



Lane Transit District

**Federal Transit Administration (FTA)
Overall Disadvantaged Business Enterprise (DBE)
Goal-Setting Methodology**

**Federal Fiscal Years (FFY) 2023-2025
Goal Period**

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Submitted in fulfillment of:
Title 49 Code of Federal Regulations Part 26

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DBE GOAL METHODOLOGY

I. INTRODUCTION

Lane Transit District (LTD) sets forth its overall Disadvantaged Business Enterprise (DBE) goal and corresponding federally prescribed goal-setting methodology for the three-year Federal Fiscal Year (FFY) goal period of 2023-2025 (October 1, 2022 through September 30, 2025), pursuant to Title 49 Code of Federal Regulations (CFR) Part 26 “Participation by Disadvantaged Business Enterprises in U.S. Department of Transportation Programs.” Overall DBE goals are expressed as a percentage of the total amount of U.S. DOT funds LTD anticipates expending within a given three-year period. The overall DBE goal is based upon all budgeted contracts anticipated to utilize U.S. DOT federal financial assistance, provided that the anticipated expenditures have viable opportunities for subcontracting possibilities and corresponding DBE availability.

II. BACKGROUND

LTD is a recipient of U.S. Department of Transportation (USDOT), Federal Transit Administration (FTA), funding. As a condition of receiving this assistance, LTD has signed assurances that it will comply with FTA DBE requirements. In accordance with Title 49 CFR Part 26 provisions: Participation by DBEs in USDOT Programs, LTD is required to develop and submit an overall DBE Goal for its FTA-assisted projects.

LTD herein presents its overall DBE Goal Methodology for FFY 2023-2025.

III. FTA-ASSISTED CONTRACTING PROGRAM FOR FFY 2023-2025

Market Area

The Federal DBE Program requires agencies to implement the DBE Program based on information from the relevant geographic market area—the area in which the agency spends the substantial majority of its contracting dollars.

LTD’s local market for contracts consists of a geographic area that is:

- where a large majority of contracting dollars is expended, and
- where a substantial number of contractors and subcontractors are located and available to submit bids, quotes, or proposals.

LTD’s bidder’s list was reviewed and analyzed to determine where LTD spends the substantial majority of its contracting dollars. This analysis confirmed that the previously recognized market area of *Benton, Coos, Curry, Douglas, Josephine, Lane and Linn* counties is still valid.

Anticipated Projects

LTD has 16 FTA-community investment projects that are anticipated to be awarded during the triennial period and which were considered in preparing this goal methodology. These projects and their federal share are listed in Table 1.

- Column A lists the name and brief description of each project.
- Column B lists the total estimated cost of each project.
- Column C lists the estimated FTA dollar share for each project.
- Column D lists the estimated FTA percentage ratio for each project.

Table 1

A Project Name/Description	B Total Estimated Project Cost	C Estimated FTA \$ Share	D Estimated FTA % Share
Bus Wash Replacement – The new system will replace an outdated system that has exceeded its useful life and will include "Green" features, such as less water, chemical and electricity usage compared to the existing outdated system.	\$850,000	\$680,000	80.0%
Eugene Station Modernization – This infrastructure project will improve the buildings and exterior features of the station, enhancing both the customer and employee experience while updating the station for enhanced safety and efficiency.	\$5,128,350	\$4,102,680	80.0%
Operations Command Center – Improvements to LTD’s Operations Department, including but not limited to modern operations dispatch, monitoring of cameras and transit system, operator report/rest area, training/simulator classrooms, restrooms/showers, employee lounge, and Wellness Center.	\$11,830,599	\$9,464,479	80.0%
Glenwood Petroleum Fuel System Improvements – Replacement of an aging petroleum and fluid dispensing system that has met its useful life.	\$950,000	\$760,000	80.0%
Frequent Transit Network Safety and Amenity Improvements – implement various safety and amenity improvements along the Frequent Transit Network (FTN).	\$1,920,000	\$1,722,816	89.73%
IT Upgrades – Replacement/upgrades of various LTD information technology systems software utilized throughout the District.	\$2,360,576	\$1,888,461	80.0%
Mobile Wallet – Development of a trip-planning and mobile payment application that integrates a variety of transportation options available in the Eugene/Springfield area.	\$325,000	\$260,000	80.0%
Financial Management System – Replacement/upgrade LTD’s financial management system which has exceeded its useful life. The new financial management	\$1,452,964	\$1,162,371	80.0%

