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CONTRACTOR'S GUIDE TO MDT CM/GC WORKSHOP

Engineering Construction Contracting Bureau
Alternative Contracting Section

December 16, 2020

- **Please mute your phone or microphone**
- **Questions and answers after the presentation**
- **Put written questions in chat box during presentation or raise your hand after the presentation for verbal questions**
- **This meeting is being recorded for future reference and will be posted to MDT's Alternative Contracting WEB link**
- **We will take a 5-minute break during the presentation**
- **PDH: Include first and last name under participant name**

Brandon Graff



Beth Kappes



Lucía Olívera



Erik Miller



John Pavsek



Chris Wilson

WORKSHOP OUTLINE

- **CM/GC Fundamentals**
- **Partnering**
- **Roles and Responsibilities of the CM/GC Team Members**
- **The Design Decision-Making Process**
- **Risk Identification and Management**
- **Understanding MDT Design Development Scheduling Process**
- **Cost Estimating, Estimate Reconciliation, and the Independent Cost Estimator**
- **Early Work Packages**
- **CM/GC Contractor Procurement Process**
- **Elements of a Good SOQ, Technical Proposal & Interview**
- **Status of Current and Upcoming CM/GC Projects**
- **Lessons Learned**
- **Question and Answers**

 **Every Day Counts**
Innovation for a Nation
on the Move



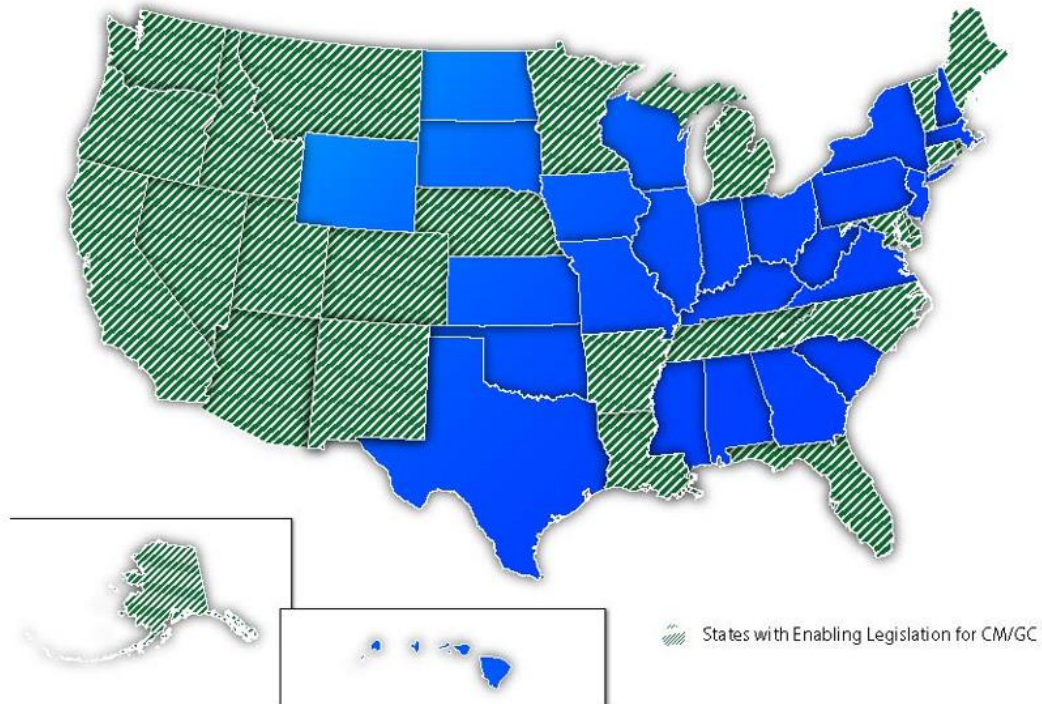
Mobility · Safety · Quality · Environment · Shortening Project Delivery



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1.2: State of the Practice

States with Legislative Authority to use CM/GC



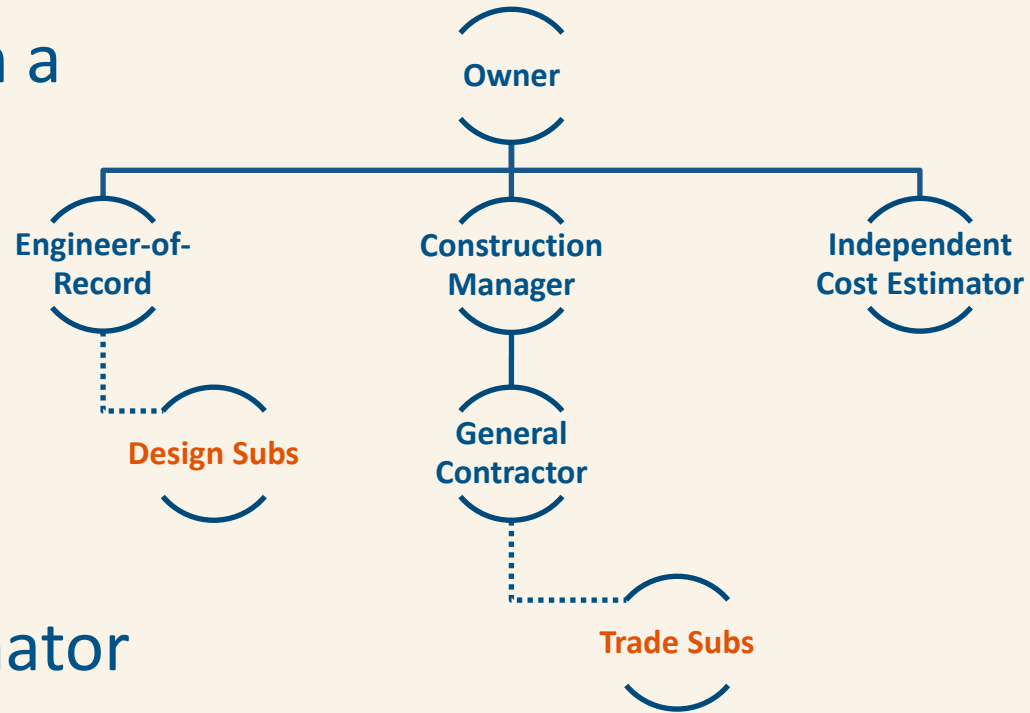
Every Day Counts | 1
Source: FHWA

CM/GC PROGRAM FUNDAMENTALS



WHAT IS CM/GC?

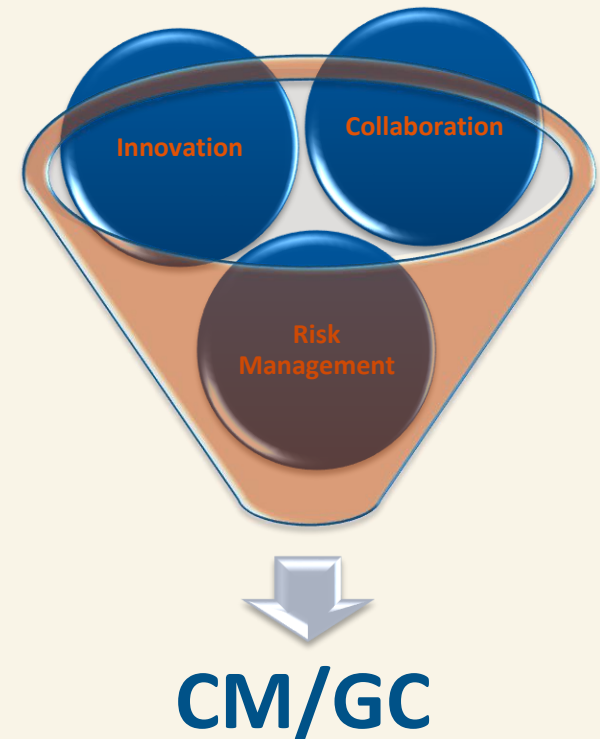
- Two-phase contract with a General Contractor
 - *Phase 1 – Preconstruction services contract*
 - *Phase 2 – Construction contract (if awarded)*
- Consultant Design
- Independent Cost Estimator



