

STATE BUILDING COMMISSION

May 24, 2016

9:30 AM

New Education Building, Suite 450
Raleigh, NC

MINUTES

MEMBERS PRESENT

Aaron K. Thomas & Blair Bordeaux

MEMBERS PRESENT (via teleconference)

Rick Whitaker & Matt Messick

OTHERS PRESENT

Kent Jackson (State Construction Office), Latif Kaid (State Construction Office), Victor Stephenson (State Construction Office), Cindy Register (State Construction Office), Ryan Scruggs (State Construction Office), Carol Erceg ((State Construction Office), Durwin Jones (Dept. of Justice), Erin Lawrence (Parks & Recreation)

1. CALL TO ORDER AND ETHICS STATEMENT

Chairman Aaron Thomas called the meeting to order at 9:31 a.m. and read the Ethics Statement.

2. Discussed the revision on the March 1, 2016 Minutes

Ryan Scruggs stated that the Bid Item #4 the Dorton Arena – Roof Repair/Replacement was partially incorrect. Kent Jackson said ok, so Bid Items #3 and #4 are identical and Ryan Scruggs said yes. Then Aaron Thomas wanted a Motion to Approve the March 1, 2016 Meeting Minutes, but Blair Bordeaux wanted to comment on the Dorton Arena one doesn't have a date or a number four firm respond and Ryan Scruggs stated that was his fault at trying to do it too quickly and Ryan stated he didn't have the information with him, but would get it filled in and apologized, Blair said so I assume it would be acceptable just to fill it in? Can we make it a record and Kent Jackson said that we could just move to approve as amended and Blair Bordeaux said ok.

We will follow up with approval of the minutes from March 1, 2016 on the next meeting (Listen to Recorder at 1:18 minutes in)

3. Emergency Declaration Letters

Department of Military & Veterans Affairs
Kinston VA Nursing Home
Kinston, NC

Ryan Scruggs presented the project. We are waiting on one from Veterans Affairs, have we received that? Kent Jackson commented that No, I spoke with Bob Talley about 30 minutes ago, I told him to walk it in before we adjourn. Ryan Scruggs states that we are waiting on receiving from Veterans Affairs today, but if we done receive it we will hold it to the next meeting.

Ryan Scruggs stated at 10:30 am that the Department of Military and Veterans Affairs has just brought in the Emergency Declaration letter for their Kinston VA Nursing Homes Sprinkler System Repair, Kinston, NC.

4. SELECTION OF DESIGN FIRM

Department of Natural and Cultural Resources
Division of Parks and Recreation
Hammocks Beach State Park: Master Plan
Onslow County

Ryan Scruggs presented the project. The recommended firms in priority order:

- 1 – Sage Design – Wilmington, NC
- 2 - Bowman Murray Hemingway Architects, PC – Wilmington, NC
- 3 - Stewart – Raleigh, NC

Kent Jackson added that he was not on the designer interviews, however he has had quite a bit of experience with Sage Design and found them to be a very good design firm to work with. Blair Bordeaux made a motion to approve the Committee's recommendations for Agenda Item 4. Matt Messick seconded the motion. The selections were approved as recommended.

5. Old Business

Get an update from the 3 Sub-committees made up. Start with Blair Bordeaux.

