

FY 2023 – 2025 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 2023 thru FY 2025 is eight percent (8%) 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 eight percent (8%) based the calculation of the FY 2023 through FY 2025 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 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 2023 – 2025 DBE Goal Calculation

The COATS MPO, in compliance with 49 CFR, Part 26.45, Subpart C, has estimated a goal of eight percent (8%) for federal FYs 2023 – 2025 for DBE participation. The goal was developed using the methodology previously described in this attachment. The specific calculations supporting the FY 2023 – 2025 goal are provided below.

Calculation of Base Goal

The COATS MPO's future anticipated FTA-assisted contracting opportunities through FY 2025 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.

Based on the above, 2020 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

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 2023–2025)

Contracting Category	Total Contracting Opportunity (\$ Amount)	Total Contracting Opportunity (% Distribution)
Other Scientific & Technical Consulting Services	\$1,050,000	99.62%
Office of Lawyers	\$4,000	0.38%
Total	\$1,054,000	100%

Note: Contracting opportunities identified by COATS MPO for July 1, 2022 – June 30, 2025.

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 2025. 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	15.28%
Office of Lawyers	0.12%

The calculation of the base goal is presented in Table 4. The percent is derived from the total number of UCP DBEs divided by the total number of ready, willing, and able DBEs for each contracting category. The calculated sum equals to the base goal of 1.38%.

Table 4: Calculation of Base Goal

Contracting Opportunities	NAICS Code	SCDOT UCP DBE Directory	County Business Patterns	% of Ready, Willing, & Able DBEs
Site Selection Analysis	54169	35	229	15.28%
Legal Services	54111	3	2,526	0.12%
Transportation and Land Use Analysis	54169	35	229	15.28%
Commuter Rail Study	54169	35	229	15.28%
Regional ITS Architecture	54169	35	229	15.28%
Resiliency Analysis	54169	35	229	15.28%
Base DBE Goal		38	2,755	1.38%

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 four years.

- ✓ FY 2019 = 25%
- ✓ FY 2020 = 35 %
- ✓ FY 2021 = 23%
- ✓ FY 2022 = 6%

The total for past participation was determine by calculating the median from the past four year while removing any years that are not consistent with previous participation and may be considered outliers. Thus the years for FY 2021 and FY 2022 were used to determine the median for past participation. The years of FY 2019 and FY 2020 were considered to be outliers due to the lack of consistency in DBE participation. The calculated amount for past participation equals to 14.55%.

In determining the actual DBE participation for each year the following calculations were used:

- In FY 2019, two Certified DBE firms were part of a consulting team to perform Video Production Services. The Certified DBE firms provided casting services and administrative support to the overall project. The total overall FTA contract amount was \$105,000. The Certified DBE participation amount was \$25,777.13.
- In FY 2020, four Certified DBE firms were part of consulting teams performing planning analysis. The Certified DBE firms provided technical assistance and engineering support to the overall projects. The total overall FTA contract amount was \$285,024. The Certified DBE participation amount was \$98,424.70.

- In FY 2021, five Certified DBE firms were part of consulting teams performing planning analysis. The Certified DBE firms provided technical assistance and engineering support to the overall project. The total overall FTA contract amount was \$351,574.16. The Certified DBE participation amount was \$79,586.
- In FY 2022, a Certified DBE firm was part of a consulting team performing planning analysis. The Certified DBE firm provided technical assistance and engineering support to the overall project. The total overall FTA contract amount was \$227,411. The Certified DBE participation amount was \$14,740.

In total, each of these contracts provided an actual DBE participation which was higher than the base figure for the FY 2023 – 2025 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 15.23%.

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 Analysis	54169	23.72%	15.28%	3.63%
Legal Services	54111	0.38%	0.12%	0.00%
Transportation and Land Use Analysis	54169	14.23%	15.28%	2.18%
Commuter Rail Study	54169	23.72%	15.28%	3.63%
Regional ITS Architecture	54169	18.98%	15.28%	2.90%
Resiliency Analysis	54169	18.98%	15.28%	2.90%
Weighted DBE Goal				15.23%

Table 6 presents the COATS MPO’s FTA overall DBE goal for FYs 2023 – 2025. The base goal of 1.38% is averaged with the historical participation median of 14.55% to provide an overall goal of 7.97% (rounded to 8%).

Table 6: Calculation of Overall DBE Goal

Base DBE Goal	Historical Participation	Adjusted Overall DBE Goal
1.38%	14.55%	7.97%

The COATS MPO’s overall FTA DBE goal for FYs 2023-2025 is eight percent (8%). The next update of the COATS MPO’s DBE goal will be due to FTA by August 1, 2025.

Public Outreach Activities for Goal Setting

To be provided following the 45-day public comment period from June 8th – July 27, 2022

- Website advertisement: www.centralmidlands.org
- Facebook: <https://www.facebook.com/cmco/>
- DBE Program informational flyers
- DBE Goal Powerpoint
- DBE direct consultation activity by request.

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 8%, 7% 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.