

GRTC Transit System

FY 2023- FY 2025 Overall DBE Three Year Goal Methodology

Introduction

This document details the methodology used by Greater Richmond Transit System (GRTC) to establish its overall Disadvantaged Business Enterprise (DBE) Goal for Federal Transit Administration (FTA) assisted contracts for the three-year Federal Fiscal Year (FFY) goal period of 2023- 2025 (October 1, 2023 – September 30, 2025).

GRTC is a recipient of U.S. Department of Transportation (USDOT), Federal Transit Administration (FTA) funding. As a condition of receiving this assistance, GRTC must comply with FTA’s DBE requirements. In accordance with Title 49 CFR Part 26; Participation by DBE’s in USDOT programs, GRTC is required to develop and submit a triennial Overall DBE Goal for its FTA assisted projects.

This goal process begins by identifying FTA assisted contracts and subcontracts GRTC intends to award during the triennial period, followed by identifying availability of ready, willing, and able DBEs in relationship to all comparable businesses which are known to be available to compete for FTA-assisted contracts in GRTC’s market area.

Projected FTA-Assisted Contracts FFY23-FFY25

Table 1 represents GRTC’s FTA-assisted Capital Projects Plan considered in preparing the goal methodology. It is anticipated that the capital projects listed in this table will be awarded during the triennial period, fiscal years 2023–2025.

Table 1

PROGRAM OF PROJECTS/CAPITAL PLAN	FY23	FY24	FY25	Total FTA Dollars
Preventive Maintenance (Parts)	\$ 5,600,000	\$ 5,600,000	\$ 5,600,000	\$ 16,800,000
Computer Hardware	\$ 38,836	\$ 394,800	\$ 35,000.00	\$ 468,636
Computer Software	\$ 2,729,147	\$ 382,690	\$ -	\$ 3,111,837
Fleet (Non Revenue Vehicles)	\$ -	\$ 205,734	\$ 53,164.00	\$ 258,898
Transit Enhancements (Bus Stop Amenities)	\$ 70,747	\$ 263,267	\$ 259,277.00	\$ 593,291
Shop Equipment	\$ 213,500	\$ 154,602	\$ 155,134.00	\$ 523,236
Third Party Studies	\$ 126,500	\$ 948,000	\$ -	\$ 1,074,500
Construction	\$ 2,016,000	\$ 654,800	\$ -	\$ 2,670,800
Security/Surveillance	\$ 16,000	\$ 28,000	\$ -	\$ 44,000
Infrastructure	\$ 113,400	\$ 49,000	\$ 60,200.00	\$ 222,600
Total FTA Funded Projects- Section 5307	\$ 10,924,130	\$ 8,680,893	\$ 6,162,775.00	\$ 25,767,798

Table 2 represents capital projects broken down by contracting opportunities for each category listed in GRTC’s Capital Plan in **Table 1**.

Table 2

Contracting Opportunities by Category	Total FTA Dollars by Project Category
Preventive Maintenance (Parts)	
List Projects:	
Parts & General Maintenance	\$ 16,800,000
Computer Hardware	
List Projects:	
Radio System Upgrade Retrofit Two Way Radio	\$ 224,000
Server replacement	\$ 140,000
Apollo Monitor Pilot	\$ 12,236
Clever Repair & replacement	\$ 42,000
Apollo Repair and replacement	\$ 25,200
Luminator Destination Sign repair and replacement	\$ 25,200
Computer Software	
List Projects:	
Annual IT software maintenance contracts (Admin)	\$ 316,942
Annual IT software maintenance contracts (Service)	\$ 367,494
SharePoint Intranet Implementation	\$ 80,000
Cloud Base Access Controls System	\$ 23,800
ERP/CRM Doc Mgmt. (Consult/Install) \$5.3M	\$ 2,165,600
Microsoft SCCM and SCOM Management Software	\$ 60,000
rideGRTC.com website services	\$ 28,000
Radio Dispatch Software Console	\$ 70,000
Fleet (Non-Revenue Vehicles)	
List Projects:	
Support Vehicle Replacement	\$ 258,898
Transit Enhancements (Bus Stop Amenities)	
List Projects:	
BRT station repairs	\$ 84,000
Design & Printing of System Maps	\$ 86,822
Public Timetable Racks	\$ 5,608
Installation of No Smoking Signs (Systemwide)	\$ 5,124
RealTime Signage at Local Bus Stops (10 Stops)	\$ 97,761
Replacement Bus Stop Signs	\$ 27,927
Bus Stop Improvement Program- Shelter Install/purchase	\$ 170,844
Bus Stop Improvement Program- Bench Purchase/Install	\$ 40,157
Bus Stop Improvement Program-Trash can Purchase/Install	\$ 27,092
Bus Stop Improvement Program-Simme Seat Purchase/Install	\$ 47,956

