

Local Public Agency Stakeholder Partnering Team Meeting Agenda

Date: July 14, 2021

Time: 1:00 – 3:00 pm

Location: Teams Meeting

Attendees:

Teams Video Call

Tracie Leix, MDOT

Brad Wieferich, MDOT

Ryan Mitchell, MDOT

Kelly Crannell, MDOT

Larry Doyle, MDOT

Demetrius Parker, MDOT

Don Mayle, MDOT

Kurt Zachary, FHWA

Denise Donohue, County Road Association

Andrew Kilpatrick, City of Lansing

Lance Malburg, Dickinson County

Matt MacDonell, Washtenaw County

Bill Hazelton, St. Clair County

Agenda:

1. Welcome and Introductions*
2. March Meeting Recap
 - a) Local Agency Website Updates - Ideas/suggestions from are locals welcome regarding all relationships with Michigan Department of Transportation (MDOT), not just the Local Agency Program (LAP). Send suggestions to [Tracie Leix](#) or [Kris Sullivan](#).
 - b) State D Funding Status - Topic moving to Rural Task Force (RTF) advisory meetings.
 - c) Design Survey – Results were posted on Local Public Agency (LPA) Stakeholder website with the [March Meeting Minutes](#).
3. Action Items
 - a) Post Accomplishments to the LPA Stakeholder Website.
 - Completed. Please share with peers and members.
 - b) Set up a State D funding options meeting in a smaller group.
 - Office of Economic Development has taken the lead on this topic. A

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meeting has been scheduled with County Road Association (CRA) and LAP.

- c) Send State D Funding Proposals out with the meeting minutes.
 - Completed. See March Meeting Minutes.
 - d) Send out LAP survey with meeting minutes.
 - Completed. See March Meeting Minutes.
 - Please review for potential topics for this group to address.
4. ProjectWise (PW) folder structure
- a) Lance noticed construction folder has been updated.
 - b) Discussed future process for local agencies to request folder and submit National Environmental Protection Act (NEPA) forms. Local agencies must include request for consultant access. This will allow consultants to add 5323 NEPA forms, change state etc.
 - Status Changes in PW: Pending, Received, Review Started, Approved
 - No action needed until guidance is sent out. An advisory and listserv from LAP are forthcoming.
 - c) Lance would also like to see the job name, not just number, on the PW folders. Kelly to follow up with Mike M. in PW to see if job names can be added across all LAP projects.
5. Utility Coordination Program Review
- a) The review is ongoing. Projects from the FY20 Compliance Assessment Program (CAP) review were the basis for the utility coordination review. Federal Highway Administration (FHWA) is reviewing the data collected.
6. Local Agency Innovations
- a) CRA has a subcommittee
 - Environmental, Great Lakes, and Energy (EGLE) highly supports and wants rubberized additions approved. Additional vetting and research needed to approve for federal aid projects including fund participation.
 - Curious about means and methods for locals to try new and innovative things with State & Federal funds.
 - b) CRA is currently has a STIC grant for a local roads research board regarding

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innovations (via Local Technical Assistance Program). A peer exchange is scheduled for Oct 13 and 14 (Grand Rapids) - 3 other states invited and CRA may be able to simultaneously host via zoom.

- c) Specifications approval process, Ex: Volumetric Acceptance Specification, including piloting process, research and then approvals by MDOT and FHWA.

7. Training

- a) Look into creating "Ted Talk" like trainings. This idea was developed from the recent local agency design survey.

1. Construction Manager/General Contractor (CM/GC) - Ryan Mitchell (guest speaker)

- a) Introduction of Ryan and his area – Innovative Contracting Unit (ICU)
- b) See Example 1 – Presentation Slides.
- c) CM/GC - utilized on 'high risk' projects
 - Hire contractor to consult during design for input on risk, constructability, means & methods, & non-standard costs.
 - MDOT identifies project & selects following independently from each other
 1. design consultant
 2. CMGC Contractor
 3. Independent cost estimator (ICE)
 - During design, contractor performs pre-construction services (providing recommendations related to risk, constructability, means & methods, & non-standard costs).
 - If price cannot be negotiated with the CMGC, project goes to traditional advertisement/letting process.
 - Advantages:
 1. Understand risks better
 2. Improved constructability
 3. Better understanding of schedules
 4. Cost controlling measures because risks are capped, quantified, agreed upon
 - CM/GC Goal – Clarify and confirm risk, constructability, cost, and schedule with high confidence to deliver greatest value for the public

