



Contractors Association of West Virginia

# 2010 ANNUAL REPORT







In the construction industry, the sense of fulfillment from a job well done is an accomplishment that overreaches all others. The CAWV and its members have worked diligently through the years shaping the state's construction

industry. Regardless of the specific issue, or the industry segment it impacts, the CAWV has done a great job joining members together to work with state and federal officials on issues of concern.

The association is able to do a good job because of member input and participation. In order to formulate positions, craft legislation, and advocate for perpetual funding for building, utility, and highway construction, the CAWV needs participation from members. The past year has seen the implementation of several changes to make involvement easier for association members.

The Strategic Planning Committee recognized that the geographic location of the association office left some members unable to participate. Being located in Charleston places

the CAWV next door to many state and federal officials, but for some members, the office is too far away to justify traveling to meetings.

Institution of state-of-the-art video conferencing and renovation of the headquarters facility now makes participation easier for all members. No longer will someone have to invest hours of travel to attend a one hour meeting. The association is now able to communicate with members using its new video conferencing equipment. Members can "sit" in meetings without ever leaving their offices or visit locations which have been developed in various areas throughout the state.

Those visiting the CAWV office will see many changes. In addition to adding video conferencing equipment, the conference room has been expanded and renovations to the CAWV headquarters have made the office ADA accessible. A new entrance equipped with a lift was installed and the restroom has been relocated and expanded.

Since being completed in June, the CAWV office has seen a flurry of activity. Many committee meetings have been held advancing issues throughout the building, utility, and highway industries. The Joint Cooperative Committee (and its subcommittees), Joint Utilities Committee, and Joint Architects Committee have all been hard at work on issues

affecting the entire construction industry.

Other committees have focused on providing quantifiable services and benefits to members. The Program Committee, for example, launched the Spring Meeting held in May at Glade Springs. The Safety Committee is focusing on job site safety and promotion of the association's BrickStreet discount program. Public Relations and Membership Committee members have created an incentive program for recruiting new members, launched a new website, and developed a number of discount programs for members.

The CAWV's job is a continuum of keeping members up-to-date on what is happening in the construction industry and providing a platform to influence any position issues. The ultimate goal of the CAWV is creating a healthy construction industry for West Virginia.

This year's annual report is just a sample of how the CAWV and its members are "Hard at Work" every day building a better West Virginia.

Sincerely,

John H. Strickland  
President

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## **POLITICAL INVOLVEMENT: IT'S ALL ABOUT JOBS**

Candidates backed by HUB/PAC, the association's political action committee, were mostly successful in their bids to the West Virginia Senate and House of Delegates during the 2010 General Election. In Senate races, all 15 of the HUB/PAC endorsed candidates won. In the House, 88 percent of the candidates supported by HUB/PAC won election (68 out of 77 races). The CAWV supports candidates who give the association a fair hearing on issues.

Legislators were responsive to the CAWV's message that infrastructure investment equals job creation and passed a number of bills that increase potential funding avenues during the 2010 Regular Session. The Community Empowerment Transportation Act (CETA), S.B. 352, allows county commissions to impose user fees to construct and maintain roads, with voter approval. It also gives counties the ability to issue revenue and general obligation bonds for transportation projects. S.B. 229 allows the School Building Authority to have up to \$500 million in bonds outstanding at any given time. This bill corrected the original statute which allowed the SBA to issue in the

aggregate \$500 million, giving them the ability to continue to sell bonds as old bond issues are retired.

Legislators also recognized the stress on the State Road Fund and passed two Senate Concurrent Resolutions (SCR 68 and 69) to evaluate the program during interim meetings. SCR 69 provides for the study on the number, mileage, conditions and fiscal burden of roads in the state of West Virginia that are not eligible for federal matching dollars and alternative funding sources for road design, construction and maintenance. It also states that additional funding may be identified for secondary road repair and maintenance. SCR 68 examines "green" road and highway paving processes and construction.

A bill mandating green building methods for all state building projects, including schools, was discussed, but did not pass in this session. A number of bills were introduced which would have extended the authority of the WV Design-Build Board by creating the Facility Design-Build-Finance-Lease-Purchase Act. The Act would have allowed county boards of education to enter public/private partnerships to finance, build and lease school facilities. The

CAWV's position has been that public entities that enter into lease-purchase agreements should be required to adopt rules that provide complete transparency to the process.

