

ESTIMATES

I. ENGINEER'S ESTIMATES

The Engineer is required to prepare and submit an Engineer's Cost Estimate for every contract. A sample Engineer's Cost Estimate is shown on Figure 1. The item numbers and descriptions, units of measurement and contract quantities are to be exactly as they appear on the Proposal forms in the contract documents. The heading of the Estimate is to be a duplicate of the description as shown on the contract Title Sheet. Every Estimate shall contain the statement pertaining to the fair and reasonable costs for performing the work (as shown on the sample) and the Estimate is to be signed by either a Principal or the Engineer in Charge of the firm preparing the contract plans.

The calculation for the asphalt price adjustment item is as follows:

Asphalt Price Adjustment

Contracts that have a combined weight of 2,000 or more tons of hot mix asphalt and Superpave (surface, intermediate, bridge surfacing and base) courses, and Dense or Open-Graded friction courses shall include the item Asphalt Price Adjustment.

The amount of asphalt cement used in estimating Asphalt Price Adjustment shall be 5 percent for hot mix asphalt (and Superpave) base course, 5.5 percent for hot mix asphalt and Superpave intermediate, bridge surfacing and surface course, and 6 percent for Dense or Open-Graded friction courses. The asphalt price index to be used is available on the NJDOT Website (www.state.nj.us/transportation/cpm). The estimated cost shall include a yearly 10 percent inflationary rate for the number of years for which these hot mix asphalt items will be furnished on the Project.

The calculations for the estimated amount of asphalt cement required and for the estimated cost for the item Asphalt Price Adjustment shall be included with the Roadway Quantity Calculations. A spreadsheet entitled the NJTA Asphalt Price Adjustment Item Calculator is used to make this calculation. The calculations are performed electronically on the spreadsheet, which is available in the specs folder on the Engineering Server (engserv) or from the Project Manager. The subfolder containing the information is entitled "Asphalt Price Adjustment Item Documents". A sample-completed spreadsheet is shown on Figure 4. The monthly price in the Asphalt Price Index to be used in the asphalt adjustment is available on the NJDOT Website, as modified by Subsection 302.06 of the Standard Specification.

The procedure for submitting an Engineer's Estimate is as follows:

1. After a contract is advertised, the Engineer shall immediately submit his Estimate to the General Consultant for review and approval. The Engineer shall explain any items which are assigned unusual prices.

2. The Estimate will be returned to the Engineer with any suggested revisions.
3. Prior to the receipt of bids, the original and two copies of the finalized, hand-signed estimate (each individually signed) are to be forwarded to the General Consultant for final review and signature. The Total Price figure and the signatures must appear on the same page. The General Consultant will forward one copy of the estimate to the Authority; to be opened at the time bids are received.
4. On the same date that bids are received for a construction contract, the Engineer is to examine the bids and then send a letter to the Authority either recommending award of the contract or explaining why an award of the contract should not be made. Prompt attention to this matter will be appreciated.

I. QUARTERLY ESTIMATES

On all projects, the Engineer shall submit to the Authority Quarterly Construction Cost Estimates for his project. The Estimates are to be in the format shown in Figure 2, with a line-by-line cost given for the individual contracts, a total for the individual contracts and the overall project total. Total utility costs less betterments, as shown in Figure 3, are to be deducted from the construction costs so that the construction cost with and without utility costs can be determined. For projects involving interchanges, the format is to be modified so that the major items of work in the interchange are shown separately and not combined into a single line item. This breakdown will be shown under Line 8 - "Interchanges", with subheadings to reflect the major items of work, such as grading, drainage, paving, structures, etc.

Two copies of the Quarterly Estimates are to be submitted to the Authority by the 15th of the months of January, April, July and October, and shall indicate the project construction costs as of the first of the month on which the Estimate was prepared.

As individual contracts are advertised and bids received, the Quarterly Estimates are to include the actual bid prices. As the project progresses, there will be both estimated costs and actual bid prices contained in the Estimate. Eventually, the Quarterly Estimate will show only actual bid price contract costs for the entire project.

As a part of the Engineer's initial quarterly estimate submission, as well as for all subsequent submissions, the unit prices used to determine the various contract totals are to be included. Should the Engineer change any estimated unit prices in subsequent Estimates, such changes are to be noted in his letter of transmittal, together with the reason(s) for the change, and the affect upon the various contracts and upon the overall project.

The purpose of the Quarterly Estimates is to provide the Authority with realistic and up-to-date information regarding the overall project cost, as well as providing a basis for comparing the original estimated cost to the current estimated cost.