

ATTACHMENT 6

SECTION 26.45: OVERALL GOAL CALCULATION - DBE 3-YEAR GOAL METHODOLOGY

Name of Recipient: Rosebud County - Tillitt Field (Forsyth Airport)

Goal Period: FY-2018 through 2020

FAA-Assisted contract amount: FY-2018 \$0

FY-2019 \$166,500

FY-2020 \$405,000

DBE FY 2018 Goal: 0.00% Race Neutral

DBE FY 2019 Goal: 2.07% Race Neutral

DBE FY 2020 Goal: 7.77% Race Neutral

Overall Three-Year Goal: 4.92%, to be accomplished through 0.0% RC and 4.92% RN
(Note: the goal(s) reflects weighting and an average per calculations below)

Total dollar amount to be expended on DBE's: \$28,118

Projects that the sponsor anticipates awarding:

Projects Fiscal Year 2018

1. No projects.

Projects Fiscal Year 2019

1. Project No. 1 Acquire Avigation Easement for RPZs

Projects Fiscal Year 2020

1. Project No. 1 Construct Wildlife Fence

Market Area: The market area is the State of Montana, in which the majority of the Sponsor's contractors and subcontractors that seek to do business with the Airport are located and the area in which the Sponsor spends the majority of its contracting dollars.

Step 1. 26.45(c) Actual relative availability of DBE's

The base figure for the relative availability of DBEs was determined by using DBE Directories and Census Bureau Data. The base figure for the relative availability was calculated as follows:

Method: Use DBE Directories

MDT DBE Directory <https://app.mdt.mt.gov/dbe/dbe/search> and

U.S. Census Bureau Data <http://www.census.gov/econ/snapshots/index.php>

The following information was used for the projects to be awarded in FY 2019.

Project No. 1 - Acquire Avigation Easements for RPZs

NAICS #	Type of Work	Total DBE's	Total All Firms
541330	Engineering	9	348
Total:		9	348
Base Figure Project No. 1		2.59%	

The following information was used for the projects to be awarded in FY 2020.

Project No. 1 - Construct Wildlife Fence

NAICS #	Type of Work	Total DBE's	Total All Firms
238990	All Other Specialty Trade Contractors	8	209
541330	Engineering	9	348
Total:		17	557
Base Figure Project No. 1		3.05%	

The Base Figure was derived by dividing the total number of DBE's by the total number of All Firms for each project.

Base figure = 3.05% of all firms ready, willing and able.

The data source or demonstrable evidence used to derive the numerator was the Montana Department of Transportation's DBE Directory. The data source or demonstrable evidence used to derive the denominator was the US Census Bureau.

Step 1 Base Figure Weighting

FY2019

A	B	C	D	E	F	G	H	I	J
Project Name	Trade Description	NAICS Description	NAICS	Federal Funds (\$)	% of Project Total Cost	Census	DBE Directory	DBE (%) (= H/G)	DBE (\$) (=E x I)
Project #1 - Acquire Avigation Easements for RPZs	Design / Constr Mgmt	Engineering	541330	\$45,000	81.82%	348	9	2.59%	\$1,164
	Survey	Survey and Mapping	541370	\$10,000	18.18%	66	3	4.55%	\$455
TOTAL PROJECT #1				\$55,000	100.00%	414	12	2.90%	\$1,618

FY2020

A	B	C	D	E	F	G	H	I	J
Project Name	Trade Description	NAICS Description	NAICS	Federal Funds (\$)	% of Project Total Cost	Census	DBE Directory	DBE (%) (= H/G)	DBE (\$) (=E x I)
Project #1 - Construct Wildlife Fence	Construct Fencing	All Other Specialty	238990	\$340,000	83.95%	209	8	3.83%	\$13,014
	Design / Constr Mgmt	Engineering	541330	\$65,000	16.05%	348	9	2.59%	\$1,681
TOTAL PROJECT #1				\$405,000	100.00%	557	17	3.05%	\$14,695

Weighting can help ensure that the Step 1 Base Figure is as accurate as possible. In order to weight the relative DBE availability, the Sponsor reviewed dollar amounts by work type anticipated to be awarded.

