



Recent Estimating Trends (August 2021)

Projects

Low bid prices are not expected to continue, and bid prices are beginning to increase. Average and above average historical prices are recommended for estimating.

Urban projects are more expensive for the following reasons ([FDM 19-5-5.6.2](#) Project Characteristics page 17).

- Lack of staging areas require more frequent material and equipment deliveries, increasing mobilization and other item costs.
- Working around pedestrian and local traffic accommodations may keep production rates low and costs high when most work is done in piecemeal with low production rates.
- Buildings or traffic close to the roadway means the contractor must work carefully with large equipment, decreasing production rates and increasing costs.

Asphalt Pavement Items

Historically, asphalt prices have followed oil commodity prices and fuel costs. Oil prices have recently increased and returned to pre-COVID prices, and fuel costs also have increased. It is anticipated that asphalt prices will rise as oil and fuel have.

The Asphalt Price Map may not be as accurate. Current trends vary depending on what part of the state the project is located.

- Asphalt contracts with less than 20,000 TONS of asphalt have recently seen increased unit prices for asphalt mixes and mobilization. The increases are likely due to spreading the costs of mobilizing a asphalt plant or increased hauling costs in bring the material from a permanent plant.
 - The [Similar Projects Tool](#) can be used to find projects with more or less than 20,000 TONS. It has total HMA pavement in Column T of the Data Sheet. Fuel prices have recently increased, items greatly affected by haul distances have increased.
- Asphalt projects in south-central Wisconsin are seeing lower bid prices because of more, recent competition.

For additional guidance of the items below, please review [FDM 19-5-5.6.3](#) Bid Item Estimating Guidance (page 18 to 19). [FDM 19-5-5.5](#), and the [Estimating Tools Website](#) contain links and guidance to the Asphalt Price Map.

HMA pavement has about 80 items. Some mix designs do not have a large difference in unit prices between each other, and broader searches may be used. **Below, the unit price difference for the various HMA pavement mixture characteristics from September 2020 to August 2021 are shown.**

Gradation	2	3	4	5
Unit Price Difference		\$3	\$3	\$16

Binder	58-28	58-34
Unit Price Difference		\$18

Traffic	LT	MT	HT	SMA
Unit Price Difference		\$3	\$6	\$13

Designation	S	H	V
Unit Price Difference		\$16	\$1

Mobilization

Mobilization costs make up a larger percentage of the work in small and large proposals. Mobilization is the top item on both the top items bid above and below the estimate tables below, indicating this item is the least accurately estimated item. Use the [Similar Projects Tool](#) for more accurate Mobilization percentages.

Other Items Inaccurately Estimated

For additional guidance of the items below, please review [FDM 19-5-5.6.3](#) Bid Item Estimating Guidance (page 18 to 19).

- Removing Asphaltic Surface Milling almost shows up on both, the top items bid above and below the estimate tables below.
 - Milling is more expensive in urban contracts where flagging needs to be maintained throughout the length of the work area.
- Concrete Masonry Bridges is often in the top items bid below estimate, and regression prices should not be used. The best way to estimate is to use similar projects and ensuring the same bridge type is in your similar projects including slab-span, girders or rehabilitated bridges. The easiest way to find similar structures is in in the [Structure Cost Summaries Page](#), which is now linked in [FDM 19-5-5.5.2](#) Other Tools and Resources (pages 14-15).
- Designers estimating projects containing a lot of hand work such as **curb ramp items** or median reconfigurations are typically 2 to 2.5 times more expensive.
- Since the April 2021 Letting, we saw prices increase for some steel items including piling and steel rail. Steel commodity prices remain high. Bid prices will likely increase. Proposal Management expects prices to remain high and would recommend construction estimates for piling and steel rail items to be increased to the upper range of historic values, especially if the contract is being let in the next year.



Recent Estimating Trends (August 2021)

Top Items Bid Above Estimate (June to August 2021)

Rank	Item Number	Item description	Item Freq.	Item Freq. >1%	Estimate Item Amount	Bid Item Amount	Item Difference	Perc. Diff. (by Est.)
1	206.1000	Excavation for Structures Bridges	15	3	\$442,100	\$3,374,074	\$2,931,974	663%
2	619.1000	Mobilization	28	24	\$4,197,250	\$6,711,230	\$2,513,980	60%
3	643.5000	Traffic Control	28	9	\$339,515	\$1,176,267	\$836,752	246%
4	502.0100	Concrete Masonry Bridges	9	6	\$3,802,550	\$4,608,880	\$806,330	21%

Top Items Bid Below Estimate (June to August 2021)

Rank	Item Number	Item description	Item Freq.	Item Freq. >1%	Estimate Item Amount	Bid Item Amount	Item Difference	Perc. Diff. (by Est.)
1	305.0120	Base Aggregate Dense 1 1/4-Inch	31	4	\$3,288,604	\$1,203,679	-\$2,084,926	-63%
2	312.0110	Select Crushed Material	8	3	\$2,362,155	\$675,977	-\$1,686,178	-71%
3	619.1000	Mobilization	28	21	\$5,259,100	\$3,603,525	-\$1,655,575	-31%
4	460.5224	HMA Pavement 4 LT 58-28 S	12	8	\$10,338,714	\$9,153,137	-\$1,185,576	-11%
5	208.0100	Borrow	11	4	\$1,276,800	\$148,629	-\$1,128,171	-88%
6	204.0120	Removing Asphaltic Surface Milling	18	14	\$2,797,317	\$1,751,063	-\$1,046,254	-37%
7	502.0100	Concrete Masonry Bridges	9	7	\$3,355,395	\$2,316,679	-\$1,038,716	-31%
8	305.0110	Base Aggregate Dense 3/4-Inch	28	7	\$2,389,584	\$1,444,700	-\$944,884	-40%
9	205.0100	Excavation Common	27	8	\$2,593,022	\$1,832,223	-\$760,799	-29%
10	450.4000	HMA Cold Weather Paving	10	1	\$760,544	\$39,280	-\$721,264	-95%

- **Item Freq.:** Number of proposals the bid item was bid above or below the estimate.
- **Item Freq. >1% or Freq. <-1%:** Number of proposals the bid items was bid significantly higher or low than the estimate. The difference between the total cost of the item bid and estimate, expressed as a percent of the total estimate, is greater than 1%.
- **Estimate and Bid Amounts:** Estimate amount and low bid amount for bid items bid above or below the estimate.
- **Item Difference:** Bid item difference amount between the estimate and bid (Bid Column – Estimate Column).
- **Perc. Diff. (by Est.):** Percent of item difference by estimate (Item Difference Column/Estimate Column)

Tables above are statewide totals, and rejected bids are included, which provide a better picture for what items are estimated low. **Trends will vary in each region and program.** Programs and regions with higher budgets will greatly impact these lists.