



Florida Department of Transportation

RICK SCOTT
GOVERNOR

605 Suwannee Street
Tallahassee, FL 32399-0450

JIM BOXOLD
SECRETARY

ESTIMATES BULLETIN 15-08

DATE: December 31, 2015

TO: District Directors of Transportation Operations, District Directors of Transportation Development, District Design Engineers, District Construction Engineers, District Roadway Design Engineers, Program Management Engineers/Administrators, District Estimates Coordinator, District Work Program Administrators

FROM: Phillip "Greg" Davis, P.E., State Estimates Engineer

COPIES: Brian Blanchard, Tom Byron, Trey Tillander, Tim Lattner, David Sadler, Amy Tootle, Larry Ritchie, Lisa Saliba, Kendra Sheffield, James Jobe, and Sean McAuliffe

SUBJECT: Initial Contingency Amount Pay Item 999-25 (Do Not Bid)

BACKGROUND

Instructions for the initial contingency pay item is provided in Topic No. 700-000-000 Construction Projects Administration Manual (CPAM) Sections 7.4.6.1 & 7.4.7, Topic No. 600-010-001 Preparation of the Authorization/Official Construction Cost Estimate and Contract Bid Review Package Section 2.4 and Topic No. 600-000-002 Basis of Estimates Manual Chapter 19. In general, these documents provide sufficient guidance for most project cases. However, there have been some recent cases that the current guidance does not address or needs clarification. The purpose of this bulletin is to provide additional guidance and clarifications to address these cases.

REQUIREMENTS

As stated in CPAM, a proposal with multiple projects, including phase 56 (Utility Work by Highway Contractor projects), shall include the initial contingency pay item on every project and the proposal is subject to the maximum funding limits in Section 7.4.61 in CPAM. This applies to projects with multiple sequences unless the sequence is for funding purposes only (no construction contract work). The initial contingency amounts for each project will be pro-rated based on the proposal total. However, if an initial contingency is included in a locally funded agreement for a project, then the locally funded amount will be used on that specific project and the initial contingency funded by the Department will be pro-rated over the remaining project(s).

The initial contingency pay item can be used on off-system federally funded projects, if necessary, when local funding is not available. The initial contingency must be funded with state funds and comply with Florida Statutes. Refer to the Work Program Instructions for detailed guidance.

IMPLEMENTATION

This bulletin is effective immediately for all projects in which an authorization estimate has not been completed. The requirements of this bulletin will be documented in Topic No. 600-010-001 Preparation of the Authorization/Official Construction Cost Estimate and Contract Bid Review Package and Topic No. 600-000-002 Basis of Estimates Manual.

CONTACT

Greg Davis
State Estimates Engineer
Phone (850)-414-4170
greg.davis@dot.state.fl.us

Kendra Sheffield
Manager, Work Program Development
Phone (850)-414-4627
Kendra.Sheffield@dot.state.fl.us

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