

## “Why is The Market Doing What The Market is Doing?”

### Issue

The current construction marketplace nationwide is experiencing exceptional pricing growth. Over the last year project costs are up 10 to 20% and even more in many locations. Projects whose budgets were prepared over a year ago are at risk and



therefore may be 10 to 20% low. Even budgets prepared recently may be inadequate unless extraordinary contingencies have been included.

What is happening?

### There are several factors driving price increases:

1. After September 11, 2001 construction activity in the USA went flat after several years of strong growth of 5% to 8%. However, since the middle of 2003 construction volume has increased over 10% per year, reflecting very strong ongoing demand and also incorporating the additional backlog of work not addressed in post 911 downturn. Quite simply, demand for construction has significantly outstripped supply.
2. Overseas, demand for raw materials and for USA-based construction expertise has increased substantially since 2002 -- most notably from China. This demand has added general upward pressure on prices and in particular has helped to create "spot" shortages, such as with steel in 2004.
3. Interest rates reached nearly historic lows in 2003 in 2004 and helped to fuel the demand for construction in 2004 and 2005. More recently, interest rates have risen but are likely to stay relatively low and below rates seen in the mid-1990s. Higher rates will tend to constrict housing construction somewhat but will likely not be high enough to significantly constrain commercial construction.
4. The "supply" side of the construction industry has not grown at a rate near the "demand" curve. Labor remains in short supply, especially in the skilled trades, and

## Inside. . .

President's Message	2
Project Spotlights	6
Chapter and Committee News	10
Project Achievement Awards	12
Chapter New Members	18
Upcoming Events	20



Construction Management Association of America  
Online and On Target  
You have a powerful resource at  
[www.cmaanet.org](http://www.cmaanet.org).

Bookmark the Construction Management Association of America's website for standard contract documents, publications, education, and access to more than 2,500 construction management professionals.

# President's Message

And the award goes to ... YOU! Thanks to the tremendous professionalism and support of our members, our chapter continues to be the preeminent organization in the Southern California construction marketplace. Our Annual Awards Banquet on April 27th was the place to be with 29 sponsors and over 350 attendees. Many of the attendees avoided rush hour traffic by coming earlier in the day to participate in our first annual conference - Vision 2006 where they learned about the CCM certification process, heard from owners regarding the CMAA/FMI 6th Annual Owner's Survey, received an update on the economic outlook for the construction industry, and took in other professional development activities. Among the attendees at both the conference and the awards banquet were Bob Fraga, CMAA President, and, Bruce D'Agostino, CMAA Executive Director. Both of them said that they were quite impressed with the quality of the sessions at the conference and at the excellence represented by both the scholarship and project award recipients (see pages 11-13).

In recognition of the tremendous efforts of two of our board members, Bob Fraga subsequently presented Mehdi Heydari and Lisa Sachs with President's Awards for exceptional service to CMAA. Mehdi is the chairman of our CCM Committee and has conducted numerous CCM preparatory courses with an increase of 26% in CCMs in our chapter. Lisa Sachs as our membership chair was successful in retaining 99% of our members. No one recognizes how hard Mehdi and Lisa work more than me, yet, thankfully some of their success is also a reflection on the value of membership in CMAA.

The chapter board also met with Bob Fraga and Bruce D'Agostino to further discuss how our chapter board and the national board can work together to provide more value for our members. For example, due to the high level of involvement of our members in the K-12 sector, Los Angeles was selected for CMAA's first best practices summit which was held on June 15th. The program was a terrific success which attracted attendees from as far away as Florida. Speaking of Florida, it is not too soon to start getting ready for the CMAA National Conference, "Breakthroughs in Project Efficiency" from October 15-17 in Tampa, Florida. Register for the conference before August 28th and save \$200!

While you are checking your calendar and making plans, don't forget to register for our 2nd Annual Golf Tournament (see page 16). This year it will be held on September 18th at Skylinks Golf Course in Long Beach. As promised, we have limited our fundraising for our scholarship program to the annual banquet and this golf tournament. This year we were able to award \$23,000 in scholarships due to your past support. Please contact Kelly Asper at the Chapter office for more information about exciting sponsorship opportunities.

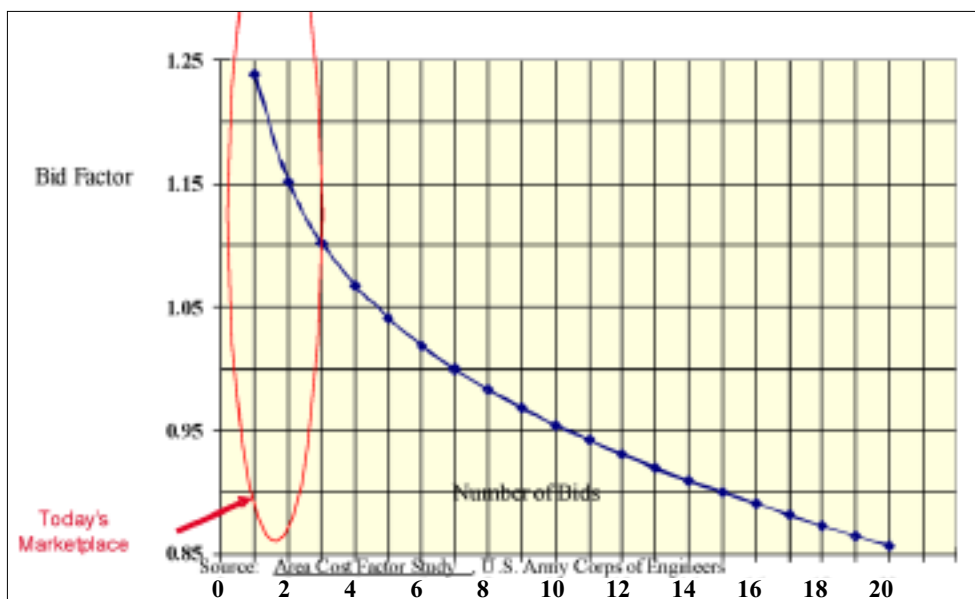
On September 21st we will hold our annual organizational meeting with the election of our 2006/2007 officers and directors, the presentation of the Chapter President's Volunteer of the Year Award and the presentation of the CCM of the Year award. Please make sure to reserve the date and start looking for information to come in your email inbox.

As always, please make sure to let me know if you have any ideas about how we can improve our chapter. I look forward to seeing you at our upcoming events!



Tim Holcomb  
Chapter President

# Feature Article (continued)



prices for materials are increasing well above basic inflation. "Spot" shortages will likely continue. Contractors, subcontractors and suppliers have full backlogs. Bonding capacity limitations are becoming more common. Limited numbers of bidders for projects are common on a nationwide basis - sometimes only single bidders. Nearly all major metropolitan areas have been affected. More rural areas appear to be less affected on smaller projects (under \$5M) that can be handled locally but larger projects that extend past the local marketplace have been significantly affected.

5. Long term trends are tending to increase demand pressure. Continuing aging of infrastructure and delayed industrial reinvestment will fuel new construction and major renovation. A good deal of post hurricane construction activity is really just getting underway. Major bond programs, especially for educational projects, exist nationwide, are funded and will be proceeding forward. The potential for mega-projects, such as nuclear power plants and LNG (Liquefied Natural Gas) handling facilities are on the planning horizon. Energy prices are up and will increase the cost of construction in gen-

eral and specifically for energy dependent trades such as earthwork and paving. Barring major jolts to the economy from terrorism or natural disasters, demand factors will likely stay strong.

### Effects on bid prices

"Fair value" can be defined as a projected "bid price" of a project that follows the ENR Index. When supply and demand factors are in reasonable balance, there is no "premium" or "discount" from "fair value". However, when supply and demand is out of balance, bids will vary from "fair value". In the early 90's there was a significant drop in construction volume, competition was extreme and bid prices dropped rapidly. Conversely, the last few years has seen bid prices rise rapidly following increases in construction volume.

