

PREQUALIFICATION COMMITTEE
OPEN SESSION
MINUTES – August 2, 2018
9:00 A.M. EST

The following Committee members attended the meeting:

Chris Serak	Director of Prequalification Division; Committee Chair and Voting Member only in case of tie
Jose Murillo	Prequalification Engineer; Committee Secretary and Non-Voting Member
Jeff Clanton	Consultant Contracting Manager; Voting Member
Louis Feagans	Statewide Technical Services Director; Voting Member
Jim Stark	Director of Multi-Modal Planning and Programs; Voting Member
David Holtz	Pavement Director; Voting Member
Joe Novak	Crawfordsville District Construction Director; Voting Member

Also in attendance:

Alison Grand	Deputy Commissioner and Chief Legal Counsel; INDOT
Aggie Wagoner	Prequalification Specialist; INDOT
Steve Duncan	Director of Contract Administration Division; INDOT
John Leckie	Director of Construction & Materials Management; INDOT
Teresa Giller	Attorney; INDOT
Kiara Patton	Program Director; INDOT
Libby Crawford	Economic Opportunity Division Director; INDOT
Lynn Butcher	Director of Litigation and Appeals; INDOT
Erin Fletcher	PE; FHWA

Richard Hedgecock	ICI
Susan Thompson	Treasurer; Dyer Construction Co., Inc.
Janet Furman	President; Dyer Construction Co., Inc.
Greg Furman	Vice President; Dyer Construction Co., Inc.
Keith Kegebein	Project Manager; Dyer Construction Co., Inc.
John Vanerva	Project Manager; Dyer Construction Co., Inc.
Kevin Horn	Sr. Project Manager; Dyer Construction Co., Inc.

The Committee reviewed the following agenda items:

1. Call to Order and Welcome
2. Adoption of May 10, 2018 meeting minutes.
3. Dyer Construction Company, Inc.
4. Electronic Communication Policy
5. Long and Short Term Planning
6. New Committee Business

PREQUALIFICATION COMMITTEE MEETING
OPEN SESSION
August 2, 2018

Mr. Serak, Committee Chair, called the meeting to order at 9:06 a.m. EST. All Committee members were present, with the exception of Joe Gustin and Heather Kennedy.

1. Call to Order and Welcome

Mr. Serak introduced himself as the new Committee Chair and welcomed everyone.

2. Adoption of May 10, 2018 meeting minutes.

Mr. Serak asked Mr. Murillo to discuss the meeting minutes from the previous meeting.

Mr. Murillo said they sent the minutes out via email for the committee members to review. Mr. Murillo asked if there were any changes or questions. The members did not have any questions.

Mr. Stark moved to adopt the meeting minutes from the May 10, 2018 meeting.

Mr. Novak seconded Mr. Stark's motion. All members voted in favor.

3. Dyer Construction Company, Inc.

Mr. Serak said the next item is to discuss the duration of Dyer Construction Company's certificate. Mr. Serak said the meeting is not a hearing and no final determination will be made. Mr. Serak asked for the opinion of the committee member's regarding the certificate. Mr. Serak asked for Mr. Murillo to present the information gathered on Dyer Construction Company.

Mr. Murillo acknowledged that Dyer has good evaluations; however, there were projects and comments concerning to INDOT. Some of the negative comments were about negative attitudes and there were several different evaluators with these comments. There were also comments about a dam being constructed against INDOT's rules and directions. Mr. Murillo asked Dyer to speak about these issues.

Mr. Serak said before Dyer spoke he wanted to mention evaluation 3186, which was published May 17, 2018. This evaluation included a comment from an evaluator stating there was an employee that was very rude and had a bad attitude towards the project engineer and inspection staff throughout the project. The evaluator noted that Dyer's management was notified, but the problem persisted. Mr. Serak said he only wants to hear how Dyer will improve on these issues going forward.

Susan Thompson from Dyer spoke first. Ms. Thompson said they brought a large team of officers, owners and project managers to show how important the relationship with INDOT is to their company. Once Dyer heard about these issues, they contacted the LaPorte District to find out how they can improve.

Janet Furman, President of Dyer, spoke about the relationship with INDOT and said they have been working with INDOT since the 1960's and have never had this problem before. Ms. Furman said on behalf of Dyer, they apologize and said their goal is to do a better job for INDOT. Ms. Furman said Greg Furman, the Vice President, will have to speak specifically about the dam issue since she is not in the field.

Mr. Serak asked what steps Dyer is taking internally from an operational perspective to rectify their communication issues especially with the supervisors in the field.

Ms. Furman said they sent an additional person besides the superintendent to that job.

Mr. Furman said in addition they added an assistant superintendent to the project and things improved after that change was made. Mr. Furman said he does not want to make excuses, but their supervisor at that time was having family issues, and had a rough season overall.

Mr. Serak asked what Dyer plans to do to work with their supervisory staff in an effort to improve on these issues.

Ms. Thompson said when they return they will bring the superintendents and project managers in to discuss what they learned from this meeting and let them know what is expected going forward.

Mr. Murillo said he wanted to discuss the dam issue. Mr. Murillo said the evaluation regarding the dam issue is in draft status, but still needs to be discussed. Mr. Murillo said he now has the ability to see all evaluations, and instead of waiting a few additional months to discuss the issue with the dam project, he wanted to hear the feedback now.

Mr. Furman said there was a lack of communication. Mr. Furman said again he is not trying to make excuses, but on this project they were a subcontractor to Rieth Riley. Mr. Furman said Dyer was hired by the hour (by Rieth Riley) to supply labor and equipment. Rieth Riley was responsible for setting up all the dams and diversion erosion control. Mr. Furman said Rieth Riley installed a dam bag upstream to dam everything off, but due to a large amount of rain a few nights before, their dam broke through and flooded Dyer's whole work area. Dyer spoke to Rieth Riley right after it happened, and Rieth Riley brought out additional sand bags, but it had already flooded the area. Mr. Furman said they were only on the job 1 ½ days.

Mr. Serak asked how many days Dyer lost due to the flooding.

Mr. Furman said they were there a total of two (2) days.

Mr. Serak asked if any committee members had any questions or comments.

Jeff Clanton asked Dyer if they were aware of the negative evaluations.

Ms. Furman said she believes the evaluations were slow to come to them.

Mr. Furman said it may take over a year to receive the evaluations on a project.

Mr. Murillo and Mr. Clanton spoke about an automatic system in place to make each contractor aware when an evaluation is done.

Ms. Furman said as soon as they found out about the negative evaluations, they reached out to communicate about how to improve.

Mr. Murillo told Dyer to request an interim evaluation if they feel there is an issue, so there is documentation and more communication.

David Holtz, INDOT Pavement Director, said if there is a problem being brought to the Prequalification Committee, then the issue has been ongoing for a long time. Mr. Holtz said he believes the owners should be taking more responsibility of the issues, and have a method of job site situational awareness that causes issues to be visible to their corporate management before they are visible to the Prequalification Committee. It also concerns him that Dyer's project leadership is demonstrating hostile partnering with INDOT's project-contract management staff as that is not indicative of project buy-in and teamwork.

Mr. Furman said he is always going in the field to make sure a project is going well, and he was not aware how bad the issue was until it was too late.

Mr. Serak told committee members the option is to extend Dyer's certificate anywhere from zero (0) to nine (9) months. Mr. Serak said his opinion is to extend the certificate for the full nine (9) months and if there are any additional issues, they will be brought back.

Louis Feagans, Statewide Technical Services Director for INDOT, suggested a QCQA plan from Dyer.

Mr. Serak said he would like to see a formalized QCQA plan in the next sixty (60) to ninety (90) days and then there will be a follow up phone call. Mr. Serak said the certificate will be extended to full additional nine (9) months, and there will be a follow up about the QCQA plan.

4. Electronic Communication Policy

Mr. Serak asked if all committee members have reviewed the new electronic communication policy.

Mr. Clanton asked if the policy being presented is different than the policy that was first introduced.

Mr. Serak said he changed the participation policy to be directly in line with Ind. Code 5-14-1.5-3.6. which will require presence for one (1) meeting in person a year. Mr. Serak said his expectation is for each member to attend every possible meeting in person, and if restrictions needed to be added they can be.

Alison Grand, Deputy Commissioner and Chief Legal Counsel for INDOT, said the idea of this new policy is to allow possible committee members from other districts to participate.

Mr. Serak said he especially expects committee members to be present when there is a hearing taking place, but that will not be written in the meeting requirements. Mr. Serak asks if any committee members thinks restrictions or changes need to be made.

Mr. Holtz suggested a better audio system for when committee members call in for meetings.

Ms. Grand said Mr. Serak will be researching other facilities to use with better (more current) technology. Ms. Grand said this will potentially allow the public to view the meetings.

Richard Hedgecock, from ICI, offered their facilities since they will be updating their video technology.

Teresa Giller, Attorney for INDOT, reviewed the policy being presented to the

committee. Ms. Giller pointed out the one (1) day physical attendance requirement and the five (5) day notice requirement if a committee member will not be physically attending.

Mr. Holtz asked about an emergency plan, which would circumvent the five (5) day notice requirement.

Ms. Giller said there can be an emergency plan.

Mr. Serak said the policy states a member of the INDOT Prequalification Committee may participate in a public meeting by means of electronic communication if at least three (3) voting Committee members, not counting the Chairman and Prequalification Engineer, present for the meeting at the meeting location. Mr. Serak changed the policy to say “a member ‘should’ notify” instead of “a member ‘must’ notify. Mr. Serak also took out the five (5) day notice requirement, so the policy reads “A member should notify the Prequalification Engineer of intent to participate by means of electronic communication.”

Mr. Feagans moved to adopt the policy.
Mr. Clanton seconded Mr. Feagans motion.

Mr. Serak said he wanted to take a roll call vote and record each vote.

Ms. Giller wanted to clarify that the motion is to adopt the amended version of the electronic communication policy.

Mr. Feagans, Mr. Clanton, Mr. Novak, Mr. Holtz, Mr. Stark all voted individually in favor to adopt the amended electronic communication policy.

Mr. Serak said the electronic communication policy has been adopted and will be published to the Prequalification Committee’s website.

5. Long and Short Term Planning

Mr. Serak introduced the Long and Short Term Planning item, which was broken down into “synergize” and “modernize”. Mr. Serak wants to work with every department to find ways to get ahead of all contractor and consultant issues.

Mr. Holtz asked how we show other INDOT employees and the public that the Prequalification Committee is meeting and continuing to make changes.

Mr. Serak said the Prequalification team is revamping the website, which will help get information to employees and the public more efficiently and effectively.

Mr. Holtz suggested sending an email to evaluators letting them know actions are being taken based on their evaluation.

Mr. Novak stated his employees in the district will not always check the website for information, so the electronic video and communication will be helpful.

Mr. Clanton asked what the role is of each member in the meetings involving contractors. Mr. Clanton stated some of the more severe situations involve contractors that fall under the \$300,000 unearned work limit (which allows them to do work as a subcontractor without being prequalified) and he thinks it would be beneficial to talk to many of them.

Mr. Serak said he has a statutory change in the works to take the prequalification rating for the financial requirements and move them to the rule. In doing so, he wants to require that all companies become prequalified. This will allow for more uniform regulation for all contractors doing work on INDOT projects. Mr. Serak noted that all evaluations are public record.

Ms. Giller noted that interim evaluations may or may not be public, it is a case by case basis.

Mr. Feagans requested that in the future it is noted on the agenda whether or not a hearing is going to be taking place.

Mr. Novak asked if he understood right regarding the change in statute that will require all contractors (including subcontractors) to become prequalified.

Ms. Grand said we are exploring that option. The way the process will work is if we get authorization from the governor's office that we can make a statutory change, then the development of what the rule would look like would begin. This process will need to be collaborative and include involvement from the Prequalification Committee as well as ICI, because it will need to work for everyone.

Mr. Serak said this will be a long process and is part of the broader goal.

Mr. Novak said it could be a barrier for subcontractors that have INDOT as a small percentage of the work they perform.

Mr. Leckie spoke about what he looks at when reviewing each contractor's certificate.

Mr. Serak said workmanship and health and safety issues are the main areas to consider when prequalifying a company.

Mr. Stark suggested the Prequalification Department require companies to provide a QCQA plan.

Ms. Grand said she doesn't suggest a QCQA plan be required, but to use it as a tool if a contractor is having issues.

Mr. Serak spoke about other goals that are in the pipeline, including updating the charter. Other updates include the online application module, which the goal is to have ready in two (2)

years. In the meantime, all existing documents will be scanned and starting January 2019, there will be an online module that will allow contractors to upload an electronic copy of the application.

Mr. Holtz asked if there would be a benefit to having other construction managers present for the meetings.

Mr. Serak suggested sending invites to the meetings.

Mr. Novak said we could send an email to the evaluators with a summary of the meeting.

Ms. Giller suggested keeping the email vague.

Mr. Serak said this will be a continuing conversation.

6. New Committee Business

There was no new business.

Mr. Serak adjourned the meeting at approximately 10:25am. EST.