



# DBE News & Events

June 7, 2018

## New Advocacy Fact Sheet Highlights Some Reasons Why Businesses Close

Source: May 2018. By Brian Headd, Economist, SBA

A new fact sheet by Office of Advocacy Research Economist Brian Headd titled, "Why Do Businesses Close," using U.S. Census Bureau data, states that over the last 25 years, about 7–9 percent of employer firms close every year and a slightly higher share open.

These figures from Census's Business Dynamics Statistics have been trending down, illustrating a decline in business

turnover. According to the Annual Survey of Entrepreneurs, of the businesses with employees that closed in 2015, the top reasons for closing were low sales, the owner(s) retiring, and the owner(s) selling the business. With the next top reasons being opening another firm and illness/injury, it shows that many owners close for personal or health reasons not just business reasons.

Headd also cited data from the Survey of Business Owners that despite credit being tight; it is having less of an impact on pushing businesses to close. While business credit was a relatively large reason for business closures at the onset of the Great Recession, Headd writes, more recently, it has been a relatively small reason.

### SMALL BUSINESS FACTS

#### WHY DO BUSINESSES CLOSE?

May 2018. By Brian Headd, Economist

#### About 1 in 12 businesses closes every year.

Over the last 25 years, about 7–9 percent of employer firms close every year and a slightly higher share open. These figures have been trending down, illustrating a decline in business turnover (Chart 1).

Source: U.S. Census Bureau, Business Dynamics Statistics

#### Many businesses close because of personal reasons.

Of the businesses with employees that closed in 2015, the top reasons for closing were low sales, the owner(s) retiring, and the owner(s) selling the business (Chart 2). With the next top reasons being opening another firm and illness/injury, it shows that many owners close for personal or health reasons not just business reasons. ("Other reasons" was also relatively high.)

Source: U.S. Census Bureau, Annual Survey of Entrepreneurs

#### Reasons for closing businesses are changing as the economy improves and owner's age.

Compared to 2007 which had the Great Recession begin in its December month, closing because of low sales and credit are down and retiring is up. This is not surprising with a strong economy and aging population in recent years.

Source: U.S. Census Bureau, Annual Survey of Entrepreneurs and Survey of Business Owners

#### Serial entrepreneurs are not a myth.

A small, but not insignificant number of closures were from owners closing to start another business, accounting for about 6 percent of closures.

Source: U.S. Census Bureau, Annual Survey of Entrepreneurs

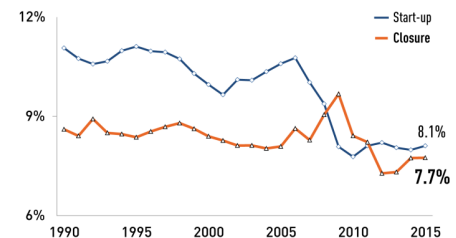
#### Even though credit is still tight, it is having less of an impact on pushing businesses to close.

While business credit was a relatively large reason for business closures at the onset of the Great Recession, more recently, it has been a relatively small reason. In 2015 about 5 percent of businesses closed because of credit access versus about 14 percent in 2007. Note, however, that tight credit could have a large impact on blocking start-ups, which as Chart 2 shows are well below their 2007 level.

Source: U.S. Census Bureau, Annual Survey of Entrepreneurs and Survey of Business Owners

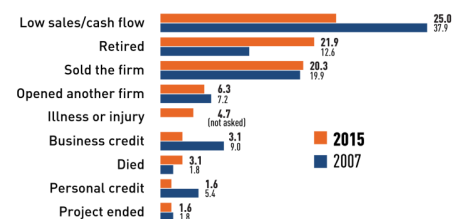
Small Business Facts are produced in the Office of Economic Research of the SBA Office of Advocacy. Questions? Email [advocacy@sba.gov](mailto:advocacy@sba.gov).

