

**MICHIGAN STATE TRANSPORTATION COMMISSION
WAIVER OF FULL COMMISSION APPROVAL
OUTLINE OF MATERIALS**

DATE: October 17, 2014

I. WAIVER

- Waiver for Commission Approval (**chair signature requested**)

II. OVERSIGHT

- Exhibit A: Contract Agreements (**approval required**)
- Exhibit A-1: Bid Letting Pre-Approvals (**waiver requested**)
- Exhibit A-2: Letting Exceptions (**waiver requested**)

III. NEXT STC MEETING

- The next full meeting will be held Thursday, December 4, 2014, in Lansing at the Aeronautics Building.

DATE: October 17, 2014

TO: Jerrold M. Jung, Chairman
State Transportation Commission

FROM: Kirk T. Steudle
Director

SUBJECT: **Waiver of Commission Approval**

The projects and descriptions documented in Exhibit A, attached, require State Transportation Commission approval prior to the contracts being awarded. The approximate eight week delay resulting if Commission approval were deferred to the December 4, 2014, Commission meeting could jeopardize the timeliness of the award of the contracts, as well as the performance of the project work necessary.

The project and description documented in Exhibit A-1, attached, is scheduled to be let by the Michigan Department of Transportation on November 7, 2014. This project requires pre-approval as the engineer's estimate is over \$500,000. The approximate eight week delay resulting if Commission approval were deferred to the December 4, 2014, Commission meeting would delay the transmittal of the contract documents to the low bidder, and could jeopardize the construction schedule for this project.

The projects and descriptions documented in Exhibit A-2, attached, were let by the Michigan Department of Transportation on October 3, 2014. These projects required pre-approval as the engineers' estimates were over \$500,000, however the low bids received were more than 10% over the engineers' estimates and therefore require approval by the State Transportation Commission. The approximate eight week delay resulting if Commission approval were deferred to the December 4, 2014, Commission meeting would delay the transmittal of the contract documents to the low bidders, and would jeopardize the construction schedules for these projects as they are all to be completed in this construction season.

Thus, a waiver of the required Commission approval is requested, as provided in Commission Resolution 79-3, as amended, footnote F:

“If, in the opinion of the Director, the public interest requires that a certain contract be awarded or an agreement be executed prior to approval by the Commission, hereunder, the Director shall seek a waiver of the required approval from the Chairman of the Transportation Commission. If the request of the approval is verbal, the waiver shall be confirmed, in writing, within fourteen (14) days.”

If the waiver is granted, the Department will proceed to execute the items noted above.

Signed Original on File

Kirk T. Steudle, Director

The request for waiver of Commission approval of the above-mentioned items is approved.

Signed Original on File

Jerrold M. Jung, Chairman

October 20, 2014

Date Approved

DATE: October 17, 2014

TO: State Transportation Commission

FROM: Jack Cotter, CPA
Commission Auditor
Office of Commission Audits

SUBJECT: State Transportation Commission Agenda WAIVER – Exhibit A
October 23, 2014

As information requested by the Commission, the Office of Commission Audits (OCA) notes in Attachment 1, the Schedule of Receivables Outstanding, that Exhibit A includes an entity that has owed the Department funds in excess of \$20,000 for more than 120 days. Attachment 1 shows relevant information regarding the receivables as of October 17, 2014.

Also, Guidance Document 10044, Processing Audit Requests and Auditor's Reports on Contractual Agreements, requires the Department to process OCA auditor's reports within 120 days of issuance. As of October 17, 2014, Exhibit A does not include any entities for which auditor's reports were not processed within the required timeline.

[Signed Original on File]

Jack Cotter, CPA
Commission Auditor

Attachments

cc: F. Raha

Office of Commission Audits
 Schedule of Receivables Outstanding
 Receivables Issued Prior to June 19, 2014
 As of October 17, 2014

<u>Entity</u>	<u>Exhibit No.</u>	<u>Type of Receivable</u>	<u>Outstanding</u>	<u>Date</u>
County of Macomb	A1	State Infrastructure Bank	\$244,507	November 14, 2008 ^a
		State Infrastructure Bank	\$237,472	October 29, 2010 ^b
		State Infrastructure Bank	\$356,451	December 22, 2010 ^c

Comments:

The amounts above represent loans that the department made to the Road Commission of Macomb County in the amounts of a) \$477,720, b) \$334,405, and c) \$495,000. On January 1, 2011, the road commission was incorporated into the County of Macomb. The road commission and county have made all scheduled loan payments on time. The next installments are due to the Department as follows: a) \$50,439 due November 14, 2014; b) \$35,307 due October 29, 2014; and c) \$55,106 due December 22, 2014.

REQUEST FOR MICHIGAN STATE TRANSPORTATION
COMMISSION APPROVAL

October 17, 2014

The following contracts are being submitted for approval. The appropriate documents will be approved by the Attorney General and comply with all legal and fiscal requirements prior to award.

CONTRACTS

1. *HIGHWAYS - Participation for Local Agency Construction Contract
Amendatory Contract (2014-5520) between MDOT and the Village of Cass City will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category A Funds:

Hot mix asphalt resurfacing work along Doerr Road from Division Street northerly to Highway M-81 and along Comment Drive from Center Drive to Doerr Road, including storm sewer and pavement marking work.

The purpose of this amendment is to provide for a correction in the state participation ratio from 80 percent to 93 percent to be applied to the eligible items of the project cost and a decrease in the estimated project cost based on the low bid amount. The maximum amount of State TED Funds to be applied to the eligible items of the project cost remains unchanged at \$439,972. This contract is for the construction portion of the project only. When the project is complete, the remaining local minimum match of \$47,041 will be met through local participation in the following project-related costs: preliminary engineering, right-of-way acquisition, construction, and construction engineering.

Estimated Funds:

	<u>ORIGINAL</u>	<u>AMEND.</u>	<u>TOTAL</u>
State Restricted TED Funds	\$439,972	(\$ 0)	\$439,972
Village of Cass City Funds	\$131,828	(\$61,636)	\$ 70,192
Total Funds	<u>\$571,800</u>	<u>(\$61,636)</u>	<u>\$510,164</u>

EDA 79522 – 122848; Tuscola County
Amendment

2. HIGHWAYS - Participation for State Local Bridge Construction Contract
Contract (2014-5526) between MDOT and the Van Buren County Road Commission will provide for funding participation in the construction of the following improvements under the State Local Bridge Program:

Rehabilitation work for structure B01 of 80-07-07 (#10743), which carries Blue Star Memorial Highway over Brandywine Creek, Section 8, T1S, R17W, Covert Township, Van Buren County, Michigan; rehabilitation work for structure B02 of 80-07-07 (#10742), which carries Blue Star Memorial Highway over Rogers Creek, Section 36, T2S, R17W, Covert Township, Van Buren County, Michigan; and rehabilitation work for structure B02 of 80-17-07 (#10744), which carries Blue Star Memorial Highway over Deerlick Creek, Section 22, T1S, R17W, South Haven Township, Van Buren County, Michigan, including riprap, scour protection, and maintaining traffic work.

Estimated Funds:

State Restricted Trunkline Funds	\$143,200
Van Buren County Road Commission Funds	<u>\$ 7,500</u>
Total Funds	<u>\$150,700</u>

MCS 80007 - 115787
Letting of 11/7/2014

3. HIGHWAYS - Participation for State Local Bridge Construction Contract
Contract (2014-5527) between MDOT and the Van Buren County Road Commission will provide for funding participation in the construction of the following improvements under the State Local Bridge Program:

PART A

Rehabilitation work for structure B01 of 80-01-23 (#10754), which carries County Road 653 over the Paw Paw River, Section 10, T2S, R13W, Almena Township, Van Buren County, Michigan, including hot mix asphalt paving and maintaining traffic work.

