

NC State University HUB Advisory Committee Meeting
Administrative Services III Building Conference Room 301
January 31, 2006
12:00 – 2:00 p.m.
MINUTES

Advisory Committee Members Present:

External: Jill B. Smith
Kenneth Johnson
Toni F. Lipscomb
Kenneth Martin
Willy Stewart

Internal: Mike Harwood
Kevin MacNaughton
Andy Snead
Marvin Williams
Carol Woodyard

Others Present: Henry Lancaster, United Minority Contractors of North Carolina, Inc.

Committee Support Staff:

Sharon Beavers, HUB Construction Program Office Assistant

Advisory Committee Members Not Present:

External: Henry Richardson

Marvin Williams opened the HUB Advisory Committee Meeting by thanking everyone for being there and asking attendees to introduce themselves.

Carol Woodyard asked everyone to review the minutes and asked for approval.

Andy Snead described an informal project, the contractor selection process and reviewed the percentage of HUB participation on the informal projects. He also answered several questions regarding HUB participation on informal projects.

Kenneth Johnson wondered why many HUB firms are not bidding on the informal projects and if there could be a weakness in the internal process that might be hindering HUB firms from bidding. She stated that HUB firms have mentioned having only one-day notice to prepare their bid.

Carol Woodyard replied that occasionally things happen on campus or sometimes there could possibly be an oversight on a project causing a need for a quick turn around. However, we try to minimize the frequency of this happening.

Kenneth Johnson requested a coalition of analysis looking at the rotation schedule to determine if there is a pattern of contractor notification where contractors are continually coming up on the rotation for projects that require the bid to be prepared in one day.

Andy Snead responded that it should not be a problem to get this information since a log is kept listing when contractors are contacted to bid.

Kenneth Johnson also asked for an analysis of projects since 2000 (when the bond began) to see the progress annually by subgroups. She suggested a report to compare projection to actual dollars with the ability to filter by gender, subgroup and trade to determine if there has been an increase or decrease.

Kenneth Martin asked if NC State had a way of knowing if the contractors that completed the HUB Contractors Academy had any affect on the minority participation.

Marvin Williams felt that it has some affect. He stated that some of the graduates have performed on informal projects. Kenneth Johnson requested a way of tracking the attendees of the HUB Contractors Academy, tracking the progress of these contractors, knowing where they stand when they enter the academy, and then a year later determine if they are capable of handling larger projects.

Marvin Williams referenced a discussion regarding hosting a meeting with the graduates to determine how they have done since completing the academy. This would allow them to express their successes and their difficulties. He also would like to have a meeting with prime contractors to allow them to discuss any issues or concerns they have in dealing with the HUB contractors.

Mike Harwood wondered if anyone has had a conversation with NC State's Industrial Extension Service (IES) to determine if there is a possibility of the academy graduates pursuing further training.

After a group discussion, it was decided that Garland Burton and Shari Harris should be contacted for additional input in putting together a questionnaire for contractors to check off items of their current ability. Hosting a homecoming to celebrate their success was also discussed as a possibility.

Kenneth Johnson suggested that NC State observe what has been found to be strengths and weaknesses, what is perceived to be done better or differently and what is needed to bridge gaps that exist for HUB or non-HUB contractors in order to identify trends or challenges.

Marvin Williams gave recognition to Kenneth Johnson, Kenneth Martin and Willy Stewart for their service to the North Carolina State University HUB Advisory Committee by reading a departure message in their honor.

Kevin MacNaughton presented each of the departing members with an award and thanked them for their service. Willy Stewart, Kenneth Johnson and Kenneth Martin stated their appreciation for being part of the committee.



Kevin MacNaughton / Kenneth Johnson



Kevin MacNaughton / Kenneth Martin



Willie Stewart / Kevin MacNaughton

Marvin Williams introduced Henry Lancaster, United Minority Contractors of North Carolina, Inc. (UMCNC).

Henry Lancaster gave each attendee a booklet listing the founding members, board members, mission and goals of the UMCNC. He explained that UMCNC is a trade organization providing benefits to its members, is approved by the state chapter of National Association of Minority Contractors, and offers members tremendous advantages as a nonprofit advocacy trade association.

After handing out a summary of the designer selection, Mike Harwood reviewed the data and designer HUB participation. Kenneth Johnson asked what was perceived to be weaknesses or gaps that need to be bridged in order to improve designer selection.

Kenneth Martin feels that being able to meet with the decision makers ahead of time regarding design projects is beneficial; it keeps both parties from wasting their time. He also mentioned that he has spoken with Shari Harris regarding the universities that do not include HUB designers as part of the selection criteria in hopes that it will become a universal requirement.

Kenneth Johnson believes it would be beneficial to have a networking session to focus on designers with all the campuses coming together to encourage greater diversity.

Kenneth Martin stated he has met with Shari Harris and the HUB advisors of all the universities. He made recommendations to them about what should be done to enhance the program. He suggested that the HUB advisors be given the opportunity to advocate for both design and construction HUB firms. He felt the problem was due to most HUB advisors having other responsibilities that limit them from doing their job full time although Senate Bill 914 allows funding for that position.

The HUB Advisory Committee's next scheduled meeting is Tuesday, April 25, 2006 at 2:00 pm.

NC State University HUB Academy I Graduates Feedback Session
Administrative Services III Building Conference Room 301
March 2, 2006
5:30 – 7:00 p.m.
MINUTES

Present:

Graduates: Terrence Johnson
Carolyn Myers

Others: Marvin Williams, NCSU HUB Manager
Kevin MacNaughton, NCSU Assoc. Vice Chancellor for Facilities
Shari Harris, UNC General Administration
Dave Simpson, AGC
Garland Burton, UNC Hub Manager

Support Staff: Sharon Beavers, HUB Construction Program Office Assistant

Marvin Williams opened the meeting by thanking everyone for being there and explained the purpose of the meeting was to discuss the experience of the HUB Business Academy I graduates. He requested Kevin MacNaughton to make a few remarks.

Kevin MacNaughton congratulated the graduates and spoke of the tremendous graduation ceremony. He informed the graduates that he did not want the class to be forgotten about but wanted their feedback not only to know how they are doing but also to understand what might make future classes more productive. He told the graduates he appreciated them taking the time to help achieve this goal and explained to them his position at the North Carolina State University.

Marvin Williams introduced Dave Simpson, AGC and ask him to give some comments.

