

IDAHO – 2023 NOV-30 FBVQ CONTRACTING REPORT

FIXED BUDGET VARIABLE QUANTITY CONTRACTING REPORT

PROJECT LOCATION: Clear Zone Safety Improvements
KEY NO: 22876
PROJECT MANAGER: Brian Wright
REPORT DATE: November 17, 2023

Introduction

This report has been written to document the performance of Fixed Budget / Variable Quantity Contracting on the referenced project. This report is required by FHWA following completion of the project and final acceptance by LHTAC.

Project Description

This LHSIP project is a systemic safety improvement to remove fixed objects such as trees from the clear zone in several locations around Bonner County, ID.

Initial Budget

Engineer's Estimate (\$)	\$805,000.00
Engineer's Estimate (Quantity)	155 Trees
Contract Time Determination:	none, bid by contractor
Initial Duration:	94 Calendar Days Max
Time Restraints:	No work between November 17, 2023, to May 23, 2024. These dates were based on the actual winter shut down dates from 2022-23 and change each year depending on actual weather conditions.

Bidding Results

Total number of Bidders:	3
Bid Opening Date:	August 8, 2023
Contractor (Low Bid):	Razz Construction, Inc.
Award Date:	August 23, 2023
Contract's Bid	(\$):\$805,000.00
Contractor's Bid (quantity):	401 Trees
Contract Time Determination:	94 Days
Contractor's Bid (Time):	60 Days

EVALUATION OF FIXED BUDGET VARIABLE QUANTITY CONTRACTING TECHNIQUE

Metric 1- Cost of Inspection

The Construction Engineering and Inspection Agreement was written with Ruen-Yeager for \$101,761.00 which is approximately 12.6% of the construction contract. To date, Ruen-Yeager has fulfilled its initial scope and has invoiced \$0.00. The final amount is not anticipated to exceed the initial agreement amount for Construction Engineering & Inspection (CEI).

The project was performed for the amount estimated and budgeted and is, therefore, a success.

This project presented a standard CEI budget which required minor adjustments because of the all-inclusive bid item.

Metric 2 – Final Construction Cost

The Contractor bid 60 calendar days to clear all trees in the project. The bid quantity was more than double the quantity in the Engineer’s Estimate and in less time than allowed by the contract. Bonner County has not issued a winter shut down notice as of 11/17/2023. Substantial completion is expected by 11/23/2023 and is within the 60 calendar day limit.

Metric 3 – Industry Reaction

All reactions received from this project appear to be very positive. The Contractor was eager to participate and complete the project. The CEI seems pleased with the outcome to date, and the work was easily tracked because of the inclusion of all work within a single item.

Actual Project Statistics

Cost of Inspection (CE):	\$101,761.00
Final Construction Costs (CN):	\$805,000.00
Change Orders (CN):	-none-
Other CN Adjustments:	-none-
Total (CN)	\$805,000.00
Final Quantity:	401 Trees
Actual Construction Duration:	60 days
Project Completion Date:	11/23/2023 (estimated)

RECOMMENDATIONS USING THE FIXED BUDGET VARIABLE QUANTITY CONTRACTING TECHNIQUE

This project used lessons learned from past FCVQ projects as part of the design process. The bidding technique worked very well and no recommendations to improve the technique were made.

Conclusion

Bonner County and LHTAC are pleased with the execution of the project. The contracting community did not have any issues with the bidding technique.