

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

**Name of Recipient:** Vermont Agency of Transportation (VTrans)

**Goal Period:** FY-2018-2019-2020 – October 1, 2017 through September 30, 2020

<b>DOT-assisted contract amount:</b>	FY-2018	\$6,967,500
	FY-2019	\$17,117,000
	FY-2020	<u>\$16,090,000</u>
<b>Total</b>		\$40,174,500

**DBE 3-Year Overall Goal:** (percentage) 1.75%

**Total dollar amount to be expended on DBE's:** \$703,053.75

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

### **Contracts FY18**

1. Franklin Co. (KFSO) Avigation Easements – Right of Way - \$150,000 – FY18
2. Franklin Co. (KFSO) Taxiway Access Hangar area – Preliminary Engineering - \$275,000 – FY18
3. Franklin Co. (KFSO) Taxiway Access Hangar area – Construction - \$1,500,000 – FY18
4. Hartness (KVSF) Avigation easements – Right of Way - \$600,000 – FY18
5. Caledonia Co. (KCDA) Avigation Easements – Right of Way - \$300,000 – FY18
6. Caledonia Co. (KCDA) Master Plan update/ALP – Preliminary Engineering - \$137,500 – FY18
7. Caledonia Co. (KCDA) Environmental Assessment – Preliminary Engineering - \$200,000 – FY18
8. Middlebury (6B0) Instrument Approach Procedure Study – Preliminary Engineering - \$150,000 – FY18
9. Middlebury (6B0) Airport Lighting/Obst. Study – Preliminary Engineering - \$150,000 – FY18
10. Newport (KEFK) Fuel Farm – Construction - \$150,000 – FY18
11. Newport (KEFK) Solar Hz Beacon – Design/Construct - Construction - \$375,000– FY18
12. Rutland (KRUT) SRE Plow/Sweeper Vehicle – Equipment - \$160,000 – FY18
13. Rutland (KRUT) SREB Extension – Preliminary Engineering - \$120,000 – FY18
14. Rutland (KRUT) SREB Extension – Construction - \$480,000 – FY18
15. Rutland (KRUT) Fencing – Construction/PE - \$300,000 – FY18
16. Rutland (KRUT) Terminal/SREB Area Layout – Preliminary Engineering - \$300,000 – FY18
17. W.H. Morse (KDDH) Fuel farm – Preliminary Engineering - \$33,000 – FY18
18. W.H. Morse (KDDH) Fuel farm – Construction - \$167,000 – FY18
19. W.H. Morse (KDDH) Apron Reconstruction – Preliminary Engineering - \$120,000 – FY18
20. W.H. Morse (KDDH) Apron Reconstruction – Construction - \$1,000,000 – FY18
21. Statewide Pavement MX – Construction - \$300,000 – FY18

### **Contracts FY19**

22. E.F. Knapp (KMPV) Hangar Construction – Preliminary Engineering - \$80,000 - FY19
23. E.F. Knapp (KMPV) Hangar Construction – Construction - \$150,000 - FY19
24. Franklin Co. (KFSO) RW Recon W/600'-400'Ext./obs removal/vault/seg circle/PAPI – Preliminary Engineering - \$300,000 – FY19
25. Franklin Co. (KFSO) RW Recon W/600'-400'Ext./obs removal/vault/seg circle/PAPI – Construction - \$3,850,000 – FY19

