

City of Santa Fe

Santa Fe Trails

Disadvantaged Business Enterprise (DBE)

Program Goal

for

Federal Transit Administration

Section 5307/5339 Funds

Federal Fiscal Years 2017-2019

(October 1, 2017 – September 30, 2019)

Proposed Goal: 5.3 %

Recipient: City of Santa Fe – Santa Fe Trails
(Recipient ID: 2066)

Preparer: Keith Wilson, Division Director of
Administration and Grants, Santa Fe

Phone: 505-955-2223

Goal Period: Federal Fiscal Years 2017-2019

GOAL METHODOLOGY

The City of Santa Fe – Santa Fe Trails DBE Three Year Goal is established and submitted to the Federal Transit Administration (FTA) on a triennial basis beginning October 1, 2017 to September 30, 2019.

The race neutral goal for Federal Fiscal Years (FFY) 2017-2019 has been set at 5.3%. This goal is expressed as a percentage of all FTA funds (exclusive of FTA funds to be used for the purchase of transit vehicles) that Santa Trails will expend in FTA-assisted contract in the three upcoming fiscal years. Based on an estimated 2% escalation annually in FTA 5307 funding and other capital grant programs, total FTA funding for projects is anticipated to be approximately:

	<u>5307 Grant</u>		<u>Other Grants</u>		<u>Total</u>
• FY 2017	\$1,671,773	+	\$ 0	=	\$1,671,773
• FY 2018	\$1,703,773	+	\$ 495,705	=	\$2,199,478
• FY 2019	\$1,736,413	+	\$2,191,928	=	\$3,928,341

The relevant geographic market for contractors for Santa Fe Trail projects has been defined as the State of New Mexico.

The methodology for setting the overall goal is as follow.

49 CFT Part 26, § 26.45(b) states that:

“Your overall goal 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 on your DOT-assisted contracts (hereafter, the relative availability of DBE). The goal must reflect your determination of the level of DBE participation you would expect absent the effects of discrimination. You cannot simply rely on either the 10 percent national goal, your previously overall goal or past DBE participation.”

Further, § 26.45 provide a two-step process consisting of the following:

Step 1 – Determine a base figure for the relative availability of DBEs.

Santa Fe Trails has elected to use the methodology described in § 26.45(b) (1) to determine the base figure for the relative availability of DBEs. Santa Fe Trails will be using the DBE Directory posted on the New Mexico Department of Transportation website and the Census Bureau’s County Business patterns to determine the number of ready, willing and able DBEs and similar trades in the Santa Fe Trails market.

Due to the structure of transit services under Santa Fe Trails, there is little contracting opportunity available for operating and administrative expenses during the three year program goal period. Santa Fe Trails uses staff to oversee transit operations and City of Santa Fe resources, including buses, facilities and support services. Potential contracting opportunities for FFY 2017-2019 for capital expenditures are as follows:

- Engineering/Design Services
- Rehabilitation/Renovation of Bus Terminal
- Rehabilitation/Renovation of Pedestrian Access/Walkways

The trade classification expected to be used for these projects over the three-year period are as follows:

Project	Dollar Amount	NAICS Code	Industry/Product Description
Engineering/Design Services	\$ 500,000	5413	Architectural, engineering and related service
Rehabilitation/Renovation of Bus Terminal (Southside - New, Downtown - Reconstruction) Est. 80%	\$ 1,750,106	236220	Commercial and institution building construction
Rehabilitation/Renovation of Pedestrian Access/Walkways/Fencing Est. 20%	\$ 437,527	237310	Sidewalk, public construction
Total	\$ 2,687,633		

DBE availability has been determined by utilizing the Census Bureau 2012 County Business Patterns (CBP) at <http://www.census.gov/econ/cbp/industrynapshots> and the New Mexico Department of Transportation DBE Directory at <https://nmdot.dbesystem.com> Census and Directory information was extracted for the trades listed above. The DBE availability calculations are as follows:

% of DBE Firms vs. All Firms				
Industry	NAICS Code	Census # of firms	NM DBE Directory # of Firms	*DBE %
Architectural, engineering and related service	5413	724	23	3.2%
Commercial and institution building construction	236220	364	11	3.0%
Sidewalk, public construction	237310	74	28	37.8%
		1162	62	5.3%

*Percentage obtained by dividing Directory # of Firms by Census # of Firms

Given the information provided in Table 2, Santa Fe Trails proposes 5.3 % as the goal for the FFY 2017-2019. The total DBE commitment for the three year period will be:

$$\$2,687,633 \times 5.3\% = \$142,445$$

Step 2 – Examine data to determine what adjustments, if any, is needed to the Base Figure.

§ 26.45 (d) provides many examples of the type of data to examine in order to adjust the base figure. Santa Fe Trails has determined that an adjustment is not needed in its geographic market.

Race-Neutral vs. Race-Conscious Goal

Santa Fe Trails proposed to set all goals as race-neutral for this goal period. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures; is awarded a subcontract on a prime contract that does not carry a DBE goal; or even if there is a DBE goal, wins a subcontract from a prime contractor that did not consider the DBE status in making the award (e.g. a prime contractor that uses a strict low bid system to award subcontracts).

Public Notice

The following public notice was published in the Santa Fe New Mexican, a local newspaper of general circulation as well as the Passenger Transport, a national transit industry publication.

PUBLIC NOTICE

CITY OF SANTA FE – SANTA FE TRAILS

FFY 2017-2019 DISADVANTAGED BUSINESS ENTERPRISE GOAL

The City of Santa Fe – Santa Fe Trails (SFT) hereby announces its proposed FFY 2017-2019 goal of 5.3% for Disadvantaged Business Enterprise (DBE) participation in applicable federally funded contracts. The proposed goal and its rationale are available for inspection during normal business hours at the SFT office for 30 days from the date of this notice. SFT will accept comments on the goal for 45 days from the date of this notice. Comments may be submitted via U.S. Postal Service or electronically to City of Santa Fe – Santa Fe Trails , Attn: DBE Liaison Officer, 2931 Rufina St. Santa Fe, NM 87507, Fax: 505-955-2020, Santafetrails@santafenm.gov. Comments may also be directed to: Civil Rights Officer, FTA Region VI, 819 Taylor ST, Room14A02, Fort Worth, TX 76102