MONTANA
Department of Transportation

Progressive Design-Build Guidance
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Definitions/Acronyms

- **Contract** – The PDB contract and any incorporated requirements including but not limited to the RFP, Proposal, and MDT Standard Specifications.
- **Construction Package** – A specific portion of Construction Services, the exact scope of which will be determined by MDT and the Firm and documented in a Construction Package Notice to Proceed.
- **Construction Package Price** – The maximum amount of compensation due to the Firm to construct a Construction Package. Each Construction Package will have a Construction Package Price. Once all construction work has been authorized through one or more Construction Package Notice to Proceeds, the sum of the Construction Package Prices will be the Total Construction Price. Once agreed upon, the only method for increasing the Construction Package Price is by change-order as described in the Contract.
- **Construction Phase** – The second and final project implementation step that includes all Construction Services necessary to construct the project. This may include additional design that was not completed during the Preconstruction Phase.
- **Construction Phase Multiplier** - The Construction Phase Multiplier includes the Proposer's profit and portion of home office overhead allocated to the project which is described as a percentage which is used in development of the Construction Package Price.
- **Construction Services –** All work performed during the Construction Phase.
- **Construction Package Notice to Proceed (Construction Package NTP or CP NTP)** – A document that authorizes a Construction Package and includes the anticipated completion date, Construction Package Price, Schedule of Values, and other requirements for a Construction Package.
- **Firm** – The entity selected by MDT to deliver a Progressive Design-Build project.
- **Guaranteed Maximum Price** - Prior description of PDB and the price to be paid by MDT for construction has included the term Guaranteed Maximum Price (GMP). Because of different interpretations of what GMP means, MDT will not continue to use the term GMP to describe the price to be paid for a PDB Construction Package. Any prior description of the price for construction that includes the use of GMP should be interpreted as described in this guidance. See definition of Construction Package Price.
- **Independent Cost Estimator (ICE)** – An entity that provides independent cost estimates of the progressive design-build project to compare against a Firm's Pricing Milestone Estimate.
- **Proposer** - An entity that is participating in a procurement at either the RFQ or RFP stage.
- **Preconstruction Phase** – The initial project implementation step that includes all Preconstruction Services necessary to progress development of the project to a point where a Construction Package Price can be determined, and construction may begin.
- **Preconstruction Services** – All work performed during the Preconstruction Phase as described in the Preconstruction Services Scope.
- **Preconstruction Services Scope** – The Preconstruction Services Scope identifies activities and deliverables to be performed during the Preconstruction Phase.
- **Preconstruction Services Not-to-Exceed (NTE) –** The maximum amount of potential compensation for Preconstruction Services. The Preconstruction Services NTE is incorporated into the Contract through each Preconstruction Services Notice to Proceed.
- **Preconstruction Services Notice to Proceed (Preconstruction Services NTP or PS NTP)** – A document that authorizes or amends the Preconstruction Services Scope, the anticipated

completion date for the Preconstruction Services, and the Preconstruction Services NTE, hourly rates, distribution of hours, and any allowable direct costs.