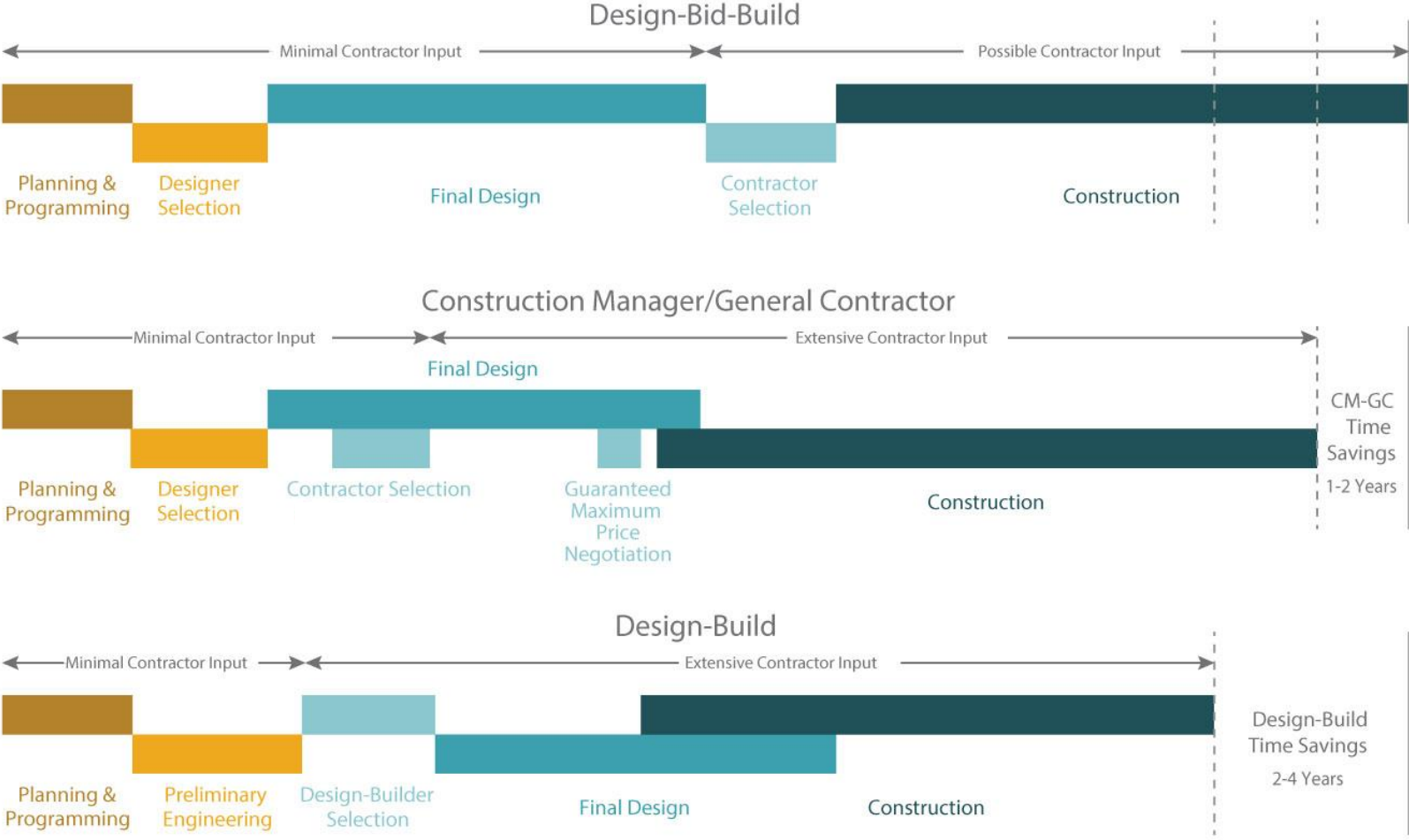
Expanded MDT Involvement during Design

WHY ARE WE USING CM/GC?

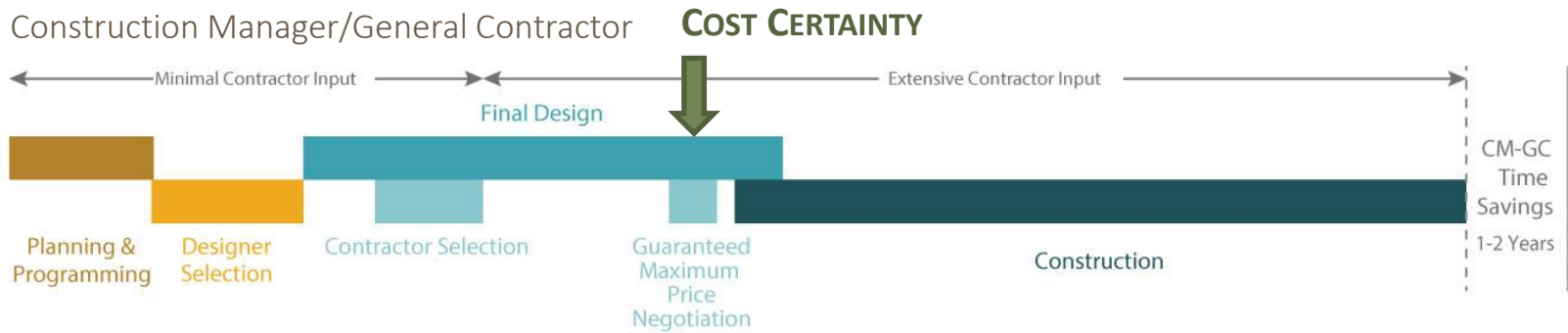
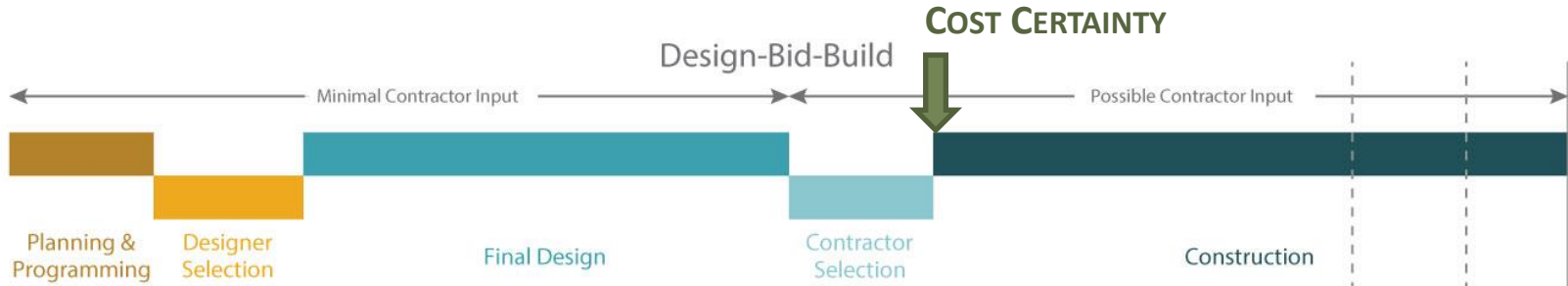
- Encourages collaboration and innovation
- Improves Risk Management
 - *Recognizes and where possible, minimized or eliminated*
 - *Appropriate party takes on risks that they are best-equipped to manage*
- Reduces errors and omissions
 - less change orders
- Another tool in the toolbox
 - *Majority of projects will still be delivered Design-Bid-Build*



PROJECT TIME COMPARISON



TIMING OF COST CERTAINTY



CONSTRUCTION COST GROWTH

Contract Method	Projects Under \$20M	Projects Over \$20M
D-B-B	3.4%	6.2%
CM/GC	➔ 2.0%	➔ -0.2%
D-B	3.3%	4.4%

*Data from *The Use and Performance of Alternative Contracting Methods on Small Highway Construction Projects* – University of Colorado, 2016

MAJOR PROJECT DELAYS

Contract Method	Projects Under \$20M
D-B-B	33%
CM/GC	17%
D-B	29%

**Data from Quantification of Cost, Benefits and Risk Associated with Alternate Contracting Methods and Accelerated Performance Specifications – University of Colorado, 2016*

CM/GC PROJECT SELECTION

- 2017 Legislature approved 4 project pilot program (MCA 60.2.119)
 - ***1 Project completed***
 - ***2 Projects under design***
 - ***1 Project selected and will be advertised***
- MDT's "Project Delivery Selection Process"
 - ***Opportunity to manage risk***
 - ***Schedule impacts***
 - ***Cost impacts***
 - ***Project complexity***
 - ***Opportunity for innovation***

PARTNERING



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PARTNERING = MINDSET + COMMITMENT + PROCESS

- Principles of Partnering:
 - *Innovation*
 - *Trust*
 - *Collaboration*
 - *Ownership*
 - *Common Goals*
 - *Relationships*
 - *Problem Solving and Discussions*
 - *Accountability*
 - *Mutual respect*
- Partnering Goal ➡ Team goals & individual commitments
- Partnering meeting format

It is almost certain that Team Unity will be tested

POTENTIAL TEAM CHALLENGES

- Estimates coming in higher than expected
- Understanding MDT Pre-Construction delivery process
- Risk identification and allocation
- GMP outside MDT guidelines
- Requirement for higher level of commitment
- Personality dynamics

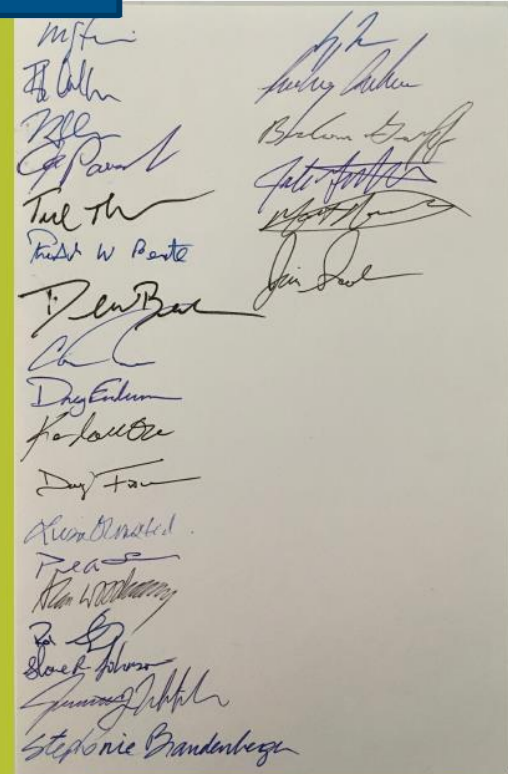
Periodic Check-Ins Keep the Team Centered

IT WORKS! BUT REQUIRES EFFORT

- Requires a commitment
- Follow the Process to succeed
- Remind folks that

Consensus Team Goals

- Create a strong team
 - Start from a place of trust
 - Practice clear, concise communication at the right level
 - Create and maintain a safe environment with stop work authority for everyone
 - Offer respect to all team members
- Prioritize processes, risks, and budget
- Seek efficiencies throughout design
 - Talk about things early
 - Make decisions that you can/have authority to make
 - Complete construction by 2022
- Seek savings through innovation
 - Save 10% of Rough Order Magnitude
 - Create early work packages
- Achieve GMP with current team
- Perform zero rework
- Reduce contingency at 100% design pricing
 - Previous MDT estimate 25% vs. actual 5%
- Create a positive public perception
 - Create a plan with a realistic budget
 - Educate and inform the public
 - Execute a survey to measure public satisfaction
- Celebrate milestones
- Build an award-winning project



Handwritten signatures of team members, including names like Mike, Kelly, Barbara, and Stephanie.



