# Colorado Department of Transportation
# Innovative Contracting Advisory Committee

# Project Delivery Selection Approach

## Overview

This document provides a formal approach for CDOT highway project delivery selection. The document provides generic forms for use by CDOT staff and project team members. By using these forms, a brief project delivery selection report can be generated for each individual project. The primary objectives of this document are:

- Present a structured approach to assist CDOT in making project delivery decisions;
- Assist CDOT in determining if there is a dominant or obvious choice of project delivery methods; and
- Provide documentation of the project delivery decision in the form of a Project Delivery Decision Report.

## Background

The project delivery method is the process by which a construction project is comprehensively designed and constructed including project scope definition, organization of designers, constructors and various consultants, sequencing of design and construction operations, execution of design and construction, and closeout and start-up. Thus, the different project delivery methods are distinguished by the manner in which contracts between the agency, designers and builders are formed and the technical relationships that evolve between each party inside those contracts. Currently, there are several types of project delivery systems available for publicly funded transportation projects in the Colorado. The most common systems are Design-Bid-Build (DBB), Design-Build (DB), and Construction Manager/General Contractor (CM/GC). No single project delivery method is appropriate for every project. Each project must be examined individually to determine how it aligns with the attributes of each available delivery method.

**DBB** is the traditional project delivery method in which an agency designs, or retains a designer to furnish complete design services, and then advertises and awards a separate construction contract based on the designer's completed construction documents. In DBB, the agency "owns" the details of design during construction and as a result, is responsible for the cost of any errors or omissions encountered in construction.

**DB** is a project delivery method in which the agency procures both design and construction services in the same contract from a single, legal entity referred to as the design-builder. The method typically uses Request for Qualifications (RFQ)/Request for Proposals (RFP) procedures rather than the DBB Invitation for Bids procedures. The design-builder controls the details of design and is responsible for the cost of any errors or omissions encountered in construction.

**CM/GC** is a project delivery method in which the agency contracts separately with a designer and a construction manager. The agency can perform design or contract with an engineering

firm to provide a facility design. The agency selects a construction manager to perform construction management services and construction works. The significant characteristic of this delivery method is a contract between an agency and a construction manager who will be at risk for the final cost and time of construction. Construction industry/Contractor input into the design development and constructability of complex and innovative projects are the major reasons an agency would select the CM/GC method. Unlike DBB, CM/GC brings the builder into the design process at a stage where definitive input can have a positive impact on the project. CM/GC is particularly valuable for new non-standard types of designs where it is difficult for the owner to develop the technical requirements that would be necessary for DB procurement without industry input.

## Overview of the Project Delivery Selection Process

The process is shown in the form of a flow chart below. It consists of the following activities:

A. Describe the project and set the project goals

B. Determine and review project dependent constraints

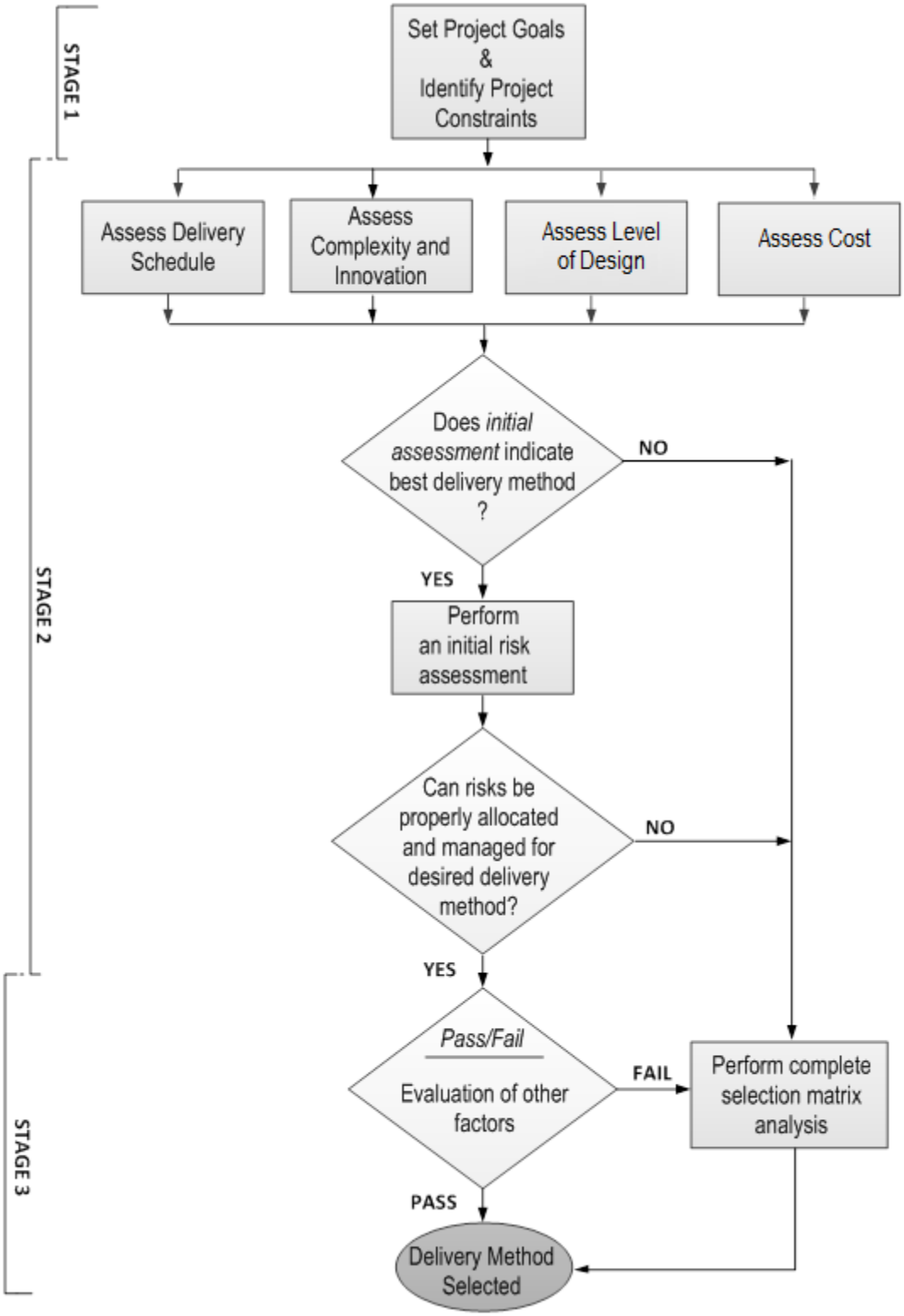
C. Assess the primary factors (these factors most often determine the selection).
   1. Delivery Schedule
   2. Complexity & Innovation
   3. Level of Design (at the time of the project delivery procurement)
   4. Cost

D. If the primary factors indicate there is a clear choice of the delivery method, then:
   5. Perform an initial risk assessment for the desired delivery method to ensure that risks can be properly allocated and managed, and

E. Perform a brief pass/fail analysis of the secondary factors to ensure that they are not relevant to the decision.
   6. Staff Experience/Availability (Owner)
   7. Level of Oversight and Control
   8. Competition and Contractor Experience

F. If steps B, C & D do not result in clear determination of the method of delivery then perform a more rigorous evaluation of all eight factors against the three potential methods of delivery (DBB, DB and CM/GC).

Typically the entire selection process can be completed by the project team in a 4 hour workshop session, if team member have individually performed assessments before the workshop.




