



Disadvantage Business Enterprise Program DBE Goal Setting Methodology

Connect Transit has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. Connect Transit has received or will receive Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, Connect Transit has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of Bloomington-Normal Public Transit System, hereinafter Connect Transit to ensure that DBEs are defined in part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also our policy:

1. To ensure nondiscrimination in the award and administration of DOT – assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. To help remove barriers to the participation of DBEs in DOT assisted contracts;
6. To assist the development of firms that can compete successfully in the marketplace outside the DBE Program.

Brady Lange has been delegated as the DBE Liaison Officer. In that capacity, Brady Lange is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by Connect Transit in its financial assistance agreements with the Department of Transportation.

Connect Transit has disseminated this policy statement to the Connect Transit Board of Trustees and all of the components of our organization. We have distributed this statement to DBE and non-DBE business communities that perform work for us on DOT-assisted contracts. Such distribution was undertaken via posting on the Connect Transit website (www.connect-transit.com).

David Braun
General Manager

Date

Definitions of Terms

The terms used in this program have the meanings defined in 49 CFR 26.5.

Nondiscrimination (26.7)

Connect Transit will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR Part 26 on the basis of race, color, sex, or national origin.

In administering its DBE program, Connect Transit will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

Federal Financial Assistance Agreement Assurance (26.13)

Connect Transit has signed the following assurance, applicable to all USDOT-assisted contracts and their administration:

Connect Transit shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any USDOT assisted contract or in the administration of its DBE Program or the requirements of 49 CFR part 26. The recipient shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of USDOT assisted contracts. The recipient's DBE Program, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to Connect Transit of its failure to carry out its approved program, the Department may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

DBE Program Updates (26.21)

Since Connect Transit has received \$250,000 or more in FTA funding assistance in federal fiscal year, we will continue to carry out this program until all funds from DOT financial assistance have been expended. We will provide to DOT updates representing significant changes in the program.

DBE Liaison Officer (DBELO) (26.25)

We have designated the following individual as our DBE Liaison Officer Brady Lange, Procurement, Connect Transit, 351 Wylie Drive, Normal, IL; telephone: (309) 829-1159; fax: (309) 296-0357; e-mail: blange@connect-transit.com. In that capacity, the DBELO is responsible for implementing all aspects of the DBE program and ensuring that Connect Transit complies with all provisions of 49 CFR Part 26. The DBELO has direct, independent access to the General Manager concerning DBE program matters.

The DBELO is responsible for developing, implementing and monitoring the DBE program, in coordination with other appropriate officials. Duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required by USDOT.
2. Reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with all departments to set overall annual goals.
4. Ensures that bid notices and requests for proposals are available to DBEs in a timely manner.
5. Identifies contracts and procurements so that DBE goals are included in solicitations (both race-

neutral methods and contract specific goals) and monitors results.

6. Analyzes Connect Transit progress toward goal attainment and identifies ways to improve progress.
7. Participates in pre-bid meetings.
8. Participates with the legal counsel and project director to determine contractor compliance with good faith efforts.
9. Plans and participates in DBE training seminars.
10. Refers DBEs to the Uniform Certification Process provided by the Illinois Department of Transportation (IDOT).
11. Provides outreach to DBEs and community organizations to advise them of opportunities.

DBE Financial Institutions (26.27)

It is the policy of Connect Transit to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on USDOT-assisted contracts to make use of these institutions. To date we have identified the following such institutions:

- None exist in Bloomington-Normal.

Information on the availability of such institutions can be obtained from the DBE Liaison Officer.

Directory (26.31)

The Illinois Department of Transportation (the uniform certification program agency) maintains a directory identifying all firms eligible to participate as DBE's. The directory lists the firm's name, address, phone number, date of most recent certification, and the type of work the firm has been certified to perform as a DBE. The Directory is updated monthly. The Directory is mailed to all prime contractors within the State of Illinois. The Directory is also available on the internet at:

- <https://webapps.dot.illinois.gov/UCP/ExternalSearch>

Overconcentration (26.33)

We have not identified that overconcentration exists in the types of work that DBEs perform.

Business Development Programs (26.35)

Not applicable.

