

**ASPE  
ORANGE  
COUNTY  
CHAPTER 3**

# AMERICAN SOCIETY OF PROFESSIONAL ESTIMATORS

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## INSIDE THIS ISSUE:

<b>PRESIDENT'S CORNER</b>	<b>2</b>
<b>EXTRA, EXTRA!</b>	<b>3</b>
<b>EVENT RECAPS</b>	<b>4</b>
<b>BOARD MEMBERS &amp; COMMITTEE CONTACTS</b>	<b>5</b>
<b>MEETING INFORMATION</b>	<b>7</b>
<b>MEMBER SPOTLIGHT</b>	<b>8</b>
<b>ARTICLE OF INTEREST</b>	<b>9-10</b>

## ORANGE SPEEL

## NEWSLETTER



### OUR MISSION

Since 1956, ASPE serves the construction & engineering industries by providing education, training, fellowship and opportunities for professional estimating development.

## PRESIDENT'S CORNER

### PRESIDENT'S MESSAGE

Spring has sprung! Nature is awakening and the bumper rain year is manifesting in rapid plant growth. Not to be out done, your Chapter is in full swing with activities.

We are presenting a LEED subject to our dinner meeting in the wake of a BIM meeting that drew an exceptionally big audience. Holly will enlighten us about LEED version 3. Everyone that attended last year's meeting will remember her bubbling enthusiasm.

On May 22<sup>nd</sup>, we have our annual Estimating Academy, over and above the regular dinner meeting. We will be presenting 3 different tracks: in the morning there will be a choice between 1) **Back to Basics** or 2) **How to estimate change orders**. In the afternoon we will do a hands-on tour of **How to view a model in the Autodesk environment**. You can do a half day or a full day, but just do it!

April is also the month of Chapter elections. You have just voted for the National office bearers, this is your chance to assert yourself in the leadership of the chapter for the next fiscal year. My term is winding down - new blood and energy awaits!

The National Convention will occur in Texas during July. This event is open for all members. It is an interesting event, worthwhile of your attendance. When you receive your notification from the National Business office, do not hesitate! Enroll! Let us go and have a good time!

See you on the second Wednesday of the month at the Ayres Hotel on Bristol Street!

- *Wil Beukman*

### CALENDAR OF EVENTS

- April 14, 2010 - LEED® Version 3, presented by Holly Hill with HMD Architects
- May 12, 2010 - Earthwork, presented by Dan Schottlander with AECOM
- May 22, 2010 - Estimating Academy
- June 9, 2010 - Presentation by Performance Contracting, Inc. Topic: TBD

### REMINDER: NEW DINNER MEETING VENUE

As a friendly reminder, we will be meeting at our new dinner meeting venue at the Ayres Hotel located at 325 Bristol Street in Costa Mesa. Check out the website below...

[www.ayreshotels.com](http://www.ayreshotels.com)



**Wil Beukman**  
**President, ASPE Chapter 3**  
**Orange County**

### ASPE

### CODE OF ETHICS

#### Canon #1

Professional Estimators shall perform services in areas of their discipline and competence.

#### Canon #2

Professional Estimators shall continue to expand their professional capabilities through continuing education programs to better enable them to better serve their clients, employers and the industry.

#### Canon #3

Professional Estimators shall conduct themselves in a manner, which will promote cooperation and good relations among members of our profession and those directly related to our profession.

#### Canon #4

Professional Estimators shall safeguard and keep in confidence all knowledge of the business affairs and technical procedures of an employer of client.

#### Canon #5

Professional Estimators shall conduct themselves with integrity at all times and not knowingly or willingly enter into agreements that violate the laws of the United States of America or of the states in which they practice.

