

# Welcome!

### We will get started right at 1:00PM



## Bridge Bundling DBE Webinar



Thank you for joining us! The meeting will begin shortly.

This meeting will be recorded and available online after the meeting

For Questions

- At the bottom of the window, click **Q&A.**
- When you click on Q&A, a window will appear where you can type a question and see others' questions.
- DOT.InnovativeProjectDelivery@Illinois.gov





# Bridge Bundling DBE Webinar

More Projects \* Faster Investment \* Saves Money \* Additional DBE Opportunities

Omer Osman Holly Bieneman Neil Adams Carl Puzey Earl Harrison 09/08/2021



Illinois Department of Transportation

### **Opening Remarks**



#### **Omer Osman**

• Secretary of Transportation, Illinois Department of Transportation



### Agenda

Welcome and Webinar Overview

**Illinois Bridge Bundling Overview** 

**Guest Speaker: Previous DBE Experience with Bridge Bundling** 

**Polling Questions** 

**Open Discussion Q&A** 

Wrap Up and Next Steps





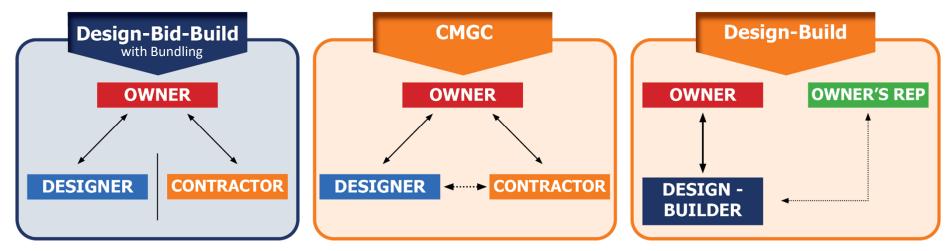
The purpose of today's meeting is to introduce IDOT's bridge bundling program, as well as engage with industry to solicit and gather feedback and input on how to best structure the program. Bureau of Innovative Project Delivery 🕅

- >>> IDOT continually seeks innovative solutions to meet the growing transportation needs of Illinois.
- >>> Bureau of Innovative Project Delivery or IPD
  - >> Established in 2016
  - >> Identifies, evaluates, and develops projects that may benefit from innovative approaches, including the use of various forms of public-private partnerships ("P3"), and other contracting methods allowable under law.

Illinois Department of Transportation

### **Innovative Delivery Methods**





Traditional delivery (design-bidbuild) with bundling will **not** require legislation, also reduces time and cost savings, flexibility for DBE innovations

Legislation will be required for **innovative**, **alternative** delivery options; more opportunities to reduce time and cost savings, flexibility for DBE innovations

**TRADITIONAL DELIVERY** 

**INNOVATIVE DELIVERY** 



### Bridge Bundling Feasibility Study -Background

Illinois Department of Transportation

#### Over 3,400 of IDOT's Bridges (43%) were built over 50 years ago.

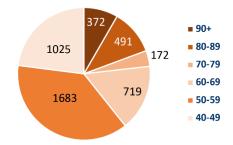
>>> IDOT currently **non-compliant with Federal law** with >10% of National Highway System bridge deck "structurally deficient"



Over 1,000 bridges "load posted" in Illinois

- - Nearly 2,500 structurally deficient bridges in Illinois
- 13% of the deck area on structures maintained by IDOT are classified as structurally deficient

#### # of IDOT Maintained Structures over 40 years old



- 43% of structures maintained by IDOT are over 50 years old
- 7,859 state bridges have an average age of 44
- 18,972 local bridges have an average age of 41

- >>> Increased Rebuild Illinois revenues and traditional delivery approaches **remain insufficient** to meet federal requirements
- >>> Freight movement is constrained due to load-posted bridges



#### **Bridge Bundling Feasibility Study -Overview**



)Illinois Department of Transportation

>>> Evaluate bundling for state-owned bridges and culverts throughout Illinois to assist IDOT with understanding the benefits and considerations of establishing a bundling demonstration project and ongoing program.



