

Missouri Department of Transportation DBE Needs Assessment Study: 2007

May 15, 2007

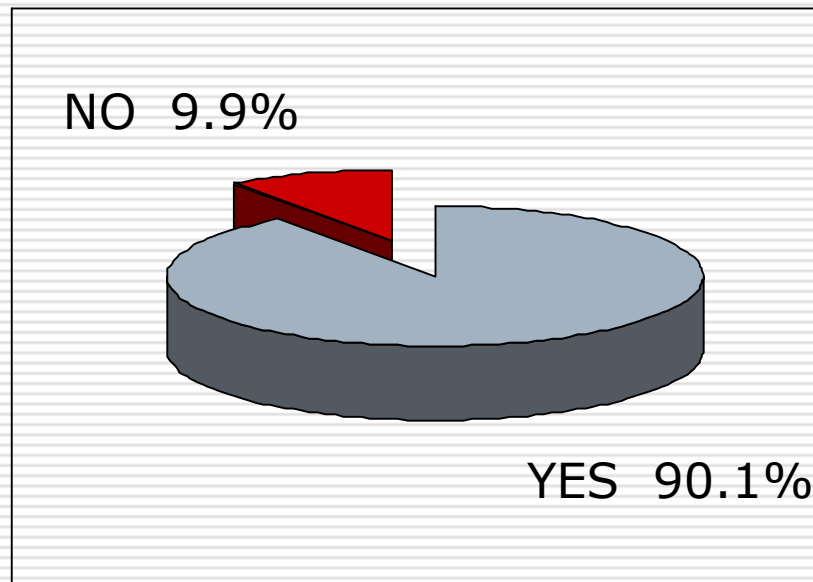
Philips and Associates, Inc.
930 Kehrs Mill Rd., Ste. 325-17
Ballwin, MO 63011

Methodology

- Phase I & II Interviews
 - Results used to develop questionnaire.
- Mailed surveys to 1,537 firms in Missouri
 - 1,357 from MRCC database
 - 180 from Office of Administration database
- Response rate
 - $220/1,537 = 14.3\%$

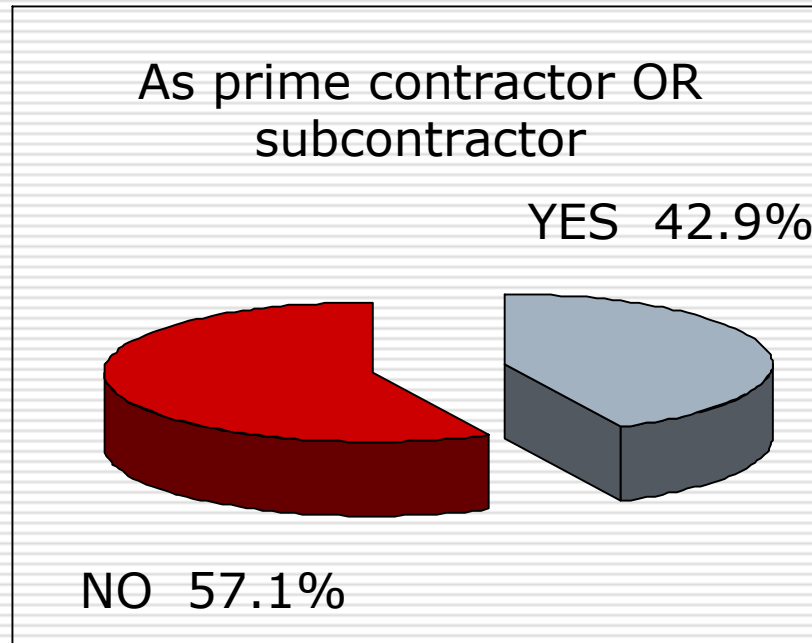
DBE certification

Are you certified as a DBE by MoDOT?



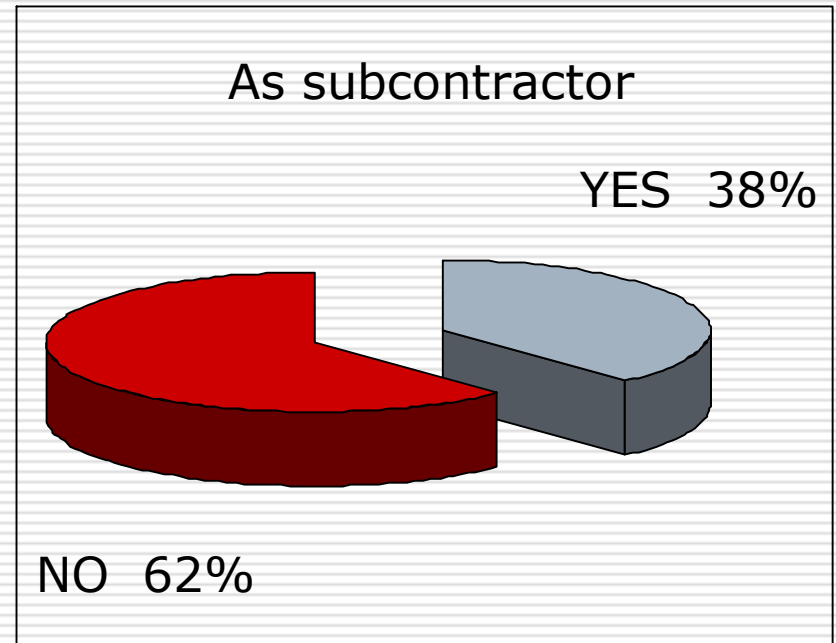
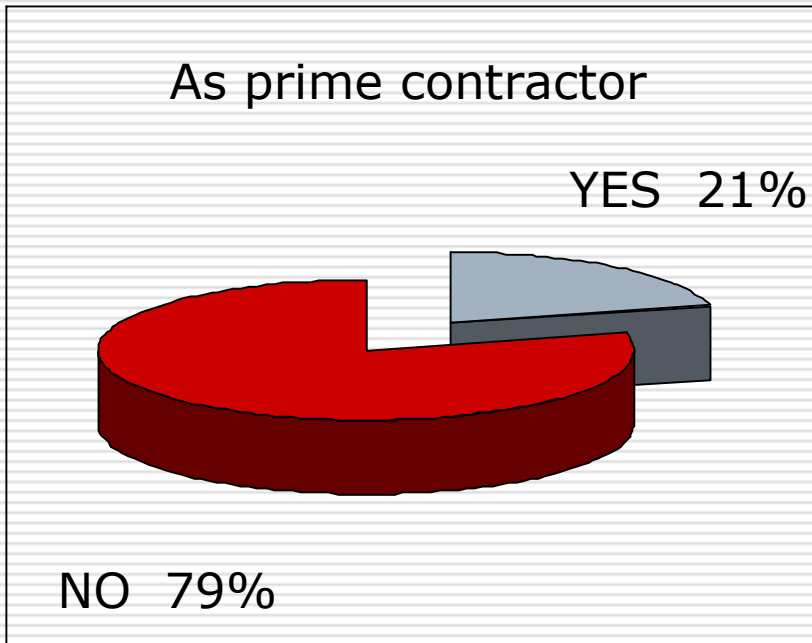
1. MoDOT project bidding

During the past three years have you bid on any MoDOT project?



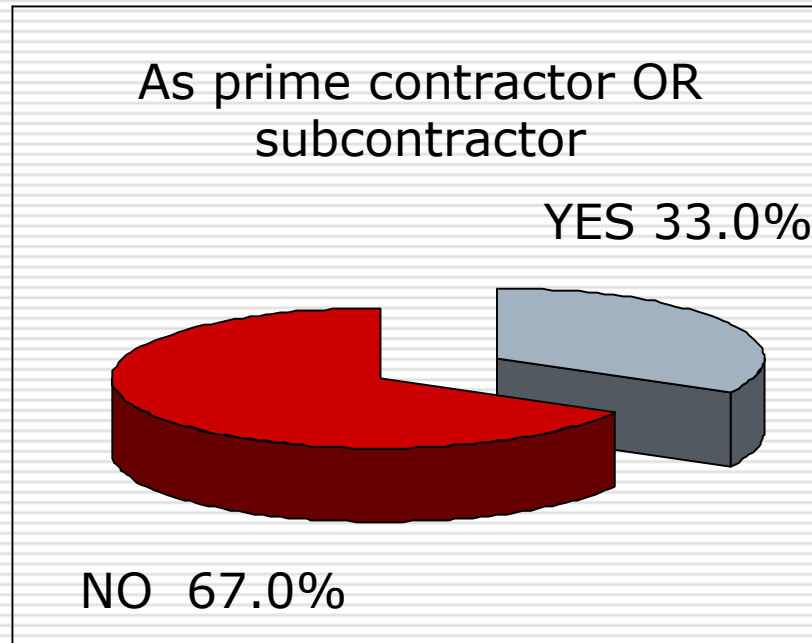
1. MoDOT project bidding

During the past three years have you bid on any MoDOT project?



2. MoDOT project participation

During the past three years have you worked on any MoDOT project?

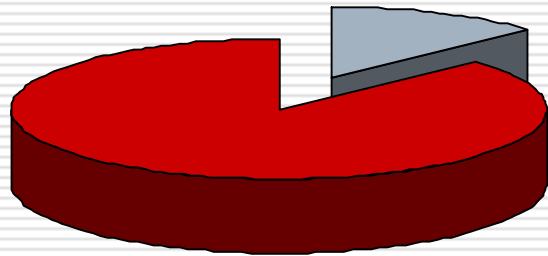


2. MoDOT project participation

During the past three years have you worked on any MoDOT project?

