

PUBLIC NOTICE

FY 2017 to FY 2019 Disadvantaged Business Enterprise (DBE) Goal

Comment Period August 22, 2018 to October 10, 2018

Notice is hereby given that the Central Midlands Council of Governments (CMCOG) has established their proposed (FY) 2017 (2016/2017) to (FY) 2019 (2018/2019) Disadvantaged Business Enterprise (DBE) program goal for the Federal Transit Administration (FTA) assisted contracting opportunities to be set at seven percent (7%). In conformance with implementing regulation 49 CFR Parts 23 and 26, as amended, the Central Midlands Council of Governments has developed their proposed DBE goal based on federal regulations of the United States Department of Transportation (USDOT) and intends to submit to FTA a program goal of 7% for DBE participation in CMCOG contract activities.

The purpose of this notice is to afford certified DBEs, the public, general contractor groups, minorities, and woman's organizations an opportunity to participate and comment on the FY 2017 to FY 2019 DBE Goal. CMCOG DBE Program proposed goal and methodology may be reviewed for 45 days starting with the first day of publication of this notice during normal business hours from 8:45 a.m.-4:45 p.m., Monday-Friday. Those interested can view or receive a copy of the FY 2017 – FY 2019 DBE Goal at 236 Stoneridge Drive, Columbia, SC 29210 or on our website at www.centralmidlands.org. Written comments can be submitted to the CMCOG at the address above or emailed to rsimmons@centralmidlands.org. Written comments will be accepted until October 10, 2018.

For more information about the proposed FY 2017 to FY 2019 DBE goal setting process and the proposed DBE Goal, please contact Reginald Simmons, Deputy Executive Director/Transportation Director, CMCOG, at 803-376-5390 or by email at rsimmons@centralmidlands.org; or you may contact Mrs. Doretha Foster, Region IV Civil Rights Officer, Federal Transit Administration (FTA), Office of Civil Rights, by phone at (404) 865-5633, by e-mail at Doretha.Foster@dot.gov, by mail at 230 Peachtree Street, NW, Suite 800, Atlanta, GA 30303, or by fax at (404) 865-5605.

All written comments received shall, as applicable, be made a part of the CMCOG records of public input. Please be advised that if no comments are received and/or if no additional changes have been made, then as amended, this document will be published as the final document.



August 17, 2018

Ms. Dee Foster
Federal Transit Administration
Region IV Civil Rights Officer
230 Peachtree St., N.W., Suite 800
Atlanta, GA 30303

RE: Federal Identification Number: 1069 for the FY 2017-2019 DBE Goal

Dear Ms. Foster:

The Central Midlands Council of Governments has adopted an overall FY 2017-2019 Disadvantaged Business Enterprise goal of 7% for federal funds that will be expended in DOT-assisted contracts. We plan to achieve our goal through 6% race conscious and 1% race-neutral methods.

I have attached two spreadsheets and a written explanation of the methodology that was used to establish our goal. The base goal was calculated to be 2.98%. The past participation was calculated at 11.65%. Based on the average of these calculations, the DBE Goal was established at 7%. CMCOG is dedicated to providing outreach and to promote the certification of DBEs through the South Carolina Department of Transportation UCP Process. CMCOG will continue to ensure that a good faith effort is made to include DBEs in FTA assisted contract opportunities

If you have any questions or need additional information, please do not hesitate to contact me at 803-744-5133 or just send an email to rsimmons@centralmidlands.org. Thank you for your interest in this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Reginald Simmons".

Reginald Simmons
Deputy Executive Director/Transportation Director
Central Midlands Council of Governments

Attachments: FY 2017-2019 Goal (Step 1)
FY 2014-2016 Participation (Step 2)
The State Newspaper Ad

2017-2019 FTA Overall DBE Goal Calculation (§26.45)

DBE Goal Setting Process

The Columbia Area Transportation Study (COATS) Metropolitan Planning Organization (MPO) overall DBE goal for FY 2017 thru FY 2019 is seven percent (7%) of the federal financial assistance the COATS MPO will expend in FTA-assisted contracts. The DBE goal will be reviewed annually and updated every three (3) years in accordance with FTA regulations. It is estimated that the DBE goal will be seven percent (7%) based the calculation of the FY 2017 through FY 2019 DBE goal.

