

**SUGGESTED GOAL FOR FISCAL
YEARS 2014, 2015 AND 2016
PARTICIPATION BY DISADVANTAGED BUSINESS
ENTERPRISES IN MISSISSIPPI DEPARTMENT OF
TRANSPORTATION'S
FEDERALLY-ASSISTED CONTRACTS**

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FINAL

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SUGGESTED GOAL FOR MDOT BASED ON RELATIVE AVAILABILITY OF DISADVANTAGED BUSINESS ENTERPRISES

EXECUTIVE SUMMARY

The recommended percentage goal for Disadvantaged Business Enterprises (DBEs) participation in Mississippi Department of Transportation (MDOT) federally assisted contracts in Fiscal Years 2013-2015 is 9.7%.

The goal is determined by the “relative availability” of DBEs. As defined in 49 CFR 26.451 “relative availability” is the number of “ready, willing and able” DBEs, relative to all business ready, willing, and able to participate in United States Department of Transportation (USDOT) assisted contracts.

A “base figure” for relative availability of DBEs in the MDOT contracting area was derived by calculating the percentage of DBE and non-DBE firms quoting as subcontractors in 2012, with a similar comparison for prime contractor bids. A weighted average of these percentages was then calculated. This base figure for relative availability was estimated at 9.3% based on bidders’ lists.

Adjustments to the base figure were made to account for past experiences, a recent increase in the number of registered DBEs, and data found in the JMAA Disparity Study released in May 2013. For the fiscal years 2008 through 2012, MDOT’s median past performance (MPP) DBE participation rate was 10.12%. Based on USDOT-recommended best practices, the base figure was averaged with the MPP score, yielding an adjusted base rate of 9.71%. This score was weighed against the fact that there was a 35% increase in certified DBEs since the last DBE annual goal update. However, the JMAA Disparity Study revealed that if MDOT took into account the disparities in the area, DBE availability in the JMAA market is substantially lower, thereby negating the additional increase in the number of certified DBEs. Thus, the DBE goal for MDOT for Fiscal Years 2014, 2015 & 2016 was not adjusted beyond the past performance adjustment. The recommended goal is a rounded adjusted base rate of 9.7% for federally-assisted MDOT contracts. While this is the recommended goal for the three year period, MDOT will monitor its progress in meeting its goal over the next three years, and, if necessary, will each year adjust its proposed split of conscious and neutral measures accordingly.

INTRODUCTION

This report is an update of similar studies conducted periodically since 1999. Its purpose is to recommend a goal to Mississippi Department of Transportation (MDOT) for Disadvantaged Business Enterprises (DBE) participation in federally-assisted MDOT projects for the next three fiscal years, 2014, 2015 & 2016.

The report uses a methodology similar to that employed by MDOT in recent years, as well as other states across the nation. Guidance was found in 49 CFR 26.451 as well as a USDOT-sponsored Annual DBE Goal Setting Methodology Webinar hosted by Ms. Martha Kenley, National DBE Program Manager for the Federal Highway Administration in 1st Quarter 2013.

Using the bidders' list methodology, the state must first calculate a "base figure" of the relative availability of DBEs. The procedure specifically calls for identifying DBE firms that actually bid or quoted on MDOT project over a period of time, using the logic that firms that never bid or quote are "not available" for MDOT work. The number of these DBEs is then compared to the number of all firms bidding as prime contractors or quoting as subcontractors, and an estimate of the relative availability of DBEs is derived from these ratios. This "base figure" can then be adjusted, for past experience, diversity studies and evidence from related fields, to reach a final recommended goal for future DBE participation. In this instance, the goal will apply to a three year fiscal period, 2014, 2015 & 2016.

It should be noted that in 2007, the consultants conducted a study of the methodologies used by states, noting that the bidders' list was an often used methodology. This was corroborated during the March 2013 Annual DBE Goal Setting Methodology webinar hosted by Ms. Kenley.

Finally, listings of firm bidding as DBE prime contractors and subcontractors are attached. When a firm bid or quoted more than one, it was only counted one time. Also, when a firm was listed under two or more (but similar) names, it was only counted one time. In weeding out these duplicates, we used one of the names on the bid list, which may not always be the official name of the bidder.

