

President's Message

I am honored to serve as the AACE - Houston Gulf Coast Section President for 2016/2017. This year promises to be value filled with activities focused on strengthening our membership base and having a diverse speaker lineup for rewarding and beneficial networking sessions.



Furthermore, our current employment environment and EPC markets are experiencing a downturn due to the decline in oil prices. But there is a light at the end of the tunnel with a renewed shift towards renewable energies and a break in the mining and minerals markets. As a result, companies are adjusting to diverse into new and emerging markets. Same holds for professionals in Project Controls taking on new challenges and exploring new opportunities and prospects. Project Controls basics are the same across the board but differ in reporting and progress tracking and of course client requirements. In years past lump sum projects were very ordinary and common then we saw a shift to time and material/cost plus projects and now lump sum is returning with increased competition and market shifts in letting contracts.

Besides the above the technological advances in software, mobile, and cloud based offerings are further enhancing productivity and shifting reliance on the company's IT support and infrastructure to the 3rd party vendors. Another angle that is gaining traction and focus in our industry is the Risk portion of our activities. Risk / Opportunity analysis and mitigation becomes essential to the project success with competitive margins and overseas projects.

Sami Jaroudi, CCP - President, HGCS

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Brian Bedingfield – Director
Martin Darley, CCP, FRICS – HGCS Advisor

Meetings

The 2nd Tuesday of each month (except for June, July and August) at the **HESS Club Building, 5430 Westheimer Road, Houston 77056.**

Registration at 5:30 pm, Dinner at 6:15 pm, Speaker at 7:00 pm, Adjourn at 8:00 pm.

Cost: \$30.00. Payable online via the section webpage www.aacei-hgcs.org or at the door by cash or check.

September 13, 2016 Mark Gibson

- Leaders Construction and Real Estate Advisory EY.



Creating a High Performing Team (HPT) by entering the toughest bike race in the world - RAAM

Subj: Everything we do is founded in great teaming. Supreme technical knowledge or experience is of little use without the ability to form, lead or be a member of a high performing team. The Race Across America (RAAM) is the toughest bike race in the world, covering 3100 miles, and 170,000 of elevation gain in only seven days. 30% further and completed in half the time compared to the Tour De France. RAAM is the supreme test of human endurance and teamwork for over 35 years. Our story of High Performance Teaming will let you in on how a team of 4 amateur racers and 17 crew members from EY entered the 2016 RAAM and competed against the professional race.

Bio: Mark has 30 plus years' experience in construction and real estate. Fellow Royal Institution of Chartered Surveyors. Originally a Civil and Process Engineering QS. Commercial Manager Far East for major UK contractor. Head of project management and construction for numerous developers and project management companies. Now, a Partner responsible for all construction advisory services in the US for EY.

October 11, 2016 John Hollmann

- Owner, Validation Estimating LLC



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Project Risk Quantification: Methods that Work

Subj: Capital project decision makers and managers depend on the reliability of risk analyses to give them confidence that their decisions have a solid cost and schedule basis. To deliver this, Cost Engineers need to apply risk quantification (RQ) methods that work to pass the "does it work" test?

This presentation will review empirical research on cost growth, schedule slip and accuracy and will present an integrated set of RQ methods "that work" for projects, programs and portfolios of every description for both owners and contractors. Attendees will take away a working parametric systemic risk model.

Bio: John supports capital program senior managers and project leaders to improve practices in cost estimating, project control, and cost/schedule risk quantification. He reviews major international project estimates and conducts risk analyses to support investment decision making. A renowned speaker at international conferences, writer of numerous papers and lead author of the AACE International text, the Total Cost Management Framework. A recipient of the Merit Award and an Honorary Life Member of AACE. He led the development of AACE Decision and Risk Management Professional (DRMP) certification. Prior to founding Validation Estimating, he led the Cost Engineering Committee (CEC) metrics and research efforts at Independent Project Analysis, Inc. (IPA).

November 15, 2016 Robert J. White

- Project Services Manger
- Shell – Vito Project

Effective Project War Rooms



Subj: The military analog of war rooms has become en-vogue for projects. This discussion will consider the components of a military war room and some of the best and worst practices observed in project war rooms.

Bio: Commissioned as a Finance Officer in the US Army, including a tour in Iraq in 2003, and 2 as commander in 2006/2007 and earned a Bronze Star. In 2007, Robert joined Shell as a Finance Analyst at Convent Refinery and after a year he began filling in

as the Cost Team Lead. He launched his Mega-Project Experience at the Crude Expansion Project in Port Arthur as the Finance Cost Team Lead. He then took ownership of the Project Services Team Lead on Cardamom (deep water, brownfield tie-back to Auger) in New Orleans. After that, he took on the Project Services Manager role for the New Orleans office and recently relocated to Houston to become the Project Services Manager for the Vito Project.

December 13, 2016 James Morrison

- Computer Scientist
- FBI – Houston Division

Cyber Threats and You

Subj: For years the threats of state sponsored cyber threats has been foremost on the mind of Cybersecurity professionals and the criminal threats were largely overlooked or minimized. With the dramatic rise in Ransomware criminal cyber threats are becoming more of a threat to corporations. Every user has a responsibility to become more aware of the threats and what steps they can take to minimize their personal exposure as well as their company's exposure to these threats and many others

Bio: James serves as a local technical expert to the Special Agents and Task Force Officers assigned to the Houston Area Cyber Crimes Task Force. He assists in computer intrusion investigations and reverse engineers software to determine source and purpose of the malignant code. With over 27 years IT experience, including 18 years with the FBI. Prior to that, he was an engineer with Lockheed Martin at Kirtland AFB, NM and a UNIX/database administrator with the US Air Force at Falcon AFB (now Shriver AFB), CO and Clark AB, Republic of the Philippines. He holds a BS in Computer Engineering degree from Colorado Tech University, a MA in US History from the University of New Mexico, and a MBA from the University of Phoenix as well as other professional certifications.

