

FICE/FDOT Design Conference 2008
People Moving People

Cost Trends



Kenneth Richardson
State Specifications & Estimates
Office

Session 85RichardsonKen-Cost Trends.ppt

FICE/FDOT Design Conference 2008
People Moving People



Topics to be Discussed

- Highway Construction Market
- Construction Cost Trends
- Contractor's Issues & Feedback

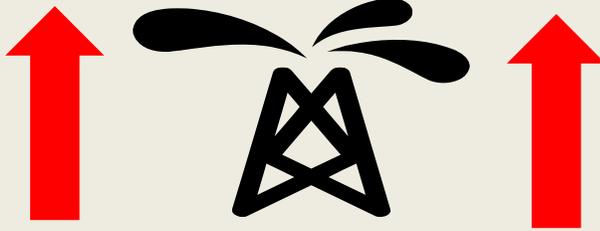
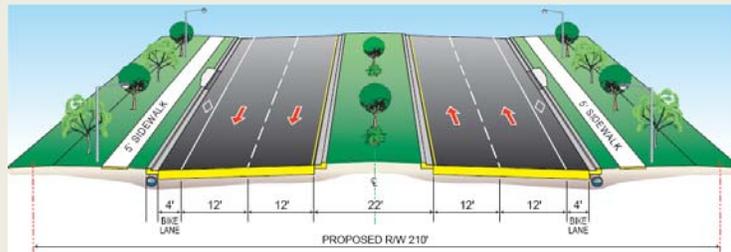
FICE/FDOT Design Conference 2008
People Moving People

HIGHWAY CONSTRUCTION MARKET



FICE/FDOT Design Conference 2008
People Moving People

Material Cost Trends





BID TRENDS

Fiscal Year	Number of Contracts	Avg Number of Bidders Per Contract
2002/2003	243	4.3
2003/2004	238	3.8
2004/2005	240	3.5
2005/2006	300	2.3
2006/2007	243	3.6
2007/2008	157	4.9

CLASS 1 CONTRACTS ONLY

FICE/FDOT Design Conference 2008
People Moving People

FICE/FDOT Design Conference 2008
People Moving People

BID TRENDS	
Letting	Single Bids
2005/06	25
2006/07	15
2007/08	3

CLASS I CONTRACTS ONLY

FICE/FDOT Design Conference 2008
People Moving People

BID TRENDS		
Letting	Number of Contracts	Avg Number of Bidders Per Contract
Jan 2008	17	4.2
Feb 2008	18	4.6
Mar 2008	11	6.5
Apr 2008	15	5.5
May 2008	16	6.3
Jun 2008	21	5.7

CLASS 1 CONTRACTS ONLY




Special Letting – District 7

- CR-578/County Line Road/Hernando County
- 19-bidders /28-bid packages requested
- Estimate = \$27M Low Bid = \$14M
- Bids Range => 13% to 47% below



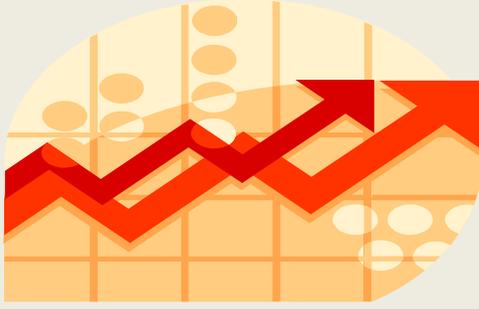

Local Governments

Seminole County/Orange Blvd Project

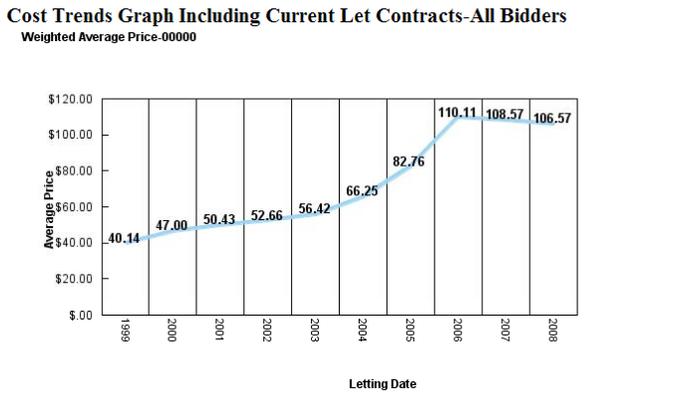
- 12-bidders
- Estimate = \$12M Low Bid = \$6.6M
- Bids Range => 45% below to 1.7% above

FICE/FDOT Design Conference 2008
People Moving People

CONSTRUCTION COST TRENDS



Asphalt



Fiscal Year – Statewide (thru June 2008)

7% Increase (May – June)

