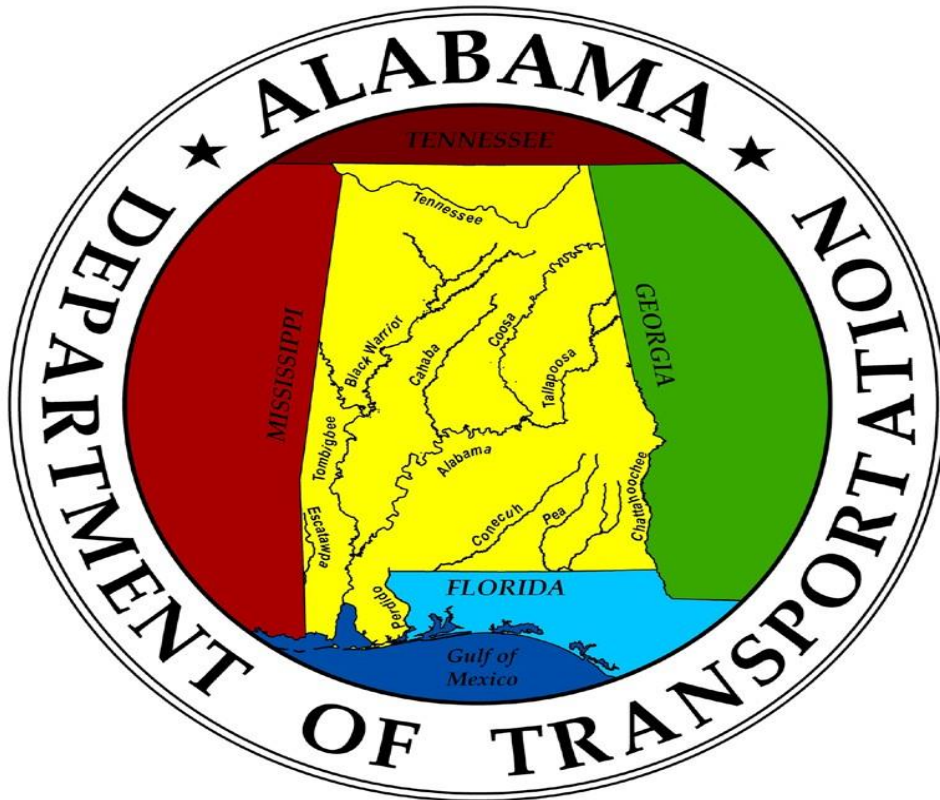


**Alabama Department of Transportation
Local Transportation Bureau – Transit Section
Disadvantaged Business Enterprise (DBE) Program**



**FEDERAL TRANSIT ADMINISTRATION
DBE GOAL-SETTING METHODOLOGY
For Federal Fiscal Years 2023-2025**

ALABAMA DEPARTMENT OF TRANSPORTATION Disadvantaged Business Enterprise (DBE) Program

Federal Transit Administration (FTA) DBE Goal-Setting Methodology Federal Fiscal Years 2023-2025

INTRODUCTION

The Alabama Department of Transportation (ALDOT), as a recipient of the United States Department of Transportation (DOT) financial assistance, is required to establish a Disadvantaged Business Enterprise Program (DBE) plan and an overall DBE goal and methodology. ALDOT has developed its DBE goal and goal-setting methodology in accordance with Title 49 Code of Federal Regulations Part 26, Section 26.45 and the guidance set forth in the Tips for Goal-Setting in the Disadvantaged Business Enterprise Program published by the U.S. Department of Transportation Office of Small and Disadvantaged Business Utilization. While ALDOT's DBE goal-setting methodology is established every three years, ALDOT conducts interim reviews or mid-course "inline adjustments" annually to assess market conditions and to ensure that its goal remains defensible.

To comply with 49 CFR 26.45, ALDOT established an overall goal based on the availability of ready, willing, and able DBEs relative to the availability of all ready, willing and able firms within the State of Alabama who are interested in ALDOT's project opportunities. ALDOT's proposed overall Federal Transit Administration (FTA) goal for federal fiscal years 2023-2025 is 3.58%. The 3.58% overall DBE goal is expected to be met through race neutral means.

ALDOT's DBE goal will be passed down to its subrecipients across the state. This DBE goal is applicable to those contracting opportunities made available using funds provided by the following FTA programs: Section 5307 Small Urban Area Formula Grants, Section 5310 Enhanced Mobility of Seniors & Individuals with Disabilities, Section 5311 Non-Urbanized Area Formula Grant Program and Section 5339 Bus and Bus Facilities Grant Formula Program.

