

# CANADIAN DESIGN-BUILD INSTITUTE PRACTICE MANUAL

## Document 310: CONCEPTUAL ESTIMATING

CDBI Document 310 offers guidance to conceptual estimating and shows how it plays a very important role in the design-build process:

- \* For Owners - Develop the project budget to determine the project's feasibility and to use as a baseline measurement to control costs as the design develops.
- \* For Design-Builders - Price the design-build project.

A conceptual estimate is an assessment of the cost or value of a project based on conceptual design information, including general characteristics such as size, shape, location, material selection, etc., and by necessity must include all items necessary to complete a project, whether or not explicitly shown or specified.

This guide explains the factors that influence the cost of a project, and these typically include:

- \* Economy - Strong economy encourages capital investments and weak economy slows capital investments.
- \* Construction Industry - The availability and cost of resources such as labour and materials directly impact overall construction costs.
- \* Building - Type, geographic location, shape, size, height, interior/exterior layout, planning efficiency, materials, designers...

Essential elements of a good conceptual estimate include:

- \* Understanding of the project intent.
- \* Take-off or quantity survey.
- \* Pricing by both subcontractors and sub-consultant design professionals.

There are also discussions on the two conceptual cost methods:

- \* Single-unit cost method, which is used during the very early stages of concept and design.
- \* Multiple-unit cost method, which is used thereafter as the design evolves.

