

**MDOT “Mega Projects” Meeting Notes**  
**September 10, 2012**  
MITA Conference Room

MDOT is considering the construction of two "Mega Projects":

- **I-94** .... from I-96 to Connor
  - Project estimate: \$1.4-1.8 billion
  - Total length: 6 miles
  - Project scope: Total reconstruction and widen, replace 65 bridges, interchange reconstruction, retaining wall work, service drive construction/reconstruction, trunk sewer.
  - Interchange reconstruction: at I-75, and at the Lodge Freeway, estimated at \$250-\$300 million each
  
- **I-75** .... 8 mile to M-59 in Oakland County
  - Project estimate: \$800 million
  - Project length: 18 miles
  - Project scope: Total reconstruction, work on about 25 bridges, and complete sewer replacement.

MDOT Project Facts (today):

- MDOT does not have funding to build these projects in the desired “short” timeframe.
  - The projects are identified in MDOT’s Long Range (20 year) Plan
  - Van Dyke at I-94 bridge in current 5 Year Plan for letting in December 2012
  
- MDOT will need to acquire additional ROW for the I-94 project.
  
- MDOT has “Environmental Clearance” for both projects.
  
- Current MDOT MOT thinking is that total closure for construction is not an option, partial closure (one bound) with traffic maintained on the opposite bound is likely scenario.
  
- MDOT commented that tolling and/or Public Private Partnership may not be viable financing approaches for these projects as the anticipated revenues would not be sufficient to recoup the construction costs.
  
- Detroit Medical Center, Lawrence Tech, Detroit’s sporting venues, and other major traffic generators are all stakeholders in the projects.

## Discussion:

- MDOT solicited the contractors thoughts on the possible scenario:

*“A single \$1.8 billion Design-Build I-94 project”*

- Contractors thoughts on the possible scenario included:

- A \$1.8 billion project too large for even a joint venture of Michigan contractors to bond.
- A \$1.8 billion project will attract the national/international firms reducing competition and inherently increasing the cost of the project.
- Contractors question the “true” success of the Design-Build approach to project delivery in Michigan.
- Contractors commented that MDOT and Michigan contractors have successfully delivered many high profile complicated projects in the past using the traditional Design-Bid-Build approach.
- Contractors suggested MDOT segment the single large project into smaller projects in the \$200-\$500 million range that could be more readily bondable by Michigan contractors.
- Contractors suggested MDOT use a strong coordination clause/contract with the multiple projects to ensure alignment and control.
- Contractors suggest MDOT let “advance projects” (as in the past) to construct critical trunk sewers, utilities, widenings, service drives, etc.
- Contractors suggested MDOT could encourage/invite innovation in the Design-Bid-Build approach by use of VECP provisions, A+B Bidding, Lane Rental, etc.

## Next Step:

- MITA and MDOT will plan a follow-up meeting in October.
  - To include information presentations by Parsons Brinckerhoff and HNTB, MDOT’s study consultants for the I-75 and I-94 projects respectively.
  - Include consulting engineers (ACEC)