

INDEPENDENT COST ESTIMATING ON Construction Manager/General Contractor (CMGC) Projects

Michigan Department of Transportation | Innovative Contracting Unit

11 a.m. Tuesday, Oct. 1, 2024

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MDOT Introductions



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History of MDOT's CMGC Program



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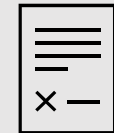
Expectations of ICE on MDOT CMGC Projects



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MDOT's Consultant Contracting Process



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Project Details



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Open Discussion



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Program Overview

- MDOT Innovative Contracting Unit (ICU), Office of Major Projects
- CMGC projects from 2010 to present
- 25 projects to date, average of two per year in construction
- Various size of past projects - \$1 million to \$50 million
- Various scopes of work, including complex bridges, downtown roadway reconstruction and other unique projects (tree planting, riverfront, etc.)
- Successful negotiations of all but one project



MDOT Approach to Collaborative Cost Estimating

- MDOT price facilitator
- "Double-blind" versus "single-blind"
- Selective open-book cost estimating
- Disclosure of cost and pricing information
- Comparison of estimates and cost reconciliation



Partnering

- Working with the entire project team from day one
- Maintain a spirit of cooperation and open communication among all parties
- Communicate any observations that may contribute to or prohibit a successful project



Project Coordination and Meeting Attendance

- Partnering workshop
- Risk workshops
- Coordination meetings
 - Project status, cost estimating working group, coordination with MDOT project manager and innovative contract project manager, others as identified
- Milestone plan review meetings, focusing on constructability
- Cost model alignment meetings
- Opinion of probable construction cost (OPCC) alignment
- Negotiations prep meetings
- Track comments, resolution and recommendations



Cost Estimating Procedures

- Cost estimate alignment and analysis plan
- Risk register, facilitate meetings as requested
- Review of in-progress plans and specs
- Review and make recommendations for contractor cost model, following milestone reviews
- Provide independent cost model including construction schedule and detailed estimate structure, as requested by MDOT
- Opinion of probable construction cost after designated milestones

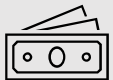


- Three tiers to MDOT consultant contracts
 - Tier 1 – Contract value less than \$250,000
 - Tier 2 – Contract value between \$250,000 and \$1.5 million
 - Tier 3 – Contract value more than \$1.5 million
- Tier 1 consultant contracts are individually solicited to a minimum of three consultants
- Tier 2 and 3 consultant contracts are advertised on MDOT's eProposal site: Requests For Proposals
- ICU will issue a GovDelivery email when independent cost estimating (ICE) requests for proposals are posted to the eProposal site



City of St. Joseph Berrien County, MI

- ***M-63 and I-94 Business Loop (BL) from Central Avenue to the Blossomland Bridge (Reconstruction)***
 - Full reconstruction, including roadway, drainage, watermain, sanitary sewer, traffic signals, signs, and pavement markings.
 - Intersection improvements.
 - Streetscape and sidewalk enhancements.
- ***Ship Street and Port Street (Reconstruction)***
 - Full reconstruction, including roadway, drainage, watermain, sanitary sewer, signs, and pavement markings.
 - Conversion of Port and Ship streets from one-way to two-way traffic.
 - Streetscape, bicycle and sidewalk enhancements.
- ***I-94 BL from Morrison Channel to Bicentennial Bridge (Rehabilitation)***
 - Pavement inlay (retain existing curb and gutter).
 - No bridge work anticipated.

