

**Town of Chapel Hill; Chapel Hill Transit FFY
2020-2022 Goal Setting Methodology for
Federal Public Transit Funds**

Introduction

The Town of Chapel Hill, herein after referred to as Town, has prepared this document to describe the methodology used to establish the overall Disadvantaged Business Enterprise (DBE) goal for its Federal Transit Administration (FTA) financially-assisted transit projects mandated by code of Federal Regulations (CFR) 49 Part 26, with regards to Chapel Hill Transit, herein Transit.

When establishing this goal, Transit relied upon and adhered to guidance provided by the regulations. 49 CFR, Part 26, §26.45 requires a two-step process for setting the overall DBE goal, which should reflect the expected level of DBE participation in federally assisted Transit contracts in absence of discrimination.

Transit proposes to establish its DBE overall goal for Federal Fiscal years 2020-2022 at .6%, with the entire amount projected to be met through race-neutral measures.

CHT DBE Goal Methodology FY 20-22

Base Figure

Chapel Hill Transit staff considered a number of factors in considering our DBE goal. We estimate that \$7,375,300.00 in federal funds will be available for procurement opportunities in FY 20-22. These funds are divided by NAICS Code in table 1A, showing the weight of DOT funds for each NAICS Code. The NAICS codes chosen most closely correlate to common DOT funded bidding opportunities for the Town as well as anticipated upcoming projects.

Utilizing state directories of DBE firms, 220 DBE firms are available in Chapel Hill Transit's marketplace, including firms operating statewide, as well as certified DBEs with work areas in Orange, Durham, Alamance, Chatham and Wake counties.

8,676 companies are identified in the same NAICS codes as listed for DBEs and provided in table 1B for North Carolina.

The formula used by Chapel Hill Transit to determine ready, willing and able DBE's in Orange County, North Carolina market area, divides the potential number of DBE bidders by the total number of all potential bidders in Transit's market area. The results of this analysis are used to determine the relative availability of DBEs in Chapel Hill Transit's market area. The results are as follows:

Base Figure = DBES/All Available Firms (including DBEs), or Base Figure = 220/8,676. Providing a yield of 2.5%.

FY 17-19 base figure was 2.7%. All NAICS codes, sources and formulas consistent.

Adjusted Figure

Estimated three year funding through the Federal Transit Administration, excluding rolling stock, is \$7,375,300.00 (see attached spreadsheet.) Weighted percentages were applied to each NAICS code in Figure 1A and multiplied by the relative availability calculated in Figure 1B to provide a “weighted base” figure in 1C.

Weighted base = (weighted average by NAICS)*(relative availability of DBE firm).

Expressed as a rounded percentage, Transit’s calculated weighted base figure is 0.6 %. Based on the Town’s past performance with DBE contract award and the availability of DBE firms, Chapel Hill Transit believes it reasonable to adopt a 0.6% DBE goal.

Public Participation

Chapel Hill Transit is committed to providing every opportunity for DBE, MBE and WBE to contract with the Town. Development of an RFP or IFB includes the completion of a vendor application for any new vendor who expresses interest in performing work for the Town of Chapel Hill. If the vendor indicates on their application that they are a DBE, MBE or WBE, the Town and State’s Civil Rights Office will assist that vendor in completing and submitting the UCP required forms.

If a goal is set for a project, but cannot be met by the vendor, the RFP/IFB includes certification instructions to guide the vendor through the process of assuring the Town that every reasonable effort was made to meet the listed goal.

If a contractor requests assistance in locating a DBE subcontractor, the contractor is directed to the State Office of Civil Rights and the NC Dept. of Transportation.

The Town is a current and active member of the North Carolina Uniform Certification Program.

Public Outreach

The FY20-22 DBE goal for Chapel Hill Transit is published on the Town’s webpage. Additionally, public notice will be issued in the local Herald Sun

In the development of projects, Chapel Hill Transit works closely with the Town’s Purchasing Department. Special instructions are provided with the Instructions to Bidders, which encourage potential bidders to seek certification through the Office of Contractual Services at the North Carolina Department of Transportation.

If Chapel Hill Transit has set a goal for a given project, bidders are made aware of the requirement to pursue every reasonable effort to have subcontractors certified by the State’s Office of Civil Rights. Emphasis is placed on meeting any published DBE goals during pre-bid and pre-construction meetings.

Throughout the year, the Town of Chapel Hill will continue to seek additional suppliers that are DBE. No significant program changes have been made at this time.

FY2020-22 DBE GOAL

Calculation of Federal Funds

Bus Builds - not included

5,850,000	Sec 5307 UZA Formula (3 years), including PM funds
750,000	Sec 5339 apportionment - Buses and Bus Facilities Formula Grant - :
535,300	Sec 5339 Funding from previous years
240,000	5310 Elderly & Disabled
\$7,375,300	
<u> x .06%</u>	
\$147,506	FFYs 2020-2022 Goal