FICE/FDOT Design Conference 2008
People Moving People



Asphalt Pavement Prices

- Bitumen (asphalt liquid) prices are up.
- Bitumen prices
 - Dec 2008 = \$1000/TN
 - July 2008 = \$600/TN
 - June 2008 = \$525/TN
 - Jan 2008 = \$350/TN



13



Base

Cost Trends Graph Including Current Let Contracts-All Bidders
Weighted Average Price-00000



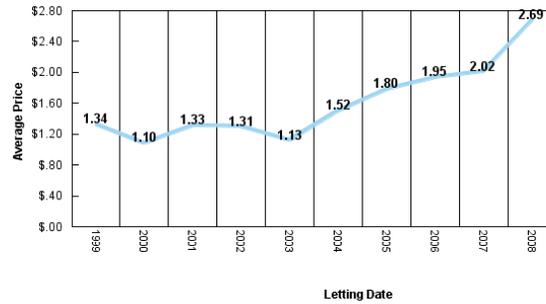
Fiscal Year – Statewide (thru June 2008)

FICE/FDOT Design Conference 2008
 People Moving People

Structural Steel



Cost Trends Graph Including Current Let Contracts-All Bidders
 Weighted Average Price-00000



Fiscal Year – Statewide (thru June 2008)

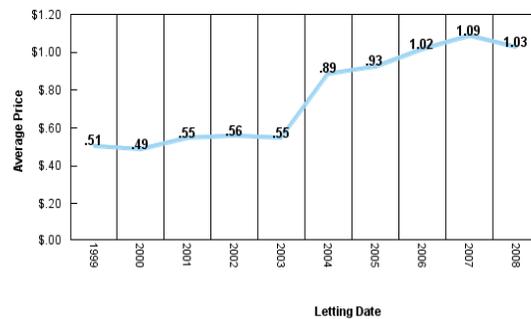
17% Increase (May – June)

FICE/FDOT Design Conference 2008
 People Moving People

Reinforcing Steel



Cost Trends Graph Including Current Let Contracts-All Bidders
 Weighted Average Price-00000



Fiscal Year – Statewide (thru June 2008)

11% Increase (May – June)

Steel Prices

- ❑ Global Demand for Steel
- ❑ Low Supplies
- ❑ Transportation Cost

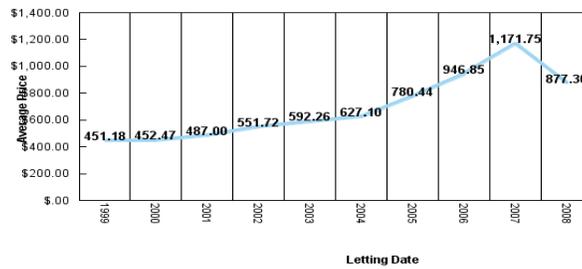


17

Structural Concrete



Cost Trends Graph Including Current Let Contracts-All Bidders
 Weighted Average Price-00000



Fiscal Year – Statewide (thru June 2008)

5% Decrease (May – June)

