

Town of Huntington
 OVERALL DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL
 FEDERAL FISCAL YEARS 2017-2019

Summary

In keeping with the requirements of 49 C.F.R. Part 26 (Participation by Disadvantaged Business Enterprises in U.S. Department of Transportation (DOT) Programs), an overall Disadvantaged Business Enterprise (DBE) goal has been developed for DBE participation in DOT-assisted contracting by the Town of Huntington during Federal Fiscal Year 2017 through Federal Fiscal Year 2019. The Town of Huntington receives funding from the Federal Transit Administration (FTA) of U.S. Department of Transportation. The Town of Huntington's FTA overall DBE goal for FFY 2017-2019 is 3% of the federal financial assistance it anticipates expending in FTA-assisted contracts, exclusive of FTA funds to be used for the purchase of rolling stock.

This goal identifies the relative availability of DBEs based on evidence of ready, willing, and able DBEs in relationship to all comparable businesses that are known to be available to compete in the Town of Huntington's FTA-assisted contracts. The overall DBE goal reflects the Town of Huntington's determination of the level of DBE participation that would be expected absent the effects of discrimination.

Overall DBE Goal Methodology

FTA-assisted contracting for Federal Fiscal Years 2017-2019 is expected to consist of nine projects comprising activities that are classified by twelve NAICS codes, exclusive of contracts for purchase of rolling stock, which are not subject to this goal-setting process. Additional projects may be undertaken if additional revenue becomes available; the overall DBE goal will be adjusted if necessary. The anticipated contracting opportunities are listed in Table 1.

Table 1: Anticipated FTA-assisted contracting opportunities for FFY 2017-2019 (excluding rolling stock purchases)

* Enter all the FTA-assisted projects below. Project amounts should be assigned relevant NAICS Code(s).

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	236220	Commercial bldg construct	\$77,778	0.0739
2)	238140	Masonry	\$47,778	0.0454
3)	238210	Electrical	\$270,778	0.2574
4)	238220	Plumbing	\$47,778	0.0454
5)	238290	Other bldg equipment	\$17,778	0.0169

6)	238910	Site preparation	\$17,778	0.0169
7)	238990	Specialty trades	\$17,778	0.0169
8)	326199	Plastic product manufacture	\$17,778	0.0169
9)	423120	Motor vehicle supplies	\$49,778	0.0473
10)	423610	Electrical apparatus	\$115,000	0.1093
11)	423860	Transportation equip	\$160,000	0.1521
12)	541330	Engineering services	\$212,000	0.2015
Total FTA-Assisted Contract Funds			\$1,052,002	1

A two-step process was used to establish the overall DBE goal, as described below.

Step 1: Compute Base Figure

Per 49 CFR 26.45(c), a base figure was developed to determine the relative availability of DBEs to perform work on the anticipated contracting opportunities (see Table 2). The formula for calculating the relative availability of DBEs is as follows:

Base figure equals Ready, willing and able DBEs divided by all firms ready, willing and able (including DBEs and non-DBEs)

Table 2: Relative Availability of DBEs for Anticipated Contracting Opportunities

* Use DBE Directory, census data and/or a bidders list to enter the number of available DBE firms and the number of available firms.

	NAICS Code	Contracting Opportunities	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability	
1)	236220	Comm bldg construct	27	896	0.0301	
2)	238140	Masonry	45	694	0.0648	
3)	238210	Electrical	24	2402	0.0100	
4)	238220	Plumbing	10	3239	0.0031	
5)	238290	Other bldg equipment	0	241	0.0000	
6)	238910	Site preparation	39	383	0.1018	
7)	238990	Specialty trades	31	670	0.0463	
8)	326199	Plastic product manuf	0	64	0.0000	
9)	423120	Motor vehicle supplies	1	380	0.0026	
10)	423610	Electrical apparatus	15	397	0.0378	
11)	423860	Transportation equip	2	54	0.0370	
12)	541330	Engineering services	34	662	0.0514	
Combined Totals			228	10082	0.0226	Overall availability of DBEs

Step 2: Compute Weighted Base Figure

However, based on guidance from FTA and the U.S. DOT Office of Small and Disadvantaged Business Utilization, a weighted base figure was computed that takes into account the relative size of the anticipated contracting opportunities (see Table 3). The formula used is as follows:

Weighted Base Figure = [(Project's % of total contract dollars) * (Relative availability of DBEs)] + [(Project's % of total contract dollars) * (Relative availability of DBEs)]...

