**ESTUARY TRANSIT DISTRICT**

**DISADVANTAGED BUSINESS ENTERPRISE PROGRAM**

**GOAL SETTING/METHODOLOGY**

**FISCAL YEARS 2024, 2025 AND 2026**

**BACKGROUND**

Pursuant to 49 Code of Federal Regulations Part 26 (49 CFR 26), the US Department of Transportation requires that recipients of federal funding assistance of at least $250,000.00 establish a Disadvantaged Business Enterprise (DBE) Program. The Estuary Transit District, as a recipient of USDOT funding, intends to comply with this requirement and has developed this report to document our goal setting procedure.

**PROPOSED GOAL FOR FY 2024 through 2026**

The District has established an overall goal of DBE participation for FY 2024 through FY 2026 on U.S. Department of Transportation (USDOT) Federal Transit Administration assisted contracts. The projects that the District expects to receive USDOT funding and that have a DBE contracting opportunities during the next three fiscal years, excluding buses, account for approximately $608,000 of which $10,674.35 is projected for DBE participation, for an annual goal of 1.76 %.

**METHODOLOGY**

**STEP 1**

**BASE FIGURE DETERMINATION**

The base figure is intended to be a measurement of the current percentage of businesses that are DBEs. In order to ensure that this figure is based on demonstrable evidence of the relevant market conditions, the number of DBEs that are ready, willing and able to compete for federally assisted projects have been identified and divided by all firms that are also considered ready, willing, and able to bid for the types of work contemplated to be funded this year. This calculation is based upon the type of work that the District will undertake over the next three fiscal years.

**LOCAL MARKET AREA**

A Local Market Area is based on two factors: where the majority of all firms (DBE contractors/subcontractors and the non-DBE contractors/subcontractors) are located with whom the District does business, and where the majority of the contracting dollars are spent by the District on FTA assisted projects.

For purposes of this methodology, the State of Connecticut is the location of the majority of firms with which the District does business, and where the majority of contracting dollars are spent. The small geography of the state makes is possible for a business to serve any part of the state.

In terms of current certification in the State’s DBE directory, DBE firm certification is achieved under the State of Connecticut Department of Transportation (Conn DOT) Unified Certification Program. The firms certified in the Conn DOT directory are a representation of actual availability of DBE and DBE-eligible firms in the local market area.

**DISTRICT’S FISCAL YEAR 2024, 2025 and 2026 PROJECTS**

The District identified all FTA assisted contracts for Fiscal Year 2024- 2026. They are listed below:

|  |  |  |
| --- | --- | --- |
| **FY 24** | **Total Cost** | **Federal Share** |
| ADP Hardware  | $ 75,000.00 | $ 60,000.00 |
| Misc Support Equipment  | $ 75,000.00 | $ 60,000.00 |
| Support Vehicles  | $ 135,000.00 | $ 108,000.00 |
| Preventive Maintenance | $ 50,000.00 | $ 40,000.00 |
| **FY 25** |  |  |
| Bus Stop improvement  | $ 30,000 | $ 24,000.00 |
| Misc Support Equipment  | $ 50,000.00 | $ 40,000.00 |
| Support Vehicles  | $ 35,000.00 | $ 28,000.00 |
| Bus communication  | $ 5,000.00 | $ 4,000.00  |
| Preventive Maintenance  | $ 50,000.00 | $ 40,000.00 |
| Facility Maint /Improvement  | $ 50,000.00 | $ 40,000.00 |
| Masonry repairs  | $ 50,000.00 | $ 40,000.00 |
| **FY 26** |  |  |
| AD Hardware  | $ 30,000.00 | $ 24,000.00 |
| ADP Software  | $ 25,000.00 | $ 20,000.00 |
| Misc Support Equipment  | $ 50,000.00 | $ 40,000.00 |
| Preventive Maintenance  | $ 50,000.00 | $ 40,000.00 |

**STEP ONE: BASE FIGURE**

The Base Figure is an estimation of the relative availability of DBE contractors for the type of work anticipated over the next three years. This is calculated through the following process:

1. Identify the North American Industry Classification System (NAICS) codes for each type of work the District anticipates it will undertake with FTA funds in the next three fiscal years. (Attachment 1)

2. Identify the total number of firms available in the base market area (the state of Connecticut) for each NAICS code. This information was obtained from the 2020 Economic Census (the most recent year available.) (Attachment 1)

3. Identify the number of DBE contractors and subcontractors ready, willing, and able to do business by each NAICS code number identified in task 1 above. This information is obtained from the statewide DBE directory published by the Connecticut Department of Transportation. (Attachment 1)

4. Estimate the relative availability of DBE contractors for each type of work by totaling the number of DBE firms available for each project type and dividing by the total number of firms available for each project type. (Attachment 1)

5. Determine the relative weight of each type of work, based upon expenditure per type of work divided by total FTA expenditures expected in the next three years. (Attachment 2)

6. Multiply the relative weight by the relative availability for each project type, sum the results, to get the base figure. (Attachment 2)

Attachments 1 and 2 present the results of the above process. The resulting base figure is 1.76%.

**STEP 2: ADJUSTMENTS**

In this step, a review of various types of available information about contracting activity was undertaken to determine whether an up or down adjustment from the Base Figure was needed.

1. The projects anticipated to be awarded during the triennial period are similar to those awarded in the recent past ETD. As a result, the District does see a need to adjust the goal of 1.76 %

**CALCULATING RACE NEUTRAL/RACE CONSCIOUS SPLIT**

In determining the level of potential race-neutral participation, the District should review past performance against the DBE goal and looked at historic levels of race/gender neutral participation.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| FY Year | DBE Goal (%) | DBE Participation | Differences  | Race Neutral  |
| FY 2021 | 2.30% | 0.00 % | (2.30) % | 0.00 % |
| FY 2022 | 2.30% | 0.00 % | (2.30) % | 0.00 % |
| FY 2023 | 2.30% | 1.38 % | (0.92) % | 1.38 % |

The average For the Variation between goals and actual Performance is (1.84%)

The average value of the historic level of race neutral performance is (0.46%)

Taking the average of these two figures, gives a result of (1.15%)

The District will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The District will use the following race-neutral means to increase DBE participation:

* Arrange solicitations, give date and times for the presentation of bids, quantities, specification, and delivery schedules in ways that facilitate DBE, and other small businesses, participation.
* Provide technical assistance and other services upon request.
* Conduct informational and communication workshops on contracting procedures, attend pre-bid and pre-construction meetings on specific contract opportunities (e.g., ensuring the inclusion of DBEs and other small businesses on mailing lists for bidders), ensuring the dissemination of information, such as providing a list of subcontractors to bidders on prime contracts.
* Distribute the CTDOT DBE directory information, to the widest feasible potential prime contractors.
* Estuary Transit will continue to provide training and technical assistance through existing staff, application instructions, website DBE resources and a new oversight contractor coming on board to ensure all sub-recipients are fully aware of the requirements for DBE participation.
* Estuary Transit District will continue to proactively encourage specific goals for some of the sub-recipient construction and oversight contracts. For some small equipment and other low value asset procurements, race neutral procurements for all contracts will continue.

The District will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation. The District will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following:

* DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures.
* DBE participation through a subcontract on a prime contract that does not carry a DBE goal.
* DBE participation on a prime contract exceeding a contract goal.

**CONSULTATION**

The District will continue conducting DBE activities for Fiscal years 2024-2026. The ETD goal for 2024-2026 to reach 1.76 % depends on multiple factors such as 49 CFR part 26- Guidelines of taking consideration all necessary and reasonable steps under to ensure nondiscrimination in the award and administration of DOT-assisted contracts, Also FTA funding allocations that the district will receive, that will help funding the upcoming projects or ongoing local projects, and the availability of DBE certified agencies in the market area.

The anticipated projects will vary between service contracts, renovation and upgrades of passenger and storage facilities, renovation and rehabilitation of parking lots and pedestrian walkways.

The District’s proposed DBE goal and methodology was posted on the District website (http://estuarytransit.org/about-us/dbe-goals/), beginning on June 27, 2023.No comments were received.

**ADVERTISING AND COMMENT PERIOD**

The District advertised the proposed goal in both the Hartford Courant (newspaper of general circulation) on June 28, 2023. The notices indicate that the goal methodology is available for 30 days and comments may be submitted within 30 days. Both the District’s address and the FTA Region 1 address are included in the notice. At the conclusion of the public comment period, any comments received by the District will be added to this document. The notices are attached to this document.

The District is required to submit its overall DBE goal to FTA on August 1 of each year, except in cases where a Federal Transit Administration recipient submits a specific project goal. This report is being submitted in compliance with this requirement.

**CONTRACT GOALS**

The District will use contract goals to meet any portion of the overall goal that cannot be met using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of the overall goal that is not projected to be met through the use of race-neutral means.

The District will establish contract goals on those FTA assisted contracts that have subcontracting possibilities. The District is not required to establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., scope of work, location of work, and availability of DBEs to perform the particular type of work).

The District will express its contract goal as a percentage of the total amount of FTA assisted contracts.

**ATTACHMENTS**

