



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

KIRK T. STEUDLE
DIRECTOR

March 21, 2007

The Honorable Bill Hardiman, Chair
Senate Appropriations Subcommittee
on Transportation
Michigan State Senate
P.O. Box 30036
Lansing, Michigan 48909

The Honorable Lee Gonzales Chair,
House Appropriations Subcommittee
on Transportation
Michigan House of Representatives
P.O. Box 30014
Lansing, Michigan 48909

Dear Senator Hardiman and Representative Gonzales:

Public Act 345 of 2006, Section 334 states:

The department shall continue its program to increase the use of women and minority-owned businesses in state and local road construction projects. This program shall comprise, at a minimum, outreach and education efforts to inform women and minority-owned firms of department competitive bidding processes and requirements, and an assessment of the availability of surety for women and minority-owned businesses. The department shall report by March 31, 2007, to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies of its progress in complying with this section.

The Michigan Department of Transportation's (MDOT's) Office of Business Development (OBD) is committed to increasing the participation of minority and women-owned businesses on transportation projects.

MDOT's OBD outreach activities statewide for Fiscal Year 2006 included involvement with fifteen "Buy Michigan First" presentations specifically designed to increase awareness of how to contract with MDOT. MDOT partnered with the Michigan Department of Management and Budget, Civil Rights, Agriculture, Information Technology, Economic Development Corporation, and the Michigan Small Business Technology Development Center. These sessions assisted in increasing the base of Michigan vendors and raised awareness of MDOT's DBE Program. The sessions also allowed for interaction with hundreds of business owners and potential DBE's. During 2006 MDOT staff attended outreach events sponsored by:

- Michigan Minority Business Development Council
- Michigan Infrastructure & Transportation Association

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- Construction Association of Michigan
- Detroit Regional Chamber
- Inter-Tribal Council
- Governor's Office of Community & Faith Base Initiatives
- Michigan Hispanic Chamber
- Michigan Women's Business Council
- National Association for the Advancement of Colored People
- National Association of Women in Construction
- U.S. Army Corps of Engineers
- Women in Transportation Society
- International Detroit Black Expo
- American Council of Engineering Companies, Michigan
- Booker T. Washington Association
- Center for Empowerment & Economic Development
- Oakland County Bid and Breakfast
- Michigan Hispanic Chamber of Commerce
- Southfield Veterans Forum
- Job Fairs
- Business Expos for Small Businesses
- Various Roundtables
- Procurement Technical Assistance Center of Michigan events

Throughout the year, 130 new DBE certification applications were received and 74 new firms were certified. There were 124 firms recertified and 157 annual reviews performed to determine continued eligibility. OBD also received hundreds of calls and faxes requesting certification applications and answered hundreds of questions weekly about our various requirements, processes, and services. To assist potentially certifiable firms, MDOT held eight certification and prequalification sessions in Metro Detroit, Grand Rapids, and Kalamazoo. OBD staff partnered with several organizations to hold outreach and educational sessions for women and minority-owned firms. These sessions covered MDOT's competitive bidding process, DBE certification process, and MDOT's prequalification process. The overview sessions have assisted many firms in completing and submitting their applications for certification and prequalification. They are now eligible to compete for MDOT contracts.

In March of 2006, MDOT held its 26th Annual DBE Conference in Pontiac, Michigan. Over 325 business owners, partners, and stakeholders attended during the two-day conference. Some of the workshops offered were:

- How to manage an MDOT contract
- Construction project estimation, surety, bonding and accounting

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- DBE program regulations
- Networking to increase contracting opportunities
- Understanding the MDOT construction and consultant bid process
- MDOT's contracts payment process
- Business succession planning
- How to get a State of Michigan (non-MDOT) contract

Several speakers with a multitude of experience who spoke at the conference were:

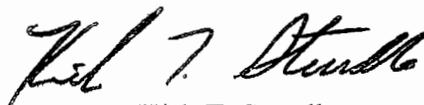
- George C. Fraser, Chairman and CEO of FraserNet, Inc.
- Lisa Webb Sharpe, Director of the Michigan Department of Management and Budget
- Steve L. Robbins, Ph.D., a published author and highly requested speaker on the subject of diversity
- Robert A. Patzer, Executive Vice President/Secretary of the Michigan Infrastructure & Transportation Association
- Frederick Isler, Associate Administrator for Civil Rights, Federal Highway Administration
- John W. Long, Special Agent-in-Charge of the U.S. Dept. of Transportation, Office of Inspector General
- Jacqueline G. Shinn, Chief Deputy Director of MDOT

OBD held several meetings in 6 of our 7 MDOT regions. These meetings were designed to answer questions about the DBE Program, review federal guidelines, and discuss upcoming region contracts. These sessions were not only educational, but allowed DBE firms and prime contractors to discuss working together on these upcoming projects.

There were 16 training sessions held throughout the year to help strengthen DBE bidding capacity. The sessions included training on: bonding, credit management, MDOT wage rate requirements, financial statements, bid proposal preparation, QuickBooks software, business plan development, and business marketing. Additionally, 4 orientation sessions were held for newly certified firms.

As a result of these meetings, workshops, outreach events, and partnering efforts, MDOT has provided numerous benefits to DBE firms. If you have any questions about this program, please contact either me, Terrence Hicks, DBE Program Director or Patricia A. Collins, DBE Program Administrator, at 517-373-2377.

Sincerely,



Kirk T. Steudle
Director