

The Estimator's World...We Feel Your Pain



Let us qualify straightaway, that we are sympathetic to the plight of estimators. Covering two decades, and counting, we continue to supply all-inclusive bids to estimators for commercial industrial projects, specifically for their water system needs. We know what life is like in your world, we visit daily. This experience and background is in fact the underlying basis for the design of our company's [pre-engineered high purity water systems](#). Admittedly, our products are not the end-all antidote to every complex challenge inherit in estimating, but if there were a way to make the water delivery portion of your estimating task easier, along with a possible one week savings in

time, wouldn't you be interested?

But we are getting ahead of ourselves. Let's review some of the building blocks in an estimator's world that our product integration can affect in a very positive way.

1. Pre-Bid Considerations

Contractor prequalification-

In general, [contractor prequalification](#) is used to help determine the quantity and type of work a firm is capable of undertaking. But how do you make an informed decision on this count with so much available information on so many companies?

- a. A good first step is reviewing the perspective contractor's literature on what 'they say' are the [reasons you should be talking to them](#).
- b. A logical second step should be to seek out recommendations, from their listed clients, 'on why' their clients chose to hire them and continue to work with them.
- c. An important third step involves qualifying that all submittal packages be complete and received in a timely manner, usually within 5 to 10 working days. Some [highly experienced companies](#) may be able to facilitate a faster turn-around time for their submittal if you are at a crucial point in your timeline.

2. Estimating Methods

a. *Historic Data Approach -*

The use of historic data from recently awarded contracts is a cost-effective method to develop the engineer's estimate, however, if the estimator does not possess previous unit bid pricing according to the type of product, function, size, and location specifics, relying on historic data may not be possible.

- b. *Actual Cost Approach-* You may know that this approach takes into consideration factors related to actual performance of the work (i.e. the current cost of labor, equipment, and materials; sequence of operations; production rates; and a reasonable value of overhead and profit). This approach typically produces an accurate estimate and is useful in the bid review process. However, this method may be time consuming and may not be practical for all projects especially if you are new to the technical or unique challenges involved when integrating aspects of a contractors 'niche' product for your project. In this case you need to rely on a trusted vendor who has the knowledge and willingness to walk you through the [process and supply specifications](#) and present them 'bid ready.'

3. Bid Analysis

a. *Assessing the competition –*

As a general rule competition should be considered excellent when there are six or more bids within 20 percent of the low bid, including the low bid.

b. *Evaluation -*

When the estimate involves the use of bids from subcontractors, check the bids for scope and responsiveness to the project. Investigate the past performance records of subcontractors submitting bids. Determine the level of competence and [quality of materials and performance](#).



c. *Value Engineering –*

You may have heard this term used in a positive manner in the building industry as inferring an option to substitute one material over another to realize cost savings, however, when applied to the manufacturing industry, it can hold negative connotations which an estimator needs to be aware of.

In the manufacturing process the products could be built with higher-grade components, but with value engineering they are not because this would impose an additional cost on the manufacturer, and to a limited extent, an increased cost on the purchaser. Approached from a value engineering basis, manufacturing cost will be reduced, but it is certain you will have specified an inferior product.

d. *Compare Apples to Apples*

Some companies, employing value engineering, may typically use the least expensive components that will satisfy a low purchase price and the product's lifetime projections, without offering any service programs to handle issues that develop because of low quality components or inferior design - no surprise there. While this may be the basis for some high purity water system manufacturers, PPT understands that quality components deliver consistent results, adds to our product's reputation, and insures satisfaction and repeat customers. So while PPT may not always be the lowest bidder in the mix of contractors, we will always be your best bet for reliable products that deliver when needed, backed by a 24-7 emergency service program that [any client would appreciate](#).



In the eyes of the estimating world, your clients, and your boss, including PPT's high purity water system in your bid will make your 'educated choice' look brilliant!

Call or email us today for a bid ready quote on your next water purification system. It will make 'an estimator's world of difference.'