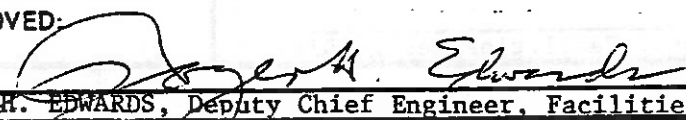


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| <b>TO:</b><br><br><b>SUPERSEDED BY EI 92-037</b><br><b>EFFECTIVE 8/17/92</b>  | <b>ENGINEERING INSTRUCTION</b><br>NEW YORK STATE DEPARTMENT OF TRANSPORTATION                         |
|   | <b>SUBJECT:</b> ENGINEER'S ESTIMATES<br>RELETTING CASE II PROJECTS<br><br>Subject Code: 7.26 - 2 - 21 |
| <b>Distribution:</b><br>31     Main Office     33     Regions     34     Special  | <b>Code:</b> 85-54<br><b>Date:</b> 12/6/85<br><b>Supersedes:</b>                                      |
| <b>APPROVED:</b><br><br>R. H. EDWARDS, Deputy Chief Engineer, Facilities Design Div. |   |

In the past year there have been a significant number of projects statewide where all bids were rejected because the low bid was more than 10% above the Engineer's Estimate (Case II's). Most of these projects were recycled for reletting with updated Engineer's Estimates as appropriate. However, from now on, it will be necessary to document any changes to the Engineer's Estimates to show that the changes have a rational basis and are not simply an arbitrary increase of prices.

The project estimator will have to explain in detail how he/she arrived at the original prices and why he/she now believes that changes are warranted. A labor, equipment and materials price analysis will be required for all lump sum items and all major items on which price changes are proposed. A major item will be an item that contains a significant portion of the work in a project. Most projects will contain between five and ten major items. The designer should identify the major items with assistance from the Final Plan Review Bureau, if necessary. The remaining items whose prices change may be analyzed by other appropriate methods. These price analyses should be included with the PS&E submission.

Ownership of the Engineer's Estimate will not be transferred back to the Regions until the Final Plan Review Bureau is satisfied with the justification of the price increases.