



I-580 Freeway Extension Project SWG Meeting Summary

ATTENDEES: SWG Members
PMT Members
(See attached sign-in sheet)

FROM: Reid Kaiser/NDOT
Leslie Regos/CH2M HILL
Michelle Searle/CH2M HILL
Cindy Potter/CH2M HILL

MEETING DATE: June 26, 2006

DATE: June 27, 2006

NEXT MEETING: The next SWG Meeting will be determined.

On Monday, June 26, 2006 the members of the I-580 Freeway Extension Stakeholder Working Group (SWG) and Project Management Team (PMT) participated in a SWG Meeting at the Nevada Division of Forestry, 885 East Lake Blvd., Carson City, Nevada. The topics for this meeting covered an update on Package A contract termination, Package B bidding schedule, construction related activities, and an overview of NDOT's action plan to move the I-580 Freeway Extension Project forward to completion.

1. Introduction/Review Agenda

Leslie Regos/PMT welcomed the group, facilitated introductions and the agenda was introduced.

2. New Issues - "5 Minute" Opportunity

Leslie reviewed the history of the "5 Minute" Opportunity. This standing agenda item goes back to the chartering of the SWG. The "5 Minute" Opportunity was brought up during the chartering of the SWG as a way to keep meetings focused on the planned agenda and to keep the PMT informed of what is happening in the community.

Lyn Mundt/SWG member, was concerned about the recent fires in the Pleasant Valley area, and she wanted to know if any of those fires were started by the construction of the I-580 project. Reid Kaiser/NDOT stated that one of the fires was started by an iron worker from the project, but he was unaware of who started the other one.

Sue Reed, a Pleasant Valley resident, also wanted to know if we were aware of a Pleasant Valley resident having foundation and sewer problems due to the I-580 construction. Reid Kaiser stated he was unaware of the problem and that he would accept a call from the resident, and then would direct them to make a claim with NDOT.

3. Project Status

Cindy Potter/CH2M HILL a brief history and status update on project.

Package A

- Cindy reviewed the beginning of Package A construction that began in November of 2003. The purpose of Package A was to construct key structures (Galena Creek Bridge, Browns Creek Bridge, St. James Parkway Grade Separation and Parker Ranch Road Grade Separation), that would allow earth to be hauled during Package B construction.
- Due to a disagreement on the construction methods to be used on the Galena Creek Bridge and economic reasons, NDOT & Edward Kraemer & Sons (EKS) mutually agreed to terminate Package A. However, there is no disagreement on the safety or quality/stability of the permanent structures currently in place.
- The State Transportation Board approved the contract termination on June 6, 2006, and EKS is to leave the project site by July 15, 2006.
- An Emergency contract for BMP's (stormwater pollution prevention and temporary erosion control measures), and construction fencing will begin on July 3, 2006. Fencing will be placed around the permanent structures until a new contract is awarded.

Package B

- Cindy reviewed the steps NDOT and the design team are taking to get the project back on track. It has been decided that all remaining work, i.e. earthwork, the additional three bridges to be built, and the completion of the Galena Creek Bridge will be put into one package for contractors to bid on. An extensive contractor outreach program is being implemented, and a contractor informational meeting will be held June 28, 2006, at the Peppermill Hotel Casino from 8:30 a.m. to 1:00 p.m. for all interested contractors.
- The new contract will be Contract 3292, and it will advertise for construction bids on July 6, 2006.
- Important Schedule Dates: September 28, 2006--Receive bids; October 2006--Award contract; November 2006--Issue notice to proceed.
- Continuing challenges include: 1.) moving materials across Galena Creek, 2.) wind loads during construction, and 3.) making up for lost time.

One idea developed to help with the transfer of material across the Galena Creek to make up for lost time is to provide the contractors with an option to install a conveyor belt system. It would be located east of the Galena Creek Bridge, start north of the Galena Creek Bridge and run south approximately one mile to St. James Parkway. However, this system needs to be approved by the Federal Highway Administration and will require public involvement before it can be implemented. If this system should become an option for the contractor, a community outreach meeting will be facilitated to solicit and address residents' concerns. Calvin Reed, a Pleasant Valley resident, insisted that a meeting be held before any such system is approved, and preferably before bids are received, to allow adequate time to address

concerns. It was agreed that the timing of the community meeting will be investigated.

- It is NDOT's goal to maintain a 2010 completion date.
- Continue responsiveness to local community concerns.

4. Q&A

Question: *Will a new contractor be able to finish the bridge for the difference in cost of what was paid to EKS?*

Answer: No, it will cost more, due to the rising cost of fuel, steel and concrete.

Question: *Was EKS fined for not completing the Project?*

Answer: The Contractor was not fined; it was less costly to mutually terminate the contract and hire a new contractor to complete the work. It was better to avoid large legal costs and lost time on the project.

Question: *Will the new contractor be indemnified of EKS' construction work?*

Answer: No, the work completed to date has been built to specifications, and the next contractor will be responsible for new construction.

Question: *Can a contractor bid differently than what NDOT expects regarding cost for completion?*

Answer: Yes, but there is a process that contractors need to follow, and it is a lengthy process. If the bids are different than what NDOT expects, then NDOT will evaluate the bids to find out why the bids were different than expected. NDOT would then decide to do one of two things: 1. either put the project back out to bid, if they feel through restructuring of the contractor or revising/clarifying plans and specs they can get a lower bid, or 2. award to the low bidder if they feel the bid is reasonable after further evaluation. NDOT is required to take the lowest bid.

Question: *Will NDOT be able to find a new contractor?*

Answer: Yes, NDOT has put together an extensive Contractor Outreach Program in place to find a new contractor and several major construction companies have expressed interest in bidding the new contract.

Question: *Please explain in layman terms what the winds studies mean?*

Answer: It is the contractor's responsibility to construct the bridge as designed. In order for EKS to construct the bridge, EKS felt that they needed to have the wind loads during construction analyzed in the Galena Creek area. The EKS analysis resulted in recommendations for construction wind loads for the period that the pilot truss, as proposed to be erected by EKS, would be vulnerable to wind loading. The results concerned EKS as to the safety of the pilot truss erection during windy periods.

One SWG member shared that he has taken a lot of heat from his friends and neighbors because of his support of the I-580 Project, and his willingness to be the messenger for the

project to the local community. It is his understanding that NDOT will get the project back on target and maintain the 2010 completion date.

Another SWG member expressed her concerns of not being told the truth when she has called and asked questions about the project. She stated that it was clearly visible that the contractor was leaving the project site, but she was told that EKS was still on the project site and working. She stated that it would be better to have had NDOT say, "We cannot talk about the project at this time, and as soon as we can, we will let you know." She is also concerned about the stability of the project's structures that are currently in place.

Reid Kaiser explained to the group there was a period of time during the negotiations when NDOT did not know that EKS was leaving the project, and that it was not decided upon until it was formally announced. NDOT knew there were differences of opinion about the construction methods to be used on the Galena Creek Bridge, but it was NDOT's intentions to have EKS finish what they had started. Moving forward and getting the project completed is NDOT's top priority.

5. Next Steps

Leslie explained that discussing construction concerns would be an ongoing process, and she wanted to know if more meetings needed to be held.

The SWG's were interested in having more discussions as the project changes.

Leslie brought the meeting to a close and the meeting was adjourned at 6:30 p.m.