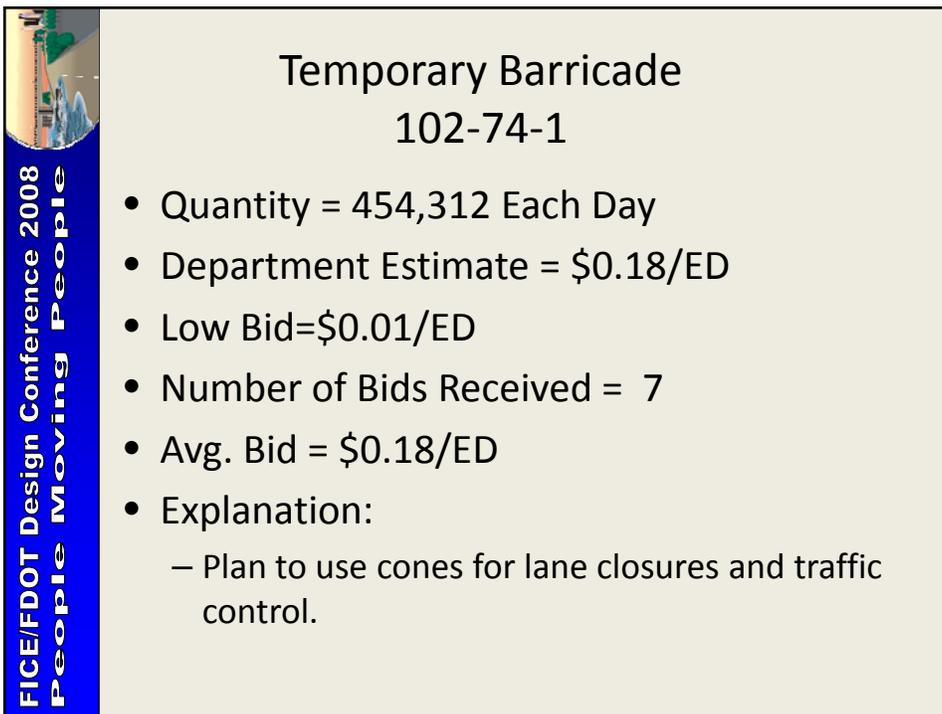
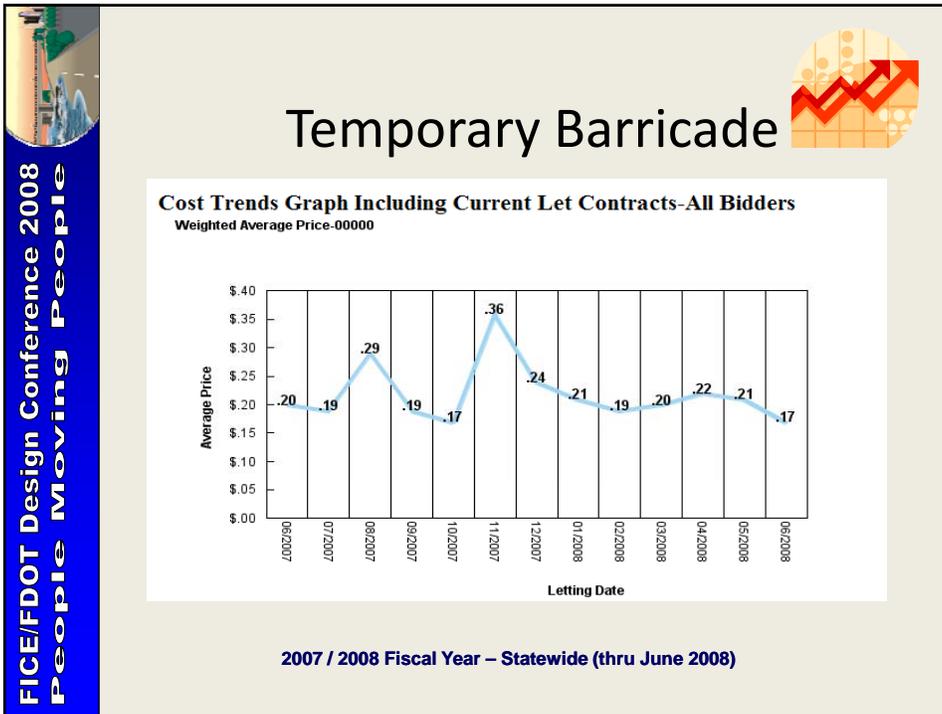
Earthwork

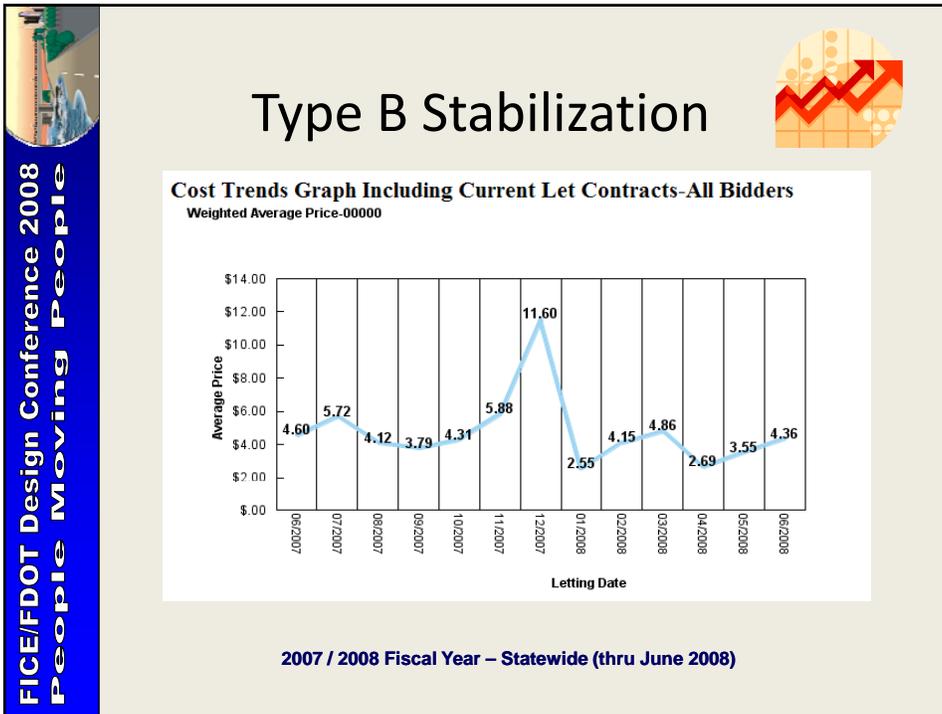


Fiscal Year – Statewide (thru June 2008)