Required Contract Clauses (26.13, 26.29)

Contract Assurance

We will ensure that the following clause is placed in every USDOT-assisted contract and subcontract: The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of USDOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

(Note -This language is to be used verbatim, as it is stated in 26.13(b).)

Prompt Payment

We will include the following clause in each USDOT-assisted prime contract:

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from Connect Transit. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of Connect Transit. This clause applies to both DBE and non-DBE subcontractors.

Retainage

The prime contractor agrees to retainage payments to each subcontractor within 30 days after the subcontractors work is satisfactory completed. Any Delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of Connect Transit. This clause applies to both DBE and non-DBE subcontracts.

Monitoring and Enforcement

Connect Transit has established the following procedures to monitor and enforce that prompt payment and return of retainage are in fact occurring:

1. Request verification from the prime contractors that subcontractors were paid within timeframe specified in 26.29.
2. Hold payment to prime contractor until subcontractor is paid.
3. If payments were still not made, Connect Transit would consider any future bids non-compliant due to a lack of good faith.

Monitoring and Enforcement Mechanisms (26.37)

Connect Transit will take the following monitoring and enforcement with 49 CFR Part 26.

1. Connect Transit will bring to the attention the Illinois Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps provided in 26.109.
2. Connect Transit will consider similar action under our own legal authorities, including responsibility determinations in future contracts. Attachment lists the regulation, provisions, and contract remedies available to us in the events of non-compliance with the DBE regulation by a participation in our procurement activities.
3. Connect Transit will also provide a monitoring and enforcement mechanism to verify that work committed to DBEs at contract award is actually performed by DBEs. This will be accomplished through the bidding process, on-site monitoring, payroll reviews, and maintenance of reports through the accounting department for quarterly DBE process. Connect Transit will include a certification of contract reviews and monitoring at contract close-out on projects which DBE's are participating.
4. Connect Transit will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

Small Business Participation (26.39)

Connect Transit has incorporated the following non-discriminatory elements to its DBE program as of December 17, 2014 in order to facilitate competition on DOT-assisted public works projects by small business concerns (both DBE's and non-DBE small businesses).

- Connect Transit will unbundle large contracts to make them more accessible to small businesses.
- Connect Transit will require prime contractors to identify small business subcontracts on projects over \$1 million.
- Connect Transit will establish a race-neutral small business set-aside for prime contract under \$250,000 (or close). The set-aside will be done annually through consultation with department

heads and assessment of upcoming projects. Connect Transit will provide a reasonable number of prime contracts for small business and expects to award a minimum of four contracts annually.

- Connect Transit will promote the small business element of the DBE plan by notifying potential bidders of upcoming projects and pre-bid meetings through our website and transit industry publications.

A small business will be defined according to the Small Business Administration (SBA) standards found in 13 CFR part 121. To meet the requirement of the small business program, a firm, including its affiliates, must have average annual gross receipts, over the firm's previous three fiscal years that do not exceed size standards in a particular area of work (NAICS code).

Connect Transit will also establish personal net worth requirement (PNW) as part of its Small Business definition. The amount is defined in 49 CFR part 26, section 26.67.

A certified DBE firm is presumed eligible to participate in a small business program. All other firms claiming Small Business status will need to provide verification with their bid submittals. Small business certifications from other agencies will be accepted as long as their program meets the requirements in 49 CFR Part 26.

Set-Asides or Quotas (26.43)

Connect Transit does not use quotas in any way in the administration of this DBE program.

Overall Goals (26.45)

In accordance with Section 26.45, Connect Transit will submit its triennial overall DBE goal to FTA on August 1st of the year specified by FTA. Connect Transit's next goal is due August 1, 2024.

Connect Transit will also request use of project-specific DBE goals as appropriate and/or will establish project specific DBE goals as directed by FTA.

The process generally used by Connect Transit to establish overall DBE goals is as follows:

1. In step 1, Connect Transit base figures were calculated to determine the relative availability of DBE's in specific areas of expertise using the State of Illinois Directory of Certified Disadvantaged Business Enterprises and NAICS codes census information.
2. In step 2, Connect Transit's figure of the actual DBE participation in the US DOT assisted contracts during the previous years were considered and the base number was adjusted accordingly.

