

SC Highway Division Meeting
Monday, Nov 1, 2010; Mashburn Construction, Columbia, SC

Jim Triplett – Welcome and Introduction

Jim opened the meeting by thanking the attendees for participating and shared that the meeting was designed to give the members an opportunity to get together, to hear from Cynthia Mills on CAGC's direction, to allow for Q&A, and to discuss CAGC moving forward.

Jim encouraged participation in CAGC Joint DOT committees to get the greatest benefit from your CAGC membership.

Cynthia Mills, CAE, CMC, President & CEO provided the members an update on highway activities. She thanked the members for attending; reminded them that CAGC is You and reiterated Jim's call to participate in the committee process. She told the members the Board had voted to keep the committees wide open and that CAGC is looking for the members to participate, and asked for help in identifying the next generation of members/leaders.

Cynthia informed members that CAGC has been ramping up representation and activity on highway issues over the last few months:

- CAGC has been an ARTBA chapter since 1983;
- Surveyed the members and found interesting stats;
 - Members wanted to remain a member of ARTBA but didn't want to pay more;
 - Saw the value in ARTBA participation on federal level, but not state.
- The Board asked Cynthia to negotiate with ARTBA and was able to obtain access for all 211 members doing 25% or more highway work at the same price of \$42k that we had been paying for 42 members. This was a win/win for both groups.
- Cynthia pointed out that there are two things that are important in DC – money and votes. ARTBA won because they increased their numbers, and CAGC wins because we have two strong voices on your behalf in DC, as well as a representative on the ARTBA national board Leslie Hope represented CAGC at the ARTBA executives meeting, along with Berry Jenkins, which was the first time CAGC had staff representation.–
- Cynthia has been appointed to an ARTBA National Council on Women in Transportation.
- Cynthia is meeting with National ARTBA staff on December 1 and is attending the Southern Regional Meeting on December 2 in DC.
- CAGC Chair Elect, Mark Hood and Cynthia were on The Hill pushing for the highway reauthorization bill on 9/28 and met with senatorial and congressional staff including Sen. DeMint Cynthia met with Sean O'Neil, the AGCA national highway lobbyist at the CAGC Highway Division Meeting, and he also accompanied Mark and Cynthia on some of their Hill visits.
- Cynthia attended the SE High Speed Rail conference earlier this year. DOT just announced that they are putting \$2.4 billion into 23 states for high speed rail - \$623 million is in it for the Charlotte to Raleigh leg. SC is still in study status.
- Annual Convention in Puerto Rico – both AGC & ARTBA reps will be present to interact with members and make presentations
- Leslie Hope has met with all the Committee Chairs.
- Leslie Hope started Highway Highlights for SC Highway members.
- Leslie Hope has attended DOT Committee meetings and had meetings with DOT leaders

- Cynthia has received very positive DOT feedback – Thank You to Leslie for stepping into this role and for her hard work and leadership.

As we talked about going forward, Cynthia touched on the Election taking place Nov 2:

- If you have not already voted – then please vote.
- But going forward, it is going to take a bi-partisan effort in order for us to pass a Highway Reauthorization bill. We will need to put our party differences aside to get things accomplished at the State and Federal level. With the expected huge turnover of new legislators, we have a huge education campaign ahead of us.
- Whether we like it or not, money is part of the political process. It is critical that all CAGC members support the PAC's so that we elect those who will support our industry. Being contributors, opens doors.
- Remember the National PAC's = AGCA and ARTBA, not just the SC PAC; it's critical to the Highway Reauthorization bill now and in the future

Jim Triplett thanked Cynthia for her efforts. Jim told the members that Cynthia is a blessing to our association, and she has some good ideas. If you have any thoughts or ideas – then please talk with her. Jim asked Leslie for a brief update as well.

Leslie, Dir., SC Government Relations & Divisions

- Leslie thanked the members for their help and patience during the transition
- Leslie talked about her attendance at the ARTBA State Exec meeting and quickly realized what a great resource we have in ARTBA. CAGC has ramped up our presence, we are completely plugged into the ARTBA staff and the information they are pumping out on a regularly basis, and we are providing that information to our members as well.
- Leslie has found the relationships that she has quickly formed with the staff at the other chapters to be a built in resource and they communicate regularly.
- As a matter of fact, on the ballot in Alabama on Nov 2 is the **Alabama Road and Bridge Funding Referendum**. If it passes it will mean \$1 billion for 10 years at \$100m per year for road and bridge funding. Leslie has already obtained, from the state exec in Alabama, their playbook on what they did, each step of the way, to get this referendum on the ballot.
- While this might not be the route SC chooses to obtain highway funding in the future, it is a great resource and having the opportunity to learn from and talk with folks about what their state is doing is a good way to learn what might work right here in SC without recreating the wheel. This group is, we think will continue to be, a valuable resource for CAGC and our members.
- Same with AGC of America – they had money to spend on a Billboard Campaign, and they sent their Chief Communications officer to SC. He and Leslie worked together to pull off a Press Conference to urge congress to pass the reauthorization bill. We are also working with AGC and the Federal Highways on the Everyday Counts Initiative. Two great examples of how CAGC is working with our partners, in the industry, to keep all of our members plugged in and all of us working together.
- Leslie has met with all the committee chairs and is working closely with them and the SCDOT co-chairs as well in an effort to make the transition as seamless as possible.
- The meetings for all of the committees were already set for this year and there is one more round of meetings before the end of the year.

