

**Technical Committee on Cost Estimating
Phone Conference Meeting Minutes
July 1, 2010**

Members Present

Lesly Tribelhorn, Chair	Roger E. Bierbaum
Dave Kent, Vice Chair	Jeffrey M. Hisem
Edwin Okonkwo, Secretary	Jay Drye
Keith Platte, AASHTO	Ken Spear
Scott Bickford	Jack Young
Darrell Richardson	

Members Absent

Norie Calvert
Mike Fowler
Greg Davis
James Frick
Mike Ginnaty
John Riedl

AGENDA ITEMS:

Status on survey results compilation and action items

The survey results posted at <http://desktop.vovici.com/analysis/generatepublicreport.aspx?esid=301266&subaccountid=30839> are being analyzed by the TCCE members and actions are being taken on each survey question result. Some of the information will be posted on our webpage and other information will be used to ensure that the TCCE is meeting the needs of our customer base.

Action on survey question #5

Jeff Hisem is working to complete the states' cost estimating contacts information. He is looking to combine it with the spreadsheet being developed by Ken Spear on the states' documented cost estimating processes. Jeff will give Ken what he has to merge as one document. We may create a new webpage with this contact and resource information.

Action on survey question #10

Ken Spear is working on a spreadsheet for various states that have formal cost estimating process and cost estimating measures. Ken will work with Jeff Hisem to create a single document with links to states' cost estimating contacts, processes and measures.

Action on survey question #12

Ken Spear is addressing this survey question; performance measures for estimating process in the spreadsheet being developed for survey question #10. Estimate tracking will be included.

Action on survey questions # 14 &15 results

Dave Kent developed a summary to highlight what the state DOTs considered to be best practices in initial cost estimates and preliminary estimates. Action is completed on the survey results.

Action on Survey question #18 & 19 results

Action was completed by Roger Bierbaum.

Action on survey question #20 results

Edwin completed action on this item. Edwin discussed the role of FHWA Division Offices in developing the cost estimate. Most FHWA Divisions see the cost estimating as state procedure and as such would have minimal involvement in cost estimating. The FHWA Divisions are willing to provide support as needed by the state in areas of process and performance reviews to ensure that estimating procedures are up to date to adequately ensure competitive bidding.

Action on survey question #21

Lesly developed a summary document for question #21; what do you see as the AASHTO's role in cost estimating. The majority of the responders felt that AASHTO should provide resources and best practice information. Many states saw a role in providing training, and a few respondents thought that AASHTO should prepare cost estimating standards, assist in the review or development of cost estimates, or provide the tools for developing estimates.

Survey question #22/23

Jeff Hisem and Ohio DOT estimating staff are working on compiling information on what are stated as needs regarding cost estimating.

Discussion on sliding scale contingencies paper

Lesly indicated that she posted the final thesis paper on the sliding scale contingencies for highway projects. Dave Kent has reviewed the study paper and noted some chapters that have direct benefit to the cost estimating process:

Chapter VI, APPLICATIONS OF THE SLIDING SCALE CONTINGENCIES, page 118, includes a methodology that can be used to estimate contingency amounts. The process relies on data found in various tables and figures provided in the report Table 11 (page 48), table 17 (page 61), Tables A-1, A-2 and A-3 (page 136), Figures 16, 18 and 20 (page 111).

Chapter VII on page 125 includes CONCLUSIONS AND RECOMMENDATIONS.

All committee members are encouraged to review the sliding scale paper posted at <http://design.transportation.org/Documents/SLIDING%20SCALE%20CONTINGENCIES.pdf>, to extract additional information that may be of value to our cost estimating guide book.

Chapter assignments to fill vacancies (see table below)

Changes are highlighted in the table below.

Chapter 1	Introduction/Cost Estimating Basics	Norie Calvert	active
		Lesly Tribelhorn	active
Chapter 2	Parametric Estimates	Mike Fowler	active
		Greg Davis	active
		Dave Kent	active
		Darrell	
		Richardson	active

Chapter 3	Risk Based (Probabilistic) Estimating	Jay Drye	active
		Lesly Tribelhorn	active
		Roger Bierbaum	active
		Jack Young	active
Chapter 4	Estimating Using Historical Bid Prices	Jay Drye	active
		Jim Frick	active
		Ken Spear	active
Chapter 5	Cost Based Estimating	Greg Davis	active
		Norie Calvert	active
		Jeff Hisem	active
		Mike Ginnaty	active
Chapter 6	Inflation Forecasting	John Riedl	active
		Norie Calvert	active
		Jeff Hisem	active
		Dave Kent	active
Chapter 7	Bidding Strategies for Cost Control	Ken Spear	active
		Scott Bickford	active
		Roger Bierbaum	active
Chapter 8	Evaluation of Contractor Bids	Jeff Hisem	active
		Roger Bierbaum	active
		John Reidl	active
		Mike Fowler	active
Chapter 9	Performance Measures and Tracking	Dave Kent	active
		Ken Spear	active
		Jack Young	active
Definitions		Dave Kent	active
		Mike Fowler	active

Annual meeting agenda

Lesly continues to revise the agenda for the fall meeting. Presentation time should be limited to 20 minutes plus 10 minutes for Q/A. Additional topics to include Risk Management, Contingencies, and cost management. We have room for a presenter on Context Sensitive Solutions and the implications on cost management. Jeff Hisem suggested that pre-award analysis be added as a roundtable discussion.

The core portions of the meeting should enable teleconference and webinar attendance. The working portions of the meeting will be in-person only. PDU's or CEU's should be available, pending AASHTO approval.

Travel Outlook for fall meeting (what are the chances that a member should attend)

Norie Calvert ----- Don't know
Mike Fowler ----- Good
Dave Kent ----- 10%
Greg Davis ----- 90%
Darrell Richardson ----- 75%
Jeff Hisem ----- 85%
Roger Bierbaum ----- 83 5/8%

Mike Ginnaty ----- 80%
Jay Drye ----- 0-10%
Kent Spear ----- 75-80%
Jack Young ----- 25 – 50%
Edwin Okonkwo ----- 90%
Lesly Tribelhorn ----- 90%
John Reidl ----- 10%
Keith Platte or AASHTO staff---- 100%

Action items:

- Lesly will continue to revise the agenda for the fall meeting based on additional information.
- Jeff and Ken to coordinate action on survey question #5 and #10.
- Jeff will continue to do the follow-up work for survey questions #22/23.
- All members are encouraged to submit additional ideas for annual meeting topics. Consider volunteering to make presentation.