

PREQUALIFICATION COMMITTEE  
OPEN SESSION  
MINUTES – JULY 27, 2011  
10:00 A.M. EDT

The following Committee members attended the meeting:

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| Tiffany Mulligan | Director of Economic Opportunity and Prequalification; Chair and Non-Voting Member   |
| Karen Macdonald  | Prequalification Engineer; Committee Secretary and Non-Voting Member                 |
| Tony Hedge       | Director of Accounting; Voting Member  |
| Greg Kicinski    | Director of Project Management; Voting Member  |
| Mark Miller      | Director of Construction Management; Voting Member                                   |
| Joe Novak        | Crawfordsville District Construction Director; Voting Member                         |
| Jim Stark        | Deputy Commissioner of Capital Program Management; Voting Member                     |
| Steve McAvoy     | Facilities Manager, Highway Management; Attending for Troy Woodruff as Voting Member |
| John Wright      | Director of Highway Design and Technical Support; Voting Member                      |

Also in attendance:

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| Heather Kennedy | Attorney, Economic Opportunity and Prequalification Divisions; INDOT |
| Jim Burkart     | Prequalification Auditor; INDOT                                      |
| Fred Bartlett   | Prequalification Research Analyst; INDOT                             |
| Marie Jett      | Prequalification Coordinator; INDOT                                  |
| Joan Widdifield | Administrative Manager, Contract Administration; INDOT               |
| Steve Heller    | Compliance Investigator, Contract Administration; INDOT              |

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|--------------------|---|
| Jennifer Jansen    | Attorney, Legal Division; INDOT   |
| Jeff Logman        | Seymour District Construction Engineer; INDOT   |
| Rachel Wren        | Project Engineer, Seymour District; INDOT   |
| James Culbertson   | Construction Area Engineer, Seymour District; INDOT                                     |
| Joe Jones          | Office Engineer, Seymour District Construction; INDOT                                   |
| Laura Hilden       | Director of Environmental Services; INDOT   |
| Nathan Saxe        | Ecology and Permits Manager, Office of Environmental Services;<br>INDOT                 |
| Kenny Franklin     | Project Manager, Office of Project Management; INDOT                                    |
| Pat McCarty        | Senior Engineer, Work Zone Safety; INDOT  |
| Warner Moses       | Engineer, Work Zone Safety; INDOT   |
| Richard Phillabaum | Stormwater Team Leader, Office of Environmental Services;<br>INDOT                      |
| Dan Perez          | Stormwater Specialist, Office of Environmental Services; INDOT                          |
| Audra Blasdel      | Director for LPA/MPO; INDOT   |
| Kevin Green        | President, Calumet Civil Contractors, Inc.  |
| David Yount        | Calumet Civil Contractors, Inc.   |
| David Vornehm      | Attorney representing Calumet Civil Contractors, Inc.; Drewry,<br>Simmons, Vornehm, LLP |
| Steve Milbourne    | Calumet Civil Contractors, Inc.   |
| Jim Sylvester      | Calumet Civil Contractors, Inc.   |
| Ned Percy          | Calumet Civil Contractors, Inc.   |
| Bob Everman        | Calumet Civil Contractors, Inc.   |
| Paul Berebitsky    | Indiana Construction Association (ICA)  |

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The Committee reviewed the following agenda items:

1. Adoption of June 8, 2011 meeting minutes
2. Adoption of June 29, 2011 meeting minutes
3. Calumet Civil Contractors, Inc. – Follow-up from June 8, 2011 Committee meeting regarding Contract IR-30642
  - a. Update on erosion control
  - b. Update on traffic control
  - c. Consideration of interim CR-2's

**PREQUALIFICATION COMMITTEE MEETING  
OPEN SESSION  
JULY 27, 2011**

Ms. Mulligan, Committee Chair, called the meeting to order at 10:03 a.m. EDT. All Committee members were present, with the exception of Troy Woodruff. Mr. Steve McAvoy attended for Mr. Woodruff.

Ms. Mulligan asked that everyone sign the sign-in sheet that is circulating. She facilitated introductions of all individuals attending the meeting.

1. Adoption of June 8, 2011 Meeting Minutes

Ms. Mulligan called for consideration of the meeting minutes from the June 8, 2011 meeting.

Mr. Miller moved to adopt the meeting minutes from the June 8, 2011 meeting. Mr. Stark seconded the motion. All members voted in favor. Ms. Mulligan stated the minutes would be posted on the website within a few days.

2. Adoption of June 29, 2011 Meeting Minutes

Ms. Mulligan called for consideration of the meeting minutes from the June 29, 2011 meeting.

Mr. Wright moved to adopt the meeting minutes from the June 29, 2011 meeting. Mr. Kicinski seconded the motion. All members voted in favor. Ms. Mulligan stated the minutes would be posted on the website within a few days.

