

Minnesota Highway Construction Cost Index 2nd Quarter 2019

Minnesota Highway Construction Cost Index

The Minnesota Highway Construction Cost Index is an indicator of price trends for highway construction. Each quarter, an average unit price is computed for six indicator items. The unit prices are based upon bids from projects let during that quarter. Prices from projects which cost less than \$100,000, and projects which use Design Build, Contract Manager/General Contractor (CMGC), Indefinite Delivery/Indefinite Delivery (IDIQ) and Emergency Order Project methods of contracting are not included in the Cost Index. The average unit price and quantity for these six indicator items along with the corresponding 1987 Base Year data is used to compute three sub-indices and the composite index. Each index and the associated indicator items are listed in Table 1.

Table 1/Indices and Indicator Items

Index	Indicator Items
Excavation Index	Excavation
Surfacing Index	Plant-Mixed Bituminous Pavement, Concrete Pavement
Structures Index	Structural Concrete, Reinforcing Steel, Structural Concrete
Composite Index	All Indicator Items

2nd Quarter 2019 Indices

The Composite Minnesota Highway Construction Cost Index for the 2nd Quarter 2019 was not computed due to the absence of data for the Structural Steel Indicator Item. The other 2nd Quarter 2019 Indices are compared to the 2nd Quarter 2018 Indices in Table 2.

Table 2/2nd Quarter 2018 and 2019 Indices

Index	2nd Quarter 2018	2nd Quarter 2019
Excavation Index	328.73	640.82
Surfacing Index	322.80	404.20
Structures Index	453.46	Insufficient data to compute index.
Composite Index	364.03	Insufficient data to compute index.

The average number of bidders per project in the 2nd Quarter of 2019 was 2.70. In comparison, the average number of bidders per project in the 2nd Quarter of 2018 was 3.16. Additional project data about the 2nd Quarter of 2018 and 2019 are included in Table 3.

Table 3/2nd Quarter 2018 and 2019 Project Data

Description	2nd Quarter 2018	2nd Quarter 2019
Number of Awarded Projects	75	56
Cost of Awarded Projects	\$403,094,260.36	\$277,512,687.91
Number of Bidders	237	151
Average Number of Bidders	3.16	2.70
Number of Cost Index Projects	25	19
Cost of Cost Index Projects	\$69,479,928.27	\$58,874,061.26

The 2nd Quarter 2019 Unit Prices for each indicator Item are compared to the 2nd Quarter 2018 Unit Prices in Table 4.

Table 4/2nd Quarter 2018 and 2019 Indicator Item Unit Prices

Indicator Item (Unit)	2 nd Quarter 2018 Quantity	2 nd Quarter 2018 Cost	2 nd Quarter 2018 Unit Price	2 nd Quarter 2019 Quantity	2 nd Quarter 2019 Cost	2 nd Quarter 2019 Unit Price
Excavation (CY)	682,827	\$4,500,293.23	\$6.59	425,237	\$5,463,283.83	\$12.85
Plant-Mixed Bituminous Pavement (Ton)	663,847	\$40,120,595.78	\$60.44	705,644	\$43,837,077.43	\$62.12
Concrete Pavement (CY)	181,580	\$22,163,522.12	\$122.06	23,753	\$7,629,964.65	\$321.22
Structural Concrete (CY)	1,983	\$2,180,035.99	\$1,099.36	2,113	\$1,701,434.85	\$805.22
Reinforcing Steel (lb.)	203,709	\$315,123.65	\$1.55	158,240	\$242,300.50	\$1.53
Structural Steel (lb.)	93,625	\$200,357.50	\$2.14	0	NA	NA

Excavation

The average Excavation cost was \$12.85/CY, up \$6.26/CY from the 2nd Quarter of 2018. Nine (9) projects were considered this quarter.

Plant Mixed Bituminous Pavement

The average Plant Mixed Bituminous cost was \$62.12/ton, up \$1.68/ton from the 2nd Quarter of 2018. Eleven (11) projects were considered this quarter.

Concrete Pavement

The average Concrete Pavement cost was \$321.22/CY, up \$199.16/CY from the 2nd Quarter of 2018. Five (5) projects were considered this quarter.

Structural Concrete

The average Structural Concrete cost was \$805.22/CY, down \$294.14/CY from the 2nd Quarter of 2018. Four (4) projects were considered this quarter.

Reinforcing Steel

The average Reinforcing Steel cost was \$1.53/lb, down \$0.02/lb from the 2nd Quarter of 2018. Four (4) projects were considered this quarter.

Structural Steel

There were no projects with Structural Steel this quarter.