

Section 26.45: Overall DBE 3-Year Goal Methodology on FAA-Assisted Projects

Name of Recipient: Vermont Agency of Transportation (VTTrans)

Goal Period: FY-2015-2016-2017 – October 1, 2014 through September 30, 2017

DOT-assisted contract amount:	FY-2015	\$13,644,000
	FY-2016	\$ 4,450,000
	FY-2017	<u>\$14,370,000</u>
Total		\$32,464,000

DBE 3-Year Overall Goal: (*percentage*) 4.6%

Total dollar amount to be expended on DBE's: \$1,493,344.00

Describe the Number and Type of Projects that the airport anticipates awarding:

1. E.F. Knapp (KMPV) MP & ALP Update – Preliminary Engineering - \$382,500 - FY15
2. E.F. Knapp (KMPV) Solar Hazard Beacon Replacement – Construction - \$375,000 - FY17
3. Franklin Co. (KFSO) Taxiway Access Light Sport Area – Preliminary Engineering - \$247,500 - FY15
4. Franklin Co. (KFSO) Perimeter Fencing – Construction - \$100,000 – FY16
5. Franklin Co. (KFSO) Perimeter Fencing – Construction - \$100,000 – FY17
6. Franklin Co. (KFSO) Runway Reconstruction – Right of Way - \$150,000 – FY16
7. Franklin Co. (KFSO) Runway Reconstruction – Preliminary Engineering - \$200,000 – FY17
8. Hartness (KVSF) RSA/Obstruction Study/Removal – Construction - \$225,000 – FY17
9. Hartness (KVSF) Perimeter Fencing – Construction - \$160,000 – FY16
10. Hartness (KVSF) West End Corp. Development Site – Right of Way - \$400,000 – FY16
11. Hartness (KVSF) Master Plan Update – Preliminary Engineering - \$250,000 – FY17
12. Caledonia Co. (KCDA) Avigation Easements for Approaches – Right of Way - \$270,000 – FY15
13. Caledonia Co. (KCDA) SRE Building – Preliminary Engineering - \$20,000 – FY16
14. Caledonia Co. (KCDA) SRE Building – Construction - \$300,000 – FY17
15. Caledonia Co. (KCDA) Construct 4 Bay Hangar – Preliminary Engineering - \$20,000 – FY16
16. Caledonia Co. (KCDA) Construct 4 Bay Hangar – Construction - \$150,000 – FY17
17. Middlebury (6B0) RSA with RW/TW Extensions – Preliminary Engineering - \$270,000 – FY15
18. Middlebury (6B0) RSA with RW/TW Extensions – Construction - \$2,000,000 – FY16
19. Middlebury (6B0) Avigation Easements – Right of Way - \$234,000 – FY15
20. Newport (KEFK) RW Extension Construct/Mit.– Construction - \$3,690,000 – FY15
21. Newport (KEFK) Apron Expansion Constr/Mit. – Construction - \$810,000 – FY15
22. Newport (KEFK) SRE Build. Constr/Mit. – Construction - \$675,000 – FY15
23. Newport (KEFK) Terminal Area De-ice – Prelim Eng./Construction - \$800,000 – FY17
24. Newport (KEFK) Reconstruction TW 'A' – Prelim Eng./Construction - \$3,450,000 – FY17
25. Newport (KEFK) Property Acquisition – 4 Parcels – Right of Way - \$1,000,000 – FY17
26. Newport (KEFK) Solar Hz Beacon – Design/Construct - Construction - \$375,000– FY16
27. Rutland (KRUT) RW01 RSA EMAS Bed – Construction - \$4,995,000 – FY15
28. Rutland (KRUT) Runway Extension – Construction - \$225,000 – FY15
29. Rutland (KRUT) Taxiway "E" & "D" – Construction - \$450,000 – FY15
30. Rutland (KRUT) Hazard Beacon Tower Replacement – Construction - \$530,000 – FY17
31. Rutland (KRUT) SRE Multi-Use Vehicle– Equipment - \$630,000 – FY15
32. Rutland (KRUT) SRE Multi-Use Vehicle– Equipment - \$600,000 – FY17
33. Rutland (KRUT) TW E Full Parallel TW – Perm - \$250,000 – FY16
34. Rutland (KRUT) TW E Full Parallel TW – Construction - \$1,500,000 – FY17
35. Rutland (KRUT) Terminal Area Layout – Preliminary Engineering - \$200,000 – FY17
36. W.H. Morse (KDDH) RSA with RW Reconstruction – Perm - \$225,000 – FY15