After weighting the goal by work type, the Step 1 Base Figure is calculated at 2.90% and 2.59% DBE availability for FY2019 and FY2020, respectively.

Step 2. 26.45(d): Adjustments to Step 1 base figure.

After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what adjustment was needed to the base figure in order to arrive at the overall goal.

Past History Participation

In reviewing past DBE participation on projects at the Ricks Field (Forsyth Airport) for FY 2015 thru FY 2017, there was not enough historical data to make an adjustment to the Step 1 base figure. Within the last five years, there were only projects with DBE Goals conducted in FY 2015 and FY 2016.

Evidence from Disparity Studies

The Montana Department of Transportation (MDT) engaged a consultant (Keen Independent) to conduct an Availability and Disparity Study, which focused on participation of minority- and women-owned firms in MDT's contracts from October 2009 through September 2014. The Study was completed in July of 2016. Although this Study did not examine contracts using Federal Aviation Administration (FAA) funds; agencies might review information in the report regarding DBE availability as they relate to operating the Program for FAA-funded contracts. Since contractors that participated on MDT road construction and design contracts during the Study period are in most cases the same contractors that are awarded FAA-funded contracts, DBE availability data from the 2016 Disparity Study was compared to the project's work types.

FY2019

Work Type	# DBE Firms	# of Total Firms	DBE Availability	Estimated Dollar Value	% of Total Contract	Weighted DBE Availability
Surveying and mapping	1	55	1.82%	\$ 10,000	6.01%	0.11%
Engineering	3	72	4.17%	\$ 45,000	27.03%	1.13%
Other	0	0	0.00%	\$ 111,500	66.97%	0.00%
Total	4	127	3.15%	\$ 166,500	100.00%	1.24%

FY2019 DBE Goal Based on Type of Work Awarded through MDT Statewide = 1.24%

FY2020

Work Type	# DBE Firms	# of Total Firms	DBE Availability	Estimated Dollar Value	% of Total Contract	Weighted DBE Availability
Installation of guardrails, fencing or signs	6	42	14.29%	\$ 335,000	82.72%	11.82%
Trucking and hauling	3	112	2.68%	\$ 5,000	1.23%	0.03%
Surveying and mapping	1	55	1.82%	\$ 5,000	1.23%	0.02%
Engineering	3	72	4.17%	\$ 60,000	14.81%	0.62%
Total	13	281	4.63%	\$ 405,000	100.00%	12.49%

FY2020 DBE Goal Based on Type of Work Awarded through MDT Statewide = 12.49%

When applying data from the Disparity Study, the overall DBE availability increased. This is because one NAICS code can cover a lot of work types whereas the Disparity Study further refined the work types, which allows the reporting of firms that are ready, willing, and able to conduct the specific work that is anticipated at the Ricks Field (Forsyth Airport). Because the data from the Disparity Study has more refined work types, Rosebud County elected to use this Step 2 adjustment.

To arrive at a FY2018-2020 overall DBE goal with relation to the MDT Disparity Study, we added our Step 1 weighted base figure with our Step 2 anticipated contracts and disparity study adjustment figures and then averaged the total arriving at an overall goal of 4.92% ($3.05 + 12.68 = 15.73 / 2 = 4.92$).

To arrive at a FY2018-2020 overall DBE goal with relation to the MDT Disparity Study, we added our Step 1 weighted base figure with our Step 2 anticipated contracts and disparity study adjustment figures and then averaged the total arriving at yearly goals of 2.07% ($2.90 + 1.24 / 2$) and 7.77% ($3.05 + 12.49 / 2$) for FY 2019 and FY2020, respectively and an overall goal for FY2018-2020 of 4.92% ($2.07 + 7.77 / 2 = 4.92\%$).

