



Tennessee Department of Transportation DBE Goal and Goal-Setting Methodology For Federal Fiscal Years 2018-2020

Submitted to the Federal Transit Administration

The Tennessee Department of Transportation (TDOT) Division of Multimodal Transportation Resources (DMTR) submits this Overall DBE Goal and Goal-Setting Methodology to the Federal Transit Administration (FTA) for review pursuant to 49 CFR Part 26.

TDOT submits on behalf of the transit agencies that are sub-recipients of federal funds, including eight (8) Human Resource Agencies (HRAs), one (1) Development District, and two (2) small town transit agencies. Together these transit agencies provide transit service in all 95 counties of the State of Tennessee. Additionally, included in the analysis is ten (11) Metropolitan Planning Organization (MPO's), one (1) Transit Training Center, and the Tennessee Department of Transportation's DMTR.

The methodology used to calculate TDOT's DBE goal is based on 49 CFR Part 26 and guidance provided by the FTA including the document entitled "Tips for Goal-Setting in the Disadvantaged Business Enterprise (DBE) Program".

Data sources used in the goal-setting process include:

- TDOT's Office of Small Business Development's Tennessee Uniform Certification Program (TNUCP) Certified Disadvantage Business Enterprise Directory (<https://www.tdot.tn.gov/APPLICATIONS/DBEDirect/>),
- Governor's Office of Diversity Business Enterprise (<http://tn.gov/generalservices/article/godbe-enterprise-directory>),
- U.S Census Bureau County Business Patterns (<http://www.census.gov/>), and
- Input from subrecipients of FTA funds concerning their anticipated expenditures in various industrial groupings (4-digit NAICS codes).

The result of the analysis was a base goal of 3.16% and a weighted base goal of 3.08%. TDOT anticipates that this goal will be achieved in FY 2018 – 2020 through race-neutral means.

This submission includes the following supporting documentation:

1. A description of the methodology used to establish the base goal (Step 1A),
2. A description of how the base goal was adjusted based on anticipated business opportunities in various industrial groupings and the relative availability of DBEs in each grouping (Step 1B),
3. Discussion of the analysis of whether an adjustment to the weighted base goal was needed (Step 2),
4. Discussion of how TDOT plans to achieve the overall goal, and
5. Description of the public participation performed in relation to the DBE Goal and Goal-Setting Methodology.

Step 1A - Base Goal

The Step 1A analysis results in a base goal (Relative Availability) of 3.16%, as presented in the table below.

FY 2018-20		Governor's DBE List	TN-UCP DBE List	Higher Count of DBE's	Total TN Firms Available	Relative Availability
NAICS	Industry					
2382	Electrical / Plumbing/ HVAC	28	63	63	2681	0.0235
2383	Painting/Wall Covering	10	24	24	1234	0.0194
2389	Specialty Trade Contractors (Site Prep)	9	136	136	986	0.1379
3151	Uniforms	1	0	1	9	0.1111
3231	Printing	18	0	18	525	0.0343
4532	Office Supplies	10	1	10	559	0.0179
4859	Contract Transportation Services	2	9	9	51	0.1765
5170	Telecommunications	3	5	5	938	0.0053
5241	Insurance (Health, Life, Property, Casualty)	13	1	13	582	0.0223
5324	Copier / Fax Rental	0	0	0	263	0.0000
5413	Engineering Services	28	158	158	1601	0.0987
5416	Management Consulting	4	102	102	1663	0.0613
5611	Administrative Support (Staffing)	0	18	18	484	0.0372
5616	Background Checks	2	0	2	497	0.0040
5617	Janitorial Services Landscaping	74	138	138	3126	0.0441
6114	Training	11	24	24	101	0.2376
6219	Ambulatory Health Care Services (Drug Screening)	1	1	1	220	0.0045
7223	Catering	6	6	6	577	0.0104
6211	Medical Doctors (Employee Examination)	1	1	1	4616	0.0002
8111	Vehicle Management / Repair	7	8	8	2623	0.0030
Total		228	695	737	23336	3.16%

The base goal reflects the number of DBE businesses in selected NAICS codes relative to the total number of businesses in those NAICS codes. The industries included in the table are those in which TDOT and TDOT's subrecipients expect to have expenditures in FY 2018 - 2020.