**EXTRA, EXTRA!!!**

**REMINDER  
GET YOUR  
VOTE IN!**

Apr. 15 <sup>th</sup>	Last day to submit Chapter Dues or Initiation Fee changes to SBO
Apr. 15 <sup>th</sup>	National Voting Ends
Apr. 15 <sup>th</sup>	Deadline for nominations for Estimator of the Year, Fellow, and Honorary member to be submitted to the SBO
Apr. 23 <sup>rd</sup>	Last day for article submittals for the June Estimating Today to SBO



**VOTE IN THE NATIONAL ELECTIONS – THE DEADLINE TO VOTE IS MIDNIGHT CENTRAL TIME ON APRIL 15<sup>TH</sup>! MAKE YOUR VOTE COUNT. GO TO [WWW.ASPENATIONAL.ORG](http://WWW.ASPENATIONAL.ORG) AND CLICK ON THE VOTE BUTTON! ALL YOU NEED IS YOUR MEMBERSHIP # AND YOUR FIRST AND LAST NAME. CALL THE SBO IF YOU NEED YOUR MEMBERSHIP ID #.**

**ESTIMATING ACADEMY, 2010**

By: Wil Beukman

On Saturday, May 22nd, we propose to hold our second annual estimating academy. Last year, the theme was “Back to Basics.” This year we intend to have three modules.

Saturday morning will have 2 concurrent tracts:

Basic Estimating: 8AM – 12PM

Advanced Estimating: 8AM – 12PM

Saturday afternoon will be one tract:

BIM take-off – Duration of afternoon

Please feel free to give us suggestions on specific topics you would like to see covered.

**2010 FUNDRAISING NEEDS**

By: Anita Beukman

Our fundraiser for our scholarship this year will be our 2nd annual golf tournament scheduled for the summer on August 4, 2010. We would like to see more golfers participate as well as more sponsors.

Dear member, this is where you could make a difference – please pencil this event into your calendar and sign up for it. If you are a golfer – we would love you playing in the tournament. If you are a possible sponsor – I would love to work with you on the best solution for branding of your business during our tournament.

This is a great opportunity to brand your business – for your sponsorship you are allowed to put up a banner at the golf course, you can add an advertisement/logo to our newsletter or even link your website to ours. There are so many possibilities – please contact me at (714) 642-5948. Sponsorships start at the small amount of \$250/hole. The sponsorship amount depends on the visibility you would like for your business.

Thank you in advance for your support, participation, and contributions. I am looking forward to working with you in 2010.

**ARTICLES OF INTEREST—CONTRACTING ENGINEERS, INC.**

Provided by: Greg Clayton with Contracting Engineers, Inc.

Please see the article (at end of newsletter) on a new form series of construction documents that were introduced in 2007 to compete with AIA and AGC documents.

**ASPE Code of Ethics**

**Continued...**

**Canon #6**

Professional Estimators shall utilize their education, years of experience and acquired skills in the preparation of each estimate or assignment with full commitment to make each estimate or assignment as detailed and accurate as their talents and abilities allow.

**Canon #7**

Professional Estimators shall not engage in the practices of “bid peddling” as defined by this code. This is a breach of moral and ethical standards, and a member of this society shall not enter into this practice.

**Canon #8**

Professional Estimators and those in training to be estimators shall not enter into any agreement that may be considered acts of collusion or conspiracy (bid rigging) with the implied or expressed purpose of defrauding clients. Acts of this type are in direct violation of the Code of Ethics of the American Society of Professional Estimator

**Canon #9**

Professional Estimators and those in training to be estimators shall not participate in acts, such as the giving or receiving of gifts, that are intended to be or may be construed as being unlawful acts of bribery.

# RECAPS, RECAPS...

## REGIONAL MEETING REPORT

By: Paulette Rutlen

The last weekend of February the Southwest and Northwest Regions held a joint Regional meeting in Houston, Texas. The weekend kicked off on Friday with an Estimating Academy held at Jacob's training facility. The topics such as creating a good subcontractor proposal and selecting the appropriate overhead and profit margins.

Saturday the chapters had a well attended meeting with 12 SW chapters represented by 18 members and 7 NW chapters represented by 8 members. The national Executive Director, Karen Hinen, was also in attendance.

National topics discussed included the fact that we have a record number of CPE candidates nationwide this year. The new Chapter Handbook is ready for the Chapters to download from the national website. We were reminded that every chapter has to file with the IRS for their tax exempt status. The ASPE logo is being trademarked and those of us using the logo should be using the TM logo. The newly rewritten Standard Chapter Bylaws will soon be ready for distribution to the chapters for adoption. National is looking for individuals and chapters to help with the Consensus Docs review.