3. Calumet Civil Contractors, Inc. – Follow-up from June 8, 2011 Committee meeting regarding Contract IR-30642
  - a. Update on erosion control
  - b. Update on traffic control
  - c. Consideration of interim CR-2's

Ms. Mulligan introduced the item regarding Calumet Civil Contractors, Inc. (Calumet). INDOT brought Calumet before the Committee on June 8, 2011 to discuss issues with erosion and sediment control and traffic control on Contract IR-30642. The Committee asked Calumet to return to today's meeting for follow-up consideration. Ms. Mulligan explained the Committee meeting procedures: a representative from INDOT presents the issue first, the contractor is allowed to respond, then Committee members and the audience may ask questions. She asked that there be no questions or interruptions during each party's presentation. After both sides have presented, then there will be an opportunity for questions and discussion.

Ms. Jennifer Jansen, Attorney for INDOT representing the Seymour District, stated that the SR135 project is from approximately Curry Road to Stones Crossing Road. Contract IR-30642-A is an added travel lanes project. INDOT awarded the contract to Calumet for \$12.6 million on May 12, 2010. All contractors are expected to comply with INDOT standard specifications and contract documents. The reason INDOT brought Calumet before the Committee on June 8, 2011 was that the Seymour District office observed that there has been a lack of standard erosion and sediment control measures, including installation and maintenance, with this project from June 2010 to the present. There was also a lack of maintenance of the temporary traffic control devices. In the last 60 days, Calumet had made improvement, but INDOT remains concerned about the lack of installation and maintenance of proper erosion control measures. INDOT is concerned about Calumet's management of erosion control. Calumet has used incorrect installation and maintenance of erosion control measures, has not followed proper procedures, has been lacking in cooperation, and has been lacking in response to INDOT's requests to remedy the problems. Traffic control also remains an issue although there have been improvements in regard to traffic control maintenance.

Ms. Jansen introduced three speakers to present on behalf of INDOT: Dan Perez, Seymour District storm water specialist, who discussed erosion control; Rachel Wren, Seymour District project engineer, who discussed traffic control; and Jeff Logman, Seymour District Construction Engineer, who discussed the QA/QC plan and the interim CR-2.

Mr. Perez stated that since the June 8, 2011 Committee meeting, he visited the project site on June 14, 2011, June 28, 2011, and July 12, 2011 to inspect erosion control. Mr. Perez showed several slides and made the following observations:

- At a location showing curb inlet protection, Calumet should have used best management practices (BMP) for sediment control. Mr. Perez stated he discussed opportunities for protection at progress meetings with Calumet. Without the curb inlet protection measures, sediment would run into the storm drain.
- At locations showing drop inlets, the sediment control measures were there, but there was a lack of maintenance. In some cases the measures were improperly installed. Gravel was inside in one case. The silt fence should have been trenched in. The BMP was placed in the wrong location to be effective.
- At a concrete washout area, the erosion control measures were improperly installed and there was a lack of maintenance. The washout area was overflowing with concrete and Mr. Perez observed that concrete trucks were still using it. At a later visit, the same washout area was still not up to specifications and was not increased in size as requested, but the area was not overflowing.
- At a driveway approach, concrete slurry had pooled. Mr. Perez's concern was that the slurry could get into the storm sewer system or the nearby stream.
- At a slope drain going into a new structure, there was a lack of erosion control measures. As set up, filter stone and erodible material was not prevented from getting into the storm drain. If it rains, it will miss the slope drain and washout. There is significant lack of maintenance with improper installation.
- Straw bale check dams were staked in place but should also have been trenched in. Mr. Perez was concerned with using bales in concentrated flow areas.
- Filter stone was not being used properly. It did not meet specifications.
- At a check dam, sediment has flowed off the site. The filter stone should be located on the opposite side. Mr. Perez's concern is that erodible materials can run into the stream. The sediment control measures were being used improperly.
- At a location where a hose was going directly through a pipe, there was no filter sock or other measure to keep sediment from draining off site.
- At Structure 12, a pump discharged water directly where there were erodible materials. There was a lack of sediment control measures at this location.
- Dirty water flowed through a drop inlet.
- Mr. Perez took a picture yesterday of a location with no filter sock or other filter mechanism. There was erodible material clogging the riprap.

Ms. Wren reported on the traffic control measures since the June 8, 2011, Committee meeting. Ms. Wren stated that there has been a lot of improvement with traffic control. Traffic lines were painted, and there are better signs in place. There are a few issues remaining that could be resolved with a little more effort. Ms. Wren showed several slides and made the following observations:

- At one location, traffic barricades were left open on both sides of the road, which caused traffic to be confused. Ms. Wren discussed this concern with Calumet, who responded that the subcontractor was doing the traffic switch. Ms. Wren pointed out the Prime is still responsible. Calumet used flaggers after the issue was brought to their attention and it made a definite improvement.

- Flagger ahead signs were not always covered when no crew was present. It is important to cover the signs when not in use.
- In one instance, a flagger paddle was too short. This was resolved after Calumet was informed of the issue.
- On Stones Crossing Road, there was a 16 inch unprotected drop off. The issue was brought to Calumet's attention twice, then protection was placed.

