



**Bi-State Development Agency of the
Missouri-Illinois Metropolitan District**

**Union Station Tunnel
Overall DBE Goal Calculation**

Federal Transit Administration

**Prepared by:
Francoise Lyles-Wiggins
Bi-State Development Supplier Diversity Program Manager/DBELO
August 8, 2018**

TABLE OF CONTENTS

INTRODUCTION	2
PROJECT OVERALL DBE GOAL.....	2
OVERALL GOAL SETTING METHODOLOGY	2
CONTRACTING OPPORTUNITIES.....	3
STEP-ONE BASE FIGURE CALCULATION	4
DBE GOAL ANALYSIS.....	5
STEP-TWO BASE FIGURE ADJUSTMENT.....	6
PROJECTION OF RACE AND GENDER-NEUTRAL GOAL ATTAINMENT.....	6
PUBLIC NOTICE OF PROJECT OVERALL DBE GOAL.....	9

OVERALL DISADVANTAGED BUSIENSS ENTERPRISE GOAL-SETTING METHODOLOGY FOR THE UNION STATION TUNNEL PROJECT

I. INTRODUCTION

This report details the methodology and the process utilized by Bi-State Development to formulate the overall DBE goal for the Union Station Tunnel Project. It describes the efforts by Bi-State Development to comply with the goal setting provisions outlined in 49 CFR Part 26.

Union Station Tunnel was first constructed in the 1890's as a transfer area below grade for mail and baggage between trains entering the station. The station and tunnel expanded in the early part of the 20th Century to keep up with increasing rail demand, but traffic began declining in the 1960's with the last train service at Union Station being in 1978. The tunnel is nearing the end of its useful life and requires a major rehabilitation/replacement to serve as a viable alignment for MetroLink service.

The construction scope of work involves the construction of a new tunnel including phased tunnel demolition, phased existing Overhead Catenary System (OCS), phased tunnel construction (foundations, pre-cast or cast-in-place reinforced concrete abutments, new structural steel or precast concrete girders, a structural deck with a waterproofing system), coordination with the design of the overhead conductor rail (OCR design by others, OCR installation by Metro), all surface site work, potential tunnel ventilation and standpipe installation and the relocation of the communications room. All of the tunnel's north bay and the southern portion of the south bay will be backfilled with lightweight backfill to prevent future collapse of the tunnel and satisfy NEPA requirements.

II. PROPOSED OVERAL GOAL FOR THE UNION STATION TUNNEL

Based on the requirements set forth in 49 CFR Part 26, Bi-State Development formerly known as Bi-State Development is submitting a goal for this project. The recommended overall DBE goal for the period is 19.5 percent (19.5%).

III. OVERALL GOAL SETTING METHODOLOGY AND EVIDENCE

In preparation for the project DBE goal, the Disadvantaged Business Enterprise Liaison Officer (DBELO) obtained capital budget information from the grants department and more detailed scope surrounding the NAICS codes from the engineering department. Bi-State Development identified contracting opportunities for this project that cover the following NAICS codes- 237310-Highway, Street and Bridge Construction; 237990-Other Heavy and Civil Engineering Construction; 238110-Poured Concrete Foundation and Structure Contractors; 238120-Structural Steel and Precast Concrete Contractors; 238210-Electrical Contractors and Other Wiring Installation Contractors; 238220-Plumbing, Heating & Air Conditioning Contractors; 238390-Other Building Finishing Contractors; 238910-Site Preparation Contractors; 238990 All Other Specialty Trade Contractors; 332618-Other Fabricated Wire Product Manufacturing;

484110-General Freight Trucking, Local; 484220-Specialized Freight (except Used Goods) Trucking, Local; 541370-Surveying and Mapping Services (except geophysical services); 541380-Testing Laboratories; and 562910-Remediation Services. Table 1 lists all anticipated DOT-assisted contracts by NAICS for this project:

TABLE 1. CONTRACTING OPPORTUNITIES

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	237310	Highway, Street and Bridge Construction	\$18,970,188.00	0.3526
2)	237990	Other Heavy Civil Engineering Construction	\$3,673,446.59	0.0683
3)	238110	Poured Concrete Foundation and Structure Contractors	\$16,100,060.00	0.2992
4)	238120	Structural Steel and Precast Concrete Contractors	\$6,603,203.00	0.1227
5)	238210	Electrical Contractors and other Wiring Installation Contractors	\$2,243,868.10	0.0417
6)	238220	Plumbing Heating & Air Conditioning Contractors	\$1,099,882.62	0.0204
7)	238390	Other Building Finishing Contractors	\$718,016.28	0.0133
8)	238910	Site Preparation Contractors	\$1,722,414.67	0.0320
9)	238990	All Other Speciality Trade Contractors	\$253,860.44	0.0047
10)	332618	Other Fabricated Wire Product Manufacturing	\$131,232.94	0.0024
11)	484110	General Freight Trucking, Local	\$164,041.17	0.0030
12)	484220	Specialized Freight (except used goods)Trucking, Local	\$164,041.18	0.0030
13)	541370	Surveying and Mapping Services (except geophysical services)	\$512,561.43	0.0095
14)	541380	Testing Laboratories	\$512,561.43	0.0095
15)	562910	Remediation Services	\$932,614.40	0.0173
16)				0.0000
17)				0.0000
18)				0.0000
19)				0.0000
20)				0.0000
21)				0.0000
22)				0.0000
23)				0.0000
24)				0.0000
25)				0.0000
26)				0.0000
27)				0.0000
28)				0.0000
29)				0.0000
30)				0.0000
	Total FTA-Assisted Contract Funds		\$53,801,992.25	1

