



**PUBLIC NOTICE: DISADVANTAGED BUSINESS ENTERPRISE TRIENNIAL GOAL FOR FFY 2020 - FFY 2022**

The Transportation District Commission of Hampton Roads (TDCHR), the public transportation system serving the Hampton Roads metropolitan area, announces the proposed establishment of an 8% Disadvantaged Business Enterprise (DBE) utilization goal on Federal Transit Administration funded projects for Federal Fiscal Years (FFYs) 2020-2022. The 8% proposed goal was derived using Virginia Department of Small Business and Supplier Diversity's Unified Certification Program Directory, previous fiscal year achievement, US Census Bureau data, and current area business consultations.

In accordance with 49 CFR Part 26.45(g), TDCHR invites maximum public participation and solicits comments regarding the proposed goal. Further, TDCHR invites the submission of evidence and information that may support the use of mixed components of race-conscious and race-neutral measures to achieve the overall goal.

Comments on the proposed program goal will be accepted after the publication of this notice. Send all comments to the DBE Program Office, at the below address or by email to [jdove@hrtransit.org](mailto:jdove@hrtransit.org)

Transportation District Commission of Hampton Roads  
DBE Program Office  
509 E. 18<sup>th</sup> Street  
Norfolk, VA 23504  
Attn: Jennifer Dove, DBE Program Manager

It is the policy of TDCHR to initiate actions to ensure that ready, willing, and able DBEs have an equal opportunity to participate in the performance of contracts fully or partially funded by the federal government. TDCHR is committed to maximizing the utilization of DBEs in the development, renovation and restoration of TDCHR facilities. TDCHR will further ensure that all solicitations are sought and considered without restriction based on age, color, disability, national origin, race, religion or sex.

Firms that are able to supply parts, supplies, or services are encouraged to apply for DBE certification by contacting the Commonwealth of Virginia's Department of Small Business and Supplier Diversity.



**Federal Transit Administration (FTA)  
Overall Disadvantaged Business Enterprise (DBE)  
Goal Setting Methodology  
Federal Fiscal Years (FFY) 2020-2022**

August 1, 2019

Submitted in fulfillment of:  
Title 49 Code of Federal Regulations Part 26

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**DBE Overall Goal Methodology for Fiscal Federal Years 2020 through 2022**

## **I. Introduction**

Pursuant to Title 49 Code of Federal Regulations (CFR) Part 26, the Transportation District Commission of Hampton Roads (TDCHR) presents its overall Disadvantaged Business Enterprise (DBE) goal and goal methodology for federal fiscal years 2020 through 22. The purpose of the DBE goal-setting process is to level the playing field so that DBE firms can fairly compete for contracts with funding assistance from the Department of Transportation while ensuring that the program is narrowly tailored in accordance with applicable law.

## **II. Background**

The TDCHR has received U. S. Department of Transportation (USDOT), Federal Transit Administration (FTA) financial assistance. As a condition of receiving this assistance, TDCHR has signed an assurance that it will comply with 49 CFR Part 26 DBE program requirements. The previous FTA DBE goal for TDCHR was developed in 2016 for federal fiscal years 2017 through 2019 (11% DBE goal). After utilizing resources of guidance provided by the USDOT, TDCHR proposes a three-year overall goal of **8%** percent for federal fiscal years 2020 through 2022 on federally-assisted contracts. TDCHR estimates that, in meeting its overall goal of 8%, it will obtain 5% from race-conscious measures and 3% through race-neutral participation.

The overall goal is developed by a two-step method set forth within the federal regulations as defined in 49 CFR Part 26.45.

The base figure was determined by forecasting projected projects using federal funds. Over the next three years TDCHR will continue to invest in the maintenance of its facilities and vehicles, including the rehabilitation of the Hampton Administrative and Maintenance Facility, while also targeting IT security, ADA improvements, and addressing safety and security concerns. The base figure for the next three years consists generally on these capital investment projects.

