“Diversity Optimization” Conference  
December 14, 2010  
Questions and Answers

Overview
On December 14, 2010, DIA’s South Terminal Redevelopment Program hosted a “Diversity Optimization” Conference. The focus of the conference was to present the Program’s refined approach to optimizing opportunities for local and Minority/Women-Owned Business Enterprise (M/WBE) firms.

DIA Commitment
DIA is committed to increasing minority and women-owned business participation, not only on the South Terminal Redevelopment Program, but all Denver International Airport projects. DIA’s vision is to ensure that minority and local businesses have equal or greater opportunities in building DIA’s future, as they did in its foundation.

Optimize means creating meaningful opportunities that place businesses either in the position of being the prime on contracts, or creating opportunities for integrated prime partnerships. Both structures can build the capacity of businesses to deliver the work, as well as sustainable relationships for the future.

New Direction
DIA and the Program Management Team (PMT) have created an approach that reduces PMT self-performance and encourages, but does not require, the establishment of joint ventures (JV) or consortiums on repackaged design and construction opportunities. A Joint Venture (JV) is a legal entity that defines the integration of the partner businesses, outlines executive decision-making, addresses profit sharing, etc. A consortium is a non-binding relationship where firms come together to work collaboratively in a full partnership as an integrated team.

Professional and design services opportunities have been repackaged into bundles of work with manageable and substantive contract amounts that provide prime opportunities for M/WBEs. Most opportunities are in the $.5 – $3 million range, and the timing of these opportunities will be in Q1 2011. In addition, there are a number of horizontal Program Management subconsultant opportunities, planned for Q1 2011. Construction Manager/General Contractor (CM/GC) opportunities will be available in Q1 2011 and throughout the program.

More than a contract opportunity, the procurement approach is designed to maximize sustainable firm capacity building through creating:

- Prime experience
- Substantive partnerships
- Increased visibility to primes and DIA
- Higher participation goals

While JVs and consortium are encouraged to pursue these opportunities, they are not required.

The following questions were submitted by attendees of the December 14th event. Responses given are specific to the procurement strategy and processes of the DIA South Terminal Redevelopment Program. Firms should contact the Denver Office of Economic Development with specific questions regarding certification and joint venture teaming guidelines.
Conference Information

1. **Can you distribute the list of Primes who are here today and their contact information, the program materials and presentation?**
   The event registration list has been distributed to all registered conference attendees, and is also available upon request by emailing diaoutreach.parsons@parsons.com. All other conference materials can be accessed at: [http://business.flydenver.com/bizops/southTerminal.asp](http://business.flydenver.com/bizops/southTerminal.asp)

2. **The event was great, but I would like to have a panel of General Contractors present their experience and their participation in Joint Ventures (JV).**
   We will explore additional panel and presentation options as we continue to educate firms on the JV/consortium experience.

M/WBE Opportunities

3. **Are Minority/Woman-owned (M/WBE) firm REQUIRED to participate in a joint venture (JV) or consortium to compete for work on DIA’s South Terminal Redevelopment Program?**
   While DIA and the Program Management Team (PMT) encourage the formation of partnerships to enable smaller firms the ability to pursue prime opportunities, neither joint ventures nor consortiums are required.

4. **How many Minority/Women-owned (M/WBE) firms benefitted from these programs?**
   To-date, 19 of the 48 firms that comprise DIA’s South Terminal Redevelopment Program team are M/WBE firms. We anticipate that our revised approach to packaging and procurement will create additional opportunities for many local and Minority/Women-owned firms.

5. **Each time we come to these events, accountants are not shown opportunities.**
   It is our goal and commitment during our outreach events to share relevant and timely information regarding upcoming contract opportunities. While there are many diverse areas of opportunity on DIA’s South Terminal Redevelopment Program, accounting services is not an area in which the Program Management Team has identified a need.

6. **If an M/WBE proposing as a prime does not have the past experience, will they be disqualified in the pre-qualification process?**
   Specific selection criteria and requirements for upcoming contract opportunities will be detailed in each Request For Qualifications (RFQ)/Request For Proposals (RFP). Varying levels of experience are required, depending on the complexity of the respective scopes of work. As such, qualifications are important selection criteria, regardless of the size or status of the proposing firm.

7. **Will there be re-qualification for the HNTB RFQ?**
   No. As a component of the revised packaging and procurement approach, Parsons and our major subconsultants (including HNTB) have committed to self perform less of the design. As a result, the HNTB design subconsultant opportunities have been restructured into design packages that will be issued as RFQs.

