The Washington State Department of Transportation is hosting Disadvantaged Business Enterprise Program Waiver Request Informational Sessions

On March 7, 2018, the Washington State Department of Transportation published a new Disadvantaged Business Enterprise (DBE) Program waiver request, available at: www.wsdot.wa.gov/EqualOpportunity

WSDOT is seeking approval from the U.S. Department of Transportation to adjust the DBE program to help improve inclusion of African American owned firms on agency construction and consulting contracts. In 2017, WSDOT completed a disparity study which showed that African American owned businesses are significantly underutilized in agency contracting activities compared to other socially and economically disadvantaged groups within the DBE program. If approved, prime contractors would earn four times the DBE goal credit for including a firm owned and controlled by an African American.

The purpose of this meeting is to provide an overview of the 2017 DBE Program Disparity Study results, explain the rationale for the waiver, and provide the public with sufficient information to provide written testimony. WSDOT will be accepting written testimony until 5:00 p.m. April 20, 2018.

We look forward to your participation.

QUESTIONS AND GENERAL INFORMATION

Individuals wishing to not attend but submit written testimony may do so by emailing or writing to:

Jackie Bayne
Policy Manager
WSDOT Office of Equal Opportunity
310 Maple Park Avenue SE
Olympia, WA 98504-7314
Baynej@wsdot.wa.gov

MEETING LOCATIONS

SEATTLE
Date: Monday, March 26, 2018
Time: 4:00 - 6:00 p.m.
South Seattle College,
Georgetown Campus
6737 Corson Avenue South,
Seattle
Room Location: C110/111
Parking permits available inside

SPOKANE
Date: Tuesday, March 27, 2018
Time: 4:00 - 6:00 p.m.
Spokane County Conference Room
2714 North. Mayfair Street,
Spokane
Room Location: first floor of the Engineering building.

WEBINAR
Date: Friday, March 30, 2018
10:00 a.m. - 11:30 a.m.
Public invited to learn about a new Disadvantaged Business Enterprise Program proposal

Wednesday, March 7, 2018 - 09:48

Jackie Bayne, Office of Equal Opportunity, 360-705-7084

WSDOT to host informational meetings March 26, 27

OLYMPIA - Contractors, trade and labor organizations, small and disadvantaged businesses and others who might be interested in working with the Washington State Department of Transportation are invited to attend an upcoming informational session to learn about proposed changes to the Disadvantaged Business Enterprise program.

WSDOT is seeking approval from the U.S. Department of Transportation to adjust the DBE program to help improve inclusion of African American owned firms on agency construction and consulting contracts. In 2017, WSDOT completed a disparity study which showed that African American owned businesses are significantly underutilized in agency contracting activities compared to other socially and economically disadvantaged groups within the DBE program. If approved, prime contractors would earn four times the DBE goal credit for including a firm owned and controlled by an African American.

Connecting with communities

The purpose of this meeting is to provide an overview of the 2017 DBE program disparity study results, explain the reason for the proposed changes, and share information on how to submit comments. All comments regarding the waiver will be considered prior to submitting a final proposal to the USDOT. Written comments on the proposal will be accepted until 5 p.m. Friday, April 20.

Seattle

When: 4 - 6 p.m. Monday, March 26
Where: South Seattle College, Georgetown Campus, Room C110/111, 6717 Corson Avenue South, Seattle
Details: Parking permits available inside

Spokane

When: 4 - 6 p.m. Tuesday, March 27
Where: Spokane County Conference Room, 2714 North. Mayfair Street, Spokane
Details: First floor of the engineering building.

Webinar

When: 10 - 11:30 a.m., Friday, March 30
RSVP: Please email BrooksJ@wsdot.wa.gov

Comment in writing

Written comments must be submitted by mail or email to:
Jackie Bayne, Policy & Reporting Manager
Washington State Department of Transportation
Office of Equal Opportunity
PO Box 47314
Olympia, WA 98504-7314
BayneJ@wsdot.wa.gov

Documents explaining the proposed changes are available for review at all WSDOT region headquarters offices and at the Transportation Building, 310 Maple Park Ave. SE, Olympia. They are also available online at: www.wsdot.wa.gov/equalopportunity.
STATE OF WASHINGTON – KING COUNTY

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

PN: LEARN DBE PROGRAM

was published on

03/07/18 03/22/18

The amount of the fee charged for the foregoing publication is the sum of $644.00 which amount has been paid in full.

MELISSA M. DOWD
STATE OF WASHINGTON
NOTARY PUBLIC
MY COMMISSION EXPIRES 11-21-19

Affidavit of Publication

Subscribed and sworn to before me on

03/22/2018

Notary public for the State of Washington, residing in Seattle
FOR IMMEDIATE RELEASE
March 7, 2018
Contact: Jackie Bayne, Office of Equal Opportunity, 360 705-7094

Public invited to learn about a new Disadvantaged Business Enterprise Program proposal

WSDOT to host informational meetings March 26, 27

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Comment in writing
Written comments must be submitted by mail or email to Jackie Bayne, Policy & Reporting Manager

Washington State Department of Transportation
Office of Equal Opportunity
P.O. Box 47314
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BayneJ@wsdot.wa.gov

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Hyperlinks within this release:
• WSDOT DBE program: www.wsdot.wa.gov/equalopportunity

WSDOT keeps people, businesses and the economy moving by operating and improving the state's transportation systems. To learn more about what we're doing, go to www.wsdot.wa.gov/news for pictures, videos, news and blogs. Real time traffic information is available at www.wsdot.com/traffic or by dialing 511.

Americans with Disabilities Act (ADA) Information

Accommodation requests for people with disabilities can be made by contacting the WSDOT Diversity/ADA Affairs team at wsdotada@wsdot.wa.gov or by calling toll-free, 855-389-4ADA (4232). Persons who are deaf or hard of hearing may make a request by calling the Washington State Relay at 711.

Title VI Statement to Public: It is WSDOT’s policy to ensure that no person shall, on the grounds of race, color, national origin, sex, as provided by Title VI of the Civil Rights Act of 1964, be excluded from participation in, be denied the benefits of, or be otherwise discriminated against under any of its federally funded programs and activities. Any person who believes his or her Title VI protection has been violated may file a complaint with WSDOT’s Office of Equal Opportunity. For additional information regarding Title VI complaint procedures and/or information regarding our non-discrimination obligations, please contact OEO's Title VI Coordinator at 360-705-7090.

To unsubscribe to WSDOT media releases please reply and type REMOVE in the subject line.

