



**COLORADO**  
**Department of Transportation**  
Office of the Chief Engineer

TO: SHOSHANA M. LEW, EXECUTIVE DIRECTOR  
FROM: MARKO ATAMO, PE, CMA BRANCH MANAGER  
CC: STEPHEN HARELSON, PE, CHIEF ENGINEER  
DATE: 01/22/2020  
SUBJECT: AWARD TO LOW RESPONSIVE BIDDER C.R.S. 43-1-113 (16)  
PROJECT: FSA 0341-097 (21874) REGION 4 US 34 AT MACGREGOR AVE INTERSECTION IMPROVEMENTS

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 4's project FSA 0341-097 (21874) to the low bidder Mountain Constructors, Inc. ("MCI").

**Project Description:** This Region 4 project is located in Larimer county in Estes Park for the reconstruction of the US34 MacGregor Avenue intersection to a single lane roundabout. The project work includes asphalt and concrete removal and installation, drainage improvements, sidewalks, curbs and gutters, and utility coordination. The project was solicited under a design bid build (low bid) project delivery method where only one bid was received with MCI being the lowest responsive bidder.

**Financial Impact:** MCI's bid proposal totaled \$1,871,822.50 compared to the CDOT engineer's estimate of \$1,533,840.50. The project risks rejection by Statute since there was only one bidder and their proposal was 122.04% of the engineer's estimate. Region 4 has verified they have funding available for the award of the project to MCI.

**Cost Analysis:** An analysis of the bid schedule revealed that five of the bid line items identified below were significantly higher than the CDOT engineer's estimate.

Bid Item Description	QTY	Unit	Unit Price Low Bid & Eng. Est.		Total Cost Difference	% Over Eng. Estimate
Mobilization	1	LS	\$250,000.00	\$90,000.00	\$160,000.00	277.78%
Inlet Special Trench Drain 24-In.	22	LF	\$1,800.00	\$500.00	\$28,600.00	360%
Manhole Slab Base 5-Ft.	2	EA	\$13,000.00	\$4,500.00	\$17,000.00	288.89%
Light Standard Steel 30 Ft.	5	EA	\$7,500.00	\$3,250.00	\$21,250.00	230.77%
Clearing and Grubbing	1	LS	\$30,000.00	\$7,500.00	\$22,500.00	400%

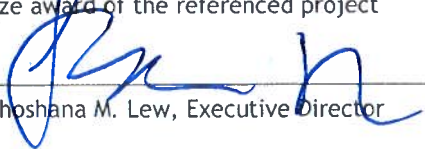
For the above bid items the engineer's estimate used historical data from similar projects with comparable quantities. In verifying MCI's bid offer, research revealed that the mobilization costs were higher than anticipated with the contractor commenting on the challenges of mobilizing and transporting materials, equipment and personnel to the job site as the main cause affecting their bid pricing. MCI's costs for the material items identified above reflect price quotes from suppliers as well as installation risk costs they anticipate encountering when performing the work. Based on the cost analysis, EEMA and Region 4 consider MCI's proposed prices to be fair and reasonable.

**Staff Review & Recommendation:** Given the overall project dynamics mentioned above along with MCI being the only bidder, re-advertisement of the project is unlikely to result in more competition or reduced pricing. The Region 4 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 MCI.

- I recommend award
- I do not recommend award

 Date 01/23/2020  
Markos Atamo, PE, CMA Branch Manager

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

 Date 1/29/20  
Shoshana M. Lew, Executive Director

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



**COLORADO**  
**Department of Transportation**

Region 4  
Greeley Traffic  
10601 W. 10<sup>th</sup> Street  
Greeley, CO 80634

**TO:** SHOSHANA M. LEW, EXECUTIVE DIRECTOR  
**FROM:** BRYCE REEVES, PE, TRAFFIC DESIGN RESIDENT ENGINEER  
**CC:** STEPHEN HARELSON, PE, CHIEF ENGINEER  
**DATE:** 01/17/2020  
**SUBJECT:** AWARD TO LOW RESPONSIVE BIDDER C.R.S. 43-1-113 (16)  
**PROJECT:** FSA 0341-097 (21874) REGION 4 US 34 AT MACGREGOR AVE INTERSECTION IMPROVEMENTS

This memorandum provides specific information and consideration from an engineering perspective related to reasons for awarding project FSA 0341-197 (21874) US 34 at Macgregor Ave Intersection Improvements. Please feel free to contact me at 970-350-2126 if you have any questions.

1. This project was identified as a candidate for safety improvements in early project selection programs prior to the Faster Project Prioritization project. It was slated for construction and has subsequently been identified by both CDOT and the Town as a priority for construction due to a deteriorating crash history which now includes a fatality. We believe delaying this project until the next construction season would expose another busy tourist season and local road users to a known problematic intersection with the likelihood of additional crashes.
2. The timeline to complete the project is limited not only due to weather/temperature constraints of the mountainous location but also due to the tourist season. Estes Park is one of the premier tourist destinations in Colorado on account of Rocky Mountain National Park. This intersection is on one (1) of two (2) direct routes to the National Park. The Town of Estes Park has expressed their concern with closing this intersection or having any construction on a direct route to the National Park leading up to and after the 4<sup>th</sup> of July holiday. Delaying the start of the project by re-advertising would impact the ability of a contractor to complete the project by July 2, 2020. We also anticipate a low likelihood of additional, lower bids being submitted for this project if the project were to be re-advertised.
3. The project team anticipates an increase in the cost of the project if the project letting were delayed either during this construction season or until next construction. If the re-advertisement were to let this year, an accelerated schedule would be required to



- complete the project by July 2, 2020. If the contract were to be let next construction season, a typical increase in cost from one construction season to the next is anticipated.
4. In reviewing the cost analysis provided in the *Approval Memo*, we believe the costs identified as significantly higher are reasonable based on the location of the project and anticipated difficulties during construction. We anticipate the contractor will encounter granite bedrock in most if not all locations where excavations will reach a depth of 5 feet or more. This along with the specialized trench drain design may be a factor in the higher cost.
  5. The Town of Estes Park has been a willing and active partner in bringing this project to construction. The Town Public Works Director and Engineering Manager have been actively engaged in the design process and have given a great deal of input and encouragement for the project. Public input during an Open House in December 2018 was generally positive and a presentation to the Town of Estes Park Transportation Advisory Board in December 2019 was also met with support from the Board.

Thank you,



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Reeves  
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Bryce Reeves

