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

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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:
TABLE 1-CONTRACTING OPPORTUNITY ANALYSIS

<table>
<thead>
<tr>
<th>NAICS Code</th>
<th>Project</th>
<th>Amount of DOT funds on project</th>
<th>% of total DOT funds (weight)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) 23890</td>
<td>All Other Specialty Trade Contractors</td>
<td>$516,379.00</td>
<td>0.0501</td>
</tr>
<tr>
<td>2) 23790</td>
<td>Other Heavy and Civil Engineering</td>
<td>$1,858,117.00</td>
<td>0.1804</td>
</tr>
<tr>
<td>3) 238210</td>
<td>Electrical Contractors</td>
<td>$3,534,572.00</td>
<td>0.3432</td>
</tr>
<tr>
<td>4) 238110</td>
<td>Poured Concrete Foundation and Structure</td>
<td>$275,000.00</td>
<td>0.0267</td>
</tr>
<tr>
<td>5) 236220</td>
<td>Commercial &amp; Institutional Bldg. Construction</td>
<td>$1,897,195.00</td>
<td>0.1842</td>
</tr>
<tr>
<td>6) 238220</td>
<td>Plumbing, Heating &amp; Air Conditioning</td>
<td>$1,434,571.00</td>
<td>0.1393</td>
</tr>
<tr>
<td>7) 541310</td>
<td>Architectural Design Services</td>
<td>$412,600.00</td>
<td>0.0401</td>
</tr>
<tr>
<td>8) 541330</td>
<td>Engineering Services</td>
<td>$371,566.00</td>
<td>0.0361</td>
</tr>
</tbody>
</table>

Total FTA-Assisted Contract Funds $10,300,000.00 1.0000

49 CFR §26.45 requires a two-step process for setting the DBE goal that reflects the level of DBE participation expected on this project absent the effects of discrimination. Bi-State Development examined the relevant market area. The overall goal is based upon the availability of DBE firms ready, willing and able to work in the local market area. The local market area for Bi-State Development is known as the St. Louis Metropolitan Statistical Area (SMSA) which consists of eight counties and a portion of Crawford, County in Missouri (St. Charles, St. Louis City, St. Louis County, Lincoln, Warren, Washington, Franklin, Jefferson and the portion of Sullivan City in Crawford County, Missouri) and eight counties in Illinois (Bond, Monroe, Macoupin, Jersey, Clinton, Calhoun, St. Clair and Madison).

Weighting is recommended in USDOT tips to ensure the overall goal accurately reflects the scope of work. NOTE: The USDOT Tips for Goal Setting advises recipients to look to relevant data sources to supplement your DBE directory. When using the DBE directory and census data in goal setting there is concern that the directory does not accurately reflect the number of potential DBEs in your area, you should seriously consider supplementing the number of firms in your DBE directory for the purposes of goal-setting. One of the listed tips is to examine lists of other DBEs and MBE/WBEs from other sources to ensure your list of DBEs and potential DBEs is accurate. In order to determine the base figure for the availability of DBEs, Bi-State Development carefully examined the Missouri Unified Certification Program (MUCP)-Missouri Regional Certification Committee (MRCC) DBE directory. However, to ensure the goal reflects the actual availability of ready, willing and able DBEs in the SMSA, Bi-State Development examined the MBE/WBE Directories of the City of St. Louis, State of Missouri-Office of
Administration/Office of Equal Opportunity and the Illinois UCP Directory to determine whether they contained firms which should be considered ready, willing and able DBEs within the NAICS identified within this project's contracting opportunities. Additionally, data available for 2013 from the United States Census Bureau-County Business Patterns database (http://censtats.census.gov/cgi-bin/msanaic/msascl/pl) was utilized.

IV. STEP 1-BASE FIGURE CALCULATION

The initial phase of the Step 1 analysis requires that recipient's first step is the calculation of a base figure for the relative availability of able, willing and ready DBEs. Bi-State Development utilized the number of DBEs within the relevant market area and NAICS codes determined to be within this project. The number of ready, willing and able DBE firms within the market area totaled 534 (see Table 2). Bi-State Development examined the total number of establishments, including DBEs, available to perform within the same NAICS. The total number of establishments based off data reviewed in the County Business Patterns database totaled 2957 (see Table 2). US DOT Tips requires the calculation of the relative base figure by dividing the total number of available, willing and able DBEs in the market area (534) by the total number of all market area businesses (2957) multiplied by 100. The base figure estimate of DBE availability equals 18 percent as shown in Table 2.

