

ASSET MAINTENANCE LIAISON COMMITTEE MEETING MINUTES

(January 23, 2008)

Attendees: Sharon Harris (District 1), Andrea Warfield (VMS), Tim Lattner (Office of Maintenance), Todd Hammerle (District 5), Jimmy Rodgers (District 3), Jose Quintana (Turnpike), Jerry Ausher (District 2), Chuck Henningsgarrd (Jorgensen), Robert Bourdon (CAB), Michelle Sheplan (VMS), Paul DeAngelo (DBI), Bob Gorski (DBI), Troy Drover(ICA), David Rader(ICA), Derrick Jenkins(ICA), Mike Sprayberry(Office of Maintenance), David Sumner (Office of Maintenance)

1) Introductions

2) MRP SharePoint Update

Mike (Sprayberry) presented an update on the new Maintenance Rating Program (MRP) SharePoint System. Replacing of an “N” with an “X” was discussed along with how an “X” should be calculated. Mike mentioned that at a recent video teleconference with the District Maintenance Engineers, the District Maintenance Engineers were split as to whether “X” should be calculated as “Y” or “N/A”. At that meeting, it was decided to bring the issue to the MRP Task Team to ask them for input. They will look at several options and bring back a decision. Mike asked the Asset Maintenance Liaison Committee for any input on problems/concerns that any one is having.

Comments/Concerns-

There have been three Asset Maintenance contracts where the Districts/Asset Maintenance Contractor has asked for more than the 30 points per facility type per cost center. The Asset Maintenance Contractor should contact the contract Project Manger if more points are needed.

Distribution of points was also addressed.

Industry expressed a concern about the number of mainframe points requiring evaluation, but may not count toward the Asset Maintenance Contractor’s MRP score. This is mostly created by the SharePoint system “dropping” points from road segments with high point density. For example, if the Mainframe generates 120 points in Asset Maintenance territory while SharePoint generates only 90 – the Asset Maintenance Contractor still has to evaluate all 120. Mike pointed out that since the total number (e.g.120) was what was originally bid, these “dropped” points should not be removed from Asset Maintenance Contractor evaluation responsibility. Note that the “dropped” points are not wasted – they are still used to calculate the overall State MRP Score. For future Asset Maintenance contracts, this will be less of a concern since the differences will be expected pre-bid.

Tim (Lattner) pointed out that a research project concerning MRP was under way. It will be a three phase process with phrase I beginning in January, 2008. Phrase I will examine the weighted factors and statistical validity. Phases II & III will look into the entire MRP system, including the effectiveness of using MRP to evaluate Asset Maintenance contract performance.

Action Item-

Please send any comments/concerns to the Office of Maintenance.

3) Asset Maintenance Contractor Performance Sheet

The Asset Maintenance Contractor Performance Sheet is a new Asset Maintenance Contractor grading process that replaces and combines the existing Asset Maintenance Monitoring Plan and the current Contractor Performance Grading sheet.

Comments/Concerns-

The Asset Maintenance Contractor has concerns about this new process being subjective and will be used to declare them Non-Responsible. Being declared non-responsible will keep them from bidding on any new work for a (Department) determine amount of time. After many questions, the Asset Maintenance Liaison Committee was asked to review the Contractor Non-Responsibility Procedure (850-070-001).

Concerns from Districts about extra administrator duties in filling out this new form were expressed.

The Asset Maintenance Contractor had a concern about the Asset Maintenance Contractor Performance Sheet not identifying the sample size. This was somewhat relieved by pointing out that the Asset Maintenance Contractor Performance Sheet specifies that sample sizes must be determined before reviews begin.

The Asset Maintenance Contractor had a concern about the entire process not being in place, specifically, exactly how will final grades at contract end be calculated.

Action Item-

The Department is going to go forward with this new process. It will be tried for one year (two monitoring plan periods). During this period, Asset Maintenance Contractor Performance Sheet results cannot be used to declare Asset Maintenance Contractor non-responsible due to low scores. Also during this period a task team consisting of Asset Maintenance Contractor and District personnel will be created and will review and make recommendations on the Asset Maintenance Contractor Performance Sheet and the entire grading process in general. Names of desired participants for this team should be sent to Mike by February 21, 2008.

4) Risk Limitation

A bridge hit incident (in combination with other incidents) costing an Asset Maintenance Contractor \$2.5 M on a \$5 M annual contract caused a possible cash flow problem, largely due to many not-yet-collected 3rd party reimbursement. This situation prompted the Department to review current language and concepts.

Comments/Concerns-

How will the Asset Maintenance Contractor receive payment on money owed after contract time expires? One suggestion was to leave the contract open.

For calculating 50% risk cap, the older existing Asset Maintenance contracts use the phrase "reasonably attainable." This wording does not place a timeframe on when reimbursement happens, and this is where some of the concern lies.

The Risk is how much/how long the Asset Maintenance Contractor has to wait to receive third party reimbursement.

It was mentioned that risk limitation should apply to any type contract, not just bridges.

Action Item-

Will leave existing contracts as is. New contracts will have an established cap amount per incident where if the cost of repair is greater than the cap, the Department will take over control of the incident. The Asset Maintenance Contractor would remain responsible for the Maintenance of Traffic and all other duties needed until repair cost is determined. It was stated that Association for the Management and Operations of Transportation Infrastructure Assets (AMOTIA) was working on new language and they would send their recommended language to the Office of Maintenance as soon as it was complete. Mike will review recovery issue with Legal Office to determine best course of action at the end of the contract.

5) Disadvantaged Business Enterprise Program

The Disadvantaged Business Enterprise Office has a concern that the Disadvantaged Business Enterprise goals on Asset Maintenance contracts are not being entered into the Department tracking system as required by the Contract Documents. Also the Asset Maintenance Contractor is required to have an approved Disadvantaged Business Enterprise Program on file with the Equal Opportunity Office.

Comments/Concerns-

The Asset Maintenance Contractor is submitting their Disadvantaged Business Enterprise as part of their invoice package. They do not know where it goes from there. (It is the Asset Maintenance Contractor responsibility to enter into Department tracking system). [UPDATE – we have recently learned that some Asset Maintenance Contractor are correctly entering Disadvantaged Business Enterprise information directly into the Bizweb system]

The question was asked about the reporting of Respect. Asset Maintenance Contractor's should enter Respect into the Bizweb system.

The question was asked if Asset Maintenance Contractor will receive a letter from the Secretary stating they are doing a good/bad job. (The answer is yes)

Action Item-

The Office of Maintenance has requested a report from the Disadvantaged Business Enterprise office which will show how many Asset Maintenance contracts have Disadvantaged Business Enterprise's reported. The Office of Maintenance will send this report to each District and Asset Maintenance contractor who will review and ensure compliance. Asset Maintenance Contractor is asked to review their processes and make sure they are either currently entering info directly into Bizweb or will make arrangements to do so in future.

6) Open Discussion

Association for the Management and Operations of Transportation Infrastructure Assets (AMOTIA) expressed their disappointment in not having the 2008 Maintenance Conference. Tim stated the next Maintenance Conference would be in 2009.

They asked about having a regional one. (Tim is looking into) They would like to be on the agenda to discuss the general direction of AMOTIA.

Bob Bourdon asks for clarification of language contains in a contract let in District 2. ("Vendors bidding on this project may not be a prime or sub-contractor on any active or future Asset Maintenance contract in District Two") Tim explained that this statement was placed in the scope to ensure there is no conflict of interest on Asset Maintenance contracts.

7) Next meeting will be the last of May. (Tim will send out dates)

