

**CENTER FOR JOB ORDER CONTRACTING EXCELLENCE
ALLIANCE FOR CONSTRUCTION EXCELLENCE**

Quarterly Business Meeting

May 3, 2006

Arizona State University

Attendees:

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| 1. Gary Aller, ASU-ACE | 9. Tom Peeler, MESC |
| 2. Charlie Bowers, Sundt Construction | 10. Bill Sweetser, Emeritus Member |
| 3. Ken Jayne, AIM | 11. Rich Barrick, Basic Industries |
| 4. Clint Owings, The Gordian Group | 12. Mike Ladino, Valley Metro Rail |
| 5. Carol Duval Greb, TCPN | 13. David Carrithers, Centennial
Contractors |
| 6. Ron Ecker, 3DI | 14. Bob Gair, Reed Construction Data |
| 7. Dave Pinkerd, Nouveau Technology
Services LLC | 15. Kim Keller, City of Phoenix |
| 8. Allan Cleveland, Estimating
Systems, Inc. | 16. Merry Schierhorst, City of Phoenix |
| | 17. Rick Reigel, Centennial Contractors |

Meeting Minutes:

1. The meeting was called to order by Clint Owings, Industry Chair at 12:30 p.m.
2. Attendance was verified.
3. Clint welcomed everyone to the meeting and asked everyone to introduce themselves.
4. David Carrithers updated the group on the issues in Texas. A request to form an investigation committee to look at GISD. It was not really a JOC issue but it was labeled as JOC. At the same time, re-election campaigns were in progress. The key incumbent did not make it into the primary and will need to step down from the committee, but a petition was started to keep him on the committee. Report is due by November. Jamail set up an office and met with the investigation committee. Ultimately industry wants to work together. The legislation in Texas was favorable, but now there could be a cap on funds. Mike Ladino stated that the word "unlawful" needs to be kept away from JOC. He said there could be a negative effect on the JOC market in Arizona. Mike will keep an eye on the progress. David Pinkerd mentioned that things got out of hand and contractors should have simply answered the questions they were asked. David Carrithers stated that a learning from this is that JOC has become political.
5. **Minutes** – The minutes from the March 13 and April 10 Steering Committee Conference Calls were reviewed by the attendees. **A motion to approve the March and April Steering Committee Conference call minutes, as written, was made by Charlie Bowers. Seconded by Bob Gair. No Opposition. The motion to approve minutes passed.**
6. **Committee Reports**
 - a. **Education** – The group reviewed the standardized JOC presentation. The group made suggestions as the presentation was reviewed. Clint has already sent Bob information for case studies. Bob discussed the interest on the behalf of Building Design & Construction in doing a power point web cast on JOC in the fall of 2006. Time and talent is needed to prepare. RS Means would pay the costs. Bob will put together an agenda and script and get to the Steering Committee for review. This would be a good opportunity for CJE as there would be an unlimited audience.
 - b. **Financials** - Gary Aller reviewed the financials with the group. As of March 31, 2006, \$52,812 is in the CJE Account. Gary reviewed the outstanding 2006 membership invoices with the group. Galveston ISD was awarded a CJE membership at the South Padre Island event, September 2005. Their membership is through 2006. Linco will no longer be pursued to re-join CJE. The group agreed to pay Alamo Community College Annual Training registration fee out of the CJE scholarship fund (When Jacki returned to the office, she forwarded this information onto Clyde Steinhilber, Business Manager, ACE and he stated that this invoice has been paid; therefore it will not be taken out the scholarship fund). Carol Greb stated the invoice for TCPN is in the payment process. **A motion to approve the Financial Statement for CJE was made by Ron Ecker. Seconded by**

Charlie Bowers. No Opposition. The motion to approve the Financial Statement for CJE passed.

- c. **Membership** – David Carrithers reported that the JOC market is changing; does CJE need to change also? Clint mentioned that MATOC is being used on federal jobs and it is very competitive. What action should CJE take? This is a key element that CJE needs to review to help build CJE’s membership numbers. There will be a membership drive in the Phoenix area by August. One thought is to give a scholarship to a contractor. Rick Reigel has spoken with Mark Minter and he is willing to help CJE. Ken Jayne stated that the subcontractor is under-represented. Possibly give a reduced membership to subs. David is reading three books on membership development. He is willing to share ideas. Clint mentioned that he has information on giving certificates to P.E.’s to attend courses and will forward this information to Jacki. David is working with Rick Farrag on the June 2006 newsletter; it will be ready for publication in July.

