

DBE NEWSLETTER

Thursday | March 7, 2024

Business Engagement and Compliance

Construction to Lead Arizona Job Growth into 2025

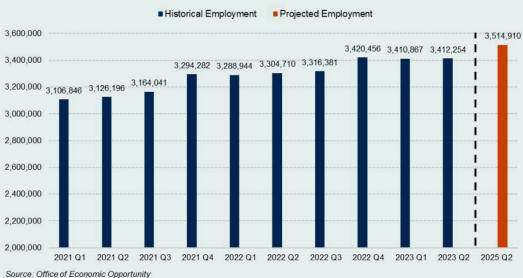
The Arizona Office of Economic Opportunity (AOEO) is projecting construction will see the highest rate of job growth between second quarter of 2023 and second quarter of 2025 across the 11 supersectors it tracks.

According to the Arizona 2023-2025 Projected Employment Report, AOEO expects construction to see 3.3% growth during the period, followed by education and health services at 2.6%, leisure and hospitality at 1.9%, manufacturing at 1.3%, trade/ transportation/utilities at 1.2% and other services at 1.1%. All the other supersectors had growth rates of less than 1%. Natural resources and mining is the only supersector expected to shrink, with growth projected at -0.2%.

The report also projects jobs for Arizonans, who are self employed, will increase 0.7%. Self-employment numbers are not normally reflected in the monthly state employment report.

>>>>2

Figure 1



NEWLY CERTIFIED DBE FIRMS

Arizona Employment Estimates

Connect the Dots: DIY Works at Home and With Your **Business**



SPOTLIGHT: GJH Motors



Study Shows Green Road Loop Would Benefit Maricopa



Gilbert Parks and Recreation Wish List Surpasses \$725 Million

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

- Watearth Inc.
- Geodetic Analysis LLC
- DOC Development Inc.

www.azdot.gov/beco



Construction to Lead Arizona Job Growth into 2025 (Cont'd)

On the whole, AOEO projects employment in Arizona will increase to 3,514,910 jobs in second quarter of 2025, compared to 3,412,254 in second quarter of 2023, an annualized growth rate of 1.5%.

Since the end of the pandemic, all supersectors have performed well. Construction was one of the top performing segments, showing job counts and annual percent changes of 201,839 (7.0%) in third quarter of 2022, 207,195 (7.4%) in fourth quarter of 2022 208,397 (8.2%) in first quarter of 2023, and 214,433 in second quarter of 2023.

In second quarter of 2025, construction is expected to see a 3.3% annual percent change and include 228,721 jobs. That will still not completely return Arizona construction employment to its all-time peak in 2006, when the sector reached 240,300.

Even though growth is expected, the report points out it has slowed compared with recent quarters and will continue to moderate. "The primary factor behind this anticipated slowdown is the increased cost of financing, a consequence of federal funds rate increases that occurred in 2022 and 2023," it says.

Addressing construction specifically, the report says, "Construction employment is projected to grow by 14,288 jobs (3.3%) annually from 214,433 in second quarter of 2023 to 228,721 in second quarter of 2025. The projected slowdown in job growth is primarily attributed to the heightened federal funds rate, which has increased financing costs. The number of private housing building permits in Arizona decreased by 2,088 (-32.0%) in December 2023 compared to March 2022—the period when the Federal Reserve began raising the federal funds rate."

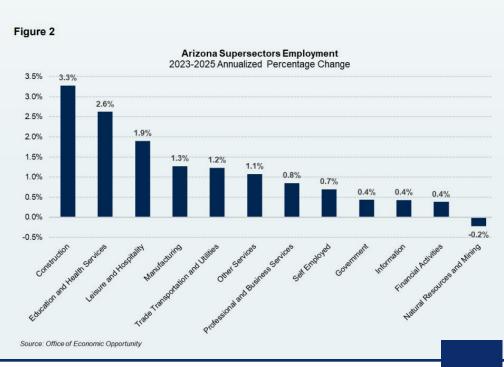
Along with housing, much of construction's recent rise has stemmed from increased demand for Industrial development, a sector that continues to fuel construction worker demand even as the pipeline hits record delivery volumes. Warehousing/logistics and manufacturing have been the primary subsectors in Industrial demand.

