

# Disadvantaged Business Enterprise (DBE) Program Goal for Federal Transit Administration Funds

Proposed DBE Goal: 1.43%

Federal Fiscal Years (FFY) 2023-2025 (October 1, 2022 – September 30, 2025)

**Recipient:** Carson Area Metropolitan Planning Organization (CAMPO)

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### **Purpose of this Document:**

The Carson Area Metropolitan Planning Organization (CAMPO) and the Carson City Regional Transportation Commission (RTC) are committed to carrying out all of the Disadvantaged Business Enterprise (DBE) requirements of 49 CFR Part 26, which provides guidelines to assure that all contracts and procurements are administered without discrimination on the basis of race, color, sex, or national origin, and DBEs have an equal opportunity to compete for and participate in the performance of all agreements, contracts, and subcontracts awarded by CAMPO and RTC.

49 CFR Part 26 Section 45 defines a three-year goal setting method for recipients of Federal Transit Administration (FTA) funds. The purpose of this goal is to provide a guideline for FTA funding recipients to ensure nondiscrimination in the award and administration of Department of Transportation (DOT)-assisted contracts, to create a level playing field on which DBE's can compete fairly for DOT-assisted contracts, and to provide appropriate flexibility to recipients of Federal financial assistance in establishing and providing opportunities for DBEs.

Furthermore, in the process of establishing this goal and methodology, CAMPO seeks to educate existing DBEs and potential DBE certification applicants on participation in the DBE program and potential contracting opportunities.

# 1.0 CAMPO DBE 3-Year Goal for FFY 2023 through FFY 2025

- **1.1** Federal Transit Administration (FTA) regulations dictate that recipients of FTA funding must create a three (3) year goal in accordance with 49 CFR Part 26.
- 1.2 In alignment with 49 CFR Part 26, CAMPO has determined a DBE 3-year race neutral goal of 1.43%. This goal is expressed as a percentage of FTA funds (excluding FTA funds to be used for the purchase of transit vehicles) that are allocated through CAMPO. The goal reflects an anticipated level of DBE participation in FTA-assisted contracts in the three forthcoming fiscal years. The new goal has increased from the previous 3-year goal based on an increase of DBE's available to submit proposals for expected projects funded in whole or in part with FTA funding.

# 2.0 Data Collection and Analysis

- **2.1** Annual FTA funding available to CAMPO was established in the Infrastructure Investment and Jobs Act (IIJA) in 2022. FTA Section 5307 funding allocated to CAMPO per Federal Fiscal Year (FFY) is:
  - \$1,914,787 in FFY 2023
  - \$1,964,572 in FFY 2024
  - \$2,005,828 in FFY 2025
- 2.2 CAMPO annually awards FTA funding to eligible Transit Operators and Contractors within its planning area. Jump Around Carson (JAC) Transit currently holds an Operating Service Contract for public transit within the MPO area and may regularly undertake projects to enhance transit services. Table 1 provides a list of anticipated DOT-assisted projects, by industry classification.

Table 1 – Anticipated Projects and Expenditures by Trade Classification FFY 2023-2025								
Project Type	NAICS Code	NAICS Description	Dollar Amount	% of Total				
Operating Service Contract	485113	Transit Operators	\$4,213,330	53.89%				
Transit Facility Upgrades – Lighting	238210	Electrical Contractors	\$60,000	0.77%				
	335132	Street Lighting Vendors	\$150,000	1.92%				
Transit Facility Upgrades – Transit Center	236220	Commercial Building Construction Contractor	\$2,000,000	25.58%				
	541310	Architectural services	\$1,000,000	12.79%				
Rehabilitation/Renovation of Pedestrian Access/Walkways - Sidewalk and Bus Stop Construction	237310; 484220	Streets, Roads, Public Sidewalks, Construction; Specialized Freight (except Used Goods) Trucking, Local	\$245,000	3.13%				
Professional Services – Public Outreach	541820	Public Relations Agencies	\$50,000	0.64%				

Professional Services – Computer Software	541512	Computer System Design	\$100,000	1.28%
Total			\$7,818,330	

CAMPO commonly sees DBE certified trucking companies being used by larger non-DBE general contractors for the construction of pedestrian access/sidewalk projects in the region; therefore, the NAICS code (448220) specific to sand and gravel transportation was combined with the general streets and roads construction NAICS code (237310) for the purposes of the calculation.