## **III. FFY 2017-2019 FTA-Assisted Contracts**

The information provided in Table 1 displays the TDCHR's FTA-assisted contracts considered in preparation of the goal methodology. These contracts are anticipated to be awarded during federal fiscal years 2020-2022 and obtained through the agency's 2020-2026 Capital Improvement Plan. The project name and estimated project costs are included in this table. Professional services, construction, transit vehicle repairs, and material/supplies contracting opportunities exist during this period.

**TABLE 1: FTA ASSISTED CONTRACTS**

Project Name	Estimated Project Cost				Estimated FTA Dollar Share
	2020	2021	2022	Total	
Bus Shelter Expansion Program	\$ 302,200.00			\$ 302,200.00	\$241,760.00
Bus Stop Signage Update Real Time	\$ 229,710.00			\$ 229,710.00	\$183,768.00
Portable Oil Analysis Lab	\$ 188,000.00			\$ 188,000.00	\$150,400.00
Transit Bus Mid-Life Repower Project	\$ 705,000.00			\$ 705,000.00	\$197,400.00
Facility Vehicle with snow equipment	\$ 98,458.00			\$ 98,458.00	\$78,766.40
Upgrade the Video Recording Equipment for Buses	\$ 1,781,500.00	\$ 1,212,500.00		\$ 2,994,000.00	\$838,320.00
Light Rail Systems SGR	\$ 475,406.45			\$ 475,406.45	\$294,752.00
Light Rail Vehicle SGR	\$ 701,385.00			\$ 701,385.00	\$196,387.80
Ferry Dock Improvements	\$ 275,134.00			\$ 275,134.00	\$220,107.20
Norfolk Tide Facility Track Embedding			\$ 272,000.00	\$ 272,000.00	\$217,600.00
Norfolk Tide Facility Wall Repairs			\$ 1,032,000.00	\$ 1,032,000.00	\$825,600.00
3400 Victoria Blvd Renovation Phase 2		\$ 4,242,000.00	\$ 4,242,000.00	\$ 8,484,000.00	\$6,787,200.00
Non-Revenue Fleet Replacement-Facilities		\$ 217,000.00	\$ 30,000.00	\$ 247,000.00	\$197,600.00
Non-Revenue Fleet Replacement-Bus Maintenance		\$ 137,000.00	\$ 44,000.00	\$ 181,000.00	\$144,800.00
Upgrade the Video Recording Equipment for light Rail			\$ 115,000.00	\$ 115,000.00	\$92,000.00
Store Room Forklifts		\$ 84,000.00		\$ 84,000.00	\$67,200.00
Norfolk DEIS for High Capacity Transit Extension to NSN	\$ 1,924,781.00	\$ 1,924,781.00	\$ 481,195.00	\$ 4,330,757.00	\$3,464,605.60
ADA (Paratransit Services)	\$ 1,928,780.00	\$ 1,964,531.00	\$ 2,000,998.00	\$ 5,894,309.00	\$5,894,309.00
Capital Contracts	\$ 820,828.00	\$ 855,360.00	\$ 893,059.00	\$ 2,569,247.00	\$2,569,247.00
Preventive Maintenance	\$ 13,806,909.00	\$ 14,758,804.00	\$ 15,156,372.00	\$ 43,722,085.00	\$43,722,085.00
<b>Total FTA -Assisted Contract Funds</b>	<b>\$ 23,238,091.45</b>	<b>\$ 25,395,976.00</b>	<b>\$ 24,266,624.00</b>	<b>\$ 72,900,691.45</b>	<b>\$66,383,908.00</b>

The information provided in Table 2 displays a summary of the work categories and their respective cost breakdowns. The information for the categories of work and related North American Industry Classification System, or NAICS, codes are provided for purposes of weighting the categories of work based on staff estimates.

