What’s the problem?

1. 50% MnDOT infrastructure not ADA compliant
2. Too little experience among small contractors with ADA specs

Purpose: Grow the pool of local small businesses able to perform ADA construction and inspection work in accordance with MnDOT specifications.

*Especially TGBs, Vets, DBEs*
ADA Small Business Pilot Program Approach

- Train small businesses in basics of ADA specs
- ID walkways and ped ramps that require basic ADA refurbishment
- Use quick and simple contract methods
- Right-size contracts to reflect capacity of small businesses and avoid attracting larger, more capable contractors
- Provide continuous support and feedback to contractors
Results through 10/31/2019

Construction
- 21 contracts since June 2018 = $841,752
- Average: $41,000
- All contracts awarded to women and minority businesses
- Minneapolis, St. Paul, Champlin, Minnetonka

167 contractors receive solicitations to quote
12 small businesses have quoted 1 or more projects
Several businesses now bidding as sub on large projects

Inspection
- $405,000 contracts with four small businesses
- All contracts awarded to women and minority businesses
- Two businesses now meet Prequal Program requirements

Twice as many businesses enrolled in certification trainings in FY19 compared with FY18
15 trainees @ **White Earth Nation**, June 10-12, 2019
- Classroom with field work
- Tailored curriculum
- All attendees from White Earth

Maadaadizi Workforce Center sidewalk now ADA compliant!

3 graduates attained ADA certification

15 trainees @ **MnRoads**, June 26-28, 2019
- Plan reading
- Preparing a quote
- Specs for ped ramps and sidewalks

9 minority owned small businesses (including 3 minority women)

Several went on to win their first construction contract

Parking lot is ADA compliant!

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White Earth: “We’ll put the quality of work up against any MnDOT contractor”
- MNDOT Chief inspector
Why MnDOT’s commitment to consider equity when contracting matters

• We make an **economic impact** that helps reduce disparities.

• We signal demand that attracts new businesses and increases **competition**, leading to better prices.

• As businesses become more skilled and efficient, industry **productivity** grows.

• We increase **community trust** because of greater opportunity and transparency, especially among underutilized contractors.

**One Minnesota** approach to governing:

“Give everyone a seat at the table. Bring racial, economic and geographic equity to public policy and decisions.”

- Gov. Walz, Jan 2019
Figure 1: Estimated dollars awarded to prime contracts and goods purchases from TGB/DBE/Vets and known minority and woman-owned small businesses.
We use data to identify progress and gaps

| Estimated MnDOT Negotiated Maintenance Prime Contracts Awarded to T/V/D |
|---|---|---|---|---|---|---|---|---|---|
| Number of Prime Contracts Awarded to T/V/D | Number of T/V/D Primes Awarded | Total Dollar Value of T/V/D Prime Contracts | Number of Vet Awarded | Number of Woman T/V/D Awarded | Number of Latinx American T/V/D Awarded | Number of Asian American T/V/D Awarded | Number of African American T/V/D Awarded | Number of Native American T/V/D Awarded |
| FY16 | 4 | 4 | $366,485 | 1 | 2 | 0 | 0 | 1 |
| FY17 | 36 | 9 | $1,485,046 | 0 | 5 | 0 | 0 | 3 |
| FY18 | 40 | 17 | $2,422,858 | 1 | 10 | 0 | 1 | 4 |
| FY19 | 42 | 18 | $1,739,043 | 1 | 9 | 0 | 1 | 7 |

| Estimated MnDOT Professional/Technical (P/T) Prime Contracts Awarded to T/V/D |
|---|---|---|---|---|---|---|---|---|
| Number of Prime Contracts Awarded to T/V/D | Number of T/V/D Primes Awarded | Total Dollar Value of T/V/D Prime Contracts | Number Vet Award | Number of Woman T/V/D Awarded | Number of Latinx T/V/D Awarded | Number of Asian American T/V/D Awarded | Number of African American T/V/D Awarded | Number of Native American T/V/D Awarded |
| FY16 | 102 | 30 | $7,078,118 | 1 | 25 | 2 | 5 | 0 |
| FY17 | 124 | 39 | $10,209,681 | 1 | 32 | 3 | 6 | 2 |
| FY18 | 126 | 41 | $11,646,348 | 2 | 32 | 2 | 9 | 2 |
| FY19 | 160 | 50 | $15,061,125 | 2 | 41 | 6 | 7 | 3 |
How Metro accelerated its contracting with small businesses

1. By changing practices
   • Right-sizing work (less than $150k)
   • Simplifying contract methods, for MnDOT staff and contractors!
   • Lump sum, quick payment (often 5 days or less)
   • Forecasting and broadcasting opportunities
2. By contracting directly with certified small businesses
   • Aligning work with small business capabilities
   • High labor/low capital content
3. By changing attitudes
   • Finding small businesses, encouraging certification & state vendor
   • Training to use our specs, prepare quotes, apply prevailing wage
   • Recognizing and rewarding staff for doing their part
4. By setting goals, tracking progress and sharing results

“Less is more”

“We need to change”
What are small businesses saying about working with MnDOT?

What are the benefits to your company from doing business with MnDOT?

- Quick payment
- Relationships
- Personnel want variety of assignments not just task
- Ability to start bidding smaller jobs as a prime
- Making more money
- Consistent work
- Working directly with MnDOT (no primes)
- MnDOT pays on time

Does anyone else benefit from you doing business with MnDOT?

- We know we need to deliver for every client every project
- My employees, crew
- My family
- MnDOT
- The public and local communities

How does/would a $130,000 contract impact your business?

- Big impact
- Give us opportunity to grow
- Would be a good sized project for us to be the prime
- They all add up, small, medium and big

How should MnDOT improve the process?

- Give more notice of upcoming opportunities
- Be transparent with bid results
- Simplify contract language
- More time to respond
- Facilitate PM-contractor communication
Thank you!

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