Before establishing the overall goal each time, Connect Transit will consult with IDOT, minority, women's, general contractor groups and other small businesses to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBE's, and Connect Transit's efforts to establish a level playing field for the participation of DBE's.

Following this consultation, Connect Transit will publish a notice of the proposed overall goals, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at Connect Transit's office for 30 days following the date of the notice, and informing the public that Connect Transit and the FTA will accept comments on the goals for 30 days from the date of notice. This publication will be posted in the newspaper (The Pantagraph) and on the Connect Transit website. Normally, Connect Transit will issue this notice by June 1 of each three-year period. The notice will include addresses to which comments may be sent and addresses where the proposal may be reviewed.

Our overall goal submission to FTA will include: the goal (including the breakout of estimated race neutral and race-conscious participation, as appropriate); a copy of the methodology, worksheets, etc., used to develop the goal; a summary of information and comments received during this public participation process and our responses; and proof of publication of the goal in media outlets listed above.

Connect Transit will begin using our overall goal on October 1 of each three-year period unless we have received other instructions from FTA. If Connect Transit established a goal on a project basis, we will begin using our goal by the time the first solicitation for an FTA-assisted contract for the project. Our goal will remain effective for the duration of the three-year period established and approved by FTA.

Method

The following is a summary of the method we used to calculate this goal: (See **Attachment 2: Methodology Report**).

Transit Vehicle Manufacturers [TVM] (26.49)

Connect Transit will require each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, to certify that it has complied with the requirements of this section. Alternatively, Connect Transit may, at its discretion and with FTA approval, establish project-specific goals for DBE participation in the procurement of transit vehicles in lieu of the TVM complying with this element of the program.

Process

Connect Transit will submit its overall DBE goal to the USDOT on a triennial basis.

Before establishing the overall goal each year, the Connect Transit will consult with vendors, DBE organizations, minority chambers of commerce, and others to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and Connect Transit's efforts to establish a level playing field for the participation of DBEs.

Following this consultation, we will publish a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at our office for 30 days following the date of the notice, and informing the public that Connect Transit and the USDOT will accept comments on the goals for 45 days from the date of the notice. Normally, we will issue this notice by June 1 of each year. The notice must include addresses to which comments may be sent and addresses (including offices and websites) where the proposal may be reviewed. The notice shall be published in *Passenger Transport and or The Pantagraph*, minority newspapers, and on the transit system's website. There also will be a direct mailing to vendors.

Our overall goal submission to USDOT will include a summary of information and comments received during this public participation process and our responses.

We will begin using our overall goal on August 1 of each year, unless we have received other instructions from USDOT [or, if the goal is established on a project basis, by the time of the first solicitation for a USDOT-assisted contract for the project].

Breakout of Estimated Race-Neutral and Race-Conscious Participation

Connect Transit will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. Connect Transit uses the following race-neutral means to increase DBE participation: [See Methodology Report].

We estimate that, in meeting our overall goal of .80%, we will obtain .80% from race-neutral participation and 0.0% through race-conscious measures. The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious DBE participation: [See *Methodology Report*].

We will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (see 26.51(f)) and we will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry a DBE goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

Contract Goals (26.51)

Connect Transit will use contract goals to meet any portion of the overall goal Connect Transit does not project being able to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means.

We will establish contract goals only on those USDOT-assisted contracts that have subcontracting possibilities. We need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work).

We will express our contract goals as a percentage of the Federal share of a DOT-assisted contract.

Good Faith Efforts Procedures (26.53)

Awards of Contracts with DBE Contract goal 26.53(a)

In those instances where a contract-specific DBE goal is included in a procurement/solicitation, Connect Transit will not award the contract to a bidder who does not either:

1. Meet the contract goal with verified, countable DBE participation; or
2. Documents it has made adequate good faith efforts to meet the DBE contract goal, even though it was unable to do so.

It is the obligation of the bidder to demonstrate it has made sufficient good faith efforts prior to submission of its bid.