**CDOT Project Delivery Selection Flowchart**

The following forms and appendices are included to facilitate this process.

## Project description checklist

Provide information on the project that is using this tool. This includes size, type, funding, risks, complexities, etc. All information should be developed for the specific project.

## Project Goals worksheet – including example project goals

A careful determination of the project goals is an instrumental first step of the process that will guide both the selection of the appropriate method of delivery as well as the specific delivery procurement process and implementation of the project.

## Project Constraints worksheet (Go / No-Go Decisions)

Carefully review all possible constraints to the project. These constraints can potentially eliminate a project delivery method before the evaluation process begins.

## Project Delivery Selection Matrix Summary

The Project Delivery Selection Matrix Summary summarizes the assessment of the eight Evaluation Factors for the three delivery methods. The form is qualitatively scored using the scoring provided in table 1 below.

**Table 1 - Factor Evaluation Scoring Key**

| | |
|---|---|
| **+ +** | Most appropriate delivery method |
| **+** | Appropriate delivery method |
| **–** | Least appropriate delivery method |
| **X** | Fatal Flaw (discontinue evaluation of this method) |
| **NA** | Factor not applicable or not relevant to the selection |

The form also includes a section for comments and conclusions. The completed Project Delivery Selection Matrix Summary should provide an executive summary of the key reasons for the selection of the method of delivery**.**

## Workshop Blank Form

This form can be used by the project team for additional documentation of the process. In particular it can be used to elaborate on Evaluation Factor 4. “Initial Project Risk Assessment”.

## Evaluation Factor Project Delivery Method Opportunity/Obstacle Summary

These forms are used to summarize the assessments by the project team of the opportunities and obstacles associated with each delivery method relative to each of the eight Evaluation Factors. The bottom of each form allows for a qualitative conclusion using the same notation as described above. Those conclusions then are transferred to the **Project Delivery Selection Matrix Summary.**

## Appendix – Opportunity/Obstacle Checklists

These forms provide the project team with guidance concerning typical delivery method opportunities and obstacles associated with each of the eight Evaluation Factors. However, these checklist include general information and are not an all-inclusive checklist. Use the checklists as a supplement to developing project specific opportunities and obstacles.

## Appendix – Initial Risk Assessment Guidance

Because of the unique nature of Evaluation Factor 4. "Initial Project Risk Assessment", the Appendix provides the project team with additional guidance for evaluation of that factor including: Typical CDOT Transportation Project Risks; a General Project Risks Checklist; and a Risk Opportunities/Obstacles Checklist.

## Project Description Checklist

The following items should be considered in the project description as applicable. Other items can be added if they influence the project delivery decision. Relevant documents can be added as appendices.

- ❒ Project Name: I-70 Havana Bridge Replacement (Str. # E-17-JP)
- ❒ Location: I-70 Milepost 280.57
- ❒ Estimated Budget $22 million
- ❒ Estimated Project Delivery Period: Start Summer 2013, 18 month construction time
- ❒ Required Delivery Date (if applicable)
- ❒ Source(s) of Project Funding: Colorado Bridge Enterprise
- ❒ Project Corridor: I-70 East Corridor
- ❒ Major Features of Work – Replacement of deficient structure, associated earthwork, retaining walls, pavement, lighting, barrier, etc.
- ❒ Major Schedule Milestones: 2013 Construction Start
- ❒ Major Project Stakeholders: Bridge Enterprise, CDOT, City & County of Denver
- ❒ Major Challenges (as applicable)
    - Maintenance of Traffic (MOT), compatibility and non-preclusion of I-70 East EIS outcome, obtain CatEx, work within existing ROW, UPRR C & M agreement for active spur track
    - During Construction Phase: maximize traffic volume throughput, maintain existing # of mainline lanes, minimize impacts to existing maintenance facility, maintenance of UPRR spur line customers, water quality
- ❒ Main Identified Sources of Risk: Compatibility with I-70 EIS, maintenance of traffic, UPRR agreement and interaction, potential for hazardous materials (groundwater contamination)
- ❒ Safety Issues: High corridor traffic volumes, safe detour implementation
- ❒ Sustainable Design and Construction Requirements: Maximize utilization of sustainable materials (i.e. highway lighting, existing material reuse (as applicable)

## Project Goals

An understanding of project goals is essential to appropriate project delivery selection. Typically, the project goals can be defined in three to five items. Examples are provided below,[1] but the report should include project-specific goals. These goals should remain consistent over the life of the project.

Project-Specific Goals

1. Minimize inconvenience to stakeholders and the public during construction
    a. Maintain I-70 throughput
    b. Maintain UPRR spur track and UPRR business access
    c. Maintain use and functionality of existing CDOT Maintenance facility
    d. Maintain local business access

2. Compatibility with I-70 East EIS and ultimate I-70 Corridor improvements
    a. Confirm compatibility of bridge structure(s), retaining walls, roadside features
    b. Minimize throwaway
    c. Integration with currently accepted ultimate I-70 East Corridor geometry

3. Maximize safety of workers and traveling public
    a. Demonstrated safety performance on other projects
    b. Well defined safety procedures and processes
    c. Commitment of key resources to ensure safety

4. Minimize project delivery time
    a. Accelerated Design/Construction Schedule
    b. Demonstrated success in accelerated construction in urban environments
    c. Experience integrating design and construction that reduced project delivery time

## Project Constraints

There are potential aspects of a project that can eliminate the need to evaluate one or more of the possible project delivery methods. General constraints are provided, but it is critical to identify constraints that are project specific.

Constraints

- Source of Funding- Colorado Bridge Enterprise (FASTER)
- Schedule constraints- Construction Start August 2013
- Federal, state, and local laws – N/A
- Third party agreements with railroads, ROW, etc – UPRR C and M agreement required
- I-70 East EIS currently being developed. Project will be required to maintain compatibility with EIS scope and configuration
- High Volume Interstate 70 traffic corridor. Peak period traffic needs to be maintained
- High visibility location. Public Information will be required to update and inform motoring public and stakeholder constituents

## Project Delivery Selection Matrix Summary

Determine the factors that should be considered in the project delivery selection, discuss the opportunities and obstacles related to each factor, and document the discussion on the following pages. Then complete the summary below.

| PROJECT DELIVERY METHOD OPPORTUNITY/OBSTACLE SUMMARY | | | |
|---|---|---|---|
| | **DBB** | **DB** | **CM/GC** |
| **Primary Evaluation Factors** | | | |
| 1. Delivery Schedule | **X** | **++** | **-** |
| 2. Project Complexity & Innovation | **-** | **+** | **+** |
| 3. Level of Design | **-** | **++** | **+** |
| 4. Cost | **-** | **++** | **+** |
| 5. Perform Initial Risk Assessment | **NA** | **Risk can be properly allocated through use of DB delivery** | **NA** |
| **Secondary Evaluation Factors** | | | |
| 6. Staff Experience/Availability (Owner) | **NA** | **Pass** | **NA** |
| 7.Level of Oversight and Control | **NA** | **Pass** | **NA** |
| 8. Competition and Contractor Experience | **NA** | **Pass** | **NA** |

| | |
|---|---|
| **+ +** | Most appropriate delivery method |
| **+** | Appropriate delivery method |
| **–** | Least appropriate delivery method |
| **X** | Fatal Flaw (discontinue evaluation of this method) |
| **NA** | Factor not applicable or not relevant to the selection |

## Project Delivery Selection Matrix Summary Conclusions and Comments:

Design-Build was determined to be the most appropriate delivery system match to the project for the following primary reasons: 1) The delivery schedule is driven by the Colorado Bridge Enterprise request for accelerated project delivery and execution. Initial CBE budget action accelerated funding with intent to begin replacement ASAP. DBB could not have provided for this acceleration of design and construction. CMGC provides some acceleration benefit, but not to the extent of D-B. 2) The project has significant complexity with regard to maintenance of traffic on the I-70 strategic corridor. Additionally, there are complex interactions between the project and the I-70 East EIS design and ultimate build out of I-70 East. The project will benefit greatly in the integration of designer and contractor as to how to best solve these complex interactions. The Region 6 also benefits in having developed good D-B templates for efforts on US 36, US 6, and Dad Clark Gulch D-B procurement documents. Staff involved with these projects have availability to support the I-70 Havana Bridge Replacement project. Competitive bidding is anticipated, with a large designer/contractor base with capability to innovate and successfully deliver the project.

