Federal Transit Administration (FTA) Triennial DBE Goal-Setting Methodology for FFY 2021 – FFY 2023 (October 1, 2020 – September 30, 2023)

Submitted in accordance with:

Title 49 Code of Federal Regulations Part 26
(49 CFR Part 26)
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1. **Introduction**

Pursuant to Title 49 Code of Federal Regulations (CFR) Part 26 “Participation by Disadvantaged Business enterprises in Department of Transportation Financial Assistance Programs”, the Fairbanks North Star Borough Transportation Department (FNSBDOT) sets forth its Triennial Disadvantaged Business Enterprise (DBE) Goal and corresponding goal-setting methodology for the three-year Federal Fiscal Year (FFY) goal period of 2021-2023 (October 1, 2020 through September 30, 2023). The purpose of the DBE goal setting process is to ensure nondiscrimination in the award and administration of U.S. Department of Transportation (DOT)-assisted contracts, to create a level playing field on which DBEs can compete fairly for those contracts, and to ensure that DBE Program is narrowly tailored in accordance with applicable law.

FNSBDOT’s 2021-2023 FTA DBE Goal is **2% Race-Neutral**

2. **Background**

FNSBDOT is a recipient of U.S. DOT Federal Transit Administration (FTA) funding in excess of $250,000. As a condition of receiving this financial assistance, FNSBDOT has assured that it will comply with FTA’s DBE requirements. Therefore, in accordance with 49 CFR § 26.45 (a) (1), FNSBDOT is required to develop and submit a Triennial Overall DBE goal for its DOT-assisted projects.

3. **DOT-Assisted Contracting Program for FFY 2021-2023**

Table 1 represents FNSBDOT’s DOT-assisted contracting program, which consist of projects considered in preparing this goal methodology. These projects are anticipated to be awarded during the triennial period, excluding contracts for purchase of transit vehicles, which are not subject to this goal-setting process [1]. Additional projects may be undertaken if additional revenue becomes available; the overall DBE goal will be adjusted if necessary.

Table 1. FNSB DOT-assisted contracting projects anticipated to be awarded during the triennial period

<table>
<thead>
<tr>
<th>Project Name/Description</th>
<th>Estimated Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1 CMAQ Shelters Constructions/Property</td>
<td>$339,930</td>
</tr>
<tr>
<td>C2 CMAQ CNG Infrastructure</td>
<td>$2,175,722</td>
</tr>
<tr>
<td>C3 Transit Facility Phase II</td>
<td>$13,004,179</td>
</tr>
<tr>
<td>C4 Transit Admin &amp; Maintenance Facility Design</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>C5 Transit Admin &amp; Maintenance Facility</td>
<td>$13,500,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$31,519,831</strong></td>
</tr>
</tbody>
</table>
4. **Overall DBE Goal Methodology**

**STEP 1 – Determining the Base Figure**

The base figure was initially calculated using the relative availability of DBEs vs the relative availability of non-DBE firms within the Fairbanks North Star Borough for the types of contracts we anticipated awarding. In the past a larger geographical area has been used for determining this figure, but during the previous years we did not see any participation from firms located outside the Borough.

The weighted base figure was developed by:

1) Using the State of Alaska Unified Certification Program Directory to identify the number of registered DBEs willing to perform work in the Fairbanks North Star Borough market \[2\] for each of the anticipated contracts, based on the NAICS (North American Industry Classification System) codes most relevant to each contract. Data was collected in January 2021.

2) Using the 2018 data collected from the Countywide Business Patterns (CBP) identify the total number of businesses available in the Fairbanks North Star Borough for work on each contract, based on the same NAICS codes.

3) Dividing the number of DBEs by the number of all businesses to determine the relative availability of DBEs in the market area for each contract.

4) Computing a weighted base figure, using the percent of the total contract dollars for each anticipated contract from Table 1, and the figure for relative availability of DBEs for each contract from Table 2.

The resulting base figure is 5%.

The following two (2) tables and steps are attached: Table 1 above is the anticipated FTA-assisted contracts for FY 2021-2023 (excluding transit vehicle purchases) Table 2 below is the Relative Availability of DBEs for the Anticipated Contracts.

