

NETWORKING
INNOVATION
PROJECTIONS
SUSTAINABILITY
GROWTH
CONSULTING
MENTORING
BUSINESS
FINANCING
SUCCESS

SUBCONTRACTING ON CDOT CONSTRUCTION PROJECTS Ramp Up Ridgway!



Connect2DOT

- Colorado Small Business Development Center Network (SBDC) program funded by CDOT
- Free training, consulting, and resources for small businesses in the highway transportation industry
- Tailored to existing and prospective DBE/ESB construction and consultant/engineering firms
- Currently 14 SBDC locations statewide including Region10 in Montrose and other satellite offices

225 statewide business consultants, 15 transportation consultants and 8 former CDOT engineers available to help you immediately!



Connect2DOT Support Services

Free Services Provided:

- One-on-one consulting
- Certification assistance
- Workshops and webinars
- One-stop website (connect2dot.org)
- Access to project plans and Daily Journal
- Bid matching service
- Networking and project events
- Tuition reimbursement and scholarships
- Free sponsored Bid Express accounts



Project Background

Colorado Department of Transportation (CDOT) partnering with Town of Ridgway to improve the SH 62 corridor through town and revitalize the downtown Historic Business District.



Project Overview

- Design/Construction funding from CDOT: \$10.5 million
- Town of Ridgway match: \$2.0 million
- Construction schedule: March 2016 – June 2017
 - Paving downtown streets
 - Installing pedestrian sidewalks
 - Installing decorative lighting and furnishings
 - Reconstructing SH 62 to include a center-turn lane from Laura Street to the Uncompahgre River Bridge
 - Storm water drainage

CDOT RAMP Construction Projects

CDOT partners with local agencies to help stabilize and maintain the condition of the highway system

- Projects range in size from small preventative maintenance work to multi-year, multi-million dollar highway construction
- CDOT terms these vendors “contractors” or “bidders”
- CDOT hires only prime contractors and the prime contractor hires all other firms, including material suppliers, truckers, fabricators and manufacturers
- Prime contractors must be prequalified by CDOT
- Small business path to entry is typically through subcontracting

CDOT Construction Subcontracting

Typical highway construction subcontracted services

- Traffic control
- Trucking/hauling
- Asphalt paving
- Concrete
- Curb and gutter
- Painting and striping
- Guardrail
- Fencing
- Steel/metal work
- Electrical/lighting
- Landscaping
- Erosion control
- Sand and gravel
- Storm sewer/drainage
- Site prep/clean up
- Surveying
- Utilities
- Public information

Ramp Up Ridgway! Subcontracting

Other project specific subcontracting opportunities

- Town Procurement
- Working with Site Furnishings Committee
- Custom by Artists/Craftsman
- Comfortable, Functional, Safe
- Call to Artist out mid/late October
- Artwork/sculptures
- Trash/recycling containers
- Outdoor furniture (benches)
- Decorative lighting
- Bike racks
- Planter pots

Design-Bid-Build

Three-step process

1. Design completed by consultant team
2. Project scope and bid documents advertised for competitive bid by construction prime contractor
3. Construct project

Bid Process

Invitation for Bid (IFB)

- Advertised in a bid notice and on the [CDOT website](#) on December 17, 2015
- Online bid submission using [Bid Express \(BIDX\) System](#)
- Plans available through BIDX and [CDOT](#) (and sometimes the prime contractor upon request)
- Typically 30 day notice period
- Sealed competitive bid opening
- Award based upon lowest responsive and responsible bid

Be Prepared

Small businesses must be prepared to work as a CDOT contractor

- Standard specifications (green book)
- Standard special provisions
- Project special provisions
- M&S standards
- FHWA Form 1273
- Bid rules

Contract Requirements

- Insurance (e.g., General Liability, Automobile)
- Contractor licenses (e.g., CDL, construction)
- Bonding
- Prevailing wage (Davis-Bacon Act)
- Certified payroll
- Buy American Act

Identifying Prime Contractors

- Mandatory pre-bid meeting
- [Prequalified prime contractor directory](#)
- [Plan holders listing](#)
- CDOT plan holders list
- CDOT and Town Project Managers
- [Regional Civil Rights Managers](#)

Submitting a Sub Quote

- Research [Bid tabulations](#) posted on CDOT's website
- Check the [CDOT Cost Data Book](#) – Engineer's estimate
- Contact the Prime Contractor Estimator
- Use competitive market rates
- Ensure profit margins
- Gain a competitive advantage as a DBE certified firm
- Submit an unsolicited sub quote via Bid Express

CDOT Forms

Pre-bid (due with bid)

- Form 1413: Bidders List (prime)
- Form 1414: Anticipated DBE Participation Plan (prime)

Award (due 5 days after award)

- Form 1415: Commitment Confirmation (prime/sub)
- Form 1416: Good Faith Effort Report (prime)
- Form 1417: Approved DBE Participation Plan (CDOT)
- Form 1425: Supplier List (prime – due at precon)

Progress (during contract)

- Form 1418: Monthly Prompt Payment Report (prime)
- Form 1419: Quarterly DBE Participation Report (prime)
- Form 1420: DBE Participation Plan Modification Request (prime)
- Form WH 347: Certified payrolls (prime/sub)
- Form 118: Certificate of Compliance (prime/sub)
- Form 205B: Sublet Permit (prime/sub/sub)

Follow Up

- How do you know if your quote was used?
- Email/call the prime contractor Estimator
- Ask for a debrief (win or lose)
- If selected:
 - Ask for the project schedule
 - Ask how/what to prepare for the pre-con
 - Ask how to be the best subcontractor they have ever worked with

Project Performance

- Know the project schedule
- Know your project contacts
- Know your responsibilities
 - Tasks
 - Specifications
 - Personnel/crew
 - Subcontractors
 - Materials
- COMMUNICATE!!
- Being a DBE does not mean that you can't be fired

Issue Resolution

Communication is Key

- **Contact the Prime Contractor** – most issues can be resolved by talking directly with the Project Manager
- **Contact the CDOT Regional Civil Rights Manager** – they can help you by facilitating a discussion with the prime
- **Contact the CDOT Resident Engineer** – they will ask if you have talked with the prime and will assist if possible
- Worst possible scenario is litigation!

Small Business Goals

Disadvantaged Business Enterprise (DBE)

- Goal is set as a percentage of the total construction contract dollar amount
- Reserved for subcontractors that are certified as a DBE
- Prime contractor must commit to meeting the goal at the bid opening or show a good faith effort

On-the-Job Training (OJT)

- Goal is set as a number of hours
- Prime contractor must have an OJT plan to train journey workers in skilled trades on the project
- Subcontractors can also have a plan to have employees trained as part of the project

Disadvantaged Business Enterprise (DBE)

Federally-Mandated Program

- U.S. DOT program administered by individual state DOT's
- Federal statute 49 CFR Part 26
- Helps disadvantaged businesses compete for transportation contracts

Qualifications

- Small for-profit business concern
- 51% owned and controlled by *socially and economically* disadvantaged individual(s)
- Most minority and all women owners presumed to be disadvantaged
- SBA business size standard by NAICS
- Maximum 3-year average revenue of \$23.98M and
- Personal net worth cap of \$1.32M

Colorado DBE UCP

- Statewide Unified Certification Program (UCP) eliminating the need to obtain DBE certification from multiple agencies
- Online application through B2G system
- Certifying agencies
 - The Colorado Department of Transportation ([CDOT](#))
 - City and County of Denver ([CCD](#))
- Participating USDOT federal agencies
 - FHWA
 - FAA
 - FTA
- Recognized by 50 state and local agencies
 - Municipalities
 - Regional airports

Why Get Certified?

- Listed publicly in the Colorado UCP DBE Directory (coloradodbe.org)
- Project specific goals set on federally-funded projects as percentage of total project value (0 - 15+ percent)
- Prime contractors actively seek DBE firms to meet goals
- Provides a competitive advantage for subcontractors to promote small business growth
- Support services such as training, counseling, technical assistance, and free BidX accounts

DBE Certification only applies to highway design and construction projects (not general goods and services)



Emerging Small Business (ESB)

State-Funded Program

- Race and gender-neutral [emerging small business program](#)
- [Online application](#) and mandatory orientation
- Specific to CDOT only - does NOT apply to other local agencies

Qualifications

- Small for-profit business concern
- 50% of SBA business size standard for NAICS
- Maximum 3-year average revenue of \$11.99M
- Must provide services in a CDOT eligible area of work
- May also be a DBE certified firm

Why Get Certified?

- Prime contractors receive incentives for meeting optional target participation goal on CDOT projects
 - Financial reward .5% - 1% of construction project cost
 - Past performance scoring points on proposals for using ESB firms
- Limited competition for ESB Restricted projects
- Listed publicly in the CDOT ESB Directory (coloradoesb.org)
- Support services such as training, counseling, and technical assistance, and free BidX accounts

ESB Certification only applies to highway design and construction projects (not general goods and services)



The Best Subcontractors...

1. Do their homework
2. Get certified
3. Get registered/prequalified (CDOT and prime)
4. Get their ducks in a row (licenses, insurance, bonding)
5. Read plans and specs
6. Bid aggressively
7. Read the contract
8. Communicate and follow up with the estimator
9. Respond with required forms promptly
10. Perform awesomely!

SBDC Resources

West Central SBDC and Region 10

- [SBDC](#) in Gunnison at Western State
- [Region 10](#) League for Economic Assistance and Planning, Inc.
- Business consultants with broad expertise
- Business planning and development
- DBE and ESB certification assistance

Connect2DOT

- [Virtual network](#) of 15 specialized consultants
- Technical assistance for project-specific questions
- Industry-relevant help
- Consulting via phone and email



CDOT Resources

CDOT Civil Rights & Business Resource Center (CRBRC)

- [CDOT small business specialists](#)
- Certify DBE and ESB firms
- Approve OJT plans
- Assist with understanding regulations and compliance
- Internal training and small business forums

CDOT Region Civil Rights Managers (RCRM)

- [Local CDOT representative](#) in each of the 5 CDOT Regions
- Set DBE and ESB goals on projects
- Provide support for local OJT initiatives
- Assist subcontractors with project-related issues
- Coordinate local outreach and project events



Questions?

Cathy Kramer

Connect2DOT Program Manager

P: 720-624-6728

cathy.kramer@state.co.us

www.connect2dot.org

Monica Vialpando

CDOT Civil Rights Specialist

P: 719-587-6589

Monica.vialpando@state.co.us

Sign up for our newsletter at
www.connect2dot.org/website/newsletter

