

International Cost Model / Location Factor Project

***Sponsored by: International Cost
Engineering Council (ICEC)***

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Overview

- ICEC plans to develop an international cost model/location factor product
 - Goal: beta version by ICEC International Congress in Toronto in 2008
- Fill a gap in current, readily-available industry information & contacts
 - Evidence: frequent requests for information on AACE's Estimating Committee listserv
- Raise the profile of ICEC and its participating associations



Conceptual Requirements

- Keep it Simple (but meaningful)
 - Minimize effort from global volunteers
 - Cover very broad regions
 - Cover both building and process projects
- Keep it Current
 - e.g., 2 year cycle with ICEC conference
- Use Standard Methods (AACE 28R-03)
- Easy to Find and Use
 - www.icoste.org



Conceptual Project Scope

- Develop cost model structure
 - Basically just quantities of specified materials
 - Two models: commercial building and process plant
- Establish target locations & standard conditions
- Obtain local costs, hours, and key factors
 - Unit material costs (consider sourcing)
 - Unit labor hours
 - Taxes, duties, etc.
- Implement online



Conceptual Model Structure

- Proxy designs; just lists of quantities
 - Commercial building (structure centric)
 - Process plant (equipment/piping centric)
- One or two material items to represent each major account (e.g., site, foundation, structure, piping, etc)
 - Provide basis of estimate for each



Target Locations

- Regions covered by ICEC participants
 - Trade-off: Keep-it-simple vs. regions with reasonably homogenous characteristics
 - E.g., Continental, National, or Provincial?
 - Start simple, dissect regions over time



Standard Conditions

- Document basis of estimate
 - Urban vs. rural, seasons, etc.
 - Sourcing: Local vs. import material and labor
- Define treatment of freight, taxes, duties, etc.
- Define treatment of indirects (e.g., PM, engineering, etc.)



Obtaining Data

- Actively seek support and participation from each ICEC association
 - Identify lead contact at each
- Interactive Input form online
- Contributors should be willing to answer questions (e.g., each should agree to be on AACE Estimating Committee listserv?)



Implementation

- Minimum: html tables and charts
- Optimal: interactive tool online
 - Example: AACE building cost model (javascript)



Questions/Comment?

■ Contact

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