

PREQUALIFICATION COMMITTEE
MINUTES – APRIL 1, 2010
8:30 A.M. EDT

The following Committee members attended the meeting:

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| Martha Kenley | Director, Economic Opportunity Division; Chair and Non-Voting Member |
| Tony Hedge | Director, Accounting Division; Voting Member |
| Greg Kicinski | Manager, Office of Project Management; Voting Member |
| Grant Knies | Budget Analyst; Voting Member |
| Mark Miller | Director, Construction Management; Voting Member |
| Tiffany Mulligan | Attorney, Legal Division; Counsel to the Committee and Voting Member |
| Joe Novak | Construction Director, Crawfordsville District; Voting Member |
| Jim Stark | District Deputy Commissioner, Seymour District; Voting Member |

Also in attendance:

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| Mike Rowe | Prequalification Auditor, Legal Division; INDOT |
| Frederic Bartlett | Prequalification Section, Legal Division; INDOT |
| Joan Widdifield | Contract Administration; INDOT |
| Paul Berebitsky | Indiana Construction Association |
| Steve Crider | Crider & Crider, Inc. |
| Shaunna Deckard | Crider & Crider, Inc. |
| William H. Khamis | Crider & Crider, Inc. |
| Tom Pastore | Jack Isom Construction Co. |
| Bill Isom | Jack Isom Construction Co. |
| Susan Miles | Economic Opportunity Division; INDOT |

Kevin Resler Economic Opportunity Division; INDOT
Donna Poole Economic Opportunity Division; INDOT
Dawn Atto Executive Office; INDOT

The Committee reviewed the following agenda items:

1. Adoption of March 4, 2010 meeting minutes
2. Crider and Crider, Inc. - Compliance with the On-the-Job Training Program
3. Jack Isom Construction Co. - Compliance with the On-the-Job Training Program
4. Revision of Charter and Procedures
 - a. Prequalification Committee Charter
 - b. Prequalification Committee Meeting Procedures
 - c. Prequalification Committee Complaint/Issue Procedure

PREQUALIFICATION COMMITTEE MEETING
OPEN SESSION
APRIL 1, 2010

Ms. Kenley, Committee Chair, called the meeting to order at 8:30 a.m. EDT. She facilitated introductions of all individuals present. All Committee members were present, with the exception of Karen Macdonald, Secretary to the Committee. Ms. Widdifield took minutes in her absence.

1. Adoption of March 4, 2010 Meeting Minutes

Ms. Kenley called for consideration of the meeting minutes from the March 4, 2010 meeting.

Joe Novak moved to adopt the meeting minutes from the March 4, 2010 meeting. Jim Stark seconded the motion. All members voted in favor. Ms. Kenley stated the minutes would be posted on the website.

2. Crider and Crider, Inc. - Compliance with the On-the-Job Training Program

Martha Kenley welcomed Mr. Crider and the representatives from Crider and Crider, Inc. (Crider) to the meeting. She introduced Susan Miles and Kevin Resler from INDOT's Economic Opportunity Division and stated that Crider has been called before the Committee to discuss its compliance with INDOT's On-the-Job Training (OJT) Program. She explained that INDOT's OJT Program has training hour goals and particular requirements that contractors must meet to be in compliance.

Kevin Resler explained that the OJT Program is part of INDOT's contract requirements. Under the OJT Program, INDOT works with prime contractors to establish an annual trainee hour goal that must be met through its work on INDOT federal and state contracts. The program also allows a prime contractor to count trainee hours on non-INDOT contracts toward the goal. These goals are not quotas, but if a contractor fails to meet the goal, it must demonstrate that it used adequate good faith efforts to do so. The two contractors called before the Committee today have not met their OJT goals or demonstrated that they made good faith efforts to meet the goals.

Martha Kenley asked Susan Miles to pass out information on the OJT program and to explain to the Committee why Crider is before the Committee.

