



2010-2011 FISCAL YEAR

# *LETTING STATISTICS*

# **FY 2011 MDOT CONSTRUCTION CONTRACT ACTIVITY**

Fiscal Year 2011 held 23 lettings for a total of 764 projects let with an engineers' estimate total of \$1.08 billion and low bids totaling \$1.01 billion. Of the 764 projects, 324 or 42.4% were State Trunkline. The remaining projects consisted of 404 Local, 35 Aeronautics, and 1 Freight Services.

The State Trunkline low bid dollars let for FY 2011 totaled \$699.8 million and represented 69.2% of the overall \$1.01 billion. In comparison to FY 2010, there were 411 State Trunkline projects let the total low bid dollar amount of \$813.3 million representing 62.6% of the overall \$1.3 billion in low bid dollars. The low bid total of the remaining projects let during FY 2011 was \$314.2 million compared to \$485.3 million in FY 2010.

During FY 2011, MDOT received 3,886 bids from 299 different bidders for the 764 projects let of the 23 bid lettings. For FY 2010, 5,769 bids from 377 different bidders of 1,055 projects let of the 21 bid lettings held.

## **AMERICAN RECOVERY AND REINVESTMENT ACT PROGRAM REPORTING**

For FY 2011, a total of 16 projects were let for use of the American Recovery and Reinvestment Act Program (ARRA) funds with low bids totaling \$178.4 million. In FY 2010, 312 ARRA projects were let for a total of \$354.0 million in low bid dollars.

## **REJECTIONS, APPEALS and ALL BIDS REJECTED**

There were 2 low bid rejections (LBR) during FY 2011. One of the two LBR occurred as a result of the unbalanced bid review. One of the 2 low bid rejections appealed but later withdrew the appeal. There were no low bid withdrawals prior to contract award during FY 2011, and 19 projects had all bids rejected (ABR), or 2.5% of all program area projects let. Thirteen of the 19 ABRs were State Trunkline projects. One State trunkline project let received no bids.

## **PREQUALIFICATION**

A total of 758 construction contractors were prequalified at fiscal year end 2011. Of the 758 prequalified contractors, 153 individual contractors were awarded prime contracts. Compared to fiscal year 2010, 211 individual contractors were awarded prime contracts of the 824 prequalified construction contractors. The top ten prime contractors were awarded 60.7% of the total low bid dollars during fiscal year 2011, compared to 54.6% for fiscal year 2010.

## **PAYMENTS**

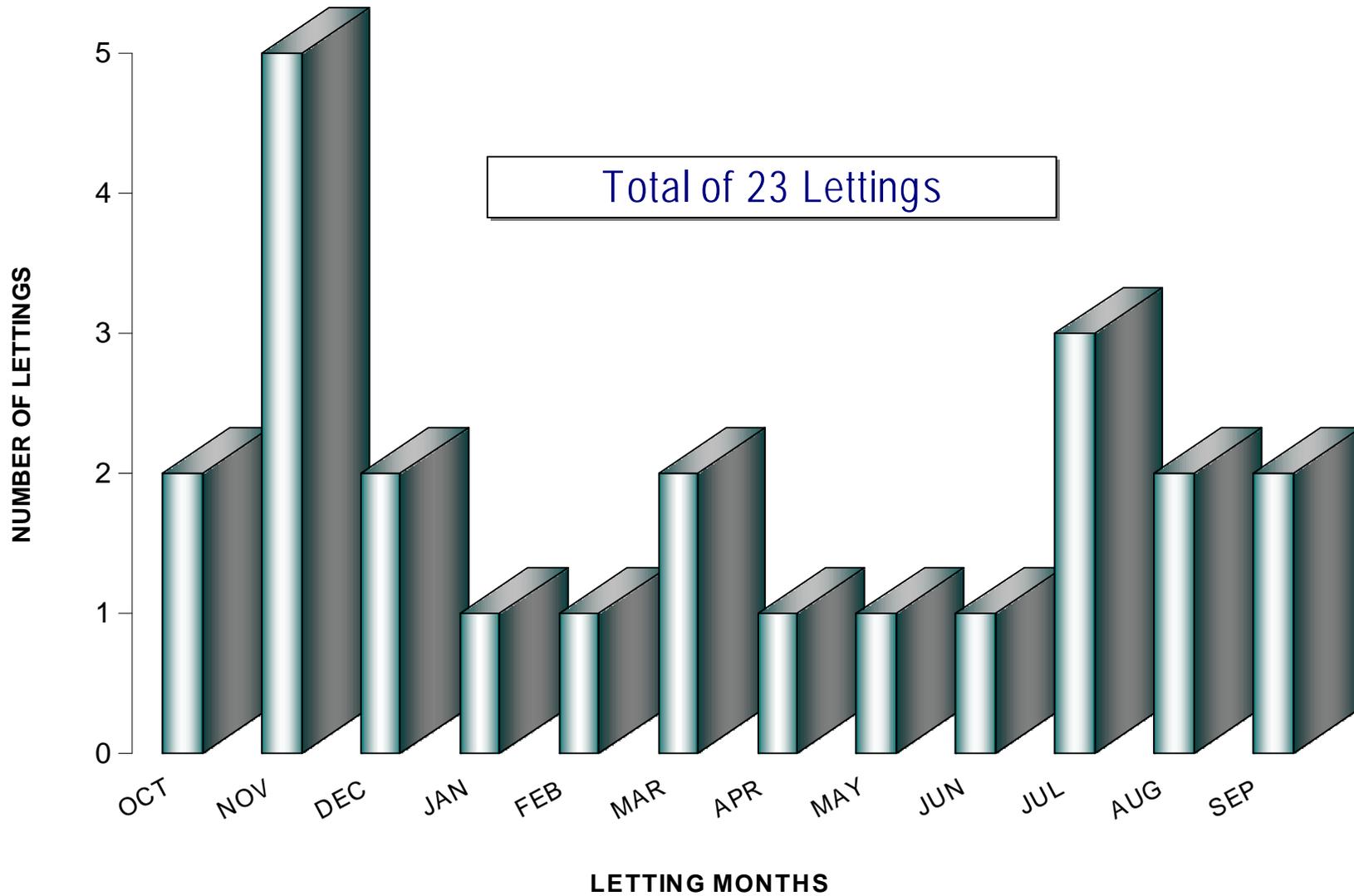
At the close of fiscal year 2011, 13,811 payment estimates were processed totaling \$1.2 billion paid to contractors. At the close of fiscal year 2010, \$1.4 billion was paid to contractors of the 14,391 payment estimates processed.

