

WV DOT Newsletter

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WEST VIRGINIA
Department of Transportation



SUPPORTIVE SERVICES

- Estimating Training
- Building Capacity
- Mobilization Financing
- Bonding Assistance
- Marketing Plan Development
- Creating a Business Plan
- Building a Website
- Plan Reading



Highways and Rail: Innovative partnership behind opening of Cass Scenic Railroad's Trout Run Bridge, closed since 1985 flood

The rail line between Cass and Durbin in Pocahontas County is finally open following almost four years of cooperative work between the West Virginia Division of Highways (WVDOH), Durbin and Greenbrier Valley Railroad (DGVR), and the State Rail Authority, which is now part of the West Virginia Division of Transportation's Division of Multimodal Transportation Facilities.

"Finally! The multi-year labor of love to restore the track from Durbin to Cass is finally complete," said Multimodal Transportation Facilities Commissioner Cindy Butler. "This 15-mile section of track was washed out during the 1985 flood and laid dormant ever since."

Work crews from WVDOH Central Forces took the lead in building a new bridge over Trout Run, allowing the rail line between Cass and Durbin to reopen. Central Forces worked closely with the railroad on the project.

Originally intending to build only the bridge abutments in 2019 and 2020, Central Forces came back in 2022 to build the bridge itself. Conditions at the work site were harsh, with crews having to bring all materials by rail five miles up the rail line. Twelve or 14-hour work days were common as dedicated Central Forces work crews toiled in rain and snow.

"Years from now, my kids, my grandkids, their grandkids are going to have the opportunity to ride this valley," said Greg Pennington, a supervisor on the Cass project. "And they can say my dad or my grandad or my great-grandad helped build this bridge."

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2023 Outlook on the Construction Industry and Liability Insurance

The U.S. construction industry is on a post-pandemic rally, with the sector spending [\\$1.7 trillion in October 2022](#)—that's 9.2% better than October 2021. Furthermore, the entire insurance liability market is expanding significantly, projected to grow from [\\$252.3 billion in 2021](#) to an estimated \$432.8 billion in 2028, according to Allied Market Research.

With more government money and more building projects in play going into 2023, one area where the construction industry is finding firm footing is with liability insurance, albeit with some major risks in play.

"The introduction of new construction materials coupled with a renewed emphasis on modular building, artificial intelligence, 3D printing, and wearable and drone technologies is not only expected to ease existing cost burdens but also speed construction processes while completing projects on time and within budgets," says insurance analyst Jeff Slivka in a [2022 research report by RT Specialty Environmental & Construction Professional Liability Practice](#).

Another boost is expected to come from President Joe Biden's \$1.2 trillion infrastructure spending plan, which says it "will deliver \$550 billion of new federal investments in America's infrastructure over five years, touching everything from bridges and roads to the nation's broadband, water and energy systems."

There is downside risk for construction firms seeking the best terms on a liability insurance deal.

"Current optimism should also be tempered in at least the near term by the effects of an environment filled with greater governmental scrutiny and regulatory guidelines," Slivka says. "Contractors are also facing double-digit increases in insurance premiums experienced in many lines of business, tighter underwriting standards and new exclusions covering the scope of communicable disease exposures."

"Even though these factors are slightly less impactful on the contractors professional liability insurance products, they'll influence liability insurance deals nonetheless," Slivka says.

Price-wise, sector liability insurance premiums rose [18 quarters in a row](#) through mid-2022, with costs rising by 6.6% in the first quarter of 2022. On the upside, more liability insurance firms have entered the marketplace in 2022, which seems to be moderating premiums heading into 2023 as insurance firms compete cost-wise with each other in an expanded market.

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About The WVDOT

The goal of the DBE Supportive Services Program is to increase the number of DBEs participating on WVDOT contracts and facilitate the opportunity for DBEs to obtain contracts. The services are designed to:

- Assist established construction firms to move them from bidding as a subcontractor to bidding as a Prime Contractor to produce sound bids.
- Provide access to training increases DBE expertise in handling of daily business operations.



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