13 Costly Bidding Mistakes & How to Avoid Them

Constructconnect.com—Posted on November 3, 2016 by Kendall Jones

Putting together a winning bid proposal is a lot more complicated than putting some numbers together and hoping for the best. Good bid preparation requires a lot of time and effort that involves everything from reading and fully understanding the plans and specifications to accurately estimating costs for labor, materials and equipment. Making even the smallest mistake can mean the difference between having a winning bid proposal and missing out on a coveted project.

**Bidding the Wrong Projects**

You don’t have to bid on every job you come across. Winning jobs your company can’t adequately perform can be just as costly as not winning them. Remember, it is never too late to abandon a bid you are working on. For example, let’s say you have purchased plans, attended the prebid meeting and started taking subcontractor pricing and you start crunching the numbers only to realize that your company won’t make an acceptable profit. The best thing to do is dump it and move on to the next project.

If at any time during the preparation of a bid you determine that your company cannot adequately handle the scope and requirements of the project you need to make the smart business decision to abandon your bid. Finding the right balance between bidding and winning enough jobs can be difficult.

On the one hand, you don’t want to bid and win so many jobs that you get to the point that you can’t properly manage and deliver the projects but you also don’t want too little work that you aren’t making any money and your workers aren’t staying busy. Selecting the right work to bid is vital to maintaining a profitable business.

**Incomplete Bid Forms and Documents**

Failing to fully complete the bid form and submit all required documents is a surefire way to get what might otherwise be a winning bid rejected. Required documents and paperwork can be anything from bid bonds to acknowledging receipt of any addenda. A good way to ensure that you have all the required paperwork for your bid is to use a checklist as you prepare your bid and then go back and double-check to make sure that everything is included. It never hurts to get another set of eyes to look over the bid proposal to make sure nothing has been forgotten before you submit your bid.

There are a few other requirements that go along with preparing your bid that can also get your bid rejected if you don’t comply with them or simply overlook them. The first is failing to get prequalified to bid a project when it is required. The second is not attending a mandatory prebid meeting. If either of these is required in order to bid on a project and you fail to comply you will not be allowed to bid on the project.

The third and most important of these is failing to submit your bid by the due date and time. All of these requirements will be clearly stated in the bid invitation and failure to comply will result in a rejected bid. Don’t let the time and effort you spent preparing your bid go to waste because you forgot to do something as simple as properly signing your bid or getting it delivered to the bid opening on time.

**Inaccurate Takeoffs**

If you don’t take the time to fully review the plans and specifications to determine accurate measurements and takeoffs it is going to result in incorrect construction costs when calculating your bid. Accurate measurements and quantities are essential in accurately bidding a project. Takeoff software can ensure that correct measurements are obtained in order to submit an accurate bid.

Inaccurate measurements will cause you to miscalculate the amount of building materials and labor needed to complete the job which in turn will cause you to either over- or underestimate...
Presidents Corner

With the warm weather approaching, our 43rd Annual PCEA National Convention at the Myrtle Beach Marriott Resort & Spa in Myrtle Beach, SC is just around the corner. Convention Host Chairman Alva Gaskin with the CSRA Chapter has done an impressive job planning this year’s convention. There are convention sponsorship opportunities available, so please make an effort to support the programs that will improve the convention experience. The PCEA National Convention is a great experience to look forward to, meeting new friends and visiting longtime friends, networking and learning more about changing trends in our industry. The Call To Convention will be sent out shortly, so make plans to attend this great convention!

I have been working on establishing a new PCEA Safe Jobsite Mitigation Program that was presented at our February 2017 PCEA National Board meeting. Further information on this new program will be presented at the May 4, 2017 PCEA National Board Meeting at the PCEA National Convention. This program will provide jobsite training to mitigate jobsite emergency incidents and offer a new tool to add value to PCEA membership and assist in membership growth and expansion into new markets.

Informational meetings were held in Greenville SC on January 26 and again on February 26 to interested attendees in Re-Chartering the PCEA Greenville, SC Piedmont Chapter 5. There is strong interest among the attendees and efforts to add members at large to this new chapter are coming along well to reach the initial membership goal to reestablish the chapter.

There is also strong interest in the Tampa, FL area in starting a new PCEA chapter. The construction business market is improving with the start of 2017 and this is a great time to invite construction business associates to attend your local membership meetings. New guests are the life blood in growing our organization and supporting construction educational opportunities for our young people. Take the time to help support your local chapter programs and reach out into your market places.

It looks like 2017 will be a great year for PCEA!

Glenn Hessee
PCEA National President 2016-2017

PCEA National Convention—We look forward to seeing you there!

Come join us for sand, sea, and sun—and yes, maybe even a little fun!

43rd Annual PCEA National Convention
May 3 - May 7, 2017
Myrtle Beach Marriott Resort & Spa
8400 Costa Verde Drive
Myrtle Beach, SC 29572

“Back to the Beach – Back for the Future”
Skanska UK to Trial Hi-tech Digital Hard Hats

Grant Prior, constructionenquirer.com

Skanska UK is launching a trial of hi-tech hard hats on its sites.

