



Your Guide TO DOING BUSINESS WITH



West Virginia
Department of Transportation



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WV: WORK ON BLUEFIELD AREA TRANSIT TRANSFER STATION SET TO BEGIN IN MARCH

Work on Bluefield Area Transit's (BAT) new bus transfer station on Bluefield Avenue may begin in March. Dick Landreth, Vice President of Swope Construction, said all is on track.

"We just had a pre-construction meeting Thursday," he said. "We are gearing up to get going and probably will get started the second week in March." Landreth said it is scheduled to be completed by the end of the year. Swope Construction recently was awarded the contract to construct the \$2.7 million facility by the West Virginia Department of Transportation (WVDOT), with the bulk of the money for the project coming from the Federal Transit Administration.

The facility, which will be located on 2.5 acres beside Flowers Bakery, will finally provide BAT riders a new, modern station, complete with restrooms.

Riders had been using an open-air shelter/kiosk on Princeton Avenue for years and then more recently a temporary outside hub at the old Gulf Station on Bluefield Avenue. Landreth said the new transfer station has 2,200 square feet of space.

"It's an exciting project," he said. "I think it's an indication of what Dane Rideout (Bluefield City Manager) and the city are trying to, indicating the progress to come in Bluefield. They have been working on this project for awhile and deserve a lot of credit for being patient and wrapping this up. They are really excited about it."

Rideout said earlier the new transfer station will be of benefit to many people.

"When completed, this facility will afford BAT riders and drivers a safe, enclosed, handicap-accessible facility to wait when transferring buses," he said. "No longer will riders be exposed to heat, cold, wind, rain or snow while waiting to transfer buses. The facility will also include accessible restrooms. It will significantly increase the safety, comfort and dignity of BAT riders." Landreth said Swope Construction was happy to get the contract and the property is located across the street from the company's Bluefield office.

"Our office gets to see the construction," he said, adding that is a rare treat for many who may not always make it to job sites. "This is going to be good for everyone." Bill Robinson, director of the state Division of Public Transit, recently said a transfer station in Bluefield was necessary to keep riders out of the weather while waiting to transfer to another bus or to shelter Greyhound bus passengers. The facility will also handle natural gas vehicles.

"Bluefield had a vision, to grow and to thrive," Robinson said. "They are in the middle of a revitalization, and we're proud that our project comes along at just the right time to really help people in this beautiful part of the state."

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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.



About The Program

The Construction Estimating Institute (CEI) works with WVDOT as the statewide provider of the federally funded Disadvantaged Business Enterprises (DBE) Supportive Services Program. We want to increase the number of certified DBEs participating in highway and bridge construction, as well as assist DBEs in growing and eventually becoming self-sufficient. Additionally, CEI provides supportive services by assisting prime contractors and consultants with identifying DBEs for subcontracting opportunities on priority projects.

WHAT CONTRACTORS DON'T KNOW ABOUT EQUIPMENT LEASES COULD COST THEM A FORTUNE

In the age of the coronavirus, every business owner has learned how important it is to have the financial means to withstand a prolonged period of disruption. One of the ways companies tend to preserve cash is to lease equipment rather than buy it. In the construction industry, it's often more prudent to lease when the need for specialized equipment may be required for only a short period of time on a single job or the cost of ownership is out of reach. However, businesses need to be extremely diligent with the management of those leases or they can inadvertently cost themselves a fortune.

There are two common, and costly, mistakes that businesses make with equipment leases: poor oversight of lease expirations and lack of management of lease financing costs.

Lease Expirations

When and how a lease ends is just as important as when it commences. Too many companies don't pay attention to the fine print in these documents and penalties and charges can continue to add up—obliterating any of the cost savings the company had initially hoped to realize by leasing in the first place. There are a number of common mistakes companies make at lease end, including the following.

- **They don't have quick visibility to the expiration dates.** With surprising frequency, many companies continue to pay past the expiration of their lease agreements, racking up months—or sometimes even

years—of additional payments without realizing it.

- **They aren't aware of penalties.** Companies don't return equipment on time, or in the agreed upon condition, and incur significant penalties.
- **They pay premium fees on devalued equipment.** Lease payments are based on the value of the equipment being leased, and at the end of a lease the residual value of the equipment is only a fraction of its original value. Many companies make the mistake of extending their leases without adjusting the payments to account for this reduced value.
- **They don't track costs over time.** If businesses aren't evaluating the costs of a lease long-term, they may end up paying three or four times the value of the actual equipment.

Lease Financing Costs

Leasing is designed to allow businesses to rent equipment instead of buying it. However, that convenience comes at a price and each business must fully understand what that price is before entering into a lease agreement. There are a few pitfalls companies need to watch out for, including the following.

- **Paying high interest rates:** When a person pays to lease equipment over time, there is interest built into the payment structure.

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Supportive Services Offered:

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



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CEI is an educational organization providing the highest quality construction training in the industry. Over 100,000 owners, estimators, project managers, field supervisors, office support staff, foremen, laborers, and key management personnel have attended courses that are offered nationwide. The courses provide students with construction skills training and the critical information needed to be effective within their companies and organizations.