The AOEO lists transportation and warehousing under the trade, transportation and utilities supersector. The report says transportation and warehousing, "is projected to grow by 6,260 jobs (2.2% annually) from 139,579 in second quarter of 2023 to 145,839 in second quarter of 2025. Job growth in the warehousing and storage sector is anticipated to decelerate as the industry approaches maturity. Additionally, the 2022 and 2023 increases in the federal funds rate have increased the cost of financing and are expected to influence decisions regarding expansion within this sector."

Manufacturing is its own supersector for AOEO reporting. The report notes, "Manufacturing is projected to increase by 4,985 jobs (1.3% annually) from 194,646 jobs in second quarter of 2023 to 199,631 jobs in second quarter of 2025. From second quarter of 2022 to second quarter of 2023, non-durable goods manufacturing lost 325 jobs, while durable goods manufacturing gained

5,566 jobs in the same period. Within the manufacturing supersector, computer and electronic product manufacturing (2,238 jobs) and transportation equipment manufacturing (1,454 jobs) are projected to record the largest job gains."

Over the two-year projected period, job growth is expected in 14 of the state's 15 counties, with only Apache County expected to experience losses and go from 18,702 jobs in second quarter of 2023 to 18,627 in second quarter of 2025, a rate of change of -0.2%.





Apply DIY Best Practices to Marketing and Business Development

Connect the Dots: DIY Works at Home and With Your Business

Sometimes, homeowners get the renovation urge. Whether it is a kitchen, office, bedroom or bath, it takes planning and preparation to get the desired results. Otherwise, they might not realize their dream or the entire undertaking could strain a relationship. And sometimes, when a homeowner gets in over their head, they need to bring in an expert to take the reins, fix mistakes and get the project over the finish line.

Most people do online research about processes and materials before starting a renovation project. Look online; you will find over 300 million hits if you hunt for do-it-yourself (DIY) best practices. No matter what, a successful renovation requires patience, focus and flexibility.

For example, in "<u>Before You DIY: 12 Safety Precautions and Best</u> <u>Practices</u>," homeowners are cautioned as follows:

- 1. Prevent fires.
- 2. Always use clamps to hold wood.
- 3. Keep a first-aid kit handy.
- 4. Maintain adequate lighting.
- 5. Use personal protective gear.
- 6. Eliminate tripping hazards.
- 7. Avoid working when tired.
- 8. Always dress appropriately for the job.
- 9. Ventilate when painting.
- 10. Read the instruction manual.
- 11. Stay aware of your surroundings.
- 12. Put safety first.

We can connect the DIY dots when we want to renovate our marketing and business development efforts. Here are some practical suggestions based on the article's key points:

1. Prevent fires. Setting a short deadline for a significant refresh or redesign of your website is normal. After all, you have most of the content and want to give it a new, clean look. Be prepared to uncover out-of-date content, such as dated photos or project writeups. Some team members may have achieved additional certifications or changed job functions. Also, you should review your search engine optimization performance and analytics to ensure the website runs at its best. You might be surprised to find some coding gaps or errors. Allow plenty of time for website renovation and avoid launching before it has been welltested. You do not want your website refresh to fail.

- 2. Maintain adequate lighting. Just because you have previously distributed brochures does not mean you must continue using them. Sustainability and using digital resources matter to many of your clients. Do not let the "we have always done it this way" mindset drive essential marketing decisions. Put on a fresh perspective and think about how your materials will be more appealing to your clients' needs and values. An open mind is bright, just like great lighting.
- **3.** Avoid working when tired. You have plenty of work to do, and reviewing time-sensitive conference commitments may not be the most critical task in front of you. When you are tired, you are likely to skim material and you could miss an essential element that could cost you dearly. Read trade show contracts carefully. Be aware of award schemes that look like a good deal (aka "free") but require high fees for "entry." They might be "pay to play," and the award-winner is out of your league. Pay attention to details and know when your mind is at its freshest before you sign a deal.

