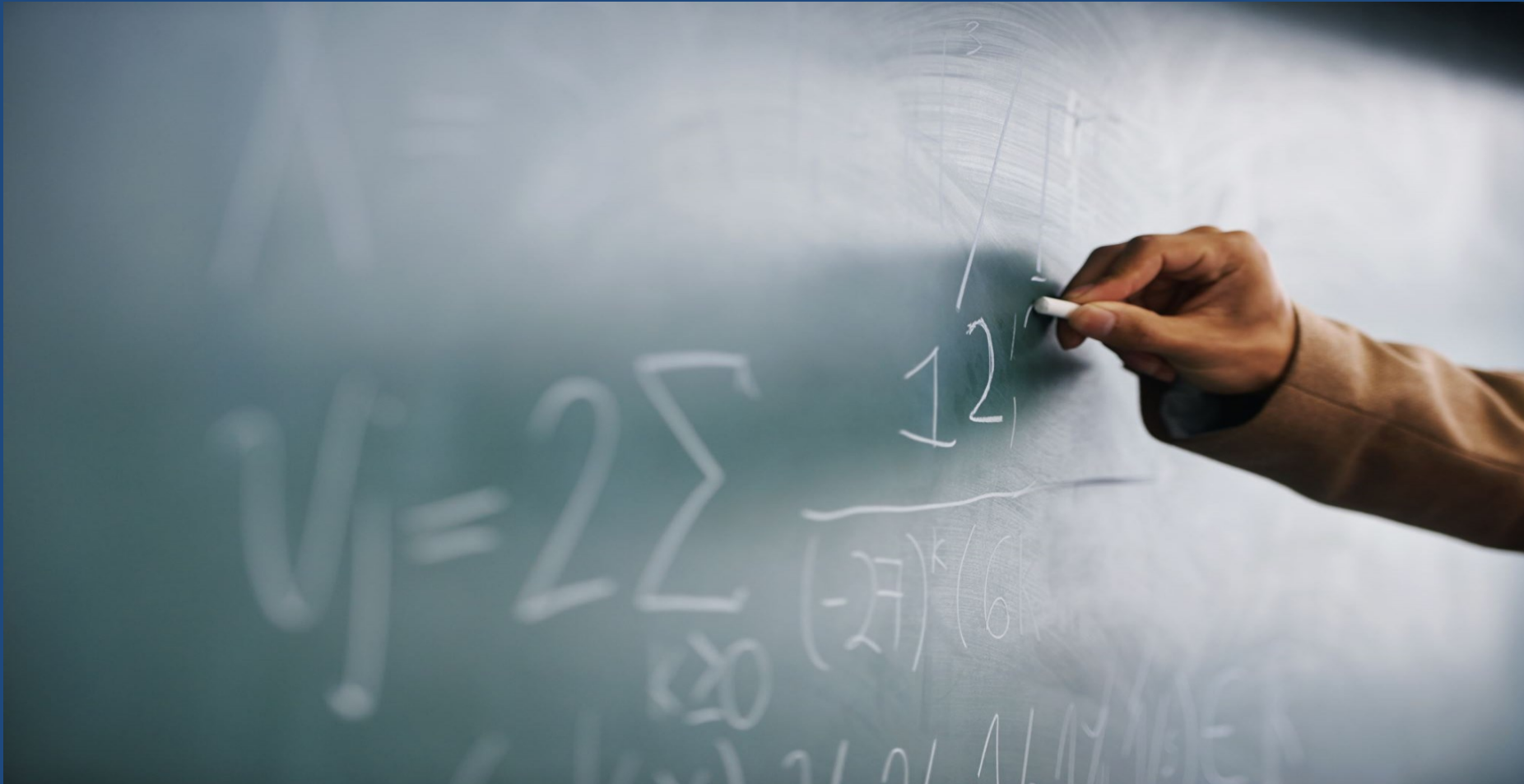


THE HWY DBE GOAL METHODOLOGY FY 2025-2027

Posting- OCTOBER, 2024

NCDOT-OCR Website

HOW ARE THE OVERALL DBE GOALS SET?



OVERVIEW – DBE GOALS

The *current* NCDOT 3-year schedule began with FY 2022 (October 1, 2021) and goes through FY 2024 (September 30, 2024).

The new goals submission due date **for FY 2025-2027, will be prior to December 1, 2024.**

A DBE goal setting methodology is a process required in 49 CFR Part 26.45 of the DBE Regulations

REVIEW OF THE FFY 2025-2027 DBE GOAL METHODOLOGY-FHWA FUNDED PROJECTS

GOAL SETTING PROCESS: The COMPONENTS

- **Begins with a List of proposed projects for the *next* three federal fiscal years**
- **Consideration of a Detailed BUDGET with cost breakdowns of major project components**
- **Identification of primary market area - [the State of North Carolina]**
- **Analysis of *relative availability* of DBEs compared to all businesses, to perform the projects**
- **Application of a Two-Step Process: Calculation of a Base Figure (Step 1), and consideration of an “adjustment”, (Step 2), which becomes the “Final” goal.**

DBE GOALS SETTING – PREMISES

49 CFR Part 26: 45 (b)

Goals should be determined by some reference or analysis of the *relative availability* of qualified firms in the relevant industries (or work codes), compared to “ALL” firms.

