

DIVERSITY REPORT

*A Summary of Diversity Recommendations
and a Proposed Path Forward*

July 2016



INTRODUCTION

The Illinois Tollway would like to thank the many individuals and organizations who have contributed to this report. Those involved have devoted many hours to examining agency policies and procedures and developing ideas for the Tollway’s consideration. Their recommended initiatives can potentially break down barriers and increase minority participation on Tollway construction, professional services and goods and services contracts for companies and individuals.

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1. OVERVIEW AND PURPOSE OF THE REPORT

A COMMITMENT TO INCLUSION

The Illinois Tollway has a history of including disadvantaged, minority- and women-owned business enterprises (D/M/WBE) in construction and professional services contracts. With the agency's first major capital program in 2005, the Tollway Board of Directors passed Resolution No. 16726 authorizing the creation of diversity initiatives and programs.

Since that time, diversity efforts at the Tollway have continued to expand with new and refined programs, market studies, extensive community partnerships and new organizational structures at the staff and Board of Directors levels. Through these efforts, hundreds of diverse individuals and companies have been involved with and benefited from the Illinois Tollway's capital programs.

Because continuous improvement is a fundamental tenant at the Illinois Tollway, the agency initiated an in-depth study in 2013 to examine its contracting practices and Disadvantaged Business Enterprise (DBE) Program. The **Disparity Study** compared the utilization of DBE companies with their availability, and resulted in a 2015 report that offered a number of recommendations to promote equal opportunities in all aspects of the Tollway's *Move Illinois* capital program.

Also in 2015, the Illinois Tollway Board of Directors established a **Diversity and Inclusion (D&I) Committee**. This group is comprised of members of the Tollway's Board of Directors, and was formed to focus on diversity issues and initiatives, create access to sustainable jobs and look at new initiatives to foster increased opportunities. Like the DBE Program itself, the D&I Committee is focused on increasing participation of African Americans, Hispanics, Asians, Native Americans, Women, Veterans and the certified disadvantaged, minority- and women-owned enterprises (D/M/WBE) they represent.

The Tollway also created the **Diversity Advisory Council (DAC)** to gain outside perspectives on how the Tollway could further build upon its established foundation of inclusion. The group was comprised of representatives of advocacy agencies with a long history of assisting DBE businesses and underemployed individuals in the Chicago region. DAC members met more than 20 times to review recommendations contained within the Disparity Study and to develop additional ideas to increase DBE participation on Tollway contracting opportunities.

All these efforts have resulted in the review or creation of **diversity recommendations** covering nearly all aspects of Tollway operations. All the recommendations have been evaluated and carefully analyzed by Tollway staff. This report represents a next step forward in the Tollway's on-going efforts to improve the agency's approach to diversity.

The purpose of the report is to:

- Recount the 14 recommendations included in the Disparity Study;
- Describe DAC activities, its support of the Disparity Study recommendations, and its 13 additional diversity recommendations;
- Outline a proposed path forward for each recommendation, based on analysis performed by Tollway staff; and
- Provide a comprehensive document for use by the Tollway Board of Directors in determining which recommendations should be approved and the priority for implementation.

2. TOLLWAY BACKGROUND

A Commitment to Inclusion

Before looking to the future of diversity efforts at the Illinois Tollway, it may be helpful to understand the agency's history.

EARLY EFFORTS SET THE STAGE

One of the first diversity initiatives implemented by the Tollway in 2005 was the Mentor/Protégé Program. This effort provides protégé engineering companies with meaningful instruction, technical assistance and beneficial resources, while allowing mentor professional services consultants to receive credit toward advertised DBE goals. More than 70 professional services mentor/protégé relationships have been executed since inception of the program, with nearly 50 unique protégé firms and more than 40 mentor firms.

Another early effort by the Tollway was to commission a study in 2006 that would shape the focus of the agency's Disadvantaged Business Enterprise (DBE) Program. The study, conducted by NERA Economic Consulting, found statistical evidence of business disparities affecting DBEs in major construction and related professional services procurement categories and data sources. Study results provided the Tollway with important information needed to assess current DBE policies, and to implement new and revised policies. This included the data needed to set DBE goals. Since that time, nearly \$1.7 billion have been paid to DBE firms.

The Tollway also launched the Earned Credit Program (ECP) in 2006 — an innovative way to encourage a diverse workforce on construction projects. The initiative allows contractors and subcontractors to earn bid credits toward future Tollway construction bids when they hire from a pool of qualified, pre-screened job candidates. This includes underemployed African-Americans, Latinos, Asian-Americans, women, eligible offenders and exonerated individuals, veterans and other Workforce Investment Act eligible individuals. Today, there are more than 20 construction contractors and subcontractors who hold active Illinois Tollway ECP certificates. These contractors have hired and employed approximately 230 ECP workers — most of whom now have union status.

MOVE ILLINOIS RAMPS UP DIVERSITY EFFORTS

Knowing that increased capital spending could translate to expanded opportunities for diverse individuals and businesses, the Tollway stepped up diversity efforts in late 2011. Shortly after approval of the *Move Illinois* capital program, the Tollway created the Department of Diversity and Strategic Development. The new department was formed to allow renewed focus by the Tollway on diversity matters and increase access to economic opportunities for DBE companies and underemployed individuals.

With the new department and staff in place, the Tollway was able to develop targeted programs and initiatives that, taken together, could create a pipeline for improving diversity, help businesses prepare for Tollway work, increase the number of contract opportunities and encourage workforce diversity. These programs and initiatives include:

Unbundling

Breaking up some larger projects into a range of job sizes and types when it is practical from a management, safety and cost perspective. These small/unbundled contracts have fostered greater competition and provided opportunities for smaller and disadvantaged firms to serve as prime contractors. Since 2012, the Tollway has awarded 98 contracts under \$5 million valued at over \$230 million.

Technical Assistance

Working with the Illinois Community College Board, South Suburban College, College of Lake County, Moraine Valley College and the Illinois Hispanic Chamber of Commerce to provide customized technical assistance to DBE firms of varying skill levels looking to improve their business capabilities and potential prime contracting opportunities. Areas of focus include finance and accounting, estimating, insurance and bonding, project management, IDOT prequalification submittal assistance and business and marketing plan development. In addition, the Tollway has recently entered into partnerships with the Hispanic American Construction Industry Association and the Illinois Black Chamber of Commerce to provide in-depth, long-term technical assistance over two or more years to small, diverse and veteran contractors. The goal is to provide technical assistance intervention in multiple areas of business development required to become effective heavy highway construction contractors.

Small Business Initiative

Launching a program that sets aside construction contracts (generally with values around \$1 million) to be awarded only to registered small businesses. Since 2012, the Tollway has awarded 26 set-aside contacts worth \$27.5 million.

Local Hiring

Creating the I-WORK Program, a local hiring incentive intended to encourage contractors to hire workers with construction skills living in the vicinity of the Tri-State Tollway (I-294)/I-57 Interchange Project.

Training

Partnering with the Illinois Department of Transportation (IDOT) and the Chicago Urban League on the Transportation Construction Apprenticeship Readiness Training Program (TCART). This program offers intensive construction training and an opportunity to interview with construction firms once the program is completed.

Networking and Outreach

Hosting events, specialized sessions and webinars for construction and professional services companies. These events proactively raise awareness of upcoming Tollway opportunities, effectively communicate the Tollway's diversity programs and initiatives, and provide platforms for small, diverse and/or veteran-owned firms to establish working relationships with larger prime firms. The Tollway also attends numerous outreach events each year to provide information on programs and resources, highlight updates to diversity program specifications and strengthen partnerships with advocacy agencies in the greater Chicago area. In 2015 alone the Tollway attended, hosted and supported more than 130 events, seminars, webinars and programs.

Earned Credit Program (ECP)

Continuing to refine ECP as an innovative way to encourage a diverse workforce on construction projects. Recent refinements have included open eligibility for all Workforce Investment Act eligible individuals and a new hire bonus credit for consultants that employ an eligible first-time ECP candidate. Although the Tollway does not directly hire construction workers, ECP creates an incentive for contractors to hire from a pool of historically underemployed job candidates by providing credits they can use to be more competitive in future bids.

Compliance

Streamlining documentation requirements and clarifying definitions within the DBE and Equal Employment Opportunity (EEO) Compliance Program. Additionally, a compliance component was added in 2013 to monitor diversity program requirements during construction. Through this function the Diversity Department directs periodic construction site and/or field office visits with the goal of ensuring projects adhere to all contractual requirements and avoid sanctions as specified in the Tollway's Special Provisions for DBE Participation and EEO.

Mentor/Protégé

Overhauling the program in June 2014 in partnership with advocacy agencies. Changes included offering bonus DBE or veteran goal credits for use of new protégé firms not mentored on Tollway or IDOT projects and helping streamline the paperwork and to allow smaller work assignments for credit. These refinements incentivised new firms and encouraged smaller firms to participate.

Veterans Program

Expanding opportunities to veteran-owned small business firms through inclusion in the Mentor/Protégé Program, and by establishing goals for veteran-owned small business firms for professional engineering, construction and goods and services contracts. Nearly \$15 million has been paid to veteran-owned businesses since July 2015, when veteran goals were first applied to Tollway contracts.

DISPARITY STUDY EXAMINES CURRENT PRACTICES

Because industry and geographic markets are in constant change, the Tollway commissioned a new Disparity Study in 2013 to determine whether statistically significant disparities exist between available DBE businesses and the actual number of firms providing services to the Tollway.

Performed by Colette Holt & Associates, the Disparity Study evaluated the number of DBE businesses that are available to provide construction and engineering services to the Tollway, and the number of DBEs that are actually providing these services to the Tollway. It identified disparities and recommended remedies that might be appropriate to redress the barriers created by race or gender discrimination.

The study focused on best practices for designing race and gender-conscious contracting programs. It also examined extensive quantitative and qualitative evidence (e.g., census bureau databases); evaluated existing literature on discrimination in access to business and human capital; held focus groups with business owners, community leaders and Tollway staff; and conducted interviews with DBE firms.

The study found evidence of discrimination on the basis of race and gender, and disparities between the utilization of DBEs and their availability in the Tollway's construction, CRS contracts and associated subcontracts and throughout the wider Illinois economy. The results support the Tollway's

implementation of its DBE Program and the necessity for employing remedial race- and gender-based measures to ensure full and fair access by all DBE firms.

The study was released in October 2015 and its findings and recommendations were presented at two public meetings held by study author Colette Holt & Associates on November 18, and 19, 2015, in Chicago and Lisle, Illinois. The study concludes with a list of recommendations that are meant to provide guidance for enhancing existing measures and creating new initiatives to increase opportunities for DBEs. Among the recommendations was continuing with the Tollway's DBE Program, and implementing appropriate race and gender policies to ensure the program withstands legal scrutiny.