Blair Bordeaux started out with Design Build. They have reached out to several people and he sent out an email a week or so ago. They would have 7 to 10 people, he has 2 engineers (1 being Roger Wood from the IBI Group, needed a second suggestion they have talked about Clark Nexsen, and then Paul Boney would be the 2nd) from the designers, Contractor's 2 would be myself (Bordeaux Construction) and Marty Motor(?) expressed interest in participating. Have reached out to Norman Huston with School of Government, as far as public agencies I have heard interest from Greg Driver from UNC and would welcome another public agency potentially the State Construction Office, might be a good fit. Latif Kaid said yes that he was involved on that first Design Build and that the State Construction Office would be interesting in participating. Blair Bordeaux though it would be good to bring someone from the HUB Office, will reach out to Dennis English this week. I reached out the **Scout Scarborough (??)** with Southern Piping, though it would be good to have a Large Subcontractor that could be involved. Kent Jackson stated on the HUB Office the was offered a name of Ms. Kenneth Johnson and then Blair Bordeaux said that the last on that Joy mentioned was Joe Angel and he is with the Navy. Hoping to have this schedule finalized within the next week and then the next three weeks we set up a meeting with an attentive agenda. Durwin Jones asked Blair Bordeaux if they spoke with anyone from NCDOT, Blair Bordeaux stated that it is not their designated to do Design Build projects. I had NCDOT for the second Agency, but we will go forward with State Construction and possible take to NCDOT. Latif Kaid told Blair Bordeaux that the contact with NCDOT is Michael Shumsky he is involved with the Design Build. Kent Jackson said to Blair Bordeaux that the HUB Office is Kenneth Johnson, then Latif Kaid stated that Kenneth Johnson is not an employee of the HUB Office, Kent Jackson said ok, then Blair Bordeaux said that he would contract the HUB Office and that Dennis English would get us headed in the right direction. Kent Jackson asked Blair Bordeaux if they had planned a first meeting date? Blair Bordeaux said hoping to get all together within the next three weeks or so, so by mid or late June 2016. They have the documents that Paul Boney worked with and a previous iteration with the innovations committee, appear to be 75% complete and given that their intent that the sub-committee to stay within the existing statute frame work, it should be a straight forward process. They could have it done in 3 meetings or so. Latif Kaid stated to the Chairman to make a clarification on the Design Build sub-committee will be involved with both the Design Build and the Design Built (? Some work Latif said) it is two separate contracts.

5. P3

Aaron Thomas said that he has had several people contracting him concerning P3 and rolling it over the joint State Construction APCA AIA meeting in Chapel Hill the other day, I also have another list that is long. Kent Jackson and I (Aaron Thomas) where there and he mentioned that we were going to be doing the sub-committee work and all of a sudden my inbox got full with all the Large International Guys wanting to be on the committee for P3, so I have to call them back and I had a preliminary list and they guys from Skanska, Balfour Beatty, and Barnhill all those guys, I reached out and they want to be a part of this, cause the indicated they have expertise and other states are doing this and I said well we got a Law that has been passed here, so were going to be working on the procedure inside the State Construction that complies with the law, so I don't know if your going to be able to do some of the things you are thinking of, but I am going to reach out and talk to each one of them individually and make sure they know what we are doing and I will have the finalized slate in the next week or two and I will give it to you, Blair Bordeaux said ok.

On the prequalification is Susie Lewis on the line? Susie is not with us this morning, but she is heading up that sub-committee and I also have a couple of people that are interested in trying to work with her on that, so I (Aaron Thomas) will get with her on that on an email and copy you Kent, on those names as well. That committee was generated a lot easier with the Bond just being approved there were a lot of people in attendance and a lot of people were interested in what was going on. There may have been one mentioned there and if so I will email it to you and copy you Kent as well. I believe it was one of the Public Owners interested, so I will email it to you.

6. Update on the Iran Divestment Act

Ryan Scruggs stated that what he has found on the DOA – Purchasing and Contract web site was a certification of eligibility and I simply taken out the word Vendor and where ever it occurred I put in Designer/Contractor. Does anyone have any thoughts on that? Though this was a good way to comply and in addition to the contract a separate certification or other methods to ensure compliance. Kent Jackson asked Ryan Scruggs if he had sent it to Durwin Jones previously and Ryan Scruggs said yes. Durwin Jones said that he thought he had replied back, but needed to check. So Kent Jackson asked Latif Kaid and Ryan Scruggs what is the time line? Latif Kaid said it needs to be at the present from the past last year. Aaron Thomas wants it out in the Notice to Bidders so that people will know about it. Durwin Jones believes the Dept. of Revenue has it on their web site. Showed 3 versions in meeting. We could add language to those projects over \$500,000.00. Kent Jackson wanted to give feedback from Miriam Tripp from UNC that they have expressed a concern about some small contracts being able to comply or the paper work being a burdensome. Latif Kaid and backing up what Blair Bordeaux suggested that putting it in the Supplementary General Conditions or even the modify General Conditions,

but if it gets put on the Ad as a compliance issue, I think that may work unless they don't read the entire Ad and some don't. State Construction Office will work with Miriam Tripp on this new method.

