



**METHODOLOGY FOR DETERMINING STARMETRO'S DISADVANTAGED
BUSINESS ENTERPRISE (DBE) GOALS FOR FY 2019 – FY 2021
(49 CFR26.45)**

Overall Goals

The Disadvantaged Business Enterprise (DBE) program for federally assisted projects at StarMetro is established on a triennial basis beginning on October 1, 2018 and ending on September 30, 2021. The overall goal for fiscal year 2019 has been set, utilizing the methodologies described in CFR 49 part 26, as follows:

StarMetro's overall DBE Goal for FY 2019 to FY 2021 is 5.49% of the federal financial assistance that StarMetro will expend. StarMetro publicized the DBE goal and methodology in the *Tallahassee Democrat, Capitol Outlook* (a paper serving African American communities), on all StarMetro social media pages, and hosted two informational meetings on April 4, 2019 and April 9, 2019. During the required 30-day comment period StarMetro received _____ comments about the goal.

This document contains StarMetro's DBE goal setting and methodology for federal fiscal years 2019, 2020 and 2021. This report provides the following:

1. Federal dollars planned to be spent by project using 6-digit North American Industry Classification System (NAICS) codes
2. Description of StarMetro's market area and determination methods
3. Process and calculations used to establish a base figure and weighted goal percentage
4. Identification of sources (primary and supplemental) used to identify ready, willing and able DBEs for StarMetro's planned projects
5. Goal review process and applicable adjustments
6. Race-neutral and race-conscious breakdown of goal
7. Description of meaningful consultation process
8. Proof of publication

1. Identify Federal Dollars to be Spent

The following, table 1, shows the planned available federal funds for StarMetro’s DBE program for combined federal fiscal years 2019, 2020 and 2021:

Table 1: FY 2019-2021 Available Funds

Fiscal Years 2019, 2020, & 2021 Available Funds	
Total Federal Funds	\$11,944,332.00
Less 16% Operating	\$1,687,219.00
Total minus operating	\$10,257,113.00
Less 3 fixed route EV buses (1 per year) Less EV battery lease Less 3 DAR 5307 buses (1 per year) Less 3 DAR 5310 buses (1 per year)	\$3,704,000.00
Balance	\$6,553,113.00

StarMetro has identified corresponding NAICS codes associated with its anticipated projects and assigned a weight based on project funds to total funds as depicted in the next sections. An itemized list of each project item with cross-referenced 6-digit NAICS code can be found in table A-1 in the appendix.

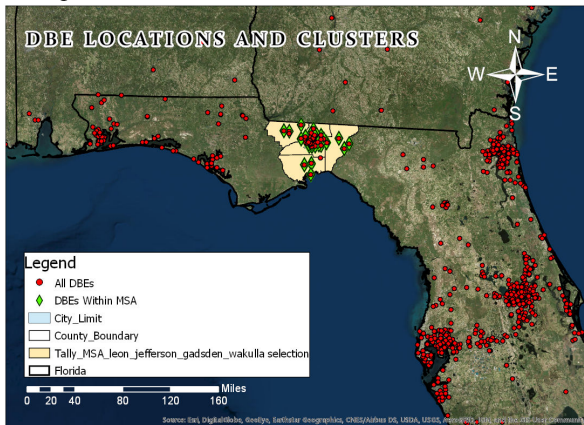
2. StarMetro’s Market Area

StarMetro uses the Tallahassee Metropolitan Statistical Area (MSA), which includes the counties of Leon, Jefferson, Gadsden, and Wakulla, as the market area (Maps 1 & 2). The points below summarize how the market area was determined:

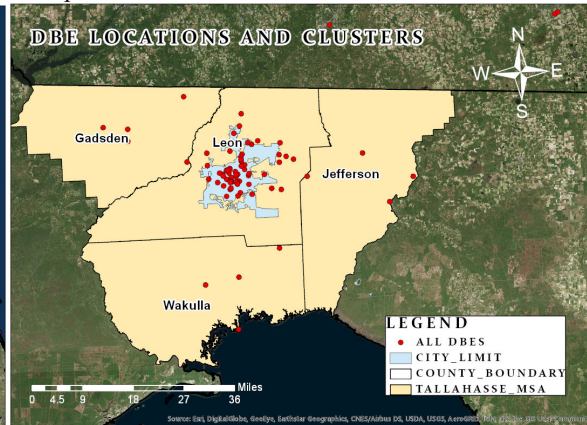
- Reviewed planned projects and, based on history, identified where most potential vendors and contractors are located and who may be interested in providing StarMetro with planned products or services.
- Used the DBE directory from FDOT and the CBP from the Census Bureau to find all businesses and DBEs.
- Used ARCGIS to geocode all DBE addresses and map their locations. Then visually analyzed clusters and locations to assure using the Tallahassee MSA captures all local DBE firms and therefore, is fair and appropriate for StarMetro’s market area. See maps 1 and 2 below.
- Determined that the majority of projects forecasted for the next three years are not large enough to attract attention from firms outside the immediate market area.

Additional projects may be undertaken if additional funds become available; the overall DBE goal will be adjusted if necessary.

Map 1: DBEs – Tri-State View



Map 2: DBEs – Tallahassee MSA View



3. Base Figure and Goal

StarMetro elected to use the methodology described in 49 CFR 26.45 (1) to determine the base figure for the relative availability of DBEs first. Staff started the determination of StarMetro’s FY 2018 Goal Setting Process by identifying a base figure for the relative availability of DBEs based on demonstrable evidence of the availability of ready, willing, and able DBEs as compared to other available businesses.

Using the City of Tallahassee and Florida Department of Transportation DBE lists, StarMetro staff selected all the certified DBEs from the four-county area. It then eliminated companies providing services that StarMetro will not be using like bridge builders, property managers, retail coffee, and security guards (the latter two are already provided by City of Tallahassee contractors). Using the list of available DBEs, StarMetro then compared it to the U.S. Census Bureau’s 2016 County Business Patterns (CBP) to find the number of Non-DBE firms of each type operating in each respective county for each respective cross-referenced 6-digit NAICS code. Table 2 below summarizes the firms by 6-digit NAICS code and shows the number of DBEs and other Non-DBE firms available for each category and the percentage of relative availability for each. The total number of ready, willing, and able DBEs in the four-county area based on that list is **25**.

Table 2: StarMetro DBE Baseline Figure and Relative Availability

Project DBE Availability				
NAICS Codes	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative availability
	<i>Preventative Maintenance (3-year summary)</i>			
236220	<i>Signage, Climatize Shop</i>	8	11	72.73%

