



# Success Stories

*Creating Successful Opportunities in Business*

July 2010

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## ARRA Contracts Over \$62 Million to DBEs

DBE firms have received commitments of more than \$62 million in highway construction contracts resulting from the American Recovery and Reinvestment Act. This amount equates to 8.4 percent of the \$741.4 million in contracts awarded by NCDOT since receiving the stimulus funding in 2009.

One DBE firm experiencing success on ARRA projects is Locklear Contracting, Inc. from Pembroke, NC. Locklear has been awarded four ARRA-funded contracts totaling in excess of \$1.5 million to provide utility installation and other site work services.

"The ARRA projects really helped us stay in business. We basically had no work a little over a year ago, and we had to lay a bunch of people off. These projects have really helped our company. I have been able to bring all of my employees back on the payroll," said Trent Locklear, Chief Operations Officer.

Locklear Contracting also has been an active participant in

[See ARRA p.2]



*A Locklear Contracting supervisor prepares for a busy day providing utility installation and other site work services as a result of ARRA contracts for NCDOT.*

## USDOT Bonding Fee Reimbursement Program Now Available

DBEs that have won contracts funded by the American Recovery and Reinvestment Act (ARRA) are eligible to participate in the USDOT Bonding Assistance Program (BAP). The DBE Bonding Assistance Program allows small and disadvantaged

businesses to apply to be reimbursed for bonding premiums and fees incurred when competing for, or performing on, transportation infrastructure projects funded by ARRA. Applications for the program must be

submitted prior to September 8, 2010, for consideration.

Under the DBE ARRA BAP program, DBEs performing on a transportation and infrastructure projects receiving ARRA funding assistance from any

[See USDOT p.3]



## "Obstacles or Barriers"

Small business owners sometimes confuse obstacles with barriers. To understand the difference, consider a military obstacle course as seen in numerous movies. An obstacle course is designed to develop trainees in the skills necessary to be successful soldiers. On the other hand, a barrier course does not exist because there would be no benefit in having a person attempt to navigate a course that is barred from passage.

Succeeding in business requires a firm to navigate significant obstacles along the way. Obstacles include gaining industry experience, mastering a trade, securing financing, obtaining bonding, developing strategic relationships, etc. Are these obstacles more difficult for some than others? Maybe. Probably... but they are only obstacles, not barriers.

Navigating an obstacle course makes a soldier faster, stronger, and more capable. Similarly, a small business owner who overcomes the obstacles will be more successful than the competition. We must continually ask ourselves, "are the challenges I am facing obstacles or barriers?" More often than not, it will be the former and not the latter.



*Mr. Shelton Russell  
BOWD Director*



## **House Bill 1035 Passes N.C. General Legislature; Bill Raises Bonding Amount from \$300K to \$500K**



***House Bill 1035 provides increased flexibility to waive bonding and create more contract opportunities for small businesses. The bill applies to construction contracts awarded after Oct. 1, 2010, and is slated to be signed by Gov. Perdue.***

The North Carolina House and Senate recently passed House Bill 1035. The bill will increase the performance and payment bonding requirements for construction project contracts awarded by state departments, state agencies, and the University of North Carolina that exceed \$500,000. The bill raises the amount where bonding is required from \$300,000 to \$500,000.

The new bill will give state organizations the discretion to require bonding if necessary, but gives more flexibility to waive bonding to reduce costs and create more opportunities for small businesses in North Carolina.

If signed by Governor Perdue, the bill may apply to construction contracts awarded on or after October 1, 2010.

“On behalf of the North Carolina Coordinators’ Network and other supporting organizations, we believe that this is a step in the right direction in providing opportunities for small and minority businesses to participate in contracts throughout the state of North Carolina,” said Shelby Moorman Scales, president of the N.C. Coordinators’ Network—a conglomerate of state agencies, universities and private agencies whose mission is to educate and support industry growth statewide.

## **DBE Locklear Contracting Benefits From ARRA Contracts**

*[cont’d from p. 1]*

the BOWD Project Legacy Program. Since joining the program, the firm has worked diligently to improve its financial record keeping and financial management systems to make the company more effective in managing operations.

NCDOT has entered in to contracts using the majority of funds received by the ARRA. However, due

to bid prices coming in lower than anticipated, the department still has approximately \$30 million remaining. These funds will be used to create additional contracts for highway construction across the state.