The methodology used to establish the overall goal, including determining the relative availability of DBEs in the normal market area for procurement of goods and services for the COATS MPO, consists of a multi-step process. Those steps include the following:

A. Identifying the Geographic Scope of the Market Area

1. Before the calculation of the base goal can be made, the reasonable market area for procuring goods and services must be identified to establish geographic parameters for statistical analysis. The parameters are the 46 counties in the State of South Carolina.
2. The budget for proposed projects or any other relevant documents are examined by the COATS MPO to ascertain the type and scope of projects involving FTA funds proposed for the upcoming three fiscal years.
3. The list of projects is analyzed to determine the types of firms/services by North American Industry Classification System (NAICS) codes with which the COATS MPO would likely engage to execute FTA-assisted projects.
4. Using Census definitions, a list of relevant NAICS codes are compiled based on the firm types identified in Step A.3.

B. Determining the Relative Availability of DBEs in the Market Area

1. Once the geographic scope of the market area is determined, the availability of DBEs in the market area can be ascertained. The primary source for this determination will be the State of South Carolina UCP Directory.
2. From the UCP Resource Directory, the relative availability of all DBEs within the market area are identified and placed in a excel spreadsheet.
3. This list is further narrowed down through the identification of only firms that performed work relevant to the COATS MPO's FTA-assisted projects (i.e., the same NAICS codes identified in step A.3).
4. The DBE firms identified in Step B.2 are tallied.

C. Determining Relevant Market Conditions

1. Using the NAICS numbers identified in Step A, recent County Business Patterns Census data for the service area are examined to determine the total number of firms that perform the type of work relevant to the COATS MPO's estimated FTA-assisted contracts.

D. Determining the "Base" DBE Goal

1. The number of (all) firms in the relevant NAICS categories from Step C serve as the denominator.
2. The number of DBE firms determined in Step B serve as the numerator.
3. The percent derived from items 1 and 2 provides the base goal.

E. Determining Adjustments for the "Overall" DBE Goal

After the base DBE goal has been developed in Steps A–D, additional information and data relevant to the COATS MPO's contracting experiences will be considered to determine what adjustment, if any, is needed to the base goal to derive at a final overall goal.

In setting its overall goal, the COATS MPO considers the level at which DBEs have performed work on FTA-assisted contracts for the previous three years. If, historically, this percentage is higher than the established goal, the COATS MPO will see cause to adjust the base figure DBE goal by averaging the base goal and historical DBE performance percentage resulting in the adjusted overall DBE goal. The COATS MPO will continually assess the availability of research documents and demographic studies that may provide additional data on the extent to which DBE firms are "ready, willing, and able" to engage in contracting opportunities and successfully performing on contracts as determined by subcontract and prime contract awards.

Once the COATS MPO arrives at a DBE goal, it will publish the DBE goal information in *The State* newspaper and the Central Midlands Council of Government (CMCOG) website.

Details concerning the methodology used to obtain this goal will be available for review at the CMCOG/COATS MPO offices and website for thirty (30) days following the publication of the notice. Written comments via the U. S. Postal Service addressed and email comments will be accepted for forty-five (45) days from the publication of the notice. Comments may also be directed to FTA Region IV, 230 Peachtree St NW, Suite 800, Atlanta, GA 30303.

FY 2017–2019 DBE Goal Calculation

The COATS MPO, in compliance with 49 CFR, Part 26.45, Subpart C, has estimated a goal of seven percent (7%) for federal FYs 2017–2019 for DBE participation. The goal was developed using the methodology previously described in this attachment. The specific calculations supporting the FY 2017–2019 goal are provided below.

Calculation of Base Goal

The COATS MPO's future anticipated FTA-assisted contracting opportunities through FY 2019 were identified and included in the following categories:

- Other Scientific & Technical Consulting Services
 - This industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations on scientific and technical issues (except environmental).