Ms. Wren stated that overall Calumet has been doing a better job on traffic control inspections and paperwork. There are just a few things that need to be improved upon.

Mr. Logman reported that he received the QA/QC plan from Calumet on July 20, 2011. Mr. Nathan Saxe, INDOT's Ecology and Permits Manager, requested that the plan address the project better. There were areas in the QA/QC that he identified as needing more attention, and INDOT asked Calumet to follow-up and resubmit the plan.

Mr. Logman stated that there was still some lack of traffic control, and the traveling public did not know where to go. The District still has concerns about completing this project.

Mr. Logman stated that there was some lack of cooperation by Calumet with the interim CR-2. He mentioned that he spoke with Joe Grove about some of the concerns, and the response he received was that it was a subcontractor's problem.

Ms. Jansen stated that the Seymour District is still concerned with the quality of work on this project. She showed some slides of issues other than erosion and sediment control and traffic control. She stated that all pictures had been taken within the last two weeks. She made the following observations:

- A picture showed an underdrain trench that had previously had asphalt on top but now was covered in dirt. The underdrain will not drain.
- Two pictures showed concrete backfill used at the edge of a driveway. The concrete was unconsolidated. INDOT's concern is that the improper procedure will cause failure after the surface course is placed.
- A picture shows a wall is uneven where two sections are joined. The Seymour District's opinion is that the work is poor quality.
- A few pictures show the sidewalk is not flush with the adjacent ground. There is a 3-4 inch drop, causing a safety hazard for pedestrians.
- A picture shows a honeycombed concrete retention wall. Another picture shows the top of the wall isn't even with the next section. The work is poor quality.

Ms. Jansen finished her presentation by stating that the Seymour District has seen some improvement in Calumet's performance since the June 8, 2011 Committee meeting, particularly in the area of traffic control. Problems remain with erosion and sediment control and with cooperation. Calumet is ultimately responsible as the prime contractor for their subcontractor's work. Calumet is responsible for the patterns of poor performance in the areas of erosion control and traffic control on this contract. All contractors have the responsibility to comply with

INDOT's rules and regulations. INDOT has concerns with consistency of communication from Calumet's management to their field personnel.

Ms. Wren stated that Calumet resolved some of the issues with the washout, and they made corrections to clear up the water.

Ms. Jansen concluded that the Seymour District continues to recommend a 40% experience reduction on Calumet's prequalification.

Ms. Mulligan opened the floor for Calumet to respond.

Mr. Kevin Green, President of Calumet, responded by saying, "Bullshit". He replied that he has been in meetings with INDOT personnel over the last six weeks and has asked if there are any erosion control issues remaining and has been told no. He questioned why at a Prequalification Committee meeting he has to find out about these issues. Mr. Green further asked if the ditch inlet protections are correct today. Mr. Green explained that the silt fence around the inlets were a temporary measure until the subcontractor could get on the worksite. Mr. Green stated that the subcontractor built the frame for silt fence. Calumet did a lot of work that was supposed to be done by their subcontractor. He stated that he has been doing erosion control on INDOT projects the same way for 20 years.

Mr. Green stated that they have to build on the site, but it's cleaned up and measures are placed at the end of the day. Pictures could be taken at anytime. Each day there is some point where we are not in compliance. Straw bales did not work in the concentrated flow area, and there was heavy rain. Calumet had several erosion and sediment control measures in place before they placed the last measure. The check dams were suggestions that Calumet tried, and they went from there. Calumet added the rock to slow down the water.

Mr. Green again stated that he attends the weekly meetings and asks if anything needs to be addressed. Mr. Green stated that working with the workzone traffic control subcontractor does not always go perfect.

Mr. Green asked if there was a punch list yet. He stated that this was the first time he heard about the issue with the sidewalk and wingwall structure. The problems will be corrected from the punch list. If the site needs extra dirt, we will do it. Calumet will go look at the 10 ft of honeycomb wall. If there is a problem, it will be corrected. Mr. Green stated that Calumet is not above correcting the problem.

Mr. Green stated that he was not aware that the sequence that Calumet used for construction in front of the driveway was a problem.

Mr. Green stated that when one studies an accident, it is usually determined that there were multiple issues that caused the accident, rather than just one thing. Sometimes there are three things that come together to cause the accident. This has not been a good project for Calumet. There have been problems with subcontractors, material suppliers, erosion control, personnel problems, which have all been unfortunate but are not consistent with Calumet's

typical performance. Calumet failed to correct the erosion control issues to INDOT's satisfaction at first, and they have had some personnel problems, but he feels it has been corrected. Mr. Green stated that he has met with INDOT every week and follows-up consistently.

Mr. Green stated that in regards to cooperation, per the QA/QC plan the concrete washout areas have been cleaned out one to two times per week and signs have been posted. The current washout area gets eroded from rain. Mr. Green further stated that they can and will do a better job. Calumet will use a dumpster to elevate the overflow.

