

ATTACHMENT E

Section 26.45: Overall DBE Three-Year Goal Methodology

Name of Recipient: Springfield Airport Authority

Goal Period: FY-2013-2014-2015 – October 1, 2012 through September 30, 2015

Proposed DOT-assisted contracts:

FY 13	Terminal ADA Improvements	\$ 547,000
FY 13	Construct Taxiway Y Extension	\$ 1,585,000
FY 13	Terminal Improvements	\$ 870,000
FY 14	Taxiway B widening & Rehab, storm sewer rehab – Phase I	\$ 1,353,000
FY 14	Taxiway B widening & Rehab, storm sewer rehab – Phase II	\$ 3,064,000
FY 14	Upgrade Security System – Phase I	\$ 620,000
FY15	Construct Storm Sewer	\$ 515,000
FY15	Rehab T Hangar Taxiways	\$ 850, 750
Total		

Overall Three-Year Goal: 4.8%, to be accomplished through 3.0% RC and 1.8% RN

Total dollar amount to be expended on DBE's: \$451,428.00

As Illinois is a block grant state, our federally funded projects are identified on a contract by contract basis. Therefore, the following projects are not guaranteed, may be pushed to subsequent years and are subject to our anticipated awards:

Projects Fiscal Year #1

1. Terminal ADA Improvements
2. Construct Taxiway Y Extension and Remove Taxiway C - discretionary
3. Terminal Improvements

Projects Fiscal Year #2

1. Taxiway B widening & rehab; storm sewer rehab Phase I
2. Upgrade security system – Phase I
3. Taxiway B widening & rehab; storm sewer rehab Phase II

Projects Fiscal Year #3

1. Construct Storm Sewers
2. Rehab T Hangar Taxiways
3. Unfulfilled projects from previous FY

Market Area: To determine the local market area we used past participation to determine the area in which the substantial majority of our contractors and subcontractors with which we do business are located and the area in which we spend the substantial majority of your contracting dollars. Past participation showed that the majority of

DBE's used and dollars spent were in the Illinois counties of Sangamon, Peoria, Champaign, Morgan, Logan and Adams.

Step 1. Analysis: Actual relative availability of DBE's

Methodology: DBE Directories and Census Bureau Data

<http://www.census.gov/econ/cbp/index.html>

[http://www.dot.state.il.us/ucp/ucp.html#DBE Directory](http://www.dot.state.il.us/ucp/ucp.html#DBE_Directory)

NAICS	Type of Work	Total DBE's Ready, Willing and Able in Market Area	Total All Firms Ready, Willing and Able in Market Area
237310	Highway, Street and Bridge Construction	9	32
237990	Other Heavy and Civil Engineering Construction	1	12
2381..	Foundation, structure and building exterior contractors	2	226
2382..	Building Equipment Contractors	1	378
2383..	Building Finishing Contractors	1	247
2389..	Specialty Trade Contractors	4	155
484220	Specialized Freight trucking, local (non-used goods)	9	78
5413..	Architectural, Engineering and related services	9	226
Total		36	1354

Divide the total number of DBE's by the total number of All Firms = base figure for each project.

2.65% = Base Figure	36 = DBE's located in market area
	1354 = All firms located in market area

Step 2. Analysis: Adjustments to Step 1 base figure.

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

Past History Participation

Data used to determine the adjustment to the base figure was the median of historical DBE accomplishments as follows:

FY	Total Contract\$ Amount	DBE Goals			Accomplishments		
		RC	RN	Total	RC	RN	Total
FY 07	\$ 3,653,946.00	4.1%			7.1%	0%	7.1%
FY 08	\$ 520,002.00	4.5%			8.8%	0%	8.8%
FY 09	\$ 4,405,589.00	4.2%			6.6%	0%	6.6%
FY 10	\$ 856,721.00	5.4%			4.3%	0%	4.3%
FY 11	\$ 1,112,730.00	7.0%			7.4%	0%	7.4%

Arranging this historical data from low to high, (8.8%, 7.4%, 7.1%, 6.6%, 4.3%) the median is 7.1%.

