

**ASPE
ORANGE
COUNTY
CHAPTER 3**

AMERICAN SOCIETY OF PROFESSIONAL ESTIMATORS

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INSIDE THIS ISSUE:

PRESIDENT'S CORNER	2
EXTRA, EXTRA!	3
BOARD MEMBERS & COMMITTEE CONTACTS	4
MEETING INFORMATION	6
EVENT RECAPS	7
MEMBER SPOTLIGHT	8

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

"Think not what your Country can do for you, but think what you can do for your Country." Not wishing to be pretentious, the point I wish to make is this:

We are members of ASPE to gain some benefit. I am quite sure we do not have the same expectations as to what these benefits might be and in all probability it will be different for each individual. However, first and foremost is our collective ability. We need to pursue the same goals in order to maximize the benefits to be achieved.

I interpret our objective to be **that we should aspire to be a part of a prestigious profession, respected for our high ethics and abilities in the economics of the construction industry.** Thus, by gaining respect we will be utilized to play a vital role and should receive due remuneration for our efforts. We need to set standards for our profession in execution as well as in the deliverables! Our benefits will not be limited to the financial gains we might achieve, but will also be abundant during the journey of enhancing ourselves and our organization.

Please take the following into consideration:

- Enroll for your CPE if you have not done so yet.
- Play an active roll in the chapter.
- Mentor the junior in your office.
- Abide by the ASPE Canons.
- Reach for ethical accomplishment.
- Share the knowledge.
- Learn from each other.

- Wil Beukman

CALENDAR OF EVENTS

- October 7, 2009 – Board Member Meeting via Conference Call
- October 14, 2009 – Dinner Meeting – Seismic Retrofit
- October 23 – 24, 2009 – Regional Meeting – San Francisco
- November 4, 2009 – Board Member Meeting – O'Connor Construction Management, Inc. board room
- November 11, 2009 – Dinner Meeting – Economic Outlook

Tentative

- November 2009 – Job Walk
- December 2009 – Social Meeting
- December 2009 – GC Advisory Board Meeting



**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!!!

FALL REGIONAL MEETING—SAN FRANCISCO, OCT. 23-24

By: Wil Beukman

Three times a year the South West region meets, once in fall, once in spring, and the third time at the annual convention. This year the fall meeting occurs in San Francisco on October 23rd and 24th. This occasion is utilized to report the various chapter activities, exchange ideas with other chapters and attend any regional business that might need attention. Our regional Governor is Larry Hendrick from the San Diego chapter. Danielle Leyva is our official representative for this meeting. Although we are required at least one representative, it is open for any member in good standing to attend. It starts with a social get together on Friday evening and Saturday is the business meeting. Danielle will report back to us in our November newsletter.

PUBLIC WORKS GREEN SHEET PROJECTS

By: Dan Schottlander, CPE

An interesting event is occurring in today's competitive bidding market for public works construction projects also known as Green Sheet Projects. Green sheet jobs are available to any qualified contractor that has the proper licenses and that can bond and insure the project to completion. Bidders compete and submit their pricing on the assigned bid date. At the bid opening all of the bid packages are opened and the prices are read and posted. The apparent low priced bidder is then awarded the project. Public works is one of the few remaining construction markets that is still active.

Currently, there is more competition for contracts and prices are trending down word. Recently, the company that I work for AECOM (www.aecom.com) engineered a new 8" and 12" water pipe-line project 14,000 LF in Southern California. The engineer's estimate to perform the construction work was \$1.5M. On bid day there were 29 utility contractors bidding with a low bid of \$1.2M and the highest bid was \$2.5M. In a normal job market typically one will see 5 to 6 bidders on a project. The low bidder was 20% below the engineer's estimate. All of these contractors were reputable companies and the low bidder was awarded the job.

