

Date: November 2, 2021 at 9:30 AM

Location: Go To Meeting
<https://global.gotomeeting.com/join/858538309>
United States: +1 (872) 240-3212
Access Code: 858-538-309

Attendees:

- Teresa Bruton
- Ron McCollum
- Victor Barbour
- Michael Taylor
- Jim Seybert
- Karen Capps
- David Gourley
- Mickey Wing
- Nilesh Surti
- Keith Nixon
- Dennis Jernigan
- Mike Merritt
- Boyd Tharrington
- David Nichols
- Chuck Gallant
- Andy Barry
- David Pupkiewicz
- Hope Grumbles
- Jonathan Henderson
- Andrew Palahnuk
- Bill Copeland
- Kevin Knuettel
- Wiley Jones
- Drew Baucom
- Brian Skeens
- Rodger Rochelle
- Pete Weber
- Jason Mroz
- Lewis Cuthrell
- Matt Clarke
- Kevin Bailey
- Thomas Wells
- Brian Banks
- Mike Zicko
- William Kincannon
- Lamar Sylvester

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- I. Welcome and Introductions (Teresa)
- II. NCDOT / NCTA Items (Teresa / Rodger)

1. NCDOT

a. Announcements

- i. Rodger Rochelle and Karen Capps are retiring from NCDOT, effective December 1, 2021.
- ii. Michael Shumsky has left NCDOT and has accepted a job with the Department of Administration

b. ATC Process / Innovation

- i. NCDOT solicited feedback on the best approach to encourage innovation. Things being considered are increasing the Innovation evaluation criteria score and modifying the ATC Process.
- ii. The Industry asked how NCDOT defines innovation. NCDOT responded that ideas / concepts that were considered innovative early in the Design-Build process are no longer innovative because they are commonly done. (e.g., conveyor belts to deliver construction material and constructing an access ramp in the median).
- iii. The Department also noted that items considered innovative by the Teams are often considered improvements to the preliminary plans or good design. For example, road realignments to improve constructability / safety or reduce right of way impacts may be considered good engineering practice, not innovation. However, the Department noted that while a Team may not receive points in the Innovation criteria for those types of concepts, they receive points in other evaluation criteria (e.g., MOT and Safety and Responsiveness).



- iv. The Industry indicated that if certain design practices and previous innovative ideas are no longer considered innovative, it makes it difficult for Teams to ever achieve 100 points. Thus, rather than starting off at 100 points, Teams are starting at 95 points since they cannot get points for innovation. The Industry asked if the Department would consider increasing the Responsiveness score and shift the Innovation criteria to Extra Credit? NCDOT indicated that eliminating the Innovation criteria would discourage Teams from incorporating innovative concepts; and therefore, prefer that it remain a separate evaluation criteria. AGC and ACEC agreed that eliminating the Innovation criteria would discourage incorporating innovation.
- v. The Industry asked if the Department could add bullets to clarify the Innovation criteria and define innovation? They also asked if the Department would consider adding an Added Value evaluation criterion or modify the Innovation criteria to include added value (e.g., separate Innovation and Added Value evaluation criteria). It was agreed that ACEC and AGC would ask their membership for bullets that clarify the Innovation criteria and define innovation by the end of November.
- vi. The Department indicated that Teams do not get points for unapproved ATCs.
- vii. To minimize the Team's risk, the Department stated that ATCs that must have third-party approval (e.g., SHPO, permitting agencies, etc.) are often not approved even if the Department likes the concept. Specifically, the Department indicated that the Teams have an expectation that an ATC will ultimately receive all the required approvals if it is approved by the Department. However, the Department may not be the final approving authority and the Team may be required to modify the ATC concept post Award, resulting in additional costs and time delays. In this case, the Department will typically coordinate a potential VE that incorporates the ATC with the Team post Award.
- viii. NCDOT indicated that the Department originally provided the reason an ATC was not approved in the response letter. However, this typically resulted in a rebuttal from the Team that the Department had to address and seldom resulted in an approval. Thus, NCDOT prefers not to provide the reason an ATC is not approved unless an ATC resubmittal counts towards the maximum number of allowable ATCs a Team can submit. An alternate approach would be for the Department to provide the reason an ATC is not approved during the Team's Technical Proposal debrief. The Industry agreed that if the Department provides the reason an ATC is not approved and the Team resubmits the ATC, the resubmittal will count towards the Team's maximum number of allowable ATCs. The Department indicated that internal conversations would discuss this approach in more detail
- ix. AGC will provide an example ATC response letters from other DOTs.
- x. Since the typical procurement timeline has been extended to eight months, NCDOT stated that they will consider modifying the percentage of ATCs that can be submitted pre and post the Final RFP distribution, increasing the percentage post Award.
- xi. The Department asked if a standardized ATC submittal form would be beneficial.
 - The Industry indicated that a standardized form would not necessarily be helpful and that most Teams follow the bullet list in the RFP when creating ATC submittals.
 - The Industry indicated that if a standardized form is used, 1) it should not be an on-line form that limits the amount of information