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ROLES AND RESPONSIBILITIES OF THE CM/GC TEAM MEMBERS



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KEY TEAM MEMBERS

- MDT Project Leader
- MDT Consultant Design Manager
- Design Consultant Project Manager
- Construction Manager
- MDT Engineering Project Manager (EPM)
- Independent Cost Estimator (ICE)



KEY TEAM MEMBERS

- **Project Leader – Alternative Contracting**
 - ❑ *General management and project oversight*
 - ❑ *Monitor overall project scope, schedule and budget*
 - ❑ *Guides the design decision making process = Guides consensus*
 - ❑ *Monitors & manages potential conflict resolution*
- **MDT Consultant Design Manager**
 - ❑ *Manages Consultant's contract scope and budget*
 - ❑ *Manages MDT's Design EPS Schedule*
 - ❑ *Consultant Project Manager's main point of contact*
 - ❑ *Works with MDT Project Leader in all aspects of the project*
- **Design Consultant Project Manager**
 - ❑ *Manages Consultant's contract scope and budget*
 - ❑ *Facilitates design-development meetings*
 - ❑ *Consultant Project Manager's main point of contact*
 - ❑ *Works with MDT Project Leader in all aspects of the project*



KEY TEAM MEMBERS

- **Construction Manager (CM)**
 - ❑ *Represents the Entire Contractor Team (Including JV and Subs)*
 - ❑ *Provides Constructability/Innovation/Design focused expertise*
 - ❑ *Identifies and prices risk*
 - ❑ *Develops Construction Management Plan*
 - ❑ *Manages development of Contractor's production-based estimate*
- **MDT Engineering Project Manager (EPM)**
 - ❑ *Responsible for management of the project during construction*
 - ❑ *Provides MDT District construction perspective to the CM*
 - ❑ *Participates in the design-development discussions*
 - ❑ *Provides local knowledge of District challenges*
- **Independent Cost Estimator (ICE)**
 - ❑ *Prepares OPCC – production-based estimate*
 - ❑ *Collaborates with CM on approach to pricing effort*
 - ❑ *Supports with Risk Management identification, allocation and pricing*



CM DESIGN RELATED PRECONSTRUCTION SERVICES

- Assist Agency / Consultant design
- Formal design reviews
- Constructability reviews
- Market research/Cost analysis for design decision
- Assist shaping project scope of work
- Options analysis and innovation development



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CM SCHEDULE RELATED PRECONSTRUCTION SERVICES

- Review Agency / Consultant design schedules

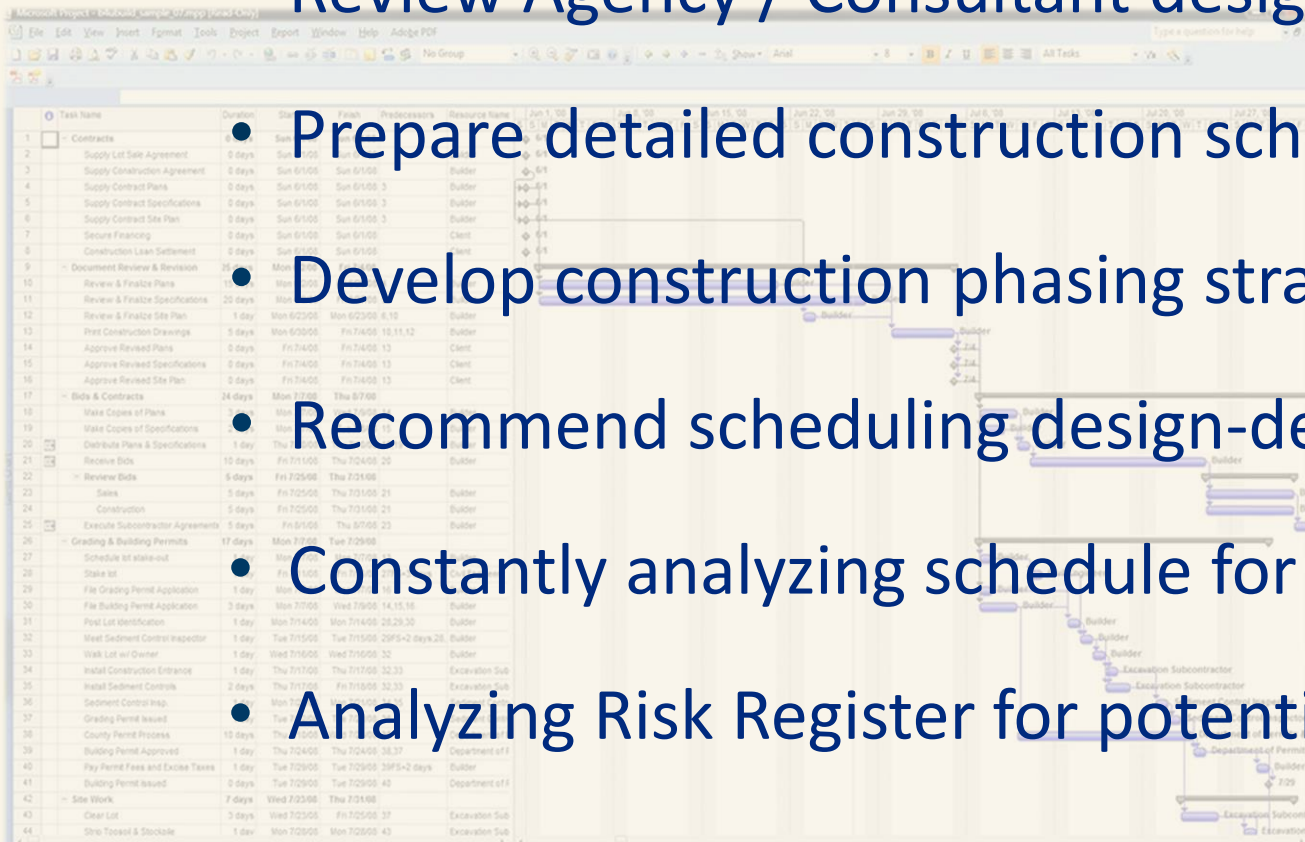
- Prepare detailed construction schedule

- Develop construction phasing strategy

- Recommend scheduling design-development mtgs

- Constantly analyzing schedule for risk impact

- Analyzing Risk Register for potential schedule impacts



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CM ADMINISTRATIVE RELATED PRECONSTRUCTION SERVICES

- Coordinate contract documents
- Assist with 3rd party stakeholder coordination
- Assist with public relations/attend public meetings
- Subcontractor bid packages
- Study labor conditions
- Partnering



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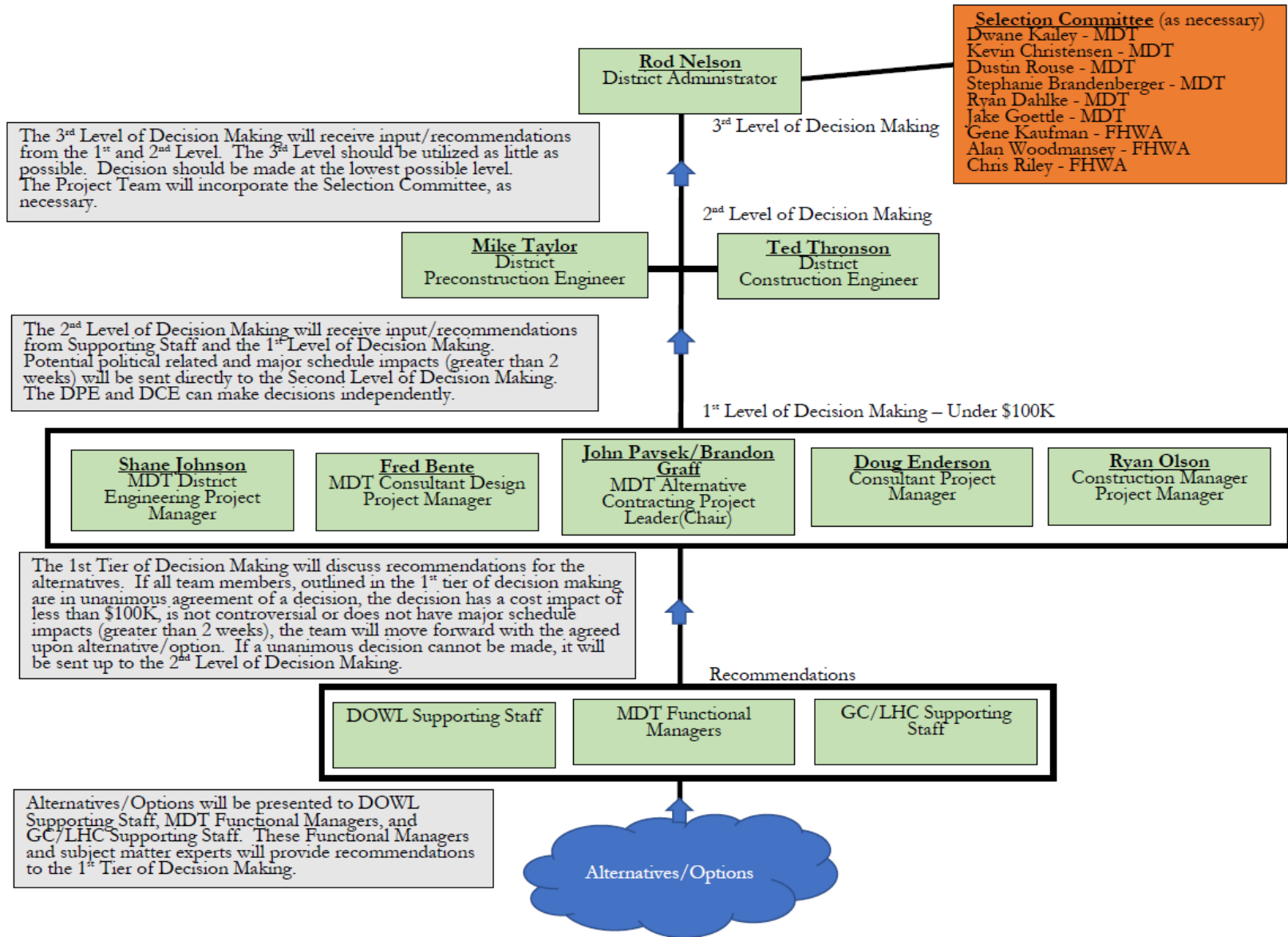
THE DESIGN DECISION MAKING PROCESS