Step 1: ESTIMATION OF BASE FIGURE FOR DBE RELATIVE AVAILABILITY

MDOT Certified Disadvantaged Business Enterprises

Prior to providing the recommended base figure and adjustments, the summaries in Tables 1 and 2 provide brief descriptions of the disadvantaged business enterprises (DBE) DBE firms, based on the "List of Certified DBE Firms" obtained from the Mississippi Department of Transportation (MDOT).

When compared to MDOT's 2010 Report (of the recommended goal for FY 2011, 2012 & 2013), the number of active certified DBE firms in 2013 had increased by 138 or 35%, 253 firms versus 391,

respectively. Table 1 disaggregates the data categorizing each of these certified DBEs by their self-proclaimed classification. As seen in this data, the number of firms classified as “Contractors” increased from 156 to 205 or 24%, while “Consultants” almost doubled (47%), rising from 66 to 125, and “Suppliers” increased from 15 to 19 or 21%.

Table 1: Certified DBE Firms’ Classifications		
	Year 2010	Year 2013 (by May 2013)
Contractors	156	205
Consultants	66	125
Suppliers	15	19
Bonding	3	1
Miscellaneous or Combined	13	41
Total	253	391

The US Department of Transportation’s guidelines for goal setting in Participation by Disadvantaged Business Enterprises in Department of Transportation Programs (49 CFR 26.45) dictate that States identify the methodology it will use to set its goal from one of five: 1) the State’s bidders list; 2) US Census data + the State’s DBE Directory; 3) a disparity study; 4) the goal of another DOT recipient; and 5) an alternative method. Mississippi has chosen to use the State’s bidders list as it has done for the past decade, but also attempted to validate its bidders list results using alternative methodology 2) US Census data + the State’s DBE Directory and 3) a disparity study. As discussed in the *Best Data Available* section below, the consultants concluded that the bidders’ list provides Mississippi the most realistic and accurate data.

Estimate of Relative Availability Based on the Bidders List

USDOT officials have suggested that the relative availability of DBE firms can be based on the pattern of bids from prime contractors and quotes received from potential subcontractors, which are submitted to MDOT. It is inferred that firms that do not bid or quote as subcontractors are not “available”.

When choosing the bidders’ list to estimate relative availability, 49 CFR 26.45 includes the requirement that MDOT establish the “relative availability” of DBE contractors in its market area. “Relative availability” is the number of “ready, willing and able” DBEs relative to all business that are “ready, willing and able” to participate in USDOT-assisted contracts. MDOT collects bidder information on all those who bid, not just a low bidder sample.

In using the bidders’ list methodology, MDOT must determine the number of all businesses successful or unsuccessful that have bid or quoted on prime or subcontracts during the same period of time. Naturally, this means that the State must have some mechanism to capture the data on DBE and non-DBE prime and subcontractors that submitted bids or quotes. As in the past, the State has annually collected this data. For this analysis, it used info from FYs 2010, 2011 & 2012.

Best Data Available/Quality & Methodology of the Data Collection

The consultants considered using the combined Certified DBE list data with the United States Census’s County Business Pattern (CBP) data to determine the base figure. The CBP data are provided to determine the total number of firms categorized by the industry for which they are affiliated. According to Table 2, the largest number of DBEs worked in construction and the professional, scientific and technical industries. Based on the total number of construction workers in the industry, approximately 5.6% were DBEs. As it relates to the firms in the professional, scientific, and technical industry, roughly 3.8% of the industry consisted of DBEs. Further, approximately 2% of the transportation industry was made up of DBEs. Similarly, only about 2% of the wholesale trade industry was comprised of DBEs.¹

Admittedly, there were limitations associated with using the above data and methods. The most glaring limitation is that it is impossible to determine which of these firms, in any of these categories, are actually capable of doing highway construction. Even using the “transportation” category figures, we can only assume that the DBEs’ “transportation” expertise is in highway construction. Additionally, according to MDOT officials, 17 of the codes associated with MDOT DBEs are not located on the NAICS two-digit list. Another limitation is that it is difficult to verify the ownership of DBEs (e.g. whether they are owned by those who qualify as DBES); and secondly, it is possible that existing DBEs are not including on the list of DBEs. For these reasons, this methodology was not chosen.

Table 2. DBEs by Industry			
NAICS	DBEs	Mississippi	Industry
21	2	366	Mining
22	3	595	Utilities
23	228	4075	Construction
42	48	2789	Wholesale Trade
48	49	2098	Transportation
54	180	4705	Professional, Scientific & Technical
31	1	2282	Manufacturing
56	47	2251	Waste Management
81	7	6366	Other/Except Administration
51	6	924	Information
52	7	4698	Finance & Insurance
53	4	2407	Real Estate
44	3	111543	Retail Trade
72	4	5045	Accommodations & Food Services
61	3	599	Education, Services
	17		Incorrect Codes

Data from the United States Census’s County Business Pattern (CBP) – Year 2010. Based on the data provided by MDOT, 17 of the codes associated with the DBEs were not located on the NAICS two digit list.

The base figure also was not determined using a local disparity study. It was mentioned in the 2010 report that the City of Jackson was preparing a disparity study. The head of the City's Equal Business Opportunities (EBO) office indicated that the study has not been completed. And, given there is a current change in City leadership about to take place, the MDOT does not foresee this study being finalized before the next update cycle.

However, two weeks ago the Jackson Municipal Airport Authority (JMAA) completed and released to MDOT its disparity study. Given 1) the information is newly released thus did not provide for ample time to fully evaluate the data, and, 2) the document is pending Board approval, consultants recommended not using the disparity study to establish the base figure. There may be other justifications for using this document in the future, but that will be determined in the next update cycle. However, some of the disparity study findings were used in this document to support whether its recommended goal warrants adjusting, in the Step 2. Analysis provided in the Recommended Adjustment for the Final Goal.

MDOT believes MDOT's bidders list provides the most reliable source of data for determining who bids on MDOT contracts and subcontractors who quote. It collects this information directly. Thus, the data is not anecdotal, rather comes from the bidders and quoters themselves. The data was disaggregated, namely into "prime" and "subcontractors". This seemed the most significant division, and has been our methodology for many years. The State therefore is not surmising who bid or quoted. Rather this is first-hand information making its reliability extremely strong. One might argue that JMAA is a DOT-recipient, thus has reliable information. However, the bidders' list captures MDOT-contract activity only.

Finally, as it pertains to the methodology a state selects for determining its base goal, the USDOT allows states to determine which of the five suggested methodologies to use. Thus, MDOT is under no obligation to use a specific method to determine its based goal.

Consideration of Potential Minority and Women-Owned Firms that could be Eligible for DBE Certification

In determine the annual DBE goal, USDOT representatives directed States to also consider *potential* minority and women-owned firms that could be eligible for DBE certification. This can be achieved, they say, through surveying businesses through custom censuses, surveying unsuccessful subcontractors on the bidders' list if not identified as DBEs, or looking at MBEs and WBEs in State programs.

As further discussed in the section below entitled, *Adjustments Based on JMAA's Disparity Study*, considerations of potential minority and women-owned firms that could be eligible for DBE certification is discussed.

Determining the “Relevant Geographic Market Areas”

Title 49 CFR 26.45 specifies that if relative availability is determined by using DBE Directories and Census Bureau data from County Business Patterns or the like, a market area must be defined. Generally, this is established as the geographic distribution of contractors and subcontractors AND the area in which contracting dollars were spent. The relevant “market area” may not be state boundaries, according to USDOT. When using the Bidder’s list, the location of the bidders or quoters essentially establish the market area. And, the area in which the dollars were spent was naturally across the state of Mississippi.

Of the firms quoting as subcontractors in 2012, approximately 57% of the bidders were from Mississippi and roughly 16.2% were from the contingent states of Alabama, Louisiana, and Tennessee. The remaining bidders were primarily from the South, with a few outliers such as New York.

The concept of a geographical market area was not consider germane when using the bidders list, given the list in its totality was used to determine availability, regardless of any bidder’s (prime contractors) or quoter’s (subcontractors) geographic location.

Time Period of Establishing Availability

According to the DBE regulations as stated in 49CFR 26.11Z(c), MDOT is required to create and maintain a comprehensive bidders’ list, consisting of all firms bidding on prime contracts and quoting on subcontracts on federally-funded transportation projects. This information includes whether the firm was a certified DBE with MDOT. Of the 391 currently certified DBEs, 205 are classified as contractors. And, of the 205 certified DBE firms, only 4.39% opted to bid on MDOT contracts last year, while 42% quoted on subcontracts.

MDOT also collected data on the primes who bid and subcontractors who made quotes to all bidders on DOT-assisted projects. A list of DBE firms bidding as a Prime Contractor and a list of DBE firms quoting as a Subcontractor are attached in this report as Appendix A & B, respectively.

