

WISDOT 2016 Spring Edition DBE REPORTER

FROM THE OFFICE OF BUSINESS OPPORTUNITY & EQUITY COMPLIANCE

WISDOT Business Development Program



The DBE Program is unique to the transportation sector and covers contracts awarded by recipients, which include State highway agencies or the Wisconsin Department of Transportation (WisDOT), airports and transit authorities, and other State and local agencies that receive USDOT funds.

As required by law, each recipient receiving certain types of Federal transportation funding from USDOT must implement a DBE program and establish an annual DBE participation goal. Wis-DOT overall DBE goal is 13%.

The DBE Program has seven stated objectives, with USDOT identifying three as primary: (1) providing a level playing field so DBEs can fairly compete for DOT-assisted projects, (2) ensuring that only eligible firms become certified as DBEs, and (3) assisting in the development of DBE firms so that they can compete outside the DBE program.

With the enactment of the five-year FAST-ACT (Fixing America's Surface Transportation Act) on December 4,

2015, the Headquarters Office of Civil Rights (HCR) now requires that every State DOT accepting DBE Support Services (DBE/SS) funds implement a **Business Development Program (BDP)**.

The challenge of a BDP is to meet the DBE program primary objective number three that is assisting in the development of DBE firms so that they can compete outside the DBE program. The purpose of the BDP is to evaluate and provide a structured process for DBEs to receive firm-specific training and technical assistance to increase opportunities for successful participation as primes or subcontractors on highway-related contracts. <u>Regulation 49 CFR</u> <u>Part 26, Appendix C</u> sets forth the parameters of a Business Development Program.

WisDOT is committed to implementing a customized Business Development Program designed to improve the success opportunities and utilization of DBE firms on contract opportunities solicited by the Wisconsin Department of Transportation that include federal funds.

WisDOT DBE Reporter is a publication of the Wisconsin Department of Transportation Office of Business Opportunity and Equity Compliance.

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WisDOT Business Development Program

Commitment, Purpose & Goals

The Office of Business Opportunity and Equity Compliance began implementing its BDP by targeting DBE consultants for the Mentor Protégé Program for Professional Services. Four M/P pairs have started their 6 months training period in June 2016.

OBOEC Business Development Project Manager will target DBE contractors based on the following criteria:

- Firms who are listed on good faith waivers requests whose quotes were deemed unreasonable.
- Firms who respond to Professional Service Solicitations [Notice of Interests-NOI's] that are not shortlisted nor selected.
- DBE firms that have not worked on WisDOT projects, have been certified for more than five years, have highway construction-related NAICS coded and have received revenue from non-DOT contracts.
- DBE firms certified by WisDOT within the last three years via interstate certification with transportationrelated NAICS codes.

Firms who fall into one of the above criteria beginning with the GFW group will receive an invitation to participate in the WisDOT Business Development program.

The invitation will include the submission of enrollment prerequisites such as:

- \Rightarrow a business plan,
- \Rightarrow a formal business assessment,
- ⇒ a bonding capacity assessment or a contract performance evaluation from a comparable recipient.

The Business Development Project Manager will **identify a maximum of 12 firms** for enrollment. A committee of peers will interview the best candidates whose submissions demonstrate the potential for greater success. Enrollees will sign a Memorandum of Understanding committing to the time and customized training schedule. The training plan may incorporate services provided by a third party consultant, educational vendor, designated mentor firm, partner or internal resources. Any third party provider contracts will be done through a competitive, qualification-based procurement process. WisDOT's BDP will focus on the development and/or progression of 12 DBE certified firms; increasing the volume and amount of contracts awarded. Our goal is to develop a customized training plan for each of the DBE firms enrolled in the BDP based on their prerequisite submission, our written assessment, and the goals outlined in their enrollment Memorandum of Understanding.