As prime contractor

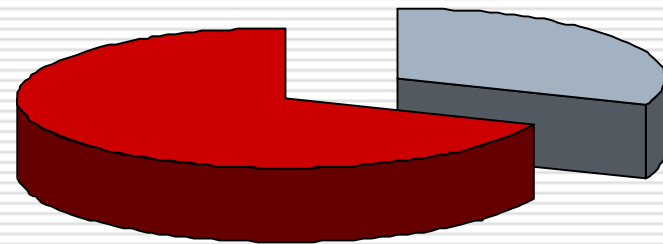
YES 13.1%



NO 86.9%

As subcontractor

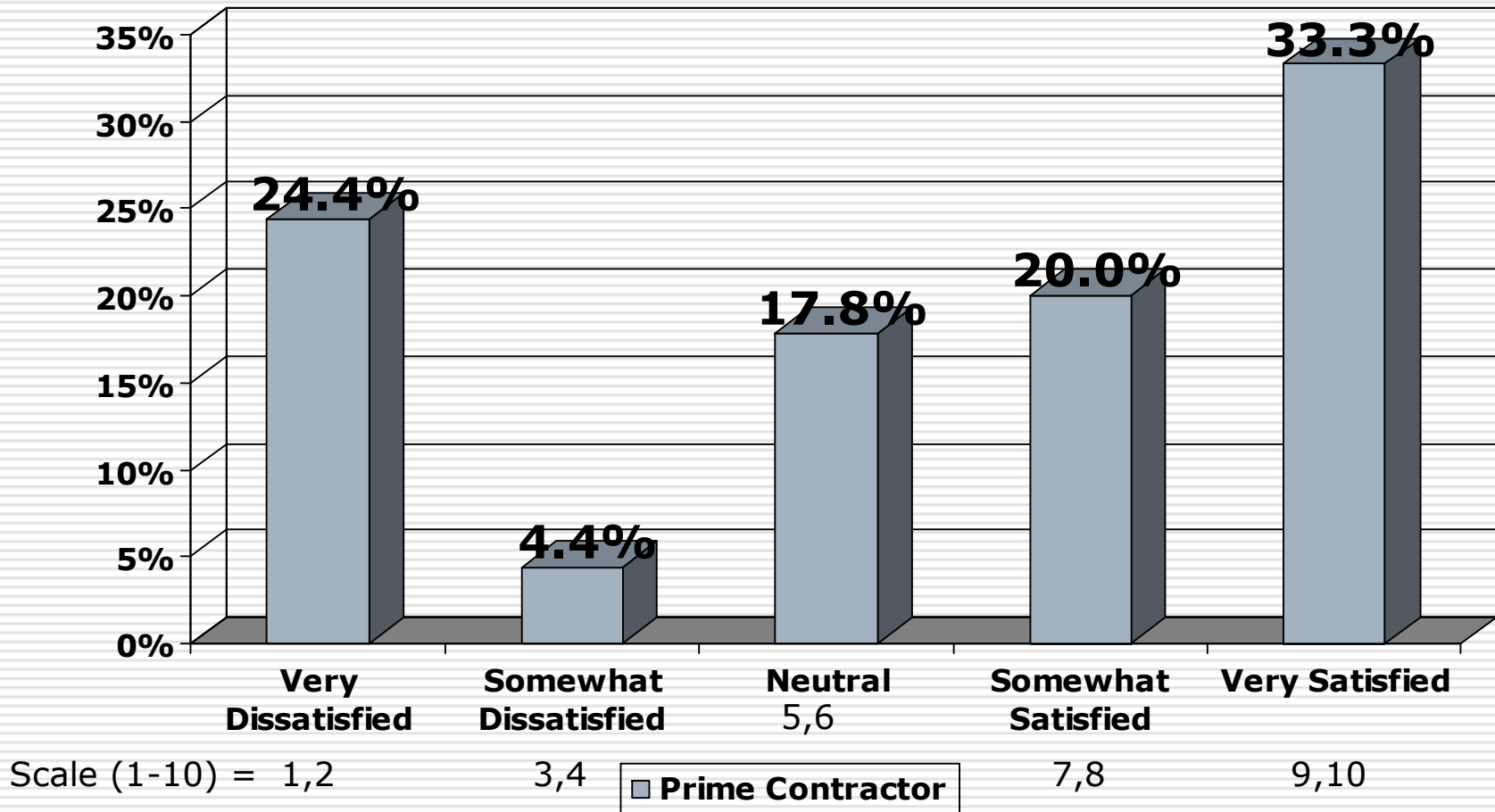
YES 31.1%



NO 68.9%

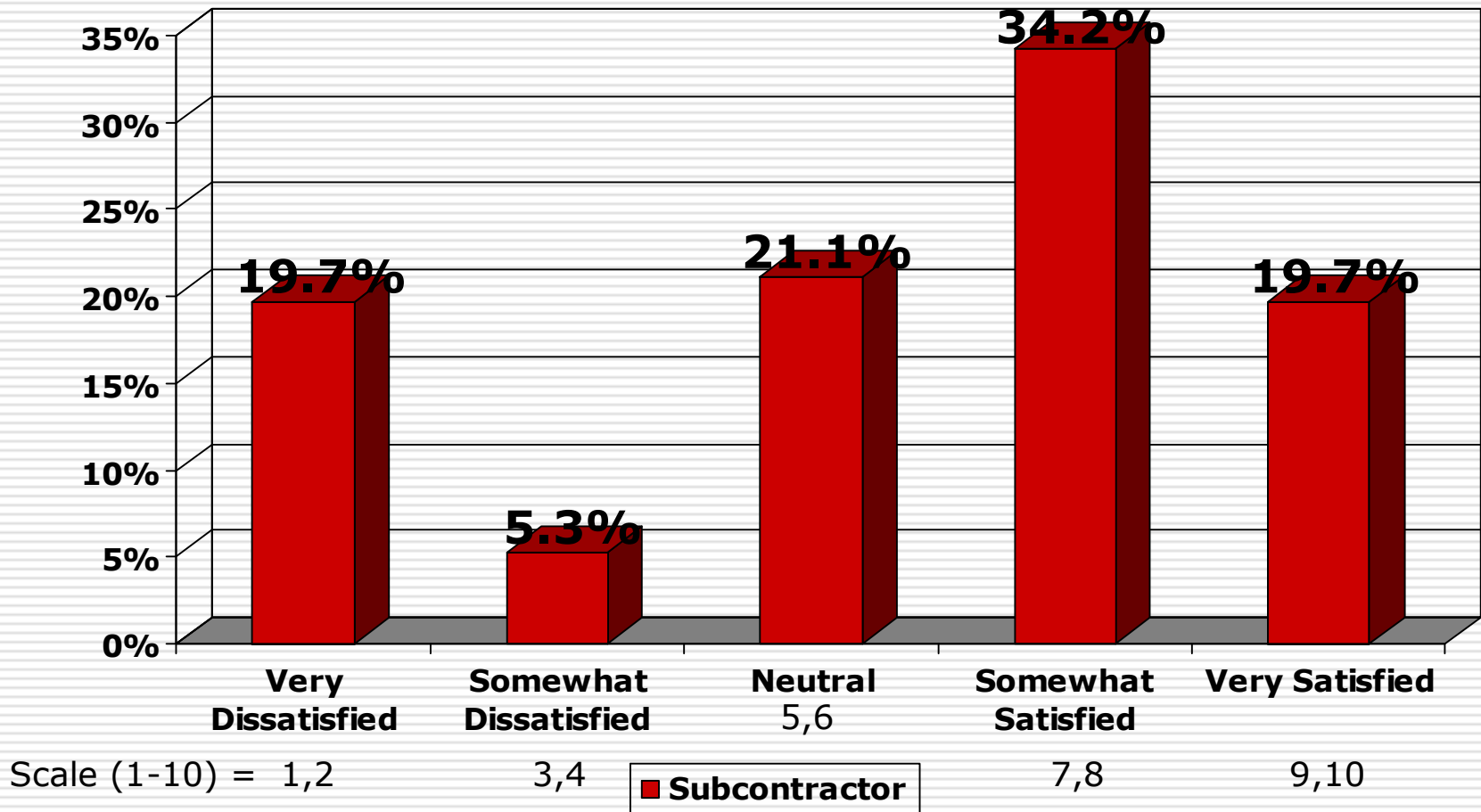
3. Experience working on MoDOT projects.

Rate your experience working on MoDOT projects.



