New Jersey Department of Transportation CORRECTIVE ACTION NOTICE

CAPITAL PROGRAM SUPPORT Director: Walter McGrosky Telephone: (609) 530-5257 CAN No. 076

Approved: Walter McGrosky

Date: Sep. 2, 2009

Subject: Revisions to the Construction Cost Estimating Guide

Bureau(s) Affected:

All Design Consultants In-house Design Services Capital Program Support Construction Services and Materials

Description of Issue(s):

The objective is to improve the quality of the specifications submitted with the item number requests.

Corrective Action Plan:

H.7 Items for Which a Number has Not Been Assigned

Every item requires a unique Item Number on the Plans, Construction Cost Estimate and the Proposal. If an Item Number for an Item is not found on the Item List, complete the *Item Number Request Form* (see Appendix E) and submit it to Trns*port Support for processing. Listed below are the guidelines for submitting such a request.

- Make every effort to utilize the existing 2007 Standard Specifications and Items.
- Several pay items which were in 2001 Specification Year item list have been intentionally deleted; often these items are either named differently, included in the work, or combined with other pay items. Therefore, such items are not included in the 2007 Specification Item list. Do not resurrect such 2001 Specification Year Items.
- Do not use an Item/Item number created for Department Maintenance projects; such numbers have MM as the prefix.
- If the work has only minor differences from the requirements under the 2007 Standard Specification, amend the Special Provisions to address the differences and continue to use the existing Item. As a guide, it is appropriate to use available items and amend the existing specification if such minor amendments do not reflect a significant change to the character of the work and/or cause a change in the estimated Item price by more than 25 percent.
- Before making a formal request for the Item number, obtain Department SME's recommendation to determine the validity of such a request. A list of New Item Request Subject Matter Experts (SMEs) is available at <u>www.state.nj.us/transportation/eng/assistance/engcontacts.shtm</u>

- When a (new) item is required, the creation of multiple items for related work should be avoided. For example, if there is no existing item for guide rail, do not create separate items for BEAM GUIDE RAIL ELEMENT and BEAM GUIDE RAIL POSTS. Instead, include all necessary work in the ".03 CONSTRUCTION" subsection of the proposed specification for the Item. It is appropriate to create separate items for related work, when quantities are unrelated and have a significant impact on the item price. For example, for the items; FURNISHING EQUIPMENT FOR DRIVING PILES and STEEL H-PILE, DRIVEN, although related, the furnishing equipment cost will often significantly distort the price for driving piles, and have an undesired effect on the cost of increases or decreases. So, in such cases it is appropriate to create separate items for the related work.
- Obtain the most recent version of the Item Number Request form (QMSESTNS) at <u>www.state.nj.us/transportation/business/trnsport/doc/QMSESTNS_1.dot</u>.
- Fill in all required information for each proposed Item. Submit all forms required on a project under a single request, at least 30 days before the final design submission (FDS) date, to the Trns*port Support e-mail at <u>trnsport.support@dot.state.nj.us</u>. Include correctly formatted, up-to-date specifications and details (if needed for Item clarification).
- Follow the 2007 Specification Style Guide that can be found at <u>www.state.nj.us/transportation/eng/specs/2007/styleguide/styleguide.shtm</u> to prepare the proposed project specific specifications.
- If necessary, Include revisions to the standard construction details.
- Do not include design related requirements in the specifications.
- Incomplete requests WILL be returned to the requestor for correction.

The Estimator must contact suppliers, manufacturers and other agencies that may have used the item or similar items. Include all backup information on how the price was calculated with the submission. If an inplace cost is not available, develop it assuming that the in-place cost is comprised of 30% labor, 20% equipment, 25% materials and 25% overhead and profit.

Implementation: Immediate