

Welcome to

City of Austin

Small & Minority Business

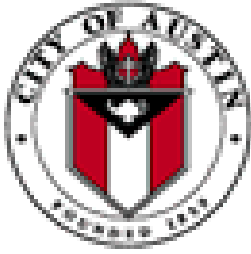
Resources

Disadvantaged Business

Enterprise

Public Hearing





City of Austin

SMBR

Small & Minority Business Resources

Opening the door to opportunities.

Program administered
by the **Small &
Minority Business
Resource Department**

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City of Austin

Disadvantaged Business Enterprise (DBE)

Program Fiscal Years 2016-2018

49 Code Federal Regulation (CFR), PART 26



**DBE Proposed Program Public
Meeting**

AGENDA

Opening & Introductions

**Overview of COA's SMBR
Program**

COA DBE Program

Overview & Proposed Goals

Q & A

Public Input & Comments

Who is this meeting for?

- **Minority contractor and consultant groups**
- **Women contractor and consultant groups**
- **General contractor and consultant groups**
- **Community organizations**
 - **Trade Associations**
 - **Service Providers**
- **Anyone who would like to provide input regarding City of Austin's DBE Program**

What is the purpose of this meeting?

- **Provide information about the City of Austin's DBE Program**
- **Discuss requirements of the DBE Program**
- **Discuss DBE Goal and Methodology**
- **Get input regarding the DBE Program**



City of Austin DBE Program

What is the DBE Program?

- The U.S. Department of Transportation's Disadvantaged Business Enterprise (DBE) program provides a vehicle for increasing the participation of women and minorities in state and local procurement.
- Federal Regulations require recipients that receive USDOT financial assistance to establish a DBE Program for the participation of DBE's.
- Recipients are required to establish annual DBE goals and review contracts throughout the year to establish project-specific DBE subcontracting goals.

Who must have a DBE Program?

- All FHWA primary recipients receiving funds
- FTA recipients receiving planning, capital and/or operating assistance who will award prime contracts (excluding transit vehicle purchases) the cumulative total value of which exceeds \$250,000 in FTA funds in a Federal fiscal year;
- FAA recipients receiving grants for airport planning or development who will award prime contracts the cumulative total value of which exceeds \$250,000 in FAA funds in a Federal fiscal year.
- The majority of City of Austin procurements are FAA DOT-assisted contracts.

DBE Program Objectives

It is the policy of the City to ensure that DBEs as defined in Part 26, have an equal opportunity to receive and participate in DOT–assisted contracts. It is also our policy:

1. To ensure nondiscrimination in the award and administration of DOT- assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. To help remove barriers to the participation of DBEs in DOT assisted contracts;
6. To promote the use of DBEs in all types of federally-assisted contracts and procurement activities;
7. To assist the development of firms that can compete successfully in the market place outside the DBE Program; and
8. To provide appropriate flexibility to recipients of Federal financial assistance in establishing and providing opportunities for DBEs.

City of Austin Department

Program Areas

- **Airport Concession
Disadvantaged Business
Enterprise (ACDBE)**
- **Disadvantaged Business
Enterprise (DBE)**
- **Minority-Owned & Women-
Owned Business Enterprises
(MBE/WBE)**
- **Small Business Enterprise (SBE)**

Components of the Disadvantaged Business Enterprise (DBE) Program

- **Certification**
- **Compliance**
- **Goal Setting**
- **Reporting**



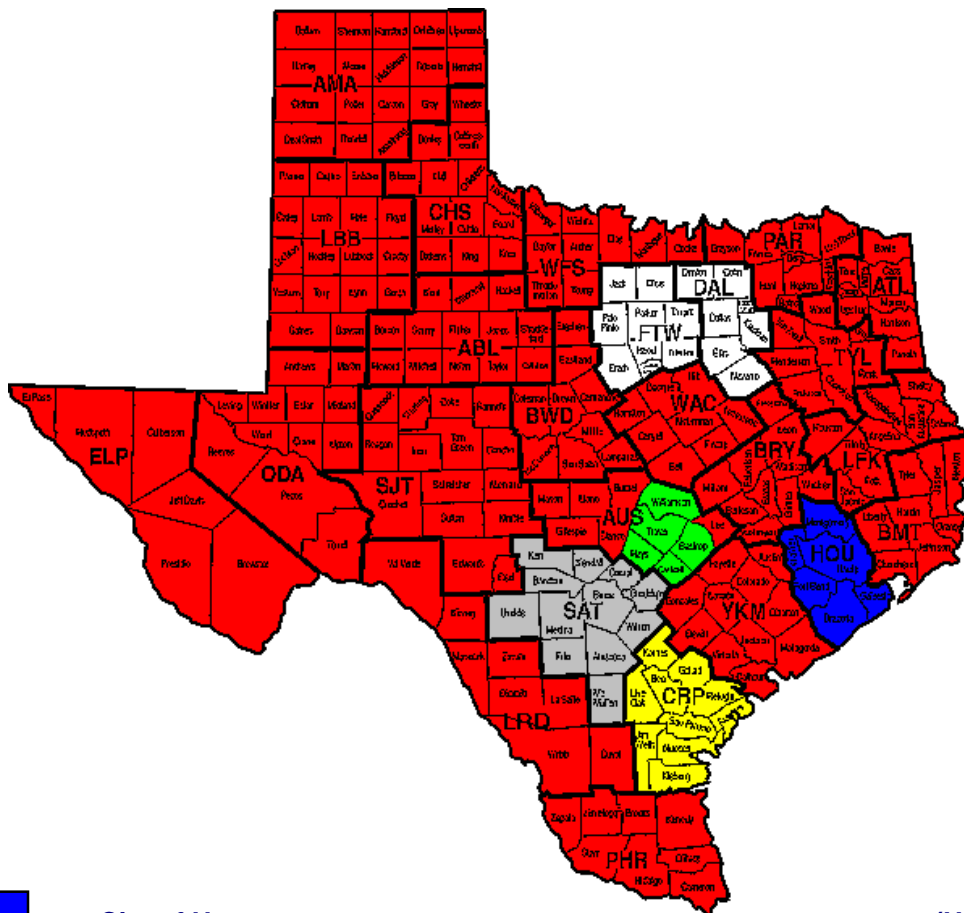
Certification

DBE Certification Requirements

- 51 percent owned, managed and controlled by an economically and socially disadvantaged individual
- Must be U.S. citizen or Legally Admitted Resident
- Contributions, ownership, and daily management control clearly documented
- Presumed Groups: Asian-American; African-American; Native American; Hispanic; Women
- The primary economically disadvantaged owner(s) personal net worth not to exceed \$1.457 million
- Firm must be organized as a for-profit business
- On-site visit required

ACDBE/DBE Certification

Texas Unified Certification Program (TUCP)



City of Houston

(HOUSTON)

City of Austin-Hays, Travis, Williamson, Caldwell, Bastrop

(AUSTIN)

Corpus Christi Regional Transportation Authority

(CCRTA)

North Central Texas Regional Certification Agency

(NCTRCA)

South Central Texas Regional Certification Agency

(SCTRCA)

Texas Department of Transportation

(TXDOT)

DBEs Certified by NAICS Categories

(Identified for FY 2016-2018)

NAICS Code	DBE Opportunity
221310	Water Supply & Irrigation Systems
236220	Airport Terminal Construction
237110	Construction Management/Water & Sewer Line
237310	Airport Runway Construction/Concrete Finishing
238110	Foundation; Concrete Paving (i.e., highway, road, street, public sidewalk)
238120	Structural Steel & Precast Concrete
238140	Masonry
238150	Glass & Glazing
238160	Roofing
238210	Electrical/Communication & Audio Equipment Installation
238220	Plumbing/HVAC
238290	Elevator/Escalator Installation
238310	Drywall & Insulation Installation
238320	Painting & Wall Covering
238330	Flooring
238910	Demolition/Excavation/Site Preparation
238990	Construction site cleanup/Fencing Installation
424720	Petroleum & Petroleum Products Merchant Wholesaler
561720	Janitorial Services
561730	Landscaping Services
562910	Remediation Services, Environmental
56299	All Other Waste Management Services



