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MONTANA DEPARTMENT OF TRANSPORTATION

CONTRACTOR'S GUIDE TO MDT CM/GC PROGRAM DELIVERY

Construction Contracting Bureau

Alternative Contracting Section

April 25, 2019

OUTLINE

- Overview of the CM/GC Pilot Program
- Process for Selecting the Construction Manager
- Integration of the CM/GC Activities With The Design
- Elements of a Good SOQ or Technical Proposal
- The Interview

MDT's CM/GC Program

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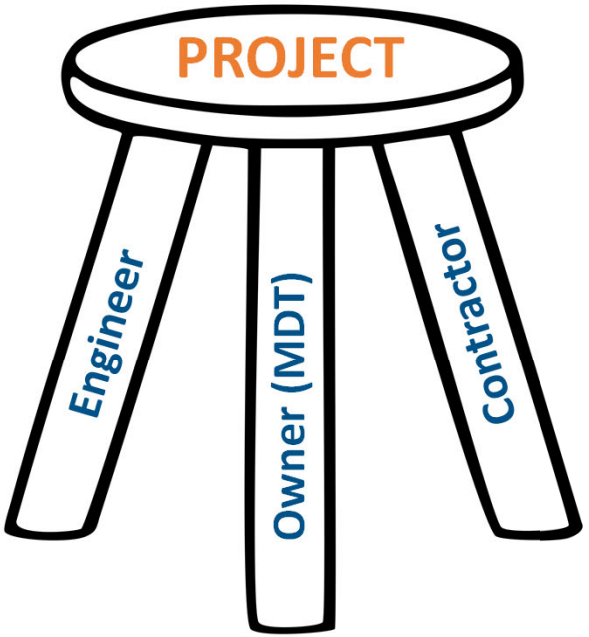
CM/GC Definition

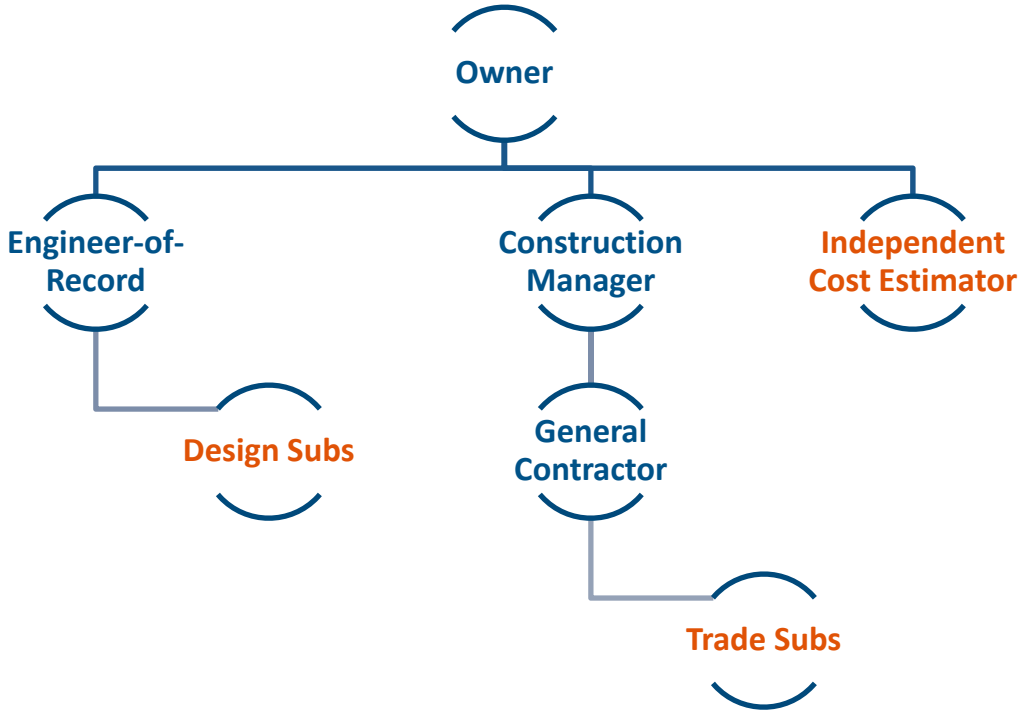
- Construction Manager / General Contractor (CM/GC)
- Highly Collaborative project delivery
- Early Contractor involvement during the design phase offers:
  - Improved constructability
  - Reduced cost and realistic schedules
  - Locally sourced materials
  - Accurate construction means and methods

CM/GC Three-Legged Stool



WHAT IS CM/GC?

