

**KANSAS DEPARTMENT OF TRANSPORTATION
DBE GOAL SETTING PROCESS FOR
FEDERAL TRANSIT ADMINISTRATION
PROJECTS IN KANSAS
DURING FFY 2017 - 2019
May 9, 2016**

EXECUTIVE SUMMARY

For federal fiscal years 2017 through 2019 (October 1, 2016 to September 30, 2019), the Kansas Department of Transportation (KDOT) will administer funds and grants from the Federal Transit Administration (FTA). An overall annual disadvantaged business enterprise (DBE) goal has been developed for federally assisted contracts and programs. The goal is based on 49 Code of Federal Regulations (CFR) Part 26 and further guidance from the FTA. The goal methodology identifies the FTA related business universe in Kansas. Historical data of past contracting and subcontracting is now available. This historical data will be utilized to set the FFY 2017 to FFY 2019 FTA DBE goal. The KDOT projected FTA DBE goal is 1.79%

The following entities will set their own DBE goals and report results: St. Joseph MPO and Johnson County Transit.

PROCESS

To determine the overall FFY 2017 to FFY 2019 FTA DBE goal a two-step process was reviewed. The Step One base figure was calculated to determine the relative availability of certified Kansas DBE firms. KDOT has determined that the relevant geographic market area (GMA) for its DBE Program is the state of Kansas and the Kansas City metro area. KDOT has identified the universe to be those businesses in Kansas and the Kansas City metro area that have provided goods or services on FTA funded projects or grants. In Step Two of the process KDOT analyzed what adjustments, if any, were needed to narrowly tailor the base figures based on the weighting of the highest expenditures versus the lowest amounts to give the proper perspective.

KDOT will revisit our DBE goal to determine if an annual adjustment may be necessary prior to the beginning of FFY 2018 and again prior to the beginning of FFY 2019.

STEP ONE: Base Figure

KDOT utilized U.S. Census Bureau American Factfinder for 2012 to determine the universe for planning contracts.. KDOT examined all of the transit grants and contracts statewide and found subcontract opportunities in the areas of insurance, fuel and lubrication of vehicles, vehicle maintenance, and storage. KDOT considered the Kansas certified DBE firms and compared this figure to all businesses in Kansas and Kansas City, MO. These numbers represent businesses that are ready, willing and able to perform FTA work in Kansas. In FFY 2017 data has identified a total of (15,711 plus 8,633 Consultants) active businesses either meeting or offering to meet the needs of the FTA grantees.

161/8,633 Base goal for planning= 1.86%
16/15,711 Base goal for CTD grantees= 0.10%
177/24,344 Combined Base goal = 0.73%
Weighted Combined Base goal = 0.53%

Contracting Opportunities	NAIC
Insurance Carriers	52
Fuel, Oil Change & Lubrication/ Repair & Vehicle Maintenance	81
Warehouse & Storage	49
Engineering & Consultants	54

Type of Firm	2016 Contract \$	% of Total Contracts	# of Firms Available	# of DBE Firms Available	Unweighted %	Weighted %
Insurance NAIC 52	\$471,603	8.42%	6,856	7	.10%	0.01%
Fuel & Lube/ Vehicle Maintenance NAIC 81	\$3,758,712	67.11%	5,991	7	.12%	0.08%
Storage NAIC 49	\$54,270	.97%	2,864	2	.07%	0.00%
Consultants NAIC 54	\$1,316,000	23.5%	8,633	161	1.86%	0.53%
Total:	\$5,600,585	100.00%	24,344	177	0.73%	0.53%

Last 5 Years	Achieved
2011 DBE Participation	0.11188
2012 DBE Participation	0.01722
2013 DBE Participation	0.02524
2014 DBE Participation	0.03054
2015 DBE Participation	0.04663

Step 1 Weighted Base rate goal: 0.53%

Adjustments:

Step 2 Past Participation Median: 3.05%

(0.53% + 3.05% = 3.58%)