8. **I wish professional services information would be a different conference from contracting opportunities. Will this happen at a later date?**
   Yes. The Program Management Team (PMT) will conduct separate technical workshops in conjunction with upcoming professional services and construction opportunities.
9. **What is the best means for a Small Business Enterprise (SBE) design firm to make a connection with a prime (or a consortium)? How can our firm be most visible for an opportunity?**

We encourage SBEs to participate in DIA’s South Terminal Redevelopment Program and other local outreach and networking events whenever possible. As with any firm seeking to increase visibility and opportunities, it is critical to pursue and build relationships with potential partners.

10. **Realistically, are there any real opportunities for smart, highly-capable, driven, competent small businesses that are not minority or woman-owned - especially in professional services or project management?**

We recognize the value and expertise of the local small business community, and believe that our procurement approach will increase opportunities for engagement.

11. **Who are the primes that have opportunities for M/WBE architectural firms?**

There are no pre-determined firms for upcoming opportunities for architectural work. It is our suggestion that firms assess their capabilities and capacity and form strategic partnerships that best optimize their competitive position.

12. **How do non-M/WBE firms get an opportunity to participate?**

We recognize the value and expertise of the local small business community, and believe that our procurement approach will increase opportunities for engagement. We encourage non-M/WBE firms to consider teaming with M/WBE firms.

**Joint Ventures/Consortiums**

13. **How can an M/WBE get valuable experience from a project like this, which is rare, if they cannot afford a joint venture (JV)?**

Firms (large, small, or M/WBE) are not required to form joint ventures to participate on DIA’s South Terminal Redevelopment Program. It is our suggestion that firms assess their capabilities and capacity and form strategic partnerships that best optimize their competitive position. We anticipate opportunities for small firms through opportunities that could be pursued by joint ventures or consortiums, as well as traditional subconsultant roles.

14. **Can an M/WBE ever gain experience from this project to build its future on a consortium with DIA pushing JV over teaming?**

While DIA and the PMT encourage the formation of partnerships to enable smaller firms the ability to pursue prime opportunities, neither approach is preferred over the other nor required. It is our suggestion that firms assess their capabilities and capacity and form strategic partnerships that best optimize their competitive position.

15. **How does the JV process reconcile with no exclusivity?**

DIA wants to ensure that an M/WBE member in the JV is not required to be in an exclusive arrangement as a condition of teaming. Should the M/WBE choose to develop an exclusive relationship, as a business decision, that is at the discretion of the (M/WBE) firm.

16. **How do you reconcile JV agreements and multiple teams without creating a conflict of interest between the teams and yourself (as the M/WBE)?**

If a firm is on multiple teams, the firm must determine the level of involvement on proposal development, etc. as part of each teaming arrangement.
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17. Why would we create a JV and go through the expense vs. doing a non-legal consortium? While DIA and the PMT strongly encourage the formation of partnerships to enable smaller firms the ability to pursue prime opportunities, neither approach is preferred over the other nor required to compete. This is purely a business decision between the proponents. It is our suggestion that firms assess their capabilities and capacity and consider the strategic partnerships that best optimize their competitive position.

18. Who signs the contract within the context of a consortium since it is not a legal entity? The consortium determines which firm in the partnership shall serve as the “Prime” firm that holds the contract. All other firms are subs to that prime.

19. Re: Discouragement of predefined teams/ exclusivity requirements - The original comment was not to tie yourself to one group, but if you go through the joint venture process and have to get approved, you are now tied to a single group. DIA wants to ensure that a partner in the JV does not require an exclusive arrangement from an M/WBE firm as a condition of teaming. Should an M/WBE choose to develop an exclusive relationship, as a business decision, that is at the discretion of the (M/WBE) firm.

20. How long after submittal of pre-qual of large business consortium or JV do we receive notice of approval/denial? The process typically takes 10 to 14 days.

21. What is the web address for prequalification for large businesses or joint ventures? The City and County of Denver's prequalification guidelines can be accessed at: 
http://www.denvergov.org/Portals/512/documents/PRQFINAL%20ADOPTED%20RULES%20JULY%20202009.pdf

Procurement
22. Does an SBE certification have any value to any of the goals established for these projects? With the exception of an 8% Disadvantaged Business Enterprise (DBE) participation requirement on the design of the signature bridge, DIA’s South Terminal Redevelopment Program has a 15% M/WBE participation requirement. It is our goal to exceed these requirements. We recognize the value and expertise of the SBE community and believe that our procurement approach will increase opportunities for engagement.

For further details on certifications issued by the City of Denver, Office of Economic Development (OED) and eligibility for each, please access the following:  http://www.milehigh.com/business/do-business

23. Do the M/WBE firms need to be "qualified" by DIA, City of Denver, Federal Agency (SBA) or other? M/WBE firms must be certified by the City and County of Denver, Office of Economic Development. Any firm or JV pursuing a construction contract over $1 million must be pre-qualified by the City of Denver.

