



Victoria F. Sheehan
Commissioner

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



William Cass, P.E.
Assistant Commissioner

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

Bureau of Construction
November 18, 2020

REQUESTED ACTION

Authorize the Department of Transportation to make three stipend payments totaling \$375,000.00 to three design/build teams at \$125,000.00 each; Middlesex Corporation, R.S. Audley and SPS New England, on the Derry-Londonderry I-93 Exit 4A project, from the date of Governor and Council approval through January 30, 2021. 100% Federal Funds.

Funding is available in State Fiscal Year 2021 as follows:

	<u>FY 2021</u>
04-96-96-963515-3054	
Consolidated Federal Aid	
400-500870 Highway Contract Payments	\$375,000.00

EXPLANATION

The contract for this project was to be performed as a Design-Build that included the design and construction for the new interchange (I-93 Exit 4A) including the easterly construction of a new access road approximately 0.75 miles within Town of Londonderry to a connection into the local street network of the Town of Derry. The project includes the reconstruction of North High Street, Folsom Road and Tsienneto Road in the Town of Derry through to the intersection of Tsienneto Road with NH Rte. 102 to accommodate improved access.

On December 5, 2018, Governor and Council approved (item #24) the Department's intended use of the Design Build procurement method for the Exit 4A project, as well as noting the stipends involved. The Design-Build procurement involves a two-step Best Value methodology, which identifies the responsive and responsible bidder offering a proposal that is determined by the Department to provide the best value. The first step consists of issuing a Request for Qualifications (RFQ) of Design-Build teams and short-listing teams to bid on the project. On January 15, 2019, the design project team obtained Commissioner's Office approval to utilize a Design-Build Procurement Method for the project as permitted in accordance with RSA 228:4.

On January 16, 2019, the Department issued a Request for Qualifications (RFQ) to the Construction Industry, The American Council of Engineering Companies (ACEC) of Maine and New Hampshire and also posted the RFQ to the Department's procurement web page. As a result of this solicitation, Statements of Qualifications (SOQs) were received from the following three Design/Build Teams:

- 1) R. S. Audley, Inc. Hoyle, Tanner & Associates, Inc., and GM2;
- 2) Middlesex Corporation and AECOM; and
- 3) SPS New England, Inc., and VHB.

The submissions were evaluated by the Department's Evaluation Team for the project and all three teams were shortlisted on May 20, 2019 and invited to continue with the second step of the design-build process. The Request for Proposal (RFP) was issued on April 9, 2020. All three proposals were received by the Department in advance of 2:00 pm deadline on Thursday, August 27, 2020.

The Design-Build Bidders Price Proposals (Bid Price) were opened on Thursday, September 17, 2020. The opening (invitation only) was attended by members of all three design/build teams and members of the Department. The associated technical proposal scores were read, and the best value submission was determined.

The bidder that offered the overall best value to the Department and the State of New Hampshire, considering both price and technical factors was over \$30 million higher than the Department's estimate. The Department determined that it was not in the best interest of the State to award to the best value proposer and therefore cancelled the contract.

We attribute the difference in cost estimates to higher design costs, property right acquisition costs, higher construction cost in several of the more developed areas, and overall risk associated with the aggressive schedule outlined in the RFP. The general risk to the contractor for the design/build contract also drove up the overall costs for the project that was not adequately addressed in the state's estimate which was based on design and contract plans completed to 30%.

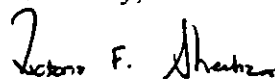
Each proposer submitting a responsive proposal is entitled to receive a stipend in accordance with the RFP, provided that such proposer has timely executed and delivered the stipend agreement to the Department. The total available stipend amount per proposer is \$125,000.00. This stipend payment is anticipated to be awarded to eligible proposers; contingent on Governor and Council approval.

The stipend agreement within the RFP has been approved by the Attorney General as to form and execution, and the Department has certified that the necessary funds for the stipend are available.

The Federal Funding is 80% Federal Funds with 20% State Funds. Turnpike toll credit is being utilized effectively using 100% Federal Funds.

Your approval is respectfully requested.

Sincerely,



Victoria F. Sheehan
Commissioner

VFS/md
Attachment



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



Victoria F. Sheehan
Commissioner

William Cass, P.E.
Assistant Commissioner

September 21, 2020

John J. Waugh
Middlesex Corporation
One Spectacle Pond Road
Littleton, MA 01460

Dear Mr. Waugh:

This correspondence is to advise you that the Department is cancelling the Derry-Londonderry 13065 I-93 Exit 4A design/build contract. Your firm submitted the best value price proposal at the September 17, 2020 price proposal opening. Your best value price of \$91,917,000 was significantly over the State's estimate.

The Department will be taking a few months to evaluate the project scope, method of delivery and program financial status and will likely plan to re-advertise the project for construction at a later date.

