



Monthly Civil Rights and Workforce Development Report

February 2021



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 (\$60.5 million) and construction (\$743.7 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 March 1st, 2021 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)	12.07% (\$7,312,645.59)	8.73% (\$5,287,736.69)
KMP Design Services % Achieved (DBE Goal 11.6%, ESB Goal 3%)	11.15% (\$6,756,159.63)	8.51% (\$5,157,909.61)
KMP Other Construction Work % Commitments (to date)	15.90% (\$118,283,107.70)	9.26% (\$68,834,590.87)
KMP Other Construction Work % Achieved (DBE Goal 12.5%, ESB Goal 3%)	12.38% (\$92,072,051.13)	6.23% (\$46,330,242.59)

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 January 1st to January 31st, 2020.

1.1.3. On-the-Job Training

The Department approved four OJT participants in January 2021. Three were apprentices for St. Andrews, three Electrician apprentices. One was an electrical apprentice for Sturgeon. Seventy-eight of the one hundred twenty-two active OJT participants actively participated for Department approved OJT credit this month. In January, 9,925 OJT hours were reported.

Hours for the OJT goal were reached in October 2020, the goal will not be “met” until hours are verified and approved at Substantial Completion.

1.1.4. Local Hire

Three individuals were submitted for Acceptance into the Local Hire Program in January 2021, all of whom were new hires. The total enrollment count is 679 individuals, with 121 of the 679 (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, 6340 (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.

The New Hire Hour goal was met in July 2020, awaiting total hours to reach 760,000 for Local Hire Goal to be met.

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 Dec 2019	January 2020	Total	Goal/Percent Complete
On-the-Job Training (hours)	N/A	N/A	232,759.15	200,000/COMPLETE
Local Hire (total hours)	734,054	24,864	758,918	760,000/99.9%
Local Hire (new hire individuals) <i>Goal is 50% of total hours.</i>	547,560 (75%)	20,832 (84%)	568,392 (75%)	380,000/COMPLETE

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 was submitted to Department on July 1, 2020, comments have been provided to KMP and a revision was submitted December 28th, 2020. A response to the December PC Process submission was sent to KMP in February, requesting additional updates specific to the Certified Payroll,

Subcontracting and Prompt Payment processes. 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. 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;
- Monitoring subcontractors that have been removed from the project due to non-compliance;
- Issuing Late and Final Notices per the conditionally approved PC Process;
- Issuing Rejection Notices per the conditionally approved PC Process;
- Accuracy and Completion of the Certified Payroll (CPR) Status Report;
- Obtaining updated Contractor Fringe Benefit Deductions Statement forms;
- Obtaining updated Owner Operator supporting documentation and
- Obtaining supporting documentation for payroll deductions.

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;
- Timely completion of CUF’s to limit the amount of No Observation CUF submissions;
- Submission of completed Commercially Useful Function (CUF) Forms;
- Subcontractor Closeout process;
- Prompt Payment reporting in B2GNow; and Issuance of NCR’s within 24 hours of becoming aware of non-conforming work.