A	B	C	D
Project Name/Description	Total Estimated Project Cost	Estimated FTA \$ Share	Estimated FTA % Share
system will improve fiscal efficiency and internal accountability.			
Major Bus Components – Purchase of major vehicle system component replacement parts in order to extend the use of vehicles that have exceeded their useful life and maintain the fleet in a state of good repair.	\$2,031,605	\$1,625,284	80.0%
Preventive Maintenance – Preventative maintenance on federal assets to improve their performance, safety and longevity. (ARPA funds – 100%)	\$8,600,000	\$8,600,000	100.0%
System Security Upgrades – Security improvements at locations vulnerable to terrorist attacks, vandalism, and other criminal activity to facilitate the protection of passengers, employees, revenues and property.	\$725,000	\$580,000	80.0%
LTD Technology Innovation Project – Acquire software modules to further enhance the RideSource Call Center System to eliminate barriers to transportation in an effort to improve health outcomes/decrease health disparities experienced by disadvantaged communities.	\$400,000	\$76,000	19.81%
Moving Ahead System – Planning study along five key corridors within the city of Eugene.	\$171,480	\$153,869	89.73%
Main-McVay – Planning study along the Main St/McVay Corridor.	\$60,000	\$53,838	89.73%
TOTAL	\$36,805,574	\$31,129,798	

Subrecipients

LTD does not have any subrecipients.

Categories of Work

LTD reviewed each project anticipated to be awarded during the respective three-year period and determined the applicable categories of work for each project using the North American Industry Classification System (NAICS) codes. The corresponding dollar values for each NAICS code by project were summarized for purposes of weighting the categories of work based on the staff estimates. Table 2 provides a summary of the categories of work with estimated dollars for each.

- Column A lists the category of work (NAICS) code and title.
- Column B lists the estimated FTA dollar share for each NAICS code.

- Column C lists the estimated percentage of each NAICS code (the estimated FTA dollars for each NAICS code divided by the grand total of all estimated FTA dollars).

Table 2

A	B	C
NAICS Code Category of Work	Estimated FTA Dollars by NAICS	Estimated FTA % by NAICS
236220 Commercial and institutional building construction	\$10,574,144	34%
237120 Oil and gas pipeline and related structures construction	\$592,000	2%
238210 Electrical contractors and other wiring installation contractors	\$580,000	2%
238290 Other building equipment contractors	\$1,350,033	4%
238990 All other specialty trade contractors	\$1,722,816	6%
423120 Motor vehicle supplies and new parts merchant wholesalers	\$1,625,284	5%
423430 Computer and computer peripheral equipment and software	\$3,126,832	10%
541330 Engineering services	\$2,339,763	8%
541512 Computer system design services	\$260,000	1%
541690 Other scientific and technical consulting services	\$358,926	1%
811111 General automotive repairs	\$8,600,000	27%
TOTAL	\$31,906,639	100.0%

IV. GOAL METHODOLOGY

Step 1: Determination of a Base Figure (26.45)¹

To establish LTD’s Base Figure of the relative availability of DBEs relative to all comparable firms (DBE and non-DBE) available to bid or submit proposals on LTD FTA-assisted contracting opportunities projected to be solicited during the triennial goal period, LTD followed the prescribed federal methodology to determine relative availability. This was accomplished by assessing the *Certification Office for Business Inclusion and Diversity (COBID) Certification Management System* and the *2020 U.S. Census Bureau County Business Patterns Database* within LTD’s market area for each of the categories of work defined in Table 2.

In accordance with the formula listed below, the Base Figure is derived by:

- Dividing the number of ready, willing and able DBE firms identified for each NAICS work category by the number of all firms identified within the LTD market area for each corresponding work category (*relative availability*),
- Weighting the relative availability for each work category by the corresponding work category weight from Table 2 (*weighted ratio*), and
- Adding the weighted ratio figures together.

$$\text{Base Figure} = \sum \frac{(\text{Number of Ready, Willing and Able DBEs})}{(\text{Number of All Ready, Willing and Able Firms})} \times \text{Weighted Ratio}$$

⇒ For the numerator: COBID DBE Database of Certified Firms

⇒ For the denominator: 2020 U.S. Census Bureau County Business Patterns Database

¹ 26.45 represents Title 49 CFR Part 26 regulatory goal setting methodology reference.

A concerted effort was made to ensure that the scope of businesses included in the numerator were as close as possible to the scope included in the denominator. The result of the Base Figure calculation is shown in Table 3.

