



COLORADO

Department of Transportation

Division of Engineering Support

TO: MICHAEL LEWIS, EXECUTIVE DIRECTOR
 FROM: MARKOS ATAMO PE, CMA BRANCH MANAGER
 CC: JOSHUA LAIPPLY, PE, CHIEF ENGINEER
 DATE: 6/6/2018
 SUBJECT: AWARD TO LOW RESPONSIBLE BIDDER C.R.S. 43-1-113 (16)
 PROJECT: MTCE R100-312 (22471) R1 PAVEMENT REPAIR

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 MTCE R100-312 (22471) to the low bidder A-1 Chipseal Company ("A-1").

Project Description: This R1 project is located on SH 86 and SH 119 and consists of chip sealing in Adams, Douglas and Gilpin Counties.

Financial Impact: A-1's bid totaled \$1,187,79.51 and the CDOT engineer's estimate is \$861,365.59. The project risks rejection by statute since there was only one bidder and their proposal is 137.9% of the engineer's estimate. Region 1 has the additional funds for the project award.

Cost Analysis: An analysis of the bid schedule shows the one line item that was significantly higher than the project estimate. Cover coat material (Type I) was estimated at \$0.90 per Square Yard for a quantity of 226,453 Square Yards. A-1's bid was \$2.67 per Square Yard, or 297% more than the estimate. A-1 reports that this material is not readily available, increasing the price. This line item alone represents 46.5% of the price difference between the bid and the estimate. After further consideration, Region 1 considers this item acceptably priced as proposed by A-1.

Work time restrictions for this project were also identified by A-1 as a limit to production and competition. Work time and lane closure restrictions for work on SH 86 are necessary to avoid excessive delays to the traveling public.

The SH 119 site is at a high elevation (9,000 ft) resulting in a narrow season of high temperatures suitable for daytime asphalt chip seal work. A "winter" shut-down is likely if the project is re-advertised at a later date.

Considering these justifications, A-1's proposed price is found to be reasonable.

Other Considerations: Given this analysis, re-advertisement is unlikely to result in more competition or lower prices for this project. Based upon the justification of the proposal costs, I recommended that you authorize the project's award.

- I recommend award
- I do not recommend award


 _____ Date 6/6/18
 Markos Atamo, PE, CMA Branch Manager

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


 _____ Date 6-12-18
 Acting For: Michael P. Lewis, Executive Director