THE DISPARITY STUDY WAS INTENDED TO ADDRESS THE FOLLOWING ISSUES:

- Legal standards governing contracting affirmative action programs.
- Experiences of DBEs in the construction and construction-related services sectors compared to white, male-owned firms in the Tollway's markets throughout the wider Illinois economy.
- Utilization and breakdown of DBEs as prime contractors and subcontractors on Tollway contracts compared to white male-owned firms.
- Barriers encountered by minorities and women in seeking prime contracts and subcontracts in Tollway markets, if any.
- Availability of DBEs compared to white, male-owned firms in the Tollway's marketplace.
- The impact of Tollway's DBE Program.
- Disparities between the availability of DBEs and their utilization on Tollway contracts, if any.
- Based on the study's results, what remedies are appropriate and legally supportable? What measures could be implemented to enhance the DBE program and support inclusion?
- How the Tollway's DBE Program is administered.

3. PROCESS

Responding to the Disparity Study

The Tollway Board is committed to increasing participation by DBE firms and underemployed individuals. That commitment, coupled with recommendations from the Disparity Study, are the impetus for this report and the process that led to it.

DIVERSITY AND INCLUSION (D&I) COMMITTEE

The process began with the creation of the Diversity and Inclusion (D&I) Committee by a resolution introduced by the Tollway Board in September 2015. The D&I Committee, as stated in the Board Resolution, is charged with “focusing on diversity issues and initiatives and creating access to sustainable jobs for African Americans, Hispanics, Asians, Native Americans and women and work for certified businesses owned by African Americans, Hispanics, Asians, Native Americans and women related to the Tollway’s business operations and expenses.”

The D&I Committee is expected to provide policy direction and oversight of the Tollway’s inclusion efforts in construction, professional services and goods and services contracting, as well as internal and external workforce diversity in order to:

- Assist in breaking down existing and potential barriers to participation for both small and diverse non-majority firms and individuals seeking employment.
- Create a formal vehicle of communication to discuss policy and explore potential new initiatives.
- Ensure greater accountability and increased transparency.
- Help direct the Tollway’s Board to new opportunities to promote diversity in Tollway activities.

DIVERSITY AND INCLUSION COMMITTEE MEMBERS

Chairman Robert Schillerstrom, *Ex-Officio*
Director Corey Brooks, *Chair*
Director Earl Dotson, Jr.
Director Joseph Gomez
Director David Gonzalez
Director James Sweeney

DIVERSITY ADVISORY COUNCIL (DAC)

The Tollway created the Diversity Advisory Council (DAC) to gain an outside perspective on how to refine the Tollway's diversity programs. The DAC was directed to work in tandem with the D&I Committee to help determine the best policies and initiatives that will provide opportunities for a more diverse array of businesses to participate in *Move Illinois* Program, review recommendations for improvements contained within the Disparity Study and strategize on ways to foster access to sustainable jobs for a diverse workforce.

The Tollway invited representatives of more than 20 advocacy agencies with a long history of assisting DBE and veteran-owned businesses in Illinois to participate on the DAC. These agencies have significant experience on state, county and city organizations and councils, and a strong track record of assisting the Tollway. This includes informing their membership about construction and professional services events and contracting opportunities, and encouraging participation in Tollway programs and initiatives, such as the technical assistance programs, Mentor/Protégé Program and the Earned Credit Program (ECP).

DIVERSITY ADVISORY COUNCIL (DAC) MEETING DATES

October 7, 2015

February 3, 2016

April 6, 2016

Together, those invited to participate on the DAC represent a full spectrum of ethnic and gender perspectives in professional services and construction in the greater Chicago area. A complete list of DAC members is included in the appendix.

Governor Bruce Rauner, who shares the Tollway's commitment to increasing diversity and inclusion, appointed a representative to participate as a member of the DAC.

At the first DAC meeting, the Tollway proposed forming three subcommittees that would allow DAC members to focus on their specific areas of expertise and/or interest regarding Tollway operations:

- **Policy** – Review overall Tollway policies to recommend improvements or develop new policies that address disparities and eliminate barriers to participation for DBE and veteran-owned firms.
- **Programs** – Review Tollway technical assistance programs and the Tollway's Small Business Initiative to recommend improvements and develop new initiatives.
- **Workforce Development** – Examine existing workforce development initiatives such as the Earned Credit Program (ECP) and the Illinois Department of Transportation's Transportation Construction Apprenticeship Readiness Training Program (TCART) to recommend improvements and develop new initiatives.

DAC members had the opportunity to voluntarily participate on at least one of the three subcommittees. Following the initial review of the Disparity Study recommendations, the subcommittees and Tollway Diversity staff liaisons began meeting separately to develop additional recommendations for Tollway Board consideration. Those recommendations are outlined in the next section of this report.

4. DIVERSITY RECOMMENDATIONS

This section of the report outlines the 14 recommendations contained in the 2015 Disparity Study, and describes the 13 additional recommendations made by the Diversity Advisory Committee. Because of one repeated recommendation, there are 26 total recommendations for Tollway Board consideration.

DISPARITY STUDY RECOMMENDATIONS

DAC members were presented with the Disparity Study recommendations and invited to attend the Disparity Study public meetings hosted by Colette Holt in November 2015. Tollway staff also presented the Disparity Study recommendations at the February 3, and April 6, 2016, meetings of the DAC.

DAC members broadly supported the Disparity Study recommendations, and applauded the Tollway for proactively revising the Agency's contract retainage policies, in addition to continuing the DBE Program and using study data to set goals.

The Disparity Study recommendations are presented below. For reference, the recommendations are numbered in the order they appear in the Disparity Study. The description following each recommendation is taken directly from the Disparity Study:

1

Ensure bidder non-discrimination and fairly priced subcontractor quotations

To address concerns about price inflation by DBEs and bid shopping by prime contractors, require bidders to maintain information on pricing and date/time of receipt on all subcontractor quotes on larger projects for a specified minimum time period. The prices, scopes and timing can then be evaluated to determine whether bidders are in fact soliciting and contracting with subcontractors on a non-discriminatory basis, and if DBEs cost more than white male-owned firms.

2

Increase training opportunities for prime contractors

Conduct at least semi-annual seminars on DBE program compliance to discuss in detail the programs' policies and procedures and address questions and concerns.

3

Continue to review contract sizes and scopes

Expand current efforts to "unbundle" appropriate contracts by dollars, scopes or locations to add design contracts and goods and services procurements with a focus on identifying prime contracting possibilities.

4

Review experience requirements

Review qualification requirements beyond basic prequalification standards to ensure that DBEs and small firms are not unfairly disadvantaged and there is adequate competition for ISTHA work. For example, equivalent experience – especially that gained by working for other government agencies – should be permitted to increase access for small firms and to guard against unfair incumbent advantages.

5

Revise contract retainage procedures

Many firms mentioned the holding of retainage from prime contractors, who in turn hold it from subcontractors, as a burden on cash flow, especially for small firms. Re-releasing retainage on a rolling basis is a race-neutral measure that would assist all firms doing business with the Tollway.

6

Expand the Small Business Initiative

Apply the contract set-aside element to contracts outside construction, to the extent permitted by law.

7

Continue to apply race- and gender-conscious measures to appropriate contracts

The Study found large disparities for many groups in various industry categories. The courts have held there is no requirement to find the same quantum of evidence of discrimination in order to support overall, flexible remedial program elements. To ensure the Tollway is not functioning as a passive participant in market area discrimination, we recommend it continue its narrowly tailored DBE Program.

8

Use the Study to set DBE contract goals

The detailed availability estimates in the Study should serve as the starting point for contract goal setting. ISTHA should bid some “control contracts” without goals to illuminate whether certified firms are used or even solicited in the absence of goals.

9

Expand the Mentor/Protégé Program to construction contractors

Use USDOT’s guidelines, samples and approved programs as a model. Include formal program guidelines, an ISTHA-approved written development plan, a long term and specific commitment between the parties, extra credit for the mentor’s use of the protégé to meet a contract goal, a fee schedule to cover the direct and indirect cost for services and regular review by the Tollway.

10

Review DBE contract compliance policies and processes

Continue to follow the general elements of the USDOT DBE program regulations. Develop an overarching DBE program document. Create more specific guidance — perhaps in the form of new policies, checklists and “tips” — to help prime contractors and subcontractors to understand best practices and comply with program requirements.

11

Consider measures to encourage prime contractors to utilize new DBEs

To encourage prime contractors to spread opportunities for DBEs across racial and ethnic groups and subindustries, ISTHA should consider providing extra credit towards meeting a contract goal for contractors that employ DBE subcontractors that either they have not used previously on Tollway jobs, or firms that have never participated in Tollway projects as either a prime contractor or a subcontractor.



12

Implement an electronic contract data collection and monitoring system

Functionality should include full firm contact information, contract goal setting, utilization plan capture, contract compliance, spend analysis of informal contracts and pcards, program report generation, integrated email and fax notifications, outreach tools, export/import integration with existing systems and access by authorized users.



13

Develop performance measures for DBE program success

Performance measures could include information on good faith effort waiver requests; the number and dollar amounts of bids rejected as non-responsive for failure to make good faith efforts to meet the goal; the number, type and dollar amount of DBE substitutions during contract performance; growth in the number, size and scopes of work of certified firms; increased diversification in the industries in which DBEs submit bids and are awarded prime contracts and subcontracts; and increased capacity of DBEs as measured by bonding limits, size of jobs, complexity of work, etc.



14

Conduct regular DBE program reviews

Conduct a full and thorough review of the evidentiary basis for the program approximately every five to seven years. Establish a sunset date for the DBE program, by which date the program will end unless the Tollway again finds strong evidence of the need to continue the use of race- and gender-conscious measures to ensure a level playing field for its contracts.

DIVERSITY ADVISORY COUNCIL SUBCOMMITTEE RECOMMENDATIONS

In addition to reviewing the Disparity Study recommendations, the DAC was encouraged to develop additional recommendations for Tollway Board consideration. Staff members from the Department of Diversity and Strategic Development were assigned to each subcommittee in order to facilitate the meetings, provide requested research information and consult with internal staff to address questions raised by committee members.

For purposes of this section, the DAC recommendations are grouped by subcommittee (Policy, Programs and Workforce Development). Of the 14 recommendations made by the DAC:

- Recommendations 1 through 5 are submitted by the Policy Subcommittee.
- Recommendations 6 through 9 are submitted by the Programs Subcommittee.
- Recommendations 10 through 14 are submitted by the Workforce Development Subcommittee.

