



Tompkins Consolidated Area Transit, Inc.
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Calculating Tompkins County / TCAT Disadvantaged Business Enterprise Goal for FFY 2017, 2018 and 2019

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Summary

Tompkins Consolidated Area Transit has set a draft goal of .05% Disadvantaged Business Enterprise (DBE) utilization on federally-funded projects for FFY 2017, 2018 and 2019.

Local Market Area

In determining the Local Market Area, all TCAT expenditures for two years, 2014-15, were examined except for bus procurements. The payees were categorized by region in order to determine their geographic distribution. After consideration, it was decided that the Local Market Area would include the following counties: Tompkins, Broome, Cayuga and Onondaga. The summary data for these counties and the entire Local Market Area are as follows:

| <u>Region</u> | <u>Payees</u> | <u>Payments</u> | <u>% of Total \$</u> | <u>% of Payees</u> |
|-------------------|---------------|-----------------|----------------------|--------------------|
| Tompkins | 87 | \$ 2,686,155 | 42.7% | 34.1% |
| Broome | 12 | \$ 371,834 | 5.9% | 4.7% |
| Cayuga | 4 | \$ 192,208 | 3.1% | 1.6% |
| Onondaga | 14 | \$ 326,866 | 5.2% | 5.5% |
| Local Market Area | 117 | \$ 3,577,064 | 57% | 46% |
| Total | 255 | \$ 6,294,327 | 100% | 100% |

Some other regions accounted for significant portions of the annual budget as the insurance and diesel fuel bills were paid to each region respectively, but were not included in the Local Market Area as these costs are not funded by the FTA.

Proposed 2017, 2018 and 2019 Capital Projects Using Federal Funding

TCAT plans to use federal funding on the following proposed projects during the next three fiscal years, and will therefore be required to attempt to utilize DBEs at the goal level for these projects:

Proposed Projects for 2017, 2018 and 2019

| <u>Grant Year</u> | <u>Fund Source</u> | <u>Project</u> | <u>Federal</u> | <u>State</u> | <u>TCAT</u> |
|-------------------|--------------------|---------------------------|----------------|--------------|-------------|
| 2017 | FTA Sec. 5307 | Preventative Maint. | \$ 677,123 | \$ 84,640 | \$ 84,640 |
| 2018 | FTA Sec. 5307 | Preventative Maint. | \$ 677,123 | \$ 84,640 | \$ 84,640 |
| 2019 | FTA Sec. 5307 | Preventative Maint. | \$ 778,896 | \$ 97,362 | \$ 97,362 |
| 2017 | FTA Sec. 5307 | ADP Hardware and Software | \$ 80,038 | \$ 10,005 | \$ 10,005 |
| 2019 | FTA Sec. 5307 | ADP Hardware and Software | \$ 169,982 | \$ 21,248 | \$ 21,248 |
| 2018 | FTA Sec. 5307 | Facility Rehab. | \$ 17,581 | \$ 2,198 | \$ 2,198 |
| 2017 | FTA Sec. 5307 | Support Vehicles | \$ 20,000 | \$ 2,500 | \$ 2,500 |
| Total | | | \$ 2,420,743 | \$ 302,593 | \$ 302,593 |

Identifying DBE and Non-DBE Firms within Local Market Area

From the list of proposed projects for 2017, 2018 and 2019, a collection of 2014 NAICS codes for contracts that would be required for the projects was collected. Information on the total number of businesses for each NAICS code was then obtained from the 2014 County Business Patterns Economic Profile¹ for each county in the Local Market Area. These figures included both DBE and non-DBE businesses. Information on the number of DBEs within the Local Market Area was obtained from the New York State Unified Certification Program (NYSUCP) Disadvantaged Business Enterprise (DBE) Directory.²

¹ 2014 County Business Patterns (NAICS)
<http://censtats.census.gov/cgi-bin/cbpnaic/cbpdetl.pl>

² <http://biznet.nysucp.net/>

| <u>Project</u> | <u>NAICS Codes</u> |
|---------------------------|---------------------------------------|
| Preventative Maint. | 33390, 336350, 423120, 441320, 441310 |
| ADP Hardware and Software | 423690, 423430 |
| Facility Rehab. | 236220, 238210, 238220, 238160 |
| Support Vehicles | 423110, 441110 |

| <u>NAICS Code</u> | <u>Description</u> | <u>All Businesses</u> | <u>DBEs</u> |
|-------------------|--|-----------------------|-------------|
| 336390 | Other Motor Vehicle Parts Manufacturing | 2 | 0 |
| 336350 | Motor Vehicle Transmission and Power Train Parts | 2 | 0 |
| 423120 | Motor Vehicle Supplies and New Parts Merchant Wholesalers | 42 | 0 |
| 423130 | Tire and Tube Merchant Wholesalers | 15 | 0 |
| 441320 | Tire Dealers | 35 | 0 |
| 441310 | Automotive Parts and Accessories Stores | 95 | 0 |
| 423430 | Computer and Computer Peripheral Equipment and Software Merchant Wholesalers | 23 | 0 |
| 423690 | Other Electronic Parts and Equipment Merchant Wholesalers | 38 | 1 |
| 236220 | Commercial and Institutional Building Construction | 130 | 3 |
| 238210 | Electrical Contractors and Other Wiring Installation Contractors | 153 | 0 |
| 238220 | Plumbing, Heating, and Air-Conditioning Contractors | 253 | 1 |
| 238160 | Roofing Contractors | 52 | 0 |
| 423110 | Automobile and Other Motor Vehicle Merchant Wholesalers | 22 | 0 |
| 441110 | New Car Dealers | 69 | 0 |
| | Total | 931 | 5 |

Calculating Goal

To calculate the weighted goal the anticipated level of funding for each contract type (NAICS code) was divided by the total anticipated funding for all contracts to give the weight for each type. This weight was then multiplied by the relative availability of DBEs (number of DBEs divided by total number of businesses) for each contract type, and these numbers were added to give the final weighted result.

| <u>NAICS Code</u> | <u>Anticipated Funding</u> | <u>Weight</u> | <u>All Businesses</u> | <u>DBEs</u> | <u>Relative Availability</u> |
|-------------------|----------------------------|---------------|-----------------------|-------------|------------------------------|
| 423690 | \$31,252 | 0.73% | 38 | 1 | 0.026% |
| 236220 | \$5,494 | 0.13% | 130 | 3 | 0.023% |
| 238220 | \$5,494 | 0.13% | 253 | 1 | 0.003% |
| All Others | \$2,378,503 | 56.30% | 510 | 0 | 0.000% |
| Total | \$2,420,743 | 100.00% | 931 | 5 | 0.052% |

Weighted Result = $0.73\%(1/38) + 0.13(3/130) + 0.13\%(1/253)$

Weighted Result = $(0.0263 \times .054) + (0.0230 \times 0.02) + (0.0039 \times .0.01)$

Weighted Result = .05%

Based upon this calculation TCAT's DBE utilization goal is .05% totaling \$2,196.00 for FFY 2017-19.