

Transcript of Nevada Department of Transportation
Construction Work Group Meeting
December 14, 2015

Chairman Len Savage
Controller Ron Knecht
Frank Martin
Reid Kaiser
Tracy Larkin-Thomason
John Terry
Sharon Foerschler
Steven Lani
Lisa Schettler

Jeff Freeman
Megan Sizelove
Darin Tedford
Teresa Schlaffer
Sean Sever
Lucy Joyce
Amir Soltani
Cole Mortensen

Mary Martini (Las Vegas)
Mario Gomez (Las Vegas)
Kevin Lee (Elko)
Dennis Gallagher
Pierre Gezelin
Bill Wellman (Las Vegas Paving)
Paul Schneider (FHWA)
Greg Novak (FHWA)

Savage: --with the Construction Workgroup Meeting here, December 14th. Welcome everybody, do we have anybody in Las Vegas?

Martin: [inaudible]

Martini: I think that was Frank. This is Mary Martini and Mario Gomez and there's no public here.

Savage: Okay. Do we have Member Martin on the phone?

Martin: Yes, I am.

Savage: Make sure you stay in contact here. If you have to pull over and wait, we will wait to get you. You can hear us loud and clear.

Martin: Hello?

Knecht: We can hear you.

Martin: Okay, I can hear you.

Savage: Okay. Go ahead and start and call the meeting to order. Is there any public comment up here in Carson City? Anybody from the public that would like to speak? Anybody in Las Vegas or Elko?

Lee: None in Elko.

Martini: None in Vegas.

Savage: Thank you. Move on to Agenda Item No. 3. Any comments from the Construction Working Group?

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Kaiser: I got a couple here. This is Reid Kaiser. In the last, in the September Construction Working Group, you requested information regarding to how the Department documents the contractors that are involved in the lawsuits or anything with NDOT and right now, on the design bid build projects, we really don't have a process that addresses that. The design build project, they do as part of their submittals and here's—I gave you guys a copy of it, that's information.

Right now, we're working with Administrative Services to see if there is a way that we could incorporate something along these lines in the bid. We're not quite sure how that will work, but we are looking at it and it may require changing Nevada Revised Statutes or something, but we'll take a look at it and report back either in March or June with what we found.

Savage: If I understand you correctly Mr. Kaiser, there is no mechanism in place at this time for prequalification?

Kaiser: No. There's nothing in the prequalification that addresses where a contractor has to state that he's in a lawsuit with the [audio cut] NDOT. That is not addressed in the prequalification process. We could have a contractor independently out there filing lawsuits with us on numerous projects and yet, they'll still qualify to bid our work.

Savage: And, the reason behind that? I know, I can speak on the [audio cut] side, [audio cut] projects on behalf of different parts of the State, they do request if there's any current litigation or past litigation on public works projects.

Kaiser: Yeah, we don't have anything in our design bid build. One thing we do have, now if any of those contracts, if the contractor is behind schedule or for some reason has not shown up on the project or something like that. Section 102.12, Disqualification of Bidders; which is the other attachment you asked for at the last September CWG, it does allow us to either go to No. 2 or reject the bid. Some of the language in there reads, unsatisfactory performance record as shown by past work for the Department, judged to the standpoint of [audio cut] progress. I can see, also [audio cut], uncompleted work [audio cut] judgment the Department might hinder to prevent prompt placement of additional [audio cut]

We have considered rejecting a contractor's bid in the past using that language, but they elected not to bid or submit their proposal. There is that language that we could, if [audio cut].

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- Savage: Let's sort of keep this on the task list. [audio cut]
- Kaiser: Okay.
- Savage: [audio cut] we can revisit this prequalification [audio cut]. Or, past litigation against the Department.
- Kaiser: I'll create a new item. We have prequalification already as an item. I think it's discussed every six months. I'll create a new item regarding litigation with NDOT. And that is all I have for Agenda Item 3.
- Savage: Are there any other comments from staff or administration?
- Martin: One of the things, Mr. Chairman, if I could, one of the things that concerns me with this thing is, it could be read in by somebody. Certainly not you and me, but by someone that if part of having a lawsuit against the NDOT disqualifies them from bidding, that you're going around their ability to resolve issues in a court of law. But there is the performance issue that I believe fully needs to be followed up on. That's on the stuff that Reid sent out, about performance.
- Savage: Good comment Member Martin. We will revisit this subject [audio cut]. Any other further comments from anyone? We'll move on to Agenda Item No. 4. Has everyone had a chance to review the September 14, 2015 Meeting Minutes? I do see that Member Martin was absent. [audio cut] --approval. I will second, all in favor say aye. [ayes around]
- Foerschler: Sharon for the record. That issue is it possible to get the minutes sooner than the next [audio cut] CWG, because I was reading through what I said [audio cut] and I don't recall exactly what I said, but I think some of it is not exactly correct, but because it's three months ago, I can't exactly remember [audio cut].
- Savage: You know, Sharon, I had the same problem. I think that's a good idea. Staff, take a look at that and see if we can get the meeting minutes sooner. I did err in the fact that, I forgot to ask if there were any corrections or deletions [audio cut]
- Martini: Excuse me, DJ, the sound is cutting in and out and we can't—we're getting about one every five words, so it's worse than usual. Is there any way to correct it, or is it because of the wind blowing?
- Martin: Thank you Mary, I'm experiencing the same thing.

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Savage: Okay. So, we've had a motion, we got a second. We voted. Moving on to Agenda Item No. 5, NDOT Communication Plan Update.

Sever: Sean Sever here, [inaudible 08:02] --just a follow-up. [audio cut] regarding our [audio cut]. Just to review, when I first started with NDOT [audio cut] --who helped developed [audio cut] --staff as well and fully accepted it. I challenged my staff and myself to continue the momentum forward.

So, my staff took the ball from there and I just wanted to say, I really have an excellent staff. I consider them the A-team, an All-Star Team of communication staff. They have taken this campaign to the next level. We adopted the tagline which is Safe and Connected. Created a new logo, which you see there. We developed an extensive communications plan that built on all the students ideas and also [inaudible]. The result is a dynamic plan with energetic ideas that highlight the good things that NDOT does every day for the public.

I'll just go through really quick the different communication channels that we use every day. One of the most important is social media. We set some goals for each one of these. So, Facebook, we're going to increase our Likes to 1,800, by the end of Fiscal Year '16. We've already exceeded that. We're really—our, PIO in Las Vegas has really stepped up our efforts, Tony Illia. We're trying to do a lot of short videos on social media which really gets a lot of attention.

Twitter, we have 14,000 goal and we've exceeded that as well. Next step we're going to do is we're creating different Twitter accounts for each district. So, if you live in District 3 for example, you can sign up to our Twitter page for that District and you'll get updates specifically for that region.

We also created an Instagram account. This is the fastest moving social media site. We do about five posts weekly. It's heavy on photos. The younger generation is really using Instagram a lot.

YouTube, our goal is to increase our views by 10% by the end of the fiscal year.

Our other tools, one of our other tools is our website. We get about 4,000 visits there a day. When users click on our website, we expect them to find out what NDOT does and what we can do for them in 20 seconds. Otherwise they go on to the next website.

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We are going to actually hire [audio cut] NDOT website -- [audio cut] --website which is really good and also UNR's. We're going to do something similar to theirs. UNR actually has video in the background of the website when you go to that page. Once again, that's heavy on photo and video, the newer websites are.