The issue of competition was addressed in the winter 2005 article by the author titled "The Effects of Competition on Pricing". The chart presented in that article (included below) assessed the effects of the number of bidders on pricing. The chart is further annotated to highlight today's marketplace typically represented by one, two or three bidders - not only as prime/general contractors, but also for

>> Continued on Page 4

## CMAA

**Southern California Chapter  
Board of Directors 2005-2006**

### President

Tim Holcomb  
Anaheim Union High School District  
holcomb\_t@auhsd.k12.ca.us

### Vice President

Greg Hess, CCM  
Austin|AECOM  
greg.hess@dmjm.com

### Secretary

Atul Apte  
APSI  
atulapte@apsi-pm.com

### Treasurer

Rebecca Jones  
Safework  
rebeccaaj@safeworkinc.com

### Past President

Scott Harral, P.E., CCM  
Towill  
Scott.Harral@Towill.com

### CCM Committee Chair

Mehdi Heydari, P.E., CCM  
Vanir CM  
mehdi.heydari@vanir.com

### Communications Committee Chair

Michael McAlpine, CCM  
DMJM Management  
michael.mcAlpine@dmjm.com

### Government Affairs Committee Chair

Chris Roux  
Weston Benschopf  
croux@wbcounsel.com

### Membership Committee Chair

Lisa Sachs, AIA, CCM  
CCG  
lsachs@c-c-g.net

### Owners Committee Chair

Guy Mehula  
LAUSD  
guy.mehula@lausd.net

### Student Outreach Committee Chair

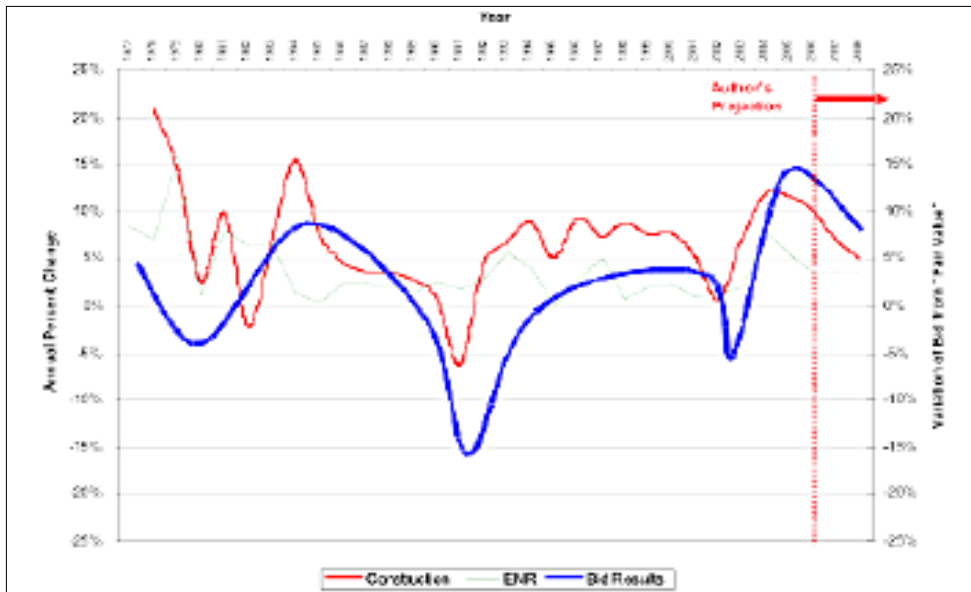
Willie Paiz, CCM  
CH2M HILL  
wpaiz@ch2m.com

### Consultant

Kelly Asper  
sccmaa@cmaasc.org



# Feature Article (continued)



(Note that the bid results, while based on projects, are collectively judgmental and a reflection of the author's observations.)

subcontractors and suppliers. The competition issue affects both the prime contractors and the subcontractors. Even in instances where more than two prime bidders are evident, subcontractors may not be competitive. The result is a premium (above "fair value") for limited competition. The premium can range from 10% to 25%, or even higher in single bidder circumstances.

The following chart plots the historical relationship between annual increases in construction volume and the Engineering News Record (ENR) Index, all as compared to observed bids. Since the ENR Index is based on "inputs" from material and labor, it therefore doesn't always reflect changes in construction volume and bid prices. Whereas, increases or decreases in construction volume are almost always accompanied by sharp increases and decreases in observed bids.

The premium above the "fair value" reflects the effects of the marketplace and reduced competition.

## What are the likely premiums?

The chart to the right provides a hypothetical guideline.

What the situation indicates is that if a project was built for \$150/sf in 2000, it would have cost \$194/sf in 2004 and will be \$213/sf by year end 2006. Since the premium is expected to moderate over the next 2 to 3 years, the prices overall will remain relatively constant. However, in individual circumstances where only one or two prime bidders respond, or only 1 or 2 subcontractors bid trades, the premium will likely be higher than the chart shows by 5 to 10%.

## How will the marketplace affect your project?

If your project is under construction then the market factors have already been included. However, change orders likely will be priced at a much higher level than would normally be expected and premiums may be up to 50% over "normal" change order circumstances. Delay claims in particular will be aggressively pursued and priced.

Projects under design with anticipated bidding within a year will be significantly affected. Projects in planning or early design, where the prospective bid date

is more than one year in the future may benefit from a more moderate market by that time. However, even that moderation will still likely reflect higher-than-expected bidding.

## Advising the owner

The owner should be made to understand that it is extremely unlikely that any project bidding within two years will bid within the budget unless that budget has included substantial "market" contingencies. Otherwise, if the budget is not adjusted, the unfortunate choices are to reduce scope, adjust quality or add funds.

Advise your owner of current market conditions and the likelihood that those conditions will continue. It's useful to reference the escalation in the cost of materials and the lack of availability of labor. However, the primary driver is due to demand outstripping supply leading to a lack of bidding competition and increased cost.

*Mike Dell'Isola  
Vice President, DMJM Management*

Year	Base Reference Price	ENR Index	Fair Value Budget	Market Premium	Bid Price	
2000	\$150	2.4%	\$154	0%	\$154	Actual
2001	\$151	1.0%	\$165	0%	\$154	
2002	\$155	1.4%	\$157	0%	\$157	
2003	\$157	1.9%	\$160	7%	\$172	
2004	\$160	7.0%	\$173	12%	\$194	
2005	\$173	5.5%	\$183	15%	\$210	Projected
2006	\$183	3.5%	\$189	13%	\$213	
2007	\$199	3.6%	\$196	10%	\$215	
2008	\$196	3.6%	\$202	7%	\$217	

\* Projected figures for the ENR Index are the Author's not ENR's



## CMAA Owner's Rountable SBE Discussion—Thursday, May 4, 2006

LAUSD Construction Bond Program: Maximizing Competition Through Small Business Participation

Presented by: Veronica Soto, Manager, LAUSD Small Business Program

The Mission of the LAUSD Small Business Program is “to increase the pool of qualified firms to compete for LAUSD construction, A/E, and professional services contracts through the significant participation of Small Business Enterprise (SBE) firms.”

The objectives of the program are to:

- Adhere to the Board of Education's 25% SBE Goal.
- Provide SBE firms with information, guidance and access to compete for bond-funded construction, A/E, and professional services contracts;
- Eliminate barriers to competition and participation by SBE firms; and
- Provide SBE firms with referral services to technical assistance, financial, bonding and insurance, and certification services that promote their long-term competitive capacity.

The LAUSD Small Business Program strategy has been to be market-driven; conduct extensive outreach; create forums for partnership and competition; demonstrate a commitment to building the capacity of small firms; and to partner and collaborate with other agencies and business resource organizations.

The Small Business Program provides the following services to meet its mission and objectives:

- SBE Certification Program;
- Created and implemented the Small Business Boot Camp Program, an eight-week seminar program to assist small contractors to understanding of the public contracting process and provide resources to bonding, safety, 10-Hour OSHA training, labor compliance, estimating, and how to bid on LAUSD projects;
- Conduct seminars and industry symposiums to increase SBE access and participation; and
- Conduct extensive outreach through small business outreach events, participation in regional business outreach events, partnership with business and trade organizations; and extensive marketing in community papers and through

its network of business associations.

LAUSD's Small Business formula has generated the results expected:

In FY 04-05, LAUSD awarded \$511.1 million of which \$307.4, or 60%, was awarded to SBE firms in construction, A/E and professional services contracts. Minority-owned contractors captured 20% of total construction contract awards, therefore achieving diversity and small business participation.

Additionally, greater competition on architecture and construction management services RFQs has been achieved through industry symposiums. In the modernization program, 66% of the architecture firms are SBE. In construction management services for the New Construction branch, fifteen prime consultant firms provide CM services of which three are SBE firms and two are SBE joint ventures with large firms. To date, this level of SBE participation has generated 68% SBE participation based on invoices paid.



### Round Table Discussion Summary

Attendees:

- Guy Mehula - LAUSD
- James Davis - Port of Los Angeles
- Gary Cardamone - Port of Long Beach
- Gary Allen - University of Southern California
- Jim Treadaway - City of Los Angeles
- Todd Haynes - Orange County Sanitation District
- Ken Hargreaves - LAUSD

#### Topic 1- Small Business Enterprise programs

This topic discussion was moderated by the LAUSD SBE Program Manager, Veronica Soto. Veronica provided a summary of the LAUSD program on the next page.

