

CENTER FOR JOB ORDER CONTRACTING EXCELLENCE
BUSINESS MEETING
May 4, 2005
Arizona State University

Attendees:

1. Gary Aller, ACE/ASU
2. Charlie Bowers, Centennial Enterprises
3. Ken Jayne, AIM
4. Clint Owings, The Gordian Group
5. Carol Greb, TCPN
6. Ron Ecker, 3DI
7. Mike Ladino, Shughart, Thomson & Kilroy P.C.
8. David Carrithers, Centennial Contractors
9. Allan Cleveland, Estimating Systems, Inc.
10. Bob Gair, Reed Construction Data
11. Dean Zajicek, AIM
12. Greg Ohrn, NAU

Meeting Minutes:

1. The meeting was called to order by Charlie Bowers at 7:45 a.m.
2. Charlie welcomed all attendees.
3. **Minutes** – The minutes from the February Business Meeting and the April Steering Committee Conference Call were reviewed by the attendees. **A motion to approve both sets of minutes, as written, was made by Mike Ladino. Seconded by Allan Cleveland. No Opposition. The motion to approve the minutes passed.**
4. **Financials** – Gary reviewed the financials with the group. March 2005, \$51,474.63 is in the CJE account. The status of outstanding invoices was discussed. It was decided to write off the invoices for Roy Jorgensen Associates and Jamail. Peter Volandes, Volmar is still interested in CJE, but would like to discuss further with Gary Aller. Gary will place a call to Peter prior to the June Steering Committee conference call. Clint Owings will continue to try to reach John Mannix with Spokane Public Schools. Carol Greg will talk with Jim Owens regarding the outstanding annual conference fees. A P.O. has been received in the ACE office for membership from Texas State University. **A motion to approve the Financial Statement for CJE was made by Clint Owings. Seconded by David Carrithers. No Opposition. The motion to approve the Financial Statement for CJE passed.**
5. **Committee Reports.**
Education – Chairman – Bob Gair
 - ★ Status of '05 Training Activities
 - ★ San Diego, June 9 – 10; Introduction of JOC to San Diego by Gary Aller, CEU's, Charlie presenting case studies, etc. as a part of APDM.
 - ★ Texas, South Padre Island, Sep 8 – 9, two day JOC seminar
 - ★ NW time TBD – David Carrithers to meet w/Mark Bailey and will report to Bob Gair
 - ★ East Coast, KBR/CCE – David will also meet with KBR and report to Bob**Support, Assistance, Coverage for (1.)**
 - ★ Clint is to assist in San Diego.**Other Educational Activities**
 - ★ Clear all activities through Education Committee
 - ★ Provide copy of presentation and audience information
 - ★ Volunteer to provide APPA JOC instruction
 - ★ Do a CJE/CEFPI JOC Bond Program Panel in Oct at International (Clint and Ken)

- ★ MEANS will be publishing a JOC marketing campaign, enhanced website, direct mail to target audiences, Allen's reference book, JOC UPB.

New Ideas

- ★ Take over APPA's JOC instruction.
- ★ Develop a multi-level JOC POI and Syllabus from one to 12 hours.
- ★ Continue to push CEFPI Bond Program.
- ★ Putting the word out will and getting others interested should lead to memberships

Membership – Chairman – David Carrithers – David presented two pages of Membership Enrollment Growth Ideas. (Attached).

Legislation – Chairman – Mike Ladino – Mike reported that HB2579 was signed into law on April 20, 2005. Many thanks to Gary Aller and Hank Traeger who were instrumental in the changes that passed. As for JOC, the following changes are now law in the state of Arizona:

- Increase individual Job Order maximum from \$750,000 to \$1M
- Applicable to ADOT (Authority to do JOC)
- Increases duration of JOC contracts from 3 to 5 Year term
- Bid bond for a 2-step JOC is 10% of the Public Owner's reasonable estimate of the amount of JOC work likely to be done during the first year of the contract
- Prescribes three choices for payment and performance bonding for JO Contracts. Public owner makes choice.
 - bond for full term of the contract
 - separate bond for each year of a multiyear contract
 - separate bond for each job order
- If bond for full term or for year by year, bond amount is public owner's reasonable estimate of amount of work likely to be done
- No retention for JOC

Practice/Selection – Chairman – Gary Aller

There is trouble in the K12 Market in Arizona. APDM could be eliminated in K12 construction if changes aren't made. The Superintendents and Facility Managers need to be educated. There needs to education on the QBS. Architects tend to lead the charge for owners and there are at least 50% statutory violations because the architects also need to be educated. A major obstacle is the lack of funding in the K12 and Community College market for education. There has been a meeting scheduled for June 2005 with large districts that are using and understand APDM. A procedural manual will be created by this group. A peer group will also be formed to go out and visit districts, the group will consist of an owner/contractor/AE. CJE's relationship with CEFPI is key to this education.

Performance Based – Chairman - _____

Dean Kashiwagi has been in the chairman position for approximately 10 years and he is unable to give a lot of time to this committee. Charlie Bowers has been in contact with Dr. Jim Ernzen (DEWSC) to see if he might be able to co-chair this committee with Dean. Dr. Ernzen has many of his own time constraints. Charlie asked the attendees for any ideas or suggestions. The problem with Performance Based information is that Operations employees see it as a threat, but Business Development employees see it as an opportunity. Please submit any ideas to Charlie Bowers.

6. **Old Business**

- a. **CJE By-Laws** – Reviewed and Approved 2/01/2005
- b. **JOC Seminars** – These were discussed with the Education Committee. Please get all dates to Jacki Houchens and she will get added to the semi-annual CJE Newsletter.
- c. **CJE Brochure** – David Carrithers offered to work with the current CJE Brochure. Gary forwarded the brochure to him and Jacki forwarded the text and logo. David will return the brochure to Jacki for distribution.

7. **New Business**

- a. **Newsletter – A motion to change the CJE Newsletter to a semi-annual publication was made by Ken Jayne. Seconded by Bob Gair. No opposition. The motion to change the CJE Newsletter to semi-annual publication was passed.** The publication dates are will be June and December 2005. The June publication should be released in mid-May.
- b. **JOC Cost Study – Greg Ohrn, NAU.** Greg Ohrn, Assistant Professor at NAU and currently working on his PhD thesis through Indiana State University. He has 30+ years of construction experience (mainly an owner’s representative). He has a lot of experience with the Navajo and Hopi Indian communities. He has experience with DBB and DB. The group welcomed Greg and offered to help him as he needed.

Action Items:

- Jacki will send Greg’s contact information to the Board and Steering Committee**
- David Carrithers will put together a binder and forward to Greg (background info)**
- Clint Owings and Ken Jayne will send a list of clients to Greg**
- Charlie Bowers and Ron Ecker will set up site visits for Greg**

When sending information to Greg for the JOC Cost Study, please notate what information is business confidential and proprietary.

- c. **Other –** David Carrithers mentioned that training is key and will ultimately lead to CJE Memberships. There is a need to grow JOC. Gary said that industry needs to be proactive, no reactive, but this will come with more education.
8. **Calendar –** Dates for Newsletters, Steering Committee Conference calls, Business meetings and ACE Facilitated courses was reviewed. Jacki will add dates of all JOC related courses to the calendar for future meetings.
9. **10:55 a.m. A motion to adjourn the Business Meeting was made by Clint Owings. Seconded by Allan Cleveland. No opposition. The motion to adjourn the meeting was passed.**

Minutes prepared by Jacki Houchens, ACE.