

Attendees

NCSU: Steve Arndt, Cameron Smith, Andy Snead, Shon Burch-Crispin, Lisa Johnson
 Skanska: Renee' Jones
 Locklear, Locklear & Jacobs: Jonathan Locklear
 Lend Lease: Tammie Hall
 NC DOT: Bonnie Tripp Simmons
 Vines Architecture: Victor Vines

Topics

Time	Topic	Who
10 minutes	Welcome and Introductions	Shon Burch-Crispin
15 minutes	<p>Capital Projects Update and Design Projects- What's Going On and What's Coming Up</p> <p>(CS)- Capital <u>Capital Project Update</u> – 24 projects in Design and 13 in Construction. Most work is single prime and some CMR projects. Case Commons is a 65 bed dormitory project (CMR is TA Loving). EB Oval (CMR is Skanska) design efforts are underway. Two other unique projects upcoming: CC Utility Plant Expansion, involving Cogeneration (CMR is DPR) is a Performance Contract. There is also the Clean Room Renovation project (CMR is DPR) for the Montieth Research Center. This project is phased over the next 4-5 years. Plant Sciences (CMR not yet selected), Designer advertisement will be posted in June 2016. NCSU current HUB project participation is currently around 26%, which is an increase from last year. Reynolds Coliseum Renovation project is currently under construction.</p> <p>(AS)- Informal Annual Design Services Vendor List for 2017, with a begin date of February, 2017 is all done. Vendors will be made public on April 21, 2016. Currently waiting for all approvals. On the Design end, projects less than \$500,000 are on call services. On the Construction end, contractors are qualified on an annual basis.</p>	Cameron Smith Andy Snead

	<p>There is a rotating list. This is done around September. There is a lot of work in the summer, typically with Housing (dorm renovations) and Dining. Construction costs are usually in the \$5 million - \$10 million dollar range.</p> <p>Athletic renovations include: renovations in Murphy Center for football and Weisinger-Brown (wrestling) renovations. The Weisinger-Brown renovations is an expansion for WB- wrestling which could potentially turn into a \$3 million - \$6 million dollar project.</p> <p>There are currently about 200-250 projects completed per year. Contractors are selected by trade and some specialty trades. We typically qualify 50 contractors.</p> <p>(TH) How do you monitor control?</p> <p>(AS) Willy Yamamoto has rotating bid groups and then some people may be added. Solicitation occurs in September on the website and can also be seen on the IPS website.</p> <p>(BS) How many do you normally have in a year? NC DOT usually have 3-6 year contracts for asbestos and abatement.</p> <p>(AS) They are usually posted on the website. Typically around 20 contractors are pre-qualified annually across all disciplines. Larger contractors would like to bid on smaller jobs. They are not going to be consistent, but usually have a successful bid. We do not typically bond the smaller jobs. We self-insure.</p> <p>(RJ) What's the average spending on your side?</p> <p>(AS) Usually depends on the project. Spending is not based on a percentage of the job/project.</p>	
25 minutes	<p>Economic Climate and Impact on HUB Community and Participation</p> <p>(CS) This item will remain on the agenda because there are constant changes in the economy that affect the HUB community. The market for us is getting better. There has been an increase in contractors bidding on projects; however, costs are escalating, resulting in higher bids. Anticipating a market flood of work that will continue to drive costs up and stretch the subcontractors too thin. With the Bond being</p>	All

approved and more R&R funds available, there is a concern about the sub markets lack of trade skills. In addition, subcontractors are being more selective about jobs they chase and they are throwing out higher numbers. We have met with several subcontractors to provide information on the process for doing work on NC State campus.

(VV) Design has been consistent. With the Bond passing and the amount of people available to do the work is not justifiable in NC (design "bandwidth" is limited and work is ballooning). Just depends on where we are in the market. There is not a shortage of pursuits. There is a shortage of contractors being able to do the work. There is more of a balance of public and private work more so that a few years ago.

(RJ) With the amount of opportunities available with Healthcare and Science projects, there is a challenge with contractors having the ability to keep up. About \$44 billion is done in the US for just healthcare. This does not include Life Sciences. Higher education research buildings and labs have increased. There is a lot of competition in NC. Other companies in other states are soliciting to local businesses.

(CS) Any thoughts on how to improve and keep Subs interested and wanting to work at NCSU?

(RJ) Duke University has a team of people that manage their relationships with subcontractors. Skanska has also put together a "Vendor Relations" team to reach out and maintain relationships with subcontractors. Skanska actually goes to them, rather than subcontractors always coming to Skanska.

