

2012-2014 Annual DBE Goal Setting Public Meeting Minutes

The first of two public meetings was held on May 3, 2011 at 2:00 p.m. in the Ames First Floor NW Conference Room. The meeting was attended by 13 individuals from the public, 3 Iowa DOT staff from the Office of Contracts, 1 Iowa DOT staff from the Office of Construction, and 2 FHWA representatives.

The meeting began with an overview of the Federal Regulations of the 3-Year Cycle for setting the Annual DBE Goal by Lubin Quinones, Iowa FHWA Division Administrator and Kim Anderson from the Iowa FHWA Office. Questions on the Federal Regulations were entertained from the attendees.

Maria Hobbs talked about the Iowa DOT DBE Program in reference to meeting Federal Regulations 49 CFR Part 26. Highlighted some of the policy statements and objectives of the program is to ensure nondiscrimination in the award and administration of US DOT assisted contracts. Showed a PowerPoint presentation (attached).

Explained Goal Setting Process and explained where we are at today in this process (slide on PowerPoint presentation attached).

Questions and conversation on how the goal was figured in the past. Ed Kasper explained how the goal was previously figured.

Comments on spreading the goals more throughout the year rather than concentrating on the earlier months. It was explained that it is impossible to know what that earlier participation will be. In theory, it would be nice to be able to have that consistent goal throughout the year. Discussion on possible solutions to this issue.

This year we have only spent about half of the federal dollars with the possibility of more added to it with earmarked money. Even though the DBE dollars are above the goal right now, with so much federal money coming we could end the year under our annual goal, if we do not put goals on some projects. Will most likely have more goals later as more projects with federal dollars are yet to be let. We currently are at 6.1 and the goal is 4.6.

Asked about setting bigger goals on the larger projects and leaving no goals on smaller projects. Feel this would cater to fewer DBEs since this would center on a specific work type and location instead of more smaller goals on a variety of work and dispersed area of projects.

Roger Bierbaum discussed the current methodology that has been used the past eleven years. Discussion on the methodology and the possible ways it can be done (slide in the attached PowerPoint presentation).

Question on monthly comparison of goals set and dollars awarded to DBEs and if on-line somewhere. Explained monthly spreadsheet that is created and that it is not on-line anywhere.

Mentioned the information on the website has changed with more information being added all the time. This information can possibly be worked in a format to put on the website also.

Discussion on setting goals separate for women and minorities and percentage of work obtained by race and gender. Two other states have submitted this option for goal setting and both have been denied.

Discussion on DBEs and materials, do the DBEs have to purchase the materials. DBEs need to get a quote and bid that quote, if prime gets better quote can use that quote, then DBE needs to renegotiate. A recent review was completed by FHWA and it appears our DBEs are doing what they are supposed to be doing.

Roger Bierbaum solicited comments to be submitted at anytime on setting the Annual Goal now or whenever happen to think of them. Went over timeline again for the meetings and pointed out the next public meeting will be held on July 5, 2011 at 2:00 p.m. in the same location.

Maria asked for comment sheet to be filled in and submitted to her with comments.

Meeting Concluded at 3:09 p.m.



2012-2014 Annual DBE Goal Setting

To educate the public on the DBE Program, Annual DBE goal setting regulations, the various DBE goal setting options and explain Iowa's DBE historical goal setting methodology, seek information to aid in the consultation process of the annual DBE goal setting.

Date/Time	Topic	Presenter
2:00 P.M.	Introductions	Maria Hobbs
2:10 P.M.	DBE Program	Lubin Quinones, FHWA Division Administrator &/or Brian Fouch, FHWA Asst. Division Administrator
2:15 P.M.	Annual DBE Goal Federal Regulations	Kim Anderson, FHWA Division Civil Rights and Small Federal Program Mgr.
2:20 P.M.	Various DBE Goal Setting Options	Maria Hobbs, IDOT, External Civil Rights Administrator
2:30 P.M.	Historical DBE Methodology Used	Roger Bierbaum, IDOT, Office of Contracts Engineer
2:35 P.M.	Questions & Comments	Various
3:00 P.M.	Closing	Maria Hobbs, IDOT

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**IOWA
DEPARTMENT OF
TRANSPORTATION'S
DISADVANTAGED BUSINESS
ENTERPRISE
PROGRAM**

May 3, 2011

2012-2014 Goal Setting Methodology Public Meeting

Policy Statement and Objective

The Iowa Department of Transportation (DOT) has prepared its disadvantaged business enterprise (DBE) program to meet Federal DBE regulations set forth in 49 CFR part 26. To continue receiving Federal financial assistance, appropriated under Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA LU), the Iowa DOT must comply with these regulations.

Consistent with requirements of 49 CFR part 26, it is the policy of the Iowa DOT to ensure that DBEs have equal opportunities to receive and participate in U.S. DOT-assisted contracts. To accomplish this objective, the Iowa DOT will take the following actions:

1. Ensure nondiscrimination in the award and administration of U.S. DOT-assisted contracts
2. Create a level playing field on which DBEs can compete fairly for U.S. DOT-assisted contracts
3. Ensure that the DBE program is narrowly-tailored in accordance with applicable laws
4. Ensure that only firms, fully meeting the eligibility standards of 49 CFR part 26, are permitted to participate as DBEs
5. Help remove barriers to the participation of DBEs in U.S. DOT-assisted contracts
6. Assist in the development of DBE firms, enabling them to successfully compete outside the DBE program

Purpose and Description of DBE Goal Setting Consultation Process FY 2012-2014

Pre-annual DBE goal calculation

- ☒ March 21, 2011 - Identify interested individuals/organizations we intend to send personal invitations to participate in our May 3 meeting.
- ☒ March 30, 2011 – Publish legal notice of our May 3 and July 5 meetings and dates of the 45 day comment period on the proposed FY 2012-2014 annual goals in the Des Moines Register. (Iowa Bystander, El Comunicador, and Iowa Fronteras)
- **May 3, 2011 – Hold meeting to discuss annual DBE goal setting process.** Participation from FHWA division office in speaking to attendees. Summary of comments obtained and conclusion of suggestions/comments
- May 27, 2011 - Deadline for submittal of comments on the annual DBE goal setting process.
- June 3, 2011 – Completion of evaluation of comments received on the annual DBE goal setting process.

