



BI-STATE DEVELOPMENT



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RESEARCH
INSTITUTE

**Boyle Avenue/Central West End
Metrolink Station Design and Construction
Phase Services
Overall Goal Calculation
Federal Transit Administration**

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FEBRUARY 10, 2016

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**DISADVANTAGED BUSINESS ENTERPRISE GOAL-SETTING
METHODOLOGY REPORT
FOR
BOYLE AVENUE/CENTRAL WEST END
METROLINK STATION PROJECT**

I. INTRODUCTION

This report details the methodology and the process utilized by Bi-State Development to formulate the overall goal for the Boyle Avenue/Central West End Metrolink Station Project. It describes the efforts by Bi-State Development to comply with the goal setting provisions outlined in 49 CFR Part 26.

Bi-State seeks to construct a new MetroLink Station located east of Boyle Avenue on the active MetroLink alignment between the existing Central West End Station and the Grand Avenue Station in the City of St. Louis, Missouri. Bi-State further seeks to construct a multi-use pedestrian and bicycle path adjacent to the existing MetroLink alignment, extending from Boyle Avenue easterly to Sarah Street, and to extend the existing Central West End Station platform by approximately sixty feet to the east.

The project is a collaboration of public and private partners including Bi-State Development; Cortex Innovation Community, a private not-for-profit established to capture the commercial benefits of university and regional corporate research for St. Louis; BJC Healthcare; Washington University; St. Louis Development Corporation; Citizens for Modern Transit; and two private companies—IKEA and Wexford Science & Technologies.

II. PROPOSED OVERALL GOAL FOR THE BOYLE CENTRAL WEST END METROLINK STATION

Based on the requirements set forth in 49 CFR Part 26, Bi-State Development formerly known as Metro is submitting a goal for this project. The recommended overall DBE goal for this project is 17 percent (17%).

III. OVERALL GOAL SETTING METHODOLOGY AND EVIDENCE

In preparation for the goal, the Disadvantaged Business Enterprise Liaison Officer (DBELO) obtained information from the grants and engineering department. Bi-State Development identified contracting opportunities for this project that covered the following NAICS codes-238990-All Other Specialty Trade Contractors, 237990-Other Heavy and Civil Engineering Construction, 238210-Electrical, 238110-Poured Concrete Foundation and Structure Contractors, 236220-Commercial & Institutional Building, 238220-Plumbing, Heating & Air Conditioning Contractors, 541310, Architectural Design Services and 541330 Engineering Services. Table 1 lists all anticipated DOT-assisted contracts by NAICS for this project:

assisted contracts, as measured by the volume of work DBEs have performed in recent years, and input from interested parties.

Bi-State Development determined that an adjustment to the Step-One base figure was necessary. The methodology includes past participation in 2012, 2013, and 2014. The 2012 annual goal was 16 percent and achievement was 18.6 percent; 2013 annual goal was 16 percent and achievement was 24.7 percent and 2014 annual goal was 16 percent and achievement was 5.4 percent. Bi-State Development determined that the median number from 2012-2014 to be 18.6 percent (middle number) and averaged this number with the Step-One base figure weighted value of 16 percent. The result was 17 percent or as shown in Table 4.

TABLE 4-ADJUSTMENT

GOAL LAST THREE YEARS	AWARDS/COMMITMENTS	AMOUNT EXCEEDED
2012 (16% goal)	18.6%	2.6
2013 (16% goal)	24.7%	8.7
2014 (16% Goal)	5.4%	-10.6

Median Past Participation values from lowest to highest: 5.4%, 18.6% 24.7%

Past Participation

Adjustment:

Step 1 Goal: Base Rate

(Weighted):

16%

Step 2 Adjustments (Past Participation Median + Weighted Total)/2

16.0

18.6

34.6

17%

Adjusted Goal: 17%

RACE/GENDER-NEUTRAL AND RACE/GENDER-CONSCIOUS DETERMINATION

The final requirement of the goal setting process is to determine the portion of the overall goal that will be achieved by race and gender-neutral means. As outlined in 49 CFR § 26.51, the maximum feasible portion of the overall DBE goal should be achieved using race and gender-neutral means.