336310	<i>Engine, Exhaust Engine, Fuel System, Engine Block, Air Intake Engine</i>	0	1	0.00%	
336320	<i>Charging System, Cranking System, Ignition System, Light System, Multi-Electric, Gauge</i>	0	0	0.00%	
336330	<i>Steering, Suspension</i>	0	0	0.00%	
336340	<i>Brakes</i>	0	0	0.00%	
336350	<i>Axle Front, Axle Rear, Axle Front Drive, Axle Rear Drive, Clutch, Drive Shaft, Transmission Ma, Transmission Au, Transmission Aux</i>	0	1	0.00%	
336360	<i>Seat Bus</i>	0	0	0.00%	
336370	<i>Exterior Metal, Body Bus, Metal Sheet</i>	0	0	0.00%	
336390	<i>Air Conditioning, Heating Vent, Wheel/Rim, Cooling Engine, Bearing Hub Wheel</i>	0	0	0.00%	
423120	<i>Glass-Component</i>	0	2	0.00%	
424720	<i>Lubrication</i>	0	0	0.00%	
441310	<i>Preventive Maintenance, Hydraulic System, Accessory Emer, Fire Suppression, Pass Transport, Door Bus, Monitoring, High Voltage, Attachment Bus, Cab, Safety Interior, Unit Services, Warning Device, Elect Propulsion, Emissions System, Drivability, Air Supply, Electrical Acc, Expendable, Horn, Communication, Frame</i>	0	4	0.00%	
441320	<i>Tire / Tube</i>	0	4	0.00%	
561621	<i>Safety and Security</i>	0	2	0.00%	
485210	<i>Gadsden Express</i>	0	1	0.00%	
423850	<i>Transit Enhancements/technology 5307 (Annual Maintenance), Transit Enhancement/Technology Kiosks, arrival/departure boards 5339, Dial-a-Ride Tablets 5310</i>	0	2	0.00%	
541320	<i>General Planning Contract (GPC)</i>	0	2	0.00%	
237310	<i>Parking lot upgrade (striping)</i>	6	8	75.00%	
238990	<i>Parking lot upgrade (resurfacing)</i>	11	15	73.33%	
333921	<i>Shop lift</i>	0	1	0.00%	
485113	<i>Contractual Services (South Wood, Big Bend, etc.)</i>	0	0	0.00%	
485991	<i>Contractual Services (Dial-A-Ride)</i>	0	3	0.00%	
	Total 2019-2021 [All DBEs divided by all other firms]		25	57	43.86%

The base figure is calculated as a percentage of total DBEs (**25**) of the total number of DBEs and Non-DBEs firms available (**57**) for all projects. Using the base figure formula described in 49 CFR

26.45, StarMetro calculated the percent of ready, willing, and able DBEs in the market area. **From this calculation, the baseline figure is 43.86%.**

The next process includes weighing the base figures by work type to provide a more narrowly tailored model of availability. The weights are proportions of dollars spent within each industry using the 6-digit NAICS codes, resulting in percentages that are more heavily influenced by availability in industries where more dollars are spent. Table 3 below shows the math for each possible project item. As per the guidance set by the FTA in their DBE Training DBE Goal Setting video on the Department of Transportation’s website, the following weights were obtained by (1) finding the weight of each project item as a percent of total contract dollars spent multiplied by (2) the availability of ready, willing, and able DBEs to equal (3) the weighted base figure of each project item. The sum total weighted base figure for all DBE project items is 5.49%. The reason why the two figures, base and weighted base, are different is because there is a higher percentage of funds being spent in areas where lower numbers of DBEs firms are registered.

Table 3: Weighted Base Figure

weighted Base Figure						
NAICS Codes	Project	Amount	weight	X	Availability from Table 2	Weighted BF
	<i>Preventative Maintenance (3-year summary)</i>					
236220	<i>Signage, Climatize Shop</i>	\$ 402,464	6.14%		72.73%	4.4666%
336310	<i>Engine, Exhaust Engine, Fuel System, Engine Block, Air Intake Engine</i>	\$ 483,404	7.38%		0.00%	0.0000%
336320	<i>Charging System, Cranking System, Ignition System, Light System, Multi-Electric, Gauge</i>	\$ 204,859	3.13%		0.00%	0.0000%
336330	<i>Steering, Suspension</i>	\$ 75,170	1.15%		0.00%	0.0000%
336340	<i>Brakes</i>	\$ 143,821	2.19%		0.00%	0.0000%
336350	<i>Axle Front, Axle Rear, Axle Front Drive, Axle Rear Drive, Clutch, Drive Shaft, Transmission Manual, Transmission Auxiliary</i>	\$ 122,351	1.87%		0.00%	0.0000%
336360	<i>Seat Bus</i>	\$ 41,778	0.64%		0.00%	0.0000%
336370	<i>Exterior Metal, Body Bus, Metal Sheet</i>	\$ 35,302	0.54%		0.00%	0.0000%

