



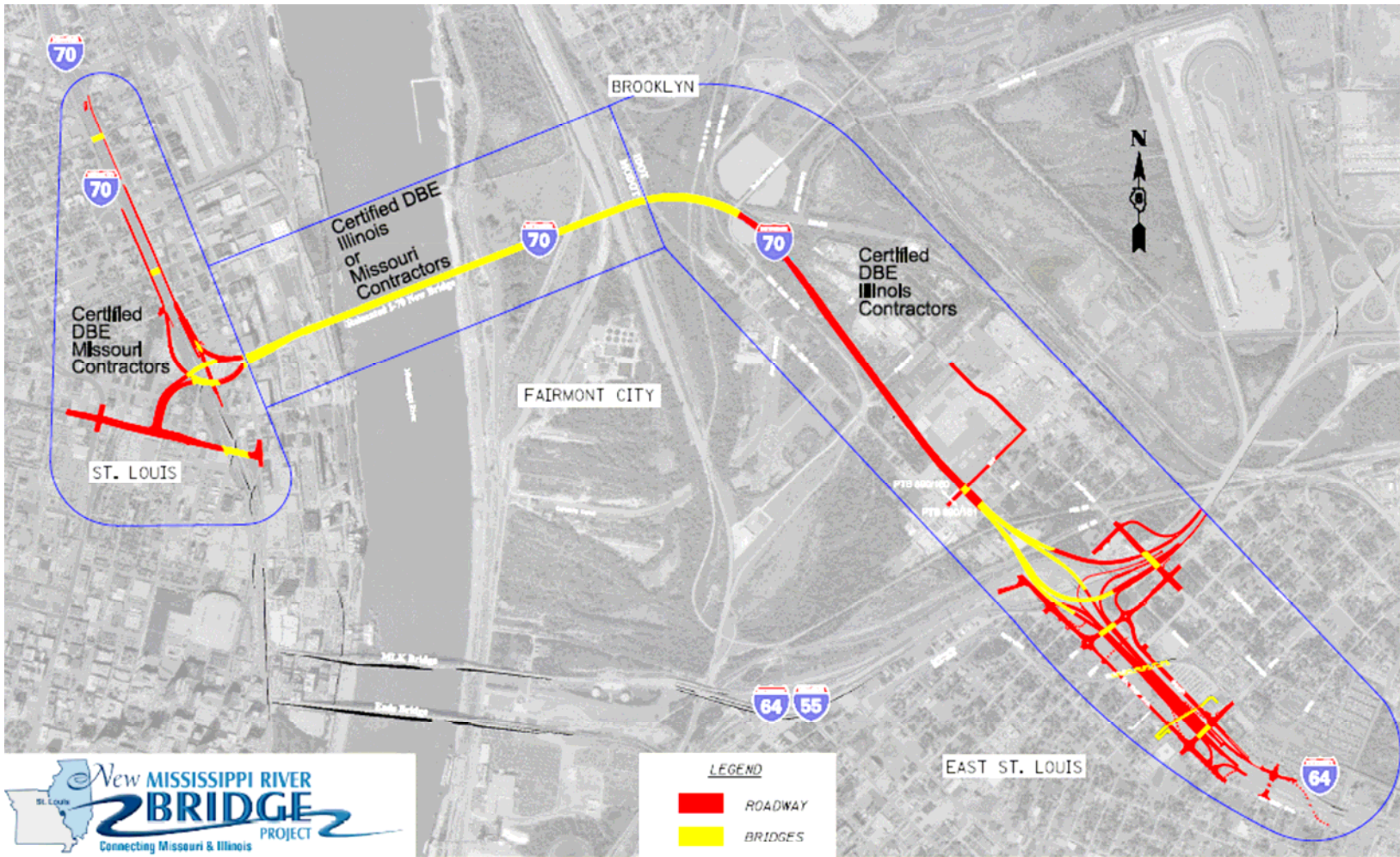
DBE Trucking Forum

May 14, 2009



Welcome and Opening Remarks

MoDOT/IDOT Certification





Consensus Item #1

- The correct prevailing wage should be provided at bid time according to the law.

Answer:

FHWA Form 1273 Section IV, Payment of Predetermined Minimum Wage requires the correct prevailing wage be provided to bidders at bid time. Owner-operators are exempt from prevailing wages.



Consensus Item #2

- DBE Haulers need to be empowered to negotiate and carefully read their contracts prior to signing.

Answer:

MoDOT and IDOT have DBE supportive services programs that provide workshops in contract negotiation and contract review. There are also engineering and legal services available upon request.



Consensus Item #3

- Trucking should be a significant vehicle to achieve DBE goals on the Mississippi River Bridge Project.

Answer

The trucking workforce estimates are as follows:



Consensus Item #3 Continued

Illinois Approach		
Teamsters	465 hrs	1%
Missouri Approach		
Teamsters	1,139 hrs	2%
Main Span		
Teamsters	987 hrs	.4%
Missouri Interchange		
Teamsters	1,400 hrs	2%
Illinois Interchange		
Teamsters	2,500 hrs	3%



Consensus Item # 4 & 5

- Owners (MoDOT/ IDOT) must revisit or conduct a risk management assessment of the requirement that states that DBE haulers (subcontractors) are to insure their primes.
- DBE haulers should not be required to insure the prime contractors.

Answer:

Missouri Standard Specification for Highway Construction, Section 107 and Illinois Standard Specification for Road and Bridges Section 107.27 provides the insurance requirements for contractors and subcontractors. MoDOT and IDOT will review to determine the proper insurance coverage for subcontractors.



Consensus Item #6

- Prime and subcontractor should be penalized if DBEs are set up as a pass through or front company.

Answer:

The U.S. DOT, Office of Inspector General has the power to penalize both the Prime and DBE firms who commit fraud on federally funded projects.



Consensus Item #7

- There should be bi-weekly payments to DBEs.

Answer:

According to the Revised Missouri Statutes, Chapter 34, § 34.057 states the following:

Upon receipt of payment from the owner, the contractor, for its part, is required to make payment to its subcontractors and suppliers "within fifteen days after receipt of payment" by the owner or be subject to the same statutory interest penalty unless it has "reasonable cause" for withholding payment. Public owners are to make payment within thirty days of approved invoice to the prime contractor.



Consensus Item # 7 Continued

Answer continued:

IDOT has a Special Provision entitled “Payment to Subcontractors” that requires payments to subcontractors by the prime contractor within 15 days after the prime receives payment. Also, Article 109.07 requires progress payments to the prime contractor once per month.



Quick Reimbursement for Subcontractors

- MoDOT is investigating options to ensure that DBE's are receiving prompt pay.



Consensus Item #8

- There should be extremely strong field policing, compliance monitoring, and inspection to insure workforce and DBE goals. This should not be conducted by the DOT's.

Answer:

Both DOTs will be responsible for compliance monitoring. MoDOT and IDOT will have full time in house staff on the project. The compliance staff is as follows: Lee Coleman, IDOT EEO Compliance Officer, and April Brown, MoDOT Civil Rights Specialist. MoDOT/IDOT also have trained field inspectors to monitor the workforce and DBE firms on the project site as part of their daily audits.



Consensus Item #9

- There should be a pilot program for the separation of DBE and M/WBE goals.

Answer:

MoDOT/ IDOT/ FHWA are reviewing 49 CFR 26.15, titled “How can recipients apply for exemptions or waivers?” This section provides a process for waiving DBE goals in order for agencies to utilize m/wbe goals.