S.B. 427 expanded the powers of the state Parkways Authority to operate additional toll roads in the state. This was necessary in order to allow institution of tolls to fund construction of an unfinished section of Route 35 in Putnam and Mason counties.

Patterned after the bill giving the School Building Authority the ability to use its annual lottery proceeds to pay debt service on bonds, S.B. 237 authorizes county commissions, municipalities and boards of education that receive lottery revenues to issue bonds secured by such lottery revenues to construct public projects. Almost every county and municipality gets some amount of lottery proceeds, but in such small amounts that they can't fund capital improvement projects. By allowing the annual allocation to be used for bonding, public agencies will be able to sell bonds to construct a major project. Governor Joe Manchin in June approved \$150 million in construction and renovation projects at state universities, parks and the Capitol Complex as a result of the bill.

### **NEW CAWV.ORG AN INVALUABLE RESOURCE**

2010 marked the redesign of the association's website, [www.cawv.org](http://www.cawv.org). The new site features crisp graphics, user controls and search functionality. Registration forms and payment options are available for members, who can also control committee assignments and communication preferences.

### **SAFETY COMMITTEE PRESENTS OSHA CRANE STANDARDS OVERVIEW**

The CAWV Safety Committee in November presented an overview of the recently updated OSHA Rule 1926.1400. The revised standard specifies the work practices required to protect employees during the use of cranes and derricks in construction. The standard addresses advances in crane and derrick design, related hazards, and the qualifications needed to operate them safely. The CAWV overview gave members a clear understanding of how OSHA's revised Cranes and Derricks Standard compares with West Virginia's crane certification law, which covers many of OSHA's new requirements. All signalpersons, riggers and operators of most types of cranes in the United States must be trained, tested and qualified to meet the OSHA Rule 1926.1400.

### **CAREER-BUILDING SKILLS HIGHLIGHT SPRING MEETING PROGRAM**

The CAWV held its first Spring Meeting in May at The Resort at Glade Springs. Designed to be family-friendly, the educational program provided attendees with skills and knowledge needed to excel professionally in the construction industry. Topics included: Ethics for the Construction Professional, Achieving Award Winning Safety Performance, Planning For Success, and an association orientation titled Getting the Most out of Your CAWV Membership. Speakers focused on the skills that will allow both established and up-and-coming company representatives to expand their knowledge of the construction industry's intricacies. Members attending the meeting left with knowledge that makes them a greater asset to their company and a better business person.

### **BRICKSTREET PROGRAM OFFERS SIGNIFICANT SAVINGS TO CAWV MEMBERS**

The CAWV and BrickStreet Insurance partnership which began in 2009 is resulting in significant savings on members' workers' compensation insurance costs. The program provides a discount on workers' comp premiums to contractor members with a three year loss ratio of 65% or less. Since being implemented, over 80 members have saved over \$1 million off their premium payments.

### **YOUNG CONTRACTORS HOLD LEGISLATIVE DAY**

Senator John Unger II, chairman of the Senate Transportation and Infrastructure Committee, and Delegate Harry Keith White, chairman of the House Finance Committee, met with the CAWV Young Contractors at the state capitol. Senator Unger discussed the efforts his committee is undertaking to broaden the funding available for infrastructure investment. Chairman White discussed the goal of balancing infrastructure needs statewide and maximizing the impact of available funding. He also discussed the strides the state has made in creating a business-friendly environment and stabilizing cash flow, crediting improvements to the leadership of Governor Manchin. Chris Ferro, attorney with Steptoe and Johnson and counsel for the Senate Judiciary Committee, joined the Young Contractors just prior to the Senate Floor Session to discuss getting involved in the legislative process.

### **MEMBERS SAVE MONEY WITH ASSOCIATION BENEFIT PROGRAMS**

Members are taking advantage of the multiple money saving programs that bring additional value to CAWV participation. Savings offered to all members include office supply savings with the Staples Advantage Plan, savings on new GM vehicles, Enterprise Fleet Management discounts and wholesale fuel pricing from Petroleum Products Fleet Fueling. Additional benefits, for contractor members only, include discounts with Verizon Wireless and BrickStreet Insurance (for members that qualify). Full details on all the money saving programs are available on the CAWV website at [www.cawv.org](http://www.cawv.org). In addition, further savings are available through AGC of America. Information about AGC programs is available through its website at [www.agc.org/member\\_discounts](http://www.agc.org/member_discounts).