### WSDOT Waiver Meeting Sign in

#### Location:

South Seattle

#### Date:

3/2/2018

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
<th>Email</th>
<th>Phone (509)</th>
<th>Email (other)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oscar Cejudo</td>
<td>WSDOT-OPS</td>
<td><a href="mailto:cerdu@wsdot.wa.gov">cerdu@wsdot.wa.gov</a></td>
<td>509-3316</td>
<td></td>
</tr>
<tr>
<td>Van Collins</td>
<td>ACEC</td>
<td><a href="mailto:yoloun@acecwapec.org">yoloun@acecwapec.org</a></td>
<td>425-495</td>
<td></td>
</tr>
<tr>
<td>Shamirra Estrada</td>
<td>Stanlee</td>
<td><a href="mailto:shamirra.estrada@stanlee.com">shamirra.estrada@stanlee.com</a></td>
<td>425-214-6860</td>
<td></td>
</tr>
<tr>
<td>Faamanu Seci</td>
<td>TRANSCOM</td>
<td><a href="mailto:Faam@transconcompany.com">Faam@transconcompany.com</a></td>
<td>206-396</td>
<td></td>
</tr>
<tr>
<td>Kendrick Irway</td>
<td>N/A</td>
<td><a href="mailto:kendrick.grey@uw.edu">kendrick.grey@uw.edu</a></td>
<td>206-271-0136</td>
<td></td>
</tr>
<tr>
<td>Marilynn Modr</td>
<td>Phoenix Aid</td>
<td><a href="mailto:modr@zodiac.com">modr@zodiac.com</a></td>
<td>216-766-4669</td>
<td></td>
</tr>
<tr>
<td>Angelique Keith</td>
<td>ALC Design</td>
<td><a href="mailto:angelique@alcdesign.com">angelique@alcdesign.com</a></td>
<td>302-249-3891</td>
<td></td>
</tr>
<tr>
<td>Eric Alozie</td>
<td>MWE CONTRACT</td>
<td><a href="mailto:Eric.dizon@mwecontract.co">Eric.dizon@mwecontract.co</a></td>
<td>973-839-7881</td>
<td></td>
</tr>
<tr>
<td>Jerry Vannberg</td>
<td>ACE</td>
<td><a href="mailto:jvannberg@ace.com">jvannberg@ace.com</a></td>
<td>360-352-5000</td>
<td></td>
</tr>
<tr>
<td>Mick Matsuzawa</td>
<td>Koi LLC</td>
<td><a href="mailto:mick.matsuzawa@koi.com">mick.matsuzawa@koi.com</a></td>
<td>425-760-0169</td>
<td></td>
</tr>
<tr>
<td>Victor Velcin</td>
<td>Ve.Le Consulting</td>
<td><a href="mailto:veledfor5@outlook.com">veledfor5@outlook.com</a></td>
<td>206-714-0889</td>
<td></td>
</tr>
<tr>
<td>Mary Cisneros</td>
<td>DAS Consulting</td>
<td><a href="mailto:mary.c@dasconsulting.com">mary.c@dasconsulting.com</a></td>
<td>253-887-1819</td>
<td></td>
</tr>
<tr>
<td>Everett Adams</td>
<td>Systems Consulting</td>
<td><a href="mailto:everett_adams@systemsconsulting.com">everett_adams@systemsconsulting.com</a></td>
<td>206-866-6234</td>
<td></td>
</tr>
<tr>
<td>Gretchen Adams</td>
<td>Systems Consulting</td>
<td><a href="mailto:gadata@systemsconsulting.com">gadata@systemsconsulting.com</a></td>
<td>253-245-2539</td>
<td></td>
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<tr>
<td>George Griffin</td>
<td>G37 A550</td>
<td><a href="mailto:gincel@geofx.com">gincel@geofx.com</a></td>
<td>206-556-5027</td>
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</tr>
<tr>
<td>Toni Hall</td>
<td>KUHINTAI</td>
<td><a href="mailto:hall.kenmade@kintai.com">hall.kenmade@kintai.com</a></td>
<td>206-331-9516</td>
<td></td>
</tr>
<tr>
<td>Jeff McLain</td>
<td>TRANSCON</td>
<td><a href="mailto:Jeff@transconcompany.com">Jeff@transconcompany.com</a></td>
<td>206-359-5585</td>
<td></td>
</tr>
<tr>
<td>George Fred</td>
<td>Fred EAdams</td>
<td><a href="mailto:geoffrey@geofred.com">geoffrey@geofred.com</a></td>
<td>206-832-6737</td>
<td></td>
</tr>
<tr>
<td>Thomas Jordan</td>
<td>CETS Electric</td>
<td><a href="mailto:t.jordan@celectric.com">t.jordan@celectric.com</a></td>
<td>206-420-3261</td>
<td></td>
</tr>
<tr>
<td>Patricia Hughes</td>
<td>Hughes Group</td>
<td><a href="mailto:patricia.hughes@hughesgroup.com">patricia.hughes@hughesgroup.com</a></td>
<td>206-588-2828</td>
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<tr>
<td>Sandy Hats</td>
<td>K C</td>
<td><a href="mailto:sandyhaas@kingcounty.gov">sandyhaas@kingcounty.gov</a></td>
<td>206-263-9777</td>
<td></td>
</tr>
<tr>
<td>Henry Yates</td>
<td>Yates Cons.</td>
<td>Henry.yates@comcast</td>
<td>206-669-2084</td>
<td></td>
</tr>
<tr>
<td>Traci Boyd</td>
<td>Port of Seattle</td>
<td><a href="mailto:Boyd.T@portseattle.org">Boyd.T@portseattle.org</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anne Wyman</td>
<td>Self</td>
<td>flaggany@y2</td>
<td>425-387-2959</td>
<td></td>
</tr>
</tbody>
</table>
### WSDOT Waiver Meeting Sign in