Evaluation of Good Faith Efforts 26.53 (a&c)

The following personnel are responsible for determining whether a bidder/offeror who has not met the contract goal has documented sufficient good faith efforts prior to be regarded as responsible:
Procurement Director

The process used to determine whether good faiths efforts have been made by a bidder are as follows:

1. Soliciting through all reasonable and available means (e.g. attendance at pre-bid meetings, advertising and/or written notices) the interest of all certified DBEs who have the capability to perform the work of the contract. The bidder must solicit this interest within sufficient time to allow the DBEs to respond to the solicitation. The bidder must determine with certainty if the DBEs are interested by taking appropriate steps to follow up initial solicitations.

2. Selecting portions of the work to be performed by DBEs in order to increase the likelihood that the DBE goals will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate DBE participation, even when the prime contractor might otherwise prefer to perform these work items with its own forces.
3. Providing interested DBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.

Connect Transit will ensure that all information is complete, accurate, and adequately documents the bidder/offer's good faith efforts before we commit to the performance of the contract by the bidder/offeror.

Information to be Submitted 26.53(b)

Connect Transit treats bidder/offer's compliance with good faith efforts' requirements as a matter of responsibility.

Each solicitation for which a contract goal has been established will require the bidders/offers to submit the following information:

1. The names and addresses of DBE firms that will participate in the contract;
2. A description of the work that each DBE will perform;
3. The dollar amount of the participation of each DBE firm participating;
4. Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal.
5. Written and signed documentation from the DBE that is participating in the contract as provided in the prime contractors commitment and
6. If the contract goal is not met, evidence of good faith efforts.

Administrative reconsideration (26.53(d))

Within five calendar days of being informed by Connect Transit that it is not responsible because it has not documented sufficient good faith efforts, a bidder/offeror may request administrative reconsideration. Bidder/offerors should make this request in writing to the following reconsideration official: Chairperson, Connect Transit, 351 Wylie Drive, Normal, IL 61761; telephone 309-828-9833. The reconsideration official will not have played any role in the original determination that the bidder/offeror did not make document sufficient good faith efforts.

As part of this reconsideration, the bidder/offeror will have the 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 bidder/offeror will have the opportunity to meet in person with our reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do. We will send the bidder/offeror a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

Good Faith Efforts when a DBE is terminated/replaced on a contract with contract goals (26.53(f))

Connect Transit requires that prime contractors not terminate a DBE subcontractor listed on a bid/contract goal without Connect Transit' prior written consent. Prior written consent will only be provided where there is "good cause" for termination of the DBE firm, as established by Section 26.53 (f) (3) of the DBE regulation.

Before transmitting to Connect Transit its request to terminate, the prime contractor must give notice in writing to the DBE of its intent to do so/ a copy of this notice must be provided to connect Transit prior to consideration of the request to terminate. The DBE will then have five (5) days to respond and advise Connect Transit of why it objects to the proposed termination.

In this situation, we will require the prime contractor to obtain our prior approval of the substitute DBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts.

If the contractor fails or refuses to comply in time specified, our contracting office will issue an order stopping all or part of payment/work until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

In this situation, we will require the prime contractor to obtain our prior approval of the substitute DBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts. If the contractor fails or refuses to comply in the time specified, our contracting office will issue an order stopping all or part of payment/work until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

Counting DBE Participation (26.55)

We will count DBE participation toward overall and contract goals as provided in 49 CFR 26.55.

Certification (26.61 - 26.91)

IDOT will use the certification standards of Subpart D of part 26 and the certification procedures of Subpart E of part 26 to determine the eligibility of firms to participate as DBEs in USDOT-assisted contracts. To be certified as a DBE, a firm must meet all certification eligibility standards. IDOT will make certification decisions based on the facts as a whole.

Process

IDOT certification application form and documentation requirements can be obtained from IDOT. For information about the certification process or to apply for certification, firms should contact:

(217) 782-5490
Bureau of Small Business Enterprises
Office of Business and Workforce Diversity

Unified Certification Program

Connect Transit participates in a statewide uniform certification plan administered by the Illinois Department of Transportation.

