

BLUE TOP



THE VIRGINIA TRANSPORTATION CONSTRUCTION ALLIANCE

September 2010

The Failure To Invest In Virginia's Transportation Infrastructure: The Cost To Our Industry

For the past ten years, VTCA and other groups have fought for sustainable funding for transportation. Although we have had some successes, the General Assembly has failed to pass a long-term solution. In addition, over the past two years, more than \$3 billion has been cut from the Six-Year improvement Program.

VTCA recently surveyed the membership to determine the impact that these cuts and the failure to invest in transportation infrastructure have had on the industry. Here are the results of that survey:

1. In the past two years transportation construction industries have laid off 19% of their employees.
2. In the past two years there has been a 22% decline in payroll for transportation construction industries.
3. 25% of transportation construction industries' CEOs anticipate laying off more employees in the next 12 months.
4. 57% of transportation construction industries' CEOs anticipate making less capital investments in Virginia in the next year. Only 6% anticipate making more capital investments in the Commonwealth.
5. 76% of industry CEOs say they are pursuing business opportunities in other states. 73% say they anticipate their company will invest more resources pursuing business opportunities in other states in the next two years.
6. 28% of the companies have permanently or temporarily closed facilities or operating locations in Virginia in the past two years.

We have shared this information with Governor McDonnell's staff. We strongly encourage you to use these troubling statistics in meetings with legislators. Find contact information for your state legislators on pages 139-144 of the 2010-2011 VTCA Directory of Members, or online at <http://conview.state.va.us/whosmy.nsf/main?openforum>.

Dialogue With The Hampton Roads District

On October 8 VTCA will host a "Dialogue with the Hampton Roads District." VDOT District Administrator Dennis Heuer and his senior staff will meet with VTCA members to discuss doing business in the Hampton Roads District. Topics will include:

- ▲ Organizational Structure and Staffing
- ▲ District Construction Program
- ▲ District Maintenance Program
- ▲ Anticipated Consultant Procurement
- ▲ Turnkey Asset Maintenance Services
- ▲ 2011 Paving Schedule
- ▲ Contractor Performance Evaluation
- ▲ District PPTAs

If you have specific topics you would like discussed, please send them to Jan Morehead at the VTCA office. You are also encouraged to submit questions in advance, which will be presented anonymously to VDOT panelists throughout the day.

The half-day Dialogue will be held at the Omni Newport News Hotel. Visit www.vtca.org for complete details and to register.

A block of rooms has been reserved for those who wish to arrive on October 7. Call 1-800-THE-OMNI and ask for the VTCA rate of \$99.00. The block of rooms is guaranteed through September 7.

Mark your calendar for our Dialogue with the Northern Virginia District, November 16 at the Marriott Fairfax at Fair Oaks. Details coming soon.

Dedicated to advancing the interests of the transportation construction industries.

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A monthly publication of the
Virginia Transportation
Construction Alliance

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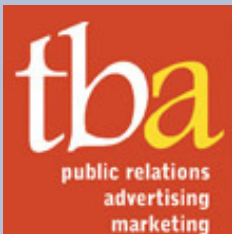
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Concerns Over Senate Mine Safety Bill

Elation over the U.S. House of Representatives' change of heart in excluding all surface mines in HB5663 turned to concern as the Senate began work on its version of a mine safety bill, SB3671. Known as the "Robert C. Byrd Mine and Workplace Safety and Health Act of 2010," early drafts include many of the same provisions that the House bill contained such as:

- ◆ expand the definition of S&S;
- ◆ reduce the threshold for criminality;
- ◆ extend personal liability of a company's officers, directors and agents;
- ◆ overhaul the pattern of violations program;
- ◆ mandate compensation for idled miners for indefinite periods of time;
- ◆ expand MSHA's power to seek subpoenas and increase civil and criminal penalty amounts.

The chief concern is that the Senate bill would cover all MSHA-regulated sectors and not offer the broad based exclusion that the House bill did. There is concern that the Senate may mark up the bill in late September and push for a vote several weeks afterward, prior to the mid-term elections.