The DAQRI Smart Helmets are a cross between Google Glass-style technology and a hard hat.

Users are provided with data and information overlaid on their line of sight.

Skanska is the first UK contractor to become part of DAQRI’s early adopter program promoting wearable Augmented Reality (AR) technology.

Thomas Faulkner, Executive Vice President, Skanska UK, said: “This trial demonstrates our commitment to exploring on site new digital technology, collaborating with technical partners to give us the potential to transform the way we work.

“Skanska recognizes the power of augmented reality and wants to integrate the most cutting-edge technology in the field.”

Benefits of DAQRI Smart Helmet include:

• Remote expert, which enables a member of staff to connect to the helmet remotely and see through the eyes of the user – enabling them to talk, receive guided instruction and agree courses of action

• Thermal vision, helping users to identify potentially dangerous temperatures preventing scalds and burns – while assisting with maintenance or monitoring of plant and machinery

• Guided work instructions, providing augmented work information in real time helping workers to understand processes – reducing errors and time spent on site

• 3D reconstructions of buildings, enabling workers to visualize the world around them as it is and will be as a construction project progresses through to completion – overlaying the design at key project milestones

Brian Mullins first experienced augmented reality while training sailors to dock ships at the United States Merchant Marine Academy. During that experience, he realized the possible impact of AR technology to empower people and remove limits. The opportunity to deliver AR widely was catalyzed when he realized smartphone technology had finally caught up with what he wanted to accomplish. The mobile device was smaller, with faster processors, and advanced display technology. At that moment, Brian knew the time was right to bring AR everywhere. He teamed up with like-minded individuals who also saw these advances as a way to truly unlock human potential. Brian founded DAQRI on this desire. DAQRI Smart Helmet™, a powerful AR device built for industrial use, starts this movement, but it’s only the beginning.
PCEA Member and Chapter News

Congratulations to Triangle Chapter President, Evan Smith and his wife, Jess on the birth of their son, Paxton Alistair Smith. He was born on Jan. 4th and weighed 8 lbs 7 oz.

Brenda Moore, wife of Central VA National Director Gene Moore, recently underwent heart surgery, which took some unexpected turns. Gene is thankful for the great doctors, surgeon, and staff who cared for Brenda. If everything goes as expected, and Brenda continues to improve, she should be fully recovered in approximately six weeks. They would like to thank everyone for their concern and well wishes.

PCEA Charlotte Chapter President Lee Edwards and PCEA student member, Allie Edwards, represented Charlotte PCEA in a recent community service project. They acted as both chaperone and mentor for Hopewell High School’s ACE program. Field trip to JM Alexander Middle school.

They were able to use their PCEA connections to get Charlotte Mecklenburg Schools planning department to give them drawings of the campus so the ACE students would have something to refer to while taking the tour.

The ACE Mentor Program of Charlotte is an after-school program for high school young people interested in exploring career opportunities in architecture, construction and engineering. The program is currently serving over 175 students from the following area high schools: West Charlotte, Vance, Independence, East Mecklenburg, Hopewell, Myers Park, Providence, Ardrey Kell, Butler, South Mecklenburg, Garinger, Hawthorne Academy of Health Sciences and Phillip O. Berry. Through office tours, hands-on activities and field trips, the program introduces students to the industry’s various disciplines. Under the mentorship of over seventy local industry professionals, students work in teams on projects that simulate “real-life” situations.

PCEA Members Kristen Clarke, spearheading the efforts to charter the Upstate Greenville, SC Chapter, and Columbia Chapter members Gail Chapman and Matt Solomon attended Appalachian State University’s Spring Career Fair in Boone, NC to recruit students and tell them about the great company they all work for, McCrory Construction Company.

Proud Granddad, Lee Edwards holding granddaughter Carly Lynn Baker

Charlotte Chapter President, Lee Edwards is officially the grandfather of three now with two born in the same week! His second Grandchild (first Granddaughter) was born Saturday March 4th 2017. Carly Lynn Baker was 6 lbs 15 oz and 20 inches long!

His daughter Kara gave birth to her second child, Liam Medrano on March 8th. He weighed 6 lbs, 8 oz.
PCEA Convention Inaugural Reverse Raffle Ticket Application

The Professional Construction Estimator’s Association of America is pleased to announce the Inaugural Reverse Raffle to benefit the Association and the 2017 National Convention, to be held May 3-7, 2017. To explain how a reverse raffle works, the last ticket drawn is the grand prize winner. We expect to sell a maximum of 250 tickets at $100 each, and, if all tickets are sold, the winning ticket holder will receive $10,000. The first ticket drawn will receive their $100 back, with other prizes awarded at intervals during the drawing. If fewer than 250 tickets are sold, the grand prize may be adjusted accordingly.

You do not have to be present to win. You do not have to be a PCEA member to participate. If you are a PCEA member, we encourage you to join us in Myrtle Beach for the drawings to be held during our National Convention May 3-7, 2017 at the Myrtle Beach Resort and Spa.

If you are interested in participating, please fill out the information requested in this application – online or in print – and submit with your remittance to:

PCEA National Office, P. O. Box 680336, Charlotte, NC 28216-0336.

