

# ACEC / NCDOT JOINT SUBCOMMITTEE ON CONSTRUCTION & MATERIALS

January 19, 2022  
Meeting Minutes

The meeting was held on January 19, 2022, using a virtual Teams Meeting at 1:30 pm. In attendance were:

NAME	REPRESENTING	EMAIL ADDRESS
Jack Cowsert	ECS Limited	jcowsert@ecslimited.com
Allen Pope	Maser Consulting	apope@maserconsulting.com
Michael Davis	RS&H	michael.davis@rsandh.com
Frank Gioscio	ESP Associates	fgioscio@espassociates.com
Christine Goins	RK&K	cgoins@rkk.com
Kevin O'Dell	Summit	kevin.odell@summitde.net
Jason Salisbury	NCDOT – Division 6	jsalisbury@ncdot.gov
Boyd Tharrington	NCDOT – Construction Unit	btharrington@ncdot.gov
Sherell Williams	NCDOT – Construction Unit	sherellwilliams@ncdot.gov
Brian Hunter	NCDOT – Materials and Tests Unit	bhunter@ncdot.gov
Wiley Jones	NCDOT – Construction Unit	wwjones1@ncdot.gov
Michelle Long	NCDOT – Chief Engineer's Office	mglong@ncdot.gov
Thomas Payne	NCDOT – PSMU	tpayne@ncdot.gov
Matthew Hilderbran	NCDOT – Materials and Tests Unit	mrhilderbran@ncdot.gov
Jim Sawyer	NCDOT – Materials and Tests Unit	jsawyer@ncdot.gov
Brian Skeens	NCDOT – Construction Unit	bcskeens@ncdot.gov

## ACEC Subcommittee Business

Minutes from the October 27, 2021 meeting were approved.

## Training

- M&T Training Updates
  - Classes for January through March have been posted on CVENT.
  - The class schedule for the remainder of the year is available in PDF format for planning purposes; registrations will continue to be opened quarterly.
  - M&T is attempting to secure larger facilities to accommodate social distancing requirements in order to continue providing classes during COVID.

## Discussion Items

- New PO Processing Timeline
  - No problems have been reported to NCDOT regarding the processing of new Purchase Orders for Year 2 of the current CEI On-Call contract.

- When requesting new Purchase Orders, firms must monitor their remaining Contract Authority to ensure adequate funds remain to support new Purchase Orders. If supplemental funds need to be added, contact Sherell Williams.
- o Fixed Billable Rates (Loaded Rates)
  - A kickoff meeting between NCDOT and the industry will be held on 1/25/22.
  - The meeting will establish parameters for ongoing discussion about a possible change from a cost-plus billing system to a fixed billable rate billing system.
  - Additional firms were added to the initial list provided by NCDOT, as they are looking for input from firms who have experience in other states.
- o Engineers' Rates – CRS
  - During the DCE Meeting in December 2021, Mr. Tharrington announced that the Department would be implementing the use of CRS for Engineers working within CEI.
  - Currently, the Chief's Office is reviewing a memo from Mr. Tharrington to the Divisions. A date was not provided on when this would be released, but the industry will receive a copy.
  - The Divisions will receive the following guidance:
    - Current Contracts
      - Within the On-Call, rates will be increased to CRS at the start of the next Purchase Order.
      - Within project-specific contracts, rates are to be increased immediately upon issuance of the memo.
    - Moving Forward
      - Within the On-Call, Divisions should select candidates based off the needs of the assignment.
      - Within project-specific contracts, the identified candidates are known at the time a team is selected. Therefore, the Division should anticipate paying the known rates of those candidates as identified in CRS.
  - Mr. Tharrington noted that the industry should come to him directly or through ACEC if they anticipate or experience specific concerns.
- o Reimbursable Rates not Commensurate with Experience
  - Previously, concerns had been brought to the Subcommittee's attention regarding potential disconnects between a technician's experience level and his or her assigned technician level and resultant rate of pay.
  - At the December DCE meeting, Mr. Tharrington conveyed the message that staff should be paid rates which are commensurate with their experience. He emphasized that Residents should staff projects with the appropriate level of technician(s), and budget should not be a justification for holding a technician to a lower rate of pay.
- o Comparison of CEI vs. NCDOT Inspection
  - The industry raised concern that there are not metrics available to NCDOT which allow for a balanced comparison of CEI versus NCDOT inspection costs. The industry also questioned how the Construction Management cost goal of 8-10% was established.
  - NCDOT responded that the 8 to 10% goal was established internally. It is a general guideline and some Divisions are higher while others are lower.

