



# St. Louis Metro A.S.P.E. Chapter 19

## *The Gateway Estimator*

Volume 12 Issue 4 ■ April 2010

www.stlouis-aspe.org

2009 - 2010

### **Officers and Board**

#### **Board Meetings**

First Tuesday of the month at 5:30 p.m.

#### **Officers & Directors**

Brad Davis, Musick Construction - President  
Paul Hanson, McCarthy - 1st V.P.  
Bob McCann, Hallmark Stone - 2nd V.P.  
Brett Streb, Paric Corporation - Secretary  
Jim Stukenberg, GRS Construction Co. - Treasurer  
Matt Ford, Universe Corporation  
Bob Partl, Jarrell Contracting  
Rich Ullrich, Everest Estimating Services  
Fred Waldrop, Murphy Company  
Kyle Hoefel, Bazan Painting  
Chuck Fulford, Henges Interiors  
Ron Covarrubias, Interface Construction  
Dan Davenport, - Past President

#### **Committee Chairs**

##### **Membership**

Brad Davis 314-781-7005

##### **Education**

Ron Covarrubias 314-522-1011

##### **Scholarship**

Bob Partl 314-291-0100 x157

##### **Awards**

Matt Ford 314-439-2800

##### **Newsletter**

Mindy Funk 314-596-7695

##### **Certification**

Fred Waldrop 314-997-6600

#### **Important Numbers**

##### **President**

Brad Davis 314-781-7005  
BradD@musickconstruction.com

##### **Executive Director**

Mindy Funk 314-596-7695  
mindyfunk@stlouis-aspe.org

## ***From the President***



#### **ASPE NOTES:**

Although the news was gloomy, January's breakfast meeting was a big success. Len Toenjes from AGC of St. Louis presented the construction industry economic

forecast for the St. Louis area. Will all precincts reporting, 2010 is going to be a bumpy ride. Turnout for the meeting was strong, so will continue to bring you more breakfast programs.

Maren Engelmohr, Director of Interior Design at Forum Studio, a registered architect and LEED accredited professional, was the guest presenter at the St. Louis Chapter meeting on Feb, 24th. Maren's presentation "From Green to Great" covered a wide variety of topics involved in "Green" building. Drawing on her experience in doing design work on the Alberici Headquarters building and her own residence, a platinum LEED building, she discussed what works and what doesn't in sustainable design buildings.

The presentation also briefly covered initial cost vs. life cycle cost of green building materials and generated many interesting questions from the attendees.



The St. Louis Chapter's Scholarship Recipient in 2009 was Casie Byerley. Casie is a senior in the Construction Management program at SIUE and is expecting to graduate in May of 2011, and has an Associate's Degree in Architectural Technology. She's also a member of our ASPE Chapter. Casie is seeking an internship for this sum-

## *From the President*

### *Continued from Page 1*

mer and would like to work for an ASPE member company. If you would like to contact Casie or see her resume, please send me an email (BradD@musickconstruction.com).

We are planning a Sporting Clays Tournament for this Spring/Summer. We're in the early stages of planning; if you or your company would like to be involved, please contact Bob McCann (Hallmark Stone) at bob@hallmarkstone.com.

ASPE is working with a needy family from the 100 Neediest program to help with some critical home repairs. Dan Davenport is heading-up this effort and is planning work days to fit the schedules of the folks that can help out. We will need people with construction skills and resources, so if you would like to help please contact Dan at drdavenp424@gmail.com.

Congratulations to ASPE Executive Director Mindy Funk (Universe Corporation) on the birth of her son Logan!

Do you have any other bright ideas? How about sharp words of criticism? Let it fly; I'm all ears. You can reach me at 314-781-7005 or bradd@musickconstruction.com.

Take care and good luck,

Brad Davis  
Chapter President

# ASPE Sporting Clays

## Friday, June 18<sup>th</sup> 2010

### Location:

Blackhawk Valley Hunt Club  
1259 Brevator Road, Old Monroe, Missouri 63369  
636-661-5199

### Schedule:

11:30 am - Lunch  
12:30 pm - Shooting  
3:30 pm - Snacks, Awards, and Prizes

### Sign Up Information:

#### **\$100 per shooter, which includes:**

- 100 Targets
- Ammunition
- Golf Cart
- Lunch
- After Shooting Snacks

Shooter \_\_\_\_\_ Company \_\_\_\_\_

Shooter \_\_\_\_\_ Company \_\_\_\_\_

Shooter \_\_\_\_\_ Company \_\_\_\_\_

Shooter \_\_\_\_\_ Company \_\_\_\_\_

### Sponsorships\*:

- Shooting Station Sponsor
  - ✓ \$150.00 (company representative may pull targets and hand out cards – 12 available)
- Lunch Sponsors
  - ✓ \$200 (3 available)
- Snack Sponsor
  - ✓ \$100 (1 available)
- Trophy sponsor
  - ✓ \$100 (1 available)
- Attendance prize donations gladly accepted

**List Shooters and/or Circle the type of sponsorship you are interested in and send this form and Check by MAY 30<sup>th</sup> to:**

Bob McCann  
Hallmark Stone  
2200 Cassens Dr.  
Fenton, MO 63026

**We are in the process of creating a PayPal account for our members and guests to pay online. You may pay by check now or wait until the account is set-up. Either way, payment is due by May 30<sup>th</sup>. Thank you!**

Call Bob at 314-568-6361 for more information

*\*All sponsors will receive sign and announcement recognition*

## Meet An ASPE Member

# Jerry Dorhauer

- Graduate of Ranken Technical College - 1989
- Associate Degree in Industrial Electricity and Electronics
- Project Manager & Estimator for Bodine Electric of Decatur - 1989-2002
- Project Manager & Manager of Central Estimating for Kaiser Electric - 2002 to present  
Recently promoted to Vice President of Central Estimating - February 2010



I have been a member of ASPE since 2005. I have been married to my wife Sarah for 23 years; we have 8 children: Grace (21) currently attending Xenon Academy; Jerome Jr. (19) currently attending Meramec C.C.; Cecilia (18) Senior at Lafayette H.S.; Richard (16) Sophomore at Vianney H.S.; Mary (15) Freshman at Marquette H.S.; Ruth (13) 7th grade at St. Mary Magdalen (Brentwood); Anthony (10) 4th grade at St. Mary Magdalen (Brentwood); Teresa (6) 1st Grade at St. Mary Magdalen (Brentwood).

I am also a Music/Choir Director for St. Mary Magdalen (Brentwood).

In our "free" time, we follow our children around the county for their various sports and activities which include soccer, field hockey, baseball, basketball, track and field, choirs and school plays. Other than that, golf is a favorite "getaway" from the rigors of work.

## Estimating Testing and Inspection Services

By: Bryan R. Castles, P.E.

In order to estimate testing and inspection services for projects, it may be helpful to first understand the internal cost structure of the testing and inspection company, typical fee structures, and the various methods used to prepare estimates. Knowledge of these items leads to an understanding of why estimates are low, and should be beneficial in obtaining comparable estimates for projects.

The cost for testing and inspection services generally range from 0.4% to 1.5 % of the total construction cost. It is not uncommon for estimated testing and inspection costs to be different from than the actual cost. These variations are the result of estimating methods and fee structures.

The internal cost structure for testing and inspection companies is nearly the same for all companies in a geographic area. Labor accounts for nearly 50% of the companies' direct expenses. Vehicle costs are the next largest direct expense, at about 7%. The table on page 6 shows a typical cost structure for a testing and inspection company.



<b>Direct Labor</b>	50%	Burdened Field, Lab, Direct Support Personnel
<b>Vehicles</b>	7%	Vehicle, Fuel, and Maintenance
<b>Other Direct</b>	8%	Supplies, Testing Equipment, Certification, Training, and Accreditation
<b>Indirect</b>	15%	Indirect Management, Administrative Support, Facility Rent, Phones, Copiers, etc.
<b>Corporate Overhead</b>	10%	Accounting, H&S, E&O Ins., Auto, Liability, Property Ins., HR, Legal
<b>Net Before Taxes</b>	10%	

If the cost structures of the companies are similar, then the fees charged on a project should also be similar. There are various fee structures used in the industry, but at the end of the day, the total fees for similar services are similar; *the value added by firms that are willing and able to help you resolve issues and solve problems is not.*

Fee structures can be simple or complex. A simple fee structure would include an hourly rate for field personnel, per test rates for lab testing, charges for the vehicle and equipment, and an hourly rate for engineering services. Variations of this type of fee structure may include things like daily equipment fees, daily management and engineering fees, project administration fees, clerical fees, copying fees, and minimum charges. The bottom line is that for a given service, the fee charged by the testing and inspection company will be very similar.

In addition to the variation in fee structures, the methods used for estimating total fees for a project are also varied. Common methods include a percentage of the total estimated construction costs, detailed takeoff of quantities and guesses of durations and production rates, overall duration of the project, and various combinations of all of these. Each of these methods should arrive at nearly the same total fee for a project; but each relies on estimates by the estimator. These estimates may or may not be based on the facts. A scope of services should, at least, put quotes on a comparable basis, but that is not always the case.

Because of the various fee structures and the methods used to estimate total fees, a wide range of estimates may be received for the same project. These estimates may quite often be lower than the actual fees billed for a project. On a recent project here in the valley, 14 companies submitted estimates ranging from \$75,000 to \$1,070,000; it is obvious these estimates are not comparable, even though there was a bid form.

The estimates vary for several reasons. The schedules and durations assumed by the testing and inspection company are optimistic or impossible. Retesting, delays, and cancellations are not included in the scope but occur on every job. In other words, the scope quoted is often an idealistic scenario, which may be far from reality.

**So how do you get proposals based on some reality and in a form that can be easily compared?** One way is to develop and use proposal and bid forms. Provide realistic quantities, schedules, and durations to put proposals and estimates on comparable ground and demand simple fee structures. Of course, maintaining an open dialogue often helps to keep testing and inspection costs in line. With a little upfront planning and input to the testing and inspection company, comparable quotes are obtainable.

# ASPE Certification Program

## It's Time To Start!

The American Society of Professional Estimators (ASPE) offers a certification program for qualified applicants.

Applicant must have at least five (5) years of estimating work experience to be accepted into the program. Workshop application forms must be completed and sent to either the ASPE Chapter Certification Chair, Fred Waldrop, at Murphy Company, 1233 North Price Road, St. Louis, MO 63132, or a regional member of the National Certification Board by October 1st each year. Certification workshops are held each year at the chapter level during November and early December.

### **Fees for the ASPE Certification Program are as follows:**

ASPE Member - \$350.00 Total

There are three (3) cycles – standard, accelerated and convention.

1. Standard - starts Oct. 1, 1st year and ends Dec. 30 the following year.
2. Accelerated - starts Oct. 1 1st year and ends Aug. 15 the next year.
3. Convention - starts Oct. 1 1st year and ends July 15 the next year.

### **To obtain a Workshop Application Form go to:**

<http://www.aspenational.com/form-certworkshop-member.pdf>

### **For information on Certification contact Chapter 19 Certification Chairman:**

Fred Waldrop, FCPE  
Senior Project Manager  
Murphy Company  
1233 North Price Road  
St. Louis, MO 63122  
Office phone: 314-692-1646.  
E-Mail: [fwaldrop@murphy-stl.com](mailto:fwaldrop@murphy-stl.com)

# Chapter 19 Meeting Prepay Option

Chapter #19 is now offering all ASPE members an option to prepay for all eight 2009/2010 monthly meeting dinners for \$150.00 (\$30.00 per meeting). Some members have requested this option as a way to cut down on the number of times they must submit for re-imbusement from their employers. Your employers may like this option, also, as it will cut down on the number of checks written. This option is available only to ASPE members in good standing. If you

have not paid your renewal dues, please get them up to date. If you have not joined ASPE yet and would like to take advantage of this payment option by joining our organization, go online to our website [www.stlouis-aspe.org](http://www.stlouis-aspe.org) and click on the Membership page. You can clicke on the "Apply Online" link and it will take you to the online application. We will then be notified by the National office of your membership status.

If you are current in your membership and wish to prepay for this year's meetings, fill out the form below and mail with your check (made out to ASPE) to:

ASPE c/o GRS Construction  
Attn: Jim Stukenberg  
808 S. Main, Suite D  
Columbia, IL 62236

## 2009/2010 MEETING PREPAYMENT

Enclosed please find my payment of \$150.00 for payment of all eight ASPE meetings offered this year.

Name: \_\_\_\_\_

Company: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Although you are paying for all eight monthly meeting, please RSVP to Mindy Funk each month so we have an accurate reservation with the venue. We look forward to seeing you at our meetings this year.

# Attention Members:

## **Keep ASPE Informed**

If you (or your company) have information of interest to your estimating peers, please send it to Chapter 19. Jobs acquired, completed, promotions, awards, etc!

Send your information to Mindy Funk at [mindyfunk@stlouis-aspe.org](mailto:mindyfunk@stlouis-aspe.org) to be included in the next Gateway Estimator.

# ASPE MEMBER COMPANIES

*Ahal Contracting Co., Inc.*

*Alberici Constructors Inc.*

*Architectural Systems*

*Bangert Computer Systems*

*Bazan Painting Company*

*C & R Mechanical Co.*

*CRB Builders*

*CE Jarrell Mechanical Contractors*

*Century Fire Sprinklers*

*Clayco Construction*

*Commercial Document  
Solutions, Inc.*

*Condaire, Inc.*

*Golferman & Sabo, Inc.*

*E. Meier Contracting*

*Everest Estimating Services*

*GRS Construction*

*H & G Sales Inc.*

*H & K Construction, LLC*

*Hallmark Stone*

*Henges Interiors*

*HOK Design Build*

*Jacobs*

*Jim Taylor, Inc.*

*Joseph Ward Painting Co.*

*K & S Associates, Inc.*

*Kaiser Electric*

*Kozeny-Wagner*

*McCarthy Building Companies*

*McGrath & Associates, Inc.*

*Michael Latas & Associates*

*Millstone Bangert, Inc.*

*Morrissey Construction Company*

*Murphy Company*

*Musick Construction*

*Northstar Management Company*

*Paric Corp.*

*R.G. Ross Const. Co., Inc.*

*Ravensberg, Inc.*

*Rebar Specialist, Inc.*

*S.M. Wilson Co.*

*Sachs Electric*

*Tarlton Corp.*

*Taylor Excavating Company*

*The Stovey Co.*

*Universe Corporation*

*Volk Construction Company*

*Wachter, Inc.*

*West Contracting*

*Wiegmann Associates*

# Industry-Related Web Sites

National ASPE  
[www.aspenational.org](http://www.aspenational.org)

National ASPE Education Board  
[www.aspeeducation.com](http://www.aspeeducation.com)

Association for Advancement of Cost Engineering, St. Louis Section  
(AACE)  
<http://web.networkusa.net/aacestl>

American National Standards Institute  
(ANSI)  
[www.ansi.org](http://www.ansi.org)

American Society of Civil Engineers  
(ASCE)  
[www.asce.org](http://www.asce.org)

Association of General Contractors of St. Louis  
(AGC) [www.agcstl.org](http://www.agcstl.org)

ASA Midwest  
[www.asamidwest.com](http://www.asamidwest.com)

Greater St. Louis Chapter of the Construction Specifications Institute  
(CSI)  
[www.stlcsi.org](http://www.stlcsi.org)

National Association of Women in Construction  
(NAWIC)  
[www.nawic.org](http://www.nawic.org)

Engineers' Club of St. Louis  
<http://www.engineersclub.net/>

## Related Local News

### **NAWIC News**

NAWIC Chapter 38 hosts a business meeting every third Thursday of the month. To register please contact Dana Horstmeier at [danh@championprecast.com](mailto:danh@championprecast.com).

For additional information visit their web site at <http://www.geocities.com/~nawic>. To learn about the National Association of Women in Construction visit [nawic.org](http://nawic.org).

### **St. Louis AGC Events**

2nd Friday of each month at 7:30 AM at the AGC Office  
6330 Knox Industrial Drive, Ste 200  
St. Louis, MO 63139

For chapter meeting details visit [www.agcstl.org](http://www.agcstl.org).

### **ASA-Midwest Council**

For details and a reservation forms, contact Reba Gillick at [reba@asamidwest.com](mailto:reba@asamidwest.com) or 314-214-1664. Visit [www.ASAMidwest.com](http://www.ASAMidwest.com).

### **AACE News & Events**

The Association for the Advancement of Cost Engineering invites ASPE members to attend their meetings. Please e-mail David Motherwell, CCE at [david@ameren.com](mailto:david@ameren.com) for details.

### **Engineers' Club of St. Louis**

To join their mailing list, get event info or just browse their site go to:  
<http://www.engineersclub.net/>

A.S.P.E. Chapter 19

# The Gateway Estimator SPONSORS



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WEBSITE: www.goltermansabo.com

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IN OUR NEWSLETTER FOR ONE YEAR

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