POLICY SUBCOMMITTEE RECOMMENDATIONS

The Policy Subcommittee was charged with reviewing existing Tollway diversity policies to identify areas of concern or improvement and develop new ideas for programs and initiatives. The members of the Policy Subcommittee are included below:

- **Anas Alkhatib PE**, *Arab American Association of Engineers and Architects (AAAEA)*
- **Beth Doria**, *Federation of Women Contractors (FWC)*
- **Calvin Williams**, *Illinois Black Chamber of Commerce (IBCC)*
- **Cate Costa**, *Chicago Urban League*
- **Cirse Ruiz**, *Hispanic American Construction Industry Association (HACIA)*
- **Diana Hennington**, *National Organization of Minority Engineers (NOME)*
- **Edward McKinnie**, *Black Contractors United (BCU)*
- **Jorge Perez**, *Hispanic American Construction Industry Association (HACIA)*
- **Perry Nakachi**, *Association of Asian Construction Enterprise*
- **Shari Runner**, *Chicago Urban League*
- **Terrence Hill**, *Office of the Governor*
- **Victor Davis**, *Chicago Urban League*
- **Vincent Gilbert**, *Illinois Black Chamber of Commerce (IBCC) and The Gardner Initiative (GI)*

The Policy Subcommittee received more than 20 reports and other materials, including the Chicago Procurement Taskforce report, the Tollway's Trust Indenture, sanctions language in Tollway contracts, the Tollway's current EEO and DBE special provisions and the 2015 Local and Regional Government Alliance on Race Equity issue brief. They also requested an overview of the Tollway's unbundling process. The overview was presented by a representative from the Tollway's Program Management Office at the meeting on February 25, 2016.

The Policy Subcommittee discussed Disparity Study recommendations, Tollway contract durations, unbundling, and the Tollway's policy for sanctioning firms for non-compliance with DBE Special

Provisions. The subcommittee also discussed barriers to participation, financial and otherwise and burdensome contractor prequalification requirements for DBE firms.

The subcommittee strongly supported the idea of developing a Mentor/Protégé Program for construction, and encouraged Tollway staff to work with the Programs Subcommittee to develop the framework for the program.

Based on its meetings and discussions, the Policy Subcommittee submitted the following recommendations for Tollway Board consideration:

POLICY SUBCOMMITTEE MEETING DATES

December 3, 2015

January 7, 2016

February 8, 2016

February 25, 2016

March 14, 2016

March 28, 2016

April 22, 2016

1

Continue the missions of the Board Diversity and Inclusion Committee and Diversity Advisory Council indefinitely

The Policy Subcommittee makes this recommendation in order to continue working collaboratively with the Tollway on the critical issue of increasing diversity on all Tollway projects. The meetings provide an effective avenue of communication between DBE advocacy agencies and Tollway leadership and staff, and have established a process for reviewing and implementing initiatives that can benefit DBE firms and underemployed individuals. The DAC members want to continue working closely with the Tollway through the presence of the Diversity and Inclusion Committee and the Diversity Advisory Council.

2

Evaluate all proposed Tollway goods and services contracts to determine shortest possible contract term

The Policy Subcommittee has identified contract periods of greater than two years as having the potential to limit involvement of small and diverse firms not currently participating on Tollway contracts and providing an advantage to incumbents when the contracts are rebid. The subcommittee makes this recommendation in order to provide greater bid opportunities especially for new firms or firms that were unsuccessful on other Tollway bid offerings. Additionally, if supported by law, the subcommittee urges the Tollway to consider including language on future contracts allowing the Tollway to evaluate and revise all contract goals in subsequent years on longer term contracts. By doing so, the Tollway would ensure that contract goals reflect the availability of disadvantaged firms in the marketplace.

3

Evaluate all proposed Tollway Job Order Contract (JOC) Facilities Program advertisements to determine shortest possible contract term

The Policy Subcommittee has identified the initial five year term of the Tollway's JOC Facilities Program contract awarded in 2015 as a barrier to participation for interested DBE firms. The subcommittee therefore makes this recommendation in order to provide new and unsuccessful bidders with an opportunity to compete for JOC Facilities Program contracting opportunities on a regular basis. Additionally, the subcommittee recommends the Tollway create a process to add qualified new firms or remove under performing firms to active JOC Facilities Program contracts as another way of providing DBE firms with Tollway contracting opportunities.




4

Continue unbundling construction contracts and review the process to identify any additional opportunities

The Policy Subcommittee has acknowledged the success of the Tollway's unbundling and small business set-aside programs, and wants to identify new opportunities for DBE firms. The subcommittee makes this recommendation to ensure the Tollway continues breaking up large contracts and fully considers reviewing additional opportunities to break down construction bid packages even further and to create opportunities for DBE contractors to perform work as primes. One example the subcommittee provided is breaking out portions of Tollway mainline road paving work (such as rebar installation) and issuing set-aside bids for this work.



5

Include marketing component in current and new technical assistance programs

The Policy Subcommittee has identified effective marketing of company capabilities to prime contractors as an area of need for DBE firms, especially for new firms. The subcommittee makes this recommendation to ensure the Tollway continues to emphasize marketing skills training in the current technical assistance programs, and is included as a part of the technical assistance Request for Proposals being advertised later this year.

PROGRAMS SUBCOMMITTEE RECOMMENDATIONS

The mission of the Programs Subcommittee was to aid and enhance Tollway programs that will increase the equity for all groups in contracting and employment. The members of the Programs Subcommittee are included below:

- **Calvin Williams**, *Illinois Black Chamber of Commerce (IBCC)*
- **Emilia DiMenco**, *Women's Business Development Center (WBDC)*
- **John Scifers**, *Elite SDVOB Network*
- **Julie Savitt**, *Federation of Women Contractors (FWC)*
- **Lillian Yan**, *Women Transportation Seminar (WTS)*
- **Matthew Cooper**, *Cosmopolitan Chamber Of Commerce*
- **Melissa Angelucci**, *Women Transportation Seminar (WTS)*
- **Natalia Homedi**, *Women Transportation Seminar (WTS)*
- **Omar Duque**, *Illinois Hispanic Chamber of Commerce (IHCC)*
- **Phillip Barreda**, *Chicago Minority Supplier Development Council (Chicago MSDC)*
- **Terrence Hill**, *Office of the Governor*
- **Vincent Gilbert**, *Illinois Black Chamber of Commerce (IBCC) and The Gardner Initiative (GI)*

Following the initial review of the Disparity Study recommendations, the Programs Subcommittee accepted the task of working with Tollway Diversity staff to develop the Mentor/Protégé Program for Construction framework.

The subcommittee meetings focused on the importance of having committed mentors, of building a relationship prior to the start of the agreement and of having a long-term monitoring plan in place with clearly defined goals for the protégé. Subsequent subcommittee meetings established the criteria and eligibility requirements for mentor and protégé firms, the best process for matching mentors and protégés and developing potential mentor incentives.

Additionally, Tollway staff met with the Illinois Road Transportation Builders Association (IRTBA) to provide program framework updates and to raise awareness of the program.

In addition to their work on the Mentor/Protégé Program, the Programs Subcommittee also worked with Tollway staff on an idea to assist new bidders on Tollway projects and on ways to provide assistance to up-and-coming goods and services vendors.

The Programs Subcommittee submitted the following recommendations (on the next page) for Tollway Board consideration:

PROGRAM SUBCOMMITTEE MEETING DATES

December 4, 2015
January 8, 2016
February 16, 2016
March 4, 2016
April 13, 2016


6

Create a Mentor/Protégé Program for Construction

While the Programs Subcommittee supports the creation of a Mentor/Protégé Program for construction, members have identified areas of concern based on their knowledge of similar programs that were unsuccessful in the past. Some of the concerns informally described include a lack of commitment on the part of mentors, inadequate project oversight by the administering agency and the use of unqualified protégé firms by mentors to achieve contract incentives. The subcommittee makes the recommendation to develop a Mentor/Protégé Program because it can assist DBE construction firms that want to grow their businesses and eventually become Tollway prime contractors, and because it can place more DBE firms in the pipeline for success. The Tollway's Mentor/Protégé Program should be modeled after national best practices and put safeguards in place to avoid the mistakes that have negatively impacted other programs. For example, the Tollway's program should include a strong monitoring system, a process for obtaining confidential feedback from protégés, and clearly defined goals and success metrics for protégé firms. Finally, due to negative connotations associated with mentor/protégé construction programs, the Programs Subcommittee and the DAC recommend re-branding the initiative. Partnering for Growth is a potential program name which was proposed at the DAC meeting on February 3, 2015.

7

Issue an RFP for Goods and Services Technical Assistance

The Programs Subcommittee commended the Tollway for supporting technical assistance programs for construction firms. Due to this success, the subcommittee makes this recommendation to provide the same level of training, education and assistance for vendors that provide everything from administrative services to equipment and building supplies to the Tollway. If implemented, this program would have the potential to provide customized training for hundreds of firms that would otherwise not seek help from one of the construction-related technical assistance programs.

8

Create a Construction Contract Bidding Guide

The Programs Subcommittee has identified the issue of DBE firms being disqualified from bids as a concern and is working with Tollway Diversity staff to develop a document that may help remedy this issue. The subcommittee makes this recommendation in order to provide guidance to new firms bidding on Tollway construction projects. The document would be included with the bid documents and identify the common or recent mistakes made by bidding firms that can result in a non-responsive bid. A draft of the construction contract bid guide is included in the appendix.

WORKFORCE DEVELOPMENT SUBCOMMITTEE RECOMMENDATIONS

The mission of the Workforce Development Subcommittee was to create new workforce development programs/incentives and develop a more balanced workforce on Tollway projects. The members of the Workforce Development Subcommittee are included below:

- **A'ndrea Paxton**, *Harvey Area Chamber of Commerce*
- **Elba Aranda-Suh**, *National Latino Education Institute (NLEI)*
- **Jason Swan**, *Chatham Business Association (CBA)*
- **Jayne Vellinga**, *Chicago Women in Trades (CWIT)*
- **Elder Kevin A. Ford**, *St. Paul Church of God in Christ Community Development Ministries, Inc.*
- **Reverend Larry Bullock**, *U.S. Minority Contractors Association (USMCA)*
- **Linda Hannah**, *Chicago Women in Trades (CWIT)*
- **Marzette Fox**, *U.S. Minority Contractors Association (USMCA)*
- **Matthew Cooper**, *Cosmopolitan Chamber Of Commerce*
- **Melinda Kelly**, *Chatham Business Association (CBA)*
- **Shawna Huley**, *YouthBuild Lake County (YBLC) and Lake County Community Church*
- **Teresa Hollingbird-Jackson**, *U.S. Minority Contractors Association (USMCA)*
- **Terrence Hill**, *Office of the Governor*
- **Vincent Gilbert**, *Illinois Black Chamber of Commerce (IBCC) and The Gardner Initiative (GI)*

WORKFORCE DEVELOPMENT SUBCOMMITTEE MEETING DATES

November 18, 2015
December 1, 2015
December 15, 2015
January 12, 2016
February 11, 2016
February 24, 2016
March 10, 2016

The Workforce Development Subcommittee discussed topics such as strategies to increase participation by African Americans and women on Tollway construction projects, ways to increase minority participation within the five primary union trades involved on Tollway projects (laborers, equipment operators, carpenters, truck drivers and electricians), and ways to hold contractors more accountable for failing to achieve individual workforce diversity on Tollway projects.

