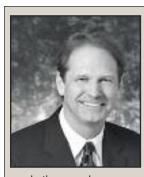


CONTRACTORS ASSOCIATION OF WEST VIRGINIA

2013 ANNUAL REPORT





At the CAWV Annual Meeting in July, we learned the motivating factors of each generation. More importantly, we learned that understanding these motivating factors will improve production, sales.

marketing, employee recruitment and retention.

The things that motivate our veteran employees are not going to resonate with our younger workforce. How we hire, train and reward our personnel will determine whether they will become the future leaders of our companies and our industry. But first, we must get young people interested in a career in construction.

CAWV members have expressed concern over finding qualified people to augment their retiring workforce. Now, with recent announcements by Odebrecht on plans to build a cracker plant in Wood County and Carbonyx, Inc. to build a plant in Jackson County, we need to focus on replacing our current workers and preparing for the possibility that these developments will create thousands of construction and permanent jobs in spin-off industries for years to come.

At the October Board of Directors meeting, board members learned that the West Virginia Department of Education has implemented a new initiative, "Simulated Workplace," whose vision is to transform students into work-ready employees. In a Simulated Workplace, traditional classrooms are crafted to emulate company environments, practices and expectations. Students participate in actual business processes such as time clocks, drug testing, safety procedures and proper work ethic. An important goal of the program is to provide students with an understanding of all aspects of a business and how their success leads to the company's profitability.

The CAWV board voted unanimously for the association and our members to help make Simulated Workplace a success. Our role will be to evaluate the various construction career workplaces to determine whether or not the processes, environment and curriculum being delivered in the classroom will result in quality employees. This is our opportunity to assist in developing better training centers that will build our future workforce. I encourage all members to get involved with Simulated Workplace when contacted by the CAWV.

At the July Annual Meeting, your Board of Directors voted to partner with the Community and Technical College System of West Virginia on their Bridging the Gap Consortium, whose mission is to expand and improve education and career training programs in construction and other high-skilled industries. The consortium, comprised of the 10 community and technical colleges in West Virginia, was just awarded a \$25 million federal

grant to encourage West Virginians to enroll, pursue and graduate from technical programs. The CAWV will be asking members to commit their time and expertise in helping to develop the curriculum and assisting with hands-on, real-world training in order to aid in developing a skilled workforce.

The grant will also increase the technology that the colleges use in their programs. Advancing technology is what I would like the association to accomplish for current CAWV members. In the last twenty years we have seen dramatic improvements in and widespread use of technology in construction. Technology has become entwined into business, but it can be as much of a hurt as a help. During my year as president, I want the CAWV brings some clarity to the variety of technologies offered by the industry and how they can be an asset for a construction company.

When we're successful in bringing in the new generation of workers, they will understand the possibilities technology has and be able to get project information when and where they need it. Our current workers must understand that information technology may be the greatest driver of change in the building and construction industry. Mobile computing already is helping transform efficiency on the jobsite. Emerging technologies offer new solutions to the construction industry, improving our processes and changing the current ways we work.

With the average contractor's day consumed by cash flow management, margin protection subcontractor oversight and competing for business, it can be difficult to set aside time to contemplate the future. In the coming year, the CAWV will introduce an innovative continuing education curriculum. I've charged our Education Committee with developing a lineup of topics that will reach from the conference room to the field No longer will members have to miss valuable training due to time or distance. The CAWV will teach technology with technology. Webinars and interactive sessions will be offered throughout 2014 on a variety of relevant topics, including Building Information Modeling (BIM). Live sessions will then be cataloged in an online member library that's available 24/7.

The future is an exciting one for our state, the CAWV, and its members. I encourage you to take full advantage of upcoming initiatives. With them, we'll be better prepared in building a better West Virginia.

Sincerely

Phillip L. Weser President

CAWV LAUNCHES "HARD AT WORK" LICENSE PLATE

West Virginia's Governor Earl Ray Tomblin joined Transportation Secretary Paul Mattox and Division of Motor Vehicles Commissioner Steven Dale on Wednesday, August 14, to unveil the new Contractors Association of West Virginia's "Hard at Work" license plate.