**Location:** Spokane

**Date:** 3/27/18

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<thead>
<tr>
<th>Name</th>
<th>Organization</th>
<th>Email</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jack Tostevin</td>
<td>Laborer Local 238</td>
<td><a href="mailto:jttostevin@spokanet.org">jttostevin@spokanet.org</a></td>
<td>509-996-0028</td>
</tr>
<tr>
<td>Ajilli Taka</td>
<td>STC</td>
<td><a href="mailto:ajilli325@gmail.com">ajilli325@gmail.com</a></td>
<td>509-710-8894</td>
</tr>
<tr>
<td>Andy Begg</td>
<td>STC</td>
<td><a href="mailto:andybeeg@gmail.com">andybeeg@gmail.com</a></td>
<td>509-893-2710</td>
</tr>
<tr>
<td>Tammy Begg</td>
<td>STC</td>
<td><a href="mailto:tammy@spokanet.org">tammy@spokanet.org</a></td>
<td>509-893-2710</td>
</tr>
<tr>
<td>Barrington Young</td>
<td>Stripping Inc.</td>
<td><a href="mailto:young@barringtonstripinginc.com">young@barringtonstripinginc.com</a></td>
<td>(509) 509-1919</td>
</tr>
<tr>
<td>Cheryl Stewart</td>
<td>AGC</td>
<td><a href="mailto:cestewart@washington.org">cestewart@washington.org</a></td>
<td>(509) 392-3434</td>
</tr>
<tr>
<td>Scott Holstrom</td>
<td>Laborers 238</td>
<td><a href="mailto:scott@spokanet.org">scott@spokanet.org</a></td>
<td>(509) 392-3434</td>
</tr>
<tr>
<td>Stephanie Simkins</td>
<td>North Star</td>
<td><a href="mailto:stephanie@northstar.org">stephanie@northstar.org</a></td>
<td>(509) 392-3434</td>
</tr>
<tr>
<td>Cissy Rea</td>
<td>Curtis Concrete</td>
<td><a href="mailto:cissy@curtisconcrete.com">cissy@curtisconcrete.com</a></td>
<td>(509) 392-3434</td>
</tr>
<tr>
<td>Scott Rea</td>
<td>Curtis Concrete</td>
<td><a href="mailto:scott@curtisconcrete.com">scott@curtisconcrete.com</a></td>
<td>(509) 392-3434</td>
</tr>
<tr>
<td>Dust Shop</td>
<td>WSDOT</td>
<td><a href="mailto:dust@wsp.dot.gov">dust@wsp.dot.gov</a></td>
<td>509-323-8688</td>
</tr>
<tr>
<td>RICK JORDAN</td>
<td>WSDOT</td>
<td><a href="mailto:rjordan@wsp.dot.gov">rjordan@wsp.dot.gov</a></td>
<td>509-324-0023</td>
</tr>
<tr>
<td>Jason Berr</td>
<td>WSDOT</td>
<td><a href="mailto:jber@wsp.dot.gov">jber@wsp.dot.gov</a></td>
<td>509-324-0023</td>
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</table>
Bayne, Jackie

Subject: Waiver and Goal Webinar
Location: Skype Meeting
Start: Fri 3/30/2018 10:00 AM
End: Fri 3/30/2018 11:30 AM
Recurrence: (none)
Meeting Status: Accepted
Organizer: Brooks, Julius
Required Attendees: Bayne, Jackie; Katie.parry@lakesideindustries.com; jeff.herriford@lakesideindustries.com; 'Arti O'Brien'; Carmelle Palomino; Johnson, Christopher D; 'RaoV@jts-seattle.com'; 'Cylisa Brown'
Optional Attendees: WSDOT re OEO Admin Team; 'Tanya Jimale'; 'Linda Stroud'

All parties joining the webinar this morning must join the phone bridge below as well. I have also attached step by step instructions on how to join the skype webinar

→ Join Skype Meeting
   Trouble Joining? Try Skype Web App

PHONE CONFERENCE ACCESS

360.709.8060 passcode 486471

Here are the basic steps to join a Skype for Business meeting with Skype Meetings App. Please contact me with any questions.

1. Open the meeting request in your email or calendar, and select Join Skype Meeting.
2. Follow your browser's instructions for installing Skype Meetings App. For example, in Internet Explorer, select Run when you see the alert at the bottom of the browser window.
3. On the Skype Meetings App sign-in page, enter your name, and select Join.

Step by Step instructions are included with this invitation

CLICK ON EACH .PNG FILE FOR FOLLOW ALONG INSTRUCTIONS

→ Join Skype Meeting
   Trouble Joining? Try Skype Web App

Help
Ms. Jackie Bayne  
Policy Manager  
WSDOT Office of Equal Opportunity  
310 Maple Park Ave. SE  
Olympia WA 98504-7314

Dear Ms. Bayne:

On behalf of Tabor 100, I wish to express our strong support for the DBE Program Waiver that would give prime contractors four times the DBE goal credit for including a firm owned and controlled by an African American. While we are a Minority Business advocacy organization, a substantial number of our members are African American and we were founded by African American business owners. In addition, during our 20 years in existence, we have always advocated strongly for equity in government contracting and worked diligently to ensure firms of any ethnicity are given as much opportunity as possible to participate in the spending of their tax dollars. The current state of African American-owned businesses in both federally assisted and non-federally assisted transportation projects in this state is clearly in need of urgent attention.

We applaud WSDOT for proposing this somewhat unconventional remedy and support its implementation. While we appreciate the many programs and outreach that has occurred within WSDOT to bring minority contractors, including African Americans, onto its projects, we have painfully recognized the lack of African American contractors participating in federally funded highway projects through your regular reports to FHWA on DBEs engaged in WSDOT projects. We have also studied the most recent Disparity Study conducted by Collette Holt and Associates and find that both data points demand immediate action, especially as we see African American firms going out of business in what is the most robust construction environment this state has ever seen.

We recognize that some contractors, both Prime and Subs, have expressed to you their opposition to this program. Their alternate suggestions tend to regurgitate programs that have been well-intentioned, but have not been effective. If those programs had worked, African American contractors would be participating at similar levels as non-African Americans engaged in federally funded projects. The disparity study has made it clear that “race matters.” We believe that “incentives matter” as well and providing a 4X DBE credit for a Prime contractor to use an African American DBE is a worthwhile effort to provide equity among minority firms.

The urgency of this waiver is significant. Unfortunately, we are seeing several of the current crop of African American firms either at the brink of bankruptcy or going out of business altogether due to lack of opportunity both in the public and private arenas. This sends a poor message to younger African Americans looking to start their own business and stifles what should be a natural pipeline for any ethnic group to strengthen its economic condition, which is best achieved through business ownership. The impact of poor African American business participation in WSDOT projects is not just a denial of opportunity for existing firms, but a recipe for keeping this community from participating in these projects in the future. This historic lack of participation in contracting, whether it be on transportation projects or otherwise, has led to fewer African American firms
being created and the ones that have survived in this challenging climate stagnating year after year.

As always, Tabor 100 stands ready to assist the State Department of Transportation in its efforts to inject equity and fairness into its spending of public funds.

Tabor 100 is an association of entrepreneurs and business advocates who are committed to economic power, educational excellence and social equity for African Americans and the community at large.

Thank you.

Ollie Garrett, President

Tabor 100
4/11/2018

Jo Foglesong
712 S. Washington Street
Kennewick, WA 99336

Ms. Jackie Bayne
Policy Manager
WSDOT Office of Equal Opportunity
310 Maple Park Avenue SE
Olympia, WA 98504

WSDOT DBE Program Waiver Request

I am a minority business woman and I have experienced discrimination throughout my years in agriculture and in the fitness field. I appreciate the state and federal government recognizing the imbalance in the playing field by creating the DBE Program. This gave women in the male dominated field a chance to show that they could make excellent decisions and do as good of a job as men.

