

## Business Engagement and Compliance

### Phoenix City Council Sending \$500 Million Bond Request to Voters

As expected, the Phoenix City Council has voted to put a \$500 million general obligation bond on the 2023 ballot.

In what will be the city's first bond request since 2016, 47 projects were assembled over several months. Projects were selected in seven program areas.

The specific areas and their funding totals are:

- **Arts & Culture:** \$50,385,000;
- **Economic Development & Education:** \$38,000,000;
- **Environment & Sustainability:** \$26,000,000;

- **Housing, Human Services & Homelessness:** \$63,000,000;
- **Neighborhoods & City Services:** \$44,615,000;
- **Parks & Recreation:** \$64,000,000;
- **Public Safety:** \$132,500,000, and
- **Streets & Storm Drainage:** \$81,500,000.

The full breakdown of projects is available in the General Obligation Bond Committee proposal recommendation [here](#), and several projects and potential projects were detailed in past coverage that can be found here. (AZBEX, [Aug. 17](#); AZBEX [Dec. 9](#))

The final vote was 7-1. The Arizona Republic [reported](#) Councilmember Jim Waring voted against the measure, saying public safety-related projects should have received more priority.

In their considerations, the committee and the council left out several projects that were priorities for various groups and constituencies. City representatives have said Phoenix plans to make bond requests every five years for the next several cycles. Council members and staff have said the projects left on the table may be included in future requests and that alternative funding mechanisms may also be pursued.



**Wrapping up 2022: Looking back – the good, the bad, and the ugly**



**Input Prices Down 0.9% in November, Up 11.9% Year Over Year**



**ABC Backlog Indicator Highest Since Q2 2019**

- ▶ **EVENTS**
- ▶ **OPPORTUNITIES**
- ▶ **EXTERNAL LINKS**



### NEWLY CERTIFIED DBE FIRMS:

- Aerapy, LLC
- Carol Ann Olsen DBA Blue Water Safety Systems
- E K Technologies DBA E K Associates
- Volcom LLC DBA Volcom Group
- ALL DAT JAZZ CLEANING CO. LLC
- Apex Business Solutions & Development, LLC DBA Limitless Brands USA
- Aprina Graphix
- AWAKEN ONE HOME REMEDIES LLC
- Benchmark Landscaping, LLC
- Choyse LLC
- CORN-STRUCTION, LLC
- Data Driven Wellness Consulting, LLC
- Holy Hands Painters LLC
- Pendragon Junk Removal, LLC DBA Skunky's Junk Removal
- Virtual One Branding, LLC
- Gregg Drilling LLC



## Wrapping up 2022 *Looking back – the good, the bad, and the ugly*

The end of the year is always busy for entrepreneurs. From holiday events with clients and employees, to squeezing as much revenue as possible out of current projects, it is no wonder that you feel overwhelmed or exhausted. Added to your load are the personal and family responsibilities, like gift shopping, family gatherings and packing for travel.

What you do not need is another task for the bulging to-do list, correct?

When entrepreneurs schedule two meetings at year-end, they are setting themselves up for success in the new year. The first meeting is the rearview mirror, and the second is the windshield.

With the rearview exercise, reflect on the past year to celebrate successes and gain insights from lessons learned. When you have a bit of downtime, schedule two hours to contemplate deeply and write down words and phrases to capture facts and data, not to beat yourself up, but to gain perspective. Take 30 minutes for each activity, and write down all the facts and insights.

1. **The Good:** What worked well? What are specific successes that make you sit back and say, "Well, that was amazing!" Which employees stand out because of their commitment, attitude and stellar performance? Which clients stayed loyal and continued to value your services and products? Who are your new clients that you are excited to grow in the years to come? What facility or equipment upgrades did you complete in the past year, and how have those investments improved the bottom line? Speaking of the bottom line, how much ahead are you this year than you anticipated?
2. **The Bad:** What did not work well? What activities did you plan for that did not come to fruition? What did not happen that you planned, or what happened that you did not plan? Which employees are not performing as well as expected, and what signs should you have noticed so the situation would not have come to



this unfortunate situation? What type of performance improvement plan will help that employee improve their attitude or activities? Which clients did not meet your business plan goals, and why? Which clients did not pay in a timely manner and what are your next steps to collect past due amounts? Review your bottom line again, and note where the variances appear. Where did you miss your mark in revenue and expenses so your profitability is not what you planned?

3. **The Ugly:** These are the most uncomfortable items. What memory stands out that was not handled well by you, your team or circumstances beyond your control? What is your action plan to adjust in the new year? Even with a staff shortage, are there employees who need to find another employer? Or, do you need to hire a business coach to help an employee improve; sometimes an outside third party can motivate behavioral changes that you cannot make happen. Do you need to "weed" your client garden?" Do you need to fire a client or two? Do you have services or products that you need to change radically or remove entirely?
4. **Action Items:** Now that you have looked at the past year through different lenses, develop an action item list for each

category. What do you need to keep doing to accomplish amazing results in the new year? Be sure to follow up with special clients or employees who deserve a special thank you or note of appreciation. What do you need to change so you will not miss goals or experience challenges that slowed you this year? Where do you need to make significant choices so those ugly situations do not happen next year? It is easy to avoid the most difficult decisions, so be sure to address these, no matter how difficult.