- 37. W.H. Morse (KDDH) RSA with RW Reconstruction – Construction - \$4,000,000 – FY17
- 38. Statewide MSGP Underdrain Eval & Cleaning – Construction - \$150,000 – FY17
- 39. Statewide Pavement MX – Construction - \$300,000 – FY16
- 40. Statewide Fencing – Construction - \$270,000 – FY15
- 41. Statewide Fencing – Construction - \$270,000 – FY17
- 42. Statewide Taxiway Rehabilitation – Construction - \$270,000 – FY15
- 43. Statewide Taxiway Rehabilitation – Construction - \$270,000 – FY17

Total Three Year Projected Preliminary Engineering and Construction Costs: \$ 32,464,000

Market Area: State of Vermont

Step 1: Base Figure for the Relative Availability of DBEs:

As specified in Section 26.45(c) of the DBE Regulations, the method used to calculate the relative availability of DBEs (“base figure”) for Step 1 of the goal setting process is a percentage figure calculated by dividing a number representing available DBEs by a number representing all available firms. VTTrans employed the use of our DBE directory and Census Bureau Data (Example #1) for calculating a base figure. We obtained our data and calculated the relative availability percentage in the following manner:

- We determined the number of ready, willing and able DBEs in our market from our DBE directory. Then, using the Census Bureau's County Business Pattern (CBP) database, we determined the number of all ready, willing and able businesses available in our market that perform work in the same North American Industry Classification System (NAICS) codes.
- For the purpose of setting an overall DBE goal for funds received from FAA, it was determined that our market or service area was Statewide. Data from the CBP database was filtered for the State of Vermont, and for the following twenty (20) NAICS code categories, which were determined to be applicable for contracting opportunities on our Aviation Capital Improvement Program:

NAICS Code Number:

NAICS Code Description:

236210	Industrial building construction
236220	Commercial and institutional building construction
237110	Water and sewer line and related structures construction
237130	Power and communication line and related structures construction
237310	Highway, street, and bridge construction
237990	Other heavy and civil engineering construction
238-ALL	Specialty trade contractors
541310	Architectural services
541330	Engineering services
541340	Drafting services
541350	Building inspection services
541370	Surveying, mapping (exc. geophysical) services
541430	Graphic design services
541512	Computer systems design services
541519	Other computer related services
541611	Admin & gen management consulting services
541613	Marketing consulting services
541618	Other management consulting services
541620	Environmental consulting services
541990	Other professional, scientific, and technical services, including planning

- The CBP database identified a total of 2,742 businesses ready, willing and able to perform work in the above-listed 20 NAICS code categories in Vermont. A total of 126 certified DBEs are listed in our directory that are ready, willing and able to perform work in these same 20 NAICS code categories. We divided the number of DBEs by the number of all businesses, to determine the relative availability of DBEs in our marketplace:

$$\frac{\text{Ready, willing and able DBEs (148)}}{\text{All ready, willing and able businesses (2893)}}$$

Relative Availability of DBEs in the Marketplace (126 of 2742)

4.6%

Step 2: Adjustment to Base Figure:

As specified in Section 26.45, once the relative availability of ready, willing and able DBEs in our marketplace has been determined, it is necessary to examine additional evidence and, if appropriate, make adjustments to the base figure, to ensure that our goal truly and accurately reflects the level of DBE participation we would expect absent the effects of discrimination. Accordingly, VTrans has gone beyond the formulaic measurement of current availability in Step 1, to consider and account for other evidence of conditions affecting DBEs, including past participation and trends, as well as the anticipated effect that changes in the DBE program may produce in DBE participation levels in the coming year.

VTrans has determined that no adjustment to the Step 1 Base Figure of 4.6% is warranted, after consideration of all relevant data and criteria, including the current capacity of DBEs to perform work in our FAA-assisted contracting program, as measured by the volume of work DBEs have performed in recent years, and based on the current capacity of VTrans certified DBEs.

After careful consideration of all the relevant data, evidence and criteria affecting DBE participation levels, VTrans has determined that no adjustment to the Step 1 Base Figure of 4.6% is warranted; we have, therefore, arrived at the proposed overall goal of 4.6% for FY 2015 - 2017 for our FAA-assisted contracts.

Breakout of Estimated Race Neutral (RN) and Race Conscious (RC) Participation.

