



Minnesota Department of Transportation

Transportation Building

395 John Ireland Boulevard
Saint Paul, Minnesota 55155-1899

05 - 0584

July 8, 2004

The Honorable Steve Murphy, Chair
Senate Transportation Policy and Budget Division
306 Capitol Building
St. Paul, Minnesota 55155

The Honorable Ron Erhardt, Chair
House Transportation Policy Committee
591 State Office Building
St. Paul, Minnesota 55155

The Honorable William Kuisle, Chair
House Transportation Finance Committee
565 State Office Building
St. Paul, Minnesota 55155

Gentlemen:

RE: Mn/DOT's decision to use the design-build method for two projects and changes to a third design-build project.

Minnesota Statutes 161.3412, subd. 3(b), requires the Commissioner of Transportation to notify the Chairs of the Senate and House of Representatives committees with jurisdiction over transportation policy and transportation finance when the Commissioner decides to use the design-build method of procurement and explain why that method was chosen. I am sending this letter to inform you of my decision to move forward with three projects and to develop design-build contract documents, including a request for qualifications and a request for proposals for each project:

- T.H. 10/32 Interchange project (Clay County just east of the City of Hawley, Minnesota.)
- TH 52 Oronoco project (Olmsted County)
- TH 169/494 (Hennepin County in the Cities of Eden Prairie, Edina and Bloomington)*

*NOTE: Notice of Mn/DOT's decision to use design-build on this project was sent to the Chairs of Transportation Policy and Finance committees on February 14, 2003. This project is included because of significant changes to the original project scope, resulting in grade-separated interchanges at Pioneer Trail and Anderson Lakes Parkway being let as a design-bid-build project.

In accordance with Minnesota Statutes, 161.3414, subd. 1, my decision to use the design-build method on these Mn/DOT projects will serve the public in several ways:

- Start construction on the project sooner than with the traditional design-bid-build process because final design and construction are awarded in one contract;
- Reduce the time it takes to deliver the project;
- Save inflationary costs by accelerating project schedule;
- Reduce future right-of-way costs by acquiring right-of-way now;
- Better project coordination, communication, and innovation;
- Less construction inconvenience and stress for traffic and adjacent businesses; and
- Better opportunity to achieve the best value in terms of cost, staging, and timing.

Minnesota Statutes 161.3414, subd. 2, outlines specific criteria that the Commissioner must use as the minimum basis for determining when to use the design-build method of project delivery. Here are the specific criteria and how my decision to use design-build for each of these projects satisfies the criteria:

Criteria	TH 10/32 Interchange	TH 52 Oronoco	TH 169/494 -changes
<i>The extent to which it can adequately define the project requirements in a proposed scope of the design and construction desired</i>	The Environmental Assessment is complete, and Mn/DOT is in the process of writing a request for proposals detailing the desired design and construction services.	Mn/DOT has been working with Olmsted County and the City of Oronoco to define the project requirements.	Mn/DOT has been working with the cities of Eden Prairie and Edina, the Metropolitan Council, Hennepin County, the 3 Rivers Park District and the Federal Highway Administration to define the project requirements. The Environmental Assessment has been completed.
<i>The time constraints for delivery of the project</i>	Design-build allows Mn/DOT to consolidate more work into one project and to impose time constraints on the contractor. Reducing the duration of construction will benefit the traveling public and adjacent businesses and residents. It will improve the safety of these roads earlier than would be achieved under normal Mn/DOT project delivery methods.		

<p><i>The capability and experience of potential contractors with the design-build method of project delivery or similar experience</i></p>	<p>There are many potential contractors that could team with engineering consultants who are qualified to perform this work. For example, Mn/DOT recently pre-qualified four design-build contractors on the TH 212 project and three design-build contractors on the TH 494 project, based on their capacity and experience with design-build projects. In addition, a design-build workshop was recently conducted in Detroit Lakes for the contracting community and was attended by over 50 individuals.</p>
<p><i>The suitability of the project for use of the design-build method of project delivery with respect to time, schedule, costs, and quality factors</i></p>	<p>Each of these projects is well-suited for design-build because of the need for construction schedule acceleration to improve safety. The TH 10/32 interchange in Clay County was identified in Governor Pawlenty's 2003 Transportation Finance Bill as a critical project for acceleration through the use of innovative financing. A December 2000 Road Safety Audit found that the TH 52 and County Road 12(N) intersection in Oronoco had an accident rate twice the statewide average for similar intersections.</p>
<p><i>The capability of the department of transportation to manage the project, including the employment of experienced personnel or outside consultants</i></p>	<p>With support from a consultant who is experienced with design-build, Mn/DOT staff is capable of managing these projects.</p>
<p><i>The capability of the department of transportation to oversee the project with individuals or design-build firms who are familiar and experienced with the design-build method of project delivery or similar experience</i></p>	<p>Mn/DOT is capable of overseeing these design-build projects and will add additional Mn/DOT staff or engineering consultants, or a combination of both, to provide the needed oversight and project management.</p>
<p><i>The lack of ability and availability of any current state employee to perform the services called for by the contract</i></p>	<p>Mn/DOT has dedicated a few of its employees full-time to these projects and will supplement these with consultant staff to provide additional resources if needed.</p>