Regionally, we have two SW chapters being reorganized, San Antonio and Inland Empire. Our SW Governor, Larry Hendricks, made a plea for donations to his Governor's Fund to allow him to travel when necessary to help newly developing chapters.

Chapter topics were focused on bringing in new members and keeping our existing members. We need to be mentoring our new members in an effort to retain our new members past the first year. We should be looking to diversify our membership by marketing through recruiters and subcontractors, etc.

Successful meeting topics other chapters have used include 'Bid Day Simulation', 'Ethics Roundtable', 'On-Screen Takeoff', 'LEED®', 'BIM', and site tours.

## JOB WALK - KAISER PERMANENTE VINEYARD MEDICAL CENTER

By: Danielle Leyva

Thank you to those that attended the job walk on Saturday, March 27<sup>th</sup>. If you missed this job walk, you missed a great one. We were able to tour the site at the Kaiser Permanente Vineyard Medical Center located in Ontario off of the 60 freeway. David Mallik, Senior Project Manager, with The Whiting-Turner Contracting Company took us on not only a great tour, but a very informative one of the new construction taking place on the site. Another "Thank You" to Performance Contracting Inc for setting this up!



## MARCH MEETING RECAP

By: Art Quinion

George Aucamp of Faithful + Gould was the speaker for our March program. George is well versed in all aspects of BIM and gave an especially interesting presentation on BIM and how the use of it relates to estimating. He not only explained how BIM could be used for quantity takeoff to achieve more accurate quantities and quicker turnaround on estimates but also showed us real-time videos of how the process works. George made the process of using BIM for estimating a bit more understandable for all of us.

## OFFICERS

**President** – Wil Beukman, MRICS, LEED® AP – Faithful + Gould, 562.314.4194, willem.beukman@fgould.com

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**65 FOLLOWERS ON TWITTER!**

**FOLLOW US TOO! "ASPE3ORANGECTY"**

### TWITTER ACCOUNT

By: Paulette Rutlen

Twitter: **ASPE3OrangeCty**

Do you Tweet? With the advent of all of the social networking going on I figured we should be keeping up with the technology. For those of you not in the know, Twitter is a website that allows postings, called tweets, of no more than 144 keystrokes (yes, spaces count). With Twitter you can find individuals such as ASPE's national Executive Director (ASPENatExecDir), other chapters (ASPE12Reno or ASPE51SLCUtah), construction related organizations such as NAWIC, MC2, or McGraw Hill.

It costs nothing to establish a Twitter account. Just go to [www.twitter.com](http://www.twitter.com), click on **Sign up now**, and follow the simple instructions so that you too can tweet, or just follow others who do. You won't get a bunch of spam email, only notifications when someone has started following your tweets. If you do not think they are people you want following you, you may block them.

I intend on finding links to individuals and organizations that may be of interest to our membership. If you find an organization that you think would be of interest to our chapter membership let me know. Just post a tweet to ASPE3OrangeCty and I'll be sure to link us to the account.

Do you have insights to pass on to our membership regarding the construction industry in Orange County? With a Twitter account you can pass them along quickly. After all, how long can it take to type 144 characters? See a website or blog you think may be of interest, post the link with one tweet and the whole chapter can see it too.

Try it out. Even if you never post anything, you can follow the postings of whoever you may find interesting. Hopefully, one of those will be ASPE3OrangeCty.

### FACEBOOK ACCOUNT

facebook

### 15 FACEBOOK FRIENDS!

By: Anita Beukman

Our chapter Facebook account is up & running—ASPE Chapter 3, Orange County—we have added a few friends from last month and we need more! If you have an account, look us up, so you can follow our status for upcoming events!

