

**REGIONAL TRANSPORTATION COMMISSION  
OF SOUTHERN NEVADA  
FY 2017 - 2019  
DBE GOALS**

**REGIONAL TRANSPORTATION COMMISSION  
OF SOUTHERN NEVADA**

**PROPOSED DBE GOALS  
FFY 2017 – 2019**

**Sponsor:** Regional Transportation Commission  
of Southern Nevada

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**Goal Period:** **From:** October 1, 2016  
**Thru:** September 30, 2019

**FFY 2017-2019 Overall DBE Goal for Federally-Assisted Projects: 3.6%**

**Race-Neutral Goal: 3.6%**

**Race-Conscious Goal: 0.0%**

**DBE GOAL METHODOLOGY**

In accordance with 49 CFR part 26.45, the overall goal period for the Regional Transportation Commission of Southern Nevada ("RTC") Disadvantaged Business Enterprise Program for federally assisted projects is established every three years. The DBE goal period for the three-year period covered in this report will begin on October 1, 2016 and end on September 30, 2019. The Overall Goal for the three-year period has been set at 3.6% of the Federal financial assistance to be expended in DOT-assisted contracts during the time period covered. Federal funding for projects is anticipated to be approximately \$4.3 million during the period.

The relevant geographic market for contractors for the Regional Transportation Commission of Southern Nevada projects has been defined as the State of Nevada because more than 75% of the companies performing projects for the Commission over the last five years are based in the State of Nevada.

49 CFR Part 26, Section 26.45(b) states as follows:

*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 DBEs"). 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 previous overall goal or past DBE participation rates in your program without reference to the relative availability of DBEs in your market.*

49 CFR Part 26, Section 26.45 further provides for a two-step process, consisting of:

**Step 1 - Determine a Base Figure representing the Relative Availability of DBEs**

**and**

**Step 2 - Examine data to determine what adjustment, if any, is needed to the Base Figure**

The regulation provides the following examples of potential approaches for accomplishing Step 1, determining the base figure, as follows:

- 1) Use DBE Directories and Census Bureau Data. Determine the number of ready, willing and able DBEs in your market from your DBE directory. Using the Census Bureau's County Business Pattern (CBP) database, determine the number of all ready, willing and able businesses available in your market that perform work in the same SIC (now NAICS) codes.
- 2) Use a bidders list. Determine the number of DBEs that have bid or quoted on your DOT-assisted prime contracts or subcontracts in the previous year. Determine the number of all businesses that have bid or quoted on prime or subcontracts in the same time period. Divide the number of DBE bidders and quoters by the number for all businesses to derive a base figure for the relative availability of DBEs in your market.
- 3) Use data from a disparity study. Use a percentage figure derived from data in a valid, applicable disparity study.
- 4) Use the goal of another DOT recipient. If another DOT recipient in the same, or substantially similar, market has set an overall goal in compliance with this rule, you may use that goal as a base figure for your goal.
- 5) Alternative methods. Subject to the approval of the DOT operating administration, you may use other methods to determine a base figure for your overall goal. Any methodology you choose must be based on demonstrable evidence of local market conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of DBEs in your market.

RTC is currently in the process of conducting a disparity study jointly with RTC of Washoe County, the Reno-Tahoe Airport Authority, and McCarran International Airport. Results are anticipated in late 2016. Until the results of the disparity study are finalized, we have elected to use the approach of DBE directories and Census Bureau data. The methodology for establishing the FFY 2017 - 2019 three-year DBE Goal is described on the following pages. The DBE Goals will be revised and updated based on the disparity study results when the results have been finalized. It should be noted that the previous three-year goal established for RTC considered information from the Nevada Department of Transportation (NDOT) Availability and Disparity Study published in 2007. That study is now nine years old and considered information from more than ten years ago. We have, therefore, elected not to use the information from that study. NDOT published the findings of their most recent Availability & Disparity Study on December 2013, however that study did not provide availability information by trade or NAICS code. We contacted Jenni Eyerly, Administrative Services Division Chief of

NDOT, in an attempt to obtain availability information by trade and were told that there is no additional information other than what can be found in the publication of the study.

**Step 1 - Determine a Base Figure representing the Relative Availability of DBEs**

The base figure for the relative availability of DBEs has been determined by reviewing the trades to be utilized for 2017-2019 anticipated projects, determining the relative availability by dividing the number of DBEs found in the NUCP directory by the total number of firms from the U.S. Census County Business Patterns database and then weighting the DBE availability by the anticipated trades to be utilized for each DOT-assisted project.

