

ACEC / NCDOT Project Delivery Subcommittee Meeting Notes

August 3, 2023

Welcome and Introductions

Derrick welcomed all and noted that Steve Smallwood and himself are the new co-chairs. Introductions were made from attendees.

Approval of 5/4/23 Minutes

Tatia noted one type on correcting IMD for Integrated Mobility Division. The minutes were approved with that correction. Motion to approve by Andy Young, Second by Tim Goins. Derrick noted that it is the intent to get the minutes emailed out shortly after the meeting for approval rather than waiting until the next quarterly meeting.

Steven recognized the rotation of the old ACEC members that have rolled off and the 4 new members that have rolled on.

Legislation Update / Chief Engineer's Comments - Matt

Matt Clarke mentioned the adoption of the STIP by the Board of Transportation. He stated that there are no significant changes to the projects that are moving forward. The Technical Services Office is confirming the PE move forward list. The PM along with the Division Engineer have determined what projects need to move forward that are outside of the parameters due to items such as complex design, extended public relations, etc. A new list will be coming out soon with the exceptions.

Aside and not mentioned in meeting: Structures Management Unit has extended the non-STIP bridge projects through FY 2028. A new list will be coming out soon with the exceptions and any projects that may be paused and taken to a good stopping point.

For staff changes, Byron Sanders, State Utilities Manager, has left to go to a job with the city of Raleigh. Technical Services is in the process of filling the position.

Technical Services Update

SPSF Event - Terry

About 90 folks attended the SPSF event held on July 27th. OCR, Multi-Modal Transportation, Purchasing, Prequalification and Technical Services presented and the new legislation under GS 136-28.10 was explained. Matt Clarke presented for Technical Services and stated that they are working on one way to use the legislation for SPSF firms via an ID/IQ advertisement and would like feedback from the attendees. The type of work that will be used under the advertisement and under the SPSF legislation is still being sorted out; however, NCDOT is mostly looking at opportunities with bridge replacements on secondary roads, and Highway Safety Improvement Program (HSIP) projects.

The advertisement is to come out in early September to allow enough time for teams to be built. Unlike past advertisements, there are a few unique items, the prime must be certified as an SPSF and hold some prequal codes that will be required in the advertisement. In addition, the SPSF Prime must provide the Project Manager to manage the budget and schedule. The SPSF Prime also must remain in responsible charge for the contract and assignments. A pre-submittal meeting will be held a few weeks after the advertisement is out for questions to be asked and answered.

In addition, NCDOT is considering limiting the number of teams a firm (either SPSF or non-SPSF) can be on to four teams. An example for a firm would be one team as a SPSF Prime and 3 teams as a sub, or 4 teams as a sub.

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NCDOT will be providing oversight and monitoring on this contract as well as the current contracts for items such as team utilization, project assignments, contract expenditures and annual reporting. There is more to come on this, but there will be a focus that will be communicated via the Chief's Office to the 14 divisions.

The presentations and the notes (including Q & A) will be on the Project Management Connect site under Helpful Links.

Q: What if a company is held by a private equity company.

A: NCDOT is having this conversation with the Office of Inspector General to look at how firms are structured and owned. NCDOT may also need to engage the Attorney General's Office to assist.

Send comments to PSMU-411@ncdot.gov.

ORD Update - Matt

Matt stated that a memo on ORD migration went out yesterday to NCDOT employees which will be provided to ACEC and the SPSF firms. The memo came from TS but was based on developed with the work that the OpenX Steering Committee has done. The memo looks at the status of projects and where they are in development as well as the software platform a project should follow based on where they are now to final deliverable of plans.

NCDOT is trying to balance migration without impacting project schedules and make common sense decisions. Funding may come into the picture for projects being migrated to ORD as we want to spend the funds as efficiently as possible for the migration. The goal is to ultimately identify the software platform for each project and have a game plan by the end of October along with a schedule. NCDOT wants to put the resources towards the most impactful projects, which is typically those projects that are young in the design process.

NCDOT is looking at the project team and the project's project manager to make the best decision for the project. If a project is in between stages, the OpenX steering committee may be involved with the decision.

