



Tri-County Metropolitan Transportation District of Oregon (TriMet) Proposed FFY 2020 - 2022 Disadvantaged Business Enterprise (DBE) Goal

TriMet proposes an overall DBE goal for its Federal Transportation Administration (FTA) funded contracting of 10.03% for federal fiscal years (FFYs) 2020 through 2022.

DBE Utilization with Federal Funds

TriMet operates the Federal DBE Program to assist Disadvantaged Business Enterprises (DBEs) on contracts that use U.S. Department of Transportation (USDOT) funds. Federal regulations 49 CFR 26.45 seeks to ensure nondiscrimination in the award and administration of USDOT-funded contracts in the FTA's transit programs and to create equal opportunities for which DBEs can compete fairly for USDOT-funded contracts.

Overall DBE Goal Setting Methodology

Federal regulations 49 CFR 26.45 direct how TriMet sets its overall FFY 2020-2022 DBE goal. The process includes two steps:

1. Determine a base figure for the relative availability of DBEs
2. Adjust the base figure, if necessary

The base figure is intended to be a measurement of the current Ready, Willing and Able (RWA) DBEs as a percentage of all businesses ready, willing and able to perform the recipient's anticipated FTA-funded contracts.

1. Step One- Determination of Base Figure

Pursuant to 49 CFR 26.45(c), to determine the baseline figure for its FFY 2020-2022 DBE goal. TriMet used the most recent data available in the Oregon Employment Department's Oregon Labor Market Information System (OLMIS) and the State of Oregon's Certification Office for Business Inclusion and Diversity (COBID), to determine the percentage of ready, willing and able DBEs in TriMet's market area. These sources provide for analysis of labor concentration in specific business categories as designated by NAICS code (North American Industrial Classification System). TriMet has made preliminary assumptions regarding which NAICS codes will have relevance to the projects receiving FTA funding in the next three federal fiscal years.

Table 1: Relative Base Figure

NAICS Code	Trade Scope of Work	COBID DBE Firms	OLMIS Total Firms	DBE Availability %
236220	Commercial and Institutional Building Construction	30	795	3.77%
237110	Water and Sewer Line and Related Structures Construction	24	158	15.19%
237130	Power and Communication Line and Related Structures Construction	7	76	9.21%
237310	Highway, Street, and Bridge Construction	55	269	20.45%
237990	Other Heavy and Civil Engineering Construction	14	199	7.04%
238110	Poured Concrete Foundation and Structure Contractors	32	411	7.79%
238120	Structural Steel and Precast Concrete Contractors	10	19	52.63%
238210	Electrical Contractors and Other Wiring Installation Contractors	12	967	1.24%
238220	Plumbing, Heating, and Air-Conditioning Mechanical Contractors	3	1613	0.19%
238320	Painting and Wall Covering Contractors	15	939	1.60%
238910	Site Preparation Contractors	50	1013	4.94%
238990	All Other Specialty Trade Contractors	48	1062	4.52%
332312	Fabricated structural metal manufacturing	1	86	1.16%
333921	Elevator and Moving Stairway Manufacturing	0	1	0.00%
334290	Signals (e.g., highway, pedestrian, railway, traffic) manufacturing	0	20	0.00%
336999	All Other Transportation Equipment Manufacturing	0	5	0.00%
423120	Shop equipment, service station, merchant wholesalers	0	115	0.00%
423130	Heavy truck tires and tubes merchant wholesalers	0	6	0.00%
454310	Fuel Dealers	0	46	0.00%
485991	Paratransit transportation services	2	11	18.18%
488210	Maintenance of rights of way and structures, railway	0	154	0.00%
541310	Architectural Services	8	619	1.29%
541330	Engineering Services	28	839	3.34%
541370	Surveying & Mapping	14	166	8.43%
541611	Administrative Management and General Management Consulting Services	84	151	55.63%
561210	Facilities Support Services	1	17	5.88%
561612	Security guards and patrol services	3	79	3.80%
561720	Janitorial Services	11	510	2.16%
561730	Landscaping Services	19	1508	1.26%
561990	Flagging (i.e., traffic control) services	34	626	5.43%
811111	Automotive fleet repair and maintenance services	0	2004	0.00%
811310	Commercial and industrial machinery repair and maintenance services	2	311	0.64%
812320	Drycleaning and Laundry Services (except Coin-Operated)	0	328	0.00%
Total		507	15123	3.35%