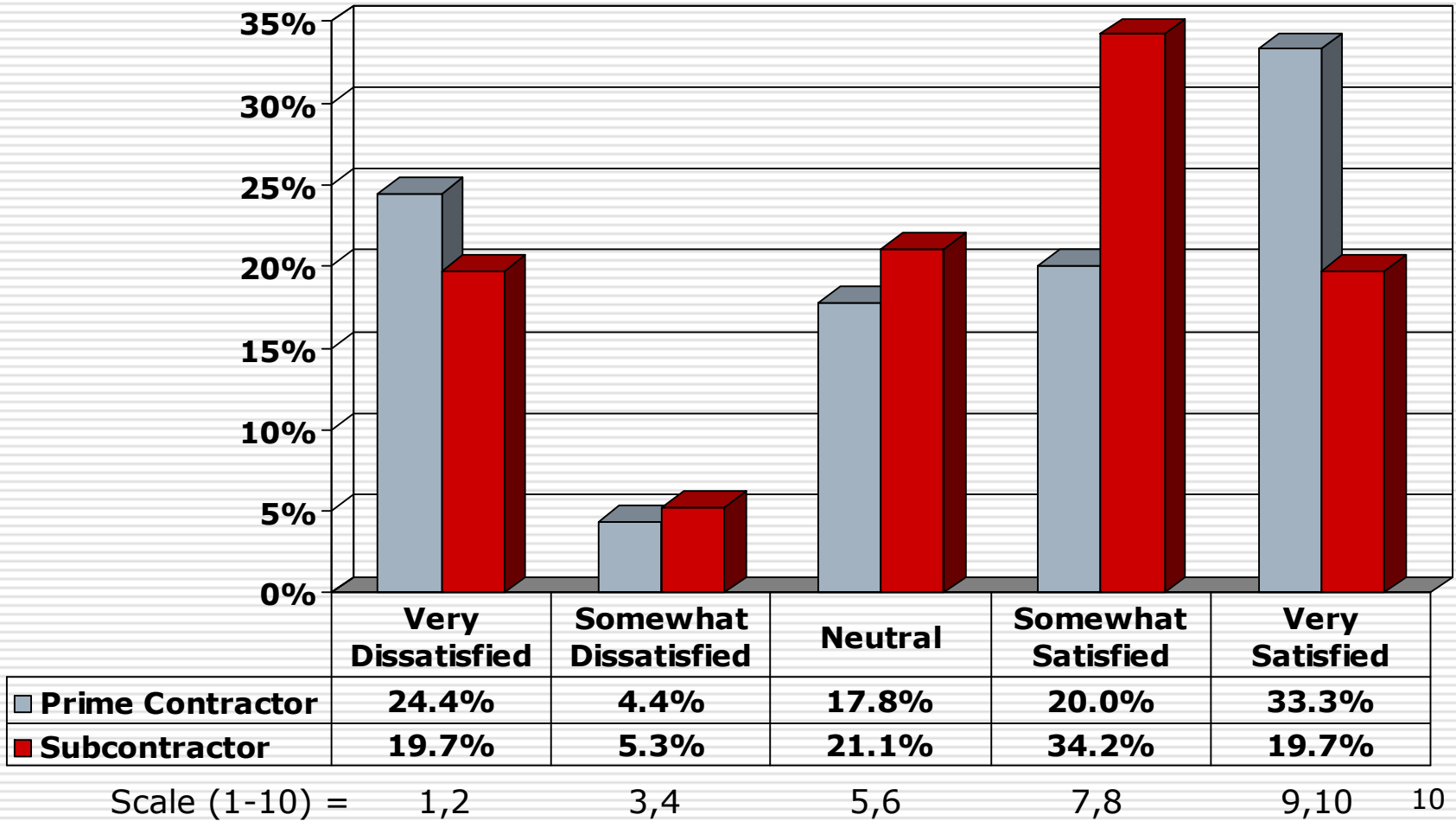
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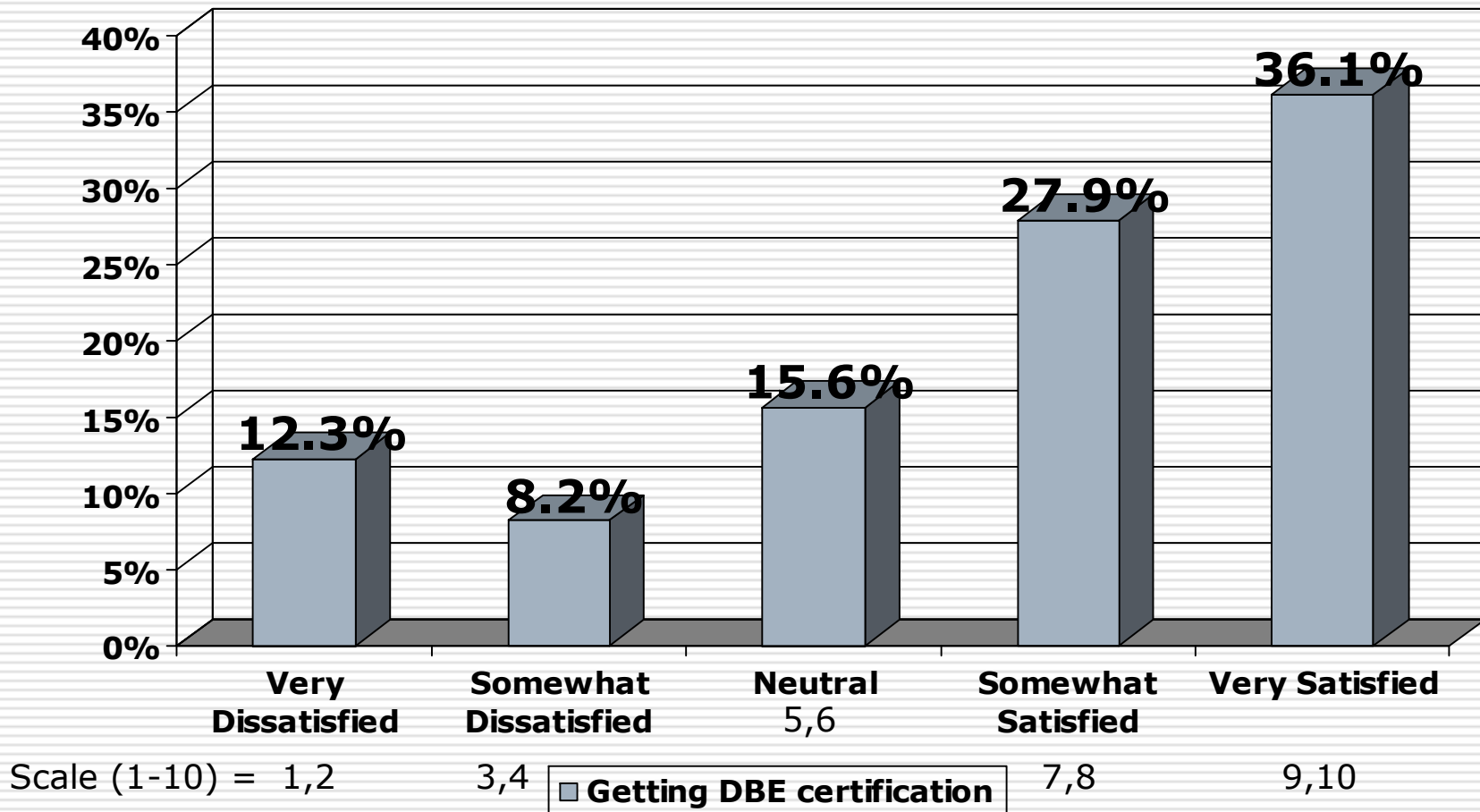
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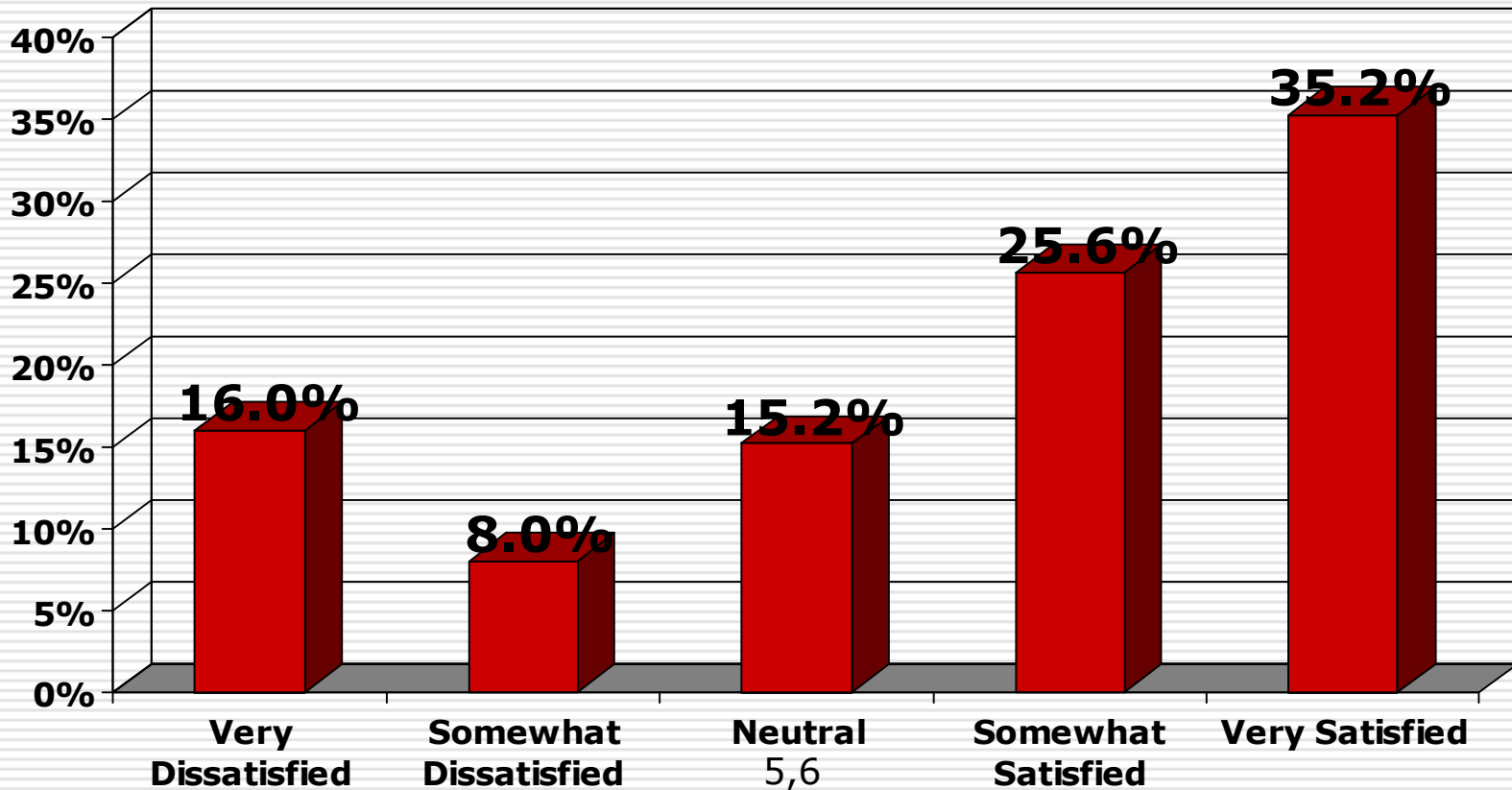
4. Experience with getting DBE certification.

