

STATE UNIVERSITY CONSTRUCTION FUND

PROGRAM DIRECTIVES

DIRECTIVE 1C-8

Issue date: January 2009

PROJECT ESTIMATING

1. Provide cost estimates at each design phase submission as authorized by the Fund, complying with the requirements of the Fund's "*Project Cost Reporting Guide*." The "*Project Cost Reporting Guide*" outlines the format and content requirements of the project estimate at each design phase of various types of projects.
2. As outlined in or in addition to the "*Project Cost Reporting Guide*" and as applicable, provide the following:
 - a. Provide separate estimates for each new building, each renovated building or portion of renovated building, and site work.
 - b. Follow the Construction Specification Institute (CSI) format for compiling the estimate. The format shall be consistent from Concept Phase through to Construction Document Phase estimate.
 - c. The estimate shall break down the scope of work into the smallest level of detail possible with respect to the design phase being submitted. The level of detail of the estimate shall also be such that specific items of work can be isolated and reviewed for cost implications. The Fund Project Coordinator should review the estimate level of detail at the start of each design level phase.
 - d. The estimate shall be representative of the total scope of work whether or not all systems and/or equipment are indicated on the current design documents.
 - e. In the Design Manual and Construction Document Phases, the estimate for each line item of work shall be broken down into labor, material, and equipment. Significant lump sums shall not be acceptable where quantities can be measured or calculated.
 - f. Provide an overall summary sheet consolidating all parts of the estimate into a total project construction cost. Provide separate summary sheets, where applicable, for each new building, each renovated building or portion of renovated building, and site work. All mark-ups (general conditions, overhead and profit, contingencies, escalation, etc.) should be listed separately on the summary sheet.

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- g. All back up sheets should reflect bare low bid costs and reflect current market value, as if the work was being installed at the time of the estimate. The units of measure shall be accurately quantified. Vender quotes should be included for specialty items and large equipment or systems. Labor cost should be consistent with the NYS Department of Labor prevailing wage rates and staffing limitations
 - h. Propose mark-ups (general conditions, overhead and profit, escalation, etc.) that are appropriate to the current market conditions that can be reasonably anticipated at the project location. Provide research and documentation to support mark ups that exceed the Fund's expectations.
 - i. Provide the estimate as a Microsoft Excel spreadsheet to the Coordinator for the Fund's use during its review.
3. With the submission of the current phase estimate, provide a comparison of the previous phase estimate to the current phase estimate. Identify in the comparison the reasons for major cost shifts and changes. The comparison format shall follow the estimate format.
4. If the Consultant's estimate for the phase exceeds the Fund's Budget, the Consultant must identify reasonable scope reductions required to reduce the estimated cost to match the available budget. Reductions may include value engineering suggestions but only where such suggestions address lifecycle costs for maintenance, replacement, etc. compared to the system designed. Reductions should not affect the constructability of the project.
5. The estimate provided will be reviewed in detail by the Fund and may be verified by with an independent second estimate obtained by the Fund. The Consultant and its Cost Analyst shall review the Fund's detailed concerns and, if applicable, its second estimate, and revise and reconcile their estimate accordingly, or provide further documentation to substantiate their costs. The process shall proceed until the Consultant's estimate is acceptable to the Fund. This process shall not relieve the Consultant of their responsibilities under Section B(5)d. of Article I of the Consultant Agreement.
6. "Appendix A": With the final approved Construction Document Phase estimate, provide an "Appendix A" bid breakdown sheet with the amounts filled in that total to the final approved estimate. Mark ups and contingencies shall be spread through the breakdown items equally. Compile "Appendix A" bid breakdown sheet to suit the project while being aware that its purpose is to provide the ability for the Consultant and the Fund to analyze the bids. The line items shall be

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substantial amounts but not excessive, say ranging from 10% to 25% of the total estimate. The Consultant must submit a copy of this form to the Fund with values filled in prior to the receipt of bids.

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