26. Caledonia Co. (KCDA) Taxiway Reconstruction/Fix Parallel – Preliminary Engineering - \$160,000 – FY19
27. Caledonia Co. (KCDA) Taxiway Reconstruction/Fix Parallel – Construction - \$1,600,000 – FY19
28. Caledonia Co. (KCDA) Runway Reconstruction/RSA Improvement – Preliminary Engineering - \$340,000 – FY19
29. Caledonia Co. (KCDA) Runway Reconstruction/RSA Improvement – Construction - \$7,000,000 – FY19
30. Morrisville (KMVL) RSA/600' RW ext./RW improvements – Preliminary Engineering - \$150,000 – FY19
31. Morrisville (KMVL) RSA/600' RW ext./RW improvements – Construction - \$900,000 – FY19
32. Morrisville (KMVL) Fuel Farm – Preliminary Engineering - \$50,000 – FY19
33. Morrisville (KMVL) Fuel Farm – Construction - \$400,000 – FY19
34. Newport (KEFK) Obs. Study/EA – Preliminary Engineering - \$220,000 – FY19
35. Newport (KEFK) Fuel Farm – Construction - \$50,000 – FY19
36. Newport (KEFK) SRE – Equipment - \$400,000 – FY19
37. Rutland (KRUT) Hazard Beacon Solar Replacement – Construction - \$530,000 – FY19
38. Rutland (KRUT) SRE Plow/Sweeper Vehicle – Equipment - \$167,000 – FY19
39. Rutland (KRUT) Fencing – Construction/PE - \$300,000 – FY19
40. W.H. Morse (KDDH) Fuel farm – Preliminary Engineering - \$33,000 – FY19
41. W.H. Morse (KDDH) Fuel farm – Construction - \$167,000 – FY19
42. Statewide Fencing – Construction - \$270,000 – FY19

#### **Contracts FY20**

43. E.F. Knapp (KMPV) Hangar Construction – Construction - \$150,000 – FY20
44. Franklin Co. (KFSO) Fuel Farm – Preliminary Engineering - \$50,000 – FY20
45. Franklin Co. (KFSO) Fuel Farm – Construction - \$400,000 – FY20
46. Hartness (KVSF) RSA Construction/obs removal (15 acres) – Preliminary Engineering - \$400,000 – FY20
47. Hartness (KVSF) RSA Construction/obs removal (15 acres) – Construction - \$5,000,000 – FY20
48. Hartness (KVSF) 5-23 Reconstruction – Preliminary Engineering - \$200,000 – FY20
49. Hartness (KVSF) 5-23 Reconstruction – Construction - \$1,200,000 – FY20
50. Hartness (KVSF) Hangar/Apron Area Improvements – Preliminary Engineering - \$350,000 – FY20
51. Middlebury (6B0) Airport Lighting Construction – Preliminary Engineering - \$150,000 – FY20
52. Middlebury (6B0) Airport Lighting Construction – Construction - \$750,000 – FY20
53. Morrisville (KMVL) Parallel TW/Apron – Preliminary Engineering - \$400,000 – FY20
54. Morrisville (KMVL) Parallel TW/Apron – Construction - \$4,000,000 – FY20
55. Newport (KEFK) RW 5-23 Rehabilitation/Obs. Removal – Preliminary Engineering - \$150,000 – FY20
56. Newport (KEFK) RW 5-23 Rehabilitation/Obs. Removal – Construction - \$1,500,000 – FY20
57. Rutland (KRUT) ARFF Upgrade – Preliminary Engineering - \$200,000 – FY20
58. Rutland (KRUT) SRE Plow/Sweeper Vehicle – Equipment - \$30,000 – FY20
59. Rutland (KRUT) Master Plan Update – Preliminary Engineering - \$110,000 – FY20
60. Rutland (KRUT) Fencing – Construction/PE - \$300,000 – FY20
61. Rutland (KRUT) Obstruction Analysis/EA – Preliminary Engineering - \$300,000 – FY20
62. W.H. Morse (KDDH) Fuel farm – Preliminary Engineering - \$33,000 – FY20
63. W.H. Morse (KDDH) Fuel farm – Construction - \$117,000 – FY20
64. Statewide Pavement MX – Construction - \$300,000 – FY20

**Total Three Year Projected Preliminary Engineering and Construction Costs: \$ 40,174,500**

**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. VTrans 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:

<u>NAICS Code Number:</u>	<u>NAICS Code Description:</u>
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 2,698 businesses ready, willing and able to perform work in the above-listed 20 NAICS code categories in Vermont. A total of 151 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:

Ready, willing and able DBEs (151)  
**All ready, willing and able businesses (2698)**

**Relative Availability of DBEs in the Marketplace (151 of 2698)**

**5.6%**

## 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, capacity limits, and the impact of other specific factors requiring the narrow tailoring of the DBE program.