Susan Miles explained that Crider signed an OJT agreement in April 2009, which included Crider's OJT goal of 6,550 trainee hours. As noted in the handouts, OJT goals are determined by looking at the last three years of blue collar hours for the company.

On July 7, 2009, Ms. Miles sent Kurt Richardson of Crider its second quarter report. The report noted that Crider had not submitted a report of trainee hours as required by the contract and asked Crider to contact Ms. Miles immediately. She also sent Mr. Richardson an email on this same date requesting the report and the CC-257 document. On July 21, 2009, Mr. Richardson submitted Crider's first trainee introduction for INDOT's approval; however, he reported trainee hours acquired by that trainee dating back to April 27, 2009.

Kevin Resler noted that INDOT requires all trainees to be approved by INDOT before they can participate in the OJT program and be counted toward the trainee goal.

Susan Miles went through the packet she distributed to Committee members. She described multiple instances where she emailed or called Crider asking for required reports and received no response from Crider in return. Finally, on October 26, 2009, INDOT received Crider's monthly progress reports and CC-257s through September 2009. Despite Ms. Miles additional requests, including a certified letter dated January 8, 2010, Crider did not submit its second and third quarter trainee evaluations or monthly reports and CC257s. Ms. Miles sent Crider a good faith effort letter explaining that Crider did not meet its trainee goals, did not submit the required reports and was now required to submit a letter explaining its good faith efforts. On March 11, 2010, Crider submitted a good faith efforts letter that did not address the issues.

Martha Kenley stated that Crider failed to communicate with INDOT after several attempts by INDOT to contact Crider.

Steve Crider apologized that Crider staff was not responding to Ms. Miles' requests. He said he did not have an excuse for the lack of communication; however, they have dealt with the problems and are continuing to deal with them. INDOT's certified letter brought this matter to Crider's attention.

Mr. Crider passed out packets of information to the Committee members. He noted that the first letter summarizes Crider's efforts to improve their compliance with the OJT Program and their communication with INDOT. Crider management is now asking for specific trainees and is educating its employees on the OJT requirements. Mr. Crider indicated that there was a real failure of Crider employees to communicate with management. He stated that the problems occurred on his watch and that he takes credit for them. He indicated that Crider had problems late in the year - an employee left and another had health issues. He stated that he did not know his employees were not filing the required reports in a timely fashion. Crider brought in Ms. Deckard to take over Crider's Equal Employment Opportunity (EEO) requirements. She has done a good job and identified many of Crider's problems. Ms. Deckard came from an EEO background so she will help Crider make their goal in the future. Mr. Crider then asked Ms. Deckard to discuss what Crider has accomplished so far.

Ms. Deckard stated that Crider has communicated the OJT requirements and goals with its employees, contractors, unions, and recruiting sources. She is going to make sure everyone in the company knows what is going on with the OJT program and make sure the upper management of the company knows how Crider is doing with the OJT Program. She will contact Ms. Miles if she has any questions and noted that Ms. Miles has been helpful to her so far.

Mr. Crider indicated that one of the things Crider has done is to set goals with each job with hours toward the company goal, even the larger earth moving projects. This will help Crider meet its goals. Crider has contacted the unions to recruit minorities to the program; however, they are in competition with other contractors.

Ms. Deckard stated that Crider has already sent out requests to the unions as required. She has sent out monthly letters to them. She has also sent out recruiting source letters to various areas. The foremen will have a form to fill out and send back. They are logging all walk-in applicants and going to send packets from unions to follow up with them. She is hoping to get a lot of applicants and will contact all trainees. She will solicit employees for other possible trainees and assist apprentices with union fees even if Crider has to set up a payroll deduction. They are going to meet with local high schools because there are many opportunities there.

Martha Kenley stated that it sounds like Crider has a good plan in place.

William Khamis stated that Crider has had to address the communication problems, and they will make changes.

Martha Kenley asked if there were any questions for Crider & Crider from the Committee members.