The subcommittee received nearly 20 reports. Among the documents were: meeting minutes from the DAC meetings, ECP Advisory Council presentations and meeting minutes, EEO statistics for Tollway construction projects and the Illinois Black Chamber of Commerce Proposal for Higher Exposure of Contract Opportunities within the Black Community. While the Policy and Programs Subcommittees were able to reference the Disparity Study results and recommendations for ideas and guidance, because individual workforce disparity studies are not common, the Workforce Development Subcommittee members relied almost exclusively on research of best practices and personal experiences in the Tollway's marketplace in developing recommendations for Tollway Board consideration.

The Workforce Development Subcommittee submitted the following recommendations for Tollway

Board consideration:

9

Establish a workforce development technical assistance program

The Workforce Development Subcommittee has identified the need to increase the number of historically underemployed individuals in the heavy highway construction industry as a priority. The subcommittee makes this recommendation in order to provide the Tollway, already an economic engine for the region's economy, with an enhanced mechanism for recruiting, training and placing more diverse candidates in construction industry jobs — something that ultimately benefits both the Tollway and the greater Illinois economy. The Tollway program should emphasize job placement and retention. In addition, the Workforce Development Subcommittee recommends the Tollway explore sponsoring a portion of costs or support services associated with working in construction-related industries such as Commercial Driver's License fees, pre-apprenticeship dues, union application fees and other related costs.

10

Create committee to work with top five trade unions to increase member diversity

The Workforce Development Subcommittee has identified the issue of diversity in construction union trades as an important one. The subcommittee makes the recommendation to create a new DAC subcommittee to work with the top five trade unions (laborers, equipment operators, carpenters, truck drivers and electricians) found on Tollway projects. The subcommittee hopes this collaboration will ultimately lead to an increase in ethnic and gender diversity on Tollway and other construction industry projects in the region.

11

Require Tollway contractors to submit Equal Employment Opportunity (EEO) workforce projections prior to start of projects

The Workforce Development Subcommittee has identified the need to ensure contractor compliance with EEO ethnicity and gender goals on Tollway construction contracts as meaningful to address. The subcommittee makes this recommendation to enable the Tollway to more closely monitor prime contractors who may be falling short of compliance with EEO workforce goals, and also allowing advocacy agencies to offer assistance to primes experiencing difficulty with identifying pools of diverse workers.


12**Post contractor EEO compliance data online**

The Workforce Development Subcommittee has identified the need to ensure contractor compliance with EEO ethnicity and gender goals on Tollway contracts. The subcommittee makes this recommendation to compliment recommendation 11 in order to provide greater transparency, hold contractors publicly accountable for falling short of EEO requirements and enable partnerships with advocacy agencies if primes need assistance with diverse workers.

13**Commission a workforce disparity study**

The Workforce Development Subcommittee has identified the desire to explore ways of increase EEO goals on Tollway contracts. The subcommittee makes this recommendation as a way to document and measure the perceived underutilization of diverse workers within the construction industry. By conducting a study of workforce disparity in the greater Illinois marketplace, the Tollway could potentially use the results to set EEO goals on its construction projects.

5. ILLINOIS TOLLWAY PROPOSED ACTIONS

With a host of thoughtful and carefully crafted recommendations from the Diversity Study and the Diversity Advisory Council, the Tollway must determine how to proceed in refining and improving the agency's DBE Program.

Tollway staff from the Departments of Diversity and Strategic Development, Engineering, Legal and Procurement have reviewed the recommendations and conducted analysis based on available resources and other higher priority needs within the agency. In some cases, recommendations are linked to on-going programs that will be continued and improved, while others are completed or well underway. In all cases, the proposed actions outlined below include an estimated completion time frame for each recommendation.

The proposed path forward, as outlined below, will be considered by the Illinois Tollway Board of Directors. Ultimately, the Board will determine whether to approve, reject or conduct further analysis before rendering a final decision.

TOLLWAY PROPOSED ACTIONS

DISPARITY STUDY RECOMMENDATIONS

<p>1</p> <p>Ensure bidder non-discrimination and fairly priced subcontractor quotations</p>	<p>Tollway Proposed Action:</p> <p>The Tollway will evaluate and determine whether to require prime contractors to retain records on subcontractor contacts and quotes.</p> <p>Time frame: 12 to 24 months</p>
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In 2015, Tollway Diversity staff proposed an initiative that would require prime contractors on successful bids valued at \$25 million and above to maintain documentation of all subcontractors contacted and records of subcontractors that provided bid estimates. Prime contractors would be required to maintain these records for five years following project closeout. If requested, this information would be evaluated to ascertain whether subcontractors identified in bid records were in fact contacted about potential Tollway bid opportunities and whether those subcontractors submitted a price quote. The prices, scopes and timing may also be evaluated by the Tollway to determine whether prime contractors are in fact soliciting and contracting with subcontractors on a non-discriminatory basis and whether DBE pricing is higher than non-DBE firms. This proposal was shared with Illinois Road and Transportation Builders Association (IRTBA) but was tabled due to questions about increased paperwork, where records would be kept and the confidentiality of pricing data. The Tollway will further evaluate this issue and determine whether to include this requirement on future bids.

<p>2</p> <p>Increase training opportunities for prime contractors</p>	<p>Tollway Proposed Action:</p> <p>The Tollway will host DBE compliance seminars and develop new training sessions to augment existing efforts.</p> <p>Time frame: Complete/Ongoing</p>
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Each year Tollway staff conducts training sessions to inform and educate contractors about diversity-related policies and procedures. Since January 2015 the Tollway has:

- Hosted more than 20 training sessions to assist firms preparing to bid on small business set-aside contracts. These sessions take place during the pre-bid meetings for each contract and are geared toward smaller prime contractors, especially those that are new to Tollway work.
- Conducted two training sessions to assist firms preparing to bid on the Tollway's JOC Facilities Program.
- Hosted two training sessions on the Tollway's veteran small business program including a review of required documentation and strategies for identifying veteran-owned firms.
- Updated the Construction Contracts 101 webinar, which is intended to help contractors, especially prime contractors, navigate the construction contract process. One of the four main sections of the

webinar gives an overview of the Tollway's Diversity program, including documentation, processes and procedures.

- Recently created a new compliance seminar titled "Good Faith Efforts Training" at the request of the Illinois Road and Transportation Builders Association (IRTBA). The seminar provides training on the requirements for documentation to be submitted with a diversity goal waiver request at the time of bid, and promotes greater transparency about the Tollway's review process of that documentation.

Tollway staff attends pre-construction meetings that include prime contractors and are in attendance at weekly project staff meetings as needed to answer questions and facilitate responses on diversity issues. In addition to the efforts targeted to contractors, the Tollway has increased training opportunities for Tollway construction managers and projects managers. Tollway Diversity staff participates in the annual Construction Manager training session presented by the Tollway's General Engineering Consultant, and presented a Project Manager training seminar on Diversity in February 2015.

The Tollway will be updating the Diversity and Strategic Development Construction Manager's Training Guide later this year. The Tollway will continue to host DBE-related compliance seminars, update online reference materials for contractors and develop additional seminars and reference materials in response to industry feedback.



Continue to review contract sizes and scopes

Tollway Proposed Action:

Unbundling contracts and advertising Small Business Set-Aside opportunities for construction and goods and services purchases will continue. The Tollway also will study the feasibility of unbundling engineering design contracts.

Time frame: Complete/Ongoing

The Tollway is fully committed to creating prime and subcontractor opportunities for DBE firms by breaking up large contracts. Since 2012, the Tollway has awarded more than 120 contracts under \$5 million, including 26 Small Business Set-Asides with values of approximately \$1 million. A breakdown of unbundled and set-aside contracts awarded by year and value is included in the appendix. The Tollway also advertises all goods and services contracts under \$50,000 as set aside for small businesses to create prime contracting opportunities for small businesses. These practices contributed to the agency's status as the number one state agency for small business spending, and will remain part of the agency's policy to increase diverse participation on Tollway contracts. Tollway staff will review the engineering design contract process to determine whether the small business set-aside model can be applied to this type of work.



Review experience requirements

Tollway Proposed Action:

The Tollway will review IDOT and Tollway construction contract requirements, identify provisions that negatively impact the ability of DBE firms to participate as primes (e.g., insurance) and recommend changes.

Time frame: 12 to 24 months

The Tollway's construction procurements are done under the rules of the Illinois Department of Transportation (IDOT) and the Tollway accepts their prequalification standards for construction contractors. The Tollway has removed many prequalification requirements for small business set-aside projects by creating smaller bid packages that involve work off the Tollway's mainline roads, thus creating new prime contracting opportunities for DBE firms. However, subcommittee members believe the Tollway should assist in addressing barriers to participation in the IDOT prequalification process that can impact small and diverse firms. One example cited was the amount of financial condition documentation required by firms that would only pursue smaller contracting opportunities. The subcommittee requested information on IDOT and Tollway specifications and received copies of the Illinois Department of Transportation's Senate Bill 51 Prequalification Barriers Committee Final Report. The Tollway will work with the DAC and IDOT to formally identify potential barriers and recommend changes.



Revise contract retainage procedures

Tollway Proposed Action:

The Tollway updated the retainage policy in 2015.

Time frame: Complete

The Tollway updated the retainage policy to delegate to the Executive Director (rather than the Board) the approval of partial and final release of retainage following a thorough internal review. This change can reduce the release of retainage process by up to 30 days since approvals now occur on a rolling basis instead of at monthly Tollway Board meetings. Since the new policy was implemented last year, 20 partial and 20 final releases of retainage have been approved. Tollway Diversity staff believes the change in the Tollway's retainage policy, coupled with the Tollway's posting of construction pay estimates online, will ultimately lead to a decrease in the number of subcontractor complaint calls and payment status inquiries. The Tollway will continue with this practice in order to accommodate faster and more complete release of retainage and help contractors and subcontractors with cash flow.



Expand the Small Business Initiative

Tollway Proposed Action:

Tollway staff will continue to issue construction Small Business Set-Asides and evaluate the feasibility of advertising Small Business Set-Aside professional services contracts.