# FY 2011 MDOT CONSTRUCTION CONTRACTING ACTIVITIES

- Bid Lettings
- Distribution of Program Area Projects
- Accuracy of Engineers' Estimates
- Distribution of ARRA Projects
- Development of Design Plans
- Contractor Prequalification
- Distribution of Contract Bidding
- Region Distribution
- Payments
- Contract Administration Activities

# NUMBER OF LETTINGS PER MONTH

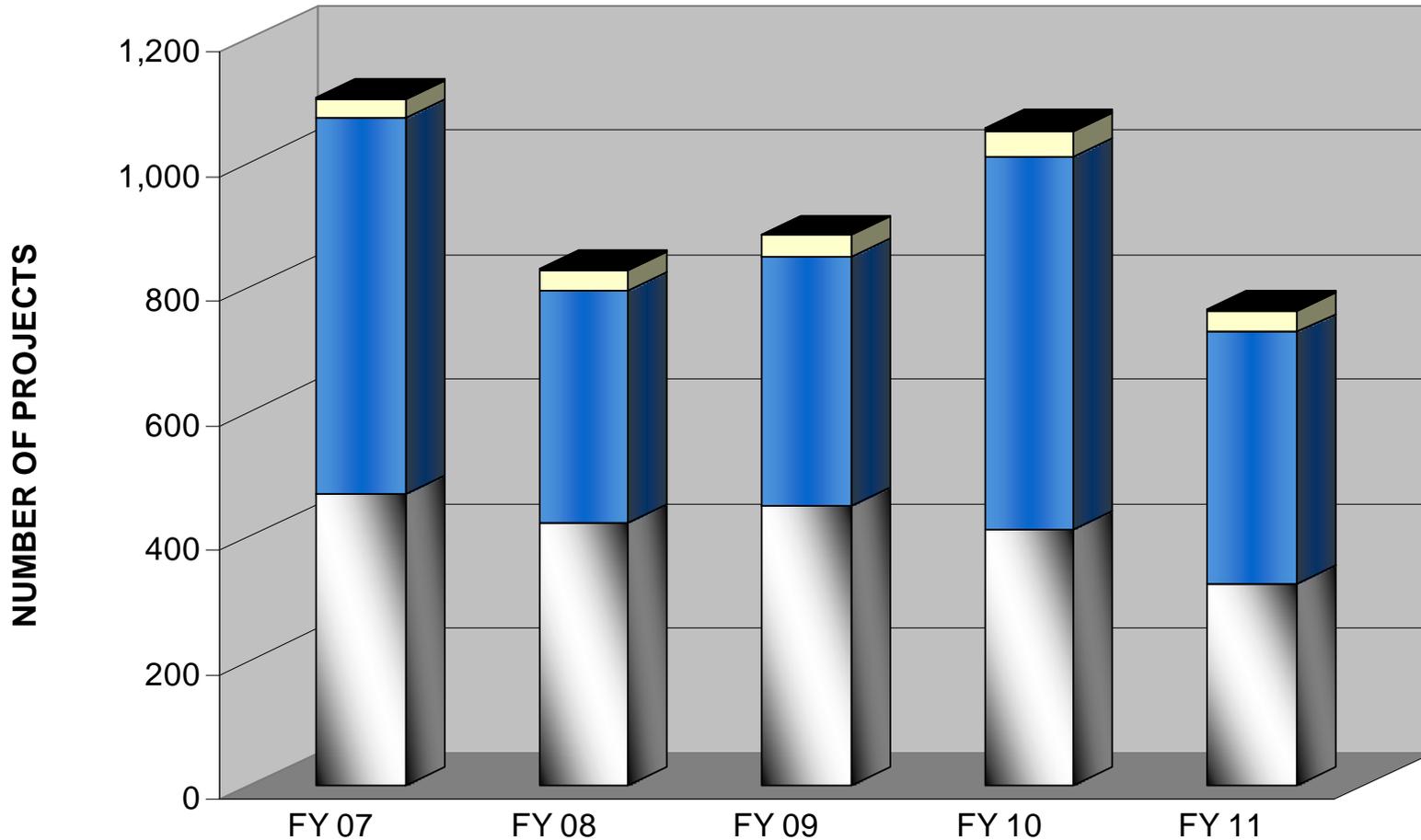
## FISCAL YEAR 2011



# PROJECTS BY PROGRAM AREA

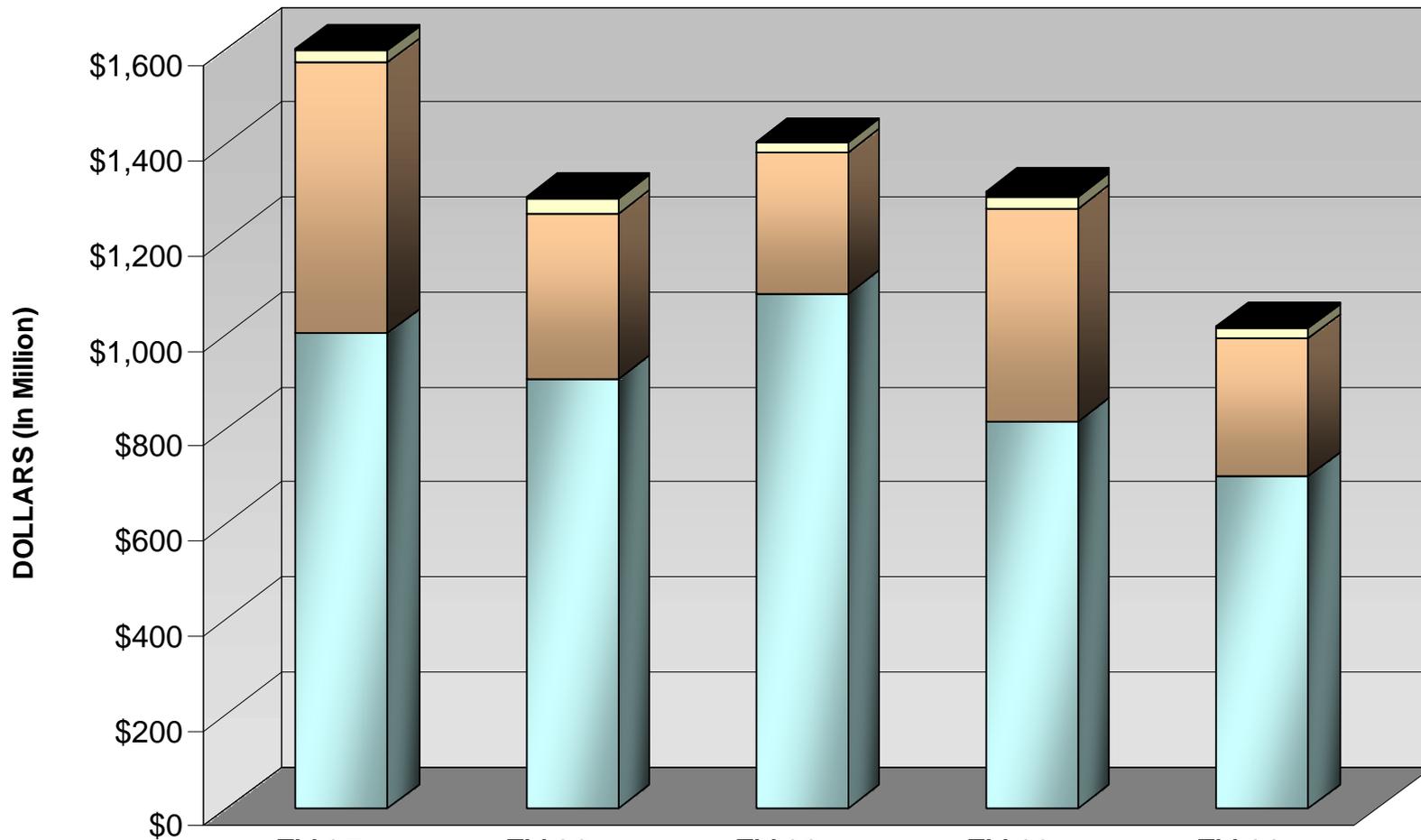
NUMBER OF PROJECTS

FY 2007 - FY 2011



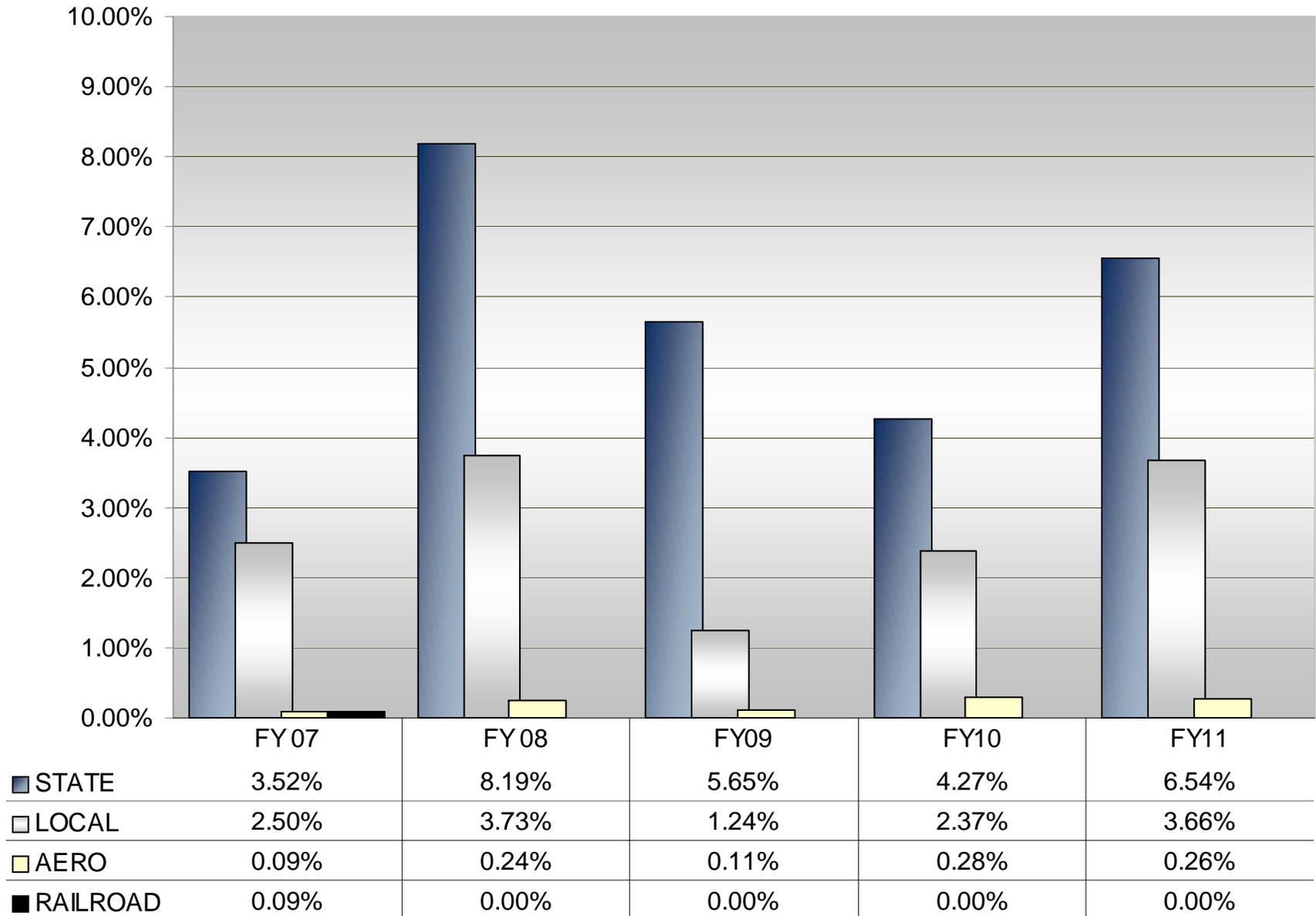
|               |              |            |            |              |            |
|---------------|--------------|------------|------------|--------------|------------|
| ■ RAILROAD    | 3            | 3          | 1          | 5            | 1          |
| ■ AERO        | 31           | 32         | 34         | 41           | 35         |
| ■ LOCAL       | 603          | 373        | 401        | 598          | 404        |
