

**CENTRAL NEW YORK REGIONAL TRANSPORTATION AUTHORITY  
DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM**

**CALCULATION OF OVERALL GOAL  
FOR FEDERAL FISCAL YEAR 2012-2014**

**Amount of Goal**

This document describes the calculation of the proposed overall goal of the Central New York Regional Transportation Authority (“CNYRTA”) for participation by disadvantaged business enterprises (DBEs) in Federal Fiscal Year (“FFY”) 2012, 2013, & 2014 (October 1, 2011 – September 30, 2014). The proposed DBE goal is 2% of the Federal financial assistance that we will expend in Department of Transportation (“DOT”)-assisted contracts (exclusive of FTA funds to be used for the purchase of transit vehicles). This goal is based upon CNYRTA’s experience and projections; the relative availability of DBEs in our local market to the maximum extent feasible given the data available to us at this time; and avoiding imposing undue burdens on non-DBEs.

As in prior years, CNYRTA will continue to seek to do business with DBEs and to make DBEs aware of contracting opportunities, even for goods and services that are not defined as being federally funded.

The calculation of the goal is subject to revision to take into account any necessary verification and correction of the data, comments received, changes in circumstances, etc.

The process used in determining this goal is outlined below.

**Recent Results and Current Developments**

The DBE goal for FFY 2009 (October 1, 2008 – September 30, 2009) was 0%. During FFY 2009, (October 1, 2008 – September 30, 2009), CNYRTA awarded prime procurement contracts with a total value of \$1,734,578:

Construction, Paving & Electrical:	\$23,586
Shelters:	\$14,982
A/V Equipment:	\$4,358
Skid Steer Loader:	\$37,120
Signs:	\$27,613
Grab bars for CAB:	\$1,229
Computer & Software Equipment:	\$216,004
Mower:	\$2,879
Vehicles:	\$13,702
Storage container:	\$6,001
Land Appraisal:	\$2,320
Professional Engineers:	\$1,295,612
Graphics:	\$18,170

Other Services:	\$12,480
Octagon Boards:	\$35,840
Copier:	\$6,506
Seat Belt Extensions:	\$10,282
A/C Unit:	\$3,040
Bus Inspections:	<u>\$2,854</u>
Total	\$1,734,578

The DBE goal for FFY 2010 & 2011 (October 1, 2009 – September 30, 2011) is 1%. During the FFY 2010 (October 1, 2009 – September 30, 2010) and the first half of FFY 2011 (October 1, 2010 – March 31, 2011) the following prime procurement contracts with a total value of \$1,687,141 were awarded:

Architectural/Engineering	\$800,541
Parking Equipment:	\$3,677
Bus Shelters:	\$149,550
Sweeper Scrubber:	\$45,060
Pilot CAD/AVL:	\$215,697
Transfer Hub Artist:	\$52,000
Graphics/Decals:	\$7,341
Materials Testing:	\$9,342
Bus Stop Signs & Posts:	\$52,794
Computer Equipment	\$219,371
Machinery & Equipment (Lifts):	\$110,817
Other:	<u>\$20,951</u>
Total	\$1,687,141

For the above projects there was approximately .97% available DBEs in the market based on the NYS BizNet UCP Directory as compared to all businesses in the same market per the 2006 County Business Patterns NAICS. Good faith efforts were made to reach out to DBE contractors in our market however no awards were made to any DBEs. Additionally we do not anticipate actual contract awards to DBEs during the second half of FFY 2011 based on anticipated federally-funded contracting opportunities during that time.

Under the DOT regulations, contracts for the purchase of transit vehicles (e.g., buses) are not included in calculating the DBE goal.

CNYRTA anticipates awarding contracts in FFY 2012-14 related to the following projects:

Maintenance Facility Rehab:	\$380,000
Maintenance Locker Room Renovation:	\$175,000
Carpeting, Painting, Replace Ceiling Tiles - Syracuse:	\$575,000
Extend & Modify Paid Parking/Improve Circulation:	\$525,000
Bus Shelters:	\$100,000

Bus Shelters:	\$100,000
Radio System Replacement:	\$5,000,000
Bus Tug:	\$90,000
Bus Stop Signs & Posts	\$75,000
Bus Stop Signs & Posts	\$75,000
Bus Stop Signs & Posts	\$30,000
Computer Equipment:	\$250,000
Operating Software Upgrades:	\$85,000
John Deer Mower:	\$60,000
Grounds Utility Vehicle:	\$45,000
Upgrade Parking System:	\$300,000
Fare Collection System:	\$300,000
Supervisory Vehicles:	\$60,000
Supervisory Vehicles:	\$60,000
Supervisory Vehicles:	\$60,000
Supervisory Vehicles:	\$105,000
Engineering Services:	<u>\$200,000</u>
Total	\$8,650,000

The total firms doing business in NYS per the 2008 County Business Patterns for the above projects is 27,945 and the number of available DBEs per the NYS BizNet UCP Directory is 591. The percentage of DBEs in the market for projected 2012-14 projects is 2.11%.

