

Engrossed Substitute House Bill 1125

Small Business Enterprise Set-Aside Report

This report is in response to Section 218 (3) of the 2023-2025 Transportation Budget, Engrossed Substitute House Bill (ESHB) 1125. This section provided if The Washington State Department of Transportation (WSDOT) small works roster projects awarded under RCW 39.04.155 may be limited to firms certified by the Washington State Office of Minority and Women's Business Enterprises (OMWBE) as Small Business Enterprise (SBE) to bid on the contract.

WSDOT implemented this small works roster SBE set-aside program in July of 2022. Since its implementation, WSDOT has evaluated eight small works roster projects for SBE set-aside:

- In Fiscal Year (FY)2025, the small works roster set-aside pilot program has so far evaluated three contracts:
 - SR 167, Completion DEMO 10.
 - Reviewed 10/15/2024.
 - Identified Office of Minority & Women's Business Enterprises (OMWBE)-certified prequalified firms.
 - Open to All.
 - Pending award.
 - SR 99 Alaskan Way S & S Washington St - Ballast Island Marker.
 - Reviewed 9/9/2024.
 - Identified OMWBE-certified prequalified firms.
 - Pending award.
 - SR 515, Panther Creek Fish Passage – Demo 1.
 - Awarded: 8/8/2024.
 - Open to All.
 - Prime: SKYCORP, LTD.
 - Award Amount: \$27,320.50.
- In FY2024, the small works roster set-aside pilot program evaluated six contracts:
 - SR 532, Secret Creek - Adaptive Management.
 - Awarded: 7/23/2024 to OMWBE-certified Small Business Enterprise (SBE).
 - Prime: Award Construction, Inc.
 - Award Amount: \$194,868
 - SR 522, Unt To Evans Creek - Adaptive Management.
 - Awarded: 7/19/2024 to OMWBE-certified SBE.
 - Prime: Accord Contractors, LLC.
 - Award Amount: \$163,366
 - SR 160, Southworth Ferry Terminal - Timber Deck And Roof Repairs.
 - Awarded: 4/9/24 to Mini SBE self-certified in Washington's Electronic Business Solution (WEBS).
 - The contract was open to all contractors after prequalified OMWBE-certified firms failed to bid.
 - Prime: Redside Construction LLC.

- Award Amount: \$409,854
- SR 522, Thornton Creek Fish Passage - Demo 1.
 - Reviewed 1/19/24
 - Identified 15 prequalified OMWBE-certified firms, one high bid was received from Award Construction, Inc. OMWBE-certified SBE.
 - Bid Rejected and readvertised with US Treasury funds.
- US 2, Grotto Vicinity - Slope Stabilization
 - Awarded 8/18/2023 to OMWBE-certified SBE.
 - Prime: Award Construction, Inc.
 - Award Amount: \$754,083.00.
- SR 20, Olson Creek Fish Passage
 - Awarded 8/8/2023 to a Mini SBE self-certified in WEBS.
 - The contract was open to all bidding after 21 prequalified OMWBE-certified firms failed to bid.
 - Prime: SKYCORP, LTD.
 - Award Amount: \$39,995.50.
- In FY2023, the small works roster set-aside pilot program evaluated six contracts:
 - I-90, Wildlife Crossing - Icicle Mitigation
 - Awarded 4/26/2023 to OMWBE-certified Disadvantaged Business Enterprise (DBE).
 - Prime: Neppel Electrical & Controls, LLC.
 - Award Amount: \$394,588.00.
 - I-5, Woodland Area - Guardrail
 - Awarded: 4/26/2023 to OMWBE-certified DBE.
 - Prime: M2 Industrial Inc.
 - Award Amount: \$378,960.00.
 - Project for The Washington State Ferries was not set aside due to the nature of work and availability of firms in that scope.
 - Evaluated 12/13/22.
 - SR 167 Completion Demo 9
 - Awarded 11/17/22 to Mini SBE self-certified in WEBS.
 - The contract was open to all contractors after 14 prequalified OMWBE-certified firms failed to bid.
 - Prime: SKYCORP, LTD.
 - Award Amount: \$199,947.00.
 - Project I-405/Renton to Bellevue - Emergency Sinkhole Repair was not set aside for SBE as it is an emergency project.
 - Evaluated 7/28/22
 - Contract 009877: I-90, Cle Elum River Bridges - Phase 2 Roadside Restoration
 - Awarded: 9/28/2022 to OMWBE-certified DBE.
 - Prime: Mike McClung Construction, Co.
 - Award Amount: \$388,644.

The SBE set-aside pilot demonstrated that allowing WSDOT to set small works roster projects aside for SBEs would allow SBE firms to compete as prime contractors. This tool also helps to increase under-represented business participation.

If you have any questions about this report, contact Earl Key, Senior Director of Transportation Equity, at (360) 705-7095 or Earl.Key@wsdot.wa.gov.