## Risk Discussion Notes (with respect to Design-Build delivery)

### Compatibility with I-70 East EIS

- Will need to ensure designed and constructed work is consistent with and compatible with the current program of improvements identified in the I-70 East DEIS.
- Provide close coordination with I-70 East Environmental team to ensure information is appropriately transferred to design-build team, enabling the I-70 over Havana St. bridge is built in such a manner that there is minimal throwaway work, and that future widening for final EIS improvements is facilitated.
- Ensure lane configuration, as a result of interim I-70 over Havana St., does not negatively ultimate I-70 improvements
- Bridge type and structure depth must be repeatable for future ultimate I-70 widening.
- Ultimate alignment and elevation of Havana St. will control elevation of the I-70 over Havana St. Bridge. Information transfer to D-B team is critical to ensure compatibility.
- RFP development will require complete understanding of the complexities involved and the transfer of risk and responsibility to the D-B contractor team.
- During RFP development, detailed survey will be performed to confirm interim and ultimate alignments and elevations are compatible. Survey data obtained will be provided to D-B teams. CDOT will stand behind accuracy of data provided.

### Railroad Requirements and Standards

- Ensure minimum impact to UPRR operations of their spur track
- Adherence to UPRR requirements and standards.
- Interim I-70 over Havana St. must be compatible with future alignment and grade of the ultimate relocated UPRR track
- Complete enough preliminary design to obtain C and M agreement with UPRR, prior to D-B Contract execution (30% plans). Will need to require adjustments made to 30% UPRR approved alignment and grade of UPRR track, by D-B team, will require UPRR approval and be at the sole risk of the Design-builder.
- Will require work hour limitations, defined by the UPRR, in the vicinity of the UPRR track alignment.
- Structure demolition plans will require approval of UPRR.

### Traffic Management

- Maintain existing through lane capacity during construction (4 lanes, each direction)
- Maintain 55 mph speed during construction
- Coordinate ramp closures and detours with local businesses, corridor stakeholders, and adjacent projects to minimize impacts
- Maintain access to Havana St. during business hours, minimize long term closure
- Notification through public communication will key successful project delivery
- Return to full interchange access will benefit road users and local businesses
- Strategies that reduce construction duration, or limit long term ramp closures will be reviewed favorably
-

**Hazardous Substances**

- Confirm low risk level, during RFP development, through environmental investigation
- In the event of a finding, D-B contractor would perform remediation, and CDOT will assume critical path delay time, and cost risk of cleanup and disposal.
- Ground water testing will be performed during RFP development to confirm potential for contaminated ground water. Include above mentioned remediation and cleanup clause to reduce contractor contingency in case of event.

## Water Quality

- Water quality design criteria have become more specific. However, water quality features (ponds versus vaults, access requirements, vault and pond details) will require input from both CDOT and the City & County of Denver, and needs to be compatible with the ultimate I-70 EIS features.
- Existing wetlands need to be confirmed during RFP development. Mitigation responsibility needs to be discussed. Under interim condition, on-site mitigation may not provide ultimate solution. Use RFP development to determine appropriate risk party.
- Water quality design should be advanced, during preliminary engineering, to ensure a default design, locations, and details can be represented within the base ROW footprint.
- Use Key personnel requirements to highlight importance of water quality compliance personnel as a significant responsibility.

**ROW**

- ROW Acquisition is not anticipated for the project.
- Further investigation will be performed during RFP development to confirm current understanding surrounding ROW.
- Detailed ROW Mapping will be developed and provided to D-B teams.

## Utilities

- Will be standard types of utilities risks, no unique or major utilities risks have been identified. Advance utilities studies will be performed to provide design-builder with necessary location information. Advance utilities agreements will be executed prior to construction if possible. With that advance work standard design-build utility risk allocation is appropriate.

## Lighting/Electrical

- Interchange light standards need to be updated to current standards. Interim interchange lighting should be designed to be easily relocated to ultimate locations in the future.
- RFP development should confirm current electrical source will be sufficient for interim and ultimate condition

**CDOT Maintenance Yard**

- Maintain functionality and use of existing Maintenance Facility in the SW quadrant of the interchange.

- Ultimate I-70 at Havana St. interchange will require relocation of the Maintenance Yard. Interim condition could exist for a number of years.
- RFP development should include language that minimizes impact to the existing facility, while also allowing construction access and potentially staging on unoccupied CDOT/CCD property to minimize contractor staging costs.

### 1) Delivery Schedule

Delivery schedule is the overall project schedule from scoping through design, construction and opening to the public. Assess time considerations in getting the project started or funding dedicated and assess project completion importance.

| **DESIGN-BID-BUILD**<br>Requires time to perform sequential design and procurement, but if design time is available has the shortest procurement time after the design is complete. | |
|---|---|
| **Opportunities** | **Obstacles** |
| | Bridge Enterprise $'s anticipate accelerated construction time beginning in 2013 |
| | Linear process of completing design prior to construction Advertisement, creates **fatal flaw** |
| | Current preliminary design level incompatible with 2013 construction start |

| **DESIGN-BUILD**<br>Can get project under construction before completing design. Parallel process of design and construction can accelerate project delivery schedule; however, procurement time can be lengthy due to the time necessary to develop an adequate RFP, evaluate proposals and provide for a fair, transparent selection process. | |
|---|---|
| **Opportunities** | **Obstacles** |
| Procurement can be accelerated to meet CBE needs | |
| Accelerated construction start schedule can be obtained | |
| Ability to start construction prior to completion of design | |

| **CM/GC**<br>Quickly gets contractor under contract and under construction to meet funding obligations before completing design. Parallel process of development of contract requirements, design, procurements, and construction can accelerate project schedule. However, schedule can be slowed down by coordinating design-related issues between the CM and designer and by the process of reaching a reasonable Guaranteed Maximum Price (GMP). | |
|---|---|
| **Opportunities** | **Obstacles** |
| Project complexity could be managed through CM/GC | Iterative nature of design introduces design schedule risk |
| | Risk of GMP negotiation could jeopardize construction start schedule |
| | |

**Delivery Schedule Summary**

| | **DBB** | **DB** | **CM/GC** |
|---|---|---|---|
| 1. Delivery Schedule | **X** | ++ | **-** |

Notes and Comments:

Delivery schedule is driven by CBE funding and construction start date in 2013. Design completion using conventional DBB process would not be able to achieve construction implementation date. CM/GC would induce risks related to GMP negotiations, thus potentially jeopardizing construction start date. D-B is supported as the most advantageous contracting tool for this particular project due to the ability to accelerate construction and remove a low sufficiency rated structure from the Bridge Enterprise list.

