

CIVIL RIGHTS COMPLIANCE AND DISADVANTAGED BUSINESS ENTERPRISE SPECIAL PROVISIONS

I. GENERAL

This project is subject to Title 49 Code of Federal Regulations (CFR), Part 26, entitled "Participation by Disadvantaged Business Enterprise in Department of Transportation Financial Assistance Programs," hereinafter referred to as the "DBE Regulations" and is incorporated and made a part of this contract herein by this reference, as revised by the United States Department of Transportation's (USDOT) DBE Interim Final Rule (IFR) issued October 3, 2025 (hereinafter referred to as IFR). The following shall be incorporated as part of the contract documents for compliance. If any requirements herein conflict with the general provisions or special provisions applicable to this project, the requirements herein shall prevail unless specifically superseded or amended in the special provisions or by addendum.

II. POLICY

The Hawai'i Department of Transportation's (HDOT) Disadvantaged Business Enterprise (DBE) program will operate in a nondiscriminatory manner and without regard to race or sex, while maximizing efficiency of service.

Bidders/offerors, subcontractors, consultants, vendors, suppliers, distributors, manufacturers, trucking companies, service providers, etc. shall fully inform themselves with respect to the requirements of the DBE Regulations.

HDOT's DBE program remains in effect pursuant to 49 CFR Parts 23 and 26. However, consistent with the USDOT's IFR effective October 3, 2025, HDOT has suspended race-conscious measures including DBE contract goals, counting of DBE participation, and associated special provisions, pending the completion of HDOT's DBE certification reevaluation. Where indicated, HDOT reserves the right to reinstate or amend DBE special provisions at a later date, subject to approval by the appropriate USDOT operating administration.

HDOT reserves the right to reimplement, revise, or otherwise modify any reserved provisions, in whole or in part, following its reevaluation period or upon receipt of additional federal guidance. Upon such reimplementation, contractors will be notified in writing and shall comply with the updated requirements as directed by HDOT.

III. NON-DISCRIMINATION POLICY

Each contract signed with a prime contractor (and each subcontract the prime contractor signs with a subcontractor) shall include the following assurance:

"The contractor, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26, as revised by the

DBE IFR, in the award and administration of USDOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate which may include, but is not limited to: 1) withholding monthly progress payments; 2) assessing sanctions; 3) liquidated damages; and/or 4) disqualifying the contractor from future bidding as non-responsible.”

The prime contractor agrees to include the above statements in any subsequent contracts that it enters into with other contractors and shall require those contractors to include similar statements in further agreements.

IV. BIDDER REGISTRATION

HDOT requests that all bidders/offers bidding projects submit the Bidder Registration Form to: HDOT-DBE@hawaii.gov. The Bidder Registration Form can be downloaded at:

<https://hidot.hawaii.gov/administration/files/2025/10/RBidRegistration-09.18.25-rev-DBE-IFR-10.15.25.pdf>.

Registered bidders/offers are posted on the website at:
<https://hidot.hawaii.gov/administration/ocr/dbe/>.

V. BIDDER/OFFEROR RESPONSIBILITIES (RESERVED)

VI. PROPOSAL REQUIREMENTS (RESERVED)

VII. COUNTING DBE PARTICIPATION TOWARDS CONTRACT GOAL (RESERVED)

VIII. USE OF JOINT CHECKS UNDER THE DBE PROGRAM (RESERVED)

IX. DEMONSTRATION OF GOOD FAITH EFFORTS FOR CONTRACT AWARD (RESERVED)

X. ADMINISTRATIVE RECONSIDERATION (RESERVED)

XI. AWARD OF CONTRACT (RESERVED)

XII. REPLACEMENT OF A DBE ON A PROJECT WITH A CONTRACT GOAL (RESERVED)

XIII. CONTRACT COMPLIANCE

This contract is subject to contract compliance tracking, and the prime contractor and all subcontractors are required to report payments electronically in the HDOT online Certification and Contract Compliance Management System (hereafter referred to as

“online tracking system”).) The prime contractor shall report the date payment was made by HDOT and shall report payment to all subcontractors for the audit period. The prime contractor and all subcontractors are responsible for responding by any noted response date or due date to any instructions or request for information, and to check the online tracking system on a regular basis to manage contact information and contract records.

The prime contractor is responsible for ensuring all subcontractors have completed all requested items and that their contact information is accurate and up-to-date. HDOT may require additional information related to the contract to be provided electronically through the online tracking system at any time before, during, or after contract award. Information related to contractor access of the online tracking system will be provided to designated point of contact with each contractor upon award of the contract. The online tracking system is web-based and can be accessed at the following internet address: <https://hdot.dbesystem.com/>.

XIV. PAYMENT

- A. HDOT will make an estimate in writing each month based on the items of work performed and materials incorporated in the work and the value therefore at the unit prices or lump sum prices set forth in the contract. All progress estimates and payments will be approximate only and shall be subject to correction at any time prior to or in the final estimate and payment. HDOT will not withhold any amount from any payment to the contractor, including retainage.
- B. The contractor shall pay all subcontractors within 10 calendar days after receipt of any progress payments from HDOT. This clause applies to all subcontractors, and all tiers of subcontracts. As per HRS § 103-10.5 Prompt payment, the contractor will verify that payment or retainage has been released to the subcontractors or its suppliers within the specified time through entries in HDOT’s online tracking system during the corresponding monthly audits. Prompt payment will be monitored and enforced through the contractor’s reporting of payments to its subcontractors and suppliers in the online tracking system.

Subcontractors, including lower tier subcontractors and/or suppliers will confirm the timeliness and the payment amounts received utilizing the online tracking system. Discrepancies will be investigated by the DBE Program Office and the project engineer. Payments to the subcontractors, including lower tier subcontractors, and including retainage released after the subcontractor or lower tier subcontractor’s work has been completed to HDOT’s satisfaction, will be reported by the Contractor or the subcontractor.

- C. When any subcontractor has satisfactorily completed its work as specified in the subcontract, and there are no bona fide disputes, the contractor shall make prompt and full payment to the subcontractor of all monies due, including retainage, within 10 calendar days after the subcontractor’s work is satisfactorily completed. A subcontractor’s work is satisfactorily completed when all the tasks called for in

the subcontract have been accomplished and documented, as required by HDOT. The contractor must obtain the prior written approval from HDOT before it can continue to withhold retainage from any subcontractor who has completed its portion of the work. This clause applies all subcontractors, and all tiers of subcontracts.

XV. RECORDS

The contractor shall maintain and keep all records necessary for HDOT to determine compliance with the contractor's compliance obligations. The records shall be available at reasonable times and places for inspection by HDOT and appropriate Federal agencies. The records to be kept by the contractor shall include:

1. The names, address, phone number, and contact person of consultants, subcontractors, manufacturers, suppliers, distributors, truckers and vendors;
2. The nature of work of each consultant, subcontractor, manufacturer, supplier, distributor, trucker and vendor;
3. The dollar amount contracted with each consultant, subcontractor, manufacturer, supplier, distributor, trucker and vendor; and
4. Cumulative dollar amount of all change orders to the subcontract.

XVI. FAILURE TO COMPLY WITH STATED REQUIREMENTS

The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT assisted contracts. All contractors, subcontractors, manufacturers, suppliers, and distributors are hereby advised that failure to carry out all requirements specified herein shall constitute a material breach of contract that may result in termination of the contract or such other remedy as deemed appropriate by HDOT including but not limited to:

1) withholding monthly progress payments; 2) assessing sanctions; 3) liquidated damages; and/or 4) disqualifying the contractor from future bidding as non-responsible.