

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

**CALCULATION OF OVERALL GOAL
FOR FEDERAL FISCAL YEAR 2015-2017**

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”) 2015, 2016, & 2017 (October 1, 2014 – September 30, 2017). The proposed DBE goal is 1% 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 2012-2014 (October 1, 2011 – September 30, 2014) is 2%. During the FFY 2012-2013 (October 1, 2012 – September 30, 2013) and the first half of FFY 2014 (October 1, 2013 – March 31, 2014) the following prime procurement contracts with a total value of \$13,192,213 were awarded:

Architectural/Engineering	\$241,716
Ticket Vending Machine (Fare Media):	\$41,992
Bus Shelters:	\$109,900
Sweeper Scrubber:	\$112,629
Pilot CAD/AVL:	\$8,060,696
Extend & Modify Paid Parking/Improve Circulation:	\$1,535,057
Transfer Hub Signage:	\$49,048
Bus Bay Operational Lighting:	\$19,840
Passenger Information Displays:	\$58,965
Identification Signage:	\$104,100

Traffic Signal Project	\$279,438
Bus Stop Signs & Posts:	\$73,106
Computer Equipment	\$439,801
Machinery & Equipment:	\$774,800
Construction:	\$615,023
General Contractors:	\$23,183
Supervisory Vehicles	\$183,519
John Deer Mower:	\$24,761
Operating Software Upgrades:	\$51,775
Other:	\$392,863
 Total	 \$13,192,213

For the above projects there was approximately 2.11% available DBEs in the market based on the NYS BizNet UCP Directory as compared to all businesses in the same market per the 2008 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 2014 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 2015-17 related to the following projects:

FFY2015:	
Preventive Maintenance	\$6,082,838.00
Bus Shelters	\$280,000
Bus Stop Signs and Posts	\$30,000
Replacement Supervisory Vehicles	\$42,000
Engineering Services	\$200,000
Replace 9 2005 Call-A-Bus Vans	\$1,458,000
ITC Roof Replacement (Construction)	\$350,000
Fueling Facility Roof Replacement (Construction)	\$225,000
Purchase Seven (7) Replacement 35 foot CNG Buses	\$3,325,000
Tremco Roof Replacement Syracuse Garage (Construction)	\$900,000.00
Replace Onboard Bus Surveillance Camera System	\$1,200,000.00
Replace 1994 Tow Truck	\$475,000
FFY 2016:	

Preventive Maintenance	\$6,265,323.00
Operating Software Upgrades	\$85,000
Bus Stop Signs and Posts	\$40,000
Replacement Supervisory Vehicles	\$63,000
Purchase of 10 30 Foot Replacement Buses	\$4,750,000
Replacement Supervisory Vehicle (Utica)	\$75,000
Replacement Call-A-Bus Vehicles (Rome)	\$320,000

**FFY
2017:**

Preventive Maintenance	\$6,453,283.00
Bus Shelters	\$100,000
Bus Stop Signs and Posts	\$40,000
Replacement Computer Equipment	\$250,000
Replacement Supervisory Vehicles	\$140,000
Replacement Service Trucks (Rome/Utica)	\$150,000
Engineering Services	\$200,000
Replace 4 Call-A-Buses	\$700,000
Replacement Call-A-Bus Vehicles (Utica)	\$495,000
Replace 42 40 foot Transit Buses	\$19,950,000
CNG Station Rehabilitation (Compressors, Engines, Dryers, etc.)	\$4,000,000.00

Total Value - Included Prime Contractor \$7,500,000

The total firms doing business in NYS per the 2012 County Business Patterns for the above projects is 14,459 and the number of available DBEs per the NYS BizNet UCP Directory is 198. The percentage of DBEs in the market for projected 2015-17 projects is 1.37%.

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 2012-2013 and the first half of FFY 2014, based on the NYS BizNet UCP Directory, is 591.

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 27,945.

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 2.11%.

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 2012-2013 and the first half of FFY 2014, 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.)

Federal Fiscal Year	Dates	DBE Participation
2012	10/1/11 – 9/30/12	1.92%
2013	10/1/12 – 9/30/13	.66%
2014	10/1/13 – 3/31/14	0% [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 2012, FFY 2013 and the first half of FFY 2014.

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 1.37%

Recent past participation 0%

Average of Step 1 base figure and past participation:

$$1.37\% + 1.92\% + .66\% + 0\% = 3.95\%$$

$$3.95\%/4 = .98\%$$

Based on the above calculation and the projected contracting opportunities during FFY 2015-2017 of 1.37%, we are setting an overall goal of 1%.