**2) Project Complexity & Innovation**

Project complexity and innovation is the potential applicability of new designs or processes to resolve complex technical issues.

**DESIGN-BID-BUILD**

Allows CDOT to fully resolve complex design issues and qualitatively evaluate designs before procurement of the general contractor. Innovation is provided by CDOT/Consultant expertise and through traditional owner directed processes such as VE studies and contractor bid alternatives.

| Opportunities | Obstacles |
|---|---|
| | No contractor input into traffic management and construction phasing |
| | No designer/contractor input to most economical and buildable structure design |

**DESIGN-BUILD**

Incorporates design-builder input into design process through best value selection and contractor proposed Alternate Technical Concepts (ATCs) – which are a cost oriented approach to providing complex and innovative designs. Requires that desired solutions to complex projects be well defined through contract requirements.

| Opportunities | Obstacles |
|---|---|
| Traffic management and construction phasing built into the process | |
| Contractor input is advantageous for complex traffic management projects | |
| D-B contractors will build most efficient and economical structure while ensuring future compatibility | |

**CM/GC**

Allows independent selection of designer and contractor based on qualifications and other factors to jointly address complex innovative designs through three party collaboration of CDOT, designer and Contractor. Allows for a qualitative (nonprice oriented) design but requires agreement on GMP.

| Opportunities | Obstacles |
|---|---|
| Process envisions collaborative design in concert with construction contractor | GMP risk could increase schedule time. |
| Economical design would be outcome of process | Innovation may yield higher costs |
| | Technical challenges may increase design iteration and schedule |

**Project Complexity & Innovation Summary**

| | DBB | DB | CM/GC |
|---|---|---|---|
| 2. Project Complexity & Innovation | - | + | + |

Notes and Comments:

| |
|---|
| Both D-B and CM/GC provide opportunity for success in addressing the complexities of the project in structure design, ultimate compatibility, and in traffic management aspects. CM/GC may not fully address schedule aspects and design iteration that could lead to a more lengthy process. DBB is least advantageous for a complex project of this magnitude. |

**3) Level of Design**

Level of design is the percentage of design completion at the time of the project delivery procurement

| **DESIGN-BID-BUILD**<br>100% design by CDOT, with CDOT having complete control over the design. | |
|---|---|
| **Opportunities** | **Obstacles** |
| Full design under full CDOT control | Timeframe to obtain full design creates advancement challenges |
| | Full design will not have construction contractor input to constructability potentially leading to change orders to correct |

| **DESIGN-BUILD**<br>Design advanced by CDOT to the level necessary to precisely define contract requirements and properly allocate risk (typically 30% or less). | |
|---|---|
| **Opportunities** | **Obstacles** |
| No need to advance beyond 30% | Need to clearly define requirements vs. wants |
| Process ensures design/construction integration (before design completion) to innovate and create efficiencies | Could miss critical scope components if not fully engaged during RFP development |
| Design progression can be halted once confirmed that enough is available to define the full contract scope | |

| **CM/GC**<br>Can utilize a lower level of design prior to procurement of the CM/GC and then joint collaboration of CDOT, designer, and CM/GC in the further development of the design. Iterative nature of design process risks extending the project schedule. | |
|---|---|
| **Opportunities** | **Obstacles** |
| CDOT maintains level of design control throughout CM/GC process | Iterative nature of design process within CM/GC can be time consuming |
| | Schedule isn't committed to by CM/GC Contractor until GMP |

**Level of Design Summary**

| | DBB | DB | CM/GC |
|---|---|---|---|
| 3. Level of Design | - | ++ | + |

Notes and Comments:

| |
|---|
| DBB commits time and costs to obtain 100% design. Contractor's often change construction phasing, or request value engineering to change design. D-B uses that understanding that |

integration of designer and constructor yields benefits both in time and cost advantages that are seen upon execution. CDOT receives maximum value from this integration. CM/GC allows for a level of owner control that is greater than that of D-B, and gets to contractor integration before design completion, saving time and costs. CM/GC may also lead to extended negotiations that may increase time to construction. DB appears to be the most advantageous process for this project.

**4) Cost**

Project cost is the financial process related to meeting budget restrictions, early and precise cost estimation, and control of project costs.

| **DESIGN-BID-BUILD**<br>Competitive bidding provides a low cost construction for a fully defined scope of work. Costs accuracy limited until design is completed. More likelihood of cost change orders due to contractor having no design responsibility. | |
|---|---|
| **Opportunities** | **Obstacles** |
| Competitive bidding environment at this time could lead to lower costs | Change orders are more prevalent on DBB projects |
| | |

| **DESIGN-BUILD**<br>Designer-builder collaboration and ATCs can provide a cost-efficient response to project goals. Costs are determined with design-build proposal, early in design process. Allows a variable scope bid to match a fixed budget. Poor risk allocation can result in high contingencies. | |
|---|---|
| **Opportunities** | **Obstacles** |
| Innovation and collaboration likely to lead to reduced overall cost | |
| Efficiencies in designer/contractor integration | |
| Multiple bidders in competitive bidding environment | |

| **CM/GC**<br>CDOT/designer/contractor collaboration to reduce risk pricing can provide a low cost project however non-competitive negotiated GMP introduces price risk. Good flexibility to design to a budget. | |
|---|---|
| **Opportunities** | **Obstacles** |
| Designer/contractor collaboration built into process | Negotiated GMP |
| | |

**Cost Summary**

| | **DBB** | **DB** | **CM/GC** |
|---|---|---|---|
| 4. Cost | - | ++ | + |

Notes and Comments:

Design-Build offers the most positive response to project's complexities, ability to obtain ultimate alignment compatibility, and address traffic management challenges.

### 5) Initial Risk Assessment

Risk is an uncertain event or condition that, if it occurs, has a negative effect on a project's objectives. Risk allocation is the assignment of unknown events or conditions to the party that can best manage them. An initial assessment of project risks is important to ensure the selection of the delivery method that can properly address them. An approach that focuses on a fair allocation of risk will be most successful. Refer to risk discussion and checklists in appendix B.

| **DESIGN-BID-BUILD *(Not Assessed)*** Risk allocation for design-bid-build best is understood by the industry, but requires that most design-related risks and third party risks be resolved prior to procurement to avoid costly contractor contingency pricing and change orders and claims. | |
|---|---|
| **Opportunities** | **Obstacles** |

