

Northern New England Passenger Rail Authority

2017, 2018, 2019 DBE Goal Submitted 7/29/16 – Revised 4/6/17

NNEPRA’s DBE goal for 2017, 2018 and 2019 is 0.15% obtained by .14% race neutral participation and 0.01% race conscious participation.

Methodology for DBE

Step 1 – Base Goal

Market Area: The Northern New England Passenger Rail Authority (NNEPRA) has used the State of Maine market area to determine coverage. The Maine Department of Transportation’s (MaineDOT) Disadvantaged Business Enterprises Listing (DBE) directory was used as the source for DBE information.

NNEPRA’s DBE goal has been calculated using the criteria in 49 CFR 26.45. The 2010 US Census Bureau industry listing filtered for the State of Maine was used to establish the industries and associated firms from which NNEPRA would have the ability and/or intention to request bids and award Federal Transit Administration (FTA) funded contracts.

The contracts that NNEPRA intends to let in for the three-year period are contracting for operations of the Amtrak Downeaster service. NNEPRA contracts with Amtrak to run the service and contracts with a vendor to provide café service on the trains. NNEPRA also contracts for railroad maintenance and repairs. Operation contracts include advertising, auditing services, IT management, insurance, legal, payroll and office and building leases.

Step 1 - Determine the weight of each type of work by NAICS Code:				
* 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)	541810	Advertising Agency	\$1,011,045.00	0.0331
2)	541211	CPA/Other Accounting	\$38,397.00	0.0013
3)	541513	Computer Management	\$13,241.00	0.0004
4)	524210	Insurance Agency	\$42,370.00	0.0014
5)	541110	Legal	\$264,810.00	0.0087
6)	237990	Railroad Industrial Materials	\$4,338,101.00	0.1419
7)	237990	Railroad Construction	\$3,882,316.00	0.1270
8)	237790	RR Maint Project Management	\$553,241.00	0.0181
9)	561720	Janitorial Service	\$7,679.00	0.0003
10)	517210	Wireless Internet Service	\$7,944.00	0.0003
11)	541214	Payroll Service	\$7,679.00	0.0003
12)	531120	Lease	\$60,000.00	0.0020
13)	722310	Food Service - NET	\$452,542.00	0.0148
14)	541690	Passenger Survey	\$26,481.00	0.0009
15)				
16)	531120	Concord NET	\$0.00	0.0000
17)				
18)	485112	Amtrak NET	\$19,860,750.00	0.6498
19)				
Total FTA-Assisted Contract Funds			\$30,566,596.00	1.0000

Notes: Contract Supplies were estimated at 60% of the budgeted amount.

BASE GOAL VERSION 1**Step 2 - Determine the relative availability of DBE's by NAICS Code:**

* Use DBE Directory and census data to enter the number of available DBE firms and the number of available firms.

	NAICS Code	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability
1)	541810	Advertising Agency	4	108	0.0370
2)	541211	CPA/Other Accounting	2	217	0.0092
3)	541513	Computer Management	6	18	0.3333
4)	524210	Insurance Agency	2	474	0.0042
5)	541110	Legal	1	698	0.0014
6)	237990	Railroad Industrial Materials	8	14	0.5714
7)	237990	Railroad Construction	8	14	0.5714
8)	237790	RR Maint Project Management	8	14	0.5714
9)	561720	Janitorial Service	3	311	0.0096
10)	517210	Wireless Internet Service	0	48	0.0000
11)	541214	Payroll Service	0	28	0.0000
12)	531120	Lease	0	164	0.0000
13)	722310	Food Service - NET	0	99	0.0000
14)	541690	Passenger Survey	15	74	0.2027
15)					
16)	531120	Concord NET	0	164	0.0000
17)					
20)	485112	Amtrak NET	0	0	
	Combined Totals		57	2445	0.0233
					Overall availability of DBEs

BASE GOAL VERSION 2**Step 2 - VERSION 2 - Determine the relative availability of DBE's by NAICS Code:**

Version 1 adjusted for removing DBEs in the Maine UCP that do not perform the function of the NAICS Code.

