

Minority Business and Workforce Utilization Plan



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Minority Business and Work Force Utilization Plan

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I. Introduction

A goal of the Southwestern Illinois Flood Prevention District Council (FPD) is to make a genuine and effective effort to utilize minority and women owned businesses on the Southwestern Illinois Levee System project (the Project). The FPD recognizes the importance of minority business participation and has engaged Marks and Associates to develop a plan to achieve that goal. This plan describes both the FPD's objectives and a series of strategies to achieve those objectives.

Goals

- Communicate the experience and capacity building opportunities that will be available as part of the Project
- Collaborate with regional business and workforce development partners to increase the level of knowledge, skill and business intelligence of the local minority and women owned construction firms and workers.
- Assist majority and minority owned firms with navigating a prequalification process for participation on the Project.
- Assist prequalified firms with identifying, pursuing, proposing/bidding and successfully performing work in accordance with project requirements and contract documents.
- Develop and implement workforce goals, tracking and reporting to meet project workforce objectives
- Create new and stronger businesses, strategic alliances and overall program development results that strengthen the local construction industry
- Create new and stronger businesses, strategic alliances and overall program development results that demonstrate fruitful and sustainable communities in St. Clair, Madison, and Monroe Counties.

Objectives

- To establish an effective program to encourage the participation of minority owned businesses and workers in the construction of the Project.
- To be accountable for achieving measurable outcomes of minority engagement in the Project.
- To be open and transparent in the implementation and documented outcomes of minority engagement programs on the Project.

- To provide qualified firms and individuals with timely and accurate information to support successful and meaningful engagement with the Project. This assistance includes such areas as strategies to do business with the contracting agency, the designated CM and/or design firms, prime subcontractors through 2nd and 3rd tier subcontracting, joint venturing, mentoring and direct award of goods and services.

Definitions

1. “*Minority Owned Business*” means any business concern which is organized to engage in commercial transactions within the State of Illinois and which is at least 51% owned by minority persons whose management and daily operations are controlled by such persons.
2. “*Certified Minority Business Enterprise*” (CMBE) means a business, which has been certified by a governing and/or certifying agency with the authority to designate such a business as a “Certified Minority Business Enterprise”. The business which claims to be a Certified Minority Business must demonstrate with the proper documentation of such approval and certification.
3. “*Diversity Program Manager*” (DPM) means the firm or individual engaged by the FPD to provide professional services to develop the plan for minority business and workforce plan and implementation of the plan. The DPM is also responsible for the monitoring and reporting of all data related to the plan implementation as directed by the FPD.
4. “*Agency*” refers to the Southwestern Illinois Flood Prevention District Council, the agency that will be funding and contracting for construction work on the Project.
5. “*Prime Contractor*” refers to the contractor that has a contract with FPD to perform significant construction work and has the full responsibility for its completion. A prime contractor undertakes to perform a complete contract, and may employ (and manage) one or more subcontractors to carry out specific parts of the contract.
6. “*Construction Manager (CM)*” represents the FPD as the owner of the Project and is responsible for oversight of the Project, including the bidding process, quality assurance, quality control, scheduling, and other activities involving the day-to-day management and coordination of construction work.

II. Policy and Strategies

Policy Statement

The Southwestern Illinois Flood Prevention District Council is committed to the development and expansion of the minority and women business sector through the implementation of effective policies and procedures in the procurement and delivery of construction services on the Illinois Levee Improvement Project. To that end, it shall be the goal of each prime and subcontractor doing business on the Project to make effective efforts to utilize certified, minority and women business enterprises and be held accountable for outcomes that will meet the FPD's objectives.

We are also committed to the development and expansion of minority and female workers and professionals in the construction industry through the implementation of effective policies and procedures in the recruitment, hiring, and retention of workforce on the Project. To this end, it shall be the goal of each prime and subcontractor doing business on the Illinois Levee Project to utilize minority and female trades people and professionals to the fullest extent possible.

Strategies

The Diversity Program Manager (DPM) shall be charged with the overall responsibility for the administration of the Illinois Levee Minority Business and Workforce Utilization Plan. The duties and responsibilities of the DPM shall include:

1. Outreach to MBE/WBE firms, regional business and workforce development partners, apprenticeship and union representatives for participating trades, project stakeholders, and the community-at-large
2. Pre-assessment and Prequalification of Certified MBE/WBE firms to identify those that are fully prepared and ready for immediate contract opportunities as well as those needing additional assistance to reach that level of preparation for future contract opportunities.
3. Providing information and needed assistance to minority owned firms to increase their ability to compete effectively for contract opportunities.
4. Assisting the FPD with defining bid packages to increase potential for achieving the objectives of the Plan.
5. Assisting the FPD, prime, and subcontractors in soliciting bids from prequalified firms and documenting acceptable levels of good faith effort to meet the FPD's minority engagement objectives.

