



Welcome!!!

***Disadvantaged Business Enterprise
Supportive Services Webinar:
“Contract Basics- Part 1”***

We will begin the webinar shortly!

d.



**Disadvantaged Business Enterprise
Supportive Services Webinar
“Contract Basics- Part 1”**


Precious Anderson Scott, Esq.

The Anderson Firm, LLC
A Legal & Business Boutique
www.theandersonfirm.com



Your Host: Chloe Miles



1. Today's presentation will be available on our website at www.mhmiles.com
 2. You will be in listen mode during this webinar
 3. You can "Raise your hand" if you have a question by utilizing the control panel
 4. You can ask questions or make comments anytime during the presentation by utilizing the control panel
- 

Disadvantaged Business Enterprise Supportive Services Consultant

MHM Financial Services, Inc.
471 H Street, N.W. 3rd Floor
Washington, DC 20001
Full Service Certified Public
Accounting Firm





Disadvantaged Business Enterprise Supportive Services

1. Basic Business Management
2. Business Development
3. Financial Management
4. Training

Disadvantaged Business Enterprise Supportive Services Locations & Hours

Personnel

Monica Miles, Contract Administrator

Cherese Myree, Assistant Contract Administrator

Chloe Miles, Disadvantaged Business Enterprise Supportive Services
Administrator

Susan Sessum, Disadvantaged Business Enterprise Supportive Services
Assistant Administrator

On-Site Office: District Department Of Transportation's Business Opportunity and Workforce Development Center (BOWDC)

2311 Martin Luther King, Jr. Avenue, S.E.
Washington, DC 20020

Telephone: (202) 645-8620


Fax: (202) 645-0366

MHM Financial Services Office Hours at the BOWDC:

Tuesday: 8:30 am- 12:00 pm

Thursday: 1:00 pm- 5:00 pm

Today's Agenda

1. Overview of Disadvantaged Business Enterprise Supportive Services
 2. Introduction of Today's Webinar Guest Speaker
 3. Contract Basics- Part 1
 4. Questions & Answers
- 

Your Presenter: Precious Anderson Scott, Esq.

Precious Anderson Scott is the Managing Partner and Chief Executive Officer of The Anderson Firm, LLC. The Anderson Firm, LLC is a legal and business boutique that provides personalized, professional representation to clients throughout the United States. Attorney Anderson Scott specializes in contract law and has specific Transportation industry experience. Attorney Anderson Scott earned double summa cum laude honors with a B.S. in Broadcast Journalism and a B.A. in Political Science from Florida A&M University and a J.D. from Harvard Law School.




Precious Anderson
Scott, Esq.
*The Anderson
Firm, LLC*
[www.theanderson
firm.com](http://www.theandersonfirm.com)



CONTRACT BASICS - A TWO PART WEBINAR

BY PRECIOUS ANDERSON SCOTT, ESQ.
THE ANDERSON FIRM, LLC
MHM Financial Services, Inc. (MHM-FS)
District Department of Transportation
Disadvantaged Business Enterprise



“He who fails to plan,
plans to fail.”

Proverb quote





Planning & Preparation

**THINGS TO DO
BEFORE
YOU CONTRACT**



DUE DILIGENCE


It's True! Knowledge Is Power

KNOW YOUR COMPANY'S BUSINESS

1. Business Development
 - a) Exploit District Department Of Transportation Opportunities & Industry Contacts
2. Product/Service Offerings
3. Value of services/goods
4. Capabilities (past & present performance)
5. Team (owners, partners, employees, bonding company, etc.)
6. Constraints (financial, experience & otherwise)

DUE DILIGENCE CONTINUED


MAKE SURE YOUR HOUSE IS IN ORDER

1. Licenses
 2. Certifications
 3. Bonding, if applicable
 4. Entity status/compliance with state
 5. Insurance (General Liability & Worker's Comp)
 6. Status of pending claims, lawsuits, settlements
 7. Key personnel/subs on board
 8. Required Documentation for Employees, Independent Contractors & Sub-Contractors
 9. Executed Teaming or JV Agreements
- 

