

**CITY OF CHARLOTTESVILLE/CHARLOTTESVILLE AREA TRANSIT
DISADVANTAGED BUSINESS ENTERPRISE
TRIENNIAL DBE GOAL AND METHODOLOGY
FOR
FEDERAL FISCAL YEARS 2020-2022**

August 1, 2019 – Revised 8/26/2019

EXECUTIVE SUMMARY

Charlottesville Area Transit (CAT) submits this report to the Federal Transit Administration (FTA) for review and approval of the federal fiscal years (FFY) 2020 – 2022 Triennial Disadvantaged Business Enterprise (DBE) race neutral goal of 3.42%. CAT will make good faith efforts to meet the overall DBE goal each year during the triennial period. CAT used the best available information for FTA funded projects proposed in the next three years, as well as data sets from the State of Virginia DBE directory and the US Census Bureau.

The goal was derived in the following manner:

- A base goal of 6.41% was computed;
- An adjustment to the base goal was made after taking into consideration 3-years of CAT's median past DBE participation. The median past participation reduced the base goal to 3.42%.

I. INTRODUCTION

CAT provides fixed-route public transportation for the City of Charlottesville, Virginia (VA) and a very limited portion of surrounding Albemarle County, VA. CAT is a division of the City of Charlottesville and is considered a “small transit” system with 36 revenue vehicles and in an Urbanized Area of fewer than 200,000.

Per the DBE regulations, a recipient who receives planning, capital and/or operating assistance and who will award prime contracts (excluding transit vehicle purchases) the cumulative total value of which exceeds \$250,000 in FTA funds in a federal fiscal year; is required to prepare and submit a DBE overall Triennial Goal for DBE participation as a condition of receiving the federal financial assistance. CAT receives FTA financial assistance for capital and operating assistance.

II. FTA-ASSISTED CONTRACTING PROGRAM FOR FFY 2020-2022

To determine if CAT was required to complete a DBE goal and methodology, CAT identified the proposed FTA funded projects in FFY 2020-2022. CAT assessed that approximately \$1,063,664 in FTA shares will be used on 11 project categories throughout FFY 2020-2022.

Table 1 represents the 11 categories of proposed projects, by North American Industry Classification System (NAICS) Code; amount of FTA funds proposed on the project category and the percentage of total FTA funds weighted by the project category values.

TABLE 1

	NAICS Code	Description of Work	Amount of DOT funds on project	% of total FTA funds (weight)
1)	236220	On Call Construction	\$58,000.00	0.0545
2)	238210	Solar Energy Installation	\$132,000.00	0.1241
3)	323111	Printing	\$67,050.00	0.0630
4)	332311	Purchase Bus Stop Amenities	\$56,000.00	0.0526
5)	333921	Bus Lift	\$21,667.00	0.0204
6)	453210	Office Supplies	\$16,500.00	0.0155
7)	561621	On-Board Video Surveillance System	\$476,000.00	0.4475
8)	561720	Cleaning Services	\$83,214.00	0.0782
9)	561730	Landscaping	\$40,733.00	0.0383
10)	811121	Bus Graphics Installation	\$30,000.00	0.0282
11)	812332	Uniform Cleaning Services	\$82,500.00	0.0776
	Total FTA-Assisted Contract		\$1,063,664.00	1.0000

Based on the proposed level of \$1,063,664 in FTA allocations in FFY 2020-2022, CAT prepared the triennial DBE goal and methodology for FFY 2020-2022.

III. OVERALL DBE GOAL METHODOLOGY

Step 1: Determination of a Base Figure (26.45)¹

To determine the DBE base figure, CAT had to first identify the availability of DBEs, also known as the numerator and the availability of non-DBEs, also known as the denominator.