| **DESIGN-BUILD** Provides opportunity to properly allocate risks to the party best able to manage them, but requires risks allocated to design-builder to be well defined to minimize contractor contingency pricing of risks. | |
|---|---|
| **Opportunities** | **Obstacles** |
| Compatibility with I-70 East EIS can be obtained through close coordination with the I-70 Ease EIS team and involvement throughout the procurement document preparation phase. D-B contractor will be assigned risk in ensuring that the interim bridge can accommodate the ultimate alignment and configuration for the interchange. | Compatibility with I-70 East EIS |
| Railroad Requirements and Standards will be met through provision of a 30% UPRR approved plan set serving as the baseline for the D-B contractor. CDOT will obtain initial approval, with D-B contractor requirement for final design approval from the UPRR, at the risk of the D-B contractor. | Railroad Requirements and Standards |
| Traffic Management procurement documents will outline basic requirements for 55 mph minimum speed, 4 thru lanes, each direction, coordination between adjacent projects and ramp closures, maintenance of access to Havana for commuters and businesses, and incentive for reduced construction impact timeframe | Traffic Management |
| Hazardous Substances Confirm through investigation, presence of contamination, in advance of the D-B Contract execution. Upon discovery during the project, require contractor resources to mitigate, with CDOT accepting payment and critical path risk. | Hazardous Substances |
| Water Quality Close coordination with CDOT and CCD on interim feature locations and compatibility with ultimate. Advance wq design during procurement development to ensure project needs can be met within existing ROW. Use key personnel definition to describe and emphasize importance of wq compliance. | Water Quality |
| ROW although acquisition is not anticipated for the project, prepare ROW mapping identifying adjacent property owners, confirm current understanding of ROW needs, transmit information with Draft RFP for comment. Temporary easements remain responsibility of the D-B contractor | ROW |

| | |
|---|---|
| Utilities will be clearly defined in contract requirements and appropriately allocated to party best able to manage/mitigate. Due to project location, utilities are not anticipated to be a major concern | Utilities |
| Lighting/Electrical will be clearly defined both in maintenance of current lighting levels during construction, and updating of lighting to new standards. Built condition needs to accommodate movement of highway lighting to ultimate location in the future | Lighting/Electrical |
| CDOT Maintenance Yard will require continued utilization during project construction. Impact to yard operations will be limited and coordinated with CDOT Maintenance personnel. Any effort to use portions for staging will require written approval from CDOT Maintenance | CDOT Maintenance Yard |

| **CM/GC *(Not Assessed)*** | |
|---|---|
| Provides opportunity for CDOT, designer, and contractor to collectively identify and minimize project risks, and allocate risk to appropriate party. Has potential to minimize contractor contingency pricing of risk, but can lose the element of competition in pricing. | |
| **Opportunities** | **Obstacles** |

**Initial Risk Assessment Summary**

| | DBB | DB | CM/GC |
|---|---|---|---|
| 5. Initial Risk Assessment | **NA** | **Risk can be properly allocated through use of DB delivery** | **NA** |

Notes and Comments:

Based upon the risk for this specific project, D-B appears to be the appropriate contract model to properly allocate and mitigate project risks. Current known risks have been discussed and will require additional detail throughout the Design-Build procurement document development phase.

### 6) Staff Experience/Availability

Owner staff experience and availability as it relates to the project delivery methods in question.

| **DESIGN-BID-BUILD** | |
|---|---|
| Technical and management resources necessary to perform the design and plan development. Resource needs can be more spread out. | |
| **Opportunities** | **Obstacles** |

| **DESIGN-BUILD** | |
|---|---|
| Technical and management resources and expertise necessary to develop the RFQ and RFP and administrate the procurement. Concurrent need for both design and construction resources to oversee the implementation. | |
| **Opportunities** | **Obstacles** |

| **CM/GC** | |
|---|---|
| Strong, committed CDOT project management resources are important for success of the CM/GC process. Resource needs are similar to DBB except CDOT must coordinate CM's input with the project designer and be prepared for GMP negotiations. | |
| **Opportunities** | **Obstacles** |

**Staff Experience/Availability Summary**

| | DBB | DB | CM/GC |
|---|---|---|---|
| 6. Staff Experience/ Availability | **NA** | **PASS** | **NA** |

Notes and Comments:

*No significant disadvantages are noted with the selection of Design-Build as the method of delivery for this project. For Staff Experience/Availability, the Region has sufficient resources and capabilities to deliver the project through Design-Build*

### 7) Level of Oversight and Control

Level of oversight involves the amount of agency staff required to monitor the design or construction, and amount of agency control over the delivery process

| **DESIGN-BID-BUILD**<br>Full control over a linear design and construction process. | |
|---|---|
| **Opportunities** | **Obstacles** |

| **DESIGN-BUILD**<br>Less control over the design (design desires must be written into the RFP contract requirements). Generally less control over the construction process (design-builder often has QA responsibilities). | |
|---|---|
| **Opportunities** | **Obstacles** |

| CM/GC<br>Most control by CDOT over both the design, and construction, and control over a collaborative owner/designer/contractor project team | |
|---|---|
| **Opportunities** | **Obstacles** |

**Level of Oversight and Control Summary**

| | DBB | DB | CM/GC |
|---|---|---|---|
| 7. Level of Oversight and Control | **NA** | **PASS** | **NA** |

Notes and Comments:

*No significant disadvantages are noted with the selection of Design-Build as the method of delivery for this project. For Level of Oversight and Control, the Region has knowledgeable resources with appropriate understanding of the role Design-Build will play in oversight and control of the project.*

### 8) Competition and Contractor Experience

Competition and availability refers to the level of competition, experience and availability in the market place and its capacity for the project.

| **DESIGN-BID-BUILD**<br>High level of competition, but GC selection is based solely on low price. High level of marketplace experience. | |
|---|---|
| **Opportunities** | **Obstacles** |

| **DESIGN-BUILD**<br>Allows for a balance of price and non-price factors in the selection process. Medium level of marketplace experience. | |
|---|---|
| Opportunities | Obstacles |

| **CM/GC**<br>Allows for the selection of the single most qualified contractor, but GMP can limit price competition. Low level of marketplace experience. | |
|---|---|
| Opportunities | Obstacles |

**Competition and Contractor Experience Summary**

| | **DBB** | **DB** | **CM/GC** |
|---|---|---|---|
| 8. Competition and Contractor Experience | **NA** | **PASS** | **NA** |

Notes and Comments:

*No significant disadvantages are noted with the selection of Design-Build as the method of delivery for this project. For Competition and Contractor Experience, the pool of available contractors with Design-Build background and capabilities is significant and should ensure a competitive bidding environment for the project.*

## APPENDIX

## Opportunity and Obstacle Checklists

## (With Project Risk Assessment Discussion and Checklists)

**1) Delivery Schedule Checklist**

| DESIGN-BID-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Schedule is more predictable and more manageable<br>❒ Milestones can be easier to define<br>❒ Projects can more easily be "shelved"<br>❒ Shortest procurement period<br>❒ Elements of design can be advanced prior to permitting, construction, etc.<br>❒ Time to communicate/discuss design with stakeholders | ❒ Requires time to perform a linear design-bid-construction process<br>❒ Design and construction schedules can be unrealistic due to lack industry input<br>❒ Errors in design lead to change orders and schedule delays<br>❒ Low bid selection may lead to potential delays and other adverse outcomes. |

| DESIGN-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Potential to accelerate schedule through parallel design-build process<br>❒ Shifting schedule risk to DB team<br>❒ Encumbers construction funds more quickly<br>❒ Industry input into design and schedule<br>❒ Fewer chances for disputes between agency and design-builders<br>❒ More efficient procurement of long-lead items<br>❒ Ability to start construction before entire design, ROW, etc. is complete (i.e., phased design)<br>❒ Allows innovation in resource loading and scheduling by DB team | ❒ Request for proposal development and procurement can be intensive<br>❒ Undefined events or conditions found after procurement, but during design can impact schedule and cost<br>❒ Time required to define technical requirements and expectations through RFP development can be intensive<br>❒ Time required to gain acceptance of quality program<br>❒ Requires agency and stakeholder commitments to an expeditious review of design |

| CM/GC | |
|---|---|
| Opportunities | Obstacles |
| ❒ Ability to start construction before entire design, ROW, etc. is complete (i.e., phased design)<br>❒ More efficient procurement of long-lead items<br>❒ Early identification and resolution of design and construction issues (e.g., utility, ROW, and earthwork)<br>❒ Can provide a shorter procurement schedule than DB<br>❒ Team involvement for schedule optimization<br>❒ Continuous constructability review and VE<br>❒ Maintenance of Traffic improves with contractor inputs<br>❒ Contractor input for phasing, constructability and traffic control may reduce overall schedule | ❒ Potential for not reaching GMP and substantially delaying schedule<br>❒ GMP negotiation can delay the schedule<br>❒ Designer-contractor-agency disagreements can add delays<br>❒ Strong agency management is required to control schedule |

