



Detroit People Mover

Owned and Operated by the Detroit Transportation Corporation

Revised per Instructions from FTA, Region V **DETROIT TRANSPORTATION CORPORATION (DTC)** **DBE GOAL METHODOLOGY FOR FISCAL YEARS 2021-2023**

The Detroit Transportation Corporation (DTC's) overall goal for Fiscal Years-2021 through 2023 is represented as a percentage of FTA funds that DTC projects it will expend in FTA-assisted contracts (exclusive of transit vehicles). DTC expects to spend \$ 6,500,000.00 for total contracting in Fiscal Years 2021-2023 subject to DBE participation requirements.

The projected triennial DBE goal is 8%.

The following is a summary of the method we used to establish annual DTC's annual goal.

Summary

Pursuant to USDOT rules and regulations, 49 CFR PART 26, DTC has adopted percentage goals for DBE participation which are consistent with DTC's own spending patterns with railroad rail technology and construction and with the amount of DBE participation that would be expected to be achievable in a Race Neutral marketplace. The rules and regulations require that goals be based upon demonstrable evidence of relative availability of DBE's in the DTC geographical and product markets.

STEP ONE

- A. Availability Analysis: DTC consulted the US Census throughout the United States nationwide for rail projects and regionally for construction projects to determine the total number of business establishments available in its marketplace identified by North American Industrial Classification Codes (NAICS). The DTC used the national for rail project census and state's DBE directories because the rail projects the DTC has planned do not have enough qualified vendors in the State of Michigan or smaller geographic areas. DTC next determined the number of ready, willing, and able DBE's in its marketplace from examination of the DBE Directory by state. The objective is to determine how many businesses exist in the country which serves as DTC's primary marketplace for rail work, and construction. Of this amount how many or what percentage of all available businesses are DBE's in each relevant NAICS.
- B. "Weighting" of relative availability to reflect the amount to be spent in each NAICS area: DTC utilized due diligence to sort out DBE's from the directories by NAICS which were likely to be interested in the FTA-assisted contracting. This narrow-tailoring aspect ensured that a more accurate availability figure would emerge from the Step One calculation. More emphasis was then placed on the NAICS which made up the majority percentage of the total

DTC budget. DTC has identified the relevant NAICS code services and commodities approximated for acquisition these fiscal years.

DTC utilized the following formula in establishing this goal: percentage of budget, multiplied by the number of firms listed in the state’s DBE Directories, divided by the available railroad contractors of able and willing firms in the railroad industry and the construction industry.

DTC’S MAJOR CONTRACTS PROJECTED FOR FEDERAL FISCAL YEAR 2021-2023

NAIC	Project Description	Budget Amount	Dollar % of Total	MDOT DBE Directory	2018 Census data by region
336510	Railroad stock manufacturing	\$2,000,000	31%	0	1
488210	Maintenance of rights-of-way and structures, railway	\$2,000,000	31%	0	14
334290	Signals (e.g., highway, pedestrian, railway, traffic) manufacturing	\$2,000,000	31%	1	4
238140	Masonry	\$166,666	2.6%	3	196
238210	Electrical Contractors	\$166,666	2.6%	15	636
238220	Plumbing Heating Contractors	\$166,666	2.6%	14	915
	Totals	\$6,500,000	100%	33	1,766

The total projected expenditures for Fiscal Years 2021, 2022, and 2023 = \$ 6,500,000.00

Without weighting:

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	336510	Railroad stock manufacturing	\$2,000,000	0.3077
2)	488210	Maintenance of rights-of-way and structures, railway	\$2,000,000	0.3077
3)	334290	Signals (e.g., highway, pedestrian, railway, traffic) manufacturing	\$2,000,000	0.3077
4)	238140	Masonry	\$166,666	0.0256
5)	238220	Plumbing Heating Contractors	\$166,666	0.0256
6)	238210	Electrical Contractors	\$166,666	0.0256
Total FTA-Assisted Contract Funds			\$6,499,998.00	1

