

ANNUAL REPORT OF THE STATE BUILDING COMMISSION

August 2010

This report covers the activities of the State Building Commission from July 1, 2009 through June 30, 2010. It is submitted to comply with GS 143-135.26 which requires that the Commission submit an annual report of its activities to the Governor and the Joint Legislative Commission on Government Operations.

MEMBERSHIP

The State Building Commission consists of nine members appointed by the Governor, the President Pro Tem and the Speaker of the House. The membership during the period of this report was as follows:

Governor's Appointees

Licensed Architect	Lou Jurkowski, FAIA (Vice Chairman)
Employee of the University System	Jorge Quintal, PE
Licensed Electrical Contractor	Sam Vaughan

President Pro Tem's Appointees

Registered Engineer	Stephen Criscenzo, PE (Chairman)
Public Member (Building Construction)	Valoree Eikinas, PE, LEED AP
Public Member	John Muter

Speaker's Appointees

Licensed Building Contractor	John M. Thompson, PE
Representative of Local Government	Rodney Dickerson
Licensed Mechanical Contractor	Jim Driscoll

MEETINGS

The State Building Commission held nine meetings. All meetings were held in the State Construction Office Conference Room on the fourth floor of the NC Education Building, Raleigh.

STAFF

The State Construction Office of the Department of Administration provides staff for the State Building Commission. The Director of the State Construction Office serves as secretary.

POWERS AND DUTIES

The State Building Commission has the following powers and duties with regard to the State's capital facilities development and management program as contained in GS 143-135.26:

- (1) To adopt rules establishing standard procedures and criteria to assure that the designer selected for each State capital improvement project, the consultant selected for planning and studies of an architectural and engineering nature associated with a capital improvement project or a future capital improvement project and a construction manager at risk selected for each capital improvement project has the qualifications and experience necessary for that capital improvement project or the proposed planning or study project. The rules shall provide that the State Building Commission, after consulting with the funded agency, is responsible and accountable for the final selection of the designer, consultant or construction manager at risk except when the General Assembly or the University of North Carolina is the funded agency. When the General Assembly is the funded agency, the Legislative Services Commission is responsible and accountable for the final selection of the designer, consultant, or the construction manager at risk and when the University is the funded agency, it shall be subject to the rules adopted hereunder, except it is responsible and accountable for the final selection of the designer, consultant, or construction manager at risk. All designers and consultants shall be selected within sixty days of the date funds are appropriated for a project by the General Assembly or the date of project authorization by the Director of the Budget; provided, however, the State Building Commission may grant an exception to this requirement upon written request of the funded agency if (i) no site was selected for the project before the funds were appropriated or (ii) funds were appropriated for advance planning only; provided, further, the Director of the Budget, after consultation with the State Construction Office, may waive the sixty-day requirement for the purpose of minimizing project costs through increased competition and improvements in the market availability of qualified contractors to bid on State capital improvement projects. The Director of the Budget also may, after consultation with the State Construction Office, schedule the availability of design and construction funds for capital improvement projects for the purpose of minimizing project costs through increased competition and improvements in the market availability of qualified contractors to bid on State capital improvement projects.

The State Building Commission shall submit a written report to the Joint Legislative Commission on Governmental Operations on the Commission's selection of a designer for a project within thirty days of selecting the designer.

- (2) To adopt rules for coordinating the plan review, approval, and permit process for State capital improvement and community college buildings, as defined in subdivision (4) of this section. The rules shall provide for a specific time frame for

plan review and approval and permit issuance by each agency, consistent with applicable laws. The time frames shall be established to provide for expeditious review, approval, and permitting of State capital improvement projects and community college buildings. To further expedite the plan review, approval, and permit process, the State Building Commission shall develop a standard memorandum of understanding to be executed by the funded agency and all reviewing agencies for each State capital improvement project. The memorandum of understanding, at minimum, shall include provisions for establishing:

- a. The type and frequency of plan reviews.
 - b. The submittal dates for each plan review.
 - c. The estimated plan review time for each review and reviewing agency.
 - d. A schedule of meeting dates.
- (2a) To adopt rules exempting specified types of State capital improvement projects, including community college buildings as defined in subdivision (4) of this section, from plan review.
 - (3) To adopt rules for establishing a post-occupancy evaluation, annual inspection and preventive maintenance program for all State buildings.
 - (4) To develop procedures for evaluating the work performed by designers and contractors on State capital improvement projects and those community college buildings, as defined in G.S. 143-336, requiring the estimated expenditure for construction or repair work for which public bidding is required under G.S. 143-129, and for use of the evaluations as a factor affecting designer selections and determining qualification of contractors to bid on State capital improvement projects and community college buildings.
 - (5) To continuously study and recommend ways to improve the effectiveness and efficiency of the State's capital facilities development and management program.
 - (6) To request designers selected prior to April 14, 1987, whose plans for the projects have not been approved to report to the Commission on their progress on the projects. The Department of Administration shall provide the Commission with a list of all such projects.
 - (7) To appoint an advisory board, if the Commission deems it necessary, to assist the Commission in its work. No one other than the Commission may appoint an advisory board to assist or advise it in its work.
 - (8) To review the State's provisions for ensuring the safety and health of employees involved with State capital improvement projects, and to recommend to the appropriate agencies and to the General Assembly, after consultation with the Commissioner of Labor, changes in the terms and conditions of construction

contracts, State regulations, or State laws that will enhance employee safety and health on these projects.

- (9) To authorize a State agency, a local governmental unit, or any other entity subject to the provisions of G.S. 143-129 to use a method of contracting not authorized under G.S. 143-128. An authorization under this subdivision for an alternative contracting method shall be granted only under the following conditions:
 - a. An authorization shall apply only to a single project.
 - b. The entity seeking authorization must demonstrate to the Commission that the alternative contracting method is necessary because the project cannot be reasonably completed under the methods authorized under G.S. 143-128 or for such other reasons as the Commission, pursuant to its rules and criteria, deems appropriate and in the public's interest.
 - b1. The entity includes in its bid or proposal requirements that the contractor will file a plan for making a good faith effort to reach the minority participation goal set out in G.S. 143-128.2.
 - c. The authorization must be approved by a majority of the members of the Commission present and voting.

The Commission shall not waive the requirements of G.S. 143-129 or G.S. 143-132 for public contracts unless otherwise authorized by law.

- (10) To adopt rules governing review and final approval of plans that are submitted to the State Construction Office pursuant to G.S. 58-31-40. The rules shall provide for the manner of submission of the plan by the owner, the type of structural work that may be completed by the owner pursuant to G.S. 58-31-40(c), and the expeditious review or completion of review of the plan in a manner that ensures that the building will meet the fire safety requirements of G.S. 58-31-40 (b).
- (11) To develop dispute resolution procedures, including mediation, for subcontractors under any of the construction methods authorized under G.S. 143-128 (a1) on State capital improvement projects, including building projects of The University of North Carolina, and community college buildings as defined in subdivision (4) of this section, for use by any public entity that has not developed its own dispute resolution process.
- (12) To adopt rules governing the use of open-end design agreements for State capital improvement projects and community college buildings as defined in subdivision (4) of this section, where the expenditure of public money does not exceed the amount specified in G.S. 143-64.34(b) or (c).
- (13) To submit an annual report of its activities to the Governor and the Joint Legislative Commission on Governmental Operations

DESIGNER SELECTIONS

Attached is a summary showing all designer selections by the State Building Commission for this fiscal year.

SUBCOMMITTEES

Pre-qualification

The Pre-qualification Subcommittee was convened in October 2009 to create a standard public pre-qualification form to be used by all state agencies, universities, and community colleges. The purpose of this standard document is to provide needed consistency in the pre-qualification process. Seventeen people representing the construction and subcontractor industries, architects and owning agencies from the University System, Community College System and DHHS Agency as well as the State Construction Office and the Attorney General's Office reviewed existing practices of varying NC agencies as well as other states and listened to issues and experiences from all parties before creating a questionnaire and scoring matrix.

This standard pre-qualification questionnaire and matrix is intended to ease the contractors' response tasks by ensuring consistent questions throughout the state. Several questions were added to address North Carolina residency.

The Pre-qualification Form was activated in March 2010. At this time, this subcommittee is asking for and receiving comments from the use of this form to review bi-monthly for a year. This has been an extremely active and motivated committee, which will result in more uniform qualifications for public bids.

Innovations

The Innovations Subcommittee discusses items of general interest concerning the public design/bidding/construction process. They focus on ideas and ways to streamline the public construction process and give a voice to innovation in the construction industry. The subcommittee is made up of Public Owners, designers, and contractors.