- Office of Lawyers
 - This industry comprises offices of legal practitioners known as lawyers or attorneys (i.e., counselors-at-law) primarily engaged in the practice of law.
- Motion Picture or Video Production
 - This industry comprises establishments primarily engaged in producing, or producing and distributing motion pictures, videos, television programs, or television commercials.

Based on the above, 2012 NAICS codes, contracting opportunities were identified. Table 1 identifies the categories of FTA-assisted contracting opportunities and associated NAICS codes.

Table 1: NAICS Codes for Future FTA-Assisted Contracting Opportunities

Contracting Category	NAICS Code(s)
Other Scientific & Technical Consulting Services	Consulting and Technical Services 54169
Office of Lawyers	Lawyers or Attorneys 54111
Motion Picture or Video Production	Video Production Services 51211

Table 2 presents the total amount and percent distribution of FTA-assisted contracting opportunities for each category.

Table 2: Future FTA-Assisted Contracting Opportunities (FY 2017–2019)

Contracting Category	Total Contracting Opportunity (\$ Amount)	Total Contracting Opportunity (% Distribution)
Other Scientific & Technical Consulting Services	\$880,000	89%
Office of Lawyers	\$4,000	0.4%
Motion Picture or Video Production	\$105,000	10.6%
Total	\$989,000	100%

Note: Contracting opportunities identified by COATS MPO for July 1, 2017 – June 30, 2019.

Table 3 presents the percent of DBEs ready, willing and able to perform the work identified by the COATS MPO for FTA-assisted contracts between now and FY 2019. The number of DBEs used to calculate the figures in this table are from the SCDOT UCP DBE Directory and the County Business Patterns Census Data for the geographic area under the identified NAICS codes from Table 1.

Table 3: Availability of DBEs to Perform Identified Work

Contracting Category	% of Ready, Willing, and Able DBEs
Other Scientific & Technical Consulting Services	9.77%
Office of Lawyers	0.08%
Motion Picture or Video Production	3.23%

The calculation of the base goal is presented in Table 4. The percent is derived from the number of UCP DBEs divided by the number of ready, willing, and able DBEs for each contracting category. The calculated sum equals to the base goal of 2.98%.

Table 4: Calculation of Base Goal

Contracting Opportunities	NAICS Code	SCDOT UCP DBE Directory	County Business Patterns	% of Ready, Willing, & Able DBEs
Site Selection Study	54169	17	174	9.77%
Human Services Coordination Plan	54169	17	174	9.77%
Legal Services	54111	2	2,448	0.08%
Short Range Transit Plan	54169	17	174	9.77%
People Mover Practical Analysis	54169	17	174	9.77%
Origin and Destination and Demographic Study	54169	17	174	9.77%
Regional Express Bus and Park & Ride Lot Study	54169	17	174	9.77%
Video Production Services	51211	2	62	3.23%
Base DBE Goal				2.98%

Adjustment to Base Goal

In accordance with regulations, the COATS MPO utilized the Step 2 Methodology outlined by the Federal Transit Administration, Office of Civil Rights, in the PowerPoint presentation “Disadvantaged Business Enterprises Goal Setting Methodology.” The methodology proposed four criteria to determine the adjusted base figure. They include the current capacity of existing DBEs to do the work, disparity studies, input from interested parties, and past participation. Of the criteria proposed, past participation, was determined to be applicable. The requirement that the upcoming contract opportunities are similar to past contract opportunities was met. Past DBE participation was determined for the preceding three years.

✓ FY-2014 - 2016 = 11.65%

In FY 2015, a Certified DBE firm was part of a consulting team to perform a planning analysis. The Certified DBE firm provided technical assistance and engineering support to the overall project. The total overall contract amount was \$237,500. The Certified DBE participation amount was \$28,725. Which provided 11.65% of actual DBE participation which is higher than the base figure and weighted goal for FY 2017 – 2019 DBE goal.

The calculation of the weighted goal is presented in Table 5. The percent is derived from the total contracting opportunities multiplied by the number of ready, willing, and able DBEs for each contracting category. The calculated sum equals to the weighted goal of 9.04%.

