



**Disadvantaged Business Enterprise (DBE)
Program Goal for
Federal Transit Administration Funds**

Proposed DBE Goal: 0.72%

Draft for Public Review

Federal Fiscal Years (FFY) 2020-2022

(October 1, 2019 – September 30, 2022)

Recipient: Carson Area Metropolitan Planning Organization (CAMPO)

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Purpose of this Document:

The Carson Area Metropolitan Planning Organization (CAMPO) and the Carson City Regional Transportation Commission (RTC) are committed to carrying out all of the Disadvantaged Business Enterprise (DBE) requirements of 49 CFR Part 26, which provides guidelines to assure that all contracts and procurements are administered without discrimination on the basis of race, color, sex, or national origin, and DBEs have an equal opportunity to compete for and participate in the performance of all agreements, contracts, and subcontracts awarded by CAMPO and RTC.

49 CFR Part 26 Section 45 defines a three year goal setting method for recipients of Federal Transit Administration (FTA) funds. The purpose of this goal is to provide a guideline for FTA funding recipients to ensure nondiscrimination in the award and administration of Department of Transportation (DOT)-assisted contracts, to create a level playing field on which DBE's can compete fairly for DOT-assisted contracts, and to provide appropriate flexibility to recipients of Federal financial assistance in establishing and providing opportunities for DBEs.

Furthermore, in the process of establishing this goal and methodology, CAMPO seeks to educate existing DBEs and potential DBE certification applicants on participation in the DBE program and potential contracting opportunities.

1.0 CAMPO DBE 3 Year Goal for FFY 2020 through FFY 2022

1.1 Federal Transit Administration (FTA) regulations dictate that recipients of FTA funding must create a three (3) year goal in accordance with 49 CFR Part 26. This document is a draft for public review.

1.2 In alignment with 49 CFR Part 26, CAMPO has determined a DBE three (3) year race neutral goal of **0.72%**. This goal is expressed as a percentage of FTA funds (excluding FTA funds to be used for the purchase of transit vehicles) that are allocated through CAMPO. The goal reflects an anticipated level of DBE participation in FTA-assisted contracts in the three forthcoming fiscal years. The new goal has increased from the previous three year goal based on an increase of DBE's available to submit proposals for expected projects funded in whole or in part with FTA funding.

2.0 Data Collection and Analysis

2.1 Annual FTA funding available to CAMPO was established in the FAST Act which expires FFY 2020. As funding for FFY 2021 and FFY 2022 have not yet been stipulated by the FTA, an estimated amount based on previous annual increases of 2.01% has been calculated as a guideline for goal setting. Estimated FTA funding allocated to CAMPO is:

- \$1,042,217 in FFY 2020
- \$1,063,165 in FFY 2021
- \$1,084,534 in FFY 2022

2.2 CAMPO annually awards FTA funding to eligible Transit Operators within its planning area. Jump Around Carson (JAC) Transit currently holds an Operating Service Contract for public transit within the MPO area, and may regularly undertake projects to enhance transit services. Table 1 provides a list of anticipated DOT-assisted projects, by industry classification.

**Table 1 – Anticipated Projects and Expenditures by Trade Classification
FFY 2020-2022**

Project Type	Dollar Amount	NAICS Code	NAICS Description
Operating Service Contract	\$2,774,000	485113	Transit Operators
Transit Facility Upgrades	\$20,000	561621	Security Installation
Transit Facility Upgrades	\$20,000	423610	Electricians
Rehabilitation/Renovation of Pedestrian Access/Walkways	\$50,000	237310	Streets, Roads, Public Sidewalks, Construction
Professional Services	\$75,000	541512	Computer System Design
Total	\$2,939,000		

2.3 The reasonable and relevant geographical market for contractors include the five (5) jurisdictions of Carson City Consolidated Municipality, Douglas County, Lyon County, Storey County, and Washoe County.

2.4 U.S. Census Bureau data was collected on the five (5) industry classification (Table 1) to determine the availability of companies within the relevant geographical market. The data can be found at: <https://factfinder.census.gov/>

2.5 DBE availability for the projects noted in Table 1 was drawn from the Nevada Unified Certification Program (NUCP) records, which is the certifying body for DBE's in Nevada (See Table 2 in Section 3.0). The link to the NUCP database is: <http://nevadadbe.com/dbe-vendors>

2.6 A 2017 disparity study conducted by the Nevada Department of Transportation (NDOT) was reviewed for consideration. This study encompassed the entire state of Nevada. As a result of the disparity study, NDOT established a 0.92% DBE goal for FTA-assisted contracts. CAMPO's proposed race neutral goal of 0.72% is found to be reasonable, given CAMPO's limited market area that does not include the large metropolitan area of Las Vegas, NV. The study can be found at: <https://www.nevadadot.com/Home>ShowDocument?id=7705>

3.0 Methodology

3.1 49 CFR part 26.45 indicates methods for calculating a DBE goal based on a percentage of available DBE firms by industry classification and within the relevant geographical area. Further adjustments will be made after the public comment period is closed and after staff has concluded consultation with DBE stakeholders, as required by 49 CFR §26.45(d) and §26.45(g)(1).

3.2 Table 2 indicates the percentages of DBE's available in Nevada that could be reasonably expected to submit proposals on upcoming projects funded in whole or in part with FTA funds, in compliance with 49 CFR Part 26.45. The data discussed in Section 2.0 was the basis for these numbers. Furthermore, the table shows weighting for each project based on the percentage of funds CAMPO intends to expend.

Table 2 – DBE Availability by NAICS Code and Project Weight					
Project	NAICS	Total Business	Total DBEs	DBE %	Weighted
Operating Service Contract	485113	16	0	0%	94%
Transit Facility Upgrades	561621	11	0	0%	0.6%
Transit Facility Upgrades	423610	37	0	0%	0.6%
Rehabilitation/Renovation of Pedestrian Access/Walkways	237310	19	8	42%	1.7%
Professional Services	541512	109	0	0%	2.55%

3.3 The percentages of total funds for expenditure, found in Table 1, are used to weigh the percentages of DBE's for each project as shown in Table 2. The following equation was used to determine the final overall DBE goal of 0.72%:

$$[((2774000/2939000)(0/16)) + ((20000/2939000)(0/11)) + ((20000/2939000)(0/37)) + ((50000/2939000)(8/19)) + ((75000/2939000)(0/109))] \times 100 = 0.7163$$

$$= \text{Total DBE Goal: } 0.72\%$$

4.0 Establishing Race Neutral and Race Conscious Splits

4.1 In keeping with the Ninth Circuit Court of Appeals decision in *Western States Paving v. Washington State Department of Transportation*, CAMPO proposes to set the goal as race-neutral for this goal period. Race-neutral DBE participation includes any time a DBE is awarded a prime contract through customary competitive procurement procedures, is awarded a subcontract on a prime contract that does or does not carry a DBE requirement, or wins a subcontract from a prime contractor that did not consider its DBE status in making the award (e.g., a prime contractor that uses a strict low bid system to award subcontracts).

5.0 Public Participation

5.1 The period for public review and comment of CAMPO's proposed three (3) year DBE goal, along with the methodology and calculations, was opened from May 10, 2019, running through June 24, 2019. In accordance with Title VI, individuals with disability may contact the office below to obtain this document in an accessible format. Translated copies will also be made available upon request. Any questions or comments may be directed to Comments@CarsonAreaMPO.com or by telephone to 775-283-7583, the office of the Transit Coordinator. All comments will be considered for adjustment of the goal.

5.2 A public DBE Stakeholders meeting to receive comment on this document and to inform local interest groups, certified DBE companies, and uncertified DBE eligible companies was held on May 22, 2019. A presentation by the DBE Liaison Officer delivered information to the public on the 3 year goal methodology, DBE Certification requirements, and benefits of the DBE certification. Attendees had many questions regarding upcoming projects and the DBE certification process, but no comments were received regarding the methodology for determining the 3 year goal. Notices and invitations were sent out to the following locations:

- Carson City Chamber of Commerce
- Washoe Tribe of Nevada and California
- Untied Latino Community
- Carson City Chamber of Commerce
- Dayton Chamber of Commerce
- Carson Valley Chamber of Commerce
- WNC Latino Outreach and ESL
- Five(5) local DBE certified companies