6. Assisting the FPD, CM, prime, and subcontractors in evaluating the responsiveness of bids to the FPD's minority engagement objectives.
7. Monitoring the Project throughout its duration to measure and report the effectiveness of the implementation of the minority engagement efforts.
8. Providing contract, payment, and workforce utilization data to the FPD on a routine basis to track project outcomes and ensure early identification of threats to achieving the expected outcomes.

Outreach

As part of the initial outreach efforts and implementation process for the Minority Business and Workforce Utilization Plan, Certified Minority and Women Business Enterprises will be contacted and encouraged to apply for prequalified status thereby affording the opportunity to compete and perform on the project. This process includes the pre-assessment of each firm to validate the readiness to successfully work on the Project, including such factors as experience, resources, staffing, work load capacity, etc. (See Attachment: Prequalification Flowchart)

Pre-Qualifying and Assessment

- Pre-assessing contractors can minimize many of the cultural and other barriers that affect the engagement of minority firms on large construction projects. Pre-assessing contractors can improve the level of trust and cooperation during project performance.
- Pre-assessment will seek to identify primary issues and critical challenges to successful project performance, e.g., early identification of contracting opportunities; assuring cash flow to meet payroll; sufficient resources to purchase material, labor, and lease equipment and having sufficient control over employing skilled laborers to perform on the job.
- All interested minority firms will have the opportunity to complete the pre-assessment process that will determine capacity and capability. This may include additional documentation, in-person interviews, clarification of their firm's operating position, staff and other available resources.

Bid Package Breakdown

Bid packages can be subdivided to enhance the potential for inclusion of minority owned businesses, which are typically smaller firms.

Bid Solicitation - Relationship Building

- With a continuous effort being made to capitalize on relationships found within the various construction trade associations, the DPM will encourage prime contractors and minority businesses to seek mentor-protégé' relationships. Many prime subcontractors, based on their lack of knowledge about the availability and capability of minority owned firms in the area, have tended to use only those firms who have performed satisfactorily on past projects. Newly formed mentor-protégé relationships will be carefully monitored to determine whether tangible benefits accrue to both contractors.
- All contractors, including minority and women owned businesses will be kept informed of changes to drawings, related scope of work and progress of current work by the FPD and/or Construction Manager. The CM will make a diligent effort to respond to all queries regarding scope changes, pricing, etc. in a timely manner, employing strategies to reduce barriers to teaming relationships when minority contractors have limited records of accomplishment in the construction industry. The CM will be available to address concerns and provide technical assistance specific to barriers that have excluded minorities and women on past projects, i.e., regular meetings, follow-up phone calls, on-site monitoring to identify, support, assess and evaluate relationships.

Pre-Bid Conferences

Attendance at the pre-bid meeting will be a critical evaluation factor for any firm submitting a bid or proposal for work on the Project. The intent of the pre-bid conference is two-fold. First, to provide information to primes and subcontractors about the project in general, including scope of work, specifications, size, and other consideration associated with concerns such as maintenance of traffic, noise and other issues affecting surrounding property owners. Second, the pre-bid conference is an opportunity for prime and minority contractors to interact and increase potential for collaborating on projects. The FPD, CM and DPM will be available to discuss all issues and concerns associated with the project that may need further clarification.

Competitive Bid Process

- All bid packages will be made available for pick-up at the designated project office requiring signature for the added purpose of documentation and tracking of the participation of minority owned businesses.
- Competitive bid prices will be solicited per advertisement, community postings, and phone calls to notify and remind qualified M/WBE contractors.

- A focused effort will be made to award bids to minority firms that demonstrate experience, competitive pricing and growth potential as a result of their participation on the Project. Bids will be awarded as a result of a competitive process, with the ultimate responsibility of award to the bidder that represents the best value to the FPD.
- In determining the best value the FPD will give weight to a bidder's commitment and approach to engaging minority businesses on the Project, including both the level of participation and effort to promote mentor protégé relationships.