Table 5: Weighted Distribution in FTA-Assisted Contracts

Contracting Opportunity	NAICS Code	Total Contracting Opportunity	% of Ready, Willing, & Able DBEs	Results = % of Weighted Distribution
Site Selection Study	54169	24.77%	9.77%	2.42%
Human Services Coordination Plan	54169	24.77%	9.77%	2.42%
Legal Services	54111	0.40%	0.08%	0.00%
Short Range Transit Plan	54169	12.13%	9.77%	1.19%
People Mover Practical Analysis	54169	10.11%	9.77%	0.99%
Origin and Destination and Demographic Study	54169	5.06%	9.77%	0.49%
Regional Express Bus and Park & Ride Lot Study	54169	12.13%	9.77%	1.19%
Video Production Services	51211	10.62%	3.23%	0.34%
Weighted DBE Goal				9.04%

Table 6 presents the COATS MPO’s FTA overall DBE goal for FYs 2017–2019. The base goal of 2.98% is averaged with the historical participation of 11.65% to provide an overall goal of 7.3% (rounded to 7%).

Table 6: Calculation of Overall DBE Goal

Base DBE Goal	Historical Participation	Adjusted Overall DBE Goal
2.98%	11.65%	7.3%

The COATS MPO’s overall FTA DBE goal for FYs 2017-2019 is seven percent (7%). The next update of the COATS MPO’s DBE goal will be due to FTA by August 1, 2019.

Public Outreach Activities for Goal Setting

To be provided following the 45-day public comment period from August 22, 2018 – October 10, 2018

- Newspaper advertisements: *The State*
- Website advertisement: www.centralmidlands.org
- DBE Program informational flyers
- DBE direct consultation activity scheduled July 11, 2017 from 5:30 p.m. to 7 p.m.

Breakout of Estimated Race-Neutral & Race-Conscious Participation

The COATS MPO will meet the maximum feasible portion of the overall goal by using race-conscious means of facilitating DBE participation. The COATS MPO uses the following race-conscious means to increase DBE participation.

- Providing a contract goal on each FTA assisted contract to ensure that a good faith effort is made to include a UCP Certified DBE for consideration.

The COATS MPO historically has not met its DBE goal through race-neutral measures and estimates that, in meeting the overall goal of 7%, 6% will be obtained from race-conscious participation and 1% through race-neutral measures. The following is a summary of the basis of the COATS MPO's estimated breakout of race-neutral and race-conscious DBE participation:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications and delivery schedules in ways that facilitate DBE participation.
2. Direct all inquiries regarding becoming a certified DBE to the UCP Program at SCDOT.
3. Direct all inquiries regarding training on federal bonding and loans to SCDOT.
4. Continue to solicit in general circulation newspapers advertisements concerning contracting opportunities, and also solicit quotes that are issued to DBEs or small businesses and also send to businesses that are on bidders list.
5. Notify and disseminate information concerning contracting opportunities to the UCP Office of SCDOT and the local minority business programs by e-mail.
6. Use any other reasonable means thought of during the coming year to energize the program by getting better DBE participation or at least making a good faith effort.
7. Attending and/or sponsoring conferences and workshops to increase interaction with potential DBEs, certified DBEs, and DBE program officials at SCDOT.

To ensure that the COATS MPO's DBE program will be narrowly tailored to overcome the effects of discrimination, if it doesn't use contract goals, it will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (see §26.51(f)) and it will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract it obtains through customary competitive procurement procedures;
- DBE participation through a subcontract on a prime contract that does not carry a DBE goal;
- DBE participation on a prime contract exceeding a contract goal; and
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

FY 2017, 2018, & 2019 DISADVANTAGED BUSINESS ENTERPRISE GOAL

(Step 1)

