



Memorandum

Subject: **ACTION:** Minnesota Best Value Award on a
Design-Bid-Build Project under Special
Experimental Project No. 14 (SEP-14)

Date: March 15, 2017

From: /S/ Peter J Stephanos
Director, Office of Program Administration

In Reply Refer To:
HIPA-30

To: Arlene K. Kocher
Division Administrator
St. Paul, MN

This is in reference to the emails of October 12, 2016, November 14, 2016, and February 27, 2017 from William Lohr of your office which transmitted the following, along with the Division Office endorsement:

1. Minnesota Department of Transportation's (MnDOT's) Best Value Award in Design Bid Build (DBB) - application under SEP-14 for the I-35W Lake Street Project, most recent version dated September 6, 2017; and
2. I-35W Lake St. Best Value Specification, most recent version dated February 23, 2017

We appreciate Mr. Lohr's efforts in coordinating with our office and MnDOT throughout the process of developing the SEP-14 workplan and the best value specification.

MnDOT has prepared the I-35W Lake Street project for a letting in the spring of 2017. Design-build project delivery had been considered, but was not selected due to: 1) many environmental and other restrictions for which MnDOT felt it needed to maintain control of the design, and 2) at least one local partner was not comfortable with the use of the design-build delivery method. MnDOT recognized that there are several project risks and opportunities that will carry into the construction of the project that cannot be addressed with a simple low bid letting. Therefore, MnDOT feels it would be advantageous to use a limited number of best value scoring criteria to address these risks and opportunities. These best value scoring criteria include:

- 1) Risk Understanding and Mitigation Approach;
- 2) Diversity and Inclusion;
- 3) Small Business Contracting;
- 4) Key Personnel;
- 5) Local Impact; and
- 6) Schedule

MnDOT's SEP-14 workplan for a Best Value Award on a DBB project is approved.

Thank you for the opportunity to review and comment on this SEP-14 request. If you have any questions, please contact Gerald Yakowenko at (202)366-1562 or John Huyer at (651)291-6111.