BID OPENING EXPECTATIONS

If you become involved with reconstructing a golf course, it’s likely you’ll have a bid opening. While some projects are negotiated with a preferred contractor, most owners inevitably want to know if they’ve received the best price, which requires one to bid the project competitively using a golf course architect to prepare the documents.

Some clubs opt to bid small and medium-size renovation projects without using a golf course architect to save fees that typically equate to 7 to 10 percent of the construction cost. However, there are numerous examples of the service more than paying for itself through the best possible construction price thanks to bidding and construction evaluation to assure the quality designed is the quality built.

Bid openings are always tense because architects’ design agreements require us to design within a budget and to redesign (at our cost) if the bids don’t meet the budgets. So, I’m always nervous. And naturally, the first bid usually ends up highest.

Normally, we’re confident bids will be close to our cost estimate because we track unit costs from recent bids and adjust our estimates for inflation, local conditions and materials, and project size. But this has been more difficult during the past year when oil prices have boosted plastic prices for drain and irrigation pipes and trucking costs for almost all materials.

Just in case market conditions have changed dramatically, we usually provide alternate bid items so we can adjust the final contract up or down to meet budget. This usually involves changing specifications rather than changing the basic design. When trying to reduce a budget, typical targets include:

- California versus USGA greens ($190,000 savings on a recent bid).
- Local rather than imported white bunker sand.
- Reduction of tee-mix depth or quality.
- Fabric bunker liner, although this quickly is becoming a necessity rather than a luxury.
- Cart path width. It’s always a painful decision to narrow paths, especially around greens and tees, but concrete is expensive. It’s even more painful to accept paths that are less than eight-feet wide all around the course.
- Curbing. Courses that eliminate curbs usually add them later, poorly tied in and at a larger expense.
- Bunker, tee and green size, usually in that order.

There are many instances in which you shouldn’t be overjoyed at receiving a bid lower than expected. One is when it comes from a bidder the architect or client doesn’t want to work with. It’s best to eliminate unwanted bidders through a strong prequalification requirement, such as being a certified member of the Golf Course Builders Association of America, or an invited bid list rather than go through the lengthy and expensive bid process only to be told you don’t care to work with them. That way, you’ll be happy to work with any successful bidder.

Golf course architects also are concerned when the low bid is more than 5 to 7 percent lower than the next cluster of bids. This can indicate the contractor has missed something significant in the plans or has financial troubles and needs a job too desperately. This is why most bids allow an owner to accept the lowest reasonable bid or the one he deems is in his best interest.

Architects know how to put a bid together to assure the bidders truly are bidding apples to apples. When a club asks contractors for bids independently, assuming everyone knows what it wants when rebuilding a green, there’s room for error. Most likely, the low bid is a result of a contractor bidding to build it in the least expensive way (not necessarily a bad thing) rather than the way you want it built.

Architects also know how to write bid proposals and contracts that cover the many details of a large financial transaction that protects the owner if the project doesn’t go as smoothly as anticipated. A good bid document answers hundreds of project questions – many of which an inexperienced owner doesn’t even know to ask – that considerably affect the bid price, the product quality and the owner’s satisfaction.

Lastly, an architect is experienced in contractor negotiations. Besides determining the final bid price and contracts that minimize change orders if those arise, he’ll assist you in negotiating fair change orders that will save you money.

While you might envision a golf course architect as providing you artistic vision, our experience with design agreements and payments reflect our real value: protecting you financially and legally through complete plans, specifications and bid documents. The well-planned, functional and artistic design is a bonus.