## 2) Project Complexity & Innovation Checklist

| DESIGN-BID-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ CDOT can have more control of design of complex projects<br>❒ CDOT& consultant expertise can select innovation independently of contractor abilities<br>❒ Opportunities for value engineering studies during design, more time for design solutions<br>❒ Aids in consistency and maintainability<br>❒ Full control in selection of design expertise<br>❒ Complex design can be resolved and competitively bid | ❒<br>❒ Innovations can add cost or time and restrain contractor's benefits<br>❒ No contractor input to optimize costs<br>❒ Limited flexibility for integrated design and construction solutions (limited to constructability)<br>❒ Difficult to assess construction time and cost due to innovation |

| DESIGN-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Designer and contractor collaborate to optimize means and methods and enhance innovation<br>❒ Opportunity for innovation through draft RFP, best value and ATC processes<br>❒ Can use best-value procurement to select design-builder with best qualifications<br>❒ Constructability and VE inherent in process<br>❒ Early team integration<br>❒ Sole point of responsibility | ❒ Requires desired solutions to complex designs to be well defined through technical requirements (difficult to do)<br>❒ Qualitative designs are difficult to define (example. aesthetics)<br>❒ Risk of time or cost constraints on designer inhibiting innovation<br>❒ Some design solutions might be too innovative or unacceptable<br>❒ Quality assurance for innovative processes are difficult to define in RFP |

| CM/GC | |
|---|---|
| Opportunities | Obstacles |
| ❒ Highly innovative process through 3 party collaboration<br>❒ Allows for owner control of a designer/contractor process for developing innovative solutions<br>❒ Allows for an independent selection of the best qualified designer and best qualified contractor<br>❒ VE inherent in process and enhanced constructability<br>❒ Risk of innovation can be better defined and minimized and allocated<br>❒ Can take to market for bidding as contingency | ❒ Process depends on designer/CM relationship<br>❒ No contractual relationship between designer/CM<br>❒ Innovations can add cost or time<br>❒ Scope additions can be difficult to manage<br>❒ Preconstruction services fees for contractor involvement<br>❒ Cost competitiveness – single source negotiated GMP |

### 3) Level of Design Checklist

| DESIGN-BID-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ 100% design by owner<br>❒ Agency has complete control over the design (can be beneficial when there is one specific solution for a project)<br>❒ Project/scope can be developed through design<br>❒ The scope of the project is well defined through complete plans and contract documents<br>❒ Well-known process to the industry | ❒ Owner design errors can result in a higher number of change orders, claims, etc.<br>❒ Minimizes competitive innovation opportunities<br>❒ Can reduce the level of constructability since the contractor is not bought into the project until after the design is complete |

| DESIGN-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Design advanced by the owner to level necessary to precisely define the contract requirements and properly allocate risk<br>❒ Does not require much design to be completed before awarding project to the design-builder (between ~ 10% - 30% complete)<br>❒ Contractor involvement in early design, which improves constructability and innovation<br>❒ Plans do not have to be as detailed because the design-builder is bought into the project early in the process and will accept design responsibility | ❒ Must have very clear definitions and requirements in the RFP because it is the basis for the contract<br>❒ If design is too far advanced it will limit the advantages of design-build<br>❒ Potential for lacking or missing scope definition if RFP not carefully developed<br>❒ Over utilizing performance specifications to enhance innovation can risk quality through reduced technical requirements<br>❒ Less agency control over the design<br>❒ Can create project less standardized designs across agency as a whole |

| CM/GC | |
|---|---|
| Opportunities | Obstacles |
| ❒ Can utilize a lower level of design prior to selecting a contractor then collaboratively advance design with owner, designer and contractor<br>❒ Contractor involvement in early design improves constructability<br>❒ CDOT controls design<br>❒ Design can be used for DBB if the price is not successfully negotiated.<br>❒ Design can be responsive to risk minimization | ❒ Teaming and communicating concerning design can cause disputes<br>❒ Three party process can slow progression of design<br>❒ If design is too far advanced it will limit the advantages of CMGC or could require design backtracking |

**4) Cost Checklist**

| DESIGN-BID-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Competitive bidding provides a low cost construction to a fully defined scope of work<br>❒ Increase certainty about cost estimates<br>❒ Construction costs are contractually set before construction begins | ❒ Cost accuracy is limited until design is completed<br>❒ Construction costs are not locked in until design is 100% complete.<br>❒ Cost reductions due to contractor innovation and constructability is difficult to obtain<br>❒ More potential of cost change orders due to owner design responsibility |

| DESIGN-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Contractor input into design should moderate cost<br>❒ Design-builder collaboration and ATCs can provide a cost-efficient response to project goals<br>❒ Costs are contractually set early in design process with design-build proposal<br>❒ Allows a variable scope bid to match a fixed budget<br>❒ Potential lower average cost growth<br>❒ Funding can be obligated in a very short timeframe | ❒ Risks related to design-build, lump sum cost without 100% design complete, can compromise financial success of the project. |

| CM/GC | |
|---|---|
| Opportunities | Obstacles |
| ❒ Owner/designer/contractor collaboration to reduce project risk can result in lowest project costs.<br>❒ Early contractor involvement can result in cost savings through VE and constructability<br>❒ Cost will be known earlier when compared to DBB<br>❒ Integrated design/construction process can provide a cost efficient strategies to project goals<br>❒ Can provide a cost efficient response to the project goals | ❒ Non-competitive negotiated GMP introduces price risk<br>❒ Difficulty in GMP negotiation introduces some risk that GMP will not be successfully executed requiring aborting the CM/GC process.<br>❒ Paying for contractors involvement in the design phase may increase total cost |

## 5) Initial Risk Assessment

Three sets of risk assessment checklists are provided to assist in an initial risk assessment relative to the selection of the delivery method:

**A. Typical CDOT Transportation Project Risks**
**B. General Project Risks Checklist**
**C. Opportunities/Obstacles Checklist (relative to each delivery method)**

It is important to recognize that the initial risk assessment is to only ensure the selected delivery method can properly address the project risks. A more detailed level of risk assessment should be performed concurrently with the development of the procurement documents to ensure that project risks are properly allocated, managed, and minimized through the procurement and implementation of the project.

### *A. TYPICAL CDOT TRANSPORTATION PROJECT RISKS*

Following is a list of project risks that are frequently encountered on CDOT transportation projects and a discussion on how the risks are resolved through the different delivery methods.

**A.1: Site Conditions and Investigations** How unknown site conditions are resolved. For additional information on site conditions, refer to 23 CFR 635.109(a) at the following link: http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=91468e48c87a547c3497a5c19d640172&rgn=div5&view=text&node=23:1.0.1.7.23&idno=23#23:1.0.1.7.23.1.1.9)

**DESIGN-BID-BUILD**

Site condition risks are generally best identified and mitigated during the design process prior to procurement to minimize the potential for change orders and claims when the schedule allows.