STEP TWO

With weighting

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)	336510	Railroad stock manufacturing	0.30769	x		
2)	488210	Maintenance of rights-of-way and structures, railway	0.30769	x		
3)	334290	Signals (e.g., highway, pedestrian, railway, traffic) manufacturing	0.30769	x	0.25000	0.0769
4)	238140	Masonry	0.02564	x	0.01531	0.0004
5)	238220	Plumbing Heating Contractors	0.02564	x	0.02358	0.0006
6)	238210	Electrical Contractors	0.02564	x	0.01530	0.0004
Total						0.0783
Expressed as a % (*100)						7.83%
Rounded, Weighted Base Figure:						8%

STEP THREE

Computation of overall rate and overall goal:

DTC OVERALL TRIENNIAL GOAL = 8%

COMPUTATION OF DTC PERCENTAGE OF GOAL MET BY RACE NEUTRAL AND RACE CONSCIOUS METHODOLOGIES FOR FY 2021-2023

Part # 1: Determine the Fiscal Year 2019 amount of DBE procurements achieved without contract goals. This will determine race neutral means.

Part #2: Determine the Fiscal Year 2019 amount of DBE utilization achieved utilizing DBE contract goals. This will determine the RC means.

DTC did not utilize Contract Goals in Fiscal Year 2019; therefore, the amount achieved by race conscious contract goals was= 0%.

Part #3: The amount achieved by RN means in FY-2019=95%
The amount achieved by RC means in FY 2019 = 0%.

Part #4: DTC has established a race neutral method which, in the past, has produced acceptable levels of participation. The method includes community outreach and pre-bid conferences on all proposed grant contracts. Community organizations, and DBEs, certified in accordance with 49 CFR Part 26, are invited to attend the pre-bid/proposal meetings enabling them to network with prime contractors, and request clarification on any questions concerning the projects.

Part #5: Of the overall goal of 5.05% DBE participation for Fiscal Years 2021, 2022 and 2023 as computed from steps 1, and 2, DTC seeks to achieve the overall goal by race neutral means.

OUTREACH TO MINORITY AND WOMEN'S GROUPS

In Fiscal Years 2021, 2022, and 2023, DTC will continue to participate in MDOT contracting fairs and business development and marketing efforts to contact DBEs and small businesses to bid and propose on its procurement.

The outreach and project discussion during the period has consisted of:

- MDOT 2018 DBE Small Business Development Conference
- Challenge HER, Opportunities for Women in Federal Contracting
- MDOT Metro Region Meeting and Partners Networking Session.
- MDOT 2019 DBE Small Business Development Conference
- DTC has reached to the Detroit Black Chamber of Commerce to share the 3 year project plan with members in hopes attracting firms or individual with the skill set, products or services and register with the State of Michigan Unified Certification Program.

The DTC plans to post the DBE plan projects in several minority newspaper in our region. August 2021.

DTCs web site posting is located on the Working with DTC page; please reference the Procurement tab located here: <https://www.thepeoplemover.com/employment>

The DTC will be advertising in minority publications and industry trade publications such as:

- Michigan Chronicle
- Arab American News
- Latino Detroit
- Mass Transit
- APTA
- Michigan Construction News.

The year 2010 census revealed the following statistics:

- | | |
|---------------------------------------|---------------------|
| • African American: | Wayne County – 41% |
| • Hispanics: | Wayne County – 5% |
| • Asian: | Wayne County – 3% |
| • American Indians and Alaska Natives | Wayne County – 0.3% |
| • Women: | Wayne County – 52% |
| • Minority-owned firms: | Wayne County – 19% |
| • Women-owned firms: | Wayne County - 28% |

DTC will prioritize the outreach effort to provide greater opportunity in the targeted NAICS to ensure contracting opportunities are fully promoted prior to resorting to race conscious contract goals to achieve the projected Overall Triennial DBE Goals.

This completes the analysis and calculation for the DTC triennial DBE goal for FY 2021-2023.

Submitted by: January 15, 2021

#####