<table>
<thead>
<tr>
<th>NAICS Code</th>
<th>DBE Count</th>
<th>All Firms Count</th>
<th>DBE Relative Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>236220</td>
<td>1</td>
<td>34</td>
<td>2.94%</td>
</tr>
<tr>
<td>237990</td>
<td>1</td>
<td>4</td>
<td>25%</td>
</tr>
<tr>
<td>541330</td>
<td>2</td>
<td>32</td>
<td>6.25%</td>
</tr>
<tr>
<td>Combined Total</td>
<td>4</td>
<td>70</td>
<td>5.71%</td>
</tr>
</tbody>
</table>

**STEP 2 – Adjusting the Base Figure**

Subsequent to establishing the base figure, FNSBDOT examined available evidence to determine what adjustment, if any, would be required to ensure a narrowly-tailored goal.

The historical median for past participation is 0%. When applying the federally-prescribed formula (i.e. the average of the median past participation and the step one base figure), the resultant adjusted figure is 2.5%.

<table>
<thead>
<tr>
<th>Federal Fiscal Year</th>
<th>DBE Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0.00%</td>
</tr>
<tr>
<td>2017</td>
<td>0.00%</td>
</tr>
<tr>
<td>2018</td>
<td>0.00%</td>
</tr>
<tr>
<td>2019</td>
<td>0.00%</td>
</tr>
<tr>
<td>2020</td>
<td>0.00%</td>
</tr>
<tr>
<td>Median DBE Utilization</td>
<td>0.00%</td>
</tr>
</tbody>
</table>
Per 49 CFR § 26.45(d), following calculation of a base figure, all available evidence must be examined to determine what adjustment, if any, is needed to the base figure in order to arrive at the overall DBE goal. The primary form of evidence available is the past participation of DBEs in Transportation contracting. It is the judgment of the General Services Department on behalf of the Transportation Department that the base figure should be reduced based on a complete lack of past participation of DBE’s. For FY16, FY 17, and FY18 a shortfall analysis was completed detailed the results of prior bids and the lack of DBE participation. Over the course of those 3 years no DBE’s participated in the procurement process by submitting bids or proposals on FTA funded projects.

FNSBDOT examined the preceding evidence to determine what, if any, step two adjustments were necessary to arrive at an overall goal that accurately reflects the relative availability of DBEs ready, willing, and able to perform work on FTA-assisted contracts. Challenges related to encouraging non-certified firms to become certified, and geographic barriers impacting DBE availability are factors indicating a downward adjustment to the base figure is necessary.

FNSBDOT considered all of the evidence collectively and determined that a downward adjustment based on median past participation is necessary to account for DBE capacity.

Challenges related to encouraging non-certified firms to become certified, and geographic barriers impacting DBE availability are factors indicating a downward adjustment to the base figure is necessary. Sub recipients’ face the challenge that the work they are looking to contract is very small jobs. Many contractors view these small jobs as unprofitable and are unwilling to bid on them.

Based on this analysis, the Fairbanks North Star Borough Transportation Department proposes an overall annual goal of 2%. Continuing its race-neutral DBE program, FNSB expects to achieve 2% utilization through race-neutral means, and 0% through race-conscious means excluding funds to be used for the purchase of fleet buses.

**Race/Gender-Neutral Methods (see above) (§26.51(b))**

FNSBDOT will continue its current procedures for ensuring the participation of DBEs and other small business enterprises (SBE) in all of its contracting activities. These processes consist of, but are not limited to:

- Generating email notifications of all upcoming contracting opportunities.
- Generating project-specific email notifications providing pre-bid/proposal meeting information, bid/proposal submittal deadlines, general scope overview, and DBE office personnel contact information.
- Ensuring participants at pre-bid/proposal meetings are informed of FNSBDOT DBE Program and its requirements.
- Ensuring circulation of the State of Alaska Unified Certification Program DBE Directory to all potential contractors by listing the AKDOT in the solicitation and providing a link on FNSB’s website.
- Participating in “Doing Business With” seminars hosted by other entities, including Procurement Technical Assistant Center (PTAC).

