



May 2016

## Title VI

The Idaho Transportation Department (ITD) is committed to compliance with Title VI of the Civil Rights Act of 1964 and all related regulations and directives. In accordance with Title VI of the Civil Rights Act of 1964, the Civil Rights Restoration Act of 1987, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 (ADA), the Age Discrimination Act of 1975 and Executive Orders 12898 (Environmental Justice) and 13166 (Limited English Proficiency), ITD does not and will not exclude from participation in or deny the benefits of its programs or activities; or subject anyone to discrimination or treat persons unfavorably based on race, color, national origin, sex, age, disability, limited English proficiency or economic status. In addition, ITD will not retaliate against any person who complains of discrimination or who participates in an investigation of discrimination.

**Liz Healas, Editor**

Idaho Transportation Department  
Office of Civil Rights



Your Expressway to EEO, Contracting & Business Issues

Where in Idaho is this? Clue on page 3.

## Short-Term Lending Program

DBE, 8(a), HUBZone and SDVOBs are all eligible to participate in the USDOT's Short-Term Lending Program, designed to help with cash flow on federal-aid projects.

To help DBEs get the financing they need in order to participate in transportation-related projects, the US Department of Transportation (USDOT) offers the **Short-Term Lending Program (STLP)**.

The STLP provides short-term working capital financing for DBEs working on USDOT-funded contracts and subcontracts for any mode of transportation (highway, transit and aviation).

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## Prevailing Wages

*Russ Rivera, our Contract Compliance Officer, wonders why construction employees don't know what they're getting paid. Is this selflessness, general cluelessness, or a red flag about lack of communication about prevailing wages on federal-aid projects?*

I remember my first job ... Flipping hamburgers isn't glamorous, and what they don't tell you about is the nights you spend cleaning grease traps and sifting through garbage for a customer's "lost" retainer. I made \$4.25 an hour and earned every last cent.

As I've gotten older my salary has increased, but I still know (not quite to the penny) how much I make.

What astounds me is that many employ-

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<b>Newly Certified DBEs</b>	<b>Save the Date for Civil Rights Training</b>
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## Our Website Has It All

How about one-stop-shop website for all your ITD Civil Rights needs? [www.itd.idaho.gov/ocr/index.aspx](http://www.itd.idaho.gov/ocr/index.aspx) does it all for you! (Well, nearly all. We're delighted to take suggestions for additions or improvements.) Go ahead and save that as one of your browser favorites. If you

can't find what you're looking for, just click on the "Contact Us" graphic on the bottom of the page — after all, any website is a work in progress.

## Save the Date! OCR is Coming North

On July 19 and 20, the Office of Civil Rights — yes, all three of us — are travelling up to Districts One (Coeur d'Alene) and Two (Lewiston) to give presentations on the DBE Program, Title VI and EEO Requirements to agencies receiving federal transportation money either from ITD or directly from one of the USDOT operating administrations.

We'll be putting out more information as details fall in place, but in the meantime, save the date, and by all means contact us if you'd like your agency or organization to attend. Tell us what you want to learn!

## Newly Certified DBE Firms

### Shrewsberry & Associates, LLC

William Shrewsberry, President/CEO  
 7321 Shadeland Station, Ste. 160, Indianapolis, IN 46256  
 Phone: (317) 841-4799 FAX: (317) 841-4790  
 Email: [certifications@shrewsusa.com](mailto:certifications@shrewsusa.com) Homepage: [www.shrewsusa.com](http://www.shrewsusa.com)  
*Construction Management, Contract & Project Administration, Utility Coordination.*

### Surface Prep & Maintenance

Ann Church, President  
 240 Linden St. Suite D, Reno, NV 89502  
 Phone: 775-823-7882 FAX: 775-358-7362  
 Email: [surfacepandm@gmail.com](mailto:surfacepandm@gmail.com)  
*Asphalt sealing, line striping and crack filling*

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## What is a DBE?

A Disadvantaged Business Enterprise (DBE) is a small, for-profit business concern that is at least 51% owned and controlled by socially and economically disadvantaged individuals. The US Department of Transportation's (USDOT) DBE Program is designed to foster equal opportunity for minority, female and disadvantaged business owners on federal-aid transportation projects, and help them improve their business efficiency and flexibility.

