

EXHIBIT E – VECP SAMPLE CALCULATION

The following example is a proposal by Contractor to acquire additional Right of Way in lieu of wall construction.

CALCULATION OF VECP SAVINGS

Cost of wall	\$ 250,000
Less cost of preparing VECP	(\$ 10,000)
Less costs of implementing proposal:	
Contractor's expenses	\$ 15,000
CDOT's cost of personnel	\$ 10,000
CDOT's cost of property	\$ 150,000
Total Cost:	<u>(\$185,000)</u>
Net savings from VECP:	<u>\$ 65,000</u>

CONTRACT ADJUSTMENT

CDOT's total cost	\$ 160,000
Plus Contractor's share of VECP savings (50%)	\$ <u>32,500</u>
Total Reduction in Contract Price:	<u>\$ 192,500</u>