Phone 877-521-7232 – email pcea@pcea.org

Tickets may also be purchased online at www.pcea.org.

NAME _____________________________________________________________

ADDRESS __________________________________________________________

PHONE __________________ EMAIL ___________________________________

NUMBER OF TICKETS REQUESTED______ AT $100 EACH = $___________

PAYMENT METHOD ________________________________________________

Tickets will be mailed to you at the address above no later than April 26, 2017.

Any income taxes will be the responsibility of the winner.

PCEA is a 501 c6 not-for-profit association. Payments should not be considered a charitable contribution.

Thank you for your support of PCEA, and Good Luck!

For a complete set of raffle rules, visit www.pcea.org/event-2394845

OFFICE USE: Date received_______ Ticket number_______ Date mailed_________
Welcome New Members
Catawba Valley Chapter
Dean Goins Troutman Plumbing Co., Inc.

Charlotte Chapter
Allie Edwards Student

CSRA Chapter
Alva Gaskin, III Gaskin Construction Co., Inc.

National At-Large
Richard Bartels Weaver Cooke Construction
Fred Fulmer McCrory Construction Company
James Goodwin J. Davis Construction, Inc.
Mustan Kapasi, Kapasi Glass
Luke Keel Upstate Stucco & Stone, LLC
Todd Keel Upstate Stucco & Stone, LLC

National At-Large (Continued)
Jonathan Senn Builders FirstSource
Phil Spangler Langston Construction Company
Matthew Weatherford McCrory Construction Company
Benjamin Weeks J. Davis Construction, Inc.
Joseph Wike Upstate Stucco & Stone, LLC
Stephen Wygand Allcon of Greenville Inc

Orlando Chapter
Steven Bigner Portable Air & Power
Ron Heinkel Finfrock
Mark Robbins AES/Core Controls
Kurt Smith Turner Construction Company
Nate Thornton IQ Painters

Editors Notes
PCEA NATIONAL CONVENTION
Mark your calendars and plan to join us in Myrtle Beach, May 3-7, 2017 for the 43rd Annual PCEA National Convention! Alva Gaskin and his committee in the CSRA Chapter have been working for months to make this a convention not to forget!

IMPORTANT DEADLINES
3/30/17 Ted G. Wilson Scholarship Application Deadline
3/31/17 Deadline to submit proposed National Bylaws Changes
4/3/17 Bill Helms Award Entries Due

Thank you to the following Convention Sponsors to Date
Hospitality Suite Sponsors

PCEA Orlando Chapter
TRANE

Registration Gift Bag Sponsor
GASKIN CONSTRUCTION COMPANY, INC.

Convention Nametag Sponsor
BuildingPoint

Thank You to Our Corporate Sponsor

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Negotiating Equitable Subcontracts on Behalf of Subcontractors

Kegler Brown Hill + Ritter, Lexology.com

Leveling the Playing Field

Frequently, owners are imposing one-sided contracts upon contractors who then force subcontracts with language at least as one-sided, or worse, upon their subcontractors. Unfortunately, none of the parties typically discuss the nature of the contract to be agreed upon until after there has been an agreement upon the scope of work and price. At that point, it is increasingly difficult for a subcontractor to withdraw because of inequitable contract language, and this often leads to contentious relationships at the very start of a project. Subcontractors can employ several simple strategies to minimize this risk shifting down the “construction food chain” and encourage an equitable sharing of the risk.

Use Conditional Bids

One way to avoid this unpleasant experience of receiving an inequitable subcontract “after the fact” is for a subcontractor to condition his bid upon acceptable contract language. An example of such a conditional bid might be:

“This bid is conditioned upon the use of the ConsensusDOCS 750 Subcontract.”

OR

“This bid is conditioned upon the use of the ASA Addendum to Subcontract to qualify the terms of any specified subcontract form.”

ASA also has a comprehensive Subcontractor Bid Proposal available online (asaonline.com) to its members that sets forth conditions necessary to protect subcontractors.

These conditional bids are particularly crucial for subcontractors who are otherwise bound to their bids, when relied upon by the successful contractor who is awarded the job, even if faced with inequitable subcontract language later. A subcontractor who conditions his bid (upon the ConsensusDOCS 750 subcontract or acceptable subcontract language, for example) can force a general contractor to decide “up front” whether to use that subcontractor or not, based upon not only the price but also the contractual risk assumed in the subcontract.

If the general contractor elects to use the subcontractor’s qualified bid, he will not be able to force unacceptable one-sided subcontract language upon the subcontractor later, and the subcontractor will maintain leverage in those subcontract negotiations. Increased demand for good subcontractors with a strong labor pool has recently assisted the knowledgeable subcontractor in those negotiations.

Encourage Use of the ConsensusDOCS

For too long, the industry has been driven by conflict that begins when the owner puts one-sided contract documents out for bid and then the contractor sends a subcontract at least, if not more, one-sided to the subcontractor, and so forth, all the way down the “construction food chain.” It has been a lot easier to draft unfair, risk-shifting contract language, than it has been to seek cooperation and fair terms from the construction team to ensure a timely project, on budget, and with a fair profit for those doing the work.

