

Transportation Estimating

HOW DO YOU JUDGE THE
QUALITY OF AN ESTIMATE?

George Bradfield - Chief Estimator
Georgia Department of
Transportation

ESTIMATE DEFINITIONS

- Webster's unabridged definition -
- FHWA definition -
- George Bradfield's Roads and Bridges definition -

Detailed Construction Cost Estimates (Letting Estimates)

- Program vs Letting estimates
- Program estimates should target low bid? (Bad Choice)
- Letting estimates - fair and reasonable cost for work
- Averaging within your estimate?
- Average production rates and job conditions

Detailed Construction Cost Estimates (Letting Estimates) cont.

- Historical data OK for incidental items
- Caution on historical pricing
- Get into the heart of the project
- Key to developing a quality estimate

Judging the Quality of an Estimate.

- Quality of an estimate IS NOT and HAS NOTHING to do with the direct relationship to the low bid
- 25% over OK
- Management responsibility
- Quality estimating practices establishes CREDIBILITY

Judging the Quality of an Estimate. (cont.)

- Decision making award/reject
....critical
- Contractor bid vs DOT estimate
- Challenge to all estimators
- Bonus timeconfidence leads to better quality

Estimate guidelines and bid evaluation.

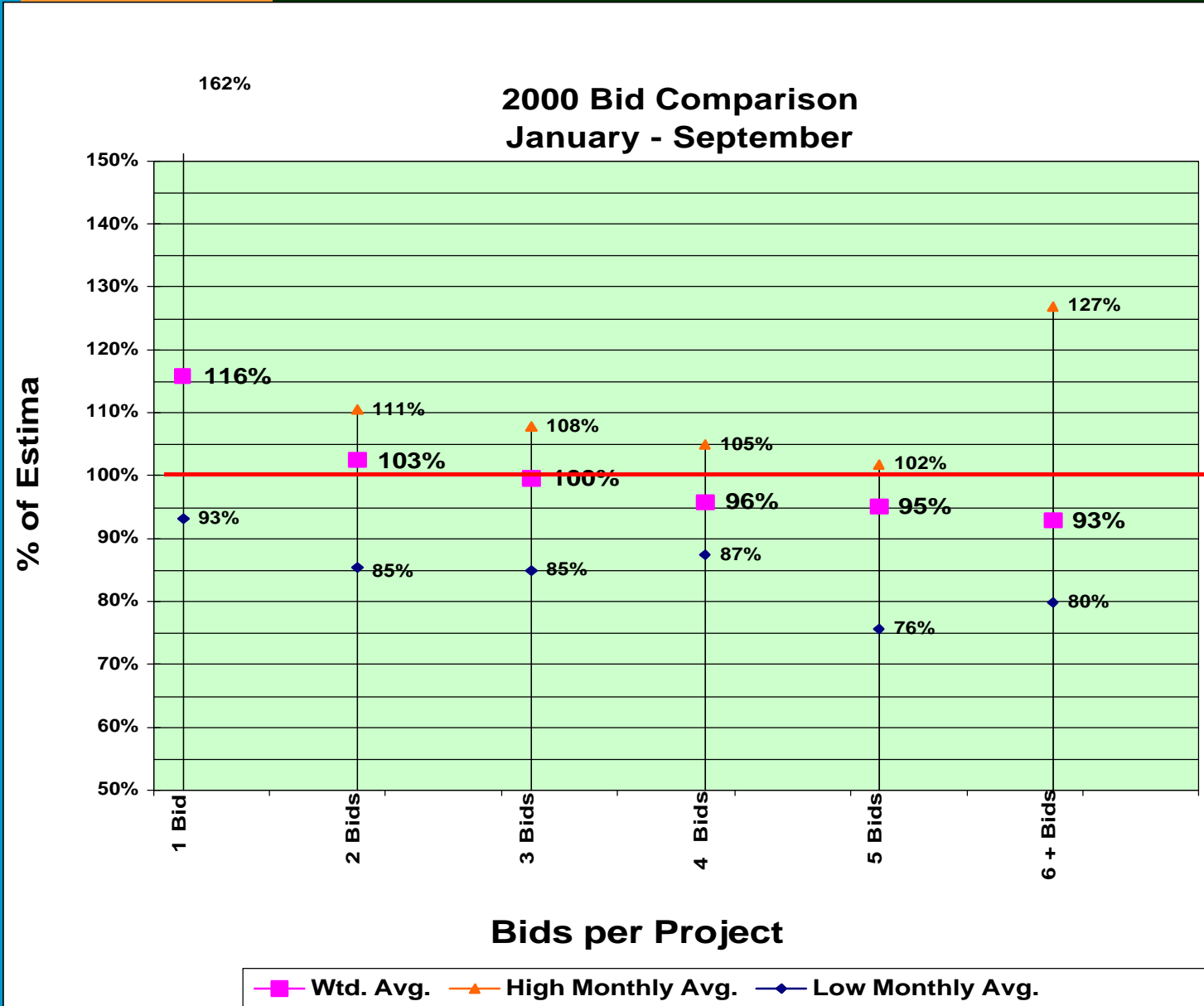
- Low bid analysis
- Threshold of award%
- Other tools?
- FHWA policy guidelines and Technical Advisories
- Peer review team to study present policies relative to estimating

