



GREATER NEW HAVEN TRANSIT DISTRICT
DISADVANTAGED BUSINESS ENTERPRISE PROGRAM
GOALS/METHODOLOGY
FISCAL YEARS 2022 – 2024
Revised: July 23, 2021

BACKGROUND

Pursuant to 49 Code of Federal Regulations Part 26 (49 CFR 26), the US Department of Transportation requires that recipients of federal funding assistance of at least \$250,000.00 establish a Disadvantaged Business Enterprise (DBE) Program. The Greater New Haven Transit District (District), as a recipient of USDOT funding, intends to comply with this requirement to develop an overall goal for its FTA-assisted projects.

PROPOSED GOAL FOR 2022 through 2024

The District has established an overall goal of DBE participation for FY 2022-2024 on U.S. Department of Transportation (USDOT) Federal Transit Administration assisted contracts. The projects that the District expects to receive USDOT funding and that have a DBE contracting opportunity during the next three fiscal years account for approximately \$817,000 (total federal and local funds) of which \$12,255 is projected for DBE participation, for an annual goal of 1.5%.

METHODOLOGY STEP 1 BASE FIGURE DETERMINATION

The base figure is intended to be a measurement of the current percentage of businesses that are DBEs. In order to ensure that this figure is based on demonstrable evidence of the relevant market conditions, the number of DBEs that are ready, willing and able to compete for federally-assisted projects have been identified and divided by all firms that are also considered ready, willing, and able to bid for the types of work contemplated to be funded this year. This calculation is based upon the type of work that the District will undertake over the next three fiscal years.

THE NORMAL MARKET AREA

A Normal Market Area is based on two factors: where the majority of all firms (DBE contractors/subcontractors and the non-DBE contractors/subcontractors) are located with whom the District does business, and where the majority of the contracting dollars are spent by the District on FTA-assisted projects.

For purposes of this methodology, the State of Connecticut is the location of the majority of firms with which the District does business, and where the majority of contracting dollars are spent.

In terms of current certification in the State's DBE Directory, DBE firm certification is achieved under the State of Connecticut Department of Transportation (CTDOT) Unified Certification Program. The firms certified in the CTDOT directory are a representation of actual availability of DBE and DBE-eligible firms in the normal market area.

DISTRICT'S FISCAL YEAR 2022, 2023 AND 2024 PROJECTS

The District identified the FTA-assisted contracts for Fiscal Year 2022-2024. They are as follows:

PROJECT DESCRIPTION/CONTRACTING OPPORTUNITIES:

ROLLING STOCK

Paratransit Vehicle Purchase (not included in Base Figure)

FACILITY RENOVATIONS

Roof Repairs

HVAC System Upgrades

SHOP EQUIPMENT

Purchase industrial machinery and equipment

COMPUTER SOFTWARE

Design services, software, hardware, installation

COMPUTER HARDWARE

Purchase computers and peripheral equipment

ADMINISTRATION and OFFICE SUPPORT EQUIPMENT

Education, Legal Services, Auditing Services, Furniture, Copiers, etc.

Please see Attachments for additional project description information.

STEP ONE: BASE FIGURE

The Base Figure is an estimation of the relative availability of DBE contractors for the type of work anticipated over the next three years. This is calculated through the following process:

1. Identify the North American industry Classification System (NAICS) codes for each type of work the District anticipates it will undertake with FTA funds in the next three fiscal years.
2. Identify the total number of firms available in the base market are (the State of Connecticut) for each NAICS code. This information was obtained from the 2012 Economic Census (the most recent year available).
3. Identify the number of DBE contractors and subcontractors ready, willing, and able to do business by each NAICS code number identified in task 1 above. This information is obtained from the CTDOT UCP website.
4. Estimate the relative availability of DBE contractors for each type of work by totaling the number of DBE firms available for each project type and dividing by the total number of firms available for each project type.
5. Determine the relative weight of each type of work, based upon expenditure per type of work divided by total FTA expenditures expected in the next three years.
6. Multiply the relative weight by the relative availability for each project type, sum the results, to get the base figure.

Attachments present the results of the above process. The resulting base figure is .98%.

STEP TWO: ADJUSTMENTS

In this step, a review of various types of available information about contracting activity was undertaken to determine whether an up or down adjustment from the Base Figure was needed.

