

S.D. Mator

Published by ASPE San Diego Chapter # 4

December 2016

Volume 15, Issue 4

MEETING AT A GLANCE

DATE: FRIDAY, DECEMBER 16, 2016

TIME: 7:00 AM—Registration & Social Networking
7:30 AM—Breakfast Service & Announcements
Program will follow Breakfast.

PROGRAM:

CONTINUING TALES OF THE GREAT DIVIDE

SPEAKER:

Alan Nevin

*Director, Economic & Market Research
Xpera Group*

BREAKFAST MEETING LOCATION:

Admiral Baker Golf Course Clubhouse

BALBOA ROOM

2400 Admiral Baker Road, San Diego
(Take Friars Road east from I-15, turn left at Traffic Signal onto Santo Road, and then immediately right onto Admiral Baker Road)

**COST: Members & Guests - \$25 per person
Students - \$20 per person**

Cancellations must be received by NOON on Wednesday, December 14th or no shows will be billed accordingly.

RSVP:  <http://evite.me/f2eHa1jUTC>

—OR: Paul Chang – Sundt Construction
619.321.4822 aspechapter4@outlook.com

Continuing Tales of The Great Divide

Within a few weeks, another year will be in the books, marking the return of our friendly guru who annually endeavors to chart the unknown waters ahead to predict the future for local real estate and construction markets. **Alan Nevin** can neither be described as the “Grinch who stole Christmas” in bringing several lumps of coal to the joint ASPE/CSI gathering, nor as “good old St. Nick” who delivers presents in abundance to the construction industry. For most companies, 2016 has been positive, but not without its challenges. Regardless of your own situation, you will be entertained and enlightened by his remarks on Friday morning, December 16th.

The title for this year’s presentation represents the next installment in “The Great Divide.” In preparation for that discussion, it is worthwhile to observe what other leading economists throughout the country have pontificated about what the future holds in store for our industry. Please remember that their observations were recorded prior to the November Presidential Election. Most of the following commentaries were assembled by Mark Johnson in his monthly business column for the Association of Wall and Ceiling Industries *Construction Dimensions*.

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Greetings to all!

I hope you all had a Happy and Blessed Thanksgiving with family and friends. During this Holiday Season, I would like to wish all of you and your families a very Merry Christmas and a safe and Happy New Year.



Michael Moyers, CPE

Again, this year has come and gone so quickly. It has been a year with many changes and difficulties within our organization from challenges in terms of attendance and participation at the Chapter level to major changes at the National level. We have seen a complete rewrite and adoption of our National Bylaws and a major change in the make-up of the National Board. We, like many other Chapters, have had difficulty with meeting and function attendance. We have seen a decline in the Board of Directors' participation in our Chapter. And we have had difficulties in maintaining a balanced Chapter Budget. But in lieu of the above, we are still here and still have one of the larger Chapters in the country.

We are still looking for a few members who would like to get more involved in our Chapter. We could always use the help and would welcome your participation. If you are interested, please contact me at (858) 737-7316 or e-mail me at Michael.moyers@bestinteriors.net.

At our November meeting, we had ProEst Software with us. They gave a presentation on their software product. Though we did not have a big group, I believe the ones who attended enjoyed the presentation.

Membership Status:

As of the most recent Chapter Roster issued December 2016 by SBO (Society Business Office), our membership stands at 58. We currently have 23 members who are CPE's and two FCPE's. As a reminder to all members, if you have changed jobs, are in-between jobs, retired or have had to relocate, please update your status/contact information online at www.aspenational.org. Remember, to login, your User ID is your membership number, and your default password is your email address. You can also contact your Chapter Membership Chairman for assistance at frednagel@gmail.com.

New Members:

We do not have any new members this month.

Upcoming Events:

Please come and join us at our upcoming December Breakfast Meeting. We will be meeting Friday, December 16, 2016, at the Admiral Baker Golf Course Clubhouse (Balboa Room). We will again have Alan Nevin with the Xpera Group. Hope to see you all there.

Please read the rest of this issue for additional upcoming events and meetings!

Michael Moyers, CPE

President, ASPE San Diego Chapter #4

December Program Notes:

"Continuing Tales of the Great Divide"

[cont'd from pg 1](#)

Who can accurately interpret the cards or tea leaves associated with the world's economies? *The Economist* publication sees Gross Domestic Product (GDP) rising at the same 2-3% rate in 2017 as indicated during 2016. It is noteworthy to convey the fact that their magazine does not forecast a recession in the coming year, but sees slower growth ahead.