While trade association forms have traditionally been less onerous than proprietary contract forms, each group publishing the form has had its own member’s best interests in mind, and often little else.

This was the situation in the industry when many of the major construction trade associations, including groups as diverse as AGC and ASA, got together with other associations in a collaborative process that culminated in the ConsensusDOCS. Those diverse groups agreed upon a model subcontract form – the ConsensusDOCS 750. ConsensusDOCS has also published dozens of other construction documents for almost every situation.

These contract documents have been endorsed not only by ASA and AGC, but by over 40 construction associations representing owner, surety, contractor and subcontractor interests, and have been drafted in the best interests of the project.

It is refreshing to have so many different groups agreeing to fair documents reflecting best practices, not simply the lowest common denominator or a form that protects its own members at the expense of others.

ConsensusDOCS is attempting to usher in a new era of collaboration and consensus to a challenging and evolving industry by encouraging all to manage the risk they control in a cooperative way with all members of the construction team. The ConsensusDOCS are an important tool available to advance the cause. More information concerning ConsensusDOCS can be found at consensusdocs.org.

Be sure to reserve your reverse raffle tickets! See pages 5 for details.
Chapter Reports

Orlando Chapter
We have managed to survive this harsh winter since we last met as a National Board. We had our Holiday Party / Christmas Social on December 1st at Ember in Orlando downtown next to Fire Station 1. They actually had us booked outside if you can believe that! We managed to enjoy the holiday spirit and kept ourselves warm with spirits & outdoor patio heaters. For our January Program we had a roundtable discussion and industry update with a panel of General Contractors and Architects. The overall message was positive as we see lots of projects on the horizon.

The Orlando Chapter has some great events coming soon. We are currently at 121 members. Recruiting slacked off during the last quarter of the year. We expect we should see another increase in membership on the strength of our upcoming events. Our Annual Sporting Clays Tournament is coming in March and is nearly sold out! Our Social Committee is also rolling out Whiskey Tasting 2.0 to be held at the OAK ROOM a private members club hidden upstairs off of Church Street in downtown Orlando. Below is the flyer for the first event we held last year which was a huge success.

On the horizon we will be looking at a possible change from our “World” Famous 9TH Annual Seafood on the Pond event and will be considering a Pig-Pickin’ or Barbeque at a new location on Lake Downs in Windermere, FL. We are “on the fence” so to speak at this time, and our Board of Directors will undoubtedly point us in the right direction. We are constantly looking for ways to keep it fresh and exciting for our membership. But as the old saying goes “if it ain’t broke, don’t fix it”!

We look forward to more great informative membership programs this year, and expect to have one of our most successful years to date. We are glad to say that construction in the freezing tundra of Florida is booming!

Respectfully Submitted,
Wm. Scott Coleman, National Director, Orlando Chapter 22

Catawba Valley Chapter
Greetings from the Catawba Valley Chapter,

Our annual Christmas party was to be held on December 9. Due to a lack of attendance, the party was canceled. A few of us did however meet and conduct our annual gun raffle drawing. This year’s winner was PCEA Charlotte Chapter member, Lee Edwards.

Our January meeting was held at the Longhorn Steakhouse where our speaker was Leslie Clark from Carolinas AGC She updated us on the political situation in South Carolina with the Governor leaving office and the issues we face in construction this year with a new political climate. The February meeting was held last night and our speaker was Greg Lee, Instructor of Building Construction Technology at Midlands Technical Community College. We look forward to seeing everyone at Convention in Myrtle Beach in May!

As always everyone is welcome to come see us if you are in the area on the 2nd Thursday, at the Longhorn Steakhouse on Gervais Street in the Congaree Vista section of Downtown Columbia.

Respectfully Submitted,
William S. Clayton National Director, Catawba Valley Chapter

Columbia Chapter
Our January meeting was held at the Longhorn Steakhouse where our speaker was Leslie Clark from Carolinas AGC She updated us on the political situation in South Carolina with the Governor leaving office and the issues we face in construction this year with a new political climate. The February meeting was held last night and our speaker was Greg Lee, Instructor of Building Construction Technology at Midlands Technical Community College. We look forward to seeing everyone at Convention in Myrtle Beach in May!

As always everyone is welcome to come see us if you are in the area on the 2nd Thursday, at the Longhorn Steakhouse on Gervais Street in the Congaree Vista section of Downtown Columbia.

Respectfully Submitted,
Matt Solomon National Director, PCEA Columbia Chapter

Charlotte Chapter
We finally received the nudge we needed to find a trendier location for our monthly meetings. Amazing how quickly the rising cost of our old venue got our FULL attention. The new venue is in the shadow of the Carolina Panther’s stadium and will hopefully keep our members and guests hanging out long after the monthly meeting is over. With that change we also changed the day of the week to Wednesday instead of Thursday. We had great responses from those who attended the January meeting and we hope to be able to make this a permanent move.