Post-annual DBE goal calculation

- June 6, 2011 – Obtain historical data and begin process to set FY 2012-2014 annual goals
- June 10, 2011 - Determine the method we will use to set the FY 2012-2014 goals and calculate proposed goal
- June 10, 2011 – Publish our FY 2012-2014 Proposed Annual DBE goal and begin 45 day public comment period. Send personal invitations for the July 5
- **July 5, 2011 – Hold public meeting on the proposed FY 2012-2014 annual goal.**
- July 25, 2011 – End of 45 day public comment period and begin refining annual goal
- July 29, 2011 – Review comments received on our FY 2012-2014 proposed annual DBE goal and summarize Complete adjustments if necessary, and revise FY 2012-2014 annual goal document
- August 1, 2011 – Send annual DBE goal document to FHWA

Federal Regulations- Establishing Overall Goals

26.45 (b) Your 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 your DOT-assisted contracts (hereafter, the “relative availability of DBEs”). The goal must reflect your determination of the level of DBE participation you would expect absent the effects of discrimination.

(c) *Step 1.* You must begin your goal setting process by determining a base figure for the relative availability of DBEs. The following are examples of approaches that you may take toward determining a base figure. These examples are provided as a starting point for your goal setting process. Any percentage figure derived from one of these examples should be considered a basis from which you begin when examining all evidence available in your jurisdiction. These examples are not intended as an exhaustive list. Other methods or combinations of methods to determine a base figure may be used, subject to approval by the concerned operating administration.

- (1) Use *DBE Directories and Census Bureau Data*.** Determine the number of ready, willing and able DBEs in your market from your DBE directory. Using the Census Bureau's County Business Pattern (CBP) data base, determine the number of all ready, willing and able businesses available in your market that perform work in the same NAICS codes. (Information about the CBP data base may be obtained from the Census Bureau at their web site, www.census.gov/epcd/cbp/view/cbpview.html.) Divide the number of DBEs by the number of all businesses to derive a base figure for the relative availability of DBEs in your market.
- (2) Use *a bidders list*.** Determine the number of DBEs that have bid or quoted on your DOT-assisted prime contracts or subcontracts in the previous year. Determine the number of all businesses that have bid or quoted on prime or subcontracts in the same time period. Divide the number of DBE bidders and quoters by the number for all businesses to derive a base figure for the relative availability of DBEs in your market.
- (3) Use *data from a disparity study*.** Use a percentage figure derived from data in a valid, applicable disparity study.
- (4) Use *the goal of another DOT recipient*.** If another DOT recipient in the same, or substantially similar, market has set an overall goal in compliance with this rule, you may use that goal as a base figure for your goal.
- (5) *Alternative methods*.** You may use other methods to determine a base figure for your overall goal. Any methodology you choose must be based on demonstrable evidence of local market conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of DBEs in your market.

Federal Regulations- Establishing Overall Goals

(d) Step 2. Once you have calculated a base figure, you must examine all of the evidence available in your jurisdiction to determine what adjustment, if any, is needed to the base figure in order to arrive at your overall goal.

(1) There are many types of evidence that must be considered when adjusting the base figure.

These include:

- (i) The current capacity of DBEs to perform work in your DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years;
- (ii) Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure; and
- (iii) If your base figure is the goal of another recipient, you must adjust it for differences in your local market and your contracting program.

(2) If available, you must consider evidence from related fields that affect the opportunities for DBEs to form, grow and compete. These include, but are not limited to:

- (i) Statistical disparities in the ability of DBEs to get the financing, bonding and insurance required to participate in your program;
- (ii) Data on employment, self-employment, education, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.

(3) If you attempt to make an adjustment to your base figure to account for the continuing effects of past discrimination (often called the “but for” factor) or the effects of an ongoing DBE program, the adjustment must be based on demonstrable evidence that is logically and directly related to the effect for which the adjustment is sought.

**MAY 3, 2011 PUBLIC MEETING ON
DBE GOAL SETTING METHODOLOGY
SIGN IN SHEET**

Name:

Business:

Krista Taylor	Taylor Construction
Cork Peterson	Peterson Contractors
Pat Budke	Cedar Falls Construction
Luke Budke	Cedar Falls Construction
Pierre Blackwell	Blackwell Construction
Kimberly Anderson	FHWA
Lubin Quinones	FHWA
Cody Duffield	Anne Duffield Construction
Anne Duffield	Anne Duffield Construction
David Jackson	Blackwell Construction
Ed Kasper	Iowa DOT, Contracts
Chris Swalla	Gus Construction
Ron Otto	Iowa AGC
Tom Jacobson	Iowa DOT, Construction
Steve Sandquist	United Contractors
Robert Cramer	Cramer and Associates
Maria Hobbs	Iowa DOT, Contracts
Roger Bierbaum	Iowa DOT, Contracts
Isaiah McGee	Iowa Dept. of Human Rights, Director