Certification Appeals

Any firm or complainant may appeal IDOT's decision in a certification matter to USDOT. Such appeals may be sent to:

Department of Transportation
Office of Civil Rights Certification Appeals Branch
1200 New Jersey Avenue SE
Washington, DC 20590

We will promptly implement any USDOT certification appeal decisions affecting the eligibility of DBEs for our USDOT-assisted contracting.

"Recertifications"

Does not apply: Performed by IDOT.

"No Change" Affidavits and Notices of Change

IDOT requires all DBEs to inform them, in a written affidavit, of any change in its circumstances affecting its ability to meet size, disadvantaged status, ownership or control criteria of 49 CFR part 26 or of any material changes in the information provided with a DBE's application for certification.

IDOT also requires all owners of all DBEs they have certified to submit, on the anniversary date of their certification, a "no change" affidavit meeting the requirements of 26.83(j). The text of this affidavit is the following:

I swear (or affirm) that there have been no changes in the circumstances of [name of DBE firm] affecting its ability to meet the size, disadvantaged status, ownership, or control requirements of 49 CFR part 26. There have been no material changes in the information provided with [name of DBE]'s application for certification, except for any changes about which you have provided written notice to the [Name Recipient] under 26.83(i). [Name of firm] meets Small Business Administration (SBA) criteria for being a small business concern and its average annual gross receipts (as defined by SBA rules) over the firm's previous three fiscal years do not exceed \$16.6 million.

IDOT requires DBEs to submit with this affidavit documentation of the firm's size and gross receipts.

IDOT will notify all currently certified DBE firms of these obligations annually. This notification will inform DBEs that to submit the "no change" affidavit, their owners must swear or affirm that they meet all regulatory requirements of part 26, including personal net worth. Likewise, if a firm's owner knows or should know that he or she, or the firm, fails to meet a part 26 eligibility requirement (e.g., personal net worth), the obligation to submit a notice of change applies.

Personal Net Worth

IDOT will require all disadvantaged owners of applicants and of currently-certified DBEs whose eligibility under part 26 they review, to submit a statement of personal net worth as part of the application.

Bidders List

Connect Transit will create a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on DOT-assisted contracts. The purpose of this requirement is to allow use of the bidders list approach to calculating overall goals. The bidders list will include the name, address, DBE/non-DBE status, age, and annual gross receipts of DBE firms.

We will collect this information in the following ways: We currently maintain a bidders list with all the required data. For subcontractors, we will require prime contractors to supply the necessary data.

Information Collection and Reporting (26.109)

Connect Transit will safeguard from disclosure to third parties, information that may reasonably be regarded as confidential business information, consistent with Federal, state, and local law. A summary of Illinois's FOIA law can be found at the following site: <http://www.nfoic.org/illinois-foia-laws>.

Notwithstanding any contrary provisions of state or local law, Connect Transit will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than DOT) without the written consent of the submitter.

Monitoring Payments to DBEs

We will require prime contractors to maintain records and documents of payments to DBEs for three years following the performance of the contract. These records will be made available for inspection upon request by any authorized representative of Connect Transit or USDOT. This reporting requirement also extends to any certified DBE subcontractor.

We will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

We will perform interim audits of contract payments to DBEs. The audit will review payments to DBE subcontractors to ensure that the actual amount paid to DBE subcontractors equals or exceeds the dollar amounts stated in the schedule of DBE participation.

Reporting to USDOT

We will report DBE participation to USDOT as follows:

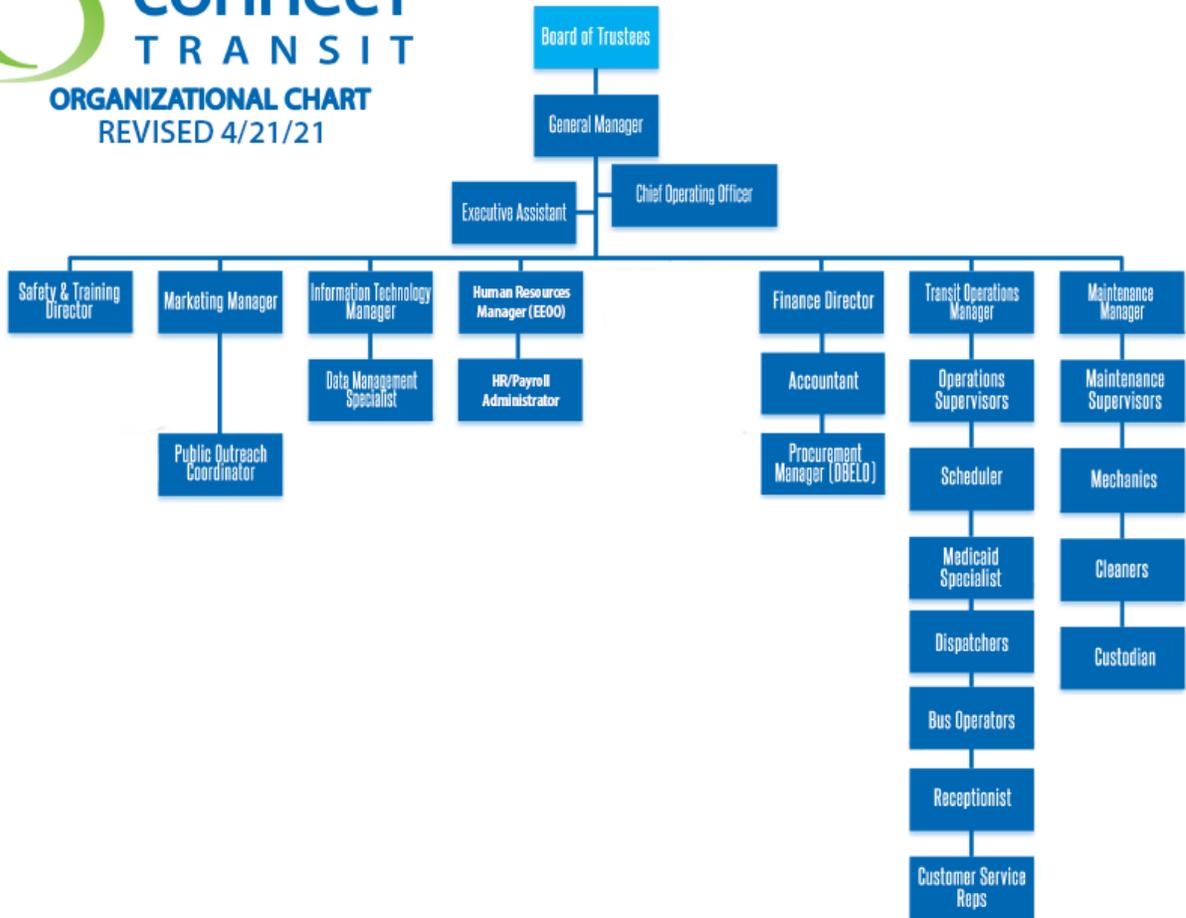
We will report DBE participation on a semi-annual basis, using the USDOT Uniform Report of DBE Awards/Commitments and Payments. These reports will reflect payments actually made to DBEs on USDOT assisted contracts.

Confidentiality

We will safeguard from disclosure to third parties information that may reasonably be regarded as confidential business information, consistent with Federal, state, and local law (Illinois Open Records Law will apply). Notwithstanding any contrary provisions of state or local law, we will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than USDOT) without the written consent of the submitter.

Attachment 1

Organizational Chart



Attachment 2

Section 26.45: Overall Goal Calculation

Goal Overview

1. Connect Transit has prepared this document to outline the methodology used to establish its overall three-year Disadvantaged Business Enterprise (DBE) goal for FTA assisted contracts. The overall goal for federal fiscal years October 1, 2021 through September 30, 2024 has been set at **0.54 %** utilizing methodologies described in 49 CFR 26.45. Of the overall goal, 100% will be achieved through race-neutral means.

2. Connect Transit anticipates awarding over \$9.5 million in federal DOT-assisted capital improvement contracts during FY22 – 24. Additionally, Connect Transit anticipates utilizing some federal funds to support operating expenses. This means that Connect Transit has set a goal of expending \$75,804 with DBE firms during this time.