<i>The original character of the product or the services</i>	Each Request For Proposals will require design and construction services tailored to each project's distinctive challenges, goals, public expectations, and environment.
<i>The work to be performed on the project is necessary to the agency's achievement of its statutory responsibilities and there is statutory authority to enter into the contract</i>	Each of these projects is necessary for Mn/DOT to carry out its statutory responsibilities under Minnesota Statute § 161.20, subd. 2, to construct, reconstruct, improve, and maintain the trunk highway system. Mn/DOT's proposal to use best-value design-build method for selecting contractors is consistent with Minnesota Statutes §161.3426.
<i>Other criteria the commissioner deems relevant and states in writing in its determination to utilize the design-build method of project delivery</i>	Using best-value design-build on each of these projects will bring innovations from the competing proposer teams who will respond to the department's design-build request for proposals. The cities and counties involved in each project will also have an active role in defining the project scope and overseeing work that impacts their communities.

A brief description of each project is enclosed for you information. Please feel free to contact Joe Gladke, Mn/DOT Design-Build Program Manager, at 651-296-3283 if you have questions about any of the three future Mn/DOT design-build projects.

Sincerely,



Carol Molnau
Lt. Governor/Commissioner

hjj

Enclosures: T.H. 10/32 Interchange Project Description
T. H. 52 Oronoco Project Description
T.H. 169/494 Project Description

TH 10/TH 32 Interchange near Hawley, Minnesota Design Build

Minnesota Department of Transportation
District 4

State Project Number:
1401-150

Location:
TH 10 is a Medium Priority Inter-regional Corridor. TH 32 intersects TH 10 near Hawley, Minnesota.

Schedule:
Issue RFQ: May 14, 2004
SOQ Due: June 25, 2004
Shortlist Teams: July 16, 2004
RFP to Shortlisted Teams: July 19, 2004
Proposals Due: October 15, 2004
Project Award: November 19, 2004
Construction Year: 2005

Benefits:
Increase safety for the traveling public (fewer crashes, fatalities and injuries). There will be easier access for trucks and cars from TH 32 to TH 10. Construction of an interchange prevents another signal from being added to an IRC route. The benefit/cost ratio for this improvement is 3.89.

Project Description:
This project will be completed through a single design-build contract and will comprise of:

- Lowering TH 10 by 10 feet
- Construction of a bridge on TH 32 (Br. #14014) over TH 10
- Ramps in all 4 quadrants - conventional diamond
- Park and Ride Facility

Background:
TH10 is a major east-west interregional corridor that parallels I94 from Moorhead to the Minneapolis-St. Paul Metropolitan area. This corridor has experienced significant traffic growth. In the past 5 years there have been 15 crashes at this intersection. Twelve of the fifteen were right angle type crashes and the other three were rear-ends. Four of the crashes (all right angle) involved fatalities. In response to the number of crashes, a project was added to the program for construction in 2009. In September 2003 Governor Tim Pawlenty identified this project in his Transportation Finance Bill designed to fund critical highway and transportation projects. This innovative plan uses internal savings and redeploys existing non-construction resources to finance projects, which accelerated this project by as much as 3 years. The project was then fast-forwarded using the design-build process to address safety issues. This resulted in the project's advancement, with construction scheduled to begin in 2005.

Preliminary Cost Estimate:
\$8,500,000

Contact:
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Highway 52/Oronoco

Design Build

Minnesota Department of Transportation, District 6

State Project Number: 5508-84

Location:

This segment of Highway 52 is located in Olmsted County and starts near the junction of 85th St. and continues northerly to the 59th Avenue intersection in Oronoco. Highway 52 between Rochester and the Twin Cities is classified as a High-Priority Interregional Corridor (IRC).

Background:

This segment of Highway 52 currently features several at-grade intersections. Heavy traffic volumes and high speeds make it difficult for traffic to safely access the highway from local cross streets and public roads. A December, 2000 Road Safety Audit revealed that the County Road 12(N) intersection in Oronoco had an accident rate that was twice as high as the statewide average for similar intersections.