CONTRACTOR'S ISSUES & FEEDBACK

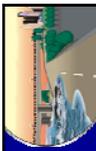






FICE/FDOT Design Conference 2008
People Moving People

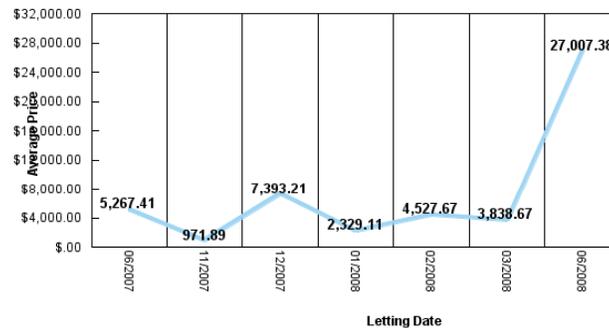
Type B Stabilization 160-4	Optional Base 285-711
<ul style="list-style-type: none"> Quantity = 13,567.20 SY Department Estimate = \$4.00/SY Low Bid=\$0.01/SY Number of Bids = 6 Avg. Bid = \$2.50/SY Explanation: <ul style="list-style-type: none"> – Plan to use local rock (limerock) – Will include cost for stabilization in optional base 	<ul style="list-style-type: none"> Quantity = 4,380.00 SY Department Estimate = \$30.00/SY Low Bid=\$35.00/SY Avg. Bid = \$32.45/SY (1 contractor \$44.00/SY) (Avg. of remaining 5 = \$26.00/SY)



Paint Structural Steel



Cost Trends Graph Including Current Let Contracts-All Bidders
 Weighted Average Price-00000

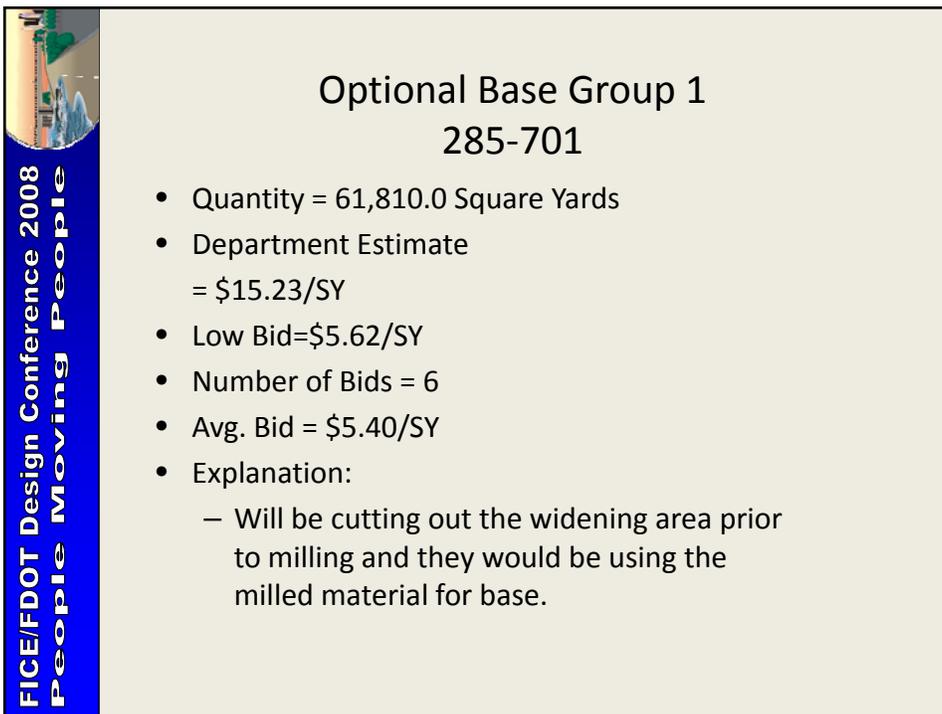
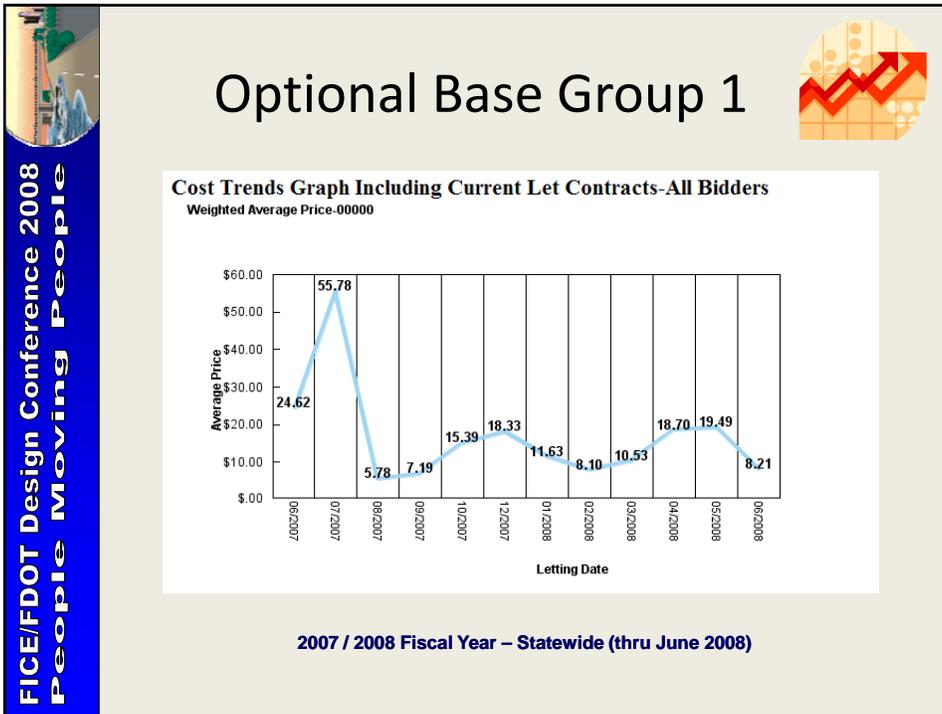


