

PRC PANEL QUESTIONS ON WSDOT/WSF COLMAN DOCK GCCM APPLICATION

WSDOT RESPONSES: DECEMBER 4, 2014

1. **RE: Funding.**

Page 4/17 within the application indicates that both complete preconstruction [design phase] funding and any construction phase funds for this project are yet to be legislated, assured, or in hand.

A) Given this situation please clarify how the agency will compensate the successful GCCM firm for complete preconstruction services, including any necessary payments on behalf of desired early procurement elements which may occur on the project.

Contract commitments such as GC/CM preconstruction services, and any early construction procurements, will not take place without sufficient funding. However, \$12.6 million has been appropriated for preconstruction and design in the current 13-15 biennium with another \$8.4 million expected to be appropriated for the 15-17 biennium. Approximately \$4 million of this \$21 million has been spent to date.

B) Further to above, please comment/clarify on allocation of *currently* available preconstruction/design phase funds among the various project team members: WSF, designers, consultants, GCCM, other agency interface costs, etc.

The funding described above includes these elements.

2. **RE: Schedule.**

Item #4, page 4/17 within the application contains a milestone schedule for the project which indicates that GCCM preconstruction services are to conclude in Spring 2017, followed by MACC negotiations which are to be complete (by the end of?) summer 2017.

A) When does 'preconstruction' end? Are MACC negotiations part of preconstruction, and if not, how are GCCM costs associated with MACC negotiations to be compensated?

Preconstruction will end at the conclusion of the MACC negotiations and award of the construction contract. With this multi-phased project, mini-MACCS may be negotiated for a phase and the preconstruction contract work may continue on subsequent phases until the MACC is negotiated. Per the terms of the Request for Proposals and the Request for Final Proposals that will follow, the cost for MACC negotiations are paid from the Percent Fee, and are not compensable under preconstruction services. MACC negotiations will not be undertaken unless funds for construction, including GC/CM fee, are assured.

B) Since construction start isn't planned for 2.5 years plus, how will the project team account for inflation, escalation, etc. factors which will likely come into play prior to complete buyout and construction start?

The project's budget is developed under WSDOT's cost estimating guidelines, which account for inflation using the Cost Price Index (CPI). Additionally, WSF conducts thorough, annual reviews of project costs, including an assessment of the project's risks taking into account market conditions and escalation.

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3. RE: MACC and Budget

- A) Page 13/17 within the application states that the “MACC will include a buyout Contingency.” Neither this terminology nor provision exists within the statute RCW 39.10. Please clarify as to meaning and administration of this provision. Please refer to RCW sections 39.10.210(10) and 39.10.350.1(C).

This phrase referred to the risk contingency that is included in the MACC by negotiation with the GC/CM for buyout errors and coordination of the construction documents or coordination of the work referenced under RCW 39.10.350(2). The risk contingency use is approved by the Owner per the conditions of the RCW and Contract.

- B) Given the magnitude and the unique heavy/civil aspects of this project one might anticipate a number of unusual components which will require definition and clarity as to categorization within the GCCM contract cost breakdown [directly negotiated with GCCM, SGC, Negotiated Support Services, bid to subs/vendors]. Please describe the process by which such determinations will be made.

The Request For Final Proposals will include a matrix of cost allocation which will summarize which of the cost categories various scope items will be compensated under. The matrix is currently being developed and will take into account the extent to which the requirements are currently known (and therefore can be knowledgeably priced) and which party is in the best position to assume the risk. Our expectation is to provide the draft cost matrix for input and comment to the proposers prior to requesting final proposals.

Further with respect to the scheduling question above, page 13/17 within the application describes a budget ‘adherence’ process following completion of MACC negotiations that ‘requires’ changes impacting the ‘agreed to’ MACC *“be brought back in line with the budget and established MACC”*. This would imply that no change orders adjusting the MACC following start of the work will be provided for; please clarify.

WSF will establish owner and GC/CM contingencies to cover changes that are outside of the scope of the negotiated MACC. The contingencies will be administered in a manner that is consistent with the relevant RCW’s including RCW 39.10.350 and 39.10.385.

4. RE: staffing

Background and project experience data provided for key WSF staff Ms. Rucki and Mr. Callahan indicate that between these two key managers the only person with any GCCM experience in construction phase is Ms. Rucki [Anacortes] and yet she is only indicated at 25% during construction for this project. Conversely, the only GCCM project experience for Mr. Callahan was in preconstruction for Anacortes, and yet he is planned as the fulltime construction person for this project.

The Anacortes project did not proceed into construction as a result of legislative direction to focus on preservation efforts, such as the Colman Dock project. Ms. Rucki was involved during the design phase and Mr. Callahan was involved as the construction engineer engaged in the pre-construction phase for the project. Both Ms. Rucki and Mr. Callahan have completed the AGC CM/CM training.

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Mr. Hillinger of Parametrix is listed only as an ‘advisor’ at 25% during construction. Given the unique nature and size/scope of this project please comment on the adequacy of these proposed staff allocations and considerations being given to adding more GCCM experience to the project.

WSDOT is committed to successful delivery of the project and will increase resource allocations and time as required to fit project needs.

Recognizing the critical need to provide the needed level of experienced resources, we have revised our staffing plan to include the following changes:

- Genevieve Rucki will dedicate 50% of her time (or more as needed) during construction to provide continuity of project management support.
- John Callahan will dedicate an average of 50% of his time (or more if needed) during preconstruction.
- Howard Hillinger will dedicate up to 50% of his time during preconstruction and construction.

In addition to Ms. Rucki, Mr. Callahan and Mr. Hillinger will be the following resources:

- Doug Holen and John Palewicz will play active roles during construction, including participation in milestone events such as estimate reconciliations and other events as needed. Each have completed over 25 GC/CM projects (in Doug Holen’s case, six GC/CM projects in New Mexico where the enabling statute allows self-performance by the GC/CM in a manner similar to the new Heavy Civil provisions allowed by HB 2208)
- Krista Lutz – Assistant Construction Manager with Parametrix, past experience, 8 years with Turner Construction including work on Pike Place Market Renovation GC/CM, completed AGC GC/CM training, and assigned part time during preconstruction and full time during construction.
- Additional field construction personnel will include over a dozen experienced WSDOT/WSF construction engineers and inspectors, each of whom will be trained in GC/CM

5. Does WSF/WADOT plan any disputes avoidance/resolution process or vehicle(s) for this project?

WSDOT will use the Disputes Review Board process.

Doug Holen is particularly experienced in ADR, having served on the Dispute Resolution Board for several large projects including Hood Canal Bridge, SR 520 Pontoon Construction, SR 520 Floating Bridge & Landings, and Port of Seattle’s new Rental Car Facility (a GC/CM project). Doug also currently serves as a Board member and President Elect of the Dispute Resolution Board Foundation.