#### Topic 2 - Receiving Quality Construction Documents

The following issues were raised by the group related to the quality of construction documents that we as owners receive from A/E firms:

- 1) The FMI Owners Survey for the last few years indicates that quality of construction documents is a big issue.
- 2) Perception is that the standard of care provided by A/E firms has declined in recent years
- 3) More scrutiny of change orders is being applied by approval bodies
- 4) Expectations are such that Owners are budgeting more and

>> Continued on Page 16

## LAX Master Plan Update & Contracting Opportunities

**Presentation to CMAA Southern California by Jim Ritchie, Deputy Executive Director, Los Angeles World Airports (LAWA)**

On April 13th, the Southern California Chapter of CMAA hosted Jim Ritchie, Deputy Executive Director, Planning and Development for Los Angeles World Airports (LAWA). Jim has extensive aviation and development experience and has held this position at LAWA since 1999. He is responsible for planning and development of LAWA's four airports, Los Angeles International (LAX), Ontario International (ONT), Palmdale Region (PMD), and Van Nuys (VNY). Jim presented to attendees an overview of LAWA's long-range development program and concentrated his presentation on the status of projects associated with the LAX Master Plan.

Mr. Ritchie provided a brief overview of the Master Planning process and noted that in January 2006, a key milestone was reached when the City negotiated a Settlement Agreement (the Settlement) with local opposition groups to the implementation of the long-awaited Plan. Mr. Ritchie was enthusiastic about how the Settlement is allowing LAWA to implement a significant capital improvement program, estimated to encompass over \$5 billion in terminal, airside and ground transportation improvements over the next 10 years. He noted that there would be significant construction management and contractor opportunities associated with these programs in the near future.

The Settlement allows LAWA to move forward with "Green-light" projects and in parallel, requires preparation of the LAX Specific Plan Amendment (the Amendment) for revisiting the scope and mitigation for what are referred to as "Yellow-light" projects. The Amendment process, which started in February 2006, is expected to end by October 2008 with environmental certification by the City Council and others. Refined project concepts for "Yellow-light" projects are anticipated by October 2006. Mr. Ritchie presented a series of aerial photos that highlighted projects in both of these categories.

"Green-light" projects are approved to move forward and include implementation of the South Airfield Improvement Program (SAIP), the development of a new 30 to 40-gate West Satellite Concourse and renovation and reconstruction

of the Tom Bradley International Terminal (TBIT). On the land-side, "Green-light" projects include a new consolidated rental car facility and a new intermodal transportation center, both of which are linked to the Central Terminal Area (CTA) by an above-ground automated people mover (APM). Projects also include two new employee parking areas (South and West).

"Yellow-light" projects include the reconfiguration of the North Airfield, the demolition of Terminals 1, 2 & 3 and a new Ground Transportation Center and associated roadway and APM links.

Jim gave a fairly detailed description of the status, scope and complexity of a few of the largest Master Plan projects currently underway. The SAIP is driven by safety and includes over \$336 million in civil, electrical and other related items of work, over a 2 \_ year period, needed to relocate Runway 25L and the associated taxiways and navigational aids. The LAWA Project Manager is Jacob Adams, P.E. and the consultants noted were: Design - HNTB, Construction Manager - CH2MHill, and GC - Tutor-Saliba/O&G JV.

Extensive improvements are planned for TBIT to modernize the terminal, accommodate the Airbus 380 and New Large Aircraft (NLA) and improve security screening of passengers and their baggage. The contracts are being let in multiple packages. The LAWA Project Managers are Van Thompson, P.E. and Ellen Wright, A.I.A. and the consultants noted were: Design - Leo Daly and Construction Management - Parsons Transportation Group. A portion of the contractor work was awarded to Swinerton Builders, with the remainder to be awarded on a competitive basis in the future. Jim mentioned that more CM services would be needed on other elements of the terminal renovation.

Design and installation of an In-Line Baggage Screening System is being implemented for multiple terminals at LAX, in addition to ONT. The LAWA Project Manager is Mark Vicelja, P.E.. Design awards were made to Gensler and BNP. Multiple CM contracts have been issued as of April 2006. Jim's presentation mentioned PBS&J, Pinnacle One, and CMTS. As of this presentation, construction contracts for what is estimated to be up to \$370 million in spending on these projects had not yet been let, but were limited to a list of pre-qualified baggage system firms.

Jim noted that there was still a lot of upcoming work that would provide CM opportunities. In addition to the Master Plan projects, LAWA's Capital Improvement Program

includes a number of pre-requisite projects needed to advance the Master Plan, including taxiway relocations and reconfigurations, gate modifications, service and terminal roadway projects, ADA compliance projects, and mitigation projects that include sound insulation and airline systems such as conversion of Ground Support Equipment and electrification of passenger gates.

The next major upcoming "Green-light" project discussed was the Consolidated Rental Car Facility (RAC), which includes over 17,000 stacked spaces, a ready/return garage with 9,000 spaces, and accommodation of an APM station. The project is currently budgeted at over \$300 million.

In addition to the Specific Plan Amendment, key elements of the Settlement Agreement noted include a Gate Reduction Provision, Impact Mitigation, Regional Strategic Planning and further studies. Mr. Ritchie highlighted the progress of one of those programs, the FlyAway buses. He reviewed LAWA's investment and success with the Van Nuys FlyAway and the recently opened Union Station FlyAway - other FlyAway projects are anticipated to follow.

The Settlement's limits on gate expansion and associated passenger activity has heightened the urgency of regional planning for accommodating the long-term growth in passenger and cargo activity. Jim reported that LAWA is partnering with the Federal Aviation Administration (FAA), Southern California Association of Governments (SCAG) and others to develop initiatives for distributing future growth in passenger and cargo demand to regional airports, much of which was estimated to be handled by Ontario Airport, another LAWA owned facility. Based on SCAG forecasts, ONT is estimated to grow from 2005 levels of 7 million air passengers (MAP) to 30 MAP by 2030.

Jim introduced the LAWA Project Managers and encouraged attendees to pursue work with LAWA. He noted that LAWA opportunities were being advertised, online, via the City's business network site: <http://www.labvn.org>. He also suggested that those interested in being added to the Bidders' List contact the LAWA Purchasing Divisions - LAX (310) 646-7391, ONT (909) 975-5970. LAWA's Small Business and Job Opportunities Division are also holding monthly orientation sessions - for information call (310) 417-6490.

*Maxine Scheer  
Scheer Intelligence*

## Strengthening Three County Health Care Facilities



After the 1994 Northridge Earthquake, Los Angeles had to recover from the damage left behind. The County of Los Angeles repaired hundreds of structures and applied for various seismic hazard mitigation grants from the Federal Emergency Management Agency (FEMA). The County's Department of Health Services (DHS) prepared and was awarded grants for several projects. Three of these hazard mitigation projects that were recently completed are H. Claude Hudson Comprehensive Health Center, Central Health Center, El Monte Community Health Center. Simpson & Simpson Management Consulting Inc. provided project management services through County of Los Angeles Public Works on these projects, which included the structural stabilization of interior walls, partitions and equipment. Each project also included American with Disabilities Act remodeling in selected restrooms, and, public accommodations.

These facilities provide community patient care and were required to remain in service during the construction work. Therefore, the work was phased and conducted during slow or off operational times. Further complicating the construction effort was the required health screening of all on-site staff to assure that the on-site construction project staff did not bring contagious diseases into the facility.

Health screening took at least ten days to complete for each individual and the County would review and clear each individual for work based on this information. Security staff at each facility would check the health screening clearance list before allowing on-site personnel to enter the facility.

>> Continued on Page 8

Being County patient care facilities, air quality monitoring and infection control mitigation was required. The County's most stringent infection control procedures were used, which mandated segregation of air in active construction areas from the rest of the facility. Negative air pressure was created and maintained using plastic or sealed wall barriers in conjunction with HEPA filtered air cleaning equipment exhausting outside the facility.

A significant amount of demolition had to be removed at each facility. The handling of construction debris throughout the facility also had to comply with the County's Level 4 Infection Control Policy and was a special concern for each health care center. The construction manager worked with the contractor and facility staff to ensure a clean and usable facility each day. Cleaning at the end of each night's work allowed staff and patients to occupy their facility. These measures maintained safe health care facilities and required close coordination and good working relationships within the project delivery team.

Additionally, the project delivery team worked together and applied their ingenuity to solve other project challenges including contractor material storage and lay down, field conditions, and facility accreditation periods. These projects were constructed concurrently and had a total of more than 200,000 square feet in floor space.