Bi-State Development examined the achievement of its goal for FFY 2013-2015 since contracting opportunities are similar. The race neutral and race conscious components were determined by analyzing the DBE achievements against the actual goals set for federally-funded projects. Race-neutral includes, but is not limited to, the following: anytime a DBE wins a prime contract through customary competitive procurement procedures; a DBE is awarded a subcontract on a prime contract that does not carry a goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contract that did not consider a firm's DBE status in making the award.

Based off upcoming contracting opportunities on this project Bi-State Development determined that the race neutral and race-conscious split would utilize the adjusted base figure of 17 percent. Bi-State Development estimates that approximately \$275,000 worth of the contracting opportunities on this project can be bid to small businesses. Bi-State Development projects that 17 percent of these opportunities can be won by DBE firms which equates to approximately \$46,750.

Examining larger opportunities Bi-State Development considered if prime bidders would solicit and afford viable opportunities to DBE firms, as well as small businesses, to perform on the larger opportunities. Bi-State Development estimated that approximately \$3,534,572 worth of DBE participation exists within the remaining opportunities. Bi-State Development calculated the total to be approximately \$ 563,129 of contracts awarded to DBE firms through race neutral means which equates to approximately 5.4 percent. Bi-State Development subtracted the race neutral percentage from the overall goal of 17 percent and determined the race conscious portion of the overall goal to be 11.6 percent. Therefore, the breakdown is as follows: 17 percent overall goal – 5.4 percent race neutral and 11.6 percent race conscious.

Funding, local market conditions and capacity of DBE firms in specific industry classifications may make ongoing adjustments of the overall goal necessary.

CONTRACT GOALS

In accordance with 49 CFR § 26.51(e)(1)(2), contract goals will be utilized to meet any portion of the overall goal that Bi-State Development projects cannot be met through race-neutral participation. Bi-State Development will assign contract goals only on those projects that have subcontracting possibilities. In accordance with §26.51(e)(4), Bi-State Development will also ensure the assignment of contract goals provided for the participation of all certified DBEs and will not be sub-divided into group specific goals. Contract goals will be expressed as a percentage of the total amount of the US DOT-assisted contract. In accordance with 49 CFR § 26.51(f), to ensure that Bi-State Development's DBE program continues to be narrowly tailored to overcome the effects of discrimination, Bi-State Development adjusted its use of contract goals by reducing and eliminating the use of contract goals to the extent necessary in efforts not to exceed the overall goal.

In compliance with §26.51(f), Bi-State Development will continue to monitor DBE participation and will make necessary adjustments to ensure that the program is narrowly tailored.

GOOD FAITH EFFORTS

In accordance with §26.53, Bi-State Development will require a prime contractor to submit a good faith waiver request in instances where the prime contractor is unable to meet the contract goal.

In determining whether a prime contractor has demonstrated good faith in meeting the goal, the goal will follow provisions contained in §26.53. Bi-State Development has implemented policies and procedures to provide administrative reconsideration to contractors deemed not to have demonstrated good faith in meeting the goal. As part of this administrative reconsideration, the contractor is afforded an opportunity to provide written documentation or argument concerning the issue of whether it met the goal, or made adequate good faith efforts to do so.

The result of the reconsideration will not be administratively appealable to the United States Department of Transportation (USDOT).

COUNTING DBE PARTICIPATION TOWARDS THE OVERALL AND CONTRACT GOALS

Bi-State Development will determine DBE credit and counting toward the overall and contract goals as outlined in the provisions contained in §26.55 on USDOT-assisted projects.

IV. PUBLIC NOTICE OF PROPOSED OVERALL GOALS

In accordance with 49 CFR §26.45(g), the goal setting process used by recipients to establish their overall goal submitted to the operating administrations for approval must include consultation with minority, women's and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of DBEs and non-DBEs. This consultation process is also intended to gather information concerning the effects of discrimination on opportunities for DBEs, if present, and establishing a level playing field for the participation of DBEs.