### BECOME OUR FACEBOOK FRIEND & LOOK US UP:

**"ASPE CHAPTER 3, ORANGE COUNTY"**

# ASPE ORANGE COUNTY CHAPTER 3

## MEETING INFORMATION

Date: Wednesday, April 14, 2010

Location: Ayres Hotel

Time: 5:30 p.m. - Social Hour & Networking

325 Bristol St.

6:30 p.m. - Program & Dinner

Costa Mesa, CA 92626



**COST: \$40**

*(Baked Chicken Tarragon, Teriyaki Beef Skewers, & Vegetable Lasagna)*

RSVP at [www.aspechapter3.org](http://www.aspechapter3.org)



## TOPIC

# LEED® VERSION 3

**PRESENTED BY**

**HOLLY HILL  
LEED® AP BD+C  
SUSTAINABLE DESIGN MANAGER  
HMC ARCHITECTS**



Holly is a LEED® Accredited Professional and serves on the Board of Directors for the USGBC Inland Empire Chapter. She brings 10 years of experience with corporate and government sustainability programs including environmental stewardship, voluntary initiatives, management systems, and regulatory compliance. Holly advances sustainable principles in design—in HMC’s internal corporate environment and directly with clients—and has developed cost-effective sustainability and environmental programs for a variety of clients. She has worked on dozens of LEED® and CHPS projects, and her role includes project management and tracking, sustainability consultation, charrette facilitation, specification reviews, and collaborative efforts to implement resource conservation in projects. Prior to joining HMC, Holly served as an advisory engineer within IBM’s Chemical and Environmental Management Team where she worked on LEED®-EB for a 600,000-SF facility. With a background in environmental regulatory compliance, she employed green procurement policies, facility installation reviews, waste minimization initiatives, and corporate social responsibility reporting.

## MEMBER SPOTLIGHT

### ALLEN WORTMAN TEC MANAGEMENT CONSULTANTS ESTIMATOR

Interview conducted by: Danielle Leyva

**DL:** How long have you been a member of ASPE and what is the extent of your involvement in this professional organization?

**AW:** Actually this is my second time at being an ASPE member. I was a member about 12-14 years ago. When the chapter wore down to just a few members, I too stopped attending meetings. What made me come back is my desire to get my CPE credential.

**DL:** What firm do you currently work for and what is your position at this firm?

**AW:** Currently I am working for TEC Management Consultants as an estimator working on the LAX Bradley Terminal Expansion project.

**DL:** Can you take us through how you started in the construction industry to today?

**AW:** My dad was in the business. He owned his own sheet metal shop back in New York. I was always fascinated with buildings, bridges, anything construction. I attended Pratt Institute in Brooklyn, NY and received my BS in Construction Management. In 1977, my wife and I decided to move to Southern California.

**DL:** Do you plan on becoming a Certified Professional Estimator?

**AW:** Definitely.

**DL:** Why do you think becoming a CPE is so important for our industry?

**AW:** It demonstrates a certain level of commitment and mastery of our profession and trade not only to other estimators but other people in other construction disciplines.

**DL:** What types of projects do you most enjoy estimating?

**AW:** Just about any project type is great to do especially if you get involved with the project from the inception stage.

**DL:** What kind of activities and / or interests do you most enjoy when not estimating?

**AW:** Radio control model airplane flying.

**DL:** Thanks Allen for participating in this month's *Member Spotlight!*



# INTRODUCTION TO CONSENSUSDOCS

ConsensusDOCS (DOCS) were introduced in 2007 as a new family of form construction documents and a new voice in the construction industry. Form contracts have been used in the construction industry for over 100 years, like AIA – American Institute of Architects, AGC – The Associated General Contractors, EJCDC – The Engineers Joint Contract Documents Committee and DBIA – The Design Build Institute of America. DOCS were written and endorsed by 23 participating associations representing designers, owners, contractors, subcontractors and sureties. DOCS comprises of 90 plus contract documents, where the 200 series are used for general contracting, 300 series for IPD/BIM/Green contracts, 400 series for design build projects, 500 series for construction management at risk contracts, 700 series for subcontracting and the 800 series for construction management, agency and program management contracts. The most common construction document forms used for vertical and site construction projects are the updated AIA A201 (2007 edition) (AIA). ConsensusDOCS is primarily used in the northeast area of the United States and growing in popularity as its use spreads to the south and west portions of America.