Another project that we designed in Northern California, in early 2009 was a 48" water pipe-line 90,500 LF. The engineer's estimate was \$32M. There were 26 bidders. The low bidder was at \$20M, the high bidder was \$32M. Some of the utility contractors bidding were national companies with several being from the mid-west. Again, all of these utility contractors were large reputable firms. The low bidder was 37% below the engineer's estimate. The low bidder was awarded the project.

You may wonder why this phenomenon is happening? Due to the current economy, contractors are looking for work in a declining market place. The commercial and residential markets have virtually disappeared. As a result many contractors that specialized in these markets are turning to the public works arena. According to ENR Sept 2009 many large contractors are bidding down i.e. competing for smaller volume sized jobs, while smaller sized contractors are bidding up i.e. larger volume priced projects if their bonding companies will back the projects.

In the last six months escalation has remained relatively flat at zero percent. According to the September 15th Data Digest, the Producer Price Index (PPI) for finished goods has dropped -4% from one year ago. Commodity prices for typical construction materials such as pipe, concrete, steel, and wood have remained flat or have destabilized. Some contractors are just trying to keep their businesses operational during these current economic times. They want to utilize their heavy construction equipment, keep their key crews, superintendents and top project managers. Without their top operational labor pool the particular company will cease to remain truly effective. As a result, many clients will be experiencing lower prices for their projects with top craftsmen performing the work. Now is a good time to start a project if a client has the funding.

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 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.

OFFICERS

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

Past President – Dan Schottlander, CPE, LEED® AP – AECOM, 949.476.3365, dan.schottlander@AECOM.com

1st Vice President – Mike Mills, CPE – Jacobs Engineering, 714.503.3534, michael.mills@jacobs.com

2nd Vice President – Tom Smithson – RCR Mechanical, 951.371.5000, tom.smithson@rcrcompanies.com

3rd Vice President – Greg Clayton, PE, LEED® AP – Contracting Engineers, Inc., 949.548.2010, greg@4cei.com

Secretary – Anita Beukman – Faithful + Gould, 562.314.4200, anita.beukman@fgould.com

Treasurer – Fred Saldana, CPE – O’ Connor Construction Management, Inc., 949.476.2094, fsaldana@ocmi.com

BOARD MEMBERS

Gary Casper – Casper Estimating Services, 949.206.1065, casperces@sbcglobal.net

Era Swanepoel – Self Employed, 949.306.8430, era@swanepoel.com

Danielle Leyva, LEED® AP – Mack5, 510.502.0633, dleyva@mack5.com

Art Quinion, CPE, LEED® AP – Phoenix Planning, 949.581.9370, artq@phoenixplanning.com

Ron Svarc, CPE – HMC Architects, 949.567.1833, ron.svarc@hmcarchitects.com

Paulette Rutlen, CPE, CEP – Construction Cost Controls, 949.768.6686,
paulette.rutlen@constructioncostcontrols.com

Thilanjana Vithana – O’Connor Construction Management, Inc., 949.476.2094, tvithana@ocmi.com

Crystal Huey – HMC Architects, 909.989.9979, crystal.huey@hmcarchitects.com

COMMITTEES & CHAIRS

National & Chapter Awards – Wil Beukman, MRICS, LEED® AP – willem.beukman@fgould.com

Certification – Art Quinion, CPE, LEED® AP – artq@phoenixplanning.com

Communications / Website – Paulette Rutlen, CPE , CEP – paulette.rutlen@constructioncostcontrols.com

