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**CAPITAL AREA TRANSIT**

**DBE – OVERALL GOAL & CALCULATION**

**FFY 2021 – FFY 2023**

**June 12, 2020**

**Section 26.45: Overall Goal Calculation**

**June 12, 2020**

Capital Area Transit is submitting its overall triennial Disadvantaged Business Enterprise (DBE) Goal and corresponding goal setting methodology for the three-year Federal Fiscal Year (FFY) goal period 2021-2023 (October 1, 2020 through September 30, 2023), pursuant to Title 49 Code of Federal Regulations (CFR) Part 26 “Participation by Disadvantaged Business Enterprise in U.S. Department of Transportation Programs.” The purpose of the DBE goal setting process is to level the playing field so that DBE’s can compete fairly for Department of Transportation assisted contracts. CAT estimates that its’ overall goal will be obtained 100 percent from race-neutral participation.

The following is the methodology for determining the FFY2021-2023 DBE Goal:

**Amount of Goal**

1. Capital Area Transit’s overall DBE goal for the time period of 2021-2023 is 1.39% of the Federal financial assistance expended in DOT-assisted contracts exclusive of FTA funds to be used for the purchase of transit vehicles.

2. $2,729,855 is the dollar amount of DOT-assisted contracts that Capital Area Transit expects to award during the period FFY2021-2023 of which $37,822 is the amount that Capital Area Transit has set as the goal of expending with DBEs during the fiscal years/projects.

**Methodology used to Calculate Overall Goal**

**Step 1**: 26.45(c)

In step-1, CAT identified areas of potential DBE contracting opportunity during FFY 2021 through 2023. CAT used the Transportation Improvement Plan (TIP), and its capital budget plan for the next three years as a guide in analyzing DBE opportunities. The following list of projects is the total planned projects at this time for FY 2021 through 2023.

All reasonably anticipated FTA-assisted contracting opportunities are identified on the table on the following page.

|  |
| --- |
|  |
|  | **NAICS Code** | **Description of Work** | **Amount of DOT funds on project:** | **% of total DOT funds (weight)** |
| **1)** | 423430 | Office Equipment | $158,130.00 | 0.0579 |
| **2)** | 561730 | Landscaping/Renovations | $90,515.00 | 0.0332 |
| **3)** | 423420 | Computer Equipment | $52,710.00 | 0.0193 |
| **4)** | 238110 | Concrete | $3,500.00 | 0.0013 |
| **5)** | 238120 | Inlet | $40,000.00 | 0.0147 |
| **6)** | 238990 | Asphalt | $275,000.00 | 0.1007 |
| **7)** | 238220 | HVAC/Plumbing | $43,000.00 | 0.0158 |
| **8)** | 238210 | Electrical Work | $25,000.00 | 0.0092 |
| **9)** | 238320 | Painting | $12,000.00 | 0.0044 |
| **10)** | 423830 | Shop Tools/Equipment | $230,000.00 | 0.0843 |
| **11)** | 423490 | Smartboards | $100,000.00 | 0.0366 |
| **12)** | 561710 | Pest Control System (Buses) | $25,000.00 | 0.0092 |
| **13)** | 541511 | CAD/AVL & Pedestrian Alert | $300,000.00 | 0.1099 |
| **14)** | 811118 | PM Maint. (Non-Engine) | $50,000.00 | 0.0183 |
| **15)** | 811111 | PM Maint. (Engine) | $325,000.00 | 0.1191 |
| **16)** | 423120 | PM Bus Parts and Suppies | $1,000,000.00 | 0.3663 |
|  | **Total FTA-Assisted Contract Funds** | **$2,729,855.00** | **1.00** |

CAT has noted that during the prior three year period, based on the projects completed and DBE vendors available, that there was a somewhat limited opportunity for DBE participation. While CAT’s prior DBE goal was able to obtain DBE participation in specific renovations work, we were unable to obtain DBE participation as anticipated in all areas of renovations work (concrete and painting) as expected. We were also unable to obtain DBE participation in shop equipment purchases, and office equipment purchases. These categories were expected to represent a significant portion of CAT’s DBE participation.