| ■ STATE       | 469          | 422        | 449        | 411          | 324        |
| <b>Totals</b> | <b>1,106</b> | <b>830</b> | <b>885</b> | <b>1,055</b> | <b>764</b> |

## PROJECT DOLLARS - 5 YEAR COMPARISON BY PROGRAM AREA



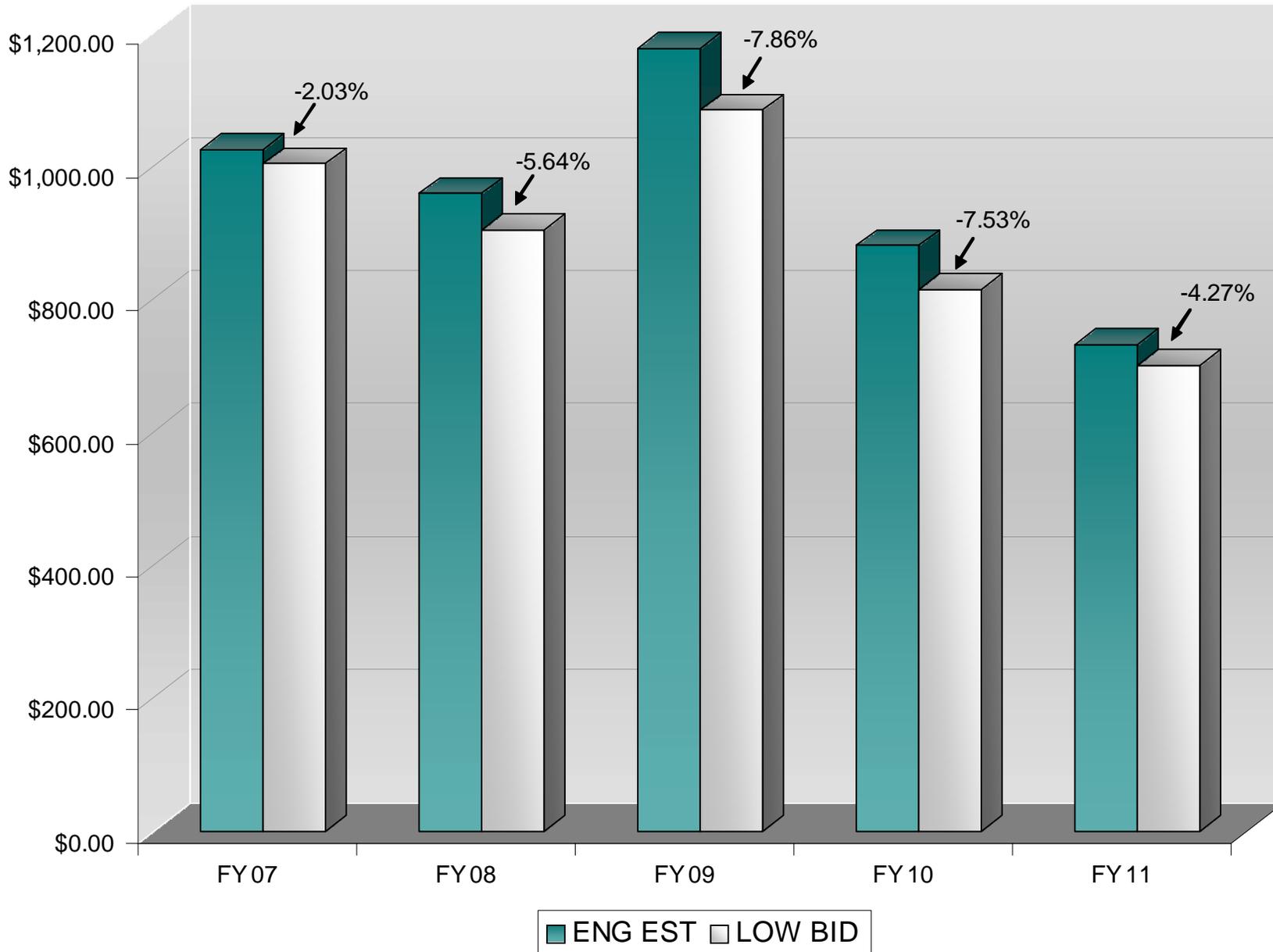
|               | FY 07            | FY 08            | FY 09            | FY 10            | FY 11            |
|---------------|------------------|------------------|------------------|------------------|------------------|
| ■ RAILROAD    | \$3.3            | \$4.1            | \$2.6            | \$11.7           | \$2.76           |
| ■ AERO        | \$25.3           | \$31.5           | \$22.1           | \$25.5           | \$21.88          |
| ■ LOCAL       | \$569.6          | \$347.8          | \$296.6          | \$448.4          | \$289.54         |
| ■ STATE       | \$1,002.5        | \$903.9          | \$1,083.0        | \$813.3          | \$699.75         |
| <b>TOTALS</b> | <b>\$1,600.6</b> | <b>\$1,287.3</b> | <b>\$1,404.3</b> | <b>\$1,298.9</b> | <b>\$1,013.9</b> |