Some of our upcoming events are:

Charlotte Chapter Board of Directors for 2017-2018

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Chapter Reports (Continued from page 8)

A Mock Bid event at UNCC on March 27th. We'll have our members acting in various capacities to assist each team in putting together a winning bid. This is one of the ways we feel like we can give back to the students and recruit them as future PCEA members.

Construction Trivia Night on April 26th. This is our second annual event. This year, we've learned a few things and we are shooting for a fully sponsored event with prizes for first, second, and third places. If it goes off as well as last year's event, it will be a great time for all.

We presented our slate of officers at the January meeting. With an uptick in our membership, we are excited about getting those new members involved to serve on various committees for next year and then onto the board. We plan on having a vote for approval at the March monthly meeting.

We are also in high gear collecting points for Bill Helms Chapter of the Year Award. We hope to win back to back but we still want all other eligible chapters to give it a whirl! Get those points tallied and back up documentation together and be sure to present your submission on time!

If you are in town on the second Wednesday of the month, come join us and check out our new venue at Draught Restaurant & Bar at 601 S Cedar St, Charlotte, NC 28202. The meeting is officially from 6:00-8:00 pm but hang around as long as you'd like after!

Respectfully submitted,
Lee Edwards
Charlotte Chapter President

CSRA Chapter
The holidays are over. Football is over. And my son is again a member of PCEA, again working with me in business, and has been nominated for National Director of the CSRA Chapter for the coming year.

Thanksgiving and Christmas were all wonderfully spent with family and friends. New Years Eve was spent with a bunch of football fans wallowing in Clemson’s annihilation of Ohio State in the Fiesta Bowl—Urban Myers only shut off our history—and for a 2nd time is 3 years. A week later, that same Clemson team won the 2016 National NCAA Football Championship in thrilling fashion against an Alabama team that many thought could not be beaten. My feet have not touched the ground like this since 1981, and Alabama has not burned like this since 1864.

Our December 2nd membership meeting/Christmas Party was held at the “barn” of our own Mark Plunkett, highlighted by a firework show, plenty of food and adult beverages, a gift exchange, and a live keyboard performance by our own Treasurer and CPA, Rabun Frost.

January 12th found us being enlightened by Ryan Forrester and Kurt Mueller, with Northwestern Mutual, about the importance of planning for the future in both life and business, including insurance, finance, and exit strategies. This was followed by planning and discussion about the upcoming 2017 PCEA National Convention. Alva Gaskin presented an educational moment on the signs of a potential good or bad prospect.

February 9th we were advised of many of the current IRS scams in play by Jennifer Whatley with Fuller Frost, CPA. Zach Miloni presented an educational moment about changes in the leadership of your business. We were also graced with the omnipotent Treasurer of the Ted G. Wilson Scholarship Foundation, and National President of Vice, Mr. Rob Bauer, from the Mickey Mouse State (I think he was here for the Bill Helms Award points-like Lee Edwards).

We encourage everyone to plan now to attend the convention May 3-7 at the Marriott at Grande Dunes in Myrtle Beach, SC. We also welcome guests and construction professionals to our membership meetings, still held the 2nd Thursday of each month at 11:45 am, at The Augusta Country Club on Milledge Road, in Augusta, Georgia.

Respectfully submitted
Alva D. Gaskin, Jr.
National Director, PCEA CSRA Chapter

Triangle Chapter
Good morning from the Triangle Chapter. Raleigh-Durham was recently voted the 7th best place to live in the nation. Judging by the traffic around the Triangle, a lot of people have agreed and taken residence here.

Since our last board meeting, we had our annual Christmas dinner with our spouses at BUKU Global Street Food Restaurant in downtown Raleigh. We enjoyed hors d’oeuvres and drinks while magician Shaun Jay went around the room performing magic tricks and illusions for everyone. In January, Hunter Jenks was our speaker. Hunter is the head football coach for Clayton High School which is about 15 miles outside of the City of Raleigh. His presentation was about his tenure at Clayton High School and how he draws out the best in his student players. As a result, Clayton High School typically has a renowned football program in this district.

We held our Don Mizelle Spring Golf Tournament on March 20th at MacGregor Downs Country Club in Cary, NC.

We have been holding our monthly meetings at Casa Carbone at 6019 Glenwood Avenue, Raleigh, NC 227612. Social starts at 6:30pm.

We would welcome members from other chapters to attend if they are in town. Our monthly meetings are held every third Thursday of the month.

Respectfully submitted,
Kevin Sherron
National Director, PCEA Triangle Chapter
13 Costly Bidding Mistakes & How to Avoid Them  (Continued from front page)

your construction costs. Using the right units of measure is also important when calculating your bid. Using square feet when you should have used square yards or vice versa can drastically affect your estimated costs.

You also need to make sure that you are taking measurements from the right place. Often the plans will instruct you not to scale the drawings or to use the written or calculated dimensions provided in the specifications. This occurs more often when electronic documents are used because enlarging or shrinking the size of the drawing to print them can result in the scale being incorrect which would adversely affect your bid. If there is ever any doubt as to where to take your measurements from you should contact the architect for clarification.