Time frame: Complete/Ongoing

The Tollway already implements a successful Small Business Set-Aside Program, awarding a total of 26 construction contracts with values of approximately \$1 million since 2012. The Tollway also advertises goods and services procurements under \$50,000 as set-asides for small businesses, creating more prime contracting opportunities. The Tollway will review whether it can apply the small business set-aside model to tasks such as construction management services if there is an opportunity to further increase diversity on Tollway contracts. The Tollway also enjoys strong DBE participation on professional services contracts, with more than \$314 million paid to DBE professional services firms – more than 34 percent of all payments to professional services firms.



Continue to apply race- and gender-conscious measures to appropriate contracts

Tollway Proposed Action:

The Tollway will maintain the DBE Program, one that is based on national best practices and in compliance with federal law.

Time frame: Less than 6 months

The Disparity Study findings provide compelling evidence of discrimination in the construction industry and greater Illinois economy that has impacted the level of participation on Tollway contracts by DBE firms. Therefore the existence of the Tollway's DBE Program ensures the agency does not function as a passive participant in DBE discrimination. The Tollway's new DBE Program, set to launch in May 2016, will include appropriate race and gender policies, a sunset date to allow for a reassessment of the market place in the future and the ability to make enhancements based on best practices and industry input. By employing these measures, the Tollway will continue to offer meaningful prime and subcontracting opportunities for DBE firms that otherwise would not exist based on the presence of discrimination in the marketplace beyond the Tollway's control.



Use the Study to set DBE contract goals

Tollway Proposed Action:

The Tollway will use the data from the current Disparity Study to set DBE contract goals and identify a limited number of control contracts to demonstrate the impact of zero goals on DBE participation.

Time frame: Less than 6 months

The Tollway has been utilizing data from the 2006 NERA Economic Consulting study to set DBE goals. The current Disparity Study provides an updated analysis of the availability and underutilization of DBE firms in the Tollway’s marketplace, and will be used by Diversity staff when determining DBE participation goals on Tollway contracts. Further, the Tollway will establish a record for DBE participation on contracts without advertised DBE goals as another way to measure the impact of the DBE Program.



Create a Mentor/Protégé Program for Construction

Tollway Proposed Action:

The Tollway will launch a Mentor/Protégé Program for construction by the end of 2016.

Time frame: Less than 6 months

The Tollway will launch a Mentor/Protégé Program for construction by the end of 2016. Tollway staff is currently working with the DAC Programs Subcommittee to develop the framework of the program, which is modeled after the Missouri Department of Transportation’s program. It is anticipated that:

- Mentor/Protégé agreements would involve a three-year commitment and include regular joint and separate reporting requirements and oversight by the Tollway to ensure a full, beneficial experience for both mentors and protégés rather than on a per contract basis.
- The initial pool of protégé firms would consist of firms that successfully utilized one or more of the Tollway’s technical assistance programs. These firms are more likely to have a demonstrated track record of success and familiarity with Tollway projects.
- Mentors would be incentivised to participate in the program. Potential incentives could include credits towards future bids.
- The Tollway would create a Mentor/Protégé Program oversight committee to monitor the agreements and help mediate disagreements or disputes between participants.
- The program will be re-branded to avoid negative connotations associated with other construction Mentor/Protégé Programs. One name mentioned is Partnering for Growth.
- The Tollway will work with the Illinois Road Builders and Transportation Association (IRTBA) to provide program information and to respond to questions or concerns about the program.

The Mentor/Protégé Program for construction is important to the Tollway because it can assist DBE construction firms to grow their businesses and build relationships with large firms.



10

Review DBE contract compliance policies and processes

Tollway Proposed Action:

The Tollway will create a DBE Program document for contractors containing all DBE-related policies, procedures and reference materials.

Time frame: 12 to 24 months

While the Tollway makes all of the DBE Program's compliance policies and procedures available online and upon request in response to inquiries, there is currently no single overarching DBE Program document in existence. Tollway staff will collect documentation into one comprehensive document that is published online and updated regularly in order to provide contractors with a single reference document for all diversity-related policies and procedures.

11

Consider measures to encourage prime contractors to utilize new DBEs

Tollway Proposed Action:

Tollway staff will evaluate and determine whether to create a new incentive program to encourage greater use of DBE firms by prime contractors.

Time frame: 12 to 24 months

In 2015, the Tollway's Diversity Department developed a DBE Incentive Credit Program that would award DBE credits to prime contractors for including firm(s) from at least three specified categories (African American, Asian Indian, Asian Pacific, Hispanic, Native American, SBA 8(a) or Women) with a commitment of at least 15 percent of the advertised DBE goal. The accrued DBE credits would be available to partially satisfy DBE goals on future contracts. While there is obvious support for incentivising contractors to use more DBE firms, this program was not supported when presented to the DBE advocacy agencies or the DAC due to concerns that use of the accrued credits could impact DBE participation over time by allowing prime contractors to substitute credits to achieve DBE participation while potentially reducing the scope of services performed by DBE firms. The Tollway will evaluate whether to develop a new incentive program.

12

Implement an electronic contract data collection and monitoring system

Tollway Proposed Action:

The Tollway will work with the Illinois Department of Innovation and Technology to purchase and develop a diversity management software program.

Time frame: 12 to 24 months

The Disparity Study noted one of the challenges encountered was access to prime contract and associated subcontractor records, including payments to subcontractors, and stated that improved data gathering should be a major focus for the Tollway. Tollway staff believes creating an electronic system to capture and analyze data could improve the Tollway's ability to conduct outreach, track goal attainment, monitor compliance, stay in contact with firms and create reports.

13

Develop performance measures for DBE Program success

Tollway Proposed Action:

The Tollway will utilize the new diversity management software program to develop a new performance measurement system.

Time frame: 24 to 36 months

Tollway Diversity staff manually tracks several data points referenced in this recommendation as part of the compliance monitoring process. For example, the Diversity Department reviews all DBE utilization plans prior to contract award, and works with its technical assistance partners to track and measure progress made by participating firms (i.e. the number firms submitting bids as prime or subcontractors). However, Tollway staff believes these efforts can be more thoroughly organized and enhanced, if armed with the capability to analyze data and develop new program success metrics. The Tollway will continue efforts to pursue and implement this software package.

14

Conduct regular DBE program reviews

Tollway Proposed Action:

The Tollway will conduct a Disparity Study every five to seven years.

Time frame: 24 to 36 months

The Disparity Study recommends completing a thorough review of the Tollway's marketplace every five to seven years. The Tollway will sunset the current DBE Program in May 2016 and launch a new DBE Program with a sunset date of July 2023. In order to ensure the Tollway's DBE Program continues to employ best national practices and withstand legal challenges, the Tollway intends to issue a Request for Proposals for a new Disparity Study by spring of 2020.

TOLLWAY PROPOSED ACTIONS

DIVERSITY ADVISORY COUNCIL (DAC)

1

Continue the missions of the Board Diversity and Inclusion Committee and Diversity Advisory Council indefinitely

Tollway Proposed Action:

The Tollway will continue the missions of the Diversity and Inclusion Committee and the Diversity Advisory Council.

Time frame: Complete/Ongoing

The DAC members have met nearly 20 times since being established in October 2015, as a group and as separate subcommittees, to review the Disparity Study findings and develop new recommendations for Tollway Board consideration. The members have met the original deadline given by the Tollway Board and are looking forward to addressing new topics and ideas in the coming months. The presence of the Diversity and Inclusion Committee demonstrates the Tollway's commitment to focusing on this critical issue.

2

Evaluate all proposed Tollway goods and services contracts to determine shortest possible contract term

Tollway Proposed Action:

The Tollway will review contract lengths on future goods and services procurements to provide as many bid opportunities as possible.

Time frame: Less than 6 months

DAC members identified a 10-year goods and services contract as an example that could be shortened. While Tollway staff does not support an across-the-board contract term limit, staff does believe that future contract offerings should be evaluated individually to determine a fair contract period for the Tollway and vendors looking to do business. Some contracts are costlier to implement and more time-consuming to bid. The Tollway must also consider limited staff resources, project completion timelines and the length of time it takes to complete procurements as potential challenges to advertising shorter duration contracts.

3

Evaluate all proposed Tollway Job Order Contract (JOC) Program advertisements to determine shortest possible contract term

Tollway Proposed Action:

The Tollway will review JOC Facilities Program contract lengths to provide as many bid opportunities as possible and evaluate whether to allow the Tollway to add or remove firms based on performance or qualifications after contract award.

Time frame: 12 to 24 months

DAC members identified a five-year JOC contract as an example that could be shortened. The Tollway awarded the agency's first JOC Facilities Program contract in 2015 to maintain the agency's 107 facilities, including all 11 maintenance sites, structures such as the Tollway's Central Administration building and Central Warehouse, and all mainline and ramp toll plazas. The program is less than a year old and the Tollway should evaluate the program's effectiveness over time and use this as a basis to determine how future JOC Facilities Program contracts will be advertised. As part of this review, the Tollway will determine whether to allow new firms to join an active JOC contract, or to remove firms based on performance prior to the end of the project. In the meantime, the Tollway will host additional networking sessions for DBE subcontractors and JOC prime contractors as a way to build relationships and potentially create new partnerships.

4

Continue unbundling construction contracts and review the process to identify any additional opportunities

Tollway Proposed Action:

Tollway staff will continue unbundling large construction bid packages and will determine whether to break out project elements not currently unbundled to create additional prime contracting opportunities.

Time frame: Complete/Ongoing

As stated before, the Tollway has awarded nearly 100 contracts under \$5 million since 2012, and remains fully committed to creating additional prime and subcontracting opportunities for DBE firms. Tollway staff and DAC members have discussed the planning process for unbundling, which starts well in advance and focuses on creating bid packages that will attract DBE firms. The Tollway has successfully advertised unbundled projects, such as pavement marking, sewer and drain work, bridge repairs and building demolition work. There are limitations with the types of work that can be broken out and bid as prime work and Tollway planners must also weigh safety, customer impacts due to construction and the overall *Move Illinois* Program completion schedule when determining the Tollway's ability to unbundle large bid packages.

5

Include marketing component in current and new technical assistance programs

Tollway Proposed Action:

Tollway staff will continue providing business marketing training in technical assistance programs and conducting marketing seminars at Tollway-sponsored outreach events.

Time frame: Complete/Ongoing

The Tollway's current technical assistance programs provide marketing assistance for firms wanting to help their businesses grow and compete for Tollway work as primes or subcontractors. The Construction Business Development Center provides one-on-one assistance with business and marketing plan development, while the Construction Coaching for Growth Program provides nearly 40 hours of counseling and instruction, including assistance with strategy building and relationship building with primes and other small businesses. Looking ahead, the Tollway has included marketing assistance as part of the next technical assistance Request for Proposals being issued later this year. The Tollway also hosted a "Marketing Your Small Business" workshop at the Illinois Tollway Construction Resource Fair held on April 27, 2016. The workshop was conducted by DAC member Diana Hennington of the National Organization of Minority Engineers and attended by approximately 15 people. The Tollway will include marketing seminars as part of all future DBE firm outreach sessions.

