

CM/GC Tri-venture Fact sheet

Tri-Venture Overview

- At DIA's request, existing South Terminal Redevelopment Program Construction Managers/General Contractors (CM/GCs) Mortenson Construction and STEP (the current joint venture between Hunt and Saunders) will combine their existing, individual scopes of work under a single contract, forming a "tri-venture."
- The tri-venture reorganizes the existing CM/GC contracts for the construction of the hotel and Public Transit Center into a single contract that streamlines program management, allows for cost and schedule certainty, reduces risk to the program and enhances opportunities for the M/WBE business community.
- The tri-venture will be cost-neutral compared to the current contracts – none of the STRP contracts are paid for by tax-payer dollars.
- The contract amendment commits the new tri-venture to an overall 30 percent MWBE participation level. The existing Mortenson and STEP contracts required 21 percent and 30 percent participation, respectively.

Program Impacts

- For the South Terminal Redevelopment Program, the construction schedule gains a greater degree of reliability and will help ensure the Program remains on-schedule and within budget.
- The tri-venture reduces risk to the overall Program.
- The tri-venture will create staff and workload efficiencies, which will deliver cost and schedule certainty.
- CM/GCs will receive an increase in fees and an enhanced bonus structure to incentivize innovation in terms of schedule as well as means and methods. This change in fees and bonus structure is cost neutral to the program given other efficiencies.
- DIA and the CM/GCs are working under the oversight of OED to ensure that there are substantive and meaningful opportunities for the M/WBE community.
- Each CM/GC has committed that firms who were on their respective teams under the original contracts will remain on the team under this new structure.