Meeting Recap – CS&D Division Let Increase Discussion (Oct 6, 2026)

The Teams meeting was offered to discuss best practices and consistency between Division-let and Central-let contracts following the increased let limits for eligible bridge projects.

Several Contract Standards and Development staff presented: Jon Weathersbee, Ken Kennedy, Jeff Renn, Allen Fowler and Nicole Hackler.

Introduction and Purpose (Presented by Jon Weathersbee)

- Meeting held to discuss consistency between Division-let and Central-let contracts following increased let limits and to improve consistency between DPOC (Division) and Central let projects.
- Share best practices, lessons learned, and contract handling methods.
- Assist contractors and engineers through more uniform documentation.
- Meetings planned to occur twice per year; next planned for April 2027.

Background on Increased Let Limit

- Division let limit increased from $5M to $10M for bridge replacement projects (effective July).
- Decision followed reviews of Central vs. Division bridge contracts and industry feedback.
- Divisions may let multiple bridges or bridge/culvert combos as long as total contract < $10M.
- Restrictions:
    - No interstate bridge/culvert replacements allowed for division letting.
    - No other project types have been approved for Division letting >$5 Mil.

Review Requirements for ≥$5M Projects

- Contract Standards must review plans/proposals 2 weeks before advertisement (1-week turnaround).
- Submit to: divisionletreviews@ncdot.gov.
- Structures Management must review preliminary and 90% structure plans (submit to Trey Carroll thcarroll1@ncdot.gov).
- Ensure right-of-way, utilities, and other pre-letting items are properly accounted for.

Contract Time Development (Presented by Ken Kennedy)

- Contract time must be legally defensible and based on documented calculations.
- Contract time derived using:
    - Review of plans, provisions, permits.
    - Production rates applied to critical path pay items.

    - Constructability considerations.
- Typical DOA (date of availability):
    - Division: 27 calendar days after letting.
    - Central: 41 days.
- Key impacts on DOA:
    - Right-of-way acquisition.
    - Utility relocation (UBO info often outdated; verify with coordinators).
    - Material procurement (lead times, e.g., steel girders).
- Must check:
    - Green sheet environmental commitments.
    - TMP (traffic management plan) requirements (e.g., school system coordination).
    - In-water work moratoriums.
- Production rate calculations must consider site conditions, detours, combinations of pay items, and overlap allowances.
- Structural working days must be obtained from SMU (structures management) or engineer of record.
- Winter weather adjustments depend on location relative to frost line.
- Accelerated construction:
    - Must be justified by user cost analysis.
    - Guidelines:
        - $1k/day → 17 workdays/month
        - $10k/day → 18
        - $30k/day → 19
        - $50k/day → 20
    - Cannot accelerate without justification.

Lump Sum Grading (Presented by Jeff Renn)

- Lump Sum Grading Worksheet should be used for all LS grading projects.
- If any single pay item ≥50% of LS grading, consider breaking it out (e.g., borrow, unclassified excavation).
- This is guidance, not a strict mandate; engineering judgment applies.
- SP2 R16 used when breaking out items.
- Ensure division construction staff preference is considered.

Major Contract Items

- Important for managing price adjustments under Spec 104-5 regarding overruns/underruns.
- Engineering judgment required:
    - Typically ≥5% of contract value.

    - Exclude LS items, asphalt binder, volatile/hard-to-measure items (except patching ≥10%).
- Can have items that are both major and specialty.

Specialty Items

- Affect the required percentage of work performed by prime contractor (40% requirement).
- Specialty items include work primes typically don't self-perform (guardrail, signals, pavement markings, etc.).
- Must use judgment based on project-type and context.

Steel Price Adjustment (Presented by Allen Fowler)

- SP1G47 applies when:
    - Project duration > 1 year.
    - Steel pay items are included from eligible item list.
- Adjusts payment for permanent steel products only.
- Does not cover:
    - Hardware, fabrication, shipping, coating.
    - Items produced before the letting date.
- Should be included whenever criteria are met; not discretionary.
- Eligible items list available through the provision and Connect site.
- Even resurfacing contracts require the provision if criteria are met.

Common Errors & Omissions in PS&E Packages (Presented by Nicole Hackler)

Earthwork Issues

- Earthwork volumes often inconsistent between balance sheet, summaries, and cross-sections.
- Detour removal missing from summaries.
- Earthwork not matching phasing needs.
- Confusion between shoulder borrow vs. shoulder construction.
- Undercut excavation often missing; ORD updates will change how it is documented.

Drainage Issues

- Drainage summary sheets frequently don't match plan sheets.
- Missing or incorrect drainage details.

Temporary Items

- Temp guardrail or pavement shown in TMP but missing from summaries or pay items.
- Missing temporary shoring notes and quantities.

Other Omissions

- Shallow undercut by station often missing (currently required).
- Increasing issues with PET file entries:
    - Supplemental descriptions must be in ALL CAPS.
    - Descriptions must be consistent across users.
    - Variations (1.5" vs 1-1/2") create duplicate pay items.
- Up-to-date PEP file instructions included in the PET Excel workbook.
- For help: AWP Help (email provided in slides).

Closing Notes

- Divisions encouraged to route questions through Allen Fowler (Division Contracts Liaison) arfowler1@ncdot.gov
- Feedback and contractor questions will guide future meeting topics.
- Files for review should be sent to: divisionletreviews@ncdot.gov; links to the project share site should be provided.
- The full recording and transcript can be viewed at the following link: Recap: CS&D Division Let Increase Discussion Tuesday, October 6 | Meeting | Microsoft Teams