DIVERSITY IN TRANSPORTATION CONTRACTING

Photo courtesy Tanisha Hall

KAREN FEBEY

The author is the senior report review officer at the Transportation Research Board, National Academies of Sciences, Engineering, and Medicine in Washington, D.C.

Above: Tanisha Hall delivers a presentation to fellow transportation professionals. Federal disadvantaged business enterprise (DBE) programs offer technical assistance, business support, and promotion of contracts for minority- and women-owned businesses, as well as businesses owned by persons with disabilities. The U.S. DOT DBE program helps ensure not only that such businesses can operate on a level playing field but also that the transportation profession as a whole benefits from a diversity of perspectives and talents. variety of federal, state, and local certification programs provide contractual opportunities for certain types of disadvantaged businesses, such as those owned by minorities, women, and persons with disabilities. These include the federal Disadvantaged Business Enterprise (DBE) Program, the Minority Business Enterprise (MBE) Program, the Female Business Enterprise Program, the Persons with Disabilities Business Enterprise Program, and the Woman-Owned Business Federal Contracting Program.

Broadly, these programs seek to support the growth and development of businesses owned by people from historically underrepresented groups by providing technical assistance, business support services, and standards promoting their participation in contracts with certain government entities.

This article focuses on the DBE program. Administered by the U.S. Department of Transportation (U.S. DOT), the DBE program was designed as an effort "to remedy ongoing discrimination and the continuing effects of past discrimination in federally assisted highway, transit, airport, and highway safety financial assistance transportation contracting markets nationwide." It offers an opportunity for small disadvantaged businesses to compete for federally funded transportation contracts initiated by state and local governments. The DBE program is authorized by Congress, most recently in the Fixing America's Surface Transportation (FAST) Act of 2015.¹

The small business owners who are presumed to be socially and economically disadvantaged for the purposes of DBE certification (unless established otherwise through a certification review) are Asian– Pacific American, Hispanic American, Subcontinent Asian American, African-American, Native American, or women.²

¹ https://www.transportation.gov/civil-rights/ disadvantaged-business-enterprise. ² https://www.transportation.gov/civil-rights/ disadvantaged-business-enterprise/definitiondisadvantaged-business-enterprise.

Other small business owners, such as persons with disabilities, may qualify for DBE certification based on an individualized showing of social and economic disadvantage.

U.S. DOT has been statutorily directed to spend at least 10 percent of its total budget for highway and transit assistance programs on small disadvantaged businesses.³

This article profiles owners of three transportation DBE firms. They discuss what DBE certification means to them and how it has helped them to start and grow their businesses. Although their experiences cannot necessarily be generalized to that of all business owners with DBE certification, they highlight how the certification affects the contracts these owners are awarded.

Profiled in this article are Tanisha Hall, principal and CEO of Fairpointe Planning, LLC, a transportation planning firm in Nashville, Tennessee; Gloria Bender, co-owner of TransSolutions, LLC, a planning and operations consulting business; and Donald Williams, CEO and owner of Weatherspoon & Williams, LLC, a manufacturing and distribution company focused on steel products.

Tanisha Hall, Fairpointe Planning, LLC

Tanisha Hall had more than 20 years of experience as a transportation planner when she founded her company providing transportation planning and public engagement services. She began working on her DBE certification in Tennessee as she was developing her business, and she now has certification in six states.

According to Hall, other certifications—as a women's business enterprise (WBE), small business enterprise (SBE), or an MBE—often are necessary to stay competitive. Like the DBE certification, these often require separate certifications for each state or municipality in which a business wants to participate. Along with its certified DBE status, Hall's business is also certified as a WBE and MBE in Tennessee.



Tanisha Hall, Fairpointe Planning, LLC

In a previous job working in state government, Hall recalls that she realized the importance of DBE certification when she noticed that few of the project contracts she signed off on were with minority-owned firms. She saw how minority businesses bring critical perspectives that may be missing if the consulting team is not diverse. Notes Hall: "When you have people who have diversity of thought and in culture, the project team is better able to examine impacts on a variety of communities and look at problems from different perspectives, thus leading to better solutions."

When she was a new business, Hall estimates that about 80 percent of her contracts were due to her DBE certification because of federal funding requirements. To gain project experience, her firm enters into subconsulting agreements with larger consulting firms to compete for projects. Partnering with the larger firms as a DBE is a key component of her business's viability, because she is able to work on projects for which she may not have all of the technical resources to successfully compete and win as a prime contractor.

Hall explains that applying to become a DBE in both her home state and other states is time-consuming and leads to decisions about trade-offs when deciding which states and certifications to pursue. Therefore, she uses market research to decide which certifications to apply for.

Hall notes that the various technical support she received was invaluable when navigating the DBE administrative processes because the application process involved numerous questions about her firm's financial records. In particular, she recalls, Tennessee DOT's DBE supportive services team was immensely helpful when she applied for both Tennessee and interstate DBE certifications.

Hall adds that Tennessee's Procurement Technical Assistance Center (PTAC) walked her through the questions on the federal government's System for Award Management website and when acquiring the number she needed to register as a business entity. All states have PTACs, Hall points out, adding that she would recommend them to any small business seeking government contracts.

Gloria Bender, TransSolutions, LLC

Gloria Bender has nearly 40 years of experience as an industrial engineer, including 23 years as the co-owner of TransSolutions, LLC, a 100 percent women-owned consulting business focused on planning design and operations of buildings and transportation infrastructure.

When TransSolutions was founded in 1998, the firm sought DBE status as a



Gloria Bender, TransSolutions, LLC

³ https://www.transportation.gov/civil-rights/ disadvantaged-business-enterprise/dbe-programoverview.