Divided by two =
(3.58% / 2 = 1.79%)

Adjusted Goal: 1.79%

STEP TWO: Detail

KDOT looked at goal adjustments based on where the money was being spent in regard to availability of firms. The following chart indicates that breakdown:

FF Year	Total Dollars	Total DBE Dollars	Total of DBE \$ Race Conscious	Total of DBE \$ Race Neutral	% of Total Dollars to DBEs
2011	3,681,306	411,901	411,901	0	11.189%
2012	4,966,858	85,546	85,546	0	1.722%
2013	7,741,509	195,425	70,732	124,693	2.524%
2014	3,394,893	103,684	81,212	22,472	3.054%
2015	4,086,846	190,587	32,163	158,424	4.663%

The percentage of DBE participation has varied significantly during the last five years. .

We actively solicit ownership information from the vendors used by CTD providers. All vendors who indicate they are minority or woman owned are contacted to determine if they may be interested in becoming DBE certified.

During the five years reviewed, the DBE participation represents the use of DBE subcontractors annually, primarily on MPO Transportation Planning consultant contracts. In 2013 and 2014, our MPOs utilized an average of eight different DBEs annually. Our CTD providers have been unsuccessful in utilizing DBEs in the areas of Insurance, Fuel & Lube, Vehicle Maintenance and Storage.

The median DBE participation is 3.05% for the Fiscal Year 2014.

For federal fiscal years 2016 through 2019, there are ten anticipated planning projects for an estimated total of \$1,316,000. Individually, it is unknown which projects will offer subcontracting opportunities for DBEs. Each will be reviewed to determine individual project goals.

	Agency	Date	Description	Est. Value
1.	WAMPO	Sept 2018	Legal Services	\$21,000
2.	WAMPO	Aug 2017	Travel Demand Modeling	\$100,000
3.	WAMPO	Feb 2017	Travel Satisfaction Survey	\$30,000
4.	L-DC MPO	Aug 2016	Travel Demand Model Update	\$40,000
5.	L-DC MPO	2017	Travel Demand Model Update	\$80,000
6.	L-DC MPO	2018	Travel Demand Model Update	\$20,000
7.	MTPO	2017	Bikeways Plan Update	\$100,000
8.	MTPO	2018	Elevation Pkwy Corridor Study	\$100,000
9.	MARC	2017-2019	Planning Studies	\$675,000
10.	FHMPO	Nov 2018	Updating TDM & ITS Architecture	\$150,000
	TOTAL			\$1,316,000

The CTD estimated 2017 budget for overall contracting opportunities is \$4.3 million.

Because our median DBE participation is 3.05% is significantly higher than our Step One Base Figure of .53%, we have elected to make an upward Step Two adjustment to our Step One Base Figure and therefore our DBE goal is 1.79%

Race/Gender Neutral Methods

The United States Department of Transportation regulations require that the maximum feasible portion of the annual DBE goal be met using race/gender neutral methodology. KDOT has determined our race/gender neutral participation has been:

FF Year	R/G Neutral
2011	0%
2012	0%
2013	1.61%
2014	0.66%
2015	3.88%

The median race/gender neutral participation is 0.66%. KDOT has achieved our DBE goal for fiscal years 2014 and 2015. It is also likely that KDOT will achieve our DBE goal for fiscal year 2016 as well. It is important to note that all DBE participation has occurred on planning projects, with no DBE participation by the transit providers. Therefore, our DBE goal of 1.79% will be met utilizing 1.13% race/gender conscious and .66% utilizing race/neutral methods.

To achieve our DBE goal, KDOT will utilize race/gender conscious methodology where each advertised planning project will be reviewed for subcontracting DBE opportunity. When subcontracting opportunities exist, projects containing federal funds will contain a DBE goal.

For our CTDs, a notice goes out annually to local Chambers of Commerce as well as regional minority and women organizations that DBE opportunities exist for capitalizing on FTA dollars in their communities.