Public involvement is our public meetings area. We have 20 public meetings roughly per year. With the public meetings, we get a lot of the older retired people that come, kind of the old-school generations, so we're trying to incorporate the younger generation into our public meetings. One of the ways we're going to do that is through Facebook. We're going to do question and answer sessions during the public meetings. So, for instance, when the public meeting is going on, somebody can send a question through Facebook to us. I will read that to the Project Manager. We will answer that at the public meeting and then put the answer on Facebook. Then, all of our materials from the public meetings are always posted online, so they can always access them that way.

Customer service is another unique thing here at NDOT. We are one of the last agencies that still answers the telephone. People really appreciate that. We get at least 400 calls per week, depending on what's going on. We always reply to all the requests. Easy requests or easy questions we answer immediately, other ones we get back to people. Our philosophy, I put it up there, we kill our customers with kindness, even the nasty ones. People get a little impatient when they hit an orange cone and they can't go anywhere. We understand that. We try to get answers to them as quickly as possible.

We deal with the media the same way. Matter of fact, the media call us first whenever there's an event going on. For instance the Industrial Fire down in Southern Nevada, when that was going on. The other agencies weren't responding to the media, so they called us. We gave as much information as we could to those folks that were asking. Once again, my PIO staff did a good job. We send out about 12 news releases and receive about 30 questions from the media per week. Most of the stories we get in the media are positive. People don't always remember the positive ones, they only remember the negative. I'd say, at least 95% of our stories are positive ones.

Another thing I'm asking my staff to do is, to do more releases after a project is over. When a project ends, road opens up, people drive it and don't think about it. So, we're really trying to emphasize the project was done on time, or early, under budget; these are all the benefits to the project that came along.

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Videography, is a [inaudible] of ours. We stole an employee from KOLO TV Reno, Sholeh [audio cut] She has done an excellent job for us. She does about two dozen videos per month. A lot of people are taking notice of this, unfortunately, so she's becoming really popular so we have to really guard her time. There's a lot of—she does videos for other State Agencies and does a lot of work for the Governor's Office too. So, kudos to her. We're really trying to, like I said before, increase our YouTube views. Try to use key words on our videos so they're all searchable.

Then, internal communications, the employees here at NDOT, [audio cut] new employee newsletter that we send out every two weeks. It highlights upcoming events and [audio cut] NDOT. [audio cut] –really ramping up all of our communications.

Just to conclude, the Safe and Connected brand that we've created is really a promise to the Nevada consumer and not too many people argue with it. [audio cut]

That's my presentation.

Savage: Thank you Sean. Real complements to yourself and your staff. It's a huge undertaking. Very much appreciated. I know from our level, and it's about selling it. You know, at the end of the day, is the glass half full or half empty. You know, the Department has a lot of things going on. It really is positive and it needs to be sold to the public. We're very accountable for our own actions. I really complement you and your staff.

The Safe and Connect, you know, we talked about that at the Board Meeting, when was that, probably less than a year ago. You made it a reality. The Department has made it a reality. The students at University of Nevada, Reno, can be very proud that the Department carried it forward. It's a very positive. The kindness, the live person on the telephone, I don't know how she's doing today, but it's very important to keep that live person answering the phone. That's the Nevada way. We may not always agree with each other but we can talk about it. I complement you and your staff and the rest of the Department. Thank you Sean.

Sever: Thanks.

Knecht: Mr. Chairman, we can talk about it as long as there's a real person there. It's a little more difficult when you're in voicemail jail.

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Savage: You got that right. So, with that being said, any other comments on communication, agenda? Thank you again Sean and your staff. Appreciate all you do.

Sever: Thanks.

Savage: I'd like to take a brief, two minute timeout. DJ, if you could see if Member Martin is on the phone.

[silence]

Savage: --are you there?

Martin: We're here.

Menzel: I think what's causing our problem is your cell phone is kind of feeding back. Are you doing anything different this afternoon than you were earlier today? Are you using like, [audio cut] on your cell phone, or?

Martin: No sir, I'm not doing anything different whatsoever. I've been—Reid just sent me a text to get it muted and I was guilty of that, but I've had it muted for a good period of time.

Menzel: [audio cut] through the system, because what's happening is somehow it's kind of reverberating back in and it's causing problems. That's why I think you can only hear every other word. Same with Mary and Kevin.

Martin: Okay. I'll keep it muted for the next five or seven minutes. Let me know if the condition continues, because I'm hearing you loud and clear now.

Menzel: Okay, sounds good. I appreciate it, thanks Frank.

Savage: We'll go back on to the Agenda. Agenda Item No. 6, the NDOT Landscape and Aesthetics Program. If staff would like to speak on that behalf.

Joyce: Good afternoon, I am Lucy Joyce and I'm the Landscape Architect Supervisor for NDOT. I know that you all have sat through some very long meetings [audio cut] today. I have a lot of information to present, but I will try not to make it death by PowerPoint and speak quickly. Some of this stuff I would've elaborated on a little

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further, I'll just touch on and then if there are questions or comments afterwards, you can go ahead and fire at them.

Savage: Thank you Lucy and welcome to the Construction Work Group.

Joyce: The Landscape and Aesthetics Master Plan was adopted by the Transportation Board in 2002. That gave us four things. It gave us the vision, the policies, the process and the funding. The underlying philosophy behind it was that Landscape and Aesthetics would involve the total impression of the highway, including everything around it.

The vision was that we would create a system of state highways that reflect the land and the people of Nevada. The highways should be aesthetically pleasing as well as cost effective and therefore no state highway would be complete until landscape and aesthetics are considered and addressed.

There were four policies that were [audio cut] in the Master Plan. The first one was that landscape and aesthetics would be integral to the design process. Nothing was going to happen until that was part of the design and everything that was done with it. We were going to plan for that.

Then, we had a policy on partnership, that we would not do things [audio cut]. We would reach out to other agencies and the communities and make sure that we weren't just [audio cut], that we listened to what it was that they wanted to [audio cut] on the highways in their community.

The third policy was that we were going to be sustainable and emphasize regionally appropriate materials and through out the plan. [audio cut] was on funding and that [audio cut] develop cooperative agreements with other agencies, as well as partnerships with them to make sure that we're developing those as we went along.

That process, the Master Plan basically, it gave us a plan of a plan. It created the Master Plan and then also provided [audio cut] quarter plans and you have an example of one of those quarter plans in front of you. That overall management tool, [audio cut] decision making. It was a collaborative effort with a lot of other agencies and entities that we got their input on what should occur on the eleven major corridors within the State and we developed six quarter plans with that.

The third one was the project design. We would, after the quarter plans, we would look at that project as they came on board and with each project we would design

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specifically for that project. The quarter plan was sort of a background [audio cut] document.

The last one was, construction operation and maintenance to make sure that [inaudible] resigning and what the agencies had said, that that was all done with the design intent in mind.

The next one was funding. The first one is Program Management. Cost of myself and the three landscape architects that work on my team to help us develop the plans for the projects. Budget was set aside for the quarter plans that I just talked about. Three percent of the cost of construction was allocated towards new construction and capacity improvement. So, any other widenings or any new project that we did, three percent of that construction cost was allocated to go towards landscape and aesthetics.