**TABLE 2-RELATIVE DBE AVAILABILITY**

<table>
<thead>
<tr>
<th>NAICS Code</th>
<th>Project</th>
<th>Number of DBEs available to perform this work</th>
<th>Number of all firms available (Including DBEs)</th>
<th>Relative Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>238990</td>
<td>All Other Specialty Trade Contractors</td>
<td>128</td>
<td>286</td>
<td>0.4476</td>
</tr>
<tr>
<td>237990</td>
<td>Other Heavy and Civil Engineering</td>
<td>5</td>
<td>48</td>
<td>0.1042</td>
</tr>
<tr>
<td>238210</td>
<td>Electrical Contractors</td>
<td>64</td>
<td>490</td>
<td>0.1306</td>
</tr>
<tr>
<td>238110</td>
<td>Poured Concrete Foundation and Structure</td>
<td>61</td>
<td>227</td>
<td>0.2687</td>
</tr>
<tr>
<td>236220</td>
<td>Commercial &amp; Institutional Bldg. Construction</td>
<td>88</td>
<td>385</td>
<td>0.2286</td>
</tr>
<tr>
<td>238220</td>
<td>Plumbing, Heating &amp; Air Conditioning</td>
<td>44</td>
<td>842</td>
<td>0.0523</td>
</tr>
<tr>
<td>541310</td>
<td>Architectural Design Services</td>
<td>41</td>
<td>206</td>
<td>0.2050</td>
</tr>
<tr>
<td>541330</td>
<td>Engineering Services</td>
<td>103</td>
<td>479</td>
<td>0.2150</td>
</tr>
</tbody>
</table>

| Combined Totals | 534 | 2957 | 0.1806 | Overall availability of DBEs |

The number of DBEs ready, willing and able to bid on this project's contracting opportunities is 534. The number of all establishments (DBEs and non-DBEs) within the appropriate NAICS codes associated with Bi-State Development's contracting opportunities is 2,957. 534 divided by 2,957 multiplied by 100 indicates that the overall availability of DBEs is 18%.

12013 County Business Pattern data was not available at the time the DBE goal was calculated.
Bi-State Development weighted the availability of firms based on the spend in each NAICS (table 1); multiplied that figure by the availability of ready, willing and able DBEs (table 2) and multiplied that figure by 100 which resulted in a weighted step one base figure of 16 percent as indicated in Table 3.

### TABLE 3-DBE GOAL ANALYSIS

<table>
<thead>
<tr>
<th>NAICS Code</th>
<th>Project</th>
<th>Weight</th>
<th>x</th>
<th>Availability</th>
<th>Weighted Base Figure</th>
</tr>
</thead>
<tbody>
<tr>
<td>238990</td>
<td>All Other Specialty Trade Contractors</td>
<td>0.05013</td>
<td>x</td>
<td>0.44755</td>
<td>0.0224</td>
</tr>
<tr>
<td>237990</td>
<td>Other Heavy and Civil Engineering</td>
<td>0.18040</td>
<td>x</td>
<td>0.10417</td>
<td>0.0188</td>
</tr>
<tr>
<td>238210</td>
<td>Electrical Contractors</td>
<td>0.34316</td>
<td>x</td>
<td>0.13061</td>
<td>0.0448</td>
</tr>
<tr>
<td>238110</td>
<td>Poured Concrete Foundation and Structure</td>
<td>0.02670</td>
<td>x</td>
<td>0.26872</td>
<td>0.0072</td>
</tr>
<tr>
<td>236220</td>
<td>Commercial &amp; Institutional Bldg. Construction</td>
<td>0.18419</td>
<td>x</td>
<td>0.22857</td>
<td>0.0421</td>
</tr>
<tr>
<td>238220</td>
<td>Plumbing, Heating &amp; Air Conditioning</td>
<td>0.13928</td>
<td>x</td>
<td>0.05226</td>
<td>0.0073</td>
</tr>
<tr>
<td>541310</td>
<td>Architectural Design Services</td>
<td>0.04006</td>
<td>x</td>
<td>0.20500</td>
<td>0.0082</td>
</tr>
<tr>
<td>541330</td>
<td>Engineering Services</td>
<td>0.03607</td>
<td>x</td>
<td>0.21503</td>
<td>0.0078</td>
</tr>
</tbody>
</table>

Total: 0.1586
Expressed as a % (*100): 15.86%
Rounded, Weighted Base Figure: 16%

The percent of total DOT funds which is the weight of each NAICS multiplied by the relative availability equates to the weighted base figure for each NAICS multiplied by 100. Rounded weighted base figure is 16 percent.

V. STEP 2-CONSIDERATION OF ADJUSTMENT TO THE BASE FIGURE

Bi-State Development examined all evidence in its jurisdiction to determine what adjustment, if any, is needed to the base figure to arrive at the overall goal. Included among the types of evidence that must be considered are the current capacity of DBEs to perform work on Bi-State Development's federally-
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**

<table>
<thead>
<tr>
<th>GOAL</th>
<th>LAST THREE YEARS</th>
<th>AWARDS/COMMITMENTS</th>
<th>AMOUNT EXCEEDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>(16% goal)</td>
<td>18.6%</td>
<td>2.6</td>
</tr>
<tr>
<td>2013</td>
<td>(16% goal)</td>
<td>24.7%</td>
<td>8.7</td>
</tr>
<tr>
<td>2014</td>
<td>(16% Goal)</td>
<td>5.4%</td>
<td>-10.6</td>
</tr>
</tbody>
</table>

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%

**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 DevelopmentsStLouis.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 DevelopmentsStLouis.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