



**CENTRAL OHIO TRANSIT AUTHORITY (COTA)**  
**Disadvantaged Business Enterprise (DBE)**  
**GOAL METHODOLOGY FOR FISCAL YEARS 2021-2023**

The Central Ohio Transit Authority's (COTA) overall goal for Fiscal Years 2021-2023 is represented as a percentage of all Federal Transit Administration (FTA) funds, exclusive of FTA funds to be used for the purchase of transit vehicles. Based on review of anticipated capital projects, COTA is projecting one substantial project over the next three year term which is the final phase of the renovation of the McKinley Avenue facility. This renovation is estimated to cost over \$50 million with an anticipated 80% of federal funding. The estimated amount will be used on FTA-assisted contracts. The overall rate of DBE participation was calculated at 9.75%.

**\$42,107,200** (Amount excludes transit vehicles purchases)  
9.75%  
**\$ 4,105,452**

**INTRODUCTION**

This report complies with the Disadvantaged Business Enterprise (DBE) rule in Title 49 Code of Federal Regulations Part 26.45 (49 CFR 26) and details the Central Ohio Transit Authority's process for setting the Federal Fiscal Years 2021-2023 over goal for DBE participation in federally assisted transit projects. 49 CFR 26.45 requires that this goal be submitted for review by the Federal Transit Administration every three years.

**SUMMARY**

Pursuant to U. S. Department of Transportation regulations adopted under 49 CFR Part 26. COTA adopted percentage goals for DBE participation that are consistent with purchasing activities. In addition, consideration was given to the amount of DBE participation that can be achieved in a race neutral environment. The Federal regulations require that aspirational goals be based upon demonstrable evidence of relative availability of Disadvantaged Business Enterprises (DBE's) in COTA's geographic and product markets.

**a. Availability Analysis:**

COTA determined the number of ready, willing and able DBE's in the marketplace from examination of the following DBE Directories:

1. Ohio Department of Transportation (ODOT) Unified Certification Program (UCP)
2. The County Business Pattern Data for 2018 by North American Industrial Codes (NAICS). Specifically, Region 6 of the ODOT service area was researched due to their adjacency to COTA's service area. Region 6 is comprised of the following counties: Delaware, Franklin, Fayette, Marion, Mansfield, Morrow, Pickaway, and Union. The purpose behind using this information is to determine how many businesses exist in these counties that serve as COTA's primary marketplace, and of this number, how many or

what percentage of all available businesses are DBE's in each relevant NAICS.

**b. "Weighting"**

This process was used to determine relative availability to reflect the amount of money to be spent in each NAICS area. COTA used information from the DBE Unified Certification Program Directory (by NAICS) to determine the possible number of DBE's that could participate in FTA-assisted contracts. This approach was a means of creating "narrow-tailoring" as described in the DBE regulations that would ensure accurate availability of information used for the first step of the calculation.

The following relevant NAICS for services and products for the triennial period were identified: 2362 [Nonresidential Building Construction], 2371 [Utility Construction], 237210 [Land Subdivision], 237310 [Highway, Street, and Bridge Construction], 237990 [Other Heavy and Civil Engineering Construction], 2381 [Foundation, Structure, and Building Exterior Contractors], 2382 [Building Equipment Contractors], 2383 [Building Finishing Contractors], 2389 [Other Specialty Trade Contractors], 5413 [Architectural, Engineering, and Related Services], 5414 [Specialize Design Services], 5416 [Management, Scientific, and Technical Consulting Services]. Research was used to identify DBE's in the NAICS listed. Outreach efforts will be implemented to target companies to ensure greater participation during the triennial period.

**PUBLIC TRANSPORTATION PROCESS**

As noted in 49 CFR 26.45, this report was forwarded to various interested diversity groups with an offer to meet and discuss the proposed goals and rationale used to develop the triennial goal. COTA published a public notice of the proposed 2021-2023 DBE goal in the Columbus's major newspaper, the Columbus Dispatch, and other identified minority publications. The notice informed the public that the proposed goal and its rationale was available for inspection from 30 days following the date of the notice on COTA's website ([www.cota.com/dbe-system](http://www.cota.com/dbe-system)) and written comments will be accepted for 45 days from the date of the notice. COTA also hosted a virtual public meeting inviting over 300 DBE certified companies and minority organizations to review and discuss the DBE triennial methodology. COTA received one written comment during the 45-day review period which would not affect the outcome of the methodology. No changes were made to the methodology based on comments received.