In *Dodge Data & Analytics 2017 Construction Outlook*, construction starts for next year will increase by 5% or \$713 Billion, with moderate growth for single-family housing, commercial and institutional building and public works projects.

Fails Management Institute's (FMI) Randy Giggard predicts that the construction industry will continue to plod along with 6% growth, and that expansion should continue for another 18 months. Non-residential construction will see 4.4% growth while total residential will only realize 3.6%. On the employment side, more people have jobs and appear willing to spend money.

According to the U.S. Census Bureau, the 2016 total value of in-place construction was \$1.142 Trillion (seasonally adjusted annual rate) which represents a 4.9% increase over 2015. Ken Simonson, Chief Economist with AGC, states that demand remains robust, but it is not growing at the same rate as seen in the first half of 2016. He expects construction spending to be in the range of 2-7%. He thinks that prices for materials may tick upward in 2017.

Anirban Basu with Associated Builders & Contractors (ABC) estimates a similar range of 3-4% growth in the non-residential sector with privately financed projects and commercial construction leading the way. Energy-related construction will be up from 2016, but not significantly, and public works jobs will continue flat. America's consumer-led recovery continues to produce sufficient jobs to sustain itself.

Kermit Baker with the American Institute of Architects is more optimistic with a non-residential growth rate of 6.7%. Revenue at architectural firms continues its growth pattern. Given the current demographic trends, he believes that single-family residential and institutional building sectors have the most potential for further expansion. Some parts of the country may see more rigorous numbers such as the New York City area.

The National Association of Home Builders' Robert Dietz indicates lower values for both single-family and multi-family residential in 2017. The housing market should maintain its forward movement at a gradual pace, but growth will be constrained by shortages of labor and available land, as well as higher regulatory costs.

Sector Forecasts: Educational

AGC notes that bond issues should boost funding in some districts. K-12 enrollment is flat and enrollment at colleges and universities downward. FMI forecasts 4.7% growth, while AIA sees 6.6%.

Commercial

Traditional construction has been disrupted by online shopping and boutique start-ups, but e-commerce activity will necessitate more distribution centers. FMI forecasts 4% growth including retail, warehouses, and data centers while AIA sees up to 7.5%.

Office Space

AGC envisions office growth mainly in the major cities rather than in suburban parks with a growth between 5 and 10%. FMI forecasts 4.8% growth while AIA is again more encouraging at 8.8%.

Health Care

As hospitals face more competition, growth in 2017 will occur by building smaller facilities (stand-alone urgent care and outpatient clinics). AGC predicts growth from 3 to 8%, with FMI and AIA showing numbers of 5% and 6.6% respectively.

Lodging

4,500 projects with 549,000 rooms are currently under contract, a 24.4% increase over 2015. FMI projects growth at 5.3% in 2017, and AIA sees a higher value of 7.8%.

[\(cont'd on pg 4\)](#)

December Program Notes: "Continuing Tales of the Great Divide"

[cont'd from pg 3](#)

The above opinions and statistics help reinforce our speaker's view that San Diego County can be characterized as having favorable demographics compared to other areas in the United States, and the economic winds should bode well for 2017.

Enrich your holiday season by joining ASPE and CSI on Friday morning, December 16th to assess the results for the 2016 local real estate and construction economies and hear about the prospects for 2017 from a notable authority in his field. **Alan Nevin**, Director of Economic and Market Research at Xpera Group, will peer into his crystal ball while covering the following topics:

- How Has the Picture Relevant to World and U.S. Economies over the Next 25 Years Changed during the Last 12 Months?
- Which States and Metropolitan Areas Will Be at the Forefront of Economic Prosperity in the Next 25 Years?
- How Will Those Demographics Affect Real Estate, Retail Business, Trade and the Inevitable Burdens on Governments?
- Impact of Recent Presidential Election on The Great Divide
- 2017 Economic Forecast for San Diego with Emphasis on the Demand and Supply of Residential Housing
- Short Question-and-Answer Period

Venue: Admiral Baker Golf Course Clubhouse (Balboa Room)
2400 Admiral Baker Road, San Diego (take Friars Road east from I-15, turn left at the traffic light onto Santo Road, and then turn right onto Admiral Baker Road)

Schedule: Registration – 7:00 A.M.
Breakfast Buffet – service starts at 7:30 A.M.
Chilled Juices, Scrambled Eggs, Bacon & Sausage, Home Fried Potatoes, Biscuits/Pastries/
Muffins, Coffee or Tea
Announcements – 7:45 A.M.
Speaker's PowerPoint Presentation – to follow

Cost: \$25.00 per person; special rate for full-time students at \$20.00 per student

The event represents one of the most popular programs during the year. Invite a colleague or guest to attend this informative meeting.