I regret the necessity of this decision but do appreciate your active interest in our contract construction program.

Sincerely,

Peter E. Stamnas, P.E.
Director of Project Development

cc: Bureau of Construction
Bureau of Finance & Contracts
Bureau of Highway Design

24 Lem



Victoria F. Sheehan
Commissioner

NOV06'18 PM 2:29 P.S.
THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



William Cass, P.E.
Assistant Commissioner

His Excellency, Governor Christopher T. Sununu
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

Bureau of Right-of-Way
October 29, 2018

REQUESTED ACTION

- 1) Pursuant to RSA 230:14, revise the Special Committee for the Derry-Londonderry 13605 (Exit 4A) project.
- 2) Pursuant to RSA 228:4, authorize the Department of Transportation to utilize design build contracting method for the 13605 project to construct a new interchange along I-93 (Exit 4A) in Londonderry with easterly connection to NH Route 102 in Derry.

EXPLANATION

1) On September 20, 2018, the Governor and Executive Council authorized (Item #4E) the Bureau of Right-of-Way's petition for a hearing, and the appointment of a special committee. The membership of the suggested committee has since changed to include Councilor David Wheeler, in place of Councilor Chris Pappas, due to his unavailability.

Since the Petition was for the limitation or control of access, this new Special Committee should be appointed by the Governor, with the advice of the Executive Council, to hold the hearing. The Special Committee shall determine whether there is occasion for the laying out of the new interchange and new roadway in the towns of Derry and Londonderry, as presented at the hearing.

Suggested revised Special Committee:

Executive Councilor Russell Prescott
Executive Councilor Andru Volinsky
Executive Councilor David Wheeler

2) Pursuant to the State 10-Year Transportation Improvement Plan, a project for construction of a new interchange in Town of Londonderry and easterly 3.0 mile connection through the Town of Derry is included for the purpose of traffic relief through downtown Derry and enhance regional economic development. The Derry-Londonderry, 13065 project will construct a new interchange on I-93 in Londonderry between Exits 4 and 5 approximately 0.6 miles north of Ash Street Extension overpass and a new roadway connection extending east for approximately 0.75 miles to join North High Street near its intersection with Madden Road in the Town of Derry. The project will also include improvements along North High Street between Madden Road to Franklin Street intersections, along Folsom Road between Franklin Street and Manchester Road/Crystal Avenue (NH 28), and along Tsienneto Road between the

intersections of Manchester Road/Crystal Avenue (NH 28) and Chester Road (NH 102). Total length of improvements along North High Street, Folsom Road and Tsienneto Road is approximately 2.2 miles. The cost of the new interchange includes \$12.7 million for Right-of-Way acquisition and \$36.4 million for construction. The project funding will be through the Federal Aid and local community funds.

RSA 228:4 requires the Department to seek Governor and Council approval for the use of the design build procurement methodology for projects with cost in excess of \$25 million. In accordance with RSA 228:4 a Public Hearing was held on July 25, 2018 in the Town of Derry. The comments and public input will be considered and incorporated as appropriate into the design build procurement process.

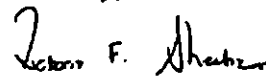
Under the design build method, the Department will engage the services of a single entity or team to provide the engineering design, property acquisition and construction of the project. The Department will follow a two-step process of requesting qualifications (RFQ) from the prospective firms/teams and then requesting proposals (RFP) from selected number (typically 3) of the most qualified teams. The Department will select a successful team based upon detailed criteria for both technical merit (strength of team, schedule, project approach, experience, etc.; weighted approximately 30%) and best value/bid price (weighted approximately 70%). Stipends will be provided to the non-selected teams to partially compensate for the cost of developing proposed designs, ownership and use of concepts developed in the process, and to increase competition and price competitiveness. Stipend costs are anticipated to be approximately \$125,000.00 each.

There are several benefits to using design build over conventional design-bid-build contracting methods. The design build process will provide significant timesaving's, estimated to more than one year in the design, Right-of-Way clearance and construction of the new interchange and roadway improvements. The design build process will allow maximum flexibility and creativity to optimize the contractor and team's expertise and construction capabilities. The design build method will allow for earlier release for construction of roadway segments including the new I-93 Exit 4A interchange and approach roadway to Folsom Road to aid in local community's land use planning, early coordination for utility coordination and relocation, a coordinated effort for Right-of-Way acquisition based upon contractor's schedule and construction sequence and advancement for the construction of bridges at Shields Brook and Beaver Brook Tributary #E. The design build process will also provide earlier cost certainty in the current bidding environment.

I-93, Exit 4A project is well suited for the design build approach to complete the final design, coordination for utility relocations, prioritization of right-of-way clearance for construction sequencing and completion of construction in the most efficient, shortest timeframe and least impact to the traveling public.

