

# **Disadvantaged Business Enterprise (DBE) Triennial DBE Goal and Methodology FFY 2020 – 2022**

**Public Meeting  
May 30, 2019  
5:30 P.M.**

# Opening Remarks

**Doug Tisdale**

**Director, District H**

**Chair, RTD Board of Directors**

# Opening Remarks

**Peggy Catlin**

**Director, District N**

**First Vice-Chair, RTD Board of Directors**

**Vice Chair, RTD Civil Rights Committee**

# Opening Remarks

**Doug Tisdale**

**Director, District H**

**Chair, RTD Board of Directors**

# Welcome

**David A. Genova**  
**General Manager/CEO**  
**Regional Transportation District**

# **Disadvantaged Business Enterprise (DBE) Triennial DBE Goal and Methodology FFY 2020 - 2022**

**Zamy Silva**

**Senior Manager, Civil Rights Division Regional  
Transportation District**

**May 30, 2019**

# Agenda

- **History/Background**
- **DBE Program Highlights**
- **DBE Program Objectives**
- **DBE Program Requirements**
- **Goal Setting Methodology and Rationale**
- **Proposed DBE Triennial Goal**

# History/Background

- **As a recipient of federal funds, RTD is required to have a DBE program for its federally-funded projects**
- **DBE Program only applies to federally- funded projects**



# DBE Program Highlights

- **Conforms with regulations of the U.S. Department of Transportation (DOT), 49 C.F.R. Part 26**
- **Ensures the administration, monitoring and implementation requirements set forth in 49 C.F.R. Part 26**
- **Utilizes a Triennial DBE goal to achieve DBE participation for federally-funded projects**

# DBE Program Objectives

- **Create “level playing field” for expected DBE participation**
- **Goals must be clearly tied to and narrowly tailored to local market**
- **Recipients can use contract-specific goals based on market area and the identified opportunities relevant to the specific projects**
- **Quotas or set-asides are not allowed**

## DBE Program Objectives (cont.)

- **The Triennial DBE Goal will be established for construction, design and engineering, consulting projects, etc. for federal fiscal years (FFY) 2020-2022**
- **The DBE Program reporting period corresponds with the FFY (October 1 – September 30)**
- **A narrowly tailored contract-specific goal setting process will be used on a contract-by-contract basis**

# Required Advertisement/ Response to Triennial DBE Goal

- Notice placed on RTD Website: **May 30, 2019**
- Formal Notice filed: **May 30, 2019**
- Notification to Public (through local organizations and print media): **May 30, 2019**
- 30-day Review Period with RTD:
  - **May 30, 2019 to June 30, 2019**
- 45-day Comment Period to RTD and/or DOT:
  - **May 30, 2019 to July 14, 2019**
- **August 1<sup>st</sup>** deadline for submitting DBE goal

# Triennial DBE Goal Setting Methodology

# Establishing Triennial DBE Goal (cont.)

## Projection of federal funds:

- **Identify contracting opportunities for upcoming 3 year period**
  - **Grants & Revenue**
  - **Capital Programs**
  - **General Operations & Maintenance**
  - **IGAs with Municipalities**
- **Identify and consolidate listing of DBEs and non-DBEs for opportunities**

	FTA-Funded Projects	FFY - 2020 10/01/19 to 09/30/20	FFY - 2021 10/01/20 to 09/30/21	FFY - 2022 10/01/21 to 09/30/22
1	16 <sup>th</sup> Street Mall Project	Anticipated Award		
2	Denver Region On-to-Off Onboard Transit Passenger Surveys		Anticipated Award	
3	Platte Roof Replacement	Anticipated Award		
4	East Metro Roof Replacement		Anticipated Award	
5	Phase 1 and Phase 2: Welton Street Safety Improvements	Anticipated Award		
6	13 <sup>th</sup> Avenue Crossing Pedestrian Improvements and Civil and Track Work		Anticipated Award	
7	Account Based Electronic Fare Collection System (Mobile Ticketing)	Anticipated Award		
8	T-2 Project – Systems Optimization Plan	Anticipated Award		
9	48 <sup>th</sup> Avenue Sidewalk Project	Anticipated Award		

# Establishing Triennial DBE Goal

**Step One**: We must begin goal setting process by determining a **'Base Figure'** for the relative availability of DBES

- A. Determine the number of ready, willing and able DBES in our market area using the Colorado UCP Directory
- B. Using the Denver Metro Area Census Data we determined the number of all ready, willing and able businesses available in our market to perform work in the same NAICS codes



# Establishing Triennial DBE Goal (cont.)

- **Step One:** (cont.)
  - C. We then divided the number of DBEs by the number of all business in our market in applicable NAICS codes to obtain the 'Base Figure' relative availability
  - D. Weighted the percentages based on estimated % of project spending in the NAICS code areas
- **The Base Figure Availability = 20.3%**

# Establishing Triennial DBE Goal (cont.)

## Step Two: Adjustments to the Base Figure

After calculating the 'Base Figure' we examined other available factors within our marketplace to determine whether we would make any adjustments to the 'Base Figure' to obtain our overall DBE goal.