Two lists of DBEs were used to estimate the number of available firms: TDOT's Uniform Certification Program (TN-UCP) listing and the DBE listing from the Governor's Office of Diversity Business Enterprise. Since the Governor's list includes small businesses and veteran-owned businesses that are not owned by women or minorities, the list was screened so that only minority and women-owned businesses were counted for the purposes of this analysis. The two DBE lists (TDOT-UCP and the Governor's DBE list) vary significantly in some sectors because TDOT contractors are concentrated in the engineering and construction sectors. The higher number of DBE firms identified by either list was used to calculate overall DBE availability.

The market area for this analysis was determined to be the state of Tennessee as transit agencies are located throughout the state and serve all 95 counties. The U.S. Census Bureau was used to determine the number of Tennessee firms available for each NAIC code.

Relative Availability was determined by dividing the Higher County of DBE's by the Total TN Firms Available for each industry.

Step 1B - Weighted Base Goal

The Step 1B analysis results in a weighted base goal (Weighted Relative Availability) of 3.08%, as presented in the table below.

FY 2018-20		Relative Availability	Weight Based on Planned Contract Dollars	Weighted Relative Availability
NAICS	Industry			
2382	Electrical / Plumbing/ HVAC	0.0235	0.09	0.00
2383	Painting/Wall Covering	0.0194	0.08	0.00
2389	Specialty Trade Contractors (Site Prep)	0.1379	0.07	0.01
3151	Uniforms	0.1111	0.15	0.02
3231	Printing	0.0343	0.95	0.03
4532	Office Supplies	0.0179	2.55	0.05
4859	Contract Transportation Services	0.1765	2.67	0.47
5170	Telecommunications	0.0053	15.19	0.08
5241	Insurance (Health, Life, Property, Casualty)	0.0223	39.32	0.88
5324	Copier / Fax Rental	0.0000	3.14	0.00
5413	Engineering Services	0.0987	0.80	0.08
5416	Management Consulting	0.0613	14.30	0.88
5611	Administrative Support (Staffing)	0.0372	0.26	0.01
5616	Background Checks	0.0040	0.51	0.00
5617	Janitorial Services Landscaping	0.0441	0.99	0.04
6114	Training	0.2376	2.03	0.48

6219	Ambulatory Health Care Services (Drug Screening)	0.0045	1.46	0.01
7223	Catering	0.0104	0.01	0.00
6211	Medical Doctors (Employee Examination)	0.0002	1.06	0.00
8111	Vehicle Management / Repair	0.0030	14.37	0.04
Total		3.16%	100.00	3.08

TDOT and TDOT’s subrecipients estimated the total funds that they expected to spend in various NAICS codes. From those expectations, a weight was placed on each industry/NAIC code. Weights ranged from 0 to 100 in each category and totaled 100 (representing 100%) for all industries.

Weighted Relative Availability was determined by multiplying Relative Availability by the Weight Based on Planned Contract Dollars.

Step 2: Adjustment to the Weighted Base Goal

For Step 2, TDOT considered whether an adjustment of the base goal was necessary. It was determined that adjustment of the weighted base goal for DBE participation would not be necessary at this point and remain at 3.08%. The reasons for not making adjustments include:

- Contracting opportunities and projects planned are similar to those in the past (no planned design and construction with the discontinuance of the Pigeon Forge transit facility, which is reflected in the Weight Based on Planned Contract Dollars in the Step 1B analysis),
- All subrecipients having equal opportunities to purchase off of the state contracts, and
- TDOT provides much technical assistance and subrecipients do not have to procure for training and assistance individually.