- **Price Proposal** – The proposal described in Section 4.2.4 which is comprised of the Construction Phase Multiplier.
- **Pricing Milestone Estimate** – Estimate developed by both the Firm and ICE at various milestones identified in the Contract as part of the overall process to develop a Construction Package Price.
- **Request For Proposals (RFP)** - The solicitation document described in Section 2.2.
- **Request For Qualification (RFQ)** - The solicitation document described in Section 2.1.
- **Risk Register** – A Contract document that identifies Risk Register Events and includes the type of risk, what event triggers the risk resulting in cost or schedule relief, the type of relief, payment requirements, and mitigation requirements related to the Risk Register Event.
- **Risk Register Events** – Events that may occur during construction that entitle the Firm to some form of relief, either schedule or payment as described in the Risk Register.
- **Reference Information Documents (RID)** – The collection of information, data, documents, and other materials that MDT has provided to the Proposers during the procurement for general or reference information only.
- **Schedule of Values (SOV)** - A detailed schedule apportioning a Construction Package Price among payment activities associated with the construction work of the applicable Construction Package.
- **Selection Committee** – A group of MDT senior managers responsible for reviewing and approving SOQs, Technical Proposals, and best-value scoring generated by the Technical Review Committee. The committee is comprised of: Highways and Engineering Administrator, Preconstruction Engineer, Construction Engineer, Program Administrator, and District Administrator. An FHWA representative may also be included as a non-voting member of the Selection Committee.
- **Statement of Qualification (SOQ)** – A Proposer's response to the RFQ.
- **Technical Proposal** - A Proposer's response to the technical portion of the RFP.
- **Technical Review Committee (TRC)** – A committee of personnel selected by MDT to evaluate SOQs, Proposals, and Oral Interviews to make a recommendation of award.
- **Total Construction Price** - The sum of all the Construction Package Prices.
- **Total Contract Price** - The total amount of money actually paid by MDT for both the Preconstruction Phase and Construction Phase.

1 Overview of Progressive Design-Build

This document provides an overview of the Progressive Design-Build (PDB) delivery method and specific project delivery processes that MDT will follow when using PDB.

Progressive Design-Build is a delivery method in which design and construction are delivered under a single, two-phase contract between MDT and a progressive design-build Firm. The two-phase contract consists of a Preconstruction Phase and a Construction Phase. The purpose of the Preconstruction Phase is to develop the design and agree upon cost and other requirements for the Construction Phase.

Payment for Preconstruction Services is made on a time and materials basis. The Preconstruction Phase will include participation of an Independent Cost Estimator (ICE) engaged by MDT to develop estimates for the Construction Phase to use as a comparison against the Firm's cost estimates. The Construction Phase includes the actual construction of a project based on a project design and other requirements agreed to during the Preconstruction Phase. The Construction Phase may involve construction work that is authorized by one or more Construction Packages. Each Construction Package will have a Construction Package Price. The Construction Package Price will be comprised of a lump sum price for completing the design and construction of the Project and a risk reserve which will be paid as described in the Risk Register, which can include unit costs, lump sum, and other methods based on the specific Risk Register Event. Payment for Construction Services will be made according to a Schedule of Values. The SOV will also include an item for payments described in the Risk Register. See Section 3.4 for a description of the development of the Construction Package Price.

PDB delivery allows for:

- Early selection and collaboration with both the designer and contractor, as part of the same team, to ensure that design and construction related decisions are informed by cost, schedule, risk, and other input.
- Project cost and schedule development and refinement during the Preconstruction Phase.
- Design advancement and risk mitigation which improve cost and schedule accuracy.
- Participation of an ICE. The role of the ICE is to develop independent cost estimates for the project that validate the costs submitted by the Firm at pricing milestones.
- Incremental progression of the project over two phases (Preconstruction and Construction) with an option for MDT or the Firm to terminate during the Preconstruction Phase, i.e., "off-ramp", if the project is not progressing to the mutual satisfaction of the parties.

2 PDB Procurement and Evaluation Process

MDT will select the Firm through a two-step procurement that includes an RFQ and an RFP. The RFQ and RFP will include submittal, evaluation, and other necessary requirements.

2.1 Request for Qualifications

In the first step of the procurement process, MDT will release an RFQ to solicit SOQs from interested Proposers. The RFQ will lay out the general scope of work, the project overview, the general procurement process, and instructions for developing and submitting the SOQ. The RFQ will include the content required by MCA Section 60-2-134(6). This content will generally be presented in the following framework:

- Administrative Information
  - Transmittal Letter
  - Insurance Requirements
  - Bonding Requirements
- Firm Qualifications
  - Identification of prior projects that demonstrate the experience to deliver the project.
- Organizational Chart and Staffing Plan
  - Identification of how the Firm will resource and manage the project.
- Key Personnel
  - Identification of the Key Personnels' prior experience and qualifications that meets requirements for each Key Personnel position.

