



U.S. Department
of Transportation
**Federal Highway
Administration**

Oregon Division

November 9, 2021

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<https://www.fhwa.dot.gov/ordiv/>

In Reply Refer To:
HDA-OR

Mr. Kris Strickler, Director
Oregon Department of Transportation
355 Capitol St, NE
Salem, Oregon 97301

Dear Mr. Strickler:

The Oregon Department of Transportation's (ODOT) August 4, 2021 request to implement a Workforce Preference Hiring Pilot program with the I-205: Stafford Road – OR 213 Improvements – Phase 1A Project (Project) is approved. In addition, ODOT's October 18, 2021 SEP-14 workplan proposal for the use of A+C+D procurement on the Project is approved.

The Project is being developed under ODOT's Price Plus Multi-Parameter Selection Method (A+C+D) of procurement. This method is a design-bid-build best-value selection, where bidders' price, technical qualifications and approach are assessed by ODOT to determine the basis for award. The FHWA granted ODOT approval to utilize this best value contracting method on a programmatic basis on September 6, 2005. The addition of the Work Force Priority Hiring program and the inclusion of an Equity Management Plan, made FHWA's approval of this non-programmatic SEP-14 much simpler.

The Project includes a Workforce Priority Hiring requirement, where 8% of the total construction workforce (measured by hours worked) must be performed by people residing in targeted geographic locations, identified as priority zip codes. ODOT analyzed census data from the four-county region surrounding the project and identified zip codes with high concentrations of people living below 125% of the Federal poverty line, unemployed people possessing knowledge, skills and abilities to perform the work, and people without a college degree. ODOT requires the prime contractor and subcontractors with subcontracts greater than \$100,000 to meet the priority zip-code hiring requirement, or to use Good Faith Efforts to meet the goal, as described in the workplan. In addition, ODOT has established an On-the-Job apprenticeship goal on this Project of 15% for operating engineers and 20% for all other trades.

This Project also includes a contractual requirement for the contractor to develop an Equity Management Plan. The plan is to be developed in collaboration with ODOT and submitted to ODOT for approval within 90 days after the Notice to Proceed is issued. The plan is intended to detail the contractor's workforce-related efforts, such as recruiting priority workers, conducting outreach to various stakeholders, attaining equal employment opportunity aspirational goals and compliance with disadvantaged business enterprise requirements.

With this approval, ODOT is required to provide initial, interim and final reports to FHWA summarizing findings of both its A+C+D procurement method and workforce priority hiring, as detailed in the workplan.

The FHWA applauds ODOT for its innovative approach to contracting, workforce development and equity, and we look forward to any assistance or clarification you will require. Ms. Shaneka Owens (503-316-2553) will be your best resource if additional information is needed.

Sincerely,

Phillip A. Ditzler
Division Administrator

cc:
ODOT (Brendan Finn, Director, Urban Mobility Office)