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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

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**Testimony of Mr. Shekhar S. Murkute in Support of HB 313:
Public-Private Partnership Agreements - Minority Business Enterprise Programs**

Dear Chairman Barve and Members of the Environment and Transportation Committee:

House Bill 313 proposes to restore the applicability of Maryland's Minority Business Enterprise (MBE) program to public-private partnerships (P3s). I worked for MDOT collectively for 17+ years as Division Chief, Design Team Leader, and on-site consultant along with working as Director for Design and CMI for a small business firm with 140 employees.

Pioneer Civil Engineering Services, Inc (PCES) is a MDOT certified MBE/DBE/SBE/SBR. PCES offers Architectural and Engineering Services like Construction Management and Inspection (CMI), Pavement and Geotechnical Design, Pavement/Asset Management, Highway Design, Surveying, Partnering with the Asphalt/Concrete/Aggregate Industry for innovation. As a certified small business owner in Maryland, I am keenly aware of the benefits of public-private partnerships. P3s enable greater private sector participation, expertise, and mitigate risk for state agencies engaged in large infrastructure projects. Restoring the application of the MBE program to P3s would benefit my Minority Business Enterprise for several reasons.

Most of my work for the last 17+ years with MDOT was concentrated on State Owned roadways (MD, US, and IS) in Montgomery and Prince George's County and was part of Design Build, CMAR, Progressive Design Build, and Purple Line P3 projects. All these big projects have benefitted not only the Prime companies, but also a lot of MBE companies in MD. As MBEs have worked on these big projects, they have gained valuable experience and are looking forward to working on bigger and better projects for MDOT and MD Counties. The MBEs who already have well trained personnel or the MBEs who are willing to train their personnel will require more infrastructure projects like P3 to work on.

There is no better way to utilize these MBEs than to make them part of the biggest and historic P3 projects that MD is initiating. Some of MBEs will use this experience and will go on to become smaller Prime companies and, in the process, fulfill one of the goals of MDOT's

SBR/SBE program. The P3 project can provide MBEs with a platform to learn and aim to become smaller Prime companies in future.

Currently, the infrastructure spending from MDOT is on the lower side as compared to last few years due to challenges in securing funds (gas tax and FHWA) and P3 will help in bridging the gap in funding and maintain steady source of work and revenues for MBEs.

I would like to thank Opportunity MDOT, a program by MDOT, to help MBEs understand the intricacy of P3 projects. In conclusion, this will be a once in a lifetime opportunity for MBEs to be part of something big and historic and be part of helping the community.

After the completion of the 2017 Business Disparities in the Maryland Market Area study, Chapter 340 of the 2017 Maryland Code reauthorized the MBE program for five more years. However, it did not restore the application of the program to P3s. House Bill 313 would restore that application, enabling my Minority Business Enterprise to thrive in Maryland.

Thus, I urge a favorable report on House Bill 313.

Respectfully,



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