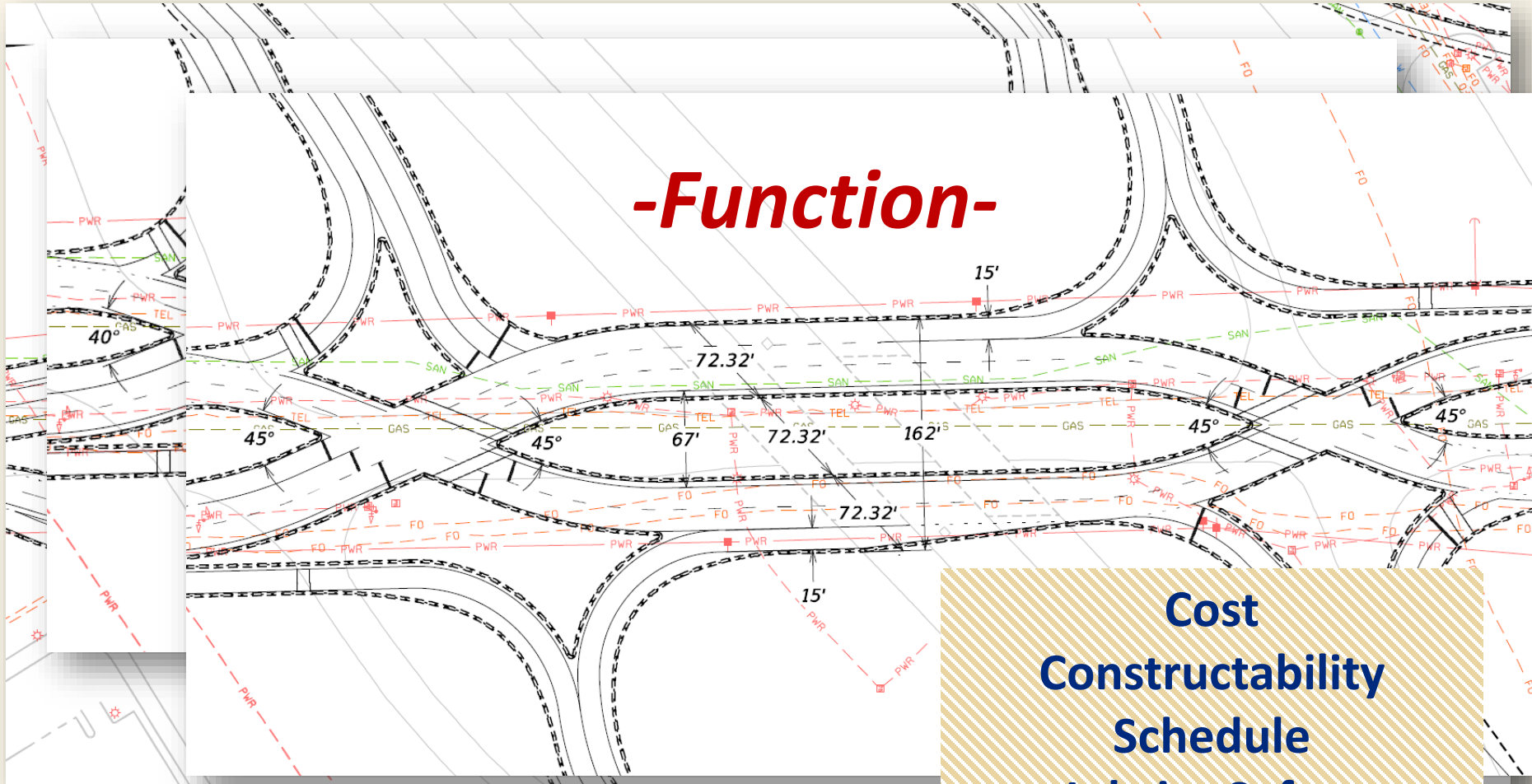
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DECISION PROCESS EXAMPLE



- Cost
- Constructability
- Schedule
- Jobsite Safety
- Function



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RISK IDENTIFICATION AND MANAGEMENT



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CM/GC RISK MANAGEMENT: WHY??

- Contractual misallocation of risk has been found to be the leading cause of construction disputes in the US

(2006 publication by FHWA)

- In general, project risks are on the rise...

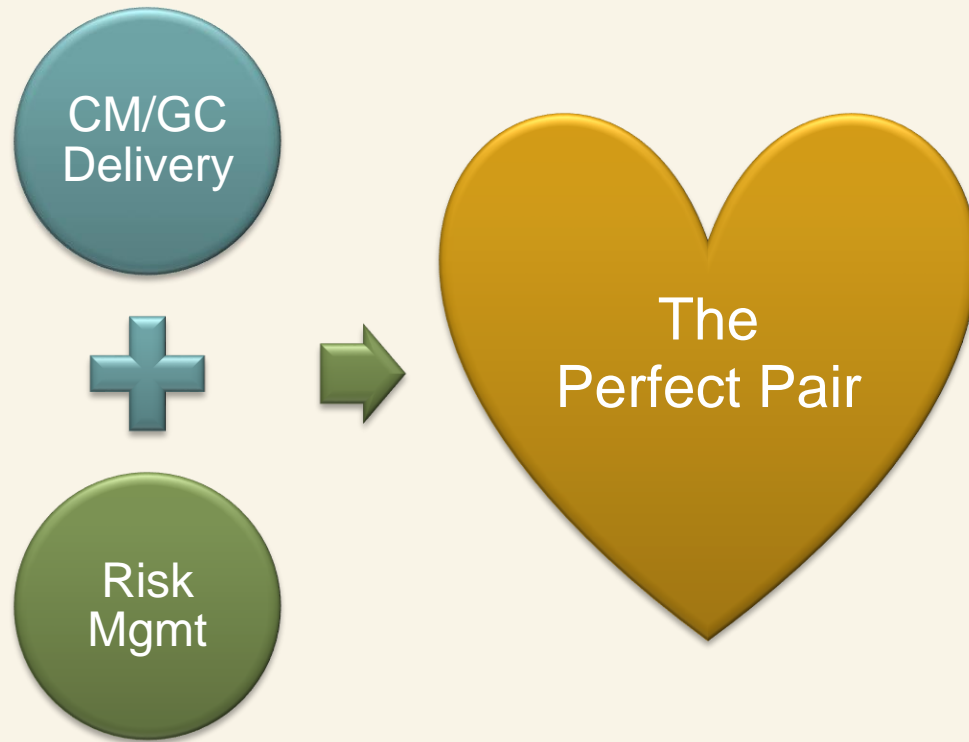
- Increased traffic volumes
- Need to minimize traffic disruptions
- More stringent environmental, community, and safety requirements
- Increased material costs

(as identified by Executive Director of NCHRP)



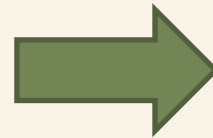
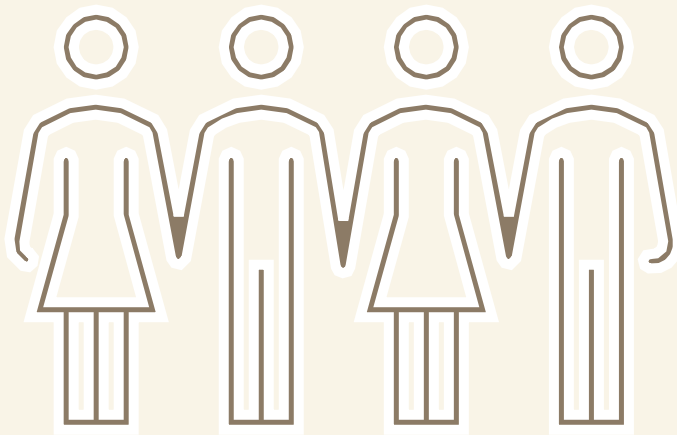
CM/GC RISK MANAGEMENT: WHY?

- Project risk is a big factor in evaluating the applicability of CM/GC delivery
- CM/GC is well-suited for highly complex projects where owner input is needed
- Expanded project team = better risk ID and allocation



CM/GC Risk Management: WHO??

- The Owner, Engineer, Contractor and ICE all actively participate in the risk management process



CM/GC RISK MANAGEMENT: WHAT??

- Risk Management Process
 - Detailed effort that encompasses all phases and aspects of project
 - Goal is to keep the risk management process as tangible and scientific as possible
 - Varying level of complexity when it comes to risk analysis methods
 - MDT is currently using a simplified approach

Identification

Assess &
Analyze

Develop
Mitigation
Plan

Monitor &
Implement

Measure &
Control

CM/GC RISK MANAGEMENT: WHAT??

