

Alternative Contracting Overview CMGC & Design-Build

CTC Project Delivery Workshop
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Agenda

Standard Delivery Method: Design-Bid-Build

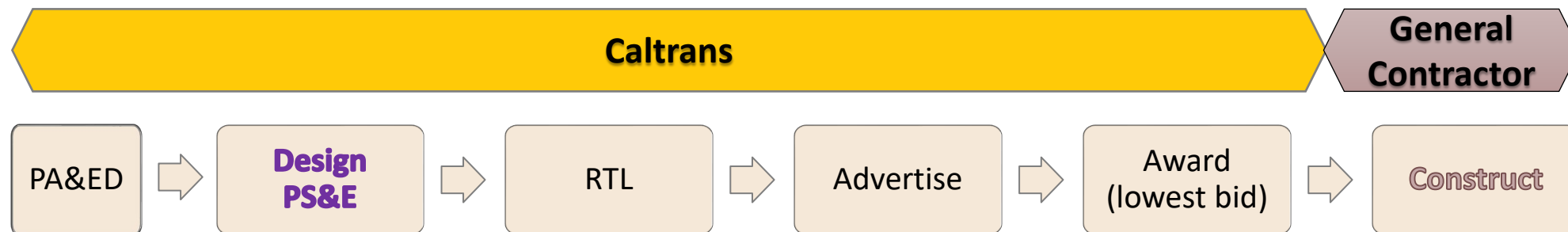
- Overview

Alternative Delivery Methods: 1) CMGC and 2) Design-Build

- Overview
- Benefits and Challenges
- Project Selection Process
- Change Management

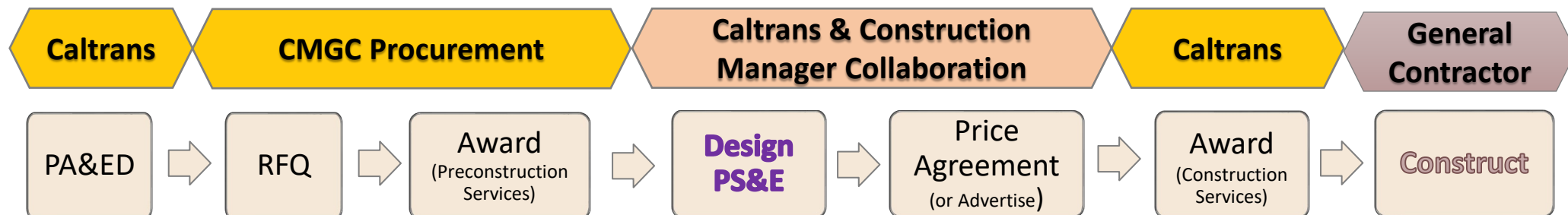
Design-Bid-Build Overview

- Standard Project Delivery method
- PS&E (Design) must be complete prior to Advertisement
- Award to lowest responsible bidder



Construction Manager/General Contractor (CMGC) Overview

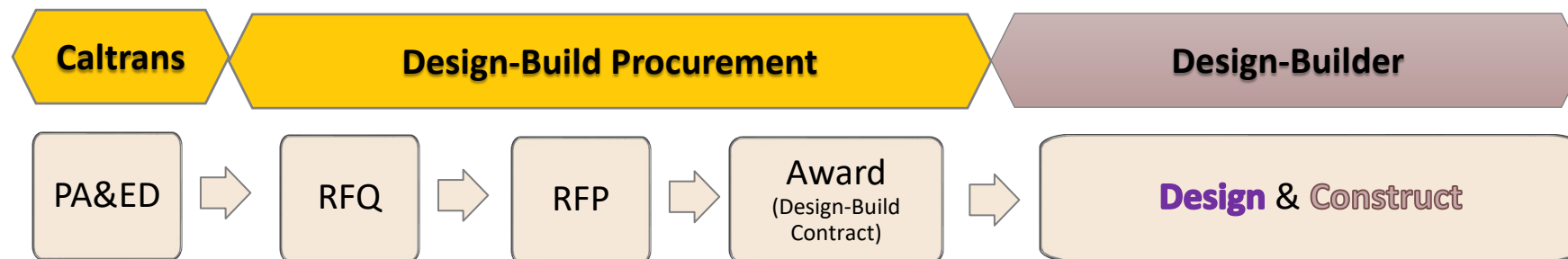
- Construction Manager provides input and services during PS&E
- If price is agreed to, Construction Manager becomes the General Contractor
- If price is not agreed to, advertise project
 - Price agreement is dependent on Independent Cost Estimator price