If certified as a DBE by MoDOT, rate your experience with process of getting/renewing DBE certification.



4. Experience with getting DBE certification.

If certified as a DBE by MoDOT, rate your experience with process of getting/renewing DBE certification.



Scale (1-10) = 1,2

3,4

Renewing DBE certification

7,8

9,10

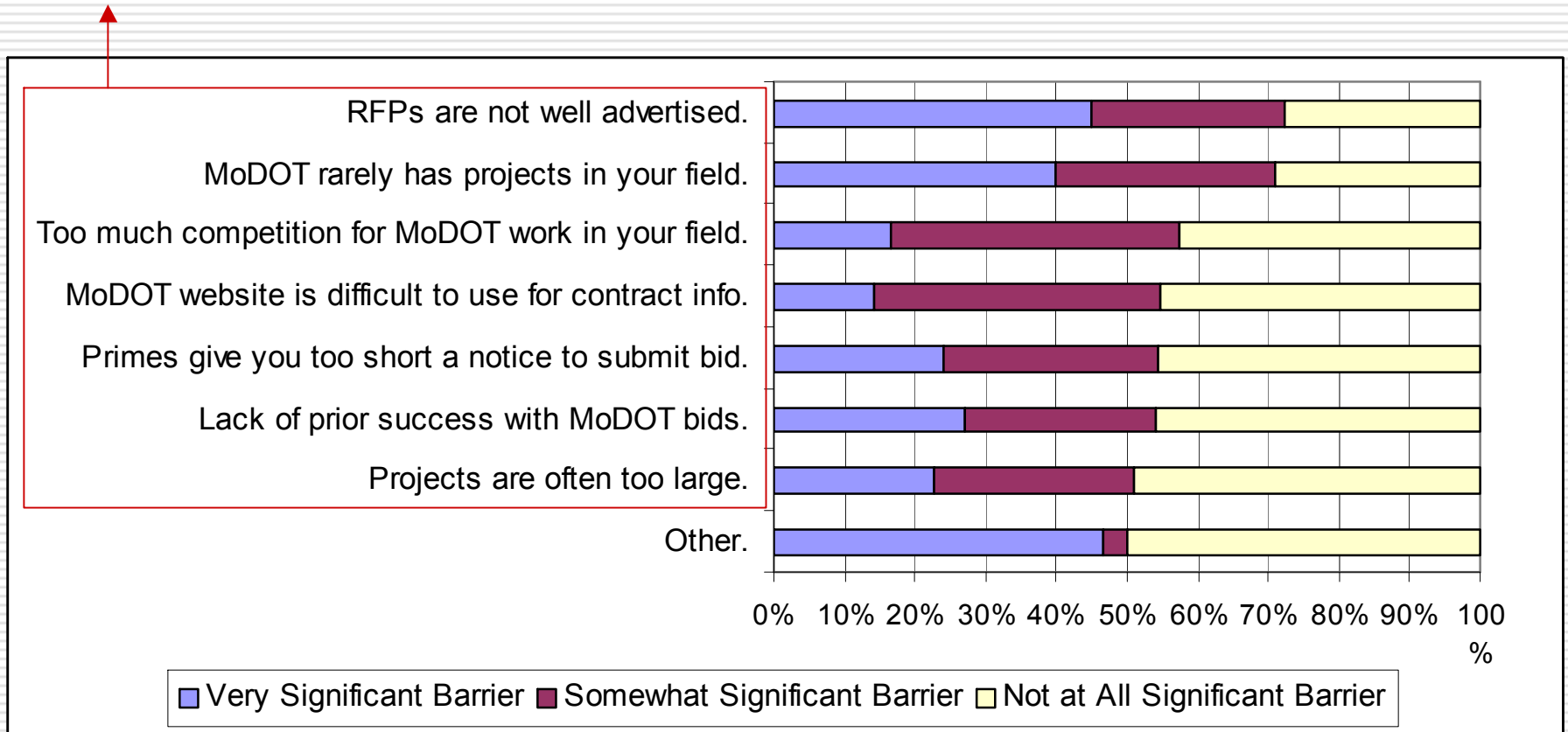
5. What MoDOT can do to improve the DBE certification process.

- ❑ Require one recertification process (every five years).
- ❑ Certify only truly compliant DBE firms.
- ❑ Be NAICS code consistent.
- ❑ Accept MO, STL City, Metro, Airport, KC DBE certification.
- ❑ Certification process turnaround time too long.
- ❑ Create web based re-certification process.
- ❑ Make available for bid smaller projects.
- ❑ Make available for bid exclusive DBE projects.
- ❑ Make bids/opportunities more public (visible).
- ❑ Need better communication.
- ❑ Demonstrate value of certification process with business.
- ❑ Less red tape.
- ❑ Improve perception that MoDOT has little interest in utilizing M/W/DBE firms.

6a. Barriers to doing business with MoDOT

ISSUES: RFPs not well advertised; MoDOT rarely has projects in my field.

Seven issues affect the majority of respondents.



6a. Barriers to doing business with MoDOT.

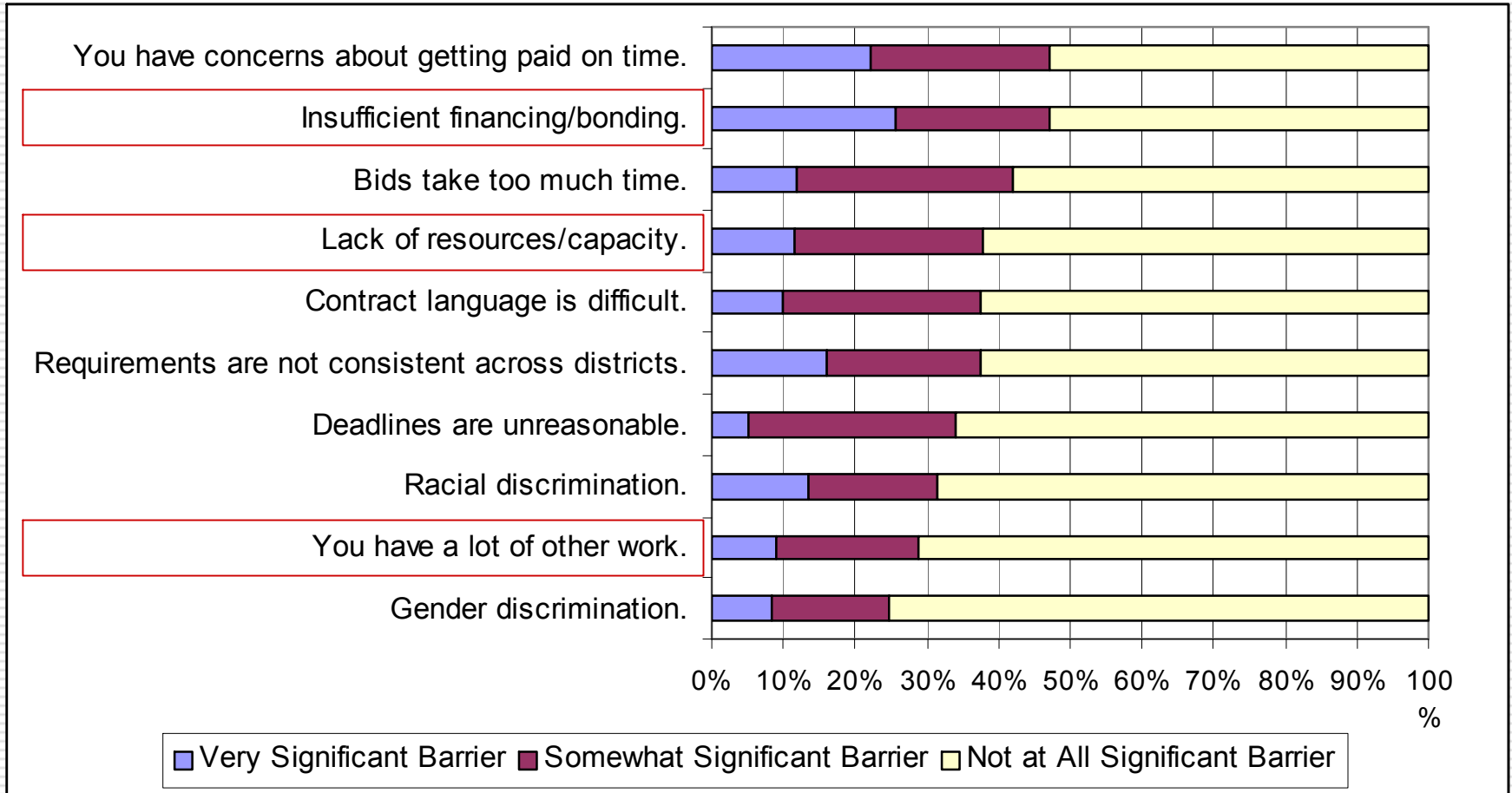
Other

- Primes not willing to provide an opportunity for work.
- Prime contractors not opened up to new DBEs.
- Need contractor to call me back when I show interest.
- Price points are too low versus larger competitors.
- MoDOT will not hold prime to test of working with DBEs.
- Established goals not carried out by DBE office.
- New to learn more about MoDOT projects.
- Need information when projects are in design stage.
- Hostility toward urban area.
- Opportunities presented to suppliers.