### **Breakout of Estimated Race-Neutral and Race-Conscious Participation**

CNYRTA will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. CNYRTA uses race-neutral means to increase DBE participation in accordance with 49 CFR 26.51, including:

- (1) Encouraging prime contractors to subcontract work;
  - (2) Providing technical assistance and other services;
  - (3) Carrying out communications programs on specific contract opportunities (e.g., ensuring the inclusion of DBEs on recipient mailing lists for bidders);
  - (4) Making our DBE directory available for distribution to potential prime contractors;
- and
- (5) Holding pre-bid conferences to inform potential bidders about contracting opportunities and CNYRTA's commitment to maximize utilization of DBEs.

Generally when there are more construction projects there are more potential contracting opportunities for DBEs.

Each construction project is advertised in local newspapers, the Minority Commerce Weekly and the New York State Contract Reporter. The advertisement indicates that DBEs are welcome to respond. Businesses which are interested in competing for contracts generally know that projects are advertised in these publications.

We estimate that, in meeting our overall goal, we will obtain 100% of the goal from race-neutral participation and 0% through race-conscious measures. However, this is subject to adjustment after more information is available on major contracting opportunities, the availability of Federal funding, and the degree of success of race-neutral means.

We will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation and we 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; and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

### **Method Used to Determine Goal**

We use the NYS BizNet UCP Directory and Census Bureau data to calculate the relative availability of DBEs ("base figure") for "Step 1" of the process (see 49 CFR 26.45(c)). The base figure is a percentage figure calculated by dividing a number representing available DBEs by a number representing all available firms. We determine the number of ready, willing and able DBEs in our market from the NYS BizNet UCP Directory. Using the Census Bureau's County Business Pattern (CBP) database, we determine the number of all ready, willing and able businesses available in our market that perform work in the same North American Industry Classification System (NAICS) codes. We divide the number of DBEs by the number of all businesses to derive a base figure for the relative availability of DBEs in our market.

The data sources used to derive the numerator and denominator in the calculation are the number of DBEs in the NYS BizNet UCP Directory and the number of firms in the appropriate NAICS codes found in the Census Bureau's CBP database.

"Step 2" of the process (see 49 CFR 26.45(d)) is intended to adjust the "base figure" percentage from Step 1 so that it reflects as accurately as possible the DBE participation the recipient would expect in the absence of discrimination. In Step 2, we take into consideration the current capacity of DBEs to perform work in our DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years. If applicable, we also consider any available disparity study and/or information about barriers to entry or competitiveness of DBEs in our programs.

We are not aware of any applicable disparity studies or other information about barriers to entry or competitiveness of DBEs in our programs.

CNYRTA reserves the right to select a different methodology, as long as it is authorized by 49 CFR 26.45 and properly reported.

## Method as Applied to Overall Goal for FFY 2012-14

### *Step 1: Base Figure (Available DBEs /All Available Firms)*

The number of DBEs in the area that perform work in the applicable NAICS codes, in which CNYRTA awarded most of its federally-funded contracts during FFY 2009 and the first half of FFY 2010-11, based on the NYS BizNet UCP Directory, is 255 and 532 respectively.

The number of available businesses in the area that perform work in these NAICS codes, based on the Census Bureau's County Business Patterns (CBP) database for New York, is 18,113 and 54,671.

The number of DBEs divided by the number of all businesses results in a base figure for the relative availability of DBEs in our market of 1.41% and .97%.

### *Step 2: Adjustment of Base Figure*

In Step 2, the base figure determined under Step 1 above is adjusted to take into consideration the current capacity of DBEs to perform work in our contracting program, as measured by the actual volume of work that DBEs have performed in recent years. This adjustment is authorized by 49 CFR 26.45.

For FFY 2008, and the first half of FFY 2009, the total value of contracts and procurements with DBEs represented the following percentages of the total value of contracts and procurements with all contractors and vendors. (Bus purchases and leases are excluded, in accordance with the regulations in 49 CFR Part 26.)

<b>Federal Fiscal Year</b>	<b>Dates</b>	<b>DBE Participation</b>
2009	10/1/08 – 9/30/09	0%
2010-11	10/1/09 – 3/31/11	0% [2010 & 11 - first half of year].

The recent past participation for the last 2½ years is determined by calculating a weighted average of the figures for FFY 2009, FFY 2010 and the first half of FFY 2011.

Based on the above data, the Step 1 base figure may be adjusted as follows. This follows the methodology described in U.S. Department of Transportation, Office of Small and Disadvantaged Business Utilization, "Tips for Goal-Setting in the Disadvantaged Business Enterprise (DBE) Program" (revised 2002).

