



Monthly Civil Rights and Workforce Development Report

December 2019



PREPARED BY:



IN CONSULTATION WITH:



1. CIVIL RIGHTS AND WORKFORCE DEVELOPMENT UPDATE

Project staff will work with the Department’s Civil Rights and Business Resource Center to conduct civil rights oversight, ensure compliance with Schedule 15 of the PA, and ensure that KMP meets the Project civil rights goals. The goals are outlined in Table 1.

Table 1 Civil Rights Goals

| Design/Construction Period Goals | Disadvantaged Business Enterprise (DBE) | Emerging Small Business (ESB) | On-the-Job Training (OJT) | Local Hiring |
|----------------------------------|---|-------------------------------|---------------------------|---|
| Design Services | 11.6% | 3% | None | 760,000 total employment hours with 380,000 hours performed by new hires. |
| Other Construction Work | 12.5% | 3% | 200,000 hours | |
| Routine O&M | None | | None | |

1.1. Status of Small Business and Workforce Development Goals

The status of obligated work for DBE and ESB is shown in Table 2 and the status of obligated work for OJT and Local Hiring is shown in Table 3. The percent shown is based on KMP estimates for the total value of design (\$48 million) and construction (\$752.8 million). Below is a summary of items submitted by KMP.

1.1.1. Disadvantaged Business Enterprise and Emerging Small Business

Table 2 is based on commitments made as of December 30, 2019 and payments reported in the B2Gnow System.

Table 2 Obligated Work for DBE and ESB

| Design/Construction Period Achievements | DBE | ESB |
|---|-----------------------------|----------------------------|
| KMP Design Services % Commitments (to date) | 11.60% (\$5,567,045.50) | 9.38% (\$4,502,576.00) |
| KMP Design Services % Achieved (DBE Goal 11.6%, ESB Goal 3%) | 10.76% (\$5,162,971.61) | 8.94% (\$4,289,425.78) |
| KMP Other Construction Work % Commitments (to date) | 10.64% (\$80,119,579.40) | 6.20% (\$46,684,938.44) |
| KMP Other Construction Work % Achieved (DBE Goal 12.5%, ESB Goal 3%) | 4.81% (\$36,175,085.30) | 2.25% (\$16,910,912.48) |

1.1.2. Workforce Development

To account for the lag-time in Certified Payroll Submittals, Workforce Development numbers reflect the month prior to the actual reporting period. This report reflects workforce hours from November 1 to November 31, 2019.

1.1.3. On-the-Job Training

The Department approved six OJT participants in November. Four of these individuals were apprentices for Kiewit; two operators, two carpenters. Two of these individuals were PAC-UP trainees for Perfecto Archuleta training on Bobcat Skid Loader. Fifty-nine of the one-hundred forty-four OJT participants (41%) actively participated for Department approved OJT credit in the month. In November, 8,332 OJT hours were reported. This exceeds the Developer’s OJT projections by about 321 hours.

1.1.4. Local Hire

Forty-three individuals were submitted for Acceptance into the Local Hire Program in November 2019, forty-one of whom were new hires.

The total enrollment count is 471 individuals. One hundred one of the 471 (21%) local hire individuals are working in non-craft positions.

Local hire hour subtotals (new hires and overall) are included in Table 3.

Table 3 Obligated Work for OJT and Local Hiring

| OJT and Local Hiring | Dec 2017 to July 2019 | August 2019 | Total | Goal/Percent Complete |
|--|-----------------------|--------------|---------------|-----------------------|
| On-the-Job Training (hours) | 76,332 | 8,332 | 84,664 | 200,000/42.3% |
| Local Hire (total hours) | 289,520 | 29,008 | 318,528 | 760,000/41.9% |
| Local Hire (new hire individuals) <i>Goal is 50% of total hours.</i> | 102,871 (36%) | 16,528 (57%) | 119,399 (37%) | 380,000/31.4% |

1.2. Civil Rights Compliance Issues/Areas of Concern

Department audits performed during the spring and summer of 2018 identified numerous non-conformance issues with KMP’s implementation of Civil Rights programs. The Department requested that KMP provide IQC resources and an updated QMP to address non-conformances. In September 2018, the Department conditionally approved KMP’s process and quality procedures for civil rights. In March 2019, the Department created and assigned a QRD Audit to KMP regarding KMP’s process and quality procedures; this audit remains open pending responses from KMP. In July 2019, the Department met with KMP to discuss KMP’s process and quality procedures for civil rights, which remains conditionally approved pending updates. In November 2019, the Department met with KMP to review the process and quality procedures, resolve QRD comments and make a plan for final submission, which was submitted in December 2019 and is under review. The Department continues to monitor the implementation of the plan as KMP works toward full approval. Due to the complexity of Civil Rights issues, the Department and KMP will continue monitoring performance to determine whether KMP’s process is performing as intended.

Areas of concern addressed in the process and quality plans include:

- Submittal of initial and updated 1415 forms;
- Submittal of corrected 1415 forms; and
- Accuracy and completion of the Certified Payroll (CPR) Status Report.

Areas of progress:

- KMP is submitting two weekly tracking sheets, reporting contractors and truckers who are working on-site, through Aconex;
- KMP is inputting all subcontractors, regardless of tier, into B2Gnow;
- Requesting permission to sublet before a subcontractor starts on the project, pursuant to the FHWA-1273;
- Timely and accurate reporting of certified payrolls pursuant to the Davis-Bacon Act, including all required provisions in subcontracts of every tier;
- Submittal of 1432 forms;
- Prompt payment; and
- Issuance of NCRs within 24 hours of becoming aware of non-conforming work.