PART B

Rehabilitation work for structure B01 of 80-06-11 (#10764), which carries 52nd Street over the south branch of the Black River, Sections 33 and 34, T1S, R15W, Columbia Township, Van Buren County, Michigan, including railing replacement, guardrail, and maintaining traffic work.

PART C

Rehabilitation work for structure B01 of 80-09-09 (#10771), which carries 68th Street over the tributary to the Black River, Sections 5 and 6, T1S, R16W, Geneva Township, Van Buren County, Michigan, including hot mix asphalt paving, railing replacement, guardrail, and maintaining traffic work.

PART D

Rehabilitation work for structure B01 of 80-09-11 (#10747), which carries County Road 687 over the south branch of the Black River, Section 29, T1S, R16W, Geneva Township, Van Buren County, Michigan, including concrete deck overlay, railing replacement, guardrail, approach, and maintaining traffic work.

Estimated Funds:

	<u>PART A</u>	<u>PART B</u>	<u>PART C</u>
State Restricted Trunkline Funds	\$29,100	\$54,000	\$57,300
Van Buren County Road Commission Funds	<u>\$ 1,500</u>	<u>\$ 2,800</u>	<u>\$ 3,000</u>
Total Funds	<u>\$30,600</u>	<u>\$56,800</u>	<u>\$60,300</u>

	<u>PART D</u>	<u>TOTAL</u>
State Restricted Trunkline Funds	\$134,900	\$275,300
Van Buren County Road Commission Funds	<u>\$ 7,100</u>	<u>\$ 14,400</u>
Total Funds	<u>\$142,000</u>	<u>\$289,700</u>

MCS 80001 – 115783; MCS 80006 – 115784; MCS 80009 – 115785, 115786
 Letting of 11/7/2014

4. HIGHWAYS - Participation for Local Agency Contract

Contract (2014-5529) between MDOT and the County of Macomb will provide for participation in the following improvements:

Traffic Operations Center work, including general operation, communications, equipment management, and system management work.

Estimated Funds:

Federal Highway Administration Funds	\$1,700,000
County of Macomb Funds	<u>\$ 425,000</u>
Total Funds	<u>\$2,125,000</u>

CM 50400 - 121512
 No Letting

5. HIGHWAYS - Participation for Local Agency Construction Contract

Contract (2014-5553) between MDOT and the County of Wayne will provide for participation in the construction of the following improvements utilizing Federal Highway Administration Equity Bonus Funds designated by Act 51 of the Public Acts of 1951 as Transportation Economic Development Category C Funds for Local Agency projects (FHWA Category C Funds):

Traffic signal installation work at the intersection of Beck Road and Saltz Road.

Estimated Funds:

FHWA Category C Funds	\$141,036
County of Wayne Funds	<u>\$ 35,259</u>
Total Funds	<u>\$176,295</u>

EDCF 82544 - 124952
 Letting of 11/7/2014

6. HIGHWAYS - Participation for Local Agency Construction Contract
 Contract (2014-5554) between MDOT and the Gratiot County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development Category D Funds, which are allocated for Local Agency projects (State Restricted TED Funds), and Federal Highway Administration Surface Transportation Program – Rural Funds designated for Local Agency projects (FHWA STP – Rural Funds):

Single course chip seal and fog seal work along Ransom Road from Buchanan Road northerly to Washington Road.

Estimated Funds:

State Restricted TED Funds	\$18,079
FHWA STP – Rural Funds	\$39,773
Gratiot County Road Commission Funds	\$14,463
Total Funds	<u>\$72,315</u>

STL 29555 - 123466
 Local Force Account

7. HIGHWAYS - Participation for Local Agency Construction Contract
 Contract (2014-5555) between MDOT and the Gratiot County Road Commission will provide for participation in the following improvements:

Single course chip seal and fog seal work along Harrison Road from Warner Road easterly to Rich Road.

Estimated Funds:

Federal Highway Administration Funds	\$57,852
Gratiot County Road Commission Funds	\$14,463
Total Funds	<u>\$72,315</u>

STL 29057 - 82651
 Local Force Account

8. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2014-5556) between MDOT and the Gratiot County Road Commission will provide for participation in the following improvements:

Single course chip seal and fog seal work along Lincoln Road from Lumberjack Road easterly to Warner Road.

Estimated Funds:

Federal Highway Administration Funds	\$45,188
Gratiot County Road Commission Funds	<u>\$15,062</u>
Total Funds	<u>\$60,250</u>

STL 29057 - 123467
Local Force Account

9. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2014-5557) between MDOT and the Gratiot County Road Commission will provide for participation in the following improvements:

Single course chip seal and fog seal work along Lincoln Road from Barry Road easterly to East County Line Road.

Estimated Funds:

Federal Highway Administration Funds	\$57,852
Gratiot County Road Commission Funds	<u>\$14,463</u>
Total Funds	<u>\$72,315</u>

STL 29057 - 123468
Local Force Account

10. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2014-5563) between MDOT and the Mecosta County Road Commission will provide for participation in the following improvements:

Traffic sign upgrading work along various federal-aid routes within Mecosta Township, Aetna Township, and Deerfield Township, Mecosta County, Michigan.

Estimated Funds:

Federal Highway Administration Funds	\$62,418
Mecosta County Road Commission Funds	<u>\$15,605</u>
Total Funds	<u>\$78,023</u>

STL 54107 – 123323
Local Force Account

11. HIGHWAYS - Participation for Local Agency Right-of-Way Acquisition

Contract (2014-5574) between MDOT and the Road Commission for Oakland County will provide for participation in the following improvements utilizing Federal Highway Administration Equity Bonus Funds, designated by Act 51 of the Public Acts of 1951 as Transportation Economic Development Category C Funds for Local Agency projects (FHWA Category C Funds):

Acquisition of right-of-way for the widening of Dequindre Road from approximately 500 feet north of Long Lake Road to approximately 1,200 feet north of Auburn Road.

Estimated Funds:

FHWA Category C Funds	\$4,900,000
Road Commission for Oakland County Funds	<u>\$1,225,000</u>
Total Funds	<u>\$6,125,000</u>

EDCF 63544 – 125828B
Local Right-of-Way Acquisition

12.-16. PASSENGER TRANSPORTATION - Transportation to Work

The following project authorizations issued under master agreements between MDOT and the following agencies will provide state funds to transport welfare recipients and eligible low-income individuals to and from jobs and activities related to their employment. The authorizations will be in effect from October 1, 2014, through September 30, 2015. The total amount of the authorizations will be \$1,343,710. The terms of the master agreements are from October 1, 2011, until the last obligations between the parties have been fulfilled. The master agreements include authorizations for program years FY 2012 through FY 2016. Source of funds: FY 2015 State Restricted Comprehensive Transportation Funds - \$1,343,710.