This monthly newsletter is published by ITD's DBE Supportive Services as an informational and educational resource for DBs, contractors, consultants and federal-aid agencies on EEO, procurement and business issues. If you'd like to receive this newsletter regularly, please contact us for a **free subscription**.

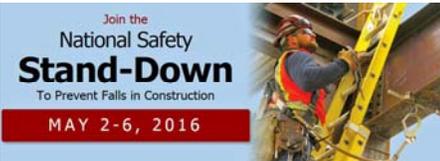
Want to learn more about the DBE Program? Visit [www.youtube.com/watch?v=5i1vZPLLOXE](http://www.youtube.com/watch?v=5i1vZPLLOXE) for a quick online presentation.

Looking for DBEs? It couldn't be easier. Just view our slick, new, continually updated online, on-demand **DBE Directory** at <https://itd.dbesystem.com>.

You can browse by work categories, keywords, NAICS Codes, or just download the whole thing to Excel.

## Stand-Down to Prevent Falls in Construction

This national safety event is scheduled for May 2-6. Visit [www.osha.gov/StopFallsStandDown](http://www.osha.gov/StopFallsStandDown) for tips on conducting your own company's Stand-Down.



The **National Fall Prevention Stand-Down** is designed to raise awareness of preventing fall hazards in construction.

Fatalities caused by falls from elevation continue to be a leading cause of death for construction workers, accounting for

*(Continued on page 4)*

Clue for this month's "Where in Idaho are You?" (front page) This interpretive center gives you an idea what pioneers along the Oregon and California Trails experienced — no interstate! Or air conditioning! Or even cruise control. And fast food was something you had to bring down before it got away from you.



Answer to April Issue (photo shown above): **Idaho Potato Museum**, in Blackfoot. For past issues, visit [www.itd.idaho.gov/ocr/ocrBUSINESSNEWS.aspx](http://www.itd.idaho.gov/ocr/ocrBUSINESSNEWS.aspx).

## Business Essentials Summit

Free event for start-up or growing businesses to be held in Boise on June 1.

The Business Essentials Summit is a free, one-day event for new or aspiring business owners and business professionals where you will learn success strategies to start, grow or innovate your business.



Trailhead Boise, Small Business Administration, Small Business Development Center, Women Business Center, SCORE, Idaho Industrial Commission, Idaho Department of Labor, IRS, Idaho State Tax Commission, Idaho Housing & Finance and Zions Bank.

The Business Essentials Summit will take place on the 17th floor of the Eighth & Main building (800 W. Main Street, Boise) on June 1st, 2016.

Space is limited, so you must register in advance to reserve a seat. Registration includes a complimentary lunch.

To register, visit <http://businessessentials2016.eventbrite.com>.

- Attend interactive sessions presented by experts on marketing, social media, business law, taxes, financing, innovation, business space, hiring talent and more.
- Get inspired hearing "How I did it" stories from local founders and CEOs during keynote presentations.
- Network with local entrepreneurs as well as leaders from Buy Idaho,

*(NEW DBEs, Continued from page 2)*

### TRS & I Group, Inc. dba TRS&I

Rachelle Latimer, President  
PO Box 621851, Charlotte, NC 28262

Phone: 704-548-5370

FAX: 704-548-5370

Email: [info@trsigroup.com](mailto:info@trsigroup.com)

Homepage: [www.trsigroup.com](http://www.trsigroup.com)

Administration Management and General Management Consulting, Construction Services Project Management

### U.S. Essential Supply and Services LLC

Kayla Dennis, CEO  
2836 Locust Street, St. Louis, MO 63103

Phone: 314-713-2449

FAX: 314-335-1332

Email: [Kld@usessllc.com](mailto:Kld@usessllc.com)

Homepage: <http://usessllc.com>

Building Material Supplier – Supply drywall, insulation, fasteners, small tools and consumables, oils and lubricants, cement and rebar, safety gear and equipment; Construction Project Management.

(STLP, Continued from page 1)

This is done through revolving lines of credit, with the contracts' accounts receivable acting as collateral. These lines of credit can be extended to both primes and subcontractors with the maximum line of credit up to \$750,000.