Public Participation, 49 CFR 26.45(g)

49 CFR 26.45(g)(1) Public Consultation

Federal regulations require that KDOT publish a notice in at least two publications, including one minority-interest publication announcing the proposed goal for FFY 2017 - 2019 contracts assisted by FTA funds. KDOT and/or FTA will accept comments for informational purposes only from the public for 30 days following the date of the notice. The public notices and Affidavits of Publication are attached to this document.

The Public Notice was published: (Reserved for details)

A stakeholder meeting is scheduled for May 23, 2016 at the Eisenhower State Office Building in Topeka.

Responses received: (Reserved for comments)

Recruitment and Outreach

The Bureau of Transportation Planning and Office of Contract Compliance (formerly the Office of Civil Rights) offered assistance on any and all inquiries regarding the DBE program. Any business who expressed an interest was provided a DBE application form.

The Office of Contract Compliance staff participated in community functions and meetings to recruit new DBE firms to the program. We attended meetings of various Minority and Women's groups of business owners. We also cooperated with the Kansas Department of Commerce and local chambers of commerce.

The Bureau of Transportation Planning regularly met with CTDs statewide. DBE requirements were discussed as an agenda item at a minimum of one time per each in each CTD district. Also during all meetings throughout the year, KDOT staff provided an opportunity for the CTDs to discuss DBE reports, problems and issues. In addition, CTDs call and e-mail any discussions and/or questions that may arise.

Events attended by Office of Contract Compliance in last three years:

Date	Event
10/3/13	Opportunity All Access! 2013 Minority and Women Owned Business Development Summit organized by the Kansas African American Affairs Commission. Geary County Convention Center, Junction City, KS.
10/8/13	Kansas Department of Commerce Minority & Women Business Awards Luncheon in Topeka
10/23/13	Wichita Hispanic Business Forum organized by Wichita Hispanic Chamber of Commerce, held at National Center for Aviation Training, Wichita, KS.
11/26/13	Royal Valley Construction Career Day. Staff from KDOT OCR organized this event for approximately 80 4 th graders. There were hands-on construction related activities and heavy highway construction equipment displays. Royal Valley has a large percentage of Native American students.
2/21/14	Garrett A Morgan Day. The Office of Contract Compliance worked with KC COMTO members to introduce minority and female high school students in Topeka and Kansas City area to the transportation industry.
5/1/14	Meadows Elementary Career Day. Staff from Office of Contract Compliance were invited to speak to approximately 225 3 rd & 4 th graders about KDOT career opportunities, common construction equipment, and important skills (math, science, timeliness, etc.) to learn how to be successful in adulthood.
5/13/14	East Topeka Construction Career Day. Staff from KDOT OCC organized this event for approximately 40 minority youth. All activities focused on highway construction careers. The local KDOT construction office provided a dump truck and staff to visit with the young people about the equipment and answer questions.
8/26/14	Topeka West JAG Students – CCE & KDOT Careers
8/27/14	Kansas Export Forum in Olathe.
9/30/14	KDOT Construction Career Expo in Topeka. One day event for 1,300 local high school students to visit various construction companies and suppliers. Many hands-on activities.
10/28/14	Heritage Christian – High school Career Day.
10/28/14	Business to Business Expo.
10/15/14	MED Week Luncheon, KS Department of Commerce in Topeka.
11/6/14	Business Opportunity Fair in Topeka: DBE certification panel and presenters.
2/11/15	NAWIC Block Kids Contest at McCarter Elementary School in Topeka.
2/18/15	Garrett A Morgan Transportation Educational Program for STI students in Kansas City organized by KC COMTO Chapter.

5/1/15	Meadows Elementary School – Career Day.
5/13/15	Kansas Association for Public Purchasing Professionals – 2015 Reverse Vendor Fair in Topeka.
6/1-5/15	Mentoring A Girl In Construction Camp in Topeka. Organized and facilitated by the Office of Contract Compliance. Consisted of presentations, tours and hands-on activities for high school girls.

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