

Innovative Contracting

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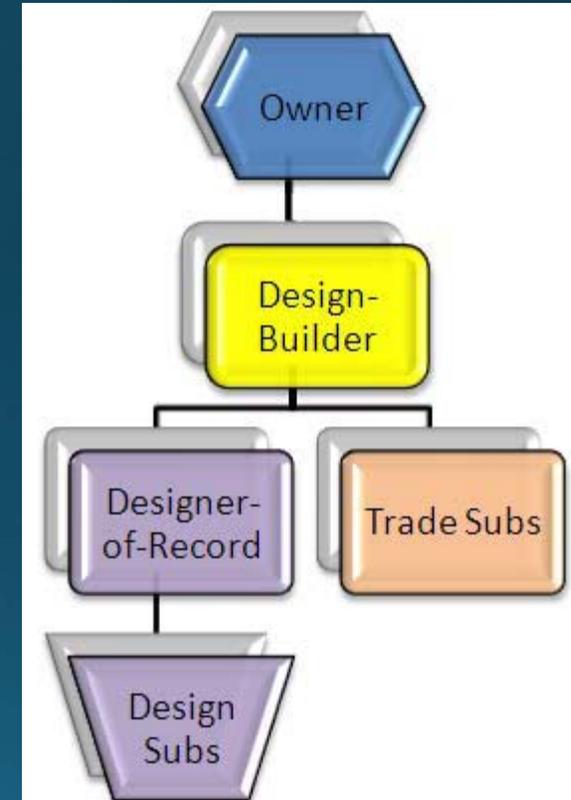
Michigan Department of Transportation

Project Types

- Design-Build
- Construction Manager/General Contractor
- Fixed Price/Variable Scope
- Alternate Technical Concepts
- Alternate Pavement Bidding
- P3 (Public-Private Partnerships)

Design-Build (DB)

- Types of Projects
 - Road & Bridge Reconstruction
 - Bridge Rehabilitation
 - ITS Systems
 - Bike Path Construction
- Procurement Process
 - RFQ / RFP
- Post Award Activities
 - Final Design
 - Construction Oversight



Design-Build (DB)

- Project Selection
- Post Award Considerations
 - Integrated Design & Construction
 - Paradigm Shift for Directing Work
 - At-Risk Construction