METHODOLOGY

The 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 these FTA assisted contracts. To establish the overall goal, ALDOT used the following two-step goal setting methodology specified in 49 CFR Section 26.45(c):

- ❖ Step 1: Develop a base figure for relative availability of DBEs
- ❖ Step 2: Adjust base figure, as needed, to arrive at an overall goal

ALDOT has reviewed the alternatives listed in 49 CFR Part 26 and selected the Alabama Unified Certification Program DBE Directory and 2019 Census Bureau County Business Patterns data as the best approach for the development of the FTA DBE goal.

Step One

Determine the weight of each type of work by NAICS Code:

	NAICS Code	Project/Expense	Amount of DOT funds on project	% of total DOT funds (weight)
1)	323111	Commercial Printing	\$125,000	0.0448
2)	423130	Tire & Tube Merchant Wholesalers	\$107,815	0.0386
3)	423840	Industrial Supplies Merchant Wholesalers	\$219,154	0.0785
4)	423860	Transportation Equipment & Supplies Merchant Wholesalers	\$39,900	0.0143
5)	423990	Other Miscellaneous Durable Goods Merchant Wholesaler	\$27,704	0.0099
6)	424990	Other Miscellaneous Nondurable Goods Merchant Wholesaler	\$47,883	0.0172
7)	424720	Petroleum & Petroleum Product Merchant Wholesalers	\$700,000	0.2508
8)	425120	Wholesale Trade Agents and Brokers	\$10,000	0.0036
9)	453210	Office Supplies and Stationery Stores	\$22,000	0.0079
10)	485991	Special Needs Transportation	\$15,000	0.0054
11)	485999	All Other Transit and Ground Passenger Transportation	\$3,000	0.0011
12)	488410	Motor Vehicle Towing	\$32,884	0.0118
13)	524210	Insurance Agencies & Brokerages	\$60,723	0.0218
14)	531210	Offices of Real Estate Agents & Brokers	\$7,800	0.0028
15)	541110	Offices of Lawyers	\$6,154	0.0022
16)	541211	Offices of Certified Public Accountants	\$4,463	0.0016
17)	541511	Custom Computer Programming Services	\$300,000	0.1075
18)	541611	Admin. Management & General Management Consulting Services	\$9,200	0.0033
19)	541690	Other Scientific and Technical Consulting Services	\$390,000	0.1397
20)	541890	Other Services Related to Advertising	\$25,556	0.0092
21)	561320	Temporary Help Services	\$6,462	0.0023
22)	561720	Janitorial Services	\$4,225	0.0015
23)	561990	All Other Support Services	\$46,091	0.0165
24)	611420	Computer Training	\$42,321	0.0152
25)	611430	Professional & Management Development Training	\$37,850	0.0136
26)	811111	General Automotive Repair	\$500,000	0.1791
Total FTA-Assisted Contract Funds			\$2,791,185	1.000

Step Two

Determine the relative availability of DBE's by NAICS Code:

	NAICS Code	Project/ Expense	DBE Firms	All Firms	Relative Availability
1)	323111	Commercial Printing	3	449	0.0067
2)	423130	Tire & Tube Merchant Wholesalers	5	129	0.0388
3)	423840	Industrial Supplies Merchant Wholesalers	5	380	0.0132
4)	423860	Transportation Equipment & Supplies Merchant Wholesalers	0	56	0.0000
5)	423990	Other Miscellaneous Durable Goods Merchant Wholesaler	2	260	0.0077
6)	424990	Other Miscellaneous Nondurable Goods Merchant Wholesaler	1	152	0.0066
7)	424720	Petroleum & Petroleum Product Merchant Wholesalers	4	94	0.0426
8)	425120	Wholesale Trade Agents and Brokers	15	1296	0.0116
9)	453210	Office Supplies and Stationery Stores	1	192	0.0052
10)	485991	Special Needs Transportation	6	48	0.1250
11)	485999	All Other Transit and Ground Passenger Transportation	4	19	0.2105
12)	488410	Motor Vehicle Towing	4	307	0.0130
13)	524210	Insurance Agencies & Brokerages	7	3935	0.0018
14)	531210	Offices of Real Estate Agents & Brokers	7	3005	0.0023
15)	541110	Offices of Lawyers	8	5426	0.0015
16)	541211	Offices of Certified Public Accountants	2	1641	0.0012
17)	541511	Custom Computer Programming Services	31	1316	0.0236
18)	541611	Admin. Management & General Management Consulting Services	23	363	0.0634
19)	541690	Other Scientific and Technical Consulting Services	3	145	0.0207
20)	541890	Other Services Related to Advertising	7	1244	0.0056
21)	561320	Temporary Help Services	22	1476	0.0149
22)	561720	Janitorial Services	4	208	0.0192
23)	561990	All Other Support Services	2	17	0.1176
24)	611420	Computer Training	25	87	0.2874
25)	611430	Professional & Management Development Training	3	2057	0.0015
26)	811111	General Automotive Repair	11	833	0.0132
Combined Totals			205	25,135	0.0082

