



Monthly Civil Rights and Workforce Development Report

May 2020



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 June 1st, 2020 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) | 12.85% (\$6,167,259.59) | 10.16% (\$4,876,350.69) |
| KMP Design Services % Achieved (DBE Goal 11.6%, ESB Goal 3%) | 11.65% (\$5,594,120.62) | 9.54% (\$4,578,989.44) |
| KMP Other Construction Work % Commitments (to date) | 12.99% (\$97,762,494.86) | 7.33% (\$55,211,374.44) |
| KMP Other Construction Work % Achieved (DBE Goal 12.5%, ESB Goal 3%) | 6.81% (\$51,289,326.28) | 3.23% (\$24,293,857.51) |

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 April 1st to April 30th, 2020.

1.1.3. On-the-Job Training

The Department approved nine OJT participants in April 2020. Five of these individuals were apprentices for Kiewit; four carpenters and one operator. Four were inside wiring apprentices for Sturgeon. Sixty-eight of the one-hundred seventy-six OJT participants actively participated for Department approved OJT credit this month. In April, 10,651 OJT hours were reported. This exceeds the Developer’s OJT projections by 4,589 hours. Overall, OJT hours exceed the Developer’s projections by 17,355 hours.

1.1.4. Local Hire

Twelve individuals were submitted for Acceptance into the Local Hire Program in April 2020, ten of whom were new hires. The total enrollment count is 604 individuals, with 111 of the 604 (18%) local hire individuals working in non-craft positions.

Not all local hire individuals who have been Accepted have worked hours on Central 70. To date, 567 (94%) of the Accepted local hire individuals have worked on the Project. This is the number used to calculate the monthly Workforce at a Glance report.

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 | Previous | Current | Total | Goal/Percent Complete |
|--|---------------|--------------|---------------|-----------------------|
| On-the-Job Training (hours) | 118,211 | 10,651 | 128,862 | 200,000/64.4% |
| Local Hire (total hours) | 436,470 | 29,392 | 465,862 | 760,000/61.3% |
| Local Hire (new hire individuals) <i>Goal is 50% of total hours.</i> | 284,939 (65%) | 23,120 (79%) | 308,059 (66%) | 380,000/81.1% |

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 has since been closed. In March 2020, the PC Process was Conditionally Approved with comments, and a revision is due to the Department on July 1, 2020. Moving forward, as the PC Process is a living document, revisions will be submitted no less than annually and in the event a revision is needed due to process changes during the year. 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;
- Submission of completed Commercially Useful Function (CUF) Forms;
- Submission of No Observation CUF's;
- Response to Aconex Document Requests;
- Monitoring subcontractors that have been removed from the project due to non-compliance;
- Issuing Late Notices per the conditionally approved PC Process;
- Accuracy and Completion of the Certified Payroll (CPR) Status Report; and
- Subcontractor Closeout process.

Areas of progress:

- 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.