Dave Simpson stated that he was excited about the classes and is amazed and impressed with those taking the time to participate. He said that in addition to giving HUB contractors a discount to be a member of AGC, they are going to post the names of the graduates with the trade and ask other contractors to use them. He felt more networking sessions are needed. He also stated that he is optimistic about the new organization, United Minority Contractors of NC. Inc. They have been active with both AGC America and Carolinas AGC on a national level. They hope to work with both in the legislature and in getting more HUB participation.

Marvin Williams asked Shari Harris to give an overview of the HUB Business Academy.

Shari Harris explained that each campus had similar issues and were doing their own separate outreaches. They decided to get together and brainstorm on the issues and some of the recurring problems and look at how these issues could be addressed. She explained they felt something needed to be done now in order to bring exposure to the industry experts and also to university personal. AGC already had a detailed program in place and with a few modifications it was a perfect fit to meet the needs of the HUB contractors. She spoke of how it has grown and taken on a life of its own, but we now want to see how we can help HUB contractors improve on what they have learned as well as some of the networks started in order to grow the business.

Marvin Williams asked Garland Burton to make some remarks on the purpose of the HUB Academy.

Garland Burton spoke about the early stages of the HUB program and areas of disconnect that existed during that time. The universities had work and were encouraging contractors to bid, but contractors were unfamiliar with the state process, policies, and CM at Risk was new. They realized there were some impediments and a need for training. He read the executive summary for the academy as a reminder of its purpose.

Marvin Williams stated the meeting generated from a question asked by a member of the North Carolina State University HUB Advisory Committee who wanted to know the results of the Contractors Business Academy. Therefore, it was decided to meet with the graduates to hear what has transpired in their businesses over the past 18 months and determine if alterations need to be made in the Contractors Business Academy and what assistance the universities might provide to the graduates. Marvin began the open discussion by asking if the HUB Academy provided adequate tools necessary to be successful.

Terrence Johnson replied, “yes it did”. He said it showed them what they needed, what they did not have and gave them the tools necessary to win jobs. He stated they pulled their resources together and increased at least 3 fold over the past 18 months. Terrence answered several questions relating to his work.

Kevin MacNaughton ask if additional training may have helped or prevented problems on projects that didn’t go as well.

Terrence Johnson felt most of his pitfalls were just life experiences that training would not have prevented. He felt most of his situations were due to his expectations being different from the expectations of the owner.

Kevin MacNaughton asked if training in understanding the contractual agreement might have been beneficial.

Terrence Johnson felt additional knowledge of the contract may help but the main thing they needed to know from the beginning of the project was expectations of the owner.

Garland Burton wondered, as a business owner with so many different responsibilities, what part of the HUB Academy did you find to be most beneficial?

Terrence Johnson did not feel a certain topic was more helpful than another. He felt that in a course of a day he used resources from most of the classes.

Shari Harris asked how effective classmates, universities, construction companies, instructors or other networking resources have been.

Terrence Johnson said he has used all of the above resources at some time.

Carolyn Myers agreed with Terrence Johnson since she also has used many of the networking resources. She especially felt Marvin Williams and Garland Burton had been very helpful in answering questions. She praised the HUB Academy and instructors. She stated she learned a lot of valuable information about what she could and could not do.

Kevin MacNaughton asked if there was any session of the academy that would not have mattered if they missed, maybe something already known or too basic?

Carolyn Myers stated she did not want to miss any classes even if she was familiar with the information she felt there was more to learn.

Terrence Johnson felt the same way and mention that by attending every class he was able to learn what he was doing right and where he needed to make improvements.

Shari Harris asked if they felt disadvantaged about the financial aspect since very little was mentioned in the first academy which they attended.

Terrence Johnson stated that financial training is always helpful, saying you did not learn it all by talking to one person but the more banks, lenders, financial institutions and insurance brokers you are able to talk to, the more choices you know about.

Garland Burton recalled that in talking to many of the graduates, he realized they did not name a particular topic when he ask them about the impact of the classes, but rather they seem to have a general feeling that they learned many things they didn't know they didn't know. The sessions were eye openers, presenting ideas and concepts that got them thinking about things they had never considered that steered them in the direction of additional resources.

Kevin MacNaughton asked, if there were to be a graduate program, what are other topics would they recommend.

Terrence Johnson answered organizational structure and Carolyn Myers replied advanced estimating.

Kevin MacNaughton asked Dave Simpson if there is a module in AGC to list how a company should be set up according to there size.

Dave Simpson was not aware if this was already available, but stated if enough people were interested they could create it. Dave wondered if a smaller networking session might work for HUB contractors. He gave an example of a group of AGC members from different states that come together and ask each other questions about how they do things. He also wondered about the networking session at the State Construction Conference and asked if it is beneficial.

Terrence Johnson replied it didn't really help because you mostly greeted those you knew and with so many at the conference you didn't have enough time to properly present yourself to other companies in order for them to remember you.

Shari Harris asked about the networking session at the Raleigh Business and Technology Center since it was on a smaller scale.

Terrence Johnson answered that he can exchange business cards at these sessions, but it is still up to him to contact the companies. He felt it is more effective if he can get an opportunity to speak with them one on one in order to get acquainted and learn how they might work together.

Garland Burton spoke about company growth and internal business operations. He felt Michael Washington, an action business coach, would be an excellent speaker on this topic.

Kevin MacNaughton suggested a networking session that would bring together the general contractors, trade contractors and owners with tables set up and each one would have a chance to speak of who they are and what they do, then rotate to other tables.

Marvin Williams asked Dave Simpson if they have a class for advanced estimating.

Dave Simpson responded that they could develop a class for anything desired as long as there is enough interest.

Kevin MacNaughton asked if they felt the next level was a desire to do take offs on more complex jobs or use more sophisticated software to do take offs.

Terrence Johnson felt they needed to learn the equipment and technology that is already available for take offs. He also wanted to know where he, as a small company, could get these programs without paying \$5,000 to \$10,000.

Shari Harris stated the Raleigh Business and Technology Center is trying to build their setup so they offer an online plan room and have someone on staff to help. She mentioned SureTrack, a software program that is now being taught at the HUB Business Academy. When the academy is over, the software is donated to a resource center. She informed the graduates that any classes added since graduation or any they missed, they are welcome to attend without cost. She also mentioned that since the community colleges have so many locations, they are looking for a way to partner with them in order to have more availability for contractors that are not able to come to one of the universities.

Dave Simpson felt that once the needs are determine Martin Lancaster should be contacted to arrange the sessions.

The group discussed the payment process when working for the state.

Marvin Williams asked if you were discussing payments with a CM at Risk contractor, what would you want them to do differently.

Carolyn Myers replied she has learned that by discussing in advance with the CM at Risk the need for receiving payment sooner than the normal process, this can be included in the contract.