- Column A lists the category of work (NAICS) code and title.
- Column B lists the estimated percentage of each NAICS code (the estimated FTA dollars for each NAICS code divided by the grand total of all estimated FTA dollars) from Table 2.
- Column C lists number of DBEs in the market area for each NAICS code from the Certification Office for Business Inclusion and Diversity (COBID) DBE Database of Certified Firms.
- Column D lists number of all firms (DBE and non-DBE) in the market area for each NAICS code from the 2020 U.S. Census Bureau County Business Patterns Database.
- Column E lists the DBE availability for each NAICS code (the number of DBEs divided by the number of all firms, multiplied by the estimated NAICS percentage).
- The weighted base figure is the sum of the DBE availability for each NAICS code.

Table 3

A NAICS Code Category of Work	B Estimated FTA % by NAICS	C DBEs	D All Firms	E Weighted Ratio
236220 Commercial and institutional building construction	34%	39	138	10%
237120 Oil and gas pipeline and related structures construction	2%	0	0	0%
238210 Electrical contractors and other wiring installation contractors	2%	1	199	0%
238290 Other building equipment contractors	4%	0	18	0%
238990 All other specialty trade contractors	6%	2	91	0%
423120 Motor vehicle supplies and new parts merchant wholesalers	5%	0	27	0%
423430 Computer and computer peripheral equipment and software	10%	0	5	0%
541330 Engineering services	8%	3	120	0%
541512 Computer system design services	1%	1	12	0%
541690 Other scientific and technical consulting services	1%	5	86	0%
811111 General automotive repairs	27%	0	208	0%
Weighted Base Figure		10%		

Step 2: Adjusting the Base Figure

Upon establishing the Base Figure, LTD reviewed and assessed other known evidence potentially impacting the relative availability of DBEs within the market area, in accordance with prescribed narrow tailoring provisions as set forth under 49 CFR Part 26.45: Step 2, DBE Goal Adjustment Guidelines.

Evidence considered in making adjustments to the Base Figure included Past DBE Goal Attainments and Other Evidence, as follows:

1) Past DBE Goal Attainments

Historical DBE participation attainments provide demonstrable evidence of DBE availability and capacity to perform on LTD projects that are substantially similar to previous years. LTD proceeded to calculate past DBE participation attainments for the three (3) federal fiscal years, for which DBE attainment data is available. The table below reflects the demonstrated capacity of DBEs (measured by actual historical DBE participation attainments) on FTA-assisted contracts awarded by LTD within the last three (3) federal fiscal years.

Table 4

FEDERAL FISCAL YEAR (FFY)	FTA DBE ATTAINMENT %
2019/2020	10.7%
2020/2021	12.1%
2021/2022	.05%
Median DBE Attainment Within the Last Three (3) Years	7.6%

The median established for the past three years is lower than the Base Figure derived from Step 1; therefore, an adjustment to the Base Figure based on LTD past DBE goal attainments has been made. The adjustment is calculated in accordance with FTA guidance by averaging the Base Figure with the median DBE Past Attainment, as shown below.

Base Figure (A)	10%
Median DBE Attainment (B)	7.6%
Adjusted Base Figure [(A+B)/2]	8.8%

2) Disparity Studies

LTD has reviewed the ODOT *2019 DBE Disparity Study Update* and has determined that the type of work is significantly different from LTD projects; therefore, LTD will not be making adjustments to the base figure based on the ODOT Disparity Study Update.

LTD uses a strictly race-neutral DBE program since the Western States decision. If LTD fails to reach its goal for a complete federal fiscal year, LTD will re-evaluate its DBE program to determine whether contract goals are necessary to achieve the overall goal. If after re-evaluation LTD believes a race-conscious program is necessary, as required by the Western States, LTD will gather evidence to determine if discrimination in the transportation contracting industry is present. LTD will make a determination at that time what type of evidence gathering is appropriate, based on DOT regulations and case law.

3) Other Available Evidence

LTD is not in possession of other information that would have an impact on the DBE goal assessment.

V. PROPOSED OVERALL DBE GOAL

The Proposed Overall DBE Goal for FFY 2023-2025 for LTD FTA-assisted contracts is 8.8%

LTD will implement race neutral measures to achieve this goal, as generally described in the following section. As a part of the prescribed goal-setting methodology, LTD must project the percentage of its Proposed Overall DBE Goal that can be met utilizing race-neutral and race-conscious measures.

Race-Conscious & Race-Neutral Projection

The United States Department of Transportation (USDOT) regulations require that race-neutral methods be used to the maximum extent feasible to reach the DBE overall goal. As LTD is located in the 9th Circuit, the agency cannot implement a race-conscious program without a disparity study that shows evidence of disparity. Therefore, LTD is unable to set a race-conscious projection and intends to continue to use race-neutral methods to meet the overall DBE goal of 8.8% for FFY 2023-2025 in accordance with Title 49 CFR Part 26.51.