Chart 1: Employer Firm Start-up and Closure Rates



Source: U.S. Small Business Administration, from data provided by the U.S. Census Bureau, Business Dynamics Statistics

Chart 2: Reasons Owners Close Employer Firms (percent)



Note: Owners could select multiple reasons and 31.3 percent selected other reasons in 2015.

Source: U.S. Small Business Administration, from data provided by the U.S. Census Bureau, Annual Survey of Entrepreneurs (2015) and Survey of Business Owners (2007).



## DBE News & Events

June 7, 2018

### Flex Lanes Coming to I-17, Eventually

By Ryan Randazzo for The Arizona Republic

The Memorial Day weekend kick-off to summer road-trip season brings with it one of Arizona's most odious vacation traditions: being parked in traffic on Interstate 17 north of Phoenix.

The good news? The Arizona Department of Transportation is planning two new "flex" lanes to ease congestion that will carry people north Fridays and Saturdays, and south on Sundays.

The bad news? Construction won't start until 2021 and will take about two years to complete.

The new lanes will run between Black Canyon City and the Sunset Point rest stop, a steep, curvy section of road where drivers often find trouble.

"The biggest hassle is having people sit on that hill," said Steve Boschen, director of ADOT's infrastructure delivery and operations division. "When it is 110 degrees out, we want to get them relief as fast as we can."

The drive between Phoenix and Flagstaff is usually about two hours, but accidents can extend that to four or more.

For now, travelers can either plan to leave at off-peak times or prepare to sit it out, Boschen said.

Even if travelers plan their trips to miss the heaviest traffic on I-17, they may spend more time on the road than hoped.

ADOT began in April a \$24.4M project to repave about 28 miles of northbound I-17 south of Flagstaff. That project is expected to add to travel times getting to Flagstaff from Phoenix through the summer.

The main challenge on I-17 is an approximately 45-mile stretch between the community of Anthem and Cordes Junction, he said.

About 40,000 cars travel both directions on that stretch of road daily, and on weekends that number hits 55,000 to 60,000, he said. Holiday weekends bring even more drivers.

#### Flex Lanes are the Best Option

Starting in 2021, ADOT will launch two construction projects to address the problem. The larger is the flex lanes, which will run about 10 miles from Black Canyon City to the Sunset Point rest area.

The two lanes will be next to the southbound I-17 lanes, but separated by a concrete barrier. They will be blocked off to allow traffic in one direction or the other depending on the need.

ADOT also will add a third lane southbound from Black Canyon City to Anthem. Eventually, a northbound third lane in that area will also be added, officials said.

The total cost is about \$180M, with \$120M coming from federal funds, \$50M from the Maricopa Association of Governments, and \$10M from the state, he said.

The project won't begin for more than two years, he said.

The I-17 work will take about two years to complete once work begins.

Other options were considered, including paving a rough dirt road from Mayer to Bumblebee to give the I-17 a relief route during backups. But that road is too rough and curvy to handle big trucks.

Read more at [The Arizona Republic](#).

For documents and project timeline, visit [ADOT Transportation Studies](#).

### BOARD MEETINGS VS. PUBLIC HEARINGS

The State Transportation Board meetings and public hearings are separate events. The public is invited to both.

Board meetings are held to review transportation project, legislation, financing, and planning activities that affect the state's operations, while public hearings are held with the objective of reviewing programs related to the Five Year Transportation Program.

Board meetings and public hearings may be scheduled on different days or together on the same day. When they occur together, they still remain separate events. One meeting concludes and closes before the other begins.