Good Faith Efforts to Achieve the State DBE Goal

TDOT’s DMTR and TDOT’s Division of Civil Rights will work collaboratively toward achievement of the stated DBE goal. It is expected that the goal can be achieved through 100% race-neutral means through good faith efforts.

DMTR encourages subrecipients to make a “Good Faith Effort” to utilize disadvantaged businesses. TDOT’s Civil Rights Division maintains an online listing of DBE firms that are ready, willing and able to offer goods and services to transit agencies. This listing is located at <https://www.tdot.tn.gov/APPLICATIONS/DBEDirect/>.

Given the results of this goal-setting exercise, it is apparent that there are some industry groups that don’t participate fully in TDOT’s UCP program, but do participate in the certification provided by the Governor’s Office of Diversity Business Enterprise. DMTR plans to encourage transit agencies to explore the Governor’s listing, and to encourage businesses with which they wish to do business to become certified through the UCP program at TDOT and through the Governor’s Office of Diversity Business Enterprise.

Public Participation

In accordance with 49 CFR Part 26, TDOT consulted with others in our efforts to establish our DBE goal.

In accordance with 49 CFR Part 26.45(g)(1)(i), TDOT consulted with minority groups, women's groups, general contractor groups, community organizations, and other officials and organizations which could have been expected to have information related to disadvantaged business enterprises. This was performed through newspaper advertisements, an email notification to all registered DBEs, notification via the TDOT Office of Public Transportation's website, and a public meeting on July 11, 2017.

In accordance with 49 CFR Part 26.45(g)(ii), TDOT published the proposed goal on the TDOT website for public comments for a period of 30 days (July 1-30, 2017). Once the goal was established, notice of the goal is maintained on the website.

The goal and methodology was also made available for inspection during normal business hours at TDOT DMTR from July 1-30, 2017.

All comments were documented and evaluated in establishing the goal and the goal-setting methodology.

Documentation of the public participation process is on the pages that follow.

Notice Language Appearing in Email Notification Sent by TDOT Civil Rights Office to All Registered DBEs on June 28, 2017 -

**PUBLIC NOTICE
DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL
FOR FISCAL YEARS 2018-2020**

Pursuant to 49 CFR Part 26, the Tennessee Department of Transportation's (TDOT) Division of Multimodal Transportation Resources (DMTR) has evaluated the availability of Disadvantaged Business Enterprises to provide goods and/or services needed by subrecipients of Federal Transit Administration (FTA) funds in the State of Tennessee. The Disadvantaged Business Enterprise (DBE) goal for Federal Fiscal Years 2018-2020 is proposed to be set at 3.08%.

The purpose of this notice is to afford the general public and disadvantaged businesses an opportunity to comment on the proposed program goal. The DBE program goal may be reviewed for 30 days beginning July 1, 2017, through July 30, 2017. Comments must be submitted in writing and sent to the postal address or email address below no later than July 30, 2017.

A public meeting has been scheduled in order to provide for an opportunity to discuss the proposed DBE goal. The meeting will be held Tuesday, July 11, 2017, from 2:00-4:00pm in the 18th floor conference room of the James K. Polk Building. The address appears below.

The document describing how the DMTR determined the proposed DBE goal is available for inspection during normal business hours at our main headquarters listed below for a period of thirty 30 days beginning July 1, 2017, through July 30, 2017. In addition, the document will also be available during the July 11th public meeting and is also available for viewing at the TDOT website (<http://www.tn.gov/tdot/topic/Office-of-Public-Transportation>).

Tennessee Department of Transportation
Division of Multimodal Transportation Resources
James K. Polk Building, Suite 1800
505 Deaderick Street, Nashville, TN 37243
Email: TDOT.MultimodalAdmin@tn.gov

Any questions should be directed to Carla Spann, Transportation Program Supervisor at (615)253-1040.

TDOT is an Equal Opportunity Employer and does not discriminate on the basis of race, age, sex, religion, color of disability or national origin.