CMCOG Project	Type of Firm/NAICS Code (from the 2016 County Business Patterns)		Anticipated Project Cost	Percentage of the Total (Anticipated Project Cost divided by the Total Cost of DOT assisted contracts)
Site Selection Study	54169	Other Scientific & Technical Consulting Services	\$ 245,000.00	24.8%
Human Services Coordination Plan	54169	Other Scientific & Technical Consulting Services	\$ 245,000.00	24.8%
Legal Services	54111	Office of Lawyers	\$ 4,000.00	0.4%
Short Range Transit Plan	54169	Other Scientific & Technical Consulting Services	\$ 120,000.00	12.1%
People Mover Practical Analysis	54169	Other Scientific & Technical Consulting Services	\$ 100,000.00	10.1%
Origin and Destination and Demographic Study	54169	Other Scientific & Technical Consulting Services	\$ 50,000.00	5.1%
Regional Express Bus and Park & Ride Lot Study	54169	Other Scientific & Technical Consulting Services	\$ 120,000.00	12.1%
Video Production Services	51211	Motion Picture and Video Production	\$ 105,000.00	10.6%
Total DOT Assisted Contracts			\$ 989,000.00	100%

CMCOG Project	Type of Firm/NAICS Code (from the 2016 County Business Patterns)		Number of DBE's (from SCDOT Directory of DBE's updated August 2016)	Number of Firms (from the 2016 County Business Patterns)	Relative Availability (# of DBE's divided by # of all firms)	Weight (from % of the Total in above chart)	Relative Availability (multiplied times) Weight
Site Selection Study	54169	Other Scientific & Technical Consulting Services	17	174	9.77%	24.77%	2.42%
Human Services Coordination Plan	54169	Other Scientific & Technical Consulting Services	17	174	9.77%	24.77%	2.42%
Legal Services	54111	Office of Lawyers	2	2,448	0.08%	0.40%	0.00%
Short Range Transit Plan	54169	Other Scientific & Technical Consulting Services	17	174	9.77%	12.13%	1.19%
People Mover Practical Analysis	54169	Other Scientific & Technical Consulting Services	17	174	9.77%	10.11%	0.99%
Origin and Destination and Demographic Study	54169	Other Scientific & Technical Consulting Services	17	174	9.77%	5.06%	0.49%
Regional Express Bus and Park & Ride Lot Study	54169	Other Scientific & Technical Consulting Services	17	174	9.77%	12.13%	1.19%
Video Production Services	51211	Motion Picture and Video Production	2	62	3.23%	10.62%	0.34%
Totals			106	3554	2.98%	1.0000	9.04%

2017, 2018, & 2019 Goal Using Ratio (from Combined Total of Relative Availability) 2.98%

2017, 2018, & 2019 Goal Using Weighting (from Relative Availability multiplied times Weight) 9.04%

2017, 2018, & 2019 Goal Using the Average (Ratio plus Weight divided by 2) 6.01%

Staff Recommended Goal for Fical Years 2017, 2018, & 2019 7%

2014 - 2016 CMCOG Actual DBE Participation
(Step 2)

CMCOG Project	Prime Contractor	Subcontractor(s)	Overall Contract Amount	Contract Amount Paid Since July 1, 2013	Prime Contractor SCDOT UCP Certified DBE?	Subcontractor SCDOT UCP Certified DBE?	Percentage of SCDOT UCP Certified DBE Participation	Amount of SCDOT UCP Certified DBE Participation
Walk Bike Columbia	Alta Planning + Design	Sprague & Sprague Fuss & O'Neill CDM Smith	\$ 237,500.00	\$ 237,500.00	No	Yes No No	12%	\$ 28,725.00
Legal Services	Belser & Belser		\$ 24,000.00	\$ 9,028.00	No	No	0%	\$ -
Totals			\$ 261,500.00	\$ 246,528.00				\$ 28,725.00

CMCOG 2014 - 2016 Goal:

16%

Actual Overall DBE Participation (Actual Participation divided by Total Contracts Amount) (%):

11.65%

Actual Overall DBE Participation (Actual Overall DBE Participation %age multiplied by Total Contracts Amount (\$):

\$28,725.00

(1) (i)=contracts carryover to new fiscal year, total reflect amount spent on since July 1, 2013

(1) (ii)= no disparity studies conducted by MPO in last five years

(1)(iii)= base figure of another recipient not utilized

(2)= not available

(3)=no adjustment attempted for past discrimination