State of Alaska Alaska Department of Transportation & Public Facilities ("Alaska DOT&PF") PROPOSED DBE GOAL FY 2026 - FY 2028

Airport Sponsor: State of Alaska, Alaska DOT&PF

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Goal Period: From: October 1, 2025

Thru: September 30, 2028

Overall DBE Goal for FAA-Assisted Projects: 7.0% (Race-Neutral)

DBE GOAL METHODOLOGY

The overall goal period for the Alaska Department of Transportation and Public Facilities ("Alaska DOT&PF") Airport Disadvantaged Business Enterprise ("DBE") Program has been developed for federal fiscal years (FFY) 2026, 2027, and 2028, beginning on October 1, 2025 and ending on September 30, 2028. The Overall DBE Goal has been set in compliance with the methodologies described in CFR 49 Part 26. FAA funding for AIP projects for the three-year period is anticipated to be approximately \$1,024.0 million over the three-year period.

Geographic Region

Alaska DOT&PF completed a Disparity Study in 2021. The study analyzed data for construction and professional services contracts between October 1, 2014 and September 30, 2019. In accordance with that study, the relevant geographic market for contractors for Alaska DOT&PF projects has been determined to be the State of Alaska.

Goal Methodology

The methodology for setting the overall goal is as follows.

49 CFR Part 26, Section 26.45(b) states as follows:

Your overall goal must be based on demonstrable evidence of the availability of ready, willing and able DBEs relative to all businesses ready, willing and able to participate on your DOT assisted contracts (hereafter, the "relative availability of DBEs"). The goal must reflect your determination of the level of DBE participation you would expect absent the effects of discrimination. You cannot simply rely on either the 10 percent national goal, your previous overall goal or past DBE participation rates in your program without reference to the relative availability of DBEs in your market.

49 CFR Part 26, Section 26.45 further provides for a two-step process, consisting of:

- Step 1 Determine a Base Figure representing the Relative Availability of DBEs and
- Step 2 Examine data to determine what adjustment, if any, is needed to the Base Figure

The regulation provides the following examples of potential approaches for accomplishing Step 1, determining the base figure, as follows:

1) Use DBE Directories and Census Bureau Data. Determine the number of ready, willing and able DBEs in your market from your DBE directory. Using the Census Bureau's County Business Pattern (CBP) database, determine the number of all ready, willing and able businesses available in your market that perform work in the same NAICS codes.

- 2) Use a bidders list. Determine the number of DBEs that have bid or quoted on your DOT assisted prime contracts or subcontracts in the previous year. Determine the number of all businesses that have bid or quoted on prime or subcontracts in the same time period. Divide the number of DBE bidders and quoters by the number for all businesses to derive a base figure for the relative availability of DBEs in your market.
- 3) Use data from a disparity study. Use a percentage figure derived from data in a valid, applicable disparity study.
- 4) Use the goal of another DOT recipient. If another DOT recipient in the same, or substantially similar, market has set an overall goal in compliance with this rule, you may use that goal as a base figure for your goal.
- 5) Alternative methods. Subject to the approval of the DOT operating administration, you may use other methods to determine a base figure for your overall goal. Any methodology you choose must be based on demonstrable evidence of local market conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of DBEs in your market.

We have elected to utilize the 2021 Disparity Study conducted by MGT Consulting Group to develop the DBE goal for Alaska DOT&PF airports. Although the 2021 Disparity Study (the "Disparity Study" or the "Study") covered all transportation modes, a separate proposed base goal was determined for FAA projects. The Study defined the geographic region as the State of Alaska and focused on construction and professional services contracts awarded between October 1, 2014 and September 30, 2019. The study looked back at contracts awarded during the study period to determine disparity and then-current availability.