	<u>Agreement/ Authorization</u>	<u>Agency</u>	<u>Total</u>
12.	2012-0042/24	Bay Metropolitan Transportation Authority (Bay County)	\$145,000
13.	2012-0110/17	Jackson Area Transportation Authority	\$400,000
14.	2012-0118/17	Livingston County Board of Commissioners	\$ 77,670
15.	2012-0159/20	Saginaw Transit Authority Regional Services	\$335,000
16.	2012-0173/15	Twin Cities Area Transportation Authority (Berrien County)	\$386,040

17. *RAIL - Increase Loan Amount

Amendatory Contract (2013-0386/A2) between MDOT and WF Whelan Company will increase the loan amount by \$20,700.51 to reflect the actual cost to construct a rail spur in Canton, Michigan. The original contract provides financial assistance in the form of a loan for the construction of a rail spur to expand the company's operations in the city of Canton. The contract term remains unchanged, from September 3, 2013, until the last obligation between the parties has been fulfilled, until the contract is terminated, or until the loan has been fully repaid, whichever occurs first. The revised project cost will be \$601,664.02. The revised loan amount will be \$300,832.01, 50 percent of the project cost. Provisions included in the contract permit the loan to be forgiven incrementally over a five-year period if WF Whelan Company generates a minimum of 500 inbound and/or outbound carloads of freight annually. Source of Funds: FY 2013, FY 2014, and FY 2015 State Restricted Comprehensive Transportation Funds - \$300,832.01; WF Whelan Company Funds - \$300,832.01.

Upon receipt of your approval, the contracts and agreements will be processed for award. Subject to the exercise of the discretion in the processing, I approve the contracts described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of June 17, 2014.

Respectfully submitted,

Signed Original on File

Kirk T. Steudle
Director

REQUEST FOR MICHIGAN STATE TRANSPORTATION
COMMISSION APPROVAL

BID LETTING PRE-APPROVAL

October 16, 2014

The following contracts are being submitted for approval.

STATE PROJECTS

- 1. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
 PROPOSAL 1411001 **\$ 1,212,000.00**
 PROJECT ST 13031-113344
 LOCAL AGRMT. 14-5518
 START DATE - APRIL 27, 2015
 COMPLETION DATE - JUNE 19, 2015

1.02 mi of hot mix asphalt cold milling and resurfacing, permanent signing, guardrail, and pavement markings on M-66 from north of Glenn Cross Road to I-94 in the city of Battle Creek, Calhoun County.

4.00 % DBE participation required

- 2. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
 PROPOSAL 1411002 **\$ 5,374,000.00**
 PROJECT ST 31012-118271, ETC
 LOCAL AGRMT.
 START DATE - 10 days after award
 COMPLETION DATE - APRIL 22, 2016

Electrical, mechanical and structural rehabilitation and high load hit repairs to operator's house on US-41/M-26 over Portage Lake in the cities of Houghton and Hancock, Houghton County.

3.00 % DBE participation required

- 3. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
 PROPOSAL 1411005 **\$ 533,000.00**
 PROJECT CM 32021-115833
 LOCAL AGRMT.
 START DATE - MAY 04, 2015
 COMPLETION DATE - JUNE 20, 2015

0.37 mi of hot mix asphalt widening for center left-turn lane and westbound right-turn lane and drainage on M-142 at Risky Road, Huron County. This project includes a 5 year materials and workmanship pavement warranty.

3.00 % DBE participation required

4. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411013 \$ 2,091,000.00
PROJECT NH 41063-118134, ETC
LOCAL AGRMT. 14-5533, 14-5534, 14-5540
START DATE - 10 days after award
COMPLETION DATE - SEPTEMBER 03, 2015

4.02 mi of hot mix asphalt cold milling and resurfacing, detail 7 and 8 joint repairs, concrete curb, gutter, sidewalk and ramps, guardrail, signals, and pavement marking on M-11 from east of Kalamazoo Avenue easterly to west of Patterson Avenue in the cities of Grand Rapids and Kentwood, Kent County. This project includes a 5 year materials and workmanship pavement warranty.

4.00 % DBE participation required

5. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411014 \$ 786,000.00
PROJECT NH 41131-110039
LOCAL AGRMT.
START DATE - 10 days after award
COMPLETION DATE - AUGUST 17, 2015

1.17 mi of replacement of existing median barrier mounted freeway lighting and existing luminaire heads with LED luminaire heads along US-131 from 36th Street to 28th Street and along the ramps at the interchanges of 76th Street, M-6, 68th Street, 54th Street, 44th Street, and 36th Street in the city of Wyoming, Kent County.

0.00 % DBE participation required

6. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411021 \$ 3,571,000.00
PROJECT NH 70021-112195, ETC
LOCAL AGRMT. 14-5532
START DATE - MARCH 15, 2015
COMPLETION DATE - JUNE 06, 2016

5.58 mi of hot mix asphalt cold milling and resurfacing, concrete joint repairs, curb, gutter, sidewalk and ramps, drainage, railroad crossing reconstruction, and temporary widening on US-31 from south of 32nd Street northerly to north of Ransom Street in the city of Holland, Ottawa and Allegan Counties. This project includes a 5 year materials and workmanship pavement warranty.

5.00 % DBE participation required

7. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411022 \$ 1,312,000.00
PROJECT CMG 63900-114867
LOCAL AGRMT.
START DATE - 10 days after award
COMPLETION DATE - SEPTEMBER 30, 2015

Traffic signal modernization and concrete curb, gutter, sidewalk and ramps at various locations in the cities of Rochester Hills, Rochester, Farmington Hills, and Auburn Hills, Oakland County.

0.00 % DBE participation required

8. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411024 \$ 692,000.00
PROJECT PRIP 25101-124298-2, ETC
LOCAL AGRMT.
START DATE - MAY 27, 2015
COMPLETION DATE - JUNE 27, 2015

1.53 mi of concrete pavement repairs, crack sealing, and pavement markings on M-57 from east of M-13 to the west village limits of Montrose and on the I-69 ramps at M-53, Lapeer and Genesee Counties.

0.00 % DBE participation required

9. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411037 \$ 4,231,000.00
PROJECT ST 41101-108914-2
LOCAL AGRMT.
START DATE - MAY 04, 2015
COMPLETION DATE - AUGUST 27, 2015

9.88 mi of hot mix asphalt cold milling and resurfacing, geometric, and drainage on M-44 from west of Myers Lake Avenue to just east of the east Kent county line, Kent and Ionia Counties.

4.00 % DBE participation required

10. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411038 \$ 2,682,000.00
PROJECT BHI 41061-79447, ETC
LOCAL AGRMT. 14-5038, 14-5535
START DATE - 10 days after award
COMPLETION DATE - SEPTEMBER 03, 2015

0.23 mi of full-depth concrete pavement reconstruction, concrete curb, gutter and sidewalk, guardrail, underdrains, signals, slope restoration, permanent signing, permanent pavement markings, bearing replacement, thrie beam retrofit, zone painting, and approach work on M-11 from Indian Mounds Road east to east of Church Street and on I-196 from M-11 to the abandoned railroad (Conrail) in the cities of Grandville and Wyoming, Kent County. This project includes a 5 year materials and workmanship pavement warranty.

