COLORADO
Department of Transportation
Region 2

South Program Design Residency
5615 Wills Blvd. Suite A
Pueblo, CO 81008

Date: 11/24/2025

To: Keith Stefanik, P.E. Chief Engineer

From: Laurel Jones, P.E. Resident Engineer

Subject: Alternative Project Delivery Method Recommendation for Chief Engineer Approval Project: 25781, NH 0505-053, US50 Safety/Operational Highway Improvements for Freight and Transit (SHIFT) Passing Lanes

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 September 24, 2025 and October 2, 2025, the US50 Safety/Operational Highway Improvements for Freight and Transit (SHIFT) Passing Lanes Project Team held a Project Delivery Selection Matrix (PDSM) workshop facilitated by The Alternative Delivery Program, to analyze the potential benefits of using an Alternative Delivery Method to deliver the US50 SHIFT Passing Lanes project.

The US50 SHIFT Passing Lanes project will construct 12 individual passing lanes across five segments of US 50B between Pueblo and the Kansas State line (MP 345.5 to 460.5). The major work features are roadway widening and related work including pavement, embankment, extending drainage structures, signing, and striping. The project may be broken into multiple construction packages due to geographical location and the length of time needed to acquire ROW and obtain clearances. A FHWA INFRA Rural Grant was awarded to this project. The grant has requirements to begin construction no later than 18 months from the grant agreement obligation and a final FHWA obligation deadline of September 30, 2028. The project goals emphasize maximizing project scope within budget and schedule, meeting optimal passing lane length requirements, minimizing Right-of-Way (ROW) impacts, meeting Grant commitments, and minimizing inconvenience to the traveling public.

Analysis:

Highlights from the PDSM

Project Complexity and Innovation

The project has a relatively low level of complexity for the type of work. The opportunities for innovation would come from selecting the location and length of each passing lane location to maximize the scope of the entire project, determining alternate construction phasing options

to reduce impact to the traveling public, and selection of the locations within the construction package to meet project schedule requirements. Design-Build and CM/GC allow for early Contractor involvement to optimize the design and address possible challenges and benefits with selecting the limits of the passing lanes such as widening a structure vs acquiring ROW. Design-Bid-Build, CM/GC, Design-Build were all identified as appropriate for this project. Design-Build and CM/GC had the advantage of Contractor input early in the design process. Design-Build has the disadvantage of minimal opportunities for Contractors to differentiate their designs in the RFP process due to the lower amount of complexity in the project.

Project Delivery Schedule

Due to the INFRA Grant funding deadlines the project delivery schedule is one of the most important criteria for selecting the delivery method for this project. Design-Bid-Build was rated as the least appropriate for this project because of the challenges in meeting the Grant commitments if complex environmental or ROW issues arise. CM/GC was identified as appropriate for this project due to it being the quickest method to get a construction project, but a potential obstacle is the timeframe for the price negotiation process. Design-Build was rated as the most appropriate for this project because it is the easiest to meet the grant obligation deadline due to the potential to accelerate the schedule through a parallel design-build process and the single contract for design and construction.

Project Cost

Design-Bid-Build and Design-Build were identified as appropriate for this project. Design-Bid-Build relies on competitive bidding, but there are the risks of not having control over bids and the potential of having change order costs. Design-Build offers the potential for improved scope due to innovative cost and a known maximum price, but poor risk allocation can result in high contingencies. CM/GC was identified as the most appropriate delivery method because it reduces risk with pricing and can provide the lowest project costs due to the introduction of an independent cost estimating (ICE) consultant to assist with price negotiations. Contractor input can reduce project costs and reduce change orders due to poor coordination and review. It also allows good flexibility to design to the budget, maximizing the entire project not just each phase.

Level of Design

Design-Bid-Build and CM/GC were identified as appropriate for this project. One passing lane is already 20 percent designed, but may not be appropriate when looking at the full scope of the project. No work has been done at any of the other locations. CM/GC allows for total design control with Contractor input on package determination, constructability review, and design priority guidance. Design-Build was identified as the most appropriate for this project because it requires the least amount of design to get construction started and design priorities can easily be changed. An obstacle to Design-Build is defining the contract requirements to get what is desired while still allowing for innovation.

Risk Assessment

Risk assessment was not evaluated for Design-Bid-Build during the PDSM workshop because

CM/GC and Design-Build had already been identified as more appropriate than Design-Bid-Build. CM/GC was identified as the most appropriate and provides an opportunity for the Agency, designer, and Contractor to collectively identify and minimize project risks, and properly allocate risk to the appropriate party better than Design-Build.

Secondary Factor Assessment

Secondary factors were used to differentiate between CM/GC and Design-Build since they were both identified as being most appropriate in the primary factors. Secondary factors were not evaluated for Design-Bid-Build during the PDSM workshop because CM/GC and Design-Build had already been identified as more appropriate. CM/GC and Design-Build were both rated as appropriate for staff experience because both required similar levels of internal and consultant staff and both methods have the opportunity for internal staff to gain experience in alternative delivery projects. CM/GC was identified as the most appropriate in Level of Oversight and Control because it provides full control over the design and ROW processes while still providing Contractor input during design. CM/GC was identified as the most appropriate in Competition and Contractor Experience because many Contractors are interested in CM/GC opportunities and the level of complexity and limited innovation may be challenging for Contractors to stand out in Design-Build proposals.

Industry Outreach and TC Approval

A Public Industry Outreach meeting was held on November 17, 2025 and was attended by 20 people from 9 contractors and 2 consultants. Additionally one contractor and one consultant that did not attend the meeting requested information about the project. Feedback received from the meeting and after, was requesting more information about the project and the next steps. After this memo is approved, approval from the Transportation Commission will be requested.

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 **Construction Manager / General Contractor.**

CM/GC is best suited for the project's requirements because it:

- Mitigates Schedule Risk: It allows for the quickest start to construction, which will help meet the INFRA Grant commitments.

- Manages Project Cost and Scope: Early Contractor involvement allows for innovation, constructability reviews, and real-time cost estimating, which are essential to maximize project scope and corridor improvements within the fixed budget.

- Effectively Allocates Risk: The collaborative process between the Agency, designer, and Contractor is the most appropriate way to collectively identify and manage major project obstacles such as ROW, utilities, and environmental clearances.

- Maintains Agency Control: CM/GC provides the most control over both the design and

construction processes, which is preferred given the internal staff's existing experience and knowledge of the corridor.

The Project Management Team is requesting concurrence and approval to proceed with our recommendation to use **Construction Manager / General Contractor** to deliver the US50 SHIFT Passing Lanes 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:

Laurel Jones, P.E.

Digitally signed by Laurel Jones, P.E.
Date: 2025.11.24 08:48:12 -07'00'

Laurel Jones, P.E.
Resident Engineer

I concur:

Shane Ferguson

Digitally signed by Shane Ferguson
Date: 2025.11.24 09:29:56 -07'00'

Shane Ferguson, P.E.
Region 2 Transportation Director

I concur:

Casey Valentinelli

Digitally signed by Casey Valentinelli
Date: 2025.11.24 11:10:12-07'00'

Casey Valentinelli, P.E.
Alternative Delivery Program Manager

I approve (pending TC approval):

Digitally signed by Keith J Stefanik
Date: 2025.11.24 12:17:44 -07'00'

Keith Stefanik, P.E. Chief Engineer

Cc: Jennifer Sparks, Program Engineer
Roger Graham, Resident Engineer
Zachary Bay, Project Manager
Ajin Hu, FHWA Area Engineer
Jan Walker, Alternative Delivery Contracts Officer