2.1.1 SOQ Evaluation

The Administrative Information will be evaluated on a Pass/Fail basis as part of a responsiveness determination, while the other items will be scored by the TRC. The TRC will determine a 0 to 10 ranking for each scored element described in the RFQ. The scoring weight assigned to each scored element will be multiplied by the TRC ranking, creating the score for the scored element. See Attachment A (Scoring Guide) for descriptions of the 0 to 10 ranking. Based on the final SOQ scores, 3 to 5 Proposers with the highest scores will be shortlisted and move to the RFP step of the procurement process. The Selection Committee will review and approve the TRC's recommended short list.

The table below includes example SOQ content requirements and scoring information. The requirements for each PDB procurement will be developed based on project specific considerations and clearly described in the RFQ.

Scored Element	Max Pages	Scoring Weight
Transmittal Letter	N/A	Pass/Fail
Insurance Requirements	N/A	Pass/Fail
Bonding Requirements	N/A	Pass/Fail
Firm Qualifications	5	100
Organization Chart and Staffing Plan	4	400
Key Personnel Qualifications	8	500

Because of the importance of the Key Personnel on PDB projects, the score given to the Key Personnel element of the SOQ will be carried forward to the Proposal phase of the process and considered as part of the award determination. Proposers will be required to maintain the Key Personnel identified in the SOQ unless a replacement is approved by MDT. Requirements related to this approval process, including consequences for failure to obtain approval will be described in the RFP.

2.2 Request for Proposals

The RFP is the second step of the procurement process. The RFP will include the content required by MCA Section 60-2-134(5). The RFP will also include instruction for developing and submitting a compliant Technical Proposal and Price Proposal. The RFP also describes requirements for the Oral Interview.

The RFP typically includes the following attachments:

- Form of Progressive Design-Build Contract which incorporates by reference MDT Standard Specification for Road and Bridge Construction
- Draft Preconstruction Services Scope
    - Design and Project Development Considerations
    - Preconstruction Phase Quality Requirements
    - Preconstruction Phase Schedule Management
    - Risk Management
    - Construction Package Plan
    - Cost Estimating
    - Safety Management Plan
    - Subcontracting Plan
    - Design and Construction Criteria Package
    - Construction Package NTPs
- Construction Phase Multiplier Form: Price consideration for PDB includes evaluation of the Proposer's Construction Phase Multiplier as described in Section 2.2.5 (Price Proposal Evaluation).
- Project Bond Form
- As-Built Plan Procedures
- MT-601: MDT Materials Sampling, Testing, and Acceptance Guide
- EPS Workflow diagram: Flowchart showing all steps of the PDB process with associated task numbers.
- Reference Information Documents (RID): The RID is for information only and do not dictate design requirements.

2.2.1 Technical Proposal

The table below includes an example of RFP content requirements for the Technical Proposal. The requirements for each PDB procurement will be developed based on project specific considerations and clearly described in the RFP.

Preconstruction Phase Approach	• The Proposer's overall approach to delivery of preliminary engineering, design, and other Preconstruction Services in consideration of the project goals. • The Proposer's schedule management approach and methods to optimize the construction schedule with design. • The Proposer's approach to pricing and subcontracting. • The Proposer's approach to risk management. • The Proposer's approach to quality management.
Construction Phase Approach	• The Proposer's overall approach to delivery of Construction Services in consideration of the project goals • The Proposer's approach to managing subcontracting and subcontractor performance. • The Proposer's approach to tracking, documenting, and ensuring compliance with Disadvantaged Business Enterprise, On-the-Job Training, and other equal employment opportunities requirements. • The Proposer's approach to quality management. • The Proposer's approach to risk management during construction of the project.