1. Consider the District's historic utilization of DBEs. The median value for DBE participation for Fiscal Years 2019, 2020, and projected 2021 is 1.5%. USDOT guidance suggests that the historic median be averaged with the base figure (1.44%) to adjust the goal.

However, it is clear that the primary reason for such high attainment is attributed to the District's contracting with one DBE firm, which is a prime contractor at 100% participation. It should be noted that this IT firm worked on many projects during FY2015-2016 to update our infrastructure framework, coordinate phone system and radio system integration, lead security system upgrades at our facility and in the vehicles and many other projects identified in an IT Gap Analysis. This amount of IT work has leveled off.

A more appropriate attainment pattern for GNHTD would be approximately 1.5%, as the contracting opportunities in the upcoming three years differ greatly from the previous three years.

2. Consider evidence of past discrimination. There are no disparity studies available for the State of Connecticut documenting past discrimination which could be used for this adjustment. Additionally, GNHTD has had a high level of success in awarding contracting opportunities to DBE firms.

This results in an adjusted DBE Goal of 1.5% or \$12,255 for fiscal years 2022 through 2024.

CALCULATING RACE/GENDER NEUTRAL SPLIT

In determining the level of potential race-neutral participation, the District reviewed past performance against the DBE goal and looked at historic levels of race/gender neutral participation (see table below)

	DBE GOAL	DBE PARTICIPATION	DIFFERENCE	RACE NEUTRAL
FY2018	6.75%	1.72%	(5.03%)	1.72%
FY 2019	6.75%	1.62%	(5.13%)	1.62%
FY 2020	6.75%	1.00%	(5.75%)	1.00%

The Average for the variation between goals and actual performance is (5.3%)

The Average value of the historic level of race neutral performance is 1.45%

Taking the average of these two figures, gives a result of 1.93%.

We have invested in new vehicles, facility improvements, IT hardware and software updates, office furniture, yard equipment, communications (phones and radio system) and other support equipment. We strategically undertook an aggressive investment in updating our assets and there are no major asset investment projects in the foreseeable future at our current location

For these reasons, we believe the FFY2022-2024 calculated DBE goal of 1.5% will be met via wholly race neutral measures.

There will also be DBE/SBE participation during the period across several NAICS codes as related to administrative and operating activities, that are funded by non-federal means. However, this evidences the District's continuing commitment to offer business opportunities to small and disadvantaged businesses.

It is understood that the determination of the three-year DBE goal is a projection based on the most recent information available. It will be necessary to monitor actual DBE participation during each fiscal year to determine if any mid-year corrections are needed regarding the derived calculations of race neutral/race conscious goals.

It is further understood that, if progress is not being made to where the projected goal will be exceeded, then an adjustment to increase the race conscious efforts would be implemented.

The District will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The District will use the following race-neutral means to increase DBE participation:

- Arrange solicitations, give date and times for the presentation of bids, quantities, specification, and delivery schedules in ways that facilitate DBE, and other small businesses, participation;
- Provide technical assistance and other services upon request;
- Conduct informational and communication workshops on contracting procedures, attend pre-bid and pre-construction meetings on specific contract opportunities (e.g., ensuring the inclusion of DBEs and other small businesses on mailing lists for bidders); ensuring the dissemination of information, such as providing a list of subcontractors to bidders on prime contracts;
- Distribute the CTDOT DBE directory information, to the widest feasible potential prime contractors.

The District will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation. The District 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 a DBE 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

CONSULTATION

GNHTD staff attended a DBE "Boot Camp" with the Minority Construction Council at Gateway Community College in New Haven, CT on June 22, 2018. Our team was also present at the CT Business Matchmaker event on October 2, 2020 at the University of Hartford and November 11, 2020 at Gateway Community College.

At each event, the District summarized upcoming contracting opportunities and expected value of contracting opportunities over the next three years. The District representatives fielded inquiries from attendees regarding these upcoming contracting opportunities.

Questions received were centered around the timeline for the new facility, where we post our solicitations, contact information and federal contracting opportunities (capital) versus operating.

ADVERTISING AND COMMENT PERIOD

The District's original DBE goal and methodology was posted on the District's website, www.gnhtd.org, beginning August 1, 2021.