The fourth one was retrofitting. Originally it was decided that, in some of the areas before the Master Plan, where landscape and aesthetics weren't done that it was what [audio cut] where we had nothing and what was referred to by the public, I've heard as NDOT [audio cut] policy. We [audio cut] no longer having that policy. That we needed to emphasize what was beautiful about Nevada.

We were proposed to have a \$2M per year community match program where the communities came up with [audio cut] on their part, matched it with \$2M. That program was not successful because we didn't have the resources, didn't want to allocate resources towards retrofitting our highways. They felt it really was our responsibility, that why should they put their funds towards that. That has been sort of moved into the target allocation package and the Director had allocated \$5M per year towards those retrofit projects.

Then the last one is the maintenance costs. You can see this is [audio cut] in reality, any of you that are in construction or in maintenance of properties know that this isn't really to scale. Maintenance is probably 90% of the cost of the budget overall. We had hoped that other agencies would partner with us, for maintenance, especially on irrigated landscapes but economic downturn happened midway in there and there really was no appetite for partnering with us on maintenance and maintenance was not really ever addressed for funding in the Master Plan. It is something that should be looked at because the Districts have been charged with maintaining these elements. They did not receive any additional funding [audio cut] for those.

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Corridor Plan. This was a huge public outreach that we did with every community along with [inaudible] We had wonderful input. People telling us what was important to them. It provided us with a blueprint and a tool for management. It provided us with a way to prioritize projects according to what they decided to prioritize and also, for every aspect along that corridor, it gives us levels of treatment that could be used there. It also, it helped us estimate what the long-term maintenance costs and according to the level of treatment, about what a budget should look like for those areas.

These are front covers of the six quarter plans that we developed covering those eleven corridors. The levels of treatment along those corridors, there are softscape elements and those go from native revegetation, which we need to do for stormwater and also to try to [audio cut] environment back to what was originally there. [inaudible] Then, as—depending on where they occur in the corridor, whether it's an urban or rural area, how busy it is, how much tourist attraction there is there. Then we start to elevate the treatment type to [audio cut]. —a regional ornamental area would be someplace like our Spaghetti Bowls. That would deserve that kind of a treatment.

Then, the hardscape treatment ties into a similar type of thing. So, this is how [audio cut] sculptures, the bridges, the sound walls and how—what levels of treatment those deserve, again, whether it's [audio cut] —urban areas [audio cut] treatment would be repainting things and then all the way up to landmark again, for instance the Las Vegas Spaghetti Bowl [audio cut].

We have three pillars of sustainability that we use in our program. One of them is economic sustainability. That is that the landscape and aesthetics program employs a lot of different professionals that aren't typically employed with highway construction projects. Those are—they go from the professional engineers, landscape architects and engineers to fabricators and a lot of different professions in the construction industry.

We also, a lot of environmental practices, drought tolerance, species, water harvesting, low impact development, protection of native wildlife, salvage of [audio cut] cactus.

Then social justice. When we present our plans to neighborhoods and communities, they're typically very well received. The communities are very pleased that we're addressing things and it helps with environmental justice. [audio cut] --example

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of the cactus salvage and replanting. There's pictures up on the right, on the new I-11 Phase 1, we salvaged 20,000 cactus. There also [inaudible] project and so there's a very good [audio cut] there's an environmental stewardship that provide native seed mixes and native plants so that we are not using up the water we have. We're not only stewards of the State's resources, the most important one being water. We take that very seriously and make sure that the water [audio cut] plantings and the environmental background for that.

Some of the practices that we used are soil amendments to help those plants get established without long-term irrigation. We've eliminated installing new irrigation on projects. We just establish them with temporary water, soil amendments and then they are on their own. If they don't survive after that, then they're not meant to be there.

Again, for some of that we use water harvesting so that we recharge through infiltration. We reduce pollutants and reduce stormwater runoff. We require the use of local materials or try to use it as much as possible, not only so that [audio cut] our vernacular to the area, but we are not using as much freight costs, so we do reflect that to the surrounding community.

So, for an example of the process we follow, this will tell you sort of the vision to reality that we go through. We have—we typically hire a landscape architect consultant because there are too many projects for myself and my staff to be able to do design for. We mostly are doing project management with those. That Landscape Architect is charged with following the quarter plans, because we've already had the public input for those on what the agencies and the community feel is important to them, and they develop three concepts. Those three concepts then, we select one preferred alternative, take that then to stakeholders. Stakeholders then have the ability with some options from that preferred alternative so that they have buy-in and they know what is going to be planted there, provide us with comment. We refine those and then that [audio cut] to the public and then the project is built. For instance, this is images from the I-15 Design Build.

So, there were a lot of different elements that we addressed. Sound walls and sculpture, bridges [audio cut]. Large [inaudible] areas that are [inaudible].

Again, example in the North, 395, visions to reality. Some of the ideas that we took to the public and the stakeholders, [audio cut] represent their interests and the [audio cut] corridor then, that was done from 395 to Moana, from the Spaghetti

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Bowl [audio cut] and reflected that heritage. There's more images from there.

This is a part, was part of that project. We also added some additional funds to address the west side. This is at the airport, we still need to do some work there. I have gotten a lot of complaints that this major [audio cut] tongue twister, that it's a lot of impact on locals and tourists and [audio cut] –plans in the works for the rest of that area.

This was one of our retrofit projects. This is at Fifth and Fairview. These were our funds that were specifically designated for enhancement. We were able to snag those funds, come up with the entire plan, which was to reflect the history of Carson City and transportation through that area.

This is another retrofit project in Las Vegas, at Flamingo and also at Tropicana. These again were transportation enhancement funds that we were able to use that were specifically for this type of a project.

We do partnering. This was the Meadowood Interchange. That was done with RTC and also the City of Reno Transportation Art Project with the Reno Star. Reno is really promoting themselves as Artown all year round and asked if they could [audio cut] a right-of-way for one of their art projects. [audio cut] that would be a good [audio cut].

I-580, Carson City was partnering with GROW, Gardeners Reclaiming Our Waysides. They were one of the impetuses for creating the Landscape and Aesthetics Program at NDOT because they were worried that NDOT was not addressing any aesthetics on the I-580 and so, it was how the program was built and started here. Then they had additional funds from some federal grants that helped them in the design of that and some additional monies towards that.

We've been partnering with Elko on their city streets and [audio cut] that heritage there. It has multiple different communities and cultures that are a part of that landscape. [audio cut] --was proposed. In fact, you can see a concrete wall that was there. [audio cut] our landscape architect's in house design and then the painting of it now on that [audio cut] That's on Idaho Street, one of the main travel [audio cut] there.

We partnered with the City of Las Vegas for F Street. This was a huge matter of contention and environmental justice there. We felt the Historic Westside Community had been cut off from all of the major part of Las Vegas, [audio cut]

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added on to I-15. So, we partnered with them. We worked with the local community for about two years to come up with ways that would make them feel that this was their neighborhood and they were an important part of Las Vegas. These are some examples of the murals [audio cut] that project.

Reno/Sparks, I-80 Design Build and Moana. Las Vegas, that's the Spaghetti Bowl, US-95, Cactus Interchange. [inaudible] [audio cut].