that can be submitted and 2) it should be a WORD document. NCDOT indicated that a standardized form would not necessarily benefit the ATC approval process but wanted feedback from the Industry.

- xii. Concerning limiting the number of ATCs that a Team can submit the following was noted:
- The Department indicated that restricting the number of ATCs has eliminated a majority of ATCs that de-scope a project (e.g., reduce a 70-foot median to 46-foot) and has eliminated ATCs that propose a concept that the RFP states will not be evaluated.
 - ACEC and AGC indicated that restricting the number of ATCs has allowed them to contain / predict costs.

c. Potential Technical Proposal Evaluation Modifications

- i. The Department indicated that modifications to the Technical Proposal evaluation criteria are being considered and requested comments on the potential changes by the end of November. (See attached handout). Highlights include the following:
- Revising the Management criteria to include the entire Design-Build Team and reducing the value. The Department indicated that unless negative or positive experiences have occurred with a team member since the short-listing process, or there are concerns with team member additions, the Management criteria typically results in very similar scores for each Team. Additionally, the short-listing process evaluated the key team members and major concerns should have resulted in a Team not being short-listed.
 - Eliminating the Long Term Maintenance criteria and shifting the long term maintenance consideration to the Responsiveness criteria. The Department acknowledged that the estimated ten-year long-term maintenance cost savings provided by the Teams are often not considered cost savings by the Department, and if they are, the estimated savings are usually considered much lower.
 - Reducing the Oral Interview maximum value from 5 to 3 points. The Department does not deduct points due to nervousness but does deduct points if a Team argues amongst themselves or does not know answers to the Department's questions. The Department stressed that the Oral Interview impacts the other evaluation criteria, both positively and negatively. For example, design details that may be unclear in the Technical Proposal, but their advantages are explained during the Oral Interview, typically result in increasing the scores for other evaluation criteria. Conversely, a Team that does not appear to understand the project requirements and can't explain their design details during the Oral Interview typically results in decreasing the scores for other evaluation criteria. Thus, the Teams should not devalue the importance of the Oral Interview criteria.

d. Self-Imposed Liquidated Damages

- i. The Department indicated that self-imposed LDs proposed by a Team do not eliminate the LDs in the RFP, they are in addition to the LDs in the RFP.
- For example, if the RFP has an LD of \$2,000 for substantial completion and the Team proposes a self-imposed LD of \$5,000, the new LD amount is \$7,000.