Step 3

(Weight) x (Availability) = Weighted Base Figure

	NAICS Code	Project/ Expense	Weight	X	Availability	Weighted Base Figure
1)	323111	Commercial Printing	0.04478	X	0.0068	0.0003
2)	423130	Tire & Tube Merchant Wholesalers	0.03863	X	0.03876	0.0015
3)	423840	Industrial Supplies Merchant Wholesalers	0.07852	X	0.01316	0.0010
4)	423860	Transportation Equipment & Supplies Merchant Wholesalers	0.01430	X	0.00000	0.0000
5)	423990	Other Miscellaneous Durable Goods Merchant Wholesalers	0.00993	X	0.00769	0.0001
6)	424990	Other Miscellaneous Nondurable Goods Merchant Wholesalers	0.01716	X	0.00658	0.0001
7)	424720	Petroleum & Petroleum Product Merchant Wholesalers	0.25079	X	0.04255	0.0107
8)	425120	Wholesale Trade Agents and Brokers	0.00358	X	0.01157	0.0000
9)	453210	Office Supplies and Stationery Stores	0.00788	X	0.00521	0.0000
10)	485991	Special Needs Transportation	0.00537	X	0.12500	0.0007
11)	485999	All Other Transit and Ground Passenger Transportation	0.00107	X	0.21053	0.0002
12)	488410	Motor Vehicle Towing	0.01178	X	0.01303	0.0002
13)	524210	Insurance Agencies & Brokerages	0.02176	X	0.00178	0.0000
14)	531210	Offices of Real Estate Agents & Brokers	0.00279	X	0.00233	0.0000
15)	541110	Offices of Lawyers	0.00220	X	0.00147	0.0000
16)	541211	Offices of Certified Public Accountants	0.00160	X	0.00122	0.0000
17)	541511	Custom Computer Programming Services	0.10748	X	0.02356	0.0025
18)	541611	Admin. Management & General Management Consulting Services	0.00330	X	0.06336	0.0002
19)	541690	Other Scientific and Technical Consulting Services	0.13973	X	0.02069	0.0029
20)	541890	Other Services Related to Advertising	0.00916	X	0.00563	0.0001
21)	561320	Temporary Help Services	0.00232	X	0.01491	0.0000
22)	561720	Janitorial Services	0.00151	X	0.01923	0.0000
23)	561990	All Other Support Services	0.01651	X	0.11765	0.0019
24)	611420	Computer Training	0.01516	X	0.28736	0.0044
25)	611430	Professional & Management Development Training	0.01356	X	0.00146	0.0000
26)	811111	General Automotive Repair	.017914	X	0.01321	0.0024
TOTAL						0.0293
Expressed as a % (*100)						2.93%
Rounded, Weighted Base Figure						3%

Step 4

Obtain ALDOT percentages met for the previous three years. Determine median percentage of the three years and add to the new base figure, then divide by two to determine new weighted base figure for the 2023-2025 period.

DBE Percentages reported to FTA through TrAMS for FFYs 2019-2021 are as follows:

Fiscal Year	Overall Percentage of total dollars to DBEs	Sum of Median
2019	3.95%	4.22%
2020	12.12%	
2021	4.22%	

Sum of Median and Weighted Base Figure (2.93% + 4.22%) = 7.15%

New Rounded Weighted Base Figure (7.15% divided by 2) = **3.58%**

RACE NEUTRAL METHODS

For the period of FFYs 2020-2022, ALDOT and its subrecipients achieved a median race-neutral DBE participation level of 4.22%. ALDOT has historically established its DBE goals through race-neutral means. Therefore, it is anticipated that **ALDOT will meet its FFYs 2023-2025 DBE participation goal of 3.58% solely through race-neutral measures.** To achieve this goal, ALDOT will undertake the following activities to enhance race-neutral participation:

- Assist subrecipients in the identification of potential contracting opportunities in their budgets and goal setting.
- Assist subrecipients in locating suitable and certified DBEs in their contracting areas and statewide.
- Provide technical assistance to potential DBEs during the certification process.
- Maintain and update a directory of ALDOT certified DBEs and disseminate these to the subrecipients; and
- Utilize an electronic quote-submitting procedure for subcontractors, which will generate more contracting opportunities for DBEs and non-DBEs.