2.2.2 Oral Interview

The RFP will include requirements for an Oral Interview with MDT. This will provide an opportunity for MDT to evaluate Proposers' understanding of the project and ability to work in a collaborative environment. The RFP will clearly describe the Oral Interview process and scoring elements of the Oral Interview.

2.2.3 Technical Proposal and Oral Interview Evaluation

All responsive Technical Proposals and the Oral Interview will be evaluated and scored by the TRC. The TRC will select a 0-10 score for each scored element. Points for each scored element will be allocated by converting the 0-10 score to a percentage and multiplying it by the point weighing for the scored element. See Attachment A (Scoring Guide) for a description of the 0-10 score. The TRC score for the Key Personnel identified as part of shortlisting may be brought forward to the RFP stage and will be clearly described in the RFP.

The table below shows an example breakdown of the different scored elements of the RFP. The weighting of the maximum available Technical Proposal plus Oral Interview points to maximum available Price Proposal points may be adjusted for each project. This weighting will be determined by MDT prior to issuing an RFQ and clearly described in both the RFQ and RFP. Typical weighting ranges used by MDT are 90/10 to 60/40 maximum available Technical Proposal plus Oral Interview points to maximum available Price Proposal points.

The TRC will review and approve the Technical Proposal and Oral Interview points for each Proposer prior to opening the Price Proposals.

	Reference Section	Scored Element	Point Weighting
Administrative Proposal	5.2.1	Surety Letter	Pass/Fail
	2.12	Declaration of Joint Venture and Power of Attorney (if applicable)	Pass/Fail
		Insurance Certificates	Pass/Fail
Technical Proposal	3.1.1	Preconstruction Phase Approach	130
	3.1.2	Construction Phase Approach	50
	5.2.2	Key Personnel (Carried over from SOQ)	85
Oral Interview	5.3	Oral Interview Point weighting for individual components TBD	535
Price Proposal	5.4	Price	200
		TOTAL WEIGHT	**1000**

* This is an example that will be updated on a project specific basis and clearly described in the RFP.

2.2.4 Price Proposal

The RFP will require the Proposer to submit a separately sealed Price Proposal which will include the Construction Phase Multiplier. The Construction Phase Multiplier will identify the profit and the portion of home office overhead (G&A: General and Administrative Costs) allocated to the project. The Construction Phase Multiplier will be used in the development of the Construction Package Price. Home office overhead is defined as all auditable costs that are allocated to all of Proposer's ongoing projects, including insurance that is maintained by the Proposer as a general cost of doing business. The Construction Phase Multiplier will not include any field indirect costs or direct costs of the project, risks,

or contingencies. Any Construction Phase Multiplier greater than the maximum (e.g., 20.00%) or less than the minimum (e.g., 10.00%) will render the Price Proposal nonresponsive. The Construction Phase Multiplier is applied to the raw construction costs that are developed as described below in Section 3.4.

2.2.5 Price Proposal Evaluation

The Price Proposal will be scored based on a linear interpolation formula. The lower proposed multiplier will receive the highest score. Proposers who submit the minimum Construction Phase Multiplier will receive the maximum available score. A Proposer who submits the maximum multiplier will receive the lowest score. MDT may use alternative methods of evaluating the Price Proposal on a project specific basis. Each RFP will clearly describe any alternative method that will be used.

2.2.6 Award

An award will be made to the Best Value Proposer who earns the highest number of available points on a 0-100 scale.

The TRC is responsible for making a recommendation of the best-value Firm. This recommendation will be made to the Selection Committee or to the Transportation Commission depending on whether a procurement includes a Selection Committee. In determining whether a procurement will include a Selection Committee, MDT will consider the level of experience and composition of the TRC. When the TRC is comprised of individuals that would also comprise the Selection Committee, MDT may have the TRC make the best-value recommendation directly to the Transportation Commission. The Transportation Commission will make the final determination of award.