The notable overarching differences between ConsensusDOCS 200 and AIA A201 2007 are they are written in plain English instead of legal terms and language. Secondly, DOCS 200 uses direct communications in lieu of contractual silos and mandates an active owner participation in executing the contract instead of being passive, making the architect's role more neutral.

How does DOCS 200 handle several commonly disputed areas such as, means and methods of construction, Architects thoroughness of design, owner's financial information, changes in scope of work, dispute resolution and claims avoidance, retained earnings, substantial completion and insurance on completed operations?

## **Means and Methods**

Under the AIA A201, the contractor bears an affirmative responsibility to make site inspections and make field measurements to verify the design. DOCS 200 requires the contractor to compare the plans to the field conditions and measurements discovered during the site inspection, but does not have an affirmative responsibility to field measure to detect design errors. DOCS 200 stipulates the contractor's liability lies where he knowingly fails to report a recognized condition to the owner, where the AIA A201 documents the failure can lead to the contractor's liability. Both recognize the contractor is not a licensed professional.

## **Architect Thoroughness of Design**

The timeliness of the contractor's submittals is a function of the thoroughness of the design and specifications. AIA A201 states the contractor has an affirmative duty to submit and get an approved submittal schedule. The contract explicitly precludes increases in contract sum or time based on time to review submittals, if a contractor fails to submit a schedule. The architect's approval of the submittal schedule shall not be unreasonably delayed or withheld. DOCS 200 state the contractor must submit a schedule of the work with relevant dates for submittals and their approval. The contractor is not explicitly precluded for adjustments in contract time or price for the failure to submit a submittal schedule. The owner is responsible for the review and approval of the submittals with reasonable promptness and to avoid delays.

## **Owner Financial Information**

According to AIA A 201, the contractor has an affirmative right to request financial information but must have a specific reason for the request after commencing the work. Provisions in DOCS 200 allow the contractor access to the owner's financial information prior to commencement of the work and thereafter as a matter of right without reason. The owner must always notify the contractor prior to any material changes in the project's finances where the AIA A201 states that after furnishing financial evidence the owner cannot materially change financial arrangements without prior notice to the contractor.

## **Changes in Scope of Work**

*Provisions of the AIA A 201 2007:*

- Envisions change orders are made on an individual basis.
- Contractor's right to seek payment for work performed under a construction change directive are no longer limited to the amount not in dispute.
- Change orders may be issued for part of the construction change directive but do not have to be issued in respect to partial payments for the construction change directive.
- There is no provision for parties to expeditiously negotiate a change order.
- Does not require the owner to pay the contractor a stipulated percentage of its actual costs for performing the changed work before the adjustment to the contract sum have been agreed upon.

*ConsensusDOCS 200 mandates:*

- The change order shall include all outstanding interim directive changes on which the agreement has been reached since the issue of the last change order.
- Recognizes and provides for situations where there is a dispute between the parties as to whether or not the owner's instruction constitutes a change in the scope of the work. If this happens the contractor furnishes estimates of the cost to perform the work, the owner writes a written order to proceed, the contractor performs the work and the owner pays for 50% of the cost of the work.

# INTRODUCTION TO CONSENSUSDOCS (CONTINUED)

- Acceptance of the change order and any adjustments in the contract price or time shall not be unreasonably withheld.
- Provides methods for adjusting the contract price for both change orders and interim directive changes.

Summarizing, under the AIA A201 the architect may review the contractor's cost estimate for approval on a disputed change. Under the ConsensusDOCS, the owner must pay 50% of the anticipated cost of the change. The payment has no legal effect.

## **Dispute Resolution**

How to resolve and even avoid disputes are approached differently. Claims must be submitted in writing to the initial decision maker (IDM), usually the architect or third party, within 21 days of the event according to the AIA A201. The IDM decides only on disputes involving the owner and will submit its written decision approving, rejecting or indicating it was unable to resolve the claim. The architect is the IDM default. An initial decision by the IDM is required as a condition of precedent to mediation of any claim prior to the due date of the final payment. If the claim is still unresolved the parties select arbitration or litigation, except when arbitration is the default in the AIA documents and the A/E can now be brought in.