The U.S. DOT regulations require that race-neutral methods be used to the maximum extent feasible to achieve the DBE overall goal. Race-neutral methods include making efforts to ensure that bidding and contract requirements facilitate participation by DBEs and other small businesses; unbundling large contracts to make them more accessible to small businesses; encouraging prime contractors to subcontract portions of the work that they might otherwise perform themselves; and providing technical assistance, communications programs, and other support services to facilitate consideration of DBEs and other small businesses.

Because of the emphasis placed on race-neutral methods, the Fairbanks North Star Borough does not propose to set contract-specific DBE goals on FTA-assisted contracts to be awarded in FY 2021 through FY 2023. Instead, the Borough will focus on developing race-neutral methods for facilitating DBE participation. The Borough will advise prospective contractors of areas for possible subcontracting, and of the availability of ready, willing, and able subcontractors, including DBE firms, to perform such work. The Borough will carefully monitor its progress during the course of the year and may establish contract-specific goals if race-neutral methods do not appear sufficient to achieve the overall DBE participation goals for FY 2021 through FY 2023. It is anticipated that the DBE goal for FTA-assisted contracts will be achieved through race-neutral methods.
5. Public Participation in Setting Overall DBE Goal

A meeting was held on February 18, 2021 with organizations around the state whose focus is on helping businesses within in the state and 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 Borough’s efforts to establish a level playing field for the participation of DBEs. Participants included members of the Association of General Contractors, PTAC, and ADOT&PF Civil Rights Office. The purpose of this meeting was to discuss the rational used in establishing the goal and potential outreach efforts to help maximize DBE participation in future contracts.

Federal regulations require that the Borough publish a notice in general circulation media, local minority-focused media, and trade association publications announcing the Borough’s proposed overall DBE goal for FY 2021 through FY 2023 for FTA-assisted contracts. Such notice must inform the public that the proposed DBE goal and its rationale are available for inspection during normal business hours for a period of thirty (30) days following the date of the notice. The Borough and FTA, as the Borough’s lead agency on behalf of the Department of Transportation, will accept comments on the proposed goal for forty-five (45) days from the date of notice. This notice is set to be was published in the Fairbanks Daily News Miner beginning February 21, 2021.

- Public Consultation Meeting scheduled to be held on March 2, 2021 to provide attendees an overview of FNSBDOT proposed DBE goal-setting methodology and the tentatively calculated overall DBE goal of 2%.
  - Notification (Exhibit 1) of the meeting published on FNSBDOT website, broadcast via email to DBE/SBE database, local contractors and government offices in FNSBDOT service area.
  - Notice of the meeting was also advertised via social media (e.g. Facebook).
- Advertised the proposed DBE goal, in a Public Notice format, via FNSB’s website and Fairbanks Daily New Miner.

6. Adjustments

In conclusion, FNSBDOT will continue to analyze the DBE awards and commitments report to the FTA on a semi-annual basis. If the DBE awards/commitments are less than the overall DBE goal, FNSBDOT will develop and submit a written analysis of the shortfall, as well as the corrective actions which will be implemented to remedy the shortfall. Also, if any significant changes are made to FNSB’s DOT-assisted contracting program, FNSBDOT will re-calculate the overall DBE goal and, if warranted, submit an adjusted overall DBE goal for FTA approval.

Interested parties are encouraged to submit comments to:

Cory Beal, DBE Liaison Officer
Fairbanks North Star Borough
General Services Department, 2nd Floor
907 Terminal Street
Fairbanks, AK 99701

Or:

Federal Transit Administration, Region X
Attention: Civil Rights Officer, Jackson Federal Building
915 Second Avenue, Suite 3142
Seattle, WA 98174-1002
Attachments
DBE Outreach Efforts

FNSB CPO participated in Feb 27-28, 2018 15th Annual Alaska DBE & Subcontractors’ Conference with the “Gaining the Edge” agenda.