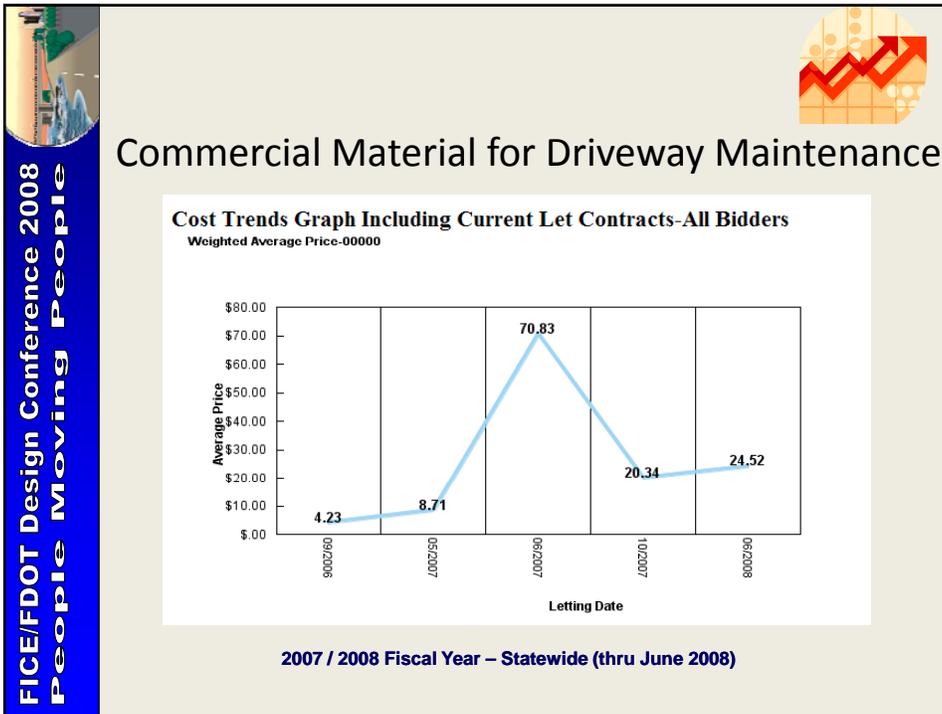
2007 / 2008 Fiscal Year – Statewide (thru June 2008)