There you go! You have just invested valuable time and energy looking in the rearview mirror to assess your current position. It is important to look back, so you understand the best next steps to take in the future. Running a business is not simply a year-to-year activity; the life cycle of a business means that it is important to set regular times to reflect on what is working, what is not, and determine what strategies and tactics need to adapt.

In the next issue, we will spend time thinking about looking ahead, especially in light of business trends that make running a business challenging, such as economic volatility, workforce shortages, and keeping the marketing train on track. •

## Input Prices Down 0.9% in November, Up 11.9% Year Over Year

By Associated Builders and Contractors

Construction input prices declined 0.9% in November compared to the previous month, according to an **Associated Builders and Contractors** analysis of **U.S. Bureau of Labor Statistics Producer Price Index** data. Nonresidential construction input prices fell 0.8% for the month.

Construction input prices are up 11.9% from a year ago, while nonresidential construction input prices are 11.5% higher. Input prices were up in only four of the 11 sub-categories on a monthly basis. Natural gas experienced the largest decrease in prices, falling 15.8% in November. Unprocessed energy prices declined 7.8%, while crude petroleum prices were down 2.3%.

“The decline in wholesale prices for many construction inputs is generally positive news,” said **ABC** Chief Economist Anirban Basu. “Increasingly, we are receiving news that construction input inflation has peaked as supply chains continue to normalize despite a range of geopolitical stressors. In November, much of the relief emerged from lower energy prices. According to ABC’s **Construction Confidence Index**, contractors are already expecting growth in sales and employment levels over the next six months; this report will do little to curb that optimism.

“As always, there is more to this report than meets the eye,” said Basu. “Prices for various economic services grew faster than expected, a reflection of a still very strong labor market associated with substantial compensation growth. Therefore, while supply chains may be improving, helping to moderate the price of physical inputs, contractors will continue to face elevated and rising human capital costs. This may explain why just as many contractors expect profit margins to decline over the next six months as expect them to expand.” ([Source](#))



## ABC Backlog Indicator Highest Since Q2 2019

By Associated Builders and Contractors

**Associated Builders and Contractors** reports that its **Construction Backlog Indicator** increased to 9.2 months in November, according to an **ABC** member survey conducted Nov. 21 to Dec. 6. The reading is 0.8 months higher than in November 2021.

Backlog is now at its highest level since the second quarter of 2019. The increase in backlog observed in November is largely attributed to contractors with under \$30 million in revenue, which now have their highest level of backlog in over three years.

ABC's **Construction Confidence Index** reading for profit margins and staffing increased in November, while the reading for sales inched lower. All three readings remain above the threshold of 50, indicating expectations of growth over the next six months.

"The rise in backlog is remarkable and unexpected," said ABC Chief Economist Anirban Basu. "A number of contractors have been reporting that their backlog has risen rapidly over the past three months, which is counterintuitive given the pervasive view that the broader economy is headed into recession.

"The improvement in backlog was particularly sharp in the commercial and institutional category, and healthcare-related construction has emerged as a major driver of new activity," said Basu. "While it seems unlikely that backlog will hold up in the face of the Federal Reserve's efforts to slow demand, many predicted that backlog would have dipped by now and that has yet to transpire. What's more, many contractors expect sales and staffing levels to climb over the next six months, while profit margins are projected to remain stable." ([Source](#))



### Business Engagement and Compliance

ADOT/BECO

Other Associations

**\*\*ATTENTION TO ALL FIRMS\*\***

Need help preparing DBE affidavits?

Please see our tutorial video below:

["Preparing DBE Affidavits"](#)



## JANUARY

- 10** ABA: Lean Construction Core Principles: As learned from Toyota Production System's (TPS) Business Principles  
9-10 a.m.  
Location: Online Only
- 18** AAED: Arizona Economic Development Updates  
11:30 a.m.  
Location: DoubleTree by Hilton at Reid Park, 445 S. Alvernon Way, Tucson
- 18** APWA: Topgolf Tournament and Fundraiser  
4:45-8 p.m.  
Location: Top Golf, 4050 W. Costco Dr., Tucson
- 19** AAED: Afternoon Blend  
4 p.m.  
Location: Olsson, 7878 N. 16th St., Phoenix
- 19** IFMA PHX: Roadmap to Success - New Member Orientation  
2:30-4 p.m.  
Location: 6991 E. Camelback Road, Ste. C-151, Scottsdale
- 24** AZCREW: Foreign Direct Investment Update  
11:30 a.m.-1 p.m.  
Location: Kitchell  
1707 E. Highland Ave., Phoenix
- 24** ABA: Construction Trends and Outlook Recession or Resurgence  
Noon-1 p.m.  
Location: Magestic Neighborgood Cinema Grill, 1140 E. Baseline Road, Tempe
- 26** 2023 IREM/CCIM Economic Forecast  
7 a.m.-Noon  
Location: Arizona Biltmore, 2400 E. Missouri Ave., Phoenix
- 31** ABA: Creating Value with your Benefits Program How to Gain a Competitive Edge in the Talent War  
11:30 a.m.-1:30 p.m.  
Location: 2552 W. Erie St., Ste. 106, Tempe