6b.Barriers to doing business with MoDOT

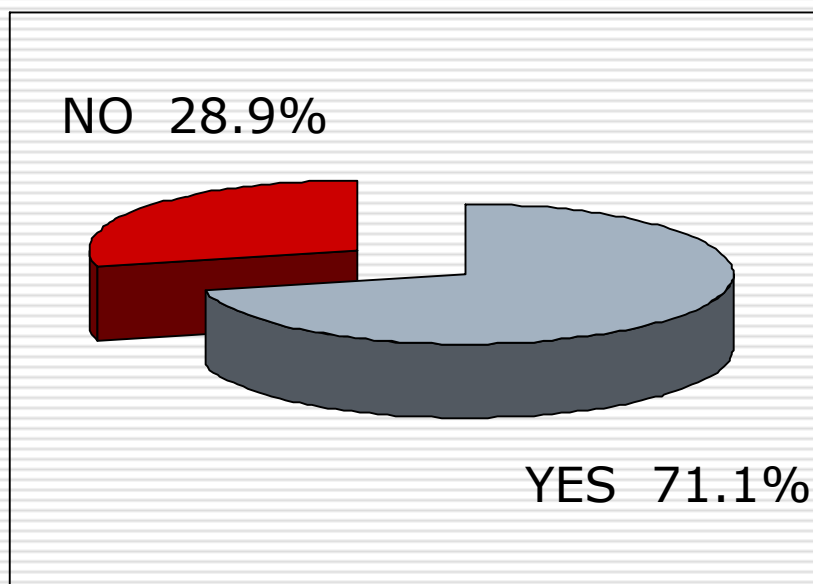
Three barriers involve firms' operational abilities.

Discrimination not a major issue.



7. Working with other government agencies.

Have you worked as a prime or subcontractor with any other government agencies during the past 3 years?

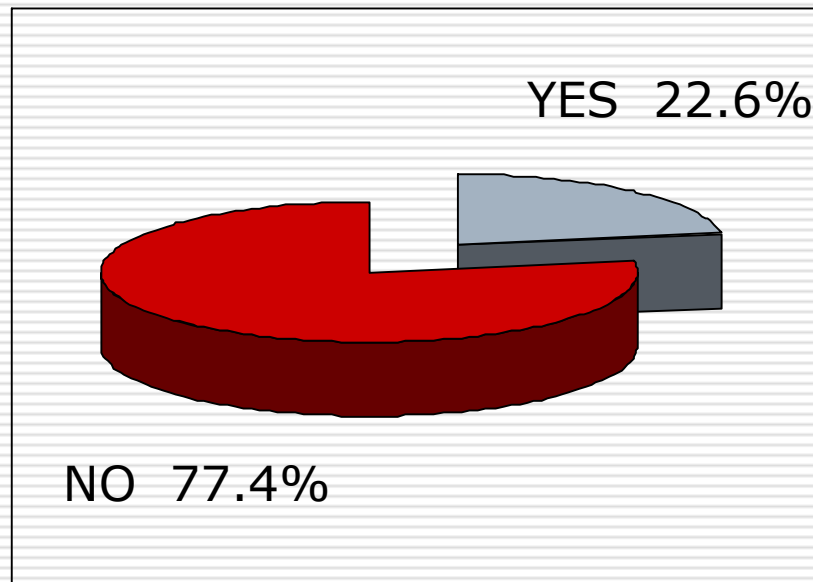


8. Other government agencies worked with.

- St. Louis Airport Authority
- Federal Government (FAA, DOD, USDA, FDA, VA, NPS, GSA)
- State of Kansas
- State of Missouri
- St. Louis Housing Authority
- Metro
- MSD
- St. Louis Metro Police
- KC Transportation Authority
- County Government
- IDOT, KSDOT
- US Army Corps of Engineers
- City Government
- East-West Gateway

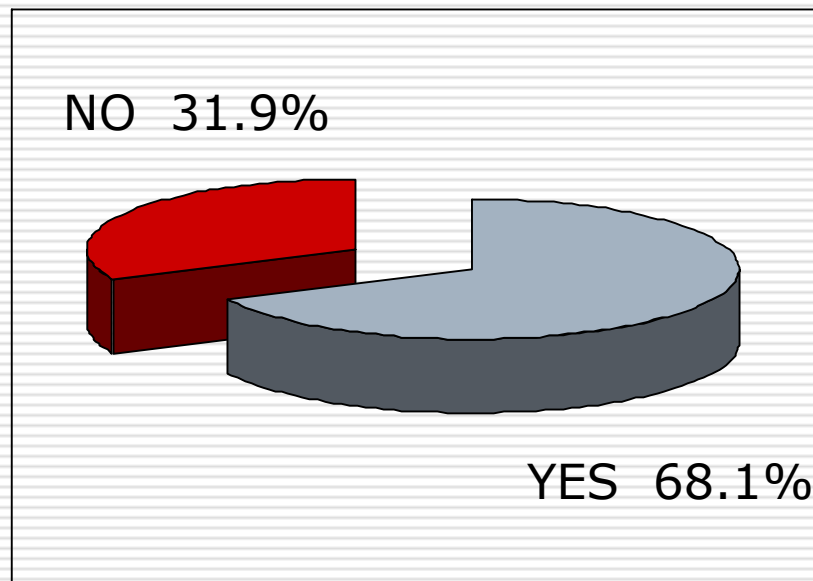
9. Short-listed status.

Is your firm "short-listed" by one or more prime contractors?



10. Business/marketing plan.

Do you have a business and/or marketing plan for your company?

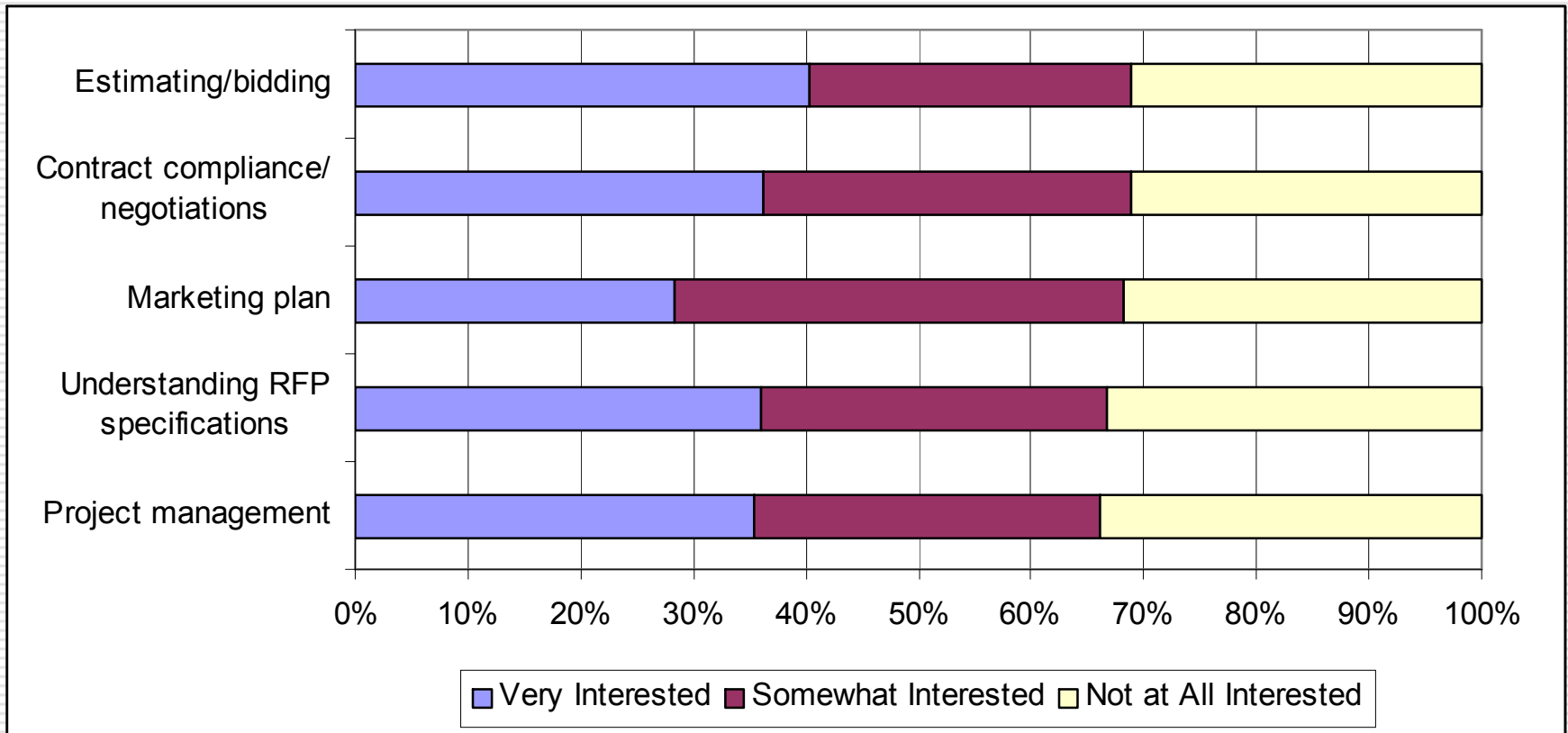


11. Organizations or programs you have used for your company's training needs.

- Local Unions; Teamsters
- Mid America Minority Business Academy
- Alberici Construction
- Carpenters Local
- KC MO Programs
- SLCC
- SBA
- DOT Haz-Mat training
- OSHA
- Women's Business Center (KS, MO)
- Builders Association (MO, STL, KC)
- FEMA
- Bituminous Industry
- Turner Construction
- In-house
- MoDOT
- American Society of Civil Engineers
- RCGA
- Helzberg Entrepreneurial
- Kaufmann Foundation
- AIM
- NRMCA
- Dunn Training Programs
- webinars

