

GREATER PEORIA MASS TRANSIT DISTRICT (GPMTD)

DBE PROGRAM GOAL EVALUATION

The Greater Peoria Mass Transit District has developed a 5.9% overall Disadvantaged Business Enterprise (DBE) goal applicable to Federal Fiscal Year's 2018 thru 2020 contracting opportunities assisted by the Federal Transit Administration (FTA) in accordance with revisions to 49 CFR Part 26 published in the Federal Register.

GPMTD has determined its annual DBE goal of 5.9% as a percentage of all FTA funds (exclusive of FTA funds to be used for the purchase of revenue vehicles). The goal is applicable to a total of \$1,790,795 of FTA dollars that are budgeted for contracts anticipated to be awarded from October 1, 2017, through September 30, 2020. In the event circumstances change, the District will evaluate such changes to determine whether the present goal continues to be realistic or whether mid-course adjustments will be necessary.

The DBE goals developed for FTA-assisted contracts identify the relative availability of DBEs, based on evidence of ready, willing and able DBEs in relationship to all comparable businesses that are likely to be available to compete for the District's FTA-assisted contracts. The three-year overall goal reflects the District's determination of the level of DBE participation.

The steps taken in the development of the District's goal is in accordance with 49 Code of Federal Regulations (CFR) Part 26, issued by the U.S. Department of Transportation (U.S. DOT). A narrative description accompanied by tables and calculations is contained in this report to provide a clear explanation of how the District developed its DBE goal for FFY 2016/2017 through 2018/2019.

Following is a summary of the methodology used develop the goal:

DATA CONSULTED

□ *Census Bureau's County Business Pattern (CBP) Database*

The District used the Census Bureau's County Business Pattern (CBP) database, to obtain the number of all firms (DBEs and non-DBEs) ready, willing and able to bid for the District's FTA-assisted contracts. This data is used in Step One of the goal-setting process.

□ *Illinois Unified Certification Program (CUCP) Database*

The District used the Illinois Unified Certification Program (ILUCP) database to determine the number of certified DBEs ready, willing and able to bid for the District's FTA-assisted contracts. This data is used in Step One of the goal-setting process

Bidders List

The District maintains a bidders list as required under 49 CFR Part 26.11 of all bidders (DBEs and non-DBEs) on District contracts. Staff reviewed its list and determined the data was not comprehensive enough to determine the relative availability of DBEs in its local market area.

DETERMINING LOCAL MARKET AREA

The following areas were reviewed in determining the District's local market area: 1) the area in which a majority of the contractors and subcontractors with which the District does business are located, and 2) the area in which the District spends a majority of its contracting dollars.

The District identified the locations of all its contractors and subcontractors by examining its Bidders List, which includes business addresses for both successful and unsuccessful bidders. It has been determined that the majority of the contractors and subcontractors with which it does business are located in the counties of Mclean, Peoria, Woodford and Tazewell.

CONTRACTS ASSISTED BY FTA

A total of \$1,790,795 of FTA dollars is budgeted for contracts to be awarded during Federal Fiscal Years 2018 through 2020. **See Exhibit 1 below.** A two-step process is used to determine the overall goal for these contracts.

Exhibit 1: Contracts subject to overall three-year goal.

Description of Contract	FTA Dollars
Anticipated for award	
Transit Center Rehabilitation Electrical, Plumbing, Painting, Flooring, Masonry, General	\$320,000
Stripping Foundation structure	\$72,000
Paving Specialty Trade	\$104,000
Purchase Shop Equipment	\$70,795
Automated Dispatch Locator	\$624,000
Bus Camera System	\$600,000
Total	\$1,790,795

Step One Determining Base Figures

STEP ONE: The base figures were calculated for contracts budgeted for award to determine the relative availability of DBEs in specific areas of expertise using the North American Industrial Classification System (NAICS) codes. The District identified 11 NAICS codes as pertinent areas of expertise for the contracts. The NAICS codes and descriptions are identified in **Exhibit 2, Columns A and B on page FTA-15.**

Number of DBEs: To determine the number of DBEs in the District's market area, the District searched the Illinois Unified Certification Program (ILUCP) database for DBEs that are certified in the NAICS codes identified for the prime contracts and subcontracts.

Ready, willing, and able DBE's are DBE's in the database with North American Industry Classification System (NAICS) codes. All firms ready, willing, and able includes all firms in the Peoria Metropolitan market area as identified in the Census Bureau County Business Pattern database with NAICS codes.

The base figure for the overall goal relative availability of DBE's was calculated as follows:

EXPLANATION: To determine the base figure of available DBE's the GPMTD constructed a methodology for assessment of relative DBE availability which starts with step one as proposed in 49CFR PART 26 Section 26.45(c). The total number of businesses in the local market utilizing the same NAICS codes whether prime or subcontractors were 525. The total number of DBE prime or subcontractors was 31.