The waiver to give African American owned businesses four times the credit to the prime contractor will cause the contractor to choose the African American business exclusively over any other DBE business, regardless of ability. This will once again cause an imbalance within the DBE program’s fairness.

This is a step back in all that has been accomplished to this point.

Please continue the DBE Program as it was created until all businesses are treated equal.

Jo Foglesong
Bayne, Jackie

From: Henry Yates <henry.yates@comcast.net>
Sent: Friday, April 20, 2018 4:53 PM
To: Bayne, Jackie
Subject: DBE Waiver

Jackie:

I am writing to echo the comments I made at the public meeting where the DBE Waiver for African Americans was discussed in March.

First off, I want to let you know that I very much support WSDOT’s efforts to ensure that African American firms participate in WSDOT contracting at levels similar to other ethnic groups and hopefully, at some point eliminate the disparity all together.

I commend Roger, Earl and others on the WSDOT team for their efforts at “righting a wrong” that has stood for too long and has had some very damaging impact on the health of the African American community. The disparity study confirmed and reinforced the comments often made by African American contractors who say, in this very busy construction environment in which firms are bringing in companies from out-of-state, that they are not getting work. This has been the case in both the construction and A&E community. Personally, I have experienced this phenomenon, watching many opportunities go to others and wondering why I am not selected. I have theories on why African American firms are not selected or selected as a last resort, but that can wait until another day. The reality is that our firms are generally not selected and attempting to achieve equity through measures like the DBE Waiver is a great start at creating true equality.

While the whole notion of providing incentives to do what should have been done all along is controversial, it can be a powerful tool that will “level the playing field” if it is left to stand for a reasonable period of time — until equity or at least some parity comes about. It is my hope that combined with many other measures WSDOT is implementing, this waiver can drive growth in African American firms and will be emulated as other public agencies currently conducting disparity studies, realize that they too, have been short-changing African American DBEs.

I very much appreciate the opportunity to comment on the WSDOT DBE Waiver proposal and urge you and others in the agency as well as those at USDOT to keep in mind a simple statement — “Race Does Matter.”

Thank you.

Sincerely,

Henry Yates

Yates Consulting
206-669-2084
Bayne, Jackie

From: Hanks, Sandy <Sandy.Hanks@kingcounty.gov>
Sent: Friday, April 20, 2018 6:27 PM
To: Bayne, Jackie
Subject: Comments re: Disadvantaged Business Enterprise Program Proposal

Hello Jackie,

Thank you for the opportunity to comment on the WSDOT's DBE Proposal.

WSDOT should consider the evidence of disparities between the utilization and availability for African Americans and other certified DBEs for WSDOT contracts, as well as other quantitative and qualitative information presented in the most recent disparity.

The DBE proposal to modify the WSDOT's DBE program to bolster the participation of African American-owned firms is laudable. However, a review of the monitoring and enforcement elements are essential to successful implementation. Although the counting provision is not inherently problematic, a structure for challenges to how it is applied is warranted.

With limited insight into the proposal details, it is difficult to understand how the counting provision will be consistently applied, or for prime bidders, (and perhaps the Agency), to determine the extent to which mechanisms to implement the requirements will work as intended.

Thanks again for the opportunity to comment.
April 20, 2018

Jackie Bayne
Policy Manager
WSDOT office of Equal Opportunity
310 Maple Park Avenue SE
Olympia, WA 98504-7314
BayneJ@wsdot.wa.gov

Subject: Washington State Department of Transportation
Office of Equal Opportunity
2018 DBE Program Waiver Proposal

Dear Jackie,

The purpose of this letter is to provide written testimony regarding the new Disadvantaged Business Enterprise (DBE) Program waiver request.

As a small business and a registered DBE, 1 Alliance Geomatics believes that a waiver granting contractors four times the condition of award credits to African American companies will harm other small DBE firms like ours, who have struggled to create a foothold with the contracting and consulting community.

Where certain industries have only a few DBE participants, the waiver would be unfair to the remaining companies within that industry. The waiver would essentially discriminate against other individuals and groups.

1 Alliance Geomatics believes that the focus should be on providing training and assistance for African Americans rather than directly causing harm to other small DBE firms who have struggled as well.

Our firm has provided assistance to clients on two projects because two African American firms failed to perform as contracted and needed to be replaced. This indicates that they were successful in securing the work through the bidding and condition of award process yet may have needed help or training to perform as expected.

With this proposed waiver, Contractors will be forced to use African American DBE firms that without some guidance and assistance may be destined to fail again. This leaves a legacy of ill will and a reluctance to hire them and other DBE firms again.

Please don’t go backward and harm others who have struggled instead of assisting firms through the struggle.

Sincerely,

1Alliance Geomatics, LLC

T. Jason Nakamura, PLS
President

1261A 120th Ave. NE Bellevue, WA 98005
425-598-2200
April 20, 2018

Jackie Bayne
Policy Manager
WSDOT Office of Equal Opportunity
BayneJ@wsdot.wa.gov

Jackie –

Thank you for your efforts to develop new programs and proposals for the inclusion of African American AEC companies in Washington State contracting. As apparent in the recent findings in the WSDOT Disparity Study, this specific population has been devastated by I200 over the past twenty years and therefore, we appreciate the State's interest and welcome your innovative ideas and approach to bring forth a program for remaining and future minority-owned businesses.

Your latest proposal to award large corporate AEC companies a “Four Times the Credit” waiver for subcontracting with African American companies, we believe once implemented, will help the State reach its objective of 19% inclusion in contracting and help to improve economic development in the region. This includes an increase in local business and employment opportunities for all people as well as provide an increase in the regions' talent pool. We believe your proposal is a good start from which to build and we welcome the opportunity to assist the State in any further development of the program.

As with any new program, however, there will be a high probability that some may attempt to challenge and or “outsmart” the system. However, with the necessary processes and procedures in place we can prevent or at least reduce occurrences such as one or two firms being awarded all of the work. (i.e., Rosters, etc.).

Because this is the first time anything like this proposal has been presented, with some amendments we believe we can work through any unforeseen issues to craft a program to help us meet our common objective of inclusion and economic development on a state level. SCL supports your proposal and looks forward to working collaboratively with the State to further develop and execute, as needed.

