



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

TO: SHOSHANA M. LEW, EXECUTIVE DIRECTOR  
 FROM: MARKOS ATAMO PE, CMA BRANCH MANAGER  
 CC: JOSHUA LAIPPLY, PE, CHIEF ENGINEER  
 DATE: 5/1/2019  
 SUBJECT: AWARD TO LOW RESPONSIBLE BIDDER C.R.S. 43-1-113 (16)  
 PROJECT: IM 0252-472 (22569) REGION 2 I-25 CABLE BARRIER PHASE III

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 2's project IM 0252-472 (22569) to the low bidder Kirkland Construction, Inc. ("Kirkland").

**Project Description:** This Region 2 project is at various locations on I-25 in El Paso County for completing the third phase of cable barrier resets. The project work includes removal and resetting the doubled cable barrier, earthwork, erosion control, traffic control, and site restoration. The project was solicited under a design bid build (low bid) project delivery method where only two bids were received with Kirkland being the lowest responsive bidder.

**Financial Impact:** Kirkland's bid proposal totaled \$2,606,409.00 compared to the CDOT engineer's estimate of \$2,000,000.00. The project risks rejection by Statute since there were only two bidders and their proposals are 130.32% and 149.22% of the engineer's estimate. Region 2's construction phase budget for the project is \$3,500,000.00.


**Cost Analysis:** An analysis of the bid schedule revealed that three of the bid line items identified below were significantly higher than the CDOT engineer's estimate.

Bid Item Description	QTY	Unit	Unit Price		Total Cost Difference	% Over Eng. Estimate
			Low Bid	Eng. Est.		
Embankment CIP	18,782	CY	\$23.00	\$11.00	\$225,384.00	209%
Reset Tension Cable	14,903	LF	\$25.00	\$18.00	\$104,321.00	138.88%
Traffic Control Management	177	DAY	\$1,400.00	\$1,100.00	\$53,100.00	127.27%

For the above bid items the engineer's estimate used historical data from similar projects with comparable quantities. In verifying Kirkland's bid offer, research revealed that embankment material costs were affected by the project location with a longer than anticipated distance for transporting the material to the job site. Kirkland provided their cost estimating sheets to show how the pricing was arrived for the reset tension cable and traffic control management bid items. The pricing for these two items reflects the subcontractor bids Kirkland received which are passed through to CDOT. Kirkland commented on it being a challenge to get subcontractor bids due to shortages in available subcontractors that can perform this type of work. As a result, the subcontractor pricing reflects higher costs based on current market conditions. Based on the cost analysis, EEMA and Region 2 consider Kirkland's proposed prices to be fair and reasonable, and recommends proceeding with the award to them.

**Staff Review & Recommendation:** Given the project location along with Kirkland's bid being \$378,023.00 lower than the only other bidder, re-advertisement of the project is unlikely to result in more competition or reduced pricing. The Region 2 Project Management Team's analysis and recommendation to award the project is provided in the attached memorandum dated April 29,2019. Staff recommends that the project's award be authorized.

- I recommend award
- I do not recommend award

 \_\_\_\_\_ Date 5/1/19  
Markos Atamo, PE, CMA Branch Manager

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

\_\_\_\_\_ Date \_\_\_\_\_  
Shoshana M. Lew, Executive Director

cc: Jerad Esquibel, Director, Division of Project Support  
Randy Jensen, Federal Highways Administration  
RB Simmons, Engineering Contracts  
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