Notice Language Appearing in Newspaper Advertisements Processed by TDOT Community Relations Division Appearing in Newspapers by June 30, 2017 -

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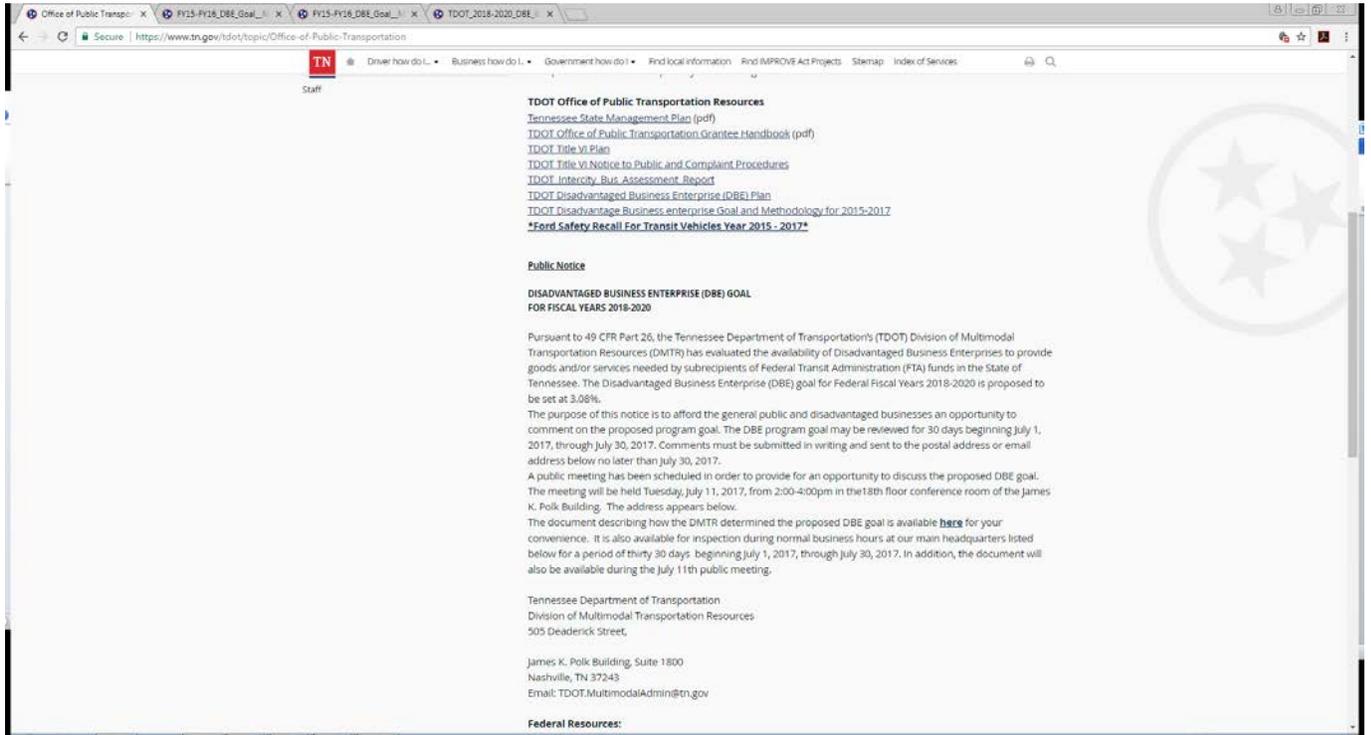
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Attention: Carla Spann, Transportation Program Supervisor
Phone: 615 253-1040

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Notice Language Appearing on TDOT Office of Public Transportation's webpage from July 1, 2017, through July 30, 2017 –