Ryan Scruggs stated that we need to draft a policy and put it on the web site and email to all CPC's and let them know as of this date this policy is in effect. Durwin Jones suggest using what is on the State Treasure's web site. So we will put together a draft, run it by Durwin Jones and then finalize it. Latif Kaid said, do we want to just reference the link from the State Treasures office web site, Durwin Jones said that there is also another link, a subsidiary link, that way the subcontractors can check both list.

7. Legislative Updates

Capital Leases (draft). The Department of Administration is not allowed to enter into a Lease that exceeds 30 years, unless authorized by the Legislature. It goes through the Blue Ribbons Committee, who does that affect, is it good or bad? Kent Jackson has not heard any discussion on it, but it may impact Project Phoenix. The interest is in the leases that go into 99 years and you are committing on going budget funds for a significant length of time. The Blue Ribbon Committee has it on their web site.

Latif Kaid attended a Capital Funding outlook for R & R, last week. R & R is in the budget for next year and what they are doing is a 50/50 between the Agencies and University, it use to be 40/60.

What about these **Sentry(??)** Bonds with the UNC System? Kent Jackson read something about it, but nothing else. UNC and NCSU were looking about barrowing it at today's rates and taking care of some pending R & R demands. Cindy Register said that it sounds like some thinks it's another way to finance projects.

8. Other Topics

Our office has been working with the Budget on collecting the Cash flow information from Universities and Agencies for the Connect NC Bond. We are now in the stage in getting the Names established for the projects in the anticipation of having the Bond Sale coming up later. We are targeting late July or August 2016. I have only heard of 1 project ready and UNC has released 6 or 7 projects.

We have heard that our request for funding has been approved and the budget has discussed and we don't know the exact number of positions funding for our request.

9. OLD BUSINESS

Blair Bordeaux wanted on old business on the UNC-Charlotte review what ever happened to that? Latif Kaid stated that at first we had no report, but now we have the report now has scale just above where it requires action, based on the State Building Commission Rules we don't have to act on it. Whether they want to request an audience to voice their concerns that is up to them, Latif Kaid will contact them and let them know of giving them the option to come and if they want to come to the State Construction not to the State Building Commission. It comes to that the State Building Commission is to name 2 people and State Construction Office is to name 3. It's about the evaluation from the Project Manager from Holder (a Contractor) on a project at UNC-Charlotte.

6. NEW BUSINESS

Kent Jackson stated to the Chairman Thomas that he has just received the Emergency Project Declaration from the Department of Military and Veterans Affairs for the Kinston NC Veterans Home, Sprinkler System Repair Project. The system was installed in 2013, has experienced substantial failures in the system. Our office along with DOI has made a number of fact finding analysis. We meet with Veterans Affairs Secretary and staff last week and went over the findings and at the conclusion of that have determined that the Emergency Project was in order. So we have that letter for Emergency Declaration. The system was installed sometime in 2012, it was a find of a microscopic, they were slopes and water to not stand and has had sever corrosion. This is a Dry Pipe System, the contractor actually put a substance in the traps so to keep water from standing in those traps. A question was asked what type of substance was put in? Victor Stephenson stated "it was like Lard". GC was J. S. Clark which is no longer business in NC.

Motion to approve the Emergency Order by Blair Bordeaux, Kent Jackson said just wanted to get this on the record for this meeting, so we are to wait for the next month.

7. SCHEDULE NEXT MEETING

The next meeting date needs to be moved from June 28, 2016, so it will be determined at a later date. Commission members were advised they would be notified when a date had been set.

9. ADJOURNMENT

Chairman Thomas adjourned the meeting at 11:16 a.m. **(RYAN is this time correct??)**

Kent Jackson, PE, Secretary
State Building Commission