*Kenneth Schumann,  
Simmspon and Simpson Management*

### **"Certified Construction Manager"**



is the industry's  
most reliable sign  
of professionalism  
and experience.

[www.cmcertification.org](http://www.cmcertification.org)

## **Interstate Highways: A System in Crisis**

### **Innovative approaches required to continue 50 years of progress**



Forty-seven hours behind the wheel can take you across the 2,800 miles that separate the U.S. coasts. But, in 1919 - 37 years before President Dwight D. Eisenhower championed construction of the interstate highway system and the same year he joined a U.S. Army convoy traversing the country - that same trip took more than two months.

Eisenhower recognized that a modern highway system would strengthen the economy, increase productivity, save lives and help the country "meet the demands of catastrophe or defense." On June 29, 1956 - when the U.S. population comprised fewer than 169 million souls and only 72 percent of American families owned cars - Eisenhower signed the Federal-Aid Highway Act of 1956, launching the federal interstate highway system (IHS) - the largest public works project in U.S. history.

### **A Fading Dream**

As we prepare to celebrate the 50th anniversary of this monumental initiative, however, Eisenhower's dream is fading. Nearly 300 million people now inhabit the country and automobiles number well over 200 million. Our highways are crumbling beneath the crush of ever-increasing traffic.

California cannot brag it has the most interstate highway mileage, nor does it possess the highest number of interstate routes. However, our state holds a decided edge for having the worst traffic in North America. Forbes magazine recently reported worst traffic is can be found in five California cities (or city regions) which make the top 12 list. Several cities mentioned, such as Bakersfield, Los Angeles and Riverside and are well known as trucking, rail and sea hubs for logistics. The

# Project Spotlight

convergence of services taxes the infrastructure.

The Interstate System was created by the 1944 Federal-Aid Highway Act, which authorized 40,000 miles nationally. California initially was allocated 1,938 miles. Later allocations in 1955 brought the total mileage to 2,135 miles. However it was the 1956 Federal-Aid Highway Act that created today's Interstate system, by carving out necessary funding. It authorized an additional 1,000 miles nationally, but California received none of this. The 1968 Highway Act added another 1,500 miles, expanding the system nationwide to 42,500 miles.

Recently Transportation Secretary Norm Mineta told the Southern California Association of Governments that gridlock, not just limited to roads and highways, but to crowded airports and congested skyways, represents an underlying threat to our nation's economy. Mineta estimated that the cost of congestion for the freight industry and its impact on productivity is estimated to exceed \$70 billion a year.

Southern California's congestion is a particular concern. This region plays a huge role in maintaining the United States' continued leadership in global commerce. Knowing this, California's legislature has put a \$20 billion transportation bond package before voters in November, but most of us know that even \$20 billion isn't enough to meet the state's needs. Southern California handles 44 percent of the nation's total imports, and 25 percent of all exports.

Federal and state fuel taxes - the traditional methods for funding highway improvement programs - cannot even maintain our roadways in their current condition, let alone build new capacity. In fact, the U.S. Chamber of Commerce reports that the funding shortfall amounts to more than \$1 trillion over the next two decades.

Eisenhower could not have anticipated how much would change from 1956 to now. Growth has strained the system to the breaking point. Innovation - in the form of more flexible and sustainable funding sources and advanced technologies - can help fix it.

## Innovative Solutions

One such approach is tolling, a time-tested solution updated with new technologies. Studies show the public increasingly accepts tolling because it fairly and reliably generates highway revenues as an alternative to raising taxes.

Nationwide, the public also is embracing tolling because it can actually ease congestion through value or congestion pricing. With this strategy, the price of the toll road goes up during peak travel times, which reduces traffic on the toll road and gives drivers the choice to pay more for a less congested trip.

Another technology delivering big benefits is ITS - intelligent transportation systems - which makes roads and highways smarter. Among other things, ITS can improve traffic flow and reduce congestion. ITS cameras and other communication tools provide traffic operations centers with mechanisms for quickly and efficiently responding to accidents and other emergencies, and give travelers data they need to find alternate routes.

The private sector also will play a role in the future progress of surface transportation. Private investors stand to profit by aiding cash-strapped states and can accelerate transportation projects while freeing up funds for other public needs. More than a half dozen states, have or are considering, leasing toll facilities. Still others have entered into public-private partnerships that are helping them to meet funding challenges. The California legislature passed a public-private partnership measure in early May 2006, however, some analysts predict even that won't lure in new capital because lawmakers can reject any public-private partnership along a simple party-line vote.

Advanced transportation technologies and private investment symbolize the innovation required to solve the country's transportation crisis. It makes sense to tie the use of highways to the cost to build, operate and maintain them, and to find modern ways to maximize existing capacity and fund new projects.

In so doing, we'll preserve the greatest public works project in U.S. history and, in turn, both California's and America's economic growth and stability.

## About Michael A. Kraman, P.E.

Vice President and Southern California region office leader. Managing operations HNTB Corporation offices including Los Angeles, Orange, Riverside, San Bernardino, San Diego and Imperial counties while supervising practice areas that include construction management, surface transportation,

>> *Continued on Page 17*



# Chapter and Committee News

## CCM Committee Update

The CCM Committee of the Southern California Chapter of the Construction Management Association of America was established and begun its work in September 2005. The purpose of this article is to summarize the CCM Committee Goals and Accomplishment in the last 9 months.

### Committee Members:

The CCM Committee Members includes 9 Certified Construction Managers as listed below:

### Committee Chair:

Mehdi Heydari, PE, CCM  
Vanir Construction Management

### Committee Members:

Gus Bitar, CCM  
JCM Group - A Division of Heery International

Scott Harral, PE  
CCM - Towill Land Surveying

Michael McAlpine, CCM  
DMJM Management

Raju Kaval, CCM  
Los Angeles Unified School District

Danny Kaye, CCM  
3D/I Parsons

Moshir Kellada, CCM  
Vanir Construction Management

Willie Paiz, CCM  
CH2M Hill

David Tiberi, PE, CCM  
Parsons

### Number of CCMs in Southern California:

The CCM Committee starting point was the total number of the CCMs in Southern California. There were 56 CCMs in Southern California as of last September. That represented only 9% of the 615 CCMs nation-wide while the CMAA membership in Southern California represented 16% of the members nation-wide at the same time.

### Committee Goals

The CCM Committee recognized the shortage on the number of CCM's at the commencement of their job; as a result the following Goals were identified to overcome the deficiencies:

- Increase the interest and awareness of the CCM program in Southern California
- Increase the number of CCMs in Southern California by 15 new CCMs (26%)

### Committee Accomplishments

Regarding the Committee's 1st Goal, Increasing the Interest & Awareness, we have provided five (5) CCM Presentations to hundreds of executives and employees of various agencies/CM firms and participants at the CMAA Annual Conference in Los Angeles. We have provided the CCM Designation, What it is and What it means for Employees, Employers, Industry & Public. Furthermore, hundreds of the newly published CCM brochures have been distributed among interested entities.

Regarding the Committee's 2nd Goal, Increasing the number of CCMs, the individual members of the Committee started with introducing the CCM to their colleagues & co-workers within their organizations and encouraging them to apply for Certification. The Committee then expanded their efforts to outside their organization by a 3-month Telephone Campaign within CMAA Non-CCM Members. This effort identified interested individuals within various agencies and CM firms. The Committee provided mentoring in order to assist those individuals for applying for CM Certification and taking the exam. In addition, the CCM Committee Members instructed various courses at CCM-Prep Courses conducted by the CMAA in Southern California. Those efforts resulted 20 more Certified Construction Manager, a significant increase (36% growth) in the number of CCMs within the first 6 months (September 2005 - March 2006). We will be updating and publishing a complete list of CCMs in July, when the result of June 10th CCM Exam would be available with new CCMs introduced.

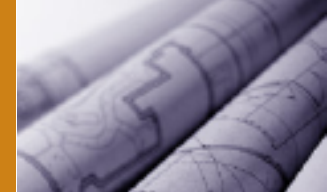


## Student Outreach Committee Update

Fellow Chapter Members,

The Student Outreach Committee wishes to thank you for your participation and contributions to this program. Following is a brief description of our activities this year and programs we encourage you to continue to support.

Student Outreach Programs include the following:



- Annual Scholarship Awards
- Corporate Campus Presentations
- Student Participation Programs

## 2005/2006 Annual Scholarship Awards

This program is focused on recognizing students who are completing specific academic coursework in a construction management program, is a member in good standing as a CMAA Student Member, and has demonstrated their individual successes in the community. The success of this program is a direct result of CMAA SCA's strong supporting membership base. We continue to offer scholarships to many of our upcoming CMs. This year's 2006 Scholarship Awards reached an all time high for the program. A total of \$23,000 in scholarships was awarded to nine recipients at this year's Annual Scholarship Awards Banquet.