-Gretchen

Gretchen Adams, President
Systems Consulting, LLC
April 17, 2018

Ms. Jackie Bayne
Policy Manager
WSDOT Office of Equal Opportunity
310 Maple ark Avenue SE
Olympia, WA  98504

WSDOT DBE AFRICAN-AMERICAN PROPOSED WAIVER REQUEST

In 2014, Washington State Department of Transportation (WSDOT) first sought a waiver from the Federal Highway Administration (FHWA) to exclude non-minority women-owned businesses (WDBE) from Washington’s Disadvantaged Business Enterprise (DBE) for federally-funded contracts. The WDBE waiver, based upon the results of a 2012 disparity study, was granted by the FHWA in 2017. Simultaneous to the FHWA granting the waiver, the results of a 2015 disparity study were finalized. Those results demonstrated that WDBE’s indeed met the criteria of inclusion as a DBE. WSDOT subsequently has submitted a request to the FHWA to have the WDBE waiver rescinded.

It is significant to note that the aforementioned exclusion was based solely on 2012 disparity study, without any consideration or recognition to causation. Absolutely no weight was given to the contractor’s ability to perform. It is fair to say that the waiver was sought based upon false and incomplete data from the 2012 study. Likewise, the same impetus was applied to justify WSDOT request to the FHWA to rescind the WDBE waiver.

On the whole, the DBE program is designed to remedy ongoing discrimination and correct the continued effects of past discrimination in federally-assisted highway, transit, airport, and highway safety financial contracting markets nationwide. The primary remedial goal and objective of the DBE program is to level the playing field by providing small business owned and controlled by socially and economically disadvantaged individuals a fair opportunity to compete for federally funded transportation projects.

Currently, WSDOT has submitted a proposed waiver to the FHWA which would adjust the DBE program to credit African American owned businesses four-fold over other DBE eligible entities. This waiver would create, not eliminate, a discriminatory practice. The waiver request does not meet the United States Department of Transportation (USDOT) dedication to serving the community, including those businesses contracting with state agencies and recipients of USDOT funds by creating a level playing field for qualified DBE.
The proposed four-fold credit waiver, if approved, will be an encouragement to Prime Contractors to invest all mandatory DBE goal requirements in a single group identified at an additional disadvantaged level. The same Prime Contractor will likely self-perform the DBE work, or utilize non-minority (non-DBE) contractors to complete those contract bid items. The waiver discourages and severely limits the bidding involvement and overall ability to participation for ALL other qualified DBE’s. The predictable result of the four-fold waiver will be an un-even playing field and the inability to compete on equal footing which will ultimately force many DBE’s out of business. Indeed, the effort by WSDOT will create a discriminatory practice within the program aimed at ending discriminatory practices.

The exclusion/inclusion of non-minority women-owned business is a model that demonstrates why the four-fold waiver request should not move forward. WSDOT has already created a discrimination practice against non-minority women-owned businesses. WSDOT has already witnessed how a disparity study is not a sole quantifying factor in determining the necessity of a waiver. Additionally, the four-fold waiver proposed for African American owned businesses is unprecedented. As with the WDBE waiver, the results of the next disparity study has high probability to prove that WSDOT request for the four-fold waiver will require rescinding.

WSDOT must do the RIGHT THING, and immediately pull the proposed waiver, restore the WDBE to the list of qualified DBE’s and recognize that it would be reasonable for a causation study to be commissioned.

As owner of a non-minority women-owned business and a concerned citizen, I urge and plead that you consider the purpose of the Disadvantaged Business Enterprise program and DO NOT continue to support the proposal that requests an increase in African American goal attainment credit.

Sincerely,

Dorothy J. McDaniel
President
March 30, 2018

Jackie Bayne, Policy Manager
WSDOT Office of Equal Opportunity
Baynej@wsdot.wa.gov.

Here is my written testimony from my comments during the public comment period at South Seattle College on March 26, 2018 regarding the WSDOT Waiver Request for African American owned DBE firms.

I am writing to support the waiver to provide 4 times the DBE-usage credit for African American owned DBE firms on federally financed projects. Disparity studies have shown that African American owned DBE firms are utilized at a far lower rate than other DBE firms, and this playing field must be leveled among all firms, DBE firms included.

I recently retired from my own construction firm, Phoenix Builders LLC, which I ran as a certified WBE firm for 13 years. My workers were African American and Pacific Islander, and I cannot count how many surprised general contractors I encountered when we showed up on the job. They appeared to have contracted a WBE firm specifically because they anticipated white guys to be doing the work. I now assist several DBE firms in various capacities, including attending meetings such as this one when they cannot spare a worker to attend.

In this connection, several years ago we had an organization, the Contractors' Resource Center, operating out of the Central District, that provided on-call interventions by retired construction volunteers to DBE construction companies having difficulties with owners or general contractors in the field. These mediators were very successful in resolving field issues between the DBE firms and the G.C. or the owner, thus keeping the DBE firm on the job. We were asked at the meeting if mentoring would be helpful. The answer is 'yes', but field mediation would be an even more valuable service.

In March, the King County Council followed the City of Seattle in agreeing to adopt PLAs and CWAs for many of their projects. The Council expects PLAs to increase minority hiring from poor communities, largely through apprenticeship programs referred to as
Priority Hire. However, PLAs make winning a bid on the job even more difficult (apprentices can only be supervised by journeyman union members) and more expensive (to pay into the Union Benefit Fund within 30 days of the start of the job, whether or not you have been paid, f.ex.) for small, minority firms, thus excluding even more DBE firms. Studies consistently show that woman and minority-owned firms are the leaders in hiring women and minorities. The industry is looking for minority workers. The PLA program is designed to exclude precisely those companies who have them (NAMC, El Centro de la Raza, and AGC all testified against adopting PLAs on these grounds).

The expansion of the PLA program makes adoption of the WSDOT waiver even more important.

Thank you.

Marilynn Moch
5512 42nd Ave S
Seattle, WA 98118
Oh, and I forgot to include that we would also support getting the WBE back in the game. There is A LOT of fraud in the WBE program, but that should be dealt with by enforcement, not by dumping on the legitimate WBE firms.

Marilynn Moch

On Fri, Mar 30, 2018 at 4:10 PM, Bayne, Jackie <BayneJ@wsdot.wa.gov> wrote:
Hi Marilyn,

Thank you for your comments.

We will consider all comments before making a decision.