Step 1 base figure	1.19% (1.41+.97)
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Recent past participation 0%

Average of Step 1 base figure and past participation:

$$1.19\% + 0\% = 1.19\%$$

$$1.19\% / 2 = .60\%$$

Based on the above calculation and the projected contracting opportunities during FFY 2012-14 of 2.11%, we are setting an overall goal of 2%.

We believe that this goal is appropriate, given the capacity of DBEs to perform work in our DOT-assisted contracting program and our past record of DBE participation. It is not set so high as to impose undue burdens on non-DBEs. (This is consistent with the determination of the U.S. Supreme Court that a DBE program must be narrowly tailored to further a compelling government interest. Adarand Constructors, Inc. v. Pena, 515 U.S. 200 [1995].)

This goal is not a quota, but a target to encourage efforts to foster participation of DBEs in contracting opportunities.

### Appendix

**All Firms in Market, by North American Industry Classification System (NAICS) Code  
(Source: Census Bureau, 2005 County Business Patterns  
- most recent data that was available)**

FFY 2012, 2013, 2014  
Projects

PROJECT	NAICS Description	NAICS Code	Amount	# All Firms	# of DBE	% DBE to Total	DBE Share of Project
Maintenance Facility Rehab (2012)	Commercial and Institutional Building Construction	236220	\$380,000	2,463	83	3.37%	\$12,806
Renovate Maintenance Locker Rooms (2013)	Commercial and Institutional Building Construction	236220	\$175,000	2,463	83	3.37%	\$5,897
Extend and Modify Paid Parking and Improve Circulation (Paving/Curbing 2013)	All Other Speciality Trade Contractors	236220	\$525,000	2,463	83	3.37%	\$17,692

Carpeting, painting, and Replacement of Ceiling Tiles Syracuse Office (2013)	Drywall and Insulation Contractors	238310	\$191,667	1,085	23	2.12%	\$4,063
	Painting and Wall Covering Contractors	238320	\$191,667	2,561	42	1.64%	\$3,143
	Flooring Contractors	238330	\$191,666	1,027	11	1.07%	\$2,053
Bus Shelters (2012)	Ornamental and Architectural Metal Work Manufacturing	332323	\$100,000	181	10	5.52%	\$5,525
Bus Shelters (2014)	Ornamental and Architectural Metal Work Manufacturing	332323	\$100,000	181	10	5.52%	\$5,525
Radio System Replacement (2014)	Broadcast and Wireless Communications Equipment	334220	\$5,000,000	39	1	2.56%	\$128,205
Bus Tug (2012)	Heavy Duty Truck Manufacturing	336120	\$90,000	3	0	0.00%	\$0
Bus Stop Signs & Poles (2012)	Sign Manufacturing	339950	\$75,000	402	13	3.23%	\$2,425
Bus Stop Signs & Poles (2013)	Sign Manufacturing	339950	\$75,000	402	13	3.23%	\$2,425
Bus Stop Signs & Poles (2014)	Sign Manufacturing	339950	\$30,000	402	13	3.23%	\$970
Operating Software Upgrades (2014)	Computer and Software Stores	423430	\$85,000	621	10	1.61%	\$1,369
Computer Equipment (2014)	Computer and Software Stores	423430	\$250,000	621	10	1.61%	\$4,026
Replace John Deere Mower (2013)	Farm and Garden Machinery and Equipment Merchant Wholesalers	423820	\$60,000	205	0	0.00%	\$0
Grounds Utility Vehicle (2013)	Industrial Machinery & Equipment Merchant Wholesaler	423830	\$45,000	1,136	8	0.70%	\$317

Upgrade Parking System ITC (2013)	Service Establishment Equipment and Supplies Merchant Wholesalers	423850	\$300,000	352	10	2.84%	\$8,523
Fare Collection System Replacement (2012)	Industrial Machinery & Equipment Merchant Wholesaler	423860	\$300,000	113	10	8.85%	\$26,549
Replace Supervisory Vehicles (2012)	New Car Dealers	441110	\$60,000	1,306	0	0.00%	\$0
Supervisory Vehicles (2012)	New Car Dealers	441110	\$60,000	1,306	0	0.00%	\$0
Supervisory Vehicles (2013)	New Car Dealers	441110	\$60,000	1,306	0	0.00%	\$0
Supervisory Vehicles (2014)	New Car Dealers	441110	\$105,000	1,306	0	0.00%	\$0
Engineering Services (2014)	Engineering Services	5413	\$200,000	6,001	158	2.63%	\$5,266
Total			\$8,650,000	27,945	591		\$45,654

# of DBEs	591
# of all firms	27,945
% of DBE's to total	2.11%

total project cost	\$8,650,000
potential DBE cost	\$45,654
% of potential DBE project	0.53%