[Click here](#) to make your reservation through  ... or go <http://evite.me/f2eHa1jUTC>

Or contact Paul Chang at Sundt Construction to make your reservations for this enlightening event.

Telephone: (619) 321-4822

Email: aspechapter4@outlook.com

Frank E. Young FCPE
ASPE San Diego Chapter #4 Programs Committee

Meet a Member of Your Chapter Board ...

Focus on **FRANK E. YOUNG, FCPE**

CSOS Consulting

Frank Young has been part of the local construction community for his entire career, spanning over five decades. The majority of that time was spent working for commercial general contractors, including F.E. Young Construction Co., Champion Construction Co., Melhorn Construction Co., and AEL Construction. Since 2003, he has been employed by O'Connor Construction Management, Inc. and has operated as an independent construction consultant with CSOS Consulting. Since June 2015, he has been on assignment with Clarke Project Solutions and Ramos Construction Solutions for AECOM at the San Diego County Regional Airport Authority, working on the new Rental Car Center. During the past year, he has continued to be involved with the rehabilitation of Westminster Manor, a 16-story high rise structure in downtown San Diego, as a member of the Renovation Committee for their Board of Directors. The 152 units of affordable housing is home to seniors with an active social services outreach.



Frank Young FCPE

Frank joined San Diego Chapter #4 in June 1970, received his credential as a Certified Professional Estimator in 1975, and has held offices at the Chapter level from Director to President, and currently serves as Treasurer and Past President and serves on the Finance Committee, the Education Committee, and the Programs Committee. Frank was honored as the Society's Estimator of the Year in 1987-1988, elected Fellow in 2005, and received the first Frank Young Excellence in Education during the 2015 Convention. As a former National President for two terms, a member on the Board of Trustees for several years, and a member of numerous National committees, Frank continues to exhibit his dedication in promoting the Society's Mission. He remains committed to sharing his knowledge and experience in an effort to promote the estimating profession and educational opportunities. The latter commitment is demonstrated by serving on the Advisory Committees for the NewSchool of Architecture + Design's Construction Management program, the Stanley Foster School of Engineering, Innovation and Design (formerly Construction Tech Academy) at Kearny High School, and volunteering as an ACE Mentor for the Hoover High School program.

Frank is married to Linda Young, NAWIC member and NEF Trustee. She also is an important part of CSOS Consulting, handling the accounting and administrative support for their construction clients. Frank and Linda both enjoy spending time with their immediate family, including their four grandchildren and a 12-year-old Schnauzer named "Sarge." Frank is approaching his 77th birthday and plans to remain active in the Chapter until 2020, marking 50 years as a Chapter #4 member. ■

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12 Mo. Issues – 1/4-Page Ad for **\$450**
OR
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EMPLOYMENT AD:

\$50 per month (FREE to ASPE Members)

FOR MORE INFORMATION:

Contact **FRANK YOUNG, FCPE**
619.980.4025 (cell) or
pancho77@cox.net



ASPE MISSION STATEMENT

The American Society of Professional Estimators
is dedicated to the promotion of
the profession of estimating and to
the benefit of the construction industry.

[Click here for ASPE's CODE OF ETHICS.](#)

ASPE Membership

An accurate cost estimate is the first of many key components of a successful construction project. Plan interpretation, labor and material costs, scheduling costs, and level of difficulty recognition are a fraction of the skills necessary to become a successful estimator.

Why join the American Society of Professional Estimators? ASPE is the most recognized and credentialed group of construction cost professionals in our nation's construction industry. ASPE provides education, industry information, and fellowship to all levels of our members. It is made up of professionals of several different classifications.

