



DRAFT  
Disadvantaged Business Enterprise  
&  
Small Business Participation  
Goal Setting Methodology for FY 2020 - FY 2022

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**Submitted to FTA for Approval - August 2019**

FTA Recipient ID# 1068

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# BCDCOG

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## Berkeley Charleston Dorchester Council of Governments

### Goal Setting Methodology for the DBE Program

#### **Introduction**

The United States Department of Transportation's (US DOT) Disadvantaged Business Enterprise (DBE) Program provides a vehicle for increasing qualified DBE and Small Business Enterprises' participation in state and local procurement. US DOT DBE regulations require state and local transportation agencies that receive federal financial assistance to establish goals for the participation of DBEs. Each US DOT-assisted State and local transportation agency is required to establish annual DBE goals, review the scopes of anticipated large prime contracts throughout the year, and establish contract-specific DBE subcontracting goals.

In addition to establishing goals, the South Carolina Department of Transportation (SCDOT) certifies the eligibility of DBE firms to participate in US DOT-assisted projects. Some groups are presumed to be socially and economically disadvantaged for the purposes of participation in this program. The main objectives of the DBE Program are:

- To ensure that small DBEs can compete fairly for federally funded transportation-related projects.
- To ensure that only eligible firms participate as DBEs.
- To assist DBE firms in competing outside the DBE Program.

A recipient's goal must be based on demonstrable evidence of the availability of ready, willing, and able DBEs to participate in the recipient's US DOT funded projects. US DOT has outlined a two-step process that recipients can use to set goals. Initially, BCDCOG staff determines a baseline figure that represents the number of ready, willing, and able DBE firms relative to the number of all businesses ready, willing, and able to participate in US DOT funded projects that recipient agencies anticipate over a three-year period (2020 to 2022 for this DBE goal). The second step involves examining all evidence available to determine what adjustments, if any, are needed to the base figure. Evidence that must be considered in the second step includes current capacity of DBEs to perform work in the recipient's program areas as measured by the volume of work DBEs have performed in recent years.

The purpose of the goal setting process for the Berkeley Charleston Dorchester Council of Government (BCDCOG) DBE Program is to determine the overall program goal for any US DOT funding it will receive for Federal Fiscal Years 2020-2022, and as a condition of receiving this assistance, BCDCOG has signed an assurance that it will comply with 49 CFR Part 26.

## DBE Program Policy Statement

BCDCOG established a Disadvantaged Business Enterprise (DBE) and Small Business Participation Program in accordance with regulations of the United States Department of Transportation (US DOT), 49 CFR Part 26. BCDCOG has received federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, BCDCOG has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of BCDCOG to ensure that DBEs, as defined in 49 CFR Part 26, have an equal opportunity to receive and participate in US DOT-assisted contracts. It is also BCDCOG's policy:

1. To ensure nondiscrimination in the award and administration of US DOT-assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for US 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 US DOT-assisted contracts;
6. To assist the development of firms that can compete successfully in the market place outside the DBE Program; and
7. To facilitate competition in US DOT-assisted public works projects by small business concerns, both DBEs and non-DBE small businesses.

BCDCOG will also strive to meet the US DOT aspirational goal of 10%. If there are any overages to the actual goal that is derived via the methodology in this document, they must be obtained by race-neutral means.

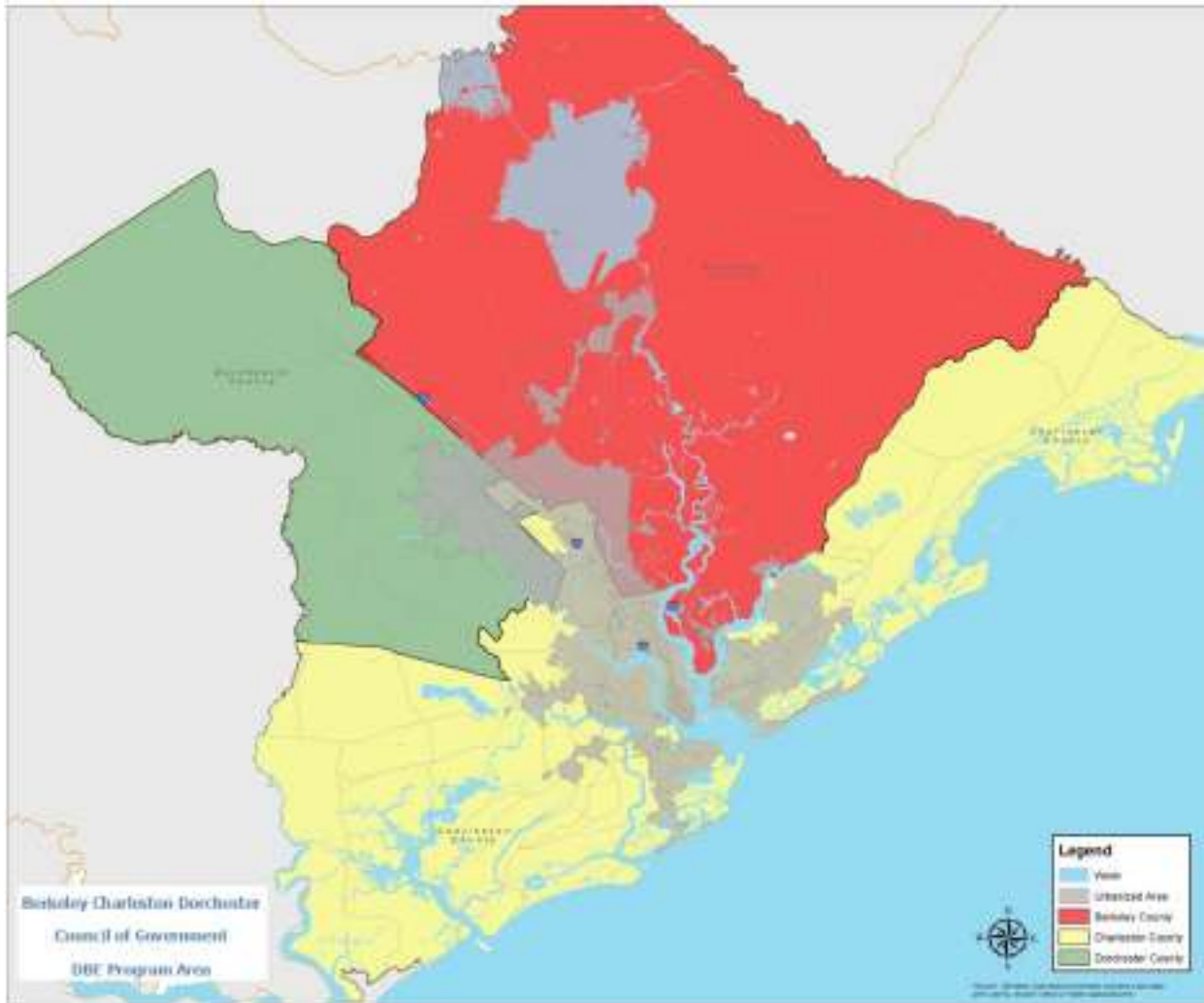
### Step 1 – Establish Base Figure

The base figure was developed by identifying available vendors in the DBE Program Area (**Map 1**) through a review of the 2016 Census County Business patterns and the available certified DBE firms in the South Carolina DBE Certification Directory.

