



Federal Transit Administration (FTA)
Overall Disadvantaged Business Enterprise (DBE) Goal-Setting
Methodology

Federal Fiscal Years 2024-2026

Submitted in fulfillment of:

Title 49 CFR Part 26

On August 1, 2023

Effective Date: October 1, 2023

DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL

Central Shenandoah Planning District Commission

Executive Summary

The U.S. Department of Transportation (DOT) prescribes its Disadvantaged Business Enterprise (DBE) program and requirements for recipients of Federal funds from the Dept. of Transportation in the Code of Federal Regulations (CFR) Title 49, Part 26. Specific instructions are found in Section 26.45.

As a recipient of DOT financial assistance via the Federal Transit Administration (FTA), the Central Shenandoah Planning District Commission (CSPDC), operating BRITE Transit, has established a recommended overall DBE goal for FFYs 2024-26 of .01% based on all FTA-assisted contracting funds anticipated to be awarded between October 1, 2023 and September 30, 2026.

This goal is based on demonstrable evidence of the availability of ready, willing, and able DBE's relative to all businesses ready, willing, and able to participate in our FTA-assisted contracts. The overall goal reflects the CSPDC's determination of the level of DBE participation expected to be achieved absent the effects of discrimination. CSPDC intends to meet this goal to the maximum extent feasible through race-neutral measures and does not intend to establish specific goals for any contracts unless needed.

DBE Goal for FFY 2024-26

The proposed overall DBE goal for FFY24-26 is .01%. The goal applies to FTA-funded contracts awarded by the CSPDC from October 2023 through September 30, 2026. The analysis described herein indicated the proposed goal of .01% could be achieved entirely through race and gender-neutral measures.

Methodology for Setting the Overall DBE Goal

The DBE goal was calculated using the two-step process described in the "DOT Sample DBE Program" published on the DOT website. This process is also outlined in the CSPDC's DBE Policy in Subpart C, Goals, Good Faith Efforts, and Counting. The two-step process for calculating the overall DBE goal is to:

- Step 1: Calculate a base figure to determine the relative availability of DBEs, and
- Step 2: Adjust the base figure if necessary

The Virginia Department of Small Business & Supplier Diversity (SBSD)'s DBE Directory and U.S. Census data were used to calculate the base figure of the relative availability of DBEs to perform the types of contracts that CSPDC intends to do. A detailed description of the methodology used in Step 1 and associated calculations and assumptions are provided in this document.

A description of the public outreach and notification activities undertaken in support of DBE goal-setting is also provided.

Determination of Local Market Area

The CSPDC operates BRITE Bus, a regional transit system, in Augusta County, the cities of Staunton and Waynesboro, and one route serving portions of Rockingham County and the City of Harrisonburg. The transit system’s operational base is located in Augusta County, and the CSPDC owns transit assets in Augusta County and the City of Staunton. As such, we have elected to use the Staunton and Harrisonburg Metropolitan Statistical Areas (MSA) as the basis for our local area market. Given the small size of our transit system, and the projects we have available for contracting, it is likely that most contractors and subcontractors likely to submit will be from this local area.

The boundaries of the local area where a majority of our contractors and subcontractors come from include all of Augusta County, and Rockingham County and the towns and communities within, and the Independent Cities of Harrisonburg, Staunton and Waynesboro.

Step One: Base Figure Calculation

The purpose of Step One is to determine what percentage of all firms ready, willing, and able to compete for DOT-assisted contracts are considered Disadvantaged Business Enterprises (DBE). This percentage is calculated by dividing the number of DBEs ready, willing, and able to bid for the types of work to be funded during the three-year period (FFY 2024-26) by the number of all firms (DBE and non-DBEs) ready, willing, and able to bid for the types of work to be funded during the same three-year period.

To complete the calculation, we developed a list of the projects the CSPDC intends to award contracts for in FFYs 2024-26. This list of anticipated contracts is provided below as Table 1. Three projects were identified with a total value of \$3,986,370 in federal assistance.

