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Department of Transportation

Chief Engineer Delivery Method Approval Request

MEMORANDUM

DATE: 10/7/2026

TO: Keith Stefanik, P.E. Chief Engineer
FROM: Abra Geissler, P.E. I-25 North Project Director
SUBJECT: Alternative Project Delivery Method Recommendation for Chief Engineer Approval
PROJECT: I-25 North: Segments 3B and 4

As stated in the Project Delivery Selection Guidelines, Chief Engineer approval is required for a project to be delivered using any Alternative Delivery Method.

On 8/13/2026, the CDOT project team and subject matter experts held a Project Delivery Selection Matrix (PDSM) workshop, facilitated by The Alternative Delivery Program, to discuss the I-25 North: Segments 3B & 4 Project and analyze the potential benefits of using an Alternative Delivery Method.

I-25 North Segments 3B & 4 is a 16-mile corridor project extending from 144th Avenue to CO 66, with an estimated program budget of $730 million. Major work includes widening and reconstruction of pavement and embankments, reconstruction of the CO 7, CO 52, and CO 119 interchanges, replacement of 13 bridges, construction of retaining walls, culverts, ITS/tolling, lighting, signing, pavement markings, and mobility hub reconfigurations. The anticipated delivery period is Quarter 4 of 2026 through Quarter 3 2033, with construction anticipated from Quarter 4 2027 through Quarter 2 2033. The project carries significant schedule, funding, clearance, traffic, utility, and stakeholder coordination intricacies, making early contractor involvement and flexible packaging important to successful delivery.

ANALYSIS:

Highlights from the PDSM

Project Complexity and Innovation

Design-Bid-Build was rated least appropriate for project complexity and innovation (+). It provides strong Owner control over the 13 bridges, three interchange reconstructions, ITS/tolling, walls, drainage, and mobility hub requirements before bidding, but limited contractor input during design reduces opportunities to optimize complex traffic phasing, constructability, materials, and long-lead items; innovation is primarily driven by the design team and may not capture contractor means, methods, staging, or market knowledge. Contractor experience is not considered in a low-bid environment. Design-Build was rated highly appropriate (+++) because its integrated design and contractor structure, ATCs, and proposer-driven solutions can address complex interchanges, bridges, phasing, and sequencing. The PDSM identified obstacles in balancing clear but sufficiently developed performance requirements, maintaining adequate collaboration between the CDOT and Design Build teams after award. Further, achieving design consensus across a project with numerous stakeholders, regions, and agencies could prove onerous. CM/GC was also rated highly appropriate (+++) because early contractor involvement and iterative design reviews can address the corridor's mix of simple widening and complex work while retaining flexibility for risk, constructability, and third-party coordination. The need for strong owner management of scope with full funding not yet secured, the risk register, independent estimates, and CAP negotiations are areas the team must remain diligent to prevent schedule slip.

Project Cost

Design-Bid-Build was rated least appropriate for project cost considerations (+). Low-bid competition can

produce favorable pricing for a fully defined scope, but cost certainty arrives late in a fixed/limited funding environment with approximately $20 million/year of escalation. Additionally, unresolved ROW, utility, environmental, traffic phasing, and stakeholder issues can become change orders or claims. A lack of contractor input also reduces the ability to respond early to material, workforce, and long lead procurement issues. Design-Build was rated appropriate (++), providing earlier price visibility, best-value competition, ATCs, and variable scope, but unresolved ROW, utility, environmental, permit, and funding risks may be carried as significant contingencies. CM/GC was rated most appropriate (+++) because of continuous estimating, early contractor market input, scope optimization, and early construction can support budget decisions and reduce escalation. Because the majority of the funding is not yet secured, CM/GC provided flexibility in package release timings while being able to prioritize included scope. CAPs are negotiated rather than low-bid and require a strong independent estimator to reduce the risk of failure to reach an acceptable CAP which can cause a delay and increase procurement risk.

