

# PUBLIC NOTICE

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August 31, 2011

**City of Fort Lauderdale  
Federal Aviation Administration Grants:  
Disadvantaged Business Enterprise (DBE) Program  
Fiscal Year 2012-2014**

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The City of Fort Lauderdale Executive Airport has completed the DBE Program goal-setting process for Fiscal Years 2012-2014. This report serves as its DBE Goal Setting Methodology Report pursuant to 49 CFR Part 26. FXE proposes a DBE goal of 11.63%.

## METHODOLOGY USED TO CALCULATE OVERALL GOAL

### Step 1: Determining the Base Figure - 26.45(c)

The method described in 49 CFR 26.45(c)(1) was used to determine the base figure for the relative availability of DBE firms in FXE's normal market area, comprised of Broward, Palm Beach, and Miami-Dade Counties. The base figure was calculated on the premise that the firms identified in the table are ready, willing and able to do business on FDOT-assisted projects. The runway projects were used to identify the NAICS codes for the base figure. The numerator was calculated using the FDOT Biznet DBE directory data of Broward, Palm Beach, and Miami-Dade Counties. The denominator was calculated using the 2009 U.S. Census Bureau County Business Patterns (NAICS). (Appendix 1) The base figure was calculated as follows:

### Base Figure

The base figure was determined by dividing the total number of ready, willing, and able DBEs by the total number of all ready, willing, and able firms.

The local market area was determined by using the Broward, Palm Beach, and Miami-Dade Counties because the work is to be done in Broward County, which is at the center of the Miami Urbanized Area. These boundaries were set due to the proximity of the firms to the actual worksite as well as the majority of firms in South Florida coming from this region. The table below shows the NAICS codes and types of industries for the project:

NAICS	TYPE	DBE FIRMS	TOTAL FIRMS
237310	Highway, Street & Bridge Construction	105	123
237310	Paving (Included with Highway)	-	-
238210	Electrical Contractors	85	1,151
561730	Landscaping Services	51	1,806
238320	Painting (Striping)	61	758
238910	Site Preparation (Excavation)	196	311
541330	Engineering Consultants	141	1,202
541340	Drafting Services	20	49
541370	Surveying and Mapping	19	164
541380	Testing Laboratories	10	94
541620	Environmental Consulting Services	28	161
<b>TOTAL</b>		<b>716</b>	<b>6,189</b>

Total Number of DBE Firms = 716  
Total Number of Firms = 6,189  
Base Figure = 11.56%

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## Step 2: Examination of Available Evidence to Determine Adjustment, if any, to the Base Figure – 26.45 (d)

### Disparity Study

Under this rule, evidence may be considered from disparity studies conducted in one's market area to determine if a base figure adjustment should be made. Broward County conducted a Disparity Study and released it on September 20, 2010. The conclusion of the disparity study states, "We conclude that there is strong evidence of large, adverse, and frequently statistically significant disparities between minority and female participation in business enterprise activity in Broward County's relevant market area and the actual current availability of those businesses. We further conclude that these disparities cannot be explained solely, or even mostly, by differences between M/WBE and non-M/WBE business populations in factors untainted by discrimination and that these differences therefore give rise to a strong inference of the presence of discrimination". The Broward County Disparity Study can be found at [www.broward.org](http://www.broward.org).

### PAST PARTICIPATION

Past participation was also considered in the decision to make an adjustment. FXE's past participation during the previous three years was analyzed. There were no applicable projects in FY 2010 or FY 2011 for which a goal would have been developed so we are using the previous years past participation. See Table 2 below.

Reporting Period	DBE Goal	% Achieved	% Over/Under
FY 2007	24.1%	11.7%	-12.4%
FY 2008	14.7%	15%	+0.3%
FY 2009	12%	9.5%	-2.5%

The FAA funded grants for Taxiway Alpha Relocation and Runway 13/13 Pavement Rehabilitation that were expended during Fiscal Years 2007, 2008, and 2009 had DBE utilization of 11.7%, 15%, and 9.5% respectively. The DBE goals for those years were 24.1%, 14.7%, and 12% respectively. Therefore, the goals were over/under achieved at -12.4%, +0.3%, and -2.5%.