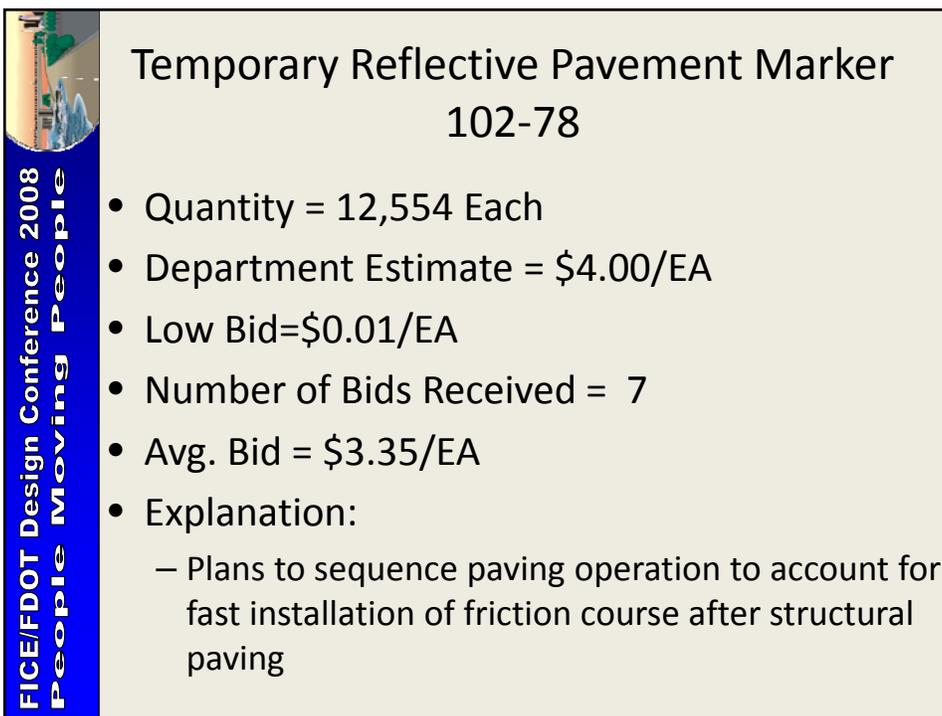
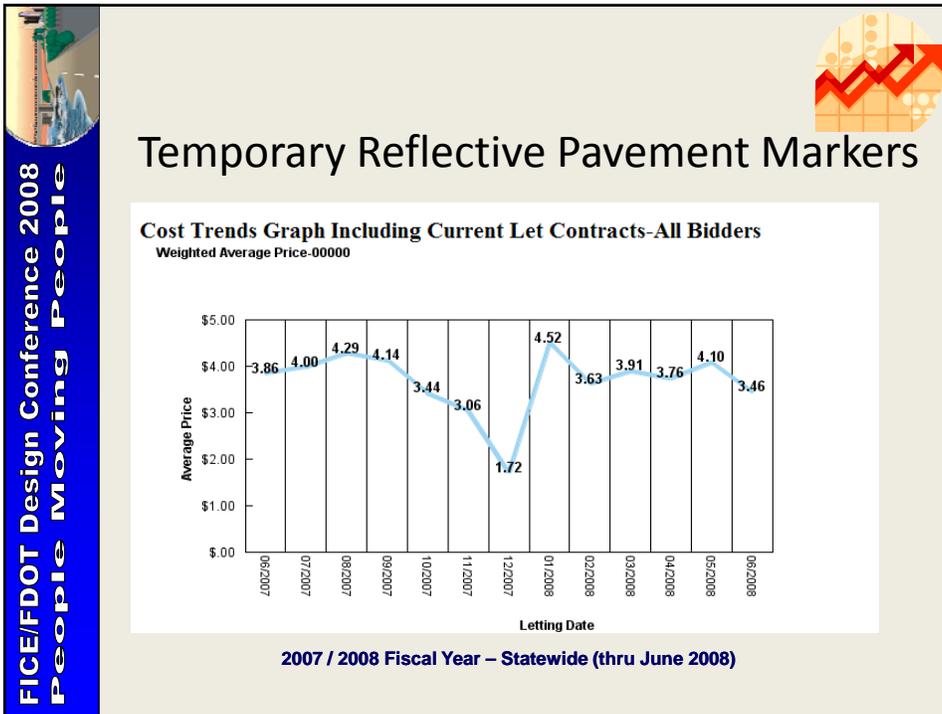
Paint Structural Steel 560-1

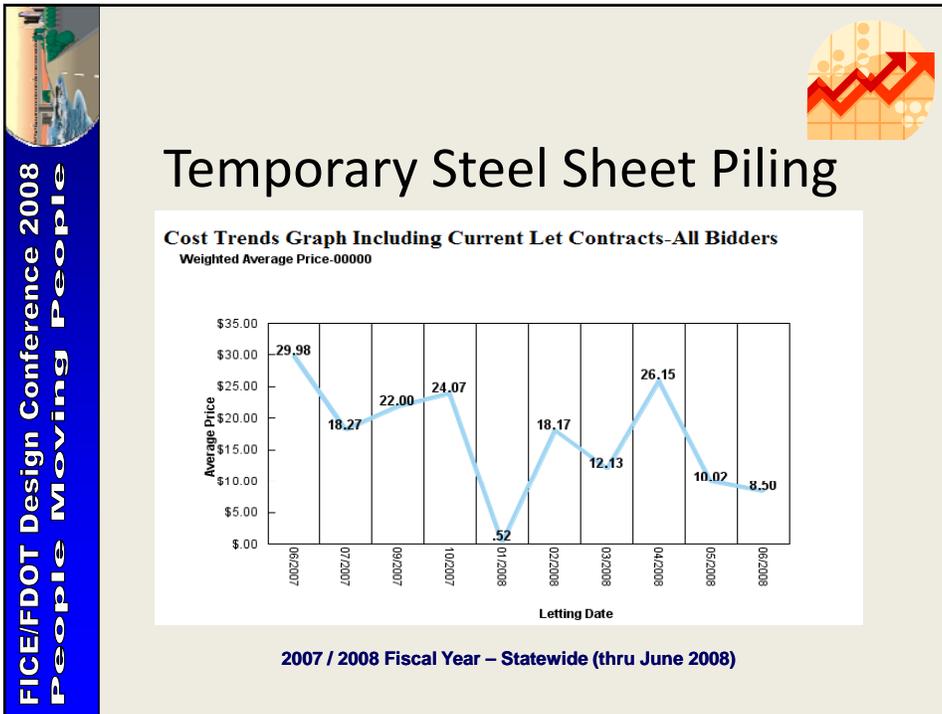
- Quantity = 46.1 Tons
- Department Estimate
= \$2,400.00 / ton
- Low Bid=\$6,202.17/ ton
- Number of Bids = 2
- Avg. Bid = \$5,239.05 / ton
- Explanation:
 - With a start date of March the water level in the river would be higher and that work would need to be done from a barge.