### Our 2006 Scholarship Recipients included:

**Michel Chavez / Cal State Long Beach**  
**Servesh Deswal / Cal Poly San Luis Obispo**  
**Jason Gremillion / Cal State Long Beach**  
**Jacob Hagman / Cal Poly Pomona**  
**Andre Hawks / Cal Poly San Luis Obispo**  
**Min Kan / Cal Poly Pomona**  
**Minsoo Kim / Cal Poly Pomona**  
**Yvette Lemos / Cal Poly Pomona**  
**David Sprandel / Cal State Long Beach**

### Corporate Campus Presentations -

This program was developed to offer prospective employers and students a means to meet each other and build a network between the academic and corporate/professional communities. Many of our CMAA corporate affiliates such as PinnacleOne, DMJM Management, and HNTB have participate in this program with great success. How does it work and how do you get involved? Great questions.

Step 1: The sponsoring company chooses from any or all of the five campuses to give a presentation. These universities/colleges all have a Construction Management Program whom we have build a relationship with their department professors. The list of participating campuses includes:

**Cal Poly Pomona**  
**Cal Poly San Luis Obispo**

### Cal State Long Beach Cal State Northridge University of Southern California

Step2: The sponsoring company pays a nominal fee of \$275 for each campus presentation. The fee is used to pay for pizza and soda to be served at the meeting, pay for four CMAAA Student Chapter Memberships which helps build our candidate pool to qualify for CMAA scholarships, and to provide a fund for sponsoring students who want to participate in other CMAA functions such as seminars and diner programs.

Step 3: Schedule a date/time for the presentation. A Student Outreach Committee member will assist you with the contact and coordination of the presentation(s). The company sponsor will be given a period of time to present their company portfolio to the students and answer questions. Typically these meetings are late afternoon/early evening.

Don't hesitate - contact either Kelley Asper at (562) 434-8406, or Willie Paiz at (714) 679-7450 to get started. You will not regret it.

### Student Participation Program -

This is a newer program in which the committee and board members have identified as a need to offer our Student Chapter Members a way to participate in our professional chapter functions such as the educational seminars, conferences, and diner programs. Many of these programs would be financially restrictive to our student chapter members. As described earlier in the Campus Presentation Program, a portion of the funds from the sponsoring company will be used for this program. We are excited to see this program become available and look forward having our students participate.

One final note. I want to thank my fellow committee members for their hard work this past year. A special thanks goes out to Dana Bartlof/Harris & Associates, Atul Apte/Analytical Planning Service, Patrick Dougherty/PinnacleOne, and Brian Culligan/ Parsons Brinckerhoff.

That's all for now. If anyone should have questions or want to become apart of our Student Outreach committee, I encourage you to contact me. Adios for now.

*Willie Paiz, CCM  
CH2M Hill*

# Project Achievement Awards 2006



Each year the Southern California Chapter honors our colleagues and their exceptional projects for recognition. The caliber and diversity of projects honored this year involve a wide range of service categories. They include Transportation and Infrastructure, Education, Health Care, Food and Building Construction.

Each of these projects faced some extraordinary challenges on the road to becoming a successful and honored project. More than any other year, these projects had to overcome one of the wettest years in recorded history. As if that were not enough to derail any ordinary project, combine that with the escalation of various material costs had the makings of a disaster! It was only with dedicated and professional construction managers could some of these tough schedule and budget management issues be resolved. This is what makes each of these projects truly remarkable.

This year's group of submissions were extremely competitive and difficult for the awards committee to judge. The committee reviewed each submission for its planning and execution in the areas of Cost, Schedule, Safety, Project Management, Quality, Complexity, Innovation and Creativity, and Customer Satisfaction. Of the nineteen projects submitted only 7 were selected for project awards and 3 for honorable mention.

## **Winner of the Public Project Award for \$50 Million or Less—APSI for the Santa Ana Federal Building Repair and Alteration project**

### **Project Owner, US General Services Administration**

This project consisted of the seismic retrofit and modernization of an existing occupied nine story building consisting of 250,000 square feet. The building was renovated in three separate phases involving the relocation of personnel on three floors at a time. APSI managed to relocate numerous government agencies, while maintaining their operations, complete the renovations and relocate these agencies back

into their newly created space, all with minimum disruption to other tenants within the building. The project lasted some 30 months with no accidents and no claims.

## **Winner of the Public Project Award for \$100 Million or Less—Caltrop for the I-405 / SR-55 interchange Project**

### **Project Owner, Orange County Transportation Authority**

This project consisted of the construction of the 405 / 55 Interchange, many new off ramps, bridge crossings and the reconstruction of a flood control channel. This interchange is the 10th busiest interchange in the nation with more than 443,000 motorists using it daily. Due to the difficulty in working in an environment such as this, the project managed to successfully achieve a safety record of no fatalities among the construction personnel during this almost five year project. The project team integrated the use of closed circuit television cameras to allow its stakeholders to view the real time progress of the project.

## **Winner of the Public Project Award for \$100 Million or More—URS for the Caltrans District Headquarters Building**

### **Project Owner, State of California, Department of Transportation**

This project involved the construction of a new 13 story building on an occupied square block in downtown Los Angeles. During excavation the project penetrated through 200 years of archeological remnants and were required to mitigate underground water flows. This building utilizes a vertical photovoltaic system to generate nearly 90 Kilowatts of power. The project was delivered on time with a change order growth of a modest 2.8%. That is quite remarkable given the complexity of constructing a project such as this in a downtown environment.

## **Winner of the Private Project Award for \$10 Million or Less—Construction Control Group for the Laurence School Project**

### **Project Owner, Laurence School**

This project was an addition of 26,000 square feet on an existing site comprised of a new library, classroom, gymnasium and science facilities. The project was complicated by the complex entitlement process, inclement weather and owner changes. With this, the major portions were completed on time with the gymnasium finishing only 3 months behind the original schedule due to heavy rain damage. This project was completed with no claims.

## **Winner of the Private Project Award for \$50 Million or Less—Austin AECOM for the Nong Shim Foods Project**

# Project Achievement Awards 2006



## **Project Owner, Nong Shim Foods, Inc**

This project consisted of the construction of a new 270,000 square foot Korean Noodle factory located on an undeveloped site. This project involved the construction of the new facility while simultaneously installing and testing some 83 shipping containers of owner provided equipment. This project experienced over eight weeks of project delays due to high winds, inclement weather and structural changes. The project was accelerated to recoup some 6 \_ weeks of schedule in only 3 months, allowing the project to be completed only two weeks behind the original year long schedule. The project had not a single recordable accident and was completed without any claims.

## **Winner of the Private Project Award for \$100 Million or Less—JCM / Heery for the Providence St. Joseph Medical Center, NE Building Project**

### **Project Owner, Providence ST. Joseph Medical Center**

This project consists of the site preparation, demolition, new Northeast Building and Central Plant Upgrade. The original design of this project was some \$100 million over budget. The project team immersed itself in the reprogramming, master planning, value engineering and budget revisions in order to bring the project budget in line. This 51 month project was completed 71 days ahead of schedule despite \$3.1 million dollars of owner initiated changes. This project was complete with no recordable accidents.

## **Winner of the Private Project Award for \$100 Million or More—Jacobs for the Hoag Memorial Hospital Project**

### **Project Owner, Hoag Hospital Presbyterian**

This project consists of the construction of a new 11 story 320,000 square foot base isolated building. The new facility was constructed while surrounded by patient care facilities that required special measures to mitigate the noise, vibrations, dust and fumes from the construction. This building received its OSHPD certificate of Occupancy a full 2 months ahead of the original 3 year schedule. It achieved a modest change order growth of 4% with no claims.

## **Honorable Mention for Public Project \$100 Million or More—Carter Burgess for the San Fernando Valley Metro Rapidway Project**

### **Project Owner, Los Angeles County Metropolitan Transportation Authority**

This project converted an abandoned Sothern Pacific Railroad right of way into the new Metro Orange Line. The project consists of a 13 mile busway, 13 stations, 5 park and ride lots, 33 at grade crossings and an 11 mile bicycle

and pedestrian path. The Metro Orange line project was a departure from Metro's traditional method of delivering projects. It was the first busway rapid transit system, the first large scale design / build project and the first project in the San Fernando Valley. The project was faced with a 30 court ordered shutdown due to hazardous and contaminated soils discovered on site, inclement weather and 167 change orders resulting in the project finishing only 63 days behind schedule.