Divide the total number of DBE's by the total number of All Firms = Relative Base Figure

$$\frac{DBE\ Firms\ Ready\ Willing\ \&\ Able\ 507}{All\ Firms\ Ready\ Willing\ \&\ Able\ 15123} = \text{Relative Base Figure } 3.35\%$$

TriMet believes this relative base figure calculation under counts the number of available DBEs as it assumes that every DBE has an equal opportunity and equal weight to perform TriMet's contracts. However, in the practical application, not all DBEs have equal opportunity for participation, as opportunity is dependent on the amount of dollars spent in each NAICS code. Therefore, to more accurately reflect the relative availability of DBE

firms, as recommended by U.S. DOT, TriMet performed a weighted calculation of availability. This calculation, which is based on TriMet’s anticipated projects with FTA-funded expenditures in each NAICS code.

- Portland to Milwaukie Light Rail Project (remaining Gideon Street Overcrossing & Ruby Junction Shop Mods) \$13,954,661
- Powell-Division Corridor Safety & Access to Transit Project \$1,938,168
- Division Transit Project \$87,422,752
- 162nd Ave Pedestrian Access Improvements Project \$718,830
- MAX Redline to Fairplex \$182,667,078
- Operations & Preventative Maintenance \$307,090,387

Table 2: Weighted Base Figure

NAICS Code	Scope of Work / Trade Description	FTA-Assisted Contract Funds	% of total FTA funds (weight)	DBE Firms	All Firms	Relative Availability	\$	Weighted Base Figure
236220	Commercial and Institutional Building Construction	\$2,517,857	0.42%	30	795	3.77%	\$95,013	0.02%
237110	Water and Sewer Line and Related Structures Construction	\$4,022,997	0.68%	24	158	15.19%	\$611,088	0.10%
237130	Power and Communication Line and Related Structures Construction	\$8,146,767	1.37%	7	76	9.21%	\$750,360	0.13%
237310	Highway, Street, and Bridge Construction	\$55,907,134	9.42%	55	269	20.45%	\$11,430,827	1.93%
237990	Other Heavy and Civil Engineering Construction	\$128,864,767	21.70%	14	199	7.04%	\$9,065,863	1.53%
238110	Poured Concrete Foundation and Structure Contractors	\$7,917,798	1.33%	32	411	7.79%	\$616,471	0.10%
238120	Structural Steel and Precast Concrete Contractors	\$1,796,160	0.30%	10	19	52.63%	\$945,347	0.16%
238210	Electrical Contractors and Other Wiring Installation Contractors	\$10,482,508	1.77%	12	967	1.24%	\$130,083	0.02%
238220	Plumbing, Heating, and Air-Conditioning Contractors	\$172,808	0.03%	3	1613	0.19%	\$321	0.00%
238320	Painting and Wall Covering Contractors	\$41,008	0.01%	15	939	1.60%	\$655	0.00%
238910	Site Preparation Contractors	\$2,421,309	0.41%	50	1013	4.94%	\$119,512	0.02%
238990	All Other Specialty Trade Contractors	\$1,486,200	0.25%	48	1062	4.52%	\$67,173	0.01%
332312	Fabricated structural metal manufacturing	\$375,340	0.06%	1	86	1.16%	\$4,364	0.00%
333921	Elevator and Moving Stairway Manufacturing	\$1,368,213	0.23%	0	1	0.00%	\$0	0.00%
334290	Signals (e.g., highway, pedestrian, railway, traffic) manufacturing	\$234,399	0.04%	0	20	0.00%	\$0	0.00%
336999	All Other Transportation Equipment Manufacturing	\$17,791,676	3.00%	0	5	0.00%	\$0	0.00%
423120	Shop equipment, service station, merchant wholesalers	\$53,746,320	9.05%	0	115	0.00%	\$0	0.00%
423130	Heavy truck tires and tubes merchant wholesalers	\$3,120,000	0.53%	0	6	0.00%	\$0	0.00%
454310	Fuel Dealers	\$1,235,688	0.21%	0	46	0.00%	\$0	0.00%
485991	Paratransit transportation services	\$10,121,844	1.70%	2	11	18.18%	\$1,840,335	0.31%
488210	Maintenance of rights of way and structures, railway	\$33,505,778	5.64%	0	154	0.00%	\$0	0.00%
541310	Architectural Services	\$1,387,379	0.23%	8	619	1.29%	\$17,931	0.00%
541330	Engineering Services	\$37,717,844	6.35%	28	839	3.34%	\$1,258,760	0.21%
541370	Surveying and Mapping Services	\$600,000	0.10%	14	166	8.43%	\$50,602	0.01%
541611	Administrative Management and General Management Consulting Serv	\$34,586,324	5.82%	84	151	55.63%	\$19,240,074	3.24%
561210	Facilities Support Services	\$8,099,328	1.36%	1	17	5.88%	\$476,431	0.08%
561612	Security guards and patrol services	\$400,000	0.07%	3	79	3.80%	\$15,190	0.00%
561720	Janitorial Services	\$3,852,000	0.65%	11	510	2.16%	\$83,082	0.01%
561730	Landscaping Services	\$350,962	0.06%	19	1508	1.26%	\$4,422	0.00%
561990	Flagging (i.e., traffic control) services	\$2,698,364	0.45%	34	626	5.43%	\$146,557	0.02%
811111	Automotive fleet repair and maintenance services	\$93,914,674	15.82%	0	2004	0.00%	\$0	0.00%
811310	Commercial and industrial machinery repair and maintenance services	\$64,352,592	10.84%	2	311	0.64%	\$413,843	0.07%
812320	Drycleaning and Laundry Services (except Coin-Operated)	\$555,840	0.09%	0	328	0.00%	\$0	0.00%
		\$593,791,877	100.00%	507	15123	3.35%	\$47,384,305	7.98%