336390	<i>Air Conditioning, Heating Vent, Wheel/Rim, Cooling Engine, Bearing Hub Wheel</i>	\$ 203,457	3.10%		0.00%	0.0000%
423120	<i>Glass-Component</i>	\$ 40,030	0.61%		0.00%	0.0000%
424720	<i>Lubrication</i>	\$ 77	0.00%		0.00%	0.0000%
441310	<i>Preventive Maintenance, Hydraulic System, Accessory Emer, Fire Suppression, Pass Transport, Door Bus, Monitoring, High Voltage, Attachment Bus, Cab, Safety Interior, Unit Services, Warning Device, Elect Propulsion, Emissions System, Drivability, Air Supply, Electrical Acc, Expendable, Horn, Communication, Frame</i>	\$ 1,087,248	16.59%		0.00%	0.0000%
441320	<i>Tire / Tube</i>	\$ 79,781	1.22%		0.00%	0.0000%
561621	Safety and Security	\$ 210,000	3.20%		0.00%	0.0000%
485210	Gadsden Express	\$ 170,000	2.59%		0.00%	0.0000%
423850	Transit Enhancements/technology 5307 (Annual Maintenance), Transit Enhancement/Technology Kiosks, arrival/departure boards 5339, Dial-a-Ride Tablets 5310	\$ 1,383,371	21.11%		0.00%	0.0000%
541320	General Planning Contract (GPC)	\$ 100,000	1.53%		0.00%	0.0000%
237310	Parking lot upgrade (striping)	\$ 35,000	0.53%		75.00%	0.4006%
238990	Parking lot upgrade (resurfacing)	\$ 56,000	0.85%		73.33%	0.6267%
333921	Shop lift	\$ 125,000	1.91%		0.00%	0.0000%
485113	Contractual Services (South Wood)	\$ 683,032	10.42%		0.00%	0.0000%
485991	Contractual Services (Dial-a-Ride)	\$ 870,968	13.29%		0.00%	0.0000%
	Total 2019-2021	\$ 6,553,113	100.00%			5.49%

4. Identification of Sources

The Census Bureau's Website for CBPs, <https://www.census.gov/programs-surveys/cbp.html>, was used to find all businesses with corresponding 2016 6-digit NAICS codes within the four counties that make up the Tallahassee MSA.

The FDOT website for DBE listings - Florida Unified Certification Program (UCP) Disadvantaged Business Enterprise (DBE) Directory, <https://fdotxwp02.dot.state.fl.us/EqualOpportunityOfficeBusinessDirectory/CustomSearch.aspx>, was used to get a complete list of DBEs within and around the StarMetro market area.

The NAICS Website, <https://www.naics.com/search/>, and <https://www.census.gov/cgi-bin/sssd/naics/naicsrch> from the Census Bureau were used to identify and categorize each project item and label with the appropriate code. These resources also describe in detail the types of work that fall under every 6-digit NAICS code. It was also used to cross-reference StarMetro’s projects and codes to similar codes and categories of work in order to provide the most accurate and narrowly tailored data as possible.

ArcGIS Pro was also used to geocode and symbolize business addresses from the CBPs and DBEs to geospatially analyze the local market area.

Research on current DBE goal setting methodologies from other transit agencies and authorities was conducted to analyze best management practices (BMP) from their triannual documents.

The U.S. Department of Transportation’s website, <https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/dbe-training>, has training material provided by the FTA on DBE goal setting methodologies, regulations for reporting, and suggestions on which reporting methods may fit better. StarMetro choose to follow the suggested weighting method.

5. Goal Review and Applicable Adjustments

Section 26.45 (d) identifies numerous examples of the various types of data to examine in order to adjust the weighted baseline figure to make it as precise as possible. This step is intended to adjust the “weighted base figure” percentage from section 3 so that it reflects as accurately as possible the DBE participation the recipient would expect in the absence of discrimination. The staff considered all of the factors listed in the above-referenced documents to determine whether an adjustment is necessary. The staff’s considerations of those factors are detailed herein.