**TABLE 2: WORK CATEGORIES BY COST**

PROJECT	NAICS	WORK CATEGORIES	ESTIMATED FTA DOLLARS PER NAICS	Estimated % of Total FTA Dollars Per NAICS
3400 Victoria Blvd Renovation Phase 2	236220	Addition, alteration and renovation, general contractors, commercial and institutional bu	\$9,795,807.00	14.76%
Bus Shelter Expansion Program		Bus shelter construction		
Capital Contracts		Commercial building construction general contractors;		
Non-Revenue Fleet Replacement-Facilities	236220	Bus terminal construction		
Non-Revenue Fleet Replacement-Bus Maintenance	237310	Automotive fleet repair and maintenance services	\$44,064,285.00	66.38%
Preventive Maintenance		Motor repair and maintenance services, commercial or industrial		
Transit Bus Mid-Life Repower Project	237310	Construction management, highway, road, street and bridge		
Ferry Dock Improvements	237990	Dock Construction	\$514,859.20	0.78%
Light Rail Systems SGR		Light rail system construction		
Norfolk Tide Facility Wall Repairs	238130	Wall component (i.e., exterior, interior), prefabricated, installation	\$825,600.00	1.24%
Upgrade the Video Recording Equipment for Buses	238210	Photographic Equipment and Supplies Merchant Wholesalers	\$930,320.00	1.40%
Upgrade the Video Recording Equipment for Light Rail		Photographic Equipment and Supplies Merchant Wholesalers		
Light Rail Vehicle SGR	336510	Light rail cars and equipment manufacturing	\$413,987.80	0.62%
Norfolk Tide Facility Track Embedding		Light rail cars and equipment manufacturing		
Bus Stop Signage Update Real Time	339950	Signs and signboards (except paper, paperboard) manufacturing	\$183,768.00	0.28%
Facility Vehicle with snow equipment	423810	Snow plows merchant wholesalers	\$78,766.40	0.12%
ADA (Paratransit Services)	485999	Vanpool Operation; Car Pool Operation; Shuttle Services	\$5,894,309.00	8.88%
Norfolk DEIS	541330	Engineering Consulting Services	\$3,464,605.60	5.22%
Portable Oil Analysis Lab	541380	Testing laboratories	\$150,400.00	0.23%
Store Room Forklifts	811310	Forklifts manufacturing Forklift repair and maintenance services	\$67,200.00	0.10%
		<b>TOTALS</b>	<b>\$66,383,908.00</b>	<b>100.00%</b>

#### IV. Goal Setting Methodology

## Step 1: Establishing Base Figure (49 CFR Part 26.45)

Step one consists of determining the relative availability of DBEs (both prime contractors and subcontractors) to perform the types of contracts that TDCHR intends to let. The prescribed federal methodology was followed to determine the relative availability. The following points were considered when calculating the Transportation District Commission of Hampton Road's goals:

- TDCHR's local market area for contracts (state of Virginia) includes a geographic area with boundaries that were established:
  - where a substantial number of prime contractors and subcontractors are located with the availability to submit bids or quotes, and
  - where a large majority of contracting dollars are expended.

Tables 3, 4 AND 5 below provide the results of the base figure calculation. The base figure percentage is calculated by using the most refined data available for:

- Weighting the relative availability (Table 3) for each work category based on the work category weight taken from Table 2 that corresponds with the estimated percentage of total FTA dollars per NAICS;
- Dividing the number of DBE firms identified for each NAICS work category who are "ready, willing, and able" to bid for the types of work TDCHR will fund during FY 2020-2022 by the number of all firms (DBEs and non-DBEs) also "ready, willing, and able" to bid for TDCHR projects (relative availability) (Table 4);
  - The various categories of business for this analysis are based on the North American Industry Classification System (NAICS). The source of data for the number of DBE firms identified for each NAICS work category who are "ready, willing, and able" to bid is the Commonwealth of Virginia Unified Certification Program (VUCP) DBE directory. The source of data for the number of DBE and non-DBE firms identified for each NAICS work category who are "ready, willing, and able" to bid is the United States Census Bureau County Business Patterns database for the Virginia MSA.
- Determining the sum of the weighted ratio figures (Table 5).