Garland Burton wanted to know what the graduates perceived to be the most successful when bidding single prime, CM at Risk or informals.

Terrence Johnson stated he got more work from informals, but was paid better from CM at Risk.

Garland Burton asked what the university should be doing to assist graduates.

Terrence Johnson felt that in areas of the state where HUB participation is low, they should contact the graduates of the academy to see if they are willing to do the work.

Carolyn Myers stated she would like to see more notice for preparing a bid for CM at Risk projects.

Garland Burton explained that many times issues arise that delays the project. By the time the pre-bid is held, there may barely be ten days before the bid opening which doesn't leave enough time for proper notification.

Carolyn Myers stated she would do more bidding but she will not bid without having sufficient time to review the plans in order to properly estimate the job.

Terrence Johnson wondered if there has ever been a prime contractor denied a contract because they were the low bidder but did not have 10% minority participation.

Marvin Williams answered that a contractor can be awarded the contract even if they have not met the goal of 10%, as long as they are the low bidder and have met the qualifications for the good faith effort.

Garland Burton stated since contractors are required to perform the good faith effort, the expectation is that they will meet or exceed the 10% goal. Very often this is not true because it is difficult to find minorities for certain trades. However, the university will verify the contractor has done everything he can.

Marvin Williams dismissed the session by again thanking everyone for coming.



North Carolina State University
HUB Contractor Feedback Session
Administrative Services III Building Conference Room 301
March 9, 2006
5:30 – 7:00 p.m.
MINUTES

Present:

Contractors: Griffin Todd
Henry Richardson
Ed Rubio
Herbert Bailey
Mark Bullock

Others: Marvin Williams, NCSU HUB Manager

Support Staff: Sharon Beavers, HUB Construction Program Office Assistant

Marvin Williams opened the meeting by thanking everyone for being there and began the open discussion by asking if their businesses had grown in the past four years.

Henry Richardson replied that H. Richardson Company, although not significant, has seen some financial growth, but has made substantial growth by establishing the business as a top rate provider in quality of service. He feels good quality performance is the key for repeat business, therefore creating additional financial growth. He stated that Bull City Steel (he also owns) is new, but he feels they are now in the position to give their competitors a run for their money. This company has already expanded to offer supplies. With all this in mind, he anticipates additional future financial growth.

Griffin Todd stated that his company has seen growth, but he was not sure why in the past year he has not had as much success winning bids. He mentioned that he did have a problem getting paid bi-weekly although arrangements were made in advance.

Ed Rubio informed the group that his company has done extremely well and has no complaints about opportunities. However, he felt there are different standards for each company regarding the quality of work and because the contractors before him did not finish on time, he was delayed in starting on time then is required to make up time, working nights and weekends to get back on schedule.

Mark Bullock said he has no complaints about opportunities, stating his company started at Wolf Village and has since multiplied several times.

Herbert Bailey stated his business has also grown, but he has had a problem getting payment from some jobs.

Ed Rubio agreed saying he has also had a problem with change orders. The prime contractor wants the work done before the change order is approved and then threatens to bring in another subcontractor to do the job. When the prime contractor receives the invoice for the change order, he argues about the charges.

Henry Richardson said they are trying to build a relationship, but if you can't get paid the relationship will fall apart.

Griffin Todd suggested there should be a form signed by the general contractor when he asks a subcontractor to do a change order. This would eliminate any questions and provide proof in the future should they deny asking the subcontractor to perform the work. He also gave an example, similar to Ed Rubio, of receiving threats from the general contractor.

Ed Rubio spoke of a schedule he recently received from a general contractor listing deadline dates for a project. Ed stated he is just starting the project, but the list shows he should be completed. He gave examples of why some projects fall behind. One example was at the Reynolds Coliseum where asbestos was suppose to have been removed before his company arrived, but loose asbestos was still hanging from the ceiling which fell to the ground when his employee began working in the area. He took the blame for the asbestos not being contained and was charged \$3,000. Ed recommended that everyone take pictures and videos before they start the job and during the job. He said this saved him almost \$200,000 on a job. He stated that instead of getting a pat on the back for trying to make up time when the mechanical contractor fell behind, he is being blamed for the project lagging behind.

Herbert Bailey said his challenge is not deadlines, but because he is first on the project, he has to wait so long for retainage. He stated he has waited as long as two and a half years, however this was not at NCSU.

Marvin Williams asked which of the three bid methods do they feel have been most successful and least successful.

Ed Rubio felt CM at Risk has more opportunities. However, he didn't agree with the subcontractors having to put up bonds on a CM at Risk project. CM should be taking the risk, but they're not if the subs are putting up 100% bond. He felt 10-20% should be sufficient; stating it creates a liability and should there be a dispute between the GC and the owner, the subcontractor bond is held up until the dispute is solved. He wondered also why some subcontractors are told they have to put up a bond and others don't and why they advertise nurturing minorities and taking them under their wing, but the packages are so large you can't afford a bond. He said even if they are able to obtain bond, if anything derogatory arises your capital is tied up until a court case is settled. He stated that CM at Risk no longer has risk because the GC is negotiating the contract with the owner and the architect.

Herbert Bailey added the GC even has quotes from subs prior to bidding to the owner, so he knows how much he can do the job for. Therefore, he has no risk. He said the only risk they have is when they miss work, such as missing a floor.

Ed Rubio related and gave an example of a project where the GC and the architect missed the whole side of a building but thought he should have figured it out although the drawings were proof.

Henry Richardson stated he would like to see the university reduce barriers and create projects so minorities have opportunities to bid their work or bond as prime contractors. This would allow them to move to the next level. He said, at this point that is not possible, and minority contractors will continue to be tied to the prime contractors.

Marvin Williams asked Herbert Bailey to give an update on how the mentor-protégé program is working out.

Herbert Bailey said it is going well so far, the CM is paying well and they have acquired a vast amount of knowledge. He is looking forward to the second phase where they will be more involved with management.

Henry Richardson stated he has managers available and would be interested in participating as a mentor-protégé. He felt his company would blossom from the experience.

Griffin Todd stated he carries insurance but wanted to know the requirements for CM at Risk.

Ed Rubio felt the CM at Risk is putting more burdens on the subcontractors and relieving their own. He felt that for minority firms to be successful, the barriers must to be reduced by eliminating bonding requirements or at least reducing it to 10%.

Henry Richardson said minorities are being treated as if they are in trouble and the CM at Risk companies are the heroes coming to set them free.

Marvin Williams inquired about the language in the contract between the CM at Risk and the subcontractor relative to bonding.

Several attendees agreed on the contract language concerning bonding and stated that it is consistent with all companies.