	NAICS Code	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability
1)	541810	Advertising Agency	3	108	0.0278
2)	541211	CPA/Other Accounting	2	217	0.0092
3)	541513	Computer Management	0	18	0.0000
4)	524210	Insurance Agency	2	474	0.0042
5)	541110	Legal	1	698	0.0014
6)	237990	Railroad Industrial Materials	0	14	0.0000
7)	237990	Railroad Construction	0	14	0.0000
8)	237790	RR Maint Project Management	0	14	0.0000
9)	561720	Janitorial Service	3	311	0.0096
10)	517210	Wireless Internet Service	0	48	0.0000
11)	541214	Payroll Service	0	28	0.0000
12)	531120	Lease	0	164	0.0000
13)	722310	Food Service - NET	0	99	0.0000
14)	541690	Passenger Survey	4	74	0.0541
15)					
16)	531120	Concord NET	0	164	0.0000
17)					
20)	485112	Amtrak NET	0	0	
	Combined Totals		15	2445	0.0061
					Overall availability of DBEs

Step 3 is based on Base Goal Version 2 of Step 2.

Step 3 - (Weight) x (Availability) = Weighted Base Figure							
	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure	
1)	541810	Advertising Agency	0.03308	x	0.02778	0.0009	
2)	541211	CPA/Other Accounting	0.00126	x	0.00922	0.0000	
3)	541513	Computer Management	0.00043	x	0.00000		
4)	524210	Insurance Agency	0.00139	x	0.00422	0.0000	
5)	541110	Legal	0.00866	x	0.00143	0.0000	
6)	237990	Railroad Industrial Materials	0.14192	x	0.00000		
7)	237990	Railroad Construction	0.12701	x	0.00000		
8)	237790	RR Maint Project Management	0.01810	x	0.00000		
9)	561720	Janitorial Service	0.00025	x	0.00965	0.0000	
10)	517210	Wireless Internet Service	0.00026	x	0.00000		
11)	541214	Payroll Service	0.00025	x	0.00000		
12)	531120	Lease	0.00196	x	0.00000		
13)	722310	Food Service - NET	0.01481	x	0.00000		
14)	541690	Passenger Survey	0.00087	x	0.05405	0.0000	
15)							
16)	531120	Concord NET	0.00000	x	0.00000		
19)							
20)	485112	Amtrak NET	0.64975	x	0.00000		
					Total	0.0010	
					Expressed as a % (*100)	0.10%	
					BASE GOAL	0.10%	

The Base Goal is 0.10%.

Step Two – Adjustments to Base Goal

Past Participation:

Past participation included race neutral and race conscious participation.

The revised triennial goal, submitted June 2015, of 0.10% for FFY15 and FFY16, through 3/31, was met.

FFY 2014 Goal of 0.60% Actual DBE Prime Contractor Participation, all Race Neutral:	0.01%
FFY 2015 Goal of 0.05% Actual DBE Prime Contractor Participation, all Race Neutral:	0.03%
Goal of 0.05% Actual DBE Prime Contractor Participation, all Race Conscious:	<u>0.17%</u>
Total:	0.20%
FFY 2016 (Through Semi-annual report 3/31/16)	
Goal of 0.05% Actual DBE Prime Contractor Participation, all Race Neutral:	0.22%
Goal of 0.05% Actual DBE Prime Contractor Participation, all Race Conscious:	<u>0.00%</u>
Total:	0.22%

STEP TWO RESULT: Historical Median Participation for FFY 2014 through FFY 2016 = 0.20%

Overall Goal Calculation

Step 1: Base Goal: 0.10%

Step 2: Historical Median Past Participation FFY 2014 through FFY 2016: 0.20%

Calculation: The Step 1 Base Goal is averaged with the Historical Median of Past Participation:

$$0.10\% \text{ (Base Goal)} + 0.20\% \text{ (Historical Median Past Participation)} = 0.30\% / 2 = 0.15\%$$

Measures of DBE attainment – Race Neutral and Conscious Measures

NNEPRA's DBE goal for 2017, 2018 and 2019 is 0.15% obtained by .14% race neutral participation and 0.01% race conscious participation.

NNEPRA will be able to meet the Race Neutral goal of 0.14%; and, the Race Conscious goal of 0.01% through specific contract goals.

NNEPRA will add contract goals to DOT-assisted contracts that have subcontracting possibilities to meet the race conscious participation as necessary.

NNEPRA will use the means as outlined in CFR 26.51 to facilitate Race Neutral DBE participation to include but not limited to:

Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more accessible to small businesses, by means such as those provided under CFR § 26.39.

Carrying out information and communications programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists for bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate).

NNEPRA will continuously monitor DBE participation to determine if the DBE goal will be met on an annual basis and apply Race Neutral and Race Conscious goals accordingly.

Future Participation

Requirement: Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure; and

There has been no known disparity study performed for New Hampshire, Vermont or Maine.