Shop Equipment	
List Projects:	
Bus Lifts	\$ 456,260
Various Shop Equipment	\$ 66,976
Third Party Studies	
List Projects:	
Transit Strategic Plan	\$ 126,500
23rd & Franklin Neighborhood Transfer Center	\$ 28,000
Southside Transfer Center Site Identification Study	\$ 920,000
Construction	
List Projects:	
Downtown Transfer Center A&E Services	\$ 2,016,000
Conversion of Dedicated Lane on Existing Pulse Route	\$ 112,000
Preliminary Engineering for all Facility (Phase 3 to Facilities Master Plan)	\$ 151,800
Remediation and Demo of Church Lot (Phase 2 to Facilities Master Plan)	\$ 391,000
Security/Surveillance	
List Projects:	
Property Security Assess	\$ 16,000
Property Security Upgrade	\$ 28,000
Infrastructure	
List Projects:	
Engineering for shop/storeroom lighting	\$ 7,000
Chiller upgrades	\$ 13,160
Exhaust System for Body shop	\$ 9,800
Operators deck area canopy - Assessment	\$ 4,200
Bus Wash Upgrade	\$ 45,640
Centrifugal Pumps - revised Estimate \$120k	\$ 33,600
Roof Top Unit replacement	\$ 60,200
Shop/Storeroom Lighting	\$ 49,000
Total FTA Funded Projects- Section 5307	\$ 25,767,797

The information provided in **Table 3** displays the categories of work and related North American Industry Classification System (NAICS) Code for purposes of weighting the categories of work based on staff cost estimates.

Table 3

NAICS Code	Description of Work	Amount of DOT funds on project	% of total DOT funds (weight)
236210	Preliminary Engineering for all Facility (Phase 3 to Facilities Master Plan)	151,800	0.0059
237310	BRT Station Repair, Installation No Smoking Signs, Replacement of Bus Stop Signs	117,051	0.0045
237990	Downtown Transfer Center, Conversion of Dedicated Lane on Existing Pulse Route	2,128,000	0.0826
238210	Apollo Monitor Piolet, Realtime Signage at (10) Local Bus Stops	109,997	0.0043
238910	Remediation and Demo of Church Lot (Phase 2 to Facilities Master Plan)	391,000	0.0152
323311	Bus Stop Improvement Program-Shelter Purchase/Install	170,844	0.0066
333924	Bus Lifts	456,260	0.0177
333996	Centrifugal Pumps	33,600	0.0013
334290	Property Security Access & Upgrade	44,000	0.0017
337127	Bus Stop Improvement Program, Purchase Benches, Trash Receptacles, and Simme Seats	115,204	0.0045
423120	Various Shop Equipment	66,976	0.0026
423430	Server Replacement	140,000	0.0054
423610	Shop and Storeroom Lighting	49,000	0.0019
423730	Chiller Upgrades, Exhaust System for Body Shop, Roof to Unit Replacement	83,160	0.0032
424990	Deck Canopy	4,200	0.0002
441110	Support Vehicle Replacement	258,898	0.0100
511210	Clever Repair & Replacement, Annual Software Maintenance (Admin & Service) Contracts, Microsoft SCCM and SCOM Management Software, Radio Dispatch Software Console	856,437	0.0332
518210	Cloud Base Access Controls System	23,800	0.0009

541310	23rd & Franklin Neighborhood Transfer Center, Southside Transfer Center Site Identification Study	948,000	0.0368
541330	Engineering for Shop/Storeroom Lighting	7,000	0.0003
541430	Design & printing of System Maps	86,822	0.0034
541511	Website Services	28,000	0.0011
541519	SharePoint Intranet Implementation, ERP/CRM Doc Mgmt. Installation	2,245,600	0.0871
541611	Transit Strategic Plan	126,500	0.0049
811192	Bus Wash Upgrade	45,640	0.0018
811213	Radio System Upgrade Retrofit Two Way Radio, Bus Camera Repair & Replacement, Destination Sign Repair & Replacement	274,400	0.0106
811111, 441310	Bus Parts & General Maintenance	16,800,000	0.6520
N/A	Public Timetable Racks	5,608	0.0002
Total FTA-Assisted Contract Funds		\$25,767,797	100%

Defining GRTC's Market Area

GRTC's local market area for contracts is the state of Virginia where most of the contract dollars are expended, however some of our non- professional procurements such as fareboxes, and vehicle parts are from bidders within the US.