- ⇒ ***For the numerator: DBEs found in the Virginia DBE Database of Certified Firms***
- ⇒ ***For the denominator: Non-DBES including DBEs found in the 2016 U.S. Census Bureau's Business Pattern Database***

To establish the base figure of the relative availability of DBEs to all comparable firms (DBE and Non-DBEs) available to propose on the FFYs 2020-2020 FTA-assisted contracting opportunities; CAT had to identify its local market area in which potential DBEs and non-DBEs would be sought to bid on the 11 categories of proposed project opportunities. To define the local market, CAT looked at where the majority of CAT's vendors are located that do business with CAT. The result was that vendors who do business with CAT are from 15 counties: Albemarle which is where CAT is located and Augusta, Buckingham, Chesterfield, Fluvanna, Goochland, Greene, Henrico, Louisa, Madison, Orange, Nelson, Page, Powhatan and Rockingham. In fact, the majority of the vendors are from the city of Richmond in the county of Chesterfield. Since a majority of the vendors that do business with CAT are from the 15 counties the 15 counties became CAT's local market. CAT did consider the entire state of Virginia, however after researching our procurement records and determining that vendors who do business with CAT are from the 15 counties we chose the 15 counties as our local market area. Refer to Appendix C County Map - for map on the 15 counties composing CAT's local market area.

CAT used the Virginia Small Business & Supplier Diversity SWaM & DBE Directory to identify the availability of DBEs with any of the 11 NAICS codes; and in the 15 counties. The SWaM DBE Directory identified 34 DBEs among the 15 counties with the identifying 11 NAICS codes. The number 34 became CAT's numerator.

CAT then sought the availability of non-DBEs in the 15 counties that matched the 11 NAICS codes. CAT used the ***2016 U.S. Census Bureau County Business Patterns Database*** to identify the number of non-DBEs among the 15 counties. The census bureau data found 1365 firms among the 15 counties with the identifying 11 NAICS codes. The 1399 non-DBEs plus the 34 DBEs became our denominator of 1433.

To determine the overall relative availability of DBEs, CAT divided the numerator² representing the ratio of ready, willing and able DBE firms, by the denominator³ representing all non-DBEs available including DBEs in each NAICS code. Application of this formula is:

$$\frac{\text{Number of Ready, Willing and Able DBEs (Numerator)}}{\text{Number of All Available Firms including DBEs (Denominator)}}$$

¹ §26.45 represents Title 49 CFR Part 26 regulatory referenced section.

² Numerator represents all DBE firms established within the CAT's market area.

³ Denominator represents all comparable available established firms.

The resulting data set for the numerator and denominator are:

34 Numerator (DBEs)

1433 Denominator (Non-DBEs including DBEs)

CAT further divided the numerator by the denominator; per each NAICS code to establish the “Relative Availability” percentage of DBEs, also known as establishing the Step 1 base figure (**Table 2**).

Table 2

NAICS Code	Description of Work	Number of DBEs Available to Perform This Work	Number of all firms available (including DBEs)	Relative Availability of DBEs
236220	On Call Construction	13	143	0.0909
238210	Solar Energy Installation	5	291	0.0172
323111	Printing	1	45	0.0222
332311	Purchase Bus Stop Amenities	0	13	0.0000
333921	Bus Lift	0	1	0.0000
453210	Office Supplies	0	26	0.0000
561621	On-Board Video Surveillance System	3	25	0.1200
561720	Cleaning Services	5	293	0.0171
561730	Landscaping	7	500	0.0140
811121	Bus Graphics Installation	0	89	0.0000
812332	Uniform Cleaning Services	0	7	0.0000
Combined Totals		34	1433	2.37% Overall Availability of DBEs

$$34 \div 1433 \times 100 = 2.37\% \text{ Overall Availability of DBEs}$$

CAT next calculated a weighted base figure to help ensure our Step 1 calculation is as accurate as possible. Application of the weighted base figure is:

Weigh (% of total FTA funds per NAICS code) x Relative Availability of DBEs = Weighted Base Figure

Table 3 calculates the weight (*Table 1*) times the relative availability (*Table 2*) for each of the 11 work categories in order to determine the total weighted base figure.