The proposed Overall DBE Goals are based on previous years achievements for similar work and are as follows:

- *Fiscal Year #1 - 3%*
- *Fiscal Year #2 - 6.0%*
- *Fiscal Year #3 - 6.0%*

Our proposed overall three year goal will be reflected as an average of the three years.

To arrive at an overall goal, we added our Step 1 base figure with our Step 2 adjustment figure and then averaged the total arriving at an overall goal of 4.8%. We feel this adjusted goal figure will accurately reflect DBE participation that can be achieved for the type of project work being awarded during this three-year period.

Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation.
26.51(b) (1-9)

The Springfield Airport Authority will meet the maximum feasible portion of its overall goal by using RN means of facilitating DBE participation. The IDOT will act as agent on behalf of the Springfield Airport Authority on all the applicable RN measures we will use to increase DBE participation.

1. Mentor Protégé Programs

IDOT implemented Mentor-Protégé Programs for Construction and Consultant Engineering Services to enhance the capabilities of DBEs to perform prime contracts and subcontracts, and thereby increase the utilization of available DBEs. The program was created to provide developmental assistance to DBEs and enhance the protégé’s business and technical capabilities to do more complex work. The Mentor-Protégé relationship includes a development plan which outlines the parties’ goals and expectations, monitoring and reporting provisions, duration of the relationship, services and resources to be provided by the mentor to the protégé. The mentor must provide the protégé with a commercially useful function in the performance of the contract.

2. Highway Construction Careers Training Program

IDOT, through the Illinois Community College Board, created a Highway Construction Careers Training Program with participating community colleges throughout IDOT’s nine districts. The program includes an eight to ten week course held two to three times per academic year on intense training in highway construction-related skills such as math for trades, job readiness, technical skills coursework, and OSHA 10 certification. Minorities, women, and disadvantaged individuals are encouraged to participate.

3. Small Business Advisory Committee

IDOT reestablished its Small Business Advisory Committee (SBAC) to serve in an advisory capacity to the agency regarding matters relating to the DBE Program. The Committee is comprised of professionals that represent a broad cross-section of the construction and engineering industries from both a multi-ethnic and geographically broad perspective. The organizations and associations represented include Black Contractors United, Inc.; Federation of Women Contractors; Hispanic American Construction Industry Association; Illinois Association of Women Contractors; Women

Construction Owners and Executives; Northern Illinois Minority Contractors Association; Association of General Contractors; Southern Illinois Builders Association; and the Illinois Road and Transportation Builders Association. The role of the Committee is to provide IDOT with constructive input on issues of interest to small businesses, DBEs, and the general construction industry. A subcommittee is charged with the responsibility of reviewing the new DBE Utilization Plan submission process and offer recommendations so the process is more “user-friendly.”

4. Fostering Small Business Participation

The new regulations require USDOT recipients to structure contracting requirements in order to facilitate competition by small businesses and take all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of contract requirements that may preclude small business participation in procurements as either prime contractors or subcontractors. IDOT anticipates implementing a small business enterprise component to its DBE Program. Efforts in this direction have begun by Acting Illinois Transportation, Secretary Ann L. Schneider, who sought input into the development of its upcoming multi-program for highway improvements for FY 2013-2018 through informational and feedback sessions. A public meeting for IDOT District 3 was held on July 26, 2011 to provide DBEs and small businesses in the area information on project priorities over the next five to seven years. The meeting provided small businesses an opportunity to comment on the development of the proposed program and existing programming procedures. A concerted effort will be made over the next three years to unbundle more contracts and identify small businesses with the capacity to perform IDOT contracts. USDOT’s new small business element requirement necessitates a more focused outreach and technical support system to encourage the small contractor to bid IDOT project.

5. Small Business Initiative

As part of the small business element, IDOT continues its Small Business Initiative (SBI) program that was implemented in June 2005. The purpose of SBI is to provide small businesses and DBEs in the transportation-related industry an opportunity to bid as prime contractors.

Small contracts are identified as potential contracts to be performed by small businesses. A firm’s annual sales and receipts cannot exceed \$10 million to be eligible to participate in the program. Businesses are required to be prequalified in accordance with Section 45-45 of the Illinois Procurement Code and the rules of the Department to be considered for an award.

