

Lafayette Consolidated Government

Disadvantaged Business Enterprise
(DBE) Group Consult Meeting

July 12, 2019

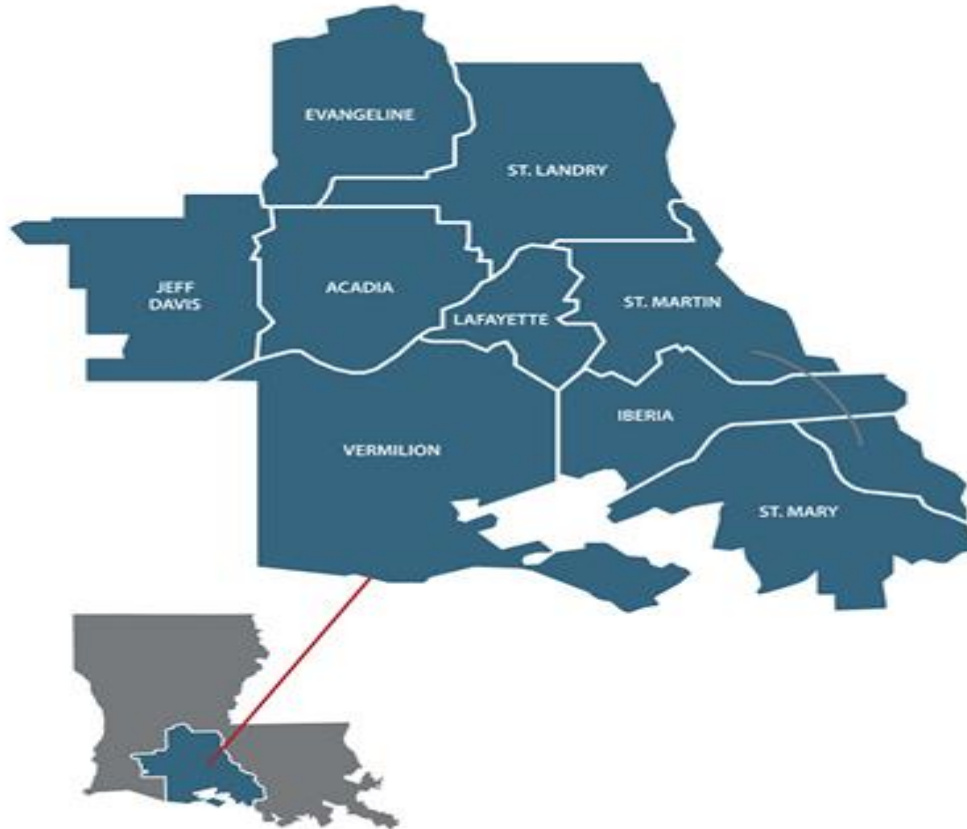


Purpose of Meeting

- Reach out to minority, women's and economic development agencies to discuss opportunities for Disadvantaged Business Enterprises (DBEs)
- Discuss the process to become a certified-DBE
- Address issues that contractors face with the DBE certification process
- Present the proposed DBE Goals for Lafayette Consolidation Government for Federal Fiscal Years 2020-2022
- Discuss the proposed construction projects /contracts that are planned at LCG during this period
- Discuss DBE Goal Setting Process



LCG's Market Area



Source: One Acadiana



History of DBE Program

- In 1999, the U.S. Department of Transportation mandated that each state develop a Unified Certification Program.
- In 2003, the Louisiana Unified Certification Program (LAUCP) was implemented and is now in full operation



Louisiana Unified Certification Program (LAUCP)

- U.S. Department of Transportation recipients include:
 - Federal Highway Administration (FHWA)
 - Federal Aviation Administration (FAA)
 - Federal Transit Administration (FTA)



Certifying Agencies in Louisiana

- Louisiana Department of Transportation & Development (LADOTD)
- Louis Armstrong International Airport (New Orleans)
- New Orleans Regional Transit Authority
- Orleans Levee District



DBE Eligibility Requirements

- Firms must be at least 51% owned and controlled by socially and economically disadvantaged individuals.
- Presumptive Groups:
 - Women
 - African Americans
 - Hispanic Americans
 - Native Americans
 - Asian Pacific Americans
 - Subcontinent Asian Americans



DBE Eligibility Requirements

- Personal Net Worth

- Cannot exceed \$1.32 million. This was increased in 2011.
- Excludes your primary residence.
- Excludes ownership interest in the applicant firm.
- Only half of community property will be counted if you live in a community property state (which Louisiana is).



DBE Eligibility Requirements

- **Business Size**

- To be an eligible DBE, a firm (including its affiliates) must not exceed the business size standards as defined by the Small Business Administration (SBA).
- A firm that does general contracting is not an eligible DBE if the firm (including its affiliates) has average annual gross receipts in excess of \$22.4 million.



DBE Certification Process

Application

Firms Eligibility Based on:

- Size
- Social Disadvantage
- Ownership
- Control Requirements

Desk Audit

Documents Reviewed

- PNW Statement
- Business Finance Statements
- Business Tax Returns
- Owner's Personal Tax Returns
- Resumes
- Work History
- Equipment
- Financial Capability



DBE Certification Process

On-Site & Review

- Site Visit & Principal Interview

Verification of Eligibility

- If Approved Business Shall be Added to LAUCP's List
- If not, Principal will be Notified with Reasoning



DBE Certification FAQ/Issues

- The certification process takes approximately 5-6 weeks.
- There is no “expiration” date. A firm is certified as long as they meet the eligibility requirements and submit a No Change Affidavit annually.
- Firms located in New Orleans and surrounding areas may apply to any of the 4 certifying agencies. If located anywhere else in the state they must apply to DOTD.
- DBE firms are certified in specific North American Industry Classification Codes (NAICS) and DOTD work types.
- You Can narrow your search of the UCP DBE Directory by these specific codes at this link: <http://www8.dotd.la.gov/UCP/UCPSearch.aspx>.
- To assist in setting DBE goals, the UCP Directory may be “Exported to Excel”.



FY 2020 - 2022 Anticipated DOT Assisted Projects

DBE Goal: 0.0%

Ground Maintenance - \$18,000

Non Fixed Route Para-transit ADA - \$2,100,000

Federal Allocation: \$1,689,000

Expected DBE Apportionment: \$0



DBE Goal Setting Process

- STEP 1: Identify relative availability of DBE-certified contractors, vendors & consultants

Step 1 Base Figure = Ready, willing and able DBEs
All Firms ready, willing and able
(including DBEs and non-DBEs)

$$0.76\% = \frac{1}{132}$$



DBE Goal Setting Process

- STEP 2: Adjust the goal based on past participation of DBEs and available studies and other information

Median of Past Participation

2017 – 0.00%

2018 – 0.00%

2019 – 0.00%

$$(0.76 + 0.00)/2 = 0.38\% \text{ or } \underline{0.0\%}$$



DBE Program Contacts

Federal Transit Administration
Office of Civil Rights, Region VI
Fritz Lanham Federal Building
819 Taylor Street, Room 8A36
Fort Worth, TX 76102

LADOTD
DBE/SBE Program Manager
DOTD, Room 305-P
P.O. Box 94245
Baton Rouge, LA 70804

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Conclusion

- Questions?

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