The weighted base figure was developed by:

- 1) Using Unified Certification Program Directory to identify the number of registered DBEs in Suffolk, Nassau, Queens and Kings Counties that are available to perform work for the Town of Huntington for each of the anticipated contracting opportunities, based on the NAICS (North American Industry Classification System) code(s) most relevant to each contracting opportunity. Data was collected in May 2016.
- 2) Using 2014 Countywide Business Patterns (CBP) data from the U.S. Census Bureau to identify the total number of businesses available in Suffolk, Nassau, Queens and Kings counties to work on each contracting opportunity, based on the same NAICS codes.
- 3) Dividing the number of DBEs by the number of all businesses to determine the relative availability of DBEs in the market area, for each contracting opportunity (noted as "relative availability" in Table 2).

Table 3: Weighted Base Percentage Calculation

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)	236220	Comm bldg construct	0.07393	x	0.03013	0.0022
2)	238140	Masonry	0.04542	x	0.06484	0.0029
3)	238210	Electrical	0.25739	x	0.00999	0.0026
4)	238220	Plumbing	0.04542	x	0.00309	0.0001
5)	238290	Other bldg equipment	0.01690	x	0.00000	
6)	238910	Site preparation	0.01690	x	0.10183	0.0017
7)	238990	Specialty trades	0.01690	x	0.04627	0.0008
8)	326199	Plastic product manuf	0.01690	x	0.00000	
9)	423120	Motor vehicle supplies	0.04732	x	0.00263	0.0001
10)	423610	Electrical apparatus	0.10932	x	0.03778	0.0041

11)	423860	Transportation equip	0.15209	x	0.03704	0.0056
12)	541330	Engineering services	0.20152	x	0.05136	0.0103
					Total	0.0306
					Expressed as a % (*100)	3.06%
					Rounded, Weighted Base Figure:	3%

Weighted Base Figure = 3%

Step 3: Adjust Base Figure

Per 49 CFR 26.45(d), following calculation of a base figure, all available evidence must be examined to determine what adjustment, if any, is needed to the base figure in order to arrive at the overall DBE goal. The primary form of evidence available is the past participation of DBEs in the Town of Huntington's FTA-assisted contracting. It is the judgment of the Town of Huntington that it is not possible to provide a rational basis for a numerical adjustment of the base figure based on past participation, due to the very different nature of the anticipated contracts compared with past contracting.

Thus, the available evidence and information did not provide a rational basis for a numerical adjustment to the base figure computed in Step 2.

Based on this analysis, the Town of Huntington proposes an overall DBE goal of 3% of FTA funds that are anticipated to be expended in FTA-assisted contracts in Federal Fiscal Years 2017-2019, exclusive of funds to be used for the purchase of rolling stock.

Use of Race-Neutral Methods and DBE Contract Goals

The U.S. DOT regulations require that race-neutral methods be used to the maximum extent feasible to achieve the DBE overall goal. Race-neutral methods include making efforts to assure that bidding and contract requirements facilitate participation by DBEs and other small businesses; unbundling large contracts to make them more accessible to small businesses; encouraging prime contractors to subcontract portions of the work that they might otherwise perform themselves; and providing technical assistance, communications programs, and other support services to facilitate consideration of DBEs and other small businesses.

Because of the emphasis placed on race-neutral methods, the Town of Huntington does not propose to set contract-specific DBE goals on FTA-assisted contracts to be awarded in Federal Fiscal Years 2017-2019. Instead, the Town of Huntington will focus on developing race-neutral methods for facilitating DBE participation. The Town of Huntington will advise prospective contractors of areas for possible subcontracting, and of the availability of ready, willing, and able subcontractors, including DBE firms, to perform such work. The Town of Huntington will carefully monitor its progress during the course of each year and may establish contract-specific goals if race-neutral methods do not appear sufficient to achieve the overall DBE participation goals for Federal Fiscal Years 2017-2019. It is anticipated that the DBE goal for FTA-assisted contracts will be achieved through race-neutral methods.