



NATIONAL ASSOCIATION OF MINORITY CONTRACTORS  
 2ND ANNUAL  
 TRANSPORTATION ROUNDTABLE DISCUSSION

## LEVELING THE PLAYING FIELD



**10:00 AM**  
 THURS, JUNE 16, 2011  
 WESTIN CITY CENTER  
 1400 M STREET NW  
 WASHINGTON DC  
 20005

# Get on Board!



### Contracting Opportunities:

- |                       |                      |                    |                    |
|-----------------------|----------------------|--------------------|--------------------|
| Project Management    | Site Work            | Landscaping        | Trucking & Hauling |
| Underground Utilities | Steel Fabrication    | Steel Erection     | Electrical         |
| Surveying             | Masonry              | Concrete/Asphalt   | Carpenters         |
| Mechanics             | Rod Busters          | Welders            | Laborers           |
| Heavy Equipment       | General Construction | General Conditions | Demolition         |

Join  Today!

For more information regarding a chapter nearest you. Please call **202.204.3093**, or review our website at [www.namcnational.org](http://www.namcnational.org).

## PURPOSE

The National Association of Minority Contractor (NAMC), a national 501 (c) (3) construction association, based out of Washington D.C., is concerned about the implementation, monitoring, and enforcement of Federal and State Disadvantaged Business Enterprise (DBE) rules and regulations on State Department of Transportation contract awards. We are reaching out, educating and mobilizing concerned members of the minority contracting community as a call to action in addressing this issue.

The intent of today's Roundtable Discussion is to review the impact Department of Transportation's (DOT) current Disadvantaged Business Enterprise (DBE) rule changes have on ethnic participation on Federally funded infrastructure projects.

Discussion topics include, but are not limited to the following:

- Understanding DOT's strategies for DBE goal setting
- Providing updates on the High Speed Rail Program (funding, schedule, and inclusionary plan)
- Evaluating the impact of disparity studies
- Identifying successful technical assistance programs and incentives

We look forward to having you on board and anticipate a lively, exciting, and informative discussion.



## WRITING TO CONGRESS

Members of Congress prefer to hear from their constituents by e-mail. It's faster, easier to sort and doesn't present any security risks. In order to avoid having their in boxes flooded with spam and letters from people in other states, Senators and Representatives require people e-mailing them to **supply an address and other information** before sending an e-mail. Because of these requirements, however, you cannot e-mail more than one of your elected officials at the same time through their Web sites.

### RULES

1. Only write YOUR lawmaker
2. Make your letter topical and compelling
3. Avoid form letters

### TIPS

1. Use words like "Dear," "Please," and "Thank You,"
2. Just be you!



## FACTS

***Regulations designed to remove contracting barriers have diluted procurement awards for people of color. African American, Hispanic, Native American and Asian Pacific Islander contractors are procuring less than 5% on Federal and State Department of Transportation (DOT) contract awards nationwide under current DBE regulations.***

Title 49 CFR, Part 26 - Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Program requires State DOTs to establish annual DBE procurement goals to reduce the gap/disparity between the current percentage of DBE participation and the percentage of DBE participation that would be expected based upon availability in the market. This regulation calls for a race neutral small business program, but allows State DOTs to set race-conscious goals if supported by state-funded disparity studies. However, due to broad language, lack of funding and poor enforcement, many State DOTs are not meeting specified goals. Meaning ethnic minority contractors are being excluded from Federal and State DOT contracts.

### **Issues created/affected by State DOTs**

The highest ranking barrier to DBE participation in State DOT work was identified as lack of DBE goals. This included the perceptions that DBE firms do not bid on projects with no goals, that Prime Contractors do not use DBE firms when there are no goals, and that State DOTs have not historically encouraged and enforced DBE participation.

The next major barrier was the State DOT prime contractor prequalification process. Participants felt that the process prohibited them from participating as a prime or from forming teaming prime/DBE teaming agreements.

### **Issues created/affected by general contractors**

The prequalification process required by Prime Contractors was seen as the biggest barrier to participation with primes. Issues with the prequalification process included the prime contractor requirements for prequalification statements, proof of bonding ability, and financial statements. DBE firms would also prefer a standard prequalification statement that could be used with all primes.

Additionally, DBE firms felt that there were only limited opportunities available with prime contractors; either because they tended to use the same subcontractors or they packaged subcontracting packages in a way that prohibited DBE participation.

