



Quarterly

A PUBLICATION OF PALACIO COLLABORATIVE

Happy Holidays

ADDITIONS



ERIN K. FALBAUM

Palacio Collaborative is proud to announce that **Erin Falbaum** has joined our Estimating Team as a Junior Cost Manager. Erin, a graduate of Emory University in Atlanta, Georgia brings a wide range of skills, knowledge and experience to her new role. In her present position, Erin provides quantity surveys, conducts project market research and assists Senior Cost Managers in preparing estimates.

Palacio Collaborative is excited about the level of service and opportunity we may continue to provide our Clients with Erin as an integral member of our Team.



Southern Polytechnic State University Engineering Technology Center

ISSUE
02

Dec 2008

PROJECT PROFILE

Southern Polytechnic State University Engineering Technology Center (ETC), Marietta, GA

Architect: Cooper Carry

Program Manager: Hal Gibson Companies and Woodline Solutions

Palacio Collaborative, Inc. is the Value Manager for the Southern Polytechnic State University (SPSU) Engineering Technology Center project. The Engineering Technology Center will house five of SPSU's academic programs including electrical, computer and mechanical engineering and technology, telecommunications and mechatronics engineering (robotics). The 123,000 square-foot facility will include 36 labs, 12 classrooms, two seminar rooms and a 200-seat lecture room. As the Value Manager, Palacio Collaborative provided Cost Modeling at the Programming phase and spearheaded the review, analyses and reconciliation of the architect's and CM-at-Risk estimates. Thus far, Palacio Collaborative has added 7% value to the project (kept the project from being value engineered by 7%).

PALACIO COLLABORATIVE is MBE Certified



- **FULTON COUNTY**
Minority Business Enterprise (MBE) Certification
- **CITY OF ATLANTA**
Hispanic Business Enterprise (HBE) Certification
- **GA DEPARTMENT OF TRANSPORTATION**
Disadvantaged Business Enterprise (DBE) - **Pending**

PROJECT HIGHLIGHTS

Palacio Collaborative is presently providing Cost or Value Management for these projects.

- Gainesville State College Academic Building
Gainesville, GA
- GA Tech Academy of Medicine
Atlanta, GA
- Emory Branch Library
Atlanta, GA
- Burnt Hickory Park
Dallas, GA
- Southern Polytechnic State University Engineering Technology Center
Marietta, GA
- Gwinnett Fire Station No. 30
Loganville, GA
- University of Georgia Mary Lyndon Hall
Athens, GA
- Warm Springs Fisheries Center
Warm Springs, GA
- Peachtree Lofts Upgrades
Atlanta, GA
- GA Tech MSE 2nd Floor Laboratory
Atlanta, GA

The current construction market is, as with most other sectors of the economy, experiencing some very challenging times. State budgets have been cut by 6% across the board which has negatively impacted the potential for new building projects. Even those currently in the works are at risk for bond sale delays, general funding/budget cuts, or having the design and construction put on hold. However, the government sector is in much better shape when compared to retail, corporate, residential, religious and mixed-use markets.

Those with available capital are benefitting from a highly competitive construction market. Material prices have softened due to abundant supplies and reduced energy/fuel costs for manufacturing and transportation. The lack of construction opportunities has also produced noticeable reductions in contractor mark-ups and fees. If we look at structural steel, for example, the price was approaching \$4,000/Ton in place. We are now seeing it bidding for +/- \$3,400/Ton.

In an effort to take advantage of the current competitive bidding environment, we have seen a number of clients move away from the Design-Build and CM-at-risk delivery methods in favor of Design/Bid/Build.



The Palacio Collaborative, Inc. staff would like to thank you, our Client, for allowing us to partner with you in making your design and building projects a success. It has been such a pleasure providing Construction Cost and Value Management services that fit each

project uniquely. Every project has provided a wonderful challenge and the relationships we continue to build with you have proven to be the best part of the process.



PALACIO COLLABORATIVE ATTENDS AIA CONFERENCE



Erin Falbaum at the PC Exhibit Booth at the Georgia AIA Expo Hall

Palacio Collaborative staff members attended the American Institute of Architects - Georgia 2008 Annual Conference and Design Expo as an Exhibitor. The dynamic event was held over a three day period in October hosting educational seminars and tours. Our staff also participated in the Midtown Firm Crawl and attended the Design and Honor Awards Gala. Congratulations to all the firms recognized for their innovative architectural contributions and good design work improving our communities and environment.