"From this day forward, a vehicle carrying the "Hard at Work" license plate will remind all those who see it that our contractors are hard at work building West Virginia bridges, roads, hospitals, office buildings and other projects that lead to future economic development," Gov. Tomblin said. "These plates will also remind all who view them of the good-paying jobs this industry provides to more than 36,000 West Virginians."

Since 2010 the Division of Motor Vehicles has been allowed to work with individual groups to produce a special license plate promoting their organization. Previously, the Legislature approved applications for special plates. Organizations must reach 250 license plates to begin production. With nearly 300 applications, the CAWV became only the third group in history to have a special plate, joining Friends of Coal and Organ Donors.

The CAWV Public Relations Committee and Board of Directors created the "Hard at Work" logo in 2000 to represent pride in the industry and the association. This license plate continues that mission by raising the visibility of contactors throughout the state

Members have embraced the Hard at Work license plate, with several outfitting their entire fleet. Plates are available to both members and nonmembers, and can be used on personal and fleet vehicles, leased or owned. Applications are available on the CAWV's website at www.cawv.org. The only requirements are that the vehicle be under 10,000 pounds and titled in West Virginia. The initial cost of the plate, payable to the CAWV Scholarship Foundation, is \$70. This includes a one-time \$40 fee for the license plate and the normal \$30 yearly registration fee. Annual renewals are \$45. The entire license plate fee goes directly to the State Road Fund.

25TH ANNIVERSARY OF CAWV CONGRES-SIONAL FLY-IN

Investing in infrastructure creates jobs and keeps America competitive in the world market-place was a reoccurring theme during the 25th anniversary of the CAWV Congressional Fly-In. This year's CAWV Fly-In was held in conjunction with the 2013 Transportation Construction Coalition (TCC) Fly-In. Over 400 contractors, suppliers, labor and other construction industry partners spent the day on Capitol Hill.

On the CAWV's agenda at this year's meeting were issues that have dominated the past few Fly-Ins: Support of legislation to restore and increase funding for West Virginia's Clean Water State

Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF), full funding of MAP-21 highway bill, House approval of the Water Resources Development Act (WRDA), and stopping U.S. EPA from declaring coal ash a 'hazardous material'

LEGISLATIVE ACTION CENTER

The CAWV is committed to advancing the legislative priorities facing West Virginia contractors. New this year was the CAWV's Legislative Action Center, powered by BIPAC. The new system allows the CAWV to streamline requests for members to contact their elected representatives on issues affecting our industry. Over 300 individual contacts were made on just one bill with the help of this new system.

The 2013 legislative session dealt with a number of construction-related bills, but very few provided any new investment in infrastructure. Buy America provisions, mandating use of OSHA 10-Hour Course, Public Private Partnerships for transportation, final wage payments, design-build rules for public projects, submission of subcontractors lists and purchasing procedures were just a few of the many pieces of legislation the association worked on during the 60-day session.

TRANSPORTATION DAY SHINES SPOTLIGHT ON HIGHWAY INFRASTRUCTURE FUNDING

Over 200 CAWV members and West Virginians for Better Transportation coalition partners flooded the State Capitol and both the House of Delegate and Senate chambers on February 14. The group all wore reflective vests making the message of "Roads = Jobs" visible to lawmakers. Several elected officials joined WVBT to provide live television interviews with many of the state media outlets while attendees met with their senators and delegates. "We don't gather together very often," said Past CAWV President Gene Thompson. "But we came out today to show that there is united support within the business community for a long-term solution for funding our roads, bridges and highways."

Governor Earl Ray Tomblin's Blue Ribbon Commission on Highways continues to work on recommendations to provide adequate funding for construction and maintenance of West Virginia roads and bridges.

NATIONAL ASSOCIATIONS PROTECT MEMBERS IN WASHINGTON

The Associated General Contractors of America (AGC) and The American Road and Transportation Builders Association (ARTBA), the CAWV's two national associations, promote the industry on the national level. AGC spent the year making sure each member had the tools they need to succeed. Getting a new highway bill passed, blocking costly and unproven U.S. EPA "Mud Rules" designed to protect the earth from dirt, avoiding the fiscal cliff

and sequestration cuts to construction programs, explaining what health care reform means for construction firms and development of curriculum for BIM and LEAN construction are just some of the issues AGC tackled this year.