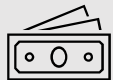
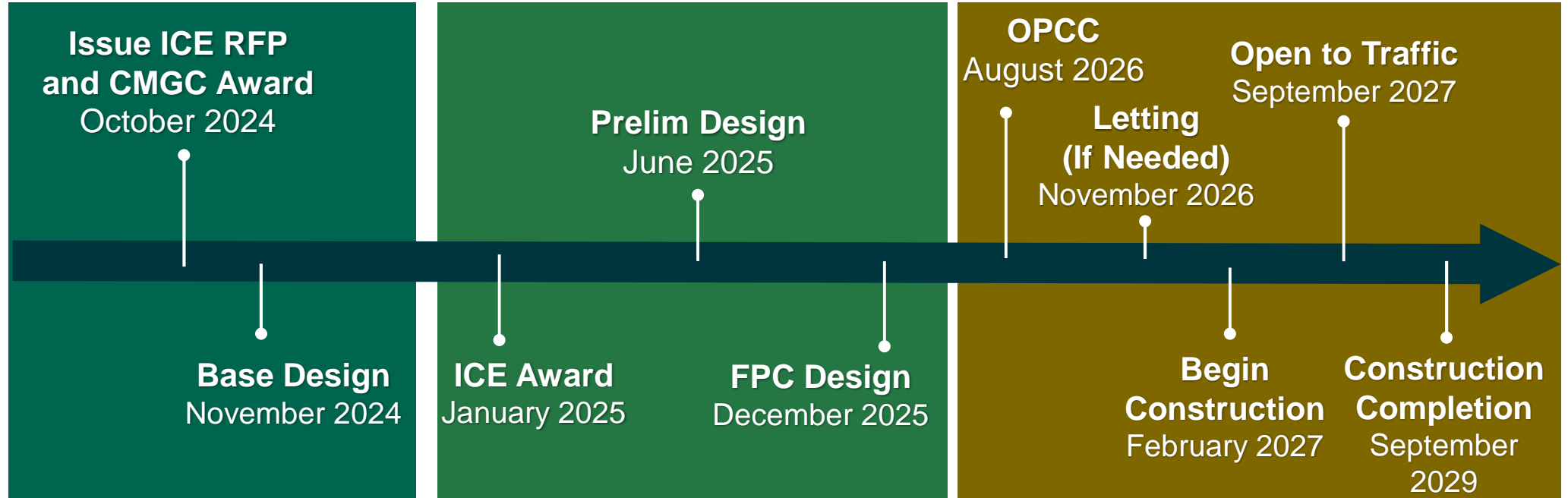


INDEPENDENT COST ESTIMATING
On MDOT CMGC Projects

2024

2025

2026-2029



INDEPENDENT COST ESTIMATING
On MDOT CMGC Projects

GLC Railroad Project Details



State-owned Rail Bridge Over Muskegon River



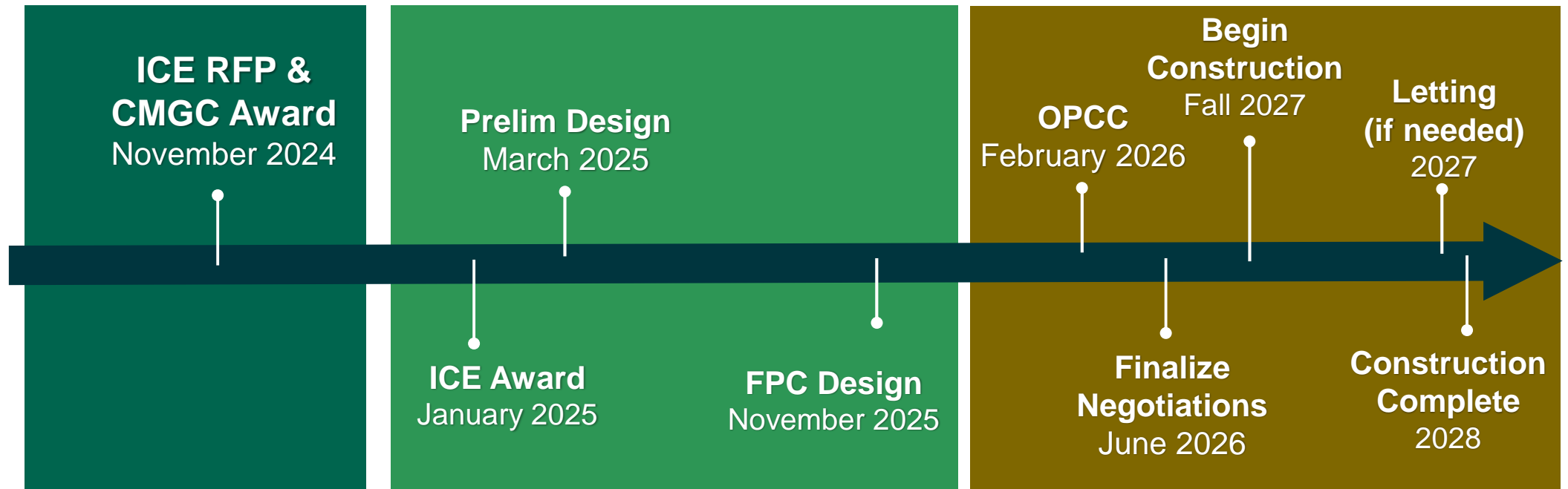
INDEPENDENT COST ESTIMATING
On MDOT CMGC Projects



2024

2025

2026-2028



INDEPENDENT COST ESTIMATING
On MDOT CMGC Projects

Open Discussion – Q&A



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