

Center for Job Order Contracting Excellence (CJE)
PBSRG - Arizona State University
Quarterly Meeting
Location: Tempe, Arizona
January 14-15, 1999

Thursday, January 14, 1999

Attendance

Rich Barrick	Allied Surety
Ken Jayne	Applied Innovative Management
Clayton Kline	AssetWorks, Inc.
Dean Kashiwagi	ASU-PBSRG
Lisa Gibson	ASU-PBSRG
Rich Benton	Centennial Contractors Enterprises, Inc.
Bill Sweetser	Centennial Contractors Enterprises, Inc.
Allen Cleveland	Estimating Systems, Inc.
Michael Moore	R.S. Means Consulting Services
Robert Coffey	The Gordian Group
Joe Martin	Northside Independent School District
John Davis	PI Construction Corp.
James Shannon	PI Construction Corp.

Bill Sweetser opened the meeting at 1:40 p.m. and followed the agenda.

FORMAL AGENDA

- Introductions were made.
- The minutes from the last meeting were approved unanimously by voice vote, with one change being a corrected reference to **Applied Innovative Management**.
- Next meeting details:
 - ◆ To have it in Houston in conjunction with the Society of American Military Engineers (SAME) National Training Conference being held April 6-9, 1999. Theme to be "The Federal Market for Job Order Contracts." Ken Jayne volunteered to be the local Point of Contact for making arrangements.
 - ◆ Preliminary schedule is:
 - ② Monday, April 5 - Evening dinner for CJE Members and Guests
 - ② Tuesday, April 6 - Morning business meeting
 - ② Tuesday, April 6 - Afternoon presentations [Suggestion to have USACE and NAVFAC Principal Assistants Responsible for Contracting (PARC) in a panel discussion; followed by some DPW's, Base Civil Engineers, or ROICC in a panel discussion]
 - ② Thursday, April 8 - Morning presentations on performance-based contracting with a broader focus than just the Department of Defense.

- ② Thursday, April 8 - Dean's Technical Presentation as part of the SAME Conference at either 2:30/3:30 p.m.
- ◆ Clayton Kline and Rich Benton will join Ken Jayne on an ad hoc committee to make further arrangements and finalize details
- ◆ Third quarter meeting to be held near Washington, DC July 20-21. Proposed theme to be the other than DoD market with suggested presenters from National Institutes of Health, NASA, Washington Sanitary Sewer Service, and/or DC Public Schools.

Committee Chairpersons' Reports on Action Items (An updated Action Items List is Attachment 3)

Education Committee

- Item #3: Details of the article were discussed. It appears to be a contentious subject, so a draft will be brought to the next meeting for review. Some suggested themes to include were:
 - ◆ Bonding exists to protect the owner.
 - ◆ A need for greater understanding of how bonding premiums are calculated and subsequently paid by the contractor.
 - ◆ How bonding capacity is calculated for JOC work.

Member Benefits Action Items

- Item #3: Suggestions were made to add "per contract" to line 3, bring the data above the table down into the table itself so the reader clearly sees the heading which indicates the numbers are averages per contract, and relook again at line 5 data.
- Members provided the quantity of newsletters they desired for subsequent distribution. Members will provide names and addresses of individuals sent the newsletter for adding to a contact database (item #3 under Administrative Action Items).

Administrative Action Items

- Item #2: Members need to coordinate with Ken Jayne about manning a booth during the SAME Conference which will have CJE materials available.

Additional Old Business

- Rich Benton updated members that the small business set asides for the Army and Navy JOCs has been rescinded until the next review late 1999. A review will be done annually. The classification of a JOC by Standard Industrial Classification (SIC) determines whether or not a JOC needs to be set-aside. SIC major group 16 procurements remain a mandatory set-aside for the Army and Navy.
- Materials to be available at the CJE booth at the SAME Conference are:
 - ◆ A poster with CJE logo
 - ◆ The CJE brochure
 - ◆ The newsletter to be published during February
 - ◆ Ken Jayne's point paper on "How Does Using a 'Performing' JOC Contractor Help Me Do My Job Better and Easier?"

- ◆ A flyer advertising the Thursday morning performance-based contracting session.
- 1998 survey results were not requested to be sent to members as in the past (i.e., by letter with Dean Kashiwagi's seal).
- Due to insufficient time, review of the facility owner survey questions was left for next meeting, with suggested proposals for changes to be developed by an ad hoc committee (see Member Benefits Action Item # 3).