**Next meeting:** June 15th (Board adopts 5-YR Program)

### CURRENT 5-YEAR PROGRAM



**Business & Industry Events**

June 7, 2018

**June**

- 7

**Collaboration & P3-Creating World Class Outcomes**  
 Location: 2901 N. 7th Street, Phoenix  
 Time: 11:30am - 1:00pm
- 9

**ABA: Equipment Operator: Soils Class**  
 Location: 1825 W. Admans St., Phoenix AZ 85007  
 Time: 7:00am - 4:00pm
- 10

**Hiring Employees & Contractors**  
 Location: The Hive @ Central 1221 N Central Ave, Phx  
 Time: 2:00pm - 3:00pm
- 12

**Building Leaders Development Group Luncheon**  
 Location: 1050 W. Washington St., Ste. 233, Phx  
 Time: 11:30am - 8:30pm
- 13-14

**PM Development Program–Module 5: Leadership**  
 Location: 6225 N 24th St. #200, Phoenix  
 Time: 7:30am - 4:30pm
- 15

**GRIC Lt. Governor Robert Stone & GR Health Care**  
 Location: 2394 E. Camelback Road, Suite 600  
 Time: 11:30am - 1:00pm
- 19

**Women Who Run the Show**  
 Location: 2394 E. Camelback Road, Suite 600  
 Time: 5:30 - 8:00 pm

**June**

- 20

**Phoenix Design and Construction Procurement**  
 Location: 2901 N. 7th Street, Phoenix  
 Time: 11:30am - 1:00pm
- 20

**Labor Challenges in a Labor Challenged Market**  
 Location: AZ Biltmore, 2400 E. Missouri Ave., Phoenix  
 Time: 11:30am - 1:00pm
- 21

**Bonding-Basics for Financial Understanding**  
 Location: ADOT BECO 1801 West Jefferson Street  
 Time: 11:30am - 1:00pm

**July**

- 10

**Accounting/Finance Practices Specific to Construction**  
 Location: 1050 W. Washington St., Ste. 233, Phx  
 Time: 11:30am - 8:30pm
- 31

**ADOT Joint DBE Task Force Meeting**  
 Location: 206 South 17th Avenue, Phoenix  
 Time: 9:00am - 11:00am



**ADOT TASK FORCE MEETINGS COMING UP...**

<i>Date</i>	<i>Time</i>	<i>Meeting</i>	<i>Location</i>	<i>Link</i>
<b>July 31, 2018</b>	9 -11:00 a.m.	<b>Joint Construction and Professional Services Task Forces</b>	ADOT Auditorium 206 South 17th Avenue Phoenix, AZ 85007	<a href="https://2018jointdbetf0731.eventbrite.com">https://2018jointdbetf0731.eventbrite.com</a>
<b>Sept. 18, 2018</b>	9 -11:00 a.m.	<b>Professional Services Task Force</b>	ADOT BECO 1801 W. Jefferson Ste. 101, Phoenix	<a href="https://2018pstf0918.eventbrite.com">https://2018pstf0918.eventbrite.com</a>
<b>Oct. 23, 2018</b>	1:30 -3 p.m.	<b>DBE Construction Task Force</b>	ADOT BECO 1801 W. Jefferson Ste. 101, Phoenix	<a href="https://2018dbetf1023.eventbrite.com">https://2018dbetf1023.eventbrite.com</a>

**Project Opportunities**

June 7, 2018

**Links**

- [ADOT Current Advertisements](#)
- [ADOT Engineering Advertisements](#)
- [ADOT Public-Private Partnership Initiatives](#)
- [ADOT Advertised Alternative Delivery Projects](#)
- [Bidding Opportunities Around the State](#)

**Did you know?**

**AZUTRACS**

AZ UTRACS is the one-stop for all the websites linked to doing business with ADOT. We've made three upgrades to AZUTRACS to make your visit as seamless as possible:

- Comprehensive search directory with multiple search options
- Create and submit an electronic bidders lists
- Portal of links to all the other various sites that you will need

Visit [AZUTRACS](#) and check out the frequently used links for your type of organization already available in the "Who are you?" section. Then, take a look at the other roles you will interact with during your ADOT business venture.

