**Project Cost Estimates and Federal Authorization**

The *Project Development Manual* (PDM), Section 1.04.02, “Federal Authorization and Budgeting,” has been modified to clarify CDOT’s implementation of Federal requirements for a documented Project Cost Estimate when the FHWA authorization of Federal funds is requested, as noted below. Although the Federal requirements have not changed, the PDM has been revised to improve consistency in Project Cost Estimates, particularly when Consultant Resources are included in project staffing, as noted in the excerpt from Section 1.04.02.03 provided below:

1. “For projects staffed EXCLUSIVELY with CDOT and Local Agency Resources, the FHWA submittal only needs to include the Project Cost Estimate. Design costs may be represented as a percentage of the total construction cost estimate, based on historical and inflationary data.
2. For projects staffed INCLUSIVEof Consultant Resources, the FHWA submittal will include:
3. Scope of Work –Sections of the Scope of Work ONLY where consultant resources are identified.
4. Project Cost Estimate – The Project Cost Estimate shall separately list CDOT and Consultant labor-hours and costs for each phase of the project.

**Note:** If a consultant is to serve as the Project Engineer on a **FHWA Oversight Construction Project** (See Construction Bulletin CB 2010-9, “[Guidance for When the Project Engineer is a Consultant](http://www.coloradodot.info/business/designsupport/bulletins_manuals/construction-bulletins/current/cb-2010-9-cnsltnt/view)”), the Regional Engineer/Project Manager shall submit a separate request for approval from their respective FHWA Operations Engineer prior to contracting such services.”

Revised PDM Section 1.04 is attached for your convenience, should you have a printed copy of the manual. The Project Cost Estimate Worksheet is now included in PDM Section 1.04.02. The online version of the PDM has been updated.



For assistance or additional information regarding this change, please contact your respective Area Engineer or the Contracts and Market Analysis Branch Manager.

**References:**

Design Bulletins can be found on the CDOT intranet at:

<http://www.coloradodot.info/business/designsupport/bulletins_manuals/design-bulletins>

Construction Bulletins can be found on the CDOT intranet at:

<http://www.coloradodot.info/business/designsupport/bulletins_manuals/construction-bulletins>