26.51(b) (1-9)

VTrans will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. VTrans uses the following race-neutral means to increase DBE participation:

- Providing technical assistance and other services to DBEs, directly and via consultants, seminars, partnerships with technical assistance providers and academic institutions;
- Administering a business development program, the Vermont Business Development Program (VBDP), for certified DBEs that provides one-on-one business counseling and needs assessments, business and marketing plan development, and training and networking opportunities.
- Carrying out information and communications programs on contracting procedures and specific contract opportunities;
- Producing and distributing free How To Do Business with the Agency of Transportation Guide and other resource materials;
- Providing formal and informal training and presentations to DBEs and other contractors.

- Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs;
- Providing frequent updates to our DBEs on all bidding and subcontracting opportunities;
- Conducting periodic user surveys and needs assessments to better determine DBE needs (e.g., training, financing, etc.) and to obtain better contact info;
- Producing and distributing an electronic newsletter that showcases successful DBEs, introduces new DBEs, provides a calendar of events, and many web links to contracting and business development resources.
- Ensuring distribution of our DBE Directory, through print and electronic means, to the widest feasible universe of potential prime contractors, including mail distribution to all potential prime bidders, and widespread distribution at conferences, expos, and seminars;
- Developing and delivering small business training and networking opportunities, including the annual Government Contracting Conference, the annual Women's Economic Opportunity Conference, matchmaker events, etc.;
- Assisting DBEs to develop their capability to utilize emerging technology and conduct business through electronic media, and utilizing our website to disseminate information, including our Directory, bid opportunities, updated information on Part 26, and useful links;
- Providing services to help DBEs improve long-term development, increase opportunities to participate in a variety of different kinds of work, handle increasingly significant projects, successfully compete as prime contractors, and achieve eventual self-sufficiency;
- Serving on the Advisory Council of the Vermont Women's Business Center (VWBC), and supporting the VWBC's mission through collaborative efforts and sponsorship of training programs;
- Providing assistance in overcoming limitations such as an inability to obtain bonding or financing, and identify and eliminate other barriers to contracting with the VT Agency of Transportation;
- Networking with local, state and federal agencies, non-profits, academic and business communities to obtain maximum partnering opportunities and resources, and develop comprehensive resource and referral network with technical assistance and service providers;
- Coordinating with other state DBE Liaison Officers, to ensure certification reciprocity and to maximize interstate contracting opportunities; and
- Assisting DBEs to establish prequalification status.

The recipient estimates that in meeting its overall goal 4.6%, it will obtain 1.6% from RN participation and 3.0% through RC measures. This breakout is based on the following:

- In general, VTrans has successfully administered a race and gender neutral DBE Program since 1999, and has been able to meet and exceed all DBE overall goals on FHWA and FTA assisted projects by employing effective strategies described above to promote the use of DBEs on federally assisted contracts.
- DBE participation on FAA-assisted projects has fluctuated dramatically in recent years: 19.35% for FY 2011, 9.32% for FY 2012, and less than 1% for FY 2013. This fluctuation has less to do with the actual dollar volume of DBE participation, as much as the percentage of work going to DBEs. As the VTrans AIP has increased dramatically in recent years, the level of DBE participation has not kept pace. By mandating DBE participation through project specific goals, particularly on the larger construction projects, VTrans can assure an appropriate level of DBE participation is obtained during the FY 2015 - 2017 three year cycle.
- Many of the FAA-assisted VTrans projects utilize the same or similar contractors, including DBEs, as are active on FHWA-assisted projects. While DBE participation on FHWA-assisted projects has remained stable with an eight year median of 6.45% through FY 2013, the same has not been true on FAA assisted projects.
- During the FY 2015 – 2017 three year cycle, VTrans will do extensive outreach and training to ensure that DBEs learn of all FAA-assisted contracting opportunities, and to encourage DBE participation in all business development, matchmaking and networking events.

The recipient will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation (see Section 26.51(f)) and track and report RN and RC participation separately. For reporting purposes, RN DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract obtained through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry a DBE goal, DBE participation on a prime contract exceeding a contract goal and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

Public Participation

Consultation: Section 26.45(g) (1)

VTrans avails itself of a variety of techniques to comply with the goal setting provisions for participation by disadvantaged business enterprises (DBEs) in its DOT-assisted contracting program, as required by Section 26.45 of the DBE Regulations.