STLP funds are to be used only to meet the short-term costs of performing the contract being financed. They're *not* available for contract mobilization, equipment purchases or other long-term uses; or paying/refinancing existing debt.

Businesses that are eligible to receive a loan through STLP are **DBE-certified firms**, or businesses that have been certified by the Small Business Administration as a **HUBZone, 8(a)**, or **Service Disabled Veteran Owned Small Business**.

Start-up businesses are not eligible to apply for the STLP -- it is recommended that a business have at least a three year past performance history before applying to the program.

Lines of credit are managed by the Office of Small and Disadvantaged Business Utilization (OSDBU) through coop-

erative agreements with banks who have agreed to be Participating Lenders (PLs) in the STLP. The final loan approval is made by both the PL and the USDOT.

Loan documentation and financing transactions are performed directly by the PL. DBEs borrow funds against each invoice of the contract being financed. Each invoice is paid directly to the PL by the Project Owner or Prime Contractor via a two-party check addressed to the Lender and the DBE Borrower.

The PL then deducts the payment amount, including interest payments, and remits the remaining balance to the DBE Borrower through their checking and/or savings account.

The interest rate of the loan is a variable rate tied to the Prime Rate published in the Wall Street Journal.

Normally, the line of credit covers a one-year period. The applicant has the option of requesting renewals; however, the line of credit cannot exceed five years.

The line of credit can be increased dur-

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(STAND-DOWN, Continued from page 3)

345 of the 899 construction fatalities recorded in 2014.

**Those deaths were preventable.** Fall prevention safety standards were among the top 10 most frequently cited OSHA standards, during fiscal year 2014.

What to do about it? Participate in the national Stand-Down. A Safety Stand-Down is a voluntary event for employers to talk directly to employees about safety. This Stand-Down focuses on "Fall Hazards" and reinforcing the importance of "Fall Prevention".

In past years, participants included commercial construction companies of all sizes, residential construction contractors, sub- and independent contractors, highway construction companies, general industry employers, the U.S. Military, other government participants, unions, employer's trade associations, institutes, worker interest organizations, and safety equipment manufacturers.

Companies can conduct a Safety Stand-Down by taking a break to have a toolbox talk or another safety activity such as conducting safety equipment inspections, developing rescue plans, or discussing job specific hazards.

Managers are encouraged to plan a stand-down that works best for their workplace anytime during the May 2-6, 2016.

See *Suggestions to Prepare for a Successful "Stand-Down"* at [www.osha.gov/StopFallsStandDown/suggestions.html](http://www.osha.gov/StopFallsStandDown/suggestions.html) for tips and more information.

Afterwards, Employers will be able to provide feedback about their Stand-Down and download a Certificate of Participation signed by Secretary of Labor Thomas E. Perez following the Stand-Down.

### Participating STLP Lenders for Idaho

**Zion's Bank**, Salt Lake City, UT  
Cece Mitchell, SBA Manager  
(801) 844-7909 / [cecilia.mitchell@zionsbank.com](mailto:cecilia.mitchell@zionsbank.com)

**Seaway Bank and Trust Company**, Chicago, IL  
Dan Davis, Commercial Loan Officer  
(773) 624-1352 / [ddavis@seawaybank.us](mailto:ddavis@seawaybank.us)

**Rural Community Assistance Corporation (RCAC)\***, Denver, CO  
Chuck Miller, Loan Officer  
(360) 253-7683 / [cmiller@rcac.org](mailto:cmiller@rcac.org)

\*Lending is limited to USDA Urban Areas only



Employers must post the Davis-Bacon Wage rates on federal-aid projects so *everyone* knows what the prevailing wages should be.

*(WAGES, Cont. from page 1)*  
ees on Federal-aid construction projects are unaware of their hourly rate when asked during routine Labor Compliance interviews.

This in and of itself isn't an issue, but it does raise a red flag for contractors, and it's the sort of red flag that begs questions like, "why doesn't that employee know?" "Are the Davis Bacon Wage rates posted?" "Is the job board posted?" "How many Federal-aid projects did that employee work on last year?" "Did the employee receive a paystub showing Davis Bacon Wage Rates and Fringe?" "Are those wage rates separated on the pay stub per federal regulations?"