While that is not likely, we cannot let our guard down and we must continue to reach out to our members of Congress, especially our Senators, to express our support of the House bill that was passed (HB5663) and to make clear our similar expectation of Senate actions.

A sample letter to the Senate will be drafted and posted on the VTCA web site soon for your use. If you have any questions about the House or Senate activities please contact Sam Hollins at sam@vtca.org or 804-330-3312.

MSHA To Launch Safety And Health Conferencing Pilot Program

On August 20, 2010 the U. S. Department of Labor's Mine Safety and Health Administration announced it will launch a 90-day pilot program aimed at addressing the backlog of contested citations and the agency's conferencing procedures. The pilot program will allow the mine operator and the miners' representative to hear MSHA's interpretation of regulations and discuss and resolve issues relating to violations prior to the civil penalty assessment and litigation. Under the current system, conferencing takes place after penalty assessment and a timely contest.

Joe Main, Assistant Secretary of Labor for Mine Safety and Health, has gone on record as saying that the current conferencing system is not working. It is his hope that this change in process will help to bring consistency to MSHA's enforcement of the Mine Act.

Three MSHA district offices will participate in the pilot program with the only Metal/Nonmetal district being the Southeast. The program will begin August 31.

Smoke Schools One Month Away!

Time is drawing near for the fall session of smoke schools. VTCA's Visible Emissions Certification Classes ("smoke schools") are scheduled for September 25 in Glade Springs, September 28 in Manakin and September 29 in Blue Ridge.

Anyone involved in taking visible emissions readings is required by the Environmental Protection Agency to receive certification every six months.

It has come to our attention that you may receive a reminder from "Compliance Assurance Associates" (CAA) regarding your registration for these classes. They are automatically generated by CAA at 90, 30 and 15 days out from the classes to anyone they have in their database as holding a certification, whether you are already registered with VTCA or not. They are only meant as a reminder from the company conducting the smoke schools and registration should continue to be done through VTCA.

Registration information has been mailed and is available at www.vtca.org. Contact Sam Hollins at sam@vtca.org with questions. Register today!

MSHA Concern

MSHA recently announced the release of a new Program Information Bulletin pertaining to the prohibition of advance notification of federal mine inspectors on mine property. The PIB reminds mine operators that The Mine Act prohibits providing advance notice of inspections conducted by MSHA inspectors. In addition, the PIB clarifies potential consequences for anyone who violates this advance notice prohibition. VTCA feels the PIB is confusing and is pursuing clarification. Visit <http://www.msha.gov/MEDIA/PRESS/2010/NR100826.asp> to view the PIB.

Aggregate Lunchbox Seminar Date Set

VTCA, in cooperation with Applied Industrial Technology and Goodyear, has set October 5, 2010 for the next Aggregate Lunchbox Seminar. The location of the seminar is the training room in the Department of Forestry building in Charlottesville.

This seminar will focus on V-belts and timing belts and will educate attendees on the proper methods of checking and tensioning. The program will also provide helpful tips on how to maximize the effectiveness of belting applications.

The seminar will run from 10:00 a.m. to noon with lunch provided. Registration details are available at www.vtca.org. Don't miss this opportunity to provide valuable training for those in production/maintenance positions. Questions should be directed to Sam Hollins (sam@vtca.org).

Safety Seminars Tout National Speakers

The annual VTCA Safety and Health Safety Seminars are scheduled for November 30th and December 1st in Richmond and Roanoke respectively. The Richmond seminar will be held at the Double Tree Hotel, Richmond Airport. The Roanoke location will be The Holiday Inn Roanoke Valley View.

With many safety and health topics on the agenda, and national speakers from the Vermont chapter of the Associated General Contractors and the Florida Department of Mines, this will be a great opportunity to send any individuals who are involved with the safety of your operation.