**RTC 2017 - 2019 Projects**

- Add Bus Shelter Solar Lighting Systems
- Replace Bus Shelters
- Replace CNG Leak Detection System at IBMF
- Replace Fixed Route Bus Washes at IBMF
- Replace Paratransit Bus Wash at IBMF
- Install New Solar Roof and HVAC System at SSTT
- Purchase Transit Asset Management System Software

The trade classifications expected to be utilized for these projects are as follows:

Table 1 - Anticipated Project Expenditures by Trade Classification				
Project	Trade Classification	Trade \$	NAICS Description	NAICS
Add Bus Shelter Solar Lighting Systems	Solar Lighting Kits	\$171,600	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing	335122
	General Construction	\$42,900	Commercial and Institutional Building Construction	236220
<b>Total Project</b>		<b>\$214,500</b>		

Table 1 - Anticipated Project Expenditures by Trade Classification				
Project	Trade Classification	Trade \$	NAICS Description	NAICS
Replace Bus Shelters	General Construction	\$507,000	Commercial and Institutional Building Construction	236220
	Shelter Fabrication	\$780,000	Prefabricated Metal Building and Component Manufacturing	332311
	Traffic Control	\$13,000	All Other Support Services	561990
<b>Total Project</b>		<b>\$1,300,000</b>		
Replace CNG Leak Detection System at IBMF	General Construction	\$78,000	Commercial and Institutional Building Construction	236220
	Electrical	\$26,000	Electrical Contractors	238210
	Materials (CNG Leak Detection)	\$156,000	Other Measuring and Controlling Device Manufacturing	335419
<b>Total Project</b>		<b>\$260,000</b>		
Replace Fixed Route Bus Washes at IBMF	General Construction	\$130,000	Commercial and Institutional Building Construction	236220
	Electrical	\$32,500	Electrical Contractors	238210
	Materials (Bus Wash)	\$487,500	Other Commercial and Service Industry Machinery Manufacturing	333318
<b>Total Project</b>		<b>\$650,000</b>		
Replace Paratransit Bus Wash at IBMF	General Construction	\$52,000	Commercial and Institutional Building Construction	236220
	Electrical	\$13,000	Electrical Contractors	238210
	Materials (Bus Wash)	\$195,000	Other Commercial and Service Industry Machinery Manufacturing	333318

Table 1 - Anticipated Project Expenditures by Trade Classification				
Project	Trade Classification	Trade \$	NAICS Description	NAICS
Total Project		\$260,000		
Install New Solar Roof and HVAC System at SSTT	General Construction	\$130,000	Commercial and Institutional Building Construction	236220
	Mechanical	\$130,000	Plumbing, Heating, and Air-Conditioning Contractors	238220
	Materials (Solar Panels)	\$195,000	Plumbing and Heating Equipment and Supplies (Hydroponics) Merchant Wholesalers	541910
	Materials (HVAC)	\$195,000	Plumbing and Heating Equipment and Supplies (Hydroponics) Merchant Wholesalers	423720
Total Project		\$650,000		
Purchase Transit Asset Management System Software	Software	\$975,000	Custom Computer Programming Services	541511
Total Project		\$975,000		
Total FY 2017-FY 2019 Projects		\$4,309,500		

DBE availability has been determined as described above. As previously noted, the geographic area represented is the State of Nevada. The availability calculations are as follows:

Table 2 - DBE Availability Percentages				
Trade Description	Applicable NAICS Code	Census # of Firms	Directory # of Firms	*DBE % Dir/Census
Commercial Building Construction	236220	398	27	6.8%
Electrical Contractor	238210	552	21	3.8%
Plumbing, Heating, & Air-Conditioning Contractors	238220	698	7	1.0%

Table 2 - DBE Availability Percentages				
Trade Description	Applicable	Census	Directory	*DBE %
Prefabricated Metal Building and Component Manufacturing	332311	6	0	0.0%
Other Commercial and Service Industry Machinery Manufacturing	333318	10	0	0.0%
Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing	335122	6	0	0.0%
Other Measuring and Controlling Device Manufacturing	335419	0	0	0.0%
Plumbing and Heating Equipment and Supplies (Hydronics) Merchant Wholesalers	423720	62	1	1.6%
Custom Computer Programming Services	541511	629	9	1.4%
All Other Support Services	561990	200	6	3.0%

\* The % was obtained by dividing the DBE directory # of firms by the census # of firms.

The availability calculations from the above chart have been weighted by the anticipated expenditures for each trade classification as follows:

Table 3 - DBE \$ based on Project Expenditures by Trade Classification X DBE Availability					
Project	Trade Classification	Trade \$	NAICS	DBE Availability	DBE \$
Add Bus Shelter Solar Lighting Systems	Solar Lighting Kits	\$171,600	335122	0.0%	\$0
	General Construction	\$42,900	236220	6.8%	\$2,917
<b>Total Project</b>		<b>\$214,500</b>		<b>1.4%</b>	<b>\$2,917</b>
Replace Bus Shelters	General Construction	\$507,000	236220	6.8%	\$34,476
	Shelter Fabrication	\$780,000	332311	0.0%	\$0
	Traffic Control	\$13,000	561990	3.0%	\$390
<b>Total Project</b>		<b>\$1,300,000</b>		<b>2.7%</b>	<b>\$34,866</b>
Replace CNG Leak Detection System at IBMF	General Construction	\$78,000	236220	6.8%	\$5,304
	Electrical	\$26,000	238210	3.8%	\$989
	Materials (CNG Leak Detection)	\$156,000	335419	0.0%	\$0
<b>Total Project</b>		<b>\$260,000</b>		<b>2.4%</b>	<b>\$6,293</b>
Replace Fixed Route Bus Washes at IBMF	General Construction	\$130,000	236220	6.8%	\$8,840
	Electrical	\$32,500	238210	3.8%	\$1,236
	Materials (Bus Wash)	\$487,500	333318	0.0%	\$0
<b>Total Project</b>		<b>\$650,000</b>		<b>1.6%</b>	<b>\$10,076</b>



Table 3 - DBE \$ based on Project Expenditures by Trade Classification X DBE Availability					
Project	Trade Classification	Trade \$	NAICS	DBE Availability	DBE \$
Replace Paratransit Bus Wash at IBMF	General Construction	\$52,000	236220	6.8%	\$3,536
	Electrical	\$13,000	238210	3.8%	\$495
	Materials (Bus Wash)	\$195,000	333318	0.0%	\$0
<b>Total Project</b>		<b>\$260,000</b>		<b>1.6%</b>	<b>\$4,031</b>
Install New Solar Roof and HVAC System at SSTT	General Construction	\$130,000	236220	6.8%	\$8,840
	Mechanical	\$130,000	238220	1.0%	\$1,304
	Materials (Solar Panels)	\$195,000	423720	1.6%	\$3,145
	Materials (HVAC)	\$195,000	423720	1.6%	\$3,145
<b>Total Project</b>		<b>\$650,000</b>		<b>2.5%</b>	<b>\$16,434</b>
Purchase Transit Asset Management System Software	Software	\$975,000	541511	3.0%	\$29,250
<b>Total Project</b>		<b>\$975,000</b>		<b>3.0%</b>	<b>\$29,250</b>
<b>Total FY 2017-FY 2019 Projects</b>		<b>\$4,309,500</b>		<b>2.4%</b>	<b>\$103,867</b>

Note: The dollars to be spent for each trade (Table 1) have been multiplied by the DBE calculated availability (Table 2). The result of this calculation is the dollar amount that would be awarded to DBE firms if the award was a true reflection of the DBE availability. The total is the dollar amount of DBE participation to be awarded to DBE firms given the availability of DBE firms and dollar amount to be expended on each trade.

**Based on the above, we propose to set the base goal at 2.4%.**

**Step 2 - Examine data to determine what adjustment, if any, is needed to the Base Figure.**

In accordance with Section 26.45(d) we have reviewed past history in order to determine if an adjustment to the base figure is warranted.

1) **Past History.** The median goal accomplishment for the five-year period between 2011 and 2015 is 4.8% as shown below.

Table 4 - Historic DBE Participation			
Fiscal Year	Total \$	DBE \$	DBE %
2015	\$14,469,092	\$3,988,166	27.6%
2014	\$477,940	\$0	0.0%
2013	\$23,404,112	\$0	0.0%
2012	\$34,019,488	\$4,437,354	13.0%
2011	\$39,929,938	\$1,920,579	4.8%
Total	\$112,300,570	\$10,346,099	9.2%
Median			4.8%

Adjusting the base goal for past history results in the following:

$$2.4\% \text{ (base goal)} + 4.8\% \text{ (median past history)} = 7.2\%$$

$$7.2\% \div 2 = 3.6\%$$

We, therefore, propose to adjust the overall goal for the period beginning October 1, 2016 and ending September 30, 2019 to **3.6%**. We will revise the goal when the results of the disparity study currently underway have been finalized. It is currently anticipated that the study will be released in late 2016.

**Therefore, we propose the overall goal to be used for FY 2017-2019 at 3.6%.**

**OTHER RELEVANT INFORMATION**

**Race-Neutral versus Race-Conscious Goal**

The Regional Transportation Commission of Southern Nevada is currently conducting an Availability and Disparity Study, however as of this date there is not sufficient evidence of discrimination upon which to base race-conscious goals. Therefore, the DBE Goal is proposed as race-neutral at this time. We will revisit the race-neutral/race-conscious division of the goal when the results of the disparity study currently underway have been finalized.

Race-neutral methods to be utilized to achieve our goals will include the following:

- a) Provide information on the RTC organization, functions and its full range of contractual needs.
- b) Offer instructions and clarification on bid specifications, procurement policy, procedures, and general bidding requirements.
- c) Maintain a file of successful bid documents from past procurement and permit potential participants to review and evaluate such documents.
- d) Conduct debriefing sessions on each awarded contract, when requested to explain why certain bids were unsuccessful.
- e) Routinely issue projected procurement information.
- f) Provide instructions and clarification on job performance requirements.
- g) Provide information and assistance on certification procedures, sub-contracting practices, bonding requirements.
- h) Arrange solicitations, time for presentation of bids, quantities, specifications and delivery schedules so as to facilitate the participation of DBEs.
- i) Continued implementation of RTC's small business element as submitted and approved by FTA