

ALBUQUERQUE DISTRICT (SPA)

THE PROPOSAL SCHEDULE IS NOT
ENOUGH

John Stages, PE
Lead Cost Engineer



US Army Corps
of Engineers®



The Proposal Schedule is Not Enough



- ▶ **Provide full L, E & M breakdown for direct costs**
 - Identify tasks within bid items
 - Rates (Certified Payroll) and durations (Productivity)
 - Payroll Taxes and Insurance
 - Unit Prices and quantities

- ▶ **Include all sub and material quotes obtained**
 - Additional information may be required
 - Use recent quotes for the specific job

- ▶ **Electronic files will expedite the process**
 - Excel

- ▶ **Job Office Overhead (G&A)**
 - Percentages are not acceptable
 - Itemized breakdowns are required (L, E &M)

The Proposal Schedule is Not Enough



- ▶ **Home Office Overhead**
 - Higher rates will require a **Defense Contract Audit Agency (DCAA) Audit**
 - **Competitive Environment**
- ▶ **Profit**
 - **Profit Weighted Guidelines**
- ▶ **NMGRT**
 - **Required for all projects in NM**
 - **Identify rate used**
- ▶ **Bond**
 - **Identify bonding rate**
 - **Bond as a line item**

The Proposal Schedule is Not Enough



US Army Corps
of Engineers



FACTOR	RATE	WEIGHT	VALUE	RANGE	CONSIDERATIONS
Degree of Risk	20	0.12	2.40	.03-.12	Where the work involves no risk or the degree of risk is very small, the weighting should be .03; as the degree of risk increases, the weighting should be increased up to a maximum of .12. Lump sum items will generally have a higher weighted value than unit price items for which quantities are provided. Other things to consider: the portion of the work to be done by the subcontractors, nature of work, where the work is to be performed, amount of labor included in costs, whether the negotiation is before or after performance of work, etc.
Relative Difficulty	15	0.1	1.50	.03-.12	If the work is most difficult and complex, the weighting should be .12 and should be proportionately reduced to .03 on the simplest of jobs. This factor is tied in to some extent with the degree of risk. Some things to consider: the nature of the work, by whom it is to be done, where, and what is the time schedule, etc.
Size of Work Task	15	0.109	1.64	.03-.12	SEE SIZE OF JOB TABLE (BASED ON CONSTRUCTION COST)
Period of Performance	15	0.052	0.78	.03-.12	SEE PERFORMANCE PERIOD TABLE (BASED ON CONSTRUCTION DURATION)
Contractor's Investment	5	0.12	0.60	.03-.12	Investment is to be weighted from .03 to .12 on the basis of below average, average, and above average. Things to consider: amount of subcontracting, mobilization payment item, government-furnished property, method of making progress payments, etc.
Assistance By Gov't	5	0.12	0.60	.03-.12	Assistance is to be weighted from .12 to .03 on the basis of average to above average. Things to consider: use of government-owned property, equipment and facilities; expediting assistance, etc.
Subcontracting	25	0.042	1.05	.03-.12	SEE SUBKTR TABLE
Percent Total	100		8.57%	Profit Rate	

The Proposal Schedule is Not Enough



US Army Corps
of Engineers



SIZE OF JOB			PERFORMANCE PERIOD			SUBKTR	
FROM \$	TO \$	WEIGHT	MONTHS	DAYS	WEIGHT	% SUB'd	WEIGHT
\$0.00	\$100,000.00	0.1200	0	0	0.0000	80 OR MORE	0.0300
\$100,001.00	\$200,000.00	0.1190	UP TO	29	0.0300	70 TO 80	0.0420
\$200,001.00	\$300,000.00	0.1170	1 to 2	30-60	0.0340	60 TO 70	0.0550
\$300,001.00	\$400,000.00	0.1160	2 to 3	30-60	0.0380	50 TO 60	0.0680
\$400,001.00	\$500,000.00	0.1140	3 to 4	30-60	0.0410	40 TO 50	0.0800
\$500,001.00	\$600,000.00	0.1130	4 to 5	30-60	0.0450	30 TO 40	0.0920
\$600,001.00	\$700,000.00	0.1110	5 to 6	30-60	0.0490	20 TO 30	0.1050
\$700,001.00	\$800,000.00	0.1100	6 to 7	30-60	0.0520	10 TO 20	0.1180
\$800,001.00	\$900,000.00	0.1090	7 to 8	30-60	0.0560	ZERO	0.1200
\$900,001.00	\$1,000,000.00	0.1070	8 to 9	30-60	0.0600		
\$1,000,001.00	\$1,100,000.00	0.1060	9 to 10	30-60	0.0640		
\$1,100,001.00	\$1,200,000.00	0.1040	10 to 11	30-60	0.0680		
\$1,200,001.00	\$1,300,000.00	0.1030	11 to 12	30-60	0.0710		
\$1,300,001.00	\$1,400,000.00	0.1010	12 to 13	30-60	0.0750		
\$1,400,001.00	\$1,500,000.00	0.1000	13 to 14	30-60	0.0790		
\$1,500,001.00	\$1,600,000.00	0.0990	14 to 15	30-60	0.0820		
\$1,600,001.00	\$1,700,000.00	0.0970	15 to 16	30-60	0.0860		
\$1,700,001.00	\$1,800,000.00	0.0960	16 to 17	30-60	0.0900		
\$1,800,001.00	\$1,900,000.00	0.0940	17 to 18	30-60	0.0940		
\$1,900,001.00	\$2,000,000.00	0.0930	18 to 19	30-60	0.0980		
\$2,000,001.00	\$2,100,000.00	0.0910	19 to 20	30-60	0.1010		
\$2,100,001.00	\$2,200,000.00	0.0900	20 to 21	30-60	0.1050		
\$2,200,001.00	\$2,300,000.00	0.0890	21 to 22	30-60	0.1090		
\$2,300,001.00	\$2,400,000.00	0.0870	22 to 23	30-60	0.1120		
\$2,400,001.00	\$2,500,000.00	0.0860	23 to 24	30-60	0.1160		
\$2,500,001.00	\$2,600,000.00	0.0840	OVER 24	30-60	0.1200		

The Proposal Schedule is Not Enough



US Army Corps
of Engineers



PROPOSAL SCHEDULE (To be attached to SF 1442)

Item No.	Description	Quantity	Unit	Unit Price	Amount
<u>BASE BID</u>					
<input type="checkbox"/>	0001 Total Cost of Facility, Complete	1	JOB	***	\$ _____
	0002 Cargo Pad with Shoulders, Complete	1	JOB	***	\$ _____
	0003 Asphalt Taxiway with Shoulders, Complete	1	JOB	***	\$ _____
	0004 Airfield Lighting and Wiring, Complete	1	JOB	***	\$ _____
	0005 Demolition and Remediation, Complete	1	JOB	***	\$ _____
	0006 Site Work and Utilities, Complete	1	JOB	***	\$ _____
	0007 Bond Premium	1	JOB	***	\$ _____
TOTAL AMOUNT BASE BID					\$ _____



US Army Corps
of Engineers



U.S. ARMY

BUILDING STRONG!