Ed Rubio recalled a situation where he was the low bidder but because American Craftsmen could not bond the job, the CM at Risk awarded to another company at a considerable cost increase.

Herbert Bailey mentioned a situation where he did work on a project but bonding was not mentioned. After completion of the work, he received a letter asking him to pay his portion of the bond. When he did not respond, they wanted to do a change order to reduce his contract by that amount.

Griffin Todd felt if the CM at Risk would take the responsibility of insurance it would not only relieve the burden from the small companies, but if the subcontractors should go out of business or file bankruptcy the CM at Risk will have something to fall back on.

Marvin Williams asked if there was anything else that anyone wanted to mention.

Henry Richardson commented on the mentor-protégé program, stating he felt it was an excellent idea. He felt the program should be expanded beyond the larger companies mentoring the mid-size company. He said he would not only be interested in being a protégé to a larger firm, but also felt he had something to offer, as a mentor, to a smaller business with less experience.

Ed Rubio recommended for CM at Risk projects that HUB contractors be involved in the design stage. This would give them more knowledge of the process.

Herbert Bailey gave another scenario of a situation he has been involved in, but he emphasized that it was not a state project. He elected to team with a larger firm bidding on a project. His company did all the preliminary work, made phone calls and physically did all the estimating for the underground utilities. The larger company got the job and now will not answer the phone.

Ed Rubio mentioned a similar situation he was involved with.

Marvin thanked all for attending and the meeting adjourned.



NC State University HUB Advisory Committee Meeting
Administrative Services III Building Conference Room 301
April 25, 2006
2:00 – 4:00 p.m.
MINUTES

Advisory Committee Members Present:

External: Gloria Shealey
Henry Richardson
Jill B. Smith
Scott Cutler
Toni F. Lipscomb
Wesley Coble

Internal: Mike Harwood
Ted Devens
Marvin Williams

Others Present: Johnny Rankin, Centex Construction Company
Calvin Stevens, Centex Construction Company
Tom Hyzak, Skanska USA
Griffin Todd, Todd's Grading and Hauling

Committee Support Staff:

Sharon Beavers, HUB Construction Program Office Assistant

Advisory Committee Members Not Present:

External: Carol Woodyard
Kevin MacNaughton

Marvin Williams opened the HUB Advisory Committee Meeting, thanked everyone for being there, welcomed new members and guests and asked attendees to introduce themselves.

Marvin Williams expressed regrets that this would be the last meeting for Toni Lipscomb and thanked her for her service to the committee. Toni stated her appreciation to NCSU for the commitment it makes to providing opportunity for minority businesses and for the opportunity of being part of the committee.

Marvin Williams asked everyone to review the minutes for the previous meeting and asked for approval. Minutes were approved.

Scott Cutler asked if a follow-up had been done from the previous minutes to Kenneth Johnson's question regarding subcontractors having one-day notice to bid on informal projects. Ted Devens wondered if Kenneth Johnson's about one-day notice was referring to attending the pre-bid. Marvin Williams stated he would follow up on the questions.

Marvin Williams asked Mike Harwood to discuss a pre-submission meeting that the university recently implemented in order to increase utilization of minority design consultants.

Mike Harwood stated that since the new process began it has been implemented on two (2) projects. He was pleased with the attendance and hopes the data will reflect will increase awareness to the HUB community. He mentioned that at the meeting Marvin Williams makes a presentation and interested consultants are given time to ask the project manager questions. He is hoping the project managers see the advantage since it should reduce the amount telephone calls from consultants. Mike answered several questions such as, how many design firms are on the NCSU database, how are the firms notified of projects and how successful have minority firms been in obtaining jobs. Mike emphasized willingness to spend time with designers that have questions or concerns whether they are already participating in NCSU bidding or have an interest.

Ted Devens explained the Informal Bid Process stating that projects under \$300,000 must be publicly bid, but NCSU is not required to advertise them. Therefore, NCSU uses a process called Informal Projects Contractor Selection to determine which contractors are best qualified to bid on informal projects. Selection committees meet once a year to review the applications. Several factors are used to determine what companies get selected including experience modification rate, insurance rate based on the number of accidents the company has had, etc. Once the selection is complete, each list is broken into groups and the bidding invitations rotate to each group. He added that typically small contractors are not able to get on the list because they are not able to show a history of experience, but this year a trial list is being included for these companies to give them an opportunity to do small projects. He handed out a sample of the electrical list in order to show an example of different groups. He also stated that at times it becomes necessary to remove a contractor from the list if their performance or quality of work is not up to standard. He answered several questions. Jill Smith felt the trial list was a great idea and several attendees agreed.

Marvin Williams described the HUB Contractors Business Academy, a sixteen (16) week series of training classes that was previously held for HUB contractors. These classes covered subjects such as estimating, insurance and accounting. In order to graduate, all sessions must be attended. At the previous HUB Advisory Committee Meeting, the question was ask if there had been a follow of these contractors. It was decided to bring them together to determine if the academy had been beneficial to their company's growth. The feedback was positive, but the two areas they felt additional training could be used were advanced estimating and business organization. Since that time, Michael Washington, an action business coach has conducted a workshop entitled "How to Organize Your Business". Marvin stated that he plans to work with Shari Harris and AGC to provide a workshop on advanced estimating.

Marvin Williams informed the group that another session was held for minority contractors having a good work history at NCSU to determine what is needed for their company to advance to the next level or moving from subcontractor to contractor. Marvin stated at this session the main concern of these contractors was bonding and insurance on CM at Risk projects. He stated the CM at Risk is required to provide bonding and insurance, however if the bid package on a CM at Risk projects is above \$300,000, bonding and insurance is also required of the subcontractor. The question the subcontractors asked was, "Where is the CM at Risk taking a risk when they are pre-qualifying the bidders, they are getting estimates during the process of the job and they

are requiring the subcontractors to provided bonding. Marvin asked how these issues might be addressed in order to help the subcontractor move to the next level.