- **2.3** The reasonable and relevant geographical market for contractors include the five (5) jurisdictions of Carson City a Consolidated Municipality, Douglas County, Lyon County, Storey County, and Washoe County.
- 2.4 U.S. Census Bureau data was collected on the nine (9) industry classification (Table 1) to determine the availability of companies within the relevant geographical market. The data can be found at: https://factfinder.census.gov/
- **2.5** DBE availability for the projects noted in Table 1 was drawn from the Nevada Unified Certification Program (NUCP) records, which is the certifying body for DBE's in Nevada (See Table 2 in Section 3.0). The link to the NUCP database is: <a href="http://nevadadbe.com/dbe-vendors">http://nevadadbe.com/dbe-vendors</a>
- 2.6 The Nevada Department of Transportation (NDOT) updated their DBE goal for FFY 2020-2022 to 9.3%, with 2.63% through race-neutral measures. This is the most upto-date information available as of the publishing of this document. CAMPO's proposed race-neutral goal of 1.43% is found to reasonable, given CAMPO's limited market area that does not include the large metropolitan area of Las Vegas, NV. The study can be found at: <a href="https://www.dot.nv.gov/home/showpublisheddocument/17632/637218508810300000">https://www.dot.nv.gov/home/showpublisheddocument/17632/637218508810300000</a>

#### 3.0 Methodology

**3.1** 49 CFR Part 26.45 indicates methods for calculating a DBE goal based on a percentage of available DBE firms by industry classification and within the relevant geographical area. Further adjustments will be made after the public comment period is closed and after staff has concluded consultation with DBE stakeholders, as required by 49 CFR Part 26.45(d) and Part 26.45(g)(1).

3.2 Table 2 indicates the percentages of DBE's available in Nevada that could be reasonably expected to submit proposals on upcoming projects funded in whole or in part with FTA funds, in compliance with 49 CFR Part 26.45. The data discussed in Section 2.0 was the basis for these numbers. Furthermore, the table shows weighting for each project based on the percentage of funds CAMPO intends to expend.

Table 2 – DBE Availability by NAICS Code and Project Weight							
Project	NAICS	Total DBEs	Total Businesses	DBE %	Weighted		
Operating Service Contract	485113	0	0	0	0.00%		
Transit Facility Upgrades – Lighting	238210	2	189	1.06%	0.01%		
Transit Facility Upgrades – Lighting	335132	0	0	0	0.00%		
Transit Facility Upgrades – Transit Center	236220	2	104	1.92%	0.48%		
Transit Facility Upgrades – Transit Center	541310	1	37	2.70%	0.34%		
Rehabilitation/Renovation of Pedestrian Access/Walkways – Sidewalk and Bus Stop Construction	237310; 484220	11	73	15.07%	0.47%		
Professional Services – Public Outreach	541820	5	33	15.15%	0.10%		
Professional Services – Computer Software	541512	1	115	0.87%	0.01%		

**3.3** The percentages of total federal funds for expenditure, found in Table 1, are multiplied by the weighted percentages of DBEs for each project as shown in Table 2. The following equation was used to determine the final overall DBE goal of 1.43%:

$$(53.89\%*0.00\%) + (0.77\%*1.06\%) + (1.92\%*0.00\%) + (25.58\%*1.92\%) + (12.79\%*2.70\%) + (3.13\%*15.07\%) + (0.64\%*15.15\%) + (1.28\%*0.87\%) = .0143$$

