

# **Southeastern Regional Transit Authority**



## **Disadvantaged Business Enterprise (DBE) Goal Methodology**

**FFY2022-FFY2024**

# Table of Contents

<b>DBE Goal Submission for Federal Fiscal Years 2022-2024</b> .....	3
New Goals .....	3
Publication .....	3
Minority / Women Contracting Groups .....	3
<b>Goal Construction</b> .....	4
Projects .....	4
Information Sources.....	5
<b>Goal Setting Process</b> .....	6
Step One: Base Figure .....	6
Federal Fiscal Year 2022.....	7
Federal Fiscal Year 2023.....	9
Federal Fiscal Year 2024.....	11
FY2022-24 Summary of Base Weighted Figures (with Average / Median).....	12
Step Two: Adjustment.....	13
<b>Race-Neutral &amp; Race Conscious Participation</b> .....	14
Past Goal Attainment.....	14
<b>Attachment 1</b> .....	16

# DBE Goal Submission for Federal Fiscal Years 2022-2024

## New Goals

The Southeastern Regional Transit Authority's (SRTA) overall goal for DBE participation, for the time period of FFY2022 – FFY2024 (October 1, 2021 through September 30, 2024), is set at 2.98% of the Federal financial assistance. The SRTA will expend in DOT-assisted contracts, exclusive of FTA funds to be used for the purchase of transit vehicles as well as non-applicable opportunities, \$2,832,750.00 (DBE Goal: \$84,415.95) in FFY22, \$2,925,082.50 (DBE Goal: \$87,167.46) in FFY23, and \$8,780,477.48 (\$90,074.82) in FFY24.

In total, over the next three Federal Fiscal Years (FFY22-24), the SRTA has set a goal of expending \$261,658.23 with DBE certified firms. The SRTA estimates that, in meeting this overall goal of 2.98% or \$261,658.23, that the Authority will obtain 2.98% from Race-Neutral participation and 0.00% through Race-Conscious measures.

## Publication

The SRTA published a notice announcing the DBE goals that it has established as a part of the DBE program of each applicable Federal Fiscal Year (FFY22-24) on the SRTA (website [www.srtabus.com](http://www.srtabus.com)). The Goal will be actively shared with the local Chambers (One Southcoast Chamber), Minority Activist groups, and promoted on the Authority's social media pages, as deemed appropriate. Proof of publications can be found with Attachment 1.

The notice informed the public that a DBE participation program – including DBE goals and a description of how these goals were developed – will be made available for inspection during normal business hours at the Administrative office (700 Pleasant Street, Suite 530, New Bedford, MA 02740) of the Authority. Notwithstanding, the SRTA and the Department of Transportation will accept comments throughout this period.

## Minority / Women Contracting Groups

The SRTA utilizes the newly formed One SouthCoast Chamber for assistance in identifying Chamber members and small business associations in the area. One SouthCoast Chamber was formed when the South Coast Chamber of Commerce and the Bristol County Chamber of Commerce merged and will be an excellent resource for outreach and to establish relationships with small and minority owned businesses.

In addition to the local Chamber of Commerce organization, the SRTA participates in the Unified Certification Program (UCP) managed by MassDOT. The UCP provides DBE certification for eligible businesses and conducts outreach and training across the state. The SRTA also uses the database maintained by the UCP to locate DBE-certified businesses.

The SRTA, with other Regional Transit Authorities (RTA), also solicits input during the Women's Transportation Seminar Boston Chapter Diversity Expo. To improve the impact of outreach efforts, the

SRTA collaborates with peer Regional Transit Authorities to create greater interest in RTA projects from the DBE community. The SRTA intends to continue these partnerships in future years.

## Goal Construction

### Projects

The SRTA is the direct recipient of appropriated / formula 5307 and limited 5339 federal funds, of which can and are programmed to be used to fund various projects, including large-scale capital projects. The SRTA, however, does not currently have any large-scale capital projects – utilizing non-competitive, appropriated funds – planned during the next three (3) Federal Fiscal Years (FFY22-24). Consistent with previous Goal Methodology reports and Uniform Performance reporting, the SRTA has opted to include various operating (operations, maintenance, administrative) expenditures that the SRTA reasonably expects to expend during the next three (3) Federal Fiscal Years (FY22-24).

