



# Oregon

## Specifications & Estimating Unit Interoffice Memo

August 19, 2003 {rev 12/30/03}

To: Lucien Darensburg, Bob Letourneux, John Riedl, Shane Terwilliger, and Dave Parker

From: *Bob Callaway, P.E.*  
Specifications & Estimating Unit Manager  
503-986-3796  
james.r.callaway@odot.state.or.us

Cc: Kevin Thiel, Vera Wicks, Margaret Cole, Tom Lauer, Dale Deatherage

Subject: POLICY: Bid price evaluation and recommendation

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The ODOT Project Estimator will perform an evaluation of the bid prices received after bid opening. This evaluation is intended to be an objective and factual review of prices received relative to the costs estimated and, wherever possible, attempt to explain any significant discrepancies. Considerations during this review include:

- Appropriate adjustments for project specific characteristics
- Comparative historical bid price data
- Recent market pricing trends and potential seasonality effects
- Assessment of bid unbalancing
- Consideration of number of bidders

The Project Estimator may draw on available ODOT and project team resources, bidding contractors, peers and other resources to aid in his/her bid evaluation. Note, however, that the decision to recommend award or not to award is expected to be maintained confidential within the Specifications & Estimating Unit and the Construction Contracting Section (CCS) until released by the CCS.

In the case of bid evaluations for which the recommendation is to award to the low responsive bidder and the low bid is not greater than 110% of the Engineer's Estimate, and the number of bidders is greater than two, the Project Estimator will provide a written summary of the low bid evaluation along with the award recommendation. This summary will include identification of bid items that appear to be mathematically unbalanced or are on the extremes of our expected price ranges. This summary will be addressed and e-mailed to the Construction Contracts Section (Kevin Thiel) with "Cc" to Vera Wicks, Margaret Cole, and me. In this case, my concurrence is not necessary.

For all other situations, the Project Estimator will initiate a meeting with me (or my delegate) and the Final Estimator to review the bid results and evaluation. Further investigation will be done as needed to arrive at a final recommendation. This recommendation will be prepared by the Project Estimator and forwarded to me. I will then provide concurrency and forward it on to CCS (distribution list as above).

Any correspondence related to this bid evaluation must be noted as "CONFIDENTIAL TO ODOT"

**TIMING:** The goal for the Project Estimator is to provide the estimator's recommendation to the CCS and/or me within three working days from bid opening. When this will not be possible, the estimator is expected to advise Construction Contracting Office staff and me and to provide an estimate of how long the bid evaluation may be delayed.



# Oregon

Department of Transportation  
Technical Services Branch  
Roadway Engineering  
Specifications & Estimating Unit  
**Interoffice Memo**

<date>

To: ODOT Contracting Office

From: <your name>  
Project Estimator

**ALL INFORMATION WITHIN  
THIS DOCUMENT IS  
CONFIDENTIAL TO ODOT**

Concurrence\* : <Unit mgr.>  
Specifications & Estimating Unit

Cc: Kevin Thiel, Vera Wicks, Margaret Cole

Subject: <**PROJECT NAME**>

<b>RECOMMENDATION TO:</b>	<b>AWARD</b>	<b>REJECT</b>
Key #:		
Contract #:		
Engineer's Estimate \$	\$0.00	
Date of Bid Opening:		
Number of bidders:	0	
Low bidder:	<company name>	
Low bid value \$:	\$0.00	
% Over/Under EE =		

\* for concurrence requirements see: *POLICY bid evaluation and recommendation.doc*

Project Estimator comments and recommendations:

I have reviewed this project for unbalanced bids. I compared the low bid received to the Engineer's Estimate and to the other bids received. I identified unbalanced items and they are listed in the attached pages. Based upon the best information available at this time, we have determined that the bid is not materially unbalanced. The items identified as unbalanced should be monitored during construction for underruns and overruns.

## BID ITEM EVALUATION AND COMMENTS

BID ITEM	DESCRIPTION	UOM	QTY.	EE \$	BID \$
Comments:					