



DBE Goal Setting Methodology FY 2021-2023

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I. **INTRODUCTION**

Rides Mass Transit District (RMTD) has prepared this submission to the Federal Transit Authority (FTA) to describe the methodology used to establish the transit Disadvantaged Business Enterprise (DBE) goal mandated by 49 CFR part 26 for its federally assisted transit contracts.

II. **BACKGROUND**

RMTD relied on and followed the regulations and guidance provided concerning the implementation of the regulations. 49 CFR §26.45 requires a two-step process for setting the transit DBE goal that reflects the level of DBE participation on RMTD’s contracts expected in the absence of discrimination. The first step is the calculation of a base figure for the relative availability of DBEs. The second step requires consideration of a possible adjustment of the base figure to reflect the effects of the DBE program and the level of participation that would be expected “but for” the effects of past and current discrimination against DBEs. As further required by §26.51(c), RMTD submits a projection of the transit goal that it expects to meet through race-neutral means.

III. **FTA-ASSISTED CONTRACTING PROGRAM FOR FY 2021-2023**

Table 1 identifies NAICS codes with associated business classifications as well as RMTD’s FTA-assisted contracting opportunities through CARES Act, 5307, and 5311. RMTD will maintain its active DBE policy and encourage participation in other non-planned contracts to certified DBEs.

NAICS CODE	BUSINESS CLASSIFICATION/ CONTRACTING OPPORTUNITY	FTA \$ 5307	FTA \$ 5311	FTA \$ 5311 CARES	TOTAL FTA \$ AMOUNT
524126	Property and Liability Insurance	0	688,500	0	688,500
525190	Workers' Compensation	3,675	5,886	74,000	83,561
517311	Internet Service Providers, VoIP Service Providers	5,250	7,290	0	12,540
561720	Janitorial Services	7,000	46,710	0	53,710
423120	Motor Vehicle Parts	0	0	348,000	348,000
524114	Health, Dental and Vision Insurance	105,000	5,173	360,000	470,173
541211	Auditing Services	0	7,020	0	7,020
424710	Bulk Fuel	0	216,000	608,000	824,000
561730	Lawn Maintenance Services and Snow Plowing	2,310	15,660	0	17,970
441320	Tire Dealers	0	0	61,000	61,000
TOTAL		123,235	992,239	1,451,000	\$2,566,474

Table 1

IV. **GOAL METHODOLOGY**

A. Relevant Market Area

The relevant market area was determined to specify the geographical area for seeking available businesses. The geographical area will be the counties of Edgar, Clark, Crawford, Cumberland, Edwards, Jasper, Lawrence, Richland, Wabash, Wayne, Gallatin, Hamilton, Hardin, Pope, Saline, White, and Williamson.

B. DBE Availability and Base Figure

RMTD followed the prescribed federal methodology to determine a base figure.

The base figure is derived by dividing the number of ready, willing, and able DBE firms identified in each business classification by the number of ALL firms identified in each business classification, then weighting the relative availability for each category by the corresponding business classification weight, and then adding the weighted ratios together.

To determine the base figure for the relative availability of DBEs, RMTD utilized the number of ready, willing and able DBE firms found in the Illinois Unified Certification Program DBE Directory as its numerator and the total number of identifiable firms in the 2017 Census Bureau’s County Business Patterns (CBP) database as its denominator.

$$\text{Base Figure} = \frac{\text{Number of Ready, Willing, and Able DBE Firms}}{\text{Number of ALL Ready, Willing, and Able Firms}} \times \text{Weight} \times 100$$

Numerator: Illinois Unified Certification Program

Denominator: 2017 Census Bureau’s County Business Patterns Database.

The same geographic area was used for both the numerator and denominator to ensure a valid comparison.

Table 2 identifies the result of the base figure calculation.

NAICS CODE	NAICS DESCRIPTION	DBE FIRMS	ALL FIRMS	WEIGHT	RELATIVE AVAILABILITY	WEIGHTED BASE FIGURE
524126	Property and Liability Insurance	1	4145	.2683	.00024	.0001
525190	Workers’ Compensation	0	4145	.0326	0	0
517311	Internet Service Providers, VoIP Service Providers	1	1415	.0049	.00071	0
561720	Janitorial Services	15	2490	.0209	.00602	.0001
423120	Motor Vehicle Parts	1	2143	.1356	.00047	.0001
524114	Health, Dental and Vision Insurance	0	4145	.1832	0	0
541211	Auditing Services	0	10346	.0027	0	0
424710	Bulk Fuel	0	2143	.3211	0	0
561730	Lawn Maintenance Services and Snow Plowing	0	2490	.0070	0	0
441320	Tire Dealers	0	4721	.0238	0	0
TOTAL		18	38,183	1.0000	.0005	.03

Table 2

C. Consideration of Adjustment to the Base Figure

RMTD has no relevant data or local disparity studies from related fields that affect the opportunities for DBEs to form, grow and compete on FTA-assisted contracts. RMTD will not be utilizing Past Participation to adjust the goal. No adjustment to the base figure is recommended.

V. **PROPOSED OVERALL DBE GOAL**

The final proposed overall DBE goal for FY 2021-2023 for Rides Mass Transit District’s FTA-assisted contracts is **.03 percent**.

VI. UTILIZATION OF RACE NEUTRAL & RACE CONSCIOUS METHOD

RMTD will implement 100% race neutral measures to achieve this aspirational goal. The agency actively seeks to solicit procurement participation from DBE firms.

Race neutral methods include, but are not limited to, the following:

- Provide technical assistance and other services upon request
- Provide adequate communication of contracting procedures via website and other sources
- Refer DBEs to local support service programs
- DBE participation through a prime contract obtained through competitive procurement procedures
- DBE participation through a subcontract on a prime contract
- RMTD will provide pre-bid/pre-proposal conferences
- RMTD will advise its contracting community of the online directory of certified DBE's, found at the Illinois Unified Certification Program website: www.IllinoisUCP.com

RMTD will also make efforts to ensure that Requests for Proposals (RFPs), Invitation for Bids (IFBs) and all corresponding contracting requirements foster participation by DBEs and other small businesses. RMTD encourages prime contractors to subcontract portions of the work to DBEs. Formal RFPs, IFBs and a list of contracting opportunities are available on the website as is the DBE policy and general information about "how to do business" with Rides Mass Transit District.

VII. PUBLIC PARTICIPATION

RMTD will hold an annual interactive meeting to accept public comments. Invitations will be sent to current DBEs on file, published in local newspapers and on website. RMTD will maintain a record of who was invited, who attended, and any comments.

RMTD's proposed DBE goal and methodology will be posted to the agency website. <https://www.ridesmtd.com/business/dbe/>