**DESIGN-BUILD**

Certain site condition responsibilities can be allocated to the design-builder provided they are well defined and associated third party approval processes are well defined. Caution should be used as unreasonable allocation of site condition risk will result in high contingencies during bidding. CDOT should perform site investigations in advance of procurement to define conditions and avoid duplication of effort by proposers. At a minimum CDOT should perform the following investigations:

1) Basic design surveys
2) Hazardous materials investigations to characterize the nature of soil and groundwater contamination
3) Geotechnical baseline report to allow design-builders to perform proposal design without extensive additional geotechnical investigations

**CM/GC**

CDOT, the designer, and the contractor can collectively assess site condition risks, identify the need to perform site investigations in order to reduce risks, and properly allocate risk prior to GMP.

**A.2: Utilities**

**DESIGN-BID-BUILD**

Utility risks are best allocated to CDOT, and mostly addressed prior to procurement to minimize potential for claims when the schedule allows.

**DESIGN-BUILD**

Utilities responsibilities need to be clearly defined in contract requirements, and appropriately allocated to both design-builder and CDOT:

*Private utilities (major electrical, gas, communication transmission facilities*): Need to define coordination and schedule risks as they are difficult for design-builder to price. Best to have utilities agreements before procurement. Note – by state regulation private utilities have schedule liability in design-build projects, but they need to be made aware of their responsibilities.

*Public Utilities*: Design and construction risks can be allocated to the design-builder, if properly incorporated into the contract requirements.

**CM/GC**

Can utilize a lower level of design prior to contracting and joint collaboration of CDOT, designer, and contractor in the further development of the design.

**A.3: Railroads (if applicable)**

**DESIGN-BID-BUILD**

Railroad risks are best resolved prior to procurement and relocation designs included in the project requirements when the schedule allows.

**DESIGN-BUILD**

Railroad coordination and schedule risks should be well understood to be properly allocated and are often best assumed by CDOT. Railroad design risks can be allocated to the designer if well defined. Best to obtain an agreement with railroad defining responsibilities prior to procurement

**CM/GC**

Railroad impacts and processes can be resolved collaboratively by CDOT, designer, and contractor. A lengthy resolution process can delay the GMP negotiations.

**A.4: Drainage/Water Quality Best Management Practices (construction and permanent)**

Both drainage and water quality often involve third party coordination that needs to be carefully assessed with regard to risk allocation. Water quality in particular is not currently well defined, complicating the development of technical requirements for projects.

Important questions to assess:

1) Do criteria exist for compatibility with third party offsite system (such as an OSP (Outfall System Plan))?
2) Is there an existing cross-drainage undersized by CDOT Criteria?
3) Can water quality requirements be precisely defined? Is right-of-way adequate?

**DESIGN-BID-BUILD**

Drainage and water quality risks are best designed prior to procurement to minimize potential for claims when the schedule allows.

**DESIGN-BUILD**

Generally, CDOT is in the best position to manage the risks associated with third party approvals regarding compatibility with offsite systems, and should pursue agreements to define requirements for the design-builder.

**CM/GC**

CDOT, the designer, and the contractor can collectively assess drainage risks and coordination and approval requirements, and minimize and define requirements and allocate risks prior to GMP.

**A.5: Environmental**: Meeting environmental document commitments, (noise, 4(f) and historic, wetlands, endangered species, etc.)

**DESIGN-BID-BUILD**

Risk is best mitigated through design prior to procurement when the schedule allows.

**DESIGN-BUILD**

Certain environmental approvals and processes that can be fully defined can be allocated to the design-builder. Agreements or MOUs with approval agencies prior to procurement is best to minimize risks.

**CM/GC**

Environmental risks and responsibilities can be collectively identified, minimized, and allocated by CDOT, the designer, and the contractor prior to GMP

**A.6: Third Party Involvement:** Timeliness and impact of third party involvement (funding partners, adjacent municipalities, adjacent property owners, project stakeholders, FHWA, PUC)

**DESIGN-BID-BUILD**

Third party risk is best mitigated through design process prior to procurement to minimize potential for change orders and claims when the schedule allows.

**DESIGN-BUILD**

Third party approvals and processes that can be fully defined can be allocated to the design-builder. Agreements or MOUs with approval agencies prior to procurement is best to minimize risks.

**CM/GC**

Third party approvals can be resolved collaboratively by CDOT, designer, and contractor.

## *B. GENERAL PROJECT RISK CHECKLIST (items to consider when assessing risk)*

| Environmental Risks | External Risks |
|---|---|
| ❒ Delay in review of environmental documentation<br>❒ Challenge in appropriate environmental documentation<br>❒ Defined and non-defined hazardous waste<br>❒ Environmental regulation changes<br>❒ Environmental impact statement (EIS) required<br>❒ NEPA/ 404 Merger Process required<br>❒ Environmental analysis on new alignments required | ❒ Stakeholders request late changes<br>❒ Influential stakeholders request additional needs to serve their own commercial purposes<br>❒ Local communities pose objections<br>❒ Community relations<br>❒ Conformance with regulations/guidelines/ design criteria<br>❒ Intergovernmental agreements and jurisdiction |
| **Third-Party Risks** | **Geotechnical and Hazmat Risks** |
| ❒ Unforeseen delays due to utility owner and third-party<br>❒ Encounter unexpected utilities during construction<br>❒ Cost sharing with utilities not as planned<br>❒ Utility integration with project not as planned<br>❒ Third-party delays during construction<br>❒ Coordination with other projects<br>❒ Coordination with other government agencies | ❒ Unexpected geotechnical issues<br>❒ Surveys late and/or in error<br>❒ Hazardous waste site analysis incomplete or in error<br>❒ Inadequate geotechnical investigations<br>❒ Adverse groundwater conditions<br>❒ Other general geotechnical risks |
| **Right-of-Way/ Real Estate Risks** | **Design Risks** |
| ❒ Railroad involvement<br>❒ Objections to ROW appraisal take more time and/or money<br>❒ Excessive relocation or demolition<br>❒ Acquisition ROW problems<br>❒ Difficult or additional condemnation<br>❒ Accelerating pace of development in project corridor<br>❒ Additional ROW purchase due to alignment change | ❒ Design is incomplete/ Design exceptions<br>❒ Scope definition is poor or incomplete<br>❒ Project purpose and need are poorly defined<br>❒ Communication breakdown with project team<br>❒ Pressure to delivery project on an accelerated schedule<br>❒ Constructability of design issues<br>❒ Project complexity (scope, schedule, objectives, cost, and deliverables are not clearly understood) |
| **Organizational Risks** | **Construction Risks** |
| ❒ Inexperienced staff assigned<br>❒ Losing critical staff at crucial point of the project<br>❒ Functional units not available or overloaded<br>❒ No control over staff priorities<br>❒ Lack of coordination/ communication<br>❒ Local agency issues<br>❒ Internal red tape causes delay getting approvals, decisions<br>❒ Too many projects/ new priority project inserted into program | ❒ Pressure to delivery project on an accelerated schedule.<br>❒ Inaccurate contract time estimates<br>❒ Construction QC/QA issues<br>❒ Unclear contract documents<br>❒ Problem with construction sequencing/ staging/ phasing<br>❒ Maintenance of Traffic/ Work Zone Traffic Control |