Exhibit 1 provides a list of projects to be undertaken during FFYs 2026 – 2028. The breakdown of project types for the three-year period is as follows:

Construction Projects: \$ 914,906,228
Professional Services Projects: \$ 15,126,000
Equipment Purchases: \$ 94,155,102
Total: \$ 1,024,187,330

The Disparity Study recommended a base goal of <u>10.56%</u> for FAA funded projects. Therefore, we propose to utilize the Disparity Study recommended goal for the base goal for FFYs 2026 – 2028. It should be noted that an updated Disparity Study is currently in progress. The FFY 2026-2028 goal may be updated based on the findings of the new study when it has been completed.

The base goal for FFY 2026 – 2028 is 10.56%.

Step 2 - Examine data to determine what adjustment, if any, is needed to the Base Figure.

Section 26.45(d) provides many examples of the types of data to examine in order to adjust the base figure. We propose to adjust the base goal in consideration of the projects to be undertaken involving equipment purchases only and for past history.

- A) A total of \$94,155,102 in federal funds (9.2% of federal expenditures) is anticipated to be spent on equipment purchases. These types of purchases were not included in the study, typically do not have subcontracting potential, and typically have very low DBE availability. For these reasons, we are adjusting the base goal to eliminate these purchases from the proposed 10.56% base goal. The result is that only 90.2% of the expenditures are subject to the base goal. This adjustment results in an adjusted base goal of 9.5%.
 - Base Goal adjusted for Equipment Purchases = 90.8% x 10.56% = 9.5%
- B) We have also examined the volume of work performed by DBE firms over the past five (5) years in Alaska DOT&PF projects. Our findings are as follows:

Past History of DBE Participation				
Year	Total Contract \$	Total DBE \$	DBE %	DBE Goal
2024	\$274,370,531	\$1,775,468	0.65%	10.56%
2023	\$255,040,156	\$4,737,556	1.86%	10.56%
2022	\$238,520,374	\$58,011,847	24.32%	8.87%
2021	\$168,662,273	\$7,569,982	4.49%	8.87%
2020	\$197,593,209	\$8,797,173	4.45%	8.87%
Total	\$1,134,186,543	\$80,892,026	7.13%	9.66%
Median			4.5%	

The median goal accomplishment for the five-year period between 2020 and 2024 is 4.5%. Adjusting the weighted goal for past history for each airport results in the following:

9.5% (adjusted base goal) + 4.5% (median) = 14.0%; 14.0%/2 = 7.0%

The final adjusted DBE Goal for FFY 2026 – 2028 is 7.0%.

Race-Neutral versus Race-Conscious Goal

The Disparity Study states: "Based on the level of non-goal M/W/DBE subcontractor participation, the statistical analysis in the study did not provide a strong factual predicate for across-the-board race- and gender-conscious DBE subcontractor goals or setting a race-conscious component of the annual DBE goal." Therefore, we are setting the goal as a race-neutral goal. This may be adjusted in the future as a result of the updated Disparity Study.

Public Participation

In accordance with 49 CFR part 26, section 26.45, the Alaska DOT&PF for FFY 2026 - 2028 DBE Goal and Methodology has been published on the Alaska DOT&PF Website, https://dot.alaska.gov/cvlrts/.

In addition, Alaska DOT&PF staff conducted a meeting to consult with minority, women's and general contractor groups, community organizations, and other officials or organizations that could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Alaska DOT&PF's efforts to establish a level playing field for the participation of DBEs (the "Stakeholder Meeting").

The Stakeholder Meeting was conducted on July 16, 2025. There were 29 attendees, 9 of which are Alaska state staff and consultants. Information regarding the Stakeholder Meeting was posted on the Alaska DOT&PF Website as well as distributed via email to 611 stakeholders. The following documents related to the Stakeholder Meeting are attached:

Attachment 1 - Stakeholder Meeting Information (sent to 611 Stakeholders)

Attachment 2 - Website Posting

Attachment 3 – Attendance Record

Attachment 1 - Stakeholder Meeting Information (sent via email)



In accordance with 49 CFR Part 26.15(b)(1), the Civil Rights Office (CRO) of the State of Alaska Department of Transportation & Public Facilities (Alaska DOT&PF) invites public participation in the Federal Aviation Administration (FAA) Disadvantaged Business Enterprise (DBE) Goal Methodology for Federal Fiscal Years (FFY) 2026-2028.