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- d) Lance M. - how does this work with 'conflict of interest' matrix?
- Designer is not 'party' to contractor team, when moves to construction designer is not involved anymore, they are engineer of record, and separate CE firm is hired
 - Seems like saves time - Tracie shared WC example and this is not necessarily the case when using federal funds
 - CM/GC may not accelerate project development/design because of the extra time needed to coordinate and negotiate with the CMGC, but can save critical construction time due to early contractor involvement and buy-in/commitment project risks, guaranteed maximum price (GMP) and schedule
- e) Kurt Z.
- conflict of interest - old matrix is revamped (about 2 or 3 years ago)
 - [Current guidance](#)
 - Macomb County is blazing trail for innovative contracting with Mound Road project by bringing many parties together to explore innovative contracting.
- f) Matt M.
- How to get thru the NEPA processes in the innovative contracting realm?
 - What happens if you clear NEPA and the Design Builder changes plans after the NEPA clearance? Need to be quite prescriptive on footprint of area, might convey additional environmental clearance onto Design Build contractor. Is there an expedited review for innovative projects?
 - KZ - Not necessarily cheaper, savings may stem from innovation and acceleration, fits better for more complicated projects, design/bid/build (traditional) is still best fit for most LAP projects
- g) Ryan M. – Working on trying to promote private sector innovation.
- h) Kurt Z. - Would like future presentation from Macomb County to share Design Build perspective.
- i) MDOT – Design Build projects typically in \$10M to \$50M+ range.
- j) Tracie L. - Fixed-price-variable scope are GREAT innovative contracting tool for

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getting maximum scope for the established budget. Ryan noted that JICU is currently working on guidance for this type of contracting.

Partner Updates

2. CRA – Denise Donohue

- a) MERL replacement has a work group, and it is named Local Agency Project Administration Program, for now. It will be cloud based. CRA will be the licensee. System will be compatible with other programs to create uniformity across board. Two years of development funding through MDOT, via state funds.
- b) Local Road Research Board
- c) Local Crisis Fiscal/ER Recovery Program –Working to create training and videos to prepare for scenarios and inform locals of what's available for emergency situations.
- d) Locals are curious about when MDOT will be returning to the office. Current Department guidance states staff is allowed to return to the office July 12th. Telecommuting opportunities may continue for some staff.
- e) Will MDOT be putting out an advisory on material shortages? Kelly mentioned Construction Field Services and FHWA have been discussing this topic. FHWA has not declared any national material shortages, therefore claims related to this matter are considered non-compensable and non-excusable per specification. Local agencies should be discussing this topic with their TSC Designated Representative. Contractor claims related to COVID-19 have been treated as non-compensable, however they are excusable, meaning time no-cost adjustments are being approved.
- f) Matt MacDonell is sitting in for Sheryl currently. CRA will inform the team of the official replacement for Sheryl after their August meeting.
- g) EGLE moving towards developing Chloride Budget with State of Michigan. CRA hopes that the researchers are understanding the process for road application of the salt. Brad will follow-up with Tim Croze in Transportation Systems Management and Operations (TSMO) about Chloride Budget impacts to MDOT.

3. MDOT – Kelly Crannell

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- a) Michigan Municipal League (MML) Webinar is July 28, 2021. Challenges getting the 'right audience' because MML notifications go to cities, mayors, council members, etc. Suggested to possibly engage Metropolitan planning Organization or the region Transportation Service Centers to get 'engineering' audience associated with LAP projects.
 - b) The Spec Book Webinars are scheduled for August 3 & 5.
 - c) AASHTOware update
 - Oct 2022 Letting - Full MDOT Trunkline transition anticipated.
 - Spring/Summer 2022 – LAP pilots
 - Oct 2023 Letting - Full LAP transition anticipated.
 - Currently working on developing website training videos.
 - Currently working on updating the Certified Office Tech Training Curriculum.
 - There have been inquiries about the certified engineer process. Yes, consultants are now eligible. For more information, see [Certified Engineer Process - MediaWiki \(state.mi.us\)](#).
 - St. Clair County Road Commission is interested in piloting. Kelly to forward interest to AASHTOware group.
 - d) QA Discussions – Developed work group with CRA, first meeting is August 24th to start discussing fabrication inspection challenges.
4. MDOT – Tracie Leix
- a) Obligation Authority update.
 - b) Next meeting may be in person at the Horatio Earle Learning Center.
5. FHWA – Kurt Zachary
- a) Jami Trudell is the newest member of FHWA Michigan Division (Metro Region Area Engineer). She is taking over part of Ruth Hepfer's position along with Brandy Solak.
 - b) FHWA Michigan Division is reorganizing units. See [FHWA website](#) for latest organization charts.
 - c) Area Engineers will now have LAP project oversight for their areas. Kurt will still be involved with the statewide oversight of the LAP program.

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Action Items for next meeting:

1. Kelly to follow up with Mike M. in PW to see if job names can be added to folders across all LAP projects.
2. Brad will follow-up with Tim Croze in TSMO about Chloride Budget.
3. Kelly to forward St. Clair County interest to pilot to AASHTOware group.
4. Kelly to follow up with Construction Field Services to see if guidance is coming out on Material Shortages.

Next Meeting:

September 16, 2021, 1:00 p.m. – 3:00 p.m. Teams & Horatio Earle Learning Center – Lake Erie

Construction Manager/General Contractor (CMGC) Overview

Michigan Department of Transportation

Ryan Mitchell
MitchellR13@Michigan.gov

Agenda

- Overview of Innovative Contracting
- Risk Analysis
- Construction Manager/General Contractor(CMGC) Overview and Process

What is Alternative/Innovative Contracting?