6.00 % DBE participation required

11. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411039 \$ 2,464,000.00
PROJECT NH 41061-112072
LOCAL AGRMT.
START DATE - 10 days after award
COMPLETION DATE - AUGUST 03, 2015
- 4.06 mi of hot mix asphalt cold milling and resurfacing, detail 8 joint repairs, ADA ramp, replacement of retaining wall, and guardrail on M-11 (Wilson Avenue) from south of M-45 (Lake Michigan Drive) southerly to the Grand River Bridge in the city of Walker, Kent County.
- 4.00 % DBE participation required
12. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411040 \$ 2,126,000.00
PROJECT ST 11052-124309
LOCAL AGRMT.
START DATE - MARCH 02, 2015
COMPLETION DATE - AUGUST 27, 2015
- 3.72 mi of hot mix asphalt cold milling, two-course overlay and road reconstruction, guardrail, shoulder reconstruction, culvert replacement, signing, and pavement marking on M-139 from the pavement change north of M-140 continuing north to the pavement change north of Fairland Road, Berrien County.
- 4.00 % DBE participation required
13. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411041 \$ 1,940,000.00
PROJECT ST 13061-120179
LOCAL AGRMT.
START DATE - MAY 04, 2015
COMPLETION DATE - SEPTEMBER 04, 2015
- 5.40 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk and ramps, and pavement markings on M-89 (Michigan Avenue) from Custer Drive to Washington Avenue and on M-89 (Washington Avenue) from Michigan Avenue to I-94BL (Dickman Road) in the city of Battle Creek, Calhoun County. This project includes a 3 year materials and workmanship pavement warranty.
- 4.00 % DBE participation required
14. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411042 \$ 843,000.00
PROJECT ST 13021-120813
LOCAL AGRMT.
START DATE - APRIL 20, 2015
COMPLETION DATE - JULY 17, 2015
- 0.75 mi of hot mix asphalt cold milling and resurfacing, widening, drainage, guardrail, pavement markings, and signing on M-60 from west of I-69 east to Old 27, Calhoun County.
- 5.00 % DBE participation required

15. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411043 \$ 705,000.00
PROJECT PRIP 44044-118809
LOCAL AGRMT.
START DATE - APRIL 15, 2015
COMPLETION DATE - JUNE 26, 2015

Bridge rehabilitation including joint and railing replacement, cleaning and coating structural steel, installing metal mesh panels, concrete surface coating, and approach roadway reconstruction on I-69 under Blacks Corners Creek Road, Lapeer County. This project includes a 2 year bridge painting warranty.

4.00 % DBE participation required

16. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411044 \$ 593,000.00
PROJECT ST 08011-124115
LOCAL AGRMT.
START DATE - MAY 18, 2015
COMPLETION DATE - JUNE 19, 2015

5.11 mi of overband crack filling, double chip sealing, fog sealing, and pavement marking on M-43 from Schultz Road north to M-37, Barry County. This project includes a 2 year pavement performance warranty.

0.00 % DBE participation required

17. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411048 \$ 2,136,000.00
PROJECT ST 64812-115202, ETC
LOCAL AGRMT.
START DATE - JULY 07, 2015
COMPLETION DATE - JUNE 06, 2016

8.10 mi of hot mix asphalt cold milling, resurfacing, and detail 8 joint repairs on Old US-31 (Oceana Drive) from the north village limits of Shelby northerly to the south approach to the bridge over the Pentwater River and from M-20 northerly to the south village limits of Shelby, Oceana County. This project includes a 3 year materials and workmanship pavement warranty.

3.00 % DBE participation required

18. LETTING OF NOVEMBER 12, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411601 \$ 826,000.00
PROJECT CM 81075-123991
LOCAL AGRMT.
START DATE - 10 days after award
COMPLETION DATE - OCTOBER 16, 2015

Installation of Intelligent Transportation System on US-23 from the M-14/US-23 Western Tri Level northerly to I-96, Washtenaw and Livingston Counties. This project will be let using an innovative contracting method, Fixed Price Variable Scope. Section 0001 Alternate 1 includes sites 1 through 6, Section 0002 Alternate 2 includes sites 1 through 7, and Section 0003 Alternate 3 includes sites 1 through 8.

0.00 % DBE participation required

19. LETTING OF NOVEMBER 19, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411701 \$ 15,119,000.00
PROJECT NH 13121-102976, ETC
LOCAL AGRMT.
START DATE -
COMPLETION DATE - 217 calendar days

Design-Build Project: Bridge replacement, ramp and intersection improvements, hot mix asphalt overlay, pavement removal, permanent signing, and pavement markings on I-94BL/M-37, M-96 and I-94 in the city of Battle Creek, Calhoun County.

6.00 % DBE participation required

20. LETTING OF NOVEMBER 19, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411702 \$ 18,653,000.00
PROJECT IM 63172-123143
LOCAL AGRMT.
START DATE - 10 days after award
COMPLETION DATE - MAY 27, 2016

Design Build Project: Design and construction for this project involves the reconstruction of the I-75 and University Drive interchange including the bridge crossing and all ramps, concrete pavement reconstruction on University Drive from Opdyke Road to Cross Creek, and all other related work to design and construct the project in the city of Auburn Hills, Oakland County. This project includes two 5 year materials and workmanship pavement warranties. Additional warranties may be required depending on the final design of the project.

7.00 % DBE participation required

21. LETTING OF NOVEMBER 12, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411601 \$ 1,086,000.00
PROJECT CM 81075-123991
LOCAL AGRMT.
START DATE - 10 days after award
COMPLETION DATE - OCTOBER 16, 2015

Installation of Intelligent Transportation System on US-23 from the M-14/US-23 Western Tri Level northerly to I-96, Washtenaw and Livingston Counties. This project will be let using an innovative contracting method, Fixed Price Variable Scope. Section 0001 Alternate 1 includes sites 1 through 6, Section 0002 Alternate 2 includes sites 1 through 7, and Section 0003 Alternate 3 includes sites 1 through 8.

0.00 % DBE participation required

LOCAL PROJECTS

22. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411003 \$ 1,202,000.00
PROJECT MCS 75004-105349
LOCAL AGRMT. 14-5512
START DATE - 10 days after award
COMPLETION DATE - OCTOBER 02, 2015

Bridge removal and replacement with 21-inch, prestressed concrete deck, hot mix asphalt surfacing, and guardrail on County Road 440 at Indian River, Schoolcraft County.

0.00 % DBE participation required

23. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411004 \$ 551,000.00
PROJECT STL 76555-112885
LOCAL AGRMT. 14-5436
START DATE - 10 days after award
COMPLETION DATE - AUGUST 23, 2015

0.78 mi of hot mix asphalt base crushing, shaping and resurfacing, trenching, aggregate shoulders, and ditching on State Road from Allan Road northerly to Easton Road, Shiawassee County.

3.00 % DBE participation required

24. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411006 \$ 668,000.00
PROJECT FLH 02000-123776
LOCAL AGRMT. 14-5523
START DATE - 10 days after award
COMPLETION DATE - SEPTEMBER 01, 2015

2.30 mi of aggregate surface course, clearing, embankment, earth excavation, and culverts on Chapel Road from H-58 northerly, Alger County.

3.00 % DBE participation required

25. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411007 \$ 623,000.00
PROJECT FLH 02000-123777
LOCAL AGRMT. 14-5524
START DATE - JUNE 01, 2015
COMPLETION DATE - OCTOBER 01, 2015

2.00 mi of hot mix asphalt crushing, shaping and resurfacing, aggregate base, trenching, and pavement markings on Au Train-Forest Lake Road from Buck Bay Road north to Martin Road, Alger County.

0.00 % DBE participation required

26. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411012 \$ 746,000.00
PROJECT BRO 46007-115663
LOCAL AGRMT. 14-5539
START DATE - 10 days after award
COMPLETION DATE - SEPTEMBER 04, 2015

Bridge removal and replacement with 17-inch prestressed concrete box beams, hot mix asphalt approach work, cofferdams, steel piles, aggregate base, and pavement markings on Packard Road over Baker and May Drains, Lenawee County.