Several attendees questioned the bonding issue wondering if the law requires it on contracts over a certain amount. It was determined that the only legal requirement was based on the policy written for each project but there is no legal requirement for the subcontractor. Griffin Todd asked if the CM at Risk is bonded to protect the owner, why should there be a concern about bonding for subcontractors. Scott Cutler stated that on private projects where they are choosing the subcontractors and are familiar with them they might not require bonding and that most CM at Risk's have these requirements for the subcontractors on public projects because they are not aware or know who may be bidding. If they wave the requirement for one subcontractor they must do it for all. Toni Lipscomb suggested possibly separating the cost of bonding from the construction cost, but it was found that most companies already do this. After several comments and suggestions, it was felt that another suggestion by Toni was the most persuasive. She stated that the general assembly of NC has established Asurety Guarantee Funds they have not been funded yet, but there is a statue that has authorized it. She felt that the owner could use their power to work with Asurety Guarantee or Travelers and explain to them that they know they will be taking some risk but they will also benefit. The owner could ask them to underwrite a bond as they would for any other bond. If a subcontractor is managing his business well, is able to do this once or twice and has a successful experience, then he can get bonds all the time and it will open many doors for him. She stated this would be more beneficial to subcontractors than creating a special program that would cripple them by fencing them into working in a certain area. Henry Richardson suggested a sub-committee be form to further discuss the topic. Marvin Williams said he would call on some of the attendees to serve on this sub-committee.

Marvin Williams handed out two spreadsheets for each CM at Risk project currently active. He explained the first spreadsheet that showed the amount of pre-qualified HUB and non-HUB contractors for each package and how many submitted a bid. Sharon Beavers discussed the second spreadsheet that is used to track information on a monthly basis for each project. She explained that once the sub-contractor information is set-up, the formulas would automatically calculate the total contract amount for each minority class, percentage amount for each minority class, total HUB participation on the project and total percentage of HUB participation on the project. As each monthly report is entered the formulas would automatically calculate the total amount paid to each minority, total percentage paid to each minority class, total HUB amount paid and the percentage paid for the project.

Marvin Williams informed the group of a training workshop being planned for HUB contractors to be held on Thursday, May 25, 2006 entitled "How to Prepare Proposals for Change Orders".

Marvin Williams thanked everyone for attending and adjourned the meeting.

The HUB Advisory Committee's next scheduled meeting is Tuesday, July 25, 2006 at 12:00 pm.

HUB ADVISORY COMMITTEE MEETING MINUTES
NC STATE UNIVERSITY
Administration III-Conference Room 301
July 25, 2006 / 12PM

Attendees: Scott Cutler; Toni Lipscomb; Ted Devens; Carol Woodyard; Evia Nelson; Marvin Williams; Wesley Coble; Henry Richardson; Kevin MacNaughton; Gloria Shealey; Zach Abegunrin; Sharon Beavers; Jill Smith; Travis Wherry

Welcome

Marvin Williams

Marvin Williams welcome the members of the of Hub Advisory Committee, and extended a special welcome to project manager Evia Nelson of BE & K, who has been working on the Polk Hall renovation project, as well as to new member Zack Abegunrin. Williams then presented new administrative assistant Travis Wherry to committee and announced that Toni Lipscomb will be leaving the committee after this afternoon.

Awards and Recognitions

**Kevin MacNaughton
Marvin Williams**

Williams and Kevin MacNaughton presented awards of appreciation to Toni Lipscomb and Sharon Beavers, thanking them both for their contributions and service to the HUB Advisory Committee. MacNaughton added his appreciation for the efforts of Ted Devens, who will be moving over to the Department of Transportation, and for whom this will also be the last HUB Advisory Committee meeting.

Review and Approval

Carol Woodyard

April 25, 2006 meeting minutes

Williams and Carol Woodyard asked the committee members to reference their copies of the previous meetings minutes, and for the committee members to offer any comments or needed changes.

Williams mentioned that there were a few items that he wanted to discuss a further. In one of the area meetings, Kenneth Johnson mentioned that a contractor had received a one-day bid notice on an informal project, which doesn't happen at NC STATE. Upon further investigation, Williams and Devens believe what had actually happened was the contractor received a one-day notice of a pre-bid meeting, which does happen. If the contractor were to have attended the pre-bid meeting, he or she would have received plans and specs and then would have had at least seven more days until he or she would have to bid the job. MacNaughton inquired whether receiving a one-day notice of a pre-bid meeting was something that happened often. Devens explained that the goal was to inform contractors 3-4 days before the pre-bid meeting, as much more notice tended to lead to contractors forgetting about the pre-bid meeting, having received notification so far in advance, and less notice diminished the amount of contractors who showed up for the pre-bid.

Williams mentioned that NC STATE still intends to offer the Advanced Estimating Session/Course. Williams said that he had been in contact with Sherry Harris and Dave Simpson of AGC, and Simpson has been tied up with the legislature. Williams expressed hope that within a week or so Simpson would have more time to help plan this session. Henry Richardson mentioned that this could potentially be a very sizeable class, and Williams expressed hope that this would be the case.

Annual Report Statistics

Formal Projects

Informal Projects

Carol Woodyard

Ted Devens

Woodyard referred the committee members to the Annual Report in their packet. Woodyard referenced the statistics for HUB participation on formal projects, comparing them to the previous year's figures. She noted that NC STATE had increased its HUB participation by a couple percent on single prime projects. She noted that both the Hispanic and African American participation on these projects had increased; however, she expressed disappointment in the figures that showed that CM at Risk participation had dropped slightly, though she believe that this was attributable to a lack of availability of the right trades that are needed for current HUB firms. Woodyard said that our percentages look good, and that the total dollars spent with HUB firms had definitely increased.

Devens referred the committee members to the figures regarding informal projects. He noted that NC STATE continues to see a 'trickle down' effect, as larger capital buildings are built, more informal projects are required to perform smaller tasks, and maintain upkeep of these buildings. Devens noted that the past year was the largest bidding year in his tenure at NC STATE at nearly \$11 million. Devens noted that as a total percentage of construction dollars the University spent 16% with HUB firms on informal projects. He noted that the female HUB participation was down, and was a result of female-owned HUB firms simply not competing for contracts in the bidding process. Hispanic participation on informal projects was also down from the past year, but that was attributable to a smaller percentage of landscaping jobs available to Hispanic firms. Devens said that NC STATE was still actively looking for and recruiting Hispanic firms, though part of the problem is that, while many Hispanic workers participate on jobs, they don't own the firms, and therefore are not reflected in the report. Devens handed out a graph of the long-term trends of the percents of invitations to bid and the actual utilization by construction percentage. He noted that the invitations to bid for HUB firms stood at 20.5% for the 2006 fiscal year, down from just over 24% the previous year. He noted the climbing trend since 2001 of inviting HUB firms, and explained that the drop in the past year reflected some of the difficulties he and other NC STATE project managers had had in finding HUB contractors to invite, as well as quality control issues. He continued to note that there had been some difficulty with general contractors having minority firms dropping out early on jobs during the past fiscal year, and that these factors attributed to the lower figure. Devens commented on the actual utilization by construction percentage of HUB firms figure listed in the graph, explaining that prior to the passage of Senate Bill 914, there weren't many HUB firms that were being solicited for work statewide, so a high percentage of HUB firms called by NC STATE pursued work at the University. Devens said that since the passage of Senate Bill 914, HUB firms have had more choices in regards to where they could bid work, and he continued to add that this was in part responsible for the lower participation rates, as HUB firms were finding more opportunities elsewhere, and were choosing to bid other jobs they felt they had a better chance of winning. Devens said that over the course of the next year one of the goals would be to increase the amounts of calls made out to invite HUB firms to bid. Devens mentioned that he wanted to concentrate on the Hispanic front. Devens mentioned the institution of the "Trial List," where a company that either has been in business a while, or that has done some larger residential work, and that may not look great on paper but that seems to have the ability to do a good job, is given the opportunity to do a smaller job. Devens added that NC STATE had added a few companies the past spring, and mentioned Gloria Shealey's company as an example. Devens further

