

MAINE DEPARTMENT OF TRANSPORTATION
FFY 2017-2019 DBE GOAL
(October 1, 2016 through September 30, 2019)

OVERALL GOAL

Pursuant to 49 CFR 26 MaineDOT has researched upcoming potential contracts for our agency and Federal Transit Administration (FTA) subrecipients, analyzed census data, reviewed bidding and DBE attainment history and has determined that the overall annual Disadvantaged Business Enterprise (DBE) attainment on FTA funded projects for FFY 2017-19 (October 1, 2016 through September 30, 2019) is **.97%**

METHOD OF ESTABLISHING GOAL

Step 1 – Determining a base figure

49 CFR 45 (b) States “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. You cannot simply rely on either the 10 percent national goal, your previous overall goal or past DBE participation rates in your program without reference to the relative availability of DBEs in your market.”

MaineDOT will calculate the overall goal using the criteria based in **49 CFR § 26.45(c) “Step 1. You must begin your goal setting process by determining a base figure for the relative availability of DBEs.”**

The determination will be based on a level of DBE participation relative to all businesses ready, willing and able to participate on FTA-assisted contracts, and reflect a level MaineDOT would expect in the absence of discrimination. The overall goal setting procedure is based on the following:

- (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. 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.**

Market Area:

The market area was determined to be Statewide, since the substantial majority of the contractors and subcontractors with which MaineDOT does business are located in Maine, and the entire state is the area in which MaineDOT spends the substantial majority of its contracting dollars.

Data Sources:

MaineDOT got information from the 2014 County Business Patterns:

(https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?_afpt=table)

And from the Maine DBE Directory:

<http://www.maine.gov/mdot/civilrights/dbe/>.

The MaineDOT DBE Directory lists the following firms when searching under the category “transit”. Their scopes are related to the NAICS codes for other services related to transit contracts/subcontracts. We also looked for business codes are based on anticipated contracts specified by our subrecipient where DBEs are eligible for work. (See Future Participation, P. 5)

- **ALTERNATE TRANSIT ADVERTISING, INC., 541810**
- **FITZGERALD & HALLIDAY, 541330**
- **ICST, INC., 541511**
- **KFH GROUP INCORPORATED, 541320**
- **ROSE'S COMMERCIAL CLEANING, LLC, 561720**
- **ADVANCED ENGINEERING DESIGN, INC. (DBE & ACDBE) 236220**
- **AI ENGINEERS, INC. (MBE) 236220**
- **DDI CONSTRUCTION (WBE) 236220**
- **GANNESTON CONSTRUCTION CORP. (WBE) 236220**
- **R . STEWART HAULING 488410**
- **RLS & ASSOC., 541618**
- **ELITE PROFESSIONALS, 541511**
- **QUALITY GLASS, 238150**

The following NAICS codes match the codes offered by the above providers for Maine.
Economic Census 2012, Maine Data for various NAICS codes related to transit contracts/subcontracts:

NAICS	Description	State Firms	DBEs
code			
541320	Urban planning services	22	1
541330	Engineering services	308	1
541511	Computer Programming Services	215	2
541618	Management Consulting Services	14	1
541810	Advertising Agencies	43	1
484440	General Freight Trucking	121	1
488410	Motor Vehicle Towing	39	1
236220	Commercial and Institutional Building Construction	140	3
561720	Janitorial services	331	1
238150	Glass and Glazing Contractors	17	1
454310	Fuel Dealers	285	0
811111	General Automotive Repair	587	0

541380	Testing Laboratories	38	2
524210	Insurance Agencies and Brokerages	472	0
811212	Computer and Office Machine Repair and Maintenance	25	1
517210	Wireless Telecommunication Carriers	38	0
517110	Wired Telecommunication Carriers	192	0
517919	All Other Telecommunications	16	0
447110	Gasoline Stations with Convenience Stores	667	0
447190	Other Gasoline Stations	101	0
Total		3671	16

Therefore, the denominator would be 3671 to represent all potential transit firms and transit related firms for potential contracts and subcontracts in Maine for the upcoming 3 fiscal years.