GC Advisory – Greg Clayton, PE, LEED® AP – greg@4cei.com

Parliamentarian – Wil Beukman, MRICS, LEED® AP – willem.beukman@fgould.com

Finance – Fred Saldana, CPE – fsaldana@ocmi.com

Programs – Dan Schottlander, CPE, LEED® AP – dan.schottlander@AECOM.com

Membership – Ron Svarc, CPE – ron.svarc@hmcarchitects.com

By-Laws – Wil Beukman, MRICS, LEED® AP – willem.beukman@fgould.com

Historian – Wil Beukman, MRICS, LEED® AP – willem.beukman@fgould.com

Fundraising – Wil Beukman, MRICS, LEED® AP – willem.beukman@fgould.com

Ethics – Mike Mills, CPE – michael.mills@jacobs.com

Education – Wil Beukman, MRICS, LEED® AP – willem.beukman@fgould.com

Standards – Wil Beukman, MRICS, LEED® AP – willem.beukman@fgould.com

Newsletter – Danielle Leyva, LEED® AP – dleyva@mack5.com

Public Relations / Marketing – Anita Beukman – anita.beukman@fgould.com

Scholarships / Mentoring – Mike Mills, CPE – michael.mills@jacobs.com

FOR YOUR INFORMATION...

COMPANY MEMBER REPRESENTATIVES

ABACUS Project Management, Inc. **AGC San Diego Plan Room American Constructors Analytical Planning Services, Inc.** **Bel Esprit Builders, Inc.** **Bert L. Howe and Associates** **Brussel Consulting & Const Mgmt** **Casper Estimating Services** **Consolidated Contracting Services** **Contracting Engineers Inc.** **Contractors & Cost Consultants** **Corecon Technologies Inc.** **Cumming Corporation** **Construction Cost Controls** **DDL Construction** **Disneyland Resorts** **Earth Tech / AECOM** **Faithful & Gould** **GKK Works** **Herzog Contracting Corp.** **HMC Architects** **Innovative Dimensions Inc.** **Jacobs Engineering** **JBH Structural Concrete Inc.** **Kanda Project Services Corp** **Kerry Contractors, Inc.** **KFHP Inc.** **KGA, Inc.** **KHS&S** **L&R Construction Inc.** **Lawrence P. Lee & Associates** **Lombard Consulting Services, Inc.** **M. Cangro Development** **Mack5** **Madsen, Kneppers & Associates** **Marlin Const. Consulting & Assoc.** **O'Connor Construction Management, Inc.** **Pacific Rim Mechanical Contr. Inc.** **Performance Contracting, Inc.** **Pete Fowler Construction Services, Inc.** **Phoenix Planning** **Project Control Assoc. LLC** **Raymond Interior Systems** **RCR Mechanical** **Ronald Fedman Associates, Inc.** **Suffolk Construction** **Swinerton Builders** **The Clark Construction Group** **Timko**

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.

Chapter 3 has established a Twitter account in order to keep our members informed of the day to day events of our chapter and our members. Additionally, I have linked us (referred to as 'following') to various organizations. Currently we have nine people following us and we are following:

Individuals: Karen Hinen, ASPE Executive Director

Chapters: 12 & 51

Sister Organizations: NAWIC, AISC Education, Lean Construction Institute (LCI)

Software Vendors: MC2, SmartBidNet

Miscellaneous: McGraw Hill Books, Smart Building News, Construction Law,

Products Review

It costs nothing to establish a Twitter account. Just go to 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

By: Anita Beukman

Our chapter Facebook account is up and running – ASPE Chapter 3, Orange County – we have 4 friends and

We need more! If you have an account, look us up, so you can follow our status for upcoming events!

ASPE ORANGE COUNTY CHAPTER 3

MEETING INFORMATION

Date: Wed., Oct. 14, 2009

Time:

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

6:30 p.m. - Program & Dinner

Location: The Mezzanine at Newport Gateway

Towers (lower level of Mezzanine Tower)

19800 MacArthur Blvd., Irvine, CA



TOPIC



SEISMIC REQUIREMENTS AT JOHN WAYNE AIRPORT

Implementation of the Buckling Restrained Braces technology in the John Wayne Airport Terminal Expansion Project: Challenges in Design, Cost estimating, and Bidding Process

ABSTRACT

John Wayne Airport is currently implementing a major expansion project of its terminal buildings. This project is considered one of the largest projects in Orange County in recent years. Because of the significance of the airport to economical and social health of Orange County, a major design requirement of the project is to ensure normal operation of the airport after major seismic events. A new technology was utilized by using buckling restrained braces in both the terminal expansion project and the new parking structure projects. It is believed that this is one of the first applications of this technology in airport terminal and parking structure projects in the U.S. The presentation is focused on describing this technology, its implementation in design, and the challenges experienced during design, specification writing, cost estimating and the bidding process of this important project.



