

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 <a href="mailto:idove@hrtransit.org">idove@hrtransit.org</a>.

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

## 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 2022. 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 FTA, 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 reviewing Hampton Roads Transit's (HRT) Capital Improvement Plan for 2020 to 2026. This plan forecasts upcoming projects funded by federal dollars. Over the next three years TDCHR will continue to invest in the maintenance of its facilities and vehicles, including the renovation of the Victoria Blvd. location, while also targeting surveillance system upgrades, new bus shelter construction and issuing a new paratransit contract. The base figure for the next three years consists generally on these capital investment projects.

# III. FFY 2020-2022 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.

**TABLE 1: FTA ASSISTED CONTRACTS** 

Project Name		Estimated Project Cost						E C	
		2020		2021		2022		Total	Estimated FTA Dollar Share
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
Preventitive Maintenance	\$	13,806,909.00	\$	14,758,804.00	\$	15,156,372.00	\$	43,722,085.00	\$43,722,085.00
Total FTA -Assisted Contract Funds	S	23,238,091.45	\$	25,395,976.00	\$	24,266,624.00	\$	72,900,691.45	\$66,383,908.00

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.

Attachment 2 provides a summary of potential DBE opportunities that may be available for each scope of work over the next three fiscal years. These opportunities were compiled from information given by the project managers and past history of DBE opportunities at HRT.

**TABLE 2: COST BREAKDOWN BY WORK CATEGORY** 

	NAICS Code		Amount of DOT funds on	% of totalDOT funds
		Project	project:	(weight)
1)	236220	Commerical and Instutional Construction (Bus Shelter Expansion Program, Victoria Blvd. Renovation Phase 2, Capital Contracts, Norfolk Tide Facility Wall Repairs)	\$10,124,439.83	15.25%
2)	811111	Fleet Repair and Maintenance Services (Non-Revenue Fleet Replacement- Bus Maintenance, Facilities, Preventative Maintenance, Transit Bus Mid- Life Repower Project)	\$44,261,885.00	66.68%
3)	237990	Light Rail System Construction (Light Rail System SGR, Ferry Dock Improvements, Norfolk Tide Track Facility)	\$732,459.20	1.10%
4)	811310	Industrial Truck (e.g.' forklifts) repair and maintenance services (Store Room Forklifts)	\$67,200.00	0.10%
5)	339950	Sign Manufacturing (Bus Stop Signage Update Real Time)	\$183,768.00	0.28%
6)	334513	Gas and Liquid Analysis Instruments, Industrial Process Type (Portable Oil Analysis)	\$150,400.00	0.23%
7)	238210	Surveillance system, installation (Upgrade the Video Recording System for Buses, Upgrade the Video Recording System for Light Rail)	\$930,320.00	1.40%
8)	333120	Snow plow attachments (except lawn, garden-type) manufacturing	\$78,766.40	0.12%
9)	485991	Paratransit transportation services (ADAParatransit Services)	\$4,126,016.30	6.22%
10)	561422	Customer service call centers (ADAParatransit Services)	\$1,768,292.70	2.66%
11)	336510	Light rail cars and equipment manufacturing (Light Rail Vehicle SGR)	\$196,387.80	0.30%
12)	541320	City Planning Services, Land Use Planning Services and Urban Planning Services (Norfolk DEIS High Capacity Transit Extension to Naval Station Norfolk)	\$3,464,605.60	5.22%
13)	562111	Hauling (Bus Shelter Expansion Program, Victoria Blvd. Renovation Phase 2, Capital Contracts, Norfolk Tide Facility Wall Repairs)	\$299,367.18	0.45%
14)				0.00%
	Total FTA-Ass	isted Contract Funds	\$66,383,908.00	1

#### 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
  - o where a large majority of contracting dollars are expended.

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

- Weighing the relative availability (listed in Table 2) for each work category 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 3);

- 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 4).