Guidelines for Improved Quality of Our Estimates

- Estimator certification program
- Estimating manual
- Estimate analysis graphs
- Estimate quality relative to contract document
- Estimator responsibility

DOT Bidder Analysis

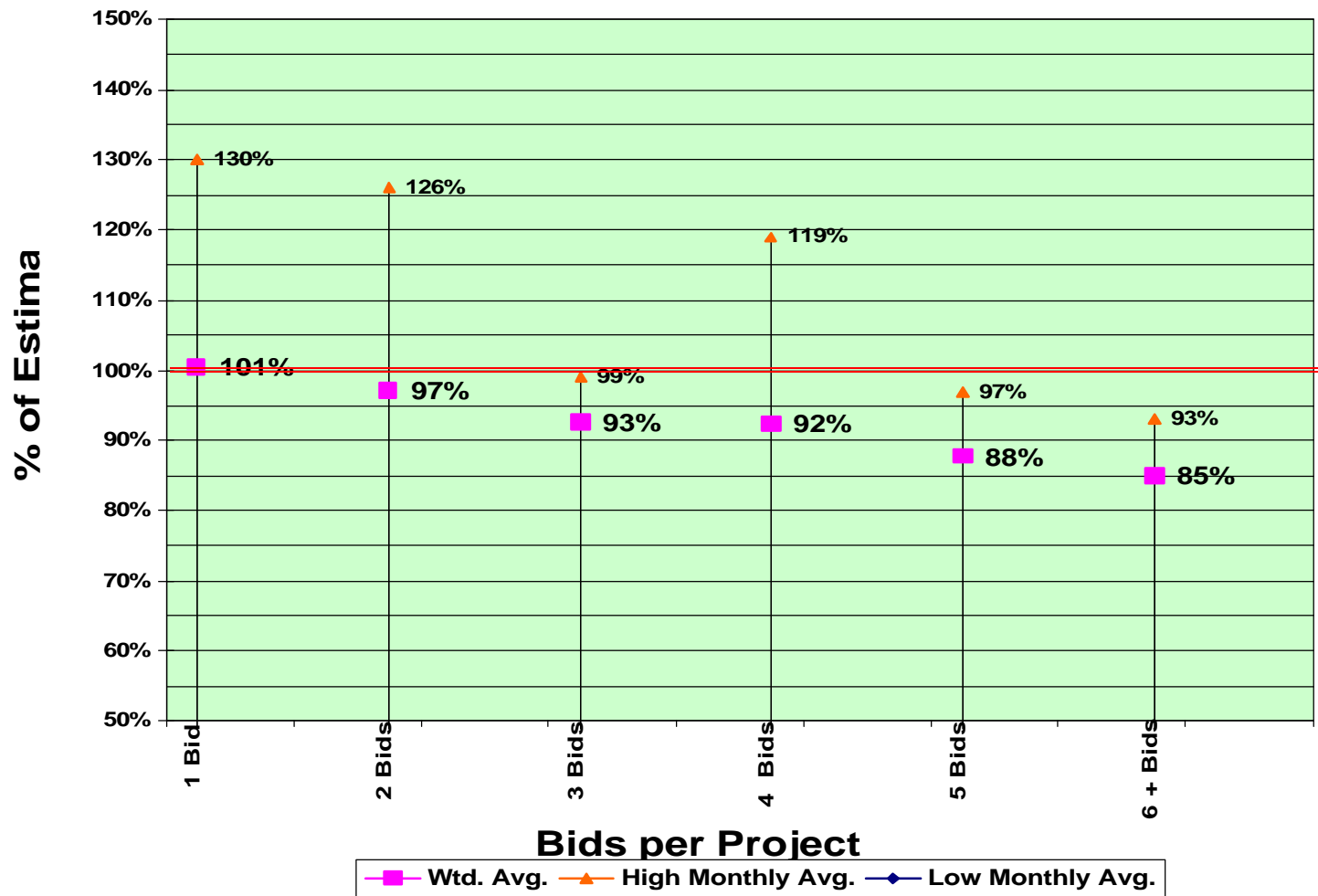
Santa Fe 2000



DOT Bidder Analysis

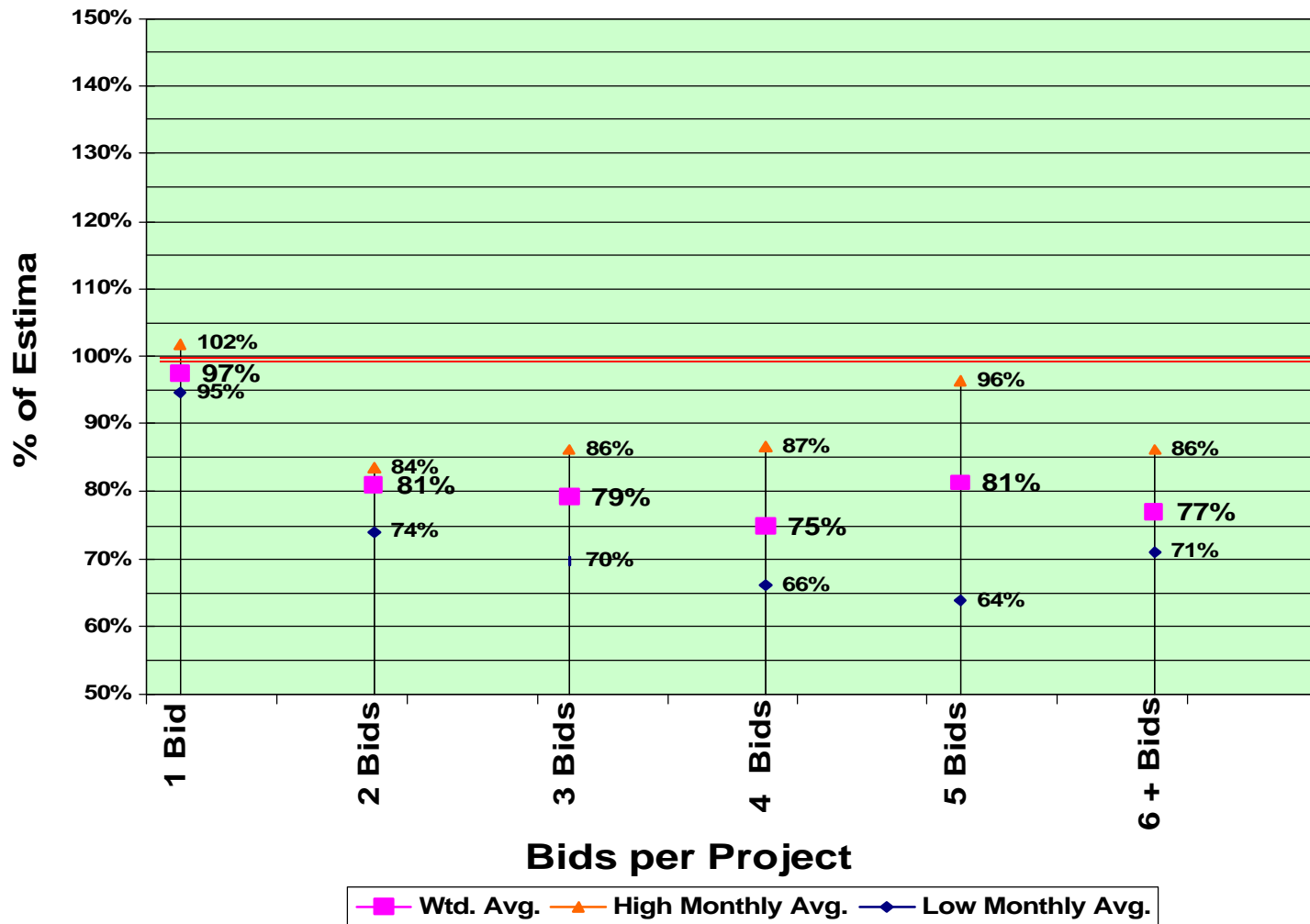
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2000 Bid Comparison January - August