The District's original DBE goal and methodology was also posted on the New Haven Register's website in August 2, 2021.

A copy of the notice is attached to this document for reference and indicates that the goal methodology will be available for 30 days and comments may be submitted within 45 days. Addresses for the District and FTA Region I are also included in the notice. No comments were received during the comment period.



Mario Marrero
Executive Director



Date

**PUBLIC NOTICE
DISADVANTAGED BUSINESS ENTERPRISE
FY 2022 through 2024 GOALS**

It is the policy of Greater New Haven Transit District to provide Disadvantaged Business Enterprises the maximum opportunity to participate in the performance of contracts financed in whole or part with federal funds.

In accordance with the requirements of Title 49 CFR 26.45, Greater New Haven Transit District is publishing its DBE participation goal for Fiscal Years 2022 – 2024 of 1.50%. The District's proposed goal and its rationale are available for inspection at the District's office from 9:00 a.m. to 5:00 p.m. Monday through Friday for 30 days following the date of this notice.

This information is also available on our website: <http://www.gnhtd.org/dbe>

The U.S. Department of Transportation and the District will accept comments on the goal for 45 days from the date of this notice. Comments may be addressed to:

Federal Transit Administration
Civil Rights Officer, Region I
55 Broadway
Cambridge, MA 02142

Greater New Haven Transit District
Executive Director
840 Sherman Avenue
Hamden, CT 06514

Any firm wishing to obtain further information about the DBE program should contact Christine Hey at chey@gnhtd.org or 203-281-2505.

GNHTD DBE PROGRAM FY 2022-2024
Step 1: Base Figure (1)
Identify NAICS Codes for each type of work

NAICS	DESCRIPTION	FY 2022	FY2023	FY2024	Total
	ROLLING STOCK (Do Not Include)	1,800,000	1,800,000	1,800,000	5,400,000
236220	Construction Management Oversight Contractors	138,000	-	-	138,000
238160	Roofing Contractors	150,000	-	-	150,000
238220	Plumbing HVAC Contractors	2,000	2,000	2,000	6,000
238330	Flooring Contractors	25,000	2,000	2,000	29,000
423430	Computer and Peripheral Equipment Merchants	50,000	50,000	75,000	175,000
423720	Plumbing and Heating equipment wholesalers	2,000	2,000	2,000	6,000
423730	AC and Heating equipment wholesalers	4,000	4,000	4,000	12,000
423830	Shop Equipment	4,000	4,000	4,000	12,000
444210	Tools for Facility Maintenance	45,000	3,000	3,000	51,000
485999	All Other Transit and Ground Transportation	10,000	10,000	10,000	30,000
541110	Offices of Lawyers	5,000	5,000	5,000	15,000
541211	Officers of Certified Public Accountants	25,000	25,000	25,000	75,000
541511	Custom Computer Programming Services	17,000	17,000	-	34,000
541519	Other Computer Related Services	15,000	15,000	15,000	45,000
611430	FTA Grant Required Education	12,000	15,000	12,000	39,000

Net of Rolling Stock

504,000	154,000	159,000	817,000
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GNHTD DBE PROGRAM FY 2022-2024

Step 1. Base Figure (2)

Identify total number of firms available and total number of DBE firms available

NAICS CODE	DESCRIPTION	Number of DBEs Available to Perform this Work	Number of All Firms Available (including DBEs)	Relative Availability
236220	Construction Management Oversight Contractors	3	306	0.0098
238160	Roofing Contractors	4	157	0.0255
238220	Plumbing HVAC Contractors	6	1278	0.0047
238330	Flooring Contractors	4	161	0.0248
423430	Computer and Peripheral Equipment Merchants	3	102	0.0294
423720	Plumbing and Heating equipment Wholesalers	0	79	-
423730	AC and Heating equipment wholesalers	0	61	-
423830	Shop Equipment	0	6	-
444210	Tools for Facility Maintenance	0	62	-
485999	All Other Transit and Ground Transportation	0	13	-
541110	Offices of Lawyers	1	2186	0.0005
541211	Officers of Certified Public Accountants	0	717	-
541511	Custom Computer Programming Services	3	573	0.0052
541519	Other Computer Related Services	0	69	-
611430	FTA Grant Required Education	3	104	0.0288
Net of Rolling Stock		27	5874	0.1288