### **Issues affected/created by DBE firms**

Two barriers that are within the control of DBE firms were ranked high priorities by participants. DBE firms do not come across as responsive and responsible bidders, as seen by not responding to IFBs, not reading specs or requesting additional information, and not providing complete bids with inclusions and exclusions. The second barrier created by DBE firms was lack of financial strength to qualify and complete a project. This included lack of bonding, financial resources, and having limited resources to cover project costs.

## CALL TO ACTION

NAMC is suggesting the following strategies to assist DOT in improving its ethnic minority contracting procurement numbers:

1. Increased monitoring and enforcement (i.e. sanctions for non-compliance) of current regulations,
2. Better contract delivery systems, and
3. Allocate better resources to federal and state sponsored business development programs.

We need your help in setting up Congressional and State DBE hearings to discuss policy improvements by:

1. Continuing to build your capacity
2. Remaining vigilant in pursuing Department of Transportation contracts and keeping track of results
3. Discussing your concerns with your colleagues, DOT administrators, and elected officials
4. Participating in Disparity Studies taken in your city and state and making those final studies available to us.
5. Supporting your local NAMC Chapter or contact us about forming one.
6. Providing your personal testimony on the following social network sites:



## AGENDA

### I. Welcome, Introductions & Purpose (5 Min)

Mr. Darryl Samuels, Executive Vice President, NAMC

### II. Congressional Welcome (10 Min)

Rep Corinne Brown (D-FL 3rd)

### III. DOT DBE Program (15 Min)

Scheryl Portee - Senior Advisor DBE Program, DOT

Bob Ashby - General Council, DOT

Linda Ford, Acting Director, Civil Rights Division, DOT

### IV. High Speed Rail Program Updates (10 Min)

Leonardo San Roman - Special Assistance to OSBDU  
Director - DOT

### V. Evaluating the impact of disparity studies (15 Min)

Colette Holt, Colette Holt & Associates

### VI. Identifying successful programs, Incentives, and challenges (15 Min)

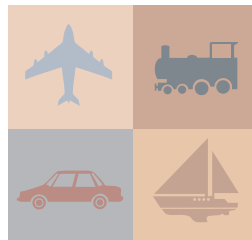
Dr. Sam Myers, Director of the Roy Wilkins Center for Human Relations and Social Justice at the Hubert H. Humphrey Institute of Public Affairs University of Minnesota

Mr. Art Jackson, Manager, Regional Partnerships Division, DOT

### VII. Discussion/Action Items (20 Min)

### VIII. Conclusion

### IX. Adjournment



## DISTINGUISHED SPEAKERS



**Rep. Corinne Brown** (D- FL 3rd) was reelected to the U.S. House of Representatives for a tenth term in November 2010. In the 112th Congress, she served as the Ranking Member of the Transportation & Infrastructure Subcommittee on Railroads, Pipelines and Hazardous Materials and as a senior member of the Subcommittee on Coast Guard and Maritime Transportation, as well as the Subcommittee on Water & Environment, the Committee on Veterans Affairs and the VA Subcommittee on Health.



**Colette Holt**, J.D. is a nationally recognized expert in designing and implementing and legally defensible affirmative action programs and is a frequent author and media commentator in this area. **Colette Holt & Associates** is a Chicago-based law practice specializing in public sector affirmative action programs. The firm provides legal and consulting services to governments and businesses relating to procurement and contracting; employment discrimination; regulatory compliance; organizational change; program development, evaluation and implementation; and issues relating to inclusion, diversity and affirmative action.



**Dr. Samuel L. Myers, Jr.**, is the Director of the Roy Wilkins Center for Human Relations and Social Justice at the Hubert H. Humphrey Institute of Public Affairs, University of Minnesota. Myers is a national authority on the evaluation of race-conscious programs and the evaluation of race-neutral alternatives to race-conscious programs. His pioneering research on race-neutral methods appears in a recent edition of *Applied Economics Letters*.



**Darryl Samuels** is the Executive Vice President of the National Association of Minority Contractors (NAMC) and serves as the moderator for the NAMC Transportation Roundtable. Samuels. the Managing Partner for D. Samuels & Associates, LLC based in Pearland, TX specializing in training, project development, and construction management.