- Workload Projections
  - NCDOT requested projections from each Division at the end of November. A draft copy is currently available, but corrections are being awaited by a few Divisions before the projections are finalized and released.
  - In response to previous requests by the industry, the projections are broken down by regions (Region 1 is Divisions 1-4 and 6, Region 2 is Divisions 5 and 7-10, Region 3 is Divisions 11-14). They do not separate project-specific and on-call needs.
  - Mr. Tharrington noted that the industry should focus on the trend of where CEI is moving within each of the regions, and that NCDOT is open to suggestions on how to utilize the data.
  
- Engineering Technician I Trainee Rates
  - Based on industry feedback and current labor market conditions, NCDOT is no longer considering a decrease in technician trainee rates. However, they are considering new approaches to allow for a separation in rates between Trainees and Tech I's, including keeping trainee rates steady while increasing other technician level rates in time.
  - In light of the current similarities in rates, Mr. Tharrington encouraged all new staff to enroll in the Trainee program, even if they have a degree or other qualifications. This will add value to the overall knowledge base of the industry.
  
- High Level Financial Status Report
  - NCDOT did not have the opportunity to gather data for the January meeting, but will provide high-level updates on the State's finances and construction budget at future meetings.
  
- Vehicle Reimbursement Rates
  - Per the CEI Guidelines, a review of truck rates was completed in December 2021. These rates are effective 1/14/22.
    - 2WD trucks have increased from \$835/month to \$871/month.
    - 4WD trucks have increased from \$915/month to \$948/month.
  - These changes are applicable to contracts executed after August of 2020. Contracts executed prior to August of 2020 will not be eligible for revised truck rates.
    - It was noted that some contracts executed after August of 2020 did not have language which permitted a change in truck rates, but the Department stated these contracts *will* be eligible for revised truck rates.
  - If projects executed prior to August of 2020 extend beyond their original contract duration, they will be considered on a case-by-case basis. Firms should contact Ms. Sherell Williams directly.
  - NCDOT intends to distribute a letter by 1/28/22 addressing these changes.
  
- COVID-19 Guidance
  - The latest guidelines from NCDOT are dated 1/13/22. *These were sent by Sherell Williams to the industry on 1/20/22 and to ACEC Membership on 1/20/22, as well.*
  - NCDOT still requires that employees and CEI staff are either vaccinated or tested weekly.

ACEC – NCDOT Subcommittee on Construction and Materials  
January 19, 2022 Meeting

- The industry requested more consistency of information from the Department regarding COVID-19 guidance. The Department stated it is also their goal to achieve greater consistency.
- Moving forward, if there is an inconsistency between NCDOT and CDC COVID guidance, both NCDOT and CEI staff should follow the latest NCDOT guidance.
  
- o AGC/NCDOT Workshops
  - All workshops will be held in March 2022.
    - 3/8/22 and 3/9/22 – Asheville
    - 3/16/22 and 3/17/22 – Raleigh
    - 3/22/22 and 3/23/22 – Atlantic Beach
  - Each firm may register embedded staff PLUS two additional staff per workshop. An individual may not attend more than one workshop.
  - Each firm should register all their attending members individually. Registration forms should be emailed to Kathy Lusk.
  
- o Upcoming Projects
  - A list of anticipated CEI project-specific advertisements can be found at the following link:  
<https://connect.ncdot.gov/letting/ProfessionalServices/Pages/anticipatedadverts.aspx>
  - Ms. Williams noted that Division 9 requested the removal of U-2579AA from the list of upcoming project-specific advertisements.

**Next NCDOT/ACEC Meeting:** Wednesday, April 27, 2022 at 1:30 pm.