

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

**CALCULATION OF OVERALL GOAL
FOR FEDERAL FISCAL YEAR 2018-2020**

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”) 2018, 2019, & 2020 (October 1, 2017 – September 30, 2020). 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 2015-2017 (October 1, 2014 – September 30, 2017) is 1%. During FFY 2015 & 2016 (October 1, 2014 – September 30, 2016) and the first half of FFY 2017 (October 1, 2016 – March 31, 2017) the following prime procurement contracts with a total value of \$6,668,494.44 were awarded:

Bus Shelters	\$74,985
Bus Stop Signs and Posts	\$59,031.56
Replacement Supervisory Vehicles	\$230,176.83
Computer Hardware	\$45,599.82
Overhead Door	\$168,626.50
Personnel Door	\$85,655
Operations Bathroom/Kitchen Renovation	\$199,494.68

Farebox Replacement	\$2,352,296.31
Outfall Repairs	\$39,700
Asphalt Paving	\$6,370
Fall Protection	\$2,000
Spotters Booth HVAC	\$17,891.96
Shop Storage	\$4,311.88
Operating Software Upgrades	\$8,754.36
Replacement Supervisory Vehicles	\$83,985.45
Replace Onboard Bus Surveillance Camera System	\$1,695,000
Tremco Roof Replacement Syracuse Garage	\$854,852.86
Roof Ladder	\$6,500
Replacement Computer Equipment	\$78,707.66
Fuel Facility Upgrades	\$303,591.61
Farebox Replacement	\$138,600
Explorer Equipment	\$2,412.06
Bus Stop Signs and Posts	\$29,852.25
Replacement Computer Equipment	\$24,852.25
Utica Paving	\$144,250
Operating Software Upgrades	\$10,623.40
Temporary Diesel Tank	\$2,387.25

For the above projects there was approximately 1% available DBEs in the market based on the NYS UCP Directory as compared to all businesses in the same market per the 2012 County Business Patterns NAICS. Good faith efforts were made to reach out to DBE contractors in our market however few awards were made to DBEs. Additionally we do not anticipate actual contract awards to DBEs during the second half of FFY 2017 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 2018-20 related to the following projects:

FFY2018:

Preventative Maintenance	\$6,646,881.00
Bus Stop Signs and Poles	\$40,000
Computer Equipment	\$100,000
Supervisory Vehicles	\$44,000
Replace Service Vehicles	\$240,000
Replace 9 Call-A-Bus Vans	\$675,000
CNG Station Rehabilitation	\$3,000,000

FFY 2019:

Preventative Maintenance	\$6,846,288.00
Operating Software Upgrades	\$85,000
Bus Shelters	\$100,000
Bus Stop Signs and Poles	\$40,000
Supervisory Vehicles	\$44,000
Replace 9 Call-A-Bus Vans	\$720,000
Replace 6 Call-A-Bus Vans	\$480,000
9 Gillig Hybrid Replacement	\$3,228,250.00

FFY 2020:

Preventative Maintenance	\$7,051,676.00
Bus Stop Signs and Poles	\$40,000
Supervisory Vehicles	\$44,000
3 30' Gillig BRT Replacements	\$1,350,000
8 Gillig Highback Replacements	\$1,391,625

Total Value - Included Prime Contractor

\$3,592,000

The total firms doing business in NYS per the 2015 County Business Patterns for the above projects is 7,591 and the number of available DBEs per the NYS UCP Directory is 53. The percentage of DBEs in the market for projected 2018-20 projects is .9%

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 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)). We determine the number of ready, willing and able DBEs in our market from the NYS 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. The base figure is a percentage figure calculated by first determining the percentage of the budget each project holds. This percentage is then multiplied by the number of available DBEs divided by the number of all available firms for each respective project. The percentages calculated for each project are then added together and divided by the number of total projects to derive a base figure for the relative availability of DBEs in our market.

"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 2018-20

Step 1: Base Figure - % of overall budget- Project 1(DBE/All Firms) + % of overall budget- P 2(DBE/All Firms)..etc

The number of DBEs in the area that perform work in the applicable NAICS codes, in which CNYRTA anticipates awarding most of its federally-funded contracts during FFY 2018-2020, based on the NYS UCP Directory, is 52. 13 DBEs available for Bus Stop Signs & Poles, 13 DBEs available for Computer Equipment, 0 DBEs available for Supervisory & Service Vehicles and 0 DBEs available for CNG Station Rehabilitation.

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 5,739. 243 firms available for Bus Stop Signs & Poles, 457 firms available for Computer Equipment, 1130 firms available for Supervisory & Service Vehicles and 31 firms available for CNG Station Rehabilitation.

The percentage of the total budget for Bus Stop Signs & Poles is 3%, the total percentage of the budget for Computer Equipment is 3%, the percentage of the total budget for Supervisory & Service Vehicles is 10% and the percentage of the total budget for CNG Station Rehabilitation is 84%. The number of DBEs divided by the number of all businesses for each project is then multiplied by the percentage of the overall budget for each project, respectively. The percentages that result are added together and divided by the total number of projects to determine the base figure for the relative availability of DBEs in our market. The base figure determined by this methodology is 1%.

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. CNYRTA is completing this adjustment by usage of the historical median from past FFY participation percentages. This adjustment is authorized by 49 CFR 26.45.

For FFY 2015-2016 and the first half of FFY 2017, 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
2015	10/1/14 – 9/30/15	0%*
2016	10/1/15 – 9/30/16	0%
2017	10/1/16 – 3/31/17	0% [First half of year].

* The percentage for the second half of FFY15 was 36% due to an unforeseen emergency issue involving Overhead Doors at our Utica location. As this was a onetime, emergency project it has not been applied to our overall goal methodology. Outside of this project there was no DBE activity for FFY 15.

The recent past participation for the last 2½ years is determined by calculating a weighted average of the figures for FFY 2015, FFY 2016 and the first half of FFY 2017.

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%
Recent past participation	0%
Average of Step 1 base figure and past participation:	N/A

Due to the lack of participation in the last three years we are setting a goal strictly using the calculations from Step 1. Based on this determination 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)**

<i>FFY</i>	<i>Projected Projects</i>	<i>Projected Total Project Value</i>	<i>Include/Exclude in Goal</i>	<i>Exclude Reason</i>	<i>NAICS Code</i>	<i>NAICS Description</i>	<i># All Firms</i>	<i># of DBEs</i>	<i>% DBE To Total</i>	<i>DBE Share of Project</i>
2018										
	Preventative Maintenance	\$6,646,881.00	Exclude	Preventative Maintenance						
	Bus Stop Signs and Poles	\$40,000	Include		339950	Sign Manufacturing	243	13	5.35%	\$2,139.92
	Computer Equipment	\$100,000	Include		423430	Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	457	13	2.84%	\$2,844.64

	<i>Prime Contractor</i>									
--	-------------------------	--	--	--	--	--	--	--	--	--

# of DBEs	26
# of all firms	1,830
% of DBE's to total	1.42%

total project cost	\$592,000
potential DBE cost	\$116,109
% of potential DBE project	19.61%