



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: 4/1/2019
 SUBJECT: AWARD TO LOW RESPONSIBLE BIDDER C.R.S. 43-1-113 (16)
 PROJECT: C R100-315 (22581) R1 ESB ADA CURB RAMPS PHASE 5

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 1's project C R100-315 (22581) to the low bidder Noraa Concrete Construction Corporation ("Noraa").

Project Description: This Region 1 project is located in various areas and counties for completing 118 ADA Curb Ramp replacements. The project work includes sidewalk, curb, and gutter repair and replacements, and pedestrian push button replacements associated with ADA requirements. Pursuant to 2 CCR 604-1, the project was solicited under a design bid build (low bid) project delivery method where only emerging small businesses were allowed to participate. Two bids were received in response to the bid solicitation with Noraa being the lowest responsive bidder.

Financial Impact: Noraa's bid proposal totaled \$1,179,971.00 compared to the CDOT engineer's estimate of \$1,018,234.00. The project risks rejection by Statute since there were only two bidders and their proposals are 115.9% and 161.3% of the engineer's estimate. Region 1's construction phase budget for the project is \$1,500,000.00.

Cost Analysis: An analysis of the bid schedule revealed that six 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	% Over Eng.
			Low Bid	& Eng. Est.	Difference	Estimate
Muck Excavation	900	CY	\$48.00	\$35.00	\$11,700.00	37.1%
Erosion Control	118	EA	\$650.00	\$450.00	\$23,600.00	44.4%
Reset Pedestrian Push Button	28	EA	\$655.00	\$180.00	\$13,300.00	63.8%
Aggregate Base Course (Class 6)	900	TN	\$65.00	\$40.00	\$22,500.00	62.5%
Hot Mix Asphalt for Patching	213	TN	\$325.00	\$170.00	\$33,015.00	91.1%
Concrete Curb Ramp	1,437	SY	\$175.00	\$162.00	\$18,681.00	8%

For the muck excavation, erosion control, aggregate base course, hot mix patching, and concrete curb ramp bid items the engineer's estimate used historical data from similar projects with comparable quantities. In verifying Noraa's bid offer, research revealed that the long distances between the individual work site locations resulted in higher than anticipated bid pricing due to inefficiencies caused by the multiple work location. For the reset pedestrian push button bid item, the engineer's estimate again used historical data from similar projects. Research revealed that the subcontractor Noraa plans to use for completing the push button resets routinely encounters deteriorated wiring which requires additional work and material to complete resulting in than anticipated bid pricing. In addition, the subcontractor increased their pricing to account for the multiple work

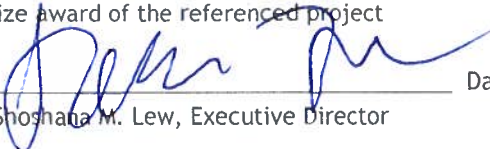
site locations affecting mobilization costs. Based on the cost analysis, EEMA and Region 1 consider Noraa's proposed prices to be fair and reasonable, and recommends proceeding with the award to them.

Other Considerations: Given the overall location of the work with separate mobilization sites along with Noraa's bid being \$462,198.00 lower than the only other bidder, re-advertisement as an emerging small business set aside type project is unlikely to result in more competition or reduced pricing. As a result, it is recommended that the project's award be authorized.

- I recommend award
- I do not recommend award

 Date 4/11/19
Markos Atamo, PE, CMA Branch Manager

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

 Date 4/12/19
Shoshana M. Lew, Executive Director

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