The following projects will be completed during the period of Federal Fiscal Year 2022 through Federal Fiscal Year 2024 and intended to be accomplished with DOT financial assistance. A short description of each project follows, as needed:

#### Capital Projects and Purchases

- Support Vehicle (Capital)
  - The SRTA has programmed the purchase of a non-revenue support vehicle in FFY2022, FFY2023, and FFY2024
- Support Equipment
  - The SRTA has programmed the purchase of miscellaneous operations / maintenance support equipment in FFY2022, FFY2023, and FFY2024
- Security Equipment
  - In an effort to keep all security measures current in all SRTA facilities, SRTA has programmed 5307 funds for security upgrades FFY2022, FFY2023, and FFY2024
- Transit Enhancements (Capital)
  - The SRTA has programmed the purchase of transit enhancement items in FFY2022, FFY2023 and FFY2024
- Tires
  - The SRTA has programmed the purchase of leased transit vehicles tires in FFY2022, FFY2023, and FFY2024, with the intent of releasing the next multi-year procurement in the second quarter of FFY2022

#### Operating Projects and Purchases

- Operations / Maintenance
  - The SRTA has programmed various ongoing operations and maintenance initiatives into our FFY2022, FFY2023, and FFY2024 projects. Ongoing operations and maintenance expenses typically include the following:
    - Motor Vehicle Supplies
      - Supplies for use on the vehicles, such as paper towels, bus wash soap, and windshield fluid

- Shop / Facilities Supplies
  - Supplies for use in facilities, such as paper towels, cleaners / soaps / sanitization, and bulbs, etc.
- Administrative Supplies
  - Office and industrial supplies
- Motor Vehicle Parts
  - Replacement parts such as bodywork, brake pads, light bulbs, and other related items
- Fuel, Fluid, and Lubes
  - Fuel (Gasoline / Diesel), oil, and other fluids
- Tires
  - Support (Non-Revenue) vehicles only
- Surfacing and Paving
  - Sealcoat of Maintenance Facilities
- Waste Removal
- Accounting Services
  - Annual Financial and Single Audit Services
- Transit Management Services
  - Management / Operating Contractor

#### **Facility Rehabilitation and Renovation Projects**

The SRTA will use formula 5339 funds to accomplish a number of small to mid-size rehabilitation and renovation projects at multiple facilities – including the New Bedford Terminal, New Bedford Maintenance Facility, Fall River Terminal, and Fall River Maintenance Facility – throughout the three years within this period (FFY2022-24). The intended projects are programmed to range from \$30,000 to \$180,000, and will be fine-tuned with the assistance of the SRTA’s current on-call architectural and engineering firm.

#### **Information Sources**

The SRTA utilized a combination of sources to develop the projects indicated above, as follows:

1. The SRTA is required to submit a 5-year Capital Improvement Plan (CIP) to the Massachusetts Department of Transportation. At this time, the FY22-26 CIP (FFY2022 through FFY2026) has been endorsed and is considered to be the “Active” project listing for capially funded projects. Additionally, on an annual basis, the SRTA collaborates with the Authority’s Contract Operator in order to determine the full listing of projects that are reasonably expected to occur within the 1–3-year horizon.  
If at any time the existing plan (or plans) indicated above experience significant changes, the SRTA will revisit the DBE goal to ensure that the number of projects or opportunities has stayed within reason.

The SRTA used two sources to determine the availability of total firms and the number of DBE’s certified in our region.

1. To determine the overall number of firms – per applicable NAICS code – within the identified market area or geographic region, the SRTA referenced the Census Bureau's County Business Pattern (CBP) database that is made available by the U.S. Census. The Census Bureau's County Business Pattern (CBP) database is searchable by various criteria such as state, county, NAICS code as well as firm status or size.

The SRTA identified 10,027 firms – via the Census Bureau's County Business Pattern (CBP) database – that are associated with the applicable NAICS code(s) and located within the same geographic area.