Agenda issues during this period include:

1. "What is a North Carolina company?"
This issue was discussed in the context of the "buy North Carolina" discussion. No definitive resolution to this issue was developed.
2. A payment request software called GC Pay:
This is software that was used on a pilot project at NC State to streamline the payment request process from the general contractor. This software is still under consideration for future projects. There were some cost issues that needed to be refined with the developer.

3. Developing a comprehensive schedule for State projects when funding permits:
This issue was discussed but funding has not been provided to implement fully this recommendation.
4. Discussed 179D tax code for design professionals:
The 179D issue was passed with the Federal Energy Act to give designers the opportunity to obtain tax credits on public projects for energy efficient designs. Several public school systems have agreed with this law but the State is still studying the process.
5. Life cycle cost analysis issues versus sustainability issues:
This issue is also being discussed by a group at NC State University. This involves the value discussion between sustainable products that may not meet the letter of the law as it pertains to life cycle cost analysis. More study should be given to this issue.
6. CM at Risk and use of combination bids:
The subcommittee focused on a concern brought forward regarding the permissibility of "combination bids" under CM at Risk. This allows the combination of packages for possible economies of scale, such as electrical and HVAC. There had evidently been some confusion from some CM's and owners thinking that this was absolutely not permitted. The concern was brought forward by legal counsel (Perry Safran), who represents a contractor that has been told this was "illegal." The group consensus was that it is certainly not illegal, but competition should be solicited both in single packages and in combination if combinations are to be examined. This would seem to be consistent with the Attorney General's view, as they had already also been contacted. In addition, it was recognized that how packages are bid must continue to be assessed carefully with respect to the opportunity for HUB contractors to be successful. This subject was eventually brought before the State Building Commission and clarification wording was passed on this issue.

ANNUAL STATE CONSTRUCTION CONFERENCE

On March 23, 2010, members of the State Building Commission participated in the 29th Annual State Construction Conference. This conference was attended by 1,078 people representing State agencies and institutions, architects, engineers, contractors, subcontractors and construction attorneys to discuss mutual concerns related to the planning, design and construction of the State capital improvement projects.

Chairman Criscenzo presented Certificates of Merit from the State Building Commission to:

DESIGNERS

Pearce Brinkley Cease & Lee
Wake Technical Community College
Northern Wake Campus Building D

Stanford White, Inc.
UNC School of the Arts
Moore and Sanford Dorm Sprinklers

Hipp + Best Architects
Brunswick Town
Fort Anderson Accessibility Project

LS3P Associates Architects
NC Department of Administration
Court of Appeals (Ruffin) Building Renovation

Little & Little Landscape Architects
NC Department of Administration
Capitol Square Site Improvements and Capitol East Entrance

CONTRACTORS

J. M. Thompson Company
Wake Technical Community College
Northern Wake Campus Building D

Metro Power, Inc.
East Carolina University
Health Science Campus Brody Generator Building Switchgear

American South General Contractors
Western Carolina University
Student Recreation Center

Cam-Ful Industries, Inc.
University of North Carolina School of the Arts
Moore and Sanford Sprinkler

Streamline, LLC
NC Department of Transportation
Newton Equipment Shop, Catawba County

Perry Bartsch Jr. Construction Company, Inc.
NC Department of Agriculture & Consumer Services
Arts and Crafts Building, WNC Agri. Center

Monteith Construction Corporation
Cape Fear Community College
Cosmetology Building, North Campus, New Hanover County

Lumina Builders, Inc.
Brunswick Town
Fort Anderson Accessibility Project

D. S. Simmons, Inc.
NC Department of Administration
Court of Appeals (Ruffin) Building Renovation

Paul Howard Construction Company
NC Department of Administration
Capitol Square Site Improvements and Capitol East Entrance

A handwritten signature in dark ink, appearing to read "Gregory A. Driver", is written over a horizontal line.

