



# Ohio Department of Transportation

1980 West Broad Street, P.O. Box 899, Columbus, Ohio 43216-0899

May 15, 2002

Doug Rauh  
Northern Ohio Paving Company  
1749 Highland Road  
Twinsburg, Ohio 44087

**RE: Trumbull County Project 3002(01) Dispute 04-3002(01)-1119-04**

Dear Contractor:

The referenced dispute was heard by the Deputy Directors Board on May 14, 2002. The Board met with the prime contractor, Northern Ohio Paving Company, and then with both the prime contractor and subcontractor, The Velotta Company, in an effort to settle the dispute.

The Deputy Directors Board acting in Step 3 of the Department's dispute resolution process made the following offer to the subcontractor to settle the dispute:

- 1) The Department will pay the \$20,000 for work to remove and replace the failed overlay on driving lane of eastbound TRU-80-1086. This payment is an equitable adjustment under 104.02 and is not a percentage of the completed cost of the repair.
- 2) The prime contractor and the subcontractor were ordered by the Board to immediately proceed with removal and replacement of the overlay on TRU-80-1086 eastbound driving lane, as directed by the District under supplemental specification 892. The ordered repair includes hyro-demolition of the existing deck to remove any unsound concrete.
- 3) The Department will not pay compensation for the maintenance of traffic or repairs performed by the subcontractor on TRU-80-1086 in response to the failed overlay.
- 4) Acceptance of the Board's Step 3 offer will constitute full settlement of the dispute and both the prime contractor and subcontractor waive all rights for any additional compensation based this dispute.
- 5) Should the prime contractor or subcontractor not accept the Board's Step 3 offer, the District will maintain force account records according to 109.04, of the work in dispute and the prime contractor's right to file a claim for compensation with the Director's Claim Board and the Ohio Court of Claims will be maintained.

**Northern Ohio Paving Company**

**Page 2**

6) The Department will not agree to binding arbitration or any other form of alternative dispute resolution.

Mr. Bob Velotta of The Velotta Company, contacted me by phone and officially accepted the Board's Step 3 settlement offer. This acceptance was immediately confirmed by the Northern Ohio Paving Company via a phone call from Mr. Doug Rauh.

The District was instructed to process a change order to memorialize the settlement and authorize payment of the \$20,000 equitable adjustment.

Respectfully,

Vernon Dunlap, P.E., Secretary  
Deputy Directors Board

c: C.Bishop; S.Copenhaver- Northern Ohio Paving Co.; P.Crish-District 4; M.Darwish-District 4; R.Paradise-District 4; W.Gemayel; M.Kelsey; T.Velotta and B.Velotta- The Velotta Company; Dispute File