Update on Arizona State University Procurement of JOC Services

- Hank Trager and John Riley attended briefly to provide an update.
- Pre-Bid Conference tentatively planned for 3-6 weeks from January 14.
- ASU has a goal to double research during the next few years, therefore a need for a JOC.

New Business

- Bill Sweetser will write letters to BENEKO concerning their status. *[After the presentations on January 15th, Dean Kashiwagi reported he had talked with Robert Newberry and Pat Hendrickson. BENEKO wants to remain with CJE if their concerns about identifying each contractor with their performance lines and distinguishing between performing and non-performing contractors are resolved. Bill Sweetser will talk with other contractor members who were not present to get their views on the first item. On the second item, some proposals were made that will need further consideration next meeting.]*
- Rex Shaver of DEL-JEN was nominated to be the Industry Chair for 2000, but the election was deferred until the dinner gathering when he would be present.

The CJE members adjourned, to regroup for dinner to continue discussion of items of mutual concern. Rex Shaver was unanimously elected by voice vote to be Industry Chair for 2000.

Friday, January 15, 1999

The agenda was followed with 23 individuals in attendance. See Attachment 2 for the listing of attendees.

Attachments

1. Agenda
2. Listing of Attendees
3. CJE Action Items List

Agenda
Center for Job Order Contracting Excellence

January 14-15, 1999
Arizona State University
Tempe, AZ

Thursday, January 14, 1999

- 1:30 - 4:00 Business Meeting (ECA 217)
- Review and Acceptance of Previous Meeting's Minutes
 - Next Meeting Details
 - ⑧ Houston: April 5-6 before SAME Training Conference
 - ⑧ Washington, DC: July?
 - Report of Committee Chairperson's on Action Items
 - ⑧ Education Committee
 - ⑧ Member Benefits Committee
 - ⑧ Administrative Committee
 - Additional Old Business
 - ⑧ Update on Federal Small Business Set-Aside Implementation
 - ⑧ Review of Materials for Booth at SAME Conference
 - ⑧ Distribution and Approval of 1998 Survey Results
 - ⑧ Revision of Survey Questions for 1999
 - New Business Items
 - ⑧ How does CJE Want to Handle BENEKO's Status?
 - ⑧ Election of Industry Chair for 2000
 - ⑧ How to Develop More Non-Federal JOC's
- 7:00- Dinner for CJE Members and Guests
The New Peking Restaurant

Friday, January 15, 1999 (ASU Memorial Union Gold Room)

- 8:30-9:45 The Council of Educational Facilities Planners International (CEFPI)
Thomas A. Kube, Executive Director
- 9:45-10:15 Break
- 10:15-11:15 Job Order Contracting in a K-12 School District
Joe Martin, Northside Independent School District
- 11:15-12:00 Performance-Based Contracting
Dean Kashiwagi, Ph.D., P.E.

Listing of Attendees - 15 January 1999

No.	Name	Company	Phone	Fax
1	Ken Jayne	Applied Innovative Management, Inc.	713-964-6720	713-622-5513
2	Dean Kashiwagi	ASU	602-965-4273	602-965-4371
3	Lisa Gibson	ASU	602-965-4273	602-965-4371
4	Bill Sweetser	Centennial Contractors Enterprises, Inc.	703-287-3040	703-287-0012
5	Rich Benton	Centennial Contractors Enterprises, Inc.	703-287-3044	703-287-0009
6	Rex Shaver	DEL-JEN, Inc.	931-552-0515	931-552-3588
7	James Shannon	PI Construction Corporation	770-428-2238	770-428-2245
8	John K. Davis	PI Construction Corporation	512-918-1161	512-918-1165
9	Robert Coffey	The Gordian Group, Inc.	864-467-9333	864-233-9100
10	Clayton Kline	AssetWorks, Inc.	210-867-2678	210-301-0299
11	Michael Moore	R.S. Means Consulting Services	800-448-8182	781-585-7466
12	Rich Barrick	Allied Surety	972-490-3393	972-490-7475
13	Allen Cleveland	Estimating Systems, Inc.	800-967-8572	508-428-3573
14	Tom Kube	Council for Educational Facility Planners International	602-948-2337	602-948-4420
15	Joe Martin	Northside Independent School District	210-523-4704	210-523-4747
16	Duane Hall	US Facilities Management Company, Inc/	602-731-9700	602-731-9798
17	Scott Beck	The Stichler Group	602-956-8844	602-956-8866
18	Ramona Reid	Deer Valley Unified School District	602-581-7774	602-581-7886
19	Dave Cox	Deer Valley Unified School District	602-581-7796	602-581-7886
20	Elissa Peters	McCarthy	602-262-8009	602-262-8080
21	Gordon Mortenson	Snowflake Unified School District		
22	Roza Ferdowsmakan	Archon Inc.	602-892-9291	602-892-3556
23	Dean Gray	Washington Elementary School District	602-896-5234	602-896-5236
24	Nick Juliano	Phoenix Elementary School Distri	602-257-4003	602-257-4533
25	Michael lackey	Pinnacle One	602-394-0335	602-394-0336

