

THE TRANSPORTATION LINK

Federal Aviation
Administration
Federal Highway
Administration
Federal Transit
Administration

Federal Motor
Carrier Safety
Administration
Federal
Railroad
Administration

Maritime
Administration
Pipeline and Hazardous
Materials Safety
Administration

National Highway
Traffic Safety
Administration
Research and
Innovative Technology
Administration

St. Lawrence
Seaway
Development
Office of
the Secretary

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Sean M. Moss, Director
of the Office of Small
and Disadvantaged
Business Utilization
(OSDBU) & Minority
Resource Center (MRC)

FROM THE DESK OF THE DIRECTOR

In this issue of The Transportation Link, we spotlight DOT's proposed Fiscal Year (FY) 2006 budget with a special focus on new contracting opportunities and key reforms that may impact the customers of OSDBU and the Minority Resource Center.

In an effort to empower disadvantaged business enterprises (DBE) to be "Ready, Willing, and Able" to win new contracts, OSDBU and the Minority Resource Center is preparing to announce the first of its DBE Regional Conferences. This month, we highlight a discussion with Art Jackson, our Business Training Manager/Chief of Field Operations, who describes the DBE Regional Conference implementation strategy and a preview of what to expect.

Also in this issue, we highlight our recent steps to increase contracting opportunities for service disabled veteran-owned small businesses (SDVOSB). We are working to build off the momentum of the Federal Transit Administration (FTA), which recently awarded its first-ever SDVOSB contract to the Technatomy Corporation. Technatomy is also the subject of this month's *Transportation Link* profile.

Finally, this month's Procurement Watch focuses on FTA's Annual Report on New Starts for FY 2006 and highlights the four new projects to receive Full Funding Grant Agreements. We also highlight a new U.S. General Service Administration (GSA) resource, which provides useful contracting information to help our customers get (and stay) ahead.

FY 2006 DOT Budget – New Opportunities for Small Business

On February 7, 2005, Secretary Norman Y. Mineta introduced the Bush Administration's Fiscal Year (FY) DOT 2006 budget plan for the U.S. Department of Transportation (DOT). If the President's bill is enacted, the DOT budget would experience a small increase – from a proposed \$58.7 billion in FY 2005 to \$59.5 billion in FY 2006.

For the customers of OSDBU and the Minority Resource Center, budget stability is good news since it should result in a relatively consistent level of funding for the projects in which they currently (or plan to) serve as prime or subcontractors. Also, because these funding allocations can serve as harbingers of future procurements at both the federal and state levels, it represents good business planning to keep track of the allocations as the budget bill winds its way through Congress.

Renewing the Call for SAFETEA

As part of the DOT budget rollout, Secretary Mineta emphasized how "imperative" it is for Congress to pass the Safe, Accountable, Flexible, and Efficient Transportation Equity Act (SAFETEA) in early 2005. "This legislation provides

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Technatomy Corporation – Your SDVOSB/8(a) IT Services Company

As a U.S. Army Airborne Ranger, Nadeem Butler understands the power of having the right information at the right time in order to make critical decisions.

In the summer of 2000, Mr. Butler (with 20 years of Information Technology (IT) experience and armed with a Master of Science in Information Systems from the George Washington University) launched Technatomy Corporation - a service disabled veteran-owned small business (SDVOSB) and SBA-certified 8(a) small, disadvantaged business.

Under Mr. Butler's leadership, Technatomy has emerged as an IT services leader with a reputation for providing superior IT program management, logistics, and engineering services to the federal and private sectors. Much of Technatomy's success stems from its in-depth knowledge of advanced technology, functional subject matter expertise, and hands-on capability migrating information from legacy environments.

Recently, Technatomy was awarded the first FTA SDVOSB procurement. This award is just one of a growing list for the firm. In September 2004, DOT Secretary Mineta, on behalf of the Asian-American Business Roundtable, presented Mr. Butler with the Private Sector Business Advocate of the *continued on page 3*

FY 2006 DOT Budget...continued from page 1

the blueprint for investment that allows state and local governments to tackle gridlock in new and innovative ways, and also improves the overall safety and performance of our transportation system.”

To further emphasize the importance of the statute’s passage, the budget plan proposes a record-setting surface transportation investment of \$284 billion over the six-year life of SAFETEA. Small, disadvantaged, and woman-owned businesses should note that the President’s proposal would represent almost a \$35 billion increase over the funding levels provided under the previous authorization statute, the Transportation Equity Act for the 21st Century (TEA-21).