TABLE 3

NAICS Code	Description of Work	% of total FTA funds (weight)	Times	Availability of DBEs	Weighted Base Figure
236220	On Call Construction	0.0545	x	0.0909	0.0050
238210	Solar Energy Installation	0.1241	x	0.0172	0.0021
323111	Printing	0.0630	x	0.0222	0.0014
332311	Purchase Bus Stop Amenities	0.0526	x	0.0000	0.0000
333921	Bus Lift	0.0204	x	0.0000	0.0000
453210	Office Supplies	0.0155	x	0.0000	
561621	On-Board Video Surveillance System	0.4475	x	0.1200	0.0537
561720	Cleaning Services	0.0782	x	0.0171	0.0013
561730	Landscaping	0.0383	x	0.0140	0.0005
811121	Bus Graphics Installation	0.0282	x	0.0000	
812332	Uniform Cleaning Services	0.0776	x	0.0000	0.0000
Total					0.0641
Expressed as a % (*100)					6.41%

The based figure is expressed as 6.41%.

Step 2: Adjusting the Base Figure

In accordance with prescribed narrow tailoring provisions set forth under 49 CFR Part 26.45 Step 2; DBE Goal Adjustment guidelines, the DBE regulations direct that all available evidence must be examined to determine if an adjustment to the base figure is needed before arriving at the final overall DBE goal. Evidence considered in making an adjustment to the Base Figure included *Past DBE Goal Attainments, Disparity Studies, and Public Participation.*

Past DBE Goal Attainments

CAT considered an adjustment to the 6.41% Step 1 Base Figure, by analyzing our historical past DBE goal attainment for FFYs 2016 through 2018. CAT followed the *Tips For Goal Setting*

in the DBE Program, to establish the median past participation. The steps we used to determine the median past participation percentage are:

- (1) Arrange the past participation values in order from low to high
- (2) Take the middle percentage to obtain the median past participation percentage.
- (3) Add the *Step 1* base figure and the median past participation and divide by 2.
- (4) The end result is the median past participation percentage.

Table 4 displays CAT’s past three years of the DBE goal percentage attainment, and the resulting adjusted base figure when applying the median past participation steps.

TABLE 4

Federal Fiscal Year	Total FTA Participation	Total DBE Awards in Dollars	DBE Goal % Attainment
2016	\$796,747	\$4,686	0.59%
2017	\$459,883	\$2,030	0.44%
2018	\$541,371	\$1,376	0.25%
Results from arranging the DBE goal percentages from low to high: 0.25% 0.44% 0.59%			
Results from identifying the “middle” percentage: 0.44%			
Results of adding the <i>Step 1</i> base figure and the median past percentage and divided by 2: $6.41\% + 0.44\% = 6.85\% \div 2 = 3.42\%$			

Using the 3-years past participation calculation, the adjusted base figure is **3.42%**.

Disparity Study

CAT is a small transit system with limited FTA grants. CAT did not conduct a disparity study. However, CAT did research the state of Virginia to determine if there were any comparable transit agencies that had completed a disparity study for consideration in adjusting the base figure. CAT did not find a transit agency that had completed a disparity study. Absent a disparity study, no additional adjustment to the base figure was considered.

Public Participation and Consultation

In accordance with public participation regulatory requirements under 49 CFR Part 26, §26.45(g), CAT asked minority, women, local business chambers, and community to provide comment to the proposed goal and methodology and share information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and their efforts to establish a level playing field for the participation

of DBEs. CAT emailed and or mailed the goal notice and request for comments to the following organizations:

Charlottesville Regional Chamber of Commerce
Chamber Business Diversity Council
(Both of these organizations use the same email address)
connect@cvillechamber.com

Central Virginia Small Business Development Center
210 Ridge McIntire Road, Suite 250
Charlottesville, VA 22903

Central Virginia Partnership for Economic Development
sbdc@cvsbdc.org

Public Notice

On June 25, 2019 the CAT published a public notice, informing the public that the draft proposed goal and methodology were available for inspection from 8:00am to 5:00pm at the City of Charlottesville's Procurement and Risk Management Services Division located at 325 4th Street NW, Charlottesville, VA. For the public's convenience the goal and methodology document was also posted on the website. The public notice and the goal and methodology were posted on the website for 30 days at <https://www.charlottesville.org/departments-and-services/city-services/charlottesville-area-transit-cat/public-notices>. The public notice encouraged the public to review the goal and methodology on-line and to provide comments on the proposed goal.

