



Connecticut DOT

Number: CD-2021-4

Bureau of Engineering and Construction

Date: May 6, 2021

CONSTRUCTION DIRECTIVE

Construction Administrator

Updated Incidental Cost Percentages (2018) Amendment to ECB-2018-5

This Directive amends the June 6, 2018, [Engineering & Construction Bulletin – Incidental Cost Percentages \(2018\) \(ECB-2018-5\)](#).

Amendment

The following sentence in ECB-2018-5 is to be amended:

“The incidental establishment memorandum will be produced after the award amount and consultant fees, if any, are known and will be incorporated into the project budget with the first Project Modification.”

The new requirement is as follows:

“The incidental establishment memorandum will be produced within two (2) weeks following the Contract bid opening and will be incorporated into the Project budget with the first Project Modification.”

Summary

This Directive requires each Construction District to expedite the production of the Incidental Cost Estimate (ICE) within two weeks following Contract bid opening to determine if additional funds can be released from the Project to reduce potential overprogrammed funding. This analysis must be included with the first Project Modification.

As part of the FHWA review on federal de-obligations, a Sept 2, 2020 letter to FHWA committed the Department to changing its process to estimate project incidentals more accurately. Since the Construction Engineer refines the incidental costs with an ICE memo based upon construction cost at low bid, it was felt that the ICE memo should be completed within two weeks of low bid to ensure a more accurate estimate of Federal funds regarding incidental costs.

Project adjustments are an important part of the Department's financial control system. Project adjustments are required to establish or adjust project funding amounts and support funding requests to the State and Federal Governments.

This Directive is effective immediately.