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COMMUNITY DEVELOPMENT

**Planning,
Zoning,
Building Safety,
Construction Inspection Services,
Public Health,
Housing Inspections,
Code Enforcement**

MEMORANDUM

To: Mayor and City Council Members

Cc: Gregg Mandsager, City Administrator
Steven Boka, Community Development Director

From: Jim Rudisill, Planning & CD Coordinator

Date: October 29, 2012

Re: 2012-14 DBE Program & Goal

INTRODUCTION:

Federal Aviation Administration (FAA), Federal Highway Administration (FHWA) and other federal guidelines requires federal grant recipients who expend more than \$250,000 in a fiscal year to develop and submit to the appropriate agency a Disadvantaged Business Enterprise (DBE) goal. The goal can now be set for a three-year period. There is also a possibility of a smaller project specific threshold for some projects using federal funding. There is the potential the City of Muscatine may exceed these required thresholds for establishing a DBE goal with anticipated projects to be completed in FY 2012-14.

BACKGROUND/RECOMMENDATION:

The city last held a public hearing to review, receive comments and consider a DBE goal for the City of Muscatine on May 21, 2009. A new public hearing and DBE goal for the 2012-14 Fiscal Year period is now being proposed. This goal will be established for projects receiving certain federal aviation (Federal Aviation Administration - FAA) and highway (Federal Highway Administration - FHWA) funds. The highway goal will also apply to other appropriate projects for which no alternative DBE has been identified. The following goal is presented for council approval:

5.0% - FAA & FHWA

This goal, which reflected adjustments to the Iowa Department of Transportation's (IDOT) 2012-14 goal, would apply to projects for which a DBE goal is required (generally determined by the amount of federal funding that is provided) and for which no other DBE goal has been identified. The goal would not apply to the city's transit operations, which meet DBE requirements under other Iowa DOT programs.

**"I remember Muscatine for its sunsets. I have never seen any
on either side of the ocean that equaled them" — Mark Twain**

It is proposed the council approve the goal and following a local public comment period forwarded it to the U.S. Federal Aviation Administration office in Los Angeles, California for approval.

The new goal reflects the IDOT's DBE goals for 2012-14 with an adjustment based on previous IDOT and City of Muscatine project compliance figures.

Two public participation processes must be followed in establishing a DBE goal.

The first requires the city to consult with agencies and individuals who might have an interest or knowledge of DBEs in the local area. To complete that portion, the city earlier this year contacted the following groups: Greater Muscatine Chamber of Commerce and Industry; Iowa Workforce Development (New Iowan Center); ILLOWA Builders Exchange and F.W. Dodge Report. The city also reviewed DBE lists maintained by the Iowa Department of Transportation and Iowa Department of Labor.

The second participation process requires the city to conduct a public meeting/hearing to provide the general public an opportunity to comment on the proposed goal. Following the public meeting/hearing and DBE goal approval, there is an additional 45-day comment period allowed. At the conclusion of that comment period, Muscatine's 2012-14 DBE Program and Goal will be forwarded to the Federal Aviation Administration office in Los Angeles, California, the regional office for the State of Iowa.

The attached resolution will finalize approval of Muscatine's 2012-14 DBE Plan and Goal and establish the start of the 45-day comment period. It is recommended the city council approve the resolution.

BACKUP INFORMATION:

1. Resolution To Approve 2012-14 DBE Goal
2. Muscatine's 2012-14 DBE Program

RESOLUTION NO. _____

**A RESOLUTION APPROVING MUSCATINE'S FISCAL YEAR 2012-14
DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM AND GOAL; AND
ESTABLISHING A 45-DAY PUBLIC COMMENT PERIOD**

WHEREAS, the City of Muscatine may receive future federal financial assistance that would exceed either \$250,000 in total; or a project-based threshold of \$100,000, in Fiscal Year 2012-14 for construction of various city improvements; and

WHEREAS, the City of Muscatine is required therefore to develop a Disadvantaged Business Enterprise (DBE) Program that includes a DBE goal for these projects; and,

WHEREAS, the Iowa Department of Transportation established a Fiscal Year 2012-2014 DBE goal of four and one-half percent (4.5%) of the federal share of the total project cost for its projects utilizing federal funds; and,

WHEREAS, the Iowa Department of Transportation reached a 4.8% DBE attainment in 2012; and the City of Muscatine reached an average of approximately 5% DBE attainment with an airport taxiway project in 2009; and an airport lighting project in 2011; and

WHEREAS, the City of Muscatine now wishes to set a Fiscal Year 2012-14 DBE goal of 5.0% for those projects that receive federal funds and provided no alternative DBE goal has been identified; and,

WHEREAS, the proposed FY 12-14 DBE goal was determined as part of the City of Muscatine's overall FY 12-14 DBE Program; and

WHEREAS, a public hearing was conducted by the City Council of Muscatine on November 1, 2012 to provide the public with an opportunity to comment on these proposed goals;

NOW, THEREFORE, BE IT RESOLVED that the City of Muscatine's FY 12-14 Disadvantaged Business Enterprise (DBE) Program, which includes a FY 12-14 DBE Goal of 5.0% for projects using federal funds; and for which no other DBE goal has been set, be approved; and a 45-day public comment period to begin upon passage of this resolution.

PASSED, APPROVED AND ADOPTED this 1st day of November 2012.

**BY THE CITY COUNCIL OF THE
CITY OF MUSCATINE, IOWA**

Attest:

DeWayne M. Hopkins, Mayor

Gregg Mandsager, City Clerk