LTD projects that all of the 8.8% DBE goal will be achieved through race-neutral means and that 0% will be achieved through race-conscious means.

RACE-CONSCIOUS & RACE-NEUTRAL PROJECTIONS	
DBE Adjusted Base Figure	8.8%
Race-Neutral Component	8.8%
Race-Conscious Component	0.0%

Due to the emphasis on race-neutral methods, LTD will increase the use the race-neutral measures listed below. LTD will carefully monitor participation during the course of the goal period. At the conclusion of each year during the goal period, LTD will re-evaluate the effectiveness of the race-neutral measures and determine if it is necessary to institute additional race-neutral measures to achieve the goal or if race-conscious methods should be considered.

VI. RACE-NEUTRAL IMPLEMENTATION MEASURES

LTD is currently implementing a number of race and gender-neutral remedies. In order to promote the participation of DBEs and small businesses in LTD's FTA-assisted contracting program and to increase the effectiveness of established measures, LTD will continue to explore options for consideration based on the agency's success in meeting its overall DBE goals.

LTD will:

- Encourage DBE and other small business contracting community to register and receive solicitation notices through its on-line procurement website: <https://ltd.gob2g.com/>.
- Host and/or participate in workshops for the DBE and small business contracting community. LTD will attend and participate in vendor fairs hosted by unrepresented groups and other public agencies.
- Unbundle solicitations, provide pre-bid/pre-proposal conferences to afford networking opportunities for primes and subcontractors. LTD will promote and encourage teaming opportunities between prospective prime contractors and the DBE and small business contracting community. Arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE and other small business participation.

- Structure solicitations to remove barriers such as the inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing).
- Solicit DBEs and other small businesses participation by carrying out information programs through use of advertisement and other communication methods on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists of bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate).
- Actively promote the small business conferences, programs, and support services offered by other agencies that have established DBE and other small business programs as a supportive service to help develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses. LTD will also begin conducting “How to do Business with LTD” and DBE workshops.
- Advise its contracting community of the online directory of certified DBEs, found at the Certification Office for Business Inclusion and Diversity Certification Management System website: <https://oregon4biz.diversitysoftware.com/>.
- Advise the DBE and small business community to participate in ODOT’s related bidding/proposal opportunities at <https://www.oregon.gov/ODOT/Business/Procurement/Pages/HowTo.aspx>. LTD will also encourage DBEs and small businesses to seek the assistance and training through the U.S. Small Business Administration at www.sba.gov and the Oregon Government Contract Assistance Program (GCAP) at www.gcap.org.

In addition to the measures specified above, LTD has also implemented strategies to foster *Small Business Participation*² in its contracting process. These include the following:

- Conducting “How to do Business with LTD” and DBE workshops.
- On larger prime contracts requiring the prime contractor to consider subcontracting opportunities of a size that small businesses, including DBEs, can reasonably perform, rather than self-performing all the work involved.
- Identifying alternative acquisition strategies and structuring procurements to facilitate the ability of consortia or joint ventures consisting of small businesses, including DBEs, to compete for and perform prime contracts.
- Ensuring that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform.
- Provide outreach to current LTD contractors or past LTD contractors who may qualify for DBE-certification by encouraging them to seek and obtain DBE-certification.

² See Title 49 CFR Part 26 Section 26.39 “Fostering Small Business Participation.”

VII. PUBLIC PARTICIPATION AND FACILITATION

In accordance with Public Participation Regulatory Requirements of Title 49 CFR Part 26, minority, women, local business associations, and community organizations within LTD's market area will be provided an opportunity to review the goal analysis and provide input.

A Public Notice will be posted on LTD's website, as well as the local newspaper, announcing the Proposed FTA Overall DBE Goal-Setting Methodology for FFY 2023-FFY 2025 and will include:

- A statement that the methodology and proposed overall goal for DBE participation in LTD's federally-assisted contracts are available for public inspection for a period of 30 days from the date of publication.
- Notification that LTD will accept public comments on the proposed goal and rationale for a period of 45 days from the date of publication.
- Instructions for the submission of comments.

LTD's overall goal submission to DOT will include a summary of information and comments received during this public participation process and associated responses. The proposed overall goal may be adjusted as necessary.

In addition to the provision of public notice regarding the overall DBE goal, LTD will undertake specific efforts to foster public participation and to consult with and to solicit input from a variety of constituent groups reasonably expected to possess information regarding the availability of disadvantaged and non-disadvantaged businesses, the impacts and effects of discrimination on opportunities for DBEs, and the agency's efforts to promote fair competition for DBEs.