

**CAWV / DOH
JOINT COOPERATIVE COMMITTEE**

June 11, 2007

WVDOH Headquarters ~ Capitol Complex

MINUTES

INDUSTRY REPRESENTATIVES: Bill Hilborn, *Co-Chairman*
Doug Cooper David Lawman Stuart Sigmon
Willie Crane Jim Mattingly Tony Stanchina
Mike Griffith Bob Orders Gene Thompson
Mike Harvey Tim Priddy Ed Treadway

DOH REPRESENTATIVES: Paul Mattox, *Co-Chairman*
Darrell Allen Jason Foster Todd Rumbaugh
Greg Bailey Marvin Murphy John Walker
Lovell Facemire

FHWA REPRESENTATIVES: Tom Smith Joe Werning
Steve Stille

STAFF: Mike Clowser, *CAWV*
Pat Parsons, *APAWV/CAWV*
Mike Zirkle, *CAWV*

The meeting was called to order at 12:30 p.m. and no corrections were made to minutes of the previous meeting. A motion to approve the minutes was made by Gene Thompson, seconded by Ed Treadway; motion carried.

SUBCOMMITTEE REPORTS

1. CONSTRUCTION SUBCOMMITTEE

Minutes from a May 2, 2007, meeting were provided by co-chairman Dave Lawman.

- A. Shop Drawings** – Gene Thompson discussed recent meetings on the shop drawing approval process, calling the results a good consensus. Thompson expressed appreciation to the DOH for their cooperation in quickly working out a solution that will be reviewed again in six months. Darrell Allen pointed out that the new provisions will not be in all jobs on tomorrow’s letting.

- B. Subcontract Percentage** – Industry strongly objected to the Division’s announcement that the required subcontract percentage would be reduced from 50% to 30% for all projects. Contractors suggested only using this policy as needed on special projects, pointing out that it places local contractors at a disadvantage and promotes brokering of projects. The DOH responded that they are promoting more bidders and lower bids. Industry took exception to the Division’s statement that this policy would lead to a single firm doing more work on a project.

C. Design-Build (DB) – The DOH reported that they will have identified the second DB project and have it under contract by June, 2008, with a third project yet to be finalized.

D. Environmental Issues –

- (1) **Corps Employee** – The Division stated that they are close to hiring a Corps employee working in the DOH central office. The position should, according to the Division, help streamline the process; help prioritize issues/projects; and give industry more access to the Corps.
- (2) **Waste/Borrow (W/B) Sites** – Industry discussed the permitting and financial challenges they face, again asking the Division to consider obtaining necessary W/B site permits. The committee also discussed in lieu fees and mitigation bid items. The Division stated they will discuss these issues with the new Corps employee but that there are no plans now to change their philosophy. Industry, again, emphasized the high risk nature of this issue.

E. Electronic Bidding – The Division stated they are moving closer to initiating a system.

F. B&O – Industry described the difficulty in obtaining tax releases from many small municipalities, suggesting that the Division consider dropping the need for a tax release involving small amounts of money. The DOH agreed to look at the issue.

G. Other – Lawman referred the committee to the minutes for a review of other items being addressed by the subcommittee.

2. HMA SUBCOMMITTEE

It was reported that the subcommittee had not met but that a task force on joints and density continues its work.

3. PCC SUBCOMMITTEE

It was reported that the subcommittee would be meeting this week.

4. AGGREGATE SUBCOMMITTEE

No Report.

5. UTILITY SUBCOMMITTEE

No Report.

6. ENVIRONMENTAL SUBCOMMITTEE

Minutes of a May 24, 2007, meeting were provided. The subcommittee discussed their efforts to bring together all resource agencies with the goal of streamlining the permitting process and reducing the time it takes to obtain permits.

7. SPECIFICATION AND PUBLICATIONS SUBCOMMITTEES

The Division noted that these committees have been focusing their efforts recently on the shop drawing issue.

TASK FORCES

1. DBE

The Division stated that they are working on updating their list of DBE contractors, pairing down the list to better reflect contractors actually working in West Virginia and other states.

2. SMOOTHNESS

The Division stated that they would continue the use of the shadow spec as they develop their specifications.

3. LRFD

The Division reported that they are nearing a point where they will have to set a date for when LRFD will apply to temporary bridges, noting that all new, permanent structures had to comply in 2007. The Division suggested that industry have temporary structures looked at to see if they comply with the new standards. The Division offered their assistance, including with training efforts. The committee was advised that an AASHTO update on the issue is expected in July.

4. SHOP DRAWINGS

Industry noted that the success of this effort points out how quickly a joint task force can work when necessary. The Division added that they may need to decide if all prequalified contractors should carry professional liability insurance. The committee discussed varying opinions, with several contractors suggesting they should make that risk management decision.

5. SURVEYING/GPS

Industry expressed their interest in participating in this task force, noting related construction activities and experiences.

OLD BUSINESS

1. REGIONAL CERTIFICATIONS

No Report.

2. WASTE/BORROW SITE APPROVAL

Industry, again, requested the Division consider obtaining all necessary permits.

3. PCC MIX DESIGN

Industry noted their concern over the frequency of mix design approvals.

4. DESIGN-BUILD

The committee was told work on the first project is progressing, although utility issues slowed start-up.

5. OUTSOURCING

The Division stated that they are looking at the issue, primarily related to the bridge program.

6. TRAFFIC CONTROL

Industry requested a bid item for temporary signals. The DOH will look at it.

7. WVBT

The coalition has grown to over 220 companies and is making good progress, according to coalition members. They added that Secretary Mattox would be a guest at the first WVBT board meeting this week.

8. GARVEE BONDS

The Division discussed their use of these bonds for funding Route 35 work in Mason County, adding that the next project (combination of jobs) will spend the balance of the available funds.

Industry responded that combining projects hurts smaller, local firms, suggesting that having three \$25 million projects is better than one \$75 million project.

9. PAYMENT FOR ADDITIONAL WORK

Industry questioned the DOH's efforts to negotiate mark-up on several projects. The DOH pointed out that the 16% mark-up only applies to force account work, and that the indicated percentage (16%) is not mentioned elsewhere in the specifications. Therefore, the DOH explained, they have directed their personnel to look at the mark-up percentage for additional work, adding that force account is a last recourse.

The committee agreed to continue discussions on the issue.

NEW BUSINESS

1. PUBLIC-PRIVATE PARTNERSHIPS

The Division stated that they are examining any and all methods of generating additional financing. The committee discussed similar efforts in other states. The FHWA noted that public-private can mean many different things and suggested careful review of proposals.

The Division pointed out that they will have legislation to propose. The CAWV noted they have reinstated a task force to look at all DOH proposals.

2. NEW SPEC BOOK

The DOH reported that they hope to publish a new book in January, 2008.

3. 70% SUBCONTRACT RULE

The committee further discussed the ramifications of changing the percentage.

4. CONSTRUCTION FORECAST

The Division described the components of the 2007 construction program, noting a larger program than in 2006.

Secretary Mattox expressed his appreciation to the CAWV for their assistance with successful legislative efforts, including renewal of the five-cent gas tax and elimination of several diversions. Mattox noted that public-private will be a focus area in the future.

There being no further business, the meeting was adjourned.

Submitted by: Pat Parsons