PUBLIC PARTICIPATION

In accordance with the public participation regulatory requirement of 49 CFR 26.45(g), minority, women, local business associations, public stakeholders, and community organizations within the market area were consulted and provided an opportunity to provide comment on the proposed DBE goal methodology.

ALDOT held a public consultation meeting on Thursday, September 8, 2022, at 2:00 pm. The meeting was held in the ALDOT Local Transportation Bureau Conference Room in Montgomery, Alabama. Notification of the public consultation meeting was emailed to all certified DBEs that ALDOT currently has email addresses for on August 29, 2022. On the same date, notification

was also sent to the following stakeholders via email: ALDOT's FTA sub-recipients, the Alabama Department of Economic Affairs (ADECA), the Alabama Indian Affairs Commission, and the Chamber of Commerce Association of Alabama. In addition, ALDOT posted the preliminary DBE goal on its website and the goal was made available for public inspection at ALDOT headquarters during normal business hours.

At the public consultation meeting, the DBE goal methodology was fully explained. Questions and answers were provided after the presentation. Approximately 8 individuals attended the meeting. Of the 8 individuals in attendance there was 1 DBE firm represented. The remaining individuals in attendance were representatives of ALDOT.

The comments received during the public consultation meeting were mostly questions that required a clarification of the DBE methodology and general questions about how to do business with ALDOT. During the consultation process, there were no issues dealing specifically with the DBE goal methodology that would warrant or require any adjustments to the goal. Attendees were encouraged to provide any additional comments not made during the meeting to ALDOT no later than September 28, 2022, at 5:00 pm. Minutes from the meeting and other related documentation are included herewith.

Any questions or comments concerning the DBE goal setting methodology, or if information is needed in another language or alternative format, contact Mr. Wiley Brooks, Transit Coordinator by mail at 1409 Coliseum Blvd, Room C118, Montgomery, AL 36110, by telephone at (334) 242-6767, or by email at brookswi@dot.state.al.us. Questions or comments may also be provided to Ms. Doretha Foster, Civil Rights Officer, Federal Transit Administration Region IV, 230 Peachtree Street NW, Suite 1400, Atlanta, GA 30303, (404) 865-6339.

Public Notice
Disadvantaged Business Enterprise (DBE) Program
Federal Transit Administration (FTA) Goal for FFYs 2023-2025

The Alabama Department of Transportation (ALDOT) Transportation hereby announces the proposed FTA DBE Goal of 3.6% for Federal Fiscal Years 2023-2025. It is anticipated that ALDOT will meet its participation goal of 3.6% solely through race neutral measures. A description of the methodology and goal are available at ALDOT for review during regular business hours for 30 days from the date of this notice and available on ALDOT's website: <https://www.dot.state.al.us/programs/pdf/RuralTransit/ProposedAldotftadbeMethodology.pdf> under the Rural Transit General Information section.

Public comments on the goal will be accepted up to 30 days following the date of this notice. A DBE Consultation Meeting will be held at **2:00 p.m. on Thursday, September 8, 2022** at the ALDOT, Local Transportation Bureau, 1409 Coliseum Blvd, Montgomery, AL 36110. Minority businesses, women, organizations, general contractor groups, and other interested persons or groups are encouraged to participate in the consultation process. Additional meetings and venues will be scheduled on request.

If you have questions or comments concerning the DBE goal setting methodology, or if information is needed in another language or alternative format, contact Wiley Brooks by mail at the address listed above, by telephone at (334) 242-6767, or by email at brookswi@dot.state.al.us. Questions or comments may also be provided to Ms. Doretha Foster, Civil Rights Officer, Federal Transit Administration Region IV, 230 Peachtree Street NW, Suite 1400, Atlanta, GA 30303, (404) 865-6339.

Provided no changes are warranted at the conclusion of this process, this goal shall become final. In accordance with federal regulations, should there be significant changes in contracting opportunities during the three-year period, ALDOT will amend the goal to accurately reflect contracting opportunities for the applicable period(s).