Workforce and Employment

The FPD has entered into a Project Labor Agreement (PLA) with the Southwestern Illinois Building Trades Council (SWIBTC). Within the administration of this PLA,

- Pre-job conferences will be held with each awarded contractor prior to the start of any work on the project.
- Representatives of the contractor and the affected union(s) shall meet as required but not less than once a month to review the operation of the PLA. The representatives at this meeting shall be empowered to resolve any dispute over the intent and application of the agreement.
- The Contractor shall make available in writing to the affected union(s) no less than one week prior to these meetings a job status report, planned activities for the next 30 day period, actual numbers of craft employees on the project and estimated numbers of employees by craft required for the next 30 day period. The purpose of this report is to allow time to address any potential jurisdictional problems and to ensure that no party signatory to the Agreement is hindering the continuous progress of the project through a lack of planning or shortage of manpower.

A focused effort will be made to identify meaningful employment opportunities for minorities and women on the project. Working with the SWIBTC, signatory union representatives will be encouraged to support initiatives for engaging minority workers.

As part of the pre-job conferences, the DPM will be available to review the project-specific workforce commitments made by the Contractor during the bidding process so that all signatory parties can address any potential problems in meeting the stated workforce commitments.

As part of the contractor prequalification process the DPM will:

- Benchmark the contractor's existing workforce (in the field and in the office)
- Help identify workforce demands for the duration of the Project as well as future workforce demands based on overall company philosophy, culture, and customer base
- Assist contractors and the signatory unions in any Career Mentor/Protégé relationships formed with training and skill competencies identified and monitored to demonstrate

participating workers receive beneficial training toward their personal and professional goals.

III. Contract Compliance and Risk Mitigation

All prequalified, certified, minority and women business enterprises will be contacted and encouraged to bid on the area of work in which they are qualified, thereby affording each firm the opportunity to develop and grow. During construction, periodic monitoring will take place to assure that legal and contractual responsibilities are being met. All such monitoring will be coordinated, and, where possible, combined with the ongoing data collection to monitor compliance with the Project Labor Agreement, the Illinois Prevailing Wage Act and other contractual and legal requirements.

- Each contractor will be provided details and information regarding the plans, specifications and requirements of the contract in an effort to facilitate their participation.
- Good faith negotiations between prime contractors and each subcontractor will commence as part of the post-bid review process. No minority business enterprise or minority person will be rejected as unqualified without evidence based upon a thorough and documented investigation of their capabilities and experience.
- Selected, responsive and qualified subcontractors will be invited to attend all pertinent meetings with the CM and its representatives. All project guidelines will be discussed with the subcontractors. Input from the subcontractors will be solicited and encouraged in an effort to ensure complete and proper channels of open communication and common understanding.
- Upon commencement of the project, all selected and utilized certified minority and women owned firms will be periodically monitored in an effort to ensure all contractual responsibilities are being met and that these firms receive all compensation as provided within the scope of the contract.
- Upon commencement of the project, the workforce will be routinely monitored in an effort to ensure that all contractual commitments are being met and that the minority and female workforce is receiving required training and compensation for their jobsite duties and responsibilities.

Risk Mitigation

The following actions will be taken throughout the duration of the project to reduce risks and improve outcomes:

1. Meeting with selected contractors on a regular basis to address elements identified as critical characteristics to success for minority firms working on the Project including the following:
 - Jobs being performed well, within budget, and on time;

- Payment for work performed is timely;
 - Problems are reported and managed effectively;
 - An adequate and skilled labor pool being available to perform the work.
 - Communication with prime subcontractors, inspectors, and other subcontractors being open, continuous, and respectful.
2. Continuous effort will be undertaken to help alleviate barriers to inclusion and develop the skills of minority businesses. Development of the capacity and capability of minority firms will be encouraged in relevant areas of knowledge, skills, and abilities, particularly in the following:
- Effective communication skills
 - The ability to read and interpret plans and specifications
 - Problem identification and problem solving skills
 - Understanding industry terminology including knowledge of fundamental physics and mathematics supporting the work and
 - Willingness to get to know the prime subcontractor and gain confidence by their ability to perform.
3. Actions will be taken to evaluate and diminish economic barriers to growth and development of existing firms in the following areas:
- Gaining access to capital to sustain business growth and increase profitability.
 - Utilizing existing business development opportunities to improve technical skills and business operations.
 - Enforcing good faith efforts to ensure effective outreach and contract compliance.
 - Improving trusting relationships between primes and minority contractors.
 - Tapping into professional trade organizations to raise awareness about the industry and to increase contracting opportunities.
 - Providing prompt and timely payment for services performed.
 - Expanding the availability of skilled labor in the construction industry.
 - Assistance with certification/recertification processes.
4. Working diligently to achieve success on the Project, it is also hoped that practices utilized in working with diverse contractors will help ensure future access to opportunities in the area for minority and majority contractors. The following represents measurable outcomes for the Project.
- Resource directory for all contractors currently working on the project, including the name of the contractor, services provided, capability of participation, capacity, contact person, and telephone/fax numbers.
 - Data monitoring of key participation and economic outcomes on the project. This will include documentation concerning the individuals participating on this project (minority and non) provided in reports to the FPD showing the project's workforce demographics, hours worked, overall hours worked