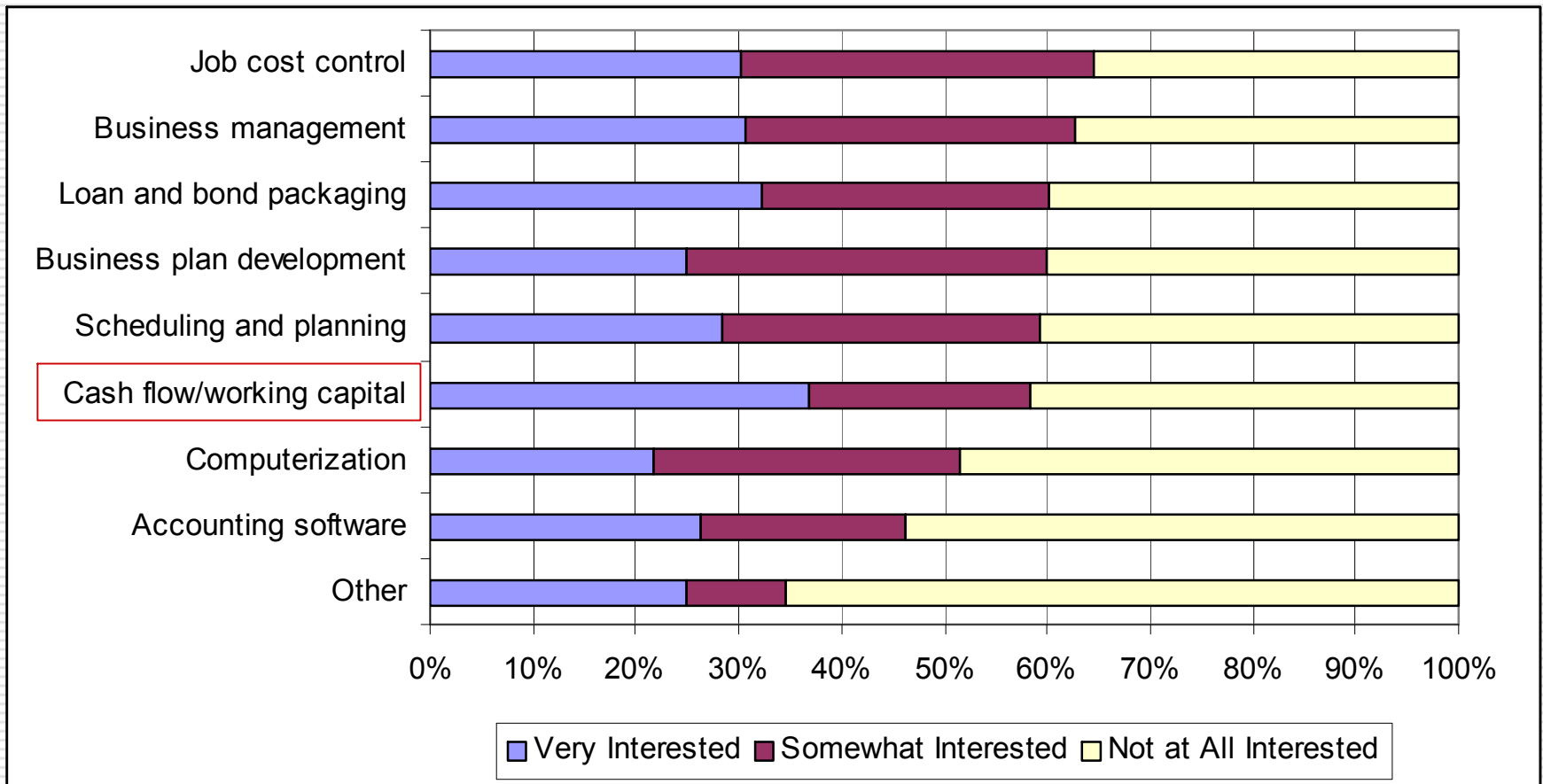
12a. Interest in MoDOT sponsored programs.

Substantial interest (about two-thirds) in all five areas listed below.



12b. Interest in MoDOT sponsored programs.

"Very interested" (> 30%) in four areas listed. **Cash flow/working capital interest extremely skewed (needed versus not needed).**



12b. Interest in MoDOT sponsored programs.

Other

- Government bond for alternative fuel grant.
- Microstation testing.
- Necessary training.
- Federal funding of infrastructure.
- How to work with MoDOT; who to meet.
- Business opportunities.

13. Top priority training program.

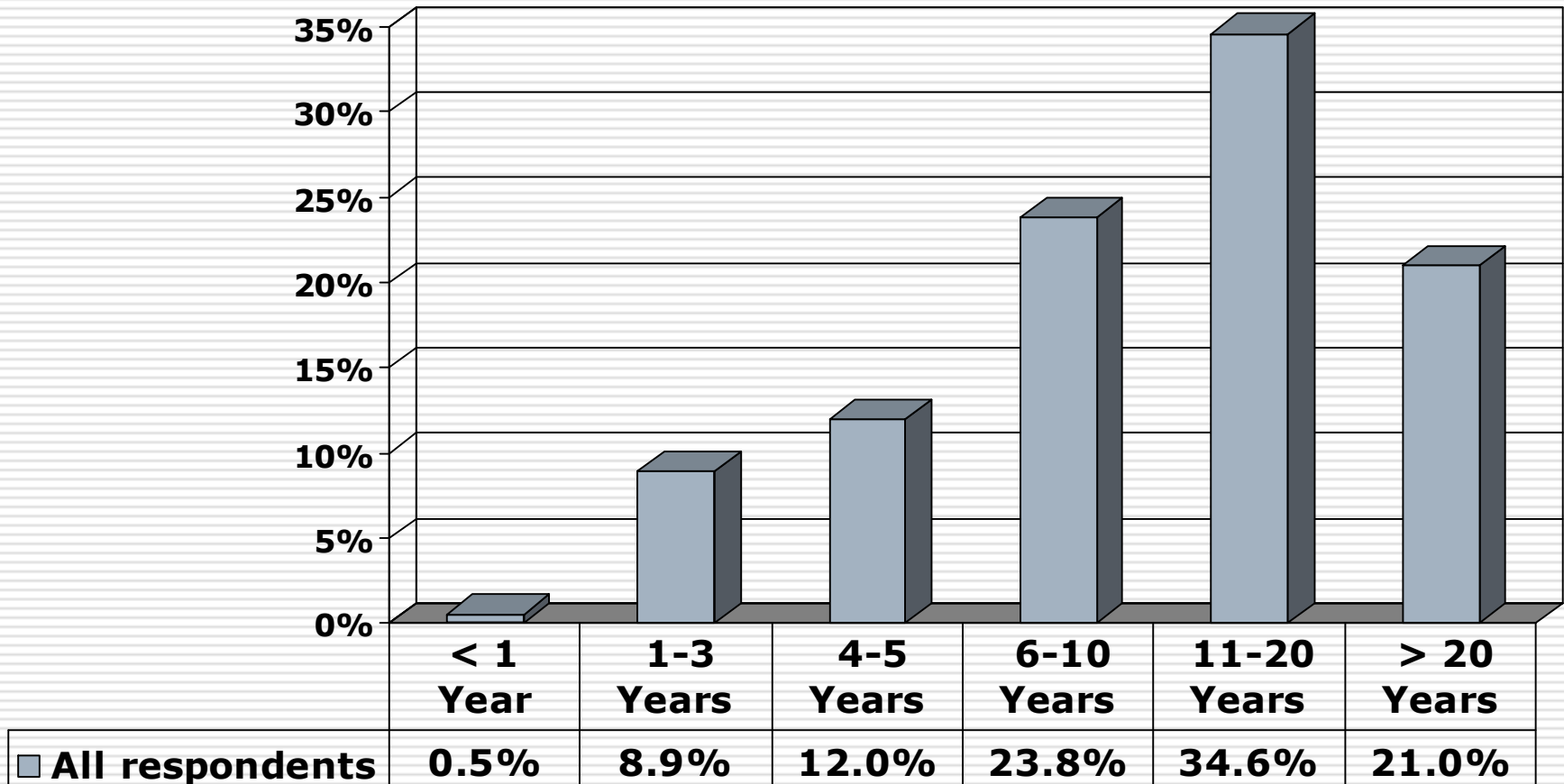
- Estimating/bidding.
- Contract compliance and negotiations.
- Cash flow/working capital.
- Marketing/business planning.
- Job cost control.
- Project management.
- Contract negotiations as a subcontractor.
- Scheduling and planning.