Mr. Green stated that there have been numerous change order requests. Some changes have been implemented, and Calumet has not been paid yet.

Mr. Green stated that Calumet takes pictures and video of the work site before they start construction. He proceeded to show several videos and had the following observations:

- Calumet's intern took the videos to show how the job site looked before Calumet began construction. Calumet takes these videos to provide protection from damage claims from property owners.
- The utility companies left areas of exposed soil and erosion. Mr. Green stated that multiple things happened to make the job bad. The videos show highly erodible material. The factors involved in this project were the erodible material, the utility companies work on the site, and starting the job late in the year.
- There was a previously eroded area at the south end of the project. There were also stockpiles of sandy backfill.
- A utility company used construction fencing at a relocation site, and there was standing water.
- Silt was running off the right-of-way near the funeral home, and an inlet was stopped up with silt. It was not protected. Mr. Green stated that he thought this was under INDOT's control at the time.
- Clay loam was found at the site throughout the project. The material was highly erodible and did not form well. Mr. Green stated that Calumet did not anticipate this type of soil. Calumet was supposed to use lime stabilization. He added that Calumet should have requested a change order but did not.
- At the Honey Creek Apartments, the ground was uneven, the curb was disintegrating, and there were several eroded areas.
- There was a silt fence around a detention pond that was there before Calumet started construction.
- A creek runs through the golf course and crosses under the road. The golf course has problems with pockets of silt and periodically adds dirt to fill in the spots. The material is highly erodible. A pipe from the golf course drains water continuously. This presents sedimentation problems including silt that runs out into the street.
- In one location, existing retaining walls were in flat areas and there was standing water.
- At Greensview Drive, the curbs were deteriorated and sediment was running off.
- Some inlets existed on the site prior to construction.



- Silt fence was present at Structure 2, and the area is eroded from the slope to the stream. Mr. Green stated that the pictures are being shown to demonstrate that the area consists of highly erodible materials.
- Erodible material by the edge of the pavement was the responsibility of the utility companies. In one location, there is a big pile of dirt and silt running out in the street.
- At one location, a ditch leading to a pipe was bare. There was no protection on the slopes or at the pipe.
- At structure 7 there was a bare area in front of a stone wall. More bare areas were on the east side and south of the structure.
- Ruts were found at the bottom of the ditch line. There were bare areas and standing water at a structure. There was also vegetation in front of the pipe inlet.
- One location had erosion down the slope and at the sidewalk.
- At one structure, the plans had called for stone to be placed.
- Pipes were found with no protection.
- There were numerous flat, bare areas.
- These videos depict the site before Calumet began construction.

Ms. Mulligan asked if the videos were taken after the letting.

Mr. Green replied that it was about a month after the letting.

Mr. Green stated the erosion issues were present before Calumet got there. There were multiple issues before Calumet got started on the south end by Stone's Crossing. Pavement had runoff with erosion. The silt fences were already knocked down before Calumet started. Structure 12 shows that there was absolutely nothing there for erosion control. This project was handed over to Calumet. There was lime set up on the job, and Calumet did not anticipate it. It caused an added problem. Structure # 7 had erosion. We added an additional silt fences. The video and pictures show the original silt fence that was in place at Structure 12. It is a box culvert, but INDOT wanted two 30 inch pipes instead. There are pockets of silt all through the project. Calumet took the videos on June 29, 2010, approximately one week before Calumet was on site.

Mr. Green presented the following timeline of the worksite events:

|                 |  |
|-----------------|--|
| July 6, 2010    | The silt fences were in place and Calumet was waiting on the utilities to finish their portion of work on the job site.  |
| July 13, 2010   | The site was torn up by the utility companies, and no erosion control measures were placed.  |
| August 8, 2010  | The silt fences were washed out from the rain.   |
| August 13, 2010 | Calumet's subcontractor, Earth Images, set up the silt fences again. Calumet received reports that the silt fences were knocked down again by several different utility companies working on the site. |

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| Sept. 17, 2010 | Calumet sent letters to the utility companies explaining that silt fences put up by Calumet repeatedly have been knocked over by the utility company workers.  |
| Sept. 28, 2011 | Calumet sent a letter to INDOT explaining the situation with the silt fences and the money lost in replacement of the silt fences.   |
| Oct. 1, 2010   | The utilities company completed their portion of their work on the worksite.   |
| Winter 2010-11 | Calumet did little work due to the weather. Throughout the winter, the silt fences needed work and repair.   |
| Feb. 2011      | Due to ice and snow, Calumet could not replace silt fences. Calumet reported that they would remove sediment in the pond when they work in that area.  |
| March 24, 2011 | Calumet repaired silt fences and installed check dams. Calumet put in place an extensive erosion control program for the work site. Calumet took on a lot of maintenance for pedestrians. Calumet resumed construction on the project. |

Mr. Green continued his presentation with a slide show.