A. Past Participation (Median Past Participation) Method

Table 4: MPP 5 Year

Median Past Participation			
	Total DBE Achieved (RC+RN)	Total Contract Amount	Total DBE %
2013	0	0	0
2014	0	0	0
2015	0	0	0
2016	0	0	0
2017	0	0	0

The median is the central point of distribution in a group of sequential numbers. Adjustments based on the utilization of the “Median Past Participation” method for transit projects yielded a 0.00 % adjusted Baseline Figure:

- i. The five-year history, FY13 through FY17 yielded actual DBE percentages of 0.00% for each year, and so the central figure is 0.00%.
- ii. The Weighted Base Figure of 5.49% plus the MPP of 0.00% yields 5.49%. Then divided by 2 yields 2.745%.
 - 1. $(0\% \text{ [MPP]} + 5.49\% \text{ [WBF]}) / 2 = 2.745\%$

Because the median past participation is zero, the MPP method reduces the weighted base figure. StarMetro will not be making an adjustment to the weighted base figure using the MPP method at this time.

B. Disparity Study

The City of Tallahassee, Leon County, and Blueprint Intergovernmental Agency (Blueprint) have embarked on a study to determine the utilization of Minority, Women, Small, Disadvantaged, and Airport Concession Disadvantaged Business Enterprise (MWSBEs, DBEs, and ACDBEs) firms in these agencies competing for City, County, Federal and/or Blueprint contracts. The project is nearing completion and will inform StarMetro’s methodology before the terminus of this document’s horizon.

6. Race-Neutral and Race-Conscious Breakdown

Because StarMetro plans to spend 9.40 percent of expected federal funds on construction projects (Climatize Shop, Parking Lot, etc.), which are the most conducive for Race-Conscious measures per FTA guidance, it will achieve 9.40 percent of the Weighted base figure on Race-Conscious measures. The Race-Neutral / Race-Conscious break down is RN = 90.60 percent (or 4.97%) / RC = 9.40 percent (or 0.52%).

Table 5: RN/RC Breakdown

RN/RC Breakdown			
DBE %	\$	360,017.98	5.49%
RN	\$	326,190.06	90.60%
RC	\$	33,827.92	9.40%
Totals	\$	360,017.98	100.00%

StarMetro is under new leadership and has a new approach to DBE goal attainment. Within the next three years, StarMetro expects much higher attainment ratings than historical data. This will allow for higher goals in the future based on the MPP method as detailed above in section 5. StarMetro is looking to start using contract goals for subcontractor DBE participation, as well as having created a team of staff that meets on a semi-regular and as-needed basis to discuss other new methods of goal achievement and DBE recruitment.

7. Meaningful Consultation Process

Community engagement:

StarMetro advertised the DBE goal and goal setting methodology, as well as the public meeting schedule in the Tallahassee Democrat, in the Capital Outlook, on StarMetro's website, on StarMetro's Facebook page, and its Twitter account, and sent an email to all registered DBE firms in the service area. In addition, StarMetro held two public meeting at the downtown library on **April 4, 2019 from 2:30 to 5:30 PM** and on **April 9, 2019 from 11:30 AM to 2:30 PM**

8. Proof of Publication

See attachment A2 in the appendix.