**!** ADOT Bid openings after January 1st, 2017 will require prime contractors to submit DBE affidavits within 5 calendar days from bid opening. This is two days less than the current requirement. For example, if bid opens on Friday, the DBE Affidavits will be due to BECO, from the prime contractor, by Wednesday before 4:00 PM. Therefore, this is reducing the time DBEs and prime contractors have to prepare, sign and submit the DBE Affidavits to BECO. DBEs are urged to consider this new time restriction when working with prime contractors to complete and sign the DBE Affidavits in order for them to be submitted to BECO by the 5th calendar day from bid opening.

**Featured Federal-Aid Projects**

General/Sub Contractors Opportunities						
Due Date	Project Valuation	DBE Goal	Solicitation/ Project Number	Type	Project Owner and Description	Contact
6/22/18 11am	\$1M	8.11%	CMAQ-PEO-0(224)T; T006801C	<a href="#">IFB</a>	ADOT - <b>Road Widening, 83rd Ave, Happy Valley Rd to Jomax Rd, Peoria.</b> The work consists of widening the asphalt pavement to provide bike lanes on both sides of the road, constructing concrete sidewalks, constructing asphaltic concrete pavement & replacing pavement markings.	Jalal Kamal, Engineering Specialist, at <a href="mailto:Jkamal@azdot.gov">Jkamal@azdot.gov</a> or Dylan Cardie, Construction Supervisor, at <a href="mailto:DCardie@azdot.gov">DCardie@azdot.gov</a>
6/26/18 2pm	\$7.5M- \$9.2M	TBD	AV08000081-1 FAA	<a href="#">DBB</a>	City of Phoenix - <b>Design-Bid-Build PSHIA Terminal 3 North Inner Apron Reconstruction.</b> The work consists of removing the existing concrete pavement & replacing it with new concrete pavement, new drainage system & modifying the existing hydrant fuel system to accommodate aircraft parking positions.	Emeka Ekpe at 602-273-3488 or <a href="mailto:emeka.ekpe@phoenix.gov">emeka.ekpe@phoenix.gov</a>
6/26/28 2pm	\$5M - \$6M	TBD	AV41000075-1 FAA	<a href="#">DBB</a>	City of Phoenix - <b>Goodyear Airport Taxiway Rehabilitation &amp; Strengthening Project.</b> The project consists of rehabilitating and strengthening the Taxiway A and construction of paved shoulders to bring Taxiway A into compliance with Taxiway Design Group (TDG) 5 standards and to accommodate the design aircraft, a Boeing 767.	Emeka Ekpe at 602-273-3488 or <a href="mailto:emeka.ekpe@phoenix.gov">emeka.ekpe@phoenix.gov</a>
9/14/18 11am MST	\$2.3M	5.07%	STBGP-092-A(208)T; H889101C	<a href="#">IFB</a>	ADOT - <b>Pavement Preservation, Baumkirchner Rd - Bisbee Roundabout, Sierra Vista - Bisbee Hwy (SR92).</b> The work consists of chip seal coat to existing payment surface, pavement marking & traffic control.	Rene Teran, Engineering Specialist, at <a href="mailto:Rteran@azdot.gov">Rteran@azdot.gov</a> or Qui Nguyen, Construction Supervisor, at <a href="mailto:Qnguyen@azdot.gov">Qnguyen@azdot.gov</a> .

# LUNCH & LEARN



**Location: 1801 W. Jefferson Street, Suite 101, Phoenix, AZ 85007**

ADOT BECO is the place for DBEs and SBCs to gain important business and technical assistance to help you compete effectively for work on federal-aid contracts and other opportunities. These easy to attend luncheon meetings give you a quick way to improve your knowledge and skills to help your business succeed. Attend in-person or via webinar.

Visit ADOT BECO's New Business Resource Center – created for you!

