

The National Capital Section (NCS)
COST FORUM



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May 2011

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Program Year***

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www.aacei-ncs.org



The Cost Forum is the newsletter for the National Capital Section (NCS) of AACE International. Its purpose is to inform members of the activities and policies of the NCS and to provide pertinent technical and professional information. Articles are welcomed from the membership, friends of the NCS, from the industry and related professional societies. Advertising space in this newsletter is available. Advertisements from companies seeking cost management professionals as well as from cost management professionals seeking employment are published in this newsletter at no charge. Advertisements from education providers are also encouraged. Contact Dan Melamed at dan.melamed.dc@gmail.com or at (301) 775-7286 for information regarding placing an ad or to submit an article.

***Greetings to all National Capital Section Members, Friends,
and Colleagues.***

As I write the last issue of the Cost Forum for my second year as president of the NCS, I believe we can look back upon a very good and productive time. We have had a good number of meetings, embassy receptions, field trips, and happy hours in Columbia, Maryland; Fairfax, Virginia, and the District of Columbia. We have met and networked with our fellow professionals within the NCS from a variety of firms and government agencies, but also from allied professional societies, including: the Association of Professional Estimators, the Association of Mechanical Engineers, Construction Management Association of America, SAVE - the Value Engineering Society and many others. This year we have held meetings where we were able to connect a speaker and their audience from as far away as Colorado via the internet. However, regardless of the technology and the location, all of our meetings shared a common goal: to help us develop our professional skills and offer the opportunity to network with fellow professionals within AACE International and other professional communities across the greater capital region and beyond.

On Thursday, May 19, we will have our last meeting for the year at the Ronald Reagan Building in Washington, D.C., where we will host two speakers discussing economic analysis: Basil Alexander from OCMI and Laura Hodges from IHS Global insight. Dennis Allen from Hill International will act as the moderator. Details can be seen in this issue of the Cost Forum or at the NCS website: www.aacei-ncs.org

After that, we will be looking forward to the National Meeting in Anaheim, California. I hope that many of you will be attending and that we will have opportunities to meet, learn, network and have fun with our colleagues from across the country and around the world.

When we return, we will continue our efforts as we keep working with our members on various activities throughout the capital region.

After the summer (and I wish everyone has a good summer) we will start the coming year with new leadership. Ms. Niyi Ladipo of MBP has agreed to serve as the next president of the National Capital Section. I look forward to working with Niyi and her new team as she leads the NCS for the coming year.

I wish you all the best for the coming year and the future. It has been a great pleasure getting to know you and working with you as the NCS president. I look forward to seeing you all at future meetings.

Take care and best of luck.

See you in the coming year!

***Dan Melamed, CCC
President NCS***

AACE assumes no responsibility for statements and opinions offered in this newsletter or by speakers at events sponsored by AACE. Views expressed by them do not necessarily represent the official position of AACE International, its section or committees, or its Officers or Directors.

***The May NCS meeting is scheduled for
Thursday, May 19, 2011 with two seminars focused on economic
analysis, presented by accomplished experts in the field:***

*What Drives Price Escalation? A How-To Guide for More Accurate
Project Cost Estimates*

***Presented by
Laura Hodges
IHS Global Insight***

*Weathering the Storm: The US Construction Sector through the
Recession*

***Presented by
Basil P. Alexander - Regional Manager,
O'Connor Construction Management, Inc.***

***The Moderator for this meeting will be
Dennis L. Allen, CPA, CFE, CCIFP - Senior Vice President,
Hill International***

Thursday, May 19, 2011 Meeting Details

Time: Networking: 5:00 p.m.
First Talk Begins at 5:30
Intermission and a light dinner
Second Talk begins at 7:00 p.m.

Location: Ronald Reagan Building
The Oceanic Suite
1300 Pennsylvania Avenue, NW
Washington, DC 20004
[Near the Federal Triangle Metro station on the Orange and Blue Lines.]
For details, go to the following website: <http://www.itcdc.com/about.php?p=8>

Cost: \$40.00 per person

Registration: Please send an e-mail to dan.melamed.dc@gmail.com before close of business on
Tuesday May 16, 2011 to confirm attendance

Detailed summaries of the two talks are described below.

We look forward to seeing you there!

Call for Proctors for the July Certification Examination

The NCS is looking for volunteers to serve as proctors for the AACEi certification examination that will be given on July 9, 2011 at the MBP offices in Fairfax, Virginia.

If you are interested in serving as a proctor, please contact Dan Melamed at dan.melamed.dc@gmail.com.

Details about the Thursday, May 19, 2011 Meeting

The First Talk:

What Drives Price Escalation? A How-To Guide for More Accurate Project Cost Estimates

Prices move up and down everyday due to a myriad of factors, such as demand, input costs, weather, etc. However, if not fully understood and expected, this price fluctuation can wreak havoc on estimating future project costs. IHS Global Insight will share its proven methodology for analyzing price escalation and help you to pinpoint the primary drivers of price escalation which should lead to better cost estimates in the future.

For more information please see <http://www.ihsglobalinsight.com/PricingPurchasing>

Presented by

Laura Hodges

IHS Global Insight

Laura Hodges is the director of IHS Global Insight's Pricing and Purchasing Service. She is currently responsible for the management and operations of this Washington, D.C.-based team of industry analysts and works with global organizations to help implement lower-cost, cost-efficient strategies for procuring their goods and services. She also covers the analysis and forecasts of labor and healthcare costs. She received her M.A. in Health and Labor Economics from Duke University and her MBA from Rutgers University in Beijing, China.

The Next Talk:

Weathering the Storm: The U.S. Construction Sector through the Recession

Most construction economists note that while federal stimulus spending seems to have helped bring an end to the 18 month period of U.S. GDP decline in 2008 and 2009, the construction sector has shown few significant signs of recovery to date. Most importantly, construction sector employment, which contracted significantly at the onset of the recession, remains low. Basil Alexander presents a paper, originally published in 2009 and updated for publication in 2011, investigating how the U.S. construction sector has performed since 2008. By aggregating and analyzing published statistics from federal agencies and commercial economics publishers, national trends are identified and discussed, as they shed light on the recovery that lies ahead.

Presented by

Basil P. Alexander, Esq., LEED AP, PE

O'Connor Construction Management, Inc.

Basil Alexander is the Regional Manager in O'Connor Construction Management, Inc.'s Washington, DC Office. He is responsible for economic surveying, technical writing and cost estimating assignments in the Northeast. Basil's technical background in engineering and law provides him with broad insight into the behavior of the local and national economy.

O'Connor Construction Management, Inc. is a full-service, independent construction management company. The firm was founded in 1982 as a cost consultancy for owners and design professionals. Over the past 28 years we have broadened our scope of services to include every aspect of program, project, and construction management – including construction market surveys. Our diverse staff includes architects, engineers, technical writers, estimators, and scheduling experts.

Picture Corner:
From the March meeting:



Picture Corner:
From the April meeting:

