



**COLORADO**  
Department of Transportation

Division of Engineering Support

Contracts & Market Analysis Branch  
4201 East Arkansas Avenue  
Denver, Colorado 80222

TO: SHAILEN P. BHATT, EXECUTIVE DIRECTOR STA 0741-019  
FROM: JOHN A. EDDY, PE, CMA BRANCH MANAGER SH 74 OVERLAY, EL RANCHO TO EVERGREEN  
CC: JOSHUA LAIPPLY, PE, CHIEF ENGINEER 20063  
DATE: 9/8/2016 REGION 1  
SUBJECT: AWARD TO LOW RESPONSIBLE BIDDER C.R.S. 43-1-113 (16)

Pursuant to C.R.S. 43-1-113(16) as amended, it has been determined that it is in the best financial and economic interest of the State to award Region 1's project, overlay of SH 74, STA 0741-019 (20063), to the low responsible bidder, APC Construction Co., LLC ("APC").

**Project Description:** This Region 1 project is located at on SH 74 from Rancho to Evergreen (MP 0.84 to MP 6.720). This project includes milling and paving 2.5 inches of Hot Mix Asphalt pavement on SH 74 from CR 65 for approximately MP 6.72, replacement of expansion joints on Bridges F-15-CZ and F-15-DA (MP 3.03), minor widening to create a new shoulder and 9,300 CY of rock excavation in Jefferson County, Colorado.

**Financial Impact:** APC's proposal totaled \$5,879,626.50. The project would normally be rejected by statute since there was only two bidders and the low bidder's proposal is 140.1% of the engineer's estimate. The second low bidder's proposal was 150.7% of the engineer's estimate. The region has secured the additional funds necessary to award the project.

**Cost Analysis:** An analysis of the bid schedule shows the Hot Mix Asphalt (HMA) to be significantly higher than project estimates. This project estimate for 32,693 tons of HMA-GR SX-75-PG 58-28. CDOT estimated this item at \$72.00 and APC proposed \$88.30, 22.6% higher than the estimate. The estimator used the historical average for comparable quantity for this item given current market conditions. APC defends their proposed price based on the time of year (fall paving) and the the project's paving temperature restrictions which are expected to limit the paving hours. This anticipated lower production rate is supported by the second low bidder's proposal of \$103.75 per ton for this item.

After further consideration, EEMA and Region 1 consider this item acceptably priced as proposed by APC.

**Other Considerations:** The condition of SH 74 has deteriorated significantly and any prospective savings which might be achieved with readvertisement would likely be expended in maintenance costs this winter. The creation of a new shoulder on the highway will increase safety for the traveling public. Given these considerations with the above detailed justification of the proposal costs, it is recommended that the award be authorized.

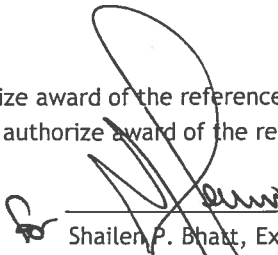
- I recommend award  
 I do not recommend award

  
John A. Eddy, PE, CMA Branch Manager

Date

9/8/16

- I authorize award of the referenced project
- I do not authorize award of the referenced project

 \_\_\_\_\_ Date 9/9/16  
Shailen P. Bhatt, Executive Director or Delegate

cc: Randy Jensen, FHWA  
Scott McDaniel, Director, Division of Project Support  
Marci Gray, Engineering Contracts  
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