

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

**CALCULATION OF OVERALL GOAL
FOR FEDERAL FISCAL YEAR 2021-2023**

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”) 2021, 2022, & 2023 (October 1, 2020 – September 30, 2023). The proposed DBE goal is 0% 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 2018-2020 (October 1, 2017 – September 30, 2020) is 1%. During FFY 2018 & 2019 (October 1, 2017 – September 30, 2019) and the first half of FFY 2020 (October 1, 2019 – March 31, 2020) the following prime procurement contracts with a total value of \$1,407,425.86 were awarded:

| | |
|----------------------------|--------------|
| Bus Stop Signs and Poles | \$4,082.40 |
| Computer Equipment | \$139,594.61 |
| CNG Station Rehabilitation | \$25,280.00 |
| Bus Shelters | \$22,000.00 |
| Utica Paving Project | \$7,363.26 |
| Microsoft Licensing | \$28,565.51 |
| Bus Decals | \$7,854.32 |
| Tool Cat | \$48,960.35 |
| Supervisory Vehicles | \$53,263.92 |
| Computer Equipment | \$136,929.03 |
| Microsoft Licensing | \$28,567.11 |
| Tow Truck | \$287,960.00 |

| | |
|--|--------------|
| Supervisory Vehicle Decals | \$376.72 |
| RTC Roof Replacement | \$447,969.51 |
| Schedule Holders | \$8,120.80 |
| Vehicle Mats | \$642.04 |
| Light Bars for Supervisory Vehicle | \$1,702.68 |
| Diesel Tank Rehab | \$13,637.60 |
| Auburn Roof Replacement | \$56,576.00 |
| Oswego Roof Replacement | \$49,140.00 |
| Oneida- Kitchenette & Office Renovations | \$38,840.00 |

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 2015 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 2020 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 2021-23 related to the following projects:

| FY 2021 | | |
|----------------|-----------------------------|-----------------|
| | Preventative Maintenance | \$ 9,000,000.00 |
| | Bus Shelters | \$ 100,000.00 |
| | Computer Equipment | \$ 250,000.00 |
| | Supervisory Vehicles | \$ 115,000.00 |
| | Replace Service Vehicles | \$ 55,000.00 |
| | Replace 4 Call-A-Buses | \$ 320,000.00 |
| | Purchase 4 New Call-A-Buses | \$ 320,000.00 |
| | 5 MCI Replacements | \$ 2,136,526.00 |
| | Bus Replacements | \$ 988,474.00 |
| FY 2022 | | |
| | Preventative Maintenance | \$ 7,481,192.00 |
| | Operating Software Upgrades | \$ 85,000.00 |
| | Computer Equipment | \$ 100,000.00 |
| | Supervisory Vehicles | \$ 46,000.00 |
| | Replace Service Vehicles | \$ 175,000.00 |
| | Replace 8 CALL-A-BUS Vans | \$ 720,000.00 |
| | 18 NOVA Replacement CNGs | \$ 8,891,756.25 |

| | | |
|----------------|----------------------------|-----------------|
| | Bus Replacements | \$ 1,008,243.75 |
| FY 2023 | | |
| | Preventative Maintenance | \$ 7,705,627.76 |
| | Bus Shelters | \$ 100,000.00 |
| | Supervisory Vehicles | \$ 46,000.00 |
| | Engineering Services | \$ 200,000.00 |
| | Replace 11 CALL-A-BUS Vans | \$ 935,000.00 |

The total firms doing business in CNYRTA's Local Market Area per the 2017 County Business Patterns for the above projects is 1,701 and the number of available DBEs per the NYS UCP Directory is 0. The percentage of DBEs in the market for projected 2021-2023 projects is 0%.

Breakout of Estimated Race-Neutral and Race-Conscious Participation

CNYRTA will continue to operate 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 will potentially 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 2021-2023

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 2021-2023, based on the NYS UCP Directory, is 0. There were no applicable DBEs found for Bus Shelters, Computer Equipment or Supervisory Vehicles.

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 1,701.

363 firms available for Bus Shelters, 42 firms available for Computer Equipment and 297 firms available for Supervisory Vehicles.

The percentage of the total budget for Bus Shelters is 26%, the total percentage of the budget for Computer Equipment is 46% and the percentage of the total budget for Vehicles is 27%. 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 0%.

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 2018-2019 and the first half of FFY 2020, 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 |
|----------------------------|-------------------|--------------------------|
| 2018 | 10/1/17 – 9/30/18 | 2.01% |
| 2019 | 10/1/18 – 9/30/19 | 0% |
| 2020 | 10/1/19 – 3/31/20 | 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 2018, FFY 2019 and the first half of FFY 2020.

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 | 0% |
| Recent past participation | .67% |
| Average of Step 1 base figure and past participation: | N/A |

FFY 18 reached 2.01% participation through purchases that are not projected in the upcoming goal. This information and an absence of applicable project in the last 2 ½ years, along with the absence of available DBEs for the upcoming goal period, CNYRTA has established a 0% goal.

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. Peña, 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.