## **Honorable Mention for Public Project \$100 Million or Less—LAUSD for the South East School**

### **Project Owner, LAUSD**

This project involved the construction of a new 100 classroom High School including an auditorium, gymnasium, and sports fields. This new high school offers a college oriented curriculum and full athletic program. This project was successfully completed with over 800,000 man hours worked without a single recordable accident. This project had no owner change orders.

## **Honorable Mention for a Public Project \$50 Million or Less—DMJM Aviation for the Long Beach Airport 12/30 Reconstruction**

### **Project Owner, City of Long Beach**

This project involved the reconstruction of one of Long Beach airports runways by milling off the top 3 \_ inches of existing pavement and replacing it with asphalt paving. Most of the runway reconstruction and other airport improvements were performed at night due to the heavy cargo and commuter schedule of the airport. To ensure that strict FAA quality standards were met for asphalt paving, the project team tied the results of their quality testing to the contractor's payments. To further ensure the quality of the asphalt placement, the project team held a one day seminar given by the Asphalt Institute with the contractor and all project team members. This difficult project was completed without a single lost time accident.

These successful projects highlight the core principals for which construction managers provide a valued service to our clients and the construction industry at large. Our clients have come to rely on the expertise of construction managers bring to their projects in on time and within budget. It is projects such as these, honored by the Southern California Chapter that clearly demonstrates why owners continually select a construction manager to manage their complex projects.



## CM Certification Accredited by American National Standards Institute

McLean, VA—The Construction Manager Certification Program has become the first personnel certification program in the construction industry accredited by the American National Standards Institute (ANSI).

“Achieving ANSI accreditation is a major step in the growing international recognition of the Certified Construction Manager (CCM) as a desired professional credential for program managers and construction managers,” says Edward A. Bond Jr., CCM of Bond Brothers Inc., Everett, MA, chairman of the Construction Manager Certification Institute (CMCI).

ANSI is affiliated with the International Organization for Standardization (ISO), a non-governmental worldwide federation of national standards bodies from more than 145 countries. The ANSI/ISO/IEC 17024 Personnel Certification Accreditation Program administered by ANSI has been adopted as an American National Standard that gives assurance of the legitimacy of these accredited certification programs to state and federal organizations.

“For construction owners and others responsible for planning and executing construction programs, ANSI accreditation means they can be confident that individuals earning the CCM designation have passed through a process that meets international standards for thoroughness and currency,” Bond says. “For industry professionals pursuing the credential, this milestone recognizes the CCM as a valid and meaningful designation.”

Bond notes that ANSI's commitment to quality adds further value to ANSI's accreditation of the CCM program. “ANSI's accreditation of CMCI's program indicates that our process and procedures adhere to an international standard of excellence that is mobile and in the interest of public welfare,” he says.

More than 670 construction professionals have earned the CCM designation, which recognizes high levels of experience and knowledge in the practice of professional construction management.

CMCI is a wholly-owned subsidiary of the Construction Management Association of America (CMAA) and is headquartered in McLean, Virginia. Complete information about CM certification is available at [www.CMcertification.org](http://www.CMcertification.org).



## CMAA updates Code of Ethics, adopts new definitions of industry roles

The Construction Management Association of America has updated its Code of Ethics to embrace a wider range of professional services, and simultaneously endorsed a new set of definitions of key industry processes and functions. Key changes to the Code of Ethics expand its scope to include program management as well as construction management, a recognition of the growing acceptance of program management as a vital service needed by construction owners nationwide. In addition, the new Code makes clear that its subscribers include both individual practitioners and corporations. The language referring to conflicts of interest has been simplified to read, “I will endeavor to avoid conflicts of interest; and will disclose conflicts which in my opinion may impair my objectivity or integrity.” The Code also binds CMAA members to pursue continued professional development both for themselves and for fellow practitioners. In addition, it stipulates that a professional CM or PM “will only accept assignments for which (I) am qualified by my education, training, professional experience and technical competence...(and) will assign staff to projects in accordance with their qualifications and commensurate with the services to be provided. The complete text of the new CMAA Code of Ethics can be found online at [www.cmaanet.org](http://www.cmaanet.org). In adopting the new Code, the CMAA Board of Directors also recognized that developments in the construction industry have led to uncertainty about the proper roles of project participants, and released a new set of industry definitions to address this issue. “CMAA believes clear definitions of the industry's basic terms are a good start toward identifying the best way to deliver any project,” CMAA President Bob Fraga said. “Unfortunately, there has been little consensus in the construction industry over the meanings of many commonly used words and phrases.” As a result, the Board of Directors adopted these basic definitions: Delivery System. The process selected to execute a construction project for the purpose of assigning responsibilities and risk to the project team. Construction Management. A professional management practice consisting of an array of services applied to construction projects and programs through the planning, design, construction, and post construction phases for the purpose of achieving project objectives including the management of quality, cost, time, and scope. Agency Construction Management. A professional service that can be applied to all delivery systems, in which the CM acts as the owner's principal agent, responsible to the owner for managing the planning,

design, construction, and post construction phases, or portions thereof. The CM represents the interests of the owner in its dealings with other construction professionals, and with other private and public entities. Construction Management At-Risk. A delivery system which entails a commitment by the CM for construction quality, time, and cost. The CM provides professional management assistance to the owner prior to construction, and during construction the construction manager holds sub-contracts for construction, guaranteeing schedule and maximum cost of construction. CMAA is a national industry association whose mission is "to promote professionalism and excellence in the management of the construction process." CMAA's membership includes twenty-five regional chapters and more than 4,000 firms and individuals throughout the country that represent all interests of the professional construction and program management industry. CMAA's national headquarters is based in McLean, Virginia, and the association's website is [www.cmaanet.org](http://www.cmaanet.org) <<http://www.cmaanet.org/>>



## Information from National

### MDOT Issues RFQ Requiring a CCM

The Maryland Department of Transportation has issued an RFQ in April requiring a CCM. This is the first time, that CMCI is aware, that the CCM designation has been a "requirement" instead of "preference".

### CCM Program Continues to Grow

With more than 670 professional construction/program managers certified and more than 350 candidates in the process of certification, the CCM program is on the rise. So far there has been a 75% increase in the amount of applications received in 2006, compared to applications received in 2005.

### ANSI Accreditation expected to further increase the value of CM Certification

ANSI/ISO/IEC 17024 accreditation is both an international and U.S. accreditation: it is based on an international standard but implemented by ANSI to be recognized in the U.S. and by other countries that enter into an arrangement with ANSI. Click here <<http://cmaanet.org/cmci/ansi.php>> for more information about the value of ANSI accreditation.

### Call for Nominations for CMCI Board of Governors

Being a CMCI Board member is rewarding, but it does require a real commitment from you--commitment to attend meetings and invest the time necessary to perform the duties of a Board

member. At this time, the CMCI nominating committee is seeking recommendations for individuals to serve on CMCI's Board of Governors. Potential candidates must be certified construction managers (CCMs) with a strong commitment to CM certification and the professional practice of construction management. Please forward any nomination requests along with an updated resume and a letter of intent to CMCI staff no later than Friday, May 19th, 2006. If you have any questions about the time and travel involved, please reply to this email or call 703/356-2622.

### Potential agreement with the Society of American Military Engineers

CMAA and CMCI have been meeting with the Society of American Military Engineers (SAME) to discuss a cooperative agreement to share professional development programs and promote CM certification among SAME members. Needless to say, we look forward to working with this influential group.

### CMCI to launch a new exam on June 10th, 2006

Effective with the June 10th CCM examination, all examinees will be using a new, alternate version of the CCM exam. Continuing the creation of multiple exams is due in part to a growing program and the continued efforts to maintain the validity of the CCM exam and designation. The exam still tests on the same content areas as noted on the CMCI website and in the CMAA Body of Knowledge. To view the exam content areas and percentage breakdowns, go to the exam section of the CMCI process by clicking here. <[http://cmaanet.org/cmci/Certification\\_Process.php](http://cmaanet.org/cmci/Certification_Process.php)>

### Upcoming CCM Exam Dates and Locations

Are you or your employees preparing for the CCM exam? CMCI has exams scheduled for the 2nd and 3rd quarters of 2006, in addition to CMAA's National Conference in Tampa, FL. To see what locations may be near you, check out our guidelines to finding an exam site <[http://cmaanet.org/cmci/guidelines\\_exam\\_site.php](http://cmaanet.org/cmci/guidelines_exam_site.php)> . Don't delay; the deadlines to register for the CCM exams are quickly approaching!