Failing to Visit the Site

Not having a good understanding of the existing site conditions can create problems down the line should you be awarded a contract. Unique site condition may exist such as limited accessibility or location that would result in additional costs on items like transportation, equipment and labor. Failing to visit the site would leave you unaware that these conditions exist and that additional costs need to be factored into your bid and will cut into your profit if you were to win the job.

Many times a prebid meeting will be held at the construction site or a site visit will be held directly following a prebid meeting. Prebid meetings are held to in order for the project team to answer questions regarding plans and specifications, site conditions and other job specifics. Failing to attend a prebid meeting means you miss out on the best opportunity to get clarification on the requirements of the project.

This could be the only chance you get to walk around the site to have a better understanding of exactly what you will be dealing with. There are times when the prebid meeting is mandatory so failing to attend would result in not being able to even bid on the project. When preparing a bid proposal you want to have as much information as possible in order to compile a competitive bid and refusing to attend a prebid meeting or a site visit will put you at a severe disadvantage.

Failure to Seek Clarification

When preparing a bid you need to do your due diligence to ensure that you have all the pertinent information, that the information is accurate and that you have a complete understanding of this information. This means fully reviewing the plans and specifications to determine everything required to bid the project and complete the work. This includes knowing everything from what bonds are required to whether or not there are participation goals for minority business enterprises (MBEs) or if material substitutions are allowed in the bid. If you are unsure of any aspect of the project when preparing your bid you need to seek clarification from the point of contact for the project whether it is the architect, owner or owners’ representative.

Be aware that there are typically cut-off dates in place for questions in order for any changes to the plans or specifications to be made and for any addenda to be issued to the bidders. If you are unclear on any aspect of the project the onus is on you to get clarification. Making assumptions is not the way to submit a winning bid. If you aren’t able to get your questions answered to your satisfaction then you should probably reconsider bidding the project.

2 + 2 = 7 WRONG

Errors with your math can have a devastating impact on your bid. Arithmetic errors can result in your bid being well under or well over the actual cost of completing the job. Manual calculations can easily result in arithmetic errors. Always use a calculator or some type of construction bid software to ensure that your calculations are accurate.

If you are using bid software or a calculator errors can typically be attributed to not inputting your numbers correctly. Always double-check your math to make sure that all your numbers and calculations are correct. This is another one of those instances where having another set of eyes to look over your figures and calculation can help prevent costly mistakes.

Not Evaluating Equipment Needs

When putting a bid together you need to make sure that you have all the necessary equipment needed to perform the work. This may mean you have to rent or purchase additional equipment. Even if your company owns all the equipment needed you need to make sure that isn’t already allocated for use at another jobsite and that no major maintenance or repairs are scheduled for when the equipment will be needed.

Check to make sure that the equipment is in good working order and operating at peak performance which might otherwise cause delays in your construction schedule. Equipment that isn’t optimally performing can increase the time it takes to complete certain tasks. Unexpectedly having to rent additional equipment or face delays can negatively affect the bottom line on a project. Remember to factor in the fuel costs to operate the machinery and to transport the equipment to the jobsite.

Not Qualifying Subcontractors

Getting subcontractor pricing can be complicated. You want competitive prices from your subcontractors but you also want some assurance that they can perform the work required effectively. This is true whether it is a subcontractor you are using for the first time or one that you have worked with for years. One solution is to set up a prequalification process for subcontractors who wish to work with you. This allows you to have a better understanding of the type of work they
are capable of performing by evaluating the quality and performance on past projects.

At a minimum you should get bids from at least three different companies for each trade you will need to subcontract out work for to ensure you are getting the best prices. Carefully review and evaluate every sub bid to make sure that the prices quoted are complete and accurate. When requesting bids from subcontractors, clearly define the scope of work that the subcontractor is expected to perform. If you don’t clearly define the scope of services being requested from subcontractors it may result in unnecessary costs being added to your bid from overlapping work being bid by both you and your subcontractor.

**Labor Implications**

Being able to accurately estimate labor costs can be one of the most difficult and trickiest aspects to preparing your bid proposal. To determine your labor costs you have to factor in hourly wage rates with the number of man-hours a specific task will take to complete. You need to take into account the productiveness and experience of your workers.

Employee turnover, absences and injuries can all affect your actual labor costs. More experienced workers may be able to complete tasks quickly which would reduce the number of man-hours needed but you will have to pay a higher rate for their services. Workers with less experience will require more man-hours to complete a job but you can pay those workers a lower wage.

**Not Factoring in Overtime**

Wage rates can vary greatly from state to state and even from county to county. It is important to understand what if any wage rates apply to the project you are bidding in order to incorporate those rates into calculating your labor costs. Wage rate determination is required on all Federal Government construction projects as mandated by the Davis-Bacon Act. Wage rates are determined by the location of the project and the type of construction being performed.

There are 32 states with prevailing wage laws for public construction projects. Always be sure to check the current prevailing wage rates where the construction is taking place so you can accurately determine your labor costs. When determining your labor costs don’t forget to factor any projected overtime needs as the wage rates for overtime hours worked can be as much as double the prevailing wage rate.