- The purpose of this Public Participation Consultation Meeting is to educate stakeholders
 about the goal-setting process, good faith efforts, reporting, and compliance. We encourage
 stakeholders to share any barriers to participating in federally funded projects, the impact of
 discrimination on opportunities for DBE firms, and suggestions for increasing opportunities
 for all firms, including DBE firms.
- The objective of this meeting is to engage with minority and women's groups, community
 organizations, trade associations, concessionaires, and other relevant officials or
 organizations that may have valuable information concerning the availability of
 disadvantaged businesses.







The Alaska DOT&PF, CRO invites all interested parties to participate in this important consultation to discuss the DBE goal and methodology and to provide feedback and insights.

When: Wednesday, July 16, 2025 **Time:** 10:00 AM – 11:00 AM AKST

Where: Virtual over Zoom Register: Zoom Link



How to submit public comments:

- Use Public Comment Form
- Email comments to dbegoalmethodology@alaska.gov
- · Mail comments to:
- Alaska DOT&PF, ATTN: Civil Rights Office
 2200 E 42nd Ave, Anchorage, AK 99508

All public comments are due by Friday, July 25, 2025, by 5:00 PM AKST.



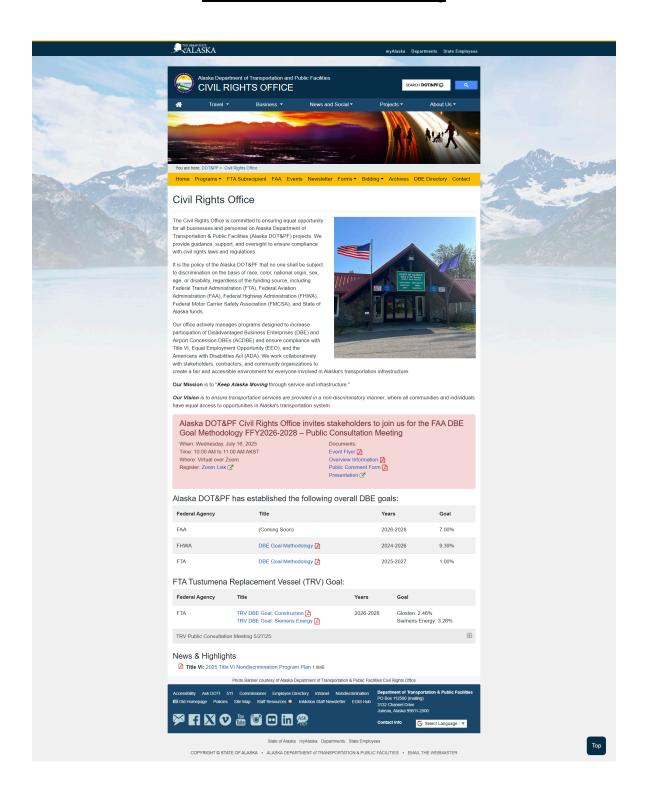
Questions? Please contact the State of Alaska DOT&PF Civil Rights Office at:

- Phone: 907-269-0846
- Email: dbegoalmethodology@alaska.gov
- DBE Website: https://dot.alaska.gov/cvlrts/

The State of Alaska, DOT&PF Civil Rights Office vision is to ensure transportation services are provided in a non-discriminatory manner. The DOT&PF operates Federal Programs without regard to race, color, national origin, sex, age, or disability. Full Title VI Nondiscrimination Policy:

dot.alaska.gov/tvi statement.shtml. To file a complaint, go to: dot.alaska.gov/cvirts/titlevi.shtml

Attachment 2 - Website Posting



Attachment 3 – Attendance Record

Stakeholder Meeting Attendees			
Name (original name)	Email		
Alaska DOT&PF	dot.cro.projectsdocs@alaska.gov		
Alex Olivares	alex.olivares@acc-consulting-llc.com		
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