toward apprenticeship or promotion targets, new jobs created, new relationships established in the industry, support provided to those needing assistance and the outcomes of that support provided by the assisting organization.

- Documentation of the bidding process.
- Matriculation of workers from one level to another will be celebrated as part of the jobsite and project outreach, training, and counseling activities, further creating a culture of diversity on this project that will ultimately serve as a model for other projects with similar workforce diversity commitments and expectations.

Contingency Planning

The achievement of Project goals (particularly those where performance may fall below expectations) must be viewed in the context of the condition of the relevant industry and market conditions in that industry. Historically, some performance issues may be related to ineffective management by the design and construction team, particularly in such areas as timely dissemination of project information, follow-through with commitments, bidding irregularities, relationship-driven side deals and deliberate dissemination of misinformation. The FPD, working through the DPM, will undertake actions to address factors that impede achievement of the FPD policy on minority engagement in the Project.

As a first step, the DPM will undertake to identify and support qualified minority firms. These firms must be well prepared to work on the Project, including deploying the appropriate resources during the pre-construction. In addition, they must be developing the relationships with the FPD, prime contractor, CM and labor so that they can fully understand and adapt to the requirements of the project.

The scheduled phasing/sequencing of the project may directly affect the implementation or timing of certain outreach, training and development activities for the subcontracting community and potential small professional services firms seeking opportunities on the project. The DPM will effectively utilize the master project schedule as it unfolds to anticipate opportunities for effective involvement of minority firms over the duration of the project.

If inclusion falls below expectations during construction, that generally means a failure of one or more minority businesses to adequately perform on their contract. When this occurs, effort will be made to replace that firm by another minority firm.

Challenges

There will be certain inherent challenges that typically are obstacles to achieving ambitious goals of minority engagement on large construction projects. If these challenges are recognized at the outset, the risk of falling short of goals can be minimized.

1. Preconstruction

- Understanding the preconstruction services and integrating the FPD's minority engagement policy into the pre-construction program for reasons of understanding:
- Segregation of scope and relationship between the construction manager and contractors
- Right-sizing the bid packages for incorporating minority firms into the project
- Master schedule development to delineate summary level and break-out detail of activities to understand where the smaller firms can and will impact the project and site. Projecting manpower cycles – tracking workforce thru scheduling and technology
- Administration of appropriate insurance and safety programs
- Global safety training requirements including OSHA partnership requirements
- Impact of potential jurisdictional Issues
- Coordination with local and state officials, fire marshalls, code officials.

2. Insurance

Preparing subcontractors for inclusion in the project insurance program must start immediately as part of the pre-construction preparation of minority firms. Lack of preparation in this key project area will render many subcontractors subject to increased risk and compromised eligibility.

3. Quality of Participation

Exposing smaller firms to such a large program during design and preconstruction greatly increases their industry exposure and technical horizon. There are learning opportunities available through participation in the submittals, meetings, coordination, preliminary and final reviews from the FPD and CM.

