

Pricing the takeoff

Part III of III: A thorough costing and documentation system will provide a solid base for managing and controlling your business.

by Sylvia Hollman Fee

■ Pricing an estimate is the final step before placing the proposal before your client.

Takeoff lists are prepared for hard construction, site work, plantings, irrigation, and so on. Each major category is kept separate in the methodical takeoff listing.

Fig. A refers to square feet, linear feet and cubic yards because those are the reasonable dollar value units of measurement. These units of measurement will also refer to the corresponding labor required for installation.

In the hard construction takeoff (Fig. A), the estimator's common sense confirms related quantities such as the concrete slab and the surface stone paving. A variance in height of the railroad tie wall has been noted and measured.

Once all the work has been identified and listed, prices are added to the takeoff.

Your most accurate price source is your firm's historical cost data from past projects. Other sources are local suppliers and subcontractors and annual cost data publications.

ing man-hours, crew requirements, material, equipment and total costs. Using one (or all) of the three sources mentioned above, calculate the estimated cost of each item, and fill in the cost in the appropriate column on your estimating sheet.

The next step is creating a summary and total. The summary can be prepared using a pre-printed form. Sales tax, overhead and profit provisions are calculated, and the whole estimate is totalled. Your firm's particular overhead requirements must be the basis for your mark-up.

System costs—It is common for experienced estimators to have an in-house price or system cost for certain kinds of routine work.

For example, if the bluestone terrace noted in Fig. A is a routine application, the contractor may carry a cost of \$14.50/sq.ft. for bluestone terraces. For lawns, a cost per square foot or square yard is a standard practice. In all pricing situations, common sense dictates adjustments in systems costs for any unusual site conditions or specifications.

Pricing formats—

Several formats of bid pricing may be used or required by clients. The methodical takeoff method never varies in spite of the final form the bid price may take. Bid prices for work may be presented (or required) in certain formats. Most common are lump-sum bids and unit-price bids. Also, a combination of these two forms is not unusual.

Unit-price bids: In a unit-price bid, each item listed may be detailed in specifications or drawings to include material or methods that are unique and costly.

Cautions are advised on pricing unit-price

bids (sometimes called line-item bids). A methodical takeoff of all items contained within a unit-price bid list is necessary.

An example of unit prices that could confound your bid for lawns could be seeding as a unit price and loam as a unit price. This calls for an estimator to break up a system often priced as one unit.

Lump sum bids: It's not unusual for the landscaper to propose all site work, construction, planting and so on for one total price.

Padding—Padding (percentage mark-ups dependent on "uncertain events or chance") have no place in a quantity takeoff.

A solid estimate is based on a methodical takeoff list of all items that must be paid to complete the job.

Description	EXTENSIONS BY SLP				TOTAL
	Material	Labor	Equipment	Subcontract	
Sidewalk	11800	580			12380
Handrails			580		580
Rip Rap				17800	17800
Grading					
Hard Construction:					
Bluestone Patios	1800	1110	48		2958
RR Tie Steps					
Edging					
Fieldstone Edging					
Crushed Stone Walks					
Plantings:					
Trees, Shrubs + Groundcover	8100	1120	800		10020
Structural material					
Lawn					
Miscellaneours:					
Pruning + Cleanup (8-10 Day)		1000	800		1800
Sales Tax 5%					1800
Direct Costs Subtotal	77800	48500	11110	188500	285410
Overhead + Profit (10% M, 20% S, 10% E, 10% C)	7780	4850	1111	18850	24596
Total	85580	53350	12221	207350	311006

Fig. B

Irregular areas, deliveries, taxes, overhead and clean-up should be thought out in advance and figured into your prices. They should appear as contingency items. If you don't know it, you can't project it.

If there are circumstances around a bid item that are uncertain, that concern may be handled by listing the item on the estimate with a dollar value attached.

Keep in mind, your cost items form a valuable base for the job budget at the time of installation.

—The author is owner of Sylvia Fee & Associates Inc. in Needham, Mass. and author of "Means Landscape Estimating."

On all of the takeoff worksheets accompanying this article, the arithmetic has been checked for accuracy, and the items have been reviewed.

Description	QUANTITIES BY SHF		PRICES BY RSM		EXTENSIONS BY SLP		EQUIPMENT		SUBCONTRACT	
	QUANTITY	UNIT	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL
Hard Construction										
Concrete 4\"/>										

Fig. A

Fig. B is a sample page from Means Landscape and Site Work Cost Data show-