

GOAL SETTING METHODOLOGY

ROCK REGIONAL METROPOLITAN TRANSIT AUTHORITY

Disadvantaged Business Enterprise (DBE) Contracting Goals
For Federally Assisted Transit Projects

FY 2021 – 2023

In compliance with:
Title 49, Part 26 of the Code of Federal Regulations (49 CFR 26)

August 1, 2020

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Introduction

This report complies with the Disadvantaged Business Enterprise (DBE) rule in Title 49 of the Code of Federal Regulations (49 CFR 26) and details Rock Region METRO's process for setting the FY 2021 – 2023 overall goal for DBE participation in federally assisted transit projects.

49 CFR 26 requires that this goal be submitted for review by the Federal Transit Administration. This submission must include 1) a description of the methodology used to establish the goal, including the base figure and evidence with which it was calculated, and the evidence relied on for any adjustments; 2) a projection of the portions of overall goal expected to be met through race/gender-conscious measures, respectively; and should include 3) a summary listing of relevant available evidence of disparity and, where applicable, an explanation of why that evidence was not used to adjust the base figure.

For any questions or comments, contact:

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Summary

Proposed DBE Goal for FY 2021 – 2023

Rock Region METRO proposes the following goal for participation by DBEs on federally assisted transit contracts for FY 2021 – 2023:

Total DBE Goal: 2.8%

Description of Methodology

The methodology used to calculate Rock Region METRO’s FY 2021 – 2023 DBE Goal is based on the Department of Transportation’s “Tips for Goal Setting in the DBE Program” utilizing the latest available Economic Census and AHTD’s Certified Disadvantaged Business Enterprise Directory.

Step 1 – Determine the weight of each type of work by NAICS code:

In Step One of the goal setting process, contractible items for FY 2021 - 2023 were identified and assigned an NAICS code. These projects are listed in the table below:

Naics Code	Project	Amount of DOT funds for project	% of total DOT funds (weighted)
441310	Bus Parts	\$2,100,000	0.26332
336510	Rail parts	540,000	0.06771
423130	Tires	450,000	0.05643
541611	Planning	400,000	0.05016
423430	Comp Hardware/Software	975,000	0.12226
332999	Bus Shelters	40,000	0.00502
441110	Support Vehicles	180,000	0.02257
561730	Landscaping	45,000	0.00564
423420	Furniture	250,000	0.03135
332996	Bike Racks	30,000	0.00376
811213	Radio Equipment	100,000	0.01254
561621	Security Equipment	165,000	0.02069
236220	Building Rehabilitation	2,500,000	0.31348
812930	Yard Rehabilitation	200,000	0.02508
Totals		\$7,975,000	1

Step 2 – Determine the relative availability of DBEs by NAICS code:

NAICS codes for each project were compared with the 2015 U.S. Census County Business Patterns (April 2017 release) for the state of Arkansas to determine the number of *all firms* and the most recent version of the Arkansas Unified DBE Directory to determine the number of *DBE firms*.

Data used to derive the base figure is illustrated in the table below:

Naics Code	Project	Number of DBEs available	Total number of firms	Relative Availability
441310	Bus Parts	0	498	0.0000
336510	Rail parts	0	4	0.0000
423130	Tires	0	32	0.0000
541611	Planning	31	447	0.0694
423430	Comp Hardware/Software	0	307	0.0000
332999	Bus Shelters	3	25	0.1200
441110	Support Vehicles	0	260	0.0000
561730	Landscaping	43	653	0.0658
423420	Office Equipment	2	82	0.0244
332996	Bike Racks	0	12	0.0000
811213	Radio Equipment	2	48	0.0417
561621	Security Equipment	1	101	0.0099
236220	Building Rehabilitation	20	355	0.0563
812930	Yard Rehabilitation	2	12	0.1667
Totals		104	2836	0.0367

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

Naics Code	Project	Weight	Availability	Weighted Base Figure
441310	Bus Parts	0.2633	0.0000	0.0000
336510	Rail parts	0.0677	0.0000	0.0000
423130	Tires	0.0564	0.0000	0.0000
541611	Planning	0.0502	0.0694	0.0035
423430	Comp Hardware/Software	0.1223	0.0000	0.0000
332999	Bus Shelters	0.0050	0.1200	0.0006
441110	Support Vehicles	0.0226	0.0000	0.0000
561730	Landscaping	0.0056	0.0658	0.0004
423420	Office Equipment	0.0313	0.0244	0.0008
332996	Bike Racks	0.0038	0.0000	0.0000
811213	Radio Equipment	0.0125	0.0417	0.0005
561621	Security Equipment	0.0207	0.0099	0.0002
236220	Building Rehabilitation	0.3135	0.0563	0.0177
812930	Yard Rehabilitation	0.0251	0.1667	0.0042

Total 0.0278

Expressed as a % 2.78%

Rounded, Weighted Base Figure 2.8%

Breakout of Estimated Race-Neutral and Race-Conscious Participation

Rock Region METRO uses the following race-neutral means to increase DBE participation:

- When feasible, contracting opportunities will be kept separate (not bundled) to encourage smaller businesses to submit bids/proposals;
- Encouraging prime contractors to subcontract portions of the work that they might otherwise perform with their own forces;
- Providing information to DBEs on contracting procedures and specific opportunities;
- Ensuring the dissemination of lists of potential subcontractors to bidders on prime contracts; and
- Ensuring the distribution of the Arkansas Unified Disadvantaged Business Enterprise Directory.

Rock Region METRO intends to meet its entire DBE goal through race-neutral means.

Race-Neutral Goal: 2.8%

Race-Conscious Goal: 0%

Publication/Consultation

Rock Region METRO will post its Goal Setting Methodology document to the agency website at www.rrmetro.org. Rock Region METRO will also notify all DBEs registered in its third party procurement website (www.ebidexchange.com/rrmetro) that the document is available for review/comment. Any issues dealing specifically with the DBE goal methodology that require any changes will be used to modify the document.