In addition to the operational problems mentioned above, the existing northbound Highway 52 bridges over Lake Shady qualify for replacement based on age, condition, bridge sufficiency ratings, substandard hydraulic capacity, and substandard width.

Project Description:

This project will be completed through a single design-build contract. Planned improvements include:

- Diamond interchange at County Road 112/ 12 (S),
- Overpass at County Road 12 (N)
- New mainline bridges over Lake Shady
- Frontage road construction to facilitate access to local roads,
- Access control measures to improve safety.

Benefits:

The proposed project will allow for safer and more efficient traffic operations on Highway 52 and the adjoining County/local road system.

Schedule:

Advertise RFQ: Feb. 2005

RFP to Shortlisted Teams: May 2005

Select D/B Team: Nov. 2005

Project Complete: Dec. 2007

Preliminary Construction Cost Estimate:
\$31.4 million

Contact:

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Design Build Project Coordinator
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For related Highway 52 information (link(s) to other sites)

Towards Zero Deaths Campaign
<http://www.tzd.state.mn.us/projects/hwy52.html>



TH 169 / I 494 Interchange Design Build

STATE PROJECT NUMBER: SP 2776-03

LOCATION: Hennepin County on TH 169 from Anderson Lakes Parkway to Valley View Rd. in the Cities of Eden Prairie, Edina and Bloomington

BACKGROUND:

Originally, the roadway was known as Hennepin County 18 before Mn/DOT took over ownership and operation as Highway 169. The expressway design impacts were documented in an environmental impact statement completed by Hennepin County in 1986. With the decision to develop the expressway design came the need to provide signals at Pioneer Trail and Anderson Lakes Parkway/Bloomington Ferry Road. Under Hennepin County's direction, County Road 18 was reconstructed to an expressway in the 1990s.

Mn/DOT inherited this reconstructed County Road 18 when the State assumed jurisdictional responsibility for the roadway in the 1990s. The Hennepin County project also included a signal at Highwood Drive as part of the reconstruction of County Road 18.

Mn/DOT reconstructed the interchange at Highway 169/I-494 in the late 1990's. The driving force behind the reconstruction was the need to replace the bridges on Highway 169 over I-494. The existing interchange, one that included signals, was included in the reconstruction project. The goal was to eliminate as many of the left turning movements, replace the bridges, and improve the traffic operations at the interchange. Because of limited project funding and the need to replace the bridges, the most beneficial improvements were incorporated into the design. A complicating factor that led to big impacts on the design was the existing frontage roads north and south of I-494. The existing frontage roads could not be relocated elsewhere under the identified funding for the project. Therefore the frontage road continuity had to be retained through the interchange, which is the major reason that the signals exist today on the north and south ramps.

Because the Highway 169 is identified as a high priority Interregional Corridor (IRC), Mn/DOT is developing plans to remove the five signals along Highway 169 between Old Shakopee Road and Valley View Road. Under a separate contract, Mn/DOT will remove the signals at Pioneer Trail and Anderson Lakes Parkway/Bloomington Ferry Road during the 2004-2005 construction seasons.

This Design Build project removes the 2 signals at Highway 169/I-494 and signal at Highwood Drive, along with providing directional flyover ramps for the 169 and 494 movements. The Benefit/Cost ratio for this project is 2.27:1.

PROJECT DESCRIPTION:

This project will be completed through a single design-build contract and will consist of:

- Approximately 12 Bridges, including 4 large flyover structures.
- Grading and paving of mainline TH 169, ramps and frontage roads.
- Retaining walls
- Noise barriers

BENEFITS: This project will improve mobility, reduce travel times and congestion, and decrease traffic accidents. The south and north ramps at I-494 currently experience crash rates of 1.9 and 3.4, respectively. The Statewide average for similar facilities is 0.7. Crash severity rates are likewise above the Statewide average of 1.4, with the south and north ramps experiencing 4.0 and 6.3 severity rates, respectively. Future consideration for an additional lane of capacity in each direction on 169 and I-494 will be accounted for with this project. Parallel relievers to I-494 will be constructed as part of the project.

PROJECT SCHEDULE:

Advertise RFQ:	Feb 2005
SOQ due:	April 2005
Shortlist teams:	May 2005
RFP issued:	May 2005
RFP due:	Oct 2005
Letting:	Dec 2005
Construction:	2006-2008

ESTIMATED PROJECT COSTS:

I-494/Highwood Interchange: Construction; \$83M

CONTACT:

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