In order to obtain a step two adjustment for past participation FXE will determine the median past participation. The values of the past participation are listed from low to high. The median past participation from the three years is 11.7%. The median past participation of 11.7% is then added to the base figure of 12% and divided by 2 to yield a step one base figure adjusted for past participation of 11.63%.

$$11.56\% + 11.7\% = 23.26\%$$
$$23.26\% / 2 = 11.63\%$$

### THE RACE/GENDER-NEUTRAL AND RACE/GENDER CONSCIOUS PARTICIPATION

Based on Table 2, the race-neutral over/under goals for the past three years are -12.4%, +0.3%, and -2.5%. Therefore, the median amount is -2.5%. For the years listed above, FXE has over/under achieved on its DBE goal for three years on its FAA grant assisted projects. As stated in 49 CFR sections 26.51, the maximum feasible portion of the goal must be met using race/gender-neutral means of facilitating DBE participation. FXE will utilize race/gender-neutral means and race/gender-conscious measures to achieve the goal.

With that in mind, FXE anticipates 1.63% of the total proposed goal of 11.63% will be attained through race/gender-neutral means and 10% will be attained through race/gender-conscious means. This percentage will be used as a requirement in any new bid documents. DBE participation will be monitored during the year in order to determine how close the target projection is to actual participation.

FXE will meet the maximum feasible portion of its overall goal by using the following strategies to increase DBE Participation:

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- Arrange solicitations; give date and times for the presentation of bids, quantities, specification, and delivery schedules in ways that facilitate DBE, and other small businesses participation.
- Conduct informational and communication workshops on contracting procedures.
- Encourage DBE attendance at pre-bid and pre-construction meetings on specific contract opportunities.

In order to insure that the DBE program will be narrowly tailored to overcome the effects of discrimination, FXE will adjust the estimated breakout of race/gender-neutral and race/gender-conscious participation as needed to reflect actual DBE participation (see 26.51(f)). FXE will track and report race/gender-neutral and race/gender-conscious participation separately. For reporting purposes, race/gender-neutral DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract a DBE obtains 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;
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

## THE PROCESS

FXE is required to submit its overall DBE goal to FAA on August 1 of each year. FXE will publish the FY 2012-2014 goal starting the week of September 6th, 2011 on its website, [www.fortlauderdale.gov](http://www.fortlauderdale.gov) and in the tri-county area local newspapers (Sun-Sentinel, el Nuevo Herald, Le Floridien, and Westside Gazette) informing the public that the proposed goal and rationale are available for inspection during normal business hours at City Hall for 30 days following the date of the notice, and that FXE will accept comments on the goals for 45 days from the date of the notice. FXE will begin using the new overall goal in conjunction with FAA funded grants that it receives.

## Public Comment

Please see **Exhibit D** for the advertisement. Public comments will be included in this methodology report to the U.S. Department of Transportation in this section. This section will be added after the public comment period of 45 days.

The City is aware that DBE vendors and vendors that are potentially eligible for the DBE program are frequently unaware of the opportunities afforded to them through the DBE program. While the City has engaged in outreach activities to make firms aware of certification and contracting opportunities, it is assumed that the market of DBE and DBE-eligible vendors is potentially larger than Broward County's certification directory or statewide certification would indicate.

## Recommendation:

It is recommended that a DBE goal of 11.63% be used as the City of Fort Lauderdale's FY's 2012-2014 DBE overall goal for the FAA's anticipated Airport Improvement Program. This would equal awarding approximately \$942,030 to qualified DBEs capable of participating in these types of DOT-assisted contracts.