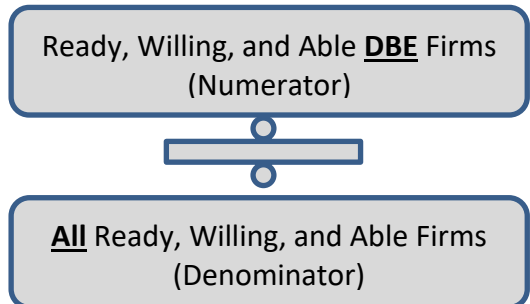
The data that was used to develop the base figure can be found at:

- **Census Bureau County Business Pattern** – North American Industry Classification System (NAICS) - <https://www.census.gov/eos/www/naics/>
- **SCDOT DBE Certification Directory** - <https://www.scdot.org/business/bus-development-dbe-certification.aspx>

Map 1 - DBE Program Area - Berkeley Charleston Dorchester Counties



The North American Industry Classification System (NAICS) was used to identify local firms. BCDCOG has historically undertaken a consistent mix of contracting activities which include engineering (consulting services) and public involvement/relations. The initial step in the goal setting process establishes the base figure that represents the number of ready, willing, and able DBE firms relative to the number of all firms ready, willing, and able to perform work for the US DOT funded projects to be conducted.



BCDCOG is a transportation agency that typically contracts with engineering firms to do planning for the three-county region. Professional Services and Construction NAICS codes were determined to be the most appropriate firms that BCDCOG may potentially contract with. **Table 1** shows the relative availability of firms that could work in the region.

**Table 1 – Relative Availability**

NAICS Code	Description of Work	BCD Region DBE Firms	BCD Region All Firms	Relative Availability
238990	<b>Construction</b> for Park and Ride Development Project	13	100	13.00%
323111	<b>Commercial Printing Services</b> BCDCOG Projects	1	24	4.17%
541310	<b>Architectural Services</b> Design for BRT Facilities, ITS Plan & Implementation, or the Regional Park and Ride Development Project	1	72	1.39%
541330	<b>Engineering Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	5	192	2.60%
541340	<b>Drafting Services</b> Potential to work on BRT PE/NEPA, ITS Plan & Implementation, or the Regional Park and Ride Development Project	2	10	20.00%
541370	<b>Surveying &amp; Mapping</b> Potential to work on BRT PE/NEPA, ITS Plan & Implementation, or the Regional Park and Ride Development Project	4	21	19.05%
541430	<b>Graphic Design Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	2	33	6.06%
541613	<b>Marketing Consulting Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	4	63	6.35%
541620	<b>Environmental Consulting Services</b> BRT PE/NEPA, ITS Plan & Implementation, or the Regional Park and Ride Development Project	5	29	17.24%
541820	<b>Public Relations Agencies</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	5	16	31.25%
541910	<b>Marketing Research and Public Opinion Polling</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	0	19	0.00%
541930	<b>Translation and Interpretation Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	1	3	33.33%
561730	<b>Lawn Maintenance</b> for the BCDCOG Office	16	281	5.69%
812331 812332	<b>Office Supplies</b> for BCDCOG Staff	0	16	0.00%
	<b>Combined Totals</b>	<b>59</b>	<b>879</b>	<b>6.71%</b>

The base figure is determined by establishing:

- **Numerator** - Total number of relevant DBE firms in Berkeley, Charleston, and Dorchester counties that could perform work in the specified NAICS listed – **59**
- **Denominator** - Total number of relevant firms within Berkeley, Charleston, and Dorchester counties that could perform work in the specified NAICS listed – **879**

Next, take the total number of DBE firms and divide it by the total number of firms to get the relative availability of DBE firms that may contract within the Program Area.

- **Relative Availability** – Numerator (59) / Denominator (879) = **6.71%**

To further define the DBE goal, it is important to weight the base figure. Weighting may also show where contracts may be broken out to encourage more DBE participation. **Table 2** lists the anticipated projects for fiscal years 2020 to 2022.