### You can help promote CM Certification

CMAA and CMCI have an aggressive marketing campaign scheduled for 2006 but you can do your part in promoting CM Certification by proudly displaying your CM Certification on a CCM polo shirt and Coffee Mug. Order Today! <[http://cmaanet.org/cmci/ccm\\_specialty.php](http://cmaanet.org/cmci/ccm_specialty.php)>

*Construction Manager Certification Institute  
7918 Jones Branch Drive, Suite 540*



## CMAA Southern California Chapter's 2nd Annual Golf Tournament

Southern California CM's truly support our youth in the construction management realm. Proof continues to be in the ever increasing attendance and financial support to our scholarship events such as the Awards Banquet held April 27th, where once again the chapter awarded a record \$24,000 in scholarship funds. We could only have accomplished this feat with the support of the individuals such as yourself and your companies giving the time and attention it takes to make it happen.

Of course, the networking and enjoying a great event doesn't hurt either!

With that in mind, the chapter board would like to remind you of our other scholarship event for the year, our golf tournament. Only our second tournament, this year it will be held on Monday, September 18th, at the Long Beach Skylinks course adjacent to the Long Beach Airport. Our first event was good, but we have improved upon it for this year. This year, we have hooked up with JetBlue and Nike to bring to you the JetBlue Challenge tournament. The JetBlue Challenge allows us to offer better prize packages and some great raffle prizes. Go to [www.jetbluechallenge.com](http://www.jetbluechallenge.com) to learn more about the prize package like the \$50,000 150-yard shoot-out hole-in-one prize. Other donated prizes include a one-hour flight over Los Angeles in a Cessna. And being at Long Beach, the course, which has just recently been renovated, is centrally located and easy to get to for all chapter members.

Sponsorship opportunities are available and always appreciated from our member firms that not only support the CMAA Southern California Chapter but our scholarship drive as well. Sponsorships will range from \$300 for a Tee Sponsorship to \$2,500 for the grand Tournament Sponsorship. Last year, Lisa Campbell and Kleinfelder graciously took that supporting spot. Who will it be this year?

So mark your calendars now. We know you will have other tournaments to choose from this time of the year, but we count on your support to keep our scholarship fund healthy and worthwhile. Registration information is available in the recently distributed flyer, but if you do not have it, please check our web site at [www.cmaasc.org](http://www.cmaasc.org) at Calendar of Events. See you there!

*Scott Harral, P.E., CCM  
Past Chapter President  
Towill, Inc.*

>> "Roundtable discussion"—continued from Page 5

more for E&O related issues. This is the wrong direction

The following potential solutions were discussed among the group:

- 1) Many of the Owners present are implementing a combination of the following strategies:
  - a. More robust peer review process
    - b. More in-house A/E capability
    - c. Pre-qualification of consultants in addition to Architect firms
    - d. Ongoing evaluation of A/E effort throughout process with ramification on future work
- 2) USC uses a "pre-construction" contract concept to get contractor involved at roughly the 50% design phase.
  - a. They use a GMP-type contract
  - b. Selection based on team, experience, past performance
  - c. They have seen some success in using this process
  - d. The public owners in the group discussed how to make this work within the framework of PCC and other laws.
- 3) City of Los Angeles
  - a. A/E evaluations are posted on the web
  - b. Uses 3D modeling on projects >\$200M
  - c. Has implemented peer review on all other projects
- 4) LAUSD
  - a. Implemented in-house Quality Control program
  - b. Do peer reviews and constructability reviews as a matter of normal process.
  - c. Have implemented a robust "lessons learned" program to ensure that issues on designs and construction are incorporated into new project plans.

What can be done to re-adjust the "Quality of Design" bar

- 1) Define an industry "Standard of Care" requirement. The groups thought was that CMAA might play a part in this effort.
- 2) Require Quality Control certification from A/E firms. Basically, requiring firm principles to sign a statement committing to a certain level of quality.
- 3 Set maximums for error and omission type issues for all projects. These should correspond to the "standard of care" listed in 1) above.





>> "Interstate Highways"—continued from Page 8

aviation, ports and goods movement. Kraman is involved in all aspects of planning, design and construction of major public works projects, including highway, bridge, railroad, ports and infrastructure projects. He is based in Santa Ana, Calif. His office recently won "Project of the Year Award" from the American Society of Civil Engineers, Orange County Branch, for its Interstate 405/ State Route 73 Interchange and Operational Improvements project. This project was also recognized with an "Engineering Project Achievement Award" from the Orange County Engineering Council. Under contract to the Orange County Transportation Authority and in close partnership with the California Department of Transportation's District 12, HNTB was responsible for final design and construction phase services.

*Michael Kraman  
Vice President and Southern California Office Leader,  
HNTB Corporation*



## Meet CCM—Danny Kaye

"When I came to Los Angeles in 1993, I had a degree in quantity surveying, a well known credential in Europe, the middle east, far east and Australia. It was rather un-heard of in the US outside estimating firms. After working for a general contractor for 7 years, I started to work for 3DI in 1999 as a project / construction manager. However, although I was working on complex and challenging construction projects, from the ULI award winning 30 acre Farmers Market / Grove development in Los Angeles, or the CMAA award winning seismic retrofit of the Public Safety Building in Long Beach, I always desired some kind of certification for construction management. I was pleased to get involved with the CMAA and the CMCI in 2005 when my hard work, experience, application and studying paid off and I became a certified construction manager and was able to include CCM after my name. It is becoming more and more apparent that clients understand the role of certification process and the skills required to obtain this. Not just public clients but private clients too". Danny Kaye, CCM, MRICS.



## Setting the gold standard for CMs and PMs

**P**rove your professionalism and be recognized as a leader in the industry. By obtaining CM certification through the Construction Manager Certification Institute (CMCI), you will qualify for projects and be identified as a practitioner with proven skills and knowledge.

CMCI's CM Certification Program has achieved accreditation by the American National Standards Institute (ANSI). Accreditation by ANSI signifies that CMCI's procedures meet ANSI's essential requirements for openness, balance, consensus and due process in accordance with the ANSI/ISO/IEC 17024 Personnel Certification Accreditation Program.



ANSI Accredited Program  
PERSONNEL CERTIFICATION

#0711

**Apply today at [www.CMcertification.org](http://www.CMcertification.org)!**



# CMAA Southern California Chapter New Members

## Welcome New CMAA Members

Once again our Chapter keeps exceeding expectations. We are now over 550 members strong and growing. Our largest area of growth has been our Associate Membership, since September of 2005 this membership category has increased by over 30%. These members are from Architectural, Geotechnical, and Engineering firms as well as Law Firms

eager to participate in our educational programs and networking opportunities to meet Owners and find out more about Southern California construction opportunities. Please let us hear from you. Let us know what we can do better and what programs you would like to see planned in the future. Feel free to contact us at [sccmaa@cmaasc.org](mailto:sccmaa@cmaasc.org).



### **Julie Allen, PE**

Senior Construction Engineer City of Los Angeles / Bureau of Engineering

### **Jorge Alvarado , CCM**

Construction Manager Vanir Construction Management

### **Samir Alyaghan, PE**

Chief Estimator FTR International, Inc.

### **Owais Andrabi**

Project Engineer MWH Americas, Inc.

### **Mike Aparicio**

Operations Manager Washington Group International, Inc.

### **Rogelio Banelos**

Project Manager Swinerton Management & Consulting, Inc.

### **Dennis Barton**

Engineering Manager City of Highland

### **Ivan Benavidez, PE**

Regional Manager CALTROP Corporation

### **Tom Benson, RCE, GE**

Associate Leighton Group, Inc.

### **Jeffrey Birnbaum**

Sales Representative DRMcNatty & Associates, Inc.

### **Larry Blackford**

Sr. Construction Manager Pacifica Services, Inc.

### **Monica Born-Hermann**

Booz Allen Hamilton

### **Juan Caldentey**

Principal GKK Works

### **James Chantland, Esq.**

Attorney Partner Morris Polich & Purdy LLP

### **Robert Chay**

Owner Aspirus Developments

### **Gregory Chelini, PE**

Vice President MNS Engineers, Inc.

### **Antoine Chemali, PE**

Construction Manager CH2M HILL

### **Jim Choate**

Vice President Parsons-3D/I

### **Ronald Clement**

Project Manager Heery International, Inc.

### **Sheri Conley, PE, FIAE**

Civil Engineer Port of Long Beach

### **Jeff Coplen**

Construction Inspector RBF Consulting

### **Jim D'Agostino**

Executive Vice President PinnacleOne

### **Richard Darling, CCM**

Senior Project Manager PinnacleOne

### **Dino D'Emilia**

Sr. Project Manager PSOMAS

### **Daniel Dopudja**

Construction Manager ABS Consulting/EQE Program & Construction

### **Mark Edwards**

Vice President/COO BRJ & Associates, LLC

### **Douglas Franco, PE**

Vice President Vali Cooper & Associates, Inc.