2. The SRTA is part of the Unified Certification Program (UCP) of the Commonwealth of Massachusetts and the Massachusetts Department of Transportation. The Commonwealth's Supplier Diversity Office (SDO) works to certify Disadvantage Business Enterprises and, in doing so, keeps a directory of these businesses on their website. This is a searchable and downloadable directory, which allows for DBE certified businesses to be sorted by NAICS code.

The SRTA downloaded the SDO directory, then categorized, sorted, and checked for duplicate listings in similar categories. In doing so, the SRTA identified 211 DBE certified firms within the applicable NAICS codes.

## Goal Setting Process

### Step One: Base Figure

In order to determine the overall goal, the SRTA first established a base figure – using project weights and relative availability of associated DBEs – of which has been outlined below.

In developing the project weights, each of the projects, as indicated previously, were assigned to the most relevant NAICS code and weighted by the associated project costs (as compared to the total cost of projects) in order to demonstrate equity across the associated projects.

In developing the baseline figure for the relative availability of DBE firms per NAICS code, the SRTA utilized the Massachusetts Supplier Diversity Office (SDO) DBE Directory to define the number of ready, willing, and able DBE's located within SRTA's market area for each of the projects, as previously indicated.

*Note: For reference, the SRTA has determined the state of Massachusetts as the applicable market area as past project performance has suggested a wide-spread geographic area across the Commonwealth.*

Next, the SRTA utilized the Census Bureau's County Business Pattern (CBP) database to determine the total number of ready, willing, and able firms available within the SRTA's market area that perform work associated with the assigned NAICS codes. After determining the number of DBE firms and the number of all (ready, willing, and able) firms in each applicable NAICS code, the SRTA divided the number of DBE firms by the total number of all (ready, willing, and able) firms in each applicable NAICS.

## Federal Fiscal Year 2022

For Step 1, the Authority determined the weight of associated projects by NAICS Code:

**Weight of each type of work by NAICS Code**

NAICS Code	Description	FTA Funds on Project	% of total FTA funds (weight)
236220	Commercial and Institutional Building Construction	\$ 155,000	0.0547
237310	Surfacing & Paving (Highway, Street, and Bridge Construction)	\$ 40,000	0.0141
423120	Motor Vehicle Supplies & Parts	\$ 504,000	0.1779
423130	Tire (Tire and Tube Wholesalers)	\$ 90,000	0.0318
423430	Computer Equipment and Software Merchant Wholesalers	\$ 20,000	0.0071
423840	Industrial Supplies Merchant Wholesalers	\$ 130,000	0.0459
423860	Support Equipment	\$ 20,000	0.0071
423860	Transit Enhancement	\$ 10,000	0.0035
424720	Petroleum Products (Fluids / Lubes)	\$ 47,250	0.0167
441110	Support Vehicle	\$ 40,000	0.0141
441310	Automotive Parts & Accessories	\$ 51,000	0.0180
441320	Tire Dealers (Retail)	\$ 3,000	0.0011
453210	Office Supplies	\$ 38,500	0.0136
454310	Fuel	\$ 1,125,000	0.3971
485113	Transit Management and Operations	\$ 504,000	0.1779
541211	Accounting Services	\$ 35,000	0.0124
562111	Waste Removal	\$ 20,000	0.0071
<b>Totals</b>		<b>\$ 2,832,750</b>	<b>1.0000</b>

For Step 2, the Authority determined the relative availability of DBE firms by NAICS Code:

**Relative availability of DBE's by NAICS Code**

NAICS Code	Project	Number of DBEs Available to Perform This Work	Number of All Firms Available (Including DBEs)	Relative Availability
236220	Commercial and Institutional Building Construction	51	1,517	0.0336
237310	Surfacing & Paving (Highway, Street, and Bridge Construction)	79	529	0.1493
423120	Motor Vehicle Supplies & Parts	6	472	0.0127
423130	Tire (Tire and Tube Wholesalers)	0	86	0.0000
423430	Computer Equipment and Software Merchant Wholesalers	7	460	0.0152
423840	Industrial Supplies Merchant Wholesalers	13	270	0.0481
423860	Support Equipment	20	56	0.3571
423860	Transit Enhancement	20	56	0.0000
424720	Petroleum Products (Fluids / Lubes)	10	85	0.1176
441110	Support Vehicle	0	944	0.0000
441310	Automotive Parts & Accessories	1	1,202	0.0008
441320	Tire Dealers (Retail)	0	610	0.0000
453210	Office Supplies	0	208	0.0000
454310	Fuel	4	848	0.0047
485113	Transit Management and Operations	6	35	0.1714
541211	Accounting Services	7	2,371	0.0030
562111	Waste Removal	6	528	0.0114
<b>Totals</b>		<b>230</b>	<b>10,277</b>	<b>0.0224</b>