- ii. NCDOT will revise language in the General Section of the RFP to clarify that self-imposed LDs do not replace the RFP LDs.

e. Service Road Study Analysis Requirements

- i. The Department solicited feedback on the issues, concerns and recommendations associated with the service road study requirements and asked if there is a significant risk to the Teams.
- ii. The Industry did not provide a response during the meeting but will forward and comments / recommendations to the Department.

f. NCDOT Contact During Design-Build Procurement

- i. The Department indicated that team members do a good job adhering to the requirement to only contact NCDOT through the Design-Build e-mail address during procurement. However, during recent pursuits, suppliers / fabricators have contacted NCDOT personnel directly for information / answers. Thus, the Department asked the Industry to remind suppliers / fabricators that contact is only allowed through the Design-Build e-mail address during the procurement.

g. Sound Barrier Wall Unit Prices

- i. The Department indicated that future RFPs will provide a maximum sf of sound barrier walls on shoulders and a maximum sf of sound barrier walls in cut sections, with corresponding sf unit prices. Sound barrier wall quantities that exceed these amounts will be considered extra work that are paid for at the unit prices included in the RFP.
- ii. The Department is considering a \$55 / sf unit price for sound barrier walls on shoulders and a \$50 / sf unit price for sound barrier walls in cut sections.
- iii. The Department indicated that the unit prices include all incidentals (additional paved shoulder, concrete barrier, etc.). The Department also indicated that the unit costs took into consideration that the unit price will be applied to the entire wall, including height, while the additional concrete barrier, paved shoulder are based on the sound barrier wall linear footage.
- iv. NCDOT is looking for feedback on the unit costs from the Industry and asked that any recommendations include a quantity and unit cost breakdown for each individual pay item required for sound barrier walls on the shoulder and a separate unit cost breakdown for each individual pay item required for sound barrier walls in cut sections.

h. Project Special Provisions versus Standard Special Provisions

- i. To be consistent with the Contracts and Standards Unit, the Department indicated that provisions that are typically located in the Project Special Provisions Section may be relocated to the Standard Special Provisions Sections and vice versa. Thus, the Teams are cautioned to review both sections before assuming a provision is not required on a project.

2. NCTA

- a. No items to address.

- III. Upcoming Design-Build Projects (Anticipated DB List) (Teresa)
1. Due to the STIP being overprogrammed by approximately \$8 – 10 billion, the Department is currently evaluating all programmed projects. Thus, the anticipated schedules are subject to change.
 2. NCDOT also indicated that grant funding may accelerate some “shovel-ready” projects
 3. The Department will forward any schedule modifications to ACEC and AGC once finalized.

IV. Carolina AGC Items (Victor)

1. Steel price adjustment provisions

- a. Work group gathered with NCDOT and AGC to discuss volatility of the steel prices.
- b. Looking at providing a steel price index.
- c. Intended to adjust price coming from the steel mill to the fabricator.
- d. Looking at items beyond structural steel such as guardrail and overhead signs.
- e. Will be included in all contracts and no opt out option.
- f. No adjustment to apply if less than 10% increase. NCDOT open to discuss this percentage and how it is applied.
- g. NCDOT will maintain a list of materials that will be subject to the adjustments.
- h. Various categories for the list of materials
- i. Index similar to the America’s Metal market, price per pound; this is what NCDOT plans to use.
- j. Long term plans to make it more automated through HiCams; however early stages will need to be manual. NCDOT provided a spreadsheet to AGC for review.
- k. Contractors will be responsible for keeping the data such as materials, tracking and dates.
- l. No agreement from the steel manufactures.
- m. NCDOT is currently gathering data on selected projects regarding the impact of material escalations. This data will be used to estimate the overall impact of material escalations across the State. The NCDOT cannot make a commitment to provide relief at this time; however, determining the magnitude of the issue is the first step. Is there a cap on the steel price index? More discussions to happen.

These items were discussed under the NCDOT portion of the meeting.

2. Modifications to technical proposal evaluation criteria
3. Innovation Criteria
4. Alternative Technical Concepts
5. Noise wall update

V. ACEC Items (David)

These items were discussed under the NCDOT portion of the meeting.

1. Innovation Criteria
2. ATCs



VI. Open Discussion / Ongoing Items

(Committee)

1.

VII. Next Meeting

(David)

1. 2020-2021 Meeting Schedule:

- February 1, 2022
- May 3, 2022
- August 2, 2022

VIII. Meeting Adjourn