We don't leave out rural Nevada, although we don't have as much opportunity to address them. We are able to [audio cut] bring that up to ADA Standards and so we were able to provide a place where people would actually want to stop. Enhanced rest areas and a lot of [audio cut]. –visitor information panels tell about the history of the area and some of the important things for people to do. Wildlife Crossing and Searchlight Visitor's Center and Rest Area.

Upcoming projects, the Carson City Freeway. We worked a lot, again here with [audio cut] on what was important to them. Those sound walls will have basket patterns created by Dat So La Lee and Project NEON [audio cut] project that [audio cut] the downtown area and the City is very concerned about and pleased with how we're going forward with the aesthetics on NEON. 95/215 and 95 those are all in the works.

More upcoming projects. The I-580 [audio cut] Summit. That whole corridor will have sort of a ranch background theme of all the different kinds of ranches that occurred in the Reno area from Summit up to [audio cut], Kyle Canyon. The I-11, Phase 2 on the left side of the scenic overlook that will be there. Then, a wildlife crossing [audio cut].

So, there are multiple benefits that the Landscape and Aesthetics Program provides. One of the most important we feel is the economic development of it. That we are able to show what is important in these communities, try to peak the traveler's interest, get off the road, come in to that community, explore, stay [audio cut], spend their money and find out about what makes Nevada and the community [audio cut]. We are still a tourist driven economy. We feel that it's very important that we provide a welcoming face to visitors. We also want to be able to attract new businesses here and since we don't have the advantage of trees and vegetation, we need to do other things to bring the bar up so that we can attract businesses and [audio cut].

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We are able to reduce graffiti once [audio cut] something that happens, [audio cut] elevate that area, the [audio cut] has been in those areas. So, there seems to be respect for the artist, or we're not sure exactly why it is, but nationwide we find that that happens. We're restoring the native vegetation. Quality of life and just [audio cut] for attracting new businesses and residents.

We also, and we can talk a little bit about employing a lot of individuals and companies in a lot of different fields.

We get a lot of acknowledgement from the I-15 Design Build, [audio cut] on the Las Vegas [inaudible] cover. [audio cut] We get all our—Sean's office gets probably, their Southern office said they get calls about 4-5 times a week asking where they can purchase some of the sculptures and the things that we have on the freeways, they refer them back to these local fabricators to continue to create more business for them.

There are some of the comments that we've received through the emails and through calls and comments that [audio cut].

Finally, I'm using a quote here from Ladybird Johnson. She was the person responsible for the Highway Beautification Act. I think it's a great quote. "I want Texas to look like Texas and Vermont to look like Vermont." "I don't want to see the land homogenized." And Nevada has—is a very unique state. I think it couldn't be said better, we want Nevada to look like Nevada and highlights the unique [audio cut] and the things that are here that people may not be aware of. That's one of the things that the Landscape and Aesthetics Program Does.

Savage: Thank you Lucy.

Joyce: You're welcome.

Savage: Very well done presentation. It's an education that I think to all the Board Members, because landscape is a large part of our beautification and future of Nevada. I know we appreciate your time. I have a few questions. Like I told you on the phone, we can always keep this as an ongoing Agenda Item. If you don't have the answers today, don't feel compelled. We can certainly revisit it another time.

On the consultants, do you use several landscape architects or do you use one or two? How does that work?

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Joyce: We put out an RFP, typically when we're going to have a project. If it's not—if it's a standalone project we put out an RFP. If it's an project that we're doing through Project Management, they usually include it in the RFP that they're [audio cut] engineering firm. So, we hire many different landscape architecture [audio cut].

Savage: Thank you. And, on the decision [audio cut], not so much the [audio cut] because I understand that all the larger projects have percentage of [audio cut] of landscape and aesthetics are part of the planning. Going back, different on ramps and off ramps of projects that we've completed, is there a priority list that's been established? How does that work?

Joyce: There is a priority list. We came up with a five-year plan for that target [audio cut] similar to the rest of the Department [audio cut] different ones had their target [audio cut] plan and we came up with a criteria for establishing how those different projects would [audio cut] tourist visitation, [audio cut] where it is in the State. Try to have some sort of equality in division of those projects [audio cut] the two [audio cut] in rural Nevada [audio cut] proximity to the airport. There's several different factors that went in—that go in to that decision depends how those are selected.

Savage: So, maybe next meeting, if you would be so kind to forward that five-year plan to us?

Joyce: Absolutely. I can send that to you today.

Savage: And talk about it maybe next meeting. I know on the construction side and maybe this is a construction [audio cut] some of the bonding that we've talked about in the past, as far as the landscape a lot of times doesn't follow [audio cut] right upon final construction of the actual roadway. I know with different jurisdictions, there's a bonding mechanism that we've talked about with the construction [audio cut] and because [audio cut] weather wise for example, it may not be the time to complete the landscape. I don't know if this is a landscape question or a construction question, but we do need to talk about that bonding issue [audio cut] landscape.

Kaiser: Reid Kaiser for the record. Bonding, are you talking about the plant's establishment period?

Savage: Yes.

Kaiser: Okay, okay.

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Savage: Plant establishment and we talked about bonding around that. I know for example in the City of Reno, Public Works projects or even private projects, they ask the developer or the contractor to provide a bond because of the time of the project and to ensure that that landscape and aesthetics are done on time.

Kaiser: Okay.

Soltani: Amir Soltani, [audio cut] have a two year [audio cut]

Savage: That's two years after the substantial completion. Thank you Amir.

Terry: This is John Terry. The difference is, previously we had that two year requirement, we had to keep the contract open. It kept us from closing contracts.

Savage: That's right.

Terry: It's going to help, but you know, we've looked into this contract closure period and most of them we don't have closed by the time the plan establishment period is extended anyway, you know. It's a tool, it will help. It's not going to completely solve our project closing issues.

Savage: I realize that. Nothing's perfect. It's always a work in progress. John, that leads to my next question about the warranty of the landscape. I'm not talking about plants.

Joyce: So, there's a couple of different elements. There is a plant establishment period and that's typically one year. There has been [audio cut] where we have extended it, especially on a [audio cut] landscape and aesthetics project. And, where it is not a big bond that the contractor is held to and can't be released from, that would be a big highway construction project. So, we have extended that for standalone projects to see if we have better success with the revegetation and the plant's establishment. The construction, constructability and [audio cut] has been working on trying to figure out a way that the contractor or the highway contractor can be released from their bond when the completion of the project and then the plant establishment period is done under a different bond. The big bond that they are being held for, the construction of the highway, they're not [audio cut] tied up for that smaller plant establishment period. There's a fair amount of logistics to figure out. We want to make sure that there is still accountability for that contractor. There isn't a way to make it so that you [audio cut] cut it [audio cut] and everything else is plant establishment. There are some overlaps. So, just trying to figure out

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how to make [audio cut] accountable. There's not this going on when [audio cut] two different bonds and two different warranties. So, we're working on it.

Savage: I understand the bonding, like Amir and John had spoken about. The warranty is something that I'm not quite sure it's really abide by the different contractors.

Joyce: Well, we try to make them abide by the plant establishment period. We don't want our—I mean, it's hard to know after you've planted something or revegetated something, if it has not been done correctly—I'm sure you've had this in your own yard. You've put something in and it looks fine and after one season the tree dies or shrubs die. So, we don't want our district maintenance crews left with this problem. So, you need at least a year to determine, with live plants, if they're actually going to succeed. So, we want to make sure, if there's an existing irrigation system, that that's been applied directly to that plant and the plant is not going to die. That the contractor put it in that they were responsible for that.