2.3 Self-Performance Requirements

The Contract will include terms requiring the Firm to self-perform a minimum of 40% of work unless this is reduced to 30% on a project specific basis. On a project specific basis, MDT may also consider including requirements that establish a maximum percentage of work that the Firm may self-perform. Factors to consider in determining whether to set a maximum self-performance requirement include the size and complexity of the project, whether competitive subcontracting will provide pricing benefits, subcontractor availability, and other relevant factors.

2.4 State and Federal Regulations

MDT is authorized to use PDB under Montana law pursuant to Montana Code Annotated Title 60, Chapter 2, Part 1. MDT is authorized to use PDB under federal law pursuant to 23 CFR Part 635 and 636.

2.5 FHWA Special Experimental Project No. 14 (SEP-14)

SEP-14 approval is required for any alternative delivery method which deviates from the competitive bidding procedures in 23 U.S.C. 112 and the associated Code of Federal Regulation sections. A common reason for requiring SEP-14 approval on PDB Projects is if NEPA has already been completed. If NEPA has been completed, 23 CFR 636 requires an evaluation of the construction price in the selection of the design-builder where construction is a significant component of the scope of work. If NEPA is not complete, the construction price is not required to be evaluated and the construction price may be developed on an open book basis. For each PDB project, MDT will coordinate with FHWA to determine if a SEP-14 application is necessary and will include all information and requirements described in 23 CFR 636 in the RFQ and RFP as appropriate depending on whether a SEP-14 is required or not.

2.6 Timing of Applicability of Contract Requirements

The PDB Contract that is executed by MDT and the Firm will include all requirements applicable to MDT projects that are not specifically identified as requirements that need to be developed during the Preconstruction Phase and included as part of a Construction Package NTP. This will include standard federal requirements and state requirements that are typically incorporated as contract "backs" through MDT's standard DBB contracting process. During performance of Preconstruction Services, any provisions of the Contract Documents that pertain solely to Construction Servies shall not apply to Preconstruction Services.

3 Preconstruction Phase

3.1 Preconstruction Phase Work

Upon selection of a Firm, the initial Preconstruction Services NTP will be negotiated which will include the Preconstruction Services Scope and Preconstruction Services NTE. Preconstruction Services will progress with an initial goal of developing a defined preliminary design submittal. Once design reaches a preliminary design level, the Firm will develop a Pricing Milestone Estimate. This pricing exercise includes an independent cost estimate created by the ICE to compare it to the Firm's Pricing Milestone Estimate. If both the ICE and Firm's estimates are within the variance that is acceptable to MDT, the design work will continue to the next defined milestone. If the estimate is outside an acceptable variance, the ICE and the Firm will identify the differences in cost principles that drove the different estimates and work to correct those for the next Pricing Milestone Estimate. This process will continue until a Construction Package Price is agreed to between MDT and the Firm, or until either party decides to take an off ramp. Ideally, there are three or fewer Pricing Milestone Estimates prior to agreement on a Construction Package Price. MDT's goal is to have each Construction Package Price be within 5% of the ICE's estimate.

The Initial Preconstruction Services Scope is the authorization of work to be performed. During the Preconstruction Phase, the Preconstruction Services Scope may change, and tasks may need to be assigned or removed from the Firm's scope. All changes in scope and compensation will be managed through one or more Preconstruction Services NTPs. Preconstruction Services NTPs will include:

- a description of the scope of Preconstruction Services;
- an anticipated completion date for the Preconstruction Services; and
- the Preconstruction Services NTE, fully-loaded hourly rates, distribution of hours, and allowable direct costs.

During the Preconstruction Phase, the Selection Committee is available to provide oversight and decision-making authority for program-level impacts.