- A- **Estimator**—shall have at least five years' experience as an estimator in one or more of the construction estimating disciplines.
- B- **Constructor**—shall be an active construction professional experienced in one or more of the construction disciplines with at least 5 years' experience.
- C- **Associate Member**—is a Member with less than 5 years of experience as an estimator or an active construction professional. When the Member achieves 5 years of experience, the Member shall be given one of the Member classifications listed above.

One of the ultimate goals of a member in ASPE is to achieve status as a "Certified Professional Estimator," otherwise known as "CPE." CPE status is recognized by Builders, Government Agencies, Developers, and many other Corporate entities as the highest level of qualification as an estimator. Educational training is available to become part of this elite group of professionals.

ASPE San Diego Chapter 4 is perennially recognized as one of the top chapters of the nation's 50 chapters. The local chapter meets on the third Tuesday of each month. This general membership meeting offers education and insight into our industry. Each membership meeting is highlighted by presentations and guest speakers, with information pertinent to our ever-changing industry.

If you would like to become part of this exciting group of professionals, please contact Michael Moyers CPE at 858.737.7316 (office) or 619.843.6962 (cell) or:

michael.moyers@bestinteriors.net

San Diego Chapter #4 Calendar of Events



◆ **Friday, December 16, 2016 (7:00 AM Registration)**

Joint ASPE/CSI San Diego Chapters Annual Christmas Breakfast Meeting

Program: "Continuing Tales of The Great Divide" (real estate & construction economic forecast for 2017)

Speaker: Alan Nevin, Xpera Group

Location: Admiral Baker Golf Course Clubhouse
2400 Admiral Baker Rd, San Diego

◆ **Tuesday, January 17, 2017 (5:15 PM Registration)**

ASPE San Diego Monthly Dinner Meeting

Program: Presentation by Universe Cladding Solutions

Speaker: Matt Ford
Senior Vice President of Sales

In-House Speaker: To be determined

Location: Riverwalk Golf Club
1150 Fashion Valley Rd, San Diego

◆ **Tuesday, January 24, 2017 (5:30-7:30 PM)**

ASPE San Diego Board of Directors' Meeting

Location: To be determined

◆ **Tuesday, February 21, 2017 (5:15 PM Registration)**

ASPE San Diego Monthly Dinner Meeting

Tentative Program: Estimating Challenges with DDC Controls for MEP Systems

Speaker: To be determined

In-House Speaker: To be determined

Location: Riverwalk Golf Club
1150 Fashion Valley Rd, San Diego

◆ **Tuesday, February 28, 2017 (5:30-7:30 PM)**

ASPE San Diego Board of Directors' Meeting

Location: To be determined

◆ **Friday, March 10, 2017 (8:00 AM – 4:30 PM)**

ASPE San Diego Education Seminar

Program: "Pricing Change Orders Like a Pro"

Speaker: Anwar Hafeez – President
SDC & Associates

Location: Pt Loma Nazarene
Mission Valley Campus
4007 Camino del Rio South, Rm 207
San Diego

◆ **Tuesday, March 21, 2017 (5:15 PM Registration)**

ASPE San Diego Monthly Dinner Meeting

Tentative Program: Ethics
How Market Conditions Impact the Professional Estimator

Speaker: To be determined

In-House Speaker: To be determined

Location: Riverwalk Golf Club
1150 Fashion Valley Rd, San Diego

◆ **Tuesday, March 28, 2017 (5:30-7:30 PM)**


ASPE San Diego Board of Directors' Meeting

Location: To be determined

CONTACT ASPE

ASPE San Diego Chapter
c/o Margy Ashby
127 N. Westwind Drive
El Cajon, CA 92020-2955

Phone: 619.749.1890
Email: info@aspechapter4.org
Chapter Website: <http://www.aspechapter4.org>
National Website: <http://www.aspenational.org>



Directory of San Diego Chapter #4 Officers and Directors



TECHNICAL COMMITTEES:

Certification:

John Balistreri, CPE
Stephen Fisher, CPE

Education:

VACANT

Standards:

VACANT

STANDING COMMITTEES:

Chapter Awards

Frank Young, FCPE

National Awards

VACANT

Nominations:

VACANT

Communications—

Website:

John Balistreri, CPE
Michael Moyers, CPE

Communications—

Newsletter:

John Balistreri, CPE

Finance:

Frank Young, FCPE

Ways & Means:

David Luhm, E

Public Relations/

Calendar:

Steve Schraibman, CPE

Membership:

Michael Moyers, CPE

Programs:

Dan Luckhardt, CPE
Frank Young, FCPE

OTHER COMMITTEES:

Ethics:

Dan Luckhardt, CPE
Frank Young, FCPE

Mentoring:

Frank Young, FCPE

Scholarships:

Dan Luckhardt, CPE

Telephone:

Paul Chang, E

2016-2017 Chapter Officers

Office	Officer	Phone	Fax	Email
President	Michael Moyers, CPE Best Interiors, Inc.	858.737.7316 619.843.6962-C	858.737.7317	michael.moyers@bestinteriors.net
1st Vice-President	Dan Luckhardt, CPE	619.633.8925		danluckhardt@gmail.com
2nd Vice-President	Steve Schraibman, CPE Arcor-Inc.	858.481.4494 619.252.4941-C	858.481.4146	steve@arcor-inc.com
3rd Vice-President	VACANT			
Secretary	Fred Nagel, CPE Nagel Construction	619.647.1304-C		frednagel@gmail.com
Treasurer	Frank E. Young, FCPE CSOS Consulting	619.440.5517 619.980.4025-C	619.401.7545	pancho77@cox.net
Immediate Past President	Frank E. Young, FCPE CSOS Consulting	619.440.5517 619.980.4025-C	619.401.7545	pancho77@cox.net
Executive Administrator	Margy Ashby	619.749.1890 619.593.9988 619.302.3257-C	619.839.3817	info@aspechapter4.org asped4@gasvcs.net

2016-2017 Chapter Board of Directors

Director	Phone	Fax	Email
John Balistreri, CPE Kaiser Permanente	619.589.3080 619.861.1131-C	619.589.3192	john.t.balistreri@kp.org
David Luhm, E Alpha Mechanical	858.278.3500 x519 760.238.3355-C	858.278.3510	dluhm@alphamechanical.com

GET INVOLVED IN ASPE !!!

Become A Construction Industry Specialist (CIS)

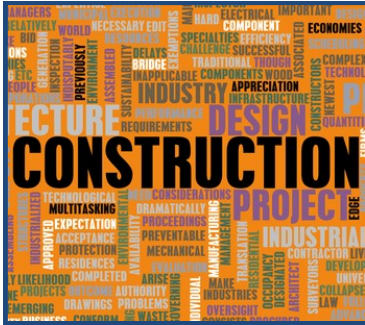
Let this basic course enhance your career!

8 NIGHT (24 Hour) CLASS 4:30 -8 PM: Jan 9,18,23,30; Feb 6,13,22,27

Point Loma Nazarene Univ. (PLNU) – Mission Valley Building

4007 Camino del Rio South, Room 207, San Diego, CA 92108

Instructor: Frank E. Young, FCPE



Created through the NAWIC Education Foundation (NEF), the Construction Industry Specialist is a certificate program created for those individuals wishing to increase their overall knowledge of the construction industry. This comprehensive introductory look at the construction industry will prepare the participant for further training and educational opportunities needed in the various construction career pathways.

Course Competencies:

- 1. The Construction Industry and Career Pathways** – This section covers: construction industry sectors, Economics, Perceptions, Essential Construction Employment Skills, Career Options and Pathways, Resume Preparation and Interviewing Skills.
- 2. The Construction Project Team, Business Environments and Project Delivery** - This section covers: The various relationships between owner, contractor and design professional, Project Delivery Methods, Construction Business types, Ethics and Trade Associations, Professional Societies and Institutes.
- 3. The Construction Documents-Construction Drawings** – This section covers: The design process and how to interpret site, architectural, structural, plumbing, mechanical, fire sprinkler, electrical construction drawings. Clash Detection and coordination drawings will also be discussed.
- 4. The Construction Documents-Project Manual** -The student will explore the logistics of the construction project manual and the technical and performance specifications including the usage of the *Construction Specifications Institute's* MASTERFORMAT®.
- 5. Construction Estimating and Bidding Techniques** –This section covers: How contractors find projects to bid, material analysis, types of bids and how they are selected. Students will also discuss the creation of subcontractor bid packages and ethics in construction estimating.
- 6. The Construction Process** – This section covers: The planning and scheduling of a construction project during each phase of construction (Project Development, Project Design, Bidding & Negotiating, Pre-Construction, Construction, Planning and Scheduling, Project Close-Out Procedures and Green Building Practices).
- 7. The Construction Contract** – This section covers: The various construction laws, contracts, subcontracts, purchase orders and how to avoid claims and delays.
- 8. Construction Administration** – This section covers: The importance of maintaining project records and the various methods used to accomplish this task. Topics will include; but not limited to, common construction documentation, RFI's, Daily Logs, Time Cards, Schedule of Values, Change Orders, the payment processes, necessary close-out documentation and procedures.