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	Projected Projects	Projected Total Project Value	Include/Exclude in Goal	Exclude Reason	NAICS Code	NAICS Description	# All Firms	# of DBEs	% DBE To Total	DBE Share of Project
2015										
	Preventive Maintenance	\$6,082,838.00	Exclude	PM						
	Bus Shelters	\$280,000	Include		332311	Prefabricated metal building and component manufacturing	17	3	17.65%	\$49,411.76

	Bus Stop Signs and Posts	\$30,000	Include		339950	Sign Manufacturing	374	16	4.28%	\$1,283.42
	Replacement Supervisory Vehicles	\$42,000	Include		441110	New Car Dealer	1122	0	0.00%	\$0.00
	Engineering Services	\$200,000	Exclude	Current Contract						
	Replace 9 2005 Call-A-Bus Vans	\$1,458,000	Exclude	Vehicles						
	ITC Roof Replacement (Construction)	\$350,000	Include		238160	Roofing Contractor	802	21	2.62%	\$9,164.59
	Fueling Facility Roof Replacement (Construction)	\$225,000	Include		238160	Roofing Contractor	802	21	2.62%	\$5,891.52
	Purchase Seven (7) Replacement 35 foot CNG Buses	\$3,325,000	Exclude	Buses						
	Tremco Roof Replacement Syracuse Garage (Construction)	\$900,000.00	Include		238160	Roofing Contractor	802	21	2.62%	\$23,566.08
	Replace Onboard Bus Surveillance Camera System	\$1,200,000.00	Include		238210	Surveillance System Installation	4774	79	1.65%	\$19,857.56
	Replace 1994 Tow Truck	\$475,000	Include		336211	Motor Vehicle Body Manufacturing	38	1	2.63%	\$12,500.00
	2016									
	Preventive Maintenance	\$6,265,323.00	Exclude	PM						
	Operating Software Upgrades	\$85,000	Include		443120	Computer and Software Stores	617	0	0.00%	\$0.00
	Bus Stop Signs and Posts	\$40,000	Include		339950	Sign Manufacturing	374	16	4.28%	\$1,711.23
	Replacement Supervisory Vehicles	\$63,000	Include		441110	New Car Dealer	1122	0	0.00%	\$0.00
	Purchase of 10 30 Foot Replacement Buses	\$4,750,000	Exclude	Buses						
	Replacement Supervisory Vehicle (Utica)	\$75,000	Include	Vehicles	441110	New Car Dealer	1122	0	0.00%	\$0.00
	Replacement Call-A-Bus Vehicles (Rome)	\$320,000	Exclude	Buses						
	2017									
	Preventive Maintenance	\$6,453,283.00	Exclude	PM						
	Bus Shelters	\$100,000	Include		332311	Prefabricated metal building and component manufacturing	17	3	17.65%	\$17,647.06
	Bus Stop Signs and Posts	\$40,000	Include		339950	Sign Manufacturing	374	16	4.28%	\$1,711.23
	Replacement Computer Equipment	\$250,000	Include		443120	Computer and Software Stores	617	0	0.00%	\$0.00
	Replacement Supervisory Vehicles	\$140,000	Include		441110	New Car Dealer	1122	0	0.00%	\$0.00
	Replacement Service Trucks (Rome/Utica)	\$150,000	Include		423110	Automobile and Other Motor Vehicle Merchant Wholesalers	354	1	0.28%	\$423.73
	Engineering Services	\$200,000	Exclude	Current Contract						

	Replace 4 Call-A-Buses	\$700,000	Exclude	Vehicles						
	Replacement Call-A-Bus Vehicles (Utica)	\$495,000	Exclude	Vehicles						
	Replace 42 40 foot Transit Buses	\$19,950,000	Exclude	Vehicles						
	CNG Station Rehabilitation (Compressors, Engines, Dryers, etc.)	\$4,000,000.00	Include		333618	Natural gas engines manufacturing	9	0	0.00%	\$0.00
					336390	Compressors, motor vehicle air-conditioning, manufacturing	28	0	0.00%	\$0.00
	Total Value - Included Prime Contractor	\$7,500,000					14459	198		\$143,168.19

# of DBEs	198
# of all firms	14,459
% of DBE's to total	1.37%

total project cost	\$7,500,000
potential DBE cost	\$143,168
% of potential DBE project	1.91%

Research DBE Firms

<http://www.nysucp.net>

Research for NIACS Codes:

Census Website:

<http://censtats.census.gov/cgi-bin/zbpnaic/zbpsect.pl>