Best Regards,

Jackie Bayne
Policy Manager
WSDOT Office of Equal Opportunity
w: 360.705.7084
c: 360.338.5783
Baynej@wsdot.wa.gov

Sent from my iPhone

> On Mar 30, 2018, at 3:43 PM, Marilynn Moch <mochcihri@gmail.com> wrote:
> Jackie,
> > My written testimony attached.
> > Thank you for these community outreach meetings.
> > Marilynn Moch
> > <WSDOT Waiver Request Testimony.docx>
To Whom It May Concern,

To counteract statistical analysis that clearly indicates African American-owned businesses suffer a pronounced disparity in contracting opportunities on FHWA-funded contracts, as well as strong anecdotal evidence of the continuing existence of barriers, including bias and exclusion from networks. I formally express my support for WSDOT’s application for an exemption from 49 Code of Federal Regulations (CFR) § 26.45(h) and action to increase the condition of award credit prime contractors receive for using African American firms fourfold to achieve a level of DBE participation consistent with the objectives of 49 CFR Part 26.

Respectfully,

Eric Alozie
NWE Construction Co.
PO Box 5106
Tacoma, WA 98415

Cell: (253) 223-9811
Email: eric_alozie@msn.com
Greetings, Ms. Bayne.

I support the idea of adjustment to the DBE program to help improve the inclusion of African American owned firms on agency construction and consulting contracts.

Thank you for this opportunity to hear our voices and concerns.

Best regards,

Karen C. Robinson, President
Tacoma Chapter
Blacks In Government
Region X
253-232-0661
I work for an Oregon based DOT contractor. Oregon is a state that has recently moved from a primarily race conscious goal state to a race neutral goal state. During the past five to seven years, the state had strict race conscious goals, for African Americans and Sub-continent Asians. The State of Oregon would consistently not achieve the state goals for DBE participation for both of these target groups. What ends of happening is that during robust economic times there is a continued overstatement of capacity to match a much increased demand. While you are giving more credit for the use of the African American firms (which I believe creates a perception of state sponsored fairness), the same thing will happen, they will rapidly be over committed, with little to no more capacity for pursue future work and then contractors will not choose this option to meet the goals. The State of Oregon had to finally admit that they had to open their DBE program to all types of minorities in order to meet their FHWA DBE goals. I would strongly recommend to WSDOT that they do not go down the road of the race conscious goals. WSDOT will only get more capacity in the DBE program by doing something more substantive like creating a sheltered market for these firms to compete on project more fitting to their capital and labor capacity. They join, they work and then they graduate. There are no more Oregon African American firms competing today for DOT work than there were in the last five years. Oregon did nothing to grow the capacity of new or existing firms. If giving greater credit to contractors for using African American firms is the path forward for WSDOT, I believe strongly that WSDOT will end up not reaching their goals and do nothing to promote the real goal of creating minority contractors.
Earl Key  
Director of the Office of Equal Opportunity  
Washington State Department of Transportation  
Washington State Department of Transportation--OEO  
P.O. Box 43714, Olympia, WA 98504-7314  
Work: (360) 705-7095 | Cell: (360) 507-0869 | KeyE@wsdot.wa.gov

From: Anindita Mitra [mailto:amitra@crea-affiliates.com]  
Sent: Wednesday, March 7, 2018 1:41 PM  
To: Key, Earl <KeyE@wsdot.wa.gov>  
Cc: Donald King <donald@marpacific.com>; Pedro Castro <pedro@magellanarchitects.com>; Weiming Bian <bianw@nwcvilengineers.com>; Ato Apiafi <atoa@atoapiafi.com>; Kris Purrier <kpurrier@hwageo.com>; Samir Chudgar <samir.chudgar@chudgar-eng.com>; Cos Roberts <croberts@utechsystems.com>; Shobuz Ikbal <s.ikbal@optimapm.com>; Sanjay Soli <SanjayS@abkj.com>; Sumeer Singla <Sumeer@impactlawgroup.com>; Pablo Para <pablo@phtraffic.com>; Dalton Gittens <dg@gittensarchitects.com>; Larry Adeyemi <Larry.Adeyemi@greenprosol.com>; Mussie Tewelde <mtewelde@hydro2geotech.com>; Anjali Grant <anjali@anjaligrant.com>  
Subject: DBE Program Waiver Proposal and our conversation last week

Dear Earl,

We are very encouraged by this. However, what we have learnt is that there are very few Washington State A&E consulting firms owned by African American professionals. The few that remain are fairly modest in size. We are finding that Primes lean towards using out of state large DBE firms owned by African Americans and other minorities. We look to you to help even the playing field so that the funds our State government procures from the federal government are reinvested into Washington firms. Otherwise, this program waiver is quite meaningless to our Coalition.

On a positive note, thank you for your support of SB 6406. I am glad that the momentum is gaining to rescind the law (1200) in some way or the other. We will look for ways to lend our support to those efforts. I was very encouraged to learn about your research into I 209 (California’s I 200) and look forward to a summary of what you learn.

It was great meeting Julius and I hope that you will forward this email to him so that he can get in touch with each of our members to assist them in developing their businesses and linking them to opportunities.

You also shared that DBE firms can avail of FHWA funds. Can you please share information about that? I know that one can get help developing a business plan as well as upgrading accounting systems. Both seem very interesting and could be useful to our coalition members.

Thank you for all that you are doing. Thank you for recognizing that we are on the same side and working towards the same equitable goals. It can’t be easy, but we are here to help you in the best way we can.

COALITION OF PROFESSIONALS OF COLOR
Dear Disadvantaged Business Enterprise Program Stakeholders:

Today, the Washington State Department of Transportation is releasing a new Disadvantaged Business Enterprise (DBE) Program waiver request, available at: www.wsdot.wa.gov/EqualOpportunity. In 2017, WSDOT completed a DBE Program disparity study, which showed that African American owned firms are significantly underutilized in contracting activities compared to other socially and economically disadvantaged groups within the DBE Program.

The waiver, if approved, would give prime contractors four times the DBE goal credit for utilizing a firm owned and controlled by an African American. Attached is a flyer to share with interested individuals regarding informational meetings and how to participate in the public input process.

This waiver is separate from the white-women owned business waiver currently in place and which we have asked USDOT to rescind based on the findings of our 2017 disparity study.

We look forward to your participation.

Best Regards,
Jackie Bayne
Policy and Reporting Manager
WSDOT Office of Equal Opportunity
Work: (360) 705-7084
Cell: (360) 338-5783
BayneJ@wsdot.wa.gov
Bayne, Jackie

From: CAROL DAVIS <carol@rapidgro.com>
Sent: Wednesday, March 7, 2018 10:57 AM
To: Bayne, Jackie; haywardevans@hotmail.com; Kenyon, Wendy; Adams, E. W.; Adekoya, Andrew; Anindita Mitra; 'APRISeattle@hotmail.com'; Armstrong, Charlotte; Ato Apiafi Architects PLLC; 'benz@fanwa.org'; Berntsen, Teresa (OMWBE); Billingsley, Andrea; Bramlet, Erica; Brooks, Julius; Brown, Jason; 'bwallace@nwlaborers.org'; Camden, Allison; 'carl.l.livingston@gmail.com'; Cerda, Oscar; Christopher, Chris; 'ckerney@caa.wa.gov'; 'dan@platinumbusinessgroup.com'; 'dave.gent@asphaltwa.com'; David Bailey; Davis, Khalia; 'Davis, RaShelle (GOV') Dayton, Jo; Dayton, Kevin J; 'ddhondt@agcwa.com'; 'Debbie.Driver@leg.wa.gov'; Dennis; 'dmcleod@nwlaborers.org'; 'drart6651@gmail.com'; Duncan, Enid; Elton; 'e prince@caa.wa.gov'; 'flemos@ldccorp.com'; 'fmartinez@nwmtmsdc.org'; 'geoff.shook@atkn.com'; Glenn, Regina (Consultant); glovelady; 'Grabow, Katie'; Guifucci, Jackie; Healy, Linda; Higginbotham, Brena; Hirschey, Claudia; Holt, Colette; Huff, John; 'Iniguez@cha.wa.gov'; Jackson, Maynard; Johnson, Tracey; 'Kelly.wick er@gov.wa.gov'; Key, Earl; 'Kelly.wick er@agcwa.com'; Kirk, Jon; Kris Purrier; 'lee@wabuildingtrades.org'; 'leslie.jones@soundtransit.org'; Liz Evans; Lopez, Erin; Martha Cerna; Martin-Arnold, Edwina; Mary; 'McCarty, Hannah'; Metcalf, Keith; 'michael@capaa.wa.gov'; Michelle; Millar, Roger; Nakamura, Jason; Navarro, L.; 'ollie@pmt-solutions.com'; 'pastorbanks@esbctacom a.com'; Patrick Hughes; Petersen, Jodi (FHWA); 'rabbott@liuna.org'; 'r cramstead@gmail.com'; Rice, Mian; Riley, D.; Seling; 'sherry.harris@ergosynch.com'; Stell, Melody; 'teregibon@tulaliptribes-nsn.gov'; 'tim@williamfactory.com'; 'tina@terra-tdi.com'; 'tomgaetz@msn.com'; van der Lugt, Lisa; 'vcollins@acec-wa.org'; 'verlenejazz@msn.com'; Wang, Albert; Waugh, Greg; Yates, Henry; 'Elton Mason'; 'David D'Hondt'; 'Earl Smith'; 'Maynard, Jackson'; 'Daniel Seydel, II'; 'Irene Reyes'; 'geoff.shook@atkn.com'; 'Jones, Leslie'; Itti, Michael. (CAPAA; 'Dave Gent - WAPA'; 'Prince, Ed (CAAA)'; Don McLeod; Jialing Liu; info@1-alliance.com; Itti, Michael. (CAPAA; craig.bill@goia.wa.gov; van der Lugt, Lisa; 'Prince, Ed (CAAA)'

RE: DBE Program Waiver Proposal

I am a bit encouraged by this waiver. It doesn’t restrict my certification it simply enhancing the allowance for African American.

Sincerely,

Carol Davis, President
carol@rapidgro.com
Briar Group Inc.
DBE & WBE Certified
www.rapidgro.com
253-925-2140
Subject: RE: DBE Program Waiver Proposal

I did not include the attachment, my apologies.

Best Regards,

Jackie Bayne

From: Bayne, Jackie
Sent: Wednesday, March 7, 2018 7:57 AM
To: 'haywardevans@hotmail.com' <haywardevans@hotmail.com>; Kenyon, Wendy <KenyonW@WSDOT.WA.GOV>; 'Adams, E. W.' <ewadams@systemscl.com>; 'Adeyok, Andrew' <andrew@adeyokabc.com>; 'Anindita Mitra' <amitra@crea-affiliates.com>; 'APRISeattle@hotmail.com'; Armstrong, Charlotte <CharlieA@atg.wa.gov>; 'Ato Apiaph Architects PLLC' <ato.a@atopiafi.com>; 'benz@fanwa.org'; Bertnsen, Teresa (OMWBE) <TeresaB@omwbe.wa.gov>; Billingsley, Andrea <billina@wsdot.wa.gov>; Bramlet, Erica <Erica.Bramlet@leg.wa.gov>; Brooks, Julius <BrooksJ@wsdot.wa.gov>; Brown, Jason <jbrown@ldccorp.com>; Camden, Allison <CamdenA@wsdot.wa.gov>; 'carl.l.livingston@gmail.com'; Cerda, Oscar <CerdaO@wsdot.wa.gov>; Christopher, Chris <ChristC@wsdot.wa.gov>; 'ckerneyc@caawa.gov'; 'dan@platinumbusinessgroup.com'; 'dave.gent@asphaltwa.com'; David Bal <David@signsnowmillcreek.com>; Davis, Khalia <DavisKh@wsdot.wa.gov>; 'Davis, RaShelle (GOV' <rashelle.davis@gov.wa.gov>; Dayton, Jo <DaytonJ@wsdot.wa.gov>; Dayton, Kevin J <DaytonK@wsdot.wa.gov>; ddhondt@agcwa.com; 'Debbie.Driver@leg.gov'; Dennis <dennis.ahl@kiewit.com>; 'dmcleod@nwlaborers.org'; 'drart6651@gmail.com'; Duncan, Enid <higradene@gmail.com>; Elton <Elton@washingtonstatetrucking.com>; 'eprince@caawa.gov'; 'flemos@ldccorp.com'; 'fmartinez@nwmtnmsdc.org'; 'geoff.shook@atkn.com'; Glenn, Regina (Consultant) <GlennRe@consultant.wsdot.wa.gov>; 'higradene@gmail.com'; 'jones.leslie@soundtransit.org'; Johans Tr <johansTr@wsdot.wa.gov>; Kelly, Wicker <keywicker@wsdot.wa.gov>; Key, Earl <KeyE@wsdot.wa.gov>; Kirk, Jon <j.kirk@whhnfs.com>; Kris Purrier <kpurrier@hwageo.com>; Lee <lee@wbuildingtrades.org>; Leslie Jones <leslie.jones@soundtransit.org>; Liz Evans <levans@agcwa.com>; Lopez, Erin <erin.lopez@des.wa.gov>; Martha Cerna <Martha@PSCC.ORG>; Martin, Arnold, Edwina <MartinE@wsdot.wa.gov>; Mary <Mary@dbelectricircinc.com>; 'McCarty, Hannah' <hannah.mccarty@leg.wa.gov>; Metcalf, Keith <MetcalfK@wsdot.wa.gov>; 'michaeli@capaa.wa.gov'; Michelle <Michelle@TTCC26.net>; Millar, Roger <MillanR@wsdot.wa.gov>; Nakamura, Jason <jason.nakamura@1-alliance.com>; Navarro, L. <Navarro.L@portseattle.org>; 'ollie@pmt-solutions.com'; 'pastorbanks@esctacomia.com'; Patrick Hughes <phughes@hughesgroup.biz>; Petersen, Jodi (FHWA) <jodi.petersen@dot.gov>; 'rabbott@liuna.org'; 'rcarrinstead@gmail.com'; Rice, Mian <rice.m@portseattle.org>; Riley, D. <d.riley@lydig.com>; 'sellings@jfrancis.com'; 'sherry.harris@ergosynch.com'; steLL <stellm@wsdot.wa.gov>; 'terigail@tualiptribes-nsn.gov'; 'timm@williamfactory.com'; 'tina@terra-tdi.com'; 'tomgaetz@msn.com'; van der Lucht, Lisa <lisa.vanderlucht@cha.wa.gov>; 'vcollins@acec-wa.org'; 'verlene@soundtransit.org'; Wang, Albert <WangA@atg.wa.gov>; Waugh, Greg <GregW@MaxKuney.Com>; Yates, Henry <YatesH@WSDOT.WA.GOV>; 'Elton Mason' <elton@wtsandg.com>; 'David D'Hondt' <dhdhondt@agcwa.com>; 'Earl Smith' <smith@nwlaborers.org>; 'Maynard, Jackson' <jackson.maynard@leg.wa.gov>; 'Daniel Seydel, II' <daniel@platinumbusinessgroup.com>; 'Irene Reyes' <glovellady@excelgloves.com>; 'geoff.shook@atkn.com'; 'Jones, Leslie' <leslie.jones@soundtransit.org>; Itti, Michael. (CAPAA <michaeli@capaa.wa.gov>); 'Dave Gent - WAPA' <dave.gent@asphaltwa.com>; 'Prince, Ed (CAA)' <eprince@caawa.gov>; Don McLeod <dmcleod@nwlaborers.org>; Jialing Liu <planning@crea-affiliates.com>; info@1-alliance.com; Itti, Michael. (CAPAA <michaeli@capaa.wa.gov>); craig.bill@gia.wa.gov; van der Lucht, Lisa <lisa.vanderlucht@cha.wa.gov>; 'Prince, Ed (CAA)' <eprince@caawa.gov>

Subject: DBE Program Waiver Proposal
Subject: DBE Program Waiver Proposal

Dear Disadvantaged Business Enterprise Program Stakeholders:

Today, the Washington State Department of Transportation is releasing a new Disadvantaged Business Enterprise (DBE) Program waiver request, available at: www.wsdot.wa.gov/EqualOpportunity. In 2017, WSDOT completed a DBE Program disparity study, which showed that African American owned firms are significantly underutilized in contracting activities compared to other socially and economically disadvantaged groups within the DBE Program.

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This waiver is separate from the white women owned business waiver currently in place and which we have asked USDOT to rescind based on the findings of our 2017 disparity study.

We look forward to your participation.
Best Regards,

Jackie Bayne
Policy and Reporting Manager
WSDOT Office of Equal Opportunity
Work: (360) 705-7084
Cell: (360) 338-5783
BayneJ@wsdot.wa.gov
April 17, 2018

To: Earl Key, Director of the Office of Equal Opportunity

From: Allison Spector, Data & Trend Reporting Specialist

Regarding: African American Disadvantaged Business Enterprise Program Analysis

Utilizing the L&I Affidavit Project Details & the L&I Affidavit - Apprentice Level Worker Details. From the project details, I could find the affidavits filed by African American (AA) Disadvantaged Business Enterprises (DBE). I used the Unified Business Identifiers to isolate the AA DBEs. The downside is that out-of-state firms not registered with Department of Revenue are excluded from the dataset. However, the filtered should include all in-state firms. In addition, the dataset was so large that I had to limit the dataset to projects occurring.

After isolating the AA DBEs, I used the affidavit numbers filed by each AA DBE to link the companies with the prevailing wages paid to qualified employees. Since employers must report hours worked and pay rates for prevailing wage, I determined this would be a good measure of capacity. By looking at a company’s filed affidavits, I could determine what projects it worked on. By multiplying the hours worked times the prevailing rate, I would get the amount of wages paid. Another data point is the affidavits include the job class of the employees being paid. I cleaned the information to standardize industry names. Using pivot tables, I organized the information and created charts showing the results.

Figure 1: How much of the prevailing wages paid to covered employees for public works projects occurring on & after 2010. The data is categorized by industry. Projects involving truck drivers had by far the largest amount of total wages paid.
Figure 2 shows the total amount of wages paid sorted by the top 10 awarding agencies. Nearly 75% of the total wages were WSDOT & Seattle/Port of Seattle projects.

Figure 3 represents the projected future wages for AA DBEs.
The charts below show the total amounts of wages paid over time for specific job types. Due to sample size, I did not limit the charts to WSDOT projects. As a result, the specific industry charts include total prevailing wages paid over time for all public work projects. I chose the job types WSDOT would most likely be interested in.
The chart below is the performance of all job types over time. This chart is limited to WSDOT projects. I did not include job types that there appears to have been a decline after 2012, with the exception of plumbing/pipefitting in 2013.
Discussion of results:

The data seems to suggest that there has been a decline in the use of AA DBEs starting around 2012. AA DBE employee prevailing wages have declined. This potentially indicates that the AA DBEs are being under-used, especially compared to the performance pre-2013. Unless intervening actions are undertaken, the trend is more likely than not that utilization will continue to decline.

Potential confounds:

The information does have some potential confounds. First, the information is limited to DBEs that have been assigned an UBI. Some out-of-state firms may not be included. However, this issue should be minor since most certified DBEs have an UBI, including all in-state firms. Second, using the amounts of prevailing wages paid does not capture the full amounts paid to AA DBEs, such as material expenses. However, amount of prevailing wages is still an accurate measure as it can show performance of past projects. The larger the amounts of prevailing wages paid, the larger capacity a company is able to perform. Lastly, using the year a project started may not be the best time stamp as many projects are multi-year. For example, a project may start in 2011, but the DBE did its work in 2012. Nonetheless, the use of project start...
date should account for most DBEs as they are typically contracted at project start. In addition, there is unlikely anyway to determine the exact date the DBE performed its work.

In conclusion, the information from the Affidavits filed with Washington State Department of Labor and Industries give us an idea of how AA DBEs are being used. Again, data suggests that the negative trend will continue unless intervening actions are undertaken to correct the imbalance. Intervening actions would likely return utilization rates to past performance and should have minimal impact to the overall business climate.