Participation will count, in part, towards MSHA annual training certification, a key component to an operation's training plan. Also, keep in mind that this is a great opportunity for contractors that may be working at your operation to get their employees the MSHA Part 46 refresher training they need as well.

New Change To Stone Bidding Procedures

Effective July 1, 2010, HB 831 became law, requiring anyone submitting bids to the State of Virginia to include their State Corporation Commission identification number in their bid. This was a little known change and VTCA was made aware by VDOT that many are overlooking that detail on their bid packages. Note that the line for including this number can be found at the lower right hand part of the signature page, just under the eVA identification number line. The actual language of the bill follows:

HB 831, STATE CORPORATION COMMISSION IDENTIFICATION NUMBER: Pursuant to Code of Virginia, §2.2-4311.2 subsection B, a bidder or offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its bid or proposal the identification number issued to it by the State Corporation Commission (SCC). Any bidder or offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law is required to include in its bid or proposal a statement describing why the bidder or offeror is not required to be so authorized.

If you have any question you may contact Caroline Hudgins at the Virginia Department of Transportation at 804-786-2725 or Caroline.Hudgins@VDOT.Virginia.gov.

VDOT Committing \$200 Million To 2011 Pavement Program

In FY 2011 VDOT will devote a minimum of \$200 million contract value annually to the pavement schedule program. The paving season will generally run from April 1st to December 1st (in accordance with existing specifications). However, contract language will be included that limits contract payments for work completed in April to June to 25% of the contract dollar value, regardless of the amount of work executed. Any outstanding or unpaid balance for work completed on a contract will be paid in the first estimate period after July 1st. VDOT schedule for advertisements is as follows:

Surface Treatment – October
Slurry Seal & Latex Overlay – November
Plan Mix Schedules – December

Double Check Your DBE Goal Calculations

Attention contractors claiming credit toward DBE contract goals - carefully read Special Provision Section 107.15 – Use of Disadvantaged Business Enterprise Program Requirements to determine if you are properly claiming and reporting your DBE credits. Special attention should be paid to the section that addresses credit for materials hauled by a DBE firm. If you utilize a DBE firm to haul material such as aggregate you cannot claim the cost of the aggregate material toward the contract goal unless the firm is certified as a supplier and meets VDOT's definition of a "regular dealer" or "manufacturer."

If your DBE hauler does not meet these conditions then VDOT's specification excludes the cost of materials from counting toward the goal. Road and Bridge Specification Section 107.15, DBE Participation for Contract Goal Credit, paragraph (7) states that a contractor may count toward the DBE contract goal 100 percent of the fees paid to a certified DBE trucker or hauler for the delivery of the material and supplies ... but not for the cost of those materials or supplies themselves.

If a hauler is certified by DMBE as a supplier in addition to being certified for transportation of materials then paragraph 5, 5(a) and 5(b) of the specifications state that a contractor may claim 60 percent of the cost of materials and supplies purchased from a DBE certified regular dealer and 100 percent of the cost of materials and supplies if the firm is a certified DBE manufacturer.

If your DBE hauler is not a certified "regular dealer" or a certified manufacturer as defined in paragraph 5(a) and 5(b) you cannot claim any credit for the cost of the material.

VDOT is closely reviewing the information provided on Form C-111 to determine if the percentages reported reflect the allowable percentage of the item in accordance with these limitations. Also note for each work item claimed for credit, contractors are to report the percentage of that work item attributed to the DBE subcontractor. The individual item listings are not intended to report the percentage of the total contract value.

For additional information contact your local District Civil Rights Office.

Contractors To Perform Quality Control On Aggregate And Select Material

VDOT is currently developing plans for piloting new requirements for contractors to perform the verification and documentation of the field density of aggregate and select material on the project. The shift of responsibility from VDOT's inspection staff to the contractor is a result of staff reductions from the recently completed Blueprint.

In September VDOT is expected to announce at least one pilot project in each district that will incorporate the new special provision. The selected pilot projects are anticipated to be advertised beginning in October with the goal of introducing the new provision on all contracts late in 2011. The special provision language is expected to be available at the time the candidate pilot projects are identified.