Many homeowners love DIY projects and have learned a lot of lessons in the school of hard knocks. They pay attention to best practices and always look for obstacles that could delay the project or cost them more than they had budgeted.

As business owners, you may be tempted to DIY some marketing and business development tasks. Take a hint from DIY best practices for homeowners to gain ideas and insights to help you make better decisions and achieve desired results. And remember, it is also a good idea to have an expert "handyperson" close by to ask questions, provide expert guidance or even take over if you get in over your head.



3

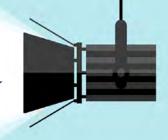


DBE NEWSLETTER

Thursday | March 7, 2024

DBE SPOTLIGHT

GJH Motors LLC gjhmotors.com | (480) 370-8163 **Certifications:** DBE/SBE/ACDBE



COMPANY DESCRIPTION:

GJH Motors provides reliable, on-site preventative maintenance and repair of heavy/medium highway construction equipment from various manufacturers, including (but not limited to) Caterpillar, John Deere, Hitachi and Komatsu.

Full-Circle Success Story:

From Outreach Events to DBE Certification, Initial Contract and Repeat Business on the I-10 Broadway Curve Project

Pulice-FNF-Flatiron Joint Venture (PFFJV) DBE Outreach and Compliance Manager Rochelle Moore met GJH Motors Owner and Chief Executive Officer Sylvia Smith via a DBE SBC virtual conference speed meeting on Dec. 6, 2022. They followed up with each other via email and phone calls. PFFJV urged the owners of GJH Motors, Sylvia and Jeremiah Smith, to apply for DBE Certification through the City of Phoenix.

GJH Motors did apply and PFFJV provided support and follow-up when GJH owners needed direction or information. PFFJV Equipment Services and Contracts teams met with GJH (virtually) for Q&A sessions several times while they were moving through the ADOT DBE Certification process. Once GJH successfully obtained their DBE Certification, PFFJV extended the opportunity to work on the I-10 Broadway Curve Project.

The subcontract was awarded on Feb. 24, 2023, and GJH Motors has been a great asset in the field and in all required reporting on the Broadway Curve Improvement Project.

Work performed on the project includes:

- Recurring and on-call repair of project equipment.
- Run diagnostics and troubleshoot.
- Travel throughout project site performing electrical, hydraulic and mechanical repairs.
- Replace worn and defective parts and complete preventative maintenance on excavators, loaders, scrapers, gannons, backhoes, water trucks and pick-ups.

MEET THE OWNERS:

G,

л мот

TRUCK SERVICE &

Sylvia Smith

Owner and Chief Executive Officer

Sylvia Smith possesses over 20 years of experience in leadership, project management and business development. Fueled by her passion for customer service, she has demonstrably driven growth while maintaining superior customer satisfaction, prioritizing safety as a core operational value.



Jeremiah Smith **Owner and Chief Operations Officer**

Jeremiah Smith has 27 years of industry experience and expertise. He developed as a Master Mechanic maintaining and repairing heavy equipment in underground mines and civil construction projects.



His continued education in his field ensures that he and his

staff provide skilled, safe and reliable repair and maintenance services to GJH customers.



4



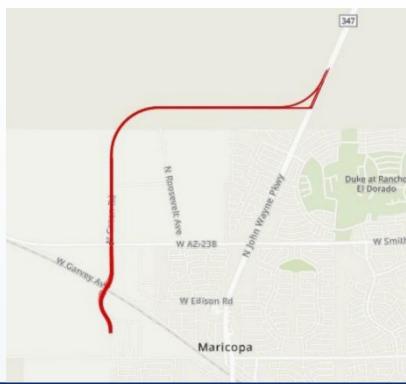
Study Shows Green Road Loop Would Benefit Maricopa

A feasibility study released recently shows the first phase of the proposed Green Road Loop in Maricopa would create new economic development opportunities, help manage growing travel demands caused by future development and create employment within the Gila River Indian Community (GRIC).