Bridge bundling in Illinois could:

- >>> Complete more projects in less time at lower costs
- >>> Leverage increased revenues to deliver more projects
- >>> Create new, innovative opportunities for DBE engagement and growth



# **How Bundling Works**



1,0	<ul> <li>Structures (bridges and culverts) in poor condition are screened to identify and that:</li> <li>Need replacement</li> <li>Technically straight forward</li> <li>Have similar replacement structure characteristics (pier, columns beam, guardrail types)</li> </ul>
2 ()	<ul> <li>Structures will be prepared for procurements:</li> <li>Level of effort by IDOT will depend on the delivery model selected:</li> <li>DBB: 100% design</li> <li>CMGC: 1-5% design</li> <li>DB &amp; P3: 35% design to secure permits and estimate costs</li> </ul>
3	<ul> <li>Bundles could be procured based on:</li> <li>Proximity of the structure to one another</li> <li>Capacity of the market to deliver the structures</li> <li>Priorities based on feedback</li> </ul>
4 🙊	<ul> <li>Selection of Best Proposals:</li> <li>Bundles will depend on structure similarity</li> <li>Goal: Contractors quickly deliver multiple projects by minimizing the number of designs and optimizing the ability to apply economies of scale to efficiently construct all of the structures</li> <li>Compared to the traditional delivery (one structure at a time), lower costs should be realized, and the cost savings should be able to grow overtime as the process is repeated</li> </ul>



### **Economic Benefits of Bundling**

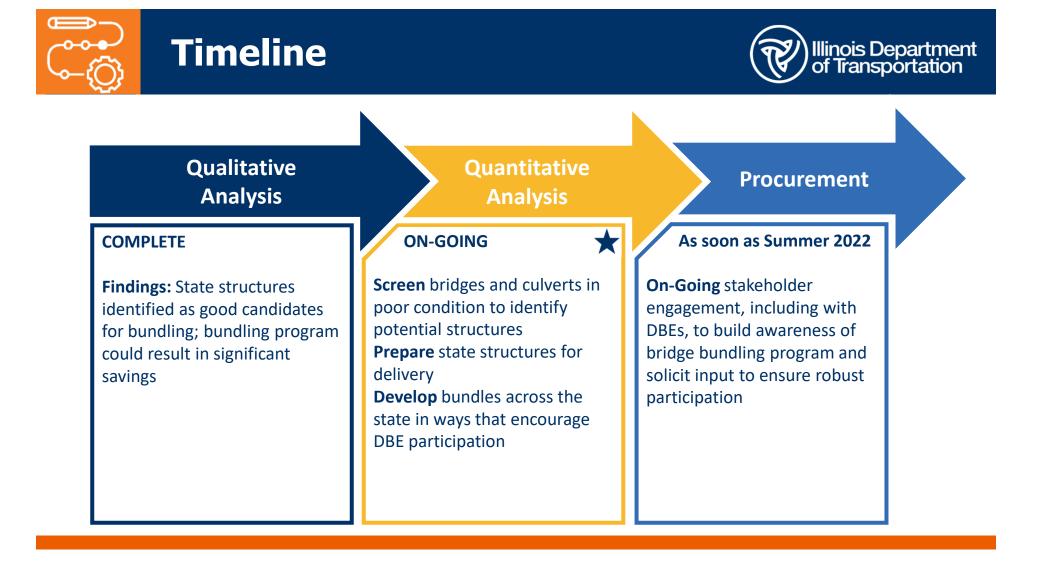


- >>> Increased investment in disadvantaged communities and across the state via additional projects
- >>> Improved **safety and connectivity** of the transportation network
- >>> Bundled delivery **reduces costs** due to economies of scale, reducing deferred maintenance, and avoiding cost escalation and inflation; also provides opportunities for reduced staff time
- >>> Delivering bundled structures means **additional projects** can be built *now* through Rebuild Illinois



Current pace of bridge construction:

- Hurts economic activity by limiting freight movements
- Inconveniences the traveling public
- Leads to increased costs from deferred maintenance and inflation