Matt stated that Roadway has been testing SS2 and SS4 in Windows 11 workspace and it appears that all is working well. The Hydraulics unit is testing right now in Windows 11 and then will be carried to other units to see if there are any impacts. There are still some challenges we need to work through (mostly Bentley challenges), especially in the hydraulics and geotechnical areas.

If there is any additional input or feedback, please let Matt Clarke know.

Q: Will the testing involve ProjectWise?

A: Per Tatia, she is not sure if that has been included in the testing for Windows 11.

Q: Want to confirm, will NCDOT allow supplementals for switchover to ORD?

A: The short answer is yes. There have been pilot projects that have given us information on the length of time it takes to transition a project to ORD at different stages. The Roadway Unit has taken the lead in developing scopes of services with a range (bookends) of costs associated. This information will be provided to the NCDOT PMs. Note that we are referencing 2D deliverables, not 3D yet.

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Invoices - Derrick

Derrick stated that there is a new memo coming out with Guidance next week. Effective September 1, 2023, NCDOT Accounts Payable (AP) is requiring an original (Accounting Software generated) prime vendor invoice to be submitted with any other documentation required by the NCDOT Divisions and/or Units to make payment for services. The Standard NCDOT Invoice Cover Sheet is not a substitution for an original prime vendor invoice but is also required documentation by NCDOT Divisions and Units as backup documentation. Original (Accounting Software generated) prime vendor invoices are a requirement to ensure proper validations of invoice information entered in NCDOT's accounting system, eliminate duplicate payments, and assist vendor Accounts Receivable departments to apply payments appropriately.

The following components must be on the original (Accounting Software generated) prime vendor invoice:

- Vendor name– the name on the invoice must match what is listed in the NCDOT Directory of Firms
- Remittance address – must match what is listed in the NCDOT Directory of Firms
- Invoice number
- Must be a unique invoice number for each invoice submitted (repeating the same invoice number on individual or other PO's or contracts may cause errors and delays payment processing)
- Invoice numbers must not have more than 16 characters (alpha and numeric values only)
- When submitting a revised invoice, ensure it states "revised"
- Invoice date
- Itemized or brief description of services

If information is missing or incomplete on the original prime vendor invoice, there may be a delay in processing of the invoices.

Q: is this on lump sum and cost plus invoices?

A: yes

Consultant Evaluations - Derrick

Derrick stated that there is a push within NCDOT to ensure evaluations are being completed. NCDOT is also updating the evaluation guidance and looking at ways to get the DocuSign part completed through the system. Currently there is no consistency across the department on evaluations. Derrick asked the firms present to make sure you let the PM know who in your firm should be getting the evaluations. Note, don't have the PM from the firm on a project sign the evaluation. This is for accountability.

Project Management Updates – Jennifer

Jennifer noted that PMU is currently transitioning to a new administrative person as Clair has taken a job outside of the unit. For consistency and to make sure emails are received by the PMU Unit, Jennifer asked firms to use the service emails (shown below) from PMU for consistency:

Pmurdycontracts@ncdot.gov is for submitting invoice related items for payment

PDProcurement@ncdot.gov is to submitting information for new Purchase Orders

Recently NCDOT did firm selections for the 2023 LSC contracts. Jennifer noted that she is getting requests from firms for meetings and right now her team is focusing on the STIP adoption and there is not a lot of work being added. With this, she will not be having meetings with firms right away, but is open to sit down with firms on project specific discussions. Jennifer asked that the firm work through the Team Lead first, but is interested in hearing from the firm's perspective.

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NCDOT has updated the Construction Estimate Form through working with Contract Standards and Development (CS&D) (Jon Weathersbee and Karen Lovering in Estimating). A 13th month tab has been added to the form and the goal is to have better estimates at 13th month before the project is added to the 12ml. Jennifer encourage folks to look at updated estimate sheet and take time to try and develop a good estimate. In addition, a cover letter has been put on this form. Jennifer noted that they are trying to include items that may make the estimate go up outside of pay items and are helping put some thought into it to assist CS&D.

The form is located on the CS&D site and Roadway Design site <https://connect.ncdot.gov/resources/Specifications/Contracts%20and%20Resources/Construction%20Cost%20Estimate%20Forms.xlsx>

Matt noted that estimates are discussed monthly with the Division Engineers (from Chief's office) since bids are off compared to the estimate. This has a large impact to the STIP.