14. Most important thing that would help you do more business with MoDOT.

- ❑ Ensure compliance with minority participation program: minorities cannot compete when opportunities and resources do not coexist (no equal opportunity).
- ❑ Encourage prime contractors to give more opportunities for work for small firms (without having to team up).
- ❑ Give me opportunity to bid projects in my scope.
- ❑ Require prime contractors to diversify in use of DBEs.
- ❑ Cash flow / financing / bonding.
- ❑ Better communication (pre-notice to design to RFP to bidding process to contract)
- ❑ Increase DBE participation goals.
- ❑ More RFPs/work in my area.
- ❑ Smaller projects controlled by district (not HQ).
- ❑ Cap DBE firms at 8-10 years like a federal program (no incentive to graduate out of DBE designation other than revenue).
- ❑ Address rural urban divide that has a great deal of influence on project and contractor selection.
- ❑ Make MoDOT website easier to navigate.

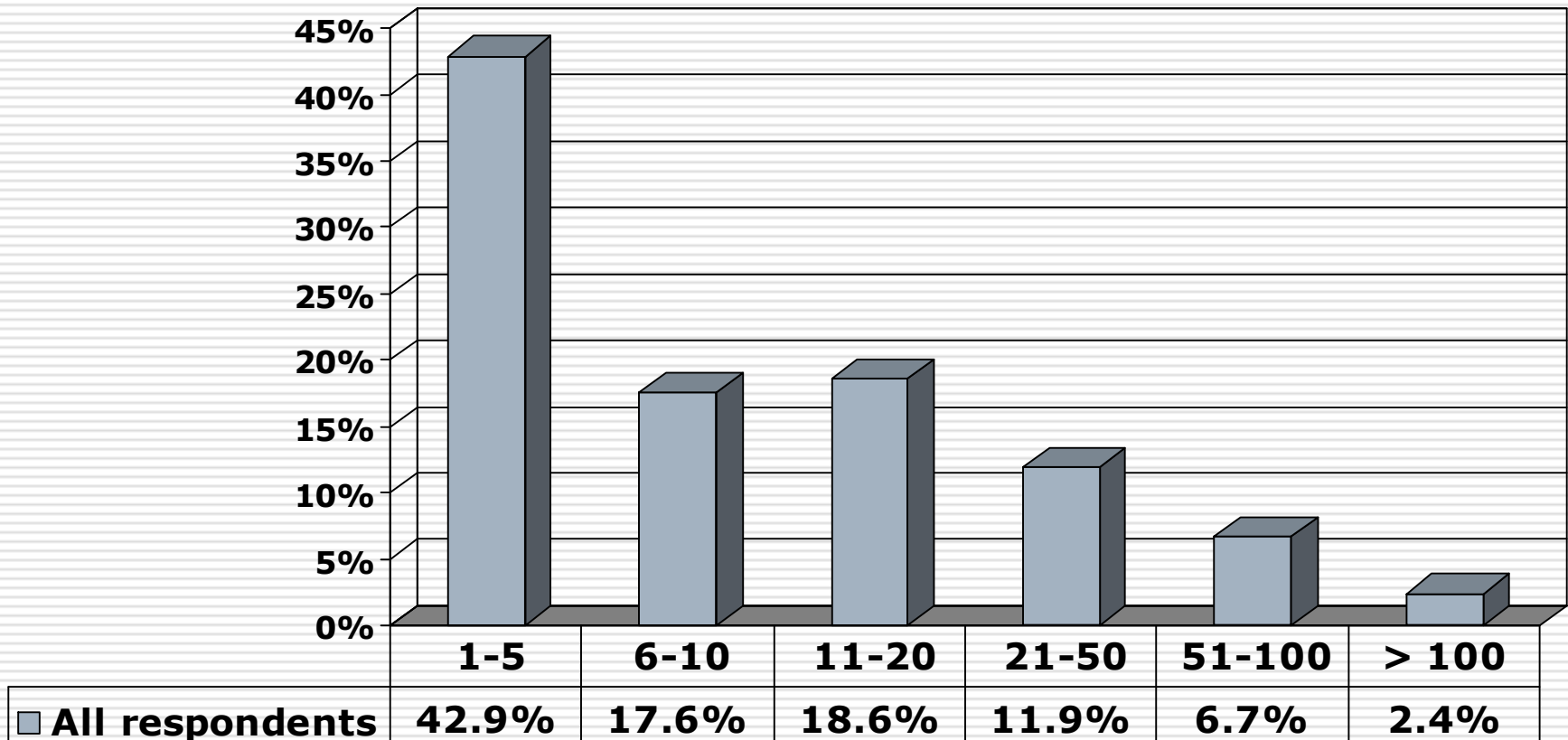
15. Company lifespan.

How long has your company been in business?



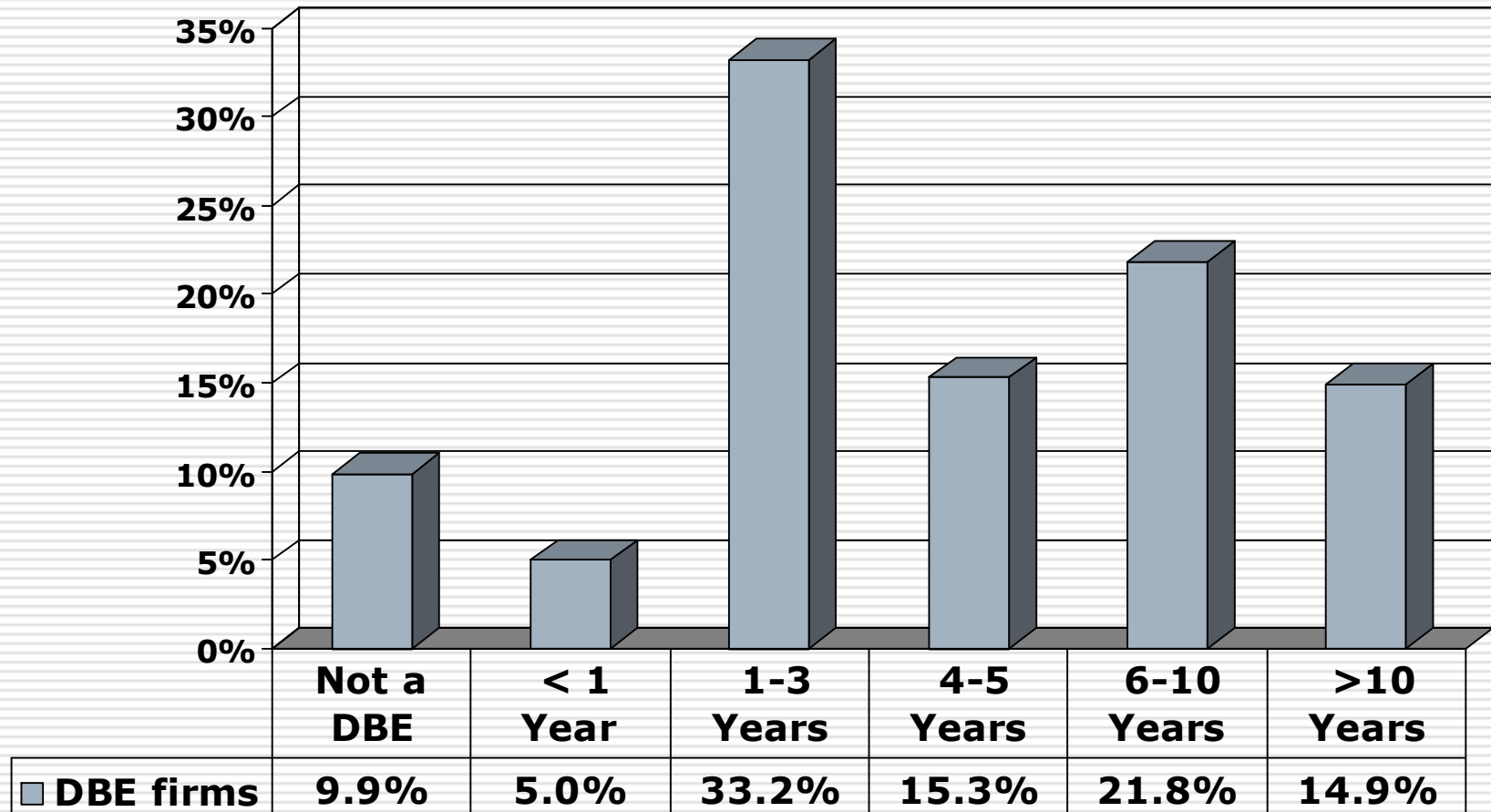
16. Company size.

How many people (including yourself) do you employ?.