**TABLE 3: WORK CATEGORIES BY COST and TOTAL PERCENTAGE OF DBE FUNDS**

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	236220	<i>Bus Shelter Expansion Program</i>	\$241,760.00	0.36%
2)	339950	<i>Bus Stop Signage Update Real Time</i>	\$183,768.00	0.28%
3)	541380	<i>Portable Oil Analysis Lab</i>	\$150,400.00	0.23%
4)	237310	<i>Transit Bus Mid-Life Repower Project</i>	\$197,400.00	0.30%
5)	423810	<i>Facility Vehicle with snow equipment</i>	\$78,766.40	0.12%
6)	238210	<i>Upgrade the Video Recording Equipment for Buses</i>	\$838,320.00	1.26%
7)	237990	<i>Light Rail Systems SGR</i>	\$294,752.00	0.44%
8)	336510	<i>Light Rail Vehicle SGR</i>	\$196,387.80	0.30%
9)	237990	<i>Ferry Dock Improvements</i>	\$220,107.20	0.33%
10)	336510	<i>Norfolk Tide Facility Track Embedding</i>	\$217,600.00	0.33%
11)	238210	<i>Norfolk Tide Facility Wall Repairs</i>	\$825,600.00	1.24%
12)	236220	<i>3400 Victoria Blvd Renovation Phase 2</i>	\$6,787,200.00	10.22%
13)	236220	<i>Non-Revenue Fleet Replacement-Facilities</i>	\$197,600.00	0.30%
14)	237310	<i>Non-Revenue Fleet Replacement-Bus Maintenance</i>	\$144,800.00	0.22%
15)	238210	<i>Upgrade the Video Recording Equipment for light Rail</i>	\$92,000.00	0.14%
16)	811310	<i>Store Room Forklifts</i>	\$67,200.00	0.10%
17)	541330	<i>Norfolk DEIS for High Capacity Transit Extension to NSN</i>	\$3,464,605.60	5.22%
18)	485999	<i>ADA (Paratransit Services)</i>	\$5,894,309.00	8.88%
19)	236220	<i>Capital Contracts</i>	\$2,569,247.00	3.87%
20)	237310	<i>Preventive Maintenance</i>	\$43,722,085.00	65.86%
21)				0.0000
<b>Total FTA-Assisted Contract Funds</b>			<b>\$66,383,908.00</b>	<b>1</b>

**TABLE 4: READY, WILLING and ABLE DBE FIRM AVAILABILITY**

	NAICS Code	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability	
1)	236220	<i>Bus Shelter Expansion Program</i>	93	985	0.0944	
2)	339950	<i>Bus Stop Signage Update Real Time</i>	4	119	0.0336	
3)	541380	<i>Portable Oil Analysis Lab</i>	31	142	0.2183	
4)	237310	<i>Transit Bus Mid-Life Repower Project</i>	5	2291	0.0022	
5)	423810	<i>Facility Vehicle with snow equipment</i>	9	489	0.0184	
6)	238210	<i>Upgrade the Video Recording Equipment for Buses</i>	50	1649	0.0303	
7)	237990	<i>Light Rail Systems SGR</i>	32	161	0.1988	
8)	336510	<i>Light Rail Vehicle SGR</i>	1	5	0.2000	
9)	237990	<i>Ferry Dock Improvements</i>	32	161	0.1988	
10)	336510	<i>Norfolk Tide Facility Track Embedding</i>	1	5	0.2000	
11)	238130	<i>Norfolk Tide Facility Wall Repairs</i>	21	333	0.0631	
12)	236220	<i>3400 Victoria Blvd Renovation Phase 2</i>	93	985	0.0944	
13)	236220	<i>Non-Revenue Fleet Replacement-Facilities</i>	93	985	0.0944	
14)	237310	<i>Non-Revenue Fleet Replacement-Bus Maintenance</i>	9	489	0.0184	
15)	238210	<i>Upgrade the Video Recording Equipment for light Rail</i>	50	1649	0.0303	
16)	811310	<i>Store Room Forklifts</i>	9	489	0.0184	
17)	541330	<i>Norfolk DEIS for High Capacity Transit Extension to NSN</i>	119	2226	0.0535	
18)	485999	<i>ADA</i>	6	45	0.1333	
19)	236220	<i>Capital Contracts</i>	93	985	0.0944	
20)	237310	<i>Preventive Maintenance</i>	9	489	0.0184	
21)						
<b>Combined Totals</b>			<b>760</b>	<b>14682</b>	<b>0.0518</b>	<b>Overall availability of DBEs</b>