Table 3. Bids/Quotations on MDOT Projects in 2012 (Self-Reported)			
	Total	DBEs	Percentage of DBEs
# of Contractors Bidding as Primes	98	9	9%
# of Subcontractors Quoting	654	62	9.5%

During the past three years, as Table 3 shows, there were 98 unique prime bidders, of which 9 were DBEs. Note that these are active DBEs. A total of 654 unique companies submitted quotes as subcontractors of which 62 were certified DBEs. Thus, it can be said that 9% of firms available as prime contractors are DBEs and that 9.5% of firms available for subcontract work are DBEs. Again, of the 391 certified DBEs, 205 are classified as contractors.

Reasons for Low Participation Rate by DBE Firms

In a prior submission of its DBE goal, the USDOT asked MDOT to provide an explanation of why only one third (at that time) DBE contractors actually quote or bid on projects. The reasons behind the low participation are still not wholly conclusive, but some of the suggested factors included then and still remain:

1. Many of the DBE firms have a narrow capability and are not really qualified to do the work required under most MDOT projects. For instance, a number of DBE firms are oriented toward building construction versus highway construction. They actually have little expectation of doing work for MDOT, but have registered “just in case”.
2. A large number of DBE firms seem to have a marketing program which is very limited or non-existent. Many are not proactive in seeking relationships with firms that might become primary bidders, given a view in the DBE community that prime contractors historically have done business with non-DBE or smaller firms or subcontractors with whom they have long established relationships.
3. Primary bidders may have had a good experience with certain DBE contractors and therefore encourage them to quote. They may not provide similar encouragement to other DBE firms with whom they have had no experience, or possibly a bad experience.
4. A number of DBE firms believe that even if they provide a quote and the bidder with which they partnered wins, there is no guarantee the bidder will give the work to them.

Calculation of the Base Figure Using the Bidders List

Previous information from MDOT indicates that about 63% of federal assisted contract dollars flow down from the prime contractors to subcontractors. Combining this percentage with the percentages in Table 3, we can estimate an appropriate relative availability of DBEs as shown in Table 4 below.

Table 4. Calculation of Base Figure for Mississippi’s DBE Participation Goal			
	Percentage of Contract Funds	Percentage of DBE Firms	Proportional DBE Contract Awards
# of Contractors Bidding as Primes	37%	9%	3.3%
# of Subcontractors Quoting	63%	9.5%	6.0%
	100%		9.3%

The “Base Figure” for the estimate of the DBE Relative Availability is 9.3%. This is the “Base Figure” referred to in 49 CFR 26.45.

Weighting by Work Type

The Rule does not require “weighting” or breaking down the work into the most refined categories of contractors available and then performing the weighting calculations for each of those categories. However, this process, it is believed, increases the goal calculation’s level of accuracy. MDOT understands and accepts this notion. At the time the analysis was prepared, MDOT was working on a coding system that more narrowly defined the categories in which work is performed, therefore would allow it to make the weighting analysis. That project is nearing completion and should be in place to be used as suggested for the next DBE Goal Methodology submittal. Given this is not a requirement our analysis this year does not include a Weighting by Work Type analysis.

Limitations to the Bidders List Estimate

The key limitation to the estimates based on bidding patterns is that the listing of DBE or non-DBEs quoting as subcontractors may not actually reflect their “relative availability”. Let’s look at an example:

MDOT policies/past DBE goals encourage prime contractors to select DBE subcontractors. In spite of this encouragement, however, the reality might yield very different outcomes, when compared to the expected results. The prime contractors may have developed a good working relationship with firms that are not DBEs, and feel more comfortable working with those firms. This may influence the prime contractors to invite particular non-DBE subcontractors to quote. Or, as seems to be the case in the 2012 data, the number of DBE subcontractors quoting in 2012 almost equals the total number of subcontractors bidding. In essence, you have the same unique firms quoting.

Another limitation is that the list may not represent all non-DBE and DBE primes and subcontractors bidding and quoting. However, we believe that we received representative sample of our market.

It should be noted that if a prime or subcontractor bid or quoted under two or more different (but is known to be the same firm) names, that firm was counted as one unique bidder or quoter.