3.2 Payment during Preconstruction Phase

MDT will implement a Preconstruction Services payment approach that pays for actual work performed. The Preconstruction Servies payment approach will also allow flexibility to accommodate project changes without creating under payment or overpayment situations that can create an adverse project environment. MDT will pay for Preconstruction Services based on hourly rates (inclusive of overhead, management, and profit) for work performed and approved direct expenses.

For firms with an audited FAR rate, MDT will pay based on specific rates of compensation which include direct labor costs, plus overhead at the approved FAR rate, plus MDT-defined profit. For firms without an

audited FAR rate, MDT will also pay based on specific rates of compensation as described above but will use a default overhead rate of 180% in development of the specific rate of compensation.

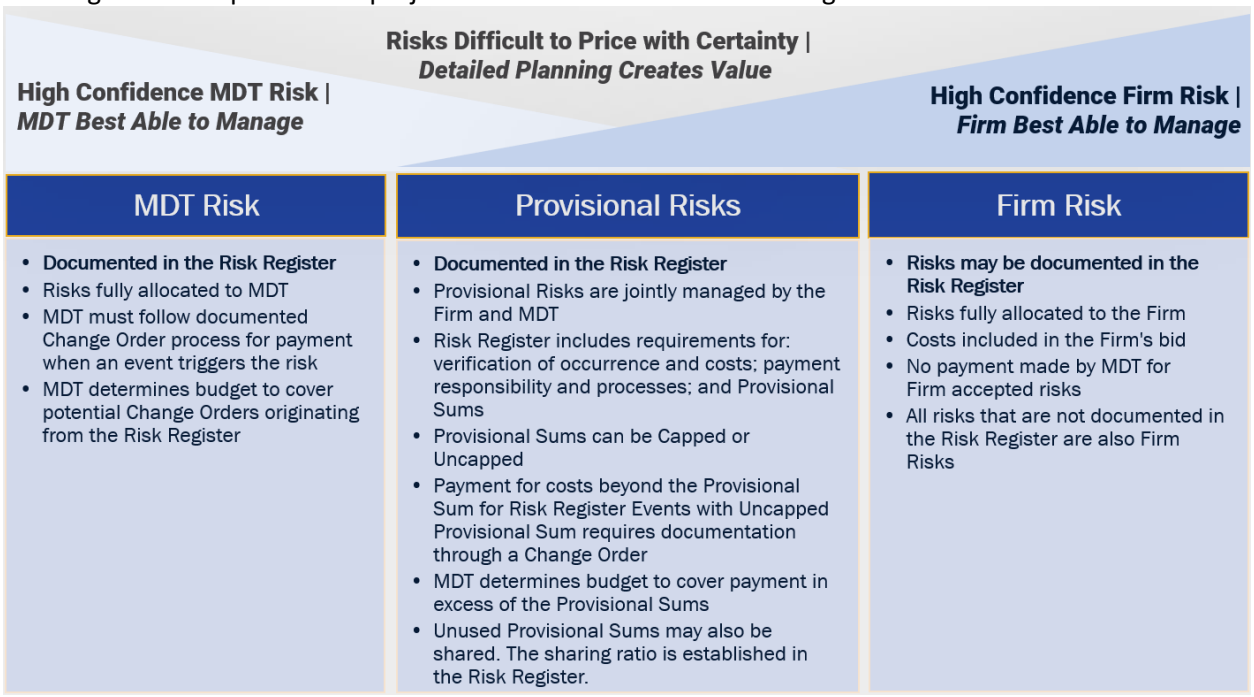
3.3 Risk Management for PDB Projects

One of the primary differences between fixed-price design-build and PDB is the role of the Risk Register. PDB delivery allows design and risk mitigation activities to be advanced before the Construction Package Price is established. The goal is to avoid significant contingencies being embedded within the Construction Package Price by optimizing risk allocation and risk mitigation strategies. This also allows for pricing of risks to be reviewed separately from raw costs during price development and accelerates reaching an agreement on the Construction Package Price.

