



JOINT ENGINEERING DIVISION BOARD OF DIRECTORS
MEETING HIGHLIGHTS
OCTOBER 15, 2008

The Joint Engineering Division meeting was led by Chair Chris Hickey, Agee Construction Corp., who called the meeting to order followed by the approval of the May meeting minutes.

Nomination of Officers: Mark Lindquist conducted nominations for the Joint Engineering Division leadership for 2009. Curt Weltz of Flatiron Construction Corporation will serve as Chair and John Douglas of Granite Construction Company will serve as Vice chair of the Joint Engineering Division.

Specialty nominations include: John Kliese of Marina Landscape, Inc.; Peter Mendoza of MBE Electric, Inc., will serve as State Directors; Gary Castro of KRC Safety; and Dennis Sterndahl of Sterndahl Enterprises, will serve as Division Directors.

Associate nominations include: Gary Rohman of ECCO Equipment, Mike McGowan of M.B. McGowan & Associates, will serve as State Directors; Ken Williams of Flash Safety Co., and Andre Sims of Hanson Permanente Cement, will serve as Division Directors.

The nominations were approved as presented.

Economic Impact on the Insurance Industry: Cathy Skeen, Excel Bonds & Insurance Services Inc., provided an update on the California insurance requirements for the construction industry and noted that insurance rates are down. She also pointed out that Caltrans is conducting online surveys for contractors to provide their input about their insurance rates.

San Francisco Public Utilities Commission (SFPUC): Bruno Dietl, Vulcan Construction & Maintenance Inc., discussed the new water meters to be installed in the City of San Francisco (City). The City is accepting Requests for Proposal (RFP) from unlicensed contractors to install the new water meters. It is estimated the amount of work is close to \$80 million. There seems to be some confusion regarding the work normally performed by licensed contractors as the SFPUC states the work can be done by unlicensed contractors. Bruno requested the Division to contact our members who serve on the state's Contractors Licensing Board to investigate the practice of SFPUC.

Disadvantaged Business Enterprise (DBE) / Race-Conscious vs. Race-Neutral:

Robert Padilla and John McMillan provided an update on the Caltrans 2008-2009 DBE Overall Annual Goal and Methodology submitted to the Federal Highway Administration (FHWA) for approval and offered the following points:

- Approval from FHWA has not been received on the proposed 13.5% DBE goal
- The Caltrans DBE Program will remain race-neutral until such time approval has been received from FHWA
- Proposition 209 prohibits state-funded contract preferences based on race and/or gender, and although federal guidelines allow it on federally funded contracts, application of a mixed component DBE Program is contingent upon approval by FHWA

While in a race-neutral environment, Caltrans encourages AGC contractor members to submit periodic reports on small business and DBE participation.

Caltrans Partnering Update: Chris Hickey and Curt Weltz complemented Caltrans and the progress it made on including contractors in the Partnering Steering Committee and the number of issues that were resolved by revisiting current specifications that work against Partnering. They both stressed the importance of attending joint training sessions scheduled across the state where Industry and Caltrans instructors will teach jointly.

Next Meeting: The next meeting will be held on January 29, 2009, at The Island Hotel, in Newport Beach, CA. Any questions relative to the Joint Engineering Division should be directed to Sam Hassoun.