- Two-phase contract with a General Contractor
  - Phase 1 – Preconstruction services contract
  - Phase 2 – Construction contract
- Independent Cost Estimator
- Transportation Commission awards the Construction Contract



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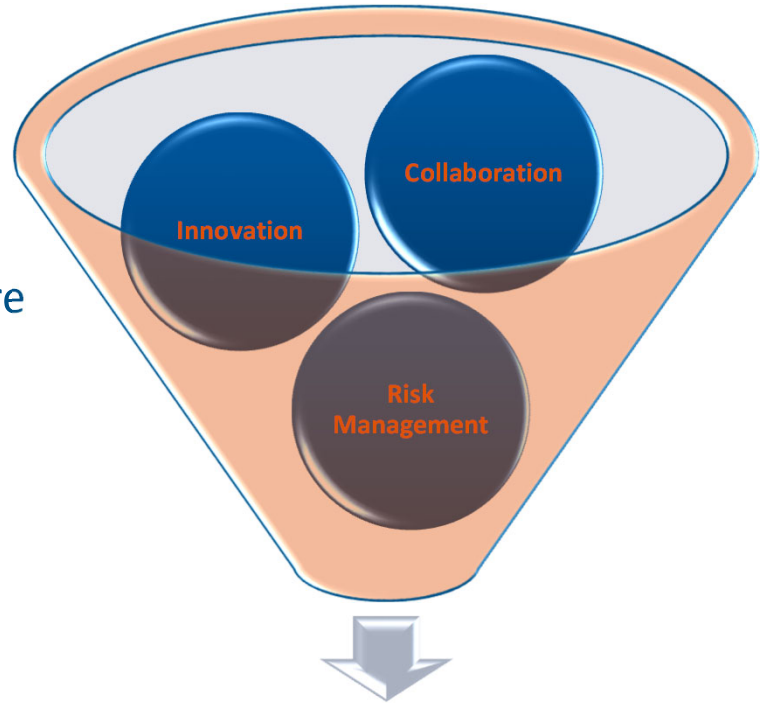
WHY ARE WE USING CM/GC?

- Encourages collaboration and innovation
- Improves Risk Management
  - Shared risk
  - Appropriate party takes on risks that they are best-equipped to manage
- Reduces errors and omissions → less change orders
- Advantageous for complex projects
- Another tool in the toolbox
  - Majority of projects will still be delivered Design-Bid-Build



CM/GC

HIRING THE CM/GC

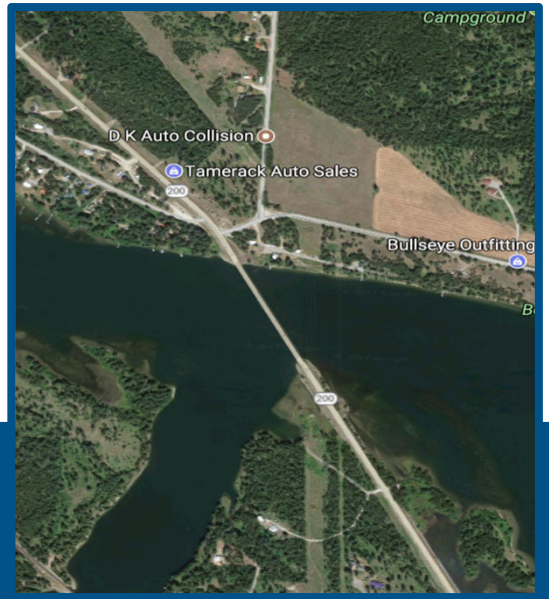
- Hiring the CM/GC (MCA 18-2-503)
  - Two part process
    - Request For Qualifications (RFQ) → State Of Qualifications (SOQ)
    - Request For Proposal (RFP) → Technical Proposal (TP)
  - State Agencies must consider project costs when awarding project
    - ***CHALLENGE:***
      - Very limited design information available at time of Contractor RFQ/RFP
      - What do we ask the Contractor to price as a part of their proposal?
        - » Fixed fee markup
        - » Unit price on major bid item
        - » Lump sum bid for completion of early work package

CM/GC Project Selection

- 2017 Legislature approved 4 project pilot program
- 3 of 4 projects selected
- 1 additional project to be selected
  - Multiple options for project types
  - Timing of project delivery
  - Local Contractors
  - MT Subcontractors
- MDT's "Project Delivery Selection Process"