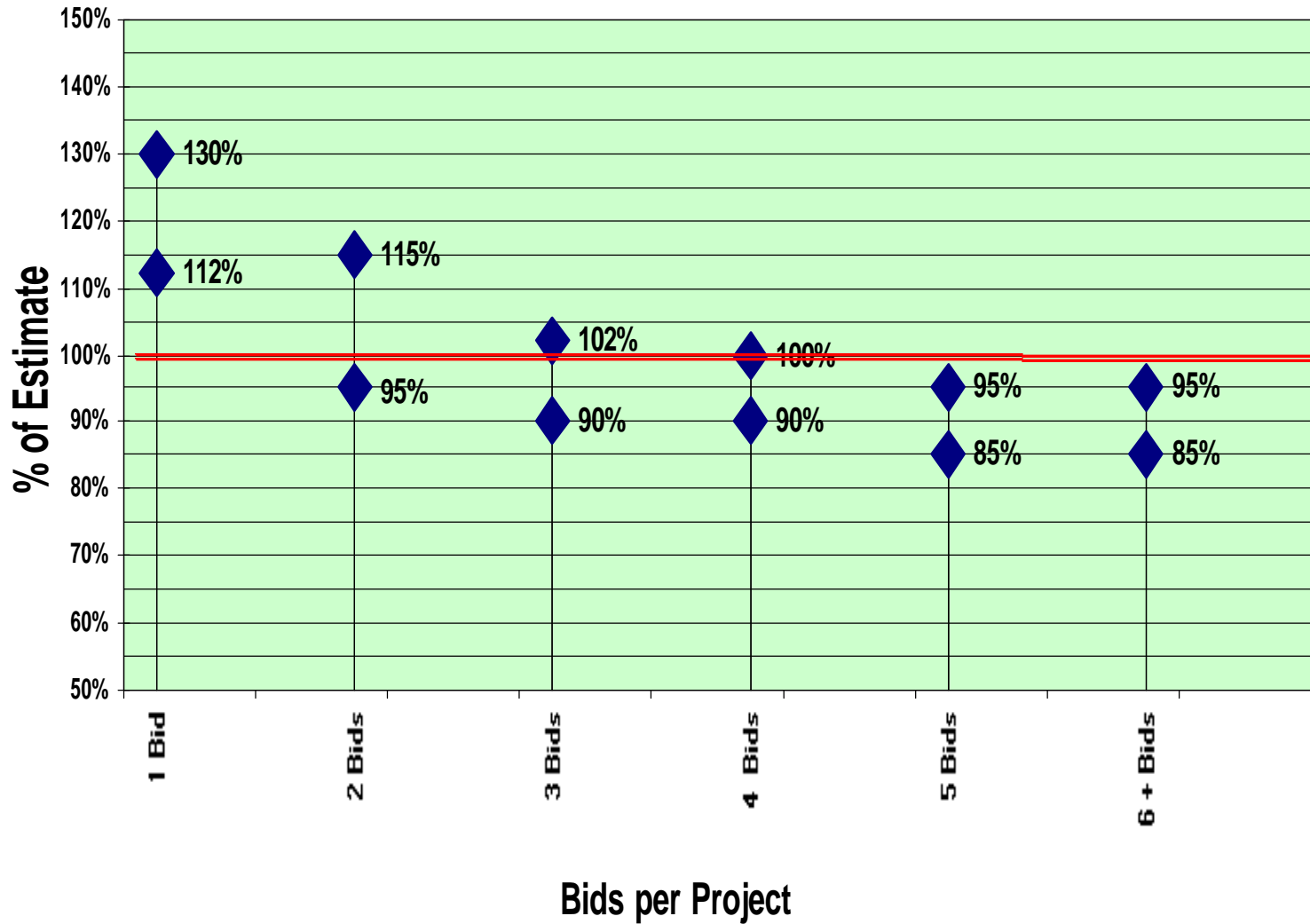


DOT Bidder Analysis

2000 Bid Comparison
January - September



Proposed Model for Bid-Estimate Comparison



Value of Cost Based Estimating

- Direct link to understanding specs and checking of quantities
- Upper management credibility in the estimating process
- Contractors aware you are looking at the project as they do

Value of Cost Based Estimating (cont.)