Salehi Announces Retirement

Morteza Salehi, VDOT's Northern Virginia District Administrator, has announced that he will retire effective October 1, 2010. He has served the Department and the citizens of the Commonwealth for 21 years. "I found it most rewarding, and the friendships that I have made will remain with me for the remainder of my life. Thanks to each and every one of you."

We wish Morteza the very best in his future endeavors.

Verify Your Email To Receive VDOT Advertisement Notices

Within the next few months, VDOT will discontinue mailing paper copies of the semi-monthly Advertisements. The Department will now be utilizing email to notify prequalified firms that the advertisement has been posted on the agency's web site.

You are encouraged to verify that VDOT has your correct email address on file. To verify the address that VDOT has on file, check VDOT's prequalification list at <http://www.virginiadot.org/business/resources/prequalified-list.pdf>. If corrections are necessary a letter on company letterhead, signed by an authorized officer, must be sent to VDOT's Contract & Maintenance Contracting Division to request the change.

Fall Schedule for ESCCC Classes

Fairfax, September 17
Marriott Fairfax at Fair Oaks,
Fairfax, VA

Roanoke, October 8
Holiday Inn Tanglewood, Roanoke, VA

Richmond, November 12
Holiday Inn Koger Conference Center,
Richmond, VA

Visit www.vtca.org to register online or download the registration form for each class.

VTCA – VDOT Consultant Forum

The 2011 Consultant Forum, September 24 in Richmond, will feature a great array of speakers and topics. In addition to remarks by Irene Rico, Director of FHWA's Virginia Division, we will be welcoming VDOT Commissioner Greg Whirley, Chief Engineer Mal Kerley, and the Director of the Department of Rail and Public Transit Thelma Drake. These leaders will provide updates on industry initiatives and challenges.

Two unique panels will explore the future of transportation engineering in Virginia. The first panel, of former VDOT Commissioners, will be sharing their views of VDOT's future. The second panel will include representatives from three of Virginia's top engineering universities to discuss how the academic world is preparing future engineers in this constantly changing economic environment.

You can count on a lot of changes and initiatives to be announced in the next few months. Don't miss this opportunity to get a preview of what's in store and how it will affect your business.

We are expecting strong participation from VDOT as well as the industry so make your plans to attend now. The location is the Holiday Inn Koger Conference Center in Richmond. Registration for the Forum is online now. Visit www.vtca.org to register. We also encourage you to show your support as a Forum sponsor. In addition to registration and sponsorship details, the program agenda is also available on VTCA's web site.

2011 TCMI At Virginia Tech

The 2011 Transportation Construction Management Institute, co-sponsored by VTCA, VDOT and Virginia Tech, is scheduled for Wednesday, February 16 through Friday, February 25, 2011 in Blacksburg. Mark your calendars for this unsurpassed educational program -- designed for your up-and-coming management team. Watch for registration to open early this fall.

Do You Know A Wounded Veteran? VDOT Has Wounded Veteran Internships

VDOT's Wounded Veterans Internship Program assists veterans with the transition from military to full-time civilian employment. The program focuses on, but is not limited to, disabled veterans returning from Afghanistan and Iraq who may have lost their job or are no longer physically or emotionally suited for the same work.

VDOT works with a number of veteran service organizations to implement the program, which attempts to locate internships near the participant's home and rehabilitation facility. Internship placement depends on aptitudes and interests, and could be in areas such as planning, finance, project management, security, procurement, quality control, information systems, engineering, civil rights and human resources. Veterans receive a stipend and opportunities to compete for full-time positions at VDOT, as well as introductions to private sector and other government agency jobs.

For more information or to apply for the Wounded Veterans Internship Program, contact Freddie Jones, Civil Rights Division Administrator, at 804-786-4552 (TTY 711), visit VDOT's web site at www.virginiadot.org/jobs/WoundedVetProgram.asp, or send an e-mail to WVPinternship@VDOT.virginia.gov.