5.00 % DBE participation required

27. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411015 \$ 1,548,000.00
PROJECT STU 25049-121491-2
LOCAL AGRMT. 14-5423
START DATE - APRIL 06, 2015
COMPLETION DATE - JULY 17, 2015

1.00 mi of hot mix asphalt cold milling and resurfacing, pavement repairs, concrete curb, gutter, sidewalk and ramps, drainage, and pedestrian signal on South Center Road from Atherton Road north to Lippincott Boulevard in the city of Burton, Genesee County.

5.00 % DBE participation required

28. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411016 \$ 537,000.00
PROJECT FFH 35000-122376, ETC
LOCAL AGRMT. 14-5522
START DATE - 10 days after award
COMPLETION DATE - JUNE 27, 2015

2.00 mi of hot mix asphalt removal, crushing, shaping and resurfacing, aggregate base, trenching, slope restoration, and pavement markings on Monument Road from south of Shellenbarger Road north to River Road, Iosco County.

0.00 % DBE participation required

29. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411020 \$ 3,160,000.00
PROJECT MCS 34008-115684
LOCAL AGRMT. 14-5547
START DATE - 10 days after award
COMPLETION DATE - JUNE 17, 2016

Bridge construction with 45-inch prestressed concrete beams, hot mix asphalt removal and resurfacing, concrete pavement, driveway, curb, gutter, sidewalk and shared-use path, drainage, watermain, cofferdams, steel piles, guardrail, and pavement markings on Prairie Street over the Maple River in the village of Muir, Ionia County.

5.00 % DBE participation required

30. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411026 \$ 935,000.00
PROJECT STUL 55428-117193
LOCAL AGRMT. 14-5543
START DATE - 10 days after award
COMPLETION DATE - 50 working days

0.25 mi of hot mix asphalt reconstruction, drainage, concrete curb, gutter and sidewalk ramps, watermain, sanitary sewer, signing, and pavement markings on 13th Street from 30th Avenue north to 34th Avenue in the city of Menominee, Menominee County.

3.00 % DBE participation required

31. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411029 \$ 2,475,000.00
PROJECT STU 50458-123177
LOCAL AGRMT. 14-5548
START DATE - 10 days after award
COMPLETION DATE - AUGUST 01, 2015

1.80 mi of hot mix asphalt surfacing, concrete curb and gutter, station grading, aggregate base and shoulders, subgrade undercutting, drainage, signing, and pavement markings on 34 Mile Road from Fisher Road east to Campground Road, Macomb County.

5.00 % DBE participation required

32. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411034 \$ 654,000.00
PROJECT STUL 80159-110729, ETC
LOCAL AGRMT. 14-5565
START DATE - 10 days after award
COMPLETION DATE - AUGUST 31, 2015

0.55 mi of hot mix asphalt base crushing, shaping and resurfacing, trenching, drainage structure repairs, concrete curb, gutter, sidewalk and ramps, watermain adjustments for center left-turn lane, and pavement markings on North Center Street (CR-687) from Main Street north to the north city limit of Hartford, Van Buren County.

4.00 % DBE participation required

33. LETTING OF NOVEMBER 07, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1411035 \$ 742,000.00
PROJECT BRO 73011-118518
LOCAL AGRMT. 14-5317
START DATE - 10 days after award
COMPLETION DATE - AUGUST 28, 2015

Bridge removal and replacement with 27-inch prestressed concrete box beams, concrete abutments, pavement, sidewalk, curb and gutter, steel piles, hot mix asphalt paving, drainage, guardrail, and pavement markings on Dehmel Road over Dead Creek, Saginaw County.

3.00 % DBE participation required

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the projects described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of June 17, 2014.

Respectfully submitted,

Signed Original on File

Kirk T. Steudle
Director

LETTING STATISTICS

OCTOBER 2014

STATE PROJECTS OVERVIEW

The October 3 and 8, Bid Lettings, included six State trunkline projects with \$65.8 million in engineer estimates. The low bids received totaled \$74.7 million. The average low bid was \$12.4 million and the median of \$1.3 million. For October of 2013, 15 State projects with \$20.4 million in engineer estimates and a low bid total of \$21.1 million were let.

Of the six State projects let in October 2014, four included warranties with \$81.5 million as the low bid total. The six State projects received 24 bids.

For fiscal year to date, six State projects have been let with the low bid total of \$74.7 million. Compared to the same period last year, 15 State projects were let with a low bid total of \$21.1 million.

PROJECTS BID SUMMARY

The total number of bids received for the 21 projects let in October 2014, was 91 for an average of 4.33 bids per project.

The October 3, bid letting had one project withdrawn and currently, one project for which all bids have been rejected.

Of the 29 contracting companies eligible to bid for the October 3 and 8, bid lettings, 20 submitted at least one bid.

JOB PROJECTIONS

Anticipated to be let during FY 2015 are 276 State jobs with a construction cost estimate total of \$691.2 million.

For fiscal year to date, 100.0% of State jobs anticipated for this period have been let using 115.4.0% of the projected cost estimates. For this same period last year, 85.0% of State jobs were let using 33.4% of the projected construction costs.

UPCOMING LETTING STATS

The **November 7, 2014**, Bid Letting is currently advertising 24 State projects with an engineer estimate total of \$35.6 million. Of the 24 State projects, 12 include warranties with total estimates of \$15.7 million. In addition, 26 Local area projects are advertised with a total of \$18.3 million in engineer estimates and one Aeronautics project advertised with an engineer estimate of \$119.5 thousand.

Special Lettings are scheduled for **November 12** and 19, 2014. The November 12, letting is currently advertising one State trunkline project with an estimated total of \$1.09 million. This project is a FPVS project with alternate bidding sections. There are no warranties associated with this project.

The **November 19**, Special Letting currently has two State projects advertised with the engineer's estimate total of \$33.8 million. These projects include warranties.

