



COLORADO
Department of Transportation
Office of the Chief Engineer

TO: SHOSHANA M. LEW, EXECUTIVE DIRECTOR
FROM: MARKOS ATAMO, PE, CMA BRANCH MANAGER
CC: STEPHEN HARELSON, PE, CHIEF ENGINEER ~~SH~~
DATE: 04/2/2020
SUBJECT: AWARD TO LOW RESPONSIVE BIDDER C.R.S. 43-1-113 (16)
PROJECT: HPP 0501-067 (21471) REGION 3 US 50 & SH 92 DELTA INTERSECTION

Pursuant to C.R.S. 43-1-113(16), it has been determined that it's in the best financial and economic interest of the State to award Region 3's project HPP 0501-067 (21471) to the low bidder Mountain Valley Contracting, Inc. (MVC).

Project Description: This Region 3 project is located in Delta county on US 50 & SH 92 for the construction of a double-left turn lane with 12' lanes from southbound US 50 onto eastbound SH 92. The right-turn lane from westbound SH 92 onto northbound US 50 will be widened to accommodate larger vehicles. Night work is anticipated, and some activities such as pipe work, overhead sign structure removal, and concrete work will require a detour for completing the project. The project was solicited under a design bid build (low bid) project delivery method where only two bids were received with MVC being the lowest responsive bidder.

Financial Impact: MVC's bid proposal totaled \$2,761,591.15 compared to the CDOT engineer's estimate of \$2,507,954.28. The project risks rejection by Statute since there were only two bidders and their proposals were 110.1% and 119.60% of the engineer's estimate. Region 3 has verified they have funding available for the award of the project to MVC.

Cost Analysis: An analysis of the bid schedule revealed that two of the bid line items identified below resulted in the overall bid from MVC being more than 10% over CDOT's engineer's estimate for the project.

Bid Item Description	QTY	Unit	Unit Price Low Bid & Eng. Est.		Total Cost Difference	% Over Eng. Estimate
ABC CL6	1,867.00	CY	\$65.00	\$45.00	\$37,526.70	44.67%
PCCP 9"(FAST TRACK)	1,796.00	SY	\$150.00	\$120.00	\$59,969.80	25.00%

For the above bid items, the engineer's estimate used historical data from similar projects with comparable quantities. In verifying MVC's bid offer, research revealed that ABC CL6 & PCCP 9" material costs were higher due to the project location along with the haul distance. The existing intersection is outdated and is in dire need of an update. Safety improvements along SH 92 include replacement of signs, traffic signals, raised medians, which also will improve intersection safety and roadway safety. Also, it's imperative that this project be awarded to the lowest bidder. Re-advertisement would also risk delaying important safety improvements along with future construction projects.

Based on the cost analysis, EEMA and Region 3 consider MVC's proposed overall bid pricing to be fair and reasonable.

Staff Review & Recommendation: Given the overall project dynamics mentioned above, re-advertisement of the project is unlikely to result in more competition or reduced pricing. The Region 3 Project Management Team's analysis

and recommendation to award the project is provided in the attached memorandum to this request. As a result, staff recommends proceeding with the award of the project to MVC.

Approve

Decline



Markos Atamo (Apr 8, 2020)

Date 04/08/20

Markos Atamo, PE, CMA Branch Manager

Approve

Decline



Shoshana Lew (Apr 14, 2020)

Date 04/14/20

Shoshana M. Lew, Executive Director

cc: Jerad Esquibel, Director, Division of Project Support
RB Simmons, Engineering Contracts
Central Files



COLORADO
Department of Transportation
Region 3

Montrose Residency
2424 N. Townsend Avenue
Montrose, CO 81401

MEMORANDUM

TO: RB Simmons, Construction Contracts Manager
FROM: Raelene Shelly, Resident Engineer
DATE: March 30, 2020
SUBJECT: 21471 Project Award to Low Responsive Bidder

This memorandum provides the Region 3 project team request to award project HPP 0501-067 (21471) along with an “engineering” discussion on why it is in the best interest of the State to award the project. The primary scope elements for this project are: (1) construction of a second left-turn lane from EB US 50 to EB SH 92, (2) installation of a new traffic signal, including signal poles and mast arms, (3) construction of a continuous raised median along US 50 at City Market and Ute Street, and (4) construction of a continuous raised median along SH 92 at Meeker Street. Key discussion includes:

1. The construction of the second left-turn lane from US 50 to SH 92 was recommended in a 2016 Intersection Analysis completed by Muller Engineering. The second left-turn lane will increase the level of service for the north leg of the intersection by decreasing volume/capacity ratios as well as projected queue lengths and delay times. This will also reduce vehicle queueing on the railroad tracks north of the intersection making this a safer intersection.
2. Delaying advertisement a full year is an option, but creates conflicts with the upcoming US 50 Little Blue Creek Canyon project, for which SH 92 is a local detour. Completing this project prior to the start of the detour will safely and efficiently move detour traffic through the intersection.
3. Fabrication of the traffic signal equipment is estimated to take 10 months. By awarding this project now, the contractor can start potholing and determine pole locations sooner.
4. Safety concerns regarding left turns from Meeker Street to SH 92 were brought to CDOT’s attention from the City of Delta. Delaying the construction of the raised median along SH 92 increases the chances of another major accident at this intersection.
5. We have reviewed the bid tabs and they appear reasonable.

Please feel free to contact me at 970.683.6420 if you have any questions or would like to further discuss this request.