Step 2. RECOMMENDED ADJUSTMENTS FOR THE FINAL GOAL

The USDOT suggests that states may apply adjustments to the base figure to account for their special circumstances. In doing so, all available evidence must be examined and used to determine what adjustments, if any, are necessary. One suggested adjustment, which is used by many other states, is the adjustment for past performance. This adjustment takes the form of calculating the median percentage of USDOT-assisted contract dollars going to DBEs over a multi-year period, and averaging this historical percentage with the “base figure”.

MDOT factored in past performance in considering an adjustment. It also considered conclusions from MDOT’s race neutral data, a local disparity study, and other evidence from related fields.

Adjustment for Past Performance

The consultants recommend that the base figure of 9.3% relative availability discussed earlier be adjusted to account for past performance. The base figure is somewhat higher than MDOT’s experience for prior years. The recommended adjustment is based on the “Median past DBE participation” (MPP) data.

Table 5. Mississippi DBE Percentage of Awards (FY 2008 – 2012)			
Fiscal Year	Achieved Percentage	Goal Percentage	Race Neutral Percent
2008	10.05	10.0	5.11
2009	9.62	9.9	5.99
2010	11.74	9.6	7.57
2011	10.12	9.6	5.58
2012	10.43	9.6	4.62

Table 5 provides a five-year (as USDOT instructs) summary of the percentage of awards that were allocated to DBEs based on data MDOT provided to consultant found in Appendix C. These rates are the percentage of federally-assisted amounts (dollars) that go to DBE’s. These data are employed to conduct a median past participation score. (The Federal Highway Administration guidance says that the median performance values for the years being considered are the best way to consider the data in goal setting.) Thus, in Table 6, the achieved percentages are arranged from low to high for the purpose of computing the median. Based on these results, median score is 10.12. (Even if the 3 years in consideration, 2010, 2011 and 2012 are considered, the median score would be 10.12%.)

Table 6. MDOT DBE Participation Rates Rank Ordered to Determine Median	
Fiscal Year	Achieved Percentage
2009	9.62
2008	10.50
2011	10.12
2012	10.43
2010	11.74

To adjust the base figure (BF) of 9%, the consultants simply computed an average of the BF and the MPP scores:

$$[\text{BF (9.3\%)} + \text{MPP (10.12\%)}] / 2 = 9.71\% \text{ (adjusted base figure)}$$

Adjustments based on the JMAA's Disparity Study

The US DOT suggests that state may apply adjustments to the base figure to account for their special circumstances. One suggested adjustment is use of a disparity study. The Jackson Municipal Airport Authority Board approved a disparity study in 1999. It hired a national consulting firm to complete another study which was recently completed. At the time of this draft submission, the Board had not approved the study but released the document based on a Freedom of Information request. JMAA management believes its Board will approve the study. The JMAA consultants' data and conclusions are cited below, with the understanding that the Board had not formally approved the study:

- *Pages 3 & 4, Table A below provides an executive level summary of the current DBE availability estimates derived in the 2012 Study... of all federally assisted construction contracts awarded, 22.27% of the contract dollars were awarded to DBEs while 77.73% were awarded to non-DBE firms."*
- *Page 128, Chapter IV, D//WBE Availability in JMAA's Market Area, "Overall DBE availability in the construction sector is between 22.27 and 24.10 percent. Non-DBE availability is between 75.90 and 77.73 percent...Overall, DBE availability in the AE-CRS sector is between 30.97 and 31.1 percent...Overall, DBE availability in the Services sector is between 28.67 and 30.62 percent.*

Given this data, one could argue that there are more "potential minority and women-owned business" who could bid or quote on federally-funded projects, thereby justifying an increase in the base figure for the next three years.

Evidence from Related Fields

49 CFT 26.45 (d)(2) says, "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 the program; (ii) data on employment, self-employment, training and union apprenticeship programs, to the extent you can relate it to opportunities for the DBEs to perform in your program".