On December 17, 2015, Bi-State Development invited the following minority, women and general contractor groups, community organizations and other officials (interested parties) within Bi-State Development's contracting market to attend a public meeting aimed at gathering information relative to the goal-setting process:

- Associated General Contractors of Missouri
- Community Renewal & Development, Inc.
- Minority Contractor Initiative (MCI)
- MOKAN
- NAACP
- St. Louis Minority Supplier Development Council (SLMSDC)
- Hispanic Chamber of Commerce
- City of St. Louis Aldermen-Terry Kennedy and Joseph Roddy

Bi-State Development's attempts to contact the Missouri Women in Trades (MOWIT), the National Association of Women Business Owners (NAWBO) and the National Association of Women in Construction were to no avail.

A face to face dialogue was held Tuesday, December 22, 2015 at Bi-State Development Headquarters located at 211 North Broadway, Suite 700, St. Louis, Missouri 63102. Attendees included Associated General Contractors-Missouri and St. Louis Minority Business Council. During that meeting Bi-State Development discussed goal setting, methodology Bi-State Development utilized to set the overall goal on this project, North American Industry Code System (NAICS) as it relates to counting DBE participation toward goal attainment, compliance monitoring, outreach and notification of upcoming contracting opportunities.

In a letter submitted to Bi-State Development on 2/5/16 MOKAN advised Bi-State Development to examine increasing the goal on this project due to the estimates of higher proportions within the electrical, commercial & institutional building, plumbing, heating & air conditioning and demolition areas. It is MOKAN's belief that DBE firm availability is much larger. MOKAN proposed a goal of 24%.

Associated General Contractors-Missouri indicated that they will assist in any manner to ensure that their membership cooperates fully with Bi-State Development as it relates to inclusion. They invited Bi-State Development to address its membership.

Bi-State Development published the DBE goal on this project in the main lobby of its headquarters located at 211 North Broadway, Suite 700, St. Louis, Missouri 63102. This notice informed the public that the proposed goal is 17% and its rationale is available for inspection during normal business hours at this same location for 30 days following the date of the notice. Bi-State Development posted notices on Bi-State Development's Website (www.Bi-State_Developmentstlouis.org/dbe).

Bi-State Development took public comments and stakeholder groups' recommendations and/or comments into consideration as warranted in the goal setting process. Bi-State Development's final DBE goal is representative of the input provided by the stakeholder groups during the public consultation and comment periods. Bi-State Development made every attempt to be inclusive and solicit input from a diverse group of community organizations within the local contracting area.

Additionally, Bi-State Development publish the DBE goal for this project in the main lobby of its headquarters location at 211 North Broadway, Suite 700, St. Louis, Missouri 63102 and on Bi-State Development's Website (www.Bi-State_Developmentstlouis.org/dbe). This notice informed the public that the proposed goal for this project is 17% and its rationale is available for inspection during normal business hours at this same location for 30 days following the date of the notice.

Bi-State Development will take public comments and stakeholder group's recommendations and/or comments into consideration as warranted in the goal setting process. Bi-State Development's DBE goal on this project will be representative of the input provided by the stakeholder groups during the public consultation and comment periods. Bi-State Development will make every attempt to be inclusive and solicit input from a diverse group of community organizations within the local contracting area.

ACRONYMS

49 CFR PART 26:	Code for Federal Regulation that governs the DBE Program
DBE:	Disadvantaged Business Enterprise
DBELO:	DBE Liaison Officer
IL UCP:	Illinois Unified Certification Program
MBE:	Minority Business Enterprise
MRCC:	Missouri Regional Certification Committee (Missouri UCP)
NAICS:	North American Industry Classification System
SMSA:	St. Louis Metropolitan Statistical Area
USDOT:	United States Department of Transportation
WBE:	Women Business Enterprise