

**FLORIDA DEPARTMENT OF TRANSPORTATION**

**METHODOLOGY FOR DETERMINING DBE GOAL (49 CFR 26.45)  
FEDERAL TRANSIT ADMINISTRATION  
FEDERAL FISCAL YEARS 2018-2020**

**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 for federal fiscal years 2018-2020 has been set at **11.31%** 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 2015 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 2015 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 5311 and 5310 operating funds, FDOT used the Census Bureau 2015 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.

Table 1 Breakdown of Amounts Available

	<b>Dollars Available</b>	<b>% of Dollars</b>
Section 5311	\$7,311,558	2.60%
Section 5310	\$12,623,115	4.49%
SunRail	\$261,414,972	92.91%
<b>Total</b>	<b>\$281,349,645</b>	

SUNRAIL:

SunRail accounts for 92.91% (Table 1) 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 2015 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. Table 2 provides the percentage of dollars that DBEs would be expected to receive by NAICS code:

Table 2: SunRail Percent of Dollars by NAICIS Code

<u>Work Type</u>	<u>% of Dollars</u>	<u>Amount</u>	<u>NAICS Code</u>	<u>Total Vendors</u>	<u>DBEs</u>	<u>% of DBEs</u>	<u>Weighted % to DBEs</u>
Guideway and Track	18.35%	\$47,980,410	237990	27	0	0.00%	0.00%
Stations, Stops, Terminals	5.28%	\$13,800,119	236220	368	8	2.17%	0.11%
Support Facilities							
Building Construction	0.28%	\$733,964	236220	368	21	5.71%	0.02%
Electrical, Plumbing	1.02%	\$2,660,145	238210/220	472	22	4.66%	0.05%
Other Specialty Trades	0.43%	\$1,120,667	238990	340	64	18.82%	0.08%
Sitework							
Electrical	0.00%	\$0	238210	472	8	1.69%	0.00%
Excavation & Grading	0.74%	\$1,937,811	238910	124	32	25.81%	0.19%
Utility Construction	1.01%	\$2,632,471	237110	48	4	8.33%	0.08%
Remediation Services	0.00%	\$0	562910	40	8	20.00%	0.00%
Highway Construction	8.26%	\$21,601,280	237310	52	28	53.85%	4.45%
Other Specialty Trades	0.16%	\$422,247	238990	340	5	1.47%	0.00%
Landscaping	0.23%	\$593,258	561730	877	52	5.93%	0.01%
Systems							
Signals, Crossings	16.95%	\$44,303,727	238210	472	1	0.21%	0.04%
Fare Collection System	6.74%	\$17,622,066	334514	8	2	25.00%	1.69%
Computer Systems	0.00%	\$0	541512	376	8	2.13%	0.00%
Professional Services	40.55%	\$106,006,808	541330	580	52	8.97%	3.64%
Total	100.00%	\$261,414,972					10.36%
		0.053					

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

Given that 92.91% of FDOT's FTA dollars are available for DBEs for the SunRail project and that 10.36% of the businesses are DBEs, FDOT would expect that 9.63% of all dollars awarded would be awarded to DBEs on the SunRail project. This is represented by the following calculation: **10.36% x 92.91% = 9.63%**

5311 OPERATING FUNDS:

5311 operating funds account for 2.60% (Table 1) of the total dollars used to calculate the FTA DBE goal. NAICS code 485113 was identified to be the best fit for this type of work. The number of total businesses for this NAICS code was identified by using the 2015 Statewide County Business Patterns data. The number of DBEs available statewide for this NAICS code was identified by using the Florida DBE Directory. Table 3 provides the percentage of dollars that DBEs would be expected to receive for these NAICS code:

Table 3: Section 5311 Percent of Dollars by NACIS Code

Section 5311					
Work Type	NACIS code	Amount of DOT Funds Available for contracting	Total Vendors	DBEs	% of DBES
Bus and Other Motor Vehicle Transit Systems	485113	\$7,311,558	38	11	28.95%

Given that 2.60% of FDOT’s FTA 5311 are available for DBEs and that 28.95% of the businesses are DBEs, FDOT would expect that .75% of the total dollars awarded would be awarded to DBEs on 5311 operating contracts. This is represented by the following calculation: **28.95% x 2.60% = .75%**.

5310 OPERATING FUNDS:

5310 operating funds account for 4.49% (Table 1) of the total dollars used to calculate the FTA DBE goal. NAICS code 48599 was identified to be the best fit for this type of work. The number of total businesses for this NAICS code was identified by using the 2015 Statewide County Business Patterns data. The number of DBEs available statewide for this NAICS code was identified by using the Florida DBE Directory. Table 4 provides the percentage of dollars that DBEs would be expected to receive for these NAICS code:

Table 4: Section 5310 Percent of Dollars by NACIS Code

Section 5310					
Work Type	NACIS	Amount of DOT Funds Available for contracting	Total Vendors	DBEs	% of DBES
Special Needs Transportation	485991	\$12,623,115	164	34	20.73%

Given that 4.49% of FDOT’s FTA 5310 are available for DBEs and that 20.73% of the businesses are DBEs, FDOT would expect that .93% of the total dollars awarded would be awarded to DBEs on 5310 operating contracts. This is represented by the following calculation: **20.73% x 4.49% = .93%**.

Combining the SunRail project, the 5311 and 5310 operating funds, FDOT would expect that 11.31% of the FTA dollars awarded that have contracting opportunities would be awarded to DBEs. This is represented by the following calculation: **9.63% + .75% + 0.93% = 11.31%**

## Step One Result:

<b>SunRail Project</b>	<b>9.63%</b>
<b>5311 Operating Funds</b>	<b>0.75%</b>
<b>5310 Operating Funds</b>	<b>0.93%</b>

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<b>Baseline Figure</b>	<b>11.31% relative DBE availability</b>
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The results of step one indicate that 11.31% 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.

## RACE NEUTRAL METHODS

FDOT shall meet the overall goal of 11.31% through the use of race neutral methods. The DBE Liaison Officer will work closely with the Transit Office to monitor DBE participation in order to determine if mid-course corrections are needed.

Race neutral methods will include:

1. Providing technical assistance and other services to DBEs with special emphasis on marketing.
2. Providing assistance in overcoming limitations such as inability to obtain bonding or financing.
3. Providing the name, phone number and email address for additional information concerning a contract.
4. Continuing DBE supportive services program to develop and improve business management, record keeping, and financial and accounting capability for DBEs.
5. Working very closely with new start-up firms, particularly in fields in which DBE participation has been historically low.
6. Assisting DBEs to develop their capability to utilize emerging technology and conduct business through electronic media.
7. Working with prime contractors, consultants, the Florida Transportation Builders Association, and the Florida Institute of Consulting Engineers to encourage the use of DBEs.