IV. Reporting

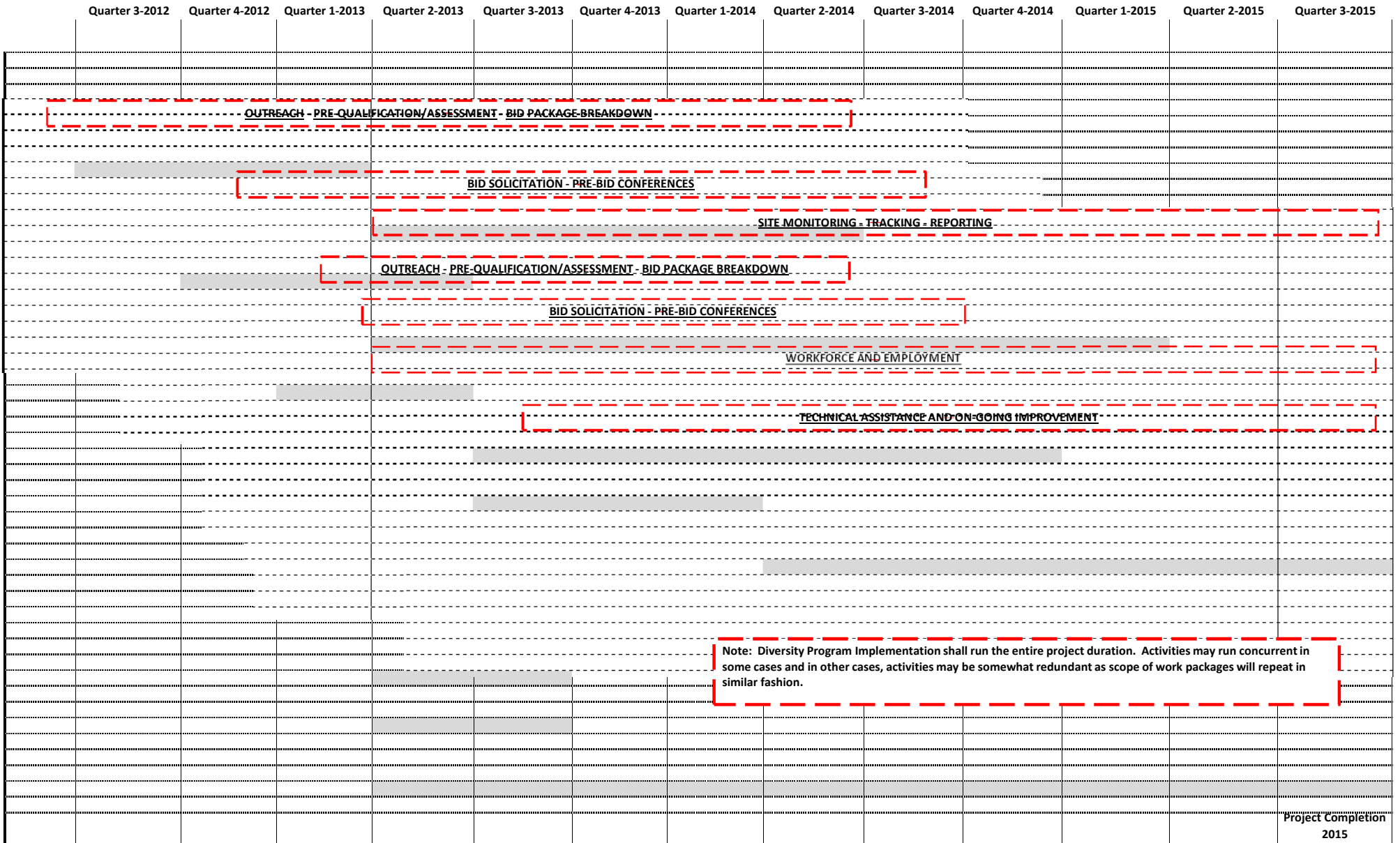
A detailed and comprehensive monthly report that will include and identify all contracts and dollar values, amounts paid to date, change orders issued, total work hours for the reporting period, onsite minority and female work hours, and an executive summary with action items will be submitted to SWIFPC for review. This report will be done in concert with ongoing reporting on workforce and wages required to verify compliance with the Project Labor Agreement and the Illinois Prevailing Wage Act.

The following forms will be completed and submitted in a timely manner as directed:

- Minority Business and Workforce Utilization Statement
- Subcontractor Verification of Contract Award and Scope of Work to be Performed
- Contractor's Good Faith Efforts Report
- Record of Payments to Subcontractors
- Weekly Manpower Report
- Final Utilization Report

Attachments

Illinois Levee Project
 MBE/WBE and Workforce Utilization Plan
 Implementation Outline





Minority Business and Work Force Utilization Program Pre-Assessment Review

Pre-Tool Box Assessment and Evaluation

- Identification and prequalification of certified select firms potential participation
- Prequalification and orientation of pending firms for the process
- Final determination of firms based on review of applicants experience, resources, EMR designation, workload and capacity
- Make recommendations of candidates to be part of the bid process

Application Completion and Submittal

- Pre-screened and recommended contractors will receive the Pre-Assessment Questionnaire for completion
- Assist applicants with interpretation and completion of the documents including the compilation of required accompanying documents.
- Review submittal for completeness prior to final subcontractor/contractor application submittal

Review – Questions – Clarifications

- Assist candidates with responding to specific/applicable questions and clarifications during the review process
- Assist candidates with developing any required back-up data as part of the response including organizational data, schedules, financial data, reports, etc.
- Assist with the completeness of the response and resubmittal

Monitoring and Continuous Improvement

- Follow-up with participating MBE firms on current project events
- Periodic review of firm during the calendar year to check for major changes in the firms work load, financial position, insurance EMR , etc.