REGISTER Online at: www.NAWICsd.org

or mail check payable to NAWIC #21 to:

10130 Vivera Drive, La Mesa CA 91941

Registration deadline: Dec 10, 2016

NAWIC Members: \$299; Non-Members \$349

Price includes text and certification test

Light snack will be provided at each class

Questions: email - sdwic@cox.net

Sponsored by NAWIC San Diego



ASPE Certification



CESB
Accredited
Program



American Society of Professional Estimators

Top 10 Reasons to Become ASPE Certified

Everybody knows that MD following an individual's name means Medical Doctor. And most people know that CPA signifies Certified Public Accountant. Associations and professions use certification to recognize qualified and competent individuals. The certification process is one of the single most important steps in career development. Here are the top ten reasons an estimating professional should consider becoming ASPE-Certified.

- 1. Certification grants you professional credentials.**
- 2. Certification demonstrates your commitment to the industry and estimating profession.**
- 3. Certification enhances the profession's image.**
- 4. Certification reflects personal achievement.**
- 5. Certification builds self-esteem.**
- 6. Certification can improve career opportunities and advancement.**
- 7. Certification may provide for greater earning potential.**
- 8. Certification improves skills and knowledge.**
- 9. Certification prepares you for greater on-the-job responsibilities.**
- 10. Certification offers greater recognition from peers.**



ASPE Certification

The Certification of Professional Estimators is an acknowledgment that you have met, and continue to meet, the criteria established for this designation as determined by the American Society of Professional Estimators (ASPE). Attaining this recognition requires continuing commitments to ethics, education, and employment. It is a commitment by the individual to the construction industry and to ASPE.

ASPE certification is the highest form of professional recognition an estimator can receive. Through its certification program, ASPE recognizes the estimating proficiency and ethical awareness of the Certified Professional Estimator (CPE).

CPE recognition is being sought and attained by an ever growing number of construction estimators each year. It is the only program of its kind to attest that a construction estimator has met the necessary educational and experience requirements and has the capabilities required of our profession.

With such diversity of backgrounds among estimators, the development of programs for both education and certification of professional construction estimators has been a demanding and rewarding process. For all the varied disciplines and levels of detail, the fundamental principles of construction cost estimating remain universally applicable. Beyond these fundamentals, however, the realms of varied disciplines make construction estimating one of the most unique challenging, and fulfilling professions an individual may pursue.

ASPE recognizes the fundamental estimating principles inherent to all types of construction estimating. Whether for general, mechanical, electrical, or specialty disciplines, or for an owner, designer or contracting firm, the estimator requires knowledge that is applicable in virtually all circumstances.

Each candidate seeking certification must meet five basic requirements.

- Experience—Minimum of Five Years
- Completion of Orientation Workshop
- Technical Writing Abilities
- Communication Skills
- Successful completion of Certification Examinations.

The Certification Committee then evaluates each of the criteria for conformance to the program.

ASPE has established that a CPE candidate must possess a minimum of five years of estimating experience in a specific discipline to be accepted into the certification program.

All candidates seeking certification must complete an orientation workshop. This workshop provides the candidate with an overview of the requirements and guidelines of the certification process.

Communication Skills and knowledge of estimating must be demonstrated to the Certification Board. This is done through the writing of a technical paper on a subject approved by the Board.

The certification exam is designed to evaluate the CPE candidate's overall knowledge of estimating. It includes quantities, contract terms and conditions, cost reporting, ethics, and other fundamentals of estimating. The exams consist of a General Estimating Knowledge Exam (GEK) and a Discipline Specific Test (DST). The DST concentrates on specific practices such as General Contracting, Mechanical, Electrical, Excavation, and Concrete estimating. Preparation for the exam is recommended. A candidate will not be notified of CPE status until all requirements of the certification process have been passed.