The numerator would be 16, the number of DBE's under these categories available to do the identified support work in Maine.

Maine chooses not to use weighting in the determination of the base goal because of the similarity in the types of DBE that participate on FTA projects and because of the limited number of NAICS codes that DBEs work under in the market area.

The base goal based upon the 2014 County Business Patterns (NAICS) and DBE Directory data would be: 16/3671 = .43%

(3) Use data from a disparity study. Use a percentage figure derived from data in a valid, applicable disparity study.

Maine has not conducted any disparity studies that would apply to the calculation of this goal.

(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.

This method is not used for goal calculation.

(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.

MaineDOT does not propose any alternative method for base goal calculation.

Maine DOT/ FTA – Funded DBE BASE GOAL = .43%.

Step 2 - ADJUSTMENTS TO BASE

26.43(d) states “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;

Although there are currently 2 Maine DBEs that use the NAICS code for testing laboratories in Maine, none of these firms provide drug and alcohol testing specific to contracts that are sought by subrecipients in the upcoming triennial. Therefore we have not counted them as ready and able to do this work. We have adjusted the goal to reflect that evidence. We have adjusted the goal to be $14/3671 = .38\%$

In January 2015, following a triennial review in 2014, MaineDOT submitted a short fall analysis for fiscal year 2012. Through that analysis, MaineDOT found that it was incorrectly reporting total contract dollars and has changed our reporting process. Since we implemented our new process we have reached greater attainment and more accurately reflect DBE usage as it relates to contracts. We are using 2014, 2015 and 2016 for this updated methodology.

Past participation in FTA funded services for the Department are as follows:

FY Year	Total Attainment
2014	1.4
2015	9.5
2016	2.25

Median attainment is 2.25%.

The table below includes a detail of DBE commitments and awards as well as data regarding sub recipient participation as Prime as presented above:

Year	Total awarded \$	DBE Award \$	TTL Prime	Prime DBE	Sub DBE	Non-DBE subs	Total subs
14	\$15,172,130.00	\$208,000.00	34	1	5	2	7
15	\$3,812,741.00	\$365,943.00	18	1	6	16	22
16	\$3,517,667.00	\$79,344.00	35	4	1	28	29

The median past participation is 2.25%.

Adjustment for past participation: $(.38 + 2.25)/2 = 1.3\%$

(ii) Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure; and

There have been no related disparity studies for Maine.

(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.

The base figure selected is not the goal of another recipient. Maine does not currently have enough specific data from the other states on their transit programs to adjust the goal for differences in Maine.

Anticipated sub/contract Opportunities from MaineDOT.

MaineDOT anticipates 3 contracts in the first year, and 2 in each remaining year in the triennial. MaineDOT uses a prequalification process which requires firms to apply for prequalification for general service agreements. Under this process only one firm has applied which is a DBE. There may be subcontracting opportunities for other DBE firms but none are being used at this time on the 2 non-DBE consultants as they are not subcontracting at this time.

2017 Anticipated Contracts	2018 Anticipated Contracts	2019 Anticipated Contracts	Type of contract	DBEs Available
3	2	2	Consulting	1
Contract \$ 2017	Contract \$ 2018	Contract \$ 2019		
\$50,000.00	\$50,000	\$50,000		
\$100,000.00	\$100,000	\$50,000		
\$40,787.00				1
Total \$190,787	\$150,000	\$100,000		

In the first year of the triennial MaineDOT anticipates a DBE firm will be contracting in 2017. This will provide for a high percentage DBE attainment in 2017 that may not be realized in 2018-19. In 2017, goal attainment of State only contracts could be as high as 21% but cannot be guaranteed in the out years. MaineDOT will not adjust the goal based on this information.

Anticipated sub/contract Opportunities from Subrecipients.

MaineDOT has surveyed sub-recipients for any known or potential subcontract opportunities for FY 2017 through 2019. MaineDOT has also included its own consulting contracts for the upcoming years. This is the information from that survey.