24. What are the insurance requirements going to be? Our standard CGL requirement is Commercial General Liability in a broad form and in an amount not less than One Million Dollars per occurrence ($1,000,000) and Two Million Dollars ($2,000,000) aggregate. Standard Professional Liability Insurance including errors and omissions is in an amount not less than One Million Dollars ($1,000,000) per claim and in the aggregate. However the prime
contract requires $3,000,000 for major subs-consultants. There is no definition of major and we will assess this on a case by case basis.

25. **If the design and engineering are procured horizontally does that limit the prime architect’s liability to their team exclusively since the sub consultant’s contracts will be with the City?**
While the Architect and Engineer or Record procurements will be horizontal, contracting will revert to standard industry practice where the Architect of Record will contract with Structural and MEP Engineers. The Architect of Record will be selected first and invited to the selection committee for Engineers selection.

26. **If we use other than architecture firms in fulfilling our 20% M/WBE requirement for the horizontal architecture contract will they still count? IE LEED consultant and an interior design company. (we thought this might be a way of bringing in more teams to our team)?**
The Architect of Record horizontal procurement will be specific to architecture and interior design. Engineers and specialty consultants will be procured separately and there will not be credit toward the M/WBE goals from those separate efforts to the Architect of Record selection process.

27. **How can a DBE bond for $30M? Is this a requirement that automatically excludes DBEs?**
Bonding is a requirement and the size of bonding ability is determined by company bonding agent, and amount must exceed project budget. The JV partnership percentages will determine the level of work performed by the M/WBE and therefore the amount required to bond.

28. **Understanding that the goals are set at 20% MWBE, is there a preference given to JVs, large businesses, or consortiums that exceed that requirement?**
DIA has a commitment to increase minority business participation, both on the Program and throughout DIA, which means meeting and exceeding our participation goals. While there is no preference for JVs or consortiums, both DIA and the Program Management Team strongly encourage innovative and aggressive engagement and partnership with local and MWBE firms.

29. **Where will bid packages be posted? And will they be posted by business (Parson, Kiewit, etc.)?**
DIA’s South Terminal Redevelopment Program solicitations will be posted on the Business Opportunities page at www.flydenver.com, as well as distributed via email to firms in our communications database. DIA’s South Terminal Redevelopment Program Prime contractors may also post bid packages on ISqft, or via their respective databases.

**Contracting Opportunities**

30. **What about the Main Terminal renovation?**
The Main Terminal renovation is not part of the current procurement packages.

31. **On the CM/GC #6 project, will there be 1 contract with City and CM/GC or will there be multiple prime contracts (as with design contracts)?**
There will be one contract with the City.

32. **When are the RFQs coming out?**
The Consolidated Foundations CM/GC RFQ is anticipated for release in early 2011. The immediate professional services RFQs are anticipated for release Q1-Q2 2011. An overview of professional services and construction opportunities (including estimated procurement schedule) can be accessed at: [http://business.flydenver.com/bizops/southTerminal.asp](http://business.flydenver.com/bizops/southTerminal.asp)
33. **Horizontal Opportunities, since architecture, engineering, structures are being procured horizontally does this mean that the city will contract with each individual section, (i.e. architecture will have its own contract as will engineering and structures?)**

While the Architect and Engineer or Record procurements will be horizontal, contracting will revert to standard industry practice where the Architect of Record will contract with Structural and MEP Engineers. The Architect of Record will be selected first and invited to the selection committee for Engineers selection. Specialty consultants will be procured directly by the PMT program-wide, and will be integrated with the Prime A/E’s through collaborative contract language.

34. **On the last page there was a list of Professional services-design opportunities that were listed as being procured in Q1-2011. I am not clear as to how these will integrate into the teams. The way I read this it suggests that the final prime architect will not be picking their own consultants, acoustic, conveyance, etc. Is this correct? How can you split out doors and hardware? Is this just for specs?**

See #32 above.


These specific areas are part of the Horizontal procurement. There will be separate RFQs for each specialty area. A listing of upcoming procurement opportunities can be accessed at: [http://business.flydenver.com/bizops/documents/southTerminal/primeOpProfServicesDec142010.pdf](http://business.flydenver.com/bizops/documents/southTerminal/primeOpProfServicesDec142010.pdf)

36. **Has the city procured a threat assessment on the train hall under the hotel? (this is something that was done at Denver Union Station)**

These specific areas are part of the Horizontal procurement. There will be separate RFQs for each specialty area.


37. **Is there a detail sheet listing the contracts, amounts, and logistics of such contracts including percentage of total cost of work?**

This information will be disseminated prior to each RFP.

38. **What are the names, addresses, phone numbers, emails of all "go-to" guys with Parsons, Mortenson, Kiewit, etc and scope of work of each if they are letting out parts of the work?**

The program will provide an updated contact list on [www.flydenver.com](http://www.flydenver.com) in the next few weeks.