Identification

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**Clark Fork - 9M
PM Total Cost
Risk Register**

ID	Rev	Category	Description	Scope of Impact	Owner	Responsible Party	Start	End	Priority	Current Status	Mitigation Strategy	No. Prev. Cost	No. Prev. Cost	Total Cost	Forecast	Actual	MBE/C	Current Cost
88		Baseline	Real time entry of Extra Work	Contract risks were then updated	CFR/CFR	Basin	3	3	4	811 MMB, 4 new rows to be added	811 4 rows to be added to extra work sheet	000,000	000,000	000,000	000,000	00	000,000	
86		Info Bot	Info Botting - Max used by anyone on the website	Revised website for website audit	CFR/CFR	Basin	3	1	3	all MMBs present 4888 B	Per Project of 4 to 88 per website	000,000	000,000	000,000	000,000	00	000,000	
87		Baseline	Pay B - Budget and change per month	Budget was not used	MT	MT/FCMP	1	3	3	1/1/2018 to 12/31/2018	7% Cost not used in the cost	000,000	000,000	000,000	000,000	00	000,000	
88		Baseline	As opposed to the cost not used	Some portions for purchase, materials, some materials for	CFR/CFR	Basin	3	1	3	1/1/2018 to 12/31/2018	Most materials for the cost not used	000,000	000,000	000,000	000,000	00	000,000	
89		Performance	Revised budget	Pay process for	CFR/CFR	Basin	1	3	3	1/1/2018 to 12/31/2018	Revised budget not used in the cost	000,000	000,000	000,000	000,000	00	000,000	
88		Info Bot	Revised website support	Most website then updated	CFR/CFR	Basin	3	3	4	1/1/2018 to 12/31/2018	28 pages "12" 28888" 4 weeks	000,000	000,000	000,000	000,000	00	000,000	
MMB/FCMP/FCMP (just website work cost)																		
26	28	Baseline/Target	Parent annual information base	Construction website updated	CFR/CFR	Basin	1	3	3	same as 28 - not used	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
1		Baseline	Revised construction process	Construction Plan - closed	MT	MT/FCMP	3	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
3		Baseline	ICR not used control and site	Construction Plan - closed	MT	MT/FCMP	3	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
3		Baseline	Revised of MMB for general	Construction Plan - closed	MT	MT/FCMP	1	3	3	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
7	14	Baseline	Revised website	Construction Plan - closed	MT	MT/FCMP	4	1	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
11		Baseline	Revised website	Construction Plan - closed	MT	MT/FCMP	1	3	3	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
12		Baseline	Revised website	Construction Plan - closed	MT	MT/FCMP	1	3	3	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
31		Performance	Revised website	Construction Plan - closed	MT	MT/FCMP	3	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
38		Baseline/Target	Parent annual information base	Construction website updated	CFR/CFR	Basin	3	3	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
31	8	Performance	Revised website	Construction website updated	CFR/CFR	Basin	3	3	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
33		Info Bot	Revised website	Construction website updated	CFR/CFR	Basin	1	1	1	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
27		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	1	1	1	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
38		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	3	3	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
29		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	3	3	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
41		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	1	1	3	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
43		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	1	3	3	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
44		Baseline/Target	Parent annual information base	Construction website updated	CFR/CFR	Basin	3	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
48		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	3	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
47		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	3	3	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
49		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	4	1	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
88	88	Baseline	Revised website	Construction website updated	CFR/CFR	Basin	3	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
84		Performance	Revised website	Construction website updated	CFR/CFR	Basin	1	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
ICR/FCMP/FCMP (just website work cost)																		
5		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	1	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
8		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	4	4	16	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
9		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	4	4	16	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
18		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	3	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
17		Baseline	Revised website	Construction website updated	CFR/CFR	Basin	1	4	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
18		Performance	Revised website	Construction website updated	CFR/CFR	Basin	3	3	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	
16		Performance	Revised website	Construction website updated	CFR/CFR	Basin	3	3	4	1/1/2018 to 12/31/2018	Parent annual info	000,000	000,000	000,000	000,000	00	000,000	



CM/GC RISK MANAGEMENT: WHAT??

Identification

Assess &
Analyze

Develop
Mitigation
Plan

Monitor &
Implement

Measure &
Control

Example Risk Statement:

- Detailed project-specific risks that identify “if-then” scenarios

Risk Description	Cause / Impact
Structural steel repairs are more extensive than anticipated	Construction time is extended, and repair costs are increased



CM/GC RISK MANAGEMENT: WHAT??

Identification

Assess & Analyze

Develop Mitigation Plan

Monitor & Implement

Measure & Control

Example Risk Assessment / Analyze:

- Determine the probability and impact of risk – Delphi Technique
- Utilize the probability and impact to determine the resulting risk score
- Risk score can help prioritize risk mitigation efforts

Risk <u>P</u> robability (0-5)	Risk <u>I</u> mpact (0-5)	Risk Score = P x I
2	5	10 moderate

CM/GC RISK MANAGEMENT: WHAT??

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Example Mitigation Plan:

- To better-determine condition of existing structural steel, perform additional site investigation and testing
AND/OR...
- Define an allowance to cover the cost, if this risk should it occur:

Pay Item	Amount	Description
CM/GC Contingency	\$125,908	Refer to special provision for conditions on when this fund can be accessed, payment is administered like Misc. Work

CM/GC RISK MANAGEMENT: WHEN??

Identification

Assess &
Analyze

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Control

Example Risk Follow-up:

- Continue to evaluate and update risk assessment and mitigation plan throughout the life of the project (design and construction)
 - Deck coring and top flange inspection provides more information and allows you to reduce probability of risk
- Continue to update and revise contingency cost estimate
 - Updated material pricing, detailed plan for steel rehab/replacement documented in special provision





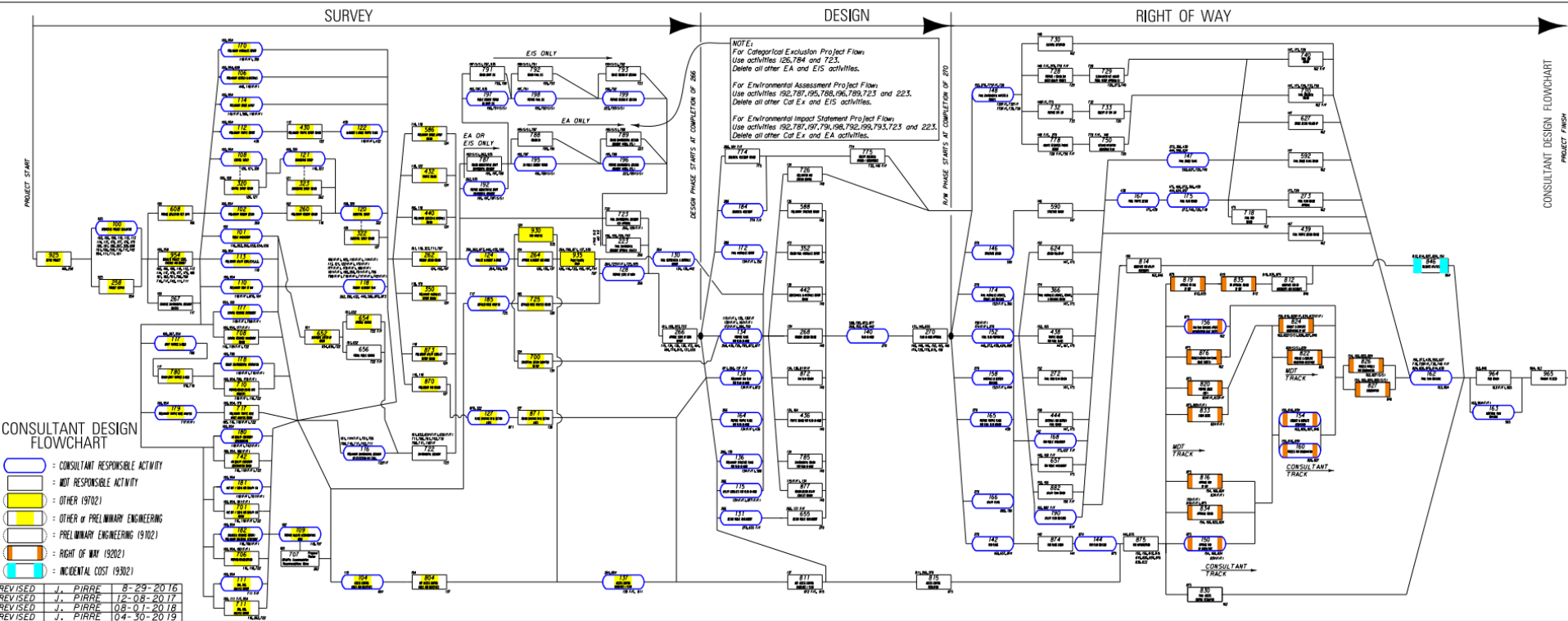
UNDERSTANDING MDT DESIGN DEVELOPMENT SCHEDULING PROCESS



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CM/GC PRECONSTRUCTION SCHEDULE

- MDT utilizes existing/typical consultant design project framework, but looks to adapt that standard process to fit project and team specific needs...



CM/GC PRECONSTRUCTION SCHEDULE

- Added CM/GC activities occurring at each major plan development milestone...