**TABLE 5: DBE GOAL CALCULATION**

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)	236220	Bus Shelter Expansion Program	0.00364	x	0.09442	0.0003
2)	339950	Bus Stop Signage Update Real Time	0.00277	x	0.03361	0.0001
3)	541380	Portable Oil Analysis Lab	0.00227	x	0.21831	0.0005
5)	237310	Transit Bus Mid-Life Repower Project	0.00297	x	0.00218	0.0000
6)	423810	Facility Vehicle with snow equipment	0.00119	x	0.01840	0.0000
7)	238210	Upgrade the Video Recording Equipment for Buses	0.01263	x	0.03032	0.0004
8)	237990	Light Rail Systems SGR	0.00444	x	0.19876	0.0009
9)	336510	Light Rail Vehicle SGR	0.00296	x	0.20000	0.0006
12)	237990	Ferry Dock Improvements	0.00332	x	0.19876	0.0007
13)	336510	Norfolk Tide Facility Track Embedding	0.00328	x	0.20000	0.0007
14)	238210	Norfolk Tide Facility Wall Repairs	0.01244	x	0.06306	0.0008
15)	236220	3400 Victoria Blvd Renovation Phase 2	0.10224	x	0.09442	0.0097
16)	236220	Non-Revenue Fleet Replacement-Facilities	0.00298	x	0.09442	0.0003
17)	237310	Non-Revenue Fleet Replacement-Bus Maintenance	0.00218	x	0.01840	0.0000
18)	238210	Upgrade the Video Recording Equipment for light Rail	0.00139	x	0.03032	0.0000
20)	811310	Store Room Forklifts	0.00101	x	0.01840	0.0000
21)	541330	Norfolk DEIS for High Capacity Transit Extension to NSN	0.08484	x	0.05346	0.0045
22)	485999	ADA	0.06340	x	0.36070	0.0229
23)	236220	Capital Contracts	0.03790	x	0.09442	0.0250
24)	237310	Preventitive Maintenance	0.65860	x	0.01840	0.0121
35)				x		
					Total	0.0794
					Expressed as a % (*100)	7.94%
					Rounded, Weighted Base Figure:	8%

The result of the Base Figure calculation for TDCHR is 8% as shown in Table 5 above.

## Step 2: Adjusting Base Figure

In order to determine if an adjustment to the base figure is necessary, TDCHR reviewed and assessed other known information that could potentially impact the relative availability of DBEs within the market area. Information considered in adjusting the Base Figure included:

### Past DBE Goal Attainment

TDCHR's past DBE goal attainment for FY 2020-2022 is shown in Table 6 below:

FY	DBE % ACHEIVED
2017	13%
2018	8%
2019	PENDING
<b>MEDIAN VALUE</b>	<b>11%</b>

The results of the three year DBE goal attainment for FY 2017-2019 reflect a median value of eleven (11) percent, equaling the Base Figure calculation from Table 6. After the determination of the median value of eleven (11) percent, an adjustment of the Base Figure will not be made due to the difference in the nature of contracts anticipating award in fiscal years 2020 through 2022 and the lessened available of ready, willing and able DBE participation on the available contracts.

**V. Overall DBE Goal Proposal**

For TDCHR’s FTA assisted contracts for FFY 2020-2022, the final proposed overall DBE goal is 8%. As a part of the prescribed goal-setting methodology, TDCHR must determine the percentages of the proposed overall DBE goal that can be met using race-neutral and race-conscious measures with the maximum feasible amount going towards race-neutral measures.

**Calculation of Race-Neutral and Race-Conscious Split (26.51)**

The previous DBE goal established for FFY 2017-2019 was 11 percent with a race-neutral goal of 4 percent and a race-conscious goal of 7 percent. FTA program guidance indicates that the calculation to determine the race-conscious/race neutral split may be based in part on the amount that DBE goals were exceeded during the previous fiscal years.