The first phase of the loop would start at McDavid Road, follow Green Road, traverse the Union Pacific Railroad and extend north past Smith Enke Road, where it would turn east through the GRIC and connect with State Route 347 north of Maricopa.

The study by consulting firm Wilson & Company found the roadway would draw traffic away from John Wayne Parkway, improve access to the GRIC and stimulate future land use and employment opportunities. The report predicted traffic of more than 11,000 vehicles per day.

At full buildout, Wilson recommends two lanes in each direction, separated by a landscaped median and featuring supporting elements like lighting, landscaping and sidewalks. (Source)



Gilbert Parks and Recreation Wishlist Surpasses \$725 Million

The Gilbert Parks and Recreation Department's list of desired projects is projected at \$727 million.

A top priority from a list submitted by Parks and Recreation Board members includes building and implementing amenities for the last 185 acres of Gilbert Regional Park. Desired items include more recreation fields and a pump track.

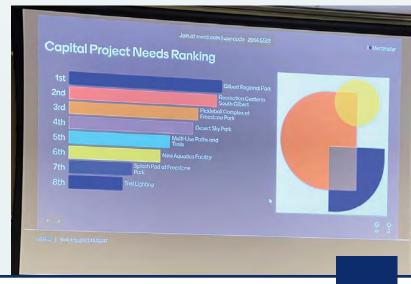
The second priority on the list of eight was a south Gilbert recreation center, with number three being a pickleball installation at Freestone Park. The fourth priority was finishing Desert Sky Park's last 80 acres. Those four projects total between \$360 million and \$370 million, according to officials.

Completing the list were multi-use paths, an aquatics center and trail lighting. Gilbert Town Council members said late last year they would not support aquatics facilities due to the construction and operations costs.

The Town Council will hold a budget retreat on March 11, which will also review requests from the police and fire departments. Police and fire submitted their wish lists last year. The police department wants funding for six projects totaling \$289 million. The fire department wants five projects at an estimated cost of \$99.8 million. That means the requests from the three departments combined total more than \$1 billion.

The Parks and Recreation Department, meanwhile, will seek additional public comment on desired amenities, since the current conceptual master plan was developed in 2020.

The town's finance director presented several options in December 2023 for funding the various projects, including a mix using sales tax revenues and bond monies. A structured review of that possibility will be presented at the budget retreat. (Source)





Business Engagement and Compliance

ADOT/BECO

Other Associations

INDUSTRY EVENTS

Thursday | March 7, 2024

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

Need help preparing DBE affidavits? Please see our tutorial video below: "Preparing DBE Affidavits"







MARCH





Featured Federal-Aid Projects

CURRENT OPEN SOLICITATIONS

Due Date	Project Valuation	DBE Goal	Solicitation / Project Number	Туре	Project Owner and Description	Contact
3/8/24 11:00 a.m. MST	\$945,000	6.79%	T024601C; NOG-0(210)T	<u>IFB</u>	ADOT - Construct Multi-Use Pathway, from Frank Reed Road to Nogales H.S. on Grand Ave., Nogales. The work consists of an asphaltic concrete multi-use pathway, concrete sidewalks, retaining wall and other related work.	Iqbal Hossain, Deputy Director of the Multimodal Planning Division, at ihossain@azdot.gov.
3/15/24 11:00 a.m. MST	\$33.75 million	4.88%	F034201C; 040-A(382)T	<u>IFB</u>	ADOT - Pavement Rehabilitation, Needle Mountain TI to Lake Havasu TI from Topock to Kingman Highway. The work consists of mill and replace asphalt concrete at main- lines, shoulders, ramps and cross road.	Iqbal Hossain, Deputy Director of the Multimodal Planning Division, at ihossain@azdot.gov.
3/15/24 11:00 a.m. MST	\$4.35 million	11.93%	GGI-0(219)T; T039101C	IFB	ADOT - Pave Shoulders on Houston Mesa Road from SR 260 East to South of NF-198. The work consists of asphaltic concrete paved shoulders, installing rumble strips, removing and replacing guard rail, removing and replacing cattle guards, extending pipes, pavement markings, signing and other related work.	Iqbal Hossain, Deputy Director of the Multimodal Planning Division, at ihossain@azdot.gov.

