

South Dakota Department of Transportation
Office of Air, Rail and Transit
Proposed Methodology for Determining Overall DBE Goal
FY 2024-2026 FTA Goal
Goal – 1%
Race neutral – 1%

Step 1. Determining the Base Figure:

SD Department of Transportation (SD DOT) identified the types of contracting opportunities that may exist for a recipient or subrecipient of FTA funds. SD DOT compared the number of South Dakota firms to the number of similar certified DBE firms. According to the 2021 US Census Bureau County Business Patterns, South Dakota had 7,700 firms in the applicable categories of NAICS codes for contracting opportunities. SD DOT used the Census Bureau data because the SD DOT does not maintain data relative to building contractors on its bidders list. In addition, SD DOT added the 68 businesses on our planholder lists for the construction of bus facilities. SD DOT recognizes this may result in a duplication of businesses, but it ensures all firms were counted. SD DOT then examined the DBE directory and determined that 78 DBEs may perform work on or for FTA contracting opportunities. To determine the availability of DBEs for FTA projects SD DOT divided the number of all firms in those trades ($7,700 + 68 = 7,768$) into the number of DBEs (78) ($78/7,768 = .01004$ or 1 %). Additionally, SD DOT used the methods suggested by the Civil Rights Officer of FTA Region 8. SD DOT identified contracting opportunities, corresponding NAICS codes, and estimates of SD DOT funds to be spent on those projects to determine the % of total SD DOT funds (weight). Next, SD DOT determined the relative availability of DBEs by NAICS codes. The overall availability of DBEs was 1%.

Step 2. Adjustments to the Base Figure:

49 CFR 26.45 (d) says once SD DOT has calculated a base figure, SD DOT must examine evidence available in our jurisdiction to determine what adjustment, if any, is needed to the base figure in order to arrive at our overall goal. Through FY22 (Sept 30, 2021 – October 1, 2022), SD DOT had 1 DBE participant.

Race neutral and race-conscious means to meet the overall goal:

49 CFR 26.51 (c) requires us to submit with our overall goal a projection of what SD DOT expects to meet through race-neutral means. SD DOT implements the following means to help facilitate race-neutral DBE participation:

1. Providing a DBE newsletter with business advice.
2. Developing and distributing a DBE directory with owners' photographs and business profile business which is an excellent advertising tool because it adds a face to a name.
3. One-on-one and group training and technical assistance to develop DBE business skills.
4. Arranging for DBEs to job shadow an out-of-state firm which is not considered a competitor when a DBE wants to expand their line of work into a new category.
5. Business reviews, analysis and recommendations.
6. Letting bids on small projects.

For reporting purposes, race-neutral participation includes:

1. DBE prime contract awards.
2. DBE participation on contracts without individual contract goals.

To the extent possible, we will meet the overall goal through race-neutral means (with outreach and technical assistance).