

**REPLACE PRIVATE SECTOR ENGINEERS WITH NEW DEPARTMENT OF TRANSPORTATION EMPLOYEES**

*Transfer consultant work to Colorado Department of Transportation employees in order to reduce overhead and the costs of monitoring contractor work.*

***Background***

The Colorado Department of Transportation (CDOT) uses some consultants to perform road and bridge engineering work rather than maintain a larger full-time staff. This policy is a conscious effort to address fluctuations in transportation revenues exacerbated by Colorado's constitutional revenue and spending mandates . CDOT uses private sector contractors for overflow work when appropriations are high so that when appropriations drop, the Department is not in the position of laying off full-time employees. In addition, for 21 years<sup>34</sup>, until the spring of 2007, Colorado law prevented CDOT from increasing its Full-time Equivalent (FTE) personnel count, leaving CDOT no choice but to hire privately employed engineers to perform the work.

***Findings***

According to a CDOT study comparing the cost of private sector engineer work with the cost of work done by CDOT employees, CDOT employees cost less – overhead cost of each CDOT engineer is approximately 2.48 versus the overhead of consultants at 2.85.<sup>35</sup> That is, outside consultants come with higher indirect costs that make them more expensive, even if their wages are the same. The average CDOT engineer salary is about \$70,000 per year.