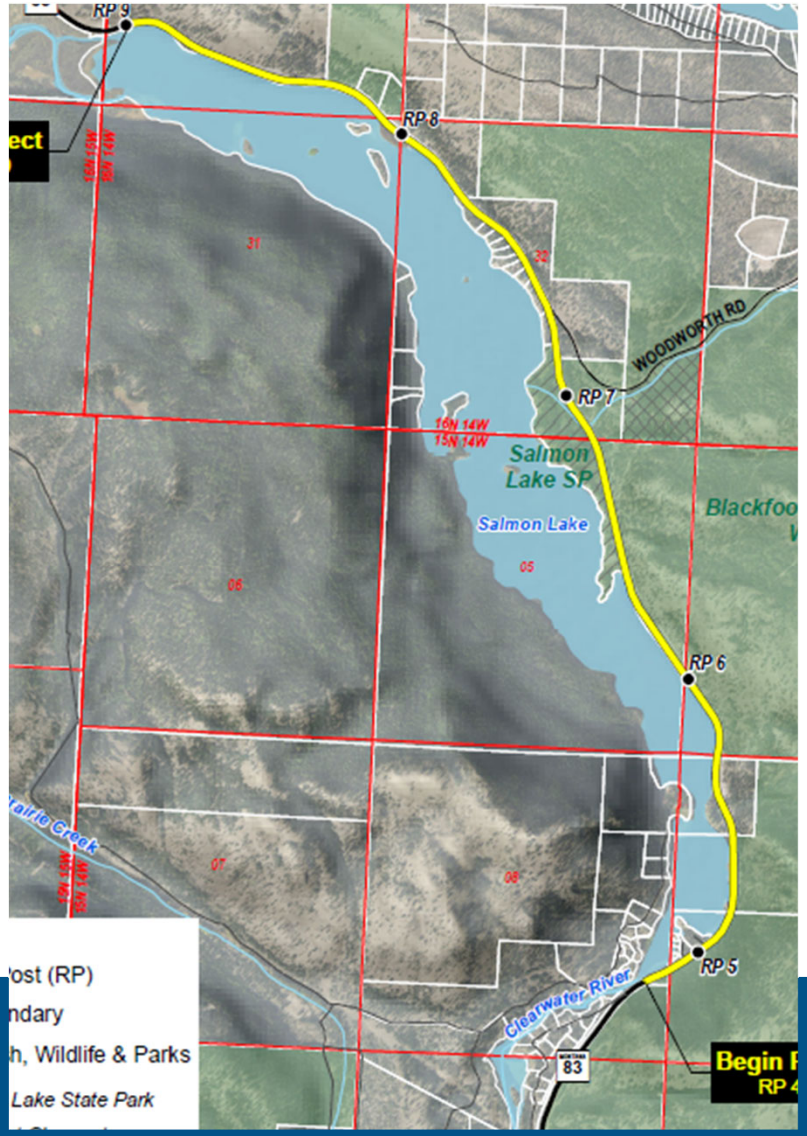
CLARK FORK – 1M NW TROUT CREEK

- MDT's first CM/GC project:
  - Clark Fork – 1M NW Trout Creek, UPN 8022000
    - Major Bridge Rehabilitation without added capacity
    - Replace bridge deck
      - No feasible detour, must maintain traffic throughout construction
      - Significant site constraints
      - Major utilities in vicinity of structure



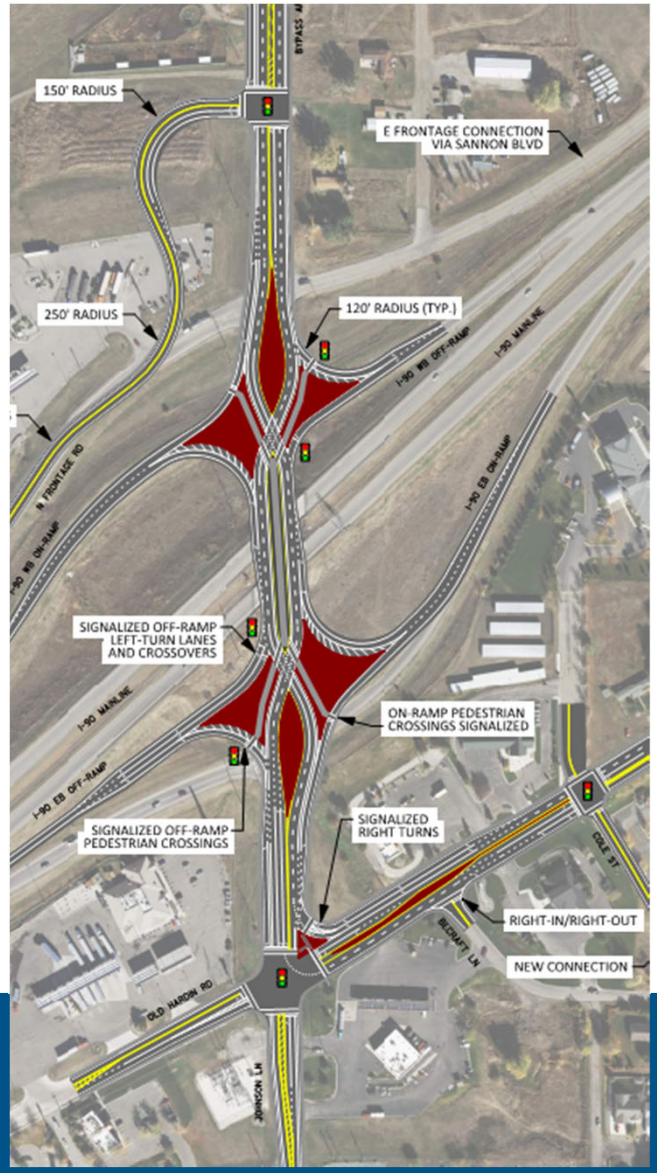
  - TENTATIVE TIMELINE:
    - Selected Design Engineer – May 2018
    - Select Construction Manager – December 2018
    - Currently working through Design – 2019
    - Anticipate Construction – 2020