CAT purchased a significant number of heavy duty buses, twenty-four (24), which were delivered between 2018-2020. The DBE participation on those manufactured assets is reported by The Transit Vehicle Manufacturer.

CAT identified the immediate local market as Dauphin, Cumberland, York, Lancaster, and Lebanon Counties. CAT further extended the DBE search to include:  Adams, Franklin, Juniata, Perry, Snyder, Schuylkill, and Northumberland Counties.   This is the general geographic area CAT regularly utilizes when bidding projects, although CAT does not limit participation to only those vendors in our geographic area.

CAT reviewed the DBEs on the Pennsylvania Unified Certification Program for the twelve (12) counties surrounding CAT’s primary location in Harrisburg. CAT then produced a report capturing each DBE, DBE’s NAICS # and NAICS Description for ease in referencing future DBE project opportunities. CAT also used its internal bidder’s list detail to determine additional DBEs and contractors available by NAICS code. Those businesses were combined with the DBE information obtained from the PA UCP to determine total DBEs available. Finally, CAT obtained a listing of all firms available by NAICS Code in each of the twelve (12) counties by reviewing County Business Pattern tables found at census.gov.

|  |  |  |
| --- | --- | --- |
| **Determine the Relative Availability of DBE's by NAICS Code:** |  |  |
| The numbers of DBEs and of all firms available to perform work on the identified contracting opportunities are:  |
|  |  |  |  |  |  |  |
|  | **NAICS Code** | **Description of Work** | **Number of DBEs available to perform this work** | **Number of all firms available (including DBEs)** | **Relative Availability** |  |
| **1)** | 423430 | Office Equipment | 3 | 34 | 0.0882 |  |
| **2)** | 561730 | Landscaping/Renovations | 8 | 625 | 0.0128 |  |
| **3)** | 423420 | Computer Equipment | 2 | 51 | 0.0392 |  |
| **4)** | 238110 | Concrete | 4 | 128 | 0.0313 |  |
| **5)** | 238120 | Inlet | 3 | 17 | 0.1765 |  |
| **6)** | 238990 | Asphalt | 6 | 257 | 0.0233 |  |
| **7)** | 238220 | HVAC/Plumbing | 4 | 658 | 0.0061 |  |
| **8)** | 238210 | Electrical Work | 10 | 429 | 0.0233 |  |
| **9)** | 238320 | Painting | 2 | 137 | 0.0146 |  |
| **10)** | 423830 | Shop Tools/Equipment | 1 | 189 | 0.0053 |  |
| **11)** | 423490 | Smartboards | 0 | 12 | 0.0000 |  |
| **12)** | 561710 | Pest Control System (Buses) | 0 | 38 | 0.0000 |  |
| **13)** | 5415121 | CAD/AVL & Pedestrian Alert | 4 | 249 | 0.0161 |  |
| **14)** | 811118 | PM Maint. (Non-Engine) | 0 | 15 | 0.0000 |  |
| **15)** | 811111 | PM Maint. (Engine) | 0 | 906 | 0.0000 |  |
| **16)** | 423120 | PM Bus Parts and Supplies | 0 | 93 | 0.0000 |  |
| **Combined Totals** | **47** | **3,838** | ***0.0122*** | ***Overall availability of DBEs*** |

CAT has determined that there are 3,838 firms that are potentially available to perform work. Through the PA UCP 47 DBEs have been identified. Dividing the total DBEs (47) by the identified contractors available (3,838) provides a base figure of 1.22%.

In determining the percentage goal CAT used DBE’s identified in the twelve county area as the numerator. Because of the larger amount of all firms in the twelve county area CAT constrained those firms to the CAT service area for the denominator.

CAT calculated the weighted % of each project to the total value of all projects (ex. Office Equipment = $158,130 (project total) / $2,729,855 (total value of all projects) = 5.79% of total value. Each project’s weight was then multiplied by the availability of DBEs for that project to determine its weighted base figure. For example- the office equipment project has a project to total weight of 5.79% x 8.82% (availability of DBEs to total contractors available for that project) = 0.51% weighted base figure total).