Financing, Bonding & Insurance Disparities reported in the JMAA Disparity Study

Page 8, Paragraph 2, reads

- *“Minority –owned firms were particularly likely to report that they did not apply for a loan over the preceding three years because they feared the loan would be denied (see Tables 6.15, 6/22, 6/29)”;*
- *“When minority-owned firms did apply for a loan, their loan requests were substantially more likely to be denied than non-minorities, even after accounting for difference like firm size and credit history”*
- *“Far more minority-owned firms report that credit market conditions are a serious concern than is the case for non-minority owned firms”;*
- *“A greater share of minority-owned firms believe that the availability of credit was the most important issue likely to confront the firm in the near future”;* and,
- *Judging from the analysis done using data from the Survey of Small Business Finances, there is no reason to believe that evidence of discrimination in the market for credit is different in the EWSC, which includes JMAA market area, than in the nation as a whole.”*

Employment, Self-Employment, Training & Union Apprenticeship Program reported in the JMAA Disparity Study

- Page 5, *“Chapter V demonstrates that current DBE availability levels in the JMAA market area, as measured in Chapter IV, are substantially lower in most instances than those that we would expect to observe if commercial markets operated in a race-and gender neutral manner and that these levels are statistically significant. In other words, minorities and women are substantially and significantly less likely to own their own businesses as a result of discrimination than would be expected based upon their observable characteristics, including age, education, geographic location & industry”;*
- Page 6, paragraph 1, *“This analysis demonstrates that minorities and women earn substantially and significantly less than their non-minority male counterparts. Such disparities are symptoms of discrimination in the labor force that, in addition to its direct effect on workers, reduce the future availability of DBEs by stifling opportunities for minorities and women to progress through precisely those internal labor markets and occupational hierarchies that are most likely lead to entrepreneurial opportunities”;* and,
- Page 7, Paragraph 2 indicates, *“Finally, as a further check on the statistical finds in this Chapter, we examined evidence from the Census Bureau’s ‘Survey of Business Owners & Self Employed Person’ (SBO). These data show large, adverse, and statistically significant disparities between DBEs’ share of overall revenues and their share of overall firms in the U.S. as a whole, and in the State of Mississippi. The size of the disparities facing minority- and women-owned firm in Mississippi is striking. For example, although 12.6 percent of all construction firms in Mississippi are owned by African Americans, they earned only 1.74 percent of all sales and receipts... Women-owned firms were 9.2 percent of all*

construction firms in Mississippi, but these firms earned only 5.56 percent of sales and receipts.”

Based on the statistical information above gathered from the JMAA Disparity Study, one could reason that it makes little sense to adjust the figures. If minorities and women don't have access to capital needed to go into business, they are less likely to do so. Therefore, one could conclude that there is little potential for other minorities and women to enter into the MDOT highway construction market. On the other hand, as these barriers are reduced, it may justify an adjustment in future years.

Race Neutral Component

As an extension of this process, Section 26.45 requires that the Department meet the “maximum feasible portion” of its overall DBE utilization goal through race-neutral means. Under Section 26.51(b), race-neutral means include providing assistance in overcoming limitations such as the inability to obtain bonding or financing by simplifying the bonding process; reducing bonding requirements; eliminating the impact of surety costs from bids; and, providing services to help DBEs and other small businesses obtain bonding and financing. Race neutral participation includes, but is not limited to situations such as a DBE wins a prime contract through customary competitive procurement procedures; is awarded a subcontract on a prime contract that does not carry a DBE goal, or even if there is a DBE goal, wins a subcontract from a prime contractor that did not consider its DBE status in awarding the contract (e.g. a prime contractor that uses a strict low bid system to award subcontracts).

Thus, the consultants also utilized analysis derived from MDOT's Civil Rights Division to estimate the race neutral goal. According to Appendix D, from 2010 - 2012, the race neutral percentage of MDOT awards has ranged from a low of 4.62% in 2012 to a high of 7.57% in 2010. The median for these statistics from five years is 5.58%. (See Table 7 below.) (Also, if 2010 to 2012 is considered, the median would still be 5.58%) Hence, when considering “other elements” such as the race neutral percentages, the consultants reviewed the race neutral percentages for the past five (5) years as the US DOT guidelines suggest.

Table 7. MDOT DBE Race Neutral Percentage of Awards Rank Ordered to Determine Median	
Fiscal Year	Race Neutral Percentage
2012	4.62
2008	5.11
2011	5.58
2009	5.99
2010	7.57

Thus, the Median Race Neutral Percentage equals 5.58%, which is in line with the recommended percentage during MDOT's last analysis.

RECOMMENDED FINAL GOAL FOR FISCAL YEARS 2014 THROUGH 2016

The recommended final goal for MDOT is calculated based on the average of the base figure of 9.3% and the MPP rate of 10.12%. Much consideration was given to discrimination findings included in the Jackson Municipal Airport Authority's most recent Disparity Study, as well as availability of potential minorities and women. Thus, the recommended over-all goal for MDOT DBE participation in FY 2013-2015 is 9.7%. The race neutral goal is 5.58%.

APPENDIX A
Active DBE Primes List
(Those Bidding in FYs 2010-2012)

No.	Company Name of MDOT Primes Bidding In FY 2010 - 2012	City	State	DBE
1	Atwood Fence Co., INC	Kosciusko	MS	Yes
2	Bulldog Construction Co. INC	Madison	MS	Yes
3	Colom Construction Co. INC	Ripley	MS	Yes
4	DCD - Lane JV	Ocean Springs	MS	Yes
5	J.C. Cheek Contractors, INC	Kosciusko	MS	Yes
6	Lewis Electric, INC	Jackson	MS	Yes
7	Riverside Traffic Systems, INC	New Albany	MS	Yes
8	RJM-McQueen Contracting INC	Collins	MS	yes
9	Simmons Erosion Control, INC	Lake	MS	yes

APPENDIX B
Active DBE Subcontractors List
(Those Quoting between FYs 2010-2012)

Company Name of MDOT Subcontractors Quoting between FY 2010-2012				
No.		City	State	DBE
1	A&S Construction, LLC	Crystal Springs	MS	yes
2	Acacia Industries, LLC	Keithville	LA	yes
3	American Field Service Corporation	Madison	MS	yes
4	American Signal Company	Atlanta	GA	yes
5	Atwood Fence Co INC	Kosciusko	MS	yes
6	Barnes Trucking LLC	Hermanville	MS	yes
7	Buddy Ayers Construction INC	Corinth	MS	yes
8	Bulldog Construction Co., INC	Madison	MS	yes
9	C. Thornton Construction	Mobile	AL	yes
10	Can't Be Beat Fences Construction	Perkinston	MS	yes
11	Central Southern Construction	Pearl	MS	yes
12	Charles H. Hill Contractor INC	Memphis	TN	yes
13	Colom Construction Company	Ripley	MS	yes
14	D.T. Read Steel Co INC	Chesapeake	VA	yes
15	Davidson Hauling & Construction, Inc.	Marion	MS	yes
16	DCD Construction INC	Ocean Springs	MS	yes
17	Debar Reinforcing INC	Kosciusko	MS	yes
18	Duren Construction	Vaiden	MS	yes
19	Edge Construction LLC	Tremont	MS	yes
20	Evans Landscape Inc.	Clinton	MS	yes
21	EZ Enterprise, Inc.	Madison	MS	yes
22	Fisher Transportation & Construction	Jackson	MS	yes
23	Fornea Road Boring Co. Inc.	Jackson	MS	yes
24	GEO-Products, Inc.	Madison	MS	yes
25	GFH, Inc.	Long Beach	MS	yes
26	Hall's Construction Co., Inc.	New Albany	MS	yes
27	Hellums Trucking	Dennis	MS	yes
28	Hernandez, Inc.	Amory	MS	yes
29	ILM INC - Interstate Landscaping of Mississippi INC	Falkner	MS	yes
30	Interstate Landscape of Mississippi	Faulkner	MS	Yes
31	IPC, LLC	Moss Point	MS	yes
32	J & M, Inc.	Toomsaba	MS	yes
33	J C Cheek Contractor, Inc.	Kosciusko	MS	yes
34	Kelly Road builders INC	Birmingham	AL	yes
35	L.I. Smith and Associates	Paris	TN	yes
36	Landmark Contracting INC	Gulfport	MS	yes
37	Lee Allen & Associates	Canton	MS	yes
38	Lewis Electric	Jackson	MS	yes
39	Longwind Construction (Longwind Products & Services, Inc.)	Jackson	MS	yes
40	Love Trucking & Construction Company, INC	Jackson	MS	yes

