



CENTRAL OHIO TRANSIT AUTHORITY (COTA)
Disadvantaged Business Enterprise (DBE)
GOAL METHODOLOGY FOR FISCAL YEARS 2024-2026

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 12%

\$ 229,855,109 (Amount excludes transit vehicles purchases)
12%
\$ 27,582,613

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 2024-2026 goal for DBE participation in federally assisted transit projects. The regulation requires this goal be submitted for review by the Federal Transit Administration every three years.

It is important to note, COTA has traditionally used federal funding on large scale renovation projects of our McKinley and Fields Avenue facilities, equipment purchases, buses and vans purchases. Going forward, COTA intends to use allocated formula dollars for preventative maintenance – vehicle maintenance wages, material, and service expenses. Thus, this report only reflects the allocation of dollars for capital projects for the fiscal years of 2024-2026.

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 regulation requires 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 2021 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:

NAICS Code	Service Descriptor
236220	Commercial and Institutional Building Construction
237110	Water & Sewer Line and Related Structures Construction
238110	Poured Concrete Foundation and Structure Contractors
238120	Structural Steel & Precast Concrete Contractors
238140	Masonry Contractors
238150	Glass and Glazing Contractors
238160	Roofing Contractors
238170	Siding Contractors
238210	Electrical Contractors and Other Wiring Installation Contractors
238220	Plumbing, Heating, and Air-Conditioning Contractors
238310	Drywall and Insulation Contractors
238320	Painting and Wall Covering Contractors
238330	Flooring Contractors
238340	Tile and Terrazzo Contractors
238350	Finish Carpentry Contractors
238390	Other Building Finishing Contractors
238910	Site Preparation Contractors
238990	All Other Specialty Trade Contractors

531312	LinkUS East Main Corridor
541310	Architectural Services
541330	Engineering Services
541360	Geophysical Surveying and Mapping Services
541380	Testing Laboratories and Services
541611	Administrative Management & General Management Consulting
541620	Environmental 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 2024-2026 DBE goal in Columbus' major newspaper, the Columbus Dispatch. 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) and written comments were accepted for 45 days from the date of the notice.

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 12/01/2023.
- 2021 US Census Business Patterns data (ODOT in 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 2021-2023 Triennial Period

		Prime Contracts	Sub Contracts	% of Total DBE's
FY 2021	June-21	\$ 2,029,078.00	\$ 551,626.00	27.19%
	December-21	\$ 51,210,349.00	\$ 7,974,645.00	15.57%
	TOTAL	\$ 53,239,427.00	\$ 8,526,271.00	16.01%
FY 2022	June-22	\$ 2,585,136.00	\$ 320,532.00	12.40%
	December-22	\$ -	\$ 560,000.00	0%
	TOTAL	\$ 2,585,136.00	\$ 880,532.00	34.06%
FY 2023	June-23	\$ 520,016.00	\$ -	0%
	December-23	\$ 3,500,000.00	\$ -	0%
	TOTAL	\$ 4,020,016.00	\$ -	0%

The median participation FFYs 2021 - 2023 and Weighted Base Goal are as follows.

DBE MEDIAN PARTICIPATION (2021 - 2023)	16.0%
<u>WEIGHTED BASE GOAL</u>	<u>8.8%</u>
TOTAL	24.8%

GOAL ÷ 2 = 12.4% (rounded to 12%)

MEANS TO MEET OVERALL GOAL

Based on past participation using race-neutral means, COTA will continue to 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. Major bus rapid transit projects taking place over the next three years will provided an opportunity to focus on increasing race/gender neutral efforts and participation.

DISPARITY STUDIES AND OTHER EVIDENCE OF DISCRIMINATION

COTA has not conducted any disparity studies to show evidence of discrimination. However, COTA reviewed and gained valuable insight on how to better build its program from the disparity studies conducted by the Ohio Department of Transportation they completed during the last triennial period.

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 12% with an 8% race/gender-conscious and 4% race/gender-neutral split.

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 2024 - 2026 is 12%.**