Review Plan Set and Other Design Info

Approach to Price / Estimate
Coordination

Estimate Reconciliation / Estimate
Comparison

Development of Construction
Management Plan

BREAK



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COST ESTIMATING, RECONCILIATION & THE ICE



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ESTIMATING OVERVIEW

Estimating Milestones

Estimate Activities For Milestones

Role of the ICE

Production Based Estimating



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ESTIMATING MILESTONES

- 10-30% = Rough Order of Magnitude (ROM)
- 30% = Alignment and Grade Review (AGR)
- 60% = Plan-in-Hand (PIH)
- 90% = Final Plans
- 100% = Plans, Specs, and Estimate (PS&E)
 - GMP Negotiations & Off Ramp
 - Guaranteed Maximum Price (GMP) submittal



ESTIMATE ACTIVITIES FOR MILESTONES





- First look at full plan set
- Contractor will conceptualize construction phasing and impacts
 - Make suggestions to enhance constructability



- Purpose of Meeting is to make sure ICE, Engineer, and Contractor are on the same estimating grounds.
- Cost Estimate Narrative/Instructions
 - Where do I carry Indirect, Risk, Contingency, etc.?
- Information Sharing
- Means and Methods for Construction
 - Opportunity to Innovate!



- Estimate development duration will depend on project schedule.
- Contractor, ICE, and Engineer will submit estimates.
 - ICE and MDT will have opportunity to review all estimates.
 - ICE estimate will be blind.



- Occurs the day before Estimate Reconciliation meeting(s)
- First look at comparison spreadsheet
- Identify Work Groups (or D groups) where Estimate Reconciliation will need to be focused.
- ICE, Engineer, and Contractor will have opportunity to modify estimates and resubmit.



- Open book pricing for CM and Engineer
 - ICE tab is blind
- Comparison Spreadsheet and Meeting Discussion Example (next slide)



CM/GC Project
60% Estimate Reconciliation

DATE:

				CONTRACTOR ESTIMATE								CON vs. ICE COMPARISON
BID ITEM #	ITEM DESCRIPTION	QTY	UNIT	MH	Labor Cost Total	Construction Equipment Cost Total	Supplies Total Cost	Materials Total Cost	Subcontract Total Cost	Unit Price	Total Price	
AGGREGATES / EMBANKMENT ITEMS				1	LS							
301020252	BRIDGE END BACKFILL-TYPE 1	19,000.00	CY							\$10.00	\$190,000.00	greater than 15%
301020340	CRUSHED AGGREGATE COURSE	43,371.00	CY							\$20.00	\$867,420.00	less than 5%
301020625	AGGREGATE TREATMENT	157,592.00	SY							\$30.00	\$4,727,760.00	5-15%
203020310	SPECIAL BORROW-NEAT LINE	24,446.00	CY							\$40.00	\$977,840.00	5-15%
AGGREGATES / EMBANKMENT ITEMS TOTALS											\$6,763,341.07	less than 5%
PLANT MIX BITUMINOUS SURFACE ITEMS				1	LS							
401020300	HYDRATED LIME	748.00	TN							\$10.00	\$7,480.00	less than 5%
402020368	EMULSIFIED ASPHALT CRS-2P	281.00	TN							\$20.00	\$5,620.00	less than 5%
409000000	FINAL SWEEP AND BROOM	7.00	MILE							\$30.00	\$210.00	less than 5%
409000020	COVER-TYPE 2	157,592.00	SY							\$40.00	\$6,303,680.00	less than 5%
401020045	PLANT MIX SURF GR S-3/4 IN	53,414.00	TN							\$40.00	\$2,136,560.00	greater than 15%
402020092	ASPHALT CEMENT PG 64-28	2,884.00	TN							\$30.00	\$86,520.00	less than 5%
402020315	EMULSIFIED ASPHALT-TACK COAT	31,518.00	GAL							\$20.00	\$630,360.00	greater than 15%
402020320	EMULSIFIED ASPHALT-FOG SEAL	11,819.00	GAL							\$10.00	\$118,190.00	greater than 15%
PLANT MIX BITUMINOUS SURFACE ITEMS TOTALS											\$9,288,620.00	5-15%
WALL ITEMS				1	LS							
209010125	STRUCTURE EXC TYPE 2	33,305.00	CY							\$10.00	\$333,050.00	less than 5%
209010165	TEMPORARY SHORING	7,500.00	SF							\$20.00	\$150,000.00	less than 5%
614010010	RETAINING WALL - J2 WALL	690.00	LF							\$30.00	\$20,700.00	less than 5%
614010011	DESIGN, CONSTRUCT MSE WALLS	1,886.00	SY							\$40.00	\$75,440.00	less than 5%
614010046	DSGN & CNST MSE WALL-MODULAR BLOCK	150.00	SY							\$30.00	\$4,500.00	5-15%
	REMOVE CONCRETE RETAINING WALL	220.00	LF							\$20.00	\$4,400.00	less than 5%
WALL ITEM TOTALS											\$588,090.00	less than 5%
CONCRETE BARRIER ITEMS				1	LS							
605000000	CONCRETE BARRIER RAIL TRANSITION	9.00	EA	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	\$0.00	greater than 15%

Comparison Percent Change ICE Estimate (BLIND) +





- **Submit Post Post-Reconciliation Estimate**
 - **Modifications to Estimate based on Estimate Reconciliation Discussion**

ROLE OF THE ICE

- Foster Team Environment
- Fair Market Pricing
- Bring additional experience to the project team
- Assist in risk mitigation
- Assist team in developing innovation
- Help team accomplish goals

PRODUCTION BASED ESTIMATING

File Edit Setup Estimate Query Reports Summary Subsystems Exchange Tools Help What's New

New Open Recent Backup Restore Delete Archive Manage System Estimate Checklists Compare Print Estimates Ctrl+P

Estimate Estimate History Passwords

Estimate Entry - Tree View x Last Chang

View of Estimate

- 1: D1 MOBILIZATION/MOT
- 2: D2- REMOVALS & RECONSTRUCTS
- 3: D3 - EARTHWORK, GRADING, GRANULAR & BASES
 - 103020: STRIP & SPREAD TOPSOIL
 - 103040: CLEARING & GRUBBING
 - 103080: BORROW
 - 103100: GRANULAR BORROW
 - 103120: ROADWAY EXCAVATION
 - 103125: MSE WALL - EXCAVATION
 - 103126: UNSUITABLE - OVER EXCAVATION & REPLACEMENT
 - 110 - Exc
 - 120 - Haul Off
 - 130 - Dump Fee
 - 140 - Buy & Place BF
 - 103128: MSE WALL OVEREX & REPLACEMENT
 - 103129: BOR PIPELINE OVEREX & REPLACEMENT
 - 103135: POND EXCAVATION
 - 103140: UNTREATED BASE COURSE
 - 103145: MAINTENANCE ACCESS ROAD UTBC
 - 103160: SURFACE DITCH
 - 103200: LOOSE RIPRAP
 - 103240: EMBANKMENT FOR BRIDGE
 - 103260: GEOTEXTILES - SEPARATION
 - 103280: GEOTEXTILES - STABILIZATION
- 4: D4- PAVING
- 5: D5- CONCRETE FLATWORK
- 6: D6- STRUCTURES
- 7: D7- RETAINING WALLS
- 8: D8- NOISEWALLS
- 9: D9- STORM DRAIN
- 10: D10- LIGHTING, SIGNALS, ATMS
- 11: D11- GUARDRAIL & BARRIER
- 12: D12- SIGNAGE
- 13: D13- PAVEMENT MESSAGES
- 14: D14- EROSION CONTROL, LANDSCAPING & SEEDING
- 15: D15- FENCING, WILDLIFE RAMPS
- 16: D16- UTILITIES

Item Information

Item: 103126 Description: UNSUITABLE - OVER EXCAVATION & REPLACEMENT Takeoff Quantity: 32,170.000 Unit: CY Cost: \$1,624,895.27

Client#: Est. Init. Type: D Bid Quantity: 32,170.000 U. Cost: \$50.510

Note: Review Required

Activity Information

Activity: 110 Description: Exc. Quantity: 32,170.00 Unit: CY Cost: \$134,571.08

Note: U. Cost: \$4.183

Activity Main Note Report Groups Misc Schedule Analysis

Crew: EXSTR Desc: (Modified) EXCAVATION STRUCTURES Cal: 510 WC: CIVIL

Prod: UH Rate: 120.0000 Crew Hrs: 268.0833 Hrs/Shift: 10.00 Days: 27

Activity Productivity Information and Options

Manhours	1,072.320	Units/Hr	120.0000	MH/Unit	0.0333	Crew Labor	4.00	<input checked="" type="checkbox"/> Unreviewed
Unit/MH	30.0004	Crew\$/Unit	4.1831	Shifts	26.0083	Crew Equip	3.00	<input type="checkbox"/> Non-Add
<input type="checkbox"/> Marine								

Resource Detail Misc Crew Customize

Resource	Description	Quantity	Unit	Unit Cost	Tax/OT %	Pcs/Wste	Total
8BHLG	Trackhoe Large Cat 330 (or S)	268.08	HR	126.1900	100.00	1.00	\$33,829.02
8PU150	1/2 ton Pickup	268.08	HR	14.0500	100.00	1.00	\$3,766.52
8TRKDMP17	Truck 17 Ton Dump	268.08	HR	93.7500	100.00	1.00	\$26,740.98
FORMAN	FORMAN	268.08	MH	36.0000	110.00	1.00	\$24,881.04
LABOR SKILL	SKILLED LABORER	268.08	MH	25.9600	110.00	1.00	\$13,426.33
OPERATOR 1	EXC.GRADE, PAVE	268.08	MH	34.0900	110.00	1.00	\$17,695.96
TEAMSTER	TEAMSTER	268.08	MH	25.2800	110.00	1.00	\$14,231.23