Compliance

Compliance Requirement

- **City of Austin monitors DBE participation on all prime and sub contracts**
- **Contractors/Consultants identify DBE subcontractors that they are intending to use to meet DBE contract goal**
- **Contractors/Consultants submit monthly reports on DBE participation**
- **City of Austin staff verify that DBE subcontracts are in compliance with federal program requirements**
- **City of Austin identifies any corrective actions for compliance issues**



DBE Proposed Program

Goal Methodology

Race Conscious/Race Neutral (RN/RC)

The Overall Goal and the breakdown for specific Race Conscious and Race Neutral Goals (both of which include gender-conscious/neutral goals) is reported.

- The **Race Conscious** Goal is based on measures that provide benefits only for DBEs. The use of contract goals is a primary example of a race conscious measure.
- The **Race Neutral** Goal include measures for all firms while benefiting DBEs.

DBE Goal Calculation

It's a Two Step Process!

- **Step 1 - Determine the base figure for the relative availability of DBEs. Availability refers to ready, willing and able (RWA) firms.**
- **Step 2 - Examine available evidence to determine adjusting base figure.**



City of Austin DBE Accomplishments Overview

Step 1 Base Figure Determination

DBE Opportunity	Census Bureau Data	TUCP Data	DBE Relative Availability
Water Supply & Irrigation Systems	39	9	23.08%
Airport Terminal Construction	271	1	0.37%
Construction Management/Water & Sewer Line	69	9	13.04%
Airport Runway Construction/Concrete Finishing	58	2	3.45%
Foundation; Concrete Paving (i.e., highway, road, street, public sidewalk)	110	8	7.27%
Structural Steel & Precast Concrete	45	22	48.89%
Masonry	86	26	30.23%
Glass & Glazing	29	4	13.79%
Roofing	111	24	21.62%
Electrical/Communication & Audio Equipment Installation	390	41	10.51%
Plumbing/HVAC	560	10	1.79%
Elevator/Escalator Installation	41	1	2.44%
Drywall & Insulation Installation	96	18	18.75%
Painting & Wall Covering	271	46	16.97%
Flooring	65	19	29.23%
Demolition/Excavation/Site Preparation	156	84	53.85%
Construction site cleanup/Fencing Installation	177	13	7.34%
Petroleum & Petroleum Products Merchant Wholesaler	9	4	44.44%
Janitorial Services	264	48	18.18%
Landscaping Services	438	111	25.34%
Remediation Services, Environmental	12	1	8.33%
All Other Waste Management Services	24	11	45.83%
TOTAL	3321	512	15.42%

Base figure = $\frac{\text{Ready, willing, and able DBE firms in the market area}}{\text{All ready, willing and able firms in the market area}}$

City of Austin DBE Accomplishments Overview

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

- Adjustments based on an examination of the anticipated contracts for each fiscal year, the availability of the DBE firms by trade classification and the volume of work performed by DBE firms over previous years.

Step 2a Analysis: Adjustments to Step 1 base figure. (Continued)

Type of Projects that the airport anticipates awarding:

Projects Fiscal Year #1 (2016)

- 1. Work Area A - East Apron \$24,481,128
- 2. Phase 1 - East Apron \$36,039,868

Projects Fiscal Year #2 (2017)

- 1. Phase 2 - East Apron \$18,727,885

Projects Fiscal Year #3 (2018)

- 1. Phase 3 - West Apron \$22,842,959

Project Name	Fiscal Year	Project Name	Trade \$	Census #	Directory #	DBE % (Dir#/Cen#)	DBE \$ (Trade\$ x DBE%)	Fiscal Year Goal % (DBE % + Median 10.89%)
ABIA Terminal Improvements & Apron Expansion Project	2016	Work Area A (Stormwater/Deicing Collection Facility)	\$ 24,481,128	1319	275	20.85%	\$ 5,104,101.64	15.81%
		Phase 1 (Concourse Apron; Area 1 -- East Apron Phase 1; Area 2E -- East Infield Phase 1)	\$ 36,039,868	1372	283	20.63%	\$ 7,433,879.38	
	2017	Phase 2 (Area 1 -- East Apron Phase 2 Area 2E -- East Infield Phase 2; Area 2W - West Infield)	\$ 18,727,885	1372	283	20.63%	\$ 3,862,967.53	15.76%
		2018	Phase 3 (West Apron)	\$ 22,842,959	1372	283	20.63%	\$ 4,711,776.48
		Total Apron Expansion	\$102,091,839	5435	1124	20.68%	\$21,112,725.02	15.77%