15th Annual Alaska Disadvantaged Business Enterprises (DBE) & Subcontractors’ Conference February 27 & 28, 2018

Day 1

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:00 a.m. - 8:00 a.m.</td>
<td>REGISTRATION</td>
</tr>
<tr>
<td>8:00 a.m. - 8:05 a.m.</td>
<td>Norma M. Lucero, Eddie P., Opening Remarks</td>
</tr>
<tr>
<td></td>
<td>Dennis Good, Civil Rights Manager, ADOT&amp;PF</td>
</tr>
<tr>
<td>8:05 a.m. - 8:15 a.m.</td>
<td>WELCOME Alaska ADOT&amp;PF</td>
</tr>
<tr>
<td>8:15 a.m. - 8:25 a.m.</td>
<td>Marc Lutkin, Commissioner VIDEO</td>
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<td></td>
<td>Jim Sossenfield, Ted Stevens International Airport Manager</td>
</tr>
<tr>
<td>8:30 a.m. - 10:00 a.m.</td>
<td>WORKSHOP – Paula Bradson, Owner, Bradson Management Group, Alaska DBE</td>
</tr>
<tr>
<td></td>
<td>From Burnout to Sharpness – Competition</td>
</tr>
<tr>
<td>10:00 a.m. - 10:10 a.m.</td>
<td>BREAK</td>
</tr>
<tr>
<td>10:10 a.m. - 11:00 a.m.</td>
<td>ALASKA UNITED CERTIFICATION PARTNERS (AUCP) PANEL – “How to do Business &amp; Updates” Panel Members: Municipality of Anchorage, Alaska Railroad, Anchorage Airport Concessionaire Disadvantaged Business Enterprise Program (ACDBE) &amp; Kenaq Airport and Fairbanks North Star Borough, Department of Transportation</td>
</tr>
<tr>
<td>11:00 a.m. - 11:50 a.m.</td>
<td>WORKSHOP – Walter Wrightson, New York Life Agent</td>
</tr>
<tr>
<td></td>
<td>Succession Planning with Life Insurance Policies – Protecting your Business</td>
</tr>
<tr>
<td>12:00 p.m. - 1:10 p.m.</td>
<td>LUNCHCONE – E. Andre Thorn, Ph.D, UAA Multicultural Center Director – Guest Speaker</td>
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<tr>
<td></td>
<td>In observance of Black History Month</td>
</tr>
<tr>
<td>1:10 p.m. - 1:30 p.m.</td>
<td>WORKSHOP – Anthony Pinnano, AHTNA Global LLC</td>
</tr>
<tr>
<td></td>
<td>Getting through the door of the Prime . . . Do’s and Don’t</td>
</tr>
<tr>
<td>1:50 p.m. - 2:00 p.m.</td>
<td>BREAK</td>
</tr>
<tr>
<td>2:00 p.m. - 2:50 p.m.</td>
<td>WORKSHOP – Christian Montonan, Vantage Consulting</td>
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<tr>
<td></td>
<td>Leading Sustainable Growth - Improve your business performance in a competitive market Part 1 Workshop</td>
</tr>
<tr>
<td>2:50 p.m. - 3:00 p.m.</td>
<td>BREAK</td>
</tr>
<tr>
<td>3:00 p.m. - 3:50 p.m.</td>
<td>WORKSHOP – Christian Montonan, Vantage Consulting</td>
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<tr>
<td></td>
<td>Leading Sustainable Growth - Improve your business performance in a competitive market</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Time</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3:50 p.m. – 4:00 p.m.</td>
<td>Closeout Remarks - Surveys</td>
</tr>
</tbody>
</table>

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**15th Annual Alaska Disadvantaged Business Enterprises (DBE) & Subcontractors’ Conference**