Display Options

Add Activities Filters

Insert Row Delete Row



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EARLY WORK PACKAGES



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EARLY WORK PACKAGE

- EWP should be used to reduce project risk
- EWP(s) considered if it provides clear schedule or constructability advantage
- EWP must be severable
- EWP based on fully-developed design documents
- Must save time, reduce inconvenience, and/or reduce construction costs
- EWP GMP subject to cost guidelines, i.e., < 110% of ICE

CM/GC CONTRACTOR PROCUREMENT PROCESS

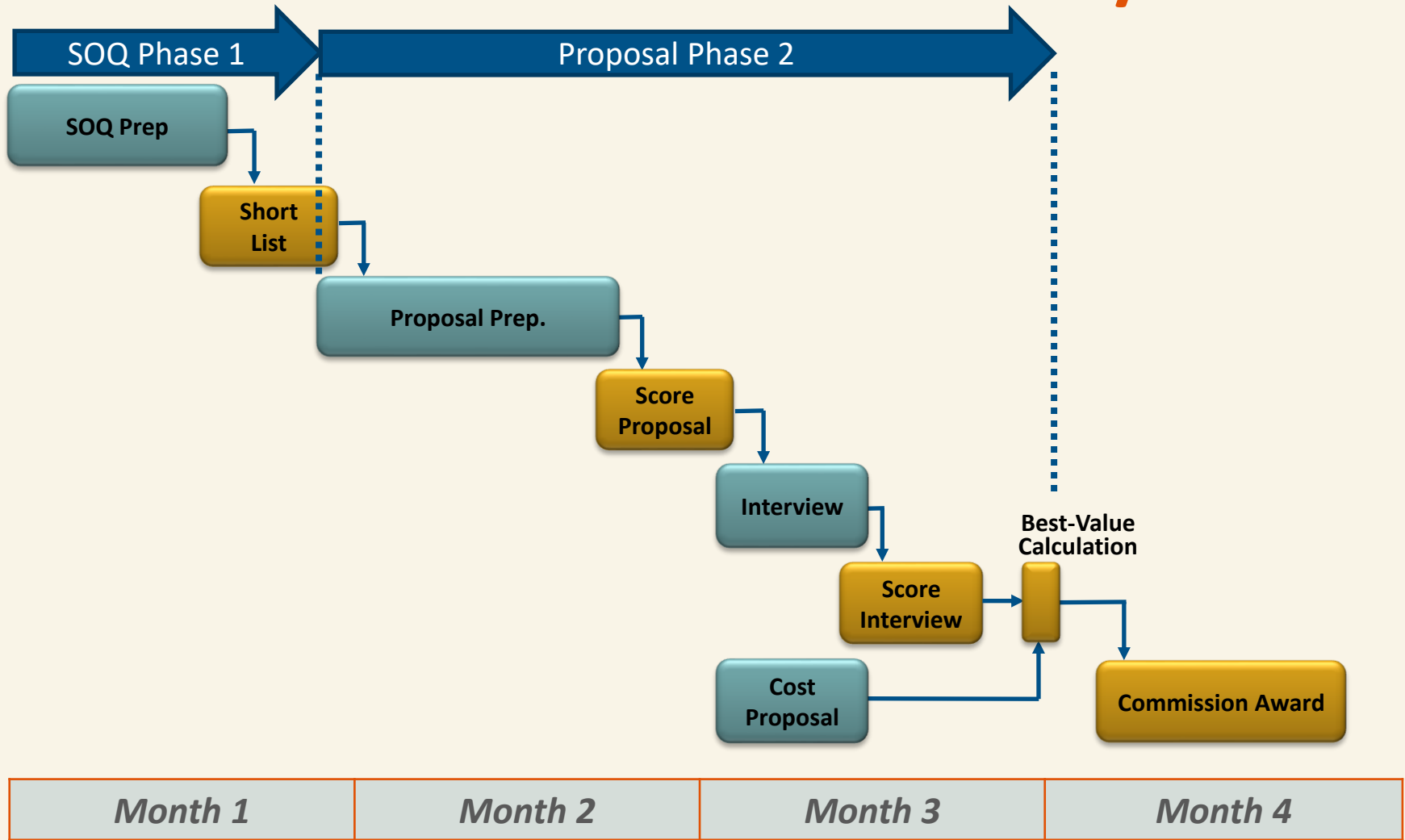


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HIRING THE CM/GC (MCA 18-2-503)

- Two phase process
 - Request For Qualifications (RFQ) → State Of Qualifications (SOQ)
 - Request For Proposal (RFP) → Technical Proposal (TP)
- By law, MDT must consider project costs when awarding project
CHALLENGE:
 - Very limited design information available at time of Contractor RFQ/RFP
 - We require a fixed fee markup price as a part of their proposal

THE PROCESS - HIRING THE CM/GC



ELEMENTS OF A GOOD SOQ AND PROPOSAL



THE STATEMENT OF QUALIFICATIONS

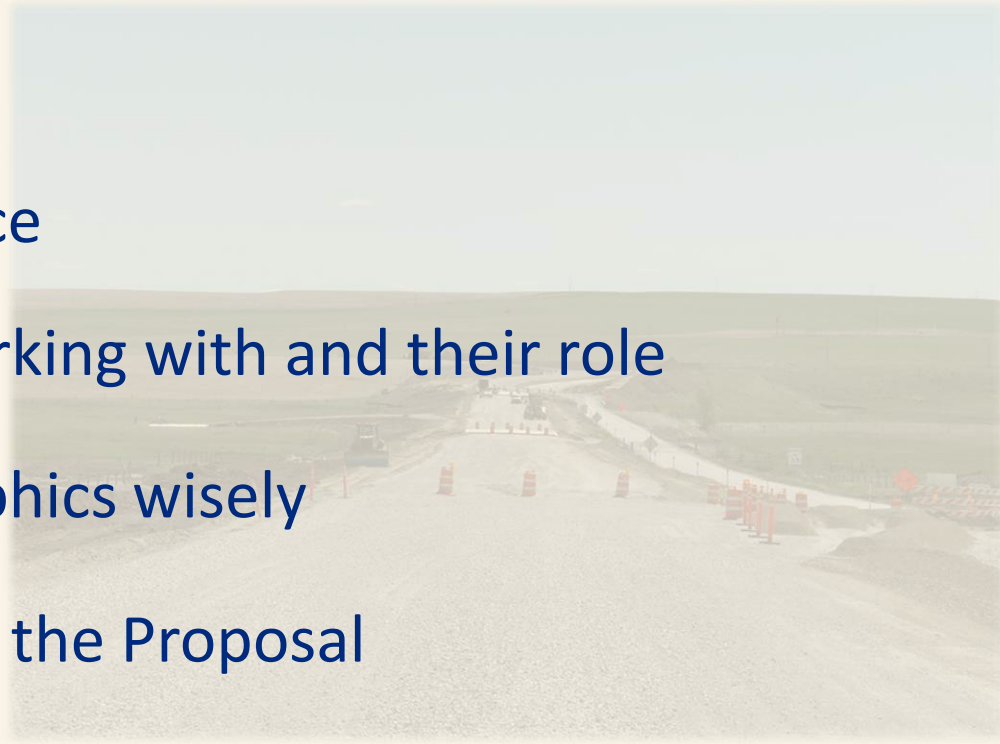
- The parts of the SOQ:
 - Transmittal Letter
 - The Team/Key Members – *25% Weighted Value*
 - CM/GC and Related Projects – *25% Weighted Value*
 - Understanding and Approach – *50% Weighted Value*
- MDT Shortlists all Firms under Pilot Program
- Currently share ranking to give Firms ability to make Go/No-Go decision



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THE STATEMENT OF QUALIFICATIONS

- Staffing – Use tables, simple org charts, staff interface
- What are the team members contribution to the project
- Follow the RFQ and RFP
- Draw off similar experience
- Know who you will be working with and their role
- Use photos/matrices/graphics wisely
- The SOQ is the outline for the Proposal



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PROPOSAL SECTION I – PROJECT TEAM

- The cover letter – opportunity to list strengths
- Work from an outline
- Avoid being wordy – “Just the Facts”
- The Organization Chart
- Matrices can be very useful
- Be consistent within and across proposal sections
- Pick good projects – tie to team
- Section I weighted at *10%* of the written proposal



SECTION II – STRATEGIC PROJECT APPROACH

- Follow the RFP organization
- Address what is important to MDT - the Silver Bullet
- Tables and graphics can be very useful
- Clearly address the project goals and challenges
- It is helpful to illustrate you've done this before
- Tie approach to design milestones
- How are you going to manage risk and innovations
- Be creative with ideas – don't limit yourselves
- Discuss collaboration with MDT, Consultant & ICE



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SECTION II – STRATEGIC PROJECT APPROACH (CONT)

- Consider how you will address early work packages
- Can you provide value added services or tools?
- Do not neglect safety
- MDT is interested in how you manage quality
- Typical cross sections/graphics/designs are valuable if done right
- Section II weighted at **40%** of the written proposal



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SECTION III – APPROACH TO CM/GC PROJECT DELIVERY PROCESS

- Hit on the three main points-Collaboration/Risk/Decisions
- Mirror Section I – don't leave anyone out
- Clearly convey the specific benefits of key staff
- How will you reduce cost and manage risk? Explain
- Describe how the CM will help guide the decision analysis and resolutions
- REMEMBER – Your part of a multi-disciplined team
- Section III weighted at **30%** of the written proposal

SECTION IV – PROJECT INNOVATIONS AND RESOURCES



- Be creative and open minded
- Generate a metric that gauges impacts of the innovation
- Provide examples and outcomes if possible
- How is your team structured to brainstorm/ evaluate/ track innovations
- Are innovations right for this site and conditions?
- Section IV weighted at **20%** of the written proposal



ELEMENTS OF A GOOD INTERVIEW



THE INTERVIEW

- Know the interview format
- Be relaxed: Practice - Practice - Practice
- You will be our partner – start with this interview
- Avoid one person dominating discussion
- Clean handoffs – don't interrupt
- Be cognizant of your body language
- Be intentional with graphics/figures
- Consider value-added participants



THE INTERVIEW (CONTINUED)

- Discuss the project challenges and your approach
- Address the key elements of your proposal – expand
- Avoid badmouthing past clients, subs, engineers
- Tell us how you communicate internally and with the team
- Key words have value – transparency, communication, problem solving, own risk, etc.
- Know your virtual platform
- Ask us questions
- Show excitement!