Table 1. FTA-assisted projects in FFYs 2024-26 with contracting opportunities

Project	Anticipated Federal Grants FFY 24-26	Total Federal Funds Amount	Amount with Contracting Opportunity	Amount without Contracting Opportunity
Lewis Street Transit Hub Rehabilitation Construction Management	5339 Bus and Bus Facilities Formula Grant	\$88,000	\$88,000	\$0
Lewis Street Transit Hub Rehabilitation Construction	5339 Bus and Bus Facilities Formula Grant	\$740,500	\$740,500	\$0
Turnkey Transit Service Provider Contract	Capital Cost of Contracting	\$3,157,870	\$3,157,870	\$0
Total		\$3,986,370	\$3,986,370	\$0

Data Sources and Assumptions

North American Industry Classification (NAICS) codes were assigned to each project to help identify firms (both DBE and non-DBE) that are ready, able, and willing to compete for the anticipated projects. NAICS codes were obtained from the U.S. Census Bureau web page located at: <https://www.census.gov/naics/>. Based on the U.S. DOT’s “[Tips for Goal-Setting in the Disadvantaged Business Enterprise \(DBE\) Program](#),” the NAICS codes were selected to provide the most accurate and refined list of contractors likely to bid on our projects. The NAICS codes are identified and presented below in Table 2. The U.S. Census Bureau County Business Patterns (CBP) data was used to identify all firms in the local market area. The last CBP data available is from 2021, therefore, 2017 NAICS codes were used to ensure an accurate match to the CBP data.

Table 2: NAICS codes for FTA-assisted projects likely to be completed in FFYs 2024-26

Source of Data	Contract or Sub-Contract	NAICS Code	Total Number of Entities	Number of DBE Entities	% DBE
U.S. Census County Business Patterns (2021 Data)	Electric Power Distribution	221122	6	0	0%
	Water and Sewer Line and Related Structures Construction	237110	4	1	0.25%
	Power and Communication Line and Related Structures Construction	237130	8	0	0%
	Highway, Street, and Bridge Construction	237310	9	0	0%
	Poured Concrete Foundation and Structure Contractors	238110	18	0	0%
	Other Foundation, Structure, and Building Exterior Contractors	238190	4	0	0%
	Electrical Contractors and Other Wiring Installation Contractors	238210	71	0	0%
	All Other Specialty Trade Contractors	238990	58	0	0%
	Urban Transit Systems	48511	0	0	0%
	Bus and other Motor Vehicle Transit Systems	485113	0	0	0%
	Interurban and Rural Bus Transportation	485210	0	0	0%
	Architectural, Engineering, and Related Services	5413	57	0	0%
	Architectural Services	541310	9	0	0%
	Landscape Architectural Services	541320	0	0	0%
	Engineering Services	541330	24	1	0.04%
	Geophysical Surveying and Mapping Services	541360	0	0	0%
	Surveying and Mapping Services (non-geophysical)	541370	10	0	0%
	Landscaping Services	561730	103	0	0%
Total			381	2	0.01%

Using the methodology outlined above, we calculate approximately .01% of ready, willing, and able firms in our local market area are DBEs.

Step Two: Base Figure Adjustment

The purpose of Step Two of the goal-setting calculation is to adjust the Step One figure to make it more precise, if necessary. To further refine the calculation, we reviewed additional sources including the statewide procurement system (eVA)'s list of SWaM businesses, and VDOT's list of DBE contractors, and we searched by commodity codes and SWaM status in the DemandStar platform – a web platform used to solicit project bids. All sources supported our Step One calculations and affirmed that there are very few if any, certified DBE firms available in our region ready, willing, and able to complete the type of work for which we have contracting opportunities.

The CSPDC has not previously been required to set a DBE goal but does utilize small, woman-owned, and minority-owned businesses for services when at all possible. However, at this time, there is no previous DBE participation data to reference for our agency.

At this time, we elect not to make adjustments to the base figure, and remain at the .01% goal for FFYs 2024-26. If, after the first year of the three-year period identified above, the CSPDC becomes aware of additional DBE firms ready, willing, and able to bid on our projects, an adjustment to the .01% goal may be made for subsequent years.

Public Notice and Consultation

On July 29, 2023, the CSPDC published our DBE goal and public notice on our website (www.cspdc.org). An electronic notification was also sent to the Greater Augusta Chamber of Commerce, and the Harrisonburg-Rockingham Chamber of Commerce. A public notice was published in local print newspapers, and their respective online news sites, in the region where the BRITE Bus system operates. These notices were published in the Staunton News Leader, and the Waynesboro News-Virginian on August 1, 2023.

This DBE Goal methodology documentation was available for review by the public at the CSPDC offices in Staunton, VA for the required 30-day period (August 1, 2023 – August 30, 2023) and written comments were accepted for the required 45-day period (August 1, 2023 – September 14, 2023). No written comments were received during this period.