Savage: Exactly, okay. That's all I have. Controller? Member Martin, any comments?

Knecht: The only thing I'd say is you don't want me on the team that is overseeing those plants the first year. I have a brown thumb. If I'm on that they're dead.

Savage: Member Martin, any comments? Okay. Anyway, I thank you again Lucy.

Martini: No comments from here.

Savage: I'm sorry, Las Vegas. And again, I thank you Lucy, I thank your staff. If you could just get back to us, maybe at the next meeting when a couple of those question about the budget process and the projects in the next five years. Very simple. I appreciate your time and effort.

Joyce: You're welcome.

Savage: Let's move on to Agenda Item No. 7.

Kaiser: Okay. This is Reid Kaiser, Assistant Director for Operations and I wanted to update the Construction Working Group where we are with Project 3389. It's the Meadowood Mall Interchange Contract. Just to give the Construction Working Group an update.

They had a contractor that submitted three claims. I'm going to give some history first before I dive into the brutal details. This project was funded by AARA Federal

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Funds and State Funds. There are no more funds left in AARA. So, this project's notice to proceed was June 14, 2010. The original working days for the contract were 450. We assessed 622 working days and the contract was Meadow Valley Construction. They were low by 3%, so they had a good—excuse me, by 2%, so they did submit a competitive bid. They bid the project at about 3% profit. Meadow Valley had a schedule and their baseline schedule to complete the project in two years. The critical path ran through the Meadowood Mall Bridge in thirds, the East, middle and then the West. Then went into retaining walls and then drainage with a completion date of April 12, 2012.

As I mentioned earlier, the contractor was assessed 622 working days. They were granted 13 by change orders, so there was a large number of liquidated damages assessed to the contractor.

The way the project was built, Meadow Valley, with the notice to proceed of June 14, 2010, by December of 2010, the contractor was 74 days behind schedule. They spent a tremendous amount of time and resources on the east side of the project. That was due to them being a Southern Nevada contractor, they brought up essentially one construction crew to build the job. Most contractors, if they would've had other contracts in the region, they could move those crews off and build other projects. What they elected to do was send the crews since they couldn't work on the bridges like they had planned, they sent them on to the east side of the freeway to work with the tie in coming from the east tie in to 395 and we had put a drop dead date of, I believe it was the Friday before Thanksgiving Day, to meet a Black Friday date. So, they spent a tremendous amount of time on that side of the freeway. Their explanation for not working on a critical path was that they could not work on the bridge item because of all the problems with the bridge sheet.

The period of time from December 2010 through May 2011, Meadow Valley went from 74 days behind schedule to 147 days behind schedule. They had some subcontractor problems with their methods and with some of the items they were constructing. It cause the Prime Contractor, Meadow Valley a serious number of days of delay.

Then, from May of 2011 through July 2013, Meadow Valley, and that was a [inaudible] little over two years, they only lost 19 working days on the project. So, the last two years of the project, pretty much followed their baseline schedule, other than—so, they lost most of their time the first nine months of the project. With all that being said, they lost a significant amount of money on the project. I'm sure

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you can tell from the number of days they were assessed with liquidated damages and the time period comparing their as built schedule to their baseline schedule.

To give the group some claim history, Meadow Valley, their drill shaft subcontractor submitted a claim in November 2012 for \$715,000. NDOT responded in May of 2013. Meadow Valley submitted another claim, certified on January 2014 for \$4.8M. And, NDOT responded with what they needed to do to get paid for those items in April 2014. Then, Meadow Valley again, submitted another claim for \$14.3M in December of 2014. Needless to say, since that time we have been going through many discussions with them trying to come to an agreement on what we need to do, either go to court or make some type of offer to them to make these claims go away.

What we ended up doing was reaching an agreement to pay them for excavation items, pay them for concrete items, pay them for a certain number of delays with some subcontractor work. We returned [audio cut] days and we agreed to pay them \$3.8M. That will be paid for under a change order. They did sign the change order so now we're in the process of closing it out.

Justification for that change order is this project was designed by the RTC and the plans had roughly 623 plan sheets. During construction, there was 220 plan sheet changes, which I can't fault the construction crew who built the project. It is very difficult to track any kind of problems or additional costs associated with something like that. They did a good job administering it, but there were so many plan sheet changes, they were working with the designer of record and they would submit those new plan sheets to the contractor and the contractor unfortunately could not even build the project using an eight hour shift. He would begin working on something and then after two hours, he would have to change what he was doing because there was problems with the plan sheets.

So, with that in mind, that's where the contractor's consultant went through the plan sheets and they created a claim for \$14.3M. It was a total cost claim. As I mentioned earlier, the contractor has agreed to be paid a change order for \$3.8M to cover the cost for the changes.

As part of that change order, they have—part of that change order included an indemnity clause. So, if we get sued by a subcontractor, that prime contractor will hire the lawyers to take care of that and represent NDOT. There's also an accord & satisfaction clause included in that.

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Right now, we're in the process of getting the contractor paid and that will hopefully be it with that project. We'll see what happens.

Savage: Thank you Reid. I know it's been quite a challenging project. [audio cut] thank our legal department.

Martin: I have a couple of questions and comments on this Mr. Chairman, when you get an opportunity.

Savage: Go ahead, since we have you live, go ahead.

Martin: Just a couple of things. I've been involved in this thing since 2013. Reid, you've been up to your shoulders as well. I do think there's a couple of areas you did not present in the light that they are. I'm going to run through a few of those. You and I reviewed them.

In the beginning, given the number of plan changes, etc., you and I, when we met, we agreed then that Meadow Valley did not get treated very fair by NDOT Staff. And, the number of plan changes allocating specific days for those plan changes, when you say they lost 74 days in the first six months of the job or whatever it was, from my review of the facts of the case, that wasn't Meadow Valley's problem, that was our problem. Our staff did not treat Meadow Valley very well.

The second thing is, there was some CSL tasks that were performed, did I say that right, CSL?

Kaiser: Reid Kaiser for the record. Yes, you said it right.

Martin: Okay. That were performed that were misinterpreted by our consultants. That tests were performed poorly by our consultants. And, our consultants—our consultant did own up to—our consultant that we had examining the documents, the one we paid \$200,000 for did point that out. That some of the delay on those shafts was totally the issue with—I can't remember the name of the people doing the test, Reid.

Kaiser: That was Terracon.

Martin: Terracon [audio cut] as a subcontractor and we had exactly the same issue down on Highway 95 at Ann Road with the CSL test misinterpretation of the results, resulting in huge delays.

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Then, the last thing is, you pointed out the number of plan changes, Reid. You said 673 or something like that.

Kaiser: There was 220—

Martin: 220 sheets, 220 sheets were changed, correct?

Kaiser: Correct.

Martin: Okay, and 670 some odd changes. And, here's the—here's the kicker, some of those changes were just made to those sheets within the last four months or so by the design engineer and submitted to NDOT. And so, this thing, all the way around—I'm not saying Meadow Valley was clean, but NDOT was not clean and our consultants were certainly not clean. I think we're getting off pretty dog gone lucky at \$3.8M. I can tell you for sure, we have not heard the last of Becho.