To arrive at the proposed overall goal of 1.75%, the Step 1 Base Figure of 5.6% was adjusted downward, based on the following data and criteria:

### Past DBE Participation and Capacity Limits of DBEs:

- **Current capacity of DBEs and ACDBEs to perform work in our FAA-assisted contracting program, as measured by the volume of work DBEs and ACDBEs have performed in recent years:** VTrans has analyzed data reflecting DBE participation and trends on FAA-funded projects in recent years. For the past five years, the median DBE goal attainment is 1.57%:

<u>Federal Fiscal Year</u>	<u>DBE Goal Attainment</u>
FY 2013	0.08%
FY 2015	1.10%
FY 2016	1.57%
FY 2014	1.81%
FY 2012	<u>9.32%</u>
Five Year Median:	1.57%

Using the approach approved by USDOT's General Counsel, we have averaged our 5 Year Past Participation Median Figure of 1.57% with our Step One Base Figure of 5.6% to arrive at an average of 3.59%:

Five Year Median Figure:	1.57%
Step One Base Figure:	5.6%
Average:	3.59%

During the past three year period (FY 2014 – FY 2016), DBEs have remained active in VTrans' AIP Program, performing work as subcontractors and sub-consultants in a diverse range of work categories, including survey, airport markings and runway layout, environmental consulting, materials and supplies, and construction inspection. Unfortunately, however, the DBEs that are available and actively working in our region lack the capacity and expertise to perform much of the work that has been contracted and awarded in the past three years and is projected to be contracted and awarded over the next three years (FY 2018 to FY 2020). Despite the good faith efforts of VTrans and its prime contractors and consultants, the average DBE attainment of FAA-funded projects for the past three years is 1.49%. Recent attainment levels support a downward adjustment to 1.75%, as do our DBE participation trends, particularly as measured by dollar volume. As FAA funding has increased in recent years, VTrans DBEs have not demonstrated a comparable growth in capacity, as evidenced by the significant decline in the dollar volume of DBE participation. Within the past three years, DBE participation, as measured by dollar volume, has decreased 62%, from \$116,300 in FY 2014 to a low of \$44,032 in FY 2016.

<u>Federal Fiscal Year</u>	<u>DBE Participation By Dollar Volume</u>
FY 2014	\$116,300
FY 2015	\$71,391
FY 2016	\$44,032

This significant decline in DBE participation as measured by dollar volume is believed to be primarily because our currently certified DBEs lack the capacity and expertise to work on the size and type of the contracts being awarded in the AIP program. This has been particularly evident in the lack of DBE primes. The number of VTrans DBEs actively bidding and winning prime contracts has always been modest, and the number has significantly declined in the past several years, based upon the size and complexity of the work being undertaken.

**Location and Actual Availability of DBEs:**

The Step 1 Base Figure of 5.6% was calculated by identifying 151 DBEs in the VTrans DBE Program that are certified to perform work in the 20 NAICS code categories that we have determined are applicable for contracting opportunities in our AIP. These 151 DBEs were then compared to the total number of firms (2,698) in Vermont that are available to perform work in the 20 NAICS code categories according to the U.S. Census Bureau’s County Business Pattern’s database, which served as the denominator. However, using 151 as our numerator and treating all 151 DBEs as “ready, willing and able” to work on our projects in Vermont is arguably a flawed analysis, since more than 75% of the 151 DBEs are not based in Vermont or truly “ready, willing and able” to work on our projects, compared to the 2,698 firms that are all located in Vermont. Only 33 of the 151 DBE firms (21.8%) are home-based in Vermont, and more than 60% of the remaining 118 firms are located at least 500 miles away from Vermont, with a very low likelihood of bidding or working on projects in Vermont, due to mobilization expense, etc. If we recalculated our relative availability of DBEs to those based in a geographic proximity of 500 miles from Vermont, it would produce a much lower Step 1 Base Figure of 2.97% (80 of 2,698 total firms).