Appendix

A1. Project Weight and NAICS Itemization

Table A1: Weighted Base Figure

Federal Fiscal Year 2019-2021 Planned Projects			
Description	NAICS Code	Amount	Weight
Preventative Maintenance (3-year sum)			
Preventive Maintenance	441310	\$ 482,117	7.36%
Unit Services	441310	\$ 145,532	2.22%
Air Conditioning	336390	\$ 98,015	1.50%
Cab	441310	\$ 21,432	0.33%
Gauge Instrument	336320	\$ 54,367	0.83%
Heating Vent	336390	\$ 10,863	0.17%
Safety Interior	441310	\$ 7,361	0.11%
Exterior Metal	336370	\$ 2,027	0.03%
Glass-Component	423120	\$ 40,030	0.61%
Metal Sheet	336370	\$ 509	0.01%
Axle Front	336350	\$ 26,677	0.41%
Axle Rear	336350	\$ 2,949	0.05%
Brakes	336340	\$ 143,821	2.19%
Frame	441310	\$ 14,707	0.22%
Steering	336330	\$ 14,707	0.22%
Suspension	336330	\$ 60,464	0.92%
Tire / Tube	441320	\$ 79,781	1.22%
Wheel / Rim	336390	\$ 1,388	0.02%
Bearing Hub Wheel	336390	\$ 5,432	0.08%
Axle Front Drive	336350	\$ 290	0.00%
Axle Rear Drive	336350	\$ 9,759	0.15%
Clutch	336350	\$ 49	0.00%
Drive Shaft	336350	\$ 2,891	0.04%
Transmission Manual	336350	\$ 1,123	0.02%
Transmission Auxiliary	336350	\$ 77,311	1.18%
Transmission Auxiliary	336350	\$ 1,302	0.02%
Charging System	336320	\$ 40,448	0.62%
Cranking System	336320	\$ 25,067	0.38%
Ignition System	336320	\$ 14,978	0.23%
Light System	336320	\$ 68,002	1.04%
Multi-Electronic	336320	\$ 1,997	0.03%
Warning Device	441310	\$ 3,178	0.05%
Engine	336310	\$ 12,026	0.18%
Air Intake Engine	336310	\$ 6,639	0.10%
Cooling Engine	336390	\$ 87,759	1.34%

Exhaust Engine	336310	\$ 75,373	1.15%
Fuel System	336310	\$ 73,569	1.12%
Engine Block	336310	\$ 315,798	4.82%
Electric Propulsion	441310	\$ 56	0.00%
Emission System	441310	\$ 52,336	0.80%
Drivability	441310	\$ 524	0.01%
Air Supply	441310	\$ 32,691	0.50%
Electrical	441310	\$ 17,167	0.26%
Expendable	441310	\$ 2,368	0.04%
Horn	441310	\$ 4,002	0.06%
Communication	441310	\$ 61,774	0.94%
Lubrication	424720	\$ 77	0.00%
Hydraulic System	441310	\$ 19,893	0.30%
Accessory Emergency	441310	\$ 302	0.00%
Fire Suppression	441310	\$ 20,050	0.31%
Pass Transport	441310	\$ 35,900	0.55%
Body Bus	336370	\$ 32,766	0.50%
Door Bus	441310	\$ 19,911	0.30%
Monitoring	441310	\$ 3,300	0.05%
High Voltage	441310	\$ 34,493	0.53%
Seat Bus	336360	\$ 41,778	0.64%
Attachment Bus	441310	\$ 108,152	1.65%
Signage	236220	\$ 2,722	0.04%
Safety and Security	561621	\$ 210,000	3.20%
Contractual Services (South Wood)	485113	\$ 329,032	5.02%
Contractual Services (Dial-a-Ride)	485991	\$ 870,968	13.29%
Gadsden Express (contracted)	485210	\$ 170,000	2.59%
Transit Enhancements/technology	423850	\$ 1,383,371	21.11%
General Planning Contract (GPC)	541320	\$ 100,000	1.53%
Parking lot upgrade (striping)	237310	\$ 35,000	0.53%
Parking lot upgrade (resurfacing)	238990	\$ 56,000	0.85%
Shop lift	333921	\$ 125,000	1.91%
Climatize Shop	236220	\$ 399,742	6.10%
Mobility Management/Travel Training	485113	\$ 45,000	0.69%
Contracted Services	485113	\$ 309,000	4.72%
Total 2019-2021		\$ 6,553,113	100.00%

A2. Section 8: Proof of Publication