Jim Stark asked when the first quarterly report is due.

Susan Miles responded the first report is due in April.

Jim Stark asked whether the 2010 goals are determined yet.

Susan Miles responded that Crider has submitted 2010 goals and has submitted reports. She is getting them on a weekly basis and has had good communication with Ms. Deckard recently. Ms. Miles has a typed report from Crider and will sign off on it since Crider has submitted it with apprentice information. She will review it and make sure the trainees are qualified for the program.

Jim Stark stated that the Committee wants to make sure that Crider's plan is followed. He suggested that the Committee should call Crider back before the Committee in July or August and evaluate them then. He stated the Committee should put Crider on probation until then to make sure Crider follows its plan.

Tiffany Mulligan indicated that the members' prequalification packets include some confidential information on Crider's prequalification status. Crider's current prequalification certificate expires in March, 2011.

Greg Kicinski stated that he agrees with Mr. Stark that the Committee should follow up with Crider.

Martha Kenley stated the vast majority of INDOT primes comply with OJT requirements.

Tiffany Mulligan asked whether Ms. Deckard is employed full time in the EEO area.

Shaunna Deckard indicated she does payroll as well as EEO issues. Doing payroll makes it easier for her to see how they are doing towards the OJT goals.

Kevin Resler stated Crider's lack of communication was the key to the problems last season.

Susan Miles stated lack of apprentices and journeyman is a problem, but Crider may still be in compliance if it shows good faith efforts toward meeting the goal and keeps her informed.

Ms. Kenley called for a motion.

Jim Stark motioned that the Committee take no action at this time and that the Committee call Crider back in August to evaluate whether they are in compliance and that they are following their improvement plan.

Greg Kicinski seconded the motion.

All Committee members voted in favor.

3. Jack Isom Construction Co. - Compliance with the On-the-Job Training Program

Martha Kenley called for consideration of the issues involving Jack Isom Construction Co. She welcomed Mr. Isom and Mr. Pastore, Isom's attorney, to the Committee meeting and asked for Susan Miles to introduce the issues to the Committee.

Susan Miles stated that Bill Isom signed its OJT agreement with an 831 trainee hour goal on October 13, 2009. Thereafter, Ms. Miles stated she did not receive any information from Isom, despite sending many emails and making many phone calls. Isom failed to send any of its required OJT introductory forms, monthly reports, or other information. Ms. Miles sent a certified letter to Isom on January 28, 2010, informing Isom that it had not achieved any trainee hours and needed to submit a good faith efforts letter. Isom did not respond.

Martha Kenley noted that Isom submitted zero hours for the OJT Program as shown on page 22 of the prequalification packet.

Kevin Resler stated that INDOT requested a good faith effort explanation of what Isom had been doing but received nothing.

Susan Miles noted that Isom did not attend OJT training for the 2010 season.

Tom Pastore stated he is before the Committee to represent Isom on this. He stated that the problem was that Bill Isom does not handle this program, but his sister does. She went into the hospital last spring, and she is still in a wheel chair. Mr. Isom thought she would be back to work so they did not replace her. She will have a job when she comes back because Isom is a family business. Isom is fully aware of compliance needs. They did have four trainees to submit, but Mr. Isom's sister is a co-equal in the company and handles these matters.

Susan Miles stated Bill Isom signed the OJT agreement and that she has his signature on the document.

Tom Pastore stated Isom has never had a problem with contract requirements in the past. Isom has hired someone with dual duties, and Isom takes the OJT requirements seriously. Bill Isom did not know what was going on since the OJT Program is not his part of the business. Isom needs some time to get this part of the business back up and running. The catastrophic events of his sister going in the hospital caused these problems.

Bill Isom stated he never received INDOT's letter, which was signed for by his employee. His employee is a hard worker and would have brought the letter to his house if she had gotten the letter. She must have lost the letter. He stated Isom has hired minorities and did not know where to submit their names to.