Additionally, a Risk Register is used as a collaborative project management tool that requires input from the Firm. If the Firm does not identify a particular risk, that risk will default to the Firm, and they will not be entitled to relief. This incentivizes the Firm to think proactively about project risks and be engaged during project development during the Preconstruction Phase.

The Risk Register contains mitigation plans and strategies for all risks identified by the project team during the Preconstruction Phase. The risks that are not fully mitigated and retired during the Preconstruction Phase will be developed into MDT risks, Provisional Risks, and Firm Risks. The Risk Register will contain the contractual terms associated with the risk and describe in detail how a project will advance while addressing the risk. This may include payment terms such as unit prices or lump sum for each risk. The pre-negotiation of risk impacts helps make construction administration more efficient and avoids disputes. It improves a project's cost certainty, protects the Firm in the event of unanticipated changes in the scope of work, and assures MDT that the construction cost is not inflated with contingencies.

Risk Register concepts for PDB projects are further described in the figure below.



The key concepts of risk management in PDB delivery include:

- The Risk Register is an essential part of the PDB process that is collaboratively developed during the Preconstruction Phase.
- The Risk Register becomes a contractual element through incorporation into a Construction Package NTP (or upon early approval).
- By the end of the Preconstruction Phase, the Risk Register should describe all known Provisional Risks and Department Risks, define unit costs or other payment mechanisms for Provisional Sum items, and set forth requirements for payment of the Risk Register Events.

3.4 Establishing a Construction Package Price

Comparing the Firm's Pricing Milestone Estimate to the ICE's independent Pricing Milestone Estimate is the primary check on price fairness. For the comparison to be effective, the ICE and the Firm need to approach estimating in a common way. The ICE also needs to meaningfully participate in project development so that it has sufficient information to make the independent estimate accurate. When a PDB project is administered correctly it will seem like the project has two contractors and one designer, with both the Firm and the ICE engaging with the designer as if they were both planning to actually construct the project. This process to achieve a fair and reasonable price requires substantial communication between MDT, the Firm, and the ICE. To provide for an effective comparison the ICE's estimate must be production based and developed in the same way as a contractor would price a project.

The process to establish the Construction Package Price will be detailed in the RFP. The process requirements will include:

- Establishing a Baseline Estimate
- Alignment on Estimating Methodology
- Defining a Cost Breakdown Structure (CBS)
- Developing a Cost Model addressing the following components:
    - Labor rates and fringes
    - Material cost plugs
    - Subcontractor plugs
    - Small Tools and Supplies (STS) plugs
    - Equipment rates and methods of application
    - Taxes
    - Bonds and Insurance
    - Project indirect costs
    - Contingency
    - Construction Phase Multiplier
- Shared assumptions on construction means and methods
- Quantity Reconciliation
- Pricing milestone estimate comparison

The process described above will be followed to agree to raw construction costs which do not include overhead or profit of the Firm. When MDT and the Firm have agreed to the raw construction costs, the Firm's Construction Phase Multiplier will be applied to the raw construction costs to determine the Construction Package Price.

The Construction Package Price[1] will be comprised of a lump sum price paid on progress for certain portions of Construction Services and a risk reserve which will be paid as described in the Risk Register, which can include unit costs, lump sum, and other methods based on the specific Risk Register Event. Payment for Construction Phase activities will be paid according to a Schedule of Values. The Schedule of Values will also include an item for payments described in the Risk Register.

3.5 Project Off-Ramps

PDB delivery allows MDT or the Firm to terminate the Contract for convenience at any point during the Preconstruction Phase but also provides checkpoints during the progression towards a Construction Package Price. The main checkpoint is the submission of the Construction Package Price by the Firm. If MDT and the Firm cannot agree on a Construction Package Price, the Contract may be terminated during the Preconstruction Phase. There are a few different options that MDT may take at this point including requiring the designer to finish the design but not proceed with construction. Upon termination, MDT will also reserve the right to let the project using another delivery method and may preclude the terminated Firm from participating in the new procurement. The decision to preclude the terminated Firm will be made by MDT on a case-by-case basis and will depend on project specific considerations including whether the termination is the result of actions of the Firm, the amount of time that elapsed between the initial procurement and re-procurement, and whether the Firm will have an unfair competitive advantage in the re-procurement.