Gregory A. Driver, PE, Secretary
State Building Commission

SBC APPROVED DESIGNER SELECTIONS for FY 2009 (July-1-2009 to June-30-2010)

<u>SBC SELECTION</u>	<u>DEPARTMENT</u>	<u>AGENCY/DIVISION</u>	<u>PROJECT TITLE</u>	<u>DESIGNER</u>
7/14/2009	Cultural Resources	Historic Sites	Roanoke River Lighthouse Restoration	Willard Fern Architects, PA
8/25/2009	Cultural Resources	DCR General	Graveyard of the Atlantic Museum - Exhibit Design	Pearce, Brinkley, Cease & Lee, PA
8/25/2009	Environment & Natural Res.	Parks & Recreation	Mayo River State Park - Dam Repairs	Meade Gunnell Engineering & Surveying, PC
8/25/2009	Environment & Natural Res.	Waste Management	Investigation & Mitigation of Unpermitted Landfills	Schnabel Engineering South, PC
8/25/2009	Environment & Natural Res.	Waste Management	Investigation & Mitigation of Unpermitted Landfills	S&ME, Inc.
8/25/2009	Environment & Natural Res.	Waste Management	Investigation & Mitigation of Unpermitted Landfills	Withers & Ravenel, Inc.
8/25/2009	Health & Human Services	Property & Construction	Annual Service Agreements for Architectural Services	URS Corporation - North Carolina
8/25/2009	Health & Human Services	Property & Construction	Annual Service Agreements for Architectural Services	Architects Kummaskie & Tolson Associates, Inc.
8/25/2009	Health & Human Services	Property & Construction	Annual Service Agreements for MEP Engineering Services	CBSA Architects, Inc.
8/25/2009	Health & Human Services	Property & Construction	Annual Service Agreements for MEP Engineering Services	Engineered Designs, Inc.
8/25/2009	Health & Human Services	Property & Construction	Annual Service Agreements for MEP Engineering Services	Sigma Engineered Solutions, PC
8/25/2009	Health & Human Services	Property & Construction	Annual Service Agreements for Hazardous Materials Services	Progressive Design Collaborative, Ltd.
10/27/2009	Health & Human Services	Property & Construction	Annual Service Agreements for Hazardous Materials Services	Affinity Energy & Environmental Engineers, P.A.
10/27/2009	Health & Human Services	Western Region Voc. Rehab.	Flaherty Building - HVAC & Window Replacement	Matrix Health & Safety Consultants, L.L.C.
10/27/2009	Health & Human Services	Eastern Region Voc. Rehab.	Building B - HVAC & Building Upgrades	Essential Systems Engineering, PA
12/15/2009	Health & Human Services	Southeastern NC Agri. Center	Commissioning Services for New Pavilion	JKF Architecture, PC
12/15/2009	Agriculture & Consumer Servs.	Western NC Agri. Center	Commissioning Services for Davis Arena Renovation & Expansion	EMC Engineers, Inc.
			Cooper Building, Records Center & Administration Building - Life Safety Improvements	Affiliated Engineers, Inc.
1/26/2010	Administration	State Construction Office	Fayetteville VA Nursing Home Improvements	Stanford White, Inc.
1/26/2010	Administration	Veterans Affairs	Eastern Justice Academy - Administration Annex Renovation	Roughton, Nickelson, De Luca Architects, PA
1/26/2010	Justice	NC Justice Academy	Caswell Square - Steam Station Replacement	Smith Sinnott Architecture, PA
3/2/2010	Administration	State Construction Office	Main Steam Plant Repairs	Spring Stoops McCullen Engineering, PA
3/2/2010	Health & Human Services	State Construction Office	Kitchen & Dining Building System Upgrades	RMF Engineering, Inc.
3/2/2010	Crime Control & Public Safety	Walter B. Jones ADATC	East Flat Rock Readiness Center - Addition/Alteration	JKF Architecture, PC
3/2/2010	Crime Control & Public Safety	National Guard	Fort Bragg - TUAAS Support Facility	Architectural Design Studio, PA
3/16/2010	Administration	State Construction Office	Caswell Building - Energy Improvements	ms consultants, inc.
3/16/2010	Health & Human Services	John Umstead Hospital Campus	New Steam Plant	EMC Engineers, Inc.
5/25/2010	Environment & Natural Res.	Parks & Recreation	Jordan Lake State Recreation Area - Water System Upgrades	O'Brien/Atkins Associates, PA
6/22/2010	Crime Control & Public Safety	National Guard	High Point Readiness Center - Addition/Alteration	George Finch/Boney & Associates, PA
				Calloway Johnson Moore & West, PA