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THE SELECTION PROCESS



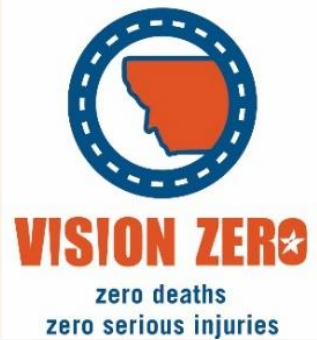


CM/GC Total Proposal & Interview Scoring

120000 Total Score Available

REVIEW COMMITTEE MEMBER	COMPANY														
	Contractor A							Contractor B							
	Technical Proposal				Interview			Technical Proposal				Interview			
SCORING CRITERIA NO.	1	2	3	4	1	2	3	1	2	3	4	1	2	3	
Reviewer 1	7.0	8.0	8.0	8.5	9.8	10.0	9.8	9.5	9.0	9.5	8.8	7.6	7.3	7.4	
Reviewer 2	8.0	7.5	7.0	8.0	9.2	9.2	8.9	9.0	8.9	9.0	9.5	8.0	7.4	7.4	
Reviewer 3	7.5	7.9	7.5	7.8	9.0	9.0	8.7	9.0	8.8	9.0	9.2	8.0	8.0	7.5	
Reviewer 4	6.0	6.5	7.5	8.0	9.2	9.3	9.5	9.2	9.5	9.5	8.0	8.8	8.0	8.0	
Reviewer 5	7.0	7.0	6.5	6.8	9.5	9.0	9.0	8.5	9.0	8.5	8.6	7.0	6.5	6.0	
Reviewer 6	8.0	8.0	7.3	8.0	9.5	9.5	9.5	10.0	10.0	9.0	9.0	8.0	7.0	8.0	
Reviewer 7	7.0	7.3	6.5	7.2	9.8	9.8	9.8	7.5	8.2	8.0	8.0	7.5	7.3	7.5	
Reviewer 8	8.0	6.5	6.2	7.3	9.5	9.5	9.5	10.0	9.5	9.0	9.5	8.0	7.0	7.5	
TOTAL/CRITERIA =	58.5	58.7	56.5	61.6	75.5	75.3	74.7	72.7	72.9	71.5	70.6	62.9	58.5	59.3	
TOTAL SCORE =	96,130							102,110							
PERCENT =	80.11%							85.09%							
RANKING	2							1							
	2.0	1.5	1.8	1.7	0.8	1.0	1.1	2.5	1.8	1.5	1.5	1.8	1.5	2.0	





CM/GC Price Scoring

PROPOSER	Construction Phase Multiplier (%)	Average Multiplier (%)	Closest to the Average Score
Contractor A	10.00	10.8	0.9921
Contractor B	9.65		0.9886
Contractor C	11.50		0.9929
Contractor D	12.00		0.9879



CM/GC Best Value Scoring

PROPOSER	Technical Proposal and Interview Score	Construction Phase Multiplier Closest to Average Score	Best Value Score
Contractor A	96130	19.8400	460.89
Contractor B	102110	19.7700	463.47
	Total possible points for Proposal and Interview:		120000
	Proposal and Interview Weight		80
	Price Proposal Weight		20



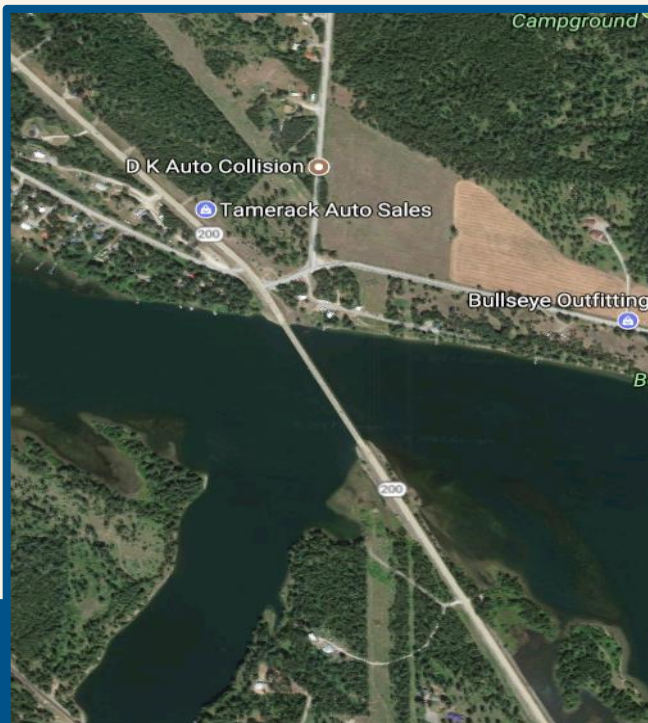
STATUS OF CURRENT AND UPCOMING CM/GC PROJECTS



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CLARK FORK – 1M NW TROUT CREEK

- Major Bridge Rehabilitation - bridge deck required replacement
- Significant site constraints & major utilities in vicinity of structure
- Accelerated construction utilizing precast bridge deck panels
- Closed to traffic 6/1 to 7/10 (39 days total) – opened 3 days ahead of schedule



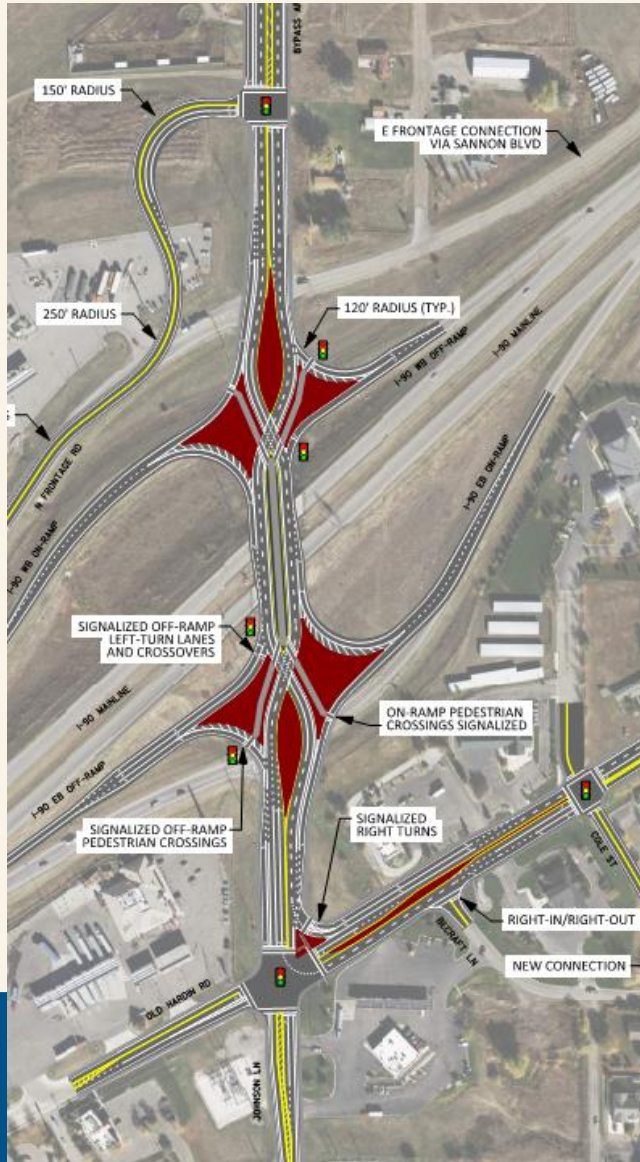
- Project Highlights:
 - Accelerated pre-construction phase
 - Robust Public Involvement effort
 - Innovative construction methods using precast panels with accelerated schedule
 - Local fabricator used (Kalispell)

SALMON LAKE RECONSTRUCTION



- 4.5 Mile Reconstruction in challenging terrain
- Significant geotechnical challenges
- Maintenance of traffic issues
- Status: under design
- Project Highlights:
 - Environmental sensitive design
 - Right of Way constraints
 - Unstable slopes on the right, lake proximity on the left

JOHNSON LANE INTERCHANGE – BILLINGS BYPASS



- I-90 interchange reconstruction
- Diverging diamond interchange
- Maintenance of traffic issues
- Status: under design
- Project Highlights:
 - Defining an efficient decision process
 - Enhanced MDT participation
 - Design efficiencies
 - Bluebeam used for plan review

MT-200 BRIDGES – LEWISTOWN AREA



- Replacement/Rehab of 11 timber bridges
- Recently selected a Design Consultant
- Advertise for CM in February 2021
- Advertise for ICE in March 2021
- Project Highlights:
 - Age of existing bridges – all but 2 pre-1940
 - Right of way constraints – limited width
 - Maintaining traffic flow





LESSONS LEARNED





QUESTIONS & COMMENTS



MDT CM/GC Guidance Document:

ftp://ftp.mdt.mt.gov/contract/AlternativeContracting/MDT_CMGCGuidance.PDF

(UPDATED DOCUMENT COMING SOON...)

Web link to today's workshop (available soon):

<https://www.mdt.mt.gov/business/contracting/alternative.shtml>

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