

July 8, 2020

Brockton Area Transit Authority

Federal Transit Administration (FTA)

DBE Goal Setting Methodology

For FFY 2021-FFY2023

Goal Period

Submitted in fulfillment of:

Title 49 Code of Federal Regulations Part 26

Brockton Area Transit Authority
Disadvantaged Business Enterprise (DBE)
Goal Methodology
Federal Fiscal Years 2021-2023
Recipient ID #1370
July 8, 2020

The Brockton Area Transit Authority is submitting its three year Disadvantaged Business Enterprise (DBE) Goal and corresponding goal setting methodology for the three-year Federal Fiscal Year (FFY) goal period 2021-2023 (October 1, 2020 through September 30, 2023), pursuant to Title 49 Code of Federal Regulations (CFR) Part 26 "Participation by Disadvantaged Business Enterprise in U.S. Department of Transportation Programs." The purpose of the DBE goal setting process is to level the playing field so that DBE's can compete fairly for Department of Transportation assisted contracts.

The following is the methodology for determining the FFY2021-2023 DBE Goal:

Brockton Area Transit Authority
2021-23 DBE Methodology Worksheet
Section 26.45: Overall Goal Calculation

Overall Goal

1. The Brockton Area Transit Authority's (BAT) goal for the time period October 1, 2020 through September 30, 2023 is the following: 2.5% of total financial assistance will be spent with DBE firms exclusive of FTA funds used to purchase transit vehicles. BAT estimates that, in meeting the overall goal of 2.5%, BAT will obtain 100% from race-neutral participation and 0% through race-conscious measures.

For the last three years BAT's median goal achievement was 4.6%. BAT's overall goal was reviewed using the two step process described in 49 CFR 26.45 but the actual goal was set using step one only.

	FFY17	FFY18	FFY19
Goal	6.6%	2.3%	2.3%
Achievement	3.1%	4.6%	8.7%

2. BAT anticipates awarding \$9,071,000 in DOT-assisted contracts during FFY2021-FFY2023 through the combined capital and operating programs. With a goal of 2.5%, BAT will expend more than \$226,000 with DBE firms during this time period.

Methodology used to Calculate Overall Goal

In order to arrive at the 2021-23 DBE Goal for Brockton Area Transit Authority the following procedures were followed:

1. BAT used the Census Bureau's County Business Pattern (CBP) database that is made available by the U.S. Census to search for firms by state, county and NAICS code. The market area was defined as the State of Massachusetts and surrounding states, based on previous experience in obtaining DBE participation.

The most recent NAICS codes were considered as potential sources for BAT's federally funded work during FFY2021-2023 and to identify business categories that have been used in determining DBE participation.

The State Supplier Diversity Office (SDO) directory was reviewed to match as closely as possible the NAICS codes to determine the potential market area participation. BAT is part of the UCP with the Commonwealth of Massachusetts and the Massachusetts Department of Transportation. The Commonwealth's Supplier Diversity Office (SDO) certifies Disadvantaged Business Enterprises and keeps a directory of DBE's by NAICS code. This is a searchable and downloadable directory which allows for DBE certified businesses to be sorted by NAICS code.

2. The SDO firms were researched to ensure that they were ready, willing and able to compete for work. The Supplier Diversity Database (SDO) was used as the resource for seeking out DBE's.
3. All Massachusetts firms in the SDO were included and assumed as potential bidders.
4. BAT has submitted its five year capital plan that includes FFY2020 through FFY2024. At this time the plan has been fully endorsed. BAT will continue to review it for consistency with the stated DBE goal. If at

any time, the existing plan changes significantly BAT will revisit the DBE goal.

The following is documentation of the method BAT used to calculate its goal.

Step 1: 26.45(c) Determine Base Figure – The base figures were calculated to determine relative availability of DBE's in specific area of expertise using the Supplier Diversity Office (SDO) DBE Directory database and NAICS codes.

After determining the number of DBE firms and the number of all firms in each applicable NAICS, BAT was able to determine a baseline figure for relative availability of DBE firms. The baseline figures were weighted according to the expected amount of contract dollars to be expended in each NAICS code summarized.

This research resulted in the following Step 1 calculation.

