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VDOT ANNOUNCES MASSIVE CUTS REALITY IS NOW SETTLING IN

For three years RAMCA has been telling legislators, regulators, members, and virtually anyone else who would listen that Virginia was facing a transportation funding crisis. Our lobbying efforts at the General Assembly have not been met with success. Some legislators suggested the problem was being overstated, others said let's just wait it out and times will get better, and there were many who were just opposed to raising taxes irrespective of the shortages which have increased at an alarming rate year after year.

Last June VDOT pared state highway projects by \$1.1 billion. Earlier this month VDOT took the actions that many have long anticipated. 1450 employee staff reductions, the closing half of the state's 41 highway rest stops, reducing the operation of the state's ferries, cutting motorist assistance patrols by one half, a substantial reduction in litter and drainage maintenance, and shuttering 15 local residency and 36 equipment shops statewide.

Now facing a staggering \$2.6 billion state and federal reduction in the state's six-year transportation plan, VDOT also announced that starting in July it will eliminate the distribution formula for dollar allocations to counties and cities for locally selected road-construction projects. In addition, over 800 highway projects across the state have either been scaled down or eliminated, and the next six year plan will be reduced by \$2 billion over the next six years.

VDOT estimates that 21% of its interstate highways and 24% primary roads have pavement in poor condition, and over 1700 state bridges are "structurally deficient".

VDOT is now just about out of money, and it ain't pretty!

THE STIMULUS PACKAGE IS A BAND AID A VERY BIG BAND AID!

Given the dismal financial condition of Virginia's transportation agency, many contractors and industry suppliers are celebrating the recent passage by Congress of a \$787 billion stimulus package. The truth is that a sizeable influx of federal dollars earmarked for infrastructure projects will help, but make no mistake about it – Virginia cannot resolve the structural imbalance in their transportation funding mechanism without adequate and reliable sources of new revenue.

In the short term, federal dollars are certainly a welcome respite from the state's nearly monthly downgrading of its six-year transportation plan. Virginia can expect to receive about \$4.6 billion from the federal stimulus package over the next 18 months. The majority of those dollars will be used to plug the state's nearly \$4 billion dollar budget deficit (i.e. – provide one-time funding for ongoing state programs such as Medicaid, public education and public safety. \$835.1 million (\$698.5 million for highway work and \$136.6 million to improve public transit and rail projects) will be allocated for transportation infrastructure projects that can be "shovel ready" within 120 days. At this writing VDOT does not have a list of what those projects will be, but there is a strong sense that many will involve bridge maintenance/repair and asphalt resurfacing projects as opposed to new road construction projects. Whatever they are, they will provide welcome opportunities to put at least some RAMCA members back to work, at least in the short term. But it is important to remember that these are all one-time funds that will expire on September 20th of 2010 and when that happens we will once again be left with the same problem we have been facing for nearly ten years – a structural imbalance in funding the needs of our state transportation system.

2009 VIRGINIA AND FEDERAL LABOR LAW POSTER AND OSHA REPORT

Members are reminded that state and federal law requires the posting of state and federal labor law notices for 2009. Recent federal posting revisions include five new or revised notices. Fines can run as high as \$17,000 for non-compliance. If you haven't already posted the new notice and need help in finding a source to purchase one, contact the RAMCA office.

In addition, members are reminded that federal OSHA requires all employers to post the summary (OSHA Form 300 A) of the total number of job-related injuries and illnesses that occurred the previous year. The report must be posted from February 1st to April 30th, 2009. In addition to the total numbers, employment information about your average number of employees and total hours worked is required in order to calculate the accident incidence rate. Companies with no recordable injuries or illnesses during 2008 must still post the form with zeros in the Total line. All summaries must be certified by a company executive.

2009 GENERAL ASSEMBLY ADJOURNS AMIDST BUDGET CRISIS

It was clear before the 2009 session of the Virginia General Assembly convened on January 14th that money, or the lack of it, was going to be the dominant issue of the session. Legislators mainly focused on complying with the state constitution's requirement that Virginia operate under a balanced two-year budget. But with each passing week of the session, forecasters kept upping the projected budget shortfall numbers, finally settling on a 3.7 billion dollar hole in a 77 billion dollar budget.

Cutting 3.7 billion dollars out of the state's budget is not an easy thing to do. Doing so in an election year for all 100 members of the House of Delegates is even harder. Fortunately the federal stimulus package provided some much-needed relief in the final days of the session and budget negotiators were able to strike a deal.

RAMCA fought off, at least temporarily, a proposed significant increase on legally permitted overweight and/or oversized trucks. And while we continued to advocate for more transportation funding those arguments fell on deaf ears and will continue to do so until after this fall's House elections.

RAMCA members will have the opportunity to hear more about the actions taken at the 2009 session, and the impact Virginia's portion of the federal stimulus package might have on infrastructure construction by attending the next RAMCA General Membership Meeting on Thursday, March 12th, at the Innsbrook Marriott West. Registration information has already been emailed to all members and you are urged not to miss this important presentation.