GNHTD DBE PROGRAM FY 2022-2024
Step 1. Base Figure (3)
 Determine the relative weight of each type of work

NAICS CODE	DESCRIPTION	Amount of				% of total DOT funds (weight)
		FY 2019	FY2020	FY2021	FTA Funds	
236220	Construction Management Oversight Contractors	\$138,000	\$0	\$0	\$138,000	0.1689
238160	Roofing Contractors	\$150,000	\$0	\$0	\$150,000	0.1836
238220	Plumbing HVAC Contractors	\$2,000	\$2,000	\$2,000	\$6,000	0.0073
238330	Flooring Contractors	\$25,000	\$2,000	\$2,000	\$29,000	0.0355
423430	Computer and Peripheral Equipment Merchants	\$50,000	\$50,000	\$75,000	\$175,000	0.2142
423720	Plumbing and Heating equipment wholesalers	\$2,000	\$2,000	\$2,000	\$6,000	0.0073
423730	AC and Heating equipment wholesalers	\$4,000	\$4,000	\$4,000	\$12,000	0.0147
423830	Shop Equipment	\$4,000	\$4,000	\$4,000	\$12,000	0.0147
444210	Tools for Facility Maintenance	\$45,000	\$3,000	\$3,000	\$51,000	0.0624
485999	All Other Transit and Ground Transportation	\$10,000	\$10,000	\$10,000	\$30,000	0.0367
541110	Offices of Lawyers	\$5,000	\$5,000	\$5,000	\$15,000	0.0184
541211	Officers of Certified Public Accountants	\$25,000	\$25,000	\$25,000	\$75,000	0.0918
541511	Custom Computer Programming Services	\$17,000	\$17,000	\$0	\$34,000	0.0416
541519	Other Computer Related Services	\$15,000	\$15,000	\$15,000	\$45,000	0.0551
611430	FTA Grant Required Education	\$12,000	\$15,000	\$12,000	\$39,000	0.0477
Totals		\$504,000	\$154,000	\$159,000	\$817,000	1.00

GNHTD DB GNHTD DBE PROGRAM FY 2022-2024
 Step 1: Base Figure (4)
 Multiply relative weight by relative availability to obtain Base Figure

NAICS	DESCRIPTION	FY			Amount of FTA Funds	Weight	Availability	Weighted Base Figure	
		2019	2020	2021					
236220	Construction Management Oversight Contractors	138,000	-	-	138,000	0.1689	x	0.0017	
238160	Roofing Contractors	150,000	-	-	150,000	0.1836	x	0.0047	
238220	Plumbing HVAC Contractors	2,000	2,000	2,000	6,000	0.0073	x	0.0047	
238330	Flooring Contractors	25,000	2,000	2,000	29,000	0.0355	x	0.00248	
423430	Computer and Peripheral Equipment Merchants	50,000	50,000	75,000	175,000	0.2142	x	0.0294	
423720	Plumbing and Heating equipment wholesalers	2,000	2,000	2,000	6,000	0.0073	x	0.0000	
423730	AC and Heating equipment wholesalers	4,000	4,000	4,000	12,000	0.0147	x	0.0000	
423830	Shop Equipment	4,000	4,000	4,000	12,000	0.0147	x	0.0000	
444210	Tools for Facility Maintenance	45,000	3,000	3,000	51,000	0.0624	x	0.0000	
485999	All Other Transit and Ground Transportation	10,000	10,000	10,000	30,000	0.0367	x	0.0000	
541110	Offices of Lawyers	5,000	5,000	5,000	15,000	0.0184	x	0.0005	
541211	Offices of Certified Public Accountants	25,000	25,000	25,000	75,000	0.0918	x	0.0000	
541511	Custom Computer Programming Services	17,000	17,000	-	34,000	0.0416	x	0.0052	
541519	Other Computer Related Services	15,000	15,000	15,000	45,000	0.0551	x	0.0000	
611430	FTA Grant Required Education	12,000	15,000	12,000	39,000	0.0477	x	0.0288	
Totals		504,000	154,000	159,000	817,000	1.0000		0.1288	0.0152

Expressed as a %(*10)

1.5%