

**Missouri Department of Transportation
Federal Aviation Administration
Federal Fiscal Years 2025 – 2027
Overall Disadvantaged Business Enterprise Goal**

The Missouri Department of Transportation (MoDOT) submits this Disadvantaged Business Enterprise (DBE) goal and methodology to the U.S. Department of Transportation's Federal Aviation Administration (FAA) for review and approval pursuant to 49 CFR Part 26.45 to establish the overall DBE goal for its federally-assisted aviation contracts. For Federal Fiscal Years 2025 – 2027 MoDOT has established an overall DBE goal of 9.71%.

Step 1 Estimate of Availability of DBEs

A. Availability Study

To meet the requirements of 49 CFR Part 26.45, MoDOT procured an Availability Study from Keen Independent Research, LLC. The Study provides a statistical analysis of baseline DBE availability, and analysis of DBE participation in MoDOT highway contracts.

The Study estimated 13.87% as the base DBE availability figure for Step 1.

The following is a link to the availability study:

[KeenIndependent_MODOTDBEAvailabilityFinalReport_03012024_FINAL Report_2.pdf](#)

B. Market Area

Missouri participates in the State Block Grant Program. As a Block Grant State, on behalf of the state of Missouri, MoDOT administers the federal Airport Improvement Program for 68 publicly-owned, public-use airports located throughout Missouri.

Step 2 Adjustment to the Base Figure

The data used to determine the adjustment to the base figure was the median of historical committed DBE participation which range from 5.53% to 7.36% as follows:

FFY 2021 = 5.53%
FFY 2022 = 7.36%
FFY 2023 = 5.55%

Arranging this historical data from low to high, the median is 5.55%.

To arrive at an overall goal, we added our Step 1 base figure with our Step 2 adjustment figure and then averaged the total arriving at an overall goal of 9.71%. We feel this adjusted goal figure will accurately reflect DBE participation that can be achieved for the type of project work being awarded FFY 2025-2027.

$13.87 \text{ (step 1)} + 5.55 \text{ (step 2)} = 19.42$
 $19.42 / 2 = 9.71\%$

Race-Neutral Measures to Achieve DBE Participation

To achieve the maximum feasible portion of the goal through remedies other than subcontracting goals, MoDOT implements the following measures:

- Vendor communication and outreach.
- Certification outreach and resources.

- DBE Supportive Services program offering development assistance to DBE firms in various areas of their business operation.
- Review of surety bonding, insurance and experience requirements.
- Enforcement of prompt payment requirements.

In addition, the Department is in the process of implementing the following additional race-neutral approaches to increase DBE participation:

- Enforcement of bidder non-discrimination and fairly priced subcontractor quotations, whereby prime contractors would be required to maintain information on all subcontractor quotes received to permit MoDOT to audit any claims that subcontractor quotes were being shopped or that DBEs unfairly inflate prices.
- Enhancement of the small business element of the DBE Program, which was approved by the Federal Highway Administration on August 22, 2012,
- Improved contract data collection and retention procedures.

Projection of Race-Neutral vs Race-Conscious Goal Attainment

To estimate the portions of the goal to be met through race-neutral (RN) and race-conscious (RC) measures, MoDOT evaluated past RN committed DBE participation as defined in §26.51(a). MoDOT's median percentage achieved was 0.56% on federal-aid contracts through RN means for FFY 2021-2023, calculated as follows:

FFY 2021 = 0.00%

FFY 2022 = 1.63%

FFY 2023 = 0.56%

Arranging this historical data from low to high, the median is 0.56%.

Therefore, MoDOT projects that it will meet 0.56% of its overall goal of 9.71% through RN measures and 9.15% of its overall goal through RC contract goals. MoDOT will monitor DBE participation throughout the year to adjust its use of contract goals to ensure that their use does not exceed the overall goal.

MoDOT will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation (see Section 26.51(f)) and track and report RN and RC participation separately. For reporting purposes, RN DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract obtained 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 and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

Consultation and Posting

MoDOT's External Civil Rights Division sent email invitations to contractors, consultants, DBE firms, industry stakeholders, general contractor trade associations, minority and women trade associations, as well as community based organizations to participate in a teleconference to discuss the proposed overall DBE goal. The teleconference was held at 10:00 a.m. CT on July 31, 2024. An email address was provided for attendees to provide any comments – no comments regarding the proposed overall DBE goal were received to date. If comments are received, those will be forwarded.

A notice of the proposed goal was published on MoDOT's website. Copy attached.

July 18, 2024

**PUBLIC NOTICE
MISSOURI DEPARTMENT OF TRANSPORTATION
Business Development and Compliance Division
Jefferson City, Missouri**

In accordance with requirements of the U.S. Department of Transportation as set forth in 49 C.F.R. Part 26, as amended, the Missouri Department of Transportation, External Civil Rights Division, in Jefferson City, Missouri, hereby provides notice that it is recommending the following Disadvantaged Business Enterprise (DBE) goal for the Aviation Section for applicable professional services, construction and procurement contracts for federal fiscal years 2025-2027.

MoDOT is requesting the Federal Aviation Administration's (FAA) consideration for the approval of the proposed overall DBE goal of 9.71% for the next 3-year period of FFY 2025 – 2027.