Bridge Bundling Program Goals

- >>>Create new opportunities and work experiences for DBEs to grow and thrive
- >>> Improve the **safety** of the traveling public
- >>> Improve **condition** of the overall bridge inventory
- >>> Expedite the delivery of bridges and culverts
- >>> Ensure **financial stewardship** of public funds
- >>> Improve the **connectivity** of the transportation network

### Hg Consult, Inc

### **Guest Speaker:**

#### **Earl Harrison**

- President and Owner of Hg Consult, Inc.
- 27 yrs. Industry Experience
- Founded Hg Consult, Inc (2010)





### **Hg Consult, Inc Overview**



>> Missouri Department of Transportation (MoDOT)

Illinois Department of Transportation

- >> Kansas Department of Transportation (KDOT)
- >> Other Consultant Firms

#### **Bridge Types**

- >> Rural
- >> Off-System
- >> Simple Stream Crossings
- >> Rehabilitation or Re-deck Design

### Hg Consult, Inc Pros/Cons

#### Pros

- >> Streamlined Proposal/Selection Process
- >> Combined Meetings and Field Checks
- >> Design & Plan Production Efficiencies
- >> Multiple Bridges = More Backlog (Sustained Staff Levels)

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#### Cons

- >> Design Complacency (QA/QC)
- >> Overcome Capacity Perception (Teaming)

"Be Honest & Confident about your Capabilities and take a chance"

### Bridge Bundling and DBE Engagement

#### **IDOT Focus Areas:**

- >>> Determine the key factors for successful bundling program by soliciting perspective from DBE community
- >>> Evaluate challenges currently being faced by DBEs
- >>> Explore new opportunities/ programs for DBEs via future potential bundling program

<u>Program Goal</u>: Create new opportunities and work experiences for **DBEs to grow and thrive.** 