Goal Setting Methodology

The overall goal is developed by a two-step method set forth within the federal regulations as defined in 49 CFR Part 26.45.

Step 1: Establishing the Base Figure

GRTC followed the prescribed federal methodology to determine a base figure. GRTC looked at the availability of ready and willing DBE firms in each category code and looked at ALL ready and willing firms in each category code. This information was gathered through the Virginia Unified Certification Program (VAUCP) DBE Database of Certified Firms and the 2020 U.S. Census Bureau County Business Patterns Database. To ensure a comparable, GRTC used the same NAICS codes when compiling this information.

Next to determine the base figure GRTC considered the (local market area) in which the majority of its project's dollars are expended. It was determined that the state of Virginia

represents the local market area, however some non-professional procurements such as fareboxes and vehicle parts are from bidders within the US.

The base figure is derived by dividing the number of ready, willing, and able DBE firms identified in each work category by the number of ALL firms identified in each work category (relative availability) as shown in **Table 4**.

Ready, willing, and able DBE's

(Data source = VAUCP)

All firms ready, willing, and able

(Data source = CBP, includes DBEs and non –DBEs)

=Base Figure of 6.85% $\frac{1417 \text{ DBE's}}{20,865 \text{ Total Businesses}}$

Table 4

NAICS Code	Description of Work	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability
236210	Preliminary Engineering for all Facility (Phase 3 to Facilities Master Plan)	40	57	0.7018
237310	BRT Station Repair, Installation No Smoking Signs, Replacement of Bus Stop Signs	113	319	0.3542
237990	Downtown Transfer Center, Conversion of Dedicated Lane on Existing Pulse Route	34	162	0.2099
238210	Apollo Monitor Piolet, Realtime Signage at (10) Local Bus Stops	65	1727	0.0376
238910	Remediation and Demo of Church Lot (Phase 2 to Facilities Master Plan)	102	913	0.1117
323311	Bus Stop Improvement Program-Shelter Purchase/Install	1	15	0.0667
333924	Bus Lifts	0	6	0.0000
333996	Centrifugal Pumps	0	4	0.0000
334290	Property Security Access & Upgrade	2	8	0.2500

337127	Bus Stop Improvement Program, Purchase Benches, Trash Receptacles, and Simme Seats	2	7	0.2857
423120	Various Shop Equipment	0	239	0.0000
423430	Server Replacement	10	198	0.0505
423610	Shop and Storeroom Lighting	17	282	0.0603
423730	Chiller Upgrades, Exhaust System for Body Shop, Roof to Unit Replacement	3	194	0.0155
424990	Deck Canopy	4	136	0.0294
441110	Support Vehicle Replacement	1	543	0.0018
511210	Clever Repair & Replacement, Annual Software Maintenance (Admin & Service) Contracts, Microsoft SCCM and SCOM Management Software, Radio Dispatch Software Console	12	407	0.0295
518210	Cloud Base Access Controls System	63	611	0.1031
541310	23rd & Franklin Neighborhood Transfer Center, Southside Transfer Center Site Identification Study	15	461	0.0325
541330	Engineering for Shop/Storeroom Lighting	137	2276	0.0602
541430	Design & printing of System Maps	37	349	0.1060
541511	Website Services	211	3679	0.0574
541519	SharePoint Internet Implementation, ERP/CRM Doc Mgmt. Installation	177	984	0.1799
541611	Transit Strategic Plan	360	3423	0.1052
811192	Bus Wash Upgrade	3	416	0.0072
811213	Radio System Upgrade Retrofit Two Way Radio, Bus Camera Repair & Replacement, Destination Sign Repair & Replacement	1	56	0.0179
811111, 441310	Bus Parts & General Maintenance	7	3213	0.0022
N/A	Public Timetable Racks	0	0	
Combined Totals		1417	20685	6.85% <i>Overall availability of DBEs</i>

GRTC then weighted the base figure considering the overall portion of funds and the availability of DBEs represented by each NAICS code. The result of the weighted base figure calculation is 1.7 % as shown in **Table 5** below.