Ultimately, overall goals should represent the level of DBE participation a recipient would expect *absent* discrimination, and must be based on *evidence* of the availability of ready, willing and able DBEs in the local market area

STEP 1: GOALS – EXAMPLE OF APPROACH SELECTED

1. Use of Current NCDOT Directory, for “Relative Availability” Data, i.e. DBEs and “ALL firms.

2. Estimated Total 36-mo. Budget for projects Statewide, based on a Sample of Project TYPES.

3. And the use of *Weighting, a mathematical tool.*

STEP 1 GOALS: PROJECT CATEGORIES: HIGHWAY AND RELATED-TOTAL-FFY 2025- 2027

Work Category	Dollar Value	% of Estimated Federal Dollars
Bridge Projects	\$261,241,000	4.73%
Design Build Projects	\$1,973,804,000	35.74%
Interstate Projects	\$754,195,000	13.66%
*Rural Projects	\$1,058,360,000	19.17%
*Urban Projects	\$1,380,708,000	25.00%
*Safety Projects	\$93,923,000	1.70%
TOTAL	\$5,522,231,000	100.00%

STEP ONE BASE GOAL CALCULATION SUMMARY, USING NCDOT HIGHWAY-RELATED PROJECT CATEGORIES-GENERAL CHART

Work Category	Dollar Value	Percent of Estimated Federal Dollars	Step 1	Weighted Relative Availability
Bridge Projects	\$261,241,000	4.73%	12.35%	0.58%
Design Build Projects	\$1,973,804,000	35.74%	13.26%	4.74%
Interstate Projects	\$754,195,000	13.66%	13.94%	1.90%
Rural Projects	\$1,058,360,000	19.17%	15.52%	2.97%
Urban Projects	\$1,380,708,000	25.00%	14.98%	3.74%
Safety Projects	\$93,923,000	1.70%	13.69%	0.23%
TOTAL-Overall	\$5,522,231,000	100.00%		14.18%

FINAL STEP 1 DBE GOAL

Final Step One Base Goal Calculation,
using Alternative # 5:

- **Project Category Analysis – to derive
Aggregated Step 1- DBE Goal →**

14.18%

OVERALL GOAL CALCULATION - STEP 2, **GOAL ADJUSTMENT**

The Regulations (49 CFR Part 26.45(d))

You ***must consider*** additional factors: e.g.

- **Current Capacity** of DBEs to perform work, as indicated by *recent historic attainment*
- Evidence from **disparity studies**, if available (and not used elsewhere)
- Statistical disparities in ability of DBEs to **secure financing, bonding, and insurance**
- Data on **employment, self-employment, education, training programs**
- **Any other data** that would help to better measure the percentage of work that DBEs would be likely to obtain in the absence of discrimination

NCDOT-SUMMARY OF RECENT HISTORIC DBE ATTAINMENT, PAST 3 YEARS

Fiscal Year	Race Neutral	Race Conscious	Total DBE Participation
	Contracts	Contracts	
	DBE Participation	DBE Participation	
FY 2021 - 1	5.2%	12.9%	11.8%
FY 2021 - 2	8.5%	12.0%	10.9%
FY 2022 - 1	10.3%	13.9%	13.1%
FY 2022 - 2	8.7%	12.1%	11.5%
FY 2023 - 1	4.4%	9.0%	6.3%
FY 2023 - 2	7.6%	8.7%	8.5%
MEDIAN	8.1%	12.1%	11.2%

STEP 2: GOAL ADJUSTMENT: PRIMARY CONSIDERATION IS “PRIOR ATTAINMENT”

The final PROPOSED OVERALL GOAL is the Step 1 goal (14.18%) averaged by the recent historic attainment figures:

1. **14.18% (Step 1) + 11.2% (Step 2) = 25.38/2 = 12.69%
or: 12.70%**
2. ***This is the proposed overall 3-year goal to be submitted to the Federal Highway Administration***

QUESTIONS/COMMENTS

- The Office of Civil Rights will receive and consider public comments on the proposed goal by **November 22, 2024**. Comments may be delivered to the Office of Civil Rights via email, to the following: **Jorgelia Nino, NCDOT, jnino@ncdot.gov**.
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- For additional information and questions, please contact **Jorgelia Nino** at **984.236.1294**.