CJE ACTION ITEMS LIST

Education Committee

Chair: Ken Jayne: 713/964-6720

Applied Innovative Management, Inc.

Members: Rich Barrick - Allied Surety

Robert Coffey - The Gordian Group

Lynn Thompson - The Gordian Group

Member Benefits Committee

Chair: Dave Pinkerd: 713/260-3247

Brown & Root Services

Members: Rich Benton - Centennial Contractors

Lisa Gibson - ASU

Administrative Committee

Chair: Bill Sweetser: 703/287-3040

Centennial Contractors

Members: Rich Benton

Action Item	Responsibility	Promised Completion Date	Comments
<u>Education Action Items</u>			
1. Prepare article comparing pros and cons of JOC/TOC/SOC.	Dean Kashiwagi	Dependent on publisher	Revised version distributed. Will be forwarded to <i>Cost Engineering</i> for publication.
2. Create a JOC presentation to be given to facility owners.	Ken Jayne	Completed	Available for use now by members.
3. Prepare an education write-up on bonding to be posted on the Internet.	Rich Barrick	Draft completed for review at April meeting	Details discussed. Article needs to consider differences between DoD and non-DoD market. Will not be posted to website until all members agree to its conclusions.
4. Obtain more case studies and photographs to enhance JOC presentation.	All	On-going	Photographs need to be minimum 360 dpi resolution.
<u>Member Benefits Action Items</u>			
1. Differentiate between performance-based awards and low-bid awards at known JOC sites and add to database.	Lisa Gibson	?	

Action Item	Responsibility	Promised Completion Date	Comments
2. Send letters to responding JOC survey sites with survey results and CJE brochure.	Lisa Gibson	2/15/99	
3. Review annual facility owner survey questions.	All	Proposals at April meeting.	Committee formed of Robert Coffey (lead), Jim Shannon, and Clayton Kline to make suggestions. Consider asking about change orders. Focus should be on clarifying and adding questions so trend analysis can continue.
4. Work to establish relationships with industry.	All		
5. Write and distribute newsletter regularly.	Lisa Gibson	Next issue distributed by 2/12/99.	Changes to draft distributed at October meeting made. Provide bulk newsletters to members for subsequent distribution.
6. Operate a clearinghouse of upcoming JOC bids and provide to members.	Lisa Gibson	Bi-weekly	Need information put into a database and track who receives award. Standardize format of information display.
<u>Administrative Action Items</u>			
1. Increase membership.	All	On-going	Up-to-date brochure now available for use. Welcome letters being sent to new CJE members.
2. Standardize future business meeting format and seminars; coordinate dates.	Bill Sweetser	On-going	Next meeting at Houston, April 5-6, 1999. Following meeting near Washington, DC July 20-21.
3. Create confidential database with contact information.	Lisa Gibson, Robert Coffey	Format by 1/22/99	Suggestion to create using OUTLOOK 98. Members will provide contact information to be used for mailings, but not to be shared with other members.

Action Item	Responsibility	Promised Completion Date	Comments
4. Prepare a point paper for facility owners on how CJE can help them.	Ken Jayne	Draft distributed.	Comments to Ken Jayne by 31 January. Paper will be available at booth at SAME Conference.
5. Have business meeting available as an audio teleconference to members who cannot attend.	Lisa Gibson	Next meeting	Ken Jayne to provide contact for further investigation after CSA Convention.