



# February 2010 News Update

The Newsletter of the UpCountry South Carolina Section,  
AACE International

## President's Message

Members,

Well, here we are, in an industry that is usually hit the hardest in a recession, construction. Considering what the economy has done and how hard it is hitting all sectors of the construction industry, I think our Section has done quite well to maintain membership. Our attendance has held up to almost 20 every meeting. One of our goals in our mission statement is to provide needed support to those of you who have been released and are unemployed, which I believe we are fulfilling. As you have heard me say before, I believe one of the main goals of our section is to help those who need to find work and to help those who are working to keep it that way. We offer many ways to do this. Our monthly meetings help provide info on what is happening "out there" and our certification program is an excellent way to improve our credentials as Project Control professionals. Then there is the networking opportunities where we can rub shoulders with others from other companies and benefit from the ties we form with those outside of our immediate circles. I always felt that the money paid to AACEI by me every year was money well spent. I could talk for an hour about how AACEI has enhanced my professional career but I won't. I truly don't think any of us are sorry we got involved with AACEI. With all that it has done for me, I look forward to the benefits yet to come which will be many, I am sure.

Sincerely, Chris Swanson

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## Section Announcements

### Certification!!

AACEI offers 7 certifications.

1. Certified Cost Technician (CCT)
2. Certified Cost Consultant (CCC) / Certified Cost Engineer (CCE)
3. Planning and Scheduling Professional Certification (PSP)
4. Earned Value Professional Certification (EVP)
5. Certified Portfolio, Program & Project Management (C3PM)
6. Certified Forensic Claims Consultant (CFCC)
7. Certified Estimating Professional (CEP)

For descriptions and requirements regarding each of these certifications go to the AACEI web page (<http://www.aacei.org/certification/certExplained.shtml>).

In recognition for those Section members that have AACEI certifications, we will now have an Honors Roll. The following Section members hold certifications and can be considered Subject Matter Experts, available to help you if you have any questions.

### HONORS ROLL

CCE / CCE	PSP	CEP	EVP
Chris Swanson	Donald McDonald	Robert Boyd	Doug Findley
Donald McDonald	Robert Boyd	Jeff Bannister	
Robert Boyd	Doug Findley	Walter Manning	
Doug Findley		Stan Ellzey	
Becky Spencer			

Please contact Chris Swanson ([chris.swanson@fluor.com](mailto:chris.swanson@fluor.com)) if you have any questions or need assistance regarding any of the certifications or workshops mentioned above.

The next certification exams are currently scheduled for:

July 10, 2010 – Location of test in Greenville will be announced later

November 06, 2010 – Location of test in Greenville will be announced later

Deadline to sign up for a certification exam is 60 days prior to the above test dates

### **Changes to the CCC / CCE Technical Paper Submittal Requirements**

Beginning in the Summer of 2010, the Certification Board has changed the deadline for submittal of the Technical Paper. The Technical Paper must now be submitted by the registration deadline (60 days prior to exam date) or you will not be permitted to sit for the CCC/CCE exam.



## **Continuing Education!!**

Visit the AAACE Online Bookstore (<http://www.aacei.org/technical/ppg.shtml>) where you can order Professional Practice Guides, Recommended Practices and other AAACEI merchandise.

Note that the PSP Certification Study Guide (1<sup>st</sup> Edition) and the EVP Certification Study Guide (1<sup>st</sup> Edition) are now available. The Skills and Knowledge of Cost Engineering is now available "On-Line" at AAACEI's website.

## **AAACE International's 54<sup>th</sup> Annual Meeting!!**

Make plans to attend the next AAACEI annual meeting in Atlanta, Georgia. It will be held from June 27<sup>th</sup> thru June 30<sup>th</sup>.

## **UpCountry South Carolina Section's Website!!**

Please visit our web site that is being maintained by Becky Spencer. Becky continues to improve the website, including job postings. Feel free to provide feedback to Becky or Chris on comments/ideas that you believe would enhance the website.

<http://upcountry-aacei.org/welcome.html>

## **Section News!!**

February's Section meeting was held at Jacob's Engineering office.

Chris Swanson, President, talked about the Time Share Raffle. Tickets are \$20 and the raffle will now be held in April due to low sales. Everyone that attended the meeting was given an envelop with 5 tickets to sell. The goal is to sell 100 tickets and the money will be used for our scholarship fund. Our section plans on providing two scholarship awards, one for \$1500 (includes \$500 matching fund from AAACEI) and the second for \$500. The deadline was 15 February for full-time students to submit the competitive scholarship application.