For Step 3, the Authority determined the weighted availability of associated projects by NAICS Code:

**Weighted Base Figure**

<i>NAICS Code</i>	<i>Project</i>	<i>Weight</i>	<i>Availability</i>	<i>Weighted Base Figure</i>
236220	Commercial and Institutional Building Construction	0.0547	0.0336	0.0018
237310	Surfacing & Paving (Highway, Street, and Bridge Construction)	0.0141	0.1493	0.0021
423120	Motor Vehicle Supplies & Parts	0.1779	0.0127	0.0023
423130	Tire (Tire and Tube Wholesalers)	0.0318	0.0000	0.0000
423430	Computer Equipment and Software Merchant Wholesalers	0.0071	0.0152	0.0001
423840	Industrial Supplies Merchant Wholesalers	0.0459	0.0481	0.0022
423860	Support Equipment	0.0071	0.3571	0.0025
423860	Transit Enhancement	0.0035	0.0000	0.0000
424720	Petroleum Products (Fluids / Lubes)	0.0167	0.1176	0.0020
441110	Support Vehicle	0.0141	0.0000	0.0000
441310	Automotive Parts & Accessories	0.0180	0.0008	0.0000
441320	Tire Dealers (Retail)	0.0011	0.0000	0.0000
453210	Office Supplies	0.0136	0.0000	0.0000
454310	Fuel	0.3971	0.0047	0.0019
485113	Transit Management and Operations	0.1779	0.1714	0.0305
541211	Accounting Services	0.0124	0.0030	0.0000
562111	Waste Removal	0.0071	0.0114	0.0001
<b>Total</b>				<b>0.0455</b>
<b>Total Expressed as Percent</b>				<b>4.55%</b>

**Federal Fiscal Year 2022 Base Weighted Figure: 4.55%**



## Federal Fiscal Year 2023

For Step 1, the Authority determined the weight of associated projects by NAICS Code:

### Weight of each type of work by NAICS Code

NAICS Code	Description	FTA Funds on Project	% of total FTA funds (weight)
236220	Commercial and Institutional Building Construction	\$ 180,000	0.0615
423120	Motor Vehicle Supplies & Parts	\$ 519,120	0.1775
423130	Tire (Tire and Tube Wholesalers)	\$ 90,000	0.0308
423430	Computer Equipment and Software Merchant Wholesalers	\$ 20,600	0.0070
423840	Industrial Supplies Merchant Wholesalers	\$ 133,900	0.0458
423860	Support Equipment	\$ 48,000	0.0164
423860	Transit Enhancement	\$ 10,000	0.0034
424720	Petroleum Products (Fluids / Lubes)	\$ 48,668	0.0166
441110	Support Vehicle	\$ 45,000	0.0154
441310	Automotive Parts & Accessories	\$ 52,530	0.0180
441320	Tire Dealers (Retail)	\$ 3,090	0.0011
453210	Office Supplies	\$ 39,655	0.0136
454310	Fuel	\$ 1,158,750	0.3961
485113	Transit Management and Operations	\$ 519,120	0.1775
541211	Accounting Services	\$ 36,050	0.0123
562111	Waste Removal	\$ 20,600	0.0070
<b>Totals</b>		<b>\$ 2,925,082.50</b>	<b>1.0000</b>

For Step 2, the Authority determined the relative availability of DBE firms by NAICS Code:

### Relative availability of DBE's by NAICS Code

NAICS Code	Project	Number of DBEs Available to Perform This Work	Number of All Firms Available (Including DBEs)	Relative Availability
236220	Commercial and Institutional Building Construction	51	1,517	0.0336
423120	Motor Vehicle Supplies & Parts	6	472	0.0127
423130	Tire (Tire and Tube Wholesalers)	0	86	0.0000
423430	Computer Equipment and Software Merchant Wholesalers	7	460	0.0152
423840	Industrial Supplies Merchant Wholesalers	13	270	0.0481
423860	Support Equipment	20	56	0.3571
423860	Transit Enhancement	20	56	0.0000
424720	Petroleum Products (Fluids / Lubes)	10	85	0.1176
441110	Support Vehicle	0	944	0.0000
441310	Automotive Parts & Accessories	1	1,202	0.0008
441320	Tire Dealers (Retail)	0	610	0.0000
453210	Office Supplies	0	208	0.0000
454310	Fuel	4	848	0.0047
485113	Transit Management and Operations	6	35	0.1714
541211	Accounting Services	7	2,371	0.0030
562111	Waste Removal	6	528	0.0114
<b>Totals</b>		<b>151</b>	<b>9748</b>	<b>0.0155</b>

For Step 3, the Authority determined the weighted availability of associated projects by NAICS Code:

**Weighted Base Figure**

<b>NAICS Code</b>	<b>Project</b>	<b>Weight</b>	<b>Availability</b>	<b>Weighted Base Figure</b>
236220	Commercial and Institutional Building Construction	0.0615	0.0336	0.0021
423120	Motor Vehicle Supplies & Parts	0.1775	0.0127	0.0023
423130	Tire (Tire and Tube Wholesalers)	0.0308	0.0000	0.0000
423430	Computer Equipment and Software Merchant Wholesalers	0.0070	0.0152	0.0001
423840	Industrial Supplies Merchant Wholesalers	0.0458	0.0481	0.0022
423860	Support Equipment	0.0164	0.3571	0.0059
423860	Transit Enhancement	0.0034	0.0000	0.0000
424720	Petroleum Products (Fluids / Lubes)	0.0166	0.1176	0.0020
441110	Support Vehicle	0.0154	0.0000	0.0000
441310	Automotive Parts & Accessories	0.0180	0.0008	0.0000
441320	Tire Dealers (Retail)	0.0011	0.0000	0.0000
453210	Office Supplies	0.0136	0.0000	0.0000
454310	Fuel	0.3961	0.0047	0.0019
485113	Transit Management and Operations	0.1775	0.1714	0.0304
541211	Accounting Services	0.0123	0.0030	0.0000
562111	Waste Removal	0.0070	0.0114	0.0001

<b>Total</b>	<b>0.0469</b>
<b>Total Expressed as Percent</b>	<b>4.69%</b>

**Federal Fiscal Year 2023 Base Weighted Figure: 4.69%**

## Federal Fiscal Year 2024

For Step 1, the Authority determined the weight of associated projects by NAICS Code:

### Weight of each type of work by NAICS Code

NAICS Code	Description	FTA Funds on Project	% of total FTA funds (weight)
236220	Commercial and Institutional Building Construction	\$ 180,000	0.0596
423120	Motor Vehicle Supplies & Parts	\$ 534,694	0.1769
423130	Tire (Tire and Tube Wholesalers)	\$ 90,000	0.0298
423430	Computer Equipment and Software Merchant Wholesalers	\$ 21,218	0.0070
423840	Industrial Supplies Merchant Wholesalers	\$ 137,917	0.0456
423860	Support Equipment	\$ 24,000	0.0079
423860	Transit Enhancement	\$ 10,000	0.0033
424720	Petroleum Products (Fluids / Lubes)	\$ 50,128	0.0166
441110	Support Vehicle	\$ 90,000	0.0298
441310	Automotive Parts & Accessories	\$ 54,106	0.0179
441320	Tire Dealers (Retail)	\$ 3,183	0.0011
453210	Office Supplies	\$ 40,845	0.0135
454310	Fuel	\$ 1,193,513	0.3949
485113	Transit Management and Operations	\$ 534,694	0.1769
541211	Accounting Services	\$ 37,132	0.0123
562111	Waste Removal	\$ 21,218	0.0070
<b>Total</b>		<b>\$ 3,022,645</b>	<b>1.0000</b>

For Step 2, the Authority determined the relative availability of DBE firms by NAICS Code:

### Relative availability of DBE's by NAICS Code

NAICS Code	Project	Number of DBEs Available to Perform This Work	Number of All Firms Available (Including DBEs)	Relative Availability
236220	Commercial and Institutional Building Construction	51	1,517	0.0336
423120	Motor Vehicle Supplies & Parts	6	472	0.0127
423130	Tire (Tire and Tube Wholesalers)	0	86	0.0000
423430	Computer Equipment and Software Merchant Wholesalers	7	460	0.0152
423840	Industrial Supplies Merchant Wholesalers	13	270	0.0481
423860	Support Equipment	20	56	0.3571
423860	Transit Enhancement	20	56	0.0000
424720	Petroleum Products (Fluids / Lubes)	10	85	0.1176
441110	Support Vehicle	0	944	0.0000
441310	Automotive Parts & Accessories	1	1,202	0.0008
441320	Tire Dealers (Retail)	0	610	0.0000
453210	Office Supplies	0	208	0.0000
454310	Fuel	4	848	0.0047
485113	Transit Management and Operations	6	35	0.1714
541211	Accounting Services	7	2,371	0.0030
562111	Waste Removal	6	528	0.0114
<b>Total</b>		<b>151</b>	<b>9,748</b>	<b>0.0155</b>

For Step 3, the Authority determined the weighted availability of associated projects by NAICS Code:

**Weighted Base Figure**

<b>NAICS Code</b>	<b>Project</b>	<b>Weight</b>	<b>Availability</b>	<b>Weighted Base Figure</b>
236220	Commercial and Institutional Building Construction	0.0596	0.0336	0.0020
423120	Motor Vehicle Supplies & Parts	0.1769	0.0127	0.0022
423130	Tire (Tire and Tube Wholesalers)	0.0298	0.0000	0.0000
423430	Computer Equipment and Software Merchant Wholesalers	0.0070	0.0152	0.0001
423840	Industrial Supplies Merchant Wholesalers	0.0456	0.0481	0.0022
423860	Support Equipment	0.0079	0.3571	0.0028
423860	Transit Enhancement	0.0033	0.0000	0.0000
424720	Petroleum Products (Fluids / Lubes)	0.0166	0.1176	0.0020
441110	Support Vehicle	0.0298	0.0000	0.0000
441310	Automotive Parts & Accessories	0.0179	0.0008	0.0000
441320	Tire Dealers (Retail)	0.0011	0.0000	0.0000
453210	Office Supplies	0.0135	0.0000	0.0000
454310	Fuel	0.3949	0.0047	0.0019
485113	Transit Management and Operations	0.1769	0.1714	0.0303
541211	Accounting Services	0.0123	0.0030	0.0000
562111	Waste Removal	0.0070	0.0114	0.0001

<b>Total</b>	<b>0.0437</b>
<b>Total Expressed as Percent</b>	<b>4.37%</b>

**Federal Fiscal Year 2024 Base Weighted Figure: 4.37%**

**FY2022-24 Summary of Base Weighted Figures (with Average / Median)**

<b>Year</b>	<b>Goal (Decimal)</b>	<b>Goal (%)</b>
2022	0.0455	4.55%
2023	0.0469	4.69%
2024	0.0437	4.37%
<b>Average</b>	<b>0.0454</b>	<b>4.54%</b>
<b>Median</b>	<b>0.0455</b>	<b>4.55%</b>

## Step Two: Adjustment

Utilizing the median Base Weighted Figure from Step 1 (4.55%), the SRTA's Adjusted Figure would be calculated as follows:

<i>Adjusted Calculation of Weighted Base Figure</i>	
Step One Calculation	4.55%
a) Past Participation Median	1.40%
a) Adjustment due to past participation	2.98%
b) Adjustments due to disparity studies	0.00%
<b>Total Adjusted Calculation</b>	<b>2.98%</b>

The SRTA examined all of the evidence available in the SRTA's jurisdiction to determine what adjustment, if any, would be needed to the base figure in order to arrive at an overall goal (i.e. past participation, disparity studies, etc.). As follows:

### 1. Past Participation

While the SRTA's historical DBE participation has proven to be irregular, the SRTA is expected to be successful in meeting the DBE goal (1.37%) set during the prior 3-year reporting period (FFY19-21 Goal-Setting Period). This attainment is primarily due to DBE firms in the following services: Brokerage (Insurance), Transit Vehicle Supplies (Vehicle Soap). Unfortunately, the former of which has since lost DBE certification status and the latter of which is no longer able to deliver in the volume / quantities as needed by the Contract Operator. Because of this, it is anticipated that the likelihood of awarding these services to a different DBE firm will be minimal.

