Colorado Department of Transportation
TLRC Presentation (Contracting)
July 7, 2015
CDOT CONTRACTING
DIFFERENT TYPES

- Highway Construction (Design Bid Build)
- Innovative Construction Contracts (Design Build)
- Consultant Contracts
- Intergovernmental Agreements (IGAs)
- Personal Services Contracts
- Grants
- HPTE and Office of Major Projects
- Bridge Enterprise
- Memorandum of Understanding (MOU)
Design Build Contracts

- Combines the architectural, engineering, and construction services required for a project in a single contractual agreement;

- The owner contracts with a single entity;

- The contractor providing the end product is responsible for both design and construction;

- The contractor is responsible for any deficiencies or defects in the design, unless waived or limited by the contract.
Design Bid Build Contracts

- Design and construction are sequential with two contracts and two contractors;

- Drawings and specifications are created first as a design engineer contract and then are used as the bid documents in the construction contract;

- Allows for competition among construction contractors on a project that has quite complete design.

- The government bears the risk.
Construction Contracts

- Pre-qualification
- Contractor Past Performance Evaluation
- Bonding requirements
  - Equal to cost of contract,
  - Can not be reduced for projects because of specification requirement,
  - The performance bond protects from additional expenses incurred by an abandoned project,
  - Same as insuring your house = don’t accept risk by underinsuring assets.
Consultant Contracts

- Pre-qualification
- Master Pricing Agreement (MPA)
CDOT uses IGAs for any agreement with any non-state governmental entity greater than $100,000.

IGAs are used to funnel Federal Highway Administration (FHWA) funds through CDOT to Local Agencies for work that includes, but is not limited to, STP Metro, Enhancement, CMAQ, Safe Routes to School and Scenic Byways. IGAs are also used for CDOT funded projects that include Highway Maintenance, Signal Maintenance, FASTER, Abandonment of State Highways and Bridge Enterprise.
INTERGOVERNMENTAL AGREEMENTS
WHY DO WE USE THEM?

- These agreements incorporate contract terms that are common to agreements between governmental entities, and they incorporate federal requirements tied to the acceptance of the funds. CDOT is required to provide oversight of the funds and the outcomes of the work funded.

- The Office of the State Controller requires that we use one of several standardized, pre-approved versions of an IGA or “templates”.

- Which template we use is determined by the nature of the work being done.
LEAN process is currently being implemented for CDOT’s design and construction IGAs.

The recommendations include:
- Template changes to streamline the contract process,
- Tracking and communicating across governmental agencies,
- Improved business processes within CDOT.