explained that a new law that allows sole sourcing of projects up to \$30,000 affords NC STATE the opportunity to utilize these firms on such projects. Devens said that a company's performance on these types of projects gives NC STATE an idea of how a company will perform on some bigger jobs.

Williams thanked Devens' efforts to incorporate minority contractors on informal projects. Woodyard mentioned that Devens had been the perfect fit to help with the HUB efforts since assuming his post at NC STATE, and also thanked him for his contributions toward the HUB effort.

Update Mentor/Protégé relationship for Polk Renovation Project and Phase II Prequalification update Evia Nelson (BE&K)

Nelson provided a brief overview of the nature of the Mentor/Protégé relationship between BE&K and Bailey Contracting. Joseph Bailey, the son of Herbert Bailey, has been working closely with BE&K as an assistant project manager. Nelson said that as such, Bailey has been learning the duties and responsibilities of a regular project manager. She added that she personally had sat down with Joseph to develop an additional set of personal duties and responsibilities. They agreed on those and he signed off on them. They meet monthly to make sure that those duties and responsibilities are being met, and to support him in being able to accomplish them. Nelson explained that Polk Hall's early package had been completed, which included some demolition, and very small amounts of renovation. The project is now in Phase 1-B, which she described as the bulk of the work of the project. Nelson said that they tested him on the early package, and started getting him familiar with all of their software and systems. She emphasized that BE&K was treating him as if he were their own hire, instead of if he were merely a partner.

Sixty-seven HUB contractors submitted pre-qualification documentation to BE&K for Phase 1-B. Some were carry over from the first part of the project. 43 have been approved. Nelson said that those that weren't a carry over were not approved because they didn't have the capability of doing some of the larger-scale projects. Nelson added that 34% of all of their pre-approved contractors are HUB contractors. For the early package, 41.3% of their contract work was performed by HUB contractors. There are a few packages that were not advertised, and they were below the \$300,000 limit, so Nelson said they were going to pursue those projects as informal projects, and hoped to recruit more minority participation that way. Nelson did point out that finishing trades did account for the biggest percentage of minority participation.

Toni Lipscomb asked how BE&K would judge the partnership with Bailey Contracting as a success. Nelson replied that Bailey Contracting would largely be the one that would determine whether the program was a success based on what they had absorbed, as BE&K's intention was to expose them to everything and teach Joseph Bailey the particulars of the construction business.

Lipscomb asked if there was any compensation to BE&K for the mentoring program. Nelson replied that there was not, and that BE&K had an agreement set up with Bailey with a rate that they pay for a person on site and that there was also a percentage split of fees that was decided by BE&K and Bailey. All of the accounting runs through BE&K.

Lipscomb then asked what was the incentive to institute the mentoring program. Nelson said that she was not the one who conceived of the idea, and thus wasn't able to speak

directly to that question; however, she said that she was aware that there was a pre-existing working relationship between BE&K and Bailey Contracting, and that Bailey Contracting was looking to expand their business. BE&K was helping them in this regard.

Gloria Shealey asked whether, in determining who to select as a protégé for this program, BE&K was looking for a firm that was on the cusp of, and interested in, moving from being strictly a subcontractor to a general contractor. Nelson replied that this was indeed part of the selection process, and that knowledge of the University and a different subcontractor base played a role.

[Asked what parameters or guidelines are used when BE&K sole sources] Nelson replied that generally speaking BE&K went with the informal requirements of less than \$300,000, but most of the ones Nelson had done had been under \$100,000. Nelson said that prior to a project she would contact Marvin Williams, to let him know that nature of the upcoming project and to obtain suggestions as to contractors.

Bonding/Insurance Subcommittee Members Marvin Williams/Scott Cutler

The members of the subcommittee were introduced: Scott Cutler, Gloria Shealey, Henry Richardson, and Wesley Coble. Cutler said that the goal of the subcommittee was to help contractors become bondable and obtain the insurance that they need, and to help them obtain the information that they need to be able to obtain bonds. Cutler said that through the course of the subcommittee meeting, a consensus was reached that some education was needed about the whole bonding process to eliminate misunderstandings and skepticism regarding the bonding process. He explained that the subcommittee was working on a seminar toward this end right away, which they hoped to hold at the end of October as a regional event, as opposed to solely NC STATE. He said that the committee would seek representatives from some of the larger bond companies, as well as some that have worked with emerging contractors to increase their bonding capacity to attend this seminar. He mentioned the need to have a CPA with a specialty in construction present as well. Cutler said that while the details of the insurance side of the industry had yet to be discussed, the committee certainly wanted representatives from the insurance industry as well. Invitations should be sent out by the third week of September, and perhaps a later October session. Williams added that the McKimmon Center would likely prove a viable place to hold the aforementioned seminar.

Surety Solutions, LLC

Toni Lipscomb

Lipscomb said that since she began meeting with representatives of the Surety industry, contractors, construction CPAs, and etc. to figure out why obtaining a surety was such an intractable issue, they came to an understanding that surety bonds, while they are insurance, are in fact a credit product. As such, the analysis in the approval process is the same as in a credit approval process. There are working capital requirements, net worth requirements, experience requirements, etc. In large part, small, minority-owned firms do not have the infrastructure, track record, or revenue system to justify, from a large surety bond's perspective, that kind of credit. At the same time, there are dynamics going on within the surety industry itself, outside of the minority contractors, such as Sept. 11th, consolidation, etc. that have caused the overall market for sureties to tighten up.