The following table details the calculations and totals for each individual project:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |
|  | **Step 1 C - (Weight) x (Availability) = Weighted Base Figure** |  |  |
|  |  |  |  |  |  |  |  |
|  | **NAICS Code** | **Description of Work** | **Weight** | **x** | **Availability of DBEs** | **Weighted Base Figure** |
| **1)** | 423430 | Office Equipment | 0.0579 | x | 0.0882 | 0.0051 |
| **2)** | 561730 | Landscaping/Renovation | 0.0332 | x | 0.0128 | 0.0004 |
| **3)** | 423420 | Computer Equipment | 0.0193 | x | 0.0392 | 0.0008 |
| **4)** | 238110 | Concrete | 0.0013 | x | 0.0313 | 0.0000 |
| **5)** | 238120 | Inlet | 0.0147 | x | 0.1765 | 0.0026 |
| **6)** | 238990 | Asphalt | 0.1007 | x | 0.0233 |  0.0024 |
| **7)** | 238220 | HVAC/Plumbing | 0.0158 | x | 0.0061 | 0.0001 |
| **8)** | 238210 | Electrical Work | 0.0092 | x | 0.0233 | 0.0002 |
| **9)** | 238320 | Painting | 0.0044 | x | 0.0146 | 0.0001 |
| **10)** | 423830 | Shop Tools/Equipment | 0.0843 | x | 0.0053 | 0.0004 |
| **11)** | 423490 | Smartboards | 0.0366 | x | 0.0000 | 0.0000 |
| **12)** | 561710 | Pest Control System (Buses) | 0.0092 | x | 0.0000 |  0.0000 |
| **13)** | 541511 | CAD/AVL & Pedestrian Alert | 0.1099 | x | 0.0161 | 0.0018 |
| **14)** | 811118 | PM Maint. (Non-Engine) | 0.0183 | x | 0.0000 | 0.0000 |
| **15)** | 811111 | PM Maint. (Engine) | 0.1191 | x | 0.0000 | 0.0000 |
| **16)** | 423120 | Bus Parts and Supplies | 0.3663 | x | 0.0000 | 0.0000 |
|  |  |  |  |  | **Total** | 0.139 |
|  |  |  |  |  |  | Expressed as a % (\*100) | 1.39% |
|  |  |  |  |  |  | **Rounded, Weighted Base Figure:** | **1.4%** |

**The Breakdown of Required DBE by Project based on the Weighted Base Figure is as follows:**

**(Weighted Base Figure for Each Project x Total Projects of $1,054,855 over the 3 Year Period**)

1. Office Equipment: .0051 x $2,729,855 = $13,953

2. Landscaping/Renovation: .0004 x $2,729,855= $1,159

3. Computer Equipment: .0008 x $2,729,855= $2,067

4. Concrete Work: .0000 x $2,729,855 = $109

5. Inlet Repairs: .0026 x $2,729,855 = $7,059

6. Asphalt: 0.0024 x $2,729,855 = $6,420

7. HVAC/Plumbing: .0001 x $2,729,855 = $261

8. Electric: .0002 x $2,729,855= $583

9. Painting: .0001 x $2,729,855= $175

10. Shop Tools/Equipment: 0.0004 x $2,729,855 = $1,217

11. Smartboards: .0000 x $2,729,855= $0

12. Pest Control System (Buses): .0000 x $$2,729,855 = $0

13. CAD/AVL & Pedestrian Alert: .0018 x $2,729,855 = $4,819

14. PM Maint. (Non-Engine): .0000 x $2,729,855 = $0

15. PM Maint. (Engine): .0000 x $2,729,855 = $0

16. Bus Parts and Supplies (PM): .0000 x $2,729,855 = $0

**Grand Total DBE Participation [Sum of Above] = $37,822**

The 1.39% Weighted Base DBE goal per the previous table is confirmed by the following calculation:

$37,822 DBE Participation / $2,729,855 Total Projects = a goal of 1.39%

**Step 2**: 26.45(d)

In reviewing the requirements under step 2, CAT has determined that it will not adjust the base figure of 1.39 %. This decision is based on CAT’s historical DBE results, the number of DBE firms available (which is relatively consistent in the projects that CAT has planned for the next three years), and the fact that CAT’s identified projects in the past three years provided little opportunity for DBE participation. While we feel there is greater potential for participation in the upcoming three year period based on the projects scheduled, the outreach CAT continues to perform, and the overall community awareness of the DBE program as it relates to CAT operations and contracting opportunities for DBEs, we feel that the base calculation represents CAT’s most appropriate DBE participation goal. CAT expends significant federal funds in maintaining its fixed route bus fleet. CAT works diligently to encourage DBE participation through the competitive bidding process in these purchases, however, there are no DBEs in CAT’s extended market which provide the parts/services necessary, and therefore participation in this area is expected to remain low.

In addition, at the time of the above goal establishment, CAT did not have any current disparity studies in hand relating to the jurisdiction, therefore no adjustments are being made at this time.

**RACE CONSCIOUS/RACE NEUTRAL ADJUSTMENT**

CAT expects to meet the entire goal through race-neutral means.  This will be accomplished through the implementation of the small business element of the DBE plan.

**FINAL GOAL**

As the result of efforts by CAT to date, the overall goal for participation by DBEs in CAT’s federally assisted contracts will be 1.39%.  It will be through race-neutral measures.

In recognition of CAT’s additional responsibility to foster DBEs, CAT will continue its efforts to forge community awareness of the DBE program in general through face to face discussions and communications as well as email or US Postal mailings with minority and DBE focused organizations and to encourage business’ qualifying as state DBE’s to also qualify as Federally qualifying DBE firms.  CAT’s efforts in the upcoming year will include a focused outreach to the following organizations in the Greater Harrisburg Area:

* African American Chamber of Commerce Central PA – Contacts include President Leland Nelson & Chairman Shariah Brown. Telephone # 717-829-8355.
* City of Harrisburg Tax & Enforcement Administrator (DBE vendors licensed by the City) – Mike Hughes – Telephone # 717-255-6515.
* Hispanic Chamber of Commerce – Contact name open – Telephone # 717-234-4704.
* Harrisburg Regional Chamber of Commerce – Contact name open – Telephone # 717-232-4099.
* Cheney College DBE supportive Services Program- Director Cynthia Moultrie. Telephone #610-399-2668.

As well as any additional contacts CAT can make throughout the coming year. CAT’s Board of Directors is committed to ensuring public awareness of all DOT assisted contract opportunities as well as operating type purchase/expenditures not necessarily falling under capital projects.

CAT’s DBE Liaison and the Manager of Procurement will review all renovation related projects in the early stages to ascertain the best method to develop the bid specifications to enable more DBE participation.  Additionally, the DBE Liaison will share the DBE spreadsheet with all CAT managers and administrative staff to ensure full awareness of the program.

**Public Participation**

We published our goal information in these publications:

Harrisburg Patriot News Newspaper – (Confirmation & Copy of Ad Attached)

Carlisle Sentinel Newspaper – (Proof of Publication & Copy of Ad Attached)

Capital Area Transit Web Site as follows:

PUBLIC NOTICE,

CAPITAL AREA TRANSIT

HARRISBURG, PENNSYLVANIA

In accordance with requirements of the U.S. Department of Transportation as set forth in 49 C.F.R. Part 26, as amended, the Cumberland-Dauphin-Harrisburg Transit Authority, DBA as Capital Area Transit, in Harrisburg, Pennsylvania, hereby notifies the public that, effective June 12, 2020, it has made available a copy of its 2021 Disadvantaged Business Enterprise goal at [www.cattransit.com](http://www.cattransit.com). The public is invited to read and comment on the methodology until July 27, 2020. Any public comments should be addressed to:

Capital Area Transit

Attn: Richard H. Farr, Executive Director

901 N. Cameron Street

Harrisburg, PA 17101

*The Comment period was open from June 12, 2020 to July 27, 2020.*