

CONTRACTING

WHAT ARE THE CONTRACTING OPTIONS TO IMPLEMENT THE NEVI PROGRAM?



The North Dakota DOT (NDDOT) is in the process of reviewing state laws to determine which contracting mechanisms are currently permissible and which will need legislation passed to be considered. NDDOT would prefer to enter into agreements with third party businesses to provide operation and maintenance of charging infrastructure and sites, and ultimately to delegate ownership to those same parties.



Grant Program

Rather than procure the contractors and manage all of the work themselves, the DOT could instead award one or more grants to other entities to take on that role. The DOT would establish the goals and objectives for the EV program based on the federal requirements and release a notice of funding opportunity for one or more entities to procure design, construction, and operations and maintenance for a statewide EV charging network.



Traditional Design-Bid-Build Contracting Approach

The North Dakota Department of Transportation typically uses Design-Bid-Build (DBB) for its infrastructure projects. Though DBB is normally a low bid process driven primarily by price, it is possible to set a high bar for experience and qualifications that would guarantee a level of EV charging expertise for a winning proposer. DBB steps could include the procurement of design services, procurement of construction and installation services, procurement of operations and maintenance services, and long-term ownership.



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EV Design-Build-Finance-Operate Maintain or DBFOM

The unique aspects of EV charging also provide the opportunity for an alternative delivery model tailored more specifically to developing an EV system. There are at least two potential ways to approach this effort:



Master Developer

Under a DBFOM approach, it would be possible for the developer to group the project by corridor segment or geographic area and serve as a "master developer" that manages multiple smaller design-build projects. Each small contractor could be responsible for operations and maintenance, or it could revert to the master developer. The developer would retain responsibility for the overall financial approach, and would retain ownership of the chargers at the end of the program.



Franchise Operator

This approach would result in the developer serving as more of a franchise operator, securing final plans and bids from contractors to design, install, operate, maintain, and own stations within major corridors or geographic areas. The DBFOM developer would be responsible for managing the overall system and developing the agreements, including financial agreements, with the smaller franchisees. Once the franchise operator takes on ownership, NDDOT would no longer have responsibility for the charging system.