Roadway Design Update - Tatia

Tatia stated that the Roadway Design Manual has a new release that is out. She has also been talking at the AASHTO Workshop this week to other states who have not had any issues with Windows 11 and SS2/SS4. Roadway is also updating the 3R guidance and plan to have a copy of the recommendations to management by next week.

There are many conversations on Project Wise and Glenda is looking at the pros and cons including housing on the NCDOT cloud. It is a conversation piece with IT because they will be responsible for what NCDOT does in an online environment.

Tatia also noted that they are in the process of updating the Roadway web site to make it easier to find the information. They are looking at a SharePoint environment similar to what Photogrammetry has done. The information has been maintained, but it is not organized and documents are hard to find if you don't have previous knowledge of the site.

Professional Services Update - Tom

The new Feasibility Studies Contract is about to be advertised and CEI selections are coming up later this month.

Workforce Open Discussion

NCDOT is currently adding to their marketing sheets with unit specific videos for those units under Technical Services as potential young employees want to see their work environment.

We are all struggling to get young professionals in our fields and need to look at introductions earlier in the school grades, attend career fairs, etc. One item that NCDOT is doing, is bringing in interns and TEAs into the department that hold degrees other than Civil Engineering. Any ideas/opportunities are welcome.

Division Comments:

Noted that ProjectWise is an ongoing discussion. Currently some divisions do not require the firm to work in ProjectWise.

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Industry Comments:

Utilities have been and still continue to be a struggle. There are many utility companies that don't seem to want to give a relocation plan until drainage is determined. It is also hard to maintain a schedule if more time from the approved hydraulics date to ROW is needed.

NCDOT stated that it should be better moving forward, but may need to plan accordingly. NCDOT would rather know today that we need to add a year to ROW for a project 4 years out. Got to try and account for what we are seeing.

Q: Has there been any thought given on legislation for utility owners to have more skin in the game?

A: Being private utility firms it may be a challenge. There has been some legislation introduced by a senator which will give NCDOT the authority to relocate encroaching utilities. But currently we are not sure who will pay for it. The challenge that the NCDOT CEO had given the Utilities Unit is to demonstrate that we have done all that we can under our current authority. The language in the URAs is being updated to be stronger and give time frames around the encroachment agreements. NCDOT acknowledges that there is frustration especially in the urban areas where the utility companies are completely overwhelmed. NCDOT is still working with Duke in a workgroup. Relationships will help, but won't solve it all.

Q: With projects moving out, is there any thought of bringing back escalation rates? There was a memo by Chris Werner when projects were paused a few years back that if there was a delay by NCDOT (i.e. 14 months delay) consideration would be given. There are times that subs that have not started their task have been allowed to update their rates, but prime still working off of rates from 4 or 5 years ago.

A: VA has a LSC that allows for escalation rates. We will go back and look into this again. **(ACTION ITEM)**

Q: There is no new work coming out and a lot of projects were programmed out. Getting new projects has been a struggle, especially from a structures perspective. Any thoughts?

A: Projects assigned are getting pushed out, but there are some new projects. NCDOT will be trying to spread the work out as best as we can.

Q: Are the revenue projections showing a down turn?

A: From the presentation to the Board yesterday, there is less motor fuel sales over the next 5-6 years, but this is a small amount vs inflation that added \$2B to the STIP.

Q: Where are we with the Scope of Work Generator? Are we supposed to use it? Some units want the firms to use it, some don't.

A: The Scope Generator was supposed to be for consistency and not something to go into for every typical project. Download the scopes and tweak as necessary. Strike out what you want and add what is needed that fits the project. The ultimate goal is to integrate this with the PDN and manday estimates. Also, some units don't have anything in the scope generator yet, so those need to be added.

Note from consultant that the manday worksheet is not editable which is a challenge to match it with the scope of work.

Q: Are supplements allowed for any changes based on the 2023 standard specs?

A: If there is a major change (i.e. major earthwork changes) please discuss it with your NCDOT PM.

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Q/Comment: There seems to be confusion, especially with DDRL projects, as there is multiple comments coming from different groups and it is hard to manage with short turnaround dates.

A: Rules have always been different between the divisions and central. In the divisions they have 1 or 2 contract people and it is basically a one stop shop.

(ACTION ITEM) NCDOT will look into this issue and clarify the expectations.