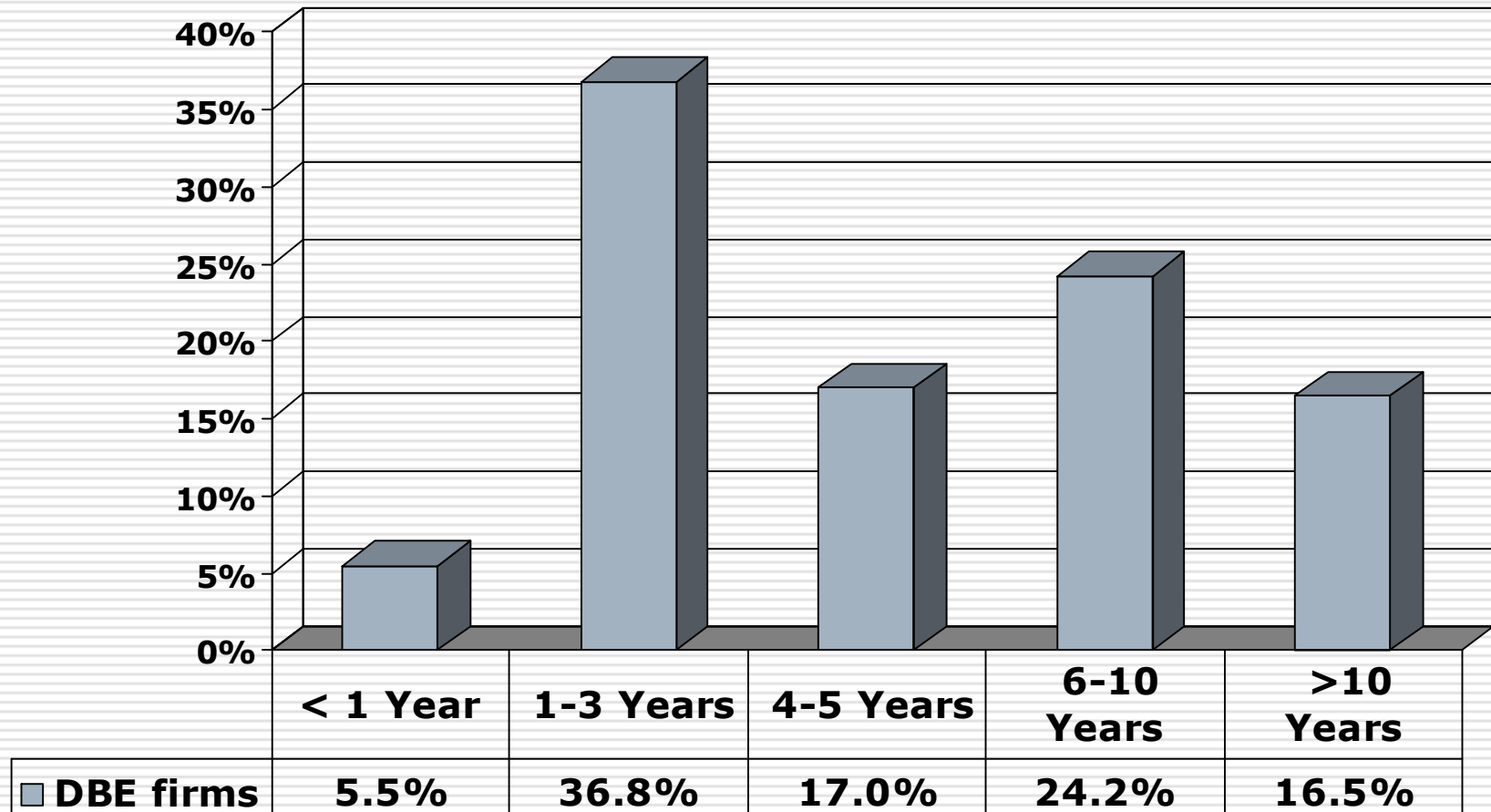
17. How long DBE certified by MoDOT.

How long have you been certified as a DBE by MoDOT?



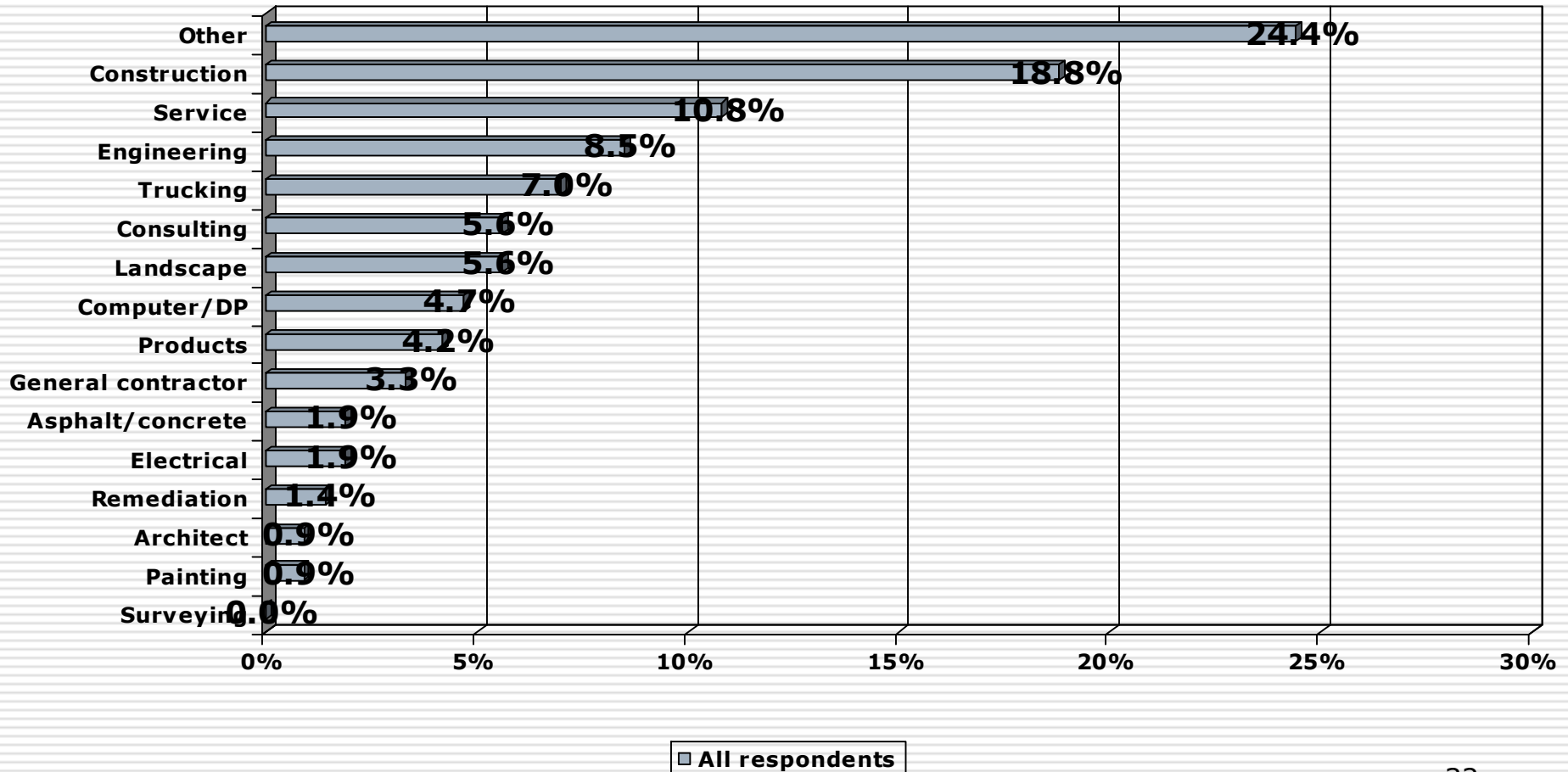
17. How long DBE certified by MoDOT.

How long have you been certified as a DBE by MoDOT?



18. Primary Area of Business (respondent).

No primary area of business (except construction and service firms) account for more than 10% of firms. No primary area of business accounts for more than 20%.

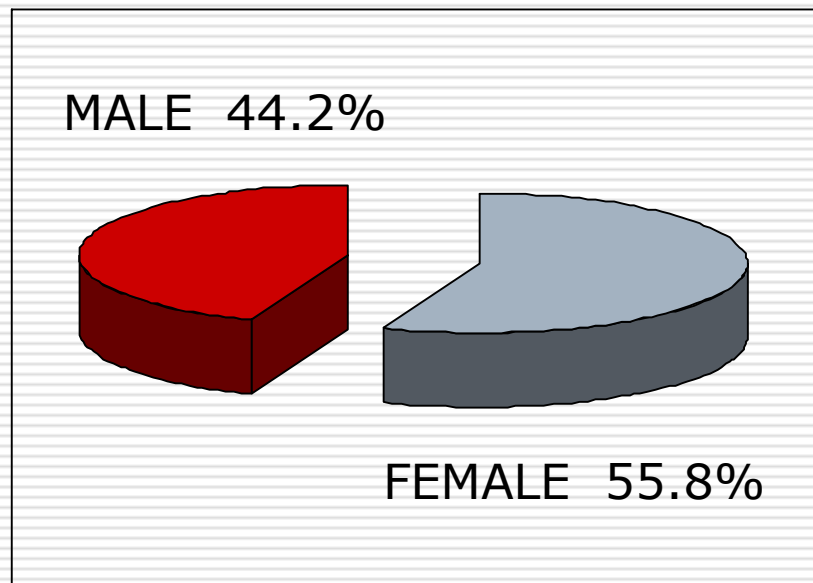


18. Primary area of business (respondent).

Other

- Low voltage electrical systems.
- Erosion control.
- Printing specialties.
- Pavement striping.
- Steel for concrete.
- Excavating.
- Railroad construction.
- Steel supply and erection.
- Media/graphic services.
- Crane housing.
- Attorney/legal.
- Petroleum.
- Janitorial.
- Floor covering.
- Building management.
- Utilities – road boring.
- Wholesale.
- Chemical products.
- Wood and laminates.
- Office equipment leasing.
- Towing and recovery.
- Plumbing.
- Employment.
- Courier service.
- Supplies distribution.
- Signage.
- Glass and glazing.
- Tree service.
- Passenger transportation.
- City planning.
- Archeology.

19. Respondent gender.



20. Respondent racial/ethnic affiliation.