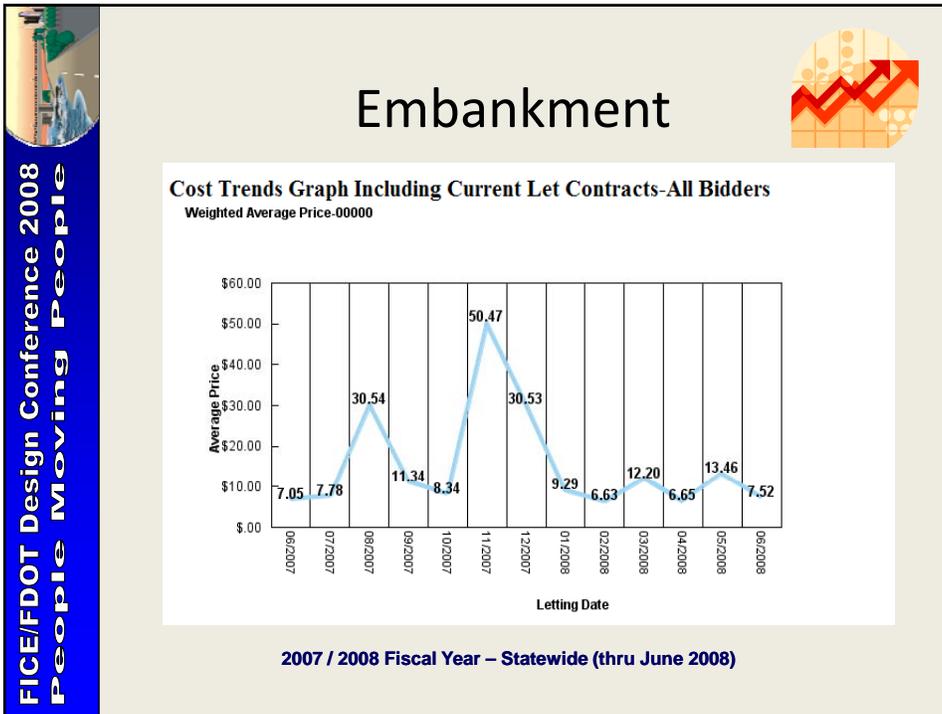
- FICE/FDOT Design Conference 2008
People Moving People
- ### Commercial Material for Driveway Maintenance 120-3
- Quantity = 599.00 Cubic Yards
 - Department Estimate = \$ 25.00/CY
 - Low Bid=\$0.01/CY
 - Avg. Bid = \$11.50/CY
 - Number of Bids Received = 7
 - Explanation:
 - Area of low densities of residences and businesses.





FICE/FDOT Design Conference 2008
People Moving People

Temporary Steel Sheet Piling 455-133-2	Pipe Culvert (Opt. Material) 430-172-102
<ul style="list-style-type: none"> • Quantity = 62,359.00/SF • Department Estimate = \$22.00/SF • Low Bid=\$0.01/SF • Number of Bids = 5 • Avg. Bid = \$0.02/SF • Explanation: <ul style="list-style-type: none"> – Included costs in the price for proposed pipe material 	<ul style="list-style-type: none"> • Quantity = 498.00 LF • Department Estimate = \$200.00/LF • Low Bid=\$253.00/LF • Avg. Bid = \$198.83/LF



FICE/FDOT Design Conference 2008
People Moving People

Embankment 120-6	Regular Excavation 120-1
<ul style="list-style-type: none"> Quantity = 189,566.00 CY Department Estimate = \$9.00/CY Low Bid=\$0.01/CY Number of Bids = 6 Avg. Bid = \$3.21/CY Explanation: <ul style="list-style-type: none"> – Included in the unit price for regular excavation 	<ul style="list-style-type: none"> Quantity = 546,065.00 CY Department Estimate = \$4.50/CY Low Bid=\$4.15/CY Avg. Bid = \$3.96/CY



Embankment 120-6

- Quantity = 271,392.0 Cubic Yards
- Department Estimate = \$15.00 / CY
- Low Bid=\$8.82 / CY
- Number of Bids Received = 12
- Avg. Bid = \$13.66 / CY
- Explanation:
 - Contractor has 3 sources of materials in the area that are certified and sufficient materials on hand.