6

Create a Mentor/Protégé Program for Construction

This is the same as Disparity Study recommendation 09. See page 24.

7

Issue an RFP for Goods and Services Technical Assistance

Tollway Proposed Action:

The Tollway will develop a technical assistance program for goods and services vendors.

Time frame: 12 to 24 months

The Tollway currently manages a successful technical assistance program for construction industry firms that provides customized training and technical assistance for firms of varying skill levels. Thus far, more than 260 firms have sought assistance from the Construction Business Development Center program administered by the Illinois Community College Board or the Construction Coaching for Growth program administered by the Illinois Hispanic Chamber of Commerce. The Tollway recently entered into partnerships with the Hispanic American Construction Industry Association and the Illinois Black Chamber of Commerce to provide in-depth, long-term technical assistance over two or more years. Based on the success of these programs, the Tollway will work with DAC members to determine if there is a need to create training and assistance programs for goods and services suppliers and vendors.

8

Create a Construction Contract Bidding Checklist

Tollway Proposed Action:

The Tollway will create a construction bid checklist.

Time frame: Less than 6 months

In 2015, the Tollway created a checklist to highlight common mistakes made by firms submitting Statements of Interest on Tollway Professional Services Bulletins (PSB). This checklist is included with the PSB and part of the required documents firms must transmit to the Tollway as part of their response. The Tollway believes creating a reference document for construction bid packages could reduce instances of non-responsive bids due to critical errors and omissions, especially for firms bidding on Tollway work for the first time. A sample of the PSB checklist and a draft of the construction bid checklist currently under review is included in the appendix.

9

Establish a workforce development technical assistance program

Tollway Proposed Action:

The Tollway will establish a workforce technical assistance program via Request for Proposals (RFP) and evaluate the feasibility of sponsoring any associated costs for trainees.

Time frame: 12 to 24 months

Tollway staff believes that pursuing this project via RFP allows the Tollway to select a vendor with a proven track record to quickly implement an existing workforce development program, such as the TCART program, or a successful model implemented elsewhere, as well as manage the process of securing physical training locations. Any program implemented by the Tollway must include benchmarks to monitor progress and hold training providers accountable for the success of the program. Effective pre-screening of candidates and a strong placement strategy are also important to the overall success of the program. This initiative would establish the Tollway as a leading state agency for workforce diversity, because trainees would be equipped to pursue opportunities throughout the region and state. A more detailed analysis of this issue can be found in the appendix. The Tollway should also evaluate the policy and practice of sponsoring associated costs for trainees such as pre-apprenticeship dues or union application fees, including whether the agency can expend funds for this purpose.

10

Create committee to work with top five trade unions to increase member diversity

Tollway Proposed Action:

The Tollway will create a new DAC subcommittee to establish relationships with the top unions performing on Tollway projects.

Time frame: 6 to 12 months

The Tollway and DAC members have discussed the importance of ethnic and gender diversity in trade unions. Both agree that more can be done to establish a pipeline of diverse candidates for all unions working on Tollway contracts and provide additional job and career opportunities for women and minorities. To the extent that belonging to a union functions as a barrier to employment on Tollway construction projects, the Tollway will support efforts to work collaboratively with union leadership to identify and prepare more diverse candidates for apprenticeship programs. Tollway staff also recommends going beyond the top five unions and including other unions, such as the International Bridge, Structural, Ornamental and Reinforcing Ironworkers.

11

Require Tollway contractors to submit Equal Employment Opportunity (EEO) workforce projections prior to start of projects

Tollway Proposed Action:

The Tollway will evaluate and determine whether to require contractors to submit EEO workforce projections.

Time frame: 6 to 12 months

Tollway staff believes requiring contractors to submit workforce projections would demonstrate the agency's commitment to ethnic and gender diversity in the field, raise contractor awareness of this issue and allow the Tollway to assist contractors with identifying resources to meet EEO goals through current or upcoming workforce development programs such as ECP or the workforce development technical assistance center.

12

Post contractor EEO compliance data online

Tollway Proposed Action:

The Tollway will post EEO compliance data online.

Time frame: 6 to 12 months

The Tollway is encouraged that since 2012, more than 40 percent of all EEO hours worked on Tollway jobs are by African Americans, Hispanics and other ethnic minority groups. Comparatively, it is still concerning that the percentage of African Americans, while increasing by year, is relatively low and women only make up less than six percent of the workforce on Tollway construction projects. Posting EEO contractor data online allows the Tollway to demonstrate its commitment to transparency with respect to diversity on Tollway projects and could potentially lead to increased efforts to recruit, hire and retain diverse workers on construction projects. A breakdown of EEO participation by ethnicity and gender is included in the appendix.

13

**Commission a workforce
disparity study**

Tollway Proposed Action:

The Tollway will encourage advocacy agencies to call for a federal study on workforce disparity.

Time frame: 24 to 36 months

Tollway staff is unaware of any existing workforce disparity studies, so there is no available document the Tollway or DAC could use as a reference point during the discussions that were held on this topic. Further, because the EEO goals utilized by the Tollway are set by the United States Department of Labor, Office of Federal Contract Compliance Programs ("OFCCP") as established through Executive Order 11246 and by Title VII of the Civil Rights Act of 1964, and the federal government collects data from every state, the Tollway will work with advocacy agencies for a national study on this issue.

APPENDIX

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DIVERSITY ADVISORY COUNCIL MEMBERS

The Diversity Advisory Council works cooperatively with the Diversity and Inclusion Committee to help determine the best methods for providing more disadvantaged, minority- and women-owned businesses with opportunities to participate in Tollway projects and is comprised of members from various advocacy and business organizations. In addition, three sub-committees were established to further explore options for Tollway Diversity efforts — Policy, Program and Workforce Diversity. Members and committee involvement are listed below.

Anas Alkhatib PE, Arab American Association of Engineers and Architects (AAAEA)*
Melissa Angelucci, Women's Transportation Seminar^
Elba Aranda-Suh, National Latino Education Institute (NLEI)+
Phillip Barreda, Chicago Minority Supplier Development Council (ChicagoMSDC)^
Reverend Larry Bullock, U.S. Minority Contractors Association (USMCA)+
Matthew Cooper, Cosmopolitan Chamber Of Commerce^+
Cate Costa, Chicago Urban League*
Victor Davis, Chicago Urban League*
Emilia DiMenco, Women's Business Development Center (WBDC)^
Beth Doria, Federation of Women Contractors (FWC)*
Omar Duque, Illinois Hispanic Chamber of Commerce (IHCC)^
Elder Kevin A. Ford, St. Paul Church of God in Christ Community Development Ministries, Inc.+
Marzette Fox, U.S. Minority Contractors Association (USMCA)+
Vincent Gilbert, Illinois Black Chamber of Commerce (IBCC) and The Gardner Initiative (GI)*^+
Linda Hannah, Chicago Women in Trades (CWIT)+
Diana Hennington, National Organization of Minority Engineers (NOME)*
Terrence Hill, Office of the Governor*^+
Teresa Hollingbird-Jackson, U.S. Minority Contractors Association (USMCA)+
Natalia Homedi, Women's Transportation Seminar^
Shawna Huley, YouthBuild Lake County (YBLC) and Lake County Community Church+
Melinda Kelly, Chatham Business Association (CBA)+
Edward McKinnie, Black Contractors United (BCU)*
Perry Nakachi, Association of Asian Construction Enterprise*
A'ndrea Paxton, Harvey Area Chamber of Commerce+
Jorge Perez, Hispanic American Construction Industry Association (HACIA)*
Cirse Ruiz, Hispanic American Construction Industry Association (HACIA)*
Shari Runner, Chicago Urban League*
Julie Savitt, Federation of Women Contractors (FWC)^
John Scifers, Elite SDVOB Network^
Jason Swan, Chatham Business Association (CBA)+
Jayne Vellinga, Chicago Women in Trades (CWIT)+
Calvin Williams, Illinois Black Chamber of Commerce (IBCC)*^
Lillian Yan, Women Transportation Seminar (WTS)^

* Policy Committee Member

^ Program Committee Member

+ Workforce Diversity Committee Member

CONSTRUCTION BID CHECKLIST

CONSTRUCTION BID CHECKLIST - DRAFT
(NOT FOR SMALL BUSINESS SET-ASIDE PROGRAM CONTRACTS)

DRAFT

VOLUME 1 (REQUIRED DOCUMENTS TO BE RETURNED WITH BID)

DESCRIPTION	ACTION/COMMENTS	NOTES FOR JOINT VENTURE	SECTION
FORMS A (22 pages) OR FORMS B (3 pages)	DOWNLOAD, COMPLETE	SUBMIT FOR EACH JOINT VENTURE PARTNER	N
DBE PARTICIPATION	Fill out: DBE 2026 DBE 2025 for each DBE sub DBE 2023 if needed		DBE
VOSB PARTICIPATION	Fill out: VOSB 2026 VOSB 2025 for each veteran sub VOSB 2023 if needed		VOSB
ECP (Earned Credit Program) (optional)	ECP CERT IF UTILIZING ECP CREDITS AND FILL OUT ECP BID CREDIT ON P-PAGES		ECP
BID (P-PAGES) ALSO AVAILABLE FOR DOWNLOAD FROM ONLINE PLAN ROOM	INK, FILL IN ALL AVAILABLE PAY ITEM PRICES WITH VALUES OF \$0.01 OR GREATER		P
ACKNOWLEDGEMENT OF RECEIPT OF ADDENDA	LIST ADDENDUM AND DATES		P
BID BOND	PROVIDE BID BOND OR CASHIER'S CHECK	BID BOND MUST USE THE NAME OF THE JOINT VENTURE	P
SIGNATURE AND CORPORATE SEAL	COMPLETE	SUBMIT FOR EACH JOINT VENTURE PARTNER	P
IDOT PRE-QUALIFICATION	SUBMIT IDOT "CERTIFICATE OF ELIGIBILITY" SHOWING IDOT PREQUALIFICATION	SUBMIT FOR EACH JOINT VENTURE PARTNER	
IDOT'S AFFIDAVIT OF AVAILABILITY OR TOLLWAY'S CURRENT CONTRACTUAL OBLIGATION	SUBMIT EITHER FORM		S
ILLINOIS DEPARTMENT OF HUMAN RIGHTS (IDHR) # IF >= 15 EMPLOYEES IN PRECEDING 365 DAYS	IF REQUIRED, SUBMIT IDHR # OR EVIDENCE OF APPLICATION	SUBMIT FOR EACH JOINT VENTURE PARTNER	I
STATE BOARD OF ELECTIONS (BOE)	SUBMIT CURRENT COPY OF BOARD OF ELECTIONS REGISTRATION CERTIFICATE		I
BIDDER PREFERENCES	COMPLETE IF APPLICABLE		R
BIDDER LIST OF INDIVIDUAL CONTACTS	COMPLETE		R
AFFIDAVIT PAGE	COMPLETE		R
PLANT & EQUIPMENT QUESTIONNAIRE	COMPLETE		S
TOLLWAY STANDARD TERMS AND CONDITIONS	COMPLETE		TC
RESPONSIBLE BIDDER AFFIDAVIT	COMPLETE		PA

SMALL BUSINESS SET-ASIDE PROGRAM CONSTRUCTION BID CHECKLIST

SMALL BUSINESS SET-ASIDE PROGRAM CONSTRUCTION BID CHECKLIST - DRAFT

This document is only for contracts that are part of the Small Business Set-Aside Program and does not apply to contracts outside of this program.