The following factors were considered to adjust our 'Base Figure':

- Number of prospective DBEs in the Denver Metropolitan area, according to census (35.23% of firms in Denver MSA may be eligible to be certified as DBEs)
- Consideration of 2018 Disparity Study findings for Denver City/ County (Recommendation of 24% for construction contracts)
- Reduced spending for anticipated construction (including design and construction services) projects for Federal Fiscal Years (FFY) 2020-2022 (91.8% of spending in the previous Triennial period.)

# Factors Considered

- **Discussions with stakeholder including DBEs**
- **Local market area for RTD and availability of DBEs currently Working;**
- **DBEs capable of working who may not currently be certified in Colorado, as reflected in the Denver MSA census data;**

## Factors Considered (cont.)

- **Historical data on past participation of DBEs on similar RTD Projects;**
- **Recent Disparity Study conducted for the City and County of Denver;**
  - Results show better utilization results for goal contracts vs. non-goal contracts (24.1% vs. 8.4%)
- **The availability of ready, willing and able certified DBEs capable of participating by potential subcontracting elements;**

## Factors Considered (cont.)

- **The scopes of work required to be performed during the upcoming Triennial period, including the budget;**
- **The realistic assessment of available DBE firms to participate in the subcontracted activity for the procurement by NAICS code eligibility.**
- **Weighted availability calculation.**

# Total Actual DBE Participation

**RTD's Triennial goal for FFY 2017 through 2019 was 24% (RC 13% and RN 11%)**

- **FFY 2017 RTD reported DBE goal attainment of 29.5%**
- **FFY 2018 RTD reported DBE goal attainment of 36%**
- **Considering the 2018 Disparity Study would recommend adjusting the goal up to 24%. The study further shows the criticality of having goals.**
- **However, the fact that the goals has been exceeded for the past two years supports keeping the goal at the Step 1 value of 20.3%**

# Proposed Race-Neutral and Race-Conscious Participation

- **Under USDOT regulations, we must meet our DBE participation goal using narrowly tailored means that do not unduly burden non-DBEs.**
- **To fulfill this obligation, we are required to achieve our DBE participation goal to the greatest extent possible through the use of race-neutral means.**
- **Race-conscious means may be used only to the extent needed to meet whatever portion of the DBE participation goal that cannot be met through race-neutral means.**

# Proposed Race-Neutral and Race-Conscious Participation (cont.)

The race-neutral components of our DBE Program reflect our efforts to reach out and assist companies in ways that are available to all businesses, including minority and women-owned businesses, in our service area. The race-neutral efforts include:

- An effective outreach program targeted at small businesses, including DBE firms;
- Coordinated technical and financial assistance programs;
- Monitoring mechanisms to collect program evaluation data;
- Accounting for DBE participation obtained through subcontracting on a prime contract without DBE goals; and
- Awards of prime contracts to DBEs.



## Proposed Race-Neutral and Race-Conscious Participation (cont.)

- Considering the totality of Factors previously discussed in this presentation, RTD proposes 20.3% DBE overall goal for our next Triennial period (FFY 2020-2022)
- Of the 20.3% overall goal we are proposing that 10% DBE participation can be achieved through race-neutral means, with the remaining 10.3% DBE participation goal being achieved through race-conscious means, such as contract goals.

# Triennial DBE Goal

- In accordance with USDOT regulation 49 C.F.R. Part 26, the RTD has established a goal of awarding **20.3%** of the value of federally-funded contracts to DBEs during FFYs 2019-2022 (exclusive of FTA funds to be used for the purchase of transit vehicles).
- **10.3%** of the goal will be race-conscious, and **10%** race-neutral.
- The total Federal assistance contracts for the FFY Triennial period 2020-2022 will be **\$24,741,893**.
- RTD expects that DBEs and other small businesses will be awarded contracts and subcontracts valued in excess of **\$5,022,604**.

# QUESTIONS AND ANSWER SESSION