



COLORADO
Department of Transportation
 Division of Engineering Support

TO: SHOSHANA M. LEW, EXECUTIVE DIRECTOR
FROM: MARKOS ATAMO PE, CMA BRANCH MANAGER
CC: JOSHUA LAIPPLY, PE, CHIEF ENGINEER
DATE: 4/19/2019
SUBJECT: AWARD TO LOW RESPONSIBLE BIDDER C.R.S. 43-1-113 (16)
PROJECT: SHE R100-308 (22389R) REGION 1 TRAFFIC SIGNAL IMPROVEMENTS PHASE 1

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 1's project SHE R100-308 (22389R) to the low bidder W.L. Contractors, Inc. ("W.L.").

Project Description: This Region 1 project is at various locations on C470, SH93, and SH121 in Adams and Jefferson Counties for completing traffic signal improvements. The project work includes signal replacements, safety upgrades, and geometric changes. The project was solicited under a design bid build (low bid) project delivery method where only two bids were received with W.L. being the lowest responsive bidder.

Financial Impact: W.L.'s bid proposal totaled \$2,699,567.00 compared to the CDOT engineer's estimate of \$2,275,529.90. The project risks rejection by Statute since there were only two bidders and their proposals are 118.6% and 121.9% of the engineer's estimate. Region 1's construction phase budget for the project is \$3,000,000.00.

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
Removal of Traffic Signal Equipment	1	LS	\$94,738.00	\$30,000.00	\$64,738.00	315.79%
Hot Mix Asphalt (Patching)	575	TN	\$260.00	\$185.00	\$43,125.00	140.54%
Hot Mix Asphalt (Grading SX) (PG 64-22)	151	TN	\$395.00	\$125.00	\$40,770.00	316.00%
Hot Mix Asphalt (Grading SX) (PG 76-28)	151	TN	\$398.00	\$125.00	\$41,223.00	318.40%
Mobilization	1	LS	\$218,000.00	\$25,000.00	\$193,000.00	872.00%

For the above bid items the engineer's estimate used historical data from similar projects with comparable quantities. In verifying W.L.'s bid offer, research revealed that the varying job site locations for where the work will be performed resulted in higher than anticipated bid pricing due to inefficiencies affected by the multiple job sites for the removal, hauling and salvaging of traffic signal equipment. W.L. stated that their mobilization bid pricing reflected the impacts of getting equipment and labor to the multiple job sites as well as the pass through costs from their subcontractors. For the hot mix asphalt bid items, research revealed asphalt pricing is at a premium for this project due to the varying locations and the quantity of asphalt material needed at each location. W.L. further commented that it was difficult to obtain subcontractor quotes for the asphalt work. Based on the cost analysis, EEMA and Region 1 consider W.L.'s proposed prices to be fair and reasonable, and recommends proceeding with the award to them.

Other Considerations: Given the overall inefficiencies of the varying work sites for the project along with W.L.'s bid being \$74,022.75 lower than the only other bidder, re-advertisement of the project is unlikely to result in more competition or reduced pricing. As a result, it is recommended that the project's award be authorized.

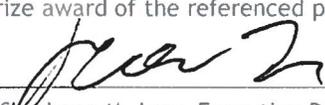
- I recommend award
 I do not recommend award



Markos Atambo, PE, CMA Branch Manager

Date 4/19/19

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



Shoshana M. Lew, Executive Director

Date 4/23/19

cc: Jerad Esquibel, Director, Division of Project Support
Randy Jensen, Federal Highways Administration
RB Simmons, Engineering Contracts
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