### **31st ANNUAL EXPO IN THE BOOKS**

The 2010 West Virginia Equipment and Design Exposition, held March 24 and 25 at the Charleston Civic Center, marked the 31st anniversary of the region's largest show for the construction, architectural, engineering, design and public works industries. This year's EXPO featured 297 exhibitors with 435 indoor and 21 outdoor exhibit booths, 85 honor exhibitors, a 72-page program and professional directory supported by 91 advertisers, 54 seminars and meetings and ten After Hours sponsors. More than 5,000 individuals attended at least one day of the show, representing 26 states plus Canada. The 2011 EXPO will be held March 23 and 24, 2011. More on the yearly event can be found at [www.wvexpo.com](http://www.wvexpo.com).

### **WVBT LEADERS URGE \$100+ MILLION FOR ROAD MAINTENANCE**

Nearly 150 people joined West Virginians for Better Transportation at Stonewall Resort in September to talk about the dire need to find additional funding for the state's highway system. The CAWV is one of the founding members of WVBT, which has grown since 2007 to include over 300 supporting organizations and companies. Attendees heard about the major challenges facing West Virginia's transportation system, and how those needs will be funded. The conference provided updates on the state's transportation plans as well as the outlook for state and federal funding. U.S. Representative Shelley Moore Capito addressed attendees along with Senator Jay Rockefeller, who provided a video message during the lunch. Additional speakers included: The Honorable Walt Helmick, WV Senate Finance Committee Chairman, WV Department of Transportation Secretary Paul Mattox and FHWA Division Administrator Tom Smith. There was also a panel discussion about the importance of transportation in moving goods throughout West Virginia and the nation.

### **EDUCATION PROGRAM GROWS**

The CAWV's annual Scholarship Program contributed \$10,000 to further careers in construction. This year's top winner, Jese Vance, a sophomore studying civil engineering at Marshall University, was joined by five other recipients. The Asphalt Pavement Association of West Virginia also presented scholarships, totaling \$4,175, to two civil engineering students at West Virginia University who are interested in asphalt technology. The APAWV donated textbooks to all students taking the asphalt class elective. In addition to the scholarship program, the CAWV / AGC "Build Up" program, which exposes 5th and 6th grade students to careers in construction, has become a part of the curriculum in 34 counties.

### **UTILITY COMMITTEE ADVANCES INDUSTRY**

Throughout 2010 the CAWV Joint Utilities Committee has routinely met with representatives of the WV Water Development Authority, Public Service Commission, USDA Rural Utility Service, WV Infrastructure and Jobs Development Council and WV Department of Environmental Protection to discuss issues affecting utility construction in West Virginia. Topics have ranged from bid document uniformity, funding issues, limiting the time between bid and award, material shortages and availability, the Buy American Act and best practices, among other issues. The committee continues to meet regularly to discuss industry issues.

## **MCDONALD ATTENDS INSTITUTE FOR ORGANIZATION MANAGEMENT**

Pat McDonald, director of member services for the CAWV, completed his first year at the Institute for Organization Management, a four-year nonprofit leadership training program at the University of Georgia in Athens. Institute graduates have knowledge, skills, and dedication to achieve professional and organizational success in the association and chamber industries. Graduates of the Institute receive the IOM recognition, signifying completion of 96 hours of course instruction in nonprofit management.

## **MEMBERS ENJOY CAR SHOW AND OPEN HOUSE**

Nearly 150 CAWV members joined together in August to enjoy a car show at the association's newly remodeled headquarters. The CAWV conference room, which has doubled in size, the renovated kitchen and the new ADA accessibility features were also on display during the car show. Gene Thompson's 1968 Pontiac GTO won the People's Choice Award. The CAWV car show had a wide variety of antique and classic cars along with newer models for members to view.

## **WVDEP ANNOUNCES \$61 MILLION IN ARRA FUNDING UNDER CONTRACT**

The WV Department of Environmental Protection Clean Water State Revolving Fund announced in February that all of their Recovery Act funding is under contract. Program Manager Mike Johnson announced the last of West Virginia's \$61 million in ARRA water and sewer funding commitments was bid on December 28, 2009. States were required to "use or lose" their Recovery Act dollars by February 17, 2010. The Joint Utilities Committee worked diligently with WVDEP to get the projects designed, advertised and bid by the February deadline.