= Total DBE Goal: 1.43%

## 4.0 Establishing Race Neutral and Race Conscious Splits

4.1 In keeping with the Ninth Circuit Court of Appeals decision in Western States Paving v. Washington State Department of Transportation, CAMPO proposes to set the goal as race-neutral for this goal period. Race-neutral DBE participation includes any time a DBE is awarded a prime contract through customary competitive procurement procedures, is awarded a subcontract on a prime contract that does or does not carry

a DBE requirement, or wins a subcontract from a prime contractor that did not consider its DBE status in making the award (e.g., a prime contractor that uses a strict low bid system to award subcontracts).

# **5.0 Public Participation**

- **5.1** The public comment period for public review of CAMPO's proposed 3-year DBE goal. along with the methodology and calculations, began on July 30, 2022 and ran through August 29, 2022. Individuals with disabilities or other mobility challenges may contact the office below to obtain this document in an accessible format in accordance with JAC's approved Title VI plan. Translated Spanish copies will also be made available request. ΑII questions and comments upon may be directed Comments@CarsonAreaMPO.com. Members of the public may also contact the JAC Transit Coordinator staff by telephone to 775-283-7583. All comments will be considered for adjustment and establishment of the goal.
- 5.2 A public meeting for DBE Stakeholders, certified DBE companies, and uncertified DBE eligible companies was held to receive comment on this document and to inform local interest groups on August 16, 2022. A presentation by the DBE Liaison Officer delivered information to attendees on the 3-year goal methodology, DBE Certification requirements, and benefits of the DBE certification. (Attendees participation and comments to be finalized following the meeting). Notices and invitations are anticipated to be sent to the following locations and organizations:
  - Carson City Chamber of Commerce
  - Washoe Tribe of Nevada and California
  - United Latino Community
  - Dayton Chamber of Commerce
  - Carson Valley Chamber of Commerce
  - WNC Latino Outreach and ESL
  - Local DBE certified companies

**Attachment 1** – Public Outreach Materials

#### 6.0 Future Updates

**6.1** Updates to this document occur every three years in accordance with federal regulations and submitted to the FTA typically by August 1 of the expiring year. Future updates to the DBE Program Goal will include any proposed rulemaking related to the IIJA.



C A M P O

An official public comment period for the Carson Area Metropolitan Planning Organization's (CAMPO) <u>Federal Fiscal Years 2023 - 2025 Disadvantaged Business Enterprise (DBE) Goal Setting Method</u> will **begin on July 30, 2022 and close end of day August 29, 2022.** The FFYs 2020-2022 3 Year DBE Goal Setting Method is a document that formalizes a DBE participation goal for FTA-Assisted contract opportunities. Information on CAMPO and Nevada DBE Certification can be found at www.carsonareampo.com and www.nevadadbe.com, respectively.

A final document will be presented to the CAMPO Board on September 14, 2022. The public is encouraged to attend the meeting to provide input on the DBE 3 Year Goal Setting Methodology. A draft for public comment is available on CAMPO's website at carsonareampo.com and at ridejac.com. Hard copies are available for review at the JAC Transit office, 3770 Butti Way, Carson City, Nevada. In accordance with Title VI, individuals with disability may contact the office listed below to obtain this document in an accessible format. Translated copies will also be made available upon request. The meeting details are as follows:

Tuesday, August 16, 2022, 3:00 p.m.
Carson City Community Center, Robert "Bob" Crowell Board Room
851 East William Street, Carson City, Nevada

If an individual is unable to attend the board meeting, staff members are available during business hours, Monday through Friday, to meet with the public and to answer any questions regarding the DBE Goal Setting Method.

Comments or questions may be directed to staff via the following options:

Mail: Carson Area Metropolitan Planning Organization

3505 Butti Way, Carson City, NV 89701

Phone: 775-283-7583

E-mail: Comments@CarsonAreaMPO.com