Once recognized as a CPE, the estimator will be expected to keep abreast of current trends and improved practices in the construction industry. Conformance is measured under the provisions of the Certification Renewal Program. This program requires renewal of certification every three years. See the Renewal Program Guidelines for further details.

Professional evaluation through certification is one of many ways the American Society of Professional Estimators endeavors to promote the profession and benefit the construction industry.

The American Society of Professional Estimators Code of Ethics

Introduction

The ethical principles presented are intended as a broad guideline for professional estimators and estimators in training. The philosophical foundation upon which the rules of conduct are based is not intended to impede independent thinking processes, but is a foundation upon which professional opinions may be based in theory and in practice.

Please recognize that membership in and certification by the American Society of Professional Estimators are not the sole claims to professional competence but support the canons of this code.

The distinguishing mark of a truly professional estimator is acceptance of the responsibility for the trust of client, employer and the public. Professionals with integrity have therefore deemed it essential to promulgate codes of ethics and to establish means of insuring their compliance.

Preamble

The objective of the American Society of Professional Estimators is to promote the development and application of education, professional judgment and skills within the industry we serve. Estimators must perform under the highest principles of ethical conduct as it relates to the protection of the public, clients, employers and others in this industry and in related professions.

The professional estimator must fully utilize education, years of experience, acquired skills and professional ethics in the preparation of a fully detailed and accurate estimate for work in a specific discipline. This is paramount to the development of credibility by estimators in our professional service.

Estimating is a highly technical and learned profession and the members of this society should understand their work is of vital importance to the clients and to the employers they serve. Accordingly, the service provided by the estimator should exhibit honesty, fairness, trust, impartiality and equity to all parties involved.

Canon #1

Professional estimators and those in training shall perform services in areas of their discipline and competence.

1. Estimators shall to the best of their ability represent truthfully and clearly to a prospective client or employer their qualifications and capabilities to perform services.
2. The estimator shall undertake to perform estimating assignments only when qualified by education or years of experience in the technical field involved in any given assignment.
3. The estimator may accept assignments in other disciplines based on education or years of experience as long as qualified associate, consultant or employer attests to the accuracy of their work in that assignment.

4. An estimator may be subjected to external pressures to perform work above or beyond qualifying education and experience. Estimators must retain their integrity and professionalism by actively avoiding involvement in situations that may lead to loss of independence and integrity as a professional estimator.

Canon #2

Professional estimators and those in training shall continue to expand their professional capabilities through continuing education programs to better enable them to serve clients, employers and the industry.

- 1) A member of the American Society of Professional Estimators will strive to gain the honored position of “Certified Professional Estimator” and encourage others to obtain this honored position.
- 2) Members will lend personal and financial support, where feasible, to the schools and institutions engaged in the education and training of estimators.
- 3) Members will cooperate in extending the effectiveness of the profession by interchanging information and experience with other estimators and those in training to be estimators, subject to legal or proprietary restraints.
- 4) Members will endeavor to provide opportunity for the professional development and the advancement of estimators and those in training under their personal supervision.

Canon #3

Professional estimators and those in training shall conduct themselves in a manner that will promote cooperation and good relations among members of our profession and those directly related to our profession.

- 1) Treat all professional associates with integrity, fairness, tolerance and respect, regardless of national origin, race, sexual orientation, religion, gender or age.
- 2) Extend fraternal consideration when giving testimony that may be damaging to a member of our society, as long as it does not violate this Code of Ethics and the laws governing the proceedings.
- 3) Accept the obligation to assist associates in complying with the code of professional ethics. The professional character of our society is dependent upon continuing mutual cooperation with one another. It is an essential element of our continued success.
- 4) Recognize the ethical standards set by other professionals, such as architects and engineers, directly related to our industry and extend to them the common courtesies they deserve.
- 5) Act honorably, both in personal and professional life, by avoiding situations that may erode public respect.

Canon #4

Professional estimators and those in training shall safeguard and keep in confidence all knowledge of the business affairs and technical procedures of an employer or client.

- 1) Privileged information or facts pertaining to methods used in estimating procedures prescribed by an employer, except as authorized or required by laws, shall not be revealed.
- 2) Treat in strict confidence all information concerning a client's affairs acquired during the fulfillment of an engagement and completion of an estimating procedure.
- 3) Serve clients and employers with professional concern for their best interests, provided this obligation does not endanger personal integrity or independence.

