

Southeast Conference

Resolution 17-09

A RESOLUTION SUPPORTING PROCUREMENT OF TUSTUMENA REPLACEMENT VESSEL USING THE INNOVATIVE CONTRACTING PRACTICE CONSTRUCTION MANAGEMENT/GENERAL CONTRACTOR (CM/GC)

Whereas, the Southeast Conference in cooperation with the Governor's office, is developing recommendations to the Alaska Department of Transportation and Public Facilities regarding the values, mission, governance, planning, operation and performance of the Alaska Marine Highway System, and;

Whereas, Moving Ahead for Progress in the 21st Century (MAP 21) Innovative Project Delivery Methods - Section 1304 declares that it is in the national interest "to promote the use of innovative technologies and practices that increase the efficiency of construction, improve the safety, and extend the service life of highways and bridges," and;

Whereas, use of innovative project delivery methods that increase the efficiency of construction "may, at the discretion of the State, be up to 100 percent" of the project cost, if the USDOT confirms that the project uses innovative project delivery methods, and;

Whereas, innovative technologies and practices include: innovative contracting methods, including design-build, construction manager-general contractor, alternative bidding, and Alternative Technical Concepts, and;

Whereas, The FAST Act builds upon MAP-21's improvements to the project delivery process by expanding opportunities for their use in addition to creating additional reforms aimed at reducing delay, and;

Whereas, the Alaska Department of Transportation and Public Facilities is preparing to solicit bids and/or proposals to construct the Tustumena Replacement Vessel in 2017 in the best interests of the State, and;

Whereas, the Alaska Class Ferry Day Boats are currently being constructed through the CM/GC procurement process with change orders totaling less than 1% of the contract value at approximately 40% completion; and

Whereas, the working relationship between the State and the Contractor building the ACF Day Boats remains positive and constructive, due to CM/GC benefits which continues to identify and minimize risk to both price and schedule for the owner and contractor; and

Whereas, other procurement methods, where price is the sole or primary factor for determination of award, introduce risk to the State and the Contractor, and/or cause significant delay for project delivery and increases the potential to create an adversarial relationship between the State and the Contractor, and;

Whereas, Construction Management/General Contractor mitigates risk for both the Owner and the Contractor and has a track record of bringing in large, complex projects close to projected budgets and schedules, and;

Whereas, Construction Management/General Contractor includes a competitive bid process and provides the State of Alaska opportunity to reject the CMGC Contractor's Guaranteed Maximum Price and advertise the project through other procurement methods, and;

Whereas, the State of Alaska has invested over \$100 million in advanced manufacturing capacity to support building new ships in Alaska, and;

Southeast Conference

Whereas, Alaska's shipbuilding industry sector has invested in a knowledgeable and skilled workforce consisting of over 100 Alaska residents, and;

Now therefore be it resolved that the Southeast Conference recommends the Alaska Department of Transportation and Public Facilities adapt the innovative contracting practice of Construction Management/General Contractor (CM/GC) for procurement of the Tustumena Replacement Vessel.

ADOPTED BY THE SOUTHEAST CONFERENCE ON MARCH 15, 2017 AND IS DUE TO SUNSET ON MARCH 15, 2018.

Witness By:



Chelsea Goucher, President

Attest:



Shelly Wright, Executive Director