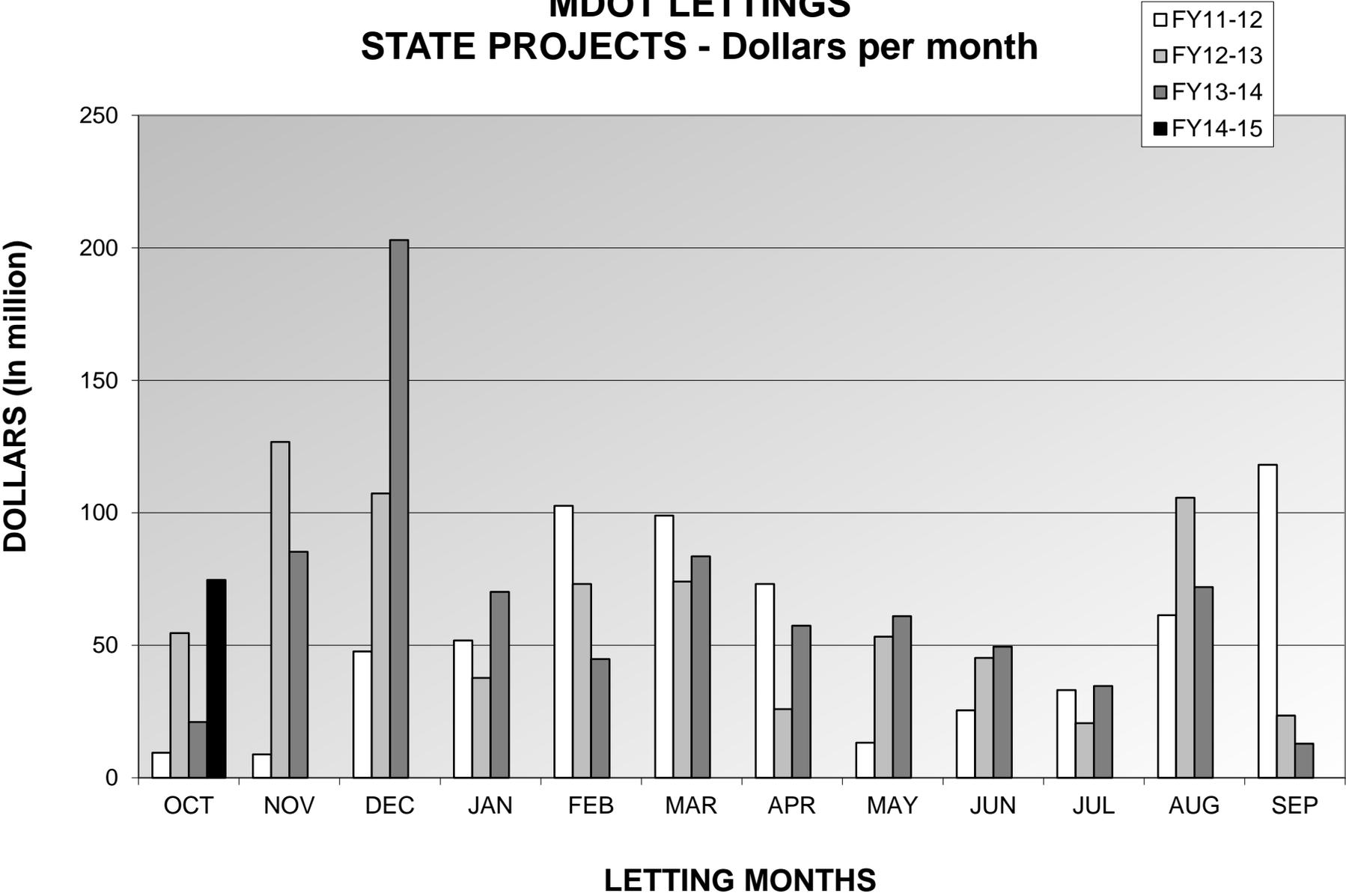
SUMMARY OF OCTOBER 3 and 8 2014, BID LETTINGS

STATISTICS	PROJECT AREA				
	STATE	LOCAL	AERO	FREIGHT SERVICES	TOTALS
Project Report					
Number of Projects Let	6	14	1	0	21
Engineer Estimates of Projects Let	\$65,770,649.41	\$7,732,294.82	\$210,000.00	\$0.00	\$73,712,944.23
Low Bid Report					
Low Bid Totals	\$74,661,256.83	\$8,079,998.07	\$159,000.00	\$0.00	\$82,900,254.90
% over/under eng. est. of projects let	13.52%	4.50%	-24.29%	0.00%	12.46%
All Bid Rejection Report					
All Bid Rejection(s)	2	0	0	0	2
All Bid Rejection(s) Engineer's Estimate	\$5,205,679.25	\$0.00	\$0.00	\$0.00	\$5,205,679.25
All Bid Rejection(s) Low Bid Amount	\$6,280,738.59	\$0.00	\$0.00	\$0.00	\$6,280,738.59
% over/under eng. est. of projects all bids rejected	20.65%	0.00%	0.00%	0.00%	20.65%
TBA Report - Low Bids Pending					
Number of TBAs	1	6	0	0	7
Engineer Estimates	\$59,549,001.65	\$2,073,962.99	\$0.00	\$0.00	\$61,622,964.64
Low Bid Amounts	\$67,424,896.72	\$2,481,040.40	\$0.00	\$0.00	\$69,905,937.12
% over/under engineer's estimate of TBA items	13.23%	19.63%	0.00%	0.00%	13.44%
Bidder (Bids) Report					
Number of Bids Received	24	63	4	0	91
Average # of Bidders per Project	4.00	4.50	4.00	0.00	4.33

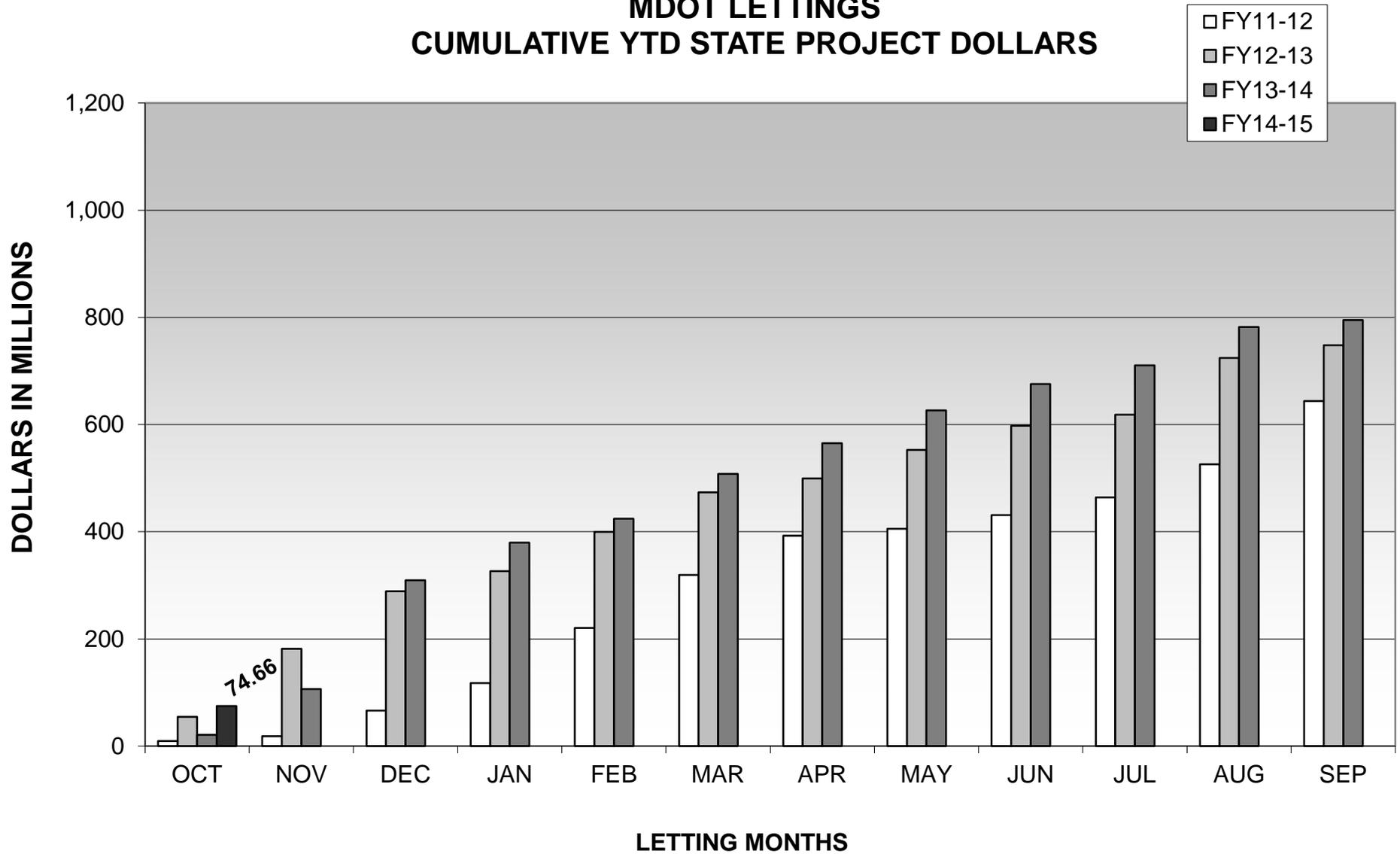
UPCOMING LETTING PROJECTIONS:

	<u>State</u>	<u>Local</u>	<u>Aero</u>	<u>Freight Services</u>	<u>Totals</u>
November 7, 2014, Bid Letting					
# of proj. advertised	24	26	1	0	51
# of projects with warranties	12	0	0	0	12
\$ Eng. Est. of projects advertised (In million)	\$35.6	\$18.3	\$0.1	\$0.0	\$54.0
\$ Eng. Est. of warranty projects (In million)	\$15.7	\$0.0	\$0.0	\$0.0	\$15.7
November 12, 2014, Special Bid Letting					
# of proj. advertised	1	0	0	0	1
# of projects with warranties	0	0	0	0	0
\$ Eng. Est. of projects advertised (In million)	\$1.1	\$0.0	\$0.0	\$0.0	\$1.1
\$ Eng. Est. of warranty projects (In million)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
November 19, 2014, Special Bid Letting					
# of proj. advertised	2	0	0	0	2
# of projects with warranties	2	0	0	0	2
\$ Eng. Est. of projects advertised (In million)	\$33.8	\$0.0	\$0.0	\$0.0	\$33.8
\$ Eng. Est. of warranty projects (In million)	\$33.8	\$0.0	\$0.0	\$0.0	\$33.8

MDOT LETTINGS STATE PROJECTS - Dollars per month



MDOT LETTINGS CUMULATIVE YTD STATE PROJECT DOLLARS



AVERAGE NUMBER OF BIDDERS OCTOBER 2012 through OCTOBER 2014



PROJECTS BY NUMBER OF BIDS PER REGION

OCTOBER 3 and 8, 2014, BID LETTINGS

REGION	NO BIDS RECEIVED	PROJECTS 1 BID	PROJECTS 2 BIDS	PROJECTS 3 BIDS	PROJECTS 4 BIDS	PROJECTS 5 BIDS	PROJECTS 6 BIDS	PROJECTS 7 BIDS	PROJECTS 8 BIDS	PROJECTS 9 BIDS	PROJECTS =>10 BIDS	TOTALS BY REGION
BAY											1	1
GRAND			1		1		1	1				4
METRO			1	2			1					4
NORTH					1		1					2
SOUTHWEST												0
SUPERIOR					2		1					3
UNIVERSITY			1	3	1	1						6
AERO					1							1
NUMBER OF BIDS ON PROJECTS	0	0	3	5	6	1	4	1	0	0	1	Total 21

TBA REPORT
OCTOBER 3 and 8, 2014, BID LETTINGS

ITEM NO.	PROGRAM AREA	≥\$500k	REASON	STATUS
8	Local		10%	Justification pending
9	Local	X	10%	Justification received/COM approval pending
11	Local		10%	Justification pending
12	Local		10%	Justification pending
13	Local		10%	Justification pending
15	State	X	UBR/10%	Review pending/justification received/COM approval pending
18	Local		UBR/10%	Review completed/justification pending

LETTING STATISTICS - LOW BID AMOUNTS (IN \$MILLION)

STATE (Incl. Real Estate)					LOCAL				AERO				FREIGHT SERVICES				TOTALS			
DATE	#Let	Totl #	\$Let	YTD\$	#Let	Totl #	\$ Let	YTD\$	#Let	Totl #	\$ Let	YTD\$	#Let	Totl #	\$ Let	YTD\$	#Let	Totl #	\$ Let	YTD\$
Oct 12	22	22	54.6	54.6	20	20	9.4	9.4	1	1	0.1	0.1	0	0	0.0	0.0	43	43	64.0	64.0
Nov 12	34	56	126.8	181.4	28	48	20.3	29.7	1	2	0.04	0.1	0	0	0.0	0.0	63	106	147.1	211.2
Dec 12	23	79	107.3	288.7	26	74	20.6	50.2	0	2	0.0	0.1	0	0	0.0	0.0	49	155	127.9	339.1
Jan 13	19	98	37.7	326.4	26	100	16.4	66.7	2	4	2.0	2.1	0	0	0.0	0.0	47	202	56.1	395.2
Feb 13	32	130	73.1	399.5	18	118	14.6	81.3	1	5	0.1	2.2	0	0	0.0	0.0	51	253	87.9	483.1
Mar 13	41	171	74.0	473.6	35	153	41.3	122.6	3	8	0.6	2.8	0	0	0.0	0.0	79	332	116.0	599.1
Apr 13	30	201	25.9	499.5	34	187	26.8	149.4	5	13	4.6	7.5	1	1	0.4	0.4	70	402	57.7	656.7
May 13	31	232	53.2	552.8	58	245	50.8	200.2	4	17	1.6	9.1	0	1	0.0	0.4	93	495	105.7	762.4
Jun 13	26	258	45.2	598.0	115	360	84.6	284.8	8	25	1.9	11.0	0	1	0.0	0.4	149	644	131.7	894.1
Jul 13	21	279	20.6	618.6	36	396	35.5	320.2	7	32	3.2	14.2	0	1	0.0	0.4	64	708	59.3	953.4
Aug 13	39	318	105.8	724.4	46	442	29.4	349.6	1	33	0.1	14.3	0	1	0.0	0.4	86	794	135.3	1,088.7
Sep 13	17	335	23.5	747.9	34	476	22.5	372.1	0	33	0.0	14.3	0	1	0.0	0.4	51	845	46.0	1,134.7
TOT	335		\$747.87		476		\$372.10		33		\$14.33		1		\$0.36		845		\$1,134.7	

DATE	# Let	Totl #	\$ Let	Totl \$	# Let	Totl #	\$ Let	Totl \$	# Let	Totl #	\$ Let	Totl \$	# Let	Totl #	\$ Let	Totl \$	# Let	Totl #	\$ Let	Totl \$
Oct 13	15	15	21.1	21.1	16	16	13.7	13.7	0	0	0.0	0.0	0	0	0.0	0.0	31	31	34.7	34.7
Nov 13	27	42	85.3	106.3	71	87	51.3	65.0	0	0	0.00	0.0	0	0	0.0	0.0	98	129	136.6	171.3
Dec 13	28	70	203.0	309.3	36	123	28.4	93.3	0	0	0.0	0.0	0	0	0.0	0.0	64	193	231.3	402.6
Jan 14	23	93	70.2	379.4	32	155	31.4	124.7	0	0	0.0	0.0	0	0	0.0	0.0	55	248	101.6	504.2
Feb 14	28	121	44.8	424.2	28	183	33.4	158.2	3	3	5.4	5.4	0	0	0.0	0.0	59	307	83.6	587.8
Mar 14	37	158	83.6	507.8	22	205	21.9	180.1	3	6	2.4	7.8	0	0	0.0	0.0	62	369	107.9	695.7
Apr 14	29	187	57.4	565.3	57	262	78.3	258.4	6	12	6.2	13.9	0	0	0.0	0.0	92	461	141.9	837.6
May 14	23	210	61.0	626.3	52	314	61.3	319.7	3	15	0.4	14.4	0	0	0.0	0.0	78	539	122.7	960.3
Jun 14	36	246	49.4	675.7	91	405	92.9	412.6	8	23	2.2	16.6	0	0	0.0	0.0	135	674	144.6	1,104.9
Jul 14	26	272	34.6	710.3	73	478	59.6	472.2	5	28	2.0	18.6	0	0	0.0	0.0	104	778	96.3	1,201.2
Aug 14	63	335	71.9	782.3	37	515	21.8	493.9	2	30	1.4	20.0	3	3	22.2	22.2	105	883	117.3	1,318.5
Sep 14	12	347	12.3	794.5	29	544	22.3	516.2	1	0	0.1	20.1	0	0	0.0	0.0	42	925	34.6	1,353.1
TOT	347		\$794.54		544		\$516.25		31		\$20.10		3		\$22.19		925		\$1,353.1	