January 10, 2017 Alicia McKenley

- Planner/Schedule
- Jacobs Engineering
Women in Project Controls Month

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Critical Path Scheduling

Subj: All activities on a project's primary critical path will change its completion date day-for-day with any change. A project's top 3 critical paths (primary, secondary, and tertiary) are typically monitored. We will discuss the differences between free float and total, as well as parallel/multiple critical paths. And a list of activities required to complete a project categorized by work breakdown structure and conclude with an example of a tier 3 critical analysis and how to build a tier 3 critical analysis.

Bio: Alicia spent 9 years in Financial Services in New York as a trade support specialist, business analyst and Trust officer for JPMorgan, Neuberger Berman and Lehman Brothers. She got a construction management degree from University of Louisiana Monroe and moved into engineering. She served 3 years on the Army National Guard engineering battalion as an officer candidate combat medic, where she was activated for various disaster efforts. She joined Jacobs on a rotational program and simultaneously gained experience in scheduling, cost engineering, estimating and field services operations. Alicia has successfully scheduled projects for Exxon, BP Whiting, Chevron and Phillip 66. She's now pursuing in an MBA with a focus on Leadership, Corporate Finance, Entrepreneurship and Business.

February 07, 2017 Adi Makaram

- Project Cost Engineer
 - Shell – Deepwater Gulf of Mexico
- Young Professional's Month*



Value of Cost Engineering

Subj: An insight into what it took to transition from chemical engineering to project cost engineering during the downturn of the oil and gas industry. Adi will provide some insight into cost forecasting methods and also highlight the immense value cost engineers bring to the team and the tools they use to contribute to the success of projects.

Bio: Adi graduated from the University of California, San Diego with a major in Chemical Engineering and a minor in Economics, then worked for a flavor engineering biochemistry firm, a solar cell nanotechnology lab, and a defense contractor. In 2014, he obtained a master's degree in chemical and

biomolecular engineering from Rice University. Next, he traveled to Buenos Aires, Argentina where he worked as a Sales and Marketing Analyst at a startup. Adi joined Shell as a Project Cost Engineer in Project Services in 2016 where he supports the Vito project, a megaproject in the Gulf of Mexico, as well as several Brownfield projects.

March 07, 2017 Dennis Allen

- Senior Vice President
- Hill International

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Claims Avoidance

Subj: Even successful projects experience claims. Claims are a natural consequence of a complex, vast and highly competitive process during which the unexpected will often occur. Careful organization and coordination of the contracting parties is essential and yet 3rd parties may control many of the circumstances and events that result in claims.

Parties must recognize and anticipate circumstances that turn to claims and develop effective and affirmative strategies for addressing them. Claims Avoidance involves identifying and implementing techniques necessary to mitigate risk and avoid disputes.

Bio: Dennis has 40 years of experience with contractors, owners and developers in overall project development, preparing and monitoring project cost controls and helping to manage risk throughout the construction and operational processes. He is a CPA, CFE, CCA, CFF, CCIFP, CCP, a *Fellow* in RICS, and most famously known as an all-Southwest Conference lineman for Texas Tech.

In Pre-dispute consulting, he has led accounting and oversight teams. In litigation consulting, he served as an expert witness on some of the largest construction and real estate claims in the U.S. and overseas.

April 11, 2017 Darren Elliott

- Director, NASA and Oil & Gas Project
- Tecolote Research, Inc.

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Improving Capital Project Execution through Joint Analysis of Cost and Schedule

Subj: Integrated Analysis of Cost and Schedule is a business process to support highly complex projects (including NASA, DoD, Construction, and Oil & Gas), to completely integrate cost, schedule and risk. The analysis allows projects to immediately determine the cost impacts of schedule growth, assess where potential schedule alignment issues occur, and identify risks or activities are the major drivers for the schedule. The results from the analysis directly helps stakeholders in making adjustments to the plan, determining the level of required funding, and supporting identification of external commitments for time and money.

Bio: Darren has 24 years' experience in major system and operational financial, cost engineering analysis, conducting risk analyses and enhancing risk management processes for NASA and Oil and Gas clients. He is an expert in operational processes and commercial tools for cost estimation, risk analysis, and project controls.

Darren has won multiple NASA awards, and was selected in 2009 as NASA's Support Contractor of the Year. He was awarded 2011 best paper at the International Cost Estimating and Analysis Association (ICEAA) for his research on techniques for modeling joint cost and schedule analysis.

May 09, 2017 Geoff Sherwood

- Project Services Manager
- Consultant (Retired)

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Turnaround Management

Subj: In a low price environment the reliability and operability of assets becomes more challenging and essential to the profitability of the large IOC's. Geoff will explore recommended practices for successfully delivering turnaround projects.

Bio: Geoff retired as a Project Services Manager and Turnaround Supervisor with Marathon Petroleum. He has over 35 years' experience in planning and executing maintenance, hook up and turnaround projects in both upstream and downstream environments in UKCS, Middle East and the United States.



2016-2017 Speakers Program

www.aacei-hgcs.org