City of Austin DBE Accomplishments Overview

Step 2b Examination of available evidence to determine adjusting base figure using past participation

Fiscal Year	Goal	Accomplishment
2011	28.56%	11.91%
2012	28.56%	9.80%
2013	28.56%	7.19%
2014	9.60%	12.30%
2015	9.60%	10.89%

Arranging this historical data from low to high, (7.19%, 9.80%, 10.89%, 11.91%, 12.30%) the median is 10.89%.

The proposed Overall DBE Goals are as follows:

Fiscal Year #1 – 15.81% $(20.74\% + 10.89\%)/2$

Fiscal Year #2 – 15.76% $(20.63\% + 10.89\%)/2$

Fiscal Year #3 – 15.76% $(20.63\% + 10.89\%)/2$

Average of the three years $15.81+15.76+15.76 = 47.34/3 = 15.77\%$

Recommended DBE Goal

Based on the information and evidence currently available, City of Austin is recommending a DBE Goal of 15.77% (Estimate)

WHAT WAS CONSIDERED? Relative Availability and Adjustments to the goal.

In determining the relative availability the City utilized:

- 1.) TUCP Directory Information**
- 2.) Census Bureau Data**

In determining any adjustments the City considered:

- 1.) Anticipated DOT-assisted contracts**
- 2.) Past Participation**
- 3.) Public Consultation**

City of Austin Small & Minority Business Resources

www.austintexas.gov/dbe-plan

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DISADVANTAGED BUSINESS ENTERPRISE

The City of Austin's Small & Minority Business Resources (SMBR) Department certifies qualifying small businesses that are owned, managed, and controlled by both socially and economically disadvantaged individuals as Disadvantaged Business Enterprises (DBEs) and/or Airport Concession Disadvantaged Business Enterprises (ACDBEs).

DBEs and ACDBEs are qualified for participation in federally-funded Department of Transportation airport, highway, and public transit contracting projects across the State of Texas in compliance with Code of Federal Regulations (49 CFR Part 26 and Part 23).

The City of Austin is one of six members of the Texas Unified Certification Program (TUCP).

TOP CONTENT

- ★ Certification
- ★ About Small & Minority Business Resources
- ★ Disadvantaged Business Enterprise
- ★ Contract Compliance
- ★ Certification for Small Business Enterprise (SBE)

KEEP IT CURRENT



General Eligibility Requirements

- Fifty-one percent owned, managed and controlled by an economically and socially disadvantaged individual (see presumed groups below):
 - Asian-American,
 - African-American,
 - Native American,
 - Hispanic or
 - Women
- Must be a small business as defined by the US Small Business Administration (SBA).
- Personal Net Worth limit of \$1,320,000 for owner.
- Firm must be organized as a for-profit business.
- For application form click [here](#).

Reports

Part 26 – Federally-funded transportation, aviation, and highways

- Proposed Program Goals, 49 CFR Part 26, October 1, 2014 to September 30, 2016

Part 23 – Airport Concessions Disadvantaged Business Enterprise (ACDBE)

- Proposed Program Goals, 49 CFR Part 23

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Austin Energy
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Questions?

We Want Your Input

To obtain information from you regarding:

- **Availability of disadvantaged and non-disadvantaged businesses**
- **The effects of discrimination on contract opportunities**
- **City's efforts to provide information and opportunities to DBEs**

OPEN FOR PUBLIC COMMENTS

We will continue to accept Public Comments regarding the 2016-2018 until **September 15, 2016, 5:00 p.m.**

Email comments to:
DBEPublicComments@austintexas.gov

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THANK YOU!