- The meetings are already set for 2011, as well, so we will be sure to make that schedule available to all of our members.
- CAGC has a solid working relationship with SCDOT, and Leslie will see that that relationship continues through personal communications and through the work of the committees.
- In order to provide as much information to our members, as quickly as possible, Leslie implemented the monthly Highway Highlights. This was an effort to deliver information to the members on a more regular basis.
- Through the Highway Highlights our members are provided information on the hot topics each month, as well as links to all of the minutes.
- The hard work of our committees resulted in SCDOT putting all of the forms and documents our members need and use on the SCDOT Extranet.
- Leslie has obtained a password for Bidx and has had a crash course in how to obtain real time information via Bidx during the highway lettings.
- Leslie reminded the members that her door is open, if you have questions or concerns, call or email. If you have a suggestion on how Leslie or CAGC can do things better, please speak up.

Jim Triplett also talked about the changes at SCDOT as well. So, please embrace those folks as well.

Subcommittee Reports

Ted Geddis – Bridge Subcommittee

- Crane Regulations meeting – Nov 12, 9 am GC, 10 – 12 with DOT. Please attend and send your crane folks as well.
- Leslie has sent out an invitation to all the folks who are on the committee.
- Will discuss plans for ground additions, plans for lifting, etc.
- SCDOT appears to be getting way beyond what they need to do; possible overreaction by SCDOT Maintenance group.
- Need Contractor input to ensure they stay in line with the intent of the regulations
- Ron Shaw mentioned there is only so much liability that SCDOT may want to assume.

Marty McKee – Roadway Subcommittee

- The road subcommittee has been very busy this past year – appreciate all the members.
- SCDOT Reclamation Tack Force; requiring different curing options in different districts. Spec out in Dec letting and will be listed, by road, what curing method will be used; takes a lot of guess work out of it.
- Extranet is up and running, SCDOT is trying to be more efficient and go paperless. Right now the MOST CURRENT FORM is on-line; still have to print and fax, but headed to electronic submission. There is also a shortened ARRA form.
- CPM Schedule – The committee/SCDOT is still working on this and hopes to get this out soon.
- Widening work - ROF report by registered land surveyor due to a change in the land surveyor regs at LLR. Contractors will have to submit a new platt of the boundary, but it is a ay item. Starting in Jan letting.
- EPA Effluent limits - lawsuit filed on the number of 13 NTU's and has been delayed 18 months. Seeding spec being reviewed; resurfacing project does not apply.
- High wall spec – not a priority at this time.

- Pipe spec - reviewing pipe spec – is 18inch smooth wall pipe can be class 3 and class 5 – need to check the tables. Plans in project now; will have a table outlining which one is to be used while SCDOT re-visits this spec.
- Surveying work - reviewing and may change spec again.
- Chain of command at SCDOT. Waiting for this since SCDOT has had changes as in the chain.

Jim Triplett asked members to continue to push SCDOT to go paperless. Not only does it make the industry good stewards, but it will allow contractors to complete jobs much faster as well.

Scott Fant – Supplier Subcommittee

- Biggest thing is the paint supplier issue. We will be meeting this month and have added a paint supplier to the subcommittee, and we told him to be ready to talk about the paint.
- May only have temporary striping in the future.
- May be a district wide issue going forward. SCDOT not willing to reimburse just yet.

Greg Cook – Utility Subcommittee

- Utility window – cap on how long the Utility has to get out of the way. Tell us how long it will take you and we will stay out of your way, but after that get out of the way.
- Utility legislation - the Senate is taking our legislation, and they are writing legislation on our behalf and it will help give SCDOT some teeth.
- Will be looking for an official spokesman from SCDOT. Would like to have Danny Shealy be that spokesman and will confirm with the Department is that is an option.