Becho is owned by Ron Tutor. Ron Tutor is the most litigious individual in the construction industry. He prides himself on the number of cases he has beat his clients on. So, I know we have not seen the last of Becho.

With that, I'm done Mr. Chairman.

Savage: Thank you Member Martin.

Kaiser: I'd like to say one more thing again, this is Reid Kaiser. The construction crew, a lot of—the first days of work, they went through the Meadowood Mall structure and there was a significant number of problems with the drilled shafts. I'm sure there was some elevation problems with the bridge decks, but before you go build a bridge deck, you've got to make sure you've got a good foundation. So, the construction crew, for the most part, those first 74 days, leading up to the bridge construction, drill shaft subcontractor. So, I'd have to say the construction crew, in the first period of time, you know, they kept the [audio cut]. I think we got a good [audio cut] if we ever do go to court on and regarding Becho.

Savage: Thank you Mr. Kaiser. Controller?

Knecht: Thank you. Quick question. Has this matter been back to the full NDOT Board?

Kaiser: No, it has not.

Knecht: Okay. It might be useful to apprise the other four members of the NDOT Board of the history of this, I'd think.

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Savage: I think it would be a wise update, possibly next month. You do have a resolution, is my understanding. You have a resolution by Meadow Valley and a signed change order. I do know that it was contentious. There's two sides of the coin. District 2, from my point of view, worked very well, was very diligent. I know you hear things different in the South Frank, and we can talk about this until the cows come home. It's done. It sounds like it's over. I think we're prepared for the next project. That's all I have to say. We can go on and on and on. It's closed. I thank the Department. I have a lot of thoughts myself but I won't say those at this time. I'll reserve comment. I do appreciate everyone's work. Any other comments from any one at the table? Mr. Dyson.

Dyson: Yeah, Thor Dyson, District Engineer for the record. Just a couple of facts, Frank. Meadow Valley didn't show up on the job initially until Day 50. So, there was over 50 working days that they never showed up on the job. Then also another fact Frank, Meadow Valley, with them not being treated by NDOT staff very well, I'm not sure where that's coming from. I do know that upper management from Meadow Valley never once contacted me. Never once reached out to resolve issues at the District level. That being said, it's solved, it's over.

Savage: Thank you Thor, any other comments? Any questions? Thank you Reid. We'll move on to Agenda Item No. 8, Old Business.

Kaiser: Okay. Construction Working Group Task List. The first item is Item No. 2, Construction Working Group has requested, every six months, a copy of the agreements or information related to those agreements that we have entered into. Now, these agreements that are submitted, you guys did see in the Transportation Board. You have already reviewed these agreements once. Is there any questions on these agreements? Did you want them presented differently next time?

Savage: I think it's good that you presented them this way. The questions I had I think were answered openly at the T-Board Meeting earlier, regarding the CA Group and the work in progress. One of the principles was there to support their position. That was reassuring I think in the T-Board level. This information is well done Reid. I think it's something that we look at quarterly. It's almost like a work in progress sheet that you have with the contracts. I think it would be nice to keep a work in progress with the consultants.

Foerschler: Sharon Foerschler for the record. On that work in progress, would you like to see what we've paid to date on those agreements as well?

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Savage: Yes, thank you Sharon. That's all I have, Controller or Member Martin, on Item No. 2?

Kaiser: Okay, Item No. 3.

Savage: Excuse me Reid, what happened to Item No. 1?

Kaiser: Item No. 1 is the prequalification process. We update you guys every six months on that. We gave you guys an update in September, so I'll have another update in March.

Savage: Okay, because I just had one question on that.

Kaiser: Okay.

Savage: Regarding the Steering Committee. If you could talk about that [inaudible] the Steering Committee, I didn't know if there was a status from the Steering Committee at this time, if not, it can wait until March.

Kaiser: Sure, I can give you a quick update. What we've done is, we've went and looked at the contractor's past performance rating. That's the review that the resident engineers and the districts do on the prime contractors at the end of a project. We have come up with a set of questions. We want to revise that current CPPR. We are in the process of coming up with a new sheet with the new questions. It will deal with items like, were the subcontractors paid? Did the prime contractor take care of our stormwater issues? How was the quality? How was their schedule? Did they follow their schedule? How was project supervision? Something along those lines, something that the resident engineer—it's a little more applicable to what a prime contractor, I believe would like to hear feedback on.

Then, they won't be private. We are going to sit down with the prime contractors at the end of the job and go through these items. There will be open dialogue between the primes and the resident engineers on the good, the bad and—

Savage: That's good, so it's a two-way dialogue.

Kaiser: Two-way dialogue, you bet. That's where we're headed with it. The financial side of the prequalification package will change.

Savage: Okay.

Wellman: Can I ask—

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Savage: Yes, Mr. Wellman.

Wellman: Bill Wellman with Las Vegas Paving. [inaudible] I think that's a great idea. [audio cut] how will that fit in to pre-qualifications?

Kaiser: Right now, there's a certain percentage that are rated. You get a scale say, I think of 1-100 and I believe, like if you're a 70, there's a calculation done and it will allow you guys, I believe, to bid up to a certain dollar amount. Right now as it stands, if a contractor has a certain amount of equipment or dollar value worth, then they're unlimited. So, it doesn't really matter what the resident engineers rate them at. We're hoping to try and fix that so that there's a little more teeth to how the prime contractor [audio cut]. This will all go out to review before we make any changes final.

Wellman: And, I hope that. When you talk about being part of prequalification, I'm still trying to get my arms around that, how that would fit in --I'm going to use an example, with the Meadow Valley claim you just had, how would that be rated? It's a very subjective thing. I've sat through many of them with the City of Las Vegas, [inaudible] At the end of the day, they don't reject anybody because of it. Because there seem to be some unwritten [audio cut] --kind of written.

[audio cut] I mean, if you're looking to do something about that, then great. If you're not, then I would not even worry about it.

Kaiser: What we're—again, Reid Kaiser. What we want to do is, we understand that contractors have bad jobs, that happens. We don't want to disqualify a contractor from ever bidding on NDOT work because they have a black eye out there somewhere. I mean, we have problems at NDOT. [audio cut] we understand that. What we're going to do is, come up with like a rolling average number, that's what we're thinking about anyway. Come up with like a rolling—take an average of your last—your previous three jobs or five jobs and so, if you are historically are having a large number of bad jobs in a row, then you potentially could be affected. That's what we're looking at right now.

Schlaffer: I could probably provide a little bit of clarification on the current process.

Savage: Can you identify yourself?

Schlaffer: Yes, I'm Teresa Schlaffer with Administrative Services. We do currently, okay, sorry, I guess you can't hear me on the speakers. Teresa Schlaffer with

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Administrative Services. We do currently use past performance ratings in the pre-qual. There is both an upside and downside to past performance ratings. You do get an increase in your bidding capacity if you have an average of good scores. If you have an average below 60% then that automatically kicks out to the Director's Staff for review of your pre-qual.

We do look at those and we do a running three year average currently. I know that's under review on how to change and improve that process. It is already currently part of the pre-qualification process.

Savage: Thank you Teresa. And I think Mr. Wellman's point, if I understand it correctly is, if we have a process in place, it has to be a process that has teeth in it in order to make a decision that we don't want to regret later. That's it. It's work in progress, I think you did good feedback from the industry, before anything is set in stone, let's talk about it, debate it. Let's scrub it out to figure out what's right to protect the Nevada taxpayer.