2017 #of anticipated Contracts	2018 # of anticipated Contracts	2019 of anticipated Contracts	2017 Type of subcontracts	2018 Type of subcontracts	2019 Type of subcontracts
4	1	1	Transportation software	Transportation Software	Transportation Software

2	1	1	Fuel	Fuel	Fuel
2			Fleet Maintenance		
6	6	6	Drug Alcohol Testing	Drug Alcohol Testing	Drug Alcohol Testing
1	1	1	Communications/Computer services	Communications/Computer services	Communications/Computer services
1	1	1	Insurance	Insurance	Insurance
1	1	1	Copier Services	Copier Services	Copier Services
		1			Shelter Facility Contract
1	1	1	Cellular Phone	Cellular Phone	Cellular Phone
1	1	1	Office Phone	Office Phone	Office Phone
1	1	1	Gasoline/Oil/Fluids	Gasoline/Oil/Fluids	Gasoline/Oil/Fluids
20	14	15	TOTAL		

Subrecipient anticipated contracts based on average contract amounts. 2015-16.

NAICS Code	Service	Anticipated \$ amount 2017	Anticipated \$ amount 2018	Anticipated \$ amount 2018	DBEs available
541511	Transportation Software (\$6,600 Average)	\$26,400	\$6,600	\$6,600	0
454310	Fuel (\$50,000 average)	\$100,000	\$50,000	\$50,000	0
811111	Fleet Maintenance (\$5,700 average)	\$22,400			0
541380	Drug Alcohol Testing (\$2000. Average)	\$12,000	\$12,000	\$12,000	0
811212	Communications/Computer Services (\$450. Average)	\$450.00	\$450	\$450	2
	Total	\$161,250	\$69,050	\$69,050	2

In the August of 2016 Mobilitat, a DBE which provided expertise for many of our subrecipients in transportation software, sold its firm and therefore was no longer eligible for DBE certification. Because of the unique service that Mobilitat provided, there are no certified DBEs Maine that can replace them. When MaineDOT looks at anticipated contracts and potential for DBE attainment within the subrecipient contracting opportunities for the upcoming triennial we can see the impact on the loss Mobilitat will have on DBE attainment. In the first year of our triennial we see the potential of attainment is very low, with only 2

firms vying for one computer service agreement at a very low average rate of \$450.00. In the first year, attainment could be only .27% and that would be only if those firms were available for hire. In the final two years and attainment of .65% could be met.

Because of the limited anticipated subcontracting opportunities and limited DBE firms that can meet those needs, potential DBE usage has will be less attainable for subrecipients.

Because of this we have adjusted our goal further to account for the loss of that firm.

Adjustment for subcontractor attainment: $(.65 + 1.3)/2 = .97\%$

(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;

Maine has not collected this data related to transit contracts. Maine does have a tribal community development financial institution, Four Directions offers business financing for members of the four major tribes in Maine, the Penobscot, Passamaquoddy, Micmac and Maliseet.

(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.

Maine has not collected this data related to transit contracts.

(2) 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.

Maine will not attempt to adjust the base figure based upon the effects of the DBE program.

(3) Other Discussion Related to Maine's Historical Data:

MaineDOT requested all bidder information from its subrecipients for the time period April 1, 2015 – March 31, 2016. It also included all bidders on MaineDOT contracts using FTA dollars.

