



January 2007

# PROFESSIONAL ESTIMATOR

Denver, Chapter 5

NW Region Newsletter of the Year 2003-2006; National Newsletter of the Year 2004-05

## In This Issue

President's Message	1
Feature Article: "Estimators are Thinkers"	2
Treasurer's Report	2
January Program Info	3
Joke of the Month	3
Certification Update	3
Quote of the Month	4
ASPE Code of Ethics	4
Article: "A Member's View"	5
2007 Estimating Academy	6
Estimating Class Sign Up Form	7
Estimating Academy Course Proposal	8
Membership Committee Update	9
Website of the Month	9
ASPE Board Members & Committee Contacts	10

## January Program

### Value Engineering

See page 3 for details...

### CHAPTER MEETING NOTICE

**Date:** Tuesday, Jan. 9, 2006

**Time:** Gather: 5:30 p.m.  
Dinner: 6:30 p.m.

**Place:** Red Lion Hotel  
4040 Quebec Street  
Denver, CO 80216  
(303) 321-6666

**Cost:** \$35.00 w/reservation  
\$40.00 w/o reservation  
\$8.75 for students  
\$8.75 for students

\*Reservations due by noon on the Thursday before the meeting



### MESSAGE FROM YOUR PRESIDENT Ralph Kasper, CPE

As I sit here writing this article, I'm watching the snow fly at the beginning of the "Blizzard of Christmas '06". It's a beautiful sight watching the snow wash white the ground and trees, making it all look so pure and clean. It's like everything is all new; a fresh start.

As the New Year is here, we also have a chance to start fresh; an opportunity to put away all the baggage and attitudes of the past year. We've all made our New Year's Resolutions again – go to the gym more, spend more time with the family, be more patient – you know the drill. This year I'd like to challenge you all to make a different resolution: Find a way to make a difference in the lives of those people around you. Whether it's by coaching a basketball team, leading a Girl Scout troop, reading to kids at the library, being a committee member of a trade organization, serving meals at the local soup kitchen, being an usher at your church – the choice is yours. Find something you are passionate about so you will be interested in doing it for a long while. Make this year something you can look back on and be proud of.

That's our goal as board members of your ASPE Denver Chapter 5 as well. We have several opportunities coming up that we would like your help with. We are always

Continued on Page 4...

# Estimators are Thinkers



by Newt Klusmire, CPE

While attending an in-house training seminar recently, those seated at my table took a personality profile test. The end result of this exercise categorized us as one of four types: Director, Socializer, Thinker or Relator. You've probably been through assessments like these. Reading each question, you get a pretty good idea of how the answer will describe your personality. The profile pamphlet also included typical job descriptions for each personality type. Lo and behold the job description "Estimator" fell into the Thinker profile and my test score showed the same result much to the delight of the project manager and two superintendents (definitely and proudly Directors) seated at my table that day.

I know what you're thinking. Here he goes, waxing poetic about the huge amount of brain cells, highly developed math skills, super-intuitive cognitive ability, blah, blah, blah required to achieve excellence as an Estimator. Nope. I think the truth about us Thinkers needs to come out of the closet, exposed for all to see, naked before the Emperors of Construction and Development.

First, objective thinking and logical arguments don't always work in our business. A case in point: when the flakey Developer just doesn't want to pay for it. He looked right at me and said, "I know I signed the preconstruction agreement, I know I agreed to pay your firm \$60,000 for preconstruction services, I know your estimating and constructability deliverables were top notch, I've just changed my mind and unless you take that \$60,000

precon fee out of the GMP estimate, I am talking to Brand X tomorrow. My partners (I'll bet they are all Directors) and I will find another way to pay your fee." Slightly exaggerated, but how many of us have seen slices of life like this and been sliced like this? Logical thinking is subject to the whims of flakes.