The training plans may include the following professional service, advice or assistance. This list is not exhaustive:

- · Cost Accounting skills and knowledge development
- Financial Modeling/one-on-one financial management training
- Preparation and packaging of financial information for grants, loans
- Business Plan review and editing
- Contract Scoping
- Coaching on documentation for change orders and claims
- Dispute Resolution Strategies
- Expansion of contracting networks including Wis-DOT staff and stakeholders; industry associations
- Interpretation and Application of Plans, Standard Specifications & Contract Proposals
- Legal Assessment & Review to maintain solvency through government contracting; subconsultant agreement review
- Process Automation & Technology Transfer
- Review of Project Management Techniques
- Safety & Risk Management Training

For information on how you can participate in the WisDOT Business Development Program or Mentor Protégé Program for Professional Services contact Rosalind Roberson at (414) 438-2154.



Rosalind Roberson DBE/SS Project Manager rosalind.roberson@dot.wi.gov

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WisDOT DBE Supplier Profile



Diamond Disc International 8530 West National Avenue West Allis, WI 53227



Ugo Nwagbaraocha is President of Diamond Discs International, a Future 50 Award-Winning company. Established in 1999, Diamond Discs International is the leading construction tool supplier of industry proven professional grade diamond edged cutting tools, and distributor of power gas saws, power tools, earth moving equipment and safety supplies.

Ugo has been a DBE supplier of diamond discs blades to Wisconsin contractors and businesses for over 15 years and now Highway contractors have the option of using his company to satisfy their DBE participation goals. According to the DBE Program Additional Special Provision 3 outlined in each Highway Work Proposal WisDOT will give 60 percent credit toward the DBE goal if the DBE is a supplier of those materials or supplies. WisDOT is currently working on updating <u>ASP-3</u> to meet concerns for DBE manufacturers, suppliers and brokers. Stay tune to more news on this issue in the near future.

Ugo Nwagbaraocha, President Diamond Discs International

Diamond Discs International - Leader in Value to Industry

Nwagbaraocha has received numerous awards in recognition of his commitment to quality leadership in the local business communities. His awards include the:

- ◊ United States SBA Emerging Small Business Person Award
- Wisconsin Department of Commerce Rising Star recognition
- O Business Journal 40 Under 40 Award
- Oreater Milwaukee Committee Inner City Business Award
- ◊ Pan African Community Association Entrepreneurship Award
- ◊ Africans in Milwaukee Heritage Leadership Award
- Governor's Minority Business Award for Outstanding Small Business



Nwagbaraocha earned his bachelor's degree in Political Science with a Law Studies Option from UW-Milwaukee in 1996. He serves on the boards of the Children's Hospital Foundation, the Wisconsin Better Business Bureau, the National Association of Minority Contractors and the Betty Brinn Children's Museum.

Diamond Discs International is the primary supplier of professional grade diamond blades for America's utility contractors, professional concrete cutters, road builders and excavators and has the largest local inventory of professional grade diamond blades. To purchase your diamond blades for your WisDOT projects go to www.diamonddiscs.net or send an email to ugon@diamonddiscs.net.

MEGAPROJECT DBE CONTRACTING UPDATE

zoo interchange

Zoo Interchange Project official website Contract Execution to Completion: 2015 to 2017 Milwaukee County

As of May 2016	Construction Contracts	Design Engineering	Construction Management
Total Contracted Amount	\$796,728,592	\$103,632,939	\$55,345,455
DBE Contracted Amount	\$97,554,562	\$17,163,720	\$8,015,928
DBE Share	12%	17%	N/A
Total Paid Amounts	\$517,278,306	\$101,157,397	\$32,463,501
DBE Paid Amounts	\$68,872,584	\$14,459,644	\$5,284,345
DBE Share Paid	13%	14%	N/A



1-39/90 Expansion Project official website

Contract Execution to Completion: 2015 to 2021 (Dane County and Rock County

As of May 2016	Construction Contracts	Design Engineering	Construction Management
Total Contracted Amount	\$171,655,309	\$104,355,479	\$11,777,312
DBE Contracted Amount	\$794,329	\$19,213,466	\$119,753
DBE Share	0.5%	18.4%	1.0%
Total Paid Amounts	\$89,474,899	\$74,531,064	\$5,352,232
DBE Paid Amounts	\$2,535,236	\$13,596,411	\$241,607
DBE Share Paid	2.8%	18.2%	4.5%



Verona road (US 18/151) Project official

website Contract Execution to Completion: 2014 to 2021 (Dane County)