**THURSDAY JUNE 21, 2018**

**11:30 am - 1:00 pm**

## **BONDING: Basics for Financial Understanding**

*Presented by: Patrick Hedges, Partner, Constructors Bonding, Inc.*

- What is a Bond? Involved Parties
- Three Common Bonds for Contractors
- The General Indemnity Agreement
- Subcontract Bonds
- Contractor Default
- Reading a Financial Statement from a Bonding Point-of-View

**BRING A LUNCH AND JOIN YOUR FELLOW ENTREPRENEURS TO IMPROVE THE BOTTOM LINE OF YOUR BUSINESS. Click here to register:**

<https://www.eventbrite.com/e/lunch-and-learn-bonding-basics-for-financial-understanding-tickets-45914649954?aff=es2>



## Connecting with Connect 202

As construction continues on the South Mountain Freeway Project, Connect 202 Partners, LLC (C202P) remains committed to reaching the project's Disadvantaged Business Enterprise (DBE) goals. C202P has developed a DBE Spotlight Recognition Program and each quarter a DBE firm will be recognized for their outstanding contribution to the project.

**C202P's 2nd Quarter 2018 DBE Spotlight is awarded to Structural Grace, Inc.** Structural Grace, Inc (SGI) has been a key player in supporting Raba Kistner, Independent Quality Firm (IQF), for the Independent Construction Quality Acceptance Inspection and Testing on this project. SGI provides highly qualified inspection staff that are professional, reliable and competent. When additional staff is needed, SGI has been very responsive to finding qualified candidates without disruption to the IQF schedule. Not only has SGI been outstanding to work with, the quality of staff SGI possesses is higher than the industry average. Congratulations!



[www.structuralgrace.com](http://www.structuralgrace.com)

Pictured Left to Right: Lee Robertson (Raba Kistner), Walter Lewis (C202P), Nathan Palmer (SGI), Newel White (Raba Kistner), Ron Dukeshier (C202P), Fran Diegelman (C202P), Melissa Abraham (C202P), Walter Fedrowitz (C202P)

### Upcoming Procurement Opportunities:

- Right-of-Way Fence

Follow us for up-to-date information on the project.



@SouthMountainFreeway



@Loop202SouthMountainFreeway

### PROJECT DESCRIPTION

#### Project Owner:

Arizona Department of Transportation

#### Project Name:

SR 202L (South Mountain Freeway)

I-10 (Maricopa Freeway) –  
I-10 (Papago Freeway)

Public Private Partnership (P3)

Design-Build-Maintain Contract

#### Project Number:

202 MA 054 H882701 C

#### Project Substantial Completion Date:

November 2019

#### DBE Goals:

16.45% Professional Services, 10.93%  
Construction, 6.08% Capital Asset  
Replacement Work

#### Committed DBE Percentages:

Professional Services = 15.89%  
Construction = 10.96% - **GOAL MET!**



# SR 202 South Mountain Freeway Contract Opportunities

**Bid Package:**

Hydroseeding Services

**Anticipated Bid Issue Date:**

June 15, 2018

**Anticipated Bid Due Date:**

June 29, 2018

**Package Work Schedule:**

Aug 2018 – Nov 2019

If your firm provides these services, email [Opportunities@C202P.com](mailto:Opportunities@C202P.com) to be added to our bidder's list for this package. Enter *Hydroseeding Bid Package* in the subject line.

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**Scope of work includes:**

Hydroseeding Services

**PROJECT DESCRIPTION**

**Project Owner:**

Arizona Department of Transportation

**Project Name:**

SR 202L (South Mountain Freeway)

I-10 (Maricopa Freeway) –

I-10 (Papago Freeway)

Public Private Partnership (P3)

Design-Build-Maintain Contract

**Project Number:**

202 MA 054 H882701 C

**Project Substantial Completion Date:**

November 2019

**DBE Goals:**

16.45% Professional Services, 10.93%

Construction, 6.08% Capital Asset

Replacement Work

**Committed DBE Percentages:**

Professional Services = 16.76% - **GOAL MET!**

Construction = 10.95% - **GOAL MET!**