These questions open the door for an even more in-depth investigation of a contractor and that typically means paperwork and time away from the job answering questions that a thorough tailgate meeting might have fixed.

So, the next time you meet with your crew at the beginning of a project, make sure your employees know how much they make per hour, where they can find Davis Bacon Wage rates and the job Board, and ask if they have any questions about deductions from their paychecks.

Two or three minutes added to a tailgate meeting could save you hours at your next EEO ~~inquisition~~ ~~audit~~ review. 

## BUSTED! Tales from the OIG

*The US Department of Transportation is not the only federal agency with its own Office of the Inspector General. The US Department of Labor's OIG prosecutes some pretty juicy cases, too.*

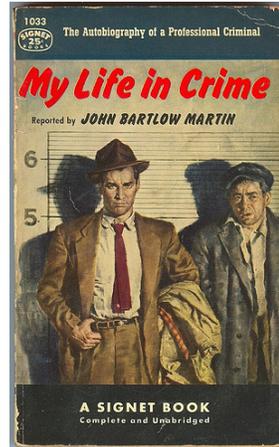
Last month in the Brooklyn federal court, Muzaffar Nadeem, the owner of SM&B Construction Co., Inc. (SM&B), was sentenced to 96 months' imprisonment, ordered to pay more than \$1.3 million in restitution to the IRS, and ordered to forfeit to the government over \$7.1 million in criminal proceeds.

This follows his convictions on May 8, 2015, after a four-week jury trial, for mail and wire fraud, structuring financial transactions, federal programs bribery, making illegal cash payments to a union official, money laundering, unlawful monetary transactions over \$10,000, subscribing to false tax returns, and multiple related conspiracy charges.

The convictions arose out of Nadeem's leadership role in a long-running scheme to pay SM&B's workers a fraction of the prevailing wage on projects funded by the New York City School Construction Authority (SCA), as SM&B was legally and contractually required to do.

Nadeem's co-conspirators Zainul Syed, Afzaal Chaudry and Irfan Muzaffar were also convicted at trial of various crimes for their participation in this scheme.

Muzaffar was previously sentenced to 18 months' imprisonment, and Chaudry was previously sentenced time served, following approximately ten months of imprisonment. Syed is awaiting sentencing.



While the federal government certainly values diversity, it does not view crime as a defensible lifestyle choice.

Nadeem owned and operated SM&B, which received over \$36 million in fraud-induced payments from the SCA since 2007.

Evidence at trial established that SM&B paid workers, including bricklayers and laborers, cash wages on its projects at rates that were a small fraction of the prevailing wage.

The defendant and his co-conspirators Syed and Chaudry then falsely certified to the SCA that the workers had been paid the prevailing wage.

To conceal the scheme, and to obtain cash to pay the illegally low wages to workers, Nadeem, Syed and Muzaffar illegally structured financial transactions, cashing hundreds of checks in amounts less than \$10,000 for the purpose of avoiding federal reporting requirements.

Since July 2006, Nadeem and others acting on his direction wrote more than \$4.1 million in structured checks on SM&B's account.

Nadeem and Syed arranged for the payment of \$30,000 in cash bribes to an undercover SCA Inspector, and over \$7,000 in cash bribes to Russell Argila, a shop steward for Local 1 of Bricklayers.

Argila previously pleaded guilty to accepting those bribes. Nadeem also laundered approximately \$7 million in pro-