Most ARRA projects are now under construction and should be completed by the end of 2011. To learn more about recent contract awards, visit [www.NCBOWD.com](http://www.NCBOWD.com).



## USDOT Bonding Assistance Program Supports DBE Growth

*cont'd from p. 1]*

DOT mode of transportation will receive financial bonding assistance in the form of bonding fee cost reimbursement.

This provision is applicable to a subcontract or prime contract at any tier in the construction project. Under this program DOT will directly reimburse DBEs the premiums paid to the surety company for performance, payment or bid/proposal bonds. The range of the premium fee is between 1-3 percent of the total bond amount. In the event the DBE also obtains a bond guarantee from Small Business Administration's (SBA) Surety Bond Guarantee Program (SBGP), the DOT also will reimburse the DBE for the small business concern (principal) fee of .729 percent of the contract price.



*The USDOT Bonding Reimbursement Program provides funding assistance for DBEs performing on ARRA-funded transportation and infrastructure projects. Applications are due prior to Sept. 8, 2010.*

Only qualified bonds with an issue date on or after August 28, 2009, to September 8, 2010, are eligible.

Two DBE firms in North Carolina have been successful in receiving bond fee reimbursement.

DBEs eligible to participate in this program should contact George Jones at the South Atlantic Small Business Transportation Resource Center. E-mail [gcjones@ncat.edu](mailto:gcjones@ncat.edu) or call (336) 256-2111 for application assistance; log on to [www.dot.gov/recovery/ost/osdbu](http://www.dot.gov/recovery/ost/osdbu) for more information.



## BOWD Sponsors OSHA Training, August 6

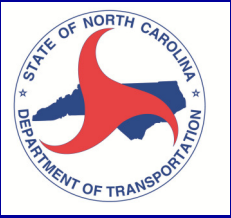
BOWD will sponsor an OSHA 10-hour Competent Person training course on Friday August 6, 2010. The course is designed for

construction workers, job supervisors, and anyone involved in the construction industry. Participants will learn how to comply with regulations related to

safety and health to provide acceptable working conditions for employees.

The course is facilitated by Manuel Rosas of Pinpoint Safety, LLC. The location for the class is 201 South Chimney Rock Road in Greensboro, NC.

For more information and to register online, log on to [www.NCBOWD.com](http://www.NCBOWD.com) under training courses, or download the BOWD 2010 Spring/Summer DBE training catalog and register manually. Registration ends on July 30, 2010.



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## Business Opportunity and Workforce Development Contact Information

Main Number: (919) 508-1808 or (800) 522-0453 toll free • Fax Number: (919) 508-1814

Website: [www.ncdot.org/business/ocr](http://www.ncdot.org/business/ocr) • [www.ncbowd.com](http://www.ncbowd.com)

**Director—Shelton Russell • [sarussell@ncdot.gov](mailto:sarussell@ncdot.gov)**

Administrative Officer—Tamika Hackney • [tdhackney@ncdot.gov](mailto:tdhackney@ncdot.gov)

Administrative Assistant—Nona Stell • [nstell@ncdot.gov](mailto:nstell@ncdot.gov)

Business Development Specialist (Divisions 1, 2, 4, 5)—Eric Miller • [eemiller@ncdot.gov](mailto:eemiller@ncdot.gov)

Business Development Specialist (Divisions 3, 6, 8)—Kathy Lindsey • [klindsey@ncdot.gov](mailto:klindsey@ncdot.gov)

Business Development Specialist (Divisions 7, 9, 11)—Tami Gabriel • [tgabriel@ncdot.gov](mailto:tgabriel@ncdot.gov)

Business Development Specialist (Divisions 10, 12, 13, 14)—Rachelle Latimer • [rllatimer@ncdot.gov](mailto:rllatimer@ncdot.gov)

### **NCDOT Historically Underutilized Business Program**

HUB Program Coordinator—Rodney Renix • [rdrenix@ncdot.gov](mailto:rdrenix@ncdot.gov)

### **On the Job Training Program**

Program Manager—Marvin Butler • [mbutler@ncdot.gov](mailto:mbutler@ncdot.gov)

Administrative Assistant—Kathy Lopez • [kalopez@ncdot.gov](mailto:kalopez@ncdot.gov)