DUE DILIGENCE CONTINUED

HOMEWORK PRIOR TO NEGOTIATING


1. Research/Update Yourself on:
 - a) The other side
 - b) Publicly available information about
 - I. the Project;
 - II. the RFP; and
 - III. Prime's contract with the owner (District Department Of Transportation)
 - c) Current market pricing

 2. Analyze Business & Contract Requirements
- 




DUE DILIGENCE CONTINUED


NOW, BASED ON YOUR REVIEW OF THE RFP

1. Define Your Terms
 - a) Expectations
 - b) Scope of work
 - c) Costs of goods/services
 - d) Essential prerequisites or terms and conditions (assumptions, exclusions, bonding capacity, etc.)
 - e) Potential liabilities & risks
- 

UNDERSTANDING THE SCOPE OF THE BID

- Read & Note Deadlines & Documents Needed
 - Partnering versus Defensive, Aggressive or Submissive Standpoint If Teaming Needed
 - Know What You Can & Cannot Do Successfully
- 

TAKE ADVANTAGE OF PRE-BID CONFERENCE


- ✓ Attendance is Key
 - ✓ Gain Better Understanding of
 - ✓ Specified Procurement, Expectations & DEADLINES
 - ✓ Size & Scope
 - ✓ Competition
 - ✓ Opportunity to Ask Questions
 - ✓ Opportunity to Build Teaming Arrangements
 - ✓ Market Disadvantaged Business Enterprise Certification to Primes in Your Area
 - ✓ Introduction of Some Key Players
 - ✓ Forum for Informal Discussions/Introductions
- 

WITH CONTRACT IN HAND...

CONTRACT BASICS AND COMPREHENSION

- Legal Names
- Dates
- Scope of Work
- Responsibilities
- Payment Terms & Grounds for Withholding \$\$
- Work Site Access Rights
- Acceptance of Work
- Guarantees and Post-Contract Obligations


CONTRACT BASICS AND COMPREHENSION

- Dispute Resolution Process
 - Indemnity
 - Termination (Process, Notice Req'd, Cure Period)
 - Penalties & Liquidated Damages, If Any
 - Remedy/action for unforeseen delays or costs
 - If government regulations/laws are violated, who is responsible?
 - Effect of 3rd parties, surrounding areas, responsibility for collaborations with other subs, necessary “amenities” & clean-up
 - Change orders and/or changes in requirements, time, etc.
- 


.....
.....

Read this twice:


Read the ENTIRE contract

- Start from page one to final page (top to bottom)
 - Make Comments & Revisions, If Needed
 - Collect Comments From Your Attorney/Advisors/Key Team Members
 - Discuss All Comments With Attorney/Advisors/Team Before Talking to Other Side
 - Cross-check all versions:
 - against earlier versions, notes, term sheets, etc.
 - note & discuss inconsistencies
 - Watch out for “and” “or” “shall” “must” “may” “best efforts” “TBD”
 - Are the Effective date, start date, payment dates, and termination date acceptable?
 - Make sure technical terms or complicated provisions are clearly defined or outlined
- 


DON'T SKIP OR SKIM OVER THE BOILERPLATE/MISCELLANEOUS

- That's All Folks
 - The Entire Agreement
 - Location, Location, Location:
 - Governing Law
 - Not Without My John/Jane Hancock
 - Amendments/Modifications/Change Orders
- 

EVALUATING THE PROPOSED CONTRACT


- Proofread and confirm all changes made
 - No “solo rodeo” in contracts
 - Never sign on the spot
 - Understand every duty, obligation and word
 - Create a checklist & review terms discussed, needed and agreed upon and considered
 - Make sure all oral representations & promises have been put in writing
 - What’s incorporated into contract (contract documents, notes & specifications, rules, regulations, etc.)
 - Wait! Is anything missing?
- 