*(Continued on page 6)*

## Are You Completing Your Audits?

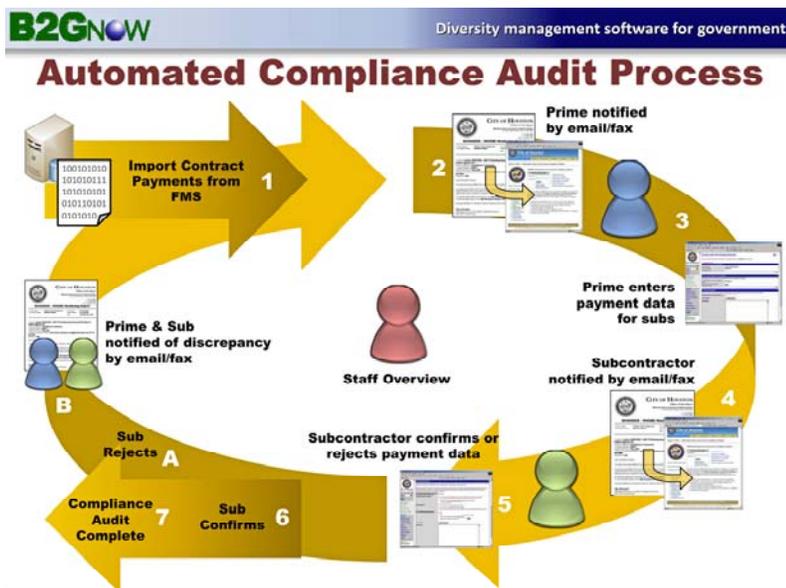
Online payment reporting by prime contractors on ITD federal-aid highway construction projects started last month. Subcontractors and suppliers are also required to participate.

Since April 4, the Idaho Transportation Department Office of Civil Rights will require contractors, subcontractors, and suppliers to report and/or confirm project

payments to all lower tier subs through its online tracking system, B2GNow.

This is the same system used for ITD's

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The online certification of payment process.

(BUSTED! Continued from page 5) ceeds of the scheme by funneling it through shell companies, and sent millions of dollars through these shell companies to Pakistan to invest in an amusement park and resort complex named "Wayzgoose Park."

Finally, Nadeem filed false tax returns for SM&B and himself that fraudulently inflated SM&B's business expenses and reduced its profits by more than \$4 million.

Nadeem's sentence was announced by Robert L. Capers, United States Attorney for the Eastern District of New York; Shantelle P. Kitchen, Special-Agent-in-

Charge, Internal Revenue Service, Criminal Investigation, New York; and Jonathan Mellone, Acting Special Agent-in-Charge, U.S. Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations.

The government's case is being prosecuted by the Office's Public Integrity Section. Assistant United States Attorneys Lan Nguyen, Gina M. Parlovechio and Nathan Reilly are in charge of the prosecution. Assistant United States Attorney Claire Kedeshian is handling the forfeiture aspects of the case.

## Boise Airport Proposes 2% DBE Goal

Boise Airport (BOI) will hold a consultation meeting to discuss DBE DRAFT project goals with interested parties including DBEs, organizations, and individuals on **Monday, May 9 at 3:00 PM MDT**.

BOI's proposed DBE Annual Participation (APG) Goal for fiscal years 2016 and 2017 is 2%. Comments regarding this goal are solicited.

The meeting will be held at the Boise Airport Terminal Building at 3201 W Airport Way #1000, Boise, in the 3rd floor meeting room.

Participants may also call in to +1-415-655-0001 US TOLL. Access code: 197 445 404.

For more information, contact:

John Anderson, A.A.E.  
Airport Consultant,  
T-O Engineers, Inc.  
(208) 323-2288

[janderson@to-engineers.com](mailto:janderson@to-engineers.com)



BOI processed nearly three million passengers in 2015, an 8% increase over 2014 numbers.

## Careers in Construction

*Free Training Begins on May 23 for Youth Interested in the Construction Industry*



Youth ages 18 to 24 years old may be eligible for free training in the construction industry beginning May 23.

The two-week training session will be held in the Idaho Department of Labor Boise office. Training includes:

- Industry certifications including OSHA1 and NCCER2
- Paid internship
- Connections with potential employers
- A set of basic hand tools

Along with these qualifications, participants must also:

- Have reliable transportation
- Commit to two weeks of training
- Want a paid job in the construction industry

Students will then be connected with industry employers for paid four-week internships where they can earn industry certifications. Participants also will receive a set of basic hand tools.

To sign up for the program, call Kathy Smethers at (208) 364-7785 ext. 3106. Customers with disabilities who need a reasonable accommodation to participate also can contact Smethers. To access the Idaho Relay Service for the deaf and hard of hearing, dial 711.

# ITD Procurement

## ITD Highway Construction Plans & Specs

ITD highway construction plans and specifications are available only through Quest Construction Data Network (QuestCDN). To obtain or view plans, first visit ITD's Contractor Page at [www.itd.idaho.gov/design/contractors/contrinfo.htm](http://www.itd.idaho.gov/design/contractors/contrinfo.htm).