All other bidders that submitted either prime or subcontract bids on FTA funded work for the last years are:

1. Ace Corporation Painting
2. AL Lappin Company Landscape
3. Benchmark
4. Blane Casey
5. Concrete Craftsmen Flatwork

6. Creative Glass & Storefronts
7. D &N Realty Limited Liability Co.
8. Dimatteo
9. Doten
10. Double T Fence Fencing
11. Elite Professionals
12. Frank DiDinato Masonry
13. Green River Co.
14. Hahnel Brothers EPDM Roofing and Siding
15. Hardy Pond
16. Huff Foundation Concrete Foundation
17. J&M Flooring
18. Kamco D/F/H & Specialty Items
19. Landry and Sons ACT
20. Main Street Connections
21. Mobilitat
22. Precision Welding Structural Steel
23. R Stewart Hauling
24. RA Mitchell Co
25. Rawcliff's Garage
26. RLS & Associates
27. Rose's Commercial Cleaning
28. Saco Bay Millwork
29. Standard Water Proofing
30. TBuck
31. Washburn & Sons Sitework
32. Zebra Striping Parking Lot Lines & Signs

Total number of bidders = 32 firms. The number 32, therefore, is the denominator.

Of these firms, the following are DBE's:

1. RA Mitchell Co	2. RLS & Associates
3. Standard Water Proofing	4. R Stewart Hauling
5. Rose's Commercial Cleaning	
6. Elite Professionals	

Number of bidding DBE's = 6 firms.

Therefore for the base goal, is the numerator.

$$6/32 = 18.75\%$$

We know from past attainment that this is not a reasonable base goal. Although we do have a number of DBE bidders, they are primarily bidding on small subcontracts (typically, approximately 1% of monetary value of the work) which amounts to lower attainment percentages in dollars. There was also a large construction contract that was let in 2016 that led to larger groups of contractors. There are very few opportunities for sub-recipients to sub-contract as most services are delivered by the non-profits themselves. Two Tribal Governments who provide service but as they are considered municipal, therefore; these factors cannot be considered.

OVERALL GOAL CALCULATION

FFY 2017-2019 for each year is .97%

RACE NEUTRAL AND CONSCIOUS MEASURES

The Department's DBE Program goal of .97% for FFYs 2017-2019 will be achieved entirely through race and gender-neutral means. For reasons stated above contract goals will not be necessary for additional attainment because of the limited capacity of Maine's DBE community for transit operations and needs. If we determine that we will not achieve the goal, we will take measures to do so, which may include targeted project goals or reassessing our goal.

As Maine's only Unified Certification Program entity, MaineDOT has done extensive public outreach to ensure that eligible businesses are aware of the DBE Program. For many years, MaineDOT has contracted with Eastern Maine Development Corporation (EMDC), a community development and small business development agency, to administer its DBE Supportive Services Program. In 2014 MaineDOT included in this contract a recruitment component that required the consultant to promote the DBE program to businesses at trade shows, networking and matchmaker events.

MaineDOT DBE staff also has met annually with Transit Providers to discuss DBE attainment and reporting and to stress the need to seek DBE contracts. We have explained that this is not only when contracting for capital contracts but for supplies, consulting and procurement of services. EMDC sends out weekly updates to all Maine DBEs on upcoming construction bid opportunities.

In 2016, MaineDOT met with other Maine FTA Recipients and discussed the need to share information and work together to recruit new DBEs. We set a commitment to meet at least annually to share information and approaches to increase DBE participation.

Finally, the Department has no evidence of discrimination on the part of transit contractors and does have evidence of continuing good faith effort.

PUBLIC PARTICIPATION

As Maine's only Unified Certification Program entity, MaineDOT has done extensive public outreach to ensure that eligible businesses are aware of the DBE Program. For many years, MaineDOT has hired Eastern Maine Development Corporation, a community development and small business development agency, to administer its DBE Supportive Services Program. In 2014 MaineDOT included in this contract a recruitment component that required the consultant to promote the DBE program to businesses at trade shows, networking and matchmaker events.

Below is the complete list of events, and workshops that the DBESS Specialist and/or the DBE Administrator attended and participated in from June 2015 to June 2016 for the purpose of networking with small businesses and other resources that work with small businesses in order to promote the DBE Program gather input on how best to promote the program and work with groups to bring prime contractors and providers together with small business groups.