DAMAGE PREVENTION CONFERENCE SCHEDULED

Each year the State Corporation Commission hosts a Damage Prevention Conference designed to bring together all stakeholders to review progress reports on items under study, and to allow for presentations and break-out sessions on timely items of interest and emerging issues. This year's conference is scheduled for April 21-23, at the Hilton Virginia Beach Oceanfront Hotel. RAMCA will provide each contractor member with registration information when such information becomes available.

SEWER LATERAL NEGOTIATIONS CONTINUE

RAMCA has for nearly twenty years been the contractor's voice during both the creation and implementation of Virginia's Miss Utility laws. Overall, RAMCA and her industry partners have done a good job in creating a reasonable, well run system to notify and mark underground utility infrastructure. But there is one gray area that needs fixing and the State Corporation Commission is pushing hard to do so.

The issue is the marking of sewer laterals and potentially other utilities running primarily to residential properties. Under the current interpretation of the law, most local governments and utility operators mark their utilities in their right of ways, although some do not even do that. But once the line crosses onto the residential property, the onus falls on homeowners to essentially become operators, and somehow mark their lines in accordance with Commission standards. Most homeowners are ill-equipped to understand and manage this task, or are simply unaware of this potential responsibility. In addition the Commission's interpretation of current law suggests that the local government and utility companies are, in fact, responsible to mark their lines to the connection point of the structure. Government and utility representatives strongly disagree. In the meantime a number of cross-boring operations have pierced sewer laterals. And there are instances when a sewer lateral has been cleaned and damage was caused to a gas line that unknowingly crossed the sewer line. The leaking gas then migrated into the house through the now cleared sewer line, and well.. one can see the dangers created by this situation.

In effort to find solutions that all parties can live with, RAMCA's Executive Director was asked to chair a number of meetings of interested parties. Two such meetings have been held, each with over 40 participants. Limited progress was made, however, and it was felt that a much smaller working group was needed to effectively negotiate these issues. As a result a group of about 20 interested parties will meet again in early March to take another whack at resolving this problem.

INSTALLATION OF OFFICERS EVENT

ENJOYABLE AS ALWAYS

Nearly 100 RAMCA members and guests visited with each other, ate well and danced a bit as part of RAMCA's Forty-Fourth Installation of Officers Reception. This year's event was held at the Wyndham Virginia Crossings Resort in Glen Allen, which provided a warm and inviting setting on a very cold night.

RAMCA would like to recognize and thank our event sponsors for their support and for helping to ensure the success of this always popular RAMCA event. So thanks very much to:

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A listing of the 2009 RAMCA Board of Directors can be found on the RAMCA website (www.ramca.info). Congratulations to each member of our leadership team for 2009.

RAMCA Officers

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James H. Martin, Jr.
J.H. Martin & Sons Contractors

Vice President

Steve Rhyne
Rhyne Contractors, Inc

Secretary/Treasurer

J. Michael Todd
Keiter, Stephens, Hurst, Gary & Shreaves

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Luck Stone Corporation**At Large Directors**Lee White
Draper Aden AssociatesStan Parcell
Blakemore Construction Corp.**Staff**Executive Director
Mark I. SingerOffice Manager
Judy Frederick**MEMBERS IN THE NEWS**

RAMCA is proud to welcome the following new Associate Members
Lawrence Equipment – Mr. Bruce Murray
ISCO Industries – Mr. Jeff Cowan

Americast Inc. has announced the acquisition of Mack Industries Concrete Operations in Martinsburg, West Virginia. Congrats on this important purchase complementing Americast's current precast operations.

After nearly 42 years of working in the central Virginia construction industry, Carter Machinery Inc. has announced the retirement of Mr. Topper Davis. Topper began his illustrious career when Virginia Tractor was the CAT dealer in central Virginia. His retirement late last year as Senior Key Account Manager marks the departure of highly regarded representative of the heavy construction equipment industry and a very strong ally of RAMCA. In 42 years Topper has made lots of friends. All of them will miss seeing him regularly and the RAMCA family wishes him all the best in his retirement years.

**RAMCA MEMBER APPOINTED TO
SCC ADVISORY BOARD**

The State Corporation Commission has selected Mr. Buddy Hummel (Henkels & McCoy) to fill an open slot for a central Virginia excavator to serve on the Underground Damage Prevention Advisory Committee.

Virginia law states that the "Commission shall establish an advisory committee consisting of representatives of the following entities: Commission staff, utility operator, notification center, excavator, municipality, Virginia Department of Transportation, Board for Contractors, and underground line locator. Persons appointed to the Advisory Committee by the Commission shall have expertise with the operation of the Underground Utility Damage Prevention Act. The advisory committee shall perform duties which may be assigned by the Commission, including the review of reports of violations of the chapter, and make recommendations to the Commission."

RAMCA congratulates Buddy on his appointment and greatly appreciates his service on behalf of the entire industry.