



Metropolitan Washington  
Council of Governments

# Disadvantaged Business Enterprise (DBE) 2022-2024 Goal Setting

Stakeholders'  
Consultation Meeting  
November 9, 2021

## **Welcome!**

While we wait to begin the meeting, please note the following:

- All attendee audio is currently muted.
- If you have a question to ask, please use the 'Chat' function.
- We plan to answer questions at the end of the presentation, but you can submit them at any time.



Metropolitan Washington  
**Council of Governments**

# Disadvantaged Business Enterprise (DBE) 2022-2024 Goal Setting

Stakeholders' Consultation Meeting  
November 9, 2021

# *Agenda*

- COG's DBE Program background
- What is an DBE?
- Purpose of the DBE program
- Overview of the DBE Program Administration
- COG's DBE Requirements
- COG's Goal Setting Methodology
- How to Provide Comments

# COG's DBE Program

- COG's formal solicitations provide up to 15% credit for DBE primes or vendors using DBE subcontractors.
- COG only gives credit to DBE Certified business(es). *NOTE: MBE, SWAC, or other certifications are not allowed points.*
- DBE is used because FTA and FHWA require DBE be used for Federally funded highway projects. COG is a transportation planning organization.
- To see COG's DBE Policy please see our website <https://www.mwcog.org/documents/2020/03/11/dbe-program-policy-dbe-policy/>

# *What is a DBE?*

- Disadvantaged Business Enterprises (DBE):
  - Small, woman or minority-owned businesses
  - Owner(s) must be socially and economically disadvantaged
  - Certified by a USDOT-recognized Unified Certification Program (UCP)

# *Purpose of the DBE Program*

## *Objectives of 49 CFR Part 26 - Participation by Disadvantaged Business Enterprises (DBEs) in DOT Financial Assistance Programs*

- Ensure nondiscrimination in the award and administration of DOT-assisted contracts;
- Create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
- Ensure that the DBE program is narrowly tailored
- Remove barriers to the participation of DBEs in opportunities;
- Promote the use of DBEs in all types of federally-assisted contracts; and
- Provide appropriate flexibility to recipients of DOT financial assistance in establishing and providing opportunities for DBEs.

# *COG's DBE Requirements*

- Governing US DOT Regulation
  - 49 CFR Part 26 Participation by DBEs in Department of Transportation (DOT) Financial Assistance Programs
- COG Responsibilities
  - Establish Overall Goals (set triennially)
  - Monitoring and Enforcement
  - Reporting

# *Establishing Overall Goals*

- COG is required to set an overall 3-year DBE goals:
- Overall goals must be based on demonstrable evidence of the availability of ready, willing, and able DBEs relative to all businesses ready, willing and able to participate in the COG's opportunities
- COG's current DBE goal: 28%
- The full text of current goal is on COG's Website at <https://www.mwcog.org/documents/2018/09/18/disadvantaged-business-dbe-goals-and-methodology-dbe-policy/>



# ***DBE Goal-Setting***

- COG is currently developing its Federal Fiscal Years 2022-2024 DBE goal
- Goal-setting is a two-step process:
  - 1) Establish a base figure based on the relative availability of DBEs to participate in COG's FTA-funded programs
  - 2) Make any necessary adjustments to the base figure based on local market conditions

# Step 1

## Calculating the Base Figure

First, project FTA-funded projects for 2022-2024

PROJECT	AMOUNT
Taxi Vouchers - Special Needs Transportation	\$206,861
FTA Section 5310 Enhanced Mobility Project (Sub-recipients)	\$10,989,897
ARPA/CRRSSA Subrecipients - Special Needs Transportation	\$85,186
A-133 Audit - Special Needs Transportation	\$20,000
Public Participation support	\$300,000
Long Range Transportation Plan documentation/production/communication	\$300,000
"Transportation Land Use Connections (TLC)" technical assistance studies	\$1,500,000
"Regional Roadway Safety" technical assistance studies	\$750,000
"Transit within Reach" technical assistance studies	\$600,000
Congestion Management and Systems Performance Studies and Data Purchases	\$1,000,000
Transportation Safety Planning Studies	\$225,000
Regional Public Transportation Studies	\$525,000
Regional Freight Plan development	\$100,000
Regional travel trends research and surveys	\$200,000
Regional Air Passenger Survey	\$250,000
Highway Performance Monitoring System	\$360,000
Travel Demand Model	\$300,000
Traffic Counts	\$150,000
Street Smart Pedestrian and Bicyclist Safety Campaign	\$2,400,000
TOTALS	\$20,261,944

# Step 1

## *Calculating the Base Figure*

Then, determine market area; i.e. where majority of businesses that work for COG are located.

- The market area was determined to be:
  - District of Columbia
  - Charles County, Frederick County, Montgomery County, and Prince George's County in Maryland
  - Alexandria, Arlington County, Fairfax County, and Loudoun County in Virginia



# Step 1

## *Calculating the Base Figure*

Then, determine what types of businesses to identify. Typical NAICS codes include:

<b>NAICS Code</b>	<b>Description</b>
485310	Taxi Service
485991	Special Needs Transportation
541211	Certified Public Accountants
541320	Urban Planning Services
541330	Engineering Services
541613	Advertising Agencies

# Step 1

## Calculating the Base Figure

Then, determine relative availability.