## PERCENT OF PROJECTS 10% OVER ENGINEERS' ESTIMATES BY PROGRAM AREA



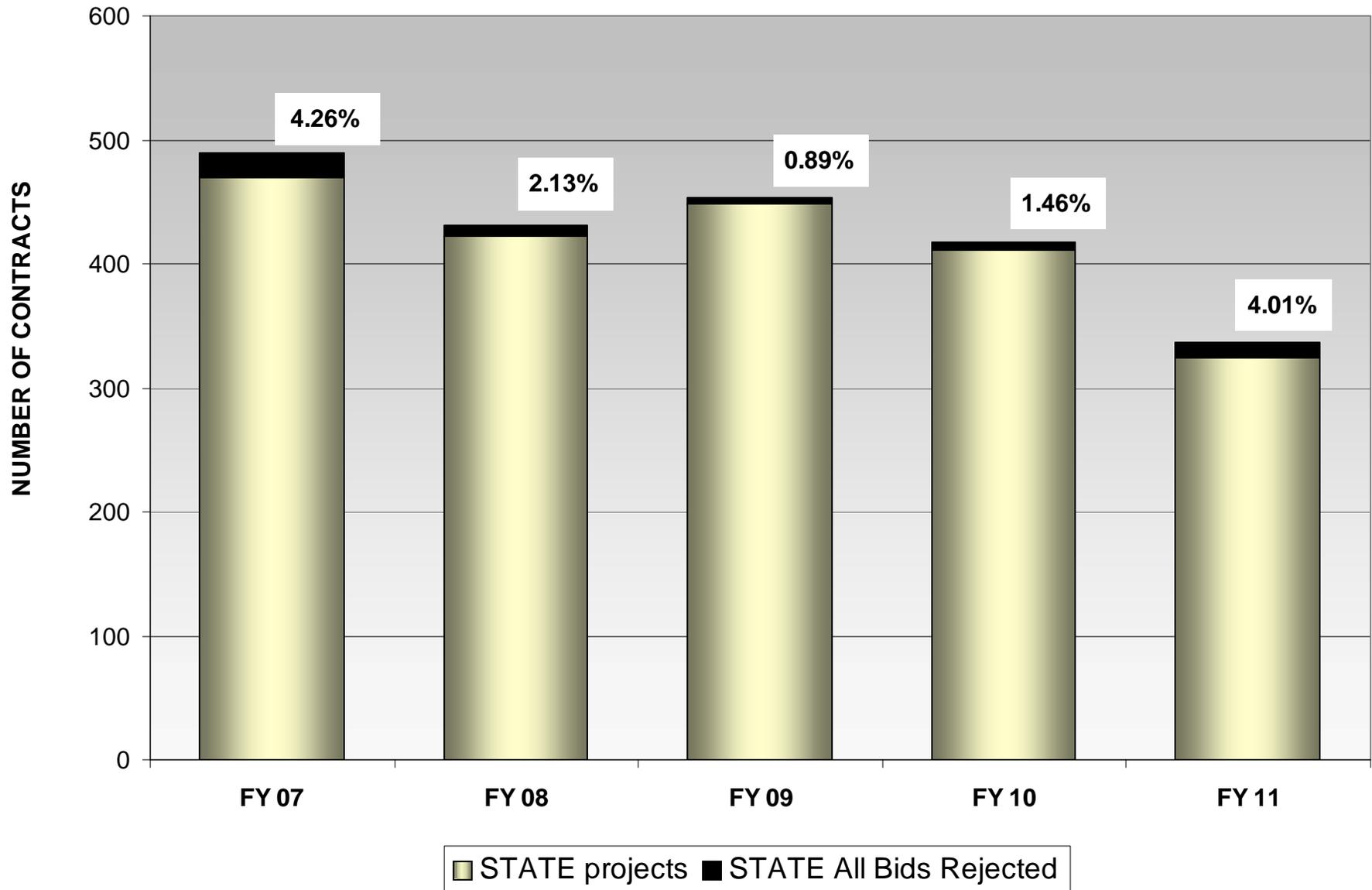
# LOW BID vs. ENGINEERS' ESTIMATES

## State Projects



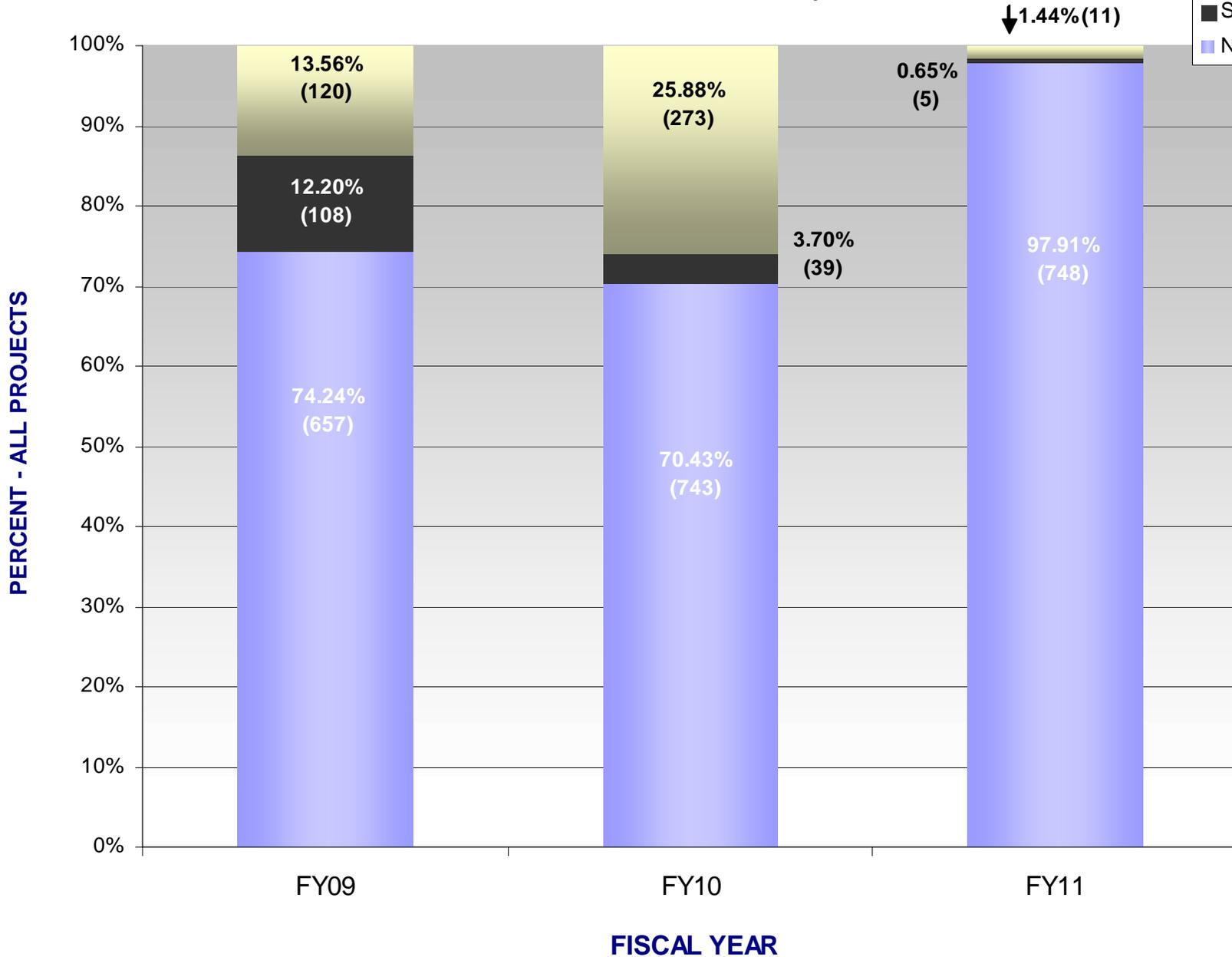
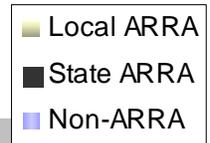
# STATE PROJECTS vs. ALL BIDS REJECTED