**Misunderstanding Material Requirements**

Costs for building materials and supplies can change rapidly and can vary greatly in different areas of the country. If specialty materials are required that you aren’t familiar with you shouldn’t assume that the cost is comparable to similar items. Your best bet is to call around to local suppliers to get up-to-date costs for materials and delivery. Make sure that the building materials and supplies required in the specifications are clearly defined so that you are pricing the right materials. If you are uncertain of the materials being requested in the specifications you should always get clarification from the architect, owner or owner’s representative.

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**Rushed Bids**

Preparing a good competitive bid proposal takes time. If you try to rush through putting a bid together it is going to lead to mistakes. You need adequate time to read through and understand the plans and scope of work and gather and evaluate subcontractor bids. Don’t fall into the trap of thinking that if you’ve done similar work in the past that you can just slap a bid together without doing your due diligence.

Putting a bid together is more involved than just pulling some numbers together and filling out a bid form. If you don’t have the time to fully evaluate and compile a proper bid then you shouldn’t attempt to do so. Sometimes not bidding a project is a better business decision than submitting a bid that you threw together at the last minute.

**Overlooking Risks**

Identifying and managing risks is probably the most overlooked aspect of preparing a bid proposal. Every construction project comes with its own unique set of risks. Once you’ve identified the potential risks, you need to analyze and evaluate each one individually so that they can be properly managed and mitigated if or when they occur.

Take into account the probability of the identified risk and the impact it can have on the project. A low probability risk with a low impact might be easy to mitigate, but a high probability risk with a high impact that you can’t effectively manage could be detrimental to the profitability of the project. By identifying and evaluating possible risks associated with a project while preparing a bid will make you better prepared to handle a situation when something goes wrong.

Preparing a construction bid proposal is no easy task. A competitive and winning bid proposal requires a lot of time and attention to detail. Making mistakes can lead to submitting a lot of overpriced, uncompetitive bids or worse a lot of underpriced bids that you win but make no profit on. The key to winning more bids is being able to accurately estimate all costs required to complete the job while factoring in a reasonable profit for your company. That can easily be accomplished by avoiding these 13 deadly sins of construction bidding.
2017 PCEA National Convention
Sponsorship Levels and Construction Showcase

Premier Title Sponsorship - $5,000 (1 available)
- Your Corporate Logo on ALL Convention literature and conference signage immediately
- Listing in the National PCEA Newsletter and Convention Program
- Sponsor of the Convention Showcase and Free Vendor Table
- Special recognition at the Past Presidents Reception and at the Awards Banquet
- Breakfast with the National Board of Directors and Chapter Officers Saturday morning
- Opportunity to provide promotional items to be distributed in the registration packets
- Complimentary admittance for 2 to the Past Presidents Reception on Friday Evening
- Complimentary admittance for 2 to the Awards Banquet on Saturday Evening
- Complimentary 2 room/night stay at the Myrtle Beach Marriott Resort during the convention

Awards Banquet & Passing of the Gavel Sponsorship - $2,500 (2 available)
- Your Corporate Logo on ALL Convention literature and conference signage immediately
- Listing in the National PCEA Newsletter and Convention Program
- Sponsor of the Awards Banquet on Saturday Evening and Special Recognition at the Banquet
- Free Vendor Table at the Convention Showcase
- Breakfast with the National Board of Directors and Chapter Officers Saturday morning
- Opportunity to provide promotional items to be distributed in the registration packets
- Complimentary admittance for 2 to the Awards Banquet on Saturday Evening
- Complimentary 1 room/night stay at the Myrtle Beach Marriott Resort during the convention

National Past Presidents’ Reception Sponsorship - $2,000 (2 available)
- Your Corporate Logo on ALL Convention literature and conference signage immediately
- Listing in the National PCEA Newsletter and Convention Program
- Free Vendor Table at the Convention Showcase
- Special recognition at the National Past Presidents’ Reception on Friday Evening
- Breakfast with the National Board of Directors and Chapter Officers Saturday morning
- Opportunity to provide promotional items to be distributed in the registration packets
- Complimentary admittance for 2 to the National Past Presidents’ Reception Friday Evening
- Complimentary 1 room/night stay at the Myrtle Beach Marriott Resort during the convention
2017 PCEA National Convention Sponsorship Levels (Continued)

**Breakfast and Business Meeting Sponsorship - $2000 (2 available)**

- Your Corporate Logo on ALL Convention literature and conference signage immediately
- Listing in the National PCEA Newsletter and Convention Program
- Free Vendor Table at the Convention Showcase
- Special recognition at the Breakfast and Business Meeting on Saturday Morning
- Breakfast with the National Board of Directors and Chapter Officers Saturday morning
- Opportunity to provide promotional items to be distributed in the registration packets
- Complimentary admittance for 2 to the National Past Presidents’ Reception Friday Evening
- Complimentary 1 room/night stay at the Myrtle Beach Marriott Resort during the convention

**Convention Hospitality Suite Sponsorship – $1,500 (2 available)**

- Your Corporate Logo on ALL Convention literature and conference signage immediately
- Listing in the National PCEA Newsletter and Convention Program
- Special recognition in the Hospitality Suite for the duration of the convention
- Recognition at the Convention Registration Table
- Opportunity to provide promotional items to be distributed in the registration packets
- Recognition at the Awards Banquet on Saturday Evening