Connect Transit capital projects included among the FY2022-FY2024 work categories and description:

- **Downtown Transfer Center Project** that will consists of property acquisition and construction of transfer center hub in Downtown Bloomington. Current estimates of this project are around \$18,000,000.
- **Heavy-Duty Driver Protective Barriers** will be purchased and installed. Estimates for this project are \$324,000.
- **Mid-Life Vehicle Overhauls** will be completed over two years on vehicles that have reached their mid-life. Estimates for these projects are \$1,114,500.
- **Administration Building Roof Replacement** to replace a deteriorating roof that causes other maintenance issues has an estimated expense of \$250,000
- **Miscellaneous Administration Facility** repairs and improvements have an estimated cost of \$45,000
- **Bus Stop Improvement Construction** over the next few years includes estimated expenses of \$900,000.
- **Engineering Services** for bus stop improvements over the next few years is estimated to cost \$300,000.

Table 1

NAICS	Description of Work	Estimated Federal Funding
236220	Commerical Construction	\$ 8,015,750.00
238160	Roofing Contractors	\$ 100,000.00
238210	Electrical Contractors	\$ 250,000.00
811310	Commercial and Industrial Machinery and Equipment Repair and Maintenance	\$ 390,075.00
423120	Motor Vehicle Parts	\$ 324,000.00
541330	Engineering Services	\$ 105,000.00
238110	Misc. Concrete	\$ 395,000.00
TOTAL		\$ 9,579,825.00

Methodology used to Calculate Overall Goal

In setting the overall DBE goal for Connect Transit, it is required that a two-step process be utilized in establishing the goal. The goal setting process began with a weighted base figure to determine the relative availability of DBE's. The overall goal must be based on demonstrable evidence of availability of ready, willing, and able DBE's relative to all businesses ready, willing, and able to participate on FTA assisted contracts. Data was collected from the most recent Illinois Unified Certification Directory and the McLean County Business Patterns Census database.

The following is documentation of the method Connect Transit used to calculate this goal:

Step 1a: 49 CFR 26.45c Determining the Base Figure

Step one of goal setting process is an attempt to come up with a measurement of the actual relative availability of DBE's in the market area. Connect Transit's market consists of counties within Illinois.

Connect Transit reviewed methods listed in 49 CFR Part 26.45 (c) and selected the Illinois Unified Certification Directory as the numerator and the Census Bureau database from the 2019 County Business Patterns data as the denominator in determining the best approach for the base figured. Connect Transit also applied weighting to this calculation based on percentage each project is related to the overall anticipated federal funding.

Connect Transit's local market area is small. Connect Transit is in District 5. Table 2 was created with the district in mind, as well as, surrounding districts within an appropriate distance from Bloomington-Normal.

Table 2

NAICS	Description of Work	Estimated Federal Funding	% of Total Work (Weighting)	# of DBE's (IL UCP Directory) *	# of Firm's Available (US Census Bureau) **	Relative Availability (# of DBE's divided by # of all firms)	Weighted DBE Goal by Work Element
238220	HVAC Contractor	\$ 36,000.00	0.26%	0	44	0.00%	0.00%
424720	Lubricants	\$ 135,000.00	0.96%	0	2	0.00%	0.00%
238210	Electrical Contractors	\$ 250,000.00	1.78%	1	29	3.45%	0.06%
326211	Tire Manufacturer	\$ 270,000.00	1.92%	0	1	0.00%	0.00%
323120	Printed Material	\$ 78,000.00	0.56%	0	1	0.00%	0.00%
81233	Linen Supply	\$ 114,000.00	0.81%	0	3	0.00%	0.00%
424120	Office Supplies/Equipment	\$ 204,000.00	1.45%	0	1	0.00%	0.00%
423120	Motor Vehicle Parts	\$ 1,284,000.00	9.15%	0	5	0.00%	0.00%
811310	Commercial and Industrial Machinery and Equipment Repair and Maintenance	\$ 390,075.00	2.78%	0	9	0.00%	0.00%
424720	Gasoline	\$ 399,000.00	2.84%	0	2	0.00%	0.00%
424720	Diesel	\$ 1,914,000.00	13.63%	0	2	0.00%	0.00%
423850	Cleaning Supplies	\$ 78,000.00	0.56%	0	4	0.00%	0.00%
811310	Outside Repair Service	\$ 270,000.00	1.92%	0	9	0.00%	0.00%
236220	Commercial Construction	\$ 8,015,750.00	57.10%	0	14	0.00%	0.00%
541330	Engineering Services	\$ 105,000.00	0.75%	0	13	0.00%	0.00%

