

FLORIDA DEPARTMENT OF TRANSPORTATION

METHODOLOGY FOR DETERMINING DBE GOAL (49 CFR 26.45) FEDERAL TRANSIT ADMINISTRATION FEDERAL FISCAL YEAR 2015

OVERALL GOAL

The overall goal for the Florida Department of Transportation's (FDOT) Disadvantaged Business Enterprise (DBE) program for FTA assisted contracts is established on a tri-annual basis with adjustments each year to reflect changed circumstances if needed. The overall goal starting October 1, 2014 has been set at **8.72%** utilizing the methodologies described in 49 CFR Part 26.

METHODOLOGY

In setting the goal for FDOT, it is required that the goal setting process begin with a base figure for the relative availability of DBEs. The overall goal must be based on demonstrable evidence of the availability of ready, willing, and able DBEs relative to all businesses ready, willing, and able to participate on FTA assisted contracts.

FDOT has reviewed the alternatives listed in 49 CFR Part 26 and selected the DBE Directory and Census Bureau 2011 County Business Patterns data as the best approach for FTA goal development.

Step One

In the analysis of the relative availability of DBEs for the Central Florida Commuter Rail Transit Project (SunRail), FDOT used the Census Bureau 2011 County Business Patterns for the Orlando-Kissimmee Metropolitan Statistical Area that includes Lake, Orange, Osceola and Seminole counties.

In the analysis of relative availability of DBEs for 5303, 5304 and 5311 planning funds budgeted for Metropolitan Planning Organizations, FDOT used the Census Bureau 2011 County Business Patterns for the entire state of Florida. The percentage of dollars associated with these two projects are calculated separately and then combined to form one FTA DBE goal.

SUNRAIL:

SunRail accounts for 95.94% of the total dollars used to calculate the FTA DBE goal. The estimated cost of this project was reviewed by detailed categories. The various types of work were identified as close as possible to their associated NAICS codes as published by the Small Business Administration. The number of total businesses for each NAICS code was identified by using the data from the 2011 County Business Patterns. The number of DBEs for each NAICS code in Lake, Orange, Osceola and Seminole counties were identified by using the Florida DBE Directory. The following table provides the percentage of dollars that DBEs would be expected to receive by NAICS code:

<u>Work Type</u>	<u>% of Dollars</u>	<u>NAICS Code</u>	<u>Total Vendors</u>	<u>DBEs</u>	<u>% of DBEs</u>	<u>Weighted % to DBEs</u>
Guideway and Track	33.29%	237990	27	2	7.41%	2.47%
Stations, Stops, Terminals	4.06%	236220	358	25	6.98%	0.28%
Support Facilities						
Building						
Construction	2.78%	236220	358	25	6.98%	0.19%
Electrical, Plumbing	0.24%	23821/22	1,169	14	1.20%	0.00%
Other Specialty Trades	0.45%	23899	313	51	16.29%	0.07%
Sitework						
Electrical	0.11%	23821	507	12	2.37%	0.00%
Excavation & Grading	0.71%	23891	162	22	13.58%	0.10%
Utility Construction	4.71%	23711	60	6	10.00%	0.47%
Remediation						
Services	1.20%	56291	24	12	50.00%	0.60%
Highway						
Construction	4.50%	23731	63	29	46.03%	2.07%
Other Specialty Trades	0.88%	23899	313	51	16.29%	0.14%
Landscaping	0.92%	56173	929	21	2.26%	0.02%
Systems						
Signals, Crossings	26.48%	23821	507	12	2.37%	0.63%
Fare Collection						
System	1.39%	334514	8	0	0.00%	0.00%
Computer Systems	0.75%	541512	364	8	2.20%	0.02%
Professional Services	17.51%	541330	577	61	10.57%	1.85%
Total	100.00%					8.92%

*Does not include contingency amounts, financing charges, right of way purchases or vehicles.