Please see screen shot of the Public Notice that was posted on CAT's Website (page 8), which included an invitation for the public to join CAT's one-hour teleconference on July 15, 2019 starting at 11a.m. to provide feedback on CAT's proposed DBE Goal and Methodology.

- ▶ Charlottesville Area Transit (CAT)
 - How to Ride
 - ▶ Schedules & Maps
 - ▶ Fares
 - ▶ Holiday Schedule
 - ▶ Passenger Tools
 - ▶ Operation Policies & Procedures
 - ▶ ADA Paratransit Services
 - CAT Advisory Board
 - Reports
 - History
 - ▶ ADA, Title VI & Equal Employment Opportunity
 - Procurement
 - ▶ **PUBLIC NOTICES**
 - Advertising on CAT Buses
 - Contact Us

Departments and Services » City Services » Charlottesville Area Transit (CAT)

PUBLIC NOTICES

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Charlottesville Area Transit Disadvantaged Business Enterprise Goal

Charlottesville Area Transit (CAT) has established a Disadvantaged Business Enterprise (DBE) goal in accordance with DBE regulations and Federal Transit Administration. The proposed DBE goal is 1.87%. The goal applies to CAT's contracts with federal transit funding and through federal fiscal years 2020 to 2022.

The DBE goal and our methodology to establish the goal are available on CAT's website at <https://www.charlottesville.org/departments-and-services/city-services/charlottesville-area-transit-cat/public-notices>. You may also review the goal and methodology at the City of Charlottesville Procurement and Risk Management Services Division, 325 4th Street NW, Charlottesville, VA., Monday through Friday from 8:00am to 5:00pm.

CAT welcomes your comments and suggestions that may revise our proposed DBE goal. CAT will accept verbal and/or written comments on the proposed DBE goal through July 24, 2019.

FTA DBE Goal Methodology 2020-2022

Our contact information is:

DBE Liaison Officer, Jennifer Stieffenhofer
purchasing@charlottesville.org,
[\(434\) 970-3860](tel:4349703860)

For your convenience, CAT will host a teleconference, on July 15, 2019, to receive your comments. Please call in at 11:00am to join in on the teleconference to share your comments.

[+1 646 558 8656](tel:+16465588656) US (New York)
Meeting ID: 454 396 910

Public Consultation July 15, 2019 Teleconference Public Meeting

CAT facilitated a public teleconference on July 15, 2019. CAT understands business owners are busy and may not be able to attend a public meeting. Therefore, to facilitate the greatest possible public participation, CAT determined that facilitating a teleconference was better than hosting an in-person meeting. The teleconference approach removed the burden of having DBEs and other interested groups from having to travel to attend a public discussion on the FFY 2019-2022 DBE Goal and Methodology.

CAT hosted an hour teleconference, from 11am to noon, on July 15, 2019 where CAT representatives were available to present the goal and methodology, answer questions and receive public comments. The teleconference information was posted on the Public Notice and sent to the minority/women business organizations.

Public Comments

CAT posted the notice with the goal and methodology on-line; made the documents available at the City of Charlottesville's Procurement and Risk Management Services Division office, mailed the notice to minority/women and non-minority business organizations and hosted a teleconference. Unfortunately, no one called into the teleconference. No verbal or written comment was received during the 30-day comment period.