Mr. Green stated that the design plans proposed very little erosion control. The plans basically showed silt fence throughout the length of the project. Due to turbidity, Structures 7 and 12 had sedimentation coming up both sides. Calumet used silt fence and some ditch inlet protection. The area is highly erodible and some areas contain debris. The Rule 5 permit indicated that the plans were not reviewed by IDEM.

Mr. Green stated that the twin 30 inch pipes were an issue. The plans called for a temporary 42 inch pipe. Mr. Green stated that Calumet suggested changes to the erosion control measures but were denied. Pictures taken on July 14, 2011, show numerous problems with the silt fence and why it didn't work. There was no access around the pipe and Calumet controlled it as best as they could to prevent further erosion. Calumet initiated right-of-way entry from a property owner to perform maintenance on the ditch. The sedimentation has been there for two to three months. They have to be careful not to tear up too much around it and make it worse. The ditch has washed out about three times.

Mr. Green stated that the erosion at the golf course is not Calumet's problem. The silt fence did not work. Along the creek, the fence had washed out. Calumet put two slope drains in and submitted a change order. They had not been approved, but Calumet placed them anyway to correct the problem.

Mr. Green stated that Calumet has taken hundreds of pictures since August 2010. They could show pictures of the erosion control measures knocked down and then back up.

Mr. Green stated that Calumet recently worked to complete the creek and the mitigation. They cannot put the permanent erosion control in until there is water in the creek to keep it alive.

Mr. Green stated that there were many problem areas that Calumet has cleaned out. Straw bales have been coming up, and they have been replaced once. They were replaced a third time, and they tried to fix the problem by using filter fabric under the bales to prevent wash out. On June 28, 2011, the straw bales didn't work. Calumet removed the straw bales and replaced them with a riprap check dam.

Mr. Green stated that pictures today of the traffic shift show improvement.

Mr. Green stated that currently Calumet's cost information on erosion control shows that they have spent \$60,000 but have only been paid \$30,000. They are 65-70% complete on the project and have gone over on erosion control.

Mr. Green showed a slide depicting Calumet's CR-2's from 2009 to now. It listed work completed with reviews and no problems. The average on the CR-2's is positive four.

Mr. Green stated that on contract SB-28335, Calumet has requested payment.

Mr. Green stated that Calumet had a few problems with the Dayton project (contract R-30576). Mr. Green stated he disagrees with the CR-2. They received a minus one due to the office trailer. Due to an agreement with a private owner, they initially set up the trailer. INDOT directed them to move the trailer due to an access issue. They had to scramble to move the trailer and get the utilities set up. Mr. Green stated that there was a problem with the #8 stone. The specifications allow the construction equipment on the aggregate layer when there is no room for concrete placement. Calumet wanted to drive on aggregate layer to place concrete. Calumet asked for a waiver. The project was completed with a \$31,000 QA bonus for completing the project ahead of time. Due to design problems, the phasing was changed. The Project Manager was working on two other sites that were accelerated. Calumet asked for substantiation on the CR-2 from INDOT but never received it.

Mr. Green stated that Calumet has had delayed projects due to utility relocations. The projects included Hanna Avenue, Fry Road, SR 103 I-465, and a City of Indianapolis project. Calumet's bidding capacity is reduced by 17% due to delayed projects.

Mr. Green stated that three of Calumet's projects were accelerated in 2010. Calumet requested to keep working while the utility companies were working, but they were denied. Calumet was asked to accelerate a project near the University of Indianapolis (U of I). Hanna Avenue was on track for completion in May 2010, but AT&T delayed the project, and Calumet was directed to stop. Calumet was requested to accelerate the project in September 2010, and they have not received payment to date.

The Fry Road project had multiple utility delays. The Project Manager had to concentrate his efforts on the project. The project originally had a five month construction schedule, but due to the utility delays it had to be constructed in 75 days. The Mayor of Greenwood wanted the project done before Black Friday. Calumet received payment in June 2011 after having submitted for it in December 2010.

The third accelerated project involved Michigan Road. It also had multiple utility delays. After the utility work was complete, again Calumet was asked to accelerate the project. The problem with accelerated projects is that it strains a company's resources. It is time consuming to manage for management. The accelerated projects starve resources from other projects, which affects cash flow.

Mr. Green stated that the point he was trying to make was that Calumet had not accelerated projects before 2010. Mr. Green stated that he has worked on one accelerated project in his 20 years experience. Now Calumet had multiple accelerated projects.

Mr. Green stated that due to the project delays and accelerated projects, Calumet's work-on-hand was higher. All work-on-hand is considered in the prequalification bidding capacity whether the project is an INDOT project or another project.

Mr. Green stated that if INDOT reduces Calumet's bidding capacity by 40%, they would not be able to bid on INDOT projects.

Mr. Green stated that there have been multiple issues going on. SR 135 started with a utility nightmare and got out of control. Calumet should have filed notices of changed conditions. The weather in the 2010-11 winter reduced the time Calumet could work on the project. The ground was frozen in the spring. There has been a large expense on erosion control not attributed to Calumet. Calumet will spend three to four times the original budget for erosion control.

Mr. Green stated that other projects took resources from the SR 135 project. He is not giving excuses. Calumet is not perfect. Mr. Green stated he wanted to give the Committee the facts of why things went the way they went. There are no perfect contractors out there. Mr. Green prefers to handle things in the field. He is accessible by phone and email. Calumet is trying and making corrections. They have increased management on this project, including adding a general superintendent, a concrete foreman, a grade foreman and a project engineer. They have increased oversight of all projects. They are training two employees to become certified professionals in erosion and sediment control and storm water inspection. They are training four employees to become certified inspectors. There have daily inspections of traffic control and erosion control. Erosion control is now a part of the planning process. Calumet has heightened it's sensitivity, and they are encouraged by the improvements and are well on the way to recovery. Mr. Green reiterated that if issues are brought to Calumet's attention, they will be corrected, and they are being more sensitive to erosion control maintenance.

Mr. Green stated that he feels the SR 135 problems are isolated. There are problems daily, but they are being corrected as they are discovered. Silt fence will get torn down, but Calumet will replace it sooner.

Mr. Green stated that Calumet has outbid their competitors by an average of 4%. If Calumet were not bidding, then INDOT would be paying 4% more. Also, Calumet has had a history of no project delays.

Mr. Green stated that he disagrees with the interim CR-2. It is a challenging project that Calumet should have got under control. The erosion control plans were poor to begin with, and the project was a maintenance nightmare.

Mr. Green responded to the Seymour District's recommendation of a 40% prequalification capacity reduction. It would prevent Calumet from being able to bid on INDOT projects. According to Mr. Green, the reduction would amount to an \$18 million reduction. Add on top of that the \$8 million work-on-hand due to the delayed projects, it would be the same as a 58% reduction. Mr. Green thinks that the capacity reduction is not warranted and asks the Committee to reconsider.

Ms. Mulligan stated that we would take a ten minute break and return at 12:20 p.m.

The meeting resumed at 12:22 p.m. Mr. Miller left the meeting to attend another meeting but rejoined this meeting at 12:30 p.m.

Ms. Mulligan stated that the Prequalification Section has not received a renewal application for Calumet, and their Certificate of Qualification is due to expire on July 31, 2011.

Ms. Mulligan stated that the floor is open for discussion.

The Committee members were given copies of the interim CR-2 and the QA/QC plan.

Ms. Jansen stated that the taxpayers deserve to get the project they are paying for to INDOT's standards and specifications.

Ms. Wren stated she wanted to reply to some of Calumet's comments. She stated the jobsite was a mess before Calumet started construction. There were issues with utilities and the county regarding erosion control; however, INDOT emphasized the importance of erosion control at the pre-construction conference with Calumet. Ms. Wren addressed a comment about lime stabilization. She stated that lime stabilization is the standard and if a material other than lime is used, then a change order needs to be done. She stated that there are a lot of change orders she is working through. She stated that Calumet installed the filter sock prior to that request being approved, but it has recently been approved. She referred to Calumet's comments regarding problems on the structures and replied that she is working on it. She addressed a comment about payments and quantities. She stated she told two Calumet employees that if there are discrepancies with quantities, bring it to her attention, and we can get those issues resolved. She stated that when the utilities left the site, the bare areas had been stabilized so we

cannot blame the poor conditions on the utilities. It was a fight to get it done. She stated that she would have to look back to see what was in place as far as the silt fence. She stated that we are resolving things in the field and those issues are not always brought up at the meetings. She stated that although Calumet's new inspector Mr. Scott Mason is inexperienced, he is willing to learn. Several Seymour District personnel have demonstrated what needs to be done for Mr. Mason. Ms. Wren reiterated that if Calumet sees an issue, they can contact her or others in the Seymour office.

Mr. Green stated that as long as the issues are being fixed, that is all that matters. He does not like the issues brought to the Committee, if the issues are being resolved.

Ms. Wren stated that INDOT is willing to work with the contractor on the issues. She stated she could make a list, if Calumet prefers.

Ms. Mulligan stated that it is great if INDOT wants to go to the extra effort, but we shouldn't have to. She stated that what concerns her is the number of times INDOT had to inform Calumet of the issues. She stated that there are repeated emails of what has been going on and she is very concerned with the lack of response.

Mr. Saxe stated that there were two district erosion control inspections and other inspections. Calumet had been told about problems with erosion control many times and in many ways. The specifications describe the contractor's responsibility. The Office of Environmental Services duties are to work with the district to deal with any problems and to clarify the specifications. The contractor must have a good managed erosion control program and needs to be proactive. The contractor should not wait for INDOT to point out the problems. The contractor needs to propose what to do to correct the problem. INDOT should help, but should not have to direct the corrective measures.

Mr. Kicinski asked about the erosion control plans that were submitted and denied.

Mr. Green replied that Calumet submitted three new erosion control plans. He stated that all three plans were denied. Initially Calumet followed the erosion control specs as directed and had to show it would not work.

Mr. Logman stated that the Seymour District had informed Calumet that the plans should follow the specifications.

Mr. Stark stated that the problem is not just about erosion control and traffic control. Calumet's quality of work has been an issue based on the recent CR-2's. Performance is an all encompassing issue. There is a communication issue that was highlighted by the erosion control and traffic control issues.

Mr. Logman stated that the district concentrated on the erosion control and traffic control issues because those were the main issues that were documented. Poor erosion control on this project has been a consistent issue. Another erosion issue is that there are problems where sod

has been placed and the contractor may need to place more fill. The curb doesn't fit. He stated that many times there is only one opportunity to make the project look good.

Mr. Stark asked what Calumet's current work is on hand.

Mr. Green replied \$40 to \$43 million.

Mr. Stark stated that it sounds like Calumet is over extended. The CR-2 for the Crawfordsville District project shows there are management issues. The Committee is here to decide at what level Calumet can perform. There is a QA/QC issue. When a company gets lean, mistakes can be made. We know that Calumet has had good CR-2's also, so we know Calumet can handle jobs. Other poor marks on CR-2's could be for valid reasons.

Mr. Green stated that Calumet was stretched last year, but now we are caught up. Calumet had three accelerated jobs last year. It is highly unusual to have accelerated jobs. Calumet's capacity was reduced, but they have capacity now. Calumet's revenue should be between \$4 to \$6 million a month. During an accelerated project, Calumet's revenue was reduced to \$2 to \$3 million a month. If Calumet were directed to accelerate more projects, we would have to hire someone new or sub out more of the work. Calumet has been stretched before, and they can handle it. As far as I know, Calumet has no QA/QC issues. The other project manager is no longer with us. Mr. Green stated that Calumet earned a \$31,000 QA bonus in Dayton, and there were no quality control issues there.

Mr. Kicinski asked if Mr. Grove is still on the project.

Mr. Green stated Mr. Steve Milbourne was the project manager that is gone and Mr. Grove is still on the project.

Mr. David Yount, a representative from Calumet, stated that sometimes it takes four to six weeks to get the minutes from the progress meetings. Calumet is responsible for addressing the items, but we need time to address them after we get the minutes. He stated that he needs something in writing. He would rather things be brought to his attention on the job site so he can take action immediately. If the issue has to wait for a progress meeting to be brought up then it typically takes nine weeks to get resolved after getting the minutes from the meeting. With the RPM's, Calumet removed the ones we thought were in conflict. Then we get progress meeting minutes, and the issue is repeated over nine weeks.

Mr. Hedge stated that it should not take nine weeks to fix something. He asked why should INDOT tell the contractor what to do, if it has been brought up before and has been a problem for weeks. Wouldn't it be on the radar?

Mr. Green stated that the placement of the straw bales by the subcontractor was a continued problem. The straw bales were replaced a few days after the original installation, then they were replaced by a riprap checkdam. Washout problems were brought to Calumet's attention, and we cleaned it many times to clear it out. Sediment encroaching the curb was corrected many times. Mr. Green stated that at the June 8, 2011, Committee meeting, Mr. Saxe

stated that Calumet caused the erosion at the golf course. That erosion was there before we got on site. Calumet was waiting for approval on the filter sock and went ahead and placed it anyway. Ms. Wren has now approved it. Mr. Green stated that he takes exception to all of this. Does Calumet have problems? Yes, they do. Calumet has done numerous things to correct the erosion control. There are many problems, and we could go out today and silt fence will go down and then back up again. Calumet has a lot of pictures too. We feel like Calumet is following the specifications.

Ms. Mulligan stated that we only have the room until 1:00 so other arrangements may need to be made if we are not done in time.

Ms. Jansen stated that INDOT has taken hundreds of pictures of this project that go back to August 2010. Just to be clear, we are not taking a few snapshots, and we are not trying to say "gotcha." The issue is the condition of the site. The Seymour District is not trying to hold Calumet responsible for conditions that occurred before construction began.

Mr. David Vornehm, legal counsel for Calumet, stated that we could go back and forth with responses to the pictures, but he thinks we should move forward.

Ms. Mulligan stated that INDOT has presented the information, and we want to give Calumet the time to respond. The Committee takes this very seriously, and we want to take the time to do it right.

Mr. Green replied that pictures can show a problem, but pictures of the area after the issue has been resolved should also be shown. For example, at one point in time a picture presented an erosion control issue. The issue was corrected by building a bigger basin; however, when the pump was started, silt flowed out. Once the pump was moved, the problem was resolved.

Mr. Novak asked if the Committee members could get copies of what Calumet presented today.

Mr. Vornehm replied yes and asked that Calumet receive a copy of INDOT's presentation.

Mr. Stark stated that the Seymour District felt the issues were serious enough to bring Calumet to the Committee. We have four people sitting on this Committee that have spent time in the field. Very seldom do contractors get pulled into this Committee. This is a very serious issue. If all contractors performed poorly, they would all be brought to the Committee. We would like to see zeros on CR-2's, then we know we are getting what we pay for. We expect Calumet to fix these issues. There should be an understanding of the issues in the field and how to deal with them. Mr. Stark stated that honeycombed concrete may become a maintenance problem in the future if it is patched. It should be removed and replaced.



Mr. Logman stated that patching the holes is not acceptable. To do the job correctly, the concrete has to be ripped out and new concrete poured. If an issue in the field does not get done right, the personnel in the field are accountable. The expectation is for Calumet to fix it.

Ms. Mulligan reminded the Committee that Ms. Jansen's recommendation is to place a 40 % reduction on Calumet's bidding capacity. All new applicants are set at a 30% reduction, and the percentage is reduced from there after working with INDOT.

Mr. Miller asked if there were any comments from the District about the issues brought up about this project.

Mr. Perez stated that he did not get involved with this project until after the June 8, 2011, Committee meeting. Mr. Perez has worked with Calumet on what measures they should use.

Mr. Joe Jones, Seymour District Construction, stated that he discussed the straw bale checks in particular with Calumet. He asked that they replace the straw bales, which they did. The progress meeting showed what was needed, and there has been ongoing communication.

Mr. Miller stated that he met with Mr. Mason from Calumet. They spent two hours walking and driving the site, and he gave Mr. Mason technical advice.

Mr. Perez stated that he has talked with Mr. Mason on the worksite visits and has explained to him the issues. Items discussed included improper trenching of straw bales and inlet protection measures. One of the pictures presented earlier showed that an inlet was not trenched in properly. It had been done to some extent. Mr. Perez stated that he explained the standard of framing and cross bracing to Mr. Mason.

Mr. Miller stated that the Committee members need to see all CR-2's, not just the recent interim CR-2. There have been some discussed here that we do not have. He asked if it was possible to have copies of all CR-2's.

Ms. Macdonald responded that we have five sets of the older CR-2's, if members want to look at them.

Ms. Mulligan added that the sets of the older CR-2's were available at the last meeting.

Mr. Miller stated that a 40% capacity reduction seems a bit extreme because 40% of the jobs do not have problems. Mr. Miller recommended a reduction of 25% instead.

Mr. Stark stated that he was thinking of a 20 to 25% capacity reduction. It is taking too long for these issues to be corrected, and the Committee needs to look at it for that reason.

Mr. Green stated that a 20% capacity reduction would be closer to 40% with all the delayed projects out there that were not Calumet's fault. The Walsh job is still tied up after all this time. He requested the Committee consider some allowance.

Mr. Kicinski questioned Calumet regarding their work on hand. He stated that their available capacity should be higher because the three projects were accelerated.

Mr. Green replied that Calumet would like to have the amount from delayed projects considered. He stated that if a 25% reduction is imposed, the \$5 to \$8 million work on hand from the accelerated projects would actually mean a 38% reduction.

Mr. Kicinski questioned if the accelerated projects were before this project. He stated that with those project accelerations and delays, the effect over-extended Calumet.

Mr. Green replied that two of the three were before this project.

Mr. Green brought up the chart he showed earlier with the delay amounts.

Mr. Wright asked why the projects were accelerated.

Mr. Green explained that the Hanna Avenue project was accelerated by the University of Indianapolis because the project had been delayed by utilities and they wanted an end of year completion. The Fry Road project was accelerated because the Mayor of Greenwood wanted it completed in time for Black Friday.

Mr. Novak asked why the Committee should consider the accelerated projects.

Mr. Miller stated that Mr. Green had said there was \$8 million in projects that should have been completed by now.

Mr. Stark asked Mr. Green how much of it is on state work.

Mr. Miller stated that all work on hand is deducted when considering the bidding capacity.

Ms. Novak asked if a reduction will do anything. The delayed projects could get underway and if Calumet requests an appeal, the reduction could be useless.

Mr. Kicinski recommended to not consider the additional work on hand.

Mr. Miller moved to reduce Calumet's prequalification capacity rating by 20%.

Mr. Stark seconded the motion.

All members voted in favor of the motion.

Ms. Mulligan stated that the Committee's recommendation will go to the Commissioner for his approval. The Commissioner may approve it or may choose to go with another action. Ms. Mulligan stated that if the Commissioner agrees with the Committee's recommendation, then the 20% reduction will be applied to the current and renewal Certificate of Qualification.

Mr. Green asked how the 20% would be applied.

Ms. Mulligan replied that the financials will be worked up as a normal review and then the reduction is applied to the aggregate.

Ms. Mulligan asked for a motion to adjourn the meeting.

Mr. Stark moved to adjourn the meeting, and Mr. Hedge seconded the motion. All members voted in favor of adjourning the meeting.

Ms. Mulligan adjourned the meeting at approximately 1:16 p.m.