## *C. RISK OPPORTUNITIES/OBSTACLES CHECKLIST (relative to each delivery method)*

| DESIGN-BID-BUILD | |
|---|---|
| **Opportunities** | **Obstacles** |
| ❒ Risks managed separately through design, bid, build is expected easier<br>❒ Risk allocation is most widely understood/used<br>❒ Opportunity to avoid or mitigate risk through complete design<br>❒ Risks related to environmental, railroads, and third party involvement are best resolved prior to procurement<br>❒ Utilities and ROW best allocated to CDOT and mostly addressed prior to procurement to minimize potential for claim<br>❒ Project can be shelved while resolving risks | ❒ Owner accepts risks associated with project complexity (the inability of designer to be all-knowing about construction) and project unknowns<br>❒ Low-bid related risks<br>❒ Potential for misplaced risk through prescriptive specifications<br>❒ Innovative risk allocation is difficult to obtain<br>❒ Limited industry input in contract risk allocation<br>❒ Change order risks can be greater<br>❒ Contractor may avoid risks |

| DESIGN-BUILD | |
|---|---|
| **Opportunities** | **Obstacles** |
| ❒ Performance specifications can allow for alternative risk allocations to the design builder<br>❒ Risk-reward structure can be better defined<br>❒ Innovative opportunities to allocate risks to different parties (e.g., schedule, means and methods, phasing)<br>❒ Opportunity for industry review of risk allocation (draft RFP, ATC processes)<br>❒ Avoid low-bid risk in procurement<br>❒ Contractor will help identify risks related to environmental, railroads, ROW, and utilities<br>❒ Designers and contractors can work toward innovative solutions to, or avoidance of, unknowns | ❒ Need a detailed project scope, description etc., for the RFP to get accurate/comprehensive responses to the RFP (Increased RFP costs may limit bidders)<br>❒ Limited time to resolve risks<br>❒ Additional risks allocated to designers for errors and omissions, claims for change orders<br>❒ Unknowns and associated risks need to be carefully allocated through a well-defined scope and contract<br>❒ Risks associated with agreements when design is not completed<br>❒ Poorly defined risks are expensive<br>❒ Contractor may avoid risks or drive consultant to decrease cost at risk to quality |

| CM/GC | |
|---|---|
| **Opportunities** | **Obstacles** |
| ❒ Contractor can have a better understanding of the unknown conditions as design progresses<br>❒ Innovative opportunities to allocate risks to different parties (e.g., schedule, means and methods, phasing)<br>❒ Opportunities to manage costs risks through CM/GC involvement<br>❒ Contractor will help identify and manage risk<br>❒ Agency still has considerable involvement with third parties to deal with risks<br>❒ Avoids low-bid risk in procurement<br>❒ More flexibility and innovation available to deal with unknowns early in design process | ❒ Lack of motivation to manage small quantity costs<br>❒ Increase costs for non-proposal items<br>❒ Disagreement among Designer-Contractor-Owner can put the process at risk<br>❒ If GMP cannot be reached, additional low-bid risks appear<br>❒ Limited to risk capabilities of CM/GC<br>❒ Designer-contractor-agency disagreements can add delays<br>❒ Strong agency management is required to negotiate/optimize risks<br>❒ Discovery of unknown conditions can drive up GMP, which can be compounded in phased construction |

### 6) Staff Experience/Availability Checklist

| DESIGN-BID-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Agency, contractors and consultants have high level of experience with the traditional system<br>❒ Designers can be more interchangeable between projects | ❒ Can require a high level of agency staffing of technical resources<br>❒ Staff's responsibilities are spread out over a longer design period<br>❒ Can require staff to have full breadth of technical expertise |

| DESIGN-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Less agency staff required due to the sole source nature of DB<br>❒ Opportunity to grow agency staff by learning a new process | ❒ Limitation of availability of staff with skills, knowledge and personality to manage DB projects<br>❒ Existing staff may need additional training to address their changing roles<br>❒ Need to "mass" agency management and technical resources at critical points in process (i.e., RFP development, design reviews, etc.) |

| CM/GC | |
|---|---|
| Opportunities | Obstacles |
| ❒ Agency can improve efficiencies by having more project managers on staff rather than specialized experts<br>❒ Smaller number of technical staff required through use of consultant designer | ❒ Strong committed owner project management is important to success<br>❒ Limitation of availability of staff with skills, knowledge and personality to manage CMGC projects<br>❒ Existing staff may need additional training to address their changing roles<br>❒ Agency must learn how to negotiate GMP projects |

**7) Level of Oversight and Control Checklist**

| DESIGN-BID-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Full owner control over a linear design and construction process<br>❒ Oversight roles are well understood<br>❒ Contract documents are typically completed in a single package before construction begins<br>❒ Multiple checking points through three linear phases: design-bid-build<br>❒ Maximum control over design | ❒ Requires a high-level of oversight<br>❒ Increased likelihood of claims due to owner design responsibility<br>❒ Limited control over an integrated design/construction process |

| DESIGN-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ A single entity responsibility during project design and construction<br>❒ Continuous execution of design and build<br>❒ Getting input from construction to enhance constructability and innovation<br>❒ Overall project planning and scheduling is established by one entity | ❒ Can require high level of design oversight<br>❒ Can require high level of quality assurance oversight<br>❒ Limitation on staff with DB oversight experience<br>❒ Less owner control over design<br>❒ Control over design relies on proper development of technical requirements |

| CM/GC | |
|---|---|
| Opportunities | Obstacles |
| ❒ Preconstruction services are provided by the construction manager<br>❒ Getting input from construction to enhance constructability and innovation<br>❒ Provides owner control over an integrated design/construction process | ❒ Agency must have experienced staff to oversee the CM/GC<br>❒ Higher level of cost oversight required |

## 8) **Competition and Contractor Experience**

| DESIGN-BID-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Promotes high level of competition in the marketplace<br>❒ Opens construction to all reasonably qualified bidders<br>❒ Transparency and fairness<br>❒ Reduced chance of corruption and collusion<br>❒ Contractors are familiar with DBB process | ❒ Risks associated with selecting the low bid (the best contractor is not necessary selected)<br>❒ No contractor input into the process<br>❒ Limited ability to select contractor based on qualifications |

| DESIGN-BUILD | |
|---|---|
| Opportunities | Obstacles |
| ❒ Allows for a balance of qualifications and cost in design-builder procurement<br>❒ Two-phase process can promote strong teaming to obtain "Best Value"<br>❒ Increased opportunity for innovation possibilities due to the diverse project team | ❒ Need for DB qualifications can limit competition<br>❒ Lack of competition with past experience with the project delivery method<br>❒ Reliant on DB team selected for the project<br>❒ The gap between owner experience and contractor experience with delivery method can create conflict |

| CM/GC | |
|---|---|
| Opportunities | Obstacles |
| ❒ Allows for qualifications based contractor procurement<br>❒ Agency has control over an independent selection of best qualified designer and contractor<br>❒ Contractor is part of the project team early on, creating a project "team"<br>❒ Increased opportunity for innovation due to the diversity of the project team | ❒ Currently there is not a large pool of contractors with experience in CMGC, which will reduce the competition and availability<br>❒ Working with only one contractor to develop GMP can limit price competition<br>❒ Requires a strong project manager from the agency<br>❒ Teamwork and communication among the project team |