Our speaker for the March Meeting will be Larry Philbin from Santee Cooper. His presentation will focus on how Santee Cooper is using the @RISK program by Palisades to determine its financial obligation for future asset retirement of hazardous wastes at its power plant sites.

At the March meeting, we will also begin our search for candidates to run for the 2010/2011 officer positions. Election will be held during the month of April and announcement of our new officers will be made at the May meeting. So if you are interested and have questions, feel free to contact any of the current officers.



## **February 2010 UpCountry SC Section Dinner Meeting Recap**

The Upcountry SC Section meeting was held on February 9, 2010 at the offices of Jacobs Engineering. Our guest speaker was Richard Gerspacher. Richard is a senior Project Director for the Fluor Power Business Group. He has a MBA from Duke University and has over 12 years of project management experience. His last project was the TS Power Plant Project built for Newmont in Dunphy, Nevada. This project received PMI's 2009 Project of the Year award and so Richard's presentation focused on why it was selected.

Richard began with an overview of the project. This was a Cost Reimbursable Project with both Fixed and Discretionary Fee components. Discretionary fee was based upon a scorecard and the Project was graded every quarter for 10 quarters. Scorecard measured Fluor's performance relative to Health & Safety, Environmental & Community Relations, Quality, Cost, Schedule, Teamwork, Engineering, Procurement, Construction and Commissioning.

A couple of the main reasons for the Project's success was the pro-active attitude of the Project Leadership Team, which was driven down to the whole Project Team, plus developing a good working relationship with the Client and Plant Operator. Richard then showed how pro-active planning and focus allowed the project to achieve its goals while minimizing cost leakage.

One of the major challenges for the Project was its location, 60 miles from the nearest sizeable town. Value creation ideas adopted to meet this challenge included hiring a local housing coordinator, building a 5<sup>th</sup> wheel campground, obtaining motel discount agreements, employing a subsidized bussing system and providing completion and safety bonuses.

The remoteness of the site also brought with it a higher level of unskilled workers. Training classes were introduced to rapidly increase the skill level and due to a large population of Hispanics, bilingual signs/documents were prepared. Employee awards were also given out to incentivize the workers.

And to fold the Client and Plant Operator into the Project Team, alignment meetings were held so that everyone had a common vision for success. Also each party was held accountable for their actions which led to a high level of trust between parties. This partnership allowed everyone to strive for success in all facets of the Project, not just their area of responsibility.

This Project also received Nevada's Safe Partner Award for achieving 3 million hours without a Lost Time Accident, achieving a final incident rate of 0.22 and having zero environmental incidents.

All of the above helped the Project to complete almost 8 weeks early and achieve \$20 million in Capital Cost Savings. The accomplishments achieved by this Project led to numerous recognition awards, one of them being PMI's 2009 Project of the Year winner.

This concluded Mr. Gerspacher's presentation. Chris Swanson then presented a plaque to Mr. Gerspacher, thanking him for his time and presentation.



**2009/10 Meeting Schedule for AACE UpCountry SC Section**

Description	Day of Week	Date(s)	Presenter & Topic
UCSC Dinner Meeting	2 <sup>nd</sup> Tuesday	08 Sep 2009	Norm Powell, SRNS, Project Controls in the DOE, SRNS Site
UCSC Dinner Meeting	2 <sup>nd</sup> Tuesday	13 Oct 2009	Eric Marcantoni, Fluor, Nuclear Power – Past & Future
UCSC Dinner Meeting	2 <sup>nd</sup> Tuesday	10 Nov 2009	Robert Boyd, Fluor, Escalation; De-escalation; Inflation
UCSC Dinner Meeting	Saturday	12 Dec 2009	Social Dinner at Donald McDonald's house
UCSC Dinner Meeting	2 <sup>nd</sup> Tuesday	12 Jan 2010	John Dillewyn, Fluor, Topic – Habitat for Humanity
UCSC Dinner Meeting	2 <sup>nd</sup> Tuesday	09 Feb 2010	Richard Gerspacher, Fluor, Topic – Newmont – PMI's 2009 Project of the Year
UCSC Dinner Meeting	2 <sup>nd</sup> Tuesday	09 Mar 2010	Larry Philbin, Santee Cooper, Topic – Risk-Based Modeling Approaches for Determining Current Liability for Future Asset Retirement Obligations
UCSC Dinner Meeting	2 <sup>nd</sup> Tuesday	13 Apr 2010	TBD, Toastmasters Club, Topic – Communication and Leadership Skills
UCSC Dinner Meeting	2 <sup>nd</sup> Tuesday	11 May 2010	TBD