## Featured Federal-Aid Projects

### CURRENT OPEN SOLICITATIONS

Due Date	Project Valuation	DBE Goal	Solicitation / Project Number	Type	Project Owner and Description	Contact
1/6/23 11 a.m. MT	\$16 million	4.55%	086-A(224)T; F036001C; ITO-0(211)T; T026401C	<a href="#">IFB</a>	ADOT - Why-Tucson Highway (State Route 86): BIA 135 to BIA 030; IR34 & IR42, Tohono O'odham Nation. The work consists of pavement rehabilitation for asphalt concrete roadway.	Iqbal Hossain, Group Manager of Contracts & Specifications, at <a href="mailto:ihossain@azdot.gov">ihossain@azdot.gov</a>
1/20/23 11 a.m. MST	\$30 million	3.68%	008-A(237)T; F034401C	<a href="#">IFB</a>	ADOT - Pavement rehabilitation, Yuma-Casa Grande Highway (I-8): Aztec to County Line. The work consists of milling the existing asphaltic concrete pavement & replacing it with new AC & AR-ACFC, including replacing guardrail & guardrail end terminals, replacing barbed wire fence & cable barrier, constructing bridge barrier transitions, installing pipe liners, & replacing pavement marking.	Iqbal Hossain, Group Manager of Contracts & Specifications, at <a href="mailto:ihossain@azdot.gov">ihossain@azdot.gov</a>
1/20/23 11 a.m. MST	\$4 million	10.81%	YV-0(210)T; T028401C	<a href="#">IFB</a>	ADOT - Shoulder widening, Tissaw Road to Beaverhead Flat Road, Yavapai County. The work consists of widening the existing shoulders, installing rumble strips, constructing drainage facilities, replacing guardrail, signing, & pavement marking.	Iqbal Hossain, Group Manager of Contracts & Specifications, at <a href="mailto:ihossain@azdot.gov">ihossain@azdot.gov</a>

### External Links:

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

### DBE SUPPORTIVE SERVICES PROGRAM

1801 W. Jefferson St., Suite 101, Phoenix AZ

602.712.7761

[DBESupportiveServices@azdot.gov](mailto:DBESupportiveServices@azdot.gov)



# I-17, ANTHEM WAY TO JCT. SR 69 (CORDES JUNCTION)

## OUR TEAM

The Kiewit-Fann Joint Venture (KFJV) is a strategic partnership between two trusted Arizona firms that have extensive experience working in rural environments, delivering highway projects. KFJV team members have an extensive history together on successful design-build and CMAR projects and have long-standing relationships with ADOT, local jurisdictions, and the community.

## POTENTIAL SUBCONTRACT OPPORTUNITIES

KFJV is assembling a team to pursue the I-17 Anthem Way project. We are seeking diverse and local firms interested in professional services and construction subcontract opportunities. Scopes of work include, but not limited to:

- Construction Water
- GGL Pile Testing
- Utilities
- Permanent Barrier
- PVC / HDPE Pipe Materials
- STS Drill Bits
- Light Plants
- Deep Foundations Drill Shafts
- Tieback / Rock Anchors Shoring
- Fence and Handrail
- Powerline Install and ROW
- Sign Drilled Shafts
- Potholing
- Sound wall footing
- Furnish & Install Precast Girders
- Bearing Pad Testing
- Traffic Control

## TAKE THE FIRST STEPS

Head to <https://www.kiewit.com/business-with-us/opportunities/i-17-anthem-way-project/> to complete the Subcontractor Questionnaire and create an account with Building Connected.

## STAY CONNECTED

For additional information and future event dates, visit our website at: <https://www.kiewit.com/business-with-us/dbe-opportunities/i-17-anthem-way-project>

DBE participation goal established for this project:

**10.16%**  
for Professional Services

**10.88%**  
for Construction Work

## QUESTIONS? CONTACT US!

Contact us to learn about anticipated subcontract opportunities on the I-17 Anthem Way project at [Flex.Outreach@kiewit.com](mailto:Flex.Outreach@kiewit.com).

KFJV is committed to meeting or exceeding stated project participation requirements upon award of ongoing and upcoming Arizona Department of Transportation projects; assisting interested DBEs in obtaining bonding, lines of credit or insurance; providing interested DBEs information related to the plans, specifications and requirements for work to be subcontracted or supplied by these DBEs; assisting interested DBEs in obtaining necessary equipment, supplies, materials or related assistance or services; sub-dividing bid items into economically feasible work units to DBEs every advantage to quoting the project.

*KFJV is an Equal Opportunity Employer.*