(TH) There is a need to have a better understanding of who is in the market place and their skill levels (many companies from the past no longer exist). Also need to know where to place them when projects come up. The data base should be checked. Suggested building a new data base at multiple capacity thresholds (\$100K, \$250K, \$500K, \$1M, etc.). Maybe start with 250 subcontractors or less and determine who did good work on the projects. It's about growing the small businesses.

(RJ) Small business community is where the focus should be and try to push small businesses. Many of

	<p>the small businesses do not come to pre-bid meetings. If more of them came to the pre-bid meetings and do a walk through they will know if they should bid on projects. Many will come to outreach events to hear recommendations, but will not come to pre-bid meetings. It maybe that the pre-bid method may need to be changed. May need to have a pre-bid meeting in the AM and PM in one day for more opportunity to attend the meetings. May have better success with participation if have two opportunities to attend the meetings.</p> <p>(BTS) NC DOT normally do outreach immediately after the pre-bid meeting.</p> <p>(CS) Good idea to have a couple of pre-bid/outreach with the EB Oval project, because the project is so large.</p> <p>(RJ) There should be some coordination with each of the Facilities groups and with surrounding Universities.</p> <p>(AS) It would benefit us if we coordinate the efforts with other Universities and SCO.</p> <p>(CS) Schedules have to be submitted in Primavera. SCO will know when the project will bid. It would be a good idea to coordinate schedules with SCO.</p> <p>(RJ) This would also help Subs if they did not have too much going on at once.</p>	
15 minutes	<p>Mentor Protégé Program & Selection Process</p> <p>(RJ) The selection process is done after the CM is awarded. This makes the process more of a competitive process. The Protégé is selected based on their qualifications. For the EB Oval selection: when we look at the market, we have to determine if we are doing ourselves justice if the selection process goes through the traditional process or is there room for a change in the process. We will look at multiple Protégés for different phases during the project to provide estimating, design assist, build knowledge of the trade. This allows for Protégés to get real experience on different skills and on the trade side (target trade subcontractors because they need to grow more so than a GC who simply brokers the work anyway). The charge is to go back and find firms that</p>	Renee' Jones

	<p>cover the trades needed and reach out to them for the opportunity to work on Protégé.</p> <p>(CS) Preconstruction services is helping smaller firms to be exposed to the scheduling, budgeting, estimating, scope development aspects of the project, which will help them prepare for and bid smaller work.</p> <p>(RJ) Good to follow-up with Andy to bid on smaller projects, even on the GC side. Research will be done on the trades.</p> <p>(SB) For EB Oval, I will be working with Renee to give names of HUB Contractors currently working on NC State projects so that no one will be overlooked to have the opportunity to participate in the program.</p> <p>(RJ) The struggle is keeping the Protégé on with the contractor after the project is completed. Approximately 6% of the time the Protégé is laid off, then they go work with a larger firm. The GC needs to be in an established “sweet spot,” where they can keep the person on after the project is over.</p> <p>(AS) Subs do use OSEAD to get their foot in the door. But we have to remind them that.....</p>	
25 minutes	<p>Open Forum – How can NCSU better serve the HUB community and promote opportunities?</p> <p>(SB) A NCSU information session will be coming up in the near future to provide information to subcontractors on how to participate on NCSU projects. The session will most like be a half-day session. This will be a collaborative effort with Facilities Operations and possibly Purchasing. Maybe even a one-stop-shop where information will be provided on how to get their foot in the door at NCSU, DOT, etc., and the HUB certification process.</p> <p>(TH) Partner with others (NC DOT, other agencies and CM's).</p> <p>(JL) The HUB Office does not capture HUB participation. Mentioned that DOA uses a “shark tank” concept where they bring in representatives from all of their units within DOA to meet HUB firms. We would like to be able to meet people face-to-face. We have</p>	All

the desire to understand our Design numbers just as much as construction side.

(AS) NCSU is lacking in the area of tracking the Design side of participation. There is also a need to follow-up on NCSU Purchasing on how they are tracking HUB numbers.

(RJ) Contractors are doing a good job with the compliance piece of the work. It is easy for the GC to fill out the required affidavits. However, there is a need to monitor what they put on the affidavits. If they are doing a great job, let them know, if backup is required, ask for it. Pay attention to the subcontractor participation to make sure they are using the Subs as indicated of if there has been a change. Solicit feedback from the Subs on how they are being treated and if there are any concerns.

Meeting Adjourned: 2:30pm