



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 0503-083
FROM: JOHN A. EDDY, PE, CMA BRANCH MANAGER US 50 & DOZIER INTERSECTION IMPROVEMENTS
VIA: JOSHUA LAIPPLY, PE, CHIEF ENGINEER 19906
DATE: 5/11/2016 REGION 2
SUBJECT: AWARD TO LOW RESPONSIBLE BIDDER C.R.S. 43-1-113 (16)

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 R2's US 50 & Dozier intersection improvement project STA 0503-083 (19906) to the low responsible bidder, Tezak Heavy Equipment Co., Inc. ("Tezak").

Project Description: This Region 2 project consists of a traffic signal installation at US 50A and Steinmeier Avenue, a roundabout installation at Dozier Avenue and Fremont Drive, removal of a traffic signal at US 50 and Dozier Avenue and US 50 island modifications between Dozer Avenue and Berry Parkway in Canyon City, Fremont County, Colorado.

Financial Impact: Tezak's proposal totaled \$1,934,622.81. The project would normally be rejected by statute since there were only two bidders and Tezak's bid is 114% of the engineer's estimate. The second low bidder was 127% of the engineer's estimate. The approval to award this project remains contingent upon approval of additional funds by the Transportation Commission in their meeting on May 19, 2016.

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

1. The 18" Reinforced Concrete Pipe (CIP) was estimated at \$13,650 and the low bid was \$41,804. The increased costs were found to be based on the timing of the work. The majority of this pipe will have to be phased (across US 50) and installed at night per the project specials which increases the flowfill price. Second low bidder proposed \$56,238 for this item.
2. Median Cover Material (Patterned Concrete) was estimated at \$21,245 and bid at \$43,097 based on the special order color of the concrete, which requires 3 pounds per cubic yard. Additionally the work will require two trip charges, increasing the costs of this item.
3. Wiring for Traffic Signals was estimated at \$15,000 and bid at \$43,375. The work on this item includes wiring for a traffic signal, new service meter pedestals for the signal and for lighting, weather proof FGI outlet for roundabout, wiring for all lighting, coordination with power company, as built drawings and salvage of existing traffic signal wiring components. Second low bidder proposed \$40,000 for this line item.
4. Portable Message Sign Panels (4) were estimated at \$10,000 and bid at \$39,644. Tezak reports this item is priced based on their subcontractor's quote plus an standard overhead fee. This item is likely to under run as the 4 panels are not all needed for the duration of the project.

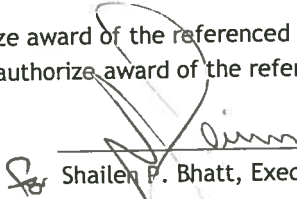
After further consideration of the items listed above, EEMA and Region 2 consider each item acceptably priced as proposed by Tezak.

Other Considerations: Due to the detailed explanation above, cost savings are not expected from project re-advertisement. Accordingly, it's in the best interest of the traveling public to construct the project this season.

- I recommend award
- I do not recommend award


Date 5/12/16
John A. Eddy, PE, CMA Branch Manager

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


Date 5/19/16
Shailen P. Bhatt, Executive Director or Delegate

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