Canon #5

Professional estimators and those in training shall conduct themselves with integrity at 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.

- 1) By not participating in bid shopping. Bid shopping occurs when a contractor contacts several subcontractors of the same discipline in an effort to reduce the previously quoted prices. This practice is unethical, unfair and is in direct violation of this Code of Ethics.
- 2) By not accepting quotations from unqualified companies or suppliers. Every effort should be made to pre-qualify any bidder to be used.
- 3) By not divulging quotes from subcontractors and suppliers to competitors prior to bid time in efforts to drive down the prices of either. Should quotes be received from subcontractors or suppliers that are excessively low or appear to be in error, the firm should be asked to review its' price. When making this request the quotes of others shall not be divulged.
- 4) By not padding or inflating quoted bid prices. An unethical practice for professional estimator is to pad or inflate quotes when bidding with firms known for bid shopping. If not a violation of applicable laws, a professional estimator should not provide quotes to known bid shoppers. However, it is not unethical to submit quotes with different values to different contractors, provided there are sound business reasons to justify the differences in the quotes.
- 5) Professional estimators shall not enter into the unethical practice of complimentary bids (also known as comp bids). Complimentary bidding is a violation of this Code of Ethics.

Canon #6

Professional estimators and those in training 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.

- 1) To formulate an accurate estimate in any discipline, a full review must be made of all related documents. Any other approach could cause errors or omissions that may endanger professional integrity and reliability.

- 2) It is of paramount importance to a professional estimator to minimize the possibility of making mistakes or errors. The more detailed the estimate, the better the accuracy will be.
- 3) Each estimate should be cross checked by means that will insure that it is technically and mechanically free from mistakes, oversight or errors. If possible and feasible, estimates should be checked by other professionals. If it is not feasible for someone else to cross check an estimate, the estimator should cross check their own estimate by utilizing a different method, such as using historical data or unit prices based on previous cost data on similar project.

Canon #7

Professional estimators and those in training 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.

- 1) Bid peddling occurs when a subcontractor approaches a general contractor with the intent of voluntarily lowering the original price below the price level established on bid day. This action implies that the subcontractor's original price was either padded or incorrect. This practice undermines the credibility of the professional estimator and is not acceptable
- 2) The same procedure applies to a professional estimator engaged as a general contractor, as defined in the previous paragraph, when the estimator approaches an owner or client to voluntarily lower the original bid price.
- 3) When a proposal is presented, the professional estimator is stating the estimate has been prepared to the best of their ability using their education, expertise and recognized society standards. Entering into unethical practices such as "bid peddling" jeopardizes both personal and society professional credibility, while violating the trust of the clients.
- 4) This canon does not consider the practice of the solicitation of a "best and final offer" to be unethical. Where permissible by law and authorized by the procurement authority, an estimator may request a best and final offer from his subcontractors and suppliers, but must keep the value of the original quotations strictly confidential.

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.

- 1) Bid rigging, collusion and conspiracy, as defined by the American Society of Professional Estimators, may occur between two (2) or more parties. Agreements reached by companies or individuals in the act of conspiring to set the price of a particular project or scope of work with the express purpose of circumventing the competitive bid process are illegal and a violation of this Code of Ethics.
- 2) Professional estimators and those in training to be estimators shall not be associated with firms which are known to participate in the practice of bid rigging.

- 3) There are no conditions that will allow a professional estimator to enter into such fraudulent acts such as bid rigging, knowing that they are held to be unlawful, immoral, unethical and unacceptable to this society.

Canon #9

Professional estimators and those in training to be estimators shall not participate in acts such as the giving or receiving of gifts, which are intended to be or may be construed as being acts of bribery.

- 1) Professional estimators and those in estimating should not offer cash, securities, intangible property rights or any personal items in order to influence or that give the appearance of influencing the judgment or conduct of others that would place them in the position of violating any laws or leave them with the feeling of obligation or indebtedness.
- 2) Professional estimators and those in training should not accept gifts, gratuities or entertainment that would place them in a position of violating and laws (municipal, state or federal) or that give the appearance of creating an inducement which would affect the estimator's professional credibility by placing them in a position of obligation or indebtedness.

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