## 5 YEAR COMPARISON



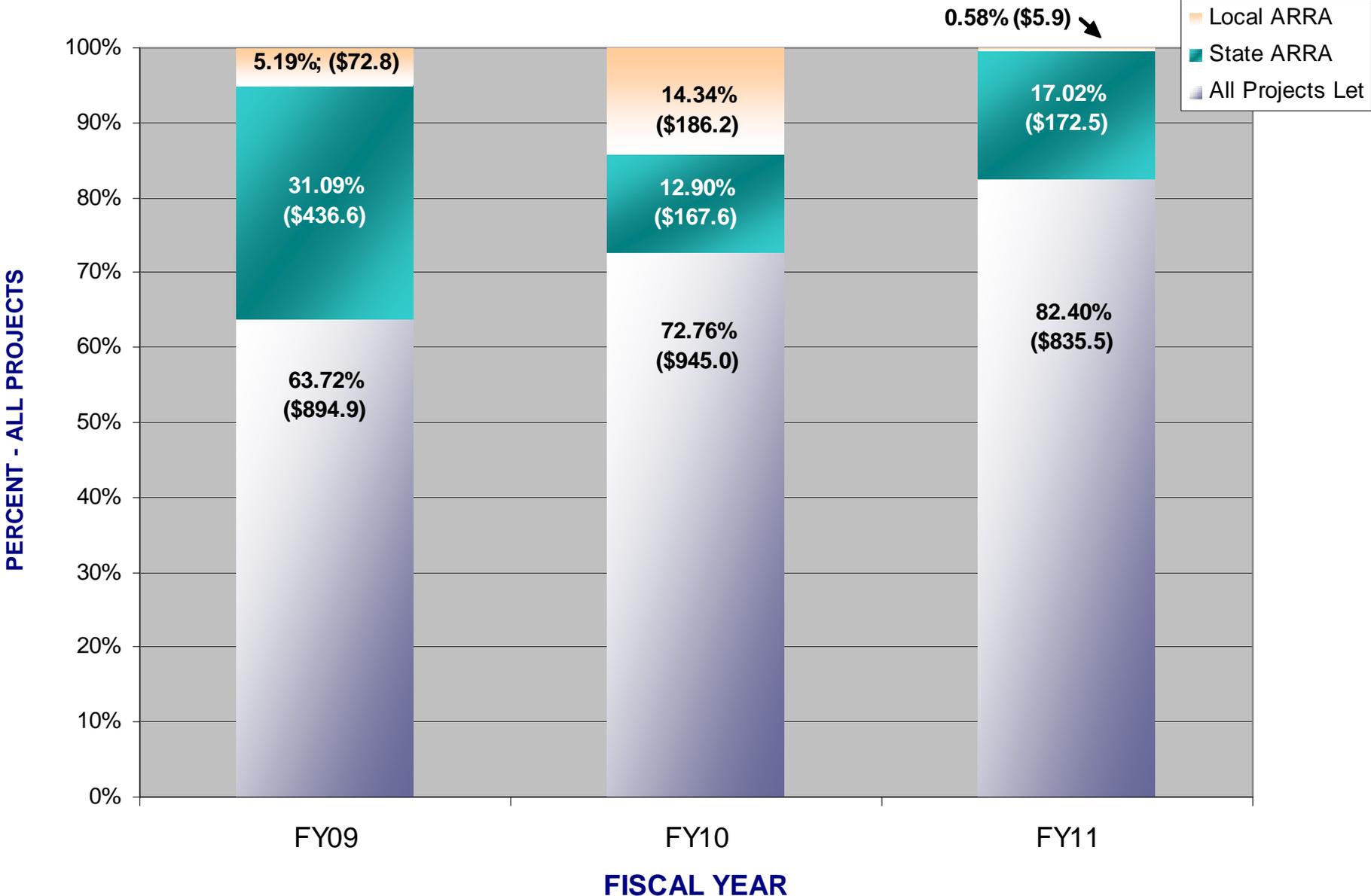
# ARRA PROJECTS vs NON-ARRA PROJECTS

## Percent and Number of Projects Let



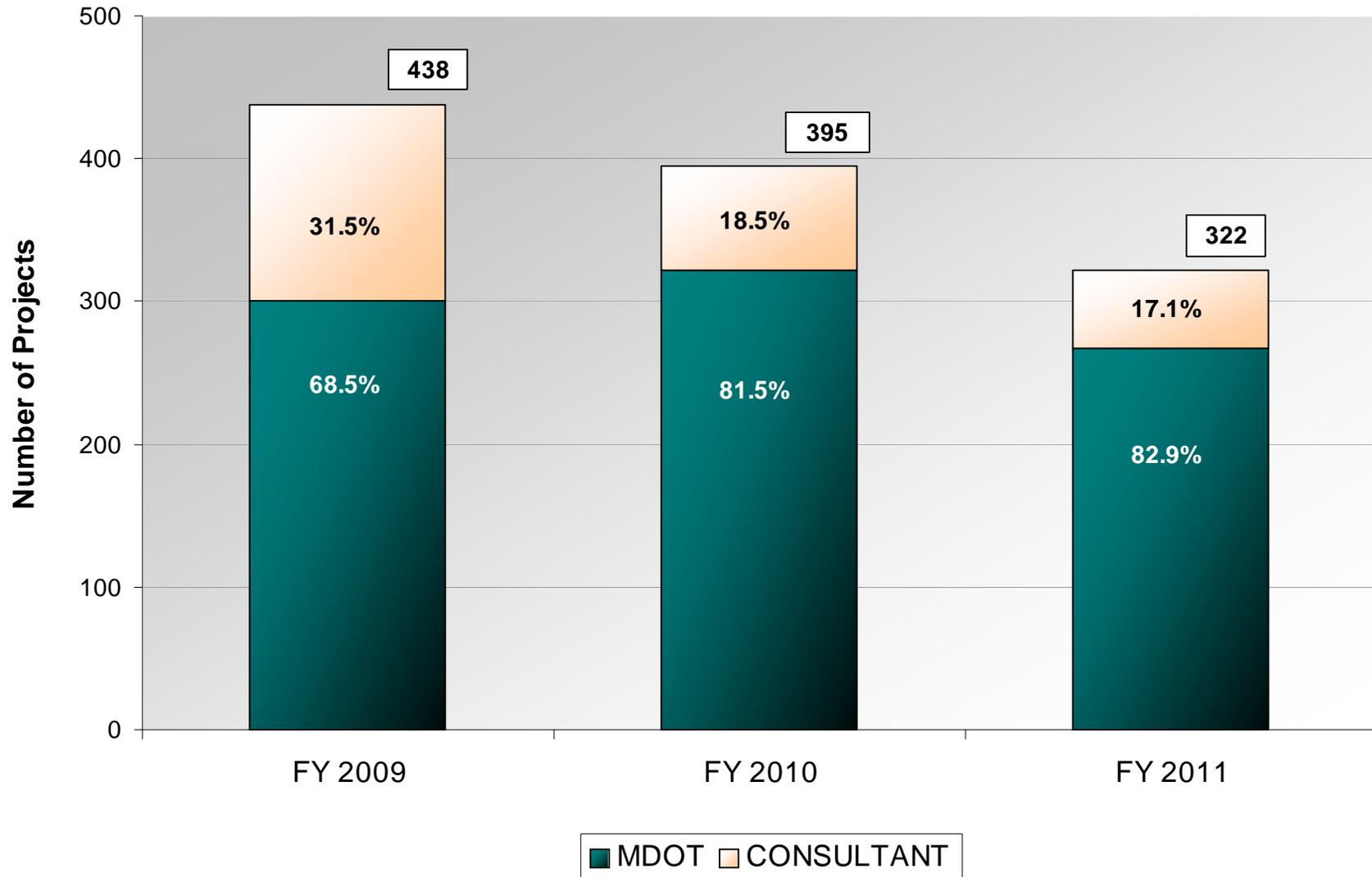
# ARRA PROJECTS vs NON-ARRA PROJECTS

Percent and Low Bid Dollars of Projects Let (in million)



# DESIGN OF STATE PROJECTS

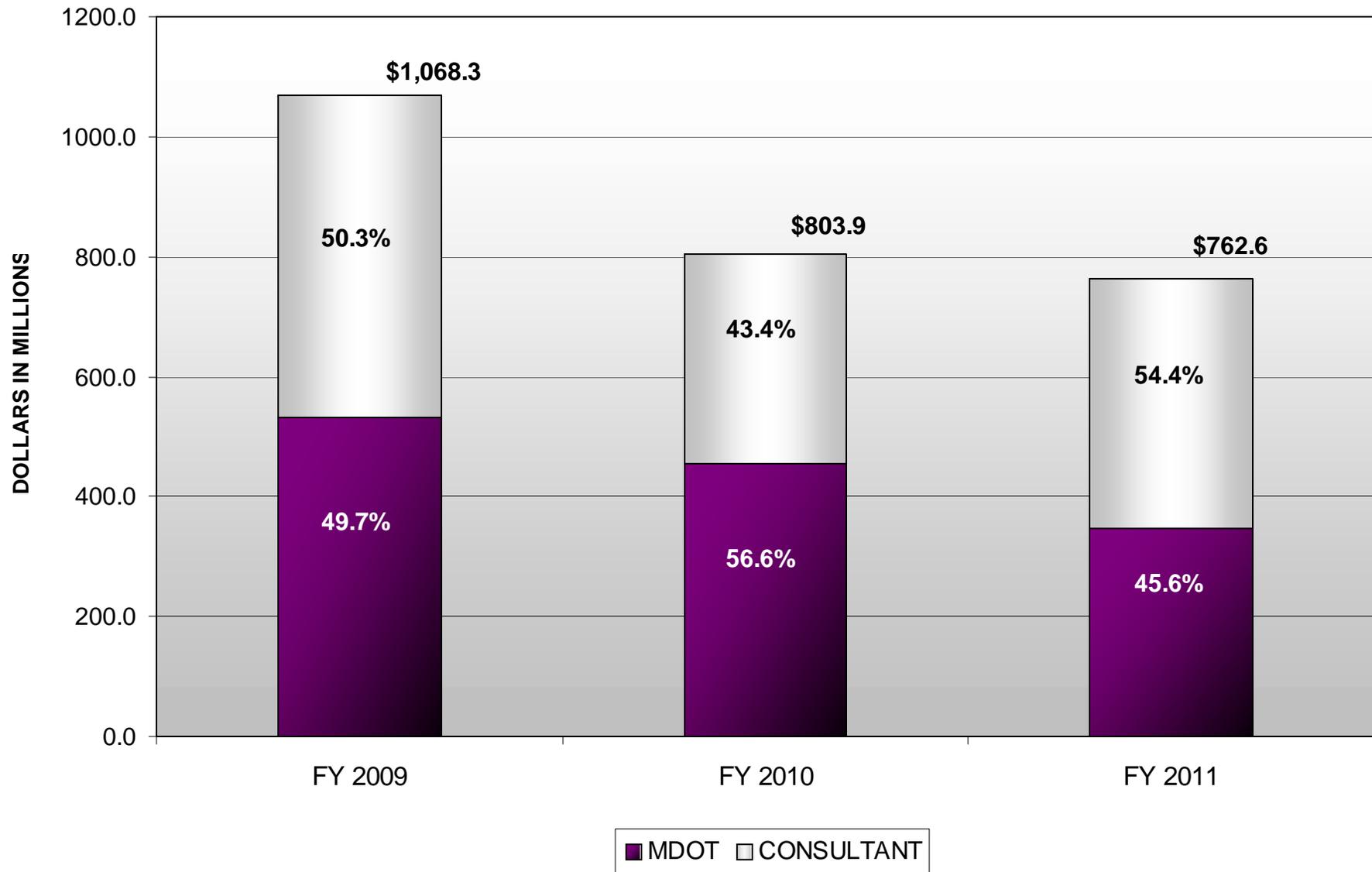
## NUMBER OF PROJECTS\*



\*The total number of projects excludes Real Estate program area projects.