DRAFT

VOLUME 1 (REQUIRED DOCUMENTS TO BE RETURNED WITH BID)

DESCRIPTION	ACTION/COMMENTS	SECTION
SMALL BUSINESS SET-ASIDE PROGRAM REGISTRATION	PROGRAM REGISTRATION	NN
FORMS A (22 pages) OR FORMS B (3 pages)	DOWNLOAD, COMPLETE	N
ECP (Earned Credit Program) (optional)	ECP CERT IF UTILIZING ECP CREDITS AND FILL OUT ECP BID CREDIT ON P-PAGES	ECP
BID (P-PAGES) ALSO AVAILABLE FOR DOWNLOAD FROM ONLINE PLAN ROOM	INK, FILL IN ALL AVAILABLE PAY ITEM PRICES WITH VALUES OF \$0.01 OR GREATER	P
ACKNOWLEDGEMENT OF RECEIPT OF ADDENDA	LIST ADDENDUM AND DATES	P
BID BOND	PROVIDE BID BOND OR CASHIER'S CHECK	P
SIGNATURE AND CORPORATE SEAL	COMPLETE	P
STATE BOARD OF ELECTIONS (BOE)	SUBMIT CURRENT COPY OF BOARD OF ELECTIONS REGISTRATION CERTIFICATE	I
ILLINOIS DEPARTMENT OF HUMAN RIGHTS (IDHR) # IF >= 15 EMPLOYEES IN PRECEDING 365 DAYS	IF REQUIRED, SUBMIT IDHR # OR EVIDENCE OF APPLICATION	I
BIDDER PREFERENCES	COMPLETE IF APPLICABLE	R
BIDDER LIST OF INDIVIDUAL CONTACTS	COMPLETE	R
AFFIDAVIT PAGE	COMPLETE	R
CURRENT CONTRACTUAL OBLIGATION	COMPLETE	S
TOLLWAY STANDARD TERMS AND CONDITIONS	COMPLETE	TC
RESPONSIBLE BIDDER AFFIDAVIT	COMPLETE	PA

CONSTRUCTION CONTRACTS LESS THAN \$5 MILLION SINCE JANUARY 1, 2012

Board Date	Contract Nbr	Prime Vendor	Award Amount	DBE Committed Amt	DBE %
1/26/2012	RR-10-5613	Herlihy Mid-Continent Company	\$561,821	\$97,644	17.38%
1/26/2012	RR-10-5620	Allied Landscaping Corporation	\$432,071	\$88,229	20.42%
1/26/2012	RR-10-5622	Copenhaver Construction, Inc.	\$347,325	\$69,465	20.00%
3/22/2012	RR-12-9121	Stenstrom Excavation And Blacktop Group	\$3,597,432	\$711,572	19.78%
4/26/2012	RR-11-9108	Builders Chicago Corp	\$871,861	\$159,986	18.35%
6/28/2012	I-11-5629	R.W. Dunteman Company	\$3,323,095	\$614,108	18.48%
8/23/2012	I-12-4063	Copenhaver Construction, Inc.	\$871,740	\$191,783	22.00%
8/23/2012	RR-12-5651	RoadSafe Traffic Systems, Inc.	\$1,577,753	\$509,141	32.27%
9/27/2012	RR-12-4062	Herlihy Mid-Continent Company	\$295,501	\$15,691	5.31%
12/13/2012	I-12-4064	Homer Tree Service, Inc.	\$155,686	\$35,092	22.54%
12/13/2012	I-12-4065	Homer Tree Service, Inc.	\$140,008	\$33,000	23.57%
12/13/2012	I-12-4068	Lorig Construction Company	\$4,432,202	\$815,082	18.39%
12/13/2012	I-12-4069	Lorig Construction Company	\$3,292,157	\$615,304	18.69%
12/13/2012	I-12-4071	Aldridge Electric, Inc.	\$2,771,127	\$532,611	19.22%
12/13/2012	RR-12-5655	Meade, Inc	\$2,749,161	\$552,306	20.09%
1/24/2013	RR-08-9043	G4S Technology LLC (formerly Adesta LLC)	\$2,277,925	\$455,585	20.00%
2/28/2013	I-12-4078	Acura, Inc.	\$4,995,898	\$1,748,564	35.00%
2/28/2013	I-13-4091	Reyes Group, Ltd.	\$823,970	\$445,026	54.01%
3/28/2013	RR-12-4085	R.W. Dunteman Company	\$485,800	\$110,325	22.71%
3/28/2013	RR-12-4086	F.H. Paschen, S.N. Nielsen & Assoc., LLC	\$1,219,058	\$225,770	18.52%
3/28/2013	RR-12-4088	F.H. Paschen, S.N. Nielsen & Assoc., LLC	\$2,038,365	\$394,220	19.34%
3/28/2013	RR-12-4089	Acura, Inc.	\$3,929,531	\$1,375,336	35.00%
3/28/2013	RR-13-4092	Civil Constructors, Inc.	\$435,192	\$91,521	21.03%
3/28/2013	RR-13-4094	Earthwerks Land Improvement & Development Corporation	\$745,463	\$140,818	18.89%
3/28/2013	RR-13-4095	Meade, Inc	\$399,230	\$44,873	11.24%
3/28/2013	RR-13-5657	RoadSafe Traffic Systems, Inc.	\$2,775,000	\$473,693	17.07%
3/28/2013	RR-13-5658	A C Pavement Striping Company	\$2,670,823	\$806,054	30.18%
3/28/2013	RR-12-9131	Stenstrom Excavation And Blacktop Group	\$2,847,525	\$434,532	15.26%
4/25/2013	I-13-4113	ASP PDM LLC (PDM Bridge, LLC)	\$4,347,423	\$0	0.00%
4/25/2013	RR-13-5659	Plote Construction, Inc.	\$2,256,607	\$453,127	20.08%
5/23/2013	RR-12-8110	Divane Bros. Electric Co.	\$707,875	\$149,008	21.05%
6/27/2013	I-13-4127	Illinois Constructors Corporation	\$4,510,000	\$867,273	19.23%
6/27/2013	I-13-4128	Lorig Construction Company	\$4,568,347	\$875,752	19.17%
6/27/2013	RR-13-4130	William Charles Construction Company, LLC	\$4,009,753	\$848,063	21.15%
6/27/2013	I-13-4131	Illinois Constructors Corporation	\$2,782,500	\$518,380	18.63%
6/27/2013	I-13-4132	Dunnet Bay Construction Co.	\$2,131,674	\$415,890	19.51%
6/27/2013	I-13-4604	Dunnet Bay Construction Co.	\$2,342,768	\$111,984	4.78%
6/27/2013	I-13-4605	Dunnet Bay Construction Co.	\$2,014,778	\$125,319	6.22%
7/25/2013	RR-13-4135	Aldridge Electric Inc, DBA GFS Construction LLC	\$2,591,289	\$1,036,775	40.01%
7/25/2013	RR-13-4138	Herlihy Mid-Continent Company	\$3,065,909	\$532,548	17.37%
7/25/2013	RR-13-5669	R.W. Dunteman Company	\$4,086,502	\$860,617	21.06%
8/29/2013	RR-13-4142	William Charles Construction Company, LLC	\$2,533,454	\$225,731	8.91%
8/29/2013	I-13-4143	PirTano Construction Company, Inc.	\$1,273,875	\$254,775	20.00%
8/29/2013	I-13-4616	F.H. Paschen, S.N. Nielsen & Assoc., LLC	\$4,667,780	\$801,458	17.17%
8/29/2013	RR-13-5665	Landmark Contractors, Inc.	\$2,179,495	\$256,309	11.76%
8/29/2013	RR-13-5677	Aldridge Electric Inc, DBA GFS Construction LLC	\$3,843,471	\$318,239	8.28%
8/29/2013	RR-13-5678	Kujo, Inc.	\$1,259,985	\$113,651	9.02%
11/21/2013	I-13-4147	Divane Bros. Electric Co.	\$1,987,005	\$367,000	18.47%
11/21/2013	I-13-4148	Lorig Construction Company	\$1,796,465	\$111,201	6.19%
11/21/2013	I-13-4149	Meade, Inc	\$4,327,598	\$700,205	16.18%
11/21/2013	I-13-4159	John Burns Construction Company	\$2,909,865	\$560,149	19.25%