Level of Design

Design-Bid-Build was rated appropriate for level of design (++). Its requirement for a fully developed design can provide clear quantities, requirements, and bid documents and allow CDOT to complete complex coordination before construction but waiting for the full corridor design conflicts with the need to start as soon as possible and capitalize on potential phasing of early-ready widening areas. The need to clear all elements of a Design Bid Build would most likely delay the overall schedule by not allowing work to start in areas that are less complex. Design-Build was rated highly appropriate (+++) because the conceptual design allows CDOT to establish performance requirements while allowing the design-builder to optimize final design and construction sequencing. There is potential for substantial unresolved third-party, clearance, scope, and funding issues that are difficult to capture at 30% or less design. Additionally, stakeholder expectations across two regions and many local agencies may require more owner-led definition than typical Design-Build allows. CM/GC was rated highly appropriate (+++) because the project and design level is at an appropriate stage where contractor input can shape traffic phasing, constructability, materials, long-lead strategies, and early work packages while different portions of the corridor progress at different rates. Frequent scope changes can create redesign or CAP rework when funding or design decisions are not timely, requiring a strong owner, which this team contains.

Risk Assessment

Design-Bid-Build was not evaluated for the risk assessment factor due to the lack of risk control that it allows as a delivery method. Design-Build was rated least appropriate (+) because evolving scope or availability of funding can shift risk back to the owner as changes are identified. CM/GC was rated most appropriate (+++) because collaborative risk registers, early contractor involvement, and iterative design can identify, quantify, allocate, and address risks as design and clearances develop. The project can also be sequenced to respond to changing funding and stakeholder desires. CAP negotiations can become a risk if the parties disagree on pricing or risk allocation, reinforcing the need for experienced owner leadership and transparent risk management.

Secondary Factor Assessment

The PDSM rated all three secondary factors as Pass for CM/GC, providing a high level of confidence that they will not hinder procurement or project management. Staff experience and availability passed because the project has extensive owner and specialty-unit experience with CM/GC, combining Region 1/Region 4 staffing, and the ability to supplement the team with contractor expertise. Owner oversight and control passed because CDOT retains design and stakeholder control while gaining contractor input on constructability, cost, schedule, phasing, and risk. Competition and contractor experience also passed because there is a breadth of qualified competent contractors both locally and nationally that are expected to show interest.

RECOMMENDATION:

Based upon the findings of the Project Delivery Selection Matrix Workshop summarized above, and in consultation with the CDOT Alternative Delivery Program, it is recommended that the most appropriate delivery method for this project is

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CM/GC.

CM/GC will be leveraged to bring the contractor into the project early enough to influence design, constructability, traffic phasing, resource planning, long-lead procurement, and risk mitigation while preserving CDOT control of scope and stakeholder commitments. The delivery structure supports phased work packages so simpler portions of the 16-mile corridor can advance while complex interchanges, ROW, clearances, and third-party coordination continue. This will limit schedule exposure and the estimated $20 million per year in potential escalation. Continuous estimating, independent cost validation, a collaborative risk register, and CAP negotiations will be used to balance scope, funding, cost, and risk as conditions evolve. The collaborative structure also supports the project goal of transparent coordination across Regions 1 and 4 and the broader stakeholder group while maintaining active owner decision making and oversight.

The Project Team held an industry meeting to present the PDSM recommendation with justifications on September 28, 2026. There were 104 attendees from design and construction firms, and the project team received no written industry feedback beyond thanking the team for the presented information.

The Project Management Team is requesting concurrence and approval to proceed with our recommendation to use CM/GC to deliver the I-25 North Segments 3B & 4 Project.

ATTACHMENTS:

- Completed Project Delivery Selection Matrix
- Public/Industry Meeting Summary in accordance with the accountability and transparency requirements of SB 21-260. (Required for projects $75M or greater)

Signed

Digitally signed by Abra Geissler
Date: 2026.10.07 14:28:29 -06'00'

Abra Geissler P.E., I-25 North: Segments 3B & 4 Project Director

I concur:

Heather Paddock Digitally signed by Heather Paddock
Date: 2026.10.07 15:08:55 -06'00'

Heather Paddock P.E., Region 4 Transportation Director

I concur:

Casey Valentinelli Digitally signed by Casey Valentinelli
Date: 2026.10.07 16:06:13 -06'00'

Casey Valentinelli, P.E., Alternative Delivery Program Manager

I approve (pending TC approval):

Digitally signed by Keith J Stefanik
Date: 2026.10.07 16:26:36 -06'00'

Keith Stefanik, P.E. Chief Engineer

CC: Armando Henriquez, FHWA Area Engineer
Jan Walker, Alternative Delivery Contracts Officer