4 Construction Phase

The Construction Phase will be authorized through one or more Construction Packages. A Construction Package is a specified portion of the Construction Services, the exact scope of which will be negotiated between MDT and the Firm during the Preconstruction Phase. MDT may agree to issue more than one Construction Package NTP and allow construction to begin on a portion of a project or authorize purchase of long lead time materials before a Total Construction Price has been agreed to. MDT's goal is to deliver projects through as few Construction Packages as possible. If a project is authorized through more than one Construction Package, MDT will consider the risk of advancing multiple Construction Packages and will review the independent utility of the Construction Package as part of the decision to authorize it. Unless necessary to achieve a critical milestone or create other significant project value, MDT will not advance Construction Packages that do not have independent utility.

Below are additional items that must be provided and agreed to for incorporation into the Construction Package NTP:

- All performance bonds and evidence of insurance policies;
- The risk register;
- A Schedule of Values and Construction Package Schedule;
- Design Documents;
- A description of agreed upon Liquidated Damages; and
- Any other requirements as agreed to between MDT and the Firm.

[1]*See definition of GMP. Prior description of PDB and the price to be paid by MDT for construction has included the term Guaranteed Maximum Price (GMP). Because of different interpretations of what GMP means, MDT will not continue to use the term GMP to describe the price to be paid for construction. Any prior description of the price for construction that includes the use of GMP should be interpreted as described in this guidance.*

The Construction Phase will proceed much like a traditional design-build project with progress payments made in accordance with a Schedule of Values. If Risk Register Events are triggered during Construction, the Firm will be entitled to compensation or schedule relief as dictated in the Risk Register.

MDT's responsibilities for contract administration will involve monitoring contract compliance and schedules, administering the Risk Register, processing progress payments, performing quality assurance activities including inspections, resolving disputes, and accepting the work.

Because PDB delivery uses the Risk Register as a contractual element, active tracking and reporting on the occurrence of Risk Register Events will be a critical part of contract administration. If a Risk Register Event occurs, the work will be completed and paid in accordance with the resolution defined in the Risk Register. This approach to risk management improves a project's cost certainty, protects the contractor in the event of unanticipated changes in the scope of work, and assures MDT that the construction cost is not inflated to include unidentified risks.

Attachment A – Scoring Guide

This scoring guide is used to score the SOQ, Technical Proposal, and Oral Interview.

- Each scored element is assigned a scoring weight.
- The TRC will provide a ranking for each scored element based on a 0 to 10 scale.
- The scoring weight assigned to each scored element will be multiplied by the TRC ranking, creating the score for the scored element.

In selecting the 0-10 score, the TRC will consider the following:

- (9.0-10.0): Response is highly comprehensive/excellent and meets all requirements. In addition, the response includes relevant information or recommendations that were not specifically requested and would prove both valuable and beneficial to MDT. The response is an excellent standard, demonstrating the Proposer's superior knowledge and understanding of the project.
- (7.5-8.9): Response above average with few/minor deficiencies noted. Response provides useful information, while showing relevant experience and knowledge. The response is well thought out and addresses most requirements.
- (6.0-7.4): Response is average, with minor deficiencies noted. Response meets most of the requirements.
- (4.0-5.9): Response is below average, with numerous deficiencies noted. Response minimally meets the requirements. Although meeting responsiveness requirements, minor requirements missing.
- (0.0-3.9): Response is inadequate, with numerous deficiencies noted. Response does not meet requirements, does not demonstrate knowledge of the subject matter, fails to address requirements, or proposes a deviation from the requirements.