BASE = 31 (DBE)
Preliminary _____
525 (all businesses)

GOAL for FFY 2018-2020 = 5.9%

STEP TWO: The GPMTD weighted the relative availability to reflect the amount of money that is programmed to be spent in each NAICS area by sorting out DBE's from IL UCP directory by NAICS Codes to determine the percentage likely to be interested in FTA assisted contracting opportunities. This ensures a more precise availability figure.

Prior reports were reviewed from the last three years received by DBE's as reported to the FTA. The agency's prior year goals with corresponding years were: 2012-2.82%, 2013-2.82%, 2014-3.9%. The historical median of past participation of 2.82% is then to be compared to the base rate computed by Step #1 to make an adjustment to account for the current market for DBE's in compliance with narrow tailoring. Reports are also reviewed to determine what actual dollar amount went to DBE's.

STEP TWO ADJUSTING STEP ONE BASE FIGURES

Step Two requires GPMTD to examine all evidence in its jurisdiction to determine what adjustment, if any, is needed to the base figure to determine a final overall goal. The following factors were considered in determining if adjusting the District's Step One Base Figure of 5.9% was necessary, the District examined past participation as considerable evidence of DBE participation it expects in the absence of discrimination. The District also considered other data that would help better measure the percentage of work that DBEs would be likely to obtain in the absence of discrimination to make the Step One Base Figure as precise as possible.

Past Participation

GPMTD considered the capacity of DBE's to perform work on its FTA-assisted contracts during FFY's 15-16, as measured by the volume of work DBE's have received in recent years. The following indicates DBE participation by fiscal year from 2011 through 2016:

FFY 2015: 52.98%

FFY 2016: 8.78%

2. Evidence from disparity studies conducted in the market area

There are no State of local disparity studies of the types of contracts involved in FTA assisted contracts.

3. Statistical disparities in the ability of DBE's to obtain financing, bonding and insurance.

GPMTD has no relevant data indicating that the ability of DBE's to develop and compete for FTA-assisted contracts are compromised by the availability of financing, bonding and insurance

4. Additional data for consideration

Research resulted in on relevant information related to employment, self-employment, education and training, union apprenticeship programs, that would provide a better measurement of work that DBE's may obtain in the absence of discrimination.

GPMTD has no relevant data indicating DBE's inability to develop and compete for FTA-assisted contract.

GOAL DETERMINATION

It was determined that there is no additional relevant data that would necessitate an adjustment of the base figure. As a result GPMTD has established a DBE participation goal of 5.9% for the agency exclusive of FTA funds to be used for the purchase of transit vehicles for the three forthcoming years.

PUBLIC PARTICIPATION

GPMTD understands the importance of public participation in the DBE goal establishment process as required by 49 CFR 26.45 (g) (1). Therefore GPMTD posted the preliminary DBE goal on its website and the goal was made available for public review at GPMTD administrative offices during normal business hours.

In addition, GPMTD published the proposed overall goal and a notice of the required goal development in newspapers throughout the Tri County region, including those catering to minority audiences. The proposed goal and methodology used to determine the goal are available for review at GPMTD during normal business hours for a 30-day period and public comments on the goal will be accepted over that time period. The public notice was published in the following papers across the region:

The District will continue its regular race/gender-neutral activities, including:

- Ensuring that bidding and contract requirements facilitate participation by DBEs and other small businesses by including DBE language throughout District bid documents:
 - ✓ The District's DBE Program policy.
 - ✓ A nondiscrimination assurance from the contractor (and each subcontract the prime contractor signs with a subcontractor).
 - ✓ The website address for the DBE directory identifying all firms eligible to participate as DBEs in the District's program.
 - ✓ A section that provides the DBE certification standards.
 - ✓ A section providing areas for possible subcontracting, and of the availability of ready, willing and able subcontractors, including DBE firms, to perform such work.
- Ensuring contracts are accessible to small businesses, and if not, making efforts to unbundle large contracts to make them more accessible.
- Encouraging prime contractors to subcontract portions of the work that they might otherwise perform themselves.
- Providing technical assistance and other support services to facilitate consideration of DBEs and other small businesses.
- Advertising contracts in *Small Business Exchange*, a minority-owned small business-focused publication.
- At pre-bid conferences, providing prospective contractors/consultants the following:

- ✓ Applicable small business/DBE requirements.
- ✓ Areas for possible subcontracting opportunities.
- ✓ A helpful guide to navigate through the ILUCP database to create lists of the ready, willing and able small businesses, including DBE firms, to perform such work.
 - Regularly notifying certified DBEs and minority- and women-focused organizations by e-mail of newly-posted contracting opportunities on the District's website.
 - Regularly notifying certified DBEs and non DBEs about networking events.
 - On a quarterly basis, reminding and encouraging officers, division managers, department heads, purchasers and buyers to utilize the DBE database.