On the blue-shaded menu on the left side of the screen is the "Browse Projects & View Plan holders" option. This directs you to a screen where you can either search for projects, or choose "Show all."

After clicking on individual project names, you can view plan holders or addenda, and of course download plans and specifications.

## Consulting for ITD

Consultants: mark this website in your "favorites": [www.itd.idaho.gov/design/cau/cau.htm](http://www.itd.idaho.gov/design/cau/cau.htm). Learn here how ITD uses professional services for highway project development and improvements.

Requests for Proposal are posted here,

## Other ITD Opportunities

**Not all ITD procurement is highway construction-related.** We buy goods and services for Maintenance, Safety, Aeronautics, Public Transportation and Motor Vehicles as well.

Visit [www.itd.idaho.gov/business/business.htm](http://www.itd.idaho.gov/business/business.htm) (*Bid & Contract Information—ITD Goods & Services*) for bid notices for: Building Construction; Maintenance and Repair; Facility and Yard Improvements; Highway Maintenance and Repair; Site Clearing and Demolition.

You'll need QuestCDN membership in order to do this: the cost is \$10 per each plan set. Monthly or annual download plans are also available. Instructions for accessing the QuestCDN site, creating an account and viewing plans are included on the ITD Contractor Page.

At the main ITD Contractor Page you can also view bid openings and abstracts (when available), as well as contract awards.

Don't miss the link to the Local Highway Technology Assistance Center (LHTAC), where their plans and specifications are listed as pdf documents.

but be sure to pay particular attention to getting on ITD's Term Agreement List!

You'll also find important contact information, overhead rates, and other important need-to-know information.

These notices are available as free pdf documents and include relevant drawings and specifications. After bid opening, brief bid abstracts and award information are also posted.

Bigger solicitations of all sorts (services, consulting, equipment and supplies) are posted by the Idaho Division of Purchasing on its e-procurement page. For an overview of Idaho Electronic Procurement (IPRO), visit <http://purchasing.idaho.gov/ipro.html>.

Idaho Transportation Department  
Office of Civil Rights  
PO Box 7129  
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ing the term if the applicant obtains additional transportation contracts.

Loan applications may be downloaded at: [www.dot.gov/osdbu/financial-assistance/short-term-lending-program](http://www.dot.gov/osdbu/financial-assistance/short-term-lending-program). Like any loan application, it is documentation-intensive, and requires financials,

*(B2GNOW, Continued from page 6)*

Bidder Registrations and DBE Certifications. Among its many functions, the system's audit procedure replaces Certification of Payment Forms (Forms ITD-2892 and 2921).

If you missed the statewide trainings or the live webinar on the new reporting process, you can still access a recorded webinar on the Office of Civil Rights' homepage at: [www.itd.idaho.gov/ocr/index.aspx](http://www.itd.idaho.gov/ocr/index.aspx).

Just click on the "Tracking System" pull-down menu on the right-side of the

accounts payable and receivables, cash flow projects, resumes and other information.

Applicants are strongly encouraged to work with OSDBU's Small Business Transportation Resource Centers (SBTRCs). Idaho's SBTRC is the Economic Alliance of Snohomish County;

menu bar, and choose "B2GNow Tracking System Vendor Training (Video)".

There are also free, on-line live webinars on this process offered by B2GNow on an ongoing basis. Just visit <https://itd.dbesystem.com> and choose "System Training". Contractors are given many choices of topics, including "Introduction to the System" and "Contract Compliance Reporting".

One thing to remember: prime contractors receive monthly audit notices, based on payments made to the prime during the previous month. This is why

Lily Keeffe, SBTRC Project Director, at (425) 248-4222 or [Lilyk@economicalliancesc.org](mailto:Lilyk@economicalliancesc.org).

Completed applications may be forwarded to OSDBU or directly to the PL. The turnaround time is 30 to 60 days. 

primes who have been awarded contracts the previous month will see a lag time before they actually start receiving audit notices.

However, primes can get prepared for the eventual audits by ensuring that their subcontractors are registered as vendors on ITD's Bidders List.

Consultants who have been awarded professional agreements by ITD can take it easy for the time being — ITD is still working on an interface between reporting systems which will allow audits to be performed by them. 