Office of Public Transportation Resources

- Tennessee State Management Plan (pdf)
- TDOT Office of Public Transportation Grantee Handbook (pdf)
- TDOT Title VI Plan
- TDOT Title VI Notice to Public and Complaint Procedures
- TDOT Intercity Bus Assessment Report
- TDOT Disadvantaged Business Enterprise (DBE) Plan
- TDOT Disadvantaged Business Enterprise Goal and Methodology for 2015-2017
- *Ford Safety Recall For Transit Vehicles Year 2015 - 2017***

Public Notice

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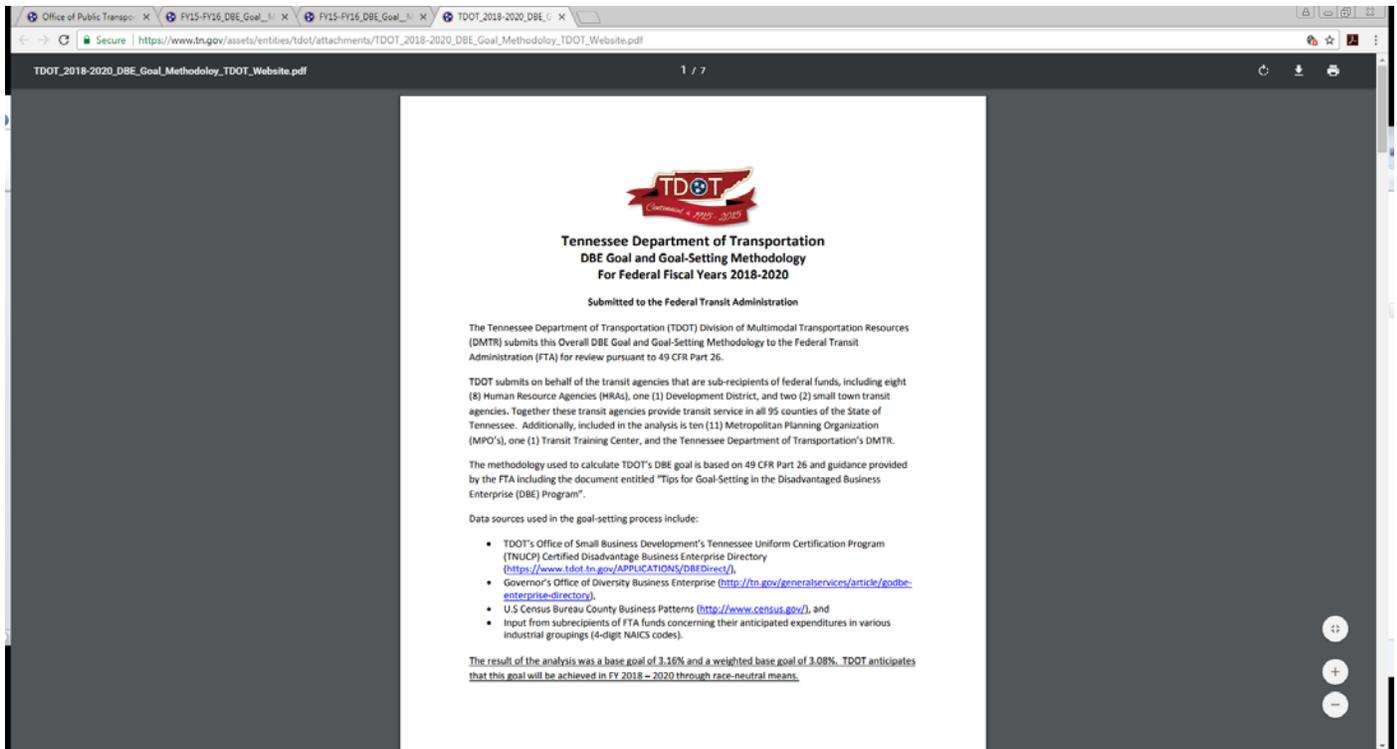
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Federal Resources:



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Tennessee Department of Transportation
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TDOT Public Meeting (July 11, 2017) Record of Attendance –

TDOT DBE Goal & Methodology – Log of Questions/Comments/Responses –

