**Innovative Contracting Advisory Committee**

**Meeting Minutes**

**August 19, 2010**

**Attendance**

Nabil Haddad, CDOT, Innovative Contracting Program Manager (Facilitator)

Keith Molenaar, Professor, CU Boulder

Dave Poling, CDOT, Region 2 Program Engineer

Scott Ellis, CDOT, Region 4 Resident Engineer

George Tsiouvaras, ACEC, TSH Consulting Engineers

Tim Maloney, CCA, Edward Kraemer & Sons

Neil Lacey, CDOT, Area Engineer

Shaun Cutting, FHWA, Program Delivery Engineer

Jeff Wassenaar, CDOT, Acting Project Development Branch Manager

Ed Archuleta, CDOT, Region 5 Resident Engineer-via telephone

Jim Moody, CCA, Guest

Dick Osmun, CDOT Staff Bridge, Guest

Kevin Delva, URS Corporation, Guest

Ted Rutledge, URS Corporation, Guest

 **Summary of MDB Discussions**

* Similar to what was accomplished in Mississippi, Kevin Delva proposed that CDOT create a standard bound book for the Design-Build (D-B) and Modified Design-Build (MDB) project delivery methods. Bound books will streamline these methods and create user friendly processes that typically lead to better quality projects.
* Many in the group believe that low bid procurement does not fit well with D-B projects. It appears that a handful of states (New Jersey, Minnesota, and others) have experimented with low bid D-B and after some missteps, they have reverted back to Best Value procurement for D-B projects.
* Many in the group agreed that a two-phase (short-listing) Best Value procurement process for all D-B projects is much more beneficial to CDOT and to the industry, and should be the preferred option, even on smaller projects (less than $5 M).
* If price or schedule are important factors, then they should be included in the Best Value Selection process. These factors can be used as criteria in the Best Value award algorithm.
* A two-phase D-B selection process will increase the winning chances of qualified contractors, eliminate unqualified bidders, and can provide an optional stipend.
* MDB with a single phase low bid selection process can still be used to expedite the procurement process and to help with CDOT limited resources, but it is not the preferred method as it can create an unfriendly bidding environment.
* It was suggested to continue to develop the single phase MDB process, and perhaps try it on a project using Best Value. A one-phase Best Value method can be streamlined, and it can be considered on those projects that may have otherwise considered using MDB.
* It was also suggested to continue and enhance the usage of CM/GC at CDOT.
* The Committee believes that the MDB discussion is now complete, and the group is ready to move on to the next topic in the Prioritized Future Topics of Discussion, i.e. Risk Assessment.

**Action Items**

ICAC members will email Nabil their finalized Risk Allocation Matrix before the next meeting on September 16, 2010. It will be discussed in the upcoming meeting.

**Remaining Prioritized Future Topics of Discussion and Reasons**

2a) Modified Design Build (Dave Poling, Matthew Pacheco, George Tsiouvaras, Scott Ellis). (Missteps in process, lack of clear guidelines, lack of clear framework, lack of clearly defined quality requirements)

2b) Risk Assessments, i.e., educating, increasing usage, developing, including the Industry (Keith Molenaar, Ed Archuleta). (Big push from FHWA and industry, increasing trend, clearly defined roles/responsibilities, better management of project funds)

1. QA/QC on Innovative Contracting projects, specifically for Design-Build projects (Dave Poling, George Tsiouvaras, and Matthew Pacheco). (No set standard guidelines, major cultural shift, better project end-results)
2. Best-Value Procurement Method. (Becoming more prevalent, transparency, clear owner requirements, minimizing subjectivity)

**Remaining Un-Prioritized Future Topics of Discussion**

* Clarity and transparency of project goals
* Celebrating Successes (Awards, Sharing Lessons Learned, etc…)
* Local Agency and other stakeholder involvement (Utilities, Railroads, etc…)
* Updating Manuals and Guidelines
* Training and outreach to CDOT, the industry, and the public
* Staffing Requirements for major Innovative Contracting Projects
* Contractor pre-qualification
* Insurance Requirements
* Lobbying for legislation that allows usage of Innovative Contracting techniques
* Innovative Contracting techniques for ARRA or Fast track projects
* The future relationship between the ICAC and the CDOT Bridge Enterprise
* Local Agency Innovative Contracting Projects (Roles and Responsibilities)
* Subjectivity and how to deal with it
* RFP Requirements
* Green Contracting Provisions

 **Next Meeting**

Thursday, September 16, 2010, from 10:00 am until 11:30 am

CDOT HQ Bridge Conference Room 107B, 1st Floor