

**COMMONWEALTH OF VIRGINIA
DEPARTMENT OF TRANSPORTATION
CONSTRUCTION DIVISION MEMORANDUM**

GENERAL SUBJECT:	<u>CONTRACT GOALS ON FEDERAL AID PROJECTS</u>	NUMBER:	<u>CD-2001-7</u>
		SUPERSEDES:	<u>CD-2000-2</u>
SPECIFIC SUBJECT:	<u>UTILIZING RACE-NEUTRAL AND RACE-CONSCIOUS MEANS ON SPECIFIC CONTRACTS</u>	DATE:	<u>AUGUST 3, 2001</u>

Original w/Signature on file in Construction Division

**C. F. GEE
CONSTRUCTION ENGINEER**

DIRECTED TO - DISTRICT ADMINISTRATORS

This memorandum is issued to establish the method by which the Department will set project specific goals on Federal-aid projects. The Department's overall goal includes that portion which is anticipated to be attained through race-neutral and race-conscious means. Race-neutral requires no goals to be set, while race-conscious requires the use of contract goals. Project specific race-conscious goals will be set so that they will cumulatively result in meeting any portion of the overall goals the Department does not forecast as being able to meet through use of race-neutral means in the following manner:

1. The Construction Division will evaluate all projects, including recommendations from the District, and will set contract goals as appropriate. It will be expected that any recommendations from the District will be made in accordance with the concurrent Engineering process to the Construction Division and the Equal Opportunity Division simultaneously, no later than thirty (30) days prior to the proposed advertisement.
2. Contract goals will be set only on those contracts that have subcontracting possibilities for Disadvantaged Business Enterprises (DBEs).
3. Contract goals may not be set on every contract, nor will they be set if the Department estimates it can meet the entire annual overall goal through race-neutral means. The goal may be equal to, higher, or lower than the percentage level of the overall goal, depending on such factors as the type of work involved, the location of the work (as defined by coordinates), the dollar value of the contract, the availability of certified and prequalified DBEs for the work of the particular contract within a reasonable distance from the project, the availability of two DBE firms in each of two work disciplines (as obtained from the Detail Estimate and other electronic files), and the work capacity of the DBE firms.
4. The District, upon receipt of the proposal, will immediately notify the Labor/DBE section of the Construction Division regarding any concerns it may have, and provide the objective data for evaluation.
5. Contract goals will provide for participation by all certified DBEs, and will not be subdivided into group-specific goals.

6. Contract goals will be reduced or eliminated to the extent necessary to ensure that the use of contract goals does not result in exceeding the overall goal.
7. Contract goals will not be set on contracts in the year following the Department meeting or exceeding its overall goal for two consecutive years by using race-neutral means. The Department will continue using only race-neutral means to meet the overall goal unless and until it fails to meet the overall goal for one year.
8. Contract goals will be reduced proportionately in the year following the Department exceeding its overall goal in two consecutive years through the use of contract goals (i.e., not through the use of race-neutral goals alone).
9. Data will be maintained separately on DBE achievements in those contracts with and without contract goals, respectively, in any year in which the Department projects meeting any part of its overall goal through race-neutral means and the remainder through contract goals.
10. Whenever the estimated value of a Contract is less than \$100,000, goals will not be established for the project; participation will be achieved through race-neutral means.

Your continued cooperation is appreciated.

GCW\HD:rg

C: Mr. Charles H. Nottingham
Mr. Claude D. Garver, Jr.
Mr. C. F. Gee
Assistant Commissioners
Division Administrators
District Construction Engineers
District Maintenance Engineers
District Materials Engineers
District Equal Opportunity Managers
District Contract Administrators
Resident Engineers
Project Engineers
Project Inspectors
Federal Highway Administration
Virginia Department of Minority Business Enterprise
Virginia Road and Transportation Builders Association
Old Dominion Contractors Association
Virginia Asphalt Association
Virginia Aggregates Association Inc.
American Concrete Pavement Association
Virginia Ready-Mixed Concrete Association
Precast Concrete Association of Virginia