- Award/Rejection decisions can be made with less negative impact to the Contractor community
- Savings on relet of projects is a much greater possibility

Federal Aid Policy Guide and Technical Advisories Relative to Estimates

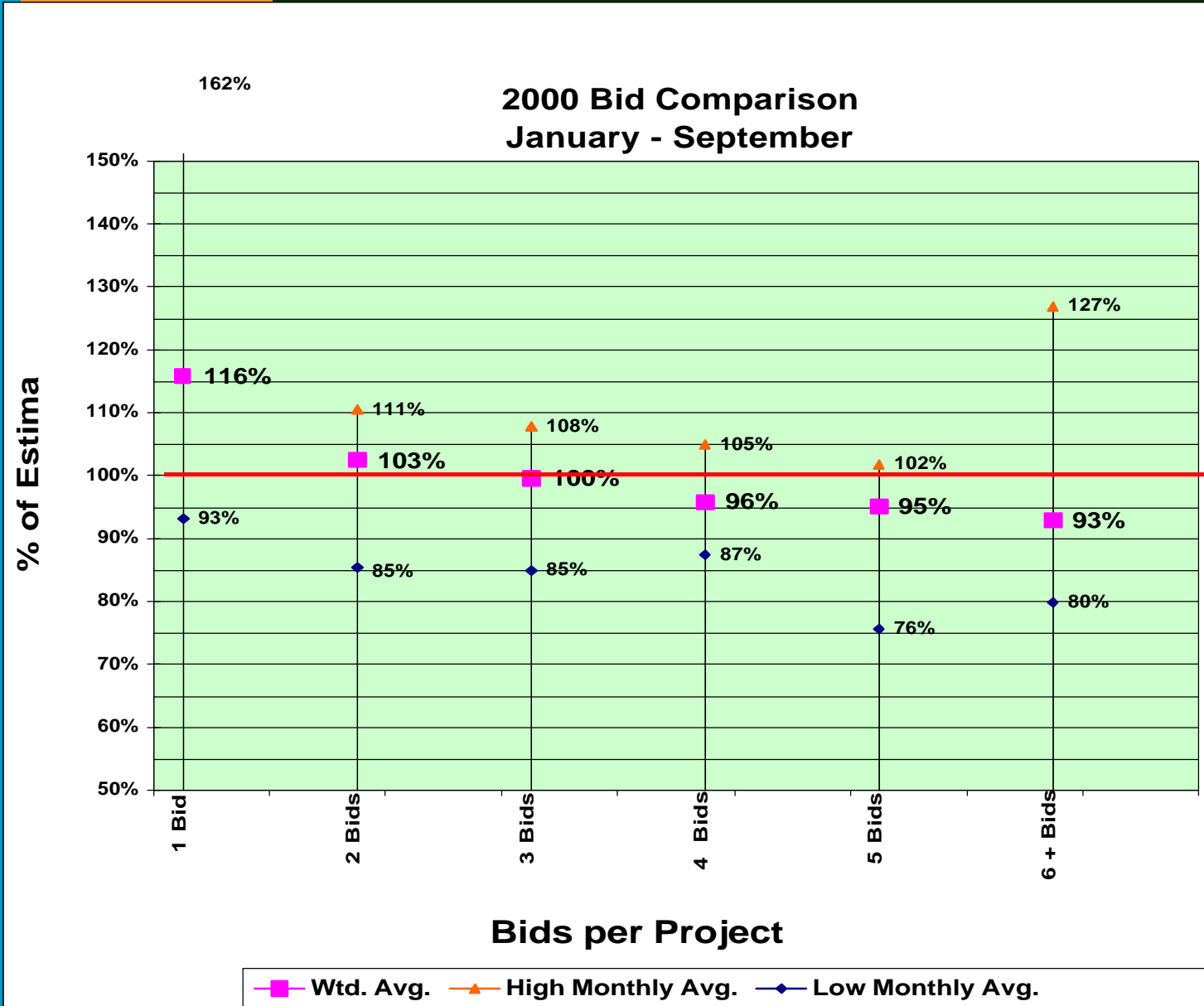
- NS 23 CFR 630B
- Technical Advisory 5080.4
- Guidelines for Preparation of Plans, Specifications, and Estimates
- Preparing Engineer's Estimate and Reviewing Bids

Relationship between the number of bids to the Estimate.