Given that 95.94% of FDOT’s FTA dollars are available for DBEs for the SunRail project and that 8.92% of the businesses are DBEs, FDOT would expect that 8.56% of all dollars awarded would be awarded to DBEs on the SunRail project. This is represented by the following calculation: **.0892 x 95.94% = 8.56%**

5303, 5304 and 5311 PLANNING FUNDS:

5303, 5304 and 5311 planning funds account for 4.06% of the total dollars used to calculate the FTA DBE goal. These funds are primarily used by Metropolitan Planning Organizations and FDOT for various planning consultants including urban and regional planners and strategic planning consultants. Two NAICS codes (54132 and 541611) were identified to be the best fit for this type of work. The number of total businesses for each NAICS code was identified by using the 2011 Statewide County Business Patterns data. The number of DBEs available statewide for each NAICS code was identified by using the Florida DBE Directory. The following table provides the percentage of dollars that DBEs would be expected to receive for these NAICS code:

	NAICS code	Total Vendors	DBEs	% of DBEs
Urban Planning	541320	482	48	9.96%
Strategic Planning	541611	6,427	226	3.52%
Total		6,909	274	3.97%

Given that 4.06% of FDOT’s FTA planning dollars are available for DBEs and that 3.97% of the businesses are DBEs, FDOT would expect that .16% of the total dollars awarded would be awarded to DBEs on 5303, 5304 and 5311 planning contracts. This is represented by the following calculation: **.0397 x 4.06% = .16%**.

Combining the SunRail project and the 5303/5304/5311 planning funds, FDOT would expect that 8.72% of the FTA dollars awarded that have contracting opportunities would be awarded to DBEs. This is represented by the following calculation: **8.56% + .16% = 8.72%**

Step One Result:

SunRail Project	8.56%
Planning Funds	.16%
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Baseline Figure	8.72% relative DBE availability

The results of step one indicate that 8.72% is a valid base figure under current rules and processes for the determination of availability. This has been determined based on the most accurate information available.

Step Two

FDOT has examined all the evidence available for any adjustments to the base figure and have determined that the FDOT does not have any significant information that would warrant an adjustment to the base figure.

PUBLIC PARTICIPATION

CONSULTATION PROCESS

On June 6, 2014, the Florida Department of Transportation (FDOT) published its first notice to the public regarding the posting of the 2015 Federal Highway & Federal Transit DBE goals and methodology and the ability for the public to view both draft documents and to make comments on line directly to the Equal Opportunity Office. This notice, which was posted on the FDOT Infonet public announcement site, also detailed other public meetings to be held for the same purpose. On June 9th, the same notice was published in the Florida Administrative Register.

On June 16, 2014, FDOT held an open outreach meeting in Tallahassee, Florida at 12:00 noon in the FDOT Haydon Burns building. The purpose of the meeting was to kick – off public discussion of the 2015 Federal Highway & Federal Transit DBE goals and methodology. Along with the kick – off meeting, three other public meetings were noticed as well. The other meetings were: June 23rd in Orlando; June 25th in Miami; June 27th in Tallahassee. The time for the three other meetings was 6:00pm. The Tallahassee meeting on June 27th was also broadcast as a webinar. In addition to noticing these meetings in the two methods above, the three evening meetings were also noticed by the placement of public notice advertisements in the following minority and majority newspapers: La Gaceta (minority – Tampa); Florida Sentinel Bulletin (minority – Tampa); The Weekly Challenger (minority – St. Petersburg); Pensacola News Journal (majority – Pensacola); Sun Sentinel (majority – Miami, Broward, South Palm Bch. Counties); Miami Herald (majority – Miami, Ft. Lauderdale); Tallahassee Democrat (majority – Tallahassee). Meetings were also posted on FDOT's Facebook page.

All meetings and actual draft goal documents were advertised on the websites of the Florida Institute of Consulting Engineers (FICE) and the Florida Transportation Builders Association (FTBA) which are the two major industry associations where both prime and sub contractors and consultants doing work on FDOT projects are members. Along with posting on their websites, both FTBA and FICE emailed the meeting announcement to their respective members. Also, the three Supportive Service Providers, BRG, CEI and the Council who are contracted by FDOT to assist DBE's and SBE's, posted the meetings draft goals on their websites and sent emails to their

respective database lists. Between the five groups listed above, approximately 2,500 firms were notified about the public meetings. Combined there were 21 participants in attendance with firms representing 3 non DBE Primes, 1 African American male DBE, 1 Hispanic male DBE, with the remaining persons belonging to FDOT, FHWA, and USDOT. An additional 7 persons participated through the webinar broadcast. At the live meetings, the DBE goal methodology was distributed and fully explained. Questions and answers were provided during and after the presentations.

Another outreach mechanism used to ensure access for stakeholders to make comments on the proposed DBE goals was the use of Survey Monkey to collect individual comments to the draft goals posted on the EOO website. Thirty-nine individuals posted comments.

COMMENTS

The comments received in the public meetings and the survey tool were mostly questions that required a clarification of the DBE methodology and general questions about how to do business with FDOT. During the consultation process, there were no issues dealing specifically with the DBE goal methodology that required any changes.