As of March 2016	Construction Contracts	Design Engineering	Construction Management
Total Contracted Amount	\$105,315,451	\$20,148,343	\$7,471,785
DBE Contracted Amount	\$4,202,193	\$3,063,785	\$1,630,697
DBE Share	4.0%	15%	21.8%
Total Paid Amounts	\$84,712,052	\$19,470,862	\$6,220,026
DBE Paid Amounts	\$3,501,987	\$2,761,749	\$1,511,188
DBE Share Paid	4.1%	14%	24.3%

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MEGAPROJECT DBE CONTRACTING UPDATE continued



<u>Wis 441 Tri-Country Expansion Project official website</u> Contract Execution to Completion: 2014 to 2020 (Winnebago County)

As of May 2016	Construction Contracts	Design Engineering	Construction Management
Total Contracted Amount	\$114,846,943	\$31,922,548	\$13,584,628
DBE Contracted Amount	\$7,399,586	\$4,196,277	\$1,708,249
DBE Share	6%	13%	13%
Total Paid Amounts	\$88,717,312	\$30,717,704	\$6,483,323
DBE Paid Amounts	\$5,364,701	\$4,004,456	\$981,150
DBE Share Paid	6%	13%	15%



WISCONSIN

I-41 Corridor Expansion Project official website

Contract Execution to Completion: 2009 to 2017 (Brown County and Winnebago County)

As of May 2016	Construction Contracts	Design Engineering	Construction Management
Total Contracted Amount	\$972,369,156	\$86,026,539	\$97,243,480
DBE Contracted Amount	\$78,136,003	\$18,417,477	\$42,895,578
DBE Share	8%	21%	44%
Total Paid Amounts	\$937,185,002	\$83,853,838	\$80,354,750
DBE Paid Amounts	\$78,876,556	\$17,648,943	\$35,055,499
DBE Share Paid	8%	21%	44%

WisDOT DBE Construction Summary Report Federal Contracts DBE Overall Annual Goal 13%

October 1, 2015 to May 31, 2016		
Estimated FFY 2016 Federal Funds	\$500,000,000	
FFY 2016 DBE Projection (13%)	\$65,000,000	
Awarded Contracts Amount (Oct 2015- May 2016)	\$445,295,653	
Federal Contract Amount (Oct 2015- May 2016)	\$336,035,045	
Total DBE Committed	\$35,087,955	
Total DBE Percent Committed (DBE / Federal)	10.44%	



Oluyemi Falomo WisDOT DBE Engineer

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Business Management Resources



Growth of small businesses continue to drive economic growth in region

Metropolitan Milwaukee Association of Commerce

Association of Commerce MMAC/COSBE Names 2016 Future 50 companies

Milwaukee, WI . . . The annual Future 50 program now in its 20th year recognized companies in the seven-county Milwaukee Region that have been rapidly growing over the past three years. This year's crop of winners represent robust job and revenue gains in a number of industries. The Future 50 Awards is a program of the Metropolitan Milwaukee Association of Commerce and its Council of Small Business Executives (COSBE). Of the 50 winners, nine are construction-related, suggesting a return to building growth.

"We are seeing a lot of investment in commercial development as well as internal investments in information technology," said Stephanie Hall, COSBE's executive director. "We also saw an increase in the number of first-time applicants for the program," she added, noting that there is a strong supply of healthy, growing companies in the pipeline. Read more on <u>MMAC/COSBE</u> <u>Names 2016 Future 50 companies</u>. For more information contact Julie Granger at (414) 287-4131.

United States DOT's DBE Program Oversight Structure The Department (Office of the Secretary) (2) Office of Small and Office of Civil Rights Office of General Counsel **Disadvantaged Business** (OCR) (OGC) Utilization (OSDBU) Federal Aviation Federal Highway Federal Transit Administration (FAA) Administration (FHWA) Administration (FTA) U.S. Department of Transportation Federal Highway Administration FAA regional offices FHWA division offices FTA regional offices State and local recipients State and local recipients State and local recipients (typically aviation agencies) (typically State DOTs or (typically transit agencies) highway administrations)