Board Date	Contract Nbr	Prime Vendor	Award Amount	DBE Committed Amt	DBE %
11/21/2013	I-13-4160	John Burns Construction Company	\$3,243,053	\$644,719	19.88%
12/19/2013	I-13-4121	K-Five Construction Corporation	\$2,663,433	\$526,028	19.75%
12/19/2013	RR-13-4139	Lorig Construction Company	\$383,197	\$0	0.00%
1/23/2014	I-13-4620	F.H. Paschen, S.N. Nielsen & Assoc., LLC	\$4,066,902	\$699,914	17.21%
2/27/2014	I-13-4169	William Charles Construction Company, LLC	\$1,434,801	\$259,268	18.07%
2/27/2014	RR-14-4173	Penhall Company	\$3,076,782	\$561,205	18.24%
2/27/2014	RR-13-5687	Lorig Construction Company	\$3,298,686	\$605,309	18.35%
2/27/2014	RR-13-5688	Era Valdivia Contractors, Inc.	\$3,456,621	\$3,456,621	100.00%
2/27/2014	RR-13-9153	Broadway Electric, Inc.	\$2,191,000	\$395,037	18.03%
3/27/2014	RR-13-4171	R.W. Dunteman Company	\$4,729,620	\$994,639	21.03%
3/27/2014	RR-14-4176	National Power Rodding Corporation	\$2,177,209	\$370,125	17.00%
3/27/2014	RR-13-5670R	K-Five Construction Corporation	\$4,667,760	\$931,685	19.96%
3/27/2014	RR-13-5690	Lorig Construction Company	\$3,616,478	\$626,012	17.31%
3/27/2014	RR-14-9154	Aldridge Electric Inc, DBA GFS Construction LLC	\$1,691,779	\$350,706	20.73%
3/27/2014	RR-14-9155	Maintenance Coatings Co.	\$1,155,980	\$212,354	18.37%
4/24/2014	RR-14-4182	John Burns Construction Company	\$632,778	\$44,294	7.00%
5/22/2014	I-14-4179	Dunnet Bay Construction Co.	\$4,735,760	\$852,437	18.00%
5/22/2014	I-14-4183	William Charles Construction Company, LLC	\$1,396,425	\$209,464	15.00%
5/22/2014	I-14-5693	Lorig Construction Company	\$4,722,164	\$849,990	18.00%
6/26/2014	RR-14-8120	Broadway Electric, Inc.	\$776,000	\$93,120	12.00%
6/26/2014	RR-14-9159R	Broadway Electric, Inc.	\$487,000	\$48,700	10.00%
7/24/2014	RR-13-5685R	Western Remac, Inc.	\$4,424,880	\$840,727	19.00%
7/24/2014	RR-14-8122	F.H. Paschen, S.N. Nielsen & Assoc., LLC	\$3,357,342	\$637,895	19.00%
8/28/2014	I-13-4627	Martam Construction, Inc.	\$4,281,308	\$727,822	17.00%
8/28/2014	RR-14-5695	Aldridge Electric Inc, DBA GFS Construction LLC	\$3,540,601	\$672,714	19.00%
11/20/2014	I-14-4198	Aldridge Electric, Inc.	\$2,522,122	\$479,203	19.00%
11/20/2014	I-13-4621	R.W. Dunteman Company	\$4,887,979	\$928,716	19.00%
12/18/2014	I-14-4643	Lorig Construction Company	\$619,476	\$0	0.00%
1/29/2015	RR-13-9135R	Broadway Electric, Inc.	\$582,000	\$23,280	4.00%
1/29/2015	RR-14-9169	John Burns Construction Company	\$818,889	\$155,589	19.00%
2/26/2015	RR-14-5701	Lorig Construction Company	\$142,000	\$0	0.00%
3/26/2015	RR-14-4175R	William Charles Construction Company, LLC	\$3,324,363	\$398,924	12.00%
3/26/2015	RR-14-4219R	Western Utility LLC	\$3,798,987	\$379,899	10.00%
3/26/2015	I-14-5699	Herlihy Mid-Continent Company	\$3,835,501	\$728,745	19.00%
3/26/2015	RR-14-5702	National Power Rodding Corporation	\$2,901,740	\$522,313	18.00%
3/26/2015	RR-15-9175	John Burns Construction Company	\$1,739,243	\$313,064	18.00%
4/23/2015	RR-14-5706	Industria, Inc.	\$522,250	\$88,782	17.00%
4/23/2015	RR-15-5708	F.H. Paschen, S.N. Nielsen & Assoc., LLC	\$834,177	\$133,468	16.00%
5/28/2015	I-15-4649	Lake County Grading Company	\$3,945,420	\$789,084	20.00%
6/25/2015	RR-15-5709	National Power Rodding Corporation	\$1,268,828	\$228,389	18.00%
6/25/2015	RR-15-5710	Meade, Inc	\$1,358,200	\$258,058	19.00%
2/25/2016	RR-15-4244	National Power Rodding Corporation	\$1,499,579	\$269,924	18.00%
2/25/2016	RR-15-9182	RoadSafe Traffic Systems, Inc.	\$850,000	\$144,500	17.00%
3/23/2016	RR-15-4230R	Aldridge Electric, Inc.	\$2,603,186	\$442,542	17.00%
3/23/2016	I-16-4261	Lorig Construction Company	\$1,843,770	\$350,316	19.00%
4/28/2016	RR-15-4247	Lorig Construction Company	\$1,310,004	\$222,701	17.00%
4/28/2016	RR-16-4262	John Burns Construction Company	\$2,485,000	\$447,300	18.00%
TOTAL Contracts : 98			\$231,157,405	\$45,206,367	19.56%

WORKFORCE DEVELOPMENT WHITE PAPER

Overview

The purpose of this document is to discuss whether the Illinois Tollway should establish and directly manage a facility that would train individuals interested in securing employment in the heavy highway construction industry. This facility would be staffed and maintained by Tollway employees and presumably located in an area accessible to diverse populations within the Tollway system. The Tollway would develop and implement the training regimen and work with the industry to determine the best strategies for engaging both trainees and potential employers.

Discussion

On October 7, 2015, the Diversity Advisory Council instituted a Workforce Development Subcommittee to provide recommendations to the Illinois Tollway's Board of Directors on improving workforce diversity on Tollway contracts. The Workforce Development Subcommittee includes representatives from a number of advocacy groups such as the Chicago Urban League, National Latino Education Institute, Chicago Women in Trades and the St. Paul Church of God in Christ Community Development Ministries, Inc. The participating advocacy agencies have decades of experience working with historically disadvantaged communities, as well as extensive knowledge of the transportation infrastructure industry.

Over the course of the past five months, the Workforce Development Subcommittee has met seven times to address the following issues:

- What can be done to increase African American and women workforce participation on Tollway Projects?
- What can be done to increase minority participation within the five union trades primarily involved on Tollway projects to create a more diverse workforce on Tollway projects?
- What can be done to hold prime contractors more accountable for the diversity of their workforce on Tollway projects/contracts?

The Workforce Development Subcommittee came up with a number of recommendations that will be reviewed and presented to the Board of Directors in May. **One of those recommendations is to fund a workforce development technical assistance program for historically underemployed individuals interested in careers in heavy highway construction with an emphasis on job placement and retention.** It should be noted that the Committee did not recommend or expect the Tollway itself would establish and manage the program, but instead draft a Request for Proposals (RFP) to solicit services from professionals with a proven track record of performance. The selected training provider would identify candidates for the program with an emphasis on retention and long term growth opportunities, and ensure sufficient outreach to all historically underrepresented yet difficult to serve populations. In addition to funding the program, the Workforce Development Subcommittee also recommended the Tollway consider sponsoring a portion of costs (support services) associated with working in construction-related industries, such as commercial driver's license fees, pre-apprenticeship dues, union application fees and other related costs.

In recommending this course of action, the Subcommittee members recognized the challenges associated with the Tollway building a program in a timely manner, including:

- **With no on-staff expertise in this area, the Tollway would have to create job descriptions, post job openings, screen candidates and conduct interviews.** Worst case, the state's hiring process could take a year or more. The increase in staffing could also have a long-term impact on administrative costs.

In contrast, the Tollway could quickly issue an Request for Proposals (RFP), review submittals and make a selection within a matter of months. The successful agency has a much greater chance of hitting the ground running and implementing their program much more rapidly than the Tollway.

- **The Tollway would have to develop a curriculum under which the program would be administered.** The Tollway would either have to direct staff to develop a program while the hiring process went forward, or it would have to wait until it hired a program director/manager and employ the ideas from that individual. If Tollway staff had to develop a program, they would have to conduct research on best practices and create a program suitable to the Tollway from scratch.

Ideally, the Tollway would utilize the RFP process to select the best proposal, one that has a proven track record of success, would adapt to the Tollway's needs and would be able to launch in a timely manner.

- **The Tollway would have to secure and maintain one or more locations from which to operate the program.**

The General Engineering Consultant (GEC) is currently reviewing the Tollway's Trust Indenture to determine whether such a purchase is even allowable. If so, as a state agency, the Tollway would most likely have to follow the state's process governing a real estate purchase or lease, which is time consuming and begins with identifying all available state properties to determine the suitability of those sites.

In contrast, if the Tollway issued an RFP, facility costs would be included in the proposal, and the selected training provider would be responsible for securing and maintaining the location(s).

Recommendation

Due to the Tollway's lack of experience with managing programs of this type, the process of securing a facility and the uncertainty associated with the placement of trainees by the Tollway, we recommend the Tollway sponsor a training program managed and staffed by outside experts to accomplish this task.

Under this scenario, the training provider would be selected via RFP, which would allow the Tollway to evaluate and select the training program best positioned for success. The selected training provider would be expected to secure and maintain the facility. This arrangement would also allow the Tollway to continue working closely with industry on marketing the program without being directly responsible for the placement of individuals with industry firms. Finally, establishing a workforce development program via RFP is one of the recommendations made by the Workforce Development Subcommittee of the Diversity Advisory Council, which was established by the Tollway and made up of diversity advocacy agencies to develop and recommend programs and initiatives to improve contract and workforce diversity.

Additional Recommendation

In addition to following the Subcommittee recommendation of implementing a workforce technical assistance program RFP based on the reasoning outlined above, the Department of Diversity and Strategic Development could also partner with existing training programs administered by organizations such as the Construction Women in Trades (CWIT) and/or the Chicago Cook Workforce Partnership. This partnership could include pooling financial resources, enhancing existing program curricula and pursuing grants to defray costs.

Conclusion

The Diversity Department believes that implementing a workforce technical assistance program via RFP will positively impact workforce diversity on Tollway contracts.

EQUAL EMPLOYMENT OPPORTUNITY (EEO) STATISTICS

On construction contracts, the Illinois Tollway incorporates federal workforce requirements and works in conjunction with local unions and awarded contractors to facilitate achievement of all workforce goals.

WORKFORCE HOURS - JANUARY 1, 2011 THROUGH MARCH 31, 2016

	Hours Reported	Percent
African American	372,786	4.7%
Asian/Pacific Islander	56,877	0.7%
Hispanic/Latino	2,643,386	34.5%
American Indian/ Alaska Native	60,581	0.8%
Caucasian	4,548,070	59.2%
Total	7,681,699	

	Hours Reported	Percent
Female	434,406	5.7%
Male	7,247,293	94.3%
Total	7,681,699	

WORKFORCE HOURS BY YEAR

	2011	2012	2013	2014	2015	2016 Q1
African American	11,348	31,199	49,256	113,113	161,490	6,381
Asian/Pacific Islander	1,580	4,484	7,304	21,518	20,645	1,346
Hispanic/Latino	78,268	253,850	383,380	772,402	1,122,783	32,703
American Indian/ Alaska Native	716	3,923	11,153	20,669	23,108	1,012
Caucasian	123,121	346,522	689,299	1,408,833	1,900,263	80,031
Total	91,912	293,457	451,093	927,701	1,328,026	41,442

