



INTERDEPARTMENT MEMORANDUM

STATE OF ALABAMA HIGHWAY DEPARTMENT

1409 COLISEUM BOULEVARD MONTGOMERY, ALABAMA 36130

March 5, 1992

CONSTRUCTION INFORMATION MEMORANDUM NO. 2-92.

TO: Division Engineers

FROM: William J. Hartzog
Construction Engineer *WJH*

RE: Overrun of Plan Quantities

This memorandum is being written at the request of the Bid Review Committee.

After each highway letting, the Bid Review Committee is charged with the responsibility of reviewing the bids and making a recommendation to the Highway Director concerning the award of each project. One of the things the committee watches for is unbalanced bidding.

Unbalanced bidding may or may not be detrimental to the Department's interests; however, this is sometimes difficult to determine during the committee's review process. Many times the committee has the estimated quantities checked for accuracy when unit prices are excessively high, but not in every case. In any case, most quantities are, at best, estimated.

After each letting, the Office Engineer furnishes each Division with a computer printout which shows the low bidder's unit price for each item and the Engineer's estimated unit price for each item. The committee is recommending that a copy of this information be furnished to the Project Engineer so that he may be aware of items that are bid excessively high.

If the project is awarded, and the quantities for the items with high unit prices do not overrun, then there is no problem. However, overruns on these high bid items can be detrimental. The committee would like for the Project Engineers to be aware of this situation and avoid overruns whenever possible. My office will be happy to assist you should questions arise concerning whether or not to overrun a particular item.

WJH/skb

cc: Bid Review Committee Members

FHWA