238160	Roofing Contractors	\$ 100,000.00	0.71%	1	9	11.11%	0.08%
238110	Misc. Concrete	\$ 395,000.00	2.81%	3	9	33.33%	0.94%
TOTAL		\$ 14,037,825.00		5	157	3.18%	1.08%

*Illinois UCP Directory

**United States Census Bureau (2019 Illinois Business Patterns)

<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t#none>

Each upcoming federal project was identified and assigned a North American Industry Classification System (NAICS) code in Table 1. Also included in Table 2 is NAICS codes for federally assisted operating expenses. After compiling data in the chart above, each NAICS code was assigned a weighting that was calculated by dividing the estimated federal funding for each project by the total estimated federal assistance. Next, the base figure percentage was determined by dividing the number of ready, willing, and able DBE firms for each corresponding NAICS codes and work category code by the number of all firms (DBE's and non-DBE's) ready, willing, and able to bid for the types of work Connect Transit will have available using FTA assisted funds for the triennial period and multiplying by the calculated weight figure.

In this case, the relative availability of DBEs (5) vs. the relative availability of DBE's and non-DBE firms (157) for the types of contracts anticipate awarding $(5/157) = 3.18\%$. Based on the calculation above including the weighted figures, Connect Transit has determined it's Weighted Base Figure to be **1.08%**.

Step 2: Adjusting the Base Figure

Once the base figure of 1.08% was calculated, Connect Transit determined it was slightly inconsistent with the historical data and realities of the market in the McLean County area. As a result, Connect Transit adjusted the figure pursuant to Section 26.45(1) (i) of the DBE Regulations, which provides that the base figure can be adjusted by using the current capacity of DBE's to perform work on the recipient's DOT-assisted program by measuring the volume of work performed by the DBE's in recent years. Connect Transit utilizes its DBE goal and actual attainment percentages filed with the FTA between FY19 – FY21 to calculate figures in each category (overall DBE goal and attainment) to determine a median rate of DBE participation for those federal fiscal years.

Table 3

Fiscal Year	DBE Goal	DBE Attainment
2019	0.8%	0.64%
2020	0.8%	0%
2021	0.8%	0%
Total	2.4%	0.64%
Mean	0.8%	0.21 %
Median	0.8%	0%

Final Step: Calculating Overall Goal

To determine the overall goal, the weighted base figure of 1.6% (see Step One) was added to adjusted figure determined by the median of the last federal fiscal years, divided by 2 (see below).

$$1.08 + 0 = 1.08\%$$

$$1.08 / 2 = 0.54\%$$

The result is the Connect Transit's DBE goal for FY2022 - 2024 of 0.54%

Public Participation in Setting Overall Triennial DBE Goals

Federal regulations require that Connect Transit publish a notice in general circulation media, women/minority focused media, and trade association publications announcing Connect Transit's proposed overall annual goals for FFY2022 - 2024 contracts assisted by USDOT. Such notice informs the public that the proposed goals and their rationale are available during normal business hours at Connect Transit office for 30 days following the date of notice and that Connect Transit and FTA will accept comments on the goals for 30 days from the date of the notice.

Connect Transit will publish our goal information in the local newspaper, The Pantagraph and Connect Transit's website by October 1st, 2021. Connect Transit did not receive any comments from the public posting. Cassie Mosier, Connect Transit's previous DBELO, has sent out letters to DBE's in Illinois over the previous DBE Goal period. With that, Connect Transit has received less than ten (10) vendor registrations. Going forward, the goal is to reach out biannually as well as explore the possibility of a DBE luncheon whenever practical in relation to the current ongoing pandemic.

Conclusion

Connect Transit developed an overall goal of 0.54% (0.54% Race Neutral) for FY2022 - 2024 pursuant to 49 CFR 26.45 and respectfully submits this goal to the Federal Transit Administration for consideration.