Step 1 base figure: Determine Base Figure – Ready, Willing and able DBE's over three years equal 298 or 1.09% of all 27,365 firms ready, willing and able. (Includes DBE's and non-DBE's)

The base figures were weighted according to the expected amount of contract dollars to be expended in each NAICS code summarized. Based on this the relative availability for DOT assisted contracts is as follows:

Brockton Area Transit Authority
2021-2023 DBE Methodology Worksheet

For **Fiscal Year 2021** the Authority expects to award the following contracts:

Step 1 - Determine the weight of each type of work by NAICS Code:

* Enter all contracting and sub-contracting opportunities anticipated for the FTA-assisted contract. Project amounts should be assigned relevant NAICS Code(s).

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	236210	Rehab Facilities	\$120,000	0.0382
2)	423850	Capital Parts	100,000	0.0318
3)	423850	Support Equipment	80,000	0.0255
4)	524210	Insurance Commercial	90,000	0.0287

5)	423120	Shop Equipment	360,000	0.1146
6)	327331	Pavement Mgmt	40,000	0.0127
7)	561720	Custodial/Blg Grnds	150,000	0.0478
8)	423120	Material & Supplies	510,000	0.1624
9)	324110	Fuel	950,000	0.3025
10)	541618	Professional Services	500,000	0.1592
11)	238220	HVAC	120,000	0.0382
12)	334220	Radios	120,000	0.0382
Total FTA Assisted Contract Funds			\$3,140,000	1.0000

Step 2 - Determine the relative availability of DBE's by NAICS Code:

* Use DBE Directory, census data and/or a bidders list to enter the number of available DBE firms and the number of available firms.

	NAICS Code	Project	Number of DBE's available to perform work	Number of all firms available (including DBE's)	Relative Availability	
1)	236210	Rehab Facilities	3	92	0.03261	
2)	423850	Capital Parts	3	492	0.00610	
3)	423850	Support Equipment Insurance	3	187	0.01604	
4)	524210	Commercial	7	379	0.01847	
5)	423120	Shop Equipment	1	492	0.00203	
6)	327331	Pavement Mngmnt	0	92	0.00000	
7)	561720	Custodial/blg grnds	32	1,314	0.02435	
8)	423120	Material & Supplies	33	370	0.08919	
9)	324110	Fuel	1	76	0.01316	
10)	541618	Professional Services	15	4,346	0.00345	
11)	238220	HVAC	6	166	0.03614	
12)	334220	Radios	2	71	0.02817	
Total FTA Assisted Contract Funds			106	8,077	0.26972	Overall available DBE's

Step 3 –

(Weight) x (Availability) = Weighted Base Figure

	NAICS Code	Project	Weight	X	Availability	Weighted Base Figure	
1)	236210	Rehab Facilities	0.0382		0.0326	0.00125	
2)	423850	Capital Parts	0.0318		0.0061	0.00019	
3)	423850	Support Equipment Insurance	0.0255		0.0160	0.00041	
4)	524210	Commercial	0.0287		0.0185	0.00053	
5)	423120	Shop Equipment	0.1146		0.0020	0.00023	
6)	327331	Pavement Mngmnt	0.0127		0.0000	0.00000	
7)	561720	Custodial/blg grnds	0.0478		0.0244	0.00116	
8)	423120	Material & Supplies	0.1624		0.0892	0.01449	
9)	324110	Fuel	0.3025		0.0132	0.00398	
10)	541618	Professional Services	0.1592		0.0035	0.00055	
11)	238220	HVAC	0.0382		0.0361	0.00138	
12)	334220	Radios	0.0382		0.0282	0.00108	
			1.0000		0.2697	0.02525	Total
						2.53%	Expressed as %

For **Fiscal Year 2022** the Authority expects to award the following contracts:

Step 1 - Determine the weight of each type of work by NAICS Code:

* Enter all contracting and sub-contracting opportunities anticipated for the FTA-assisted contract. Project amounts should be assigned relevant NAICS Code(s).

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	238160	Roofing	\$320,000	0.1019
2)	423850	Support Equipment	80,000	0.0255
3)	423110	Support Vehicle	36,000	0.0115
4)	423850	Capital Parts Insurance	100,000	0.0318
5)	524210	Commercial	90,000	0.0287
6)	337127	Shelters	64,000	0.0204
7)	561720	Custodial/blg grnds Consulting/Professional	200,000	0.0637
8)	541618	nal	500,000	0.1592
9)	423120	Materials & Supplies	600,000	0.1911
10)	324110	Fuel	950,000	0.3025
11)	236210	ITC Parking	200,000	0.0637
Total FTA Assisted Contract Funds			\$3,140,000	1.0000

Step 2 - Determine the relative availability of DBE's by NAICS Code:

*Use DBE Directory, census data and/or a bidders list to enter the number of available DBE firms and the number of available firms.

	NAICS Code	Project	Number of DBE's available to perform work	Number of all firms available (including DBE's)	Relative Availability
1)	238160	Roofing	1	2431	0.00041
2)	423850	Support Equipment	3	187	0.01604

3)	423110	Support Vehicle	1	370	0.00270
4)	423850	Capital Parts Insurance	3	492	0.00610
5)	524210	Commercial	7	379	0.01847
6)	337127	Shelters	0	5	0.00000
7)	561720	Custodial/blg grnds Consulting/Professional	32	1,314	0.02435
8)	541618		15	4,346	0.00345
9)	423120	Materials & Supplies	33	370	0.08919
10)	324110	Fuel	1	76	0.01316
11)	236210	ITC Parking	1	1784	0.00056

Total FTA Assisted Contract Funds	97	11,754	0.17444
			Overall availability of DBE's

Step 3 – (Weight) X (Availability) = Weighted Base Figure

	NAICS Code	Project	Weight	X	Availability	Weighted Base Figure
1)	238160	Roofing		0.1019	0.00041	0.00004
2)	423850	Support Equipment		0.0255	0.01604	0.00041
3)	423110	Support Vehicle		0.0115	0.00270	0.00003
4)	423850	Capital Parts		0.0318	0.00610	0.00019
5)	524210	Insurance Commercial		0.0287	0.01847	0.00053
6)	337127	Shelters		0.0204	0.00000	0.00000
7)	561720	Custodial/blg grnds		0.0637	0.02435	0.00155
8)	541618	Consulting/Professional		0.1592	0.00345	0.00055
9)	423120	Materials & Supplies		0.1911	0.08919	0.01704
10)	324110	Fuel		0.3025	0.01316	0.00398
11)	236210	ITC Parking		0.0637	0.00056	0.00004
				1.0000	0.1744	0.02437
					Rounded weighted	2.44%

For **Fiscal Year 2023** the Authority expects to award the following contracts:

Step 1 - Determine the weight of each type of work by NAICS Code:

* Enter all contracting and sub-contracting opportunities anticipated for the FTA-assisted contract. Project amounts should be assigned relevant NAICS Code(s).

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	423850	Capital Parts	\$100,000	0.0358
2)	423850	Support Equipment	80,000	0.0287
3)	423110	Support Vehicle	36,000	0.0129
		Commercial		
4)	524210	Insurance	100,000	0.0358
		Custodial		
5)	561720	Bldg/Gnnds	300,000	0.1075
6)	54118	Consulting/Profess	425,000	0.1523
7)	423120	Material & Supplies	800,000	0.2866
8)	324110	Fuel	950,000	0.3404
Total FTA Assisted Contract Funds			\$2,791,000	1.0000

Step 2 - Determine the relative availability of DBE's by NAICS Code:

* Use DBE Directory, census data and/or a bidders list to enter the number of available DBE firms and the number of available firms.

	NAICS Code	Project	Number of DBE's available to perform work	Number of all firms available (including DBE's)	Relative Availability
1)	423850	Capital Parts	3	492	0.00610
2)	423850	Support Equipment	3	187	0.01604
3)	423110	Support Vehicle Commercial	1	370	0.00270
4)	524210	Insurance Custodial	7	379	0.01847
5)	561720	Bldg/Gnnds	32	1,314	0.02435
6)	54118	Consulting/Profess	15	4,346	0.00345
7)	423120	Material & Supplies	33	370	0.08919
8)	324110	Fuel	1	76	0.01316
Total FTA Assisted Contract Funds			95	7,534	0.17346
					Overall available DBE's

- Step 3 -(Weight) X (Availability) = Weighted Base Figure

	NAICS Code	Project	Weight	X	Availability	Weighted Base Figure	
1)	423850	Capital Parts	0.0358		0.00610	0.00022	
2)	423850	Support Equipment	0.0287		0.01604	0.00046	
3)	423110	Support Vehicle Commercial	0.0129		0.00270	0.00003	
4)	524210	Insurance Custodial	0.0358		0.01847	0.00066	
5)	561720	Bldg/Gnnds	0.1075		0.02435	0.00262	
6)	54118	Consulting/Profess	0.1523		0.00345	0.00053	
7)	423120	Material & Supplies	0.2866		0.08919	0.02556	
8)	324110	Fuel	0.3404		0.01316	0.00448	
			1.0000		0.17346	0.03456 3.46%	Total Expressed as

Median of 2021-2023

2021	2.5%
2022	2.4%
2023	3.5%
Median	2.5%

Step 2

Adjustments to the Step 1 base figure

The calculation developed for a step adjustment is as follows:

Past Participation Values:	FFY17 3.10%	FFY18 4.60%	FFY19 8.7%
Median Weighted Step 1 Goal	$\frac{2.5}{5.6/2} =$	$\frac{2.5}{7.1/2} =$	$\frac{2.5}{11.1/2} =$
Step 2 Adjustment	2.8%	3.6 %	5.6%

Median Value = 3.6%

The Authority has chosen not to include an adjustment to the Base Figure in its calculation at this time. BAT reviewed the Commonwealth's DCAMM 2017 Disparity Study that was conducted as a requirement under federal law for public entities to evaluate their existing minority and women business participation programs to determine whether the public entity has a basis for implementing or adjusting race- and gender- conscious contracting policies. It was determined that the study, although very informative, was not relevant to BAT at this time.

The Massachusetts Department of Transportation has undertaken a diversity study that is not complete as of yet. The study will examine the extent to which disparities exist in the utilization of qualified minority and women-owned businesses. This study is being conducted by NERA Economic Consulting and is currently taking questions and comments. When that study is complete BAT will review it and take into consideration any recommendations that may apply to BAT when preparing future goals. Until then, BAT and its fixed route and paratransit operators will continue to reach out to DBE's as part of its procurement process. Using this method, the median goal attainment for the past three years has been 2.3% higher than the 2.3% DBE goal that had been set.

In FY2021-FY2023 there are no scheduled vehicle overhauls, a procurement that contributed heavily to BAT exceeding its prior year goals. BAT will continue to monitor its DBE goal and revise it should new contracting opportunities arise. BAT will also continue to update its vendor list with ready, willing and able firms.

BAT has a DBE liaison committed to making a concerted effort to seek out and provide procurement opportunities to certified DBE's during the next three years. In the past the liaison has attended several workshops, tradeshow, and business forums as part of the DBE outreach. In addition, the liaison conducted a site visit and followed up with telephone calls as part of BAT's outreach. The DBE Liaison will continue to use the SDO database as a resource for reaching out to potential DBE's for contracting opportunities. BAT will be holding a public meeting in July, 2020 and will continue to hold at a minimum one public meeting each year during the duration of this goal to present the goal and any contracting opportunities to DBE's as well as the community and business based organizations, and constituents. BAT anticipates meeting its goal of 2.5% each year of this three year goal.

Race Neutral/Race Conscious Split

The Authority has determined that race conscious goals are not required at this time as it is projected that the entire goal will be met through race-neutral means. BAT has met or exceeded its goal in the past three years by using 100% race neutral measures.

BAT intends to meet the maximum feasible portion of its overall goal by using race-neutral means. BAT's Request for Proposals/Quotations may not contain contract specific DBE goals.

Annual DBE Goal = 2.5%	Projected Contract Goals
Race Neutral Means	2.5%
Race Conscious Means	0%

Goal Advertisement and Public Participation Process

In accordance with goal-setting and public participation regulatory requirements of Title 49 CFR Part 26 (49 CFR §26.45), BAT will conduct activities to facilitate public participation in the overall DBE goal-setting process:

1. Publish the proposed goal and methodology on BAT's website accessible at www.ridebat.com.
2. Distribute, for review and public comment, the proposed overall DBE goal and methodology to statewide and local, ethnic/minority and chambers of commerce, as well as other community and business based organizations upon request.
3. Hold a minimum of one community meeting to provide an opportunity for community and business based organizations, their constituents, and BAT bidders/vendors/contractors to provide comment and feedback regarding the proposed DBE goal.
4. Advertise the proposed goal in a Public Notice format, in at least one of the following types of periodicals: 1) general circulation; 2) trade/industry; and 3) minority focus. The public notice will notify the public of the 45 day public comment period and how to submit comments/ and or questions to BAT regarding its proposed goal.

After the community meeting and 45-day public participation period, BAT will consider all input received from the public, and determine if a further adjustment to the overall goal should be made.