We feel the adjusted goal figure of 4.92% will accurately reflect DBE participation that can be achieved for the type of work being awarded during FY2018-2020.

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

26.51(b)(1-9)

Per 49 CFR Section 26.51, the Federal DBE Program requires state and local transportation agencies to meet the maximum feasible portion of their overall DBE goals using race- and gender-neutral measures. Race- and gender-neutral measures are initiatives that encourage the participation of all businesses, or all small businesses, and are not specifically limited to MBE/WBEs or DBEs.

The 2016 Disparity Study indicated that race- and possibly gender-conscious means may need to be implemented for the portion of the overall goal that cannot be met solely through race neutral measures. However, to comply with 49 CFR 26.51, where the maximum feasible portion of the overall DBE goal must be met through race-and gender-neutral measures, Rosebud County proposes to meet the overall goal solely through race neutral measures. In order to meet the overall 4.92% DBE goal, Rosebud County is committed to implementing race neutral measures that encourage small business and DBE participation. Race- and gender-neutral steps include:

- A Quote Request System that allows prime contractors to solicit bids from DBE firms.
<https://app.mdt.mt.gov/dbeqt/>
- Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE, and other small businesses, participation;
- Unbundling of large contracts;
- Subcontract work the prime contractor may self-perform;
- Provide bonding or financing assistance
- Provide technical assistance,

- Carrying out information and communications programs on contracting procedures and specific contract opportunities;
- Ensuring distribution of MDT's DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors;

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;
- 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).

Before establishing the FY2018-2020 goal, Rosebud County provided for consultation and publication of the proposed DBE goal. Firms listed on a State-wide DBE list who could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the County's efforts to establish a level playing field for the participation of DBEs, were sent a meeting announcement via e-mail with the DBE Goal and instructions on how to attend. MDT's Disadvantaged Business Enterprise Program staff department provided the State-wide DBE list for e-mailing. The consultation was provided by teleconference on July 25, 2017 at 2:00 pm. MDT sent out a notification of invitation to attend the consultation.

Two DBE firms participated in the consultation teleconference; however, neither one commented on the methodology used to calculate the overall goal.

Following the consultation, we published a notice of the proposed overall goal on Rosebud County's website, informing the public that the proposed goal and its rationale were available for inspection during normal business hours at the County Courthouse for 30 days following the date of the notice, and informing the public that Rosebud County would accept comments on the goals for 30 days from the date of the notice.

Comments were to be sent to the Airport's DBELO Robert E. Lee.

The following comments were received:

This section will be updated after the 30-day comment period.

PUBLIC NOTICE (Published)

Rosebud County hereby announces its FY2018-2020 overall goal of 4.92% for Disadvantaged Business Enterprise (DBE) airport construction projects. The proposed goal and rationale is available for inspection Monday - Friday during normal business hours (8 AM - 5 PM) at the Rosebud County Courthouse for 30 days from the date of this publication.

Comments on the DBE goal will be accepted for 30 days from the date of this publication and can be sent to the following:

Robert E. Lee, Chairman
Rosebud County Commission
1200 Main Street
PO Box 47
Forsyth, MT 59327
rcc@rosebudcountymt.com

and

Sonia G. Cruz
Compliance Specialist
Office of Civil Rights - ACR-4
Federal Aviation Administration
Sonia.cruz@faa.gov

We will express our contract goals as a percentage of the Federal share of a DOT-assisted contract. Based on the guidance we have received and forwarded to all of the airports, we will use a Race Neutral Goal as follows:

4.92% Overall DBE Goal for FY2018-2020

We will establish contract goals only on those FAA-Assisted contracts that have subcontracting possibilities. We need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work).

For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry 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.

DBE participation will be counted towards meeting a goal only after successful completion of their contracted work items. The items used must be bona fide contract work items and actually performed by the DBE and their own work force.