Similar to previous years, due to the focus and commitment of ongoing mid to large scale projects, fewer alternative / small projects – that may or may not have attracted additional DBE firms – were not planned or completed during this 3-year period. The Authority's emphasis, over the upcoming 3-year period, is anticipated to continue to be targeted toward State of Good Repair (SGR) – through the acquisition of vehicle replacements (rolling stock and non-rolling stock) – as well as the advancement of the ongoing, multi-year Intelligent Transportation Systems (ITS) project.

Note: Attainment in the second half of FFY21 will be inflated due to a large Facility Rehabilitation and Renovation Project (Fall River Terminal – Concrete Decking Plaza Rehab) whereas the waterproofing filed sub-bid was awarded to a certified WBE. However, in absence of this project, the SRTA was trending toward meeting the set DBE goal.

### 2. Disparity Studies

The SRTA researched disparity studies conducted for the Commonwealth of Massachusetts and could only find one for our state. This study was done by NERA Economic Consulting for a joint effort by the

Commonwealth's Division of Capital Asset Management and the Massachusetts Housing Finance Agency in September 2010. *Race, Sex, and Business Enterprise: Evidence from the Commonwealth of Massachusetts: Volume II* shows evidence of racial disparity in the market area (State of Massachusetts). The Massachusetts Department of Transportation has undertaken a diversity study that would be more applicable to an agency such as the SRTA; but that study has not been completed at this time. Although not everything in the DCAM study is relevant to the SRTA, the data on construction and design can be used, as well as the statistical disparities in the ability of DBE has to get financing, bonding, and insurance to participate. The study encourages an upward adjustment to baseline estimates of DBE availability to account for the continuing effects of discrimination on minority and women-owned businesses. The disparity ratio cited in the study for Construction related businesses was 0.636<sup>1</sup>(NERA Economic Consulting, 2010).

As indicated previously, the SRTA has one project line deliberately programmed for construction-related projects within the applicable 3-year period (FFY22-24) covered by this report. This construction-related project line will consist of a number of smaller projects, which in turn, are expected to be able to attract smaller and disadvantaged firms. Overall, this construction-related project line accounts for less than 25% of the total projects of the applicable fiscal period.

Based on this assessment and evidentiary information, as presented above, the SRTA will adjust its overall DBE goal from 4.55% to 2.98% in order to provide the most accurate goal to the Authority.

## Race-Neutral & Race Conscious Participation

### Past Goal Attainment

It is anticipated that the SRTA will meet goal of 1.37% for the past three fiscal periods (FFY2019-21) upon submission of the final Semi-Annual Uniform Reporting for FFY2021. Historical performance – over the presently active Goal period – is as follows:

1. In 2019 there was 1.40% DBE participation
2. In 2020 there was 1.45% DBE participation
3. Through the first half of 2021, there has been 1.35% DBE participation

Traditionally, the SRTA's past attainments have been made by Race-Neutral measures, meaning that no Race-Conscious or contract goals were set. Given this, the SRTA will continue to strive to meet the maximum feasible portion of its overall goal by using Race-Neutral means of facilitating DBE participation. The SRTA will attain this through the following methods:

1. 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. The SRTA allows potential bidders to conduct site visits at times of their choosing, making the site visit more convenient for the potential bidders.

---

<sup>1</sup> (NERA Economic Consulting, 2010) Table 5.21, page 118

2. Providing technical assistance and other services to potential bidders. The SRTA has worked with and will continue to work with potential bidders to ensure complete and concise understanding of applicable projects, including compliance with federal, state, or local regulations, respectively.
3. The SRTA will continue to provide and strengthen instruction to current contractors, including the current Operating Contractor, on the utilization of DBE certified companies and proper reporting of such.
4. 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).

DRAFT

**DRAFT**

**Attachment 1**