IV. CONSIDERATIONS FOR A NARROWLY TAILORED RACE NEUTRAL AND OR RACE CONSCIOUS GOAL

CAT's overall triennial DBE goal for FFYs 2020-2022 is **3.42%** race neutral. The 3.42% race-neutral triennial DBE goal is expressed as a percentage of FTA-assisted funds that CAT will expend in FFY 2020-2022.

CAT determined the 3.42% adjusted base figure meets the strict scrutiny of establishing a narrowly tailored DBE goal. Further the 3.42% DBE goal is based on using the median past participation data that is a more accurate assessment of CAT's probability to meet the DBE goal. The process of determining the median of the past 3-years of DBE participation is a great indicator of future participation.

CAT considered the application of a race-conscious component on the 3.42% overall goal. CAT anticipates that the relatively small individual contract values and the absence of subcontracting opportunities on the 11 categories of work are the reasons why a race-conscious component is not practical and will not be applied on the 3.42% goal

V. RACE-NEUTRAL MEASURES

In conformance with 49 CFR Part 26; "Participation by Disadvantaged Business Enterprises in Department of Transportation Programs" and in further response to FTA Notices issued to Public Transportation Providers regarding DOT's DBE Program and Race-Neutral Policy Implementation Guidance, CAT proposes to implement a **strictly Race-Neutral Triennial DBE Goal for FFY 2020-2022**. The race-neutral positioning is due in part to contract opportunities that generally do not have subcontracting opportunities to establish an individual DBE subcontract goal.

In accordance with 49 CFR Part 26.51(a), CAT will implement race-neutral measures to meet the 3.42% race-neutral DBE goal. The measures include but are not limited to:

- Post CAT contracting procedures, terms and conditions, and specific procurement opportunities on CAT website.
- Post solicitations and project specifications to facilitate DBEs and other small business firms' participation.
- Refer DBEs to local Business Development Programs for procurement technical assistance and other business development services that will enable the DBE to quote on CAT procurements.
- Encourage Minority and Women businesses to obtain DBE certification.
- Periodically attend DBEs, Minority/Women business outreach events to encourage the firms to consider pursuing contracting opportunities at CAT.

APPENDIX: Backup documentation

A. CAT INVITATION TO CONSULTATIVE PROCESS

CAT researched its area and found three (3) organizations to email the public notice to. The organizations are:

- *Charlottesville Regional Chamber of Commerce/Chamber Business Diversity Council*
- *Central Virginia Small Business Development Center*
- *Central Virginia Partnership for Economic Development*

The email below was sent on July 1, 2019 inviting these groups to join the DBE goal consultative process by joining CAT's teleconference. CAT received no comment or feedback from these groups, and none joined the conference call.

 Downey, Christina | Downey, Christina; ofonseca; connect@cvillechamber.com; sbdc@cvsbdc.org ▾

Public Notice: Disadvantaged Business Enterprise Proposed Goal for Charlottesville Area Transit

Charlottesville Area Transit has established a proposed DBE goal of 1.87%. We invite you to review and comment on CAT's proposed goal and methodology, which can be found by clicking the link below.

<https://www.charlottesville.org/departments-and-services/city-services/charlottesville-area-transit-cat/public-notice>



The logo for CAT (Charlottesville Area Transit) features a stylized mountain range in blue and green, with white flowers in the foreground. The letters 'CAT' are prominently displayed in a bold, black, sans-serif font, with 'charlottesville area transit' written in a smaller, green, sans-serif font below it.

Disadvantaged Business Enterprise Proposed Goal Notice

Charlottesville Area Transit (CAT) has established a Disadvantaged Business Enterprise (DBE) goal in accordance with DBE regulations and Federal Transit Administration. The proposed DBE goal is 1.87%. The goal applies to CAT's contracts with federal transit funding and through federal fiscal years 2020 to 2022.

The DBE goal and our methodology to establish the goal are available on CAT's website at <https://www.charlottesville.org/departments-and-services/city-services/charlottesville-area-transit-cat/public-notice>. You may also review the goal and methodology at the City of Charlottesville Procurement and Risk Management Services Division, 325 4th Street NW, Charlottesville, VA., Monday through Friday from 8:00am to 5:00pm.