- Look outside of traditional Design-Bid-Build project delivery to match the unique needs and risks of a project to the known benefits of an alternate delivery method.
- A primary goal of Innovative Contracting is to provide a cost effective and timely delivery of a quality project while limiting undesirable impacts.

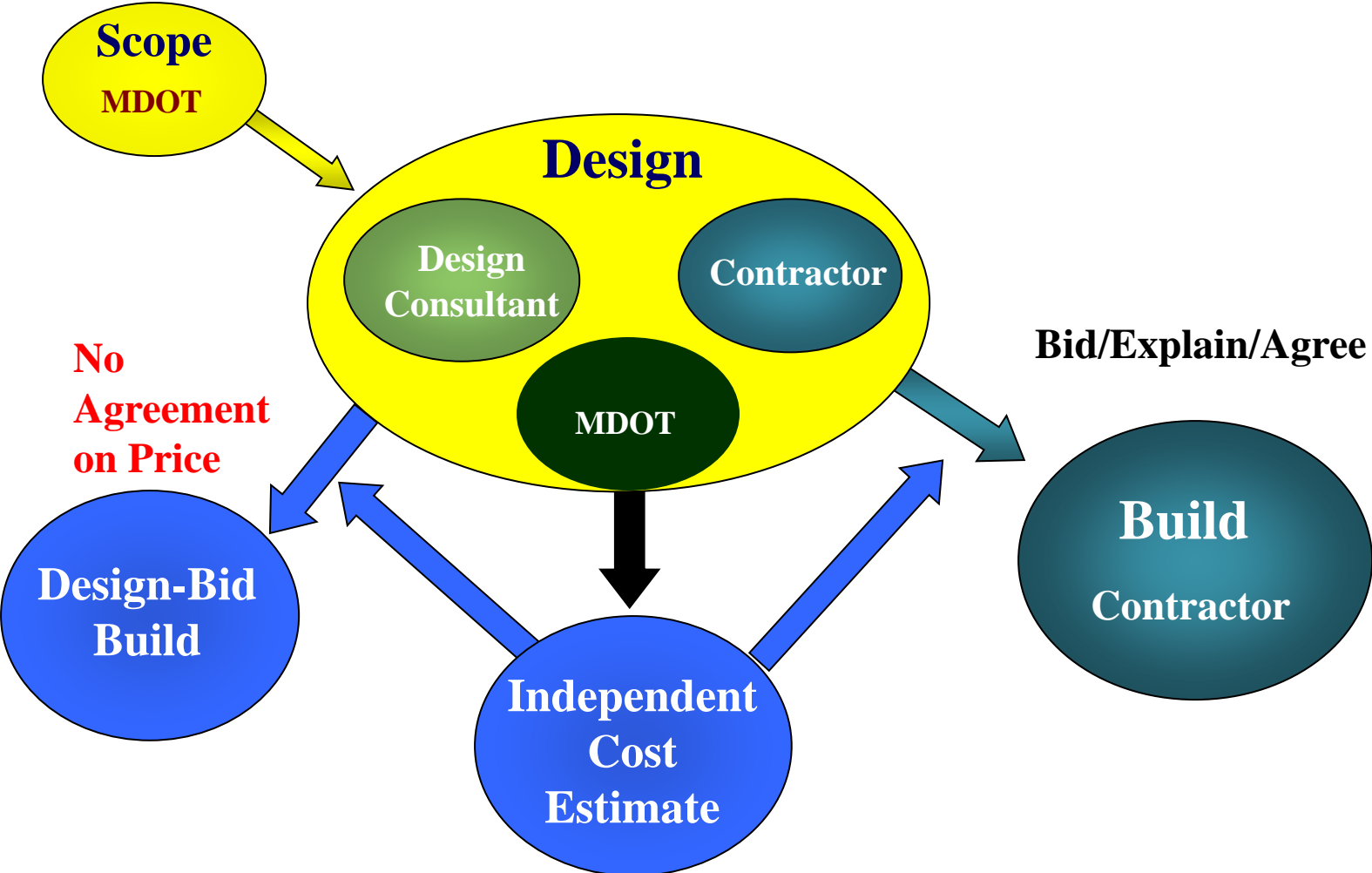
Risk Analysis

- Project Risks must be identified and allocated to specific parties in the contract
 - Identify the probability of each risk
 - Identify the cost associated with each risk
 - Identify who is responsible for each risk in the contract language

Construction Manager/General Contractor (CMGC)

- Recommended for following conditions:
 - High levels of project risk needs to be mitigated
 - Traditional means and methods may not apply
 - Have challenging schedules
 - Projects that are technically complex
 - A high level of construction staging/phasing may be appropriate
 - Input is needed on constructability, means & methods, and non-standard costs
 - Significant Public Involvement

Construction Manager/General Contractor (CMGC) Process



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 difficult for 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.

Construction Manager/General Contractor (CMGC)

- **Types of Projects**

- Road & Bridge Reconstruction
- Bridge Slides
- Complex Bridge Rehabilitation
- Riverwalk/Park
- Light Rail
- Building & Wharf Construction
- Slope Stabilizations





Questions?

Thank You!

Ryan Mitchell

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