Project Entry and Orientation

- Orientate firms with the RFP/bid solicitation process and upcoming Project bid opportunities based on the schedule of procurement and buyout established by the CM.
- Orientate firms to project requirements/operations with respect to Job-site rules, billing, insurance, bonding program requirements, preconstruction meetings, safety and other project rules of engagement.

Selection and Notification

- Meet with all applicants to assist with completing all final program documentation.
- Assist firms as applicable to establish appropriate responses, recommendations for corrective action on the part of the applicant(s) for improvements. Identify potential applicants for conditional approvals for program acceptance
- Notification of applicants on approved or rejected program status

Continuous Review and Improvement Process



SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL

ILLINOIS LEVEE PROJECT

FINAL UTILIZATION REPORT

PRIME CONTRACTOR: _____ MWBE Expectation: _____%

FINAL CONTRACT AMOUNT: _____ MWBE Actual: _____%

Subcontractor or Supplier Name	MBE or WBE	Total Dollar Amount Paid to Subcontractor or Supplier

Preparer's Signature: _____ Date: _____
Owner Rep: _____ Date: _____

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL

ILLINOIS LEVEE PROJECT

CONTRACTORS' GOOD FAITH EFFORTS STATEMENT

	Yes	No
Sponsored a pre-bid conference on this project		
Instructed the prime/sub contractor to select portions of work proposed to be performed by M/WBEs in order to increase the likelihood of meeting the participation expectations.		
Instructed the prime/sub contractor to solicit individuals by written notification at least fourteen (14) calendar days prior to bid opening to participate in the contract as subcontractor, consultant, or material supplier for specific items or type of work.		
Instructed the prime/subcontractor to follow up the initial solicitation of interest by contacting firms to determine whether or not said firms will submit a bid.		
Instructed the prime/subcontractor to provide interested firms with adequate information regarding plans, specifications and requirements for bidding on the project.		
Instructed the prime/subcontractor to negotiate in good faith with M/WBE firms. M/WBE firms shall not be disqualified without sound reasons based upon a thorough investigation of their capabilities.		
Instructed the prime/subcontractor to make efforts to negotiate with firms for specific items of work		
Instructed the prime/subcontractor to make efforts to assist firms that requested assistance in obtaining bonding, insurance, or lines of credit required to participate in the project.		
Notified in writing, organizations that provide assistance in the recruitment and placement of firms of the types of work, materials, or services considered on this project.		
Instructed the prime/subcontractor to recruit, hire, and/or retain minorities and females to meet project expectations		

Prime/Subcontractor Authorized Signature

Title

Date

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL

ILLINOIS LEVEE PROJECT

MBE/WBE UTILIZATION STATEMENT

PRIME CONTRACTOR: _____

PRIME CONTRACT AMOUNT: _____

Name, Complete Mailing Address of Subcontractor	Scope of Work To Be Performed (Division)	M/WBE Certification	Subcontract Dollar Amount	Estimated Start/Completion Date

Preparer's Signature: _____ Date: _____
Owner Rep: _____ Date: _____

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL

ILLINOIS LEVEE PROJECT

SUBCONTRACTOR VERIFICATION OF CONTRACT AWARD AND SCOPE

NAME OF PROJECT: _____ BID PACKAGE# _____
PRIME CONTRACTOR: _____

SCOPE OF WORK TO BE PROVIDED: (Indicate whether you are supplying/installing or both)

Subcontract Dollar Amount: _____
Estimated Start: _____ Estimated Completion: _____

Subcontractor: _____ Authorized Signature: _____ Date _____
Certification (MBE or WBE) _____ (Certification Verification Attached)

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL

ILLINOIS LEVEE PROJECT

RECORD OF PAYMENTS TO SUBCONTRACTORS

PRIME CONTRACTOR: _____

DATE: _____ FOR PERIOD ENDING: _____

Subcontractor or Supplier Name	Current Contract Amount (Including Change Orders)	Billed this Pay Period	Payments this Pay Period

SOUTHWESTERN ILLINOIS FLOOD PREVENTION DISTRICT COUNCIL

Preparer's Signature: _____	Date: _____
Owner Rep: _____	Date: _____