1. Central Maine Women's Business Owners Networking Event	June 10, 2015
2. LAEGC B2B trade show	June 18, 2015
3. Four Directions Development – Tribal CDFI	June 23, 2015
4. Downeast Business Expo – Ellsworth	November 6, 2015
5. Maine Municipal Assoc. convention – Augusta	October 7, 2015
6. Marketing Workshop – Ellsworth	October 15, 2015
7. 2015 Business Bootcamp – Bangor	October 22, 2015
8. Small business workshop – Greenville	October 14, 2015
9. Small Business Retirement workshop – Husson – Bangor	October 29, 2015
10. Bangor Savings Bank luncheon – Bangor	October 26, 2015
11. Tuesday Forum – Women's Businesses– Bangor	October 27, 2015
12. Americorp Veteran's tribute – Bangor	November 9, 2015
13. W2 Ocean Engineering Lab dedication – UMO	November 23, 2015
14. EMDC "Financing Options for Your Business" workshop	March 15, 2016
15. New England Matchmaker event	April 13, 2016
16. Mainebiz Women's Leadership Forum	April 5, 2016
17. National Assoc. of Women in Construction Expo	April 15, 2016
18. Small Business Resource Providers summit and SBA awards	May 4 th , 2016
19. PTAC workshops on government contracting	March 24, 2016
20. Central Maine Women's business owners meeting	June 8, 2016
21. Women's Leadership Luncheon	March 18, 2016
22. HUBZone program, contracting, and business resources	April 1, 2016
23. Women of Worth conference	April 20, 2016
24. Introduction to DBE workshop	April 21, 2016
25. Manufacturing & Fabrication Forum	June 1, 2016

Meeting with Direct Recipients

To further gain a better understanding of business opportunities as they relate to transit providers, MaineDOT host a FTA Direct Recipient Brainstorming meeting on June 29, 2016. In that meeting direct recipients asked questions and discussed challenges to recruiting DBE for transit providers. The group agreed to coordinate when possible and share information.

Outcomes: MaineDOT sent their DBE SS brochures to providers and will the group pledged to share information and develop a more coordinated effort in recruitment. Because MaineDOT is the UCP for the state, the DBE administrator agreed to attend as many meetings as possible with recipient transit providers to explain the program and help businesses better understand the certification process. The Group also agreed to meet at least annually in June of each year to share insights and information.

Public Notification of Goal Methodology

The public was notified by publication June 6, 2016 in the Kennebec Journal, the State paper of record, and was placed on MaineDOT Civil Rights website. Public comments were solicited for 45 days; all comments must be received by 4:00 PM, July 20, 2016.

Additionally, the goal notification and methodology was posted on the MaineDOT website, <http://www.maine.gov/mdot/civilrights/>.

Several interested stakeholders were notified directly by e-mail of the goal publication, including current service providers, contracting groups, women business organizations and the entire DBE directory. These individuals were also invited to participate in a conference call to discuss the methodology and the DBE program. E-mails were sent out to interested parties on

July 13, 2016 FTA Goal Methodology Conference Call

MaineDOT held a conference call to inform the DBE, Providers and business community on the FTA Goal and methodology and to get input and take questions on that and on the DBE Program. Conference call invitations were sent to all DBE's in Maine, transit providers, women's business groups, Associated General Contractors of Maine, Municipal Planning Organizations and others on June 7, and again on July 11, 2016 as a reminder to participate. Although there were few participants, one DBE and one provider attended; the conversation was good and ideas were generated and questions were answered regarding the goal and subrecipient responsibilities.

Outcomes: Questions were answered regarding subrecipient responsibility and there was a suggestion to provide information to providers to send out with checks to vendors and to have available when they encounter potential DBEs. There was also an offer by the DBE attending to talk with providers and business owners to share her story of becoming a DBE.

Comments and Feedback: Comments and feedback were requested from the public which included DBEs, subrecipients, business associations and others. MaineDOT did not receive any further comments or feedback to affect the overall goal or goal methodology. No changes were made to the FTA methodology based on public comments.

This methodology incorporated the feedback and comments from the FTA review of the methodology and changes were made to reflect those comments.