External Links:

ADOT Current Advertisements

ADOT Engineering Advertisements

ADOT Public-Private Partnership Initiatives

ADOT Advertised Alternative Delivery Projects

Bidding Opportunities Around the State

DBE SUPPORTIVE SERVICES PROGRAM

1801 W. Jefferson St., Ste. 101, Phoenix AZ 602.712.7761 DBESupportiveServices@azdot.gov

ADOT DBE & SMALL BUSINESS TRANSPORTATION EXPO

Mesa Convention Center, Building C • Tuesday, May 7th • 7 a.m. - 12 p.m.

In-Person & Free to Attend • ADOTDBEEXPO.com

Who Should Attend?

SOAR

2024

- Certified DBEs, SBEs and SBCs
- Small Businesses who want to work on Transportation Projects
- Design & Engineering Firms
- General Contractors involved in Transportation Projects
- Trade Contractors & Service Providers on Transportation Projects
- Non-Profits who Provide services to Small Businesses
- Public Agencies



Helping Your Small Business SOAR in 2024

The ADOT DBE & Small Business Transportation EXPO is one of the best events to connect with potential clients and find out about upcoming work. Attendees will hear about upcoming projects from transportation leaders including: ADOT, MCDOT, the city of Phoenix Public Transit and Street Transportation Departments, Valley Metro and Phoenix Sky Harbor International Airport.

Some of the Valley's largest engineering and construction firms will be hosting tables and meeting new potential subconsultants, subcontractors and service providers for their projects. Additionally, small businesses can find out about a host of assistance programs through nonprofits and Technical Procurement Assistance Centers.

Don't delay, register today!















DBE Supportive Services

Business Development Program

ARE YOU READY TO TAKE THE NEXT STEP?

The ADOT Business Development Program (BDP) provides a highquality education and interaction with subject matter experts. From coaching & mentoring to practical tools and *more* - all to help **YOU** grow your knowledge and business!

Questions? Contact DBESupportiveServices@azdot.gov CLICK HERE TO FILL OUT THE FORMS AND Enrol Ioccey

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



PROJECT OWNER Arizona Department of Transportation

PROJECT NAME

I-17, Anthem Way TI to Jct. SR 69 (Cordes Junction) Phoenix – Cordes Junction Highway

Public-Private Partnership Design-Build-Operate-Maintain Agreement

PROJECT NUMBER 17 MA 229 H6800 01C / NHPP-017-A(228)S

DBE participation goal established for this project:

10.16% for Professional Services

10.88% for Construction Work

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 seeking diverse and local firms interested in pursuing multiple scopes of work on the I-17 Anthem Way project. The following scopes are open for solicitation:

- Buy PVC & CIP Wall Embeds
- De-lead Existing Bridge Bearings
- Handrail
- Bridge Deck Grooving
- Nursery Stock Trees
- Rock Bolt Walls

- Install Rock Anchors/Shotcrete
- · Remove Ground Mounted Signs
- Routine Maintenance Damaged Sign F&I
- Weld Bearing Replacements
- Slipform & CIP Concrete Barrier
- Flatwork

NORTH

Attachments: Wage Decision No. AZ20210008 Mod No. 0 - Dated 01/01/2021

TAKE THE FIRST STEPS

Head to <u>https://www.kiewit.com/business-with-us/opportunities/i-17-anthem-way-project/</u> to complete the Subcontractor ZONA Questionnaire and create an account with Building Connected, or for additional information and future event dates.

QUESTIONS? CONTACT US!

Contact us to learn about anticipated subcontract opportunities on the I-17 Anthem Way project at 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.