**Non-Member Only Sponsorship - $1,500 (unlimited availability)**

- Your Corporate Logo on ALL Convention literature and conference signage immediately
- Listing in the National PCEA Newsletter and Convention Program
- Opportunity to provide promotional items to be distributed in the registration packets
- Free Convention Registration ($400 Value)

**Member Only Sponsorship - $1,000 (unlimited availability)**

- Your Corporate Logo on ALL Convention literature and conference signage immediately
- Listing in the National PCEA Newsletter and Convention Program
- Opportunity to provide promotional items to be distributed in the registration packets
- Free Convention Registration ($400 Value)

**Convention Golf Tournament Sponsorship - $1,000 (1 available)**

- Your Corporate Logo on ALL Convention literature and conference signage immediately
- Listing in the National PCEA Newsletter and Convention Program
- Opportunity to provide promotional items to be distributed in the registration packets
- Opportunity to provide promotional items to be distributed to tournament golfers
- Special recognition at the Golf Tournament that you are the Sponsor
- Recognition at the Awards Banquet on Saturday Evening
PCEA Convention Partner Sponsorship - $750 (unlimited availability)

Your Corporate Logo on ALL Convention literature and conference signage immediately
Listing in the National PCEA Newsletter and Convention Program
Opportunity to provide promotional items to be distributed in the registration packets
Recognition at the Convention Registration Table
Recognition at the Awards Banquet on Saturday Evening

Registration Gift Bag Sponsor - $600 (1 available)  **SOLD**

Your Corporate Logo on ALL convention literature and Gift Bags distributed at Registration
Listing in the National PCEA Newsletter and Convention Program
Recognition at the Awards Banquet on Saturday Evening
Opportunity to provide promotional items to be distributed in the registration/gift bags
Recognition at the Convention Registration Table
Provide 50 Gift Bags for distribution to all convention attendees

Convention Tee-shirt Sponsor - $600 (1 available)

Your Corporate Logo on ALL convention literature and Tee Shirts distributed to Attendees
Listing in the National PCEA Newsletter and Convention Program
Recognition at the Awards Banquet on Saturday Evening
Opportunity to provide additional promotional items to be distributed in the registration/gift bags
Recognition at the Convention Registration Table

Convention Nametag Sponsor - $400 (1 available)  **SOLD**

Your Corporate Logo on ALL convention nametags distributed to Attendees
Listing in the National PCEA Newsletter and Convention Program
Recognition at the Awards Banquet on Saturday Evening
Opportunity to provide additional promotional items to be distributed in the registration/gift bags
Recognition at the Convention Registration Table

Construction Showcase Vendor - $100 (limited availability)

Listing in the National PCEA Newsletter and Convention Program
Vendor Table at the Convention Construction Showcase on Friday
Opportunity to provide promotional items to be distributed in the registration packets
Recognition at the Convention Registration Table

Any member, non-member, or business is invited and encouraged to provide advertising and promotional items for distribution in registration/gift bags to all convention attendees. Please provide at least 100 items for distribution.
2017 PCEA National Convention
Sponsorship Registration

To become a sponsor of the 43rd Annual PCEA National Convention, please complete the following:

Company Name:_________________________________________________________
Primary Contact:____________________________ Title:________________________
Mailing Address:_________________________________________________________
City:________________________________ State:_________ Zip Code:____________
Email address:___________________________________________________________

Will you or a Company Representative be attending the Convention? Yes____ No____
If yes, please provide name(s) of attendees:

Please forward your company logo in .jpeg (.jpg) format to pcea@pcea.org

SPONSORSHIP OPTIONS:

- Premier Title Sponsorship (1 Available) $5,000.00
- Awards Banquet & Passing of the Gavel Sponsorship (2 Available) $2,500.00
- National Past Presidents’ Reception Sponsorship (2 Available) $2,000.00
- Breakfast and Business Meeting Sponsorship (2 Available) $2,000.00
- Convention Hospitality Suite Sponsorship (2 Available) $1,500.00 SOLD
- Non-Member Only Sponsorship (Unlimited Availability) $1,500.00
- Member Only Sponsorship (Unlimited Availability) $1,000.00
- Convention Golf Tournament Sponsorship (1 Available) $1,000.00
- PCEA Convention Partner Sponsorship (Unlimited Availability) $ 750.00
- Registration Gift Bag Sponsor (1 Available) $ 600.00 SOLD
- Convention Tee-Shirt Sponsor (1 Available) $ 600.00
- Convention Nametag Sponsor (1 Available) $ 400.00 SOLD
- Construction Showcase Vendor (Limited Availability) $ 100.00

TOTAL DUE

PAYMENT OPTIONS:  (Please Select)

- My check payable to PCEA National is enclosed

(Please remit to PCEA National Office, PO Box 680336, Charlotte, NC 28216)

- Please charge my credit card (Visa/MasterCard/American Express)
  Name:______________________________________________________________
  Card Number: _____________________________ Exp. Date: _____________
  Security Code: _________ Signature: ________________________________
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