ARTBA continues to promote the need to invest in America's transportation funding. Leo A. Vecellio Jr., chairman, president and CEO of the Vecellio Group, Inc. received the 2013 "ARTBA Award", the organization's highest honor, to recognize his 40 years of service to the transportation construction industry. John P. Boyle II, president of Mountaineer Contractors, Inc., Kingwood, was elected to ARTBA's Board of Directors for a three-year term.

AGC CHAPTER LEADERS MEET IN WASHINGTON

AGC of America chapter leaders, including CAWV Senior Vice President Dan Flesher, Trimble Engineers and Constructors, Inc., Morgantown. ioined chapter leaders in Washington, D.C. to discuss best practices and to meet with Congress to address AGC's top legislative issues. The annual AGC National and Chapter Leadership Conference included speakers from Capitol Hill and breakout sessions to discuss the industry's most pressing issues, including federal initiatives for infrastructure funding, multi-employer pension plan reform, environmental regulatory issues and immigration reform. Sen. Joe Manchin. D-WV, was able to attend the President's Dinner held at Union Station. CAWV and AGC were able to discuss with Sen. Manchin H.B. 2232, The Make Every Small Business Count Act. This legislation is essential to helping grow and enhance small business opportunities by adding an incentive for general contractors to consider small businesses for more subcontracts.

WVCAC TASK FORCE REWRITES QUARRY SAFETY RULES

A task force of representatives of the West Virginia Crushed Aggregates Council and the West Virginia Office of Miners' Health, Safety and Training worked collaboratively this year to revise the rules and regulations governing the safety of those employed in surface and underground quarries in West Virginia. Task force members met continuously from April to September to look at the rules, many of which have not been updated for many years. The rules must be approved by the West Virginia Legislature. WVCAC members also reached a compromise with WVDOH that addresses a market gradation issue with aggregate utilized for surface treatments.

CAWV PARTNERS WITH WVDOH ON MANY ISSUES

The CAWV/WVDOH Joint Subcommittees on Specifications, Publications, Construction, Asphalt, Concrete and Aggregates worked on many issues this year. Contractors saw new features added to

Bid Express this year, including a new Q&A function. Site Manager is now in use for construction. project management in all ten districts with the Materials component introduced in select Districts. The Contractor component of Site Manager is being tested now and should be available to contractors next year. Significant publication changes this year include the move to 31-inch quardrail, new curb ramp details with associated Design Directives and an updated Bridge Design Manual. The Specification Committee will be publishing a 2014 Supplemental which will include several changes to 601, including DC Concrete and an option for saw cutting grooves instead of tining: 640, update of field office requirements; 625, caisson aggregate gradation changes: 626, new testing requirements; and numerous other changes.

The committees continue work on Value Engineering (VE) and Practical Design provisions, environmental permitting and inspection issues, Square Yard/ Asphalt Performance paving provisions and DBE provisions. Additionally, the CAWV filed formal comments on proposed changes to the U.S. Department of Transportation's Disadvantaged Business Enterprise (DBE) program.

JOINT ARCHITECTS COMMITTEE ADVANCE SEVERAL INDUSTRY ISSUES

The CAWV Joint Architects Committee and the task forces that have been created by the committee are working to protect and advance the building construction industry. The CAWV School Building Authority task force has worked on several issues throughout the year, including SBA policy and procedure changes. A few of the issues are ongoing such as SBA Design-Build projects. Building Information Modeling (BIM) which the SBA wants to implement starting in 2015, and contractor liability issues resulting from changes in the SBA supplemental conditions documents. The other task forces created by the Joint Architects Committee. including the CAWV State Purchasing Division task force and the CAWV National Guard task force. continue to meet on an as needed basis.

JOINT UTILITY COMMITTEE PARTNERS TO SOLVE PROBLEMS

The CAWV Joint Utility Committee creates opportunities and finds solutions to problems on water and sewer projects through regular meetings with representatives of the WV Water Development Authority, Public Service Commission, USDA Rural Utility Service, WV Infrastructure and Jobs Development Council, WV Bureau of Public Health, WV Development Office and WV Department of Environmental Protection to discuss issues affecting utility construction in West Virginia. The relationship between the committee's industry and agency members have allowed the committee to advance topics such as funding issues, permit problems, material shortages and availability, weather delays, and best practice, among other issues. The com-

mittee will continue to meet and address industry issues as they arise.

ASSOCIATION AFFINITY PROGRAMS SAVE MEMBERS MONEY

The CAWV is always looking for ways to save members money and increase their competitive edge. CAWV membership provides access to a wide range of discounts on programs such as safety training, wireless service, rental cars, hotels, and fleet management, including new vehicle discounts. One of the newest programs to be added, Fastenal, has been one of the most popular. Members have been able to sign up through National Purchasing Partners for significant savings. To get ful details on all of the moneysaving programs available with a CAWV membership, visit the CAWV website under membership/discounts and the AGC website at www.agc.org under member discounts.

BRICKSTREET PROGRAM OFFERS SIGNIFI-CANT SAVINGS AND SAFETY TRAINING TO CONTRACTORS

Over 115 contractor members have saved over \$2 million on their workers' compensation premiums through the CAWV's partnership with BrickStreet Insurance. Speaking at this year's CAWV Midyear Meeting, BrickStreet Insurance President Greg Burton noted that the CAWV was BrickStreet's first association plan and one of their best. "Because of the great work of CAWV members in managing their safety and loss programs, the credit will remain 8.7 percent in 2013," he told members. Members with a three-year loss ratio of 65% or less are eligible to participate. The program also educates members on jobsite safety through seminars and jobsite inspections.

In addition to the BrickStreet program, the CAWV Safety Committee works to recognize outstanding safety efforts in the industry. The group offers a Safety Awards program each year along with online tools for safety education through AGC and ClickSafety. The CAWV's collaboration with ClickSafety, an OSHA-authorized provider, delivers a wide range of construction related safety courses online for members at a 10% discount.

CAWV MEMBERS GIVE BACK

Contractors always give freely of their time and resources to charitable causes. The CAWV hosted its first blood drive during WV EXPO in memory of Cynthia Snyder, the late wife of past CAWV President Lee Snyder. More than 70 units of blood were donated. For the fifth year, the

CAWV Young Contractors Committee participated in Canstruction, a competition where groups build huge structures out of canned food. Their entry, an off-road dump truck, provided over 2,000 cans of food to the Covenant House's food pantry. The YCC also hosted a golf outing which collected dozens of toys for the annual Toys For Tots toy drive.

CAWV SCHOLARSHIP FOUNDATION WORKS TO FURTHER CAREERS IN CONSTRUCTION

Over the past 23 years, the CAWV Scholar-ship Foundation has received and reviewed approximately 400 applications, interviewed well over 200 students, visited numerous classrooms and presented nearly a quarter of a million dollars to young men and women seeking careers in construction in West Virginia. Past recipients were showcased this year in the May/June issue of West Virginia Construction News.

Cameron Mallory, a civil engineering student at Marshall University and runner up for the 2013 CAWV scholarship, received the only 2013 AGC of America Scholarship awarded in West Virginia. The AGC Education and Research Foundation scholarship is a national scholarship, open to students across the country.

APAWV also presented two WVU Civil Engineering students scholarships totaling \$5,500 generated by the Dean Blake and John Gray Memorial Scholarship accounts.

CAWV STAFF CONTINUE PROFESSIONAL DEVELOPMENT

Shannon Louk joined the CAWV in September as Communications/WV EXPO manager. A native of the Kanawha Valley, she brings extensive experience in marketing, advertising, conference planning, media planning and public relations to the association and its members. Shannon holds a BBA from Marshall University in management with minors in communications and economics.

Pat McDonald, director of member services, graduated from the Institute for Organizational Management, the professional development program of The U.S. Chamber of Commerce Foundation. Awarded to all graduates of the Institute program, the IOM Graduate Recognition signifies the individual's completion of 96 hours of course instruction in nonprofit management.

Director of Administration Wendy Long has been elected to the board of the West Virginia Society of Association Executives. WVSAE fosters education and professionalism within West Virginia's association industry.

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