**DESCRIPTION OF METHODOLOGY**

The methodology used to calculate COTA's Fiscal Years 2021-2023 DBE Goal was based on the Department of Transportation's Office of Small and Disadvantaged Business Utilization's "Tips for Goal Setting the DBE Program" utilizing information obtained from the 2018 US Census County Business Patterns and the ODOT UCP Disadvantaged Business Enterprise Directory.

**STEP 1:**

See attached Weighted Base Figure Worksheet COTA

Results for base rate from Ohio County Business Patterns and DBE Directories:

- ODOT UCP Certified DBE List as of 7/14/2020.
- 2018 US Census Business Patterns data (ODOT District 6 counties)

**STEP 2:**

To determine if adjustments are necessary, include past participation and evidence of disparity studies, as well as any other data available that would help to measure the percent of DBE participation in the absence of discrimination.

**COTA DBE SEMI-ANNUAL DBE REPORTS FILED TO FTA 2017-2019 Triennial Period**

FY 2016	Jun-16	\$ -	\$ -	0%
	Dec-16	\$ 12,698,158.00	\$ 1,454,115.00	11.45%
		\$ 12,698,158.00	\$ 1,454,115.00	11.45%
FY 2017	Jun-17	\$ -	\$ -	0%
	Dec-17	\$ -	\$ -	0%
		\$ -	\$ -	0%
FY 2018	Jun-18	\$ 10,667,531.00	\$ 1,369,704.00	12.84%
	Dec-18	\$ 4,006,476.00	\$ 779,789.00	19.46%
		\$ 14,674,007.00	\$ 2,149,493.00	14.65%
FY 2019	Jun-19	\$ 605,730.00	\$ 97,835.00	16.15%
	Dec-19	\$ 43,434,600.00	\$ 3,959,033.00	9.11%
		\$ 44,040,330.00	\$ 4,056,868.00	9.21%

The median participation FFYs 2016 - 2019 and Step One Base Goal is

DBE MEDIAN PARTICIPATION (2016 - 2019)	11.5%
<u>STEP ONE BASE GOAL</u>	<u>8.0%</u>
TOTAL	19.5%

**GOAL ÷ 2 = 9.75%**

**MEANS TO MEET OVERALL GOAL**

Based on past participation using race-neutral means, COTA will continue use predominately race/gender-conscious means to promote and encourage DBE participation on FTA assisted contracts or grants, given the availability of projects that are FTA funded and the number of

ready, willing and able DBE firms in the area. During the last triennial period, COTA attempted several times to create race-neutral opportunities for DBE participation but was unable to garner any additional participation. We did have an increase in SBE participation which was favorable.

### **DISPARITY STUDIES AND OTHER EVIDENCE OF DISCRIMINATION**

COTA has not conducted any disparity studies to show evidence of discrimination but the Ohio Department of Transportation completed one in the last three years, to which COTA has reviewed and gained valuable insight on how to better build its program.

### **RACE/GENDER-NEUTRAL AND RACE/GENDER CONSCIOUS DETERMINATION**

The next step is to forecast the race/gender - neutral and race/gender-conscious portion of the Step Two Adjusted Goal. As stated in 49 CFR Section 25.51, the maximum feasible portion of the overall goal must be met by using race/gender-neutral means of facilitating DBE participation. Based on the FTA methodology provided for overall goals in the past, we have calculated the overall goal to be 9.75% with an 8.50% race/gender-conscious and 1.25% race/gender-neutral split. Because we were unable to meet our race-neutral goal in the previous triennial period, we will focus more this period to booster race-neutral opportunities.

### **PAST RACE/GENDER-NEUTRAL PARTICIPATION BY DBEs ON TRANSIT PROJECTS**

Efforts will be made to increase race-neutral DBE participation on transit projects, by continuing to participate in outreach efforts and creating opportunities in the bidding process to increase DBE participation on transit projects. **The Total DBE Goal for FFYs 2021 - 2023 is 9.75%.**