**February 27 & 28, 2018**

**Day 2**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00 a.m. – 9:20 a.m.</td>
<td>Alaska Department of Transportation &amp; Public Facilities &lt;br&gt; REGIONAL DIRECTORS PANEL – Dave Kemp P.E. PMP, Ryan Anderson, P.E. &amp; Lance Mearig, P.E. &lt;br&gt; Alaska Department of Transportation &amp; Public Facilities Civil Rights Office UPDATES</td>
</tr>
<tr>
<td>9:20 a.m. – 9:30 a.m.</td>
<td>BREAK</td>
</tr>
<tr>
<td>9:30 a.m. – 10:30 a.m.</td>
<td>PRIME CONTRACTOR PANEL &lt;br&gt; Construction Principals &amp; Professional Services Principals &lt;br&gt; DOWL, Granite Construction, R&amp;M Consultants,</td>
</tr>
</tbody>
</table>
| 10:30 a.m. – 11:30 a.m. | “Procurement Hunting” – Misty Crim M.L.S.T.Y Consulting.  
Learn how to effectively navigate through AGC’s Plans Room and market your business. |
| 1:00 p.m. – 4:00 p.m. | Prime Contractor Match Making Session – Registration Required [www.dbelaska.com](http://www.dbelaska.com) <br> Hosted by the Alaska Minority Business Development Assistance Center <br> One-on-One Networking Opportunities with Prime Contractors to foster working partnerships |

Spring Agency Day
Webinar Agenda
Thursday, April 16, 2020 | 10:15am – 4:00pm AKST

COVID-19 Impacts on Alaska’s Construction Industry
Thursday, April 16th, 2020
10:15am – 4:00pm AKST
Webinar Agenda

Click here to submit your questions prior to webinar. (Strongly Suggested)
*Deadline for submitting questions is Wednesday, April 15th by 12pm.

10:15am – 10:50am: Fairbanks North Star Borough – Public Works Annual Update

Description:
Fairbanks North Star Borough’s upcoming projects, Capital Improvement Program, and Department Updates

Presenters:
- David Bredlie, Public Works Director
- Cory Beal, Chief Procurement Officer

11:00am – 12:00pm: Alaska’s U.S. Congressional Delegation

Description:
Overview and Update on Federal Legislation regarding COVID-19 and Q&A

Presenters:
- Sen. Dan Sullivan
- Sen. Lisa Murkowski
- Congressman Don Young

12:15pm – 1:15pm: DOT (State of Alaska Department of Transportation)

Description:
Update on 2020 construction season and the impact of COVID-19 on Department of Transportation’s projects

Presenters:
- John MacKinnon, Commissioner, DOT
- Wolfgang Junge, Central Region Director, DOT
1:45pm – 3:15pm: USACE DOD (United States of America Corps of Engineers)

**Description:**
Alaska District personnel will address known and possible impacts to its mission due to COVID-19 while also answering industry questions

**Presenters:**
- Randy Bowker, Deputy Program and Project Management
- Mark DeRocchi, Chief, Engineering & Construction Operations Division
- Chris Tew, Chief, Contracting Division
- Monica Velasco, Chief, Construction Division
- Bill Kiddy, Resident Engineer, Eielson Air Force Base
- Jackie Fabrizio, Resident Engineer, Fort Greely
- Chris Morgan, Resident Engineer, Clear Air Force Base

3:20pm – 3:50pm: Municipality of Anchorage

**Description:**
Municipality of Anchorage’s Public Works Construction for 2020

**Presenter:**
- Kent Kohlhase, Director, Project Management & Engineer
FNSB FY 2021-2023 DBE Goal Methodology fillable Comment Form available on the FNSB website

FNSB FY 2021-2023 DBE GOAL METHODOLOGY

COMMENT FORM

Use the space below to make comments, suggestions, or to ask questions regarding the Fairbanks North Star Borough FY 2021-2023 DBE Goal Methodology (attach additional sheets if needed). Please provide your contact information in the space provided.

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Contact Person</th>
<th>Email</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Comments:

Please submit completed Comment Forms to:

**By Mail:**
FNSB General Services
Attn: Cory Beal
P.O. Box 71267 Fairbanks,
AK 99707-1267

**By Fax:**
(907) 459-1100

**By Email:**
purchasing@fnsb.gov

This file includes fillable form fields. You can print the completed form and save in to your device or Acrobat.com