### **Randall Gamache**

Manager of Project Controls Del Terra Construction Group

### **Rodrigo Garcia**

President Century Diversified, Inc.

### **William Gardner**

Contracts Manager DMJMH+N

### **Dina Gartland**

Business Development Manager Leighton Group, Inc.

### **Monica Garza**

Recruiting Coordinator GKK Works

### **William Gaskill**

Program Operations Los Angeles Unified School District

### **Mike Gonzales**

Senior Project Manager Tishman Construction Corporation of California

### **Yancy Guinn**

Owner Alpha Paralegal Services

### **Yanikian Hacop**

Construction Manager Alsaleh Project Management, Inc. (APM, Inc.)

### **Thomas Haid, PE**

Vice President Parsons

### **Janne Hammel**

Management Services Director BRJ & Associates, LLC

### **Mark Hansen**

President Hansen Project Management, Inc.

### **Hezekiah Harris**

President CMTS Inc.

### **Ryan Herrell**

Regional Manager Fibwrap Construction, Inc.

### **Steven Hooper, PE**

Owen Group, Inc.

### **Michael Hostettler**

Director LECG, LLC

### **Connie Hua, CCM**

Construction Manager Vanir Construction Management, Inc.

### **Kenneth Huston**

Senior Construction Engineer/Specialist Parsons

### **Vincent Ip, PE, GE**

Associate Leighton Group, Inc.

### **Bonnie James**

President/CEO BRJ & Associates, LLC

### **E.J. Jarboe**

Sr. Project Engineer Construction Controls Group, Inc.

### **Irma Jauregui**

Administrative Assistant DMJMH+N

### **Dean Jensen**

Construction Manager RBF Consulting

### **Rita Kalwani, AIA, NCIDQ**

Principal KAL Architects, Inc.

### **Nizar Katbi**

President FTR International, Inc.

### **Sam Katbi**

Chief Financial Officer FTR International, Inc.

# CMAA Southern California Chapter New Members



## **James Keenan**

Vice President IMA Design Group, Inc.

## **Moshir Kellada, CCM**

Project Director Vanir Construction Management, Inc.

## **Bruce Kendall**

Deputy Chief Facilities Executive Los Angeles Unified School District

## **Calypso Kiriacopoulou**

Student University of Southern California

## **Leslie Kormann**

Senior Vice President Tishman Construction Corporation of California

## **Daune Kronnick**

Projects Executive Bernards Management Services

## **Tracy Kuhar-Chandler**

Director of Business Development Owen Group, Inc.

## **Patrick Lappin**

Senior Vice President Parsons - 3D/I

## **Jonathan Levy**

Principal Beezley Management, LLC

## **Charles Lines**

Business Development Turner Construction Company

## **Rich Linford**

Sr. Vice President Washington Group International, Inc.

## **Bruce McDonald**

Project Director BRJ & Associates LLC

## **Mario Moran**

Controller Del Terra Construction Group

## **John Morrill, PE**

Vice President Parsons-3D/I Sherron Moulton  
Director, Business Development Heery International, Inc.

## **Omar Nabahani, PE**

Sr. Project Manager University of California, Irvine

## **Shahzeb Nasrullah**

Gateway Science & Engineering, Inc.

## **Lou Neunuebel**

Business Development Manager Leighton Group, Inc.

## **Gerardo Olmos, PE**

Civil Engineering Associate Los Angeles World Airports

## **Charles Oltman**

Regional Vice President Austin AECOM

## **Joseph Omen**

Project Manager Bovis Lend Lease, Inc.

## **Debra Orgel**

Vice President Orgel Construction Management

## **Michael Otavka**

Director of Facilities-New Construction  
William S. Hart Union High School District

## **Kurt Pegg**

Senior Project Manager Washington Group International, Inc.

## **Robert Pennington**

Director, Corporate Procurement Sony Pictures Entertainment, Inc.

## **Manuel Perkins**

Construction Manager Del Terra Construction Group

## **Don Puddy**

Vice President Kitchell CEM

## **Thomas Quilling**

Associate Holland & Knight LLP

## **Andrew Ramsay**

Sr. Project Manager Swinerton Management & Consulting, Inc.

## **Farbod Rezvani**

Construction Manager Pacifica Services, Inc.

## **Kurt Riedl**

Director ABACUS Project Management, Inc.

## **Steven Riggs**

Manager Business Development Bernards Management Services

## **Gustavo Ripalda**

Construction Manager Construction Controls Group, Inc.

## **Richard Rockwell**

Senior Project Manager AECOM-DMJMH+N

## **Katrina Rosa, AIA**

Sustainable Design Project Manager HDR

## **David Rose**

Attorney Wright Robinson Osthimer & Tatum

## **Andrea Russell**

Regional Marketing Coordinator KJM & Associates

## **David Saber, PE**

Vice President CALTROP Corporation

## **Bijan Salar, PE**

Area Manager CALTROP Corporation

## **John Saliba**

Vice President & Director of Marketing FTR International, Inc.

## **Rouzbeh Salim**

Construction Manager DMJM Harris

## **Dan Schultz**

Manager of Construction Services Del Terra Construction Group

## **William Schulz**

President IMA Design Group, Inc.

## **Larry Serafini**

Deputy Airport Director of Facilities John Wayne Airport

## **Charbel Sfeir**

Pacifica Services, Inc.

## **Robert Shaw**

Assistant to the Director of Public Works City of Long Beach, Public Works Dept.

## **Michael Shawver**

Marketing Coordinator Swinerton Management & Consulting, Inc.

## **Lloyd Silberstein**

Senior Vice President Parsons - 3D/I

## **Glenn Skanderup**

Executive Vice President Tishman Construction Corporation of California

## **Eric Slaasted**

Principal Construction Management Solutions

## **Joseph Stengel**

Project Manager PinnacleOne

## **Martin Studley**

Sr. Project Manager Swinerton Management & Consulting, Inc.

## **Derich Sukow, PE**

Area Manager CALTROP Corporation

## **Oleg Sultseng**

Student Cal Poly Pomona

## **Hala Titus, PE**

Project Manager Black & Veatch

## **Taniel Tufenkjian**

CMTS Inc.

## **Renee Uribe**

Business Development Del Terra Construction Group

## **Robert Viadella**

Construction Manager Parsons

## **Vance Warhurs**

CMTS Inc.

## **Hugh White**

Program Director PinnacleOne

# Upcoming Events

Some exciting events to look forward to...

<b>July 13, 2006</b>	Office of the Courts <i>Sponsor: DMJM H&amp;N</i>	<i>Dinner Program</i>	Marriott Downtown Los Angeles
<b>July 20, 2006</b>	Contracts: The Good, The Bad and the Ugly	<i>Seminar</i>	The Grand Conference Center, Long Beach
<b>August 10, 2006</b>	Stormwater	<i>Seminar</i>	The Grand Conference Center, Long Beach
<b>August 24, 2006</b>	LA County DPW	<i>Dinner Program</i>	
<b>September 18, 2006</b>	Special Event	<i>Golf Tournament</i>	Skylinks, Long Beach
<b>September 21, 2006</b>	Prevailing Wage & Labor Compliance	<i>Legal Seminar</i>	The Grand Conference Center, Long Beach
<b>September 21, 2006</b>	Orange County Sanitation District	<i>Dinner Program</i>	The Grand Conference Center, Long Beach
<b>September 21, 2006</b>	Time Impact Analysis	<i>Legal Seminar</i>	The Grand Conference Center, Long Beach

## Get Your Personalized CMAA Southern California Chapter Name Tag for only \$20!

Please clearly print your name as you want it engraved on tag:



Member since (date) – optional: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City, State & Zip: \_\_\_\_\_

Tel: \_\_\_\_\_

Email: \_\_\_\_\_

### Payment information:

Check enclosed for \$20

Please charge my credit card for \$20

MasterCard  Visa  American Express

Name on card: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## CMAA

### Southern California News

#### Summer 2006

CMAA Southern California News is published for the members of the Southern California Chapter of the Construction Management Association of America for the purpose of informing the members of local and national news, chapter events and industry trends.

Articles published in CMAA Southern California News contain the opinions of the authors and do not necessarily represent the position of the CMAA Southern California Chapter.

Inquiries regarding the newsletter or editorial contributions can be directed by e-mail to the following address:

sccmaa@cmaasc.org

Via fax to: (562) 856-5813

Or by regular mail to:

CMAA Southern California Chapter  
P.O. Box 41202  
Long Beach, CA 90853

CMAA Newsletter published compliments of:

