

DISADVANTAGED BUSINESS ENTERPRISE (DBE)

FY20-FY22 PROPOSED GOAL METHODOLOGY

The City of Gainesville Regional Transit System (RTS) has established a **Disadvantaged Business (DBE) Program** in accordance with regulations of the Federal Transit Administration (FTA), 49 CFR Part 26. RTS proposes a goal of 3.00% for DBE participation in FTA-assisted contracts for FY20-FY22.

It is the policy of the RTS to ensure that DBE's as defined in part 26, have an equal opportunity to receive and participate in FTA-assisted contracts.

RTS will not exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR part 26 on the basis of race, color, sex, or national origin.

In administering its DBE program, RTS will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

The Goal setting process contained in this Attachment outlines the adopted process to determine the relative availability of DBE's to perform the types of contracts anticipated in FY20-FY22.

The purpose of this process is to determine the percentage of all ready, willing and able "Establishments" that are DBE'S and to establish a DBE Goal.

U.S. Department of Transportation (DOT), 49 CFR Part 26 establishes a Three Step Process. Each step used by RTS is outlined below.

Step 1-2-3

RTS has executed the Florida Unified Certification Program Agreement. 49 CFR Part 26 Subpart E-Certification Procedures Section 26.81, requires that all United States Department of Transportation (USDOT) Recipients participate in a statewide Unified Certification Program. RTS is committed to operate in full compliance with 49 CFR Part 26, Subpart E.

RTS will utilize certified DBE vendors through the Florida Unified Certification Program Agreement.

RTS expects to have contracting or subcontracting possibilities in the following areas:

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

* Enter all the FTA-assisted projects below. Project amounts should be assigned relevant NAICS Codes

| | NAICS Code | Project | Amount of DOT funds on project: | % of total DOT funds (weight) |
|--|------------|-------------------------------------|---------------------------------|-------------------------------|
| 1) | 485991 | ADA Paratransit Service | \$450,000.00 | 0.6642 |
| 2) | 332311 | Bus Shelters | \$75,000.00 | 0.1107 |
| 3) | 423430 | Misc. Computer Equipment | \$62,500.00 | 0.0923 |
| 4) | 811121 | Transit Operator Protective Shields | \$50,000.00 | 0.0738 |
| 5) | 441110 | Support Vehicle Replacement | \$40,000.00 | 0.0590 |
| 6) | | | | 0.0000 |
| 7) | | | | 0.0000 |
| 8) | | | | 0.0000 |
| 9) | | | | 0.0000 |
| 10) | | | | 0.0000 |
| Total FTA-Assisted Contract Funds | | | \$677,500.00 | 1 |

Step 2

RTS staff has reviewed past bidders and contracts from the last 3 years to establish that the local market area for potential primes and subs included the entire state of Florida which included 64.3% of the firms (DBE and Non-DBE firms) providing bids, proposals, or quotes for work (regardless whether or not that vendor was selected). The majority of the firms were contained in Alachua (the county where RTS provides service), Duval, Marion, Orange, Hillsborough, and Lake County but firms were scattered across the entire state and not representative of a specific distance. Since these counties reflected areas where larger cities were located, and not necessarily within a specific distance from Alachua County, all counties in Florida were used to identify DBE and Non-DBE firms willing and able to work in Alachua County.

RTS staff utilized the Florida Department of Transportation Disadvantaged Business Enterprise Online Directory (<https://fdotxwp02.dot.state.fl.us/EqualOpportunityOfficeBusinessDirectory/CustomSearch.aspx>) for certified DBE vendors in the identified region willing to work in Alachua County. Staff utilized the US Census Bureau County Business Patterns (<http://censtats.census.gov/cgi-bin/cbpaic/cbpsel.pl>) for ready, willing and able TOTAL establishments that currently provide service in our service area.

The process used to obtain the availability of DBE's to TOTAL firms for the potential contract percent is illustrated below.

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 DBEs available to perform this work | Number of all firms available (including DBEs) | Relative Availability | |
|------------------------|------------|-----------------------------|---|--|-----------------------|-------------------------------------|
| 1) | 485991 | ADA Paratransit Service | 14 | 171 | 0.0819 | |
| 2) | 332311 | Bus Shelters | 2 | 32 | 0.0625 | |
| 3) | 423430 | Misc. Computer Equipment | 7 | 750 | 0.0093 | |
| 4) | 811121 | Transit Operator | 1 | 1874 | 0.0005 | |
| 5) | 441110 | Support Vehicle Replacement | 0 | 1203 | 0.0000 | |
| 6) | 0 | 0 | | | | |
| 7) | 0 | 0 | | | | |
| 8) | 0 | 0 | | | | |
| 9) | 0 | 0 | | | | |
| 10) | 0 | 0 | | | | |
| Combined Totals | | | 24 | 4030 | 0.60% | Overall availability of DBEs |

The relative availability of DBE establishments by NAICS codes available in the local market area is 0.6 % before weighting.

To ensure that Base Figure is as accurate as possible, weighting was used to make RTS's goal calculation more accurate. Weighting takes into consideration the type of work and what percent of the total anticipated expenses it will consume.

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

| | NAICS Code | Project | Weight | x | Availability | Weighted Base Figure |
|-----|------------|--------------------------|---------|---|-------------------------|----------------------|
| 1) | 485991 | ADA Paratransit Service | 0.66421 | x | 0.08187 | 0.0544 |
| 2) | 332311 | Bus Shelters | 0.11070 | x | 0.06250 | 0.0069 |
| 3) | 423430 | Misc. Computer Equipm | 0.09225 | x | 0.00933 | 0.0009 |
| 4) | 811121 | Transit Operator Protect | 0.07380 | x | 0.00053 | 0.0000 |
| 5) | 441110 | Support Vehicle Replace | 0.05904 | x | 0.00000 | |
| 6) | 0 | 0 | 0.00000 | x | 0.00000 | |
| 7) | 0 | 0 | 0.00000 | x | 0.00000 | |
| 8) | 0 | 0 | 0.00000 | x | 0.00000 | |
| 9) | 0 | 0 | 0.00000 | x | 0.00000 | |
| 10) | 0 | 0 | 0.00000 | x | 0.00000 | |
| | | | | | Total | 0.0622 |
| | | | | | Expressed as a % (*100) | 6.22% |

The Rounded, Weighted Base Figure is 6%.

Step 4

Step 4 of the overall Goal setting process is designed to adjust the rounded, weighted base figure to make it as precise as possible. After calculating a base figure of the relative availability of DBE's, evidence was examined to determine what adjustment was needed to the base figure in order to arrive at the overall goal.

Historical RTS DBE participation data for FY16-FY18 was shown to have a median of 0.0% DBE participation. An adjusted figure was established utilizing median past participation figure and the base figure of Step 3. The adjusted figure resulted in 3.0%

In order to reflect as accurately as possible the DBE participation that would be expected in the absence of discrimination, the adjusted figure of 3.0% will be used for Fiscal Years 2020, 2021, and 2022.

| Step 4 - Determine if Adjustments are Necessary | | | | |
|--|-------------------|--|--|--|
| Year | DBE participation | | | |
| FY18 | 0% | | | |
| FY17 | 0% | | | |
| FY16 | 0% | | | |
| The historical median for this type of work is 0%, therefore RTS may consider adjusting the goal as follows: | | | | |
| Average Step 3 weighted goal of 6% with the historical median of 0% for an adjusted goal of 3%. | | | | |
| $(6 + 0) / 2 = 3\%$ | | | | |

Step 4

Race/Gender-Neutral and Race/Gender-Conscious Split methodology.

Staff reviewed the “U.S. Department of Transportation Office of Small and Disadvantaged Business Utilization” guidelines prior to preparing the DBE Goal. The guidelines for step 3 provide assistance in determining what factors to consider in projecting the overall portion of the goal that will be met through race/gender-neutral means. The examples are based on past participation or experience. Therefore, in determining the race/gender-neutral and race/gender-conscious split, staff used the available data below. Based on the previous inability to achieve goals in previous years using race/gender-neutral means (RN), staff proposes increasing efforts to utilize race/gender-conscious means (RC), especially considering the goal has almost doubled from 1.56% for FY17-FY19 with a split of 1.0% RN/.56% RC. Staff will be working with our Purchasing department to look for opportunities to include specific DBE contract goals in upcoming solicitations to increase participation.

| | |
|-----------------------|----|
| Race/Gender-Neutral | 1% |
| Race/Gender-Conscious | 2% |
| Total DBE | 3% |

This data will be continually monitored and updated if necessary through FY20-FY22.

Public Notice

RTS will solicit input from the City of Gainesville Office of Equal Opportunity for the development of the DBE goal and update this report prior to submission to the FTA for review on August 1, 2019. A public meeting will also be held in conjunction with the July 24th RTS Citizen's Advisory Board meeting where members of the local minority, women's and general contractor groups will be invited to provide input on any previous practices such as discrimination in public contracting; discrimination in private contracting; discrimination in credit, bonding or insurance; data on employment, self-employment, training or union apprenticeship programs that may justify further adjustment of the base figure in Step 4. RTS is committed to DBE participation in accordance with Federal Transit Administration (FTA), 49 CFR Part 26 regulations.