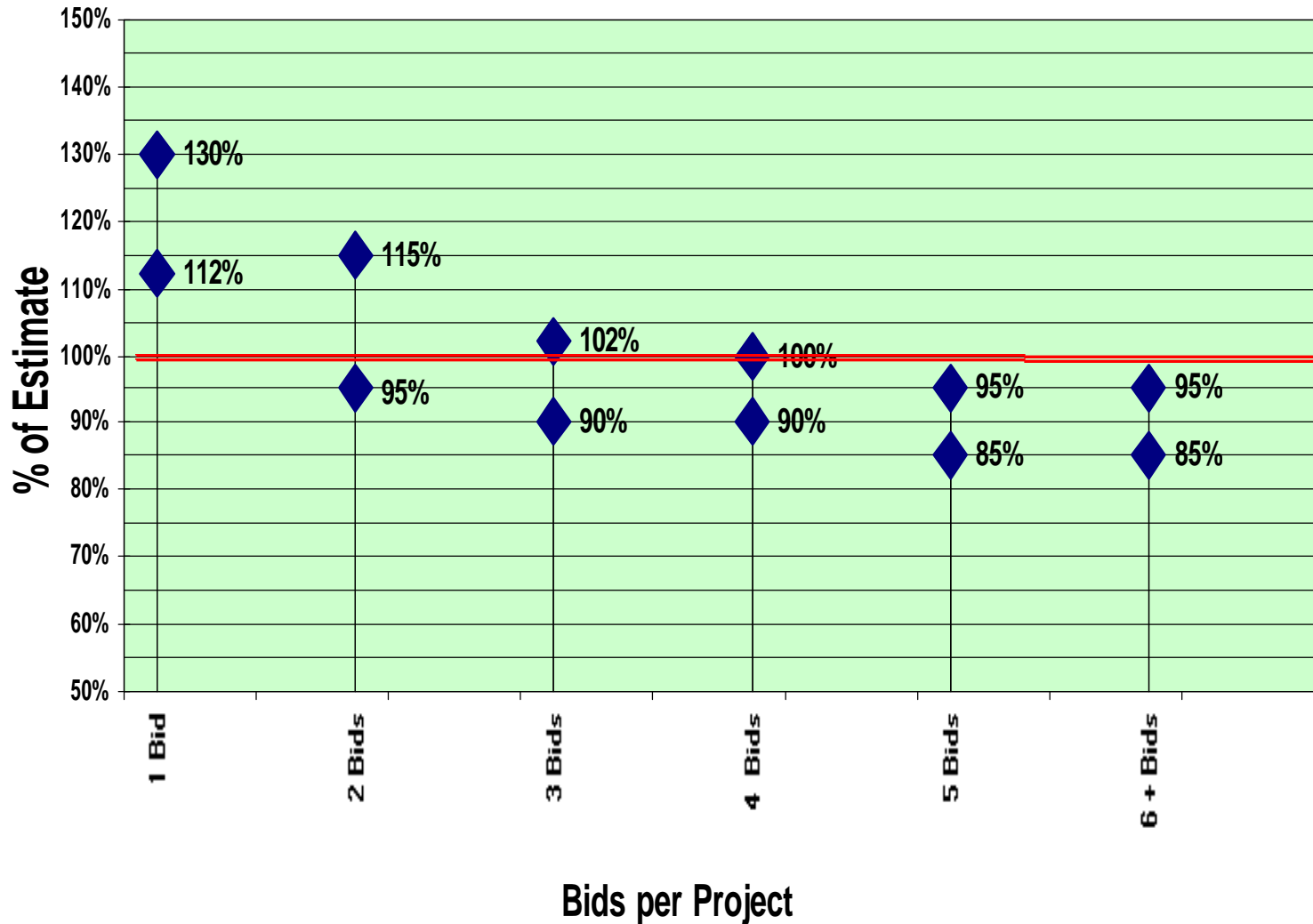
- Bidder Analysis Graphs

DOT Bidder Analysis

Santa Fe 2000



Proposed Model for Bid-Estimate Comparison



Goals for Next TEA Conference

- Prepare Bidder Analysis graphs
- Track relet projects (Savings)