Company Name of MDOT Subcontractors Quoting between FY 2010-2012				
No.		City	State	DBE
41	Miller Staking INC	Collins	MS	yes
42	Mississippi Paving & Construction	Mathiston	MS	yes
43	O.W. Jackson Sodding	Sturgis	MS	yes
44	OROCON Construction LLC	Biloxi	MS	yes
45	Payne Steel Erectors INC	Kenton	TN	yes
46	PDP Associates INC	Atlanta	GA	yes
47	Potts Distributing Company INC	Columbia	LA	yes
48	Project Management Consultant, LLC	Jackson	MS	yes
49	Ray-Bar Contractors INC	Baton Rouge	LA	yes
50	Rea's County Lane Construction	Houston	MS	yes
51	Riverside Traffic Systems	New Albany	MS	yes
52	RJM McQueen Contracting INC	Collins	MS	yes
53	Road-Pro Safety INC	Jackson	MS	yes
54	Simmons Erosion Control INC	Lake	MS	yes
55	Smith's Landscape & Irrigation	Gulfport	MS	yes
56	Superior Traffic Control - Memphis, INC	Cordova	TN	yes
57	Tarrasco Steel Company INC	West Greenville	MS	yes
58	Titan Construction	Perkinston	MS	yes
59	Traweek Tree & Landscape	Wiggins	MS	yes
60	Tremac Resteel INC	Madison	MS	yes
61	Tula Turf, INC	Oxford	MS	yes
62	Walter Company INC	Ripley	MS	yes

APPENDIX C: Award Summaries for 2008-2012

	2008	2009	2010	3-Year	3-Year
<u>Federal Amounts</u>	Total	Total	Total	Totals	Average
Total Awards	\$268,194,786	\$514,598,880	\$458,200,531	\$1,240,994,197	\$413,664,732
DBE Primes	\$3,904,882	\$10,436,879	\$6,546,664	\$20,888,425	\$6,962,808
DBE Subs	\$23,057,428	\$39,058,510	\$47,260,425	\$109,376,363	\$36,458,788
Overall DBE Participation	\$26,962,310 <i>10.05%</i>	\$49,495,389 <i>9.62%</i>	\$53,807,089 <i>11.74%</i>	\$130,264,788 <i>31.41%</i>	\$43,421,596 <i>10.50%</i>

	2009	2010	2011	3-Year	3-Year
<u>Federal Amounts</u>	Total	Total	Total	Totals	Average
Total Awards	\$514,598,880	\$458,200,531	\$307,705,384	\$1,280,504,795	\$426,834,932
DBE Primes	\$10,436,879	\$6,546,664	\$6,568,697	\$23,552,240	\$7,850,747
DBE Subs	\$39,058,510	\$47,260,425	\$24,561,903	\$110,880,838	\$36,960,279
Overall DBE Participation	\$49,495,389 <i>9.62%</i>	\$53,807,089 <i>11.74%</i>	\$31,130,600 <i>10.12%</i>	\$134,433,078 <i>31.48%</i>	\$44,811,026 <i>10.50%</i>

	2010	2011	2012	3-Year	3-Year
<u>Federal Amounts</u>	Total	Total	Total	Totals	Average
Total Awards	\$458,200,531	\$307,705,384	\$458,131,324	\$1,224,037,239	\$408,012,413
DBE Primes	\$6,546,664	\$6,568,697	\$6,367,768	\$19,483,129	\$6,494,376
DBE Subs	\$47,260,425	\$24,561,903	\$21,168,150	\$92,990,478	\$30,996,826
Overall DBE Participation	\$53,807,089 <i>11.74%</i>	\$31,130,600 <i>10.12%</i>	\$47,793,379 <i>10.43%</i>	\$132,731,068 <i>32.29%</i>	\$44,243,689 <i>10.84%</i>

APPENDIX D: FFY2013 DBE Goal Worksheet

	2010	RN	2011	RN	2012	RN
<u>FEDERAL AMOUNTS</u>	Total		Total		Total	
<i>Total Awards</i>	\$458,200,531	\$34,676,773	\$307,705,384	\$17,170,725	\$458,131,324	\$21,168,150
	\$458,200,531	\$34,676,773	\$307,705,384	\$17,170,725	\$458,131,324	\$21,168,150
		7.57%		5.58%		4.62%
<u>DBE Primes</u>						
	\$ 6,546,664		\$ 6,568,697		\$ 6,367,768	
<i>Total DBE Prime</i>	\$ 6,546,664		\$ 6,568,697		\$ 6,367,768	
<u>DBE Subs</u>						
	\$ 47,260,425		\$ 24,561,903		\$ 41,425,611	
<i>Total DBE Subs</i>	\$ 47,260,425		\$ 24,561,903		\$ 41,425,611	
Total DBE (Subs and Primes)	\$53,807,089		\$31,130,600		\$47,793,379	
Overall DBE Participation	11.74%		10.12%		10.43%	
Yearly Goal	10.1		9.6		9.6	
Exceeded By/Missed By	1.64		0.52		0.83	