Lipscomb said that, in a meeting with the Washington branch Director of Self Help, she was informed of his wife, Theresa Williams, who had started a surety brokerage. Williams had worked as an underwriter for a surety company for years, and had worked for the two largest surety brokerages in the country. She also had developed a specialty

for working with emerging contractors, and had underwriting authority. Williams was invited down to a meeting with DOT, the City of Durham, Sherry Harris, Marvin Williams, and others, and they formulated a pilot program set to launch Aug. 7th, sponsored by the North Carolina of Minority Economic Development. Each of the aforementioned organizations in this pilot program will refer 2-3 contractors that they believe are ready to take on a surety bond with some intensive handholding. In her proposal, Williams commits to getting a bond, or bonding commitment for a minimum of 40% of the contractors offered up for her review. This is to be a four-month program, and if it is successful, it will pave the way for a bigger program. Lipscomb mentioned that this pilot program was looking to cherry pick the most ready and capable firms to be submitted. Lipscomb explained that Williams also said, that for those firms with bonds already but not the bonding capacity that one might expect, that she will work with those contractors as well.

Lipscomb mentioned that she was particularly excited about this program because they were working with someone who has underwriting authority, as opposed to a simple consultant as has been characteristic of many similar programs. She added that she would be looking to NC STATE for recommendations of contractors for this program. She said it was important to get contractors familiar with the bonding process, even in situations where they may not necessarily need one, so that bond companies can see that they have been successful with smaller bonds, and will help them acquire bonds for jobs that are bigger than \$300,000, and move them beyond that barrier.

Lipscomb emphasized that, while she was excited about this opportunity, it was not a replacement or substitute for other efforts that are being made to promote HUB contractors and their businesses.

Cutler asked how these efforts could be incorporated with the aforementioned seminar organized by the Bonding and Insurance subcommittee. Lipscomb replied that educating contractors who are in transition about the nature of the surety industry, and to clear up misinformation they may be getting from accountants (i.e., don't show any cash at the end of the year, etc.) which actually hurts their chances of getting bonded would be most beneficial in making more of these contractors appealing and worthwhile risks to the surety industry.

Henry Richardson stressed the importance of letting contractors know that, while they are growing their business, there are certain steps they need to take, particularly in regard to their finances, which will help them be imminently bondable in the future. He also stressed the need to impart the importance of understanding that at some point in their futures that they would most likely need a bond, and that taking these steps now would enable them to procure one.

Legislative update Surety Bond Funds

Henry Richardson

Senate Bill 832—Richardson said that the bill had passed the legislature, but that it wasn't funded yet. He said that he was unsure when they would fund it. Williams mentioned that, with the surplus the legislature had to work with, the thought that was that this year would be the year they would fund it. But as of this point, such has not been the case. Richardson said that he would follow up on it.

Construction Manager at Risk project updates**Marvin Williams**

Williams referred the committee members to the statistics regarding CM at Risk projects in their folders.

UNC/AGC Joint Committee Meeting June/06 Highlights Carol Woodyard

Williams referred the committee members to the notes of the June UNC/AGC Joint Committee meeting in their folders. Woodyard highlighted some of the issues discussed at that meeting, including illegal immigrant workers, bonding, and some upcoming projects. She noted that it was brought up that 30-60% of the construction industry workers are Hispanic, and thus they were in favor of a guest worker program. Removing even the illegal portion of this workforce would prove a huge blow to the construction industry. There was discussion regarding efforts to verify workers as legal workers.

Pre-submission Design Services Update**Marvin Williams**

NC STATE has started a pre-design submission requirement. STATE now advertises design projects, but the advertisement says that interested parties must attend a pre-design submission meeting. In that meeting, HUB goals for minority consultants on that project are discussed. Williams has said that the design community is beginning to understand what NC STATE is looking for in this respect. A list of projects was briefly discussed.

Next scheduled meeting

October 24th, 2006 2:00pm

Questions/Comments from the Committee

Adjournment

Upcoming Topics:

NC STATE HUB Newsletter

Update on progress of the Subcommittee for Bonding and Insurance

Hispanic Contractors Association of the Carolinas

HUB ADVISORY COMMITTEE MEETING
NC STATE UNIVERSITY
Administration III-Conference Room 301
October 24, 2006 / 2PM

Attendees:

Marvin Williams, Travis Wherry, Patrice Gilmore, Scott Cutler, Wesley Coble, Kevin MacNaughton, Carol Woodyard, Gloria Shealey, Zack Abegunrin, Mike Harwood, Jill Smith

Welcome

Marvin Williams

Review and Approval

Carol Woodyard

July 25, 2006 meeting minutes

**Update Mentor/Protégé relationship for Park Shops
Renovation and Math Statistics Building**

Scott Cutler

Cutler announced that Clancy & Theys currently had two mentor/protégé programs at NC State, as they had just entered into such a relationship with the Daniele Company for the Math & Statistics and Park Shops project. Cutler noted that they were looking at components of the job in six-month increments, where Shealey would be assigned for six months, though they would consider yearlong periods as well.

**Bovis Lend Lease (CVM Randall Terry Bldg.)
BLL HUB History and Mentor/Protégé Relationship**

Patrice Gilmore

Gilmore explained the inception of the HUB program at Bovis Lend Lease, and its evolution in getting project information out to HUB sub-contractors and providing them increased opportunities to participate on BLL projects. She noted that the economic downturn post-September 11th took its toll on the business volume for BLL. Much of the private work they were performing stopped. At this time the bond program was getting approved, and BLL determined that they needed a paradigm shift geared more toward the public sector than the private one. Prior to 9/11, roughly 80% of the BLL work was in the private sector, while only 20% was in the public sector. That has since shifted, and now they perform roughly 80/20 percent public to private work. Prior to 9/11 BLL required \$5 million general liability insurance, and every subcontractor had to have a bond. As they became interested in state work, they realized they would have to shift those requirements, and have since adjusted them to meet state government requirements. They lowered their general liability insurance requirement to \$2 million and waive bond requirements on projects under \$300,000.

Without encouraging HUB participation, they found that they had several projects with 30-40% HUB participation already. But they did have some projects that weren't making as good of an effort. Now, all projects have a goal for HUB participation. BLL ties this goal to their incentive compensation as a company. At the end of the year, they get financial rewards for reaching those goals. BLL has incorporated the good faith effort goal on all of their projects, public or private. Project team leaders report to Gilmore monthly on their total contract amount, and how much of that amount is being spent with minority firms. As an office (Raleigh), they are at about 15.9% HUB participation.

Another goal they have instituted is making that participation equal among all minority categories. Gilmore said that BLL has found that the challenge is finding more African-American and Hispanic-owned businesses. They have set a goal of 6% participation for African-American firms, 6% for women-owned firms, and 6% spread over Asian, Hispanic, and Native-American firms. Currently, they are still at about 3% participation for African-American firms, and have a much higher percentage for women-owned firms. Gilmore noted this is an area they still have a lot of work to do in this area. Gilmore reviews every bid package that comes through, and she recommends minority firms for those bid packages that she feels are ready, willing, and able to work on those projects. She also handles any outreach efforts to HUB firms within BLL, and is responsible for publishing HUB information internally to the Raleigh, Charlotte, and New York offices.