49 CFR §26.45 requires a two-step process for setting the transit DBE goal that reflects the level of DBE participation on Bi-State Development contracts expected 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).

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 Bi-State Development’s contracting opportunities.

Additionally, Bi-State Development obtained data on the availability of all firms available, including DBEs, from the United States Census Bureau-2016 County Business Patterns database (<https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>).

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 Bi-State Development’s anticipated federally funded projects for FY 2019-2021. The number of ready, willing and able DBE firms within the market area totaled 337 (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 2016 County Business Patterns database totaled 3,028 (see Table 2). US DOT Tips requires the calculation of the relative base figure by dividing the total number of available, willing (3,028) multiplied by 100. The base figure estimate of DBE availability equals 11.13 percent as shown in Table 2.

TABLE 2. DBE AVAILABILITY ANALYSIS

	NAICS Code	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability	
1)	237310	Highway, Street and Bridge Construction	29	97	0.2990	
2)	237990	Other Heavy Civil Engineering Construction	19	31	0.6129	
3)	238110	Poured Concrete Foundation and Structure Contractors	12	216	0.0556	
4)	238120	Structural Steel and Precast Concrete Contractors	14	18	0.7778	
5)	238210	Electrical Contractors and other Wiring Installation Contractors	40	499	0.0802	
6)	238220	Plumbing Heating & Air Conditioning Contractors	10	832	0.0120	
7)	238390	Other Building Finishing Contractors	8	73	0.1096	
8)	238910	Site Preparation Contractors	46	278	0.1655	
9)	238990	All Other Speciality Trade Contractors	30	321	0.0935	
10)	332618	Other Fabricated Wire Product Manufacturing	0	10	0.0000	
11)	484110	General Freight Trucking, Local	42	217	0.1935	
12)	484220	Specialized Freight (except used goods)Trucking, Local	49	281	0.1744	
13)	541370	Surveying and Mapping Services (except geophysical services)	17	51	0.3333	
14)	541380	Testing Laboratories	9	59	0.1525	
15)	562910	Remediation Services	12	45	0.2667	
16)						
17)						
18)						
19)						
20)						
21)						
22)						
23)						
24)						
25)						
26)						
27)						
28)						
29)						
30)						
	Combined Totals		337	3028	0.1113	Overall availability of DBEs

The number of DBEs ready, willing and able to bid on this project’s contracting opportunities is 337. The number of all establishments (DBEs and non-DBEs) within the appropriate NAICS codes associated with Bi-State Development’s contracting opportunities is 3,028. 337 divided by 3,028 multiplied by 100 indicates that the overall availability of DBEs is 11.13%.

In the application of the overall DBE goal, not all DBEs have equal opportunity for participation as opportunity depends on the spend in each NAICS code, 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 you DBE Directory. When using the DBE Directory and census data in goal setting and 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. Bi-State Development weighted the availability of firms based on the spend in each NAICS, which resulted in a weighted step one base figure of 28 percent as indicated in Table 3.

TABLE 3. DBE GOAL ANALYSIS

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)	237310	Highway, Street and Bridge Construction	0.35259	x	0.29897	0.1054
2)	237990	Other Heavy Civil Engineering Construction	0.06828	x	0.61290	0.0418
3)	238110	Poured Concrete Foundation and Structure Contractors	0.29925	x	0.05556	0.0166
4)	238120	Structural Steel and Precast Concrete Contractors	0.12273	x	0.77778	0.0955
5)	238210	Electrical Contractors and other Wiring Installation Contractors	0.04171	x	0.08016	0.0033
6)	238220	Plumbing Heating & Air Conditioning Contractors	0.02044	x	0.01202	0.0002
7)	238390	Other Building Finishing Contractors	0.01335	x	0.10959	0.0015
8)	238910	Site Preparation Contractors	0.03201	x	0.16547	0.0053
9)	238990	All Other Speciality Trade Contractors	0.00472	x	0.09346	0.0004
10)	332618	Other Fabricated Wire Product Manufacturing	0.00244	x	0.00000	0.0000
11)	484110	General Freight Trucking, Local	0.00305	x	0.19355	0.0006
12)	484220	Specialized Freight (except used goods)Trucking, Local	0.00305	x	0.17438	0.0005
13)	541370	Surveying and Mapping Services (except geophysical services)	0.00953	x	0.33333	0.0032
14)	541380	Testing Laboratories	0.00953	x	0.15254	0.0015
15)	562910	Remediation Services	0.01733	x	0.26667	0.0046
16)				x		
17)				x		
18)				x		
19)				x		
20)				x		
21)				x		
22)				x		
23)				x		
24)				x		
25)				x		
26)				x		
27)				x		
28)				x		
29)				x		
30)				x		
					Total	0.2805
					Expressed as a % (*100)	28.05%
					Rounded, Weighted Base Figure:	28%

