

**Technical Committee on Cost Estimating  
Phone Conference Meeting Minutes  
Nov. 4, 2010**

**Members Present**

Lesly Tribelhorn, Chair	Roger E. Bierbaum
Dave Kent, Vice Chair	Jeffrey M. Hisem
Edwin Okonkwo, Secretary	Mike Fowler
Charles Nickel	Jack Young
Keith Platte, AASHTO	John Riedl
Norie Calvert	Jay Drye
Darrell Richardson	Greg Davis

**Members Absent**

Mike Ginnaty  
James Frick  
Ken Spear  
Scott Bickford

**AGENDA ITEMS:**

**Annual Meeting Debriefing**

**What went well?**

- Making provisions to allow members who could not travel to the conference location to participate through webinar and telephone conference.
- Work session that was included in the meeting schedule. It allowed the committee members to discuss other issues of importance relating to cost estimating.

**What wasn't so great?**

- Inability of remote participants to hear clearly through the microphone, and difficulty for Baton Rouge attendees to pass around microphone and keep conversation flowing. One of the remedies is to use headphones and other technologies. Another option is to mount multiple standing microphones around the room and have them tested before the meeting starts.

**For next year**

- One other important issue discussed during the session was to avoid repeating PowerPoint presentations for TCCE and TEA sessions. One way to accomplish this would be to complete all the TCCE agenda items in 1 ½ days and then have all related presentations overlap with TEA's agenda on the second day.
- Don't include the option for teleconferencing on the agenda.
- Have a minimum 2 hour block for work session(s).

**Follow-up with Top 3 issues (see the table below)**

The top 3 issues identified during this year's meeting are (1) Competition, market and economy, (2) Staffing issues and (3) Budget issues. The TCCE intends to address (1) in chapter 6 of the subsequent NCHRP 20-7 task 308. (2) and (3) are more or less state DOT issues and are beyond the control of the TCCE committee. However, improving the visibility and usability of the TCCE webpage as a web resource for cost estimating should help states with staffing issues that are related to lack of experience. We intend to provide a source where states will be able to find answers to questions and links to

cost estimating resources that should help inexperienced staff. In addition, the upcoming Guidance will provide help for cost estimating staff.

## **Action Items**

### **Chapter work:**

- Bidding Strategies for cost control (**Scott, Roger and Ken**) – the group should continue to work on this chapter and consider incorporating information from the annual meeting discussions on estimate confidentiality and bid analysis. Proposed changes from the work session are being circulated for comment within the working group. Their work will be provided to the research team when Task 308 is initiated.
- Performance measures and tracking (**Ken, Dave and Jack**) – Not much work has been done on this, and there isn't a lot of information available. The chapter should be given to the researchers as it is.
- Risk-based estimating (Jay, **Lesly, Jeff and Dave**) – This chapter was written 4 or 5-years ago. The team will make sure that discussions from TCCE meeting and Mn/DOT's CE/CM workshop are included in the chapter.
- Inflation forecasting and indexing (**John, Norie, Jeff, and Dave**). Again, information from discussions during TCCE and TEA should be incorporated into the chapter that will be part of Task 308.

**Survey results (Jeff, Ken)** – Listing of state contacts and web resources. The team is continuing the work on obtaining contacts and web links from state DOTs. Ken has compiled a lot of web links, Jeff will follow up with Ken. Jeff indicated that all but 4 of the state contacts have been obtained. They will coordinate with the group that is working on the webpage enhancements: Keith, Jack, Michael Smith and Mike Jenkins to conclude this task. They have a teleconference meeting set for November 9, 2010. Dave should be able to attend.

**Web Page (Keith)** – Dave volunteered to follow related research and ensure that the links are posted on our website.

**Items from Mn/DOT's CE/CM workshop (Lesly, Mike G.)** – The final report on the Mn/DOT's CE/CM workshop has been posted on the website. Lesly and Mike will continue to review the report and identify items that affect the TCCE. Lesly will send out the link for the report.

### **Request for inclusion of State and Regional data on NHCCI**

Some members of the committee have expressed interest in having FHWA include state and regional data in publication of quarterly NHCCI. This will assist them in comparing their state and regional data to validate their state data. Edwin will consult with Ralph Erickson to see if this is possible.

## **Discussion from TEA Business meeting relating to TCCE**

- **Format and length:** The dates for the 2011 TCCE/TEA/TUG are already set and TCCE meeting will take place 2 days prior to TEA/TUG conference. For future conferences thereof, the TCCE may consider shortening the meeting time and overlapping with TEA conference. This will enable the TCCE to avoid repetition of PowerPoint presentations and other discussions. For this to be most beneficial, TEA may have to provide for webinar and teleconference for members who could not attend the conference.
- **Expenses and registration:** Webinar and teleconference costs create extra expenses for TEA. Future TCCE meetings may include a webinar registration fee to cover some of the costs.

## **Future Teleconference meeting**

- **Frequency of meeting:** Currently The TCCE conducts Webinar/teleconference meeting on first Thursday of every 2 months starting at 1:00 pm eastern time. The committee agreed to continue the current format for the next calendar year.
- **Dates:** Starting date will remain 1:00 pm eastern time. Lesly will schedule the meetings accordingly starting from January 6, 2011.

## **Membership**

- **Resignation:** Mike Fowler informed the committee that he is stepping down as a member of the committee. Mike is one of the founding members and has made a significant contribution to the TCCE. He will follow-up with a resignation email. His resignation will become effective as soon as his replacement is selected for Region 1. Mike would like to remain as research panel member for the task to complete the cost estimating guide book. The TCCE will accommodate his request.
- **Vacancies:** The vacancy for Region 3 has been filled with Kenny Voss from Missouri DOT. The committee welcomes Kenny.

<b>2010 Top State's Issues</b>					
<u>Issue</u>	<u>Rank</u>	<u>Comments</u>	<u>Chapter subject?</u>	<u>Future chapter?</u>	<u>Related chapter</u>
Competition, market and economy	14	Fluctuating market, high competition, uncertain economy	yes		Inflation forecasting
Staffing issues (experience, training, vacancies, morale)	12		no	yes - training examples	
Budget issues (incl. no fed aid bill)	8		no	no	
Cost risk analysis	5		yes		Risk-based estimating
Bid quality (consistency, underbidding)	3		no	no	
Performance measures for cost estimating/cost management	2		yes		Performance measures and tracking
Political pressure	2	Plan quality, overall construction costs, inefficiency	no	no	
Saving money through construction methods	2		yes		Bidding strategies for cost control
Cost based estimating	1		yes		Cost-based estimating
Design build projects	1		yes		Bidding strategies for cost control
Estimate confidentiality	1		no	no	
Transport implementation	1		no	no	
Maintaining infrastructure	1		no	no	