Kaiser: And the biggest thing we want to change is, we believe the current contractor past performance rating really isn't a true rating of how the contractor did on the job. We want to make it more applicable to what the resident engineer and the contractor are dealing with today.

Savage: Okay. I guess we'll talk about that more on the next meeting. I appreciate your discussion on that. I interrupted you. I think you were on Agenda Item No. 3?

Kaiser: Yeah. I meant to say at the beginning of the meeting, there's not a—we do not have a DBE Update at this time. If we could go to Agenda Item, or Item No. 4, that would be okay?

Savage: Yes sir.

Kaiser: Okay. Change orders on CMAR Projects. Right now, NDOT has three CMAR Projects. They're the Verdi Bridges, the Tropicana escalators and Tropicana Boulevard. The CMAR portion of the Tropicana Boulevard is the ADA ramps and the paving project. Right now, there are no change orders on our CMAR Projects.

Savage: Who is the contractor on Tropicana?

Martin: Whiting Turner. Reid, on your change orders, I noticed—[audio cut]

Kaiser: Go ahead Frank.

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- Martin: I noticed on the Board Agenda that there was a situation where we were increasing the elevators consultants—elevator and escalator consultant’s contract by I don’t know, \$167,000 or something like that. In your change orders, you’re not including the dollar amounts that are for our consultants, only for the contractor on the job, is that correct?
- Kaiser: That’s correct.
- Martin: Len, what do you think the value is of knowing what those amendments are to date on those jobs when that happens? I know we get to see it at the Board Meeting. This Tropicana thing has been going on for three or four years and I was surprised this afternoon or this morning to see us paying that consultant more money now. Or, giving him an amendment.
- Savage: I think Frank’s point has been made. I mean, looking at it, it’s a snapshot at the level [audio cut] you had the contractor, you have the consultant. It’d be nice to see it on one page, possibly, even though we have consultant agreements. If we can look at it per project.
- Kaiser: Okay. So, you would like the [audio cut] to review any changes in the agreements related to the CMAR Projects.
- Savage: On CMAR Projects. [crosstalk]
- Kaiser: ICE
- Savage: Contractor, yeah, ICE.
- Kaiser: Okay.
- Savage: Because we have it already, it’s just not all on one page.
- Kaiser: Right.
- Foerschler: Sharon Foerschler for the record. It’s not going to hit this until it becomes a contract.
- Savage: That’s correct. Anything else Member Martin?
- Martin: No sir, not from me, thank you.
- Savage: Mr. Controller?

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Knecht: No, thank you.

Savage: Next Agenda Item?

Kaiser: Okay. Item No. 5, As-Builts. There's actually been a change in the project where we are going to have the contractor complete the as-builts. We are going to change it to a project out in, I think it's Pahrump and where they're building roundabouts. The reason for that is, we want to get that project where we use or have the contractor come up with the as-builts, complete it in one year, just to see how it goes.

Freeman: Jeff Freeman for the record, Assistant Construction Admin. We originally looked at I-15, Craig to Speedway. That's a two-year project. We wouldn't get as-builts until late '17. This is Pahrump Roundabout, so it's new construction, but it's really consolidated. So, we're looking at a few planned pages that the contractor will provide us as-builts and it should be completed the end of '16. So, we just found a better project that we'd get an answer back quicker. We also have staff looking at what other states do right now to figure out what other states do for as-builts, since we have to document so much, we want to see what everyone else does.

Savage: That's a good idea Jeff. I thank the entire NDOT staff for running a sample to see how it works out and we'll go from there. Thank you Reid, thank you Jeff. Item No. 6, Unbalanced bidding.

Kaiser: Unbalanced Bidding. I don't really have anything new to report in regards to unbalanced bidding. Other than, well they did throw out the number two, actually, they rejected all bids for that project in Battle Mountain. I don't think we talked about that at the previous Construction Working Group meeting. That project is already bid again and the same contractor got it.

Savage: I had one question on the unbalanced bidding. I've seen in some documents where mobilization is just out of sight. You know, almost—yeah, get the money upfront or whatever the comment might be. Is this—

Kaiser: We do look at that. Our BRAT Committee does look at that. It is one of the items that is listed under the BRAT items they do review. So, if a contractor does front load their bid, that will be addressed by the BRAT Committee.

Savage: And, could be construed as unbalanced bidding and thrown out.

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Kaiser: Yes.

Savage: Okay.

Foerschler: Sharon Foerschler for the record. I'm Co-Chair of the BRAT Committee, I can tell you, at least from my perspective and I think Paul is—no, I thought I saw Paul. Paul Frost is the other Co-Chair. The change in the administration, we are looking more closely at that unbalancing and following our guidelines. [audio cut] is what you'll see in those two contracts; the Carson City Maintenance Yard and the Battle Mountain Project. We followed our own processes but we are looking at that stuff, in a different way now, making recommendations based on our defined processes.

Another thing we're looking at, just for your information, is when we think there's not enough money in temporary [audio cut] control or the environmental bid items, and we are asking the contractors to address that upfront because we have new specifications that have a pretty heavy hammer if they don't comply with those requirements.

Though, it's kind of the BRAT perspective that we're putting the contractor on notice, notice we don't think you have enough money in those items, how are you going to address the environmental issue? The BRAT, making progress.

Savage: That's good to hear Sharon, it's also good to hear you have support from the administration. I think that's key.

Soltani: Amir Soltani, [audio cut] projects like NEON and USA Parkway [audio cut] – amount. [audio cut]

Savage: In the documents.

Soltani: In the documents.

Savage: And that's in the RFP?

Soltani: That's in the RFP.

Savage: And it's not a dollar per ton is it?

Soltani: No. Fixed dollar amounts that we—based on our estimate and our [audio cut] [inaudible] contractors [audio cut]

Savage: Mobilization, okay, thank you Amir.

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- Foerschler: Sharon Foerschler for the record. In our contract specifications, they are capped on how much they can receive for mobilization until they get certain percentage. They can't get it all upfront. 10% and then it's prorated through the life of the contract, [audio cut] 50%. 50% of the bid amount has been performed and has been released [audio cut]
- Savage: Good. So you have some good protection in that. Good.
- Foerschler: Yes.
- Savage: Good. Thank you Sharon, thank you Steve. Any other comments on the unbalanced bidding agenda item?
- Martin: None here sir.
- Savage: Okay, let's move on to Agenda Item No. 2, Construction and Project Management.
- Kaiser: We looked at those. On to Item 8B.
- Savage: Oh, I'm sorry, yeah. 8B. Requested Reports and Documents.
- Kaiser: The only reports I have in here are—we attended three AGC Meetings. Two of them were the liaison committee and the other one was an AGC/NDOT Committee Meeting. During those meetings we've been talking about percent within limits, Nevada Labor Commissioner issues, a handful of items with the EPA. It's been a good sounding board for us to come up with requirements that are doable and also get across what we want them to Do. So, it's been good for us.
- Savage: I think those [inaudible] meetings are important. One question on that. Is the DRT a force account item now on larger projects?
- Foerschler: Sharon Foerschler for the record. No. It is not a line item that the contractor bids on and NDOT bears the cost of the DRT.
- Savage: Who does?
- Foerschler: NDOT.
- Savage: NDOT does.
- Foerschler: That was through discussions with the front office and industry that, regardless of if we try to share the cost or not, the reality is NDOT is paying most of it. So,

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instead of having contractors gamble on how much money to put in their bid, we just say upfront, we're going to [audio cut]

Savage: So, is that amount stipulated during the RFP?

Foerschler: No.

Savage: No.

Foerschler: No, the contractor does not see those costs. It's a line item that the contractor does not bid on. It's considered kind of incidental, behind the scenes for budgetary reasons.

Savage: But the DRTs are formed at the beginning of a project.

Foerschler: Yes. Work in progress.

Savage: Okay, thank you Sharon. On to Agenda Item 9.

Kaiser: Okay. Project Closeout Status. This last quarter we closed out six projects. As you can tell from where we were four years ago, these sheets keep getting thinner and thinner and thinner, which is a good thing. Do you guys have any questions on the closeout status of any of these projects?

Savage: Believe it or not, I don't. What am I doing?

Kaiser: We're doing better, you know.

Savage: Apparently.

[crosstalk]

Savage: Who won the bet down there? Member Martin, Controller, any questions?

Martin: I'm good sir, thank you.

Knecht: Me Too

Sizelove: If I could be so bold to throw out something regarding the closeouts. I just wanted to mention, we will be compiling all of the 2015 closeout information, as we do every year and providing that the 2015 Closeout Annual Report at the February Transportation Board is what we've done in the past. I'm assuming that we want to continue doing that moving forward?

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Kaiser: I'm sure we will.

SizeLove: Okay. Well, just a little insight there. So far to date, we've closed out 36 contracts in 2015. As a comparison to 2014, we closed out 27 contracts. So, things are looking good.

Savage: Thumbs up. Thank you.

SizeLove: The Construction Admin Section has been working very hard and fortunate to have the Implementation and Field Manager in process so they can dedicate more time to the closeout, that's been helpful.

Savage: That's good. I thank everyone again in the Construction [audio cut] because it's—you want to get rid of the old, in with the new. Everyone's got a lot of work coming up and the last thing everybody wants to waste time on is trying to close something out. I appreciate the input on that.

Kaiser: We actually appreciate you guys making it an issue. It was a hassle for many years, you know, all of the projects hanging out. It was [audio cut] It gave us good motivation. We do appreciate it.

Savage: Well, it's like you say on the vertical side, thank you Reid, you know, job closeout starts day one. If the contractor realizes that, everybody's on the same page and it should go fairly quickly. It really does, as far as tracking. So, I thank you Reid.

Any questions on those two items? Items A or Items B, Project Closeouts or Summary of Projects?

Kaiser: Or you can see [audio cut]

Savage: Projects Closed Detail Sheets. I do want to commend—it's nice to see a cost savings. On Contract 3529 of \$44,653 cost savings. I believe it was TransCore. The resident engineer was Jason Voigt down in Clark County, Mary. I thank you Mary.

Kaiser: I think that was the design build for ITS.

Freeman: This is Jeff Freeman, Assistant Construction Engineer. That was a signal project in Vegas. The RE did a great job at working with the City. There was two signals that couldn't be put in so that's where the cost savings was. Yeah, it looks a lot better than it really is. Hate to break it—

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[crosstalk and laughter]

Freeman: Major issues, we did the right thing. It just, you know, thank you for the complement but it's not as good as it was.

Savage: We're still looking for one of those, thanks Jeff. On to Agenda 9D, Status of Active Projects. Any comments or questions? I don't have any. Member Martin, do you have any questions? He just hung up. Okay, with that being said, we'll move on to Agenda Item No. 10, Public Comment.

Kaiser: Oh, you left one out, 9E.

Savage: I'm sorry, Reid. Lisa, I apologize.

Schettler: Almost got out of it.

Savage: I don't have a tab for it, that's why.

Schettler: Good afternoon, Lisa Schettler. I'll start with partnering. I mentioned before, we have a project about best practices for partnering. We have a consultant on board, RHA, Renee Hoekstra is the owner of the company. We have an agreement in place with her. We had our first meeting with our expert panel that we developed. That includes NDOT staff, contractors, AGC staff and a construction management consultant, FHWA. We met in November and we have the project going and [audio cut] making some final refinements and [audio cut] put out nationwide to the 50 DOTs, or 50 State DOTs as well as some other organizations that we feel can benefit as [audio cut] best practices. We have the conference date set for September 27, 2016 to showcase some of the [inaudible] two or three best programs we identified through this process.

Also for partnering, we've struggled a little bit getting our awards application put out to industry and to our REs. With Megan's help, worked with IT on the format that we had to put that out and now we're in a good place. We put that out a little late, but we're [inaudible]

On the dispute resolution, we had formed the working group to work on our resolution documents and programs. We had included contractors, AGC and got staff in that working group. We refined our documentation including a specification, a three-party agreement and some sample procedures that could be used by DRT teams. We put our specification out for industry review and our

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deadline for comments was December 10th, so we're ready to move forward on getting that approved as a future poll sheet for contracts. The way that's going to work is if it's going to be decided in advance whether a project is going to utilize the DRT with final decision by our Construction Chief. Then if it is going to use DRT, we'll put a poll sheet in with our new specification. If it's not, then we're going to put in the special provisions to delete the complete resolution section.

That's moving along. Our three-party agreement, according to our specifications needs to be in place within 45 days of contract—contracts execution for the construction project by the contractor and NDOT, so that we can get the DRT team in place quickly and they can be kept abreast of the project from the beginning. They need to meet quarterly or more frequent if it's deemed necessary.

We have that moving forward. We have the DRT in place just recently on Contract 3585, which is Carson Freeway. We are in the process of forming our dispute resolution teams for three projects in Las Vegas. Boulder, NEON and West 95 Northwest. We also plan to use USA Parkway.

So, in light of that, we have our agreement for training, for dispute resolution teams and we're going to have in January a session in Reno and Las Vegas to train contractor and NDOT staff on how to best utilize a dispute resolution team. Put together their position papers, testimony, things like that. So that we can be successful—more successful in using dispute resolution teams.

We're also going to have, in February or early on in 2016 additional training for resolution team members to include our pool of members that are trained specifically for Nevada. Although it will not be a requirement that they have our training, specifically, but we want to get the availability out there and get our Nevada pool increased, so we're going to have training in all three districts through this agreement with Dispute Resolution Board Foundation.

Another note on their training, we're supplying them with all of our current documents so they can implement our current documents and processes into their training.

That is all I had.

Savage: Well, thank you Lisa. I appreciate the update. Also at this time, I'd like to thank our federal partners. I see some of this is federally funded. We appreciate that.

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The partnering is very important as we've discussed in the past. I thank the federal partners as well. We appreciate it. Thank you Lisa.

Any other comments regarding partnering? Or questions? Now we can move to Agenda Item No. 10. Public Comment. Anybody here have public comment in Carson City? Las Vegas, any public comment?

Martini: No public here sir.

Savage: Thank you Mary. I don't believe there's any need for Agenda Item No. 11. Closed Session, at this time.

Kaiser: Well, there is a need, I hate to say it.

Savage: Okay. So, we will take a motion to—

Kaiser: Sorry.

Savage: We will take a motion to close the session.

Knecht: So moved.

Savage: I'll second. The session is closed at this time and we'll re-adjourn once the session is back in progress.

[end of session 01:38:27]



Representative