PRESENTED BY

SAID HILMY
S.E., PH.D., LEED AP
IDS GROUP, INC.

Said Hilmy, S.E., Ph.D., LEED AP is a principal and founder of IDS Group, Inc., an award winning engineering firm in Irvine, CA. He is a graduate of Cornell University and has provided consultation and structural design in Southern California since 1985. He is an inventor and was awarded several Excellence-of-Structural Engineering Awards for his recent designs. He is the structural engineer of record of John Wayne Expansion project.

SEPTEMBER MEETING DINNER RECAP

By: Crystal Huey

At our last dinner meeting on September 9, 2009, we had a special guest speak to us about the renovations being performed at the John Wayne airport. Larry Serafini is the Deputy Airport Director of Facilities. He informed the group of the facts. . . the airport is still financially sound even though the recession has resulted in an 11% decline in rider ship. He was involved in brokering the deal for the airport renovation between the community and the airlines. The goals were:

- Equality – the new architecture was to be equivalent to the existing
- Safety and Security – state of the art technology in all facilities
- Convenience – ease of access
- Affordability – value driven design
- Flexibility – build flexibility into the design to accommodate changing operational needs

According to Mr. Serafini, the estimate for the renovation was \$652M and due to recessionary pressures the actual bid value came in at \$543M. Resources for this project included funding from internal airport revenue, Federal Aviation Grants, subordinate debt (bonds), and a passenger facility charge, among others.

An integral tool used in the design of this project was the use of BIM, Building Information Modeling. The software used for the building information modeling was Revit. By using Revit they were able to identify over 1,000 areas where colliding issues occurred. By utilizing this tool they were able to address the design conflicts prior to construction therefore minimizing change orders! Revit also produced a model at no extra charge as well as allowing the client to perform seismic modeling!!!

Mr. Serafini concluded with tips on how to put your best foot forward in winning a project. He said you must perform the following:

- Know the owner
- Know the project
- Follow instructions (VERY IMPORTANT – Do what the client is requesting!)
- Use project staff, not outside sales representatives
- Provide a statement of qualifications
- Check references



MEMBER SPOTLIGHT

ERA SWANEPOEL FAITHFUL + GOULD BOARD MEMBER, 2009-2010

Interview conducted by: Danielle Leyva

DL: Where are you currently employed? What is your current position there?

ES: I am a Senior Cost Manager at Faithful + Gould located in Seal Beach, CA and currently on site at John Wayne Airport located in Newport Beach, CA.

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

ES: I have been a member of ASPE since 2006 and currently serve as a Board Member. My duties include being the Historian, Scholarships, and the one I like the most Welcoming and PR!

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

ES: I have always been fascinated by beautiful buildings and my first desire was to become an architect. Since my math skills were way better than my creative skills (and a family friend advised me that Quantity Surveying is a very well paying career for a female - that was way back in the '80's!), I decided to give it a try. Five years later and being only one of three females in a class of 50 male students, I graduated with a B.S. in Quantity Surveying in 1980 from the University of Pretoria in South Africa. I completed my internship and later became a junior partner at the company I was working for at the time. After working for 10 years, I started my own firm when my first son was born. In 1994, my husband and I along with our two boys immigrated to the United States where we became U.S. citizens in 2002. I first worked for Gafcon Inc., in San Diego before living in New Jersey for one year. Upon returning to California, I worked for Rider Levett Bucknall in Los Angeles and Cumming Corporation in Aliso Viejo.