Table 5

NAICS Code	Description of Work	Weight	x	Availability of DBEs	Weighted Base Figure
236210	Preliminary Engineering for all Facility (Phase 3 to Facilities Master Plan)	0.0059	x	0.7018	0.0041
237310	BRT Station Repair, Installation No Smoking Signs, Replacement of Bus Stop Signs	0.0045	x	0.3542	0.0016
237990	Downtown Transfer Center, Conversion of Dedicated Lane on Existing Pulse Route	0.0826	x	0.2099	0.0173
238210	Apollo Monitor Piolet, Realtime Signage at (10) Local Bus Stops	0.0043	x	0.0376	0.0002
238910	Remediation and Demo of Church Lot (Phase 2 to Facilities Master Plan)	0.0152	x	0.1117	0.0017
323311	Bus Stop Improvement Program-Shelter Purchase/Install	0.0066	x	0.0667	0.0004
333924	Bus Lifts	0.0177	x	0.0000	0.0000
333996	Centrifugal Pumps	0.0013	x	0.0000	0.0000
334290	Property Security Access & Upgrade	0.0017	x	0.2500	0.0004
337127	Bus Stop Improvement Program, Purchase Benches, Trash Receptacles, and Simme Seats	0.0045	x	0.2857	0.0013
423120	Various Shop Equipment	0.0026	x	0.0000	0.0000
423430	Server Replacement	0.0054	x	0.0505	0.000274
423610	Shop and Storeroom Lighting	0.0019	x	0.0603	0.000115
423730	Chiller Upgrades, Exhaust System for Body Shop, Roof to Unit Replacement	0.0032	x	0.0155	0.0000
424990	Deck Canopy	0.0002	x	0.0294	0.0000
441110	Support Vehicle Replacement	0.0100	x	0.0018	0.0000

511210	Clever Repair & Replacement, Annual Software Maintenance (Admin & Service) Contracts, Microsoft SCCM and SCOM Management Software, Radio Dispatch Software Console	0.0332	x	0.0295	0.00098
518210	Cloud Base Access Controls System	0.0009	x	0.1031	0.0001
541310	23rd & Franklin Neighborhood Transfer Center, Southside Transfer Center Site Identification Study	0.0368	x	0.0325	0.0012
541330	Engineering for Shop/Storeroom Lighting	0.0602	x	0.0602	0.0036
541430	Design & printing of System Maps	0.00337	x	0.10602	0.0004
541511	Website Services	0.00109	x	0.05735	0.0001
541519	SharePoint Internet Implementation, ERP/CRM Doc Mgmt. Installation	0.08715	x	0.17988	0.0157
541611	Transit Strategic Plan	0.00491	x	0.10517	0.0005
811192	Bus Wash Upgrade	0.00177	x	0.00721	0.0000
811213	Radio System Upgrade Retrofit Two Way Radio, Bus Camera Repair & Replacement, Destination Sign Repair & Replacement	0.01065	x	0.01786	0.0002
811111, 441310	Bus Parts & General Maintenance	0.00218	x	0.00218	0.0000
N/A	Public Timetable Racks	0.00022	x	0.00000	0.0000
				Total	0.0168
				Expressed as a % (*100)	1.68%
				Rounded, Weighted Base Figure:	1.7%

Step 2: Adjusting the Base Figure

In accordance with the guidance on DBE goal setting, adjustment to the step 1 Base Figure must be considered, but not required, to make it as precise as possible. To determine whether this adjustment is needed or not, GRTC examined the following available evidence in accordance with 49 CFR 26.45(d):

- Past DBE goal achievement in GRTC’s contracting opportunities.
- Findings in the Disparity Study for the Commonwealth of Virginia Final Report 2020 that analyzed Minority and Women Owned Business Enterprises (M/WBE’s) utilization and availability.

Past DBE Goal Achievement

GRTC’s past DBE goal attainment for FY 2015-2019 is shown in **Table 6** below:

Table 6

Federal Fiscal Year	DBE Goals			Achievements			Over/Under Achievement
	RC	RN	Total	RC	RN	Total	
2015	0%	3.1%	3.1%	N/A	0.1%	0.1%	0.0%
2016	0%	3.1%	3.1%	N/A	2.0%	2.0%	-1.1%
2017	2.75%	2.75%	5.5%	0%	10.0%	10.0%	4.5%
2018	2.75%	2.75%	5.5%	0%	7.0%	7.0%	1.5%
2019	2.75%	2.75%	5.5%	0%	1.5%	1.5%	-4.0%

The results of the five-year DBE goal attainment for FY 2015-2019 reflect a median value of two (2) percent. The median percentage is determined by the middle percentage for the past five (5) years. To determine the median percentage of the past five (5) years, we must arrange the goal attainment from lowest to highest (0.1, 1.5, 2.0, 7.0, 10.0). In this case, the middle value is 2%. As shown in **Table 6**, median past DBE participation achieved was 2%.