TABLE 3: READY, WILLING and ABLE DBE FIRM AVAILABILITY

	NAICS Code	Project	Number of DBEs available	Number of all firms	Relative	
	THIEF COME	Troject	to perform this work	available (including	Availability	
			to perioriir tiiis worii	DBEs)	11 (dildibility	
	236220	Commerical and Instutional Construction (Bus Shelter Expansion Program,	212	985	0.2152	
		Victoria Blvd. Renovation Phase 2, Capital Contracts, Norfolk Tide Facility				
1)		Wall Repairs)				
	811111	Fleet Repair and Maintenance Services (Non-Revenue Fleet Replacement-	6	2230	0.0027	
		Bus Maintenance, Facilities, Preventative Maintenance, Transit Bus Mid-				
2)		Life Repower Project)				
•	237990	Light Rail System Construction (Light Rail System SGR, Ferry Dock	81	161	0.5031	
3)	011210	Improvements, Norfolk Tide Track Facility)		402	0.0200	
	811310	Industrial Truck (e.g.' forklifts) repair and maintenance services (Store	14	482	0.0290	
4)		Room Forklifts)				
5)	339950	Sign Manufacturing (Bus Stop Signage Update Real Time)	4	119	0.0336	
	334513	Gas and Liquid Analysis Instruments, Industrial Process Type (Portable Oil	1	21	0.0476	
6)		Analysis)				
	238210	Surveillance system, installation (Upgrade the Video Recording System for	119	1649	0.0722	
7)		Buses, Upgrade the Video Recording System for Light Rail)				
_	333120	Snow plow attachments (except lawn, garden-type) manufacturing	1	652	0.0015	
_	485991	Paratransit transportation services (ADAParatransit Services)	6	93	0.0645	
_	561422	Customer service call centers (ADAParatransit Services)	22	62	0.3548	
11)	336510	Light rail cars and equipment manufacturing ( Light Rail Vehicle SGR)	5	152	0.0329	
	541320	City Planning Services, Land Use Planning Services and Urban Planning	44	99	0.4444	
		Services (Norfolk DEIS High Capacity Transit Extension to Naval Station				
12)		Norfolk)	21	221	0.1402	
13)	562111	Hauling (Bus Shelter Expansion Program, Victoria Blvd. Renovation Phase	31	221	0.1403	
14)		2, Capital Contracts, Norfolk Tide Facility Wall Repairs)				
14)					0.0788	Overall
		Combined Totals	546	(02(	0.0788	
		Combined Totals	546	6926		availability of
	1				l	<b>DBEs</b>

**TABLE 4: SUM OF THE WEIGHTED RATIO FIGURES** 

	NAICS Code					Weighted Base
		Project	Weight	X	Availability	Figure
	236220	Commerical and Instutional Construction (Bus Shelter Expansion Program,				
		Victoria Blvd. Renovation Phase 2, Capital Contracts, Norfolk Tide Facility				
1)		Wall Repairs)	0.15251	X	0.21523	0.0328
	811111	Fleet Repair and Maintenance Services (Non-Revenue Fleet Replacement-				
2)		Bus Maintenance, Facilities, Preventative Maintenance, Transit Bus Mid-	0.66676		0.00260	0.0010
2)		Life Repower Project)	0.66676	X	0.00269	0.0018
	237990	Light Rail System Construction (Light Rail System SGR, Ferry Dock	0.01102		0.50211	0.0056
3)	011010	Improvements, Norfolk Tide Track Facility)	0.01103	X	0.50311	0.0056
	811310	Industrial Truck (e.g.' forklifts) repair and maintenance services (Store	0.00101		0.02905	0.0000
4)	2200.50	Room Forklifts)		X		0.000
	339950	Sign Manufacturing (Bus Stop Signage Update Real Time)	0.00277	X	0.03361	0.0001
	334513	Gas and Liquid Analysis Instruments, Industrial Process Type (Portable Oil	0.00227		0.04760	0.0001
6)	220210	Analysis)	0.00227	X	0.04762	0.0001
7	238210	Surveillance system, installation (Upgrade the Video Recording System for	0.01401	_	0.07216	0.0010
7)	_	Buses, Upgrade the Video Recording System for Light Rail)		X		
_	333120	Snow plow attachments (except lawn, garden-type) manufacturing	0.00119	X	0.00153	0.0000
		Paratransit transportation services (ADAParatransit Services)	0.06215	X	0.06452	0.0040
_		Customer service call centers (ADAParatransit Services)	0.02664	X	0.35484	0.0095
	336510	Light rail cars and equipment manufacturing ( Light Rail Vehicle SGR)	0.00296	X	0.03289	0.0001
	541320	City Planning Services, Land Use Planning Services and Urban Planning				
		Services (Norfolk DEIS High Capacity Transit Extension to Naval Station				
12)		Norfolk)	0.05219	X	0.44444	0.0232
	562111	Hauling (Bus Shelter Expansion Program, Victoria Blvd. Renovation Phase				
13)		2, Capital Contracts, Norfolk Tide Facility Wall Repairs)	0.00451	X	0.14027	0.0006
14)				X		
					Total	0.0788
					Expressed	
					as a %	
					(*100)	7.88%
					Rounded.	
					Weighted	
					Base	
						00/
					Figure:	8%

The result of the Base Figure calculation for TDCHR is 8% as shown in Table 4 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 2017-2019 is shown in Table 6 below:

**TABLE 6: DBE GOAL ATTAINMENT** 

FY	DBE % ACHEIVED
2017	13%
2018	8%
2019	11%
MEDIAN VALUE	11%

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.

The Race Neutral/Race Conscious split was calculated by utilizing the formula given in guidance by the FTA. Actual DBE attainment from previously submitted DBE semi-annual reports from the last triennial reporting period (2017 to 2019) was used to calculate the split.

#### 1. RELATIVE RACE NEUTRAL (RN) ATTAINMENT

#### 2. ABSOLUTE RN ATTAINMENT

#### 3. RACE CONSCIOUS SPLIT

Based on the calculations above, the Race Neutral/Race Conscious Split will be **5% for Race Conscious** participation and **3% for Race Neutral Participation**.

#### VI. Public Notice and Meaningful Consultation

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.

In order to comply with 49 CFR Part 26.45 requirements for meaningful consultation and public notification, Hampton Roads Transit has developed and will implement the following consultative process moving forward:

Meaningful consultation will be performed during a thirty-day period following the goal published being in public platforms. The consultations will include the opportunity for meetings and discussions with minority, women's and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and HRT's efforts to establish a level playing field for the participation of DBEs.

The meaningful consultation will also include a scheduled, direct, interactive exchange (e.g., a face-to-face meeting, video conference, teleconference) with as many interested stakeholders as possible focused on obtaining information relevant to the goal setting process, and it will occur before the goal methodology is submitted. Further detail on the process is explained below.

- Once the goal has been determined, it will be posted for a period of thirty days for the public to review and comment. The goal will be posted;
  - In hard copy form at all major HRT facilities to include the transfer stations, ticketing stations and HRT administrative and operations offices,
  - Electronically on the HRT website (gohrt.com),
  - Sent electronically to Stakeholders in HRT's community. Stakeholders include but are not limited to representatives of DBEs, transit industry professionals, and other stakeholders such as:
    - Disadvantaged Business Enterprises (DBEs) within HRT's service area,
    - Contractors and vendors that have worked with or will potentially work with DBEs
    - DBE certifying Agencies such as the Virginia Department of Small Business and Supplier Diversity
    - General Contractor Groups
    - Local Chambers of Commerce that represent conglomerates throughout HRT's service area (including minority focused chambers)
    - Organizations that support the transportation industry such as the Conference of Minority Transportation Officials, American Public Transportation Association, Women in Transportation, etc.
    - Organizations that represent a cross section of the transportation industry within HRT's service area such as the Virginia Department of Transportation, Norfolk Southern, the Port of Virginia, etc
  - The thirty-day period will culminate with an event lead by HRT's DBE Program Coordinator where stakeholders will be invited to a public session to participate in a presentation and discussion of the goal, including a brief overview of the methodology.

• The results of the event will be documented and included in the triennial goal report submitted to the FTA Civil Rights Officer.