Independent Audit Of VDOT Research Council Recommends Greater Focus On Innovation, Better Implementation

VDOT recently received the results of an independent review of the Virginia Department of Transportation's (VDOT) Research Council. The audit was one of four performance audits of Virginia's transportation programs called for by the Governor and approved by the 2010 General Assembly. Results of the audit, include six major recommendations to improve the value of Virginia's transportation research program.

The Federal Highway Administration's Turner-Fairbank Highway Research Center and B.T. Harder Inc. of Philadelphia conducted the independent evaluation of the Virginia Transportation Research Council (VTRC). Virginia annually spends between \$10 million to \$13 million on research.

The review found that while Virginia's current business model for research is sound, comprehensive implementation and utilization of research results was lagging. The audit recommends that Virginia improve performance by instituting a more formal and rigorous implementation process as well as early involvement of personnel from the field. Steps for accomplishing this include developing internal reporting and management processes and utilizing field personnel to support research efforts. It also recommends setting up pilot programs to test research results and, upon successful completion of a pilot, bringing into practice these innovations, process changes, new specifications and other changes.

The research program will also give greater focus on innovative strategies to reduce congestion and to maximize the utilization of current transportation infrastructure, such as active traffic management, better designs, and more through planning. In addition, it is intended to broaden the current research program to be multi-modal instead of focusing primarily on highway construction and infrastructure. In recognition of this, it is proposed to rename the "Virginia Transportation Research Council" to the "Virginia Transportation Innovation Center."

The Virginia Transportation Research Council (VTRC) was created in 1948 as a partnership between VDOT and the University of Virginia. VTRC now also works closely with the Virginia Tech Transportation Institute and other areas in Virginia Tech. The report recommends that the new Virginia Transportation Innovation Center (VTIC) maximize the value of its research capabilities through stronger partnerships with universities in Virginia and leveraging current funding opportunities. The report says that such partnerships "increase capacity while providing VDOT with a reliable source of highly qualified internal technical support." Consequently, the VTIC will increase outreach with other state universities to develop "niche expertise areas" and cooperative agreements for grant funding for transportation research in such areas as policy, transit, rail and environmental. This will create opportunities for VTIC to expand its support for all agencies of the Transportation Secretariat.

Two other areas for improvement call for enhancements in the VTIC's advisory committee process, which taps the expertise of experts from government, academia and the private sector to develop proposals for new research.

Virginia Again Rated The Top State To Do Business In

Virginia is the "most pro-business state" in America according to the Pollina Corporate rankings for 2010. The Commonwealth was also ranked number one in 2009, 2007 and 2003. Number two in the study is Utah, followed by Wyoming, South Carolina and North Carolina. California ranked last.




The Pollina rankings are based on 31 factors controlled by state governments, such as taxation, human resources, education, right-to-work legislation, energy costs, infrastructure spending, workers compensation laws, economic incentive programs and state economic development efforts.

For the complete report visit <http://www.pollina.com/publications/probiz%7E1.htm>.

Hilliard Charity Scholarships Awarded

The semi-annual Hilliard Charity and Fellowship Outing has awarded three scholarships for the upcoming 2010-2011 academic year.

Congratulations to:

-  Tyler Griffith, attending the Virginia Military Institute. His father is employed by **KCI Technologies**
-  Shannon Lowe, a repeat winner, attending Bridgewater College. Her father is employed by VDOT.
-  Peter Rieger, attending Virginia Tech. His father works for **Moffatt & Nichol**.

Mark your calendar for the next Hilliard Charity and Fellowship Golf Tournament, October 1 in Front Royal at Bowling Green Country Club. Information is available on the VTCA web site on the Calendar of Events.

Interested In Historical Heavy Equipment?

The Historical Construction Equipment Association is a non-profit organization dedicated to preserving the history of the construction, dredging and surface mining equipment industries. HCEA members from around the globe share information and stories, and buy, sell and trade "the stuff of Old Iron." To learn more, visit www.hcea.net.