# DESIGN OF STATE PROJECTS

## LOW BID DOLLARS\*



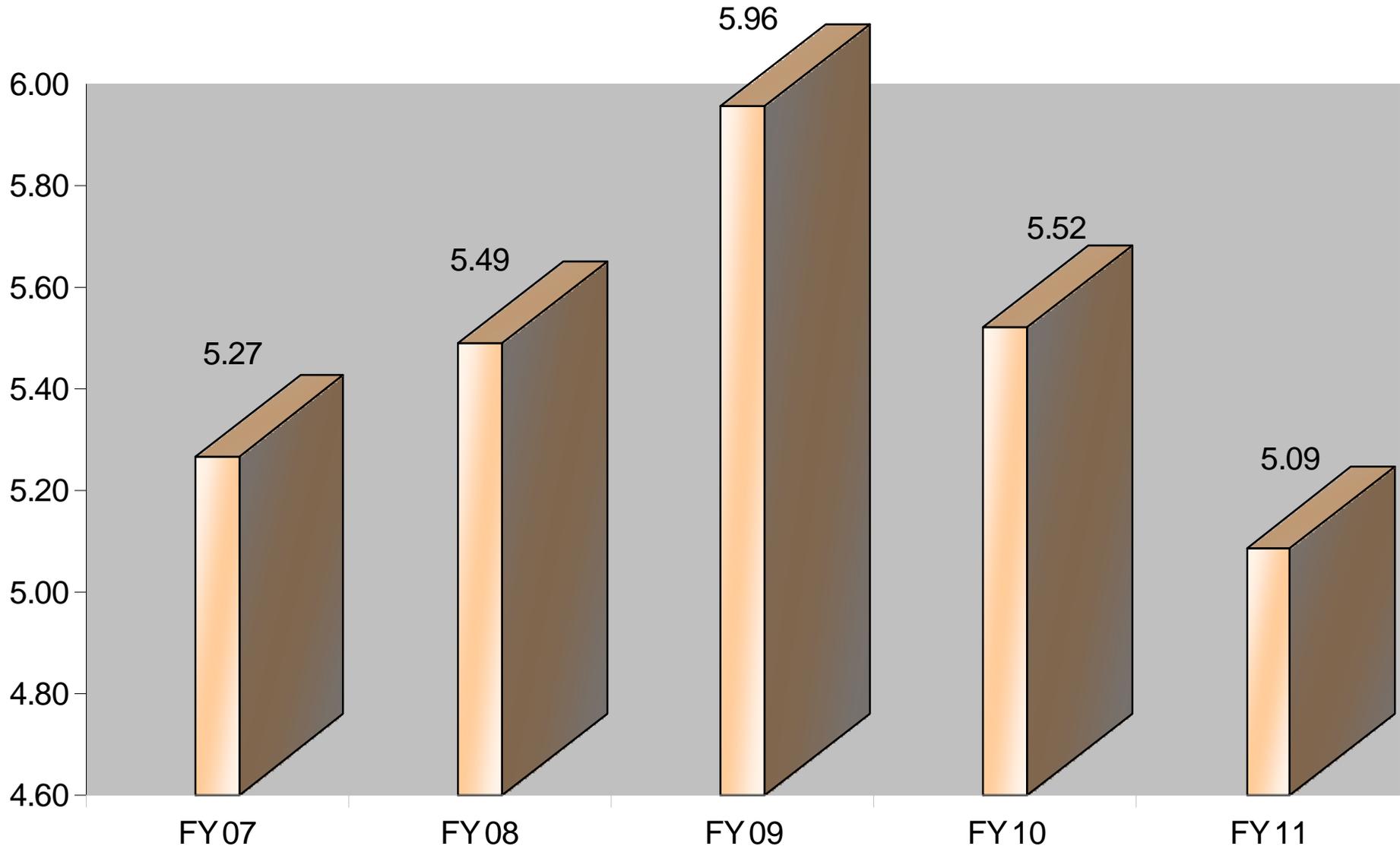
\*The total low bid dollars exclude Real Estate program area projects.

## DISTRIBUTION OF PREQUALIFIED CONTRACTORS BY FINANCIAL RATING

|                            | FY 2010               |                     | FY 2011               |                     |
|----------------------------|-----------------------|---------------------|-----------------------|---------------------|
| Prequalification RANGE     | Number of CONTRACTORS | PERCENTAGE of total | Number of CONTRACTORS | PERCENTAGE of total |
| \$0 - \$1,000,000          | 172                   | 21%                 | 122                   | 16.1%               |
| \$1,000,001-\$5,000,000    | 315                   | 37%                 | 298                   | 39.3%               |
| \$5,000,001-\$20,000,000   | 129                   | 16%                 | 120                   | 15.8%               |
| \$20,000,001-\$100,000,000 | 137                   | 17%                 | 144                   | 19.0%               |
| \$100,000,001 and Above    | 71                    | 9%                  | 74                    | 9.8%                |
| <b>TOTALS</b>              | <b>824</b>            | <b>100%</b>         | <b>758</b>            | <b>100%</b>         |

# AVERAGE NUMBER OF BIDS PER PROJECT

FISCAL YEAR END



# TOP 10 PRIME CONTRACTORS OF AWARDED CONTRACTS

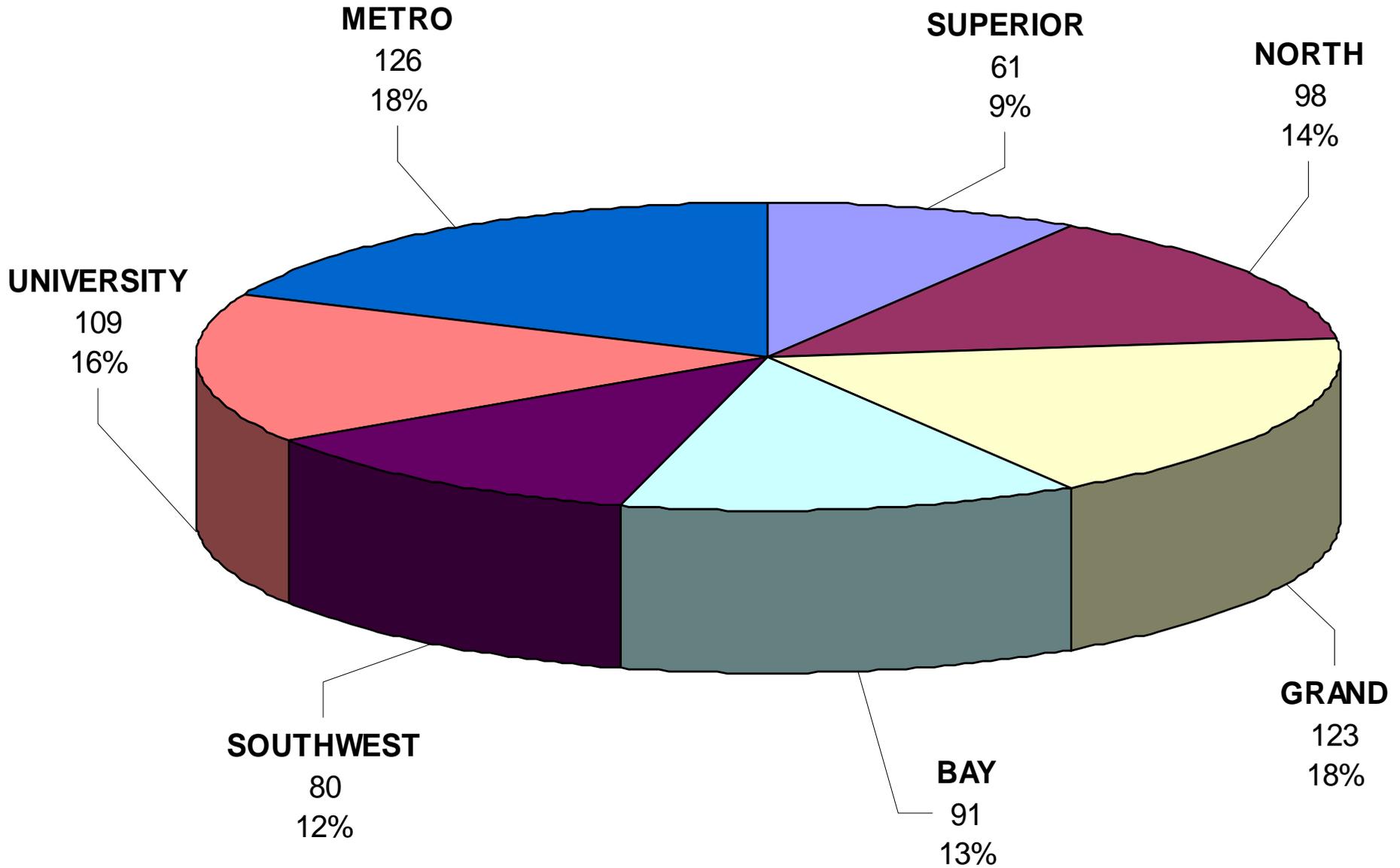
## CONTRACT DOLLARS

| <b>FY 2010</b>                        |                           |
|---------------------------------------|---------------------------|
| <b>Company Name</b>                   | <b>Awarded Amount</b>     |
| Dan's Excavating, Inc.                | \$141,737,051.63          |
| Interstate Highway Construction, Inc. | \$86,603,672.96           |
| Rieth-Riley Construction Co., Inc.    | \$83,323,849.83           |
| C. A. Hull Co., Inc.                  | \$70,044,830.61           |
| Posen Construction, Inc.              | \$65,518,287.87           |
| Michigan Paving and Materials Company | \$62,412,103.63           |
| Cadillac Asphalt, L.L.C.              | \$59,650,340.16           |
| Ajax Paving Industries, Inc.          | \$56,394,299.30           |
| D. J. McQuestion & Sons, Inc.         | \$52,064,155.39           |
| Angelo Iafrate Construction Company   | \$43,350,492.27           |
| <b>TOTAL</b>                          | <b>\$721,099,083.65</b>   |
| <b>TOTAL AWARDED CONTRACTS</b>        | <b>\$1,320,833,088.22</b> |
| <b>Percent of Total Program</b>       | <b>54.59%</b>             |