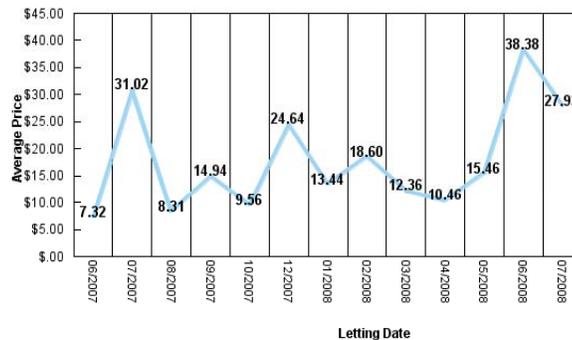


Borrow Excavation



Cost Trends Graph Including Current Let Contracts-All Bidders

Weighted Average Price-00000



2007 / 2008 Fiscal Year – Statewide (thru June 2008)

Borrow Excavation 120-2-2

- Quantity = 1,496.00 CY
- Department Estimate = \$25.00/CY
- Low Bid=\$0.01/CY
- Number of Bids = 8
- Avg. Bid = \$18.41/CY
- Explanation:
 - Will use site excavation to balance fill requirements

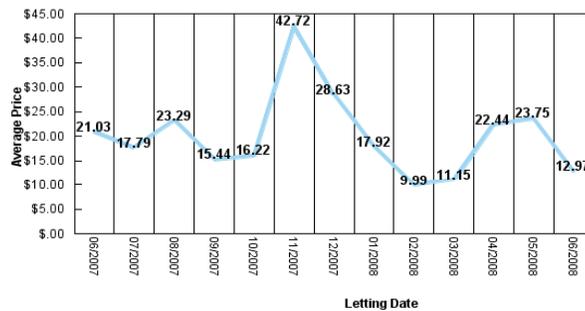
Regular Excavation 120-71

- Quantity = Lump Sum
- Department Estimate = \$60,000.00
- Low Bid=\$60,000.00
- Avg. Bid = \$52,868.70

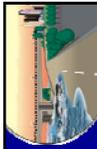


Removal of Existing Concrete Pavement

Cost Trends Graph Including Current Let Contracts-All Bidders
Weighted Average Price-00000



2007 / 2008 Fiscal Year – Statewide (thru June 2008)



Removal of Existing Concrete Pavement 110-4

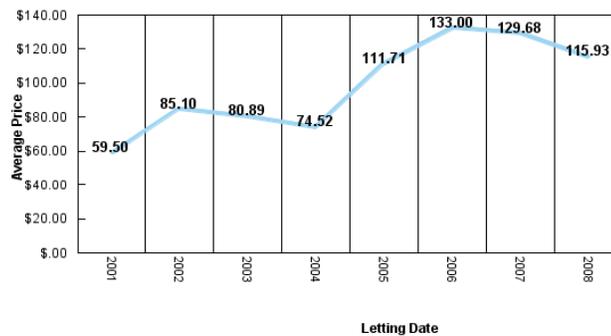
- Quantity = 25,479.2 Square Yards
- Department Estimate
= \$25.00/SY
- Low Bid=\$5.00/SY
- Number of Bids = 7
- Avg. Bid = \$6.91/SY
- Explanation:
 - Plan to salvage the concrete pavement on this project to eliminate paying dumping fees.



Concrete Piling



Cost Trends Graph Including Current Let Contracts-All Bidders
Weighted Average Price-00000



FICE/FDOT Design Conference 2008
People Moving People

Concrete Piling (24" & 30")

<u>455-34-5</u>	<u>455-34-6</u>
<ul style="list-style-type: none"> • Quantity = 3,595.00 LF • Department Estimate = \$125.00/LF • Low Bid=\$1.00/LF • Number of Bids = 2 • Avg. Bid = \$125.00/LF • Explanation: <ul style="list-style-type: none"> -contractor uncertain of the quantity to be used. -existing soil conditions are composed of several layers of hard rock. -Included cost in Mobilization Item. 	<ul style="list-style-type: none"> • Quantity = 12,378.00 LF • Department Estimate = \$150.00/LF • Low Bid=\$1.00/LF • Number of Bids = 2 • Avg. Bid = \$150.00/LF

FICE/FDOT Design Conference 2008
People Moving People

Summary

- Oil price pressures continue to grow
- Work demand offset materials cost
- Innovative Means and Methods

COMPETITION



MATERIALS \$\$\$

44

FICE/FDOT Design Conference 2008
People Moving People

Questions / Comments



CLICK IT OR TICKET.

FICE/FDOT Design Conference 2008
People Moving People

CONTACT INFORMATION

Kenneth Richardson
Central Office Estimates Coordinator
kenneth.richardson@dot.state.fl.us
(850) 414-4192 SC 994-4192