



Division of Transportation

Paula J. Trigg, P.E.
Director of Transportation/County Engineer

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Memo

To: Paula J. Trigg

File: Redundant Fiber Optic Project

From: William Eidson

Sect: 14-00999-03-TL

Subj: Justification of Bid – 9/30/2014 Letting

Date: 10/1/2014

- For Your Info/Files
- Review and Comment
- Please Reply for my Signature
- Please Report on Current Status
- Per Your Request
- Investigate and Report
- Please Call/See Me
- For Your Approval and Signature
- Please Process
- Note and Return
- OK'd by PJT
- Date 10/1/2014

Paula,

All three of the bids received for the Redundant Fiber Optic project exceeded the Engineer's Estimate of \$56,005.00. The low bid was over the estimate by \$21,345.77.

Estimated unit prices for this project were developed based on previous LCDOT projects. Non-typical improvements of this type present a challenge in using historical data to develop the Engineer's Estimate as the unit bid prices often fluctuate from the average prices bid on standard roadway projects. In addition, after the estimate was prepared the bid documents were amended to change from Working Days to a Completion Date schedule. This type of change often results in higher unit prices, as it reduces the contractor's flexibility in scheduling work. Since the purpose of the project is to provide redundant fiber connectivity during winter conditions, the Completion Date requirement was added to ensure the project would be completed before the end of the winter season.

It is assumed that this price difference is the result of the bidders relying on subcontractor and vendor pricing, fuel cost volatility, and the difficulty in estimating unit prices on small projects such as this.

As there were three bidders for this project, it is not anticipated that re-letting this project would result in a lower bid prices. It would also result in the project not being completed until after the end of the winter season. Based on the above analysis I recommend that the County award the contract to the low bidder, John Burns Construction Company at the bid price of \$77,350.77.

Approved by:

Jonathan P. Nelson P.E.
Engineer of Traffic

William C. Eidson P.E.
Project Engineer