Local Market Area Defined

CNYRTA's Local Market Area is defined as the four counties in which CNYRTA is located: Onondaga, Oneida, Oswego and Cayuga, as well as all surrounding counties: Jefferson, Lewis, Herkimer, Madison, Chenango, Tompkins, Seneca and Wayne. All contracting opportunities are advertised with multiple local advertisers and procurements regularly utilize local vendors. Historically, CNYRTA has found that the cost of travel for downstate businesses deters many from responding to contracting opportunities. Additionally, some past success was found with DBEs from surrounding counties.

Furthermore, each project type and its applicability are considered for outside of the local market area participation.

In conclusion, Computer Equipment, as stated in our project listing, was originally believed could apply outside our local market area. In the past, however, projects under this category were covered under a GSA contract and were procured through a local vendor.

As such, it was determined to keep the Local Market Area as originally defined.

Consultative Process

CNYRTA searched the DBE directory for all certified DBEs in our Local Market Area. An email was then sent out to all listed DBEs inviting them to a virtual meeting to discuss the FFY 21-23 DBE Goal as well as potential contracting opportunities. Due to the COVID-19 pandemic, CNYRTA is limiting access to all buildings, therefore in person meetings are on hold until further notice. The virtual meeting was held on June 30, 2020.

Five of the sixty-five DBEs invited attended the meeting. The meeting consisted of introductions of each attendee, a background of the CNYRTA, discussion of current projected projects and DBE goal methodology. Each attendee was given time to discuss relevant topics to their business and an opportunity to ask questions regarding the proposed goal. While most attendees had concerns of the 0% goal, they left with an understanding that CNYRTA will

continue to reach out to DBEs on all potential contracting opportunities and should a new project come up that lends itself to a goal amendment, CNYRTA will do so appropriately.

All DBEs that attended the meeting were added to CNYRTA's vendor listing for future contracting opportunities.

A notice of CNYRTA's proposed FFY 21-23 DBE Goal was published on 7/1/2020 with the NYS Contract Reporter, on Centro's website as well as with multiple local publications throughout all CNYRTA counties. The publication noted that the proposed goal was available for review and comments for a forty-five (45) day time period. Within this time period, CNYRTA received one (1) request for additional information.

A discussion was had where the proposed goal and all back up information were reviewed with the requester. Their understanding was verbalized, and no additional questions were received.

Appendix

All Firms in Market, by North American Industry Classification System (NAICS) Code (Source: Census Bureau, 2017 County Business Patterns - most recent data that was available)

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 Code(s).

| | NAICS Code | Project | Amount of DOT funds on project: | % of total DOT funds (weight) |
|----|--|----------------------|---------------------------------|-------------------------------|
| 1) | 236220 | Bus Shelters | \$100,000.00 | 13.2100% |
| 2) | 423430 | Computer Equipment | \$250,000.00 | 33.0250% |
| 3) | 441110 | Supervisory Vehicles | \$115,000.00 | 15.1915% |
| 4) | 423430 | Computer Equipment | \$100,000.00 | 13.2100% |
| 5) | 441110 | Supervisory Vehicles | \$46,000.00 | 6.0766% |
| 6) | 236220 | Bus Shelters | \$100,000.00 | 13.2100% |
| 7) | 441110 | Supervisory Vehicles | \$46,000.00 | 6.0766% |
| | Total FTA-Assisted Contract Funds | | \$757,000.00 | 100% |

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) | 236220 | Bus Shelters | 0 | 363 | 0.0000 |
| 2) | 423430 | Computer Equipment | 0 | 42 | 0.0000 |
| 3) | 441110 | Supervisory Vehicles | 0 | 297 | 0.0000 |
| 4) | 423430 | Computer Equipment | 0 | 42 | 0.0000 |
| 5) | 441110 | Supervisory Vehicles | 0 | 297 | 0.0000 |
| 6) | 236220 | Bus Shelters | 0 | 363 | 0.0000 |
| 7) | 441110 | Supervisory Vehicles | 0 | 297 | 0.0000 |

| | | | | | |
|--|------------------------|--|-------------|--------|-------------------------------------|
| | Combined Totals | | 1701 | 0.0000 | Overall Availability of DBEs |
|--|------------------------|--|-------------|--------|-------------------------------------|

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

| | NAICS Code | Project | Weight | x | Availability | Weighted Base Figure |
|---------------------------------------|-------------------|----------------------|---------------|----------|---------------------|-----------------------------|
| 1) | 236220 | Bus Shelters | 0.13210 | x | 0 | 0 |
| 2) | 423430 | Computer Equipment | 0.33025 | x | 0 | 0 |
| 3) | 441110 | Supervisory Vehicles | 0.15192 | x | 0 | 0 |
| 4) | 423430 | Computer Equipment | 0.13210 | x | 0 | 0 |
| 5) | 441110 | Supervisory Vehicles | 0.06077 | x | 0 | 0 |
| 6) | 236220 | Bus Shelters | 0.13210 | x | 0 | 0 |
| 7) | 441110 | Supervisory Vehicles | 0.06077 | x | 0 | 0 |
| Total | | | | | | 0 |
| Expressed as a % (*100) | | | | | | 0% |
| Rounded, Weighted Base Figure: | | | | | | 0% |