The largest single allocation in the FY 2006 budget plan involves a \$34.4 billion proposal for the Federal Highway Administration (FHWA). While a large portion of these funds will be used to finance new construction, SAFETEA and the proposed FY 2006 Budget would also fund research and development to increase the capacity of the existing highway system through advanced traffic management techniques. This includes setting aside a portion of National Highway System funds to finance improvements to inter-modal freight facilities.

Continuing the Focus on Safety

Increased funding is proposed for surface transportation safety programs. The budgets of the National Highway Traffic Safety Administration (NHTSA) and the Federal Motor Carrier Safety Administration (FMCSA) would together experience increases of \$45 million for highway safety programs in FY 2006. What’s more, these allocations would increase throughout the six-year period after SAFETEA is enacted.

Specific budget items include a \$231 million request for NHTSA safety operations and research programs. An additional \$465 million is allocated to provide state grants for targeted highway safety programs – a \$23 million increase over such funding from FY 2005. There’s also a planned increase in funding for improvements to the Facilities Analysis Reporting System, DOT’s database used to measure and analyze trends in vehicle fatalities.

In addition, the proposed budget would have a major impact on motor carrier programs. The budget document requests \$232 million for aggressive state enforcement of interstate com-

mercial truck and bus regulations and \$233 million to support oversight of hazardous materials transportation.

Funding Changes for Railroad Programs

Under the proposed FY 2006 budget, the Federal Railroad Administration would be allocated an additional \$14 million to complete the Nationwide Differential Global Positioning System. When in place, this system will serve as the backbone of a high-technology rail operations application called positive train control (PTC). Using PTC, railroads will be able to track the location and speed of trains in order to use PTC to reduce accidents and improve operations along crowded tracks.

The item in the DOT budget that received the most attention was the absence of any monies allocated for Amtrak. Says Secretary Mineta: “After 34 years of Amtrak operating losses and \$29 billion in taxpayer subsidies, it is clear that the current model of passenger rail service is flawed and unsustainable.”

With infrastructure deteriorating and service declining, the Administration proposed the end of subsidies “unless and until there is fundamental reform.” If Congress fails to address such fundamental reform, the proposed budget does include \$360 million to maintain existing commuter services along the Northeast Corridor and elsewhere.

More Funding to Increase Air Safety and Mobility

The Federal Aviation Administration (FAA) would experience a \$14 billion budget increase if the President’s proposal is enacted. Within this total, the Administration is proposing \$3 billion for the Airport Improvement Program

(AIP), which provides funding to airports for safety and capacity-enhancement projects. Customers of OSDBU and the Minority Resource Center will want to keep track of these grants since AIP provides the airports with necessary funding for contractor-supported projects such as constructing new runways and improving terminal buildings. The budget document also proposes tripling the funding for the Joint Planning and Development Office.

Funding for DOT Reorganization

With the transfer of the Transportation Security Agency and the U.S. Coast Guard to the Department of Homeland Security, Secretary Mineta saw the need for organizational changes to

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Breakdown of Proposed FY 2006 Budget by Operating Administration (Dollars in Millions)

Federal Aviation Administration	13,779
Federal Highway Administration	34,439
Federal Motor Carrier Safety Administration	465
National Highway Traffic Safety Administration	696
Federal Transit Administration	8,781
Federal Railroad Administration	552
Research and Innovative Technology Administration*	6
Pipeline and Hazardous Materials Safety Administration	131
Maritime Administration.....	294
Saint Lawrence Seaway Development Corporation	16
Office of the Secretary	259
Office of Inspector General	62
Surface Transportation Board	24
TOTAL**	59,506

** An additional \$33.1 million that is proposed for RITA will come from the Highway Trust Fund, which is included in the budget totals for the Federal Highway Administration.*

***There is a discrepancy between the sum of the budget totals for the Operating Administrations and the overall total due to rounding*

More Business Opportunities for Veterans

In February 2005, the FTA announced its first SDVOSB set-aside award. The award went to Technatomy Corporation, a Virginia-based information technology solution and professional services company (*more information on Technatomy is provided in a profile that begins on page 1*).

A Mandate from Congress and the President

Congress authorized the SDVOSB Procurement Program in 2003. A centerpiece of the new program is a requirement that all federal contracting agencies establish and then achieve a goal of awarding 3% of the total value of all prime and subcontract awards to SDVOSBs on a yearly basis.

In October 2004, President George W. Bush signed Executive Order 11360 requiring federal agencies to develop strategies for significantly increasing federal contracting and subcontracting opportunities for SDVOSBs.

DOT's Commitment

DOT is fully committed to increasing SDVOSB opportunities. The Department is striving to immediately increase SDVOSB participation by at least 50% over current levels. However, the ultimate target is, not only to reach the government-wide 3% goal, but to exceed it. DOT's SDVOSB strategy is being implemented under the leadership of OSDBU and the Minority Resource Center.

Some Fundamentals of the SDVOSB Procurement Program

To be eligible as a SDVOSB, the small business owner must be a veteran who has incurred disabilities (or had disabilities aggravated) while in active service with the armed forces. As with other set-aside programs, there is a 51% ownership requirement. However, unlike other set-aside programs, there is no certification procedure through the U.S. Small Business Administration (SBA). Rather, the firm's owner can self-certify his/her status as a service-disabled veteran. If there is any challenge to this self-certification, proof can be evidenced by: a Certificate of Release or Discharge from Active Duty DD Form 214 and a letter certifying the owner's service-related disability from the Department of Veteran's Affairs.

Technatomy Corporation...continued from page 1

Year Award for his work in supporting and promoting veteran-owned businesses and SDVOSBs in federal sector procurements.

Headquartered in Fairfax, VA, Technatomy has a GSA Schedule 70 IT services contract and is currently implementing an ISO 9001:2000 quality assurance program.

For more information about Technatomy, visit <http://www.technatomy.com>.

Corporate Headquarters: 3951 Pender Drive, Suite 120, Fairfax, Virginia 22030; Phone: (703) 383-7269; E-mail: nbutler@technatomy.com

DOT's New Initiatives

OSDBU and the Minority Resource Center have established a DOT SDVOSB Task Force to develop and implement an aggressive program. It has also appointed Ferguise Mayronne to be the SDVOSB Coordinator.

On December 13, 2004, OSDBU and the Minority Resource Center facilitated a structured "market intelligence" session between 15 SDVOSB IT firms and the DOT Operating Administration acquisition and program managers. OSDBU and the Minority Resource Center is also currently developing a SDVOSB webpage and plans the first annual SDVOSB national outreach event to coincide with the national Veterans Day holiday each November.

OSDBU and the Minority Resource Center congratulates Dale Johnson of the FTA acquisition office for shepherding FTA's first set-aside award to a SDVOSB. This award is only the first of many as DOT gears up to provide more contracting opportunities to firms run by veterans who were disabled while serving their country.

For more information about the SDVOSB Procurement Program, check out: http://osdbu.dot.gov/osdbu_services/veteransBusiness.cfm or contact Ferguise Mayronne at ferguise.mayronne@dot.gov

DOT's SDVOSB Action Items

OSDBU and Minority Resource Center Director Sean Moss recently announced a DOT strategy to implement President Bush's Executive Order to increase SDVOSB contracting opportunities. Some of the current or pending initiatives were discussed in the article. Other major SDVOSB initiatives include:

- Identify procurements for the SDVOSB program for updates to the Forecast of Contract Opportunities.
- Work with the Center for Veterans Enterprise and the SBA to conduct outreach and identify SDVOSBs.
- Actively promote SDVOSB participation in joint ventures and mentor-protégé programs.
- Include small business goals as evaluation factors and promote SDVOSB participation in the DOT revised subcontracting program.
- Promote the use of all available SDVOSB databases (*e.g.*, www.ccr.gov and www.vetbiz.gov) for market research and inclusion/consideration.
- Develop a SDVOSB poster to inspire and promote the benefits of the program to DOT personnel.

Budget Recommends Key Transit Projects for Funding

Recently, President Bush recommended to Congress more than \$1.5 billion in funding for up to 26 new or expanding major transit projects aimed at increasing mobility and easing congestion in urban and suburban communities. The recommendations were part of FTA's *Annual Report on New Starts* for Fiscal Year (FY) 2006.

The list of transit projects includes 16 for which the federal government has already made long-term funding commitments. This year's recommendations also make funding available through similar commitments to four new projects. The newly funded projects promise relief for the congested communities in Phoenix, AZ; New York, NY; Charlotte, NC; and Pittsburgh, PA.

In addition, the report identifies a list of other projects that will be considered for funding this year contingent upon further progress and continued qualification under the New Starts criteria and other requirements. Areas with proposed projects include: San Diego, CA; Denver, CO; New York, NY; Washington County, OR; Dallas, TX; and Salt Lake City, UT.

For info. visit,
<http://www.dot.gov/affairs/dot2405.htm>

For a complete list of projects recommended under the New Starts program visit, www.fta.dto.gov.

New Transportation Projects Granted Long-Term Funding in FY 2006

\$90 million – Central Phoenix, AZ East Valley Light Rail The Central Phoenix East Valley Light Rail project is a 19.6-mile light rail system running from the Spectrum Mall area through the downtown areas of Phoenix and Temple to Mesa. The project is overseen by Valley Metro Rail and will cost \$1.4 billion with a federal New Starts share of \$587 million.

\$390 million – NY Long Island Rail Road East Side Access The New York City Metropolitan Transportation Authority and Long Island Rail Road (LIRR) are proposing a commuter rail project that will link LIRR passengers to a new passenger concourse in the Grand Central Terminal on Manhattan's east side. The 3.5-mile East Side Access (ESA) project will use an existing rail tunnel under the East River to increase LIRR tunnel capacity and relieve over-crowded conditions through the LIRR network. The project will cost \$7.74 billion.

\$55 million – Charlotte, NC South Corridor Light Rail Transit This Charlotte Area Transit System (CATS) project is a 9.6-mile light rail transit line extending from the city's central business district to Interstate 485 in south Mecklenburg County near the South Carolina state line. This will be the area's first light-rail line and will cost \$426.8 million.

\$55 million – Pittsburgh, PA North Shore Light Rail Connector This Port Authority of Allegheny County project is a 1.5-mile extension of the region's 25-mile light rail transit system connecting downtown Pittsburgh's Golden Triangle area to the city's North Shore via the convention center. The project will cost \$381 million.

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help DOT generate greater operational efficiency and increased effectiveness. Congress agreed and passed the Norman Y. Mineta Research and Special Programs Improvement Act, which President Bush signed into law on November 30, 2004.

The purpose of the statute was to provide DOT with a more focused research organization and establish a separate operating administration for pipeline safety and hazardous materials transportation safety operations.

The FY 2006 Budget proposes \$39.1 million for the new Research and Innovative Technology Administration (RITA). Says Secretary Mineta: RITA "promises to bring new energy and focus to the Department's research efforts and expedite implementation of cross-cutting, innovative transportation technologies."

The budget also includes \$130.8 million for the new Pipeline and Hazardous Materials Safety Administration (PHMSA). PHMSA will be responsible for ensuring the safe and secure transport of hazardous materials through the transportation network.

Tracking the Budget Bill

As anyone who has observed the annual budget process already knows, the President's proposal is just the first steps of a process that will go on for months – and may not be resolved until after the new fiscal year actually begins. During this period, there will likely be many changes to the President's proposal as different members of the House and Senate balance their own sets of priorities and numerous amendments are debated.

However, the end result will definitely affect the customers of OSDBU and the Minority Resource Center since the final budget will determine which DOT programs will be initiated, continued, or terminated. Therefore, it makes sense to keep track of the budget bill as if your business depends on it – because it does.

More information on the proposed FY 2006 DOT Budget can be found at: http://www.dot.gov/bib2006/fy06_bib_index.html and <http://www.whitehouse.gov/omb/budget/fy2006/transportation.html>

Regional DBE Conferences - Coming Soon to a City Near You

[At the 1st National DBE Conference, Secretary Norman Y. Mineta strengthened DOT's commitment to DBE owners by announcing the creation of Regional DBE Conferences to help the owners access DOT's financial assistance and direct procurement programs. Since the announcement, OSDBU and the Minority Resource Center have been working closely with the Regional Centers to develop a strategy and timetable to launch this new initiative. In a recent interview with Art Jackson, Business Training Manager/Chief of Field Operations at the OSDBU and the Minority Resource Center, Mr. Jackson provided an overview of the Regional DBE Conference Strategy.]

Q: Can you please summarize your strategy for implementing the Regional DBE Conferences?

The Regional DBE Conference strategy relies heavily upon each of our Regional Minority Resource Centers. The Regional Centers will be taking the lead in coordinating and facilitating the roll out of these conferences including the development of a customized conference program that meets the needs of the DBEs in their particular region. For this year's conferences the Regional Centers will be strategically paired together to plan and execute each conference. The goal of each conference will be to enhance the ability of DBEs to participate in transportation-related opportunities.

What is your anticipated timeline for these conferences?

We are anticipating hosting the first series of conferences between April and May 2005. The Regional Centers are currently finalizing conference details and working to identify possible dates and locations for these conferences.

What type of conference program can interested DBEs expect?

The Resource Centers have the flexibility to develop a conference program that promises to meet the needs of their particular community. OSDBU and the Minority Resource Center will provide guidance and assistance where needed to strengthen each conference program. The Regional Conferences will include a keynote speaker of national significance, interactive workshops, networking sessions, and informative plenary sessions. We are currently anticipating that conferences will vary from half day to full day events, depending on the area.

Who can participate in these conferences?

The conferences will be open to the general public; however, the program will be designed to specifically target the DBE audience. The conferences will seek to create an atmosphere that lends itself to increased utilization of DBEs by DOT grantees and recipients at the regional, state, and local levels.

How will you be measuring conference performance?

In order to measure conference effectiveness, an evaluation instrument will be used to seek input from all attendees, following each conference. Our goal will be to collect feedback from attendees on what worked and what didn't work so that we can better assess present and future needs. The results from each regional conference will be used by OSDBU and the Minority Resource Center as a barometer to develop a useful conference program for its Annual National DBE Conference in 2005.

For all the latest information about regional conferences and to register, interested parties should visit their Regional Center's web site, which can be accessed through the OSDBU and Minority Resource Center's web site (<http://osdbu.dot.gov/index.cfm>)

New E-Tool Grows Business

GSA made the Federal Procurement Data System-Next Generation (FPDS-NG) available to the public on December 31, 2004.

Designed to replace a 26-year old system for tracking federal government purchases, FPDS-NG is a web-based central repository of information on all federal contract actions valued at more than \$2,500. If any of these transactions are modified, the database also reports on the modification, regardless of the dollar amount.

FPDS-NG provides two tiers of information. For procurements in the \$2,501-\$25,000 range, FPDS-NG contains summary data on what federal agencies purchased – including who they purchased the services from, what they cost, and where the work is being performed. For contract actions over \$25,000, the system can be searched for more detailed data, including information on awards to small, disadvantaged, and woman-owned businesses.

The public has free access to the information in FPDS-NG through standardized reports and specialized queries. However, if an individual or organization wants direct access to the raw contract data, GSA requires the payment of a one-time fee of \$2,500 to cover the cost of connecting to the system.

FPDS-NG is just one of many GSA databases that customers of OSDBU and the Minority Resource Center may want to check out to keep ahead of the competition.

The FPDS-NG is located at: <https://www.fpds.gov> and can be accessed via the OSDBU and the Minority Resource Center web site.

Background on FPDS-NG can be found at: <http://www.acqnet.gov/far/FAC/fac01018.pdf>

A list of GSA e-tools to facilitate doing business with the federal government can be found at: <http://www.gsa.gov/Portal/gsa/ep/channelView.do?pageTypeId=8199&channelId=-13247>

FHWA DBE Tool Encourages Compliance

In an effort to maintain DBE program compliance and prevent DBE program fraud and abuse, the FHWA has developed a new tool for collecting important DBE program information from program staff and grantees. The DBE Risk Assessment Tool is a form that gathers information from grantees about their use of federal funds for projects and the amounts reaching the DBE community.

The DBE Risk Assessment tool is just one of several strategies that the FHWA is implementing as part of its action plan to improve the overall administration of the DBE program. The Tool is currently undergoing field testing in several states across the Nation. Once the DBE Risk Assessment Tool has been thoroughly tested and approved, FHWA will work to make the form available online and prepare for its nationwide roll-out.

Development of the DBE Risk Assessment Tool empowers FHWA program staff by consolidating the information they need to measure levels of DBE program performance and compliance – thereby allowing them to more easily monitor program abuse and fraud. Although the tool was developed to primarily increase DBE program compliance, it also promises to help state Transportation Agencies assess the performance of their own civil rights programs to insure that they are meeting all of their transportation regulatory obligations.

For more information visit,
www.fhwa.dot.gov/civilrights

CALENDAR OF EVENTS February/March 2005

- April 9 **Opportunities in Franchising for Minorities and Women Seminar** – Washington, D.C.
Contact: Minority Business Entrepreneur Magazine • 888-872-2677 • www.franchiseexpo.com
- April 20-23 **Black Business Professionals Conference** – Savannah, GA
www.blackbusinessprofessionals.com
Contact: Black Business Professionals • 912-354-7400 • jewel@blackbusinessprofessionals.com.
- April 21 **15th Annual OSDBU Procurement Conference** – Upper Marlboro, MD
www.fbcinc.com/osdbu/default.asp
Contact: Federal Business Council • Bob Jeffers • 800-878-2940 or 301-206-2940 ext. 226 • bj1@fbcdb.com
- May 4 **CelebrAsian 2005** – Washington, D.C.
www.uspaacc.com
Contact: U.S. Pan American Chamber of Commerce • 202-296-5221
- May 13 **MRC Bonding, Finance, and Insurance Seminar** – Oakland, CA
Minority Resource Center Western Region
Kaye Stevens • 510-272-0736 • kayestevens@sbcglobal.net

View our calendar of events by visiting us at <http://osdbu.dot.gov>.

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