| <b>FY 2011</b>                           |                         |
|--|-------------------------|
| <b>Company Name</b>                      | <b>Awarded Amount</b>   |
| Dan's Excavating, Inc.                   | \$197,861,434.80        |
| Ajax Paving Industries, Inc.             | \$46,587,270.46         |
| Rieth-Riley Construction Co., Inc.       | \$64,257,506.27         |
| Walter Toebe Construction Company        | \$63,637,666.45         |
| Pamar Enterprises, Inc./Ajax Paving Indu | \$38,898,219.26         |
| Cadillac Asphalt, L.L.C.                 | \$34,217,941.31         |
| Michigan Paving and Materials Company    | \$29,451,944.27         |
| Anlaan Corporation                       | \$23,929,676.89         |
| Florence Cement Company                  | \$19,676,264.83         |
| Angelo Iafrate Construction Company      | \$17,928,584.38         |
| <b>TOTAL</b>                             | <b>\$536,446,508.92</b> |
| <b>TOTAL AWARDED CONTRACTS</b>           | <b>\$896,460,537.57</b> |
| <b>Percent of Total Program</b>          | <b>59.84%</b>           |

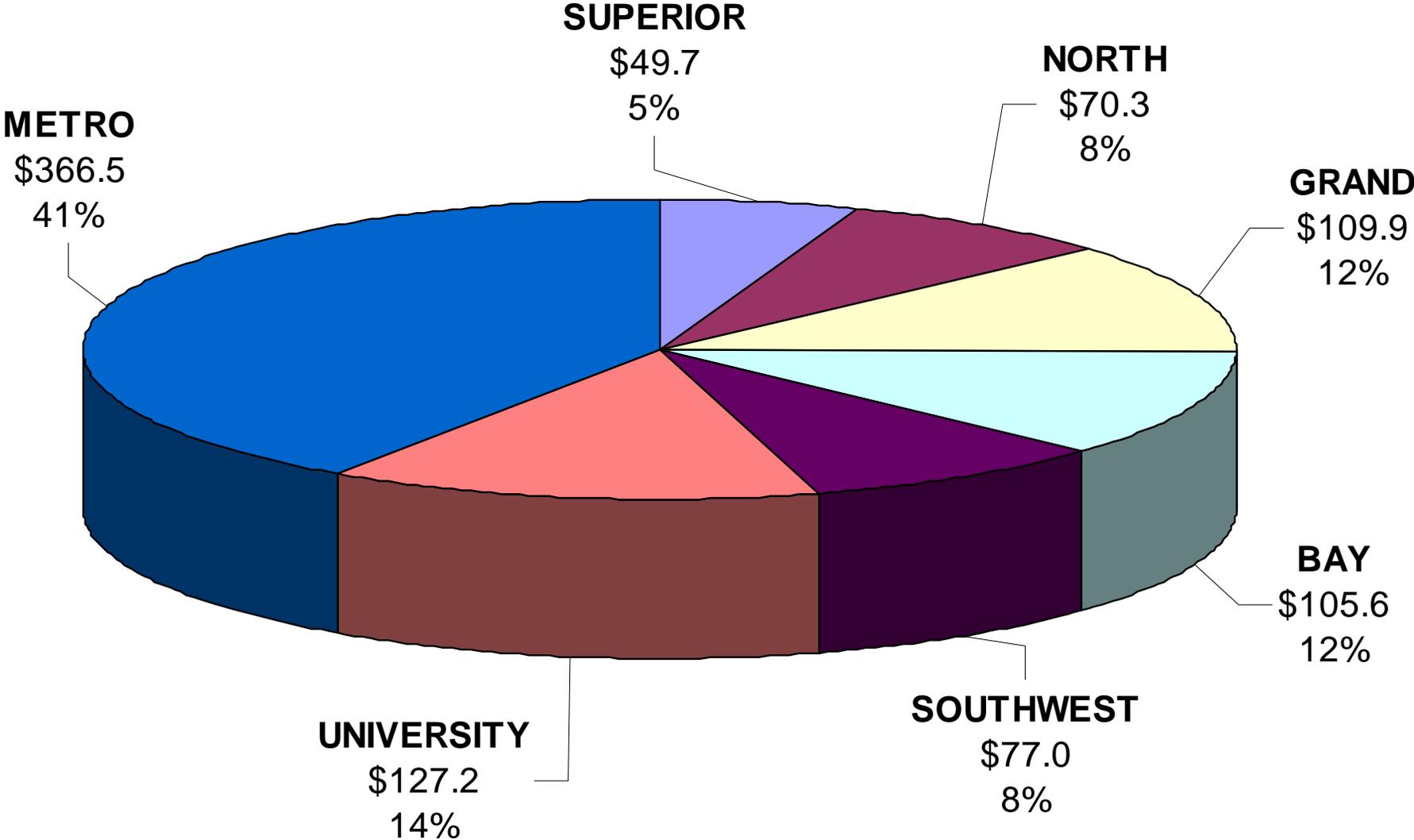
# CONTRACTS BY REGION

Number and Percent



# CONTRACT DOLLARS BY REGION

Dollars (In million) and Percent



# *Payments*



## **FISCAL YEAR END 2011**

13,811 payment vouchers  
were processed totaling  
\$1.2 billion paid to  
contractors.

## **FISCAL YEAR END 2010**

14,391 payment vouchers  
were processed totaling  
\$1.4 billion paid to  
contractors.

# CONTRACT ADMINISTRATION ACTIVITIES

- The Unbalanced Bid Review “graduated” into a regular business process.
  - After successful completion of the unbalanced bid pilot study in 2009 and continuing into 2010, the unbalanced bid review (UBR) is now a regular business process.
  - During fiscal year 2011, 257 projects were reviewed which represents \$623.2 million of total let dollars.
  - One materially unbalanced bid was found that resulted in a low bid rejection.

# CONTRACT ADMINISTRATION ACTIVITIES

## ■ Prompt Payment Reporting

- A new Prompt Payment Special Provision was implemented. Payment reporting is done through an electronic database from the prime contractors to the Engineer prior to release of the second and subsequent estimates.

# CONTRACT ADMINISTRATION ACTIVITIES

## Approval of State Administrative Board Revisions

- Significant changes went into effect in August of 2011 regarding State Administrative Board (SAB) required approvals that will reduce contract award processing time for engineering and construction contracts.
  - Construction and engineering contracts estimated at \$500k or greater prior to execution of a contract require pre-approval.
  - Construction and engineering contracts estimated at or less than \$500k do not require pre-approval.
  - Construction and engineering contracts that exceed 110% of the engineer's estimate will require approval prior to execution of a contract.
  - Construction and engineering contract modifications do not require approval.

# CONTRACT ADMINISTRATION ACTIVITIES

- 2012 Standard Specifications for Construction were revised during fiscal year 2011

Significant changes include:

- Incorporation of supplemental specifications and frequently used special provisions
- Addition or deletion of pay items
- Changes in materials specifications
- Changes in equipment requirements or construction methods
- Change in how a pay item is measured for payment.

*End of Presentation*