PROMPT PAYMENT


- Federal law requires prompt payment of undisputed invoices
 - Prime Contractors Are Required to Pay Disadvantaged Business Enterprise Subcontractors For Work Satisfactorily Completed Within Specific Number of Days
- 

FORM 1273

Required Contract Provisions


- Must Be In All Federal-Aid Construction Contracts
 - Applies to All Work Performed on the Contract
 - Breach = Grounds of Termination
- 

Certain Specific Clauses in Form 1273


- Nondiscrimination
 - Payment of Predetermined Minimum Wage
 - Unconditional & At Least Weekly Pay for Mechanics and Laborers Working on Site
 - Be Careful with Laborers & Mechanics Working Multiple Sites
 - Apprentices & Trainees Only Permitted in a Registered Bona Fide Apprenticeship Program
- 

Certain Specific Clauses in Form 1273 Continued


Statements and Payrolls

- Payrolls & Basic Related Records Must Be Kept 3 years after completion of the project
 - Such as Name, SSN, Address, Classification, Wages, Hours Worked, Deductions, and Actual Wages Paid & Related Records
 - Statement of Compliance Must Accompany Payrolls
 - Falsification = Civil or Criminal Prosecution
 - Employees May Be Interviewed to Ensure Compliance
- 


Certain Specific Clauses in Form 1273 Continued

- Record of Materials, Supplies & Labor
 - Subletting or Assigning the Contract
 - Contractor Must Perform Not Less Than 30% of Total Contract Price
 - Prior Written Consent Required
 - Safety (Accident Prevention)
 - False Statements Concerning Highway Projects
 - See Form 1273 for Additional Terms
- 

TRAINING SPECIAL PROVISIONS ("TSP")

- Goal: Training & Upgrading of Minorities & Women Toward Journey Worker Status
 - Part of Contract
 - On-The-Job Training
 - Specific Number to be Trained
 - Must Provide Trainee With Copy of Program
- 


ON-THE-JOB- TRAINING PROGRAMS

- Goal is to ensure women, minorities & disadvantaged persons have opportunity to compete for & participate as trainees or apprentices and to develop as journey-level workers
 - Certain Entry Requirements Must Be Met
 - Trainees Paid Trainee Wages Specified in Contract
- 

DISADVANTAGED BUSINESS ENTERPRISE GOALS


To Expand Opportunities for Minorities,
Women-Owned Companies on Federally
Funded Transportation Projects





This presentation is for informational purposes only. The information presented does not constitute legal advice.


It is your responsibility to read and obtain all information needed to comply with all rules, regulations and laws applicable to bidding and contracting with the District Department Of Transportation.





THANK YOU!

**PRECIOUS ANDERSON SCOTT, ESQ.
THE ANDERSON FIRM, LLC
MHM Financial Services, Inc. (MHM-FS)
District Department of Transportation
Disadvantaged Business Enterprise**



Questions?



Precious Anderson Scott, Esq.
The Anderson Firm, LLC
www.theandersonfirm.com



Chloe Miles
Project Administrator
District Department of
Transportation- Disadvantaged
Business Enterprise Supportive
Services

We will keep the question window panel open until 11:30 am
Participants will receive an emailed copy of all questions and answers related to this webinar

SAVE THE DATE

Register Now !

**Disadvantaged Business
Enterprise Supportive Services
“Contract Basics - Part 2
Webinar”**

Wednesday, April 18th, 2012,
10:00 am – 11:30 am



For more information email cmiles@mhml.com or call (202) 525-2740



Would you like a copy of this presentation?

Send an email to cmiles@mh miles.com

For additional information contact:

Chloe Miles, Disadvantaged Business Enterprise Supportive
Services Administrator

Office: (202)525-2740

cmiles@mh miles.com