MacNaughton commended BLL's efforts, and noted that they seemed to be ahead of the curve in forming genuine relationships with HUB firms, and that that was important. He asked if there was a capacity issue between balancing the use of HUB firms on private vs. public projects. Gilmore noted that there is a capacity issue, and that they do sometimes need to coordinate with Skanska, Centex, etc., to make sure they aren't overloading the same contractors. Most of their private work, however, is done on the eastern coast of NC, so they have less of an issue than some.

Bonding/Insurance Subcommittee Update Surety Solutions, LLC

Scott Cutler

Cutler described the efforts made by the collaboration of Crystal German (North Carolina Institute for Minority Economic Development) and Theresa Williams' (Surety Solutions, LLC) organizations, where Surety Solutions has created a pilot-bonding program in which contractors are provided assistance and integral information by German's organization—which had knowledge of the local contractor database. Cutler described it as a practical education support to help contractors apply for and obtain bonding. He noted that the program had had some initial success, with receiving over \$500,000 in performance and payment bonds, and over \$2 million in bid bonds. He listed some keys to the program as being: the education process of contractors to help them understand what makes a strong bond application, developing letters of recommendation, becoming familiar with the contractors so that the agency can recommend them to the Surety, and the Surety can develop a relationship with that contractors. Cutler noted that while the program had a limited 28-day lifespan, that it had proved a success. Marvin Williams noted that it wasn't too late to get contractors involved in the program, and that every effort needed to be made, and was being made, to do so. Williams said that Theresa Williams had mentioned that bonding was becoming increasingly more difficult to obtain, and it was therefore essential that contractors not delay in starting the process. Cutler said that while the \$300,000 limit to waive bonding has remained fixed, prices have not. Thus, escalation has caused what may have formerly been a \$200,000 package to now be a \$400,000 package. He added that this was something that may need to be looked into in the near future. Cutler added that, while this was important, the most important side of the issue was getting as many contractors as possible bonded, so that the \$300,000 barrier no longer proves an issue.

Williams noted that some of the smaller contractors have difficulties in submitting financial records, which has proved an obstacle in obtaining bonding. If they don't submit their financial information for review, they cannot get any feedback on what they need to improve to strengthen their bond application. Shealey noted that some are overly caught up in sheltering their cash flow from a tax perspective, which actually weakens

their application, as sureties want to see cash reserves, etc. Shealey added that this pilot program took some of the fear out of the bonding process, as many contractors had previously had bad experiences with the bonding process.

Williams further added that some of the contractors that he submitted to participate in the pilot bond program had not done so, and he was arranging a meeting with those five contractors and Crystal German to go over the program and hopefully encourage them to participate. Williams shared the financial analysis of Henry Richardson's company by Surety Solutions, and showed the checklist provided by that analysis to demonstrate how helpful joining this program can be. Shealey added that a next step to be taken is getting some contractors who have the ability to increase their capacity—particularly those who are reluctant to because doing so would put them out of their comfort zones.

Construction Manager at Risk project updates Polk Hall Renovation Bid Day Analysis (BE&K)

Marvin Williams

Williams circulated and explained the Bid-Day Analysis for the Polk Hall Renovation. Currently NCSU has 23% HUB participation on the Polk Hall project. Williams broke down the percentage according to minority type. Williams said that he would begin contacting the contractors who pre-qualified that did not bid in an effort to determine why they hadn't bid. Cutler wondered if it wouldn't be better to ask how many pre-qualified and committed to bid versus who actually bid, as opposed to just who pre-qualified and then who bid. Harewood asked what mechanism the Construction Managers at Risk used to track such commitments. Cutler said there wasn't currently a documented method, aside from simply calling contractors and receiving oral commitments, and getting a sense of who is bidding. Gilmore noted that they have software that they will reference after bid invitations have been extended. If a contractor "accepts" the invitation, they take that as an indication that they are planning to bid. General discussion agreed that this was a problem area that needed to be investigated further.

HUB Newsletter

**Carol Woodyard
Marvin Williams**

Woodyard introduced the first issue of Wolf Works, NCSU's HUB newsletter. Wherry commented that they were still investigating methods of circulation, and that a form of online publication was the least expensive, and most practical method under consideration. Williams said that NCSU planned on publishing a new version three times a year. Williams detailed some of the information to be included in future issues of the newsletter. MacNaughton added that in the next issue it would be great to include information on contractors participating on NCSU projects. Williams said he was hopeful that the newsletter would encourage contractors to come use the planning room at NCSU. Shealey asked if NCSU was prepared to go to an online plan room, and Woodyard responded that they were looking into it, but that NCSU did not have a means of doing so at that time. Discussion ensued on the status of transition of plans to an online form. Smith asked if there were plans to spotlight designers as well. Williams replied that it would definitely be a consideration.

Lessons Learned NCSU HUB Program

Marvin Williams

Williams directed the committee to the Lessons Learned compilation in their folders. Woodyard and Williams explained some of the things that were included in the list, particularly the commitment necessary from both owner and contractors alike in the

maximization of the HUB effort. Williams asked that the committee take time to read the list, and to reply to him with any comments.

2007 Meeting Schedule

February 27, 2007

June 26, 2007

October 30, 2007

2:00pm

Questions/Comments from the Committee

Smith asked if NCSU did a formal “State of Union” presentation of upcoming projects like they did with the five-year lookout made possible by the Bond Program. Harewood noted that post-the Bond Program, it is much harder to predict that far down the line. He noted that NCSU did have a \$100,000,000 library project down the line, but was not sure when it would get funded. He noted that coming out of the last legislative session, NCSU did not have any money for large projects that would have a designer. He concluded that it was now much more difficult to accurately predict projects down the line. He did add that it might be possible to create an extended Capital Plan. He said that he would have to check the limits on circulation for such an extended plan.

Smith mentioned the development of a new AIA Triangle committee, Women and Minority, which meets the second Tuesday of each month as an informal mentoring program that provides a good opportunity to network.

Discussion of how to go about growing the capacity of HUB contractors through different methods, including reaching into the College of Engineering, identifying growing firms that may have foremen that have left to create their own firms, encouraging companies to give leadership positions to talented minority workers, etc.

Adjournment

Upcoming Topics:

- Hispanic Contractors Association of the Carolinas