VTCA Winter Meeting Among The Squares Of Savannah - February 3-6, 2011

The Mansion on Forsyth Park is a magnificently restored Victorian mansion set in Savannah's legendary Historic District. From celebrated cuisine, to spa pampering and world-class service, every detail is polished to perfection. The Mansion's Grand Bohemian Gallery delights visitors with over 400 rare works of art. Just outside lies Forsyth Park's lush setting and the timeless intrigue and excitement that is synonymous with Savannah.

The VTCA Winter Meeting will be held at The Mansion February 3-6, 2011. Details will be announced later in the fall. In the meantime, visit www.mansiononforythpark.com and www.VisitSavannah.com to whet your appetite!

Williams Mullen Announces New Public-Private Partnership Team

William Mullen is pleased to announce the formation of a new Public-Private Partnership Team. Chaired by Charles E. "Chuck" Wall, this Team will work with clients to identify and facilitate opportunities that build on the common ground shared by business goals and public policy objectives. Team professionals have extensive experience with successful PPTA proposals and agreements as well as design-build projects. Beyond transportation, they have crafted partnering arrangements that span a variety of projects and industries. With a thorough understanding of legal, financial and competitive influences, the Team will assist clients in developing innovative ways to accelerate project delivery, mitigate risk and maximize return. Contact Chuck at cwall@williamsmullen.com, 804-420-6498.



In Memoriam

John W. "Sonny" Litton, PE, co-founder of **Thompson & Litton, Inc.**, passed away on August 1 at the age of 89. A graduate of Norton High School and Virginia Military Institute, Mr. Litton served in the U.S. Army Corps of Engineers. He earned the distinguished Purple Heart after the invasion of Southern France in 1944. He then served in the Virginia State Highway Department from 1945 to 1948. He founded Thompson and Litton in 1956 with his friend William Thompson, Jr. His dedication to his profession, his country, his family and his faith earned him numerous awards and distinctions throughout his life. Funeral services were held on August 4.



William J. "Bill" Bauer, Jr., PE, passed away July 28 at the age of 48 after fighting a heart infection. Bill was a senior engineer at **CH2M HILL** in Richmond. He was a 1983 graduate of the University of Pittsburgh where he earned a degree in mining engineering. Bill was a member of the Professional Engineering Society, where he held various offices. He loved hunting, fishing and the Pittsburgh Steelers. He touched many lives and will be sadly missed by all that knew him. Funeral services were held on August 2.

Thanks To Virginia Road And Bridge Supply, And To All Annual Meeting Golfers!

A special "thanks" goes out to **Virginia Road and Bridge Supply** and Eddie Hornick for sponsoring the beverage cart during the Annual Meeting Golf Tournament. It was a 100 degree day and the beverage cart was a welcome site.

We also wish to thank all the players who purchased mulligans. Through your generosity we raised \$920 for VTCA scholarships. Thanks!

Shelby Perkins Becomes Mrs. Shelby Hill

Congratulations to Shelby Perkins Hill of **PBS&J** on her June 21 wedding to Mr. Chris Hill. Shelby will be relocating to Brevard County, Florida in September. You may contact Shelby by e-mail at shelbyhill621@gmail.com.

New VTCA Directory Of Members Is On The Street

The 2010-2011 VTCA **Directory of Members** is out and it looks great! The VTCA Directory is one of the most valuable tools you can have if you are doing business in Virginia's transportation construction and aggregates industries.

- Look for the special "outserts" included with your Directory from Corman Construction, Inc. and GeoStructures, Inc.
- Asphalt Plant Maps begin on page 32.
- Quarry Location Maps begin on page 55.
- The Prequalified Contractors List is found behind the Index tab, beginning on page 156.
- The Index of Advertisers begins on page 176.

Additional copies are available for purchase. Contact Dana Morris, dana@vtca.org for an order form.

VTCA Members: \$52.50
Non-members: \$89.25