(Total FTA Funds Weight % x Relative Availability %) Sum = Weighted Base Figure 7.98%

2. Step Two- Adjustment of Base Figure

DBE regulation 49 CFR 26.45 (d) requires an examination of available evidence in the local market to determine what adjustment to the base figure is needed, if any, to establish the overall goal.

TriMet considered the capacity of DBEs to perform work as measured by the median past participation of DBEs on FTA-funded contracts from FFY 2014 through FFY 2018. The achieved DBE participation was 12.05%, 12.07%, 46.26% (outlier), 11.63%, and 12.53% for a median of 12.07%.

Table 3: Median Past Participation of DBEs

Past DBE Participation on FTA-funded Projects			
Federal Fiscal Year	FTA \$	DBE \$	DBE %
FFY 2018	\$29,869,497	\$3,743,108	12.53%
FFY 2017	\$2,265,935	\$263,617	11.63%
FFY 2016	\$11,453,471	\$5,298,719	46.26%
FFY 2015	\$12,529,317	\$1,512,844	12.07%
FFY 2014	\$30,764,199	\$3,707,545	12.05%
Median			12.07%

To arrive at an overall goal, we averaged our Step 1 weighted base figure 7.98% with our Step 2 past participation median accomplishment of 12.07% to further refine our goal to arrive at an overall goal of 10.03%. We feel this adjusted goal will accurately reflect DBE participation that can be achieved for the type of project work that will be awarded during FFY 2020 - 2022.

Weighted Base Figure 7.98% + Median Past Participation 12.07%

= Adjusted Base Figure 10.03%

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Public Review and Comments

TriMet will host a community discussion at the Oregon Association of Minority Entrepreneurs (OAME) located at 731 N. Hayden Meadows Drive, Portland, OR 97217 on Friday, July 12, 2019 from 9am to 11am. The meeting room is accessible.

Public Comments will be accepted through August 12, 2019.

To submit written comments:

TriMet, Department of Equity, Inclusion and Community Affairs

1800 SW First Avenue, Suite 300, Portland, OR 97201

Email: gronauea@trimet.org