



INDIANA DEPARTMENT OF TRANSPORTATION

Driving Indiana's Economic Growth

Memorandum

May 25, 2007

CONSTRUCTION MEMORANDUM 07-12

TO: District Deputy Commissioners
District Highway Operations Directors
District Construction Engineers
District Testing Engineers
District Area Engineers
Project Engineers/Supervisors

FROM: Mark A. Miller, Director *MAM*
Division of Construction Management

Subject: Discontinuance of Form FHWA-47

The Department has received the attached memorandum from the Federal Highway Administration authorizing the discontinuance of the requirement for the FHWA-47 (PR-47) "Statement of Materials and Labor Used by Contractors on Highway Construction Involving Federal Funds".

Effective immediately, form FHWA-47 is no longer required as part of the Final Construction Record submittal. Line 12 on Form IC-699 "Checklist for Final Construction Record" should be marked "X" for each checkbox.

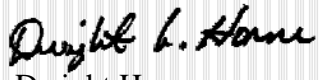
MAM:rlh

attachment

Memorandum

Subject: **ACTION:** The Discontinuance of the FHWA-45,
FHWA-47 & FHWA-810

Date: May 22, 2007

From: 
Dwight Horne
Director, Office of Program Administration

In Reply
Refer To: HIPA-10

To: Directors of Field Services
Division Administrators
Federal Lands Administrator

Effective immediately, Divisions and/or our State Transportation Agency (STA) partners will no longer be required to submit data to HIPA-10 that is collected as it relates to:

- The FHWA-45, Bid Price Data¹,
- The FHWA-47, Statement of Materials and Labor Used by Contractors on Highway Construction Involving Federal Funds², and
- The FHWA-810, Bid Tabulation Data³

For several years, STAs have commented that the reports generated from the data collection efforts were of little utility and that there were statistical limitations, statistical significance, and accuracy issues with the data which were felt could result in misleading information. There was also a noted reporting burden on States and contractors. The suggestions have often been to eliminate the reporting requirements all together.

In 2003, the GAO conducted a review of the States' highway construction costs. As part of its review, the GAO reviewed FHWA's cost data collection requirements. In its discussions, the GAO also identified similar issues and concerns with the data series as discussed above. In a December 2003 report GAO made recommendations to FHWA to review the usefulness and accuracy and/or under reporting of the data collected.

¹ The FHWA 45, Bid Price Data, was collected on NHS projects over \$500,000. The FHWA 45 served as a means to compute the highway construction bid price index, which is published in the document "Price Trends for Federal-aid Highway Construction. The data was used in our "Highway Statistics" publication and by other outside sources, including its use by congressional committees in their deliberations on pending new highway legislation.

² The FHWA 47, Statement of Materials and Labor Used by Contractors on Highway Construction Involving Federal Funds, was collected on all NHS projects over \$1,000,000. The FHWA 47 served as a means to collect data related to the quantities of materials, supplies and labor used for various types of highway construction. The data reported on this form was used primarily to compute usage factors for these various materials, supplies, and labor. These factors were used to determine the economic impacts of cuts or increases in the cost of Federal-aid highway construction.

³ FHWA 810, Bid Tabulation Data was collected on all NHS projects. The needs for the FHWA 810 have been to compute national summaries on the largest contract awards and contract size statistics. The data was also used to produce state-by-state summaries on contracts awards, number of bids and average number of bids.

As a result, FHWA has determined that it is appropriate to discontinue the reporting requirements for the FHWA 45, 47 and 810 as collection of this data for needed reports such as the “Highway Statistics” publication can be collected through other means. The main reasons for this decision are the strong disinterest in the data collection activities and comments provided to us by our STA partners suggesting that we are not collecting the data extensively enough to be of utility. We will also be going through an abridged regulatory update as appropriate to reflect this action.

Please contact Bob Wright, at 202-366-4630, to answer any questions and/or for additional information on this matter.