Jim Triplett - Joint Committee

- Several cooperative issues we were able to work on with SCDOT.
- Design Build Subcommittee – getting this in place. There are ways to discern DB, lessons learned, challenges, dos and don'ts.
- Looking at stipends – SCDOT has always been against them, but they willing to talk about them some now.
- If you are willing to serve on the DB committee, we are looking for committee members.
- DB is an expensive game to play – there are things SCDOT can do and ways they can be better stewards.
- Need to embrace new SCDOT leadership; need to nurture them, firm, fair, no hidden agendas. Maintain relationship.

Cynthia reminded the members of some very important dates

- Nov 11, Phoenix – the AGCA Highway Division meeting;
- Jan 19 – 23 CAGC Annual Convention in PR – AGCA and ARTBA reps will be attending;
- June 23 – 26 – CAGC Highway Division Meeting at Wild Dunes.

Randy Snow added an additional date.

- Nov 17 is the Danny Shealy Retirement party at Saluda Shoals. The event is from 6 – 9 p.m., BBQ dinner.
- Will be \$20 per person and members will be asked to make donations for a trip for Danny and his wife
- Checks made out to Danny Shealy Retirement Fund.
- Leslie or Jim Triplett will send out another email again this week.

Jim Triplett also announced that in an effort to enhance further development with ARTBA that he has been asked to serve on the ARTBA board, and he has accepted. Please feel free to contact him regarding your concerns on a national level..

Open Forum

SC DOT Leadership

Mark Ashmore talked about how important the SCDOT Jt Comm is, now more than ever, with all the changes that will take place with the election. There are a lot of new faces at SCDOT, and with the change in Governor, there could be a change at the top at SCDOT as well. Mark suggested our members meet and talk about who we think would be a fair and balanced leader, should Buck Limehouse choose to no longer serve as the Secretary of Transportation. We have the opportunity to work with the new administration, and we need to all work together to make sure the person appointed to SCDOT is someone our industry can work with.

Jim Triplett will find out Buck Limehouse's intentions first before we take any further action.

Gas Tax

There was discussion on the need to figure out a way to increase the 20 year old gas tax.

Form Standardization

Marty McKee - The subcommittees are working on trying to standardize forms to help address concerns expressed about the administration and the lack of standardization.

Prompt Payment

Thad Preslar was in attendance for Drew Boggs, Boggs Paving. They have concerns about the Prompt Pay Law. Prime contractors are required to give a bond. However the prompt payment clause overrides anything in your contracts, if payments are in a dispute.

SCDOT record keeping and payment schedule needs to be addressed as well.

No consistency in the SCDOT payments. Don't know from one month to the next how they are paying. SCDOT says they are paying on time – being sent to the comptroller general for payment. (Leslie can look into this with the comptroller general). Jim is going to look at the information Thad is concerned about.

CAGC Office Closings & Staffing

Grady Wicker asked about where CAGC in SC is headed with the changes in closings/staff changes.

- Cynthia discussed the creation of IBuild and how part of the business plan was the eventual phasing out of the offices.
- CAGC bills dues one year in the rears. We are going to feel the pinch a year behind for each year that the construction industry continues to lag.
- CAGC can't afford to run 8 offices in the current economy. We have \$1.4 million in reserves and were looking at a \$1 million shortfall when the budget was first consolidated. After cutting expenses, we were still faced with a significant reduction in dues revenue. Had we not made

the hard decisions, we would run through our reserves most likely in a year and a half. Instead, we are creating a healthy and stable association that will be around to serve CAGC for many years to come.

- Staffing: With technology, serving members does not require a staff person to physically be located geographically near members, – with the exception of our lobbyists, who need to be at the State House.
- We have hired a Dir. of Meetings and have made additional staff changes to take some of the load off Leslie. Support is available even though not physically located in the Columbia office.
- We will continue to evaluate our staffing needs in order to ensure that highway members' interests are well-represented at SCDOT, which may include contracting a construction professional with technical expertise.
- We are evaluating carefully how we look at buying talent in the future for all of our positions. We may want to contract without having to pay full time salary and health insurance.
- Berry and Leslie H. are working closely together on highway members needs, including attending the ARTBA executives meeting together earlier this year.

Thad Preslar– Extranet – when project is complete – RCE – contractor's evaluation performance score. It does not impact RCE's but it impacts our performance score.

- This whole issue needs to be evaluated.
- SCDOT has been receptive to making changes. QMT is the only one who gets scored on the job. Jim Triplett suggested looking at a National scoring model for standardization.
- Scott Fant confirmed that this was put in place to help, not to penalize the good contractors.
- Maybe we need to share with SCDOT that that the information is passed from state to state, and it looks bad for SC to always be in the 80's.
- Suggested we talk with Leland, who may be interested in addressing this again through a special Ad-hoc meeting.

Rideability and resurfacing

- Can we take in new construction? What is the definition of new construction?
- May need a new alignment spec instead of new construction.

Meeting adjourned at 5 p.m.