



**COLORADO**  
**Department of Transportation**  
 Division of Engineering Support

Contracts & Market Analysis Branch  
 4201 East Arkansas Avenue  
 Denver, Colorado 80222

TO: SHAILEN P. BHATT, EXECUTIVE DIRECTOR STA 0343-038  
 FROM: JOHN A. EDDY, PE, CMA BRANCH MANAGER SIGNAL UPGRADE  
 VIA: JOSHUA LAIPPLY, PE, CHIEF ENGINEER 19548  
 DATE: 8/2/2016 REGION 4

Pursuant to C.R.S. 43-1-113(16), as amended, it has been determined that it is in the best financial and economic interest of the State to award Region 4's US 34 signal upgrade, project STA 0343-038 (19548) to the low responsible bidder, McAtee Construction, Co. ("MCC").

**Project Description:** This Region 4 project is located on US 34 from Barlow Road in the City of Fort Morgan, in Morgan County.

**Financial Impact:** MCC's proposal totaled \$2,199,946.55. The project would normally be rejected by statute since there was only one bidder, as well as MCC's bid is 117% of the engineer's estimate. The region has secured the additional funds necessary to award the project. The City of Fort Morgan has contributed \$500,000 to this project, and an additional \$100,000 may be contributed to reimburse CDOT for the project.

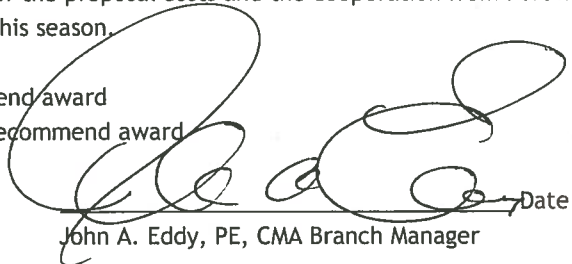
**Cost Analysis:** An analysis of the bid schedule shows four items significantly higher than project estimates.

1. The Mobilization item was estimated at 5% of the bid estimate or \$95,000/LS, which is within the typical range of 5% to 7% for a project with Asphalt as the major item. The low-bid mobilization price was 13% (of the low-bid) or \$285,000/LS. The Contractor stated their company incorporates the sub-contractor mobilization and management costs, such as Hot Mix Asphalt plant rental fees, and traffic control costs, into one lump-sum mobilization.
2. The Concrete Pavement (10 Inch) item was priced at \$80/SY which is 5 - 10% higher than projects in the area with a similar scope. The low-bid for this item was \$120/SY. The Contractor stated they priced the item to include the risk, time, materials and equipment costs involved in this five-phase, concrete-intersection paving operation.
3. The Impact Attenuator item was estimated at \$12,000/EA, which is a typical rental cost for a short duration (i.e. 4 month) project. The low bid was \$24,000/EA. The Contractor stated the price was based on quotes submitted by the sub-contractors.
4. The Removal of Asphalt (Planing) item was estimated at \$1.5/SY, which is the typical cost for this quantity and depth of milling. The low bid for this item was \$1.8/SY. The Contractor stated their price for this item included the cost to: repair the sub-grade, mobilize the paving machine to each site, and to repave (with the paving machine) the areas where the entire pavement profile was milled and the milling machine consequently removed the sub-grade.

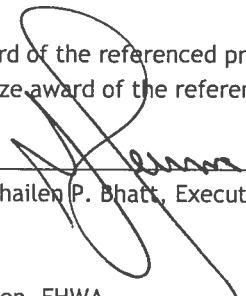
After further consideration, EEMA and Region 4 consider these items acceptably priced as proposed by MCC.

**Other Considerations:** It is unlikely project re-advertisement would result in greater competition. Given the justification of the proposal costs and the cooperation from Fort Morgan, it is recommended that the project be constructed this season.

- I recommend award
- I do not recommend award

  
 \_\_\_\_\_ Date 8/2/16  
 John A. Eddy, PE, CMA Branch Manager

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

 \_\_\_\_\_ Date 8/15/14  
for Shailen P. Bhatt, Executive Director or Delegate

cc: Randy Jensen, FHWA  
Scott McDaniel, Director, Division of Project Support  
Marci Gray, Engineering Contracts  
Central Files