Martha Kenley stated Isom should have come to the OJT training session in March.

Bill Isom stated he did not know about it.

Tom Pastore stated that these problems will not happen again.

Kevin Resler asked whether Mr. Isom signed the agreement in October, 2009.

Tom Pastore stated Isom only saw the December, 2009 letter, and he signed for the 2010 goals.

Susan Miles stated the only letter on file is the October, 2009 letter.

Kevin Resler stated that it is hard to accept that the contractor did not know what was expected of them. He stated Isom is a prime contractor and not new to INDOT work. INDOT holds OJT meetings every year to address these issues. He asked Mr. Isom if he read the agreement that he signed.

Bill Isom stated that he did read the agreement at least from December, 2009.

Susan Miles stated that she always asks who the point of contact is. She also stated that Bill Isom signed off on the October, 2009 agreement, which was sent directly to Bill Isom.

Bill Isom asked whether INDOT received the October 15, 2009 e-mail from Isom.

Susan Miles stated she shows Isom received the December, 2009 training program and that she sent a response back that it was acceptable.

Tom Pastore stated he has an e-mail to Ms. Miles asking her to resend the OJT attachment because he could not open it. The last item he has is from December, 2009.

Susan Miles stated she received a signed copy of the OJT agreement from Isom from December 9, 2009.

Kevin Resler stated INDOT handed out the information on the OJT Program at the pre-construction meeting. Isom could not have missed it.

Tom Pastore stated he was not trying to squabble over the dates. Since Mr. Isom's sister was sick, that side of the company was lacking. Isom would like to get back on track and show INDOT it can comply with the Program. It would like the opportunity to make this right.

Martha Kenley asked Committee members if they had any questions.

Greg Kicinski asked whether hours were worked and not reported.

Tom Pastore stated goals were met, but Isom did not submit the numbers. Isom can track down the numbers to see how it did.

Tiffany Mulligan asked how long Isom's sister had been out of the office.

Bill Isom stated she has been out since April 2009. She got out of the hospital in October. He stated he takes responsibility for the problems. He has no excuse.

Martha Kenley asked whether Isom was in compliance in 2008.

Susan Miles stated Isom was not in the program in 2008.

Bill Isom stated he was told Isom had to get in the program.

Tom Pastore stated Isom is a very small company, and Isom will have to spread the work load around to get things done. He has an employee that will be able to finish this program and get on top of this. There is a structural break down. Isom needs to get this right for the future and come back to the Committee sooner than August to show that it is in compliance. Isom is sorry this happened, and it won't happen again

Susan Miles stated documents are required monthly.

Martha Kenley stated the person who is handling the OJT Program for Isom needs to come in and meet with Susan since Isom did not go to the training.

Susan Miles stated INDOT would work with Isom on this.

Bill Isom stated he will do what he needs to do to meet the goals. He is a minority, too. He is an American Indian. Isom has a lot of women who apply and are in the program.

Tom Pastore stated that Isom is asking that it submit what it has and that the Committee put the problems in the past as a failure to communicate.

Tiffany Mulligan stated Isom's Prequalification Certificate expires at the end of the month. INDOT has not received a new application yet. She would like for INDOT to see improvements on the OJT Program before INDOT signs off on the new Prequalification Certificate.

Mark Miller stated that the lack of meeting hours is a red flag. We need to see the 2010 program before we continue working with Isom.

Martha Kenley stated she agrees.

Tom Pastore asked if Isom could provide information with the Prequalification application and whether information could all be sent in at once.

Tony Hedge asked Isom what the status of its Prequalification application is.

Bill Isom stated INDOT should have the new application next week.

Martha Kenley stated INDOT has had problems with Isom not communicating with its subcontractors. This could result in another trip to the Prequalification Committee.

Tom Pastore stated Isom is trying to hang on, improve what it is doing, and show INDOT it is worthwhile.

Jim Stark asked once INDOT receives the application, what is INDOT's processing time frame.

Mike Rowe responded thirty days.

Greg Kicinski stated INDOT needs Isom to meet the Economic Opportunity Division requirements before INDOT approves any new Prequalification Certificate for Isom.

Kevin Resler stated it is simple to do and can be done in a day.

Joe Novak asked who would approve the OJT documents and whether the Prequalification Committee would need to consider the issues again.

Martha Kenley stated the Economic Opportunity Division could make a recommendation to the Prequalification Engineer on whether Isom has met the OJT requirements once Isom submits documents to INDOT.

Greg Kicinski stated the Prequalification Committee should monitor Isom to make sure it complies with the Program.

Tom Pastore asked whether INDOT wants a corrective action plan right away.

Tiffany Mulligan stated INDOT could review any new prequalification application from Isom and make approval of the application conditional on INDOT receiving a 2010 OJT plan and a corrective action plan.

Tony Hedge asked whether INDOT would need proof of EEO compliance prior to approving the prequalification certificate since Isom's prequalification certificate will expire at the end of April.

Tiffany Mulligan stated a contractor must meet prequalification requirements before INDOT approves it for prequalification renewal.

Fred Bartlett stated INDOT must have a prequalification application at least fifteen days prior to a bid opening if a contractor wants to bid on a project.

Tom Pastore stated Isom will have a corrective action plan to INDOT very soon and will talk with Susan Miles.

Susan Miles asked if the agreement is ready to be sent and who INDOT's point of contact on the OJT Program will be.

Tom Pastore stated Bill Isom should get the information now.

Susan Miles stated she will give Isom a hard copy of the information today with her contact information.

Joe Novak stated he thinks we need Isom in compliance before we proceed with prequalification.

Tiffany Mulligan stated if the Economic Opportunity Division reports that everything goes smoothly, then the Prequalification Committee does not need to follow up. If progress is not made, then the Economic Opportunity Division should ask that Isom be called back before the Committee.

Jim Stark stated everyone should be held accountable for the job they do.

Martha Kenley called for a motion.

Tiffany Mulligan moved that the Committee recommend the Commissioner order the Prequalification Engineer to hold and not approve any prequalification renewal application from Isom until INDOT receives from Isom a 2010 agreement for the OJT program and a corrective action plan that have been approved from the Economic Opportunity Division.

Tony Hedge seconded the motion.

All Committee members voted in favor.

4. Revision of Charter and Procedures

Tiffany Mulligan stated that she made suggested revisions to the charter and procedures to reference consultants and the Consultant Prequalification Manual in response to last month's vote to extend the Committee's work to consultants. She stated that slight changes were made throughout the documents, as shown in the tracked changes in the documents.

Mark Miller stated he would like to see a date on the documents because there are several different versions now.

Tiffany Mulligan agreed and stated she will add a date to the documents. If the Committee adopts the changes, the new documents will be posted on line.

Mark Miller moved to adopt the revised Committee Charter with the date added.

Joe Novak seconded the motion.

All Committee members voted in favor.

Tiffany Mulligan stated that she revised the meeting procedures to add consultants along with contractors.

Jim Stark asked that a date be added to the revised meeting procedures as well.

Mark Miller moved to approve the meeting procedures with the date added.

Joe Novak seconded motion.

All Committee members voted in favor.

Tiffany Mulligan introduced the revisions to the issues procedures. Like the other two documents, she stated she added consultants along with contractors throughout the document. She will add a date to this document as well.

Mark Miller motioned to adopt the issues procedures with the date added.

Greg Kicinski seconded the motion.

All Committee members voted in favor.

Martha Kenley asked for a motion to adjourn the meeting. Joe Novak moved to adjourn the meeting, and Jim Stark seconded the motion. All members voted in favor of adjourning the meeting.

Ms. Kenley adjourned the meeting at approximately 10:31 a.m.