VTrans has solicited ideas and suggestions for developing and implementing overall goals by inviting input from the women, minority, and general contracting community. In keeping with our past process, we utilize a collaborative and inclusive approach to formulating a goal setting methodology, which includes a series of open meetings with industry and community groups, and prime and DBE contractors and consultants.

Information concerning the purpose and elements of the DBE Program are widely disseminated in writing, and through a series of presentations and public meetings involving a diverse range of individuals and organizations, including our currently certified DBEs, our non-DBE contractors and consultants, the Associated General Contractors of Vermont, the American Council of Engineering Consultants, the Vermont Commission on Women, the U.S. Small Business Administration, the Vermont Public Transportation Association, the Vermont Procurement Technical Assistance Center, the Vermont Agency of Commerce and Community Development, the Vermont Women's Business Center, the Vermont Small Business Development Centers, the Vermont Community Action Agencies, the Vermont Department of Labor, the Micro Business Development Program, the Women's Small Business Program, Vermont Works for Women (formerly Northern New England Tradeswomen), Vermont Chambers of Commerce,

Vermont Regional Planning Commissions, the Chittenden County Regional Planning Commission, public transit providers and various towns and municipalities.

Feedback from these individuals and organizations includes information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the scope and effectiveness of VTrans' efforts to establish a level playing field for the participation of DBEs.

The overall goal for each of our USDOT-assisted contracting programs is established through an ongoing dialogue with all our stakeholders and represents an informed consent by stakeholder groups.

In accordance with the requirements of 49 CFR Part 26, Section 26.45 VTrans will publish the goal in various media to solicit public comment, per the following proposed Public Notice:

PUBLIC NOTICE

Vermont Agency of Transportation Disadvantaged Business Enterprise (DBE) Overall Annual Goal on FAA-Funded Projects For Fiscal Years October 1, 2014 through September 30, 2017

Pursuant to US Department of Transportation regulations contained in 49 Code of Federal Regulations, Part 26, all state transportation agencies receiving Department of Transportation financial assistance must establish overall percentage goals for the dollar value of work to be awarded disadvantaged businesses. This action has been deemed necessary in order to provide these businesses with a level playing field to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds. The Vermont Agency of Transportation is a recipient of US Department of Transportation financial assistance, and hereby establishes the following goal in accordance with these regulations:

In FY 2015 – FY 2017, the Vermont Agency of Transportation intends to expend 4.6% of the federal financial assistance received from the Federal Aviation Administration with small business concerns owned and controlled by socially and economically disadvantaged individuals (DBEs). The Vermont Agency of Transportation estimates that, in meeting our overall goal of 4.6%, we will obtain 1.6% from race-neutral participation and 3% through race-conscious measures.

Individuals who are interested in becoming a certified disadvantaged business enterprise in Vermont should contact:

Vermont Agency of Transportation
Office of Civil Rights & Labor Compliance
One National Life Drive
Montpelier, VT 05633-5001
Telephone: (802) 828-2717

A description of the methodology used in establishing this goal **can be viewed for 30 days** following the date of this notice during normal business hours at the above address. It is also available for viewing on our website: <http://vtranscivilrights.vermont.gov/doing-business/dbe-center/program-goals>

Comments pertaining to this overall goal will be accepted at the above referenced address for a period of forty-five days beginning on the date of publication of this notice. Comments will also be accepted by the FAA Office of Civil Rights DBE Program, 1701 Columbia Avenue, C190 Stop 151, College Park, GA 30337. Attention: Keturah Pristell, FAA DBE & ACDBE Compliance Specialist, Eastern (AEA) & New England (ANE) Regions.

Additional information about our DBE Program, including our current DBE Registry, certification application, resource guides and links to other small business resources can be obtained by visiting the DBE page of our website at: <http://vtranscivilrights.vermont.gov/doing-business/dbe-center>

All firms, both DBE and non-DBE, are invited to contact the Vermont Agency of Transportation for information regarding bidding opportunities on federally funded projects.

Dated July 31, 2014 at Montpelier, Vermont

Contract Goals

The recipient will use contract goals to meet any portion of the overall goal that the recipient does not project being able to meet using RN means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of the recipient's overall goal that is not projected to be met through the use of RN means.

The recipient will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. It need not establish a contract goal on every such contract, and the size of the contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work and availability of DBE's to perform the particular type of work).

We will express our contract goals as a percentage of the Federal share of a DOT-assisted contract.