Table 7 breaks down the past DBE goals and achievements for race-conscious and race-neutral splits during the previous triennial goal period of FFY 2017-2019. This information provides the foundation for calculating the race-neutral goal for FFY 2020-2022.

**TABLE 6: DBE GOALS AND ACHEIVEMENTS**

<b>YEAR</b>	<b>FY17</b>	<b>FY18</b>
<b>GOAL</b>	11%	11%
(RC/RN)*	(7/4)	(7/4)
<b>ACHIEVEMENT</b>	13%	8%
(RN)	8%	2%
<b>DIFFERENCE</b>	+3	-3
RC=Race Conscious, RN=Race Neutral		

Additionally, FTA guidance suggests that the calculation of the extent that each goal was, or could have been, achieved by race-neutral means can be determined by adding the race –neutral goal in a year and the amount by which the total goal was exceeded. The sum is then divided by the total achievement in each year, resulting in the percentage of total achievement that was, or could have been, achieved by race neutral means.

Table 8 provides the results in the first step of determining the DBE race-neutral participation split for FFY 2020-2022. The RN, Difference (+/-), and Achievement data were obtained from Table 7 above. The process of the first step is to add the race-neutral participation to the difference of the



overall goal and actual achievement (Difference (+/-) column) and, afterwards, divide this total by the achievement percentage. The results will reflect the past DBE race-neutral participation for the related fiscal year. Repeat this process for the remaining fiscal years to and use the calculated data to determine the median past DBE race-neutral participation.

**TABLE 8: CALCULATION TO FIND MEDIAN FOR PAST DBE RACE NEUTRALL PARTICIPATION**

FY	RN	DIFFERENCE (+/-)	RN + DIFFERENCE (+/-)	ACHIEVEMENT	RN + DIFFERENCE (+/-)/ACHIEVEMENT
2017	8%	+3%	11%	13%	84.6%
2018	2%	-3%	-1%	8%	-12.5%

The median of 84.6% and -12.5% is 36.1%. Step two in the process of determining the DBE race-neutral split for FFY 2020-2023 is multiplying the median from step one, 36.1%, to the current established overall DBE goal, 8%.

$$0.361 \times 0.08 = 0.29, \text{ or } 3\%$$

As a result of completing the calculation for race-neutral participation, the proposed overall goal of 8% will consist of a race-neutral/race-conscious split of 3% and 5% respectively. The race-conscious split is based on a calculation of 8% (proposed overall goal) minus 3% (race-neutral split).

**VI. Public Notice and Meaningful Consultation**

The Transportation District Commission of Hampton Roads has determined that the proposed overall Disadvantaged Business Enterprises goal for federal fiscal years 2020 through 2022 will be 8% percent. The goal is based upon the availability of ready, willing, and able DBEs and non-DBE businesses in the Virginia Beach MSAs and our service area.

Meaningful consultation is being performed, including the opportunity for a meeting with face-to-face interaction and reaching out to all applicable community organizations, minority, women’s, and general contractor groups, and other officials or organizations in the local area for comments that could impact the established DBE goal.

The following entities have been solicited to provide feedback on the proposed DBE goal:

- Virginia Department of Small Business and Supplier Diversity*
- Hampton Roads Chamber of Commerce*
- Virginia Peninsula Chamber of Commerce*
- Hispanic Chamber of Commerce of Coastal Virginia*
- Black BRAND: Hampton Roads’ Regional Black Chamber of Commerce*
- Hampton Roads Transportation Planning Organization*
- Norfolk State University Department of Business Administration*
- Tidewater Community College Women’s Center*

In conclusion, as a result of the information provided during the goal methodology process, the Transportation District Commission of Hampton Roads (TDCHR) proposes an overall

Disadvantaged Business Enterprise (DBE) goal of 8% for federal fiscal years 2020 through 2022 with an achievement goal based on 3% race-neutral and 5% race-conscious measures.

## **VII. Proof of Public Notice**

The proposed DBE goal was posted on the agency's website on August 1, 2019 and will remain throughout the three-year triennial goal cycle. An attachment to this report will provide the proof of public notice that reflects the agency goal having been posted on DBE Program website of Hampton Roads Transit.