CES PROCUREMENT PARTNER NEWSLETTER

October 2025



Simplify procurement.

Maximize results.

Artificial Intelligence And The Construction Industry

Typically, when one thinks of artificial intelligence (AI), computers using algorithms and data manipulation come to mind. Interestingly, the construction industry, which has traditionally been viewed as heavily labor dependent, has been increasingly utilizing advanced technologies driven by AI. However, given the early stage of this technology, the question remains: how it will apply to your work and will it result in a safer and more cost-effective project?

One main concern on any project is how to best mitigate risk while maintaining profitability. Design issues and inaccurate bid estimates have typically plagued projects in this regard. That said, having the right project management team and software in place is essential to reducing risk. AI is becoming increasingly used by programs to aid in optimizing project layout and with creating predictive modeling for material prices and scheduling. This helps with efficiency of project phasing, potential bottlenecks, and assists with having early knowledge of potential pricing issues when material supply chain issues arise.

Equally as important on any project is maintaining an adequate workforce. Wearable technology is being used to understand where the workforce is located and to display the work being performed in real-time. This not only helps from a scheduling and workflow perspective but also allows the end user to better understand safety issues that may arise and how to better address overall project security. Ultimately, this reduces administrative processing time and project delays. In fact, Deloitte predicts that savings from data analytics and related technologies in this category may equate to a reduction in 10-15% of overall construction costs.

Aside from planning and labor issues, and although arguably in its early stages, automation has become more prevalent on construction projects as well. Automated concrete pouring and 3D construction are some of the new technological advances which not only construct with a great level of precision, but reduce time and costs associated with comparable manual labor. Although these technologies may not be right for every project, they are paving the way for further advances in the industry. Likewise, drone technology is being

used to survey project sites and to provide real-time monitoring of the progress of your project without the need for having "feet on the ground," further reducing labor costs.

Conclusion

As always, implementing new technologies with predictive capabilities does not happen overnight. Project teams should develop a strategy as to how best to introduce certain applications based on your specific project needs and size. Start small, perhaps with a pilot program and identify what data would be most useful to you for the success of the project. As your needs change, scale the use of such technologies accordingly. Finally, and not surprisingly, project communication is key. Ensure, your team understands what technologies are being implemented and how that information will be utilized so as to produce the highest return on investment.

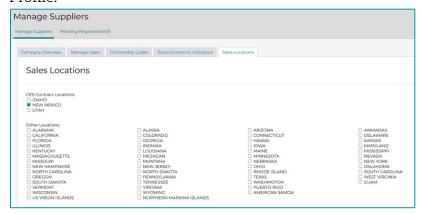
The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

By Patrick Johnson, Mondag

VENDOR HOUSEKEEPING ITEMS:

- A. Please make sure your eProcurement and Bluebook profile AND pricing are always updated with the following, if not currently on file.
 - 1. LOGO: For ease of identification of your company.
 - 2. NAME CHANGE: If you have changed your name or ownership, please contact CES Procurement Department as soon as you can, there are documents CES needs in order to update your contract and Bluebook profile.
 - 3. CERTIFICATE OF LIABLITY INSURANCE: CES and its members need your insurance updated yearly.
 - 4. PRICING: Please update pricing as needed. If pricing does not match a quote, you will be contacted by a Procurement Specialist and your quote, and member PO, will be placed on hold.
 - i. If a tariff surcharge is being added to your quotes and invoices, it must be pre-approved by CES. You must upload written supplier verification in the Pricing Documents section of the contract's eProcurement page, for CES review.

ii. With CES' active expansion into other states, there is now a Company Profile page where you should indicate which other states are locations in which you are prepared to "carry" your CES contract. Please update your Profile!



Be sure to also upload pricing documents for those states!

- iii. The CES Contract Administrative Fee for outside New Mexico is 2%.
- 5. W-9: If you have recently updated your company information, please let CES know as well.
- 6. Social Economic Indicators are acknowledged/checked. This is important when federal funds are used.
- B. Price Quote/Proposal: When preparing a quote/proposal under a CES awarded contract, clearly identify and break out quantities, descriptions, supplies, materials, and equipment, and services into individual line items as they appear on your awarded price schedule or pricing methodology proposed in your RFP response. At a minimum all quotes or proposals shall include the following: description, "hourly labor rate or the list/catalog unit price", "the per cent discount offered" and the final "CES price". All stated prices must include the CES Contract Administrative Fee.

<u>Do not</u> show the CES Contract Administrative Fee as a separate line. It is included in your pricing, not added to it.

Shipping/Freight costs and the New Mexico Gross Receipts Tax as applicable must be stated in separate lines.

- C. For construction projects, Members/Vendors are now going to be taking care of the Wage Rates through NM Department of Workforce Solutions. Please see letter from David Chavez, CES Executive Director, in this newsletter issue.
- D. For questions and general assistance, please contact Angela Valadez, Procurement Department, at 505-344-5470 ext. 116.