DOCS 200 direct party's representatives, who possess necessary authority, to attempt to resolve issues up front. If the parties cannot resolve the dispute within 5 business days from the first discussion, senior executives shall meet within 5 days from the failed discussions. If the dispute remains unresolved after 15 days parties shall submit the dispute to either dispute mitigation or mediation. Mitigation is a non-binding decision by a project neutral or dispute review board (DRB). Costs are shared equally, the neutral or DRB will make regular visits to the project and submit their findings within 5 business days. If still unresolved the parties select arbitration or litigation and the costs are born by the non prevailing parties. The venue is the location of the project and the A/E can be brought in.

## **Retained Earnings**

Under the AIA A201, retainage is not released until the achievement of substantial completion. DOCS 200 provide once 50% of the project is completed additional retainage is no longer withheld and the owner can release retentions on portions of the project. The objective is to maintain cash flows keeping the project moving forward.

## **Substantial Completion**

Under the AIA A 201, the architect determines when the work is substantially complete for the owner to use the building for its intended purposes. In DOCS 200, substantial completion occurs when the contractor and the owner agree that the building may be used for its intended purpose without unscheduled disruption due to finish or punch list work.

## **Insurance on Completed Operations**

AIA A201 stipulates coverage for completed operations liability must cover the warranty period or longer if specified. The contractor must prove evidence of completed operations, which, final payment may be conditioned on providing the proof. AIA A 201 generally requires the owner to purchase All Builder's Risk coverage and affirms the requirement of the contractor to name the owner and the architect as additionally insured's during construction and completed operations period of 1 year. DOCS 200 specifically sets the completed operations period as 1 year, has fill in the blanks provisions to set the limits of coverage and allows for combining primary and excess coverage to reach the total limits. The owner is allowed additional coverage above the standard liability insurance, which the owner will bear the cost of the additional coverage.

In closing, ConsensusDOCS removes the architect from between the owner and the contractor and from its quasi-judicial role by not deciding on disputes or certifying substantial completion. There is much more dialog and interaction between the owner and the contractor whom are the most highly invested parties in the success of the project. ConsensusDOCS focuses all the parties' attention on the project instead of individual interests.



Article Provided by:

Greg Clayton, Contracting Engineers, Inc.

# ASPE ORANGE COUNTY CHAPTER 3

## ADVERTISING OPPORTUNITIES

Business Card	Per Issue	\$25.00	If you would like to advertise with us, contact Danielle Leyva at <a href="mailto:dleyva@mack5.com">dleyva@mack5.com</a> for more details.
¼ Page Ad	Per Issue	\$50.00	
½ Page Ad	Per Issue	\$100.00	
Full Page Ad	Per Issue	\$200.00	

## BECOME A MEMBER

Applications for membership can be downloaded from the national website, [www.aspenational.org](http://www.aspenational.org), or on our local website, [www.aspechapter3.org](http://www.aspechapter3.org). For more information, contact Ron Svarc at [kickerron@cox.net](mailto:kickerron@cox.net).

## THOUGHTS OR SUGGESTIONS?

We are looking for your ideas and input regarding our newsletter and dinner programs. Do you have an idea for an upcoming dinner meeting? Would you like to be a presenter at one of our dinner meetings? Is there a topic of discussion that we should write an article about? Would you like to be a contributor to our newsletter? Please contact Danielle Leyva at [dleyva@mack5.com](mailto:dleyva@mack5.com)

## VOLUNTEERS WANTED!

We need your help! Anyone who is interested in serving on a committee for the OC chapter, please contact Wil Beukman at [willem.beukman@fgould.com](mailto:willem.beukman@fgould.com) for more information. This is a great way to give back to ASPE both personally and professionally. We encourage you to attend a board meeting to see what it's all about. We meet every other month in a physical location and all ASPE members are welcome to attend.

*Serving construction estimating professionals by promoting ethical behavior, professional development, continuing education, standardization, certification and fellowship.*



**WE LOOK FORWARD TO SEEING YOU AT THIS MONTH'S MEETING!**