**Table 2 – Anticipated Federal Costs**

Fiscal Year	BCDCOG Project	Anticipated Project Cost	Anticipated Federal Cost
2020	BRT PE/NEPA	\$10,000,000	\$8,000,000
2021	BRT PE/NEPA	\$10,000,000	\$8,000,000
2022	BRT Engineering	\$10,000,000	\$8,000,000
2020	TOD Planning Project	\$1,100,000	\$880,000
2020	Regional Freight Plan	\$688,000	\$550,400
2020	US 52 Corridor Study	\$938,000	\$750,400
2020	ITS Plan & Implementation	\$1,300,000	\$1,040,000
2021	ITS Plan & Implementation	\$1,300,000	\$1,040,000
2022	ITS Plan & Implementation	\$1,300,000	\$1,040,000
2020	Regional Park & Ride Development Project	\$1,000,000	\$800,000
2021	Regional Park & Ride Development Project	\$1,000,000	\$800,000
2022	Regional Park & Ride Development Project	\$1,000,000	\$800,000
2022	Greenridge & Rivers Avenue	\$1,700,000	\$1,360,000
2020 to 2023	Lawn Services	\$30,000	\$24,000
2020 to 2023	Office Supplies	\$15,900	\$12,720
2020 to 2023	Commercial Printing Services	\$15,000	\$12,000
	<b>Grand Total</b>	<b>\$41,386,900</b>	<b>\$33,109,520</b>

After determining the potential projects and their respective costs, all contracting opportunities are weighted. **Table 3** provides the NAICS codes, description of work, federal funds, and the weight for each contracting opportunity.

**Table 3 - Weighting**

NAICS Code	Description of Work	Amount of DOT funds on project:	% of total DOT funds (weight)
238990	<b>Construction</b> for Park and Ride Development Project	\$2,000,000	6.04%
323111	<b>Commercial Printing Services</b> BCDCOG Projects	\$12,000	0.04%
541310	<b>Architectural Services</b> Design for BRT Facilities, ITS Plan & Implementation, or the Regional Park and Ride Development Project	\$942,000	2.85%
541330	<b>Engineering Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	\$25,521,600	77.08%
541340	<b>Drafting Services</b> Potential to work on BRT PE/NEPA, ITS Plan & Implementation, or the Regional Park and Ride Development Project	\$75,000	0.23%
541370	<b>Surveying &amp; Mapping</b> Potential to work on BRT PE/NEPA, ITS Plan & Implementation, or the Regional Park and Ride Development Project	\$750,000	2.27%
541430	<b>Graphic Design Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	\$650,000	1.96%
541613	<b>Marketing Consulting Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	\$757,000	2.29%
541620	<b>Environmental Consulting Services</b> BRT PE/NEPA, ITS Plan & Implementation, or the Regional Park and Ride Development Project	\$758,000	2.29%
541820	<b>Public Relations Agencies</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	\$750,000	2.27%
541910	<b>Marketing Research and Public Opinion Polling</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	\$550,000	1.66%
541930	<b>Translation and Interpretation Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	\$307,200	0.93%
561730	<b>Lawn Maintenance</b> for the BCDCOG Office	\$24,000	0.07%
812331 812332	<b>Office Supplies</b> for BCDCOG Staff	\$12,720	0.04%
<b>Total FTA-Assisted Contract Funds</b>		<b>\$33,109,520</b>	<b>100%</b>



Now that the weights have been determined for each contracting opportunity (Table 3), they can be multiplied by the availability of DBEs from Table 1 as shown in Table 4.

**Table 4 – Step 1 Base Figure**

NAICS Code	Description of Work	Weight	x	Availability of DBEs	Weighted Base Figure
238990	<b>Construction</b> for Park and Ride Development Project	6.05%	x	13.00%	0.79%
323111	<b>Commercial Printing Services</b> BCDCOG Projects	0.04%	x	4.17%	0.002%
541310	<b>Architectural Services</b> Design for BRT Facilities, ITS Plan & Implementation, or the Regional Park and Ride Development Project	2.87%	x	1.39%	0.04%
541330	<b>Engineering Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	77.18%	x	2.60%	2.01%
541340	<b>Drafting Services</b> Potential to work on BRT PE/NEPA, ITS Plan & Implementation, or the Regional Park and Ride Development Project	0.23%	x	20.00%	0.05%
541370	<b>Surveying &amp; Mapping</b> Potential to work on BRT PE/NEPA, ITS Plan & Implementation, or the Regional Park and Ride Development Project	2.27%	x	19.05%	0.43%
541430	<b>Graphic Design Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	1.97