A Letter Sent to CES Members Regarding Wage Rate Decisions, Etc. (following a NMDWS training held October 7th)

Dear members,

We want to clarify why CES will no longer apply for wage decisions or collect required documents (such as bonds, sub lists, and wage affidavits) on your behalf.

Why the change?

- To be compliant with the Department of Workforce Solutions, the contracting agency (the owner) is required to handle these responsibilities directly.
- Other than obtaining the wage decision number, CES no longer has access to view or upload required documents to the Department of Workforce Solutions (DWS) portal.
- The previous process allowed full access to all documents and the ability to upload them on members' behalf.

To improve efficiency and consistency, and to comply with legal requirements, members must now complete these tasks themselves. CES purchasing specialists and construction analysts will continue to support our members by assisting you through this transition.

The Plan Moving Forward

- CES Members will be responsible for all requirements under the Minimum Wage Act mentioned above.
- CES will process purchase orders to contractors once we receive the CES Member purchase order and a contract compliant quote from the contractor.
- CES will process payment to the contractor once we receive payment from the CES Member. The payment from the Member is communicating to CES that all Minimum Wage Act requirements have been met.

Resources:

- CES will add a Wage Decision FAQ section on its website which will include training resources from DWS.
- CES will add Wage Decision training to its quarterly Job Order Contracting training for Members.

- DWS will provide in-depth training of the Works Minimum Wage Act and Public Works Apprenticeship Application during CES' quarterly Job Order Contracting trainings for Members and Vendors
- CES' Construction Analysts are available to provide one-on-one support for you (John King, <u>jking@ces.org</u> or Thad Phipps, <u>thad@ces.org</u>)
- Members may request additional one-on-one training from DWS (Meggie Gonzales, meggie.gonzales@dws.nm.gov, 505-280-4428)

Sincerely,

David Chavez

CES Executive Director



Website: <u>www.ces.org</u> Office: 505.344.5470 Fax: 505.344.9343

Purchasing Specialist Contact Information for Purchase Orders, Direct Purchase and Member Support

Team 1 Members A through D	Anita and Victoria - Team1@ces.org anita@ces.org Ext 110 victoria@ces.org Ext. 147
Team 2 Members E through K	Kimberly B. and Katherine - Team2@ces.org kbuckner@ces.org Ext 131 katherine@ces.org Ext 148
Team 3 Members L through P	Kara and Kim A Team3@ces.org kara@ces.org Ext. 125 kalvarado@ces.org Ext 137
Team 4 Members Q through Z	Valarie and Bertha - Tearn4@ces.org vcastillo@ces.org Ext. 106 bertha@ces.org Ext. 123
Submit Invoices	invoice@ces.org
Lead Purchasing Specialist	Monica Myers monica@ces.org Ext. 134
Construction Documents Link CONSTRUCTION DOCUMENTS UPLOAD INSTRUCTIONS LINK	Https://login.imagesilo.com/home/login https://www.ces.org/business-department- updates/construction-doc-upload-instructions/

Collections/Accounts Receivable	llene <u>llene@ces.org</u> Ext 122
Accounts Payable	Kelly B. kelly@ces.org Ext. 135

❖ Payroll Specialist

Payroll	Kelley S. and Margaret kscheib@ces.org Ext. 107 margaret@ces.org Ext. 126
---------	---

Business Department Administration

Chief Financial Officer	Robin Strauser robin@ces.org Ext 108
Finance Manager	Norma Henderson norma@ces.org Ext 104
Administrative Assistant	Monica Myers monica@ces.org Ext 145

❖ Procurement Department

Procurement Director	Gustavo Rossell gustavo@ces.org Ext 117
Administrative Assistant	Angela Valadez avaladez@ces.org Ext 114
Contract Specialist	Lisa Romo Iromo@ces.org Ext 129
Contract Specialist	Joe Valencia joe@ces.org Ext 124
Contract Specialist	Mohamed Al-Hussaini mohamed@ces.org Ext 128
Construction Analysts	John King iking@ces.org Ext 150 Cell: 575-607-5800 Thad Phipps thad@ces.org Ext 154 Cell: 575-308-3193
Blue Book	Https://eprocurement.ces.org/public/bluebook.html

❖ Member Services

New Mexico Northern Services Manager, REAP Services	Paul Benoit paul@ces.org Ext 141 Portales Office Phone: 575-562-2922 Cell: 575-760-9002
New Mexico Southern Services Manager, Media Services	Jim Barentine jim@ces.org Las Cruces Office Phone: 575-646-5965 Cell: 602-689-0652
Utah Southern Regional Service Manager	Peggy Green pgreen@ces.org Ext 118 Cell: 435-327-1693
Utah Northern Regional Service Manager	Mason Goold mgoold@ces.org Ext 105 Cell: 801-664-0742