

Ohio Department of Transportation
Office of Consultant Services
Implementation of DBE and EDGE
Goals

July 6, 2005

EDGE is...

- Small Business Development Program
 - Economically Disadvantaged
 - Socially Disadvantaged
 - Personally Disadvantaged
- Contract Assistance
- Mentor-Protégé

Why create this program?

- Eliminate
 - Barriers
 - Disparities
- Promote "Fair Share"

How did the program start?

- 1. Predicate Study
 - 2001-2002
- 2. Executive Order 2002-17T
 - December 2002
- ORC 123.152
 - July 2003

Goals...

- Eliminate Unnecessary Barriers
- Bidding Access
- Financial & Bonding Assistance
- Management & Technical
- Mentoring

Goals...

- Initial Goal: 5%
 - Eligible Expenditures
- Monitor/Review
 - Availability
 - Utilization
- Adjust Goals
 - Annually or As Needed

Related DBE Issues

- FHWA Guidance
- Use Goals – Not Points

Conclusion

- DBE and EDGE Programs are Similar
- Implement Goals for DBE and EDGE

Summary of Changes to Consultant Selection Process

Eliminate Consideration of MBE Status

- Overlaps with EDGE

Implement EDGE DBE Goals

- EDGE – State Funding
- DBE – Federal Funding

Goals

- EDGE – 5% in Fiscal Year 2006
- DBE – 6.5% in Fiscal Year 2006

Project Selection

- State vs. Federal Funding (EDGE or DBE)
- Capabilities and Prequalification Levels of EDGE and DBE Firms

Project Selection Procedures

- Prior to Advertisement
- Establish a "Project Selection" Committee
- Similar to Construction Procedures

Reporting

- Expenditure Based
- Dollars that Hit EDGE/DBE Pocket

Reporting

- Direct Contracts with EDGE/DBE Firm
 - Central Accounting System

Reporting

- Payments to EDGE/DBE Subconsultants
 - Web Based Affidavit System
 - Quarterly Reporting Required
 - Current Contracts with EDGE/DBE subs Included
 - Letter to Each Prime

Selection Process Changes

- Website Posting
 - Will Identify Projects with EDGE or DBE Goals
 - Goals of 100% May be Used
- Letter of Interest must Include:
 - Percentage of Work by EDGE/DBE Subconsultant
 - Description of Work to be Performed
- Sample Posting Provided

Selection Process

- Lol Fails to Meet Goal – Will Be Rejected

Contract Administration

- Price Proposal shall:
 - Reflect required Level of Participation, or;
 - Explain how Requirement to be Met in Later Phases

Contract Administration

- Prior to Starting Work – Written Plan
 - Breakdown by PDP Step or Task
 - Description of Work by each EDGE/DBE
 - Projected Percentage during Each Step

Contract Administration

- Provide Summary of Amounts Invoiced
 - Current Invoice
 - Running Total

Contract Administration

- Quarterly Report – Website
 - Amounts paid to DBE or EDGE Subconsultants
 - Certification by Subconsultants

Contract Administration

- If Participation Falls Below Plan
 - Provide Written Explanation
 - Plan to Meet Goal

Waiver Process for Goals

- May Request Waiver if Unable to Meet Goal
- No Time Extension Granted for Waiver Process
- Scope Reduction is Grounds for Waiver Request
- Submit to Consultant Services

Waiver Request Content

- Change in Dollar Value and Percent
- Signed Subconsultant Agreement
- Records of Negotiation with EDGE/DBE
- Record of EDGE/DBE not Interested
- Efforts to Assign Additional Work
- Efforts to Secure Additional EDGE/DBE
- Documentation of **Good Faith Efforts**

Waiver Request Procedures

- Department will Review
- Issue Written Decision within 10 days

Waiver Request Procedures

- Consultant May Request Reconsideration
- Submit within 14 days of Initial Denial
- Submit to Office of Contracts
- Reconsideration Not Administratively Appealable

Sanctions

- If Consultant Chooses Not to Request Waiver
- Failure to Comply with Contract
- Fails to Demonstrate **Good Faith Efforts**

Sanctions

- Letter of Reprimand
- Contract Termination
- Other Remedies
 - Administrative Suspension

Sanctions

- Factors to be Considered
 - Magnitude and Type of Offense
 - Degree of Culpability
 - Positive Steps Taken
 - Previous Record
 - Misrepresentation/Withheld Information

DBE NAIC Codes

- DBE's Approved with Specific Codes
- Only work within Approved Codes Applies

Questions?