A 2010 Disparity Study "Massachusetts Race, Sex and Business Enterprise: Evidence from the Commonwealth of Massachusetts" conducted by NERA Economic Consulting for the Division of Capital Asset Management and the Massachusetts Housing Finance Agency in September 2010. Findings from that study indicate that access to credit and loans is more difficult for DBE businesses than for non-DBE businesses.

NNEPRA is committed to, and has a history of, prompt payment for all vendors, including DBE vendors. Payment is typically forwarded within thirty days. If the need should arise where a DBE contractor could not fund a

particularly large material purchase, NNEPRA would work with that vendor to acquire a loan, better terms or take on the material procurement through NNEPRA's resources.

MassDOT is conducting a further study that is incomplete as of this date. NNEPRA will consider the findings of that study as it is relevant to NNEPRA's DBE participation.

Requirement: If available, you must consider evidence from related fields that affect the opportunities for DBEs to form, grow and compete. These include, but are not limited to:
(i) Statistical disparities in the ability of DBEs to get the financing, bonding and insurance required to participate in your program;

This data is not available as stated above.

Requirement: Data on employment, self-employment, education, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.

This data has not been collected related to transit contracts. NNEPRA continually searches for opportunities to have current vendors apply for DBE certification and to reach out to New Hampshire and Massachusetts DBEs to become certified in Maine.

Requirement: If you attempt to make an adjustment to your base figure to account for the continuing effects of past discrimination (often called the "but for" factor) or the effects of an ongoing DBE program, the adjustment must be based on demonstrable evidence that is logically and directly related to the effect for which the adjustment is sought.

NNEPRA will not attempt to adjust the base figure based upon the effects of the DBE program.

Public Participation

NNEPRA consulted with women groups, local business associations, and community organizations within the market area and provide many opportunities provide input. The organizations include, among others, WTS-Maine, Rotary Club, Chambers of Commerce and the MPO Transit Committee. We did not receive any comments.

In addition, the goal methodology was sent to all the Maine certified DBEs. Of the approximately 240 DBE contacts, 3 responded:

1 said "Thank You".

2 requested confirmation that the goal was indeed 0.15% and not 15%

Response to these 2:

Yes, the goal is 0.15% of all our contracting opportunities.

Because of the nature of our business, Amtrak Downeaster, and the large contracts that don't have eligible DBEs, the goal is low and has historically been low.

There were no changes made to the NNEPRA DBE goal as a result of any comments.

The notice of this Goal was published on the NNEPRA website: www.nnepra.com. There were no comments received from the notice.

NNEPRA reached out to the New Hampshire and Massachusetts DBEs as well. No comments have been received.

NNEPRA's goal methodology was shared with Eastern Maine Development Corporation (EMDC), which contracts with MaineDOT to implement their DBE Supportive Service Program. MaineDOT is responsible for certifying all Maine DBEs. A response is pending.

Other DBE Continuing Outreach Activity:

1. Worked with four different women owned businesses to become Maine certified DBEs: Wicked Stitch, Rinck Advertising, J. Mikulsky Railway Supply Co., Inc. and Ocean's Promotions. NNEPRA will continue to assist other women/minority owned NNEPRA business partners to become registered as a Maine DBE;
2. NNEPRA contracted with Rose's Cleaning Service (DBE) in 2015 for office janitorial services;
3. NNEPRA's contractor, VHB, hired Keville Enterprises (DBE) for site inspection work;
4. Continue participation with Women in Transportation – Maine Chapter to consult with Maine women who work in the transportation industry;
5. Attend and participate in all DBE training webinars and on-site workshops;
6. Attend Eastern Maine Economic Development applicable workshops;
7. Continue to participate in business outreach through Chambers of Commerce, Rotary and other organizations that NNEPRA belongs to and participate in;
8. Continue to electronically notify the Maine DBE directory of bidding opportunities;
9. Collaborate with Maine DOT and other Maine transportation providers to encourage DBE Participation;
10. Investigate and collaborate with New Hampshire DOT and Massachusetts DOT to encourage DBEs relevant to NNEPRA's projects to register in Maine.
11. Utilize and solicit more DBE business support services, i.e., advertisements, temporary help, janitorial services, printing services, courier services, etc.
12. Reinforce the training of NNEPRA staff of the DBE Program and Goals.

Future Procurements:

NNEPRA's future procurements are similar to prior year procurements. The DBE program applies to capital and operating procurements. The NNEPRA operating procurements are substantially the same from year to year and NNEPRA does not anticipate any significant variations. The NNEPRA capital procurements do vary from year to year and are included in the goal methodology.

Assurance 26.13 is used in all NNEPRA contracts and subcontracts.