Design-Build Overview

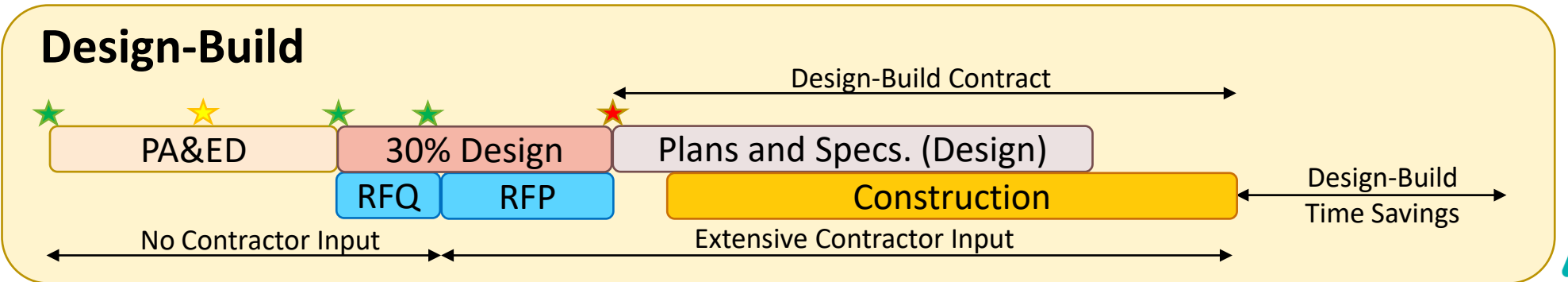
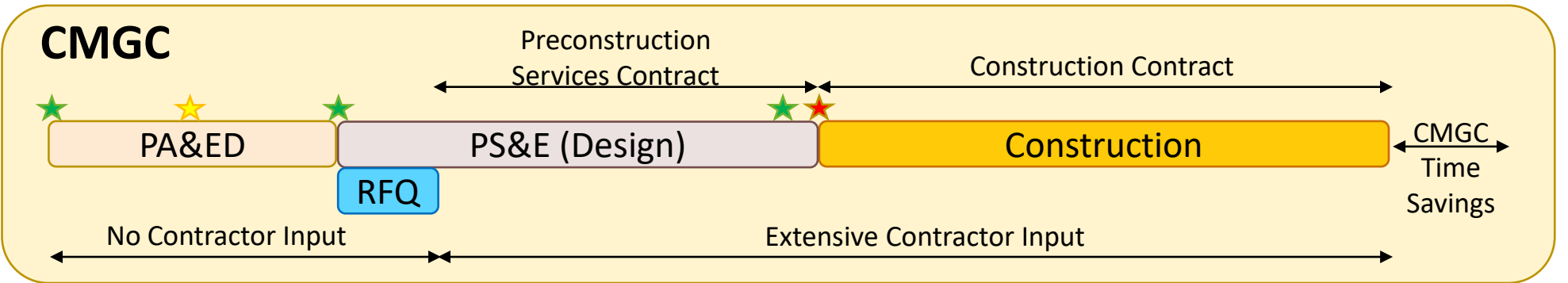
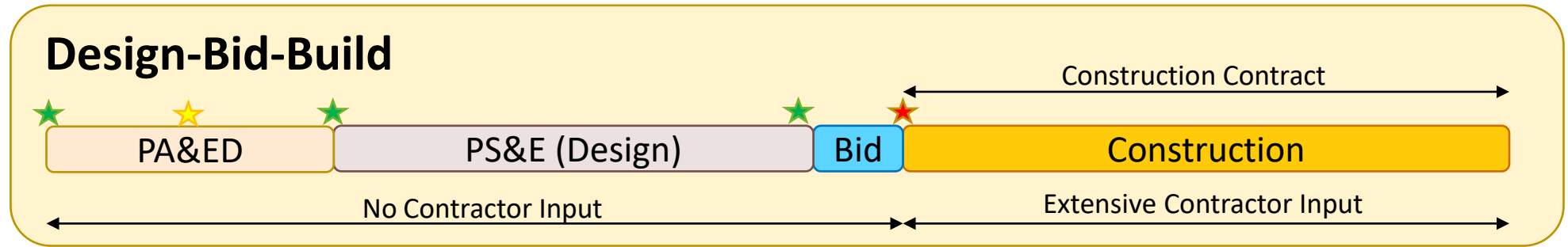
A delivery method where a contract for both the design and construction of a project is awarded to a single entity.

- Awarded to either lowest responsible or best value Proposer.



Project Delivery Methods

- ★ Alt. Delivery Decision Point
- ★ CTC Action
- ★ Award



CMGC

BENEFITS	CHALLENGES
<ul style="list-style-type: none">• Assist with permits/3rd party approvals• Improved constructability & partnering• Innovation opportunities• Improved risk mitigation/avoidance<ul style="list-style-type: none">• Less Contract Change Orders• No claims• Faster Delivery<ul style="list-style-type: none">• Schedule optimization• Project can be delivered in work packages	<ul style="list-style-type: none">• Higher support costs (contractor and Independent Cost Estimator)• Redesign to implement contractor suggestions• Negotiating price with a single “bidder”• Estimate reconciliation (bid-based vs. cost-based estimates)• Keeping bid option open

Design-Build

BENEFITS	CHALLENGES
<ul style="list-style-type: none">• Fastest delivery method• Reduced staffing needs• Risk transfer<ul style="list-style-type: none">• Design-Build owns design and constructability risks• Innovation opportunities• Best Value selection• Design and cost competition among teams• Early cost certainty	<ul style="list-style-type: none">• Defining the project at 30% design• Less control over final design• Quality may be subordinate to cost• Steep learning curve for staff<ul style="list-style-type: none">• Fast pace of reviews• Design-Build Contract• Undocumented preferences/practices

Project Selection Process Overview

Districts nominate projects

- Nomination Fact Sheet

HQ Office of Innovative Design & Delivery assesses the projects

HQ Alternative Contracting Steering Committee reviews & approves the projects

- Chief Engineer, Project Delivery Division Chiefs, Programming Division Chief, & FHWA

Approved projects can move forward to procurement

Change Management

- Districts are to manage within programmed amount
- CMGC and Design-Build project amendment process is the same as Design-Bid-Build
 - Except CMGC can segregate the project in the year of delivery into work packages. A list of the anticipated work packages and their delivery year must accompany the initial construction allocation request.

Questions