**Other Step 2 Adjustment Factors:**

VTrans has considered several other potential Step 2 adjustments to the base figure before concluding the analysis:

- **Disparity Studies:** There has been no known disparity study performed in Vermont, New Hampshire, or Maine for any public agency or private sector company.
- **Statistical Disparities in the Ability of DBEs to Get the Financing, Bonding, and Insurance Required to Participate in the VTrans DBE Program:** VTrans has not collected and analyzed this data related to airport contracts. VTrans offers training, mentoring, and one-on-one business coaching to its DBEs through the VTrans Business Development Program, and partners with the Small Business Administration and other agencies to promote accessible financing, bonding, and insurance to all certified DBEs. This has not been identified as a barrier to contracting and procurement opportunities for DBEs in Vermont.
- **Data on Employment, Self-Employment, Education, Training and Union Apprenticeship Programs, to the Extent They Relate to the Opportunities for DBEs to Perform in the VTrans DBE Program:** VTrans has not collected and analyzed this data related to airport contracts. Through the VTrans Business Development Program, DBEs are assessed for training needs, and VTrans funds DBE training to remove barriers, build capacity, and enhance critical business skills.

Based on all the additional data, evidence and criteria affecting DBE participation levels, as described above, VTrans has adjusted the Step 1 Base Figure of 5.6%, to arrive at the proposed overall goal of 1.75% for FY 2016 – FY 2018.

**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, including the weekly use of Constant Contact to provide information and links on all new Invitations to Bid and RFP's;
- 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;

- 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.

In addition to the above-described race-neutral means that VTrans already employs to increase DBE participation, we propose implementing and expanding our efforts in the following ways:

- Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low. We propose working within our organization and with the transportation industry to identify new and/or emerging businesses, with a particular focus on areas which will be critical to the industry in the next decade. We will then actively pursue the creation of businesses that can perform and develop expertise in these emerging areas.
- Providing more one-on-one business counseling services to our DBEs;
- Ensuring that our prime contractors consider the use of DBEs in all possible work categories, by providing quick reference guides detailing the expertise and capacities of our DBEs;
- Providing frequent updates to our DBEs on all bidding and subcontracting opportunities; and
- Providing more effective outreach with minority businesses.

The recipient estimates that in meeting its overall goal 1.75%, it will obtain .75% from RN participation and 1.0% through RC measures. This breakout is based on the following:

- DBE participation on FAA-assisted projects has significantly declined in recent years, with a five year median of 1.57%, and an average DBE attainment of 1.49% for the past three years. As the VTrans AIP has increased dramatically in recent years, the level of DBE participation has not kept pace, due in large part to the lack of capacity and expertise of the DBEs that were previously active in the program. 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 2018 - 2020 three year cycle.
- During the FY 2018 – 2020 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 has availed itself of a variety of techniques to comply with the goal setting provisions for participation by disadvantaged business enterprises (DBEs) and airport concessionaire DBEs (ACDBEs) in its FAA-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 have utilized a collaborative and inclusive approach to formulating a goal setting methodology, which has included a series of open meetings as well as scheduled, direct, and interactive exchanges with industry and community groups, and prime and DBE contractors and consultants.

Information concerning the purpose and elements of the DBE Program were 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 - Vermont Chapter, 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 Partnership for Fairness and Diversity, 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), the Vermont Refugee Resettlement Program, Vermont Chambers of Commerce, Vermont Regional Planning Commissions, the Vermont League of Cities and Towns, the University of Vermont Transportation Research Center, regional planning commissions, transit providers and various towns and municipalities.

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

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, 2018 through September 30, 2020**

Pursuant to US Department of Transportation regulations contained in 49 Code of Federal Regulations, Part 26, and 49 Code of Federal Regulations, Part 23, 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 2018 – FY 2020, the Vermont Agency of Transportation intends to expend 1.75% 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) and airport concession DBEs (ACDBEs). The Vermont Agency of Transportation estimates that, in meeting our overall goal of 1.75%, we will obtain .75% from race-neutral participation and 1.0% 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) 828-2644

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://vtrans.vermont.gov/civil-rights/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, Western-Pacific Regional Office, P.O. Box 92007, AWP-9, Los Angeles, CA 90009-2007. Attention: Thomas Knox, FAA DBE & ACDBE Program Compliance Specialist, New England (ANE) Region.

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://vtrans.vermont.gov/civil-rights/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 21, 2017 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.