From: <u>Toby Crow</u>
To: <u>Weisgram, Sam</u>

Cc: Engle, Karla; Hoffman, Becky; Marsh, Jeremy; Johnson, Ryan (DOT); Gordon, Rick; Leiferman, Mark; Behm,

Michael; Smith, Craig; Hight, Joanne

Subject: RE: [EXT] SDDOT Proposed Contracting Practice and Administrative Rules Review

Date: Wednesday, August 24, 2022 8:13:53 AM

Sam – We shared this with all AGC of SD members and have no suggested changes. Thank you for explaining this to us and allowing AGC to comment. Thanks again, "TC"

Toby L. Crow, PE

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From: Weisgram, Sam <Sam.Weisgram@state.sd.us>

Sent: Tuesday, August 9, 2022 5:34 PM **To:** Toby Crow <Toby@sdagc.org>

Cc: Engle, Karla <Karla.Engle@state.sd.us>; Hoffman, Becky <Becky.Hoffman@state.sd.us>; Marsh, Jeremy <Jeremy.Marsh@state.sd.us>; Johnson, Ryan (DOT) <Ryan.Johnson@state.sd.us>; Gordon, Rick <Rick.Gordon@state.sd.us>; Leiferman, Mark <Mark.Leiferman@state.sd.us>; Behm, Michael <Michael.Behm@state.sd.us>; Smith, Craig <Craig.Smith@state.sd.us>; Hight, Joanne <Joanne.Hight@state.sd.us>

Subject: SDDOT Proposed Contracting Practice and Administrative Rules Review

Hello Toby,

As a follow-up to the meeting held on July 26th regarding new contract delivery methods, SDDOT has drafted an administrative rule pertaining to Optional Combination Bidding for AGC's review. Along with the newly proposed admin rule (70:07:03:01:01), we have also attached a list of potential bidding scenarios and how each scenario would be evaluated for contract award. We would ask that

AGC review and provide comments by <u>Wednesday, August 24th, 2022.</u> During the August 25th Commission meeting, SDDOT will be requesting a Hearing date for consideration of administrative rule changes which would be held during the September Commission meeting. *Please note, if major concerns over the proposed administrative rule regarding Optional Combination Bidding are received, the SDDOT could consider withdrawing this rule from consideration during the Hearing.*

If the Commission approves the rules during the Hearing, they will then need to go in front of the Legislative Rules Review Committee which would likely occur on November 1, 2022. If approved, the Rules would go into effect 20 days after filing.

As a reminder, if this administrative rule is eventually implemented, the SDDOT does not intend to use this bidding practice frequently. Rather, it would be a contracting practice available for situations where we happen to have projects of similar nature in close proximity where we feel there

is potential benefit (to both contractors of various capacities and the Department) to offer the work in combination or as separate projects. Furthermore, logistical concerns such as maintaining traffic, material source locations, and haul routes will have to be evaluated each time SDDOT considers using Optional Combination Bidding.

In addition to the new proposed administrative rule for Optional Combination Bidding, the SDDOT is proposing to revise other rules within 70:07 (Highways Construction Contracts) of the administrative rules. The majority of these revisions are essentially an effort to clarify, consolidate and better organize the existing rules. We welcome any comments AGC may have on these proposed revisions as well.

Thank You,

Sam Weisgram SDDOT Project Development Office Ph. 605.773.4304