

Central 70 Project 5640 East Atlantic Place Denver, CO 80222

October 5, 2016

John M. Cater Division Administrator FHWA, Colorado Division 12300 W Dakota Ave #180 Lakewood, CO 80228

Mr. Cater.

In its letter dated February 1, 2016, FHWA's Office of Program Administration granted CDOT approval to use local labor hiring preferences on the Central 70 Project. I am writing to provide FHWA an update on the progress CDOT's work to implement local labor hiring preferences and to answer the following outstanding questions from the February 1, 2016 letter:

- 1. Components of the Local Labor Hiring (LLHP) Special Provision, including:
 - o What are the local labor labor hiring percentage goals to be established?
 - o What contractual provisions will be necessary to ensure compliance?
 - Will the Environmental Justice Area depicted in the SEP-14 workplan provide an adequate pool of workers?

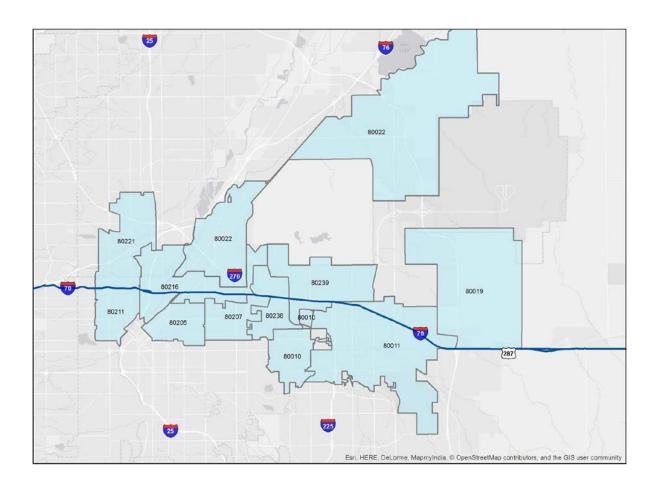
To arrive at its Local Hiring Goal, CDOT partnered with the Community College of Denver to conduct a Community Jobs and Workforce Needs Assessment. This assessment, which is provided along with this letter, combined demographic and employment data with input received from focus groups, individual interviews, and surveys. The currently proposed Local Hiring Goal for the Central 70 Project is 760,000 total contract employment hours, which represents 20% of anticipated total eligible project employment hours. CDOT is proposing that the Local Hiring Goal be achieved by both the use of new hires and existing employees, with a specific sub-goal established for new hire participation. We believe that our approach helps ensure that existing employees are not displaced.

The relevant contract provisions from the third draft of the project's Request for Proposals are attached to this letter. Draft #3 of the RFP was released in June and is available at https://www.codot.gov/programs/high-performance-transportation-enterprise-hpte/projects/i-70/i-70-east-1/request-for-proposals-rfp. The final draft of the RFP will be released after publication of the ROD (anticipated in early 2017). The finalized contract provisions will be submitted to FHWA prior to the publication of the final draft of the RFP.

As noted in the February 1, 2016 letter, CDOT originally proposed using the Environmental Justice area as identified in the Final Environmental Impact Statement as the local hire boundary. However, the Community Jobs and Workforce Needs Assessment found that this



would not be a sufficient area to support a robust local hire goal; particularity given Colorado's current low unemployment rate. Thus, the current geographic area for the Local Hiring Goal includes the Environmental Justice area and many adjacent neighborhoods. CDOT believes that expanding the geographic scope in this way is necessary to provide an adequate pool of workers to accommodate 760,000 hours. These adjacent neighborhoods share similar demographic characteristics to those neighborhoods in the Environmental Justice area. A description of these communities and the reasons for their inclusion are provided in the attached Community Jobs and Workforce Needs Assessment. The map below shows the zip codes included in the boundary, however CDOT plans to focus efforts on specific neighborhoods within the area.



2 To what extent will CDOT use the LLHP requirements as an evaluation and award criteria in the procurement process?

The four shortlisted teams bidding for this project will be required to submit a Workforce Development Plan as part of their proposals. CDOT is asking proposers to detail how they will comply with the On-the-Job Training and local hiring requirements in the plan. Workforce Development Plan requirements are contained in the attached RFP provisions. The Workforce Development Plans will be scored and evaluated as part of a technical proposal pursuant to Part C and Part E of the Instructions to Proposers, which is available at



https://www.codot.gov/programs/high-performance-transportation-enterprise-hpte/projects/i-70/i-70-east-1/request-for-proposals-rfp . For scoring purposes, the Workforce Development Plans will be evaluated together with the proposer's Environmental Management, Strategic Communications, Community Development Programs, and Small and Disadvantaged Business Participation plans. All these plans combined will receive a pass/fail evaluation and a technical score. The developer will be selected based on a "Best Value Score" consisting of a technical score, schedule score, and financial score. In this Best Value calculation, a proposer can achieve a maximum technical score of 30 points. The technical proposal that includes the Workforce Development Plan is worth a maximum of 6 points.

3. What administrative controls will CDOT use to implement the LLHP provisions during the performance of the design-build contract?

Before a worker's hours can count toward the goal, the project developer must submit an enrollment form and a self-certifying residency disclosure form. Hours will be tracked by verifying zip codes on payrolls using LCPTracker.

The project developer will be required to submit monthly reports on its progress toward the Local Hiring Goal. The developer will also participate in monthly meetings and annual performance reviews with CDOT. The developer will be required to report the following information monthly:

- A) Total employment hours to date on the project, separated by skilled craft, professional services, and other;
- B) Total employment hours to date on the project by local individuals;
- C) Projected local hiring employment hours for the rest of construction;
- D) An explanation of how it intends to make up hours, if the projected local hiring employment hours fall below the local hiring goal;
- E) A list of locally hired individuals with addresses, name of employer, type of work they are performing, pay rate, and total hours worked to date on the project; and
- F) Any performance issues for locally hired individuals and a description of how those issues were resolved.

Additionally, CDOT will continue to partner with the Community College of Denver along with other training and nonprofit organizations to provide supportive services and training for local workers. These partners will track local workers going through their programs.

Also, attached to this letter is CDOT's Section 192 Certification. CDOT will notify the Office of Program Administration when the final RFP is released. If you have any questions or need additional information, please contact me at 303 512-5900 or 303-349-0180.

Sincerely,

/S/

Anthony R. DeVito Central 70 Project Director, P.E.

