

Minnesota Highway Construction Cost Index 4th Quarter and Calendar Year 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

4th Quarter 2019 Indices

The Composite Minnesota Highway Construction Cost Index for the 4th Quarter 2019 was not computed due to the absence of data for the Structural Steel Indicator Item. Without a unit price for each indicator item, the resulting index is not comparable to previous indices. The other 4th Quarter 2019 Indices are compared to the 4th Quarter 2018 Indices in Table 2.

Table 2/4th Quarter 2018 and 2019 Indices

Index	4th Quarter 2018	4th Quarter 2019
Excavation Index	498.92	902.48
Surfacing Index	321.43	344.09
Structures Index	Insufficient data to compute index.	Insufficient data to compute index.
Composite Index	Insufficient data to compute index.	Insufficient data to compute index.

The average number of bidders per project in the 4th Quarter of 2019 was 3.21. In comparison, the average number of bidders per project in the 4th Quarter of 2018 was 4.97. Additional project data about the 4th Quarter of 2018 and 2019 are included in Table 3.

Table 3/4th Quarter 2018 and 2019 Project Data

Description	4th Quarter 2018	4th Quarter 2019
Number of Awarded Projects	39	29
Cost of Awarded Projects	\$171,539,555.55	\$250,387,508.64
Number of Bidders	194	93
Average Number of Bidders	4.97	3.21
Number of Cost Index Projects	22	17
Cost of Cost Index Projects	\$71,064,420.62	\$36,060,051.23

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

Table 4/4th Quarter 2018 and 2019 Indicator Item Unit Prices

Indicator Item (Unit)	4 th Quarter 2018 Quantity	4 th Quarter 2018 Cost	4 th Quarter 2018 Unit Price	4 th Quarter 2019 Quantity	4 th Quarter 2019 Cost	4 th Quarter 2019 Unit Price
Excavation (CY)	272,412	\$2,724,888.70	\$10.00	97,890	\$1,771,184.00	\$18.09
Plant-Mixed Bituminous Pavement (Ton)	611,210	\$36,149,058.99	\$59.14	396,354	\$24,882,711.68	\$62.78
Concrete Pavement (CY)	194,896	\$26,199,308.55	\$134.43	25,879	\$3,895,905.60	\$150.54
Structural Concrete (CY)	5,666	\$4,571,740.40	\$806.87	5,070	\$4,575,949.95	\$902.55
Reinforcing Steel (lb.)	951,158	\$1,419,423.98	\$1.49	693,436	\$934,300.00	\$1.35
Structural Steel (lb.)	0.00	\$0.00	NA	0.00	\$0.00	NA

Excavation

The average Excavation cost was \$18.09/CY, up \$8.09/CY from the 4th Quarter of 2018. Three (3) projects were considered this quarter.

Plant Mixed Bituminous Pavement

The average Plant Mixed Bituminous cost was \$62.78/ton, up \$3.64/ton from the 4th Quarter of 2018. Thirteen (13) projects were considered this quarter.

Concrete Pavement

The average Concrete Pavement cost was \$150.54/CY, up \$16.11/CY from the 4th Quarter of 2018. One (1) project was considered this quarter.

Structural Concrete

The average Structural Concrete cost was \$902.55/CY, up \$95.68/CY from the 4th Quarter of 2018. Six (6) projects were considered this quarter.

Reinforcing Steel

The average Reinforcing Steel cost was \$1.35/lb, down \$0.14/lb from the 4th Quarter of 2018. Six (6) projects were considered this quarter.

Structural Steel

There were no eligible projects with Structural Steel this quarter.

Calendar Year 2019 Indices

The Composite Minnesota Highway Construction Cost Index for Calendar Year 2019 was not computed due to the absence of data for the Structural Steel Indicator Item. Without a unit price for each indicator item, the resulting index is not comparable to previous indices. The other Calendar Year 2019 Indices are compared to the Calendar Year 2018 Indices in Table 5.

Table 5/Calendar Year 2018 and 2019 Indices

Index	Calendar Year 2018	Calendar Year 2019
Excavation Index	342.66	530.81
Surfacing Index	355.71	337.90
Structures Index	302.67	Insufficient data to compute index.
Composite Index	324.82	Insufficient data to compute index.

The average number of bidders per project in Calendar Year 2019 was 2.98. In comparison, the average number of bidders per project in Calendar Year 2018 was 3.72. Additional data about the Calendar Year 2018 and 2019 are included in Table 6.