## **REP. CAPITO ADDRESSES WVUCA AND YOUNG CONTRACTORS DAY AFTER ELECTION**

The Honorable Shelley Moore Capito was the keynote speaker at the WV Utility Contractors Association luncheon held November 3. She speculated about what Congress would focus on in 2011, stating that Bush-era tax cuts would have to be extended and some of the provisions of President Obama's Healthcare Reform Package needed to be revisited. She also discussed the power shift which would occur now that Republicans were the majority in the House of Representatives. Rep. Capito joined association leaders for the Young Contractors forum, "The Construction of Politics: Participating in the Big Picture."

## **AML COMMITTEE EXPEDITES BID SCHEDULE**

The CAWV Abandoned Mine Lands Committee works with the WV Department of Environmental Protection on issues affecting the AML program and CAWV members. This cooperation has helped expedite bidding, leading to about \$15 million in water projects and about \$23 million in AML projects in 2010. Committee members have focused this year on utility relocation issues, getting design contracts approved and projects advertised for bid. The committee has also worked toward having all AML projects available for viewing in the CAWV's Physical Planroom and Internet Planroom ([www.isqft.com](http://www.isqft.com)).

## **BID PROCEDURES TASK FORCE ACTIVATED - NATIONAL GUARD TASK FORCE CREATED**

A Bid Procedures Task Force was formed in 2009 to discuss issues with bidding procedures and the award process of state construction projects. The task force, which was created by the Joint Architects Committee, came up with several specific issues to focus on and discuss. CAWV members have met with administration officials to establish how they will identify the areas of study. The task force will continue to meet to develop an action plan, study procedures and work to streamline the state bidding process.

The Joint Architects Committee also formed a task force to work with the WV Army National Guard on creating smooth bidding procedures for their robust facilities improvement program. The Guard's current construction program totals \$269 million and includes several large projects that are already under construction or have been completed. Also, they anticipate spending \$108 million between 2010 and 2013 on construction projects with most of those projects going to bid in 2011. The Guard has long range plans of spending at least \$109 million on construction beginning in 2014.

## **NEW SPECIFICATION BOOK FOR WVDOH**

A "2010 Standard Specifications Roads and Bridges" replaces the 1990 version after much work by the WV Division of Highways Specifications Committee. The electronic version of the 900-plus page publication was released in November with printed copies available beginning in December. The WVDOH plans to publish Supplemental Specifications dated January 1, 2011, with both publications being effective on all projects bid on or after January 19, 2011. The CAWV is appreciative for the opportunity to serve on the WVDOH Specification Committee and participate in development of the new publications.

## **CONCRETE DAY BECOMES SERIES OF DISTRICT EDUCATIONAL SEMINARS**

Concrete Day, which has been held annually for the past seven years, provides an opportunity for WV Division of Highways personnel to join with industry leaders and learn about new concrete technologies and discuss emerging trends. A challenging economy and limits on travel time and expenditures have presented the opportunity for the CAWV/WVDOH/Builders Supply Association Joint Concrete Committee to hold a concrete educational seminar in each district during the winter months. These District Educational Seminars continue the committee's mission of fostering educational opportunities between industry and WVDOH. Topics include cold weather concrete, Full Depth Recycling, ultra thin whitetopping, pervious concrete, rapid repair concrete, flowable fill and hydration control admixtures. Parapet wall joint design, a new MP for changing raw materials within a mix designs, procedures for concrete cylinder failure, an update on an ongoing Self Consolidating Concrete study and the use of Roller Compacted Concrete were also discussed.

## **NATIONAL ASSOCIATIONS PROTECT, PROMOTE CONSTRUCTION INDUSTRY**

The Associated General Contractors (AGC) of America and the American Road and Transportation Builders Association (ARTBA) represent the construction industry in Congress and throughout the nation. AGC's involvement was crucial in a proposal by the California Air Resources Board (CARB) who wanted the U.S. EPA to approve the state's recently adopted off-road engine emission standard that would have forced construction companies in California to retrofit all of their heavy construction equipment. The cost of compliance of the standard, which other states could have adopted, was estimated at \$13 billion in California alone.

AGC was successful in defeating an amendment to the federal Health Care Bill which targeted the construction industry. The Merkley Amendment would have mandated that construction companies provide coverage or pay penalties if they have more than five employees and a payroll that exceeds \$250,000. Companies in other industries with less than 50 employees are exempt from the mandate.

ARTBA continues its focus on transportation infrastructure investment as a critical component of creating jobs and sustaining economic growth. The association is working on passage of a robust, multi-year surface transportation authorization bill, which is now 15 months overdue.