*The weighted base figure totals 28%.

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 2015, 2016 and 2017. The 2015 annual goal was 16 percent and achievement was 11.7 percent; 2016 annual goal was 20 percent and achievement was 11 percent and 2017 annual goal was 20 percent and achievement was 6.3 percent.

Bi-State Development determined that the median number between 2015-2017 to be 11.0 percent (middle number) and averaged this number with the Step-One base figure weighted value of 28 percent. The result was 19.5 percent or 19.5% as shown in Table 4.

TABLE 4. ADJUSTMENT TO BASE FIGURE

GOAL LAST THREE YEARS	AWARDS/COMMITMENTS	AMOUNT EXCEEDED
2015 (16% goal)	11.7%	-4.3%
2016 (20% goal)	11.0%	-9%
2017 (20% goal)	6.3%	-13.7%
Median Past Participation values from lowest to highest: 6.3%, 11.0%, 11.7%		
Past Participation Adjustment:		
Step 1 Goal: Base Rate (Weighted):		28%
Step 2 Adjustments		
(Past participation Median + Weighted Total)/2:		39%
Adjusted Goal:		19.5%

VI. PROJECTION OF RACE-NEUTRAL VS. RACE CONSCIOUS GOAL ATTAINMENT

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 2015-2017 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 that did not consider a firm's DBE status in making the award.

Bi-State Development determined that the race neutral and race-conscious split would utilize the adjusted base figure of 19.5 percent. Bi-State Development estimates that approximately \$1,092,706.00 worth of its contracting opportunities can be bid to small business. 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 \$3,800,000.00 worth of DBE participation exists within the remaining opportunities. Bi-State Development calculated that total to be approximately \$4,892,706.00 of contracts awarded to DBE firms through race neutral which equates to approximately 9.1 percent. Bi-State Development subtracted the race neutral percentage from the overall goal of 19.5 percent and determined the race conscious portion of the overall goal to be 10.4 percent. Therefore, the breakdown is as follows: 19.5 percent overall DBE goal-9.1 percent race neutral and 10.4 percent race conscious.

Funding, local market conditions and capacity of DBE firms in specific industry classifications may make on-going 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 project overall goal that cannot be met through race-neutral participation. Bi-State Development will assign contract goals only on those contracts 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.

GOOD FAITH EFFORTS

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.

Bi-State Development published the project overall DBE goal 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 19.5% and its rationale is available for inspection during normal business hours at this same location for 30-days following the date of the notice. Additionally, a notice was posted on Bi-State Development's Website (www.bistatedev.org/).



PUBLIC NOTICE

BI-STATE DEVELOPMENT DISADVANTAGED BUSINESS ENTERPRISE (DBE) UNION STATION TUNNEL OVERALL DBE GOAL

Bi-State Development as required by the U.S. Department of Transportation's regulations, contained under 49 CFR Part 26, announces the proposed Disadvantaged Business Enterprise goal for the Union Station Tunnel project. This project is funded in whole or part by the U.S. Department of Transportation (USDOT) via the Federal Transit Administration (FTA).

The DBE Overall Goal for the Union Station Tunnel Project is 19.5%.

The methodology used in establishing the overall DBE goal will be available for review and inspection during Bi-State Development's normal business hours, 8:00a.m. to 5:00 p.m. at Bi-State Development-Headquarters, One Metropolitan Square, 211 North Broadway, Suite 700, St. Louis, Missouri 63102-2795. The proposed overall DBE goal will be available for inspection for 30 days following the date of this notice at the above address.

Written comments on the DBE goal will be accepted from the public for 30 days following the date of this notice. Comments may be directed to:

Francoise Lyles-Wiggins
Supplier Diversity Program Manager
One Metropolitan Square
211 North Broadway, Suite 700
St. Louis, Missouri 63102-2795

All comments and any questions should be sent to Francoise Lyles-Wiggins by email at ftyleswiggins@bistatedev.org or by phone at 314.982.1400 ext. 1398.