After the determination of the median value, GRTC took the median (2%) DBE participation and averaged it with the base figure (1.7%) for its overall DBE goal.

FFY 2023-2025 base figure 1.7% + median past participation of 2.0 % / 2 = 1.9%

Disparity Study

GRTC reviewed The Commonwealth of Virginia Disparity Study Final Report January 2020 and concluded that disparities exist in contracting opportunities for minority-and women-owned businesses in GRTC’s market area but staff was unable to determine a logical mathematical way to adjust our goal based on the report findings.

GRTC proposed overall three-year DBE goal is 1.9%.

Race-Neutral Versus Race-Conscious Breakdown

DBE Program guidelines at 49 CFR Part 26.51(a) states, “You must meet the maximum feasible portion of your overall goal by using race-neutral means of facilitating race-neutral DBE participation. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures or is awarded a subcontract on a prime contract that does not carry a DBE contract goal.”

In determining the race neutral/race conscious split for FFY 2023-2025, GRTC staff reviewed semi-annual reports for FFY2015-2019 to determine race-neutral/race-conscious dollars awarded over five fiscal years, illustrated below in **Table 7**.

Table 7

FFY	Total Contract Dollars Awarded	Total Dollars to DBE's	Total Race-Conscious Dollars Awarded	Total Race-Neutral Dollars Awarded	DBE Goal	DBE Goal Attainment
2015						
1-Jun	\$18,876,592.00	\$0.00	\$0.00	\$0.00	3.1%	0.0%
1-Dec	\$11,905,062.00	\$41,600.00	\$0.00	\$41,600.00		0.3%
Total	\$30,781,654	\$41,600.00	\$0.00	\$41,600.00		0.1%
2016						
1-Jun	\$510,773.00	\$8,468.00	\$0.00	\$8,468.00	3.1%	1.7%
1-Dec	\$4,040,916.00	\$92,695.00	\$0.00	\$92,695.00		2.3%
Total	\$4,551,689.00	\$101,163.00	\$0.00	\$101,163.00		2.2%
2017						
1-Jun	1,859,113.00	\$231,537.00	\$0.00	\$231,537.00	5.5%	12%
1-Dec	\$969,826.00	\$45,460.00	\$0.00	\$45,460.00		5%
Total	\$2,828,939.00	\$276,997.00	\$0.00	\$276,997.00		10%
2018						
1-Jun	\$1,859,113.00	\$231,537.00	\$0.00	\$231,537.00	5.5%	12.5%
1-Dec	2,800,458.00	\$103,492.00	\$0.00	\$ 103,492.00		3.7%
Total	\$4,659,571.00	\$335,029.00	\$0.00	\$335,029.00		7.2%
2019						
1-Jun	483,802.00	\$132.00	\$0.00	\$132.00	5.5%	0.0%
1-Dec	1,520,805.00	\$30,640.00	\$0.00	\$30,640.00		2.0%
Total	2,004,607.00	\$30,772.00	\$0.00	\$30,772.00		1.5%

Based on DBE attainment for the past 5 years, GRTC estimates that, in meeting its overall goal of 1.9%, it will obtain 1.9% from race-neutral participation and 0% through race-conscious measures. The estimated breakout of race-neutral and race-conscious DBE participation is based on GRTC’s previous years DBE goal achievement. As shown in **Table 7** above, all GRTC’s DBE participation has been achieved through DBE primes over the past three years.

As a result, the proposed overall DBE goal for FY 2023-2025 will consist of 1.9% race-neutral only program.

GRTC will continue its efforts to meet the maximum feasible portion of its overall goal using the following race-neutral means:

- Ensuring participants at pre-solicitation meetings are informed of GRTC's DBE Program.
- Posting information on upcoming contracting opportunities on GRTC's website and generating project specific emails to GRTC's registered bidders list.
- Ensuring circulation of the Virginia Unified Certification Program (VAUCP) DBE Directory to all potential contractors by listing the VAUCP website in solicitation documents.
- Hosting outreach events to share information on upcoming contracting opportunities as well as encouraging networking.

For FY 2023-2025, GRTC is proposing an overall DBE goal of 1.9 % using race neutral measures.

DRAFT