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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