DATE	# Let	Totl #	\$ Let	Totl \$	# Let	Totl #	\$ Let	Totl \$	# Let	Totl #	\$ Let	Totl \$	# Let	Totl #	\$ Let	Totl \$	# Let	Totl #	\$ Let	Totl \$
Oct 14	6	6	74.7	74.7	14	14	8.1	8.1	1	1	0.159	0.159	0	0	0.0	0.0	21	21	82.9	82.9
Nov 14																				
Dec 14																				
Jan 15																				
Feb 15																				
Mar 15																				
Apr 15																				
May 15																				
Jun 15																				
Jul 15																				
Aug 15																				
Sep 15																				
TOT	6		\$74.66		14		\$8.08		1		\$0.16		0		\$0.00		21		\$82.90	

DATE: October 17, 2014

TO: State Transportation Commission

FROM: Jack Cotter, CPA
Commission Auditor
Office of Commission Audits

SUBJECT: Justification Memorandum

Attached for your information are the department's justification memorandums for the Exhibit A-2 items where the low bid exceeded the engineer's estimate by more than ten percent.

Signed Original on File

Jack Cotter, CPA
Commission Auditor

Attachments

DATE: October 14, 2014

TO: Myron G. Frierson, Director
Bureau of Finance and Administration

FROM: Mark A. Van Port Fleet, Director
Bureau of Highway Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer's Estimate

Letting Date: October 3, 2014

Project Description: 2.35 mi of mainline, collector distributor, and ramp pavement reconstruction, new bridge construction, bridge reconstruction and rehabilitation, drainage and safety improvements, temporary signal work, and cold milling and resurfacing on I-96 from Spencer Road to west of Pleasant Valley Road, Livingston County. This project includes two 5 year materials and workmanship pavement warranties. Alternate 1 is concrete road work with related items and includes an additional 5 year materials and workmanship pavement warranty and Alternate 2 is hot mix asphalt road work with related items.

Project Number: 47064-112877-2
Item Number: 1410 015
Low Bidder: Toebe/Kamminga & Roodvoets

Eng. Est: \$59,549,001.65 Low Bid: \$67,424,896.72 Difference: \$7,875,895.07 Percent: 13.23

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$59,549,001.65
Toebe/Kamminga & Roodvoets	\$67,424,896.72
Dan's Excavating, Inc.	\$74,648,168.82
D. J. McQuestion & Sons, Inc.	\$83,831,621.66

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate are furnishing the pile driving equipment, driving in the steel piles, substructure and superstructure concrete, mobilization, and minor traffic devices. These items were bid higher than normal because of the expedited construction schedule, multiple stage construction, and maintaining traffic restrictions. The contractor is responsible for all means to protect the work from the weather and to work extended hours and night shifts as necessary to keep the project

on schedule, at their cost. Any extra costs incurred by the contractor for overtime or equipment utilized to maintain the expedited schedule will not be paid for separately. All tree removals and clearing must start after November 10, 2014 and be completed prior to March 31, 2015. There are multiple stages of construction that will require the Contractor to mobilize equipment and materials several times over this four year project. The final completion date is October 18, 2018. The estimator considered these factors when estimating this project, but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of the expedited construction schedule, multiple stage construction, and maintaining traffic restrictions. This project received three bids ranging from \$67,424,896.72 and \$83,831,621.66 which varied by 24.33 percent. The two lowest bids varied by 10.71 percent. We believe that rejecting these bids and re-letting this project will not result in lower bids and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Highway Development and the Brighton TSC request that this project be awarded to the low bidder based on the above conclusion.

[Signature on File]

Director, Bureau of Highway Development

BOHD:DD:QA:MAS:st

cc:	K. Steudle	B. Wieferich	K. Curtis	H. Stinson	MDOT-eProposal
	L. Strzalka	J. Mullins	G. Johnson	K. Farlin	M. Fedewa
	J. Cotter	G. Frens	D. Parker	B. Rottiers	M. Shulick
	L. Kirby	J. Reid	P. Ajegba	B. O'Brien	J. Daavettila

REQUEST FOR MICHIGAN STATE TRANSPORTATION
 COMMISSION APPROVAL
 LETTING EXCEPTIONS AGENDA

October 16, 2014

The following projects have been pre-approved, and are being returned for re-approval after meeting the exception criteria by the State Transportation Commission.

STATE PROJECT

1. LETTING OF OCTOBER 3, 2014
 PROPOSAL 1410015
 PROJECT IM 47064-112877-2, ETC
 LOCAL AGRMT.
 START DATE - 10 days after award
 COMPLETION DATE - OCTOBER 31, 2018

ENG. EST. \$ \$ 59,549,001.65
 CONTRACT PRICE \$ **67,424,896.72**
 % OVER/UNDER EST. 13.23 %

2.35 mi of mainline, collector distributor, and ramp pavement reconstruction, new bridge construction, bridge reconstruction and rehabilitation, drainage and safety improvements, temporary signal work, and cold milling and resurfacing on I-96 from Spencer Road to west of Pleasant Valley Road, Livingston County. This project includes two 5 year materials and workmanship pavement warranties. Alternate 1 is concrete road work with related items and includes an additional 5 year materials and workmanship pavement warranty and Alternate 2 is hot mix asphalt road work with related items.

5.00 % DBE participation required

BIDDER	CAL DAYS	AS-SUBMITTED	EUAC	
Toebe Const./Kammaing & Roodvo	161	\$ 74,436,192.40	\$ 3,056,899.61	1 **
Dan's Excavating, Inc.	286	\$ 85,547,150.24	\$ 3,503,523.33	2
D.J. McQuestion & Sons, Inc.	420	\$ 99,184,255.94	\$ 4,140,158.03	3

BIDDER	AS-CHECKED	USER DELAY COST	CONTRACT PRICE	
Toebe Const./Kammaing & Roodvo	\$74,436,192.40	\$ 7,011,295.68	\$ 7,424,896.72	1 **
Dan's Excavating, Inc.	\$85,547,150.24	\$10,898,981.42	\$74,648,168.82	2
D.J. McQuestion & Sons, Inc.	\$99,184,255.94	\$15,352,634.28	83,831,621.66	3

3 Bidders

NOTE: The lowest calculated EUAC is used to determine the low bid.
 The AS-CHECKED minus USER DELAY COST equals the actual contract price.

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the projects described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of June 17, 2014.

Respectfully submitted,

Signed Original on File

Kirk T. Steudle
Director