#### 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.

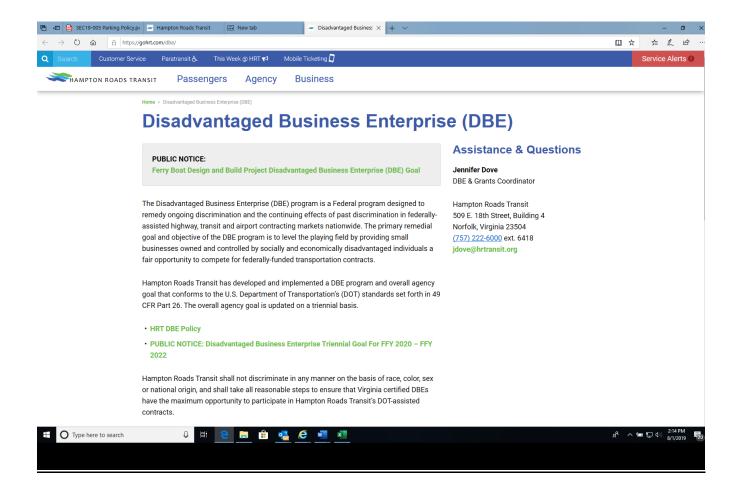
## **Data Sources**

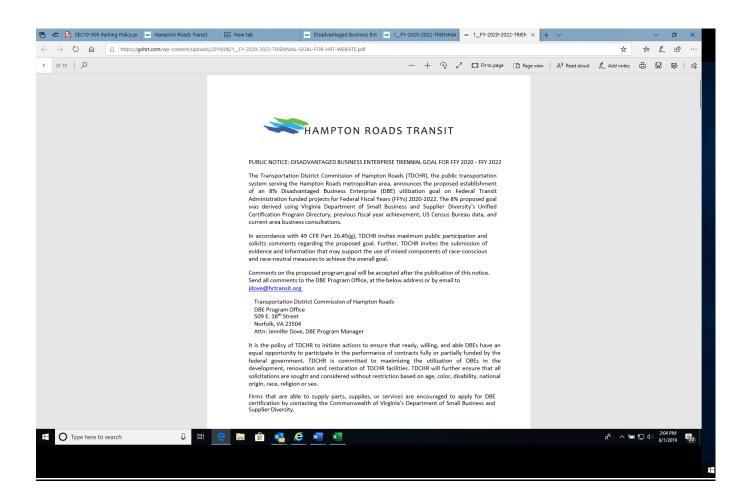
Data was obtained from the following sources to complete this report:

- Hampton Roads Transit Capital Improvement Plan 2020-2026
- Hampton Roads Transit Goal Setting Methodology for Federal Fiscal Years (FFY) 2017-2019
- Hampton Roads Transit Semiannual Reports for FY 2017 (June and December), FY 2018 (June and December) and FY 2019 (June and December).
- US Census NAICS Search <a href="https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=532420&search=2017%20NAICS%20Search">https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=532420&search=2017%20NAICS%20Search</a>
- The Virginia Department of Small Business and Supplier Diversity Virginia Unified Certification Program (VUCP) DBE directory https://directory.sbsd.virginia.gov/#/

10

#### **ATTACHMENT 1: PROOF OF PUBLIC NOTICE**





# **ATTACHMENT 2: PROOF OF PUBLIC NOTICE**

Contract	Possible DBE Opportunities
Bus Shelter Expansion Program	Bus shelter construction
·	<ul> <li>Handyman construction service,</li> </ul>
	commercial and institutional building
	Hauling
Victoria Blvd. Renovation Phase 2	Addition, alteration and renovation,
	commercial and institutional building
	<ul> <li>Handyman construction service,</li> </ul>
	commercial and institutional building
	Hauling
Capital Contracts	Addition, alteration and renovation,
·	commercial and institutional building
	Handyman construction service,
	commercial and institutional building
	Hauling
Norfolk Tide Facility Wall Repairs	Addition, alteration and renovation,
	commercial and institutional building
	<ul> <li>Handyman construction service,</li> </ul>
	commercial and institutional building
Non-Revenue Fleet Replacement-Bus	<ul> <li>Automotive fleet repair and</li> </ul>
Maintenance	maintenance services
Preventative Maintenance	Automotive fleet repair and
	maintenance services
Transit Bus Mid-Life Repower Project	Automotive fleet repair and
	maintenance services
Light Rail System SGR	Light rail equipment manufacturing
Ferry Dock Improvements	Dock construction
Norfolk Tide Track Facility Track Embedding	Light rail system construction
Storeroom Forklifts	Provide Forklifts for purchase
Bus Stop Signage Update Real Time	Create and Produce Necessary Signage
Portable Oil Analysis	Oil analysis services and equipment
Upgrade the Video Recording System for	Surveillance System Installation
Buses	
Upgrade the Video Recording System for	Surveillance System Installation
Light Rail	
Facility Vehicle with Snow Equipment	Provide and Install Snow Plow
D	Attachments
Paratransit transportation services (ADA	Transportation Services
Paratransit Services)	Auto Detail Services
	Autobody Repair Services
Customer service call centers (ADA	Call center Services
Paratransit Services)	
Light Rail Vehicle SGR	Provide Light Rail Equipment
Norfolk DEIS High Capacity Transit Extension	Urban and Transportation Services
to Naval Station Norfolk	