs) including but not limited to bridge projects.

- Synthesizing the literature on current practices of project bundling;
- Reviewing and synthesizing the current experience of STAs with project bundling for various types of project; and
- Developing best project bundling practices.

Survey Results

- Project bundling has been widely used by STAS on bridge projects, roadways, and safety projects.
- Project bundling can work with different project delivery methods.
- The interstates and high-volume roadway projects located in the same corridor are often bundled while bridge bundles can be expanded to a larger geographical area.
- The bundling practices differ depending on the scope, geographic distribution, and design.
- Most STAs assess projects' suitability for bundling as early as the planning and programming phases.
- The major factors that are considered during bundling by STAs include work type, project type, and spatial proximity.
- The majority of the STAs perceive no difference in project risks between bundled and non-bundled projects.
- The majority of the STAs agreed on the benefits of project bundling. However, few have officially quantified the impact of project bundling.
- The major concern associated with project bundling lies in the potential elimination of competition from smaller contractors.



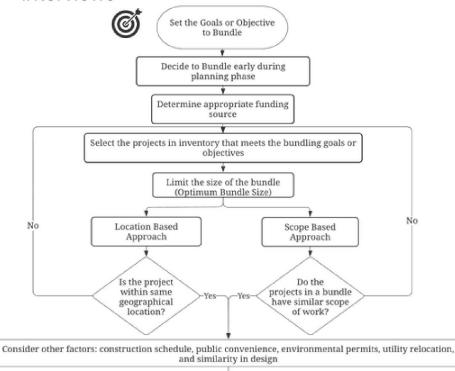


Keywords of Interview Transcripts



Best Practices

Synthesized from case studies and interviews





Potential Impacts & Benefits

Arrange a peer discussion with stakeholders, including district engineers, local agency, contractors, smaller contractors, public, and so on.

Perform Risk Assessment

Select appropriate delivery methods.

Provide trainings and workshops to the contractors in the state about bundling

Create Optional Bundles (P1, P2, ... vs. P1 + P2 + ...)

Is the sum of low bid amount for individual projects advertised greater than the low bid amount received on the contract that bundled those projects?

Bundle Projects

Bundle Projects

Best practices of project bundling help STAs:

- Achieve a more thoughtful and mature level of project bundling implementation;
- Achieve better economy of scales;
- Reduce potential project risks; and
- Save even more project delivery time and costs

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