

**Center for Job Order Contracting Excellence  
Alliance for Construction Excellence  
CJE Steering Committee Meeting  
Arlington, VA  
August 9, 2006**

I. Attendees

1. Clint Owings, The Gordian Group
2. Rick Farrag, KBR
3. Ron Ecker, 3DI International
4. Ken Jayne, Applied Innovative Management
5. Greg Smith, Jamail Construction
6. Bob Gair, RS Means

II. Meeting Minutes

Meeting was called to order by Clint Owings at 7:55AM; attendance was noted. Rick Farrag welcomed the group to the KBR office in Arlington and offered use of the facility at future August CJE Quarterly meetings. Clint welcomed everyone to the meeting, asked for a volunteer to take meeting notes in Jacki's absence, Bob Gair volunteered. Clint highlighted for Ken Jayne that the CJE Underwriting Proposal that Ken had submitted for review had been turned down due to a conflict with ACE/ASU related policy. Clint noted that there had not been a conference call in July, asked everyone to review the June Conference Call minutes. There was a motion by Ron Ecker to approve the minutes as written, Rick Farrag seconded. The June 2006 steering committee conference call minutes were approved.

III. Committee Reports

Financial –Clint noted that the only bad debt we have is a non-payment of funds from Greenway. Ken stated that Greenway was moving away from JOC and it would be best to just write the debt off. Clint further stated that currently CJE is very sound financially, with no outstanding obligations with \$53,061. cash on hand. Ken suggested that we need to think about investing to further promote CJE. Rick Farrag suggested that we target National Conferences that are facility owner oriented and put on a 1/2 day mini-conference, front-ending the National Conference Program. Bob suggested that we do research on prospective National organizations that fit that profile and report back by the October Conference Call Meeting. We would try to target the first joint conference for the Spring of '07. It was noted this concept in some way is similar to what has been started with CEFPI. It was further suggested that we could have the CJE quarterly meeting at the same time and location as these quarterly conferences. A further idea was to develop White Papers on successful Bonding Programs – Greg, Galveston and

Clint on a selected client. Another idea regarding the use of available funding was to make a commitment to the JOC Chair at ASU.

Education –Bob asked for supporting documentation regarding the CJE Generic PowerPoint Presentation, collective group in responded so Bob can complete the project. Bob noted a new speaking engagement at the TFM Regional Trade Show in Chicago on Sept 20. Bob also noted that the Web cast that will be organized through the magazine, Building Design and Construction, has been postponed from the 4<sup>th</sup> quarter of '06 until the 1<sup>st</sup> quarter of '07. Ken Jayne noted that the December Trade Show that was originally planned by TCPN in San Antonio has been cancelled. A discussion was started by Ron Ecker exploring how CJE can better serve the Industry, and in particular how we more effectively reach out to the Owner. Greg Smith noted from his perspective that CJE looks like a Contractor Association; there was no disagreement. Rick stated that we need to develop a method by which we can create an Owner to Owner exchange of information because as CJE is currently constructed (the membership), if an Owner contacts CJE they will most likely be speaking to someone that represents a Contractor or Consultant, thereby being in a position as a potential client situation, not an independent third party representative to the Owner. It was suggested that a review committee be formed to look at this issue with the key idea of piggy-backing with other associations to get on their program for ½ day, preferably the first day before the Trade Show portion of their programs start as discussed earlier in the Financial section of the meeting..

An additional idea to further peer identification to potential members was to initiate a chart of members indicating their persuasion whether Owner, User, Designer, or Contractor for ease of networking. It was also suggested we offer up program kick off team building from the CJE...and independent 3<sup>rd</sup> party!

Membership – Dave Carrithers was not in attendance, no report.

- IV. Elections        There will be two positions open in January, the Industry Chair and a Board position, three year term, replacing Rick Farrag's position on the board. Clint will take responsibility for organizing the election.
  
- V. Legal            Clint asked Greg Smith to provide an update on the situation with Galveston. Greg's report: The school district of Galveston issued an RFP to re-procure a CM @ Risk contract, the low bid came in at \$13.4M, Jamail's previous winning contract that was in dispute was awarded at \$7.8M. Galveston did not award, but re-issued an RFP, Jamail was the only bidder (on-time) and was awarded a new contract for \$8.9M. It was noted that Basic Industries submitted late, there bid was \$11M. Therefore, after all the bad publicity, Jamail still has the Galveston contract, and at \$1M higher than the original award. Elizabeth Beeta, who was the principal adversary of Jamail, now has taken a position of a chief advocate for Jamail. The press has taken a very low profile approach to the

matter, clearly unwilling to admit their mistake in taking such an aggressive adversarial position. There will be no further legal motion on the matter. Ron suggested that we should pull together collaborative information from across the country in support of JOC. Ken reported that the Texas Legislature committee report on repair and renovation construction is due out in September. He does not anticipate anything of significance will come out of the committee that should impact JOC. There are some questions being discussed in the TX committee regarding the Bill Picko – Wm Bros Contracting definition of Facilities Construction meaning ‘all related Trades except Heavy’.

#### VI. Old Business

Ron Ecker reported on Greg Ohrn’s report to-date regarding the JOC Survey Findings. Per instructions from Greg regarding confidentiality, Ron presented the information verbally. Feedback to Greg / Gary will be done by Ron. Feedback to the Findings are in two parts, and both points were unanimous among the meeting attendees: (1) the opening comments of the report gave the impression that this was not strictly an analysis and survey of JOC users following the CJE definition of the JOC Methodology, but instead mixed in other construction methods, thereby skewering the survey and creating a rather unfavorable impression of JOC. The assignment to Greg did not ask for a mix of methodology, but clear findings and analysis of JOC only. We strongly felt that 84 responses that were non-JOC should be discarded, (2) the survey results and findings were good and clear per individual questions, but the summary did not speak to a Total Construction cost savings where as the survey reported 5 of 6 cost questions strongly were in support of JOC. Additional, as there was no clear summary, the one negative response to JOC (cost of Construction) might be interpreted by the reader to be Total Construction Cost. We strongly felt this needed to be clarified. Overall the survey is positive, but it is in the detail. If a reader only looks at the introduction and summary, as written (and many people only read these sections) the impression of JOC is very mixed at best.

The Annual Conference date was confirmed as Monday, January 29, 2007. A final draft of the flyer was reviewed. It was noted to add the keynote speaker. Ron Ecker reviewed the bullets in conjunction with the “Survey” to verify their appropriateness. Break our session Track B Construction and Closeout was dropped. Trac C Procurement became Track B. It was decided to modify the agenda to two breakout sessions that will run in series. Track A 1:45 PM to 2:45 PM, Break 2:45 PM to 3:00 PM, Track B 3:00 PM to 4:00 PM. Round Table Recap and Closure was shortened to one half hour from 4:00 Pm to 4:30 PM. Development of the scripts and presentations will evolve now that we have the preliminary “Survey” results.

#### VII. New Business

Clint asked that everyone review the newsletter write-ups that are in the meeting handout material and report comments back by email.

Meeting Adjourned at 12:09PM, offered in motion by Rick Farrag, seconded by Ron Ecker.