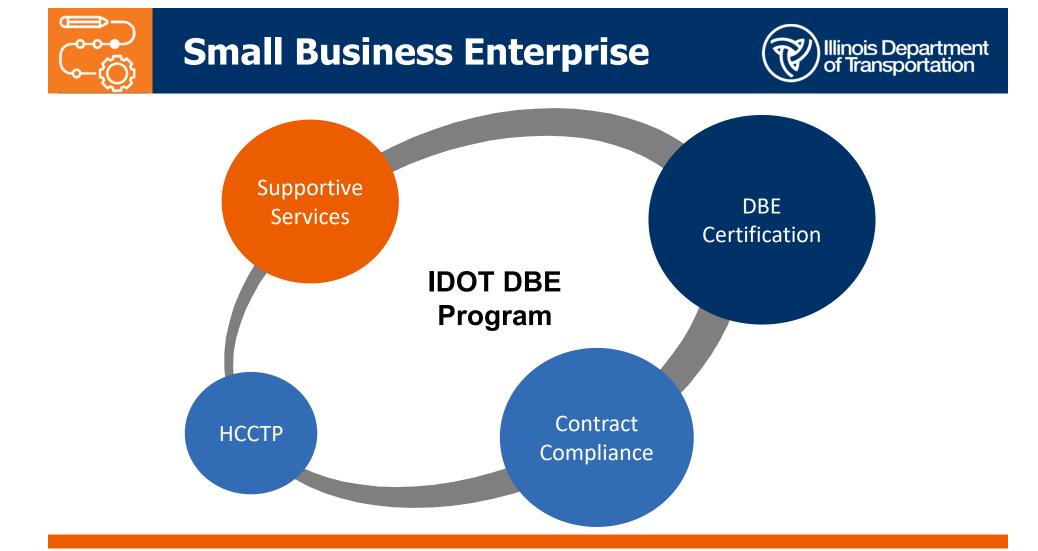


### **Bridge Bundling and DBE Engagement**



# **Objectives of DBE Outreach and Programmatic Opportunities Under Consideration, subject to FHWA Review and Approval**

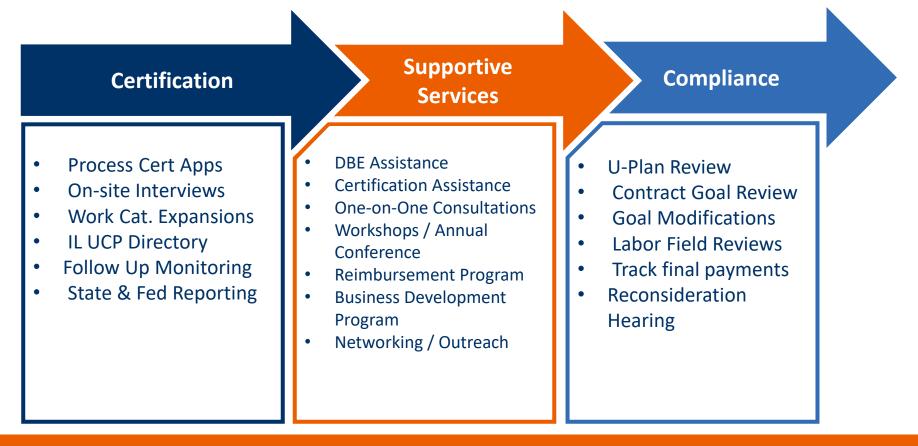
- >>> Overall: Connect early, often with DBE regarding potential programs
- >>> Coordinate DBE procedures to bundling processes
  - >> Potential for streamlined requirements
- >>> Increased opportunities for DBEs to be a part of the process
- >>> Increased interaction between DBEs and Prime Firms
  - >> Mentorship opportunities
  - >> Project Scoring
  - >> Targeted DBE participation goals





### **Bureau Processes**



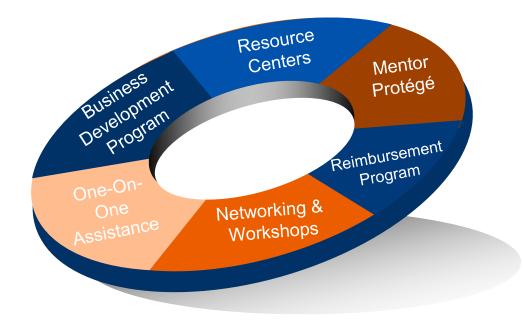




# **DBE Supportive Services**



10 Resource Centers Statewide: Equipped with computer, Wi-Fi, printer/scanner.



#### OFFICE OF BUSINESS & WORKFORCE DIVERSITY

Pamela Simon, Director Office of Business & Workforce Diversity

Debra A. Clark, Bureau Chief Bureau of Small Business Enterprises

> 2300 South Dirksen Parkway Room 319 Springfield IL 62764 (217) 782- 5490



### **Polling Questions**



Now we will now ask a series of polling questions. Responses to these polling questions will assist IDOT with further developing the Bridge Bundling Program.

#### **Chat Function:**

• When you click on chat, a window will appear where you can also type responses to the polling questions. Responses will remain anonymous. A member of the project team will be reviewing your responses in the chat.



### **Polling Question #1**



# What elements tied to prequalification/ certifications are barriers to participation?

Please respond using the chat





Are there other constraints related to financial capacity, bonding, or insurance, that may constrain your ability to participate in a bundling project?

Please respond using the chat

### **Polling Question #3**



# What types of incentives/programs would assist with DBE participation?

Please respond using the chat



## **Open Discussion Q&A**





### **Questions?**

- >>> Overall bridge bundling effort? Feedback on DBE webinar and engagement?
- >>> For additional feedback or thoughts please feel out the online survey before September 22<sup>nd</sup>. You can find the survey at:
- >>>IDOT.Illinois.gov -> Doing Business -> Innovative Project Delivery or by using the following <u>link</u>.

### **Next Steps**





#### **Next Steps**

- >>>Compile Results from Industry and DBE Webinars
- >>>Industry/DBE Survey (available until 09/22/21)
- >>> Risk Assessment
- >>> Identify Bundle Structures
- >>> Recommend Optimal Delivery Approach



#### **Thank You**

For more information and for our survey please see the

**IDOT Bureau of Innovative Project Delivery Webpage** or email the program team at:

DOT.InnovativeProjectDelivery@Illinois.gov