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

ES: Absolutely.

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

ES: To be certified in any given profession provides the necessary validation and standardization thereby improving the quality of service to the customer.

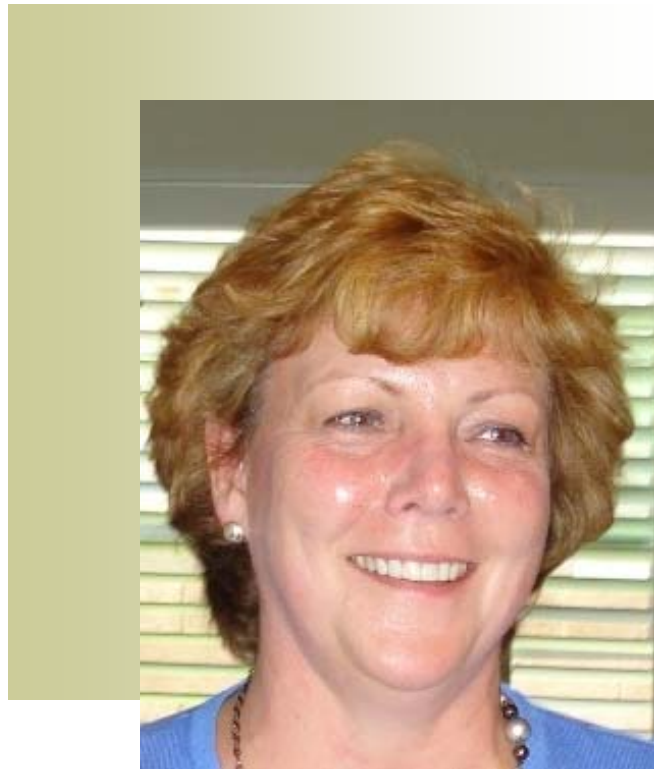
DL: What types of projects do you most enjoy estimating?

ES: I have done so many different types of projects and have found all to be exciting and interesting.

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

ES: I enjoy observing beauty in everything around me - nature, beautiful architecture, stunning homes, and gorgeous interior design. My garden provides endless pleasure and I have fun decorating my house for each season. Above all, I love spending time with my husband, my two sons, and my close friends.

DL: Thanks Era for participating in the month's *Member Spotlight!*



ASPE ORANGE COUNTY CHAPTER 3

TECHNICAL ARTICLE—PROBLEM OF THE MONTH

By: Art Quinion

As with virtually all other construction materials, although the costs of paints and coatings are edging their way back up, prices still remain approximately 11% down from mid 2008 levels.

Calculate the total cost of painting both sides of 500 L.F. of a 10' high wall. The walls will need one prime coat and two finish coats. Assume \$0.24/sf for prime coat and \$0.36/sf/coat for finish coat.

- A) \$6,000
- B) \$4,800
- C) \$9,600
- D) \$12,000

TECHNICAL ARTICLE SOLUTION

Solution: $500 \text{ L.F.} \times 10' = 5,000 \text{ S.F.} \times 2 \text{ sides} = 10,000 \text{ S.F.}$

- Prime coat of \$0.24 plus two finish coats of \$0.36 each = \$0.96/S.F.
- $10,000 \text{ S.F.} \times \$0.96/\text{S.F.} = \$9,600$ or Answer C

ADVERTISING OPPORTUNITIES

Business Card	Per Issue	\$25.00
¼ Page Ad	Per Issue	\$50.00
½ Page Ad	Per Issue	\$100.00
Full Page Ad	Per Issue	\$200.00

If you would like to advertise with us, contact Danielle Leyva at dleyva@mack5.com for more details.

BECOME A MEMBER

Applications for membership can be downloaded from the national website, www.aspenational.org, or on our local website, www.aspechapter3.org. For more information, contact Ron Svarc at 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

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

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 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.



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