SALMON LAKE



- MDT's second CM/GC project:
  - Salmon Lake, UPN 1233003
    - Roadway reconstruction
    - Significant geotechnical features
    - Maintenance of traffic issues
  - TENTATIVE TIMELINE:
    - Transition Design Engineer – Spring 2018
    - Advertised for Construction Manager – February 2019
    - Select Construction Manager – May 2019
    - Anticipated Design time – 2019/2020
    - Anticipated Construction – 2021

JOHNSON LANE INTERCHANGE - BPP



- MDT's third CM/GC project:
  - Johnson Lane IC, UPN 4199007
    - I-90 interchange reconstruction
    - Diverging diamond interchange
    - Maintenance of traffic issues
  - TENTATIVE TIMELINE:
    - Transition Design Engineer – Spring 2019
    - Advertised for Construction Manager – April 2019
    - Select Construction Manager – July 2019
    - Anticipated Design time – 2019/2020
    - Anticipated Construction – 2021

Integration of the CM/GC Activities With The Design

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Team Integration

- Team Collaboration
- Need for Transparency
- Scope Development
- Schedule Management
- Budget and Risk Control
- Project Quality

Elements of a Good Proposal

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SECTION I – PROJECT TEAM

- The cover letter – pros and cons
- Work from an outline – create a Theme
- Avoid being wordy – “Just the Facts”
- The Organization Chart
- Matrices can be very useful
- Be consistent
- Pick good projects – tie to team
- Typos and grammar errors are deadly

SECTION II – STRATEGIC PROJECT APPROACH

- Follow the RFP organization
- Put yourselves in MDT's shoes – what is important to us
- Tables 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

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
- Graphics need to make sense and tell a story
- Typical sections/graphics/designs are valuable if done right

SECTION III – APPROACH TO CM/GC PROJECT DELIVERY PROCESS

- Hit on the three main points-Collaboration/Risk Mgmt/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

SECTION IV – PROJECT INNOVATIONS AND RESOURCES

- Be creative and also 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?

Elements of a Good Interview

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THE INTERVIEW

- 1/3 of the overall technical score – win or lose
- Be relaxed – Practice Practice Practice
- You will be our partner – start with this interview
- Avoid one person dominating discussion
- Clean handoffs – don't interrupt/show respect
- Its OK to amend or correct. We all make mistakes
- Be cognizant of your body language
- Use handouts wisely

THE INTERVIEW (CONTINUED)

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

The Selection Process

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CM/GC Total Proposal & Interview Scoring

Project No.: STPB BH 6-1(142)28

Control No.: 8022000

120000 Total Score Available

Project Name: Clark Fork - 1M NW Trout Creek CM/GC Project

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

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CM/GC Price Scoring

Project No.: STPB BH 6-1(142)28

Control No.: 8022000

Project Name: Clearwater Junction N

PROPOSER	Construction Phase Multiplier (%)	Average Multiplier (%)	Closest to the Average Score	
Contractor A	10.00	10.8	0.9921	2
Contractor B	9.65		0.9886	3
Contractor C	11.50		0.9929	1
Contractor D	12.00		0.9879	4

CM/GC Best Value Scoring

Project No.: STPP 83-1(35)5

Control No.: 1233003

Project Name: Clearwater Junction N

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

1. 80 points – Technical Proposal

$$\frac{Firm's\ Technical\ Proposal\ Score}{Total\ Points\ Available} * 80 = Technical\ Proposal\ Awarded\ Points$$

2. 20 points – Price Proposal

$$\frac{100 - |Average\ Multiplier - Proposer\ Multiplier|}{100} * 20 = Price\ Proposal\ Awarded\ Points$$

3. Best Value Score

$$Technical\ Proposal\ Awarded\ Points + Price\ Proposal\ Awarded\ Points = Total\ Points$$

Questions & Comments

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