Your approval of this resolution is respectfully requested.

Sincerely,



Victoria F. Sheehan
Commissioner

Attachments

- PETITION -

To His Excellency, the Governor, and the Honorable Executive Council:

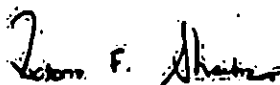
In accordance with RSA 230:14, I, Victoria F. Sheehan, Commissioner of the New Hampshire Department of Transportation, propose construction of a new interchange on I-93 in the town of Londonderry between Exits 4 and 5, and a new roadway extending east for approximately 0.75 miles from the new interchange in the town of Derry.

Derry-Londonderry, 13065, IM-0931(201)

This project will construct a new interchange on I-93 in Londonderry between Exits 4 and 5, and a new roadway extending east for approximately 0.75 miles from the new interchange to join North High Street in Derry near its intersection with Madden Road. Improvements to I-93 related to the new interchange will extend approximately 0.6 miles to the north and south. The project will also include improvements to North Manchester Road/Crystal Avenue (NH 28) and segments of Tsienneto Road between Manchester Road/Crystal Avenue (NH 28) and Chester Road (NH 102). Total length of improvement to North High Street, Folsom Road and Tsienneto Road is approximately 2.2 miles. Approximately 2000 feet of Chester Road (NH 102) will be improved near the intersection with Tsienneto Road.

This project may impact historic properties.

Wherefore, in accordance with RSA 230:14, I, Victoria F. Sheehan, Commissioner of the New Hampshire Department of Transportation, propose the construction of a new interchange on I-93 in the town of Londonderry between Exits 4 and 5, and a new roadway extending east of approximately 0.75 miles from the new interchange to join North High Street in Derry near its intersection with Madden Road.



Victoria F. Sheehan
Commissioner

Dated at Concord, NH
October 15, 2018



Victoria F. Sheehan
Commissioner

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION

G+C #4E
Date 9-20-18



William Cass, P.E.
Assistant Commissioner

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, N.H. 03301

Bureau of Right-of-Way
August 22, 2018

Re: PETITION – Derry-Londonderry, 13065, IM-0931(201)

The Department of Transportation requests placing this item on the Consent Calendar.

Pursuant to RSA 230:14, attached hereto is a Petition for a hearing on the proposal to construct a new interchange on I-93 in Londonderry between Exits 4 and 5, and a new roadway extending east for approximately 0.75 miles from the new interchange to join North High Street in Derry near its intersection with Madden Road.

Since the Petition is for the limitation or control of access, a Special Committee should be appointed by the Governor, with the advice of the Executive Council, to hold a hearing. The Special Committee shall determine whether there is occasion for the laying out of the new interchange and new roadway in the towns of Derry and Londonderry, as presented at the hearing.

This project may impact historic properties.

The suggested Special Committee was discussed by email with Executive Councilor Pappas on July 3, 2018.

Suggested Special Committee:

Executive Councilor Chris Pappas
Executive Councilor Russell Prescott
Executive Councilor Andru Volinsky

Respectfully,

Victoria F. Sheehan
Commissioner

VFS/CRS/slh
Attachment

- PETITION -

To His Excellency, the Governor, and the Honorable Executive Council:

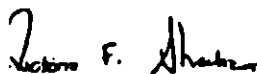
In accordance with RSA 230:14, I, Victoria F. Sheehan, Commissioner of the New Hampshire Department of Transportation, propose construction of a new interchange on I-93 in the town of Londonderry between Exits 4 and 5, and a new roadway extending east for approximately 0.75 miles from the new interchange in the town of Derry.

Derry-Londonderry, 13065, IM-0931(201)

This project will construct a new interchange on I-93 in Londonderry between Exits 4 and 5, and a new roadway extending east for approximately 0.75 miles from the new interchange to join North High Street in Derry near its intersection with Madden Road. Improvements to I-93 related to the new interchange will extend approximately 0.6 miles to the north and south. The project will also include improvements to North Manchester Road/Crystal Avenue (NH 28) and segments of Tsienneto Road between Manchester Road/Crystal Avenue (NH 28) and Chester Road (NH 102). Total length of improvement to North High Street, Folsom Road and Tsienneto Road is approximately 2.2 miles. Approximately 2000 feet of Chester Road (NH 102) will be improved near the intersection with Tsienneto Road.

This project may impact historic properties.

Wherefore, in accordance with RSA 230:14, I, Victoria F. Sheehan, Commissioner of the New Hampshire Department of Transportation, propose the construction of a new interchange on I-93 in the town of Londonderry between Exits 4 and 5, and a new roadway extending east of approximately 0.75 miles from the new interchange to join North High Street in Derry near its intersection with Madden Road.



Victoria F. Sheehan
Commissioner

Dated at Concord, NH
August 22, 2018