CAT welcomes your comments and suggestions that may revise our proposed DBE goal. CAT will accept verbal and/or written comments on the proposed DBE goal through July 24, 2019.

Our contact information is:

DBE Liaison Officer, Jennifer Stieffenhofer
purchasing@charlottesville.org
(434) 970-3860

For your convenience, CAT will host a teleconference, on July 15, 2019 from 11:00am-12:00pm, to receive your comments. If you would like to share your thoughts on CAT's proposed DBE goal, please call **646-558-8656 [and enter meeting ID# 454-396-910]**.

B. CAT DBE DATA

Step 1 - Determine the weight of each type of work by NAICS Code:

	NAICS Code	Project	Amount of FTA funds on project:	% of total FTA funds (weight)
1)	236220	On Call Construction	\$58,000.00	0.0545
2)	238210	Solar Energy Installation	\$132,000.00	0.1241
3)	323111	Printing	\$67,050.00	0.0630
4)	332311	Purchase Bus Stop Amenities	\$56,000.00	0.0526
5)	333921	Bus Lift	\$21,667.00	0.0204
6)	453210	Office Supplies	\$16,500.00	0.0155
7)	561621	On-Board Video Surveillance System	\$476,000.00	0.4475
8)	561720	Cleaning Services	\$83,214.00	0.0782
9)	561730	Landscaping	\$40,733.00	0.0383
10)	811121	Bus Graphics Installation	\$30,000.00	0.0282
11)	812332	Uniform Cleaning Services	\$82,500.00	0.0776
	Total FTA-Assisted Contract Funds		\$1,063,664.00	1.0000

Step 1B - Determine the relative availability of DBE's by NAICS Code:

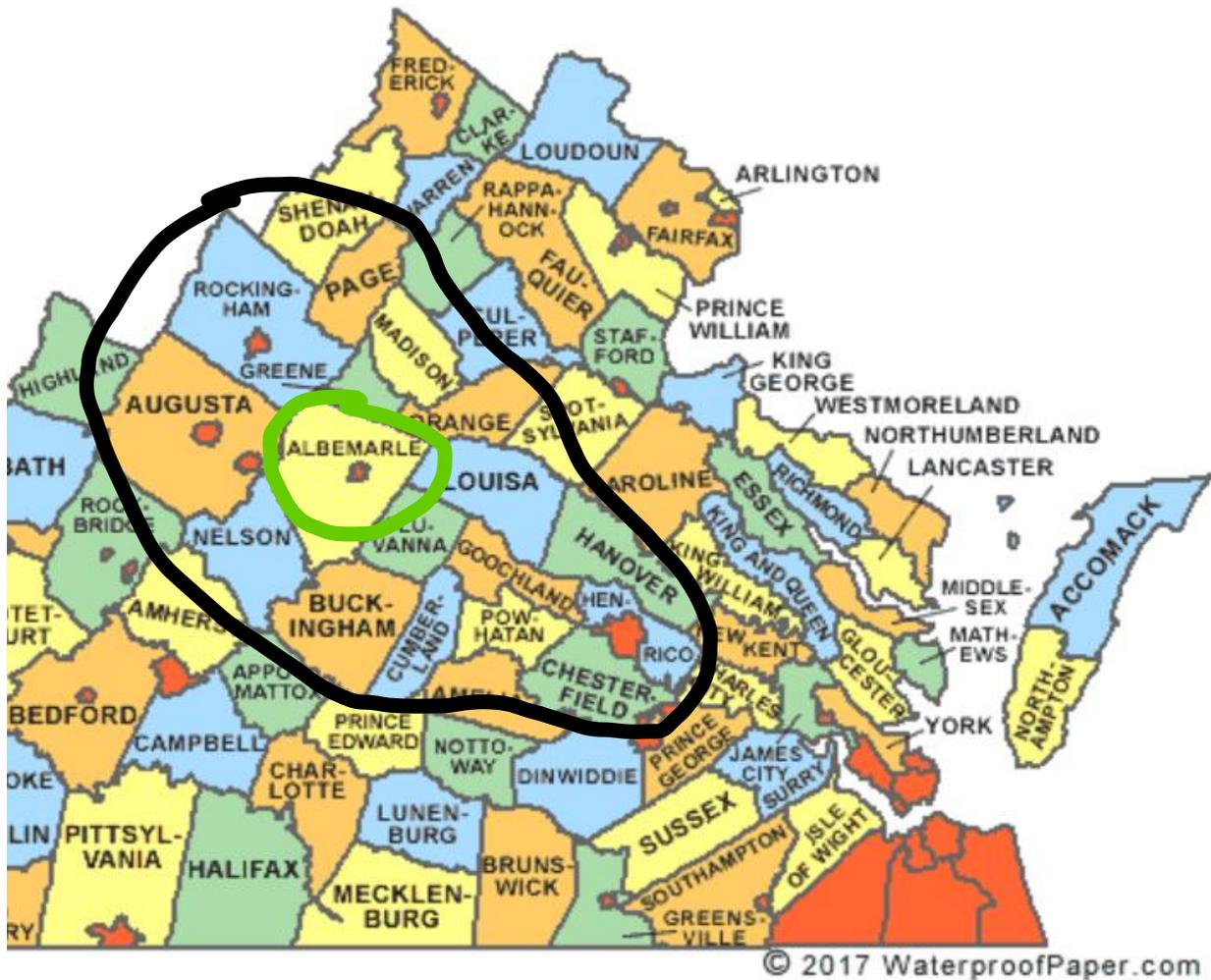
NAICS Code	Description of Work	Number of DBEs Available to Perform This Work	Number of all firms available (including DBEs)	Relative Availability	
236220	On Call Construction	13	143	0.0909	
238210	Solar Energy Installation	5	291	0.0172	
323111	Printing	1	45	0.0222	
332311	Purchase Bus Stop	0	13	0.0000	
333921	Bus Lift	0	1	0.0000	
453210	Office Supplies	0	26	0.0000	
561621	On-Board Video Surveillance System	3	25	0.1200	
561720	Cleaning Services	5	293	0.0171	
561730	Landscaping	7	500	0.0140	
811121	Bus Graphics Installation	0	89	0.0000	
812332	Uniform Cleaning Services	0	7	0.0000	
Combined Totals		34	1433	2.37%	Overall availability of DBEs

Step 1C - (Weight) x (Availability) = Weighted Base Figure

NAICS Code	Description of Work	Weight	x	Availability	Weighted Base Figure
236220	On Call Construction	0.0545	x	0.0909	0.0050
238210	Solar Energy Installation	0.1241	x	0.0172	0.0021
323111	Printing	0.0630	x	0.0222	0.0014
332311	Purchase Bus Stop An	0.0526	x	0.0000	0.0000
333921	Bus Lift	0.0204	x	0.0000	0.0000
453210	Office Supplies	0.0155	x	0.0000	0.0000
561621	On-Board Video Surve	0.4475	x	0.1200	0.0537
561720	Cleaning Services	0.0782	x	0.0171	0.0013
561730	Landscaping	0.0383	x	0.0140	0.0005
811121	Bus Graphics Installat	0.0282	x	0.0000	0.0000
812332	Uniform Cleaning Serv	0.0776	x	0.0000	0.0000
				Total	0.0641
				Expressed as a % (*100)	6.41%

C. COUNTY MAP

CAT's local market area is composed of 15 counties. CAT is located in Albemarle County



This map represents the 15 counties that constitute CAT's local market area of vendors.

The counties are: Albemarle, Augusta, Buckingham, *Chesterfield, Fluvanna, Goochland, Greene, Henrico, Louisa, Madison, Nelson, Orange, Page, Powhatan and Rockingham

*The city of Richmond is in Chesterfield County