IDOT has submitted a Small Business Program Element to FHWA as an amendment to its DBE Program. The amendment included a proposal for a race-neutral small business set-aside program for prime contracts called SBI. The Department expected a response from the USDOT regarding approval of the Small Business Program Element amendment in the near future. It is believed that this type of program will increase DBE participation by providing additional contracting opportunities for small businesses.

6. Other Race Neutral Activities

In addition to the above race neutral programs, IDOT continues to take steps to improve opportunities and services for DBEs. Included are:

- DBE Resource Centers and providing management and technical supportive services assistance on a statewide basis

- Formation of a Prequalification Enhancement Committee with stakeholders to eradicate perceived barriers in the prequalification process for small businesses that continues to meet quarterly
- Increasing the minority representation on the Department's Engineering Selection Committee
- The joint disparity study with the Illinois State Toll Highway Authority prepared and will be proposing state legislation to implement a DBE bonding and finance program as well as an affirmative action scholarship program for women and minorities in engineering training with a subsequent commitment to the IDOT
- Department website revisions to create a portal to facilitate access to all diversity programs, including DBE available at: <http://www.diversity.dot.illinois.gov/>
- Creation of the monthly "Diversity Matters" newsletter to keep small businesses informed of all Department initiatives
- IDOT and Caterpillar, Inc. co-hosted the Build Your Future Conference and IDOT conducted its Today's Challenge Tomorrow's Reward which provide a forum to provide timely construction industry information networking opportunities to assist small and disadvantaged businesses

IDOT continues to explore other means to provide for increased opportunities for the DBE community with FHWA Division Office personnel and interested stakeholders. This forum allows DBE firms, industry associations and community organizations to collaborate and discuss DBE program related issues and best practices.

Breakout

The Springfield Airport Authority estimates that in meeting its overall goal of 4.8%, it will obtain 1.8% from RN participation and 3.0% through RC measures.

This breakout is based on:

- In previous years, the Springfield Airport Authority/IDOT has exhibited the ability to meet our DBE goals dependent on the type of work. Some of our anticipated contracts over the next three fiscal years will contain similar work as those years in which we exceeded our goal. By averaging past goals and past accomplishments we believe this will be an accurate representation of what can be expected. The average goal over the last 5 years was 5.04% and the average of our accomplishments over the last 5 years was 6.84%. The percent that exceeds is 1.8% therefore, 1.8% of our 4.8% goal is being applied to race-neutral and the remaining 3.0% is applied to race-conscious participation.

The Springfield Airport Authority will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation (see Section 26.51(f)) and track and report RN and RC participation separately. 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 and 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).

The IDOT will act as agent on behalf of the Springfield Airport Authority in matters of consultation and publication.

The IDOT submits its overall three-year goal to US DOT on August 1st as required by the set schedule. Before establishing the overall goal each year, IDOT will consult with the Federal Highway Administration, minority and women and other highway construction industry associations, department officials and other interested persons/groups to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBE's, and IDOT efforts to establish a level playing field for the participation of DBE's.

Following this consultation, IDOT will publish a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at IDOT's Harry R. Hanley Building and in each district office for 30 days following the date of the notice. The public will be informed that IDOT and DOT will accept comments on the goals for 45 days from the date of the notice. It will be published on IDOT's web site and in the state newspaper, the Breeze Courier Taylorville, IL, and a copy will be available in each district office, the Bureau of Small Business Enterprises and IDOT's library. Normally, IDOT will issue this notice by June 1 of each year. The notice will include the addresses to which comments may be sent and addresses (including offices and web sites) where the proposal may be reviewed.

Contract Goals

The Springfield Airport Authority will use contract goals to meet any portion of the overall goal that the recipient does not project being able to meet using RN means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of the recipient's overall goal that is not projected to be met through the use of RN means.

The Springfield Airport Authority will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. It need not establish a contract goal on every such contract, and the size of the contract goals will be adapted to the circumstances of each such.

We will express our contract goals as a percentage of the total amount of a DOT-assisted contract.