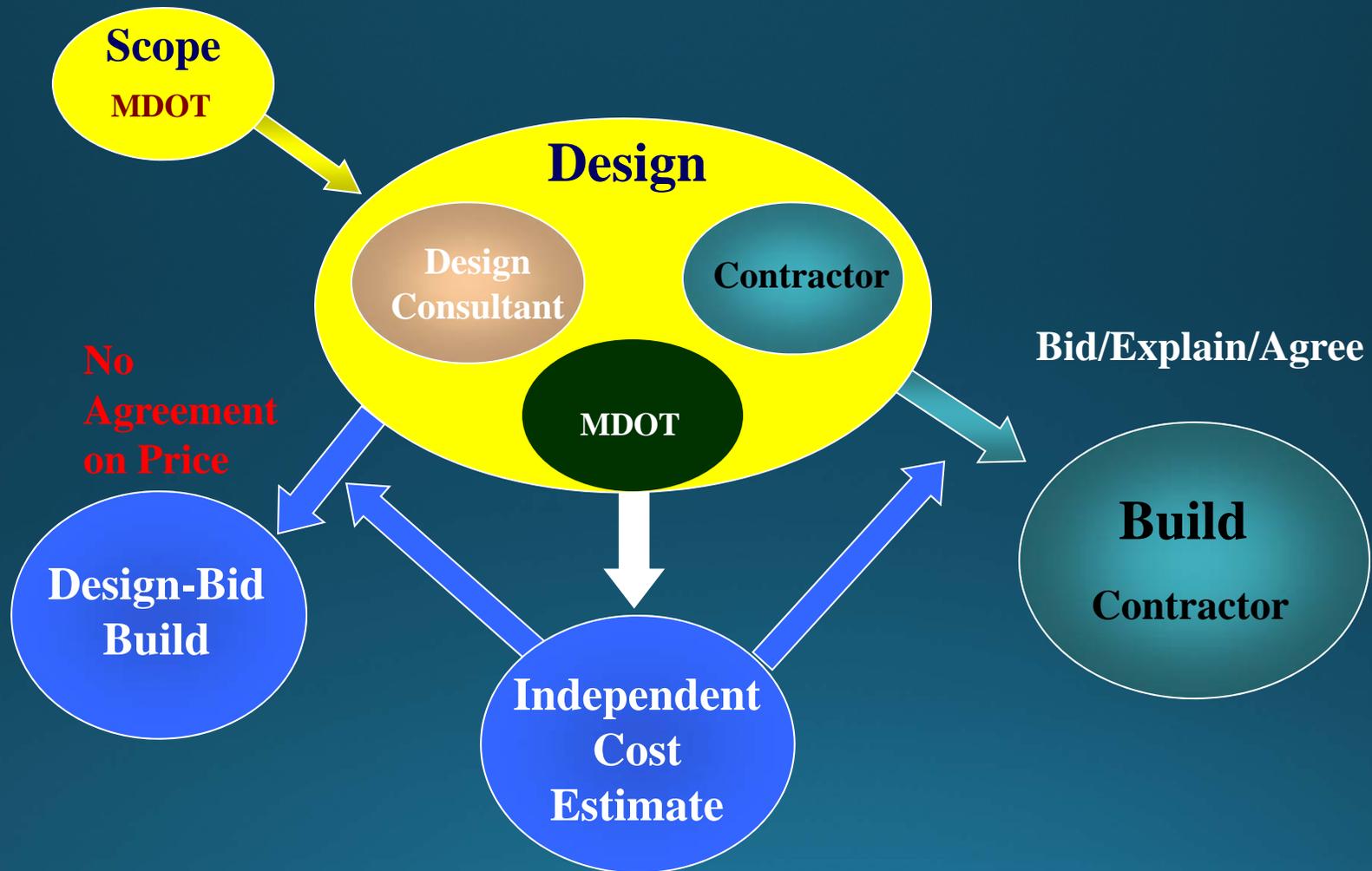
Benefits

- Expedited Delivery
- Creativity
- Staging/MOT
- Cost

Challenges

- Workload
- Timing
- Levels of Control & Responsibility

Construction Manager/General Contractor (CMGC)



CMGC Overview

Benefits

- Risk Mitigation
- Improved Constructability
- Efficient Construction Staging & Maintenance of Traffic
- Promotes Innovations and New Construction Methods
- Expedited Construction
- Cost Controlling Measures

Challenges

- Selection Process is New to Michigan's Contracting Industry
- Determination of Final Price
- Timing and Procedures for New Processes



Goal of CM/GC:

To deliver a project with the greatest value for the public.

Fixed Price/Variable Scope (FPVS)

- More Infrastructure Needs than Budget
- Goal: To Maximize the Amount of Work That Can be Completed with Available Funding



Fixed Price/Variable Scope (FPVS) Procurement Models

Type 1: Maximum work for Fixed Price

Type 2: Maximum work with ability to set a Maximum Price

Type 3: Tradition bid, managed to a Fixed Price

Fixed Price/Variable Scope (FPVS)

• Typical Candidate Projects

- Crush & Shape
- Mill & Fill
- Full Reconstruction
- HMA Crack Sealing

Benefits

- Maximize Work
- Constrained Budget

Challenges

- Bidding Requirements
- May Get a Smaller Project

Other Areas of Interest

- Alternate Technical Concepts
 - Value Engineering during bidding
 - Focus on maintaining traffic
- Alternate Pavement Bidding
 - Concrete vs. HMA



MDOT's History in Innovative Contracting

- 1990's
 - 30+ Design-Build projects
- Since 2008:
 - DB – 18 Projects
 - CMGC - 11 Projects
 - FPVS - 46 Projects
 - P3 – 1 project

Questions?