7. **Old Business**

- a. **JOC Research Effort:** Gary reported that Phase I of the JOC Survey will be finalized by the end of the month. The results will not be published until Greg Ohrn completes his thesis. Gary will forward Phase II to the Steering Committee and Bill Sweetser.
- b. **CJE Underwriting Proposal:** Bob Gair discussed the proposal that Ken Jayne submitted for review by CJE. Ken stated that owners need to be informed and they need to attend meetings and training sessions. The scholarship created, upfront, as market development. This could put the neutral entity for education at risk. Gary stated that this may not be able to go through ASU. It may be able to go through the ASU Foundation, but there is a 4% fee. A profit cannot be seen. It may be better to go to numerous firms for support. Ken asked the group if they saw a need for this. Charlie asked how the teacher is separated from the organization. CJE needs to be represented only. Bob stated that he likes the concept of putting the word out, but need an acceptable way to put it out. **David Carrithers made a motion to table the Underwriting Proposal for further discussion except for Gary to investigate with ASU how it would be viewed/handled. This information will be reported at the August 2006 Quarterly Business Meeting. Seconded by Ron Ecker. No opposition. The motion passed.**
- c. **DEWSC Capital Campaign** – Gary discussed that there is a line item in the state budget for \$20M. If anyone at the table does business in Arizona it would be beneficial to contact Senators. Industry would need to match these funds with a possible “naming” donor. There is one formal request for a donor of this magnitude. The school is taking the path to become the first College of Construction. There needs to be 4 departments, but looking at 5. \$2M will endow a chair. These endowments will define the departments. There would be professorships under the chairs at \$500,000 each. To date \$5.5M has been raised and there have been 148 entities identified as chair potentials. Would like to get industry to donate funds to build the labs and classrooms. The opportunity for CJE to be involved in this program will come to an end by 2007. Centennial has agreed to donate \$25,000/year for 5 years; this is one-fourth of a professorship. It was reported that KBR would not be donating, 3D International is undergoing corporate changes; therefore no report yet and Gordian Group will not be donating.
- d. **Coming Events and CJE Newsletter Status/Schedule:**
 - i. June 2006 – Editor – Rick Farrag – Due out July 2006
 - ii. December 2006 – Editor – David Carrithers
 - iii. David Carrithers will forward Jacki an updated list of upcoming events for posting.

8. **New Business:**

Phase II JOC Survey; Bill Sweetser stated that the temporary committee created will help to develop Phase II. The members are Clint, Rick, Greg and himself. Bill would work with Greg to define the deliverables, schedule and budget. The committee has suggested not proceeding with Phase II due to costs and time. There was discussion about locating a 3rd party to put out a scope with costs. The group recalled that a total of \$25,000 was allocated for Phase I. The members presented requested the information from the prior minutes, about funding for the survey, be added to this set of minutes...**From the minutes of January 2005 Steering Committee Call: Research Proposal** – The JOC Research Effort was discussed. After dues, there should be \$35K in the budget. Gary informed the group that he needs to obtain a student for the research by the

week of January 17. The suggestion was made to proceed with the Effort in stages. A motion was made by Ken Jayne and seconded by Tom Peeler that the Steering Committee approves the program for the JOC Research Effort with \$5K to be released immediately to begin the effort. Additional monies will be released upon review of the Effort by the Steering Committee. **Review approval of funding for JOC survey by Greg Ohrn:** Charlie informed the attendees that he received unanimous approval from the board members to release the balance of the \$25,000 commitment for funding the JOC study by Greg and ASU via the same e-mail vote in July. He also reminded the group that we had approved an initial \$5,000 early this year at a quarterly meeting and this entry will serve to enter the approval into the Board Meeting records. (see further, detailed discussion on this topic later in these meeting notes) **Charlie Bowers made a motion to place a hold on Phase II of the JOC Survey until Greg completes his thesis. Ron Ecker Seconded. No Opposition. The motion passed.** David Carrithers stated that Greg's work on the project has been excellent and Ron Ecker suggested that CJE should officially thank him. **Centennial took the action to take care of a "thank you".**

9. **2007 Annual Training Conference – Monday, January 29, 2007**

Ron Ecker, Industry Chair Elect, will oversee the development of the annual conference. An idea for the theme is "Sherlock Holmes – The Case of the Misunderstood Procurement". Some thoughts and ideas for the day are:

- a. Solicit more participation from breakouts
- b. Use results from the JOC Survey to base "why JOC should be used"
- c. Have audience plants during general session
- d. Lunch Speaker – "Vision of JOC" – Clint to see if Bob Fraga, Manager of USPS Supply Management will commit to being Key Note Speaker.
- e. Break into 3-4 groups. Go over different core items. Build a JOC procurement package. Have a JOC proposal. Include legislation and legal issues. "Hands on experience".

Jacki will locate space – One general session room, three breakout rooms and lunch area.

The agenda that was used for the last two years will be the outline. **Ron will put together a draft agenda and report to the Steering committee on the June 12 conference call.**

The conference needs to be marketed very heavily by all CJE organizations and by other affiliate organizations. David Carrithers will help direct the marketing effort for the conference.

CJE Calendar

Conference Calls: 6/12/06, 7/10/06, 9/11/06, 10/9/06, 12/11/06

Quarterly Business Meetings: 8/9/06 at KBR, Virginia and 11/1/06 at TBD, Arizona

2007 Annual Conference: Monday, January 29, 2007

2007 Annual Business Meeting: Tuesday, January 30, 2007

David Carrithers made a motion to adjourn the May 3, 2006 Quarterly Business Meeting. Gary Aller seconded. No opposition. The motion passed.

Clint adjourned the meeting at 4:30 p.m.

Minutes prepared by Jacki Houchens, ACE.