Data on DBE firms is generated from UCP directories

NAICS Code	NAICS Code Description	Estimated Project Costs	Number of Firms		DBE %	DBE Dollars
			DBE	Total		
485310	Taxi Service	\$206,861	3	54	5.56%	\$11,492
485991	Special Needs Transportation	\$11,075,083	5	47	10.64%	\$1,178,200
541211	Certified Public Accountants	\$20,000	66	962	6.86%	\$1,372
541320	Urban Planning Services	\$5,750,000	12	88	13.64%	\$784,091
541330	Engineering Services	\$810,000	281	1754	16.02%	\$129,766
541613	Advertising Agencies	\$2,400,000	219	761	28.78%	\$690,670
		\$206,861	3	54	5.56%	\$11,492
	<b>TOTALS</b>	\$20,261,944	586	3666		\$2,795,592
<b>Base Triennial Goal</b>						
	Total DBE Dollars	\$2,795,592			<b>13.80%</b>	
	Total Estimated Project Costs	\$20,261,944				

Data on All firms is generated from Census data

# Step 2

## *Adjusting the Base Figure*

After Step 1, determine what adjustment, if any, is needed to the base figure. Consider:

- Evidence from disparity studies, if available
- Any available evidence from related fields that affect the opportunities for DBEs to form, grow and compete
- Past DBE participation

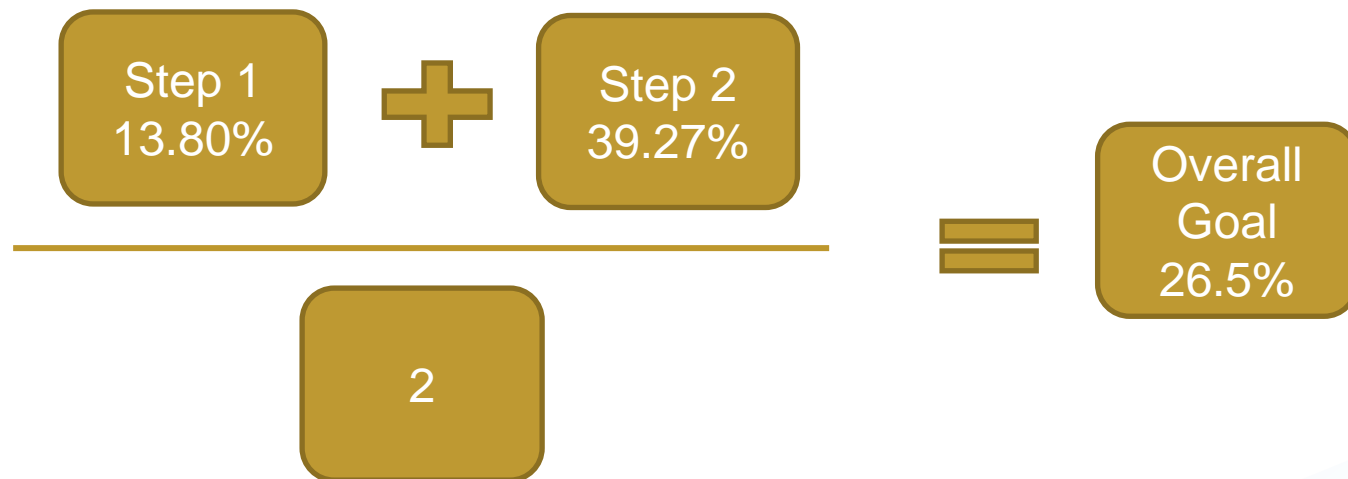
<b>Fiscal Year</b>	<b>DBE Achievement</b>
<b>FY 2018</b>	<b>18.06%</b>
<b>FY 2019</b>	<b>51.88%</b>
<b>FY 2020</b>	<b>39.27%</b>

Regulations require using the median (or middle) past participation percentage, if used as an adjustment. Median = 39.27%

# Step 2

## *Adjusting the Base Figure*

Calculate the Overall Goal by *averaging* the results of Step 1 with Step 2



# *Vendor Registration System*

- COG maintains a Vendor Registration System (VRS) that allows vendors to register to be notified of solicitations in their NAICS category.
- This system also exposes vendors to all the solicitations of COG members and members of the Baltimore Metropolitan Council (BMC).
- To register on the VRS go to [www.mwcog.net](http://www.mwcog.net)
- To determine your NAICS code(s) go to <https://www.census.gov/naics/>



# *Stakeholders*

- COG is required to communicate with the public in two ways for DBE goal-setting
  - Consultative process with stakeholders
  - Publishing of goals on its website
  - Inclusion of comments in final goal document
- Please send any additional comments/questions by November 12, 2021, on the goal setting to [rkonrad@mwkog.org](mailto:rkonrad@mwkog.org).

# *Questions/Discussion*