Table 6/Calendar Year 2018 and 2019 Data

Description	Calendar Year 2018	Calendar Year 2019
Number of Awarded Projects	202	167
Cost of Awarded Projects	\$1,016,766,377.71	\$991,069,771.53
Number of Bidders	752	497
Average Number of Bidders	3.72	2.98
Number of Cost Index Projects	77	71
Cost of Cost Index Projects	\$209,790,092.45	\$191,307,602.33

The Calendar Year 2019 Unit Prices for each indicator Item are compared to the Calendar Year 2018 Unit Prices in Table 7.

Table 7/Calendar Year 2018 and 2019 Indicator Item Unit Prices

Indicator Item (Unit)	Calendar Year 2018 Quantity	Calendar Year 2018 Cost	Calendar Year 2018 Unit Price	Calendar Year 2019 Quantity	Calendar Year 2019 Cost	Calendar Year 2019 Unit Price
Excavation (CY)	1,589,649	\$10,920,850.72	\$6.87	1,393,473	\$14,829,486.78	\$10.64
Plant-Mixed Bituminous Pavement (Ton)	2,048,277	\$114,809,548.20	\$56.05	2,276,348	\$137,582,055.68	\$60.44
Concrete Pavement (CY)	583,979	\$71,303,401.78	\$122.10	164,017	\$26,712,187.44	\$162.86
Structural Concrete (CY)	12,450	\$9,923,701.12	\$797.08	12,040	\$10,256,762.93	\$851.89
Reinforcing Steel (lb.)	1,888,267	\$2,632,233.13	\$1.39	1,377,298	\$1,927,109.50	\$1.40
Structural Steel (lb.)	93,625	\$200,357.50	\$2.14	0	\$0.00	NA

Excavation

The average Excavation cost was \$10.64/CY, up \$3.77/CY from Calendar Year 2018. Twenty-three (23) projects were considered this Calendar Year.

Plant Mixed Bituminous Pavement

The average Plant Mixed Bituminous cost was \$60.44/ton, up \$4.39/ton from Calendar Year 2018. Forty-eight (48) projects were considered this Calendar Year.

Concrete Pavement

The average Concrete Pavement cost was \$162.86/CY, up \$40.76/CY from Calendar Year 2018. Eleven (11) projects were considered this Calendar Year.

Structural Concrete

The average Structural Concrete cost was \$851.89/CY, up \$54.81/CY from Calendar Year 2018. Eighteen (18) projects were considered this Calendar Year.

Reinforcing Steel

The average Reinforcing Steel cost was \$1.40/lb, up \$0.01/lb from Calendar Year 2018. Eighteen (18) projects were considered this Calendar Year.

Structural Steel

There were no eligible projects with Structural Steel this Calendar Year.

Calendar Year 2019 Quarterly Data Summary

The 2019 Quarterly Indices, Quarterly Project Data and Quarterly Unit Prices are summarized in Tables 8, 9 and 10.

Table 8/2019 Quarterly Indices

Index	1 st Quarter 2019	2 nd Quarter 2019	3 rd Quarter 2019	4 th Quarter 2019	Calendar Year 2019
Excavation Index	435.26	640.82	NA	902.48	530.81
Surfacing Index	317.99	404.20	NA	344.09	337.90
Structures Index	NA	NA	NA	NA	NA
Composite Index	NA	NA	NA	NA	NA

Table 9/2019 Quarterly Project Data

Description	1st Quarter 2019	2nd Quarter 2019	3rd Quarter 2019	4th Quarter 2019	Calendar Year 2019
Number of Awarded Projects	59	56	23	29	167
Cost of Awarded Projects (millions)	\$329.73	\$277.51	\$133.43	\$250.39	\$991.07
Number of Bidders	192	151	61	93	497
Average Number of Bidders	3.25	2.70	2.65	3.21	2.98
Number of Cost Index Projects	32	19	3	17	71
Cost of Cost Index Projects (millions)	\$95.10	\$58.87	\$1.27	\$36.06	\$191.31

Table 10/2019 Quarterly Indicator Item Unit Prices

Indicator Item (Unit)	1st Quarter 2019 Unit Price	2nd Quarter 2019 Unit Price	3rd Quarter 2019 Unit Price	4th Quarter 2019 Unit Price	Calendar Year 2019 Unit Price
Excavation (CY)	\$8.73	\$12.85	NA	\$18.09	\$10.64
Plant-Mixed Bituminous Pavement (Ton)	\$58.53	\$62.12	\$72.04	\$62.78	\$60.44
Concrete Pavement (CY)	\$132.77	\$321.22	NA	\$150.54	\$162.86
Structural Concrete (CY)	\$823.09	\$805.22	\$793.05	\$902.55	\$851.89
Reinforcing Steel (lb.)	\$1.45	\$1.53	\$1.29	\$1.35	\$1.40
Structural Steel (lb.)	NA	NA	NA	NA	NA