Second, man do we take (waste?) a lot of time trying to get it right. A case in point: the 3,000 cubic yard concrete take-off. 8 working days after I started, the concrete estimate was a thing of beauty and was certain to be a joy forever, 9 pages of digitized estimating software detail linked to a 12-category color spreadsheet summary including detailed winter conditions, price escalation projections and the number of bricks required for bar support at slab on grade-wow! Quiz time with the apparent low turnkey concrete sub felt like a sock filled with warm manure hitting me in the mouth. She did her take-off Sunday half lit after the Bronco game, priced her labor with her division manager by cell phone at lunch Monday, a 20-year old intern got all of her material quotes by making 4 phone calls and she is ready to sign-up at my budget and offer 3% value engineered savings – took her about 12 hours (I'll bet she's a Director). Slightly exaggerated, but haven't you been there and been there too long? We Thinkers work way too hard sometimes.

Last, thinking about it isn't all that its cracked up to be. A case in point: put some English on it. Early in my construction career I worked as a cost engineer, converting a \$27M lead smelter estimate into a cost report for tracking the job. My veteran cost boss was fond of waxing poetic about the old days when pencils and 13-column green paper allowed an estimator to "think outside the estimate and put his own English into the job before it got built". To this day, I have no idea what that means. We low level cost types would ask the

## Treasurer's Report By Kirk Lundquist

Balances for Dec. 2006:

<b>Checking</b>	<b>\$5,113.59</b>
<b>Savings</b>	<b>\$1,190.14</b>
<b>CD</b>	<b>\$7,811.93</b>
<b>Total Assets</b>	<b>\$14,115.66</b>

[Continued on Page 3...](#)

## Estimators are Thinkers...cont. from page 2

veteran cost boss where the English goes if it's "outside the estimate"? His answer, something like "think about that" just didn't work for us (the veteran cost boss was a composite socio-directimus-relating-thinker type). Slightly exaggerated, but outside the estimate is not in the estimate. Don't think too much, just get it all in there.

There was no naked truth exposed at my training seminar. The Thinker and 3 Directors at my table chuckled about how "right on" the personality assessment was before moving on to "Time Management Tips and Tricks" at the urging of the perky instructor. I love my job because I love to try and win with logic. I love to take and waste time. I put English in the estimate. I'm just an estimator, thinking about thinking my way through life.

## January Program

For our January program we had originally planned to have a group come in and talk about architect estimates and what purposes they serve besides budget establishment and compliance. While we still plan to have them come talk to us, last minute travel on their side will postpone them until later in the spring.

So for January, we are going to talk about value engineering! We all hear the words spoken, but do we really know what they mean? The assumption that the presentation makes is that the concept of "value engineering" has become so confused by "price negotiation" that we no longer are able to practice good VE principles. We will engage in an open discussion on the following issues:

- What the misconception of value engineering is
- What the true definition and meaning of value engineering is
- Why many of our customers can't accept value engineering from us
- What types of value engineering we can be engaging in
- Ideas for starting effective value engineering discussions

Value engineering, at its best, will challenge us to use all of our skills and experience for our customers' benefit. It can be what makes our chosen careers in estimating fun and rewarding, but the traps are nearly overwhelming. For January, let's talk about how we can start changing the perception back to positive value-adding!

## JOKE OF THE MONTH



## Certification Update

November and December are always busy months for the certification process. In November the fall certification test was administered to the following people: **Will Highfield, Marc Reid, Gary Beatty, and Lisa Bacon**. In addition the following people got started in the certification process by attending the Certification Workshop and submitting their application: **Dan Congdon, Greg Veasman, and Karl Kostelic**. I also receive notification that the following people obtained their CPE: **Kye Holton-Brown, CPE and Monty Everson, CPE**. They will be presented their certificate at the January meeting. CONGRATULATIONS!!

# ASPE Code of Ethics

## Basic Canons

- 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 serve 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 or client.
- Canon #5** Professional estimators shall conduct themselves with integrity as 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. They shall establish guidelines for setting forth prices and receiving quotations that are fair and equitable to all parties.
- 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 practice 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 express purpose of defrauding clients. Acts of this type are in direct violation of the Code of Ethics of the American Society of Professional Estimators.
- 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.

## President's Article continued...

looking for more help with our committees so our board members don't have to be the committee as well. In March we are putting on an estimating academy, so call Kye Holtan-Brown if you would like to help out or teach a class. See her information in this newsletter. In addition, we are teaming up with the current Leadership Aurora class to perform some work at the Excelsior Youth Center, a girls treatment center for emotional and behavior difficulties in Aurora. Take a look at their website at [www.excelsioryc.org](http://www.excelsioryc.org). If you would like to help with various small projects like painting, replacing ceiling tiles, replacing the stage curtains, and a few others, please call me. Look for updates in the coming month. I'm always looking for other opportunities as well, so if you know of another one, get in touch with me.

Our December Year-End Holiday Party was a new idea for our chapter, and we all had a good time. It was nice to be able to carry on a conversation beyond the social hour and even into our gambling time. We had several new guests and even some spouses. The big winner at the tables received the next two meetings for free.

I hope you had a very Merry Christmas, and make sure to make your 2007 something special! I look forward to seeing you at the January meeting.

## Quote of the Month

*The master in the art of living makes little distinction between his work and his play, his labor and his leisure, his mind and his body, his information and his recreation, his love and his religion. He hardly knows which is which. He simply pursues his vision of excellence at whatever he does, leaving others to decide whether he is working or playing. To him he's always doing both.*

-James A. Michener



## Holiday 50/50 Raffle a Success

As a fun twist on the 50/50 raffle, the December meeting featured a jar of jingle bells, and every \$5 purchased an opportunity to render a “professional opinion” as to the quantity of bells in the jar. To make the game a little less predictable (and maybe a little more like a real estimate), the jar was not quite cylindrical, the jar could not be touched, there was a mix of two sizes of bells, and the winner had to be closest to the actual number, without going over. Apparently that last little item caused the conservative side of our estimators to emerge: all but 2 of the 12 guesses were under the mark, and on average, people under-estimated by 60 (32.8%)!

### The results:

**Winner:** Alan (spouse to Heather Boulanger) – with a guess-timate of 167

**Runner-up:** Gene Joerns – with a guess-timate of 149

Congratulations to the winners!

## ASPE: A Member's View

*by Warren Neubauer  
AMI Mechanical Inc.*

I became a member of ASPE after joining the resurrected Chicago chapter approximately 3 years ago because I felt estimators do not get the recognition they deserve. My 8 years of mechanical estimating have shown and taught me a lot about what it takes to perform good estimates that help our companies be awarded profitable projects. In my short time of being an estimator, I have learned that there are basically three types of estimating as I see it.

The first is a time consuming process which involves a lot of hours by actually appointing a team to try and build the project from start to finish and capture everything in an accurate pricing format which is used for the estimate.

The second is the most common, or should I say was the most common, of performing an estimate put together by an estimator using past data and quotes captured in a closure spreadsheet with the help from a material take off.

The third, which seems to be getting used more often, is the use of rough calculations to acquire a good sound budget which is then used for the estimate. To me this is just a more defined step above a good square footage number or a cost assembly price exercise and should be used for budgets only. But that's another story...

My point is that all estimators are not created, taught or learn the same and that is one place where ASPE can help. We need to make sure that our skilled trade is passed on and improved upon.

- ASPE to me is the way that estimators can be heard.
- ASPE can help us move our profession to next level.
- ASPE helps more Schools, Colleges and Universities into aspiring young people into a career as a professional estimator.
- ASPE should be an organization that we as estimators use to develop a strong unification by networking with fellow professionals who basically share the same beliefs.

The sad part is that ASPE can only do what we direct and drive it to do. We can keep ASPE alive and strong by giving our time to attend a meeting or mentioning an item that we would like to see as a topic for discussion.

All I wanted to do with this little article was generate a thought in your brain and maybe entice some “what ifs”. Again, as always, please feel free to come up to me and talk about whatever is on your mind. I'm ready to listen.

# 2007 Estimating Academy Update

## by Kye Holten-Brown, Chair, EA Committee

### THE DATE IS SET

The date for the 2007 Estimating Academy is Friday, March 2<sup>nd</sup>, 2007. The academy will be an all-day affair, with lunch provided. There will be two separate “tracks”, each consisting of four courses. The all-day seminar cost is \$95.

### HELP US ADVERTISE

The planning for the 2007 AGC/ASPE Denver Chapter 5 Estimating Academy is underway. Please see the flyer included with the newsletter. AGC is partnering with ASPE to host and advertise the Estimating Academy. They are helping by distributing this flyer to their entire membership, and have posted the academy in their calendar of classes for 2007. Please help us by posting it or distributing within your company and to any other people or companies that you can.

### CALL FOR INSTRUCTORS

The push to get a course lineup put together has begun. If you, or someone you know, would be able to teach an estimator course, please volunteer. This is an excellent opportunity to share your knowledge and expertise with others.

So far we have one confirmed course, and three potential courses. So we are aiming for another 4 to 6 courses. Also, it wouldn't hurt to have one or two of you who would be willing to commit to putting presentations you've done in the past on a “just in case” status to tap if we have an emergency cancellation.

Let Kye or one of the other committee members know if there is a topic you would be interested in teaching. Eight courses, each 1-1/2 to 2 hours long, are planned. Please see the course proposal/course description form included with this newsletter. If you can be an instructor for a class

**Mechanical Systems** – basic overview of systems

**Mechanical Systems** – trade-offs and best applications

**Structural Systems** – trade-offs and best applications

**Procurement Delivery Systems**

**Design Development to Construction Document Estimating**

**LEED Project Estimating**

**Uses of the Estimate** – by project managers, superintendents, owners, architects

**Design-Build Project Estimating**

**Pricing Trends / Market Trends**

**Value Engineering** (explaining differences between “true” V.E. and the “Contractor Initiated Reductions in Scope” that often get called V.E., when/how best used, etc)

**Estimating Accuracy** - what matters (what level of detail is the right level, good “rules of thumb” to use as double-checks, etc)

**Estimating Spreadsheets & Software** – uses, tips & tricks

**Building Relationships Between General and Specialty Contractors**

**PROPOSE SOMETHING**...we welcome your proposal

### CONTACT YOUR LOCAL COMMITTEE MEMBER

If you have questions, would like to be an instructor, or can offer help, contact any of the following 2007 EA Committee members: Kye Holten-Brown, chair, Newt Klusmire, Kirk Lundquist, Chris Morton, Ralph Kasper, Amy Graham

The committee had had one full meeting, and the chair has set the following additional committee meetings / work sessions:

Mondays: January 8th, January 29th, February 12th & 26th.

Time: 6:00 p.m.

Location: Haselden's offices at 6950 S Potomac St, Centennial, 80112

Any changes to the above will be set via e-mail.



ASPE Denver Chapter 5  
**2007 Estimating Academy**

Course Proposal / Description

Course Title (12 words or less): type course title here

Course Description (125 words or less): type course description here

Target Audience (General Contractors, Experienced Estimators, Newer Estimators, etc):  
type target audience here

A/V Equipment Needed:

Computer	<input type="checkbox"/> will bring own	<input type="checkbox"/> need	<input type="checkbox"/> do not need
Projector for computer	<input type="checkbox"/> will bring own	<input type="checkbox"/> need	<input type="checkbox"/> do not need
Overhead projector	<input type="checkbox"/> will bring own	<input type="checkbox"/> need	<input type="checkbox"/> do not need
Projection Screen	<input type="checkbox"/> will bring own	<input type="checkbox"/> need	<input type="checkbox"/> do not need
Easel with paper pad	<input type="checkbox"/> will bring own	<input type="checkbox"/> need	<input type="checkbox"/> do not need
Easel with whiteboard	<input type="checkbox"/> will bring own	<input type="checkbox"/> need	<input type="checkbox"/> do not need
Course Handouts	<input type="checkbox"/> will bring own	<input type="checkbox"/> need copies made	<input type="checkbox"/> none

Other

(Please contact Kye to discuss availability of any special equipment requested.)

ASPE will provide extension cords, power cords, markers, binders, etc as needed for above. Note - there will be no P.A. system available. If a computer is needed please contact Kye to arrange a dry run of your powerpoint to make sure it will work as intended.

If you need ASPE to make copies of course handouts, please provide a copy-ready master to Kye Holtan-Brown by Friday, February 23<sup>rd</sup>. It can be sent via e-mail (PDF please) to [kyeholtanbrown@haselden.com](mailto:kyeholtanbrown@haselden.com) or mailed/delivered to 6950 S Potomac, Centennial, CO 80112.

*Please send this form as soon as possible via e-mail to  
[kyeholtanbrown@haselden.com](mailto:kyeholtanbrown@haselden.com) or fax to 303.751.1627*

## Member Company Roster

The following is a list of companies who are represented at ASPE Chapter 5...

Acoustical Concepts  
Adolfson & Peterson Construction  
Advanced Flooring Solutions  
Alliance Construction Solutions  
Arapahoe Utility & Infrastructure  
Arch. Resource Consultants  
Assoc. Construction Consultants  
Automatic Entrances of Colorado  
Breiner Construction Company, Inc.  
Builders' Advisor  
Building Tech Consultants, Inc.  
Casson Building Corporation  
CDM Constructors  
CH2MHILL Constructors, Inc.  
dcb Construction Company, Inc.  
Demand Const. Services, Inc.  
Denver Drywall Company  
Desert Plains Construction  
Design Mechanical Inc.  
Equinox Environmental, Inc.  
Frontier Fire Protection  
Golden Triangle Construction  
Haselden Construction  
Heartland Acoustics & Interiors  
Heggem Lundquist  
Howell Construction  
Interior Alterations  
J. E. Dunn  
Jacobs Facilities, Inc.  
Kenny Electric Service  
Landtech Contractors Inc.  
Lauth Construction  
Ludvik Electric  
M.A. Mortenson Construction  
MW Golden Constructors  
Madsen Kneppers & Associates  
Main Electric  
Merrick & Company  
Metro Steel Fabricating  
Milestone CM  
Mountain Steel & Supply Company  
PA Consulting Group  
Palace Construction Co.  
Pasterkamp Heating & Air Conditioning  
PCL Construction  
Piper Electric  
Professional Investigative Engineers  
Q & D Construction  
R.D. Simmermon & Co.  
Roche Constructors, Inc.  
Rocky Mountain Door Systems, Inc.  
Shaw Construction  
Smith Huston, Inc.  
Sturgeon Electric  
Swinerton Builders  
Team Panels, International  
Technical Project Services  
The Blue Book

## Membership Committee Update Heather Boulanger - Chair

At December's meeting, we had several guests: **Chris Hanophy** from Boles Custom Builders; **Bill Tyrell** from New World Millworks; and **Kim Callaway** from Fund Your Dream.

Please join me in welcoming 1 new member: **William Otto** from Architectural Resource Consultants.

If anyone is interested in becoming a member, or if you know of someone you would like to see become a member, please contact me at: (303) 659-7861, ext.112, or email me at: [heather@rollingplains.com](mailto:heather@rollingplains.com)

## Holiday Website of the Month

"What greater gift could you give this Holiday Season than supporting our troops who are fighting for us overseas. Could you imagine being overseas during the holidays, with a wife or husband back home with kids and you couldn't be there? It sounds unbearable to me. Please go to:



[www.adoptaplatoon.org](http://www.adoptaplatoon.org)



You could bring a smile to a soldier's face who you never met before just by donating a small amount. You could purchase a care package in someone's name as a gift. You could purchase a phone card to send to a soldier so they could talk to their family. I personally plan to help by having my cub scout den write some "Thank You" letters to a platoon. These soldiers know this is a job they signed up for, they just ask for our support in return and it doesn't have to be financial support. You could write a letter to a soldier, thanking them for their service. I promise you they won't return it. Let's thank our soldiers this Holiday Season."

## Estimating Website of the Month

[http://www.mc2-ice.com/popular\\_conversion/popular\\_conversion\\_files/default.html](http://www.mc2-ice.com/popular_conversion/popular_conversion_files/default.html)

It is a good site for estimator reference, helpful conversions, etc.

## Member Companies Continued...

The Weitz Company, LLC  
Three Elements Timberworks, Inc.  
TJS Construction  
Trautman & Shreve, Inc.  
W.R. Grace & Company

## Officers:

**President: Ralph Kasper, CPE**  
Adolfson & Peterson Construction  
Email: [rkasper@a-p.com](mailto:rkasper@a-p.com)

**1st Vice President: Heather Boulanger**  
Rolling Plains Construction  
Email: [heather@rollingplains.com](mailto:heather@rollingplains.com)

**2nd Vice President: Kirk Lundquist**  
Heggem-Lundquist  
Email: [kirk@heggem-lundquist.com](mailto:kirk@heggem-lundquist.com)

**Secretary: Amy Graham**  
MCM, Inc.  
Email: [agraham@mcmcolorado.com](mailto:agraham@mcmcolorado.com)

**Treasurer: Kirk Lundquist**  
Heggem-Lundquist  
Email: [kirk@heggem-lundquist.com](mailto:kirk@heggem-lundquist.com)

## Board of Directors Members:

**Newt Klusmire, CPE**, Swinerton Builders  
Email: [nklusmire@swinerton.com](mailto:nklusmire@swinerton.com)

**Warren Neubauer**, AMI Mechanical, Inc.  
Email: [altitude\\_runr@msn.com](mailto:altitude_runr@msn.com)

**Henry Zurbrugg**, Golden Triangle Construction  
Email: [hzurbrugg@gtc1.net](mailto:hzurbrugg@gtc1.net)

**Kye Holten-Brown**, Haselden Construction  
Email: [kyeaholtenbrown@haselden.com](mailto:kyeaholtenbrown@haselden.com)

**Randy Weber, CPE**, Pasterkamp Heating & Air Conditioning  
Email: [randy@pasterkamp.com](mailto:randy@pasterkamp.com)

## Committees:

**Awards Committee:**  
Heather Boulanger, Rolling Plains Construction  
(303) 659-7861 Email: [heather@rollingplains.com](mailto:heather@rollingplains.com)

**Certification Committee:**  
Bruce Thompson, CPE, Merrick & Company  
(303) 751-0741 Email: [bruce.thompson@merrick.com](mailto:bruce.thompson@merrick.com)

**Education Committee:**  
Henry Zurbrugg, Golden Triangle Construction  
(303) 772-4051 Email: [hzurbrugg@gtc1.net](mailto:hzurbrugg@gtc1.net)

**Ethics Committee:**  
Newt Klusmire, CPE, Swinerton Builders  
Email: [nklusmire@swinerton.com](mailto:nklusmire@swinerton.com)

**Golf Committee:**  
Randy Weber, CPE, Pasterkamp Heating & Air Conditioning  
(303) 777-1234 Email: [randy@pasterkamp.com](mailto:randy@pasterkamp.com)  
Kirk Lundquist, Heggem-Lundquist  
Email: [kirk@heggem-lundquist.com](mailto:kirk@heggem-lundquist.com)

**Membership Committee:**  
Heather Boulanger, Rolling Plains Construction  
(303) 659-7861 Email: [heather@rollingplains.com](mailto:heather@rollingplains.com)

**Program Committee:**  
Steve Larson, Design Mechanical  
(303) 449-2092 Email: [slarson@comfortsystemsusa.com](mailto:slarson@comfortsystemsusa.com)

**Newsletter Committee:**  
Randy Weber, CPE, Pasterkamp Heating & Air Conditioning  
(303) 777-1234 Email: [randy@pasterkamp.com](mailto:randy@pasterkamp.com)  
Amy Graham, MCM, Inc.  
Email: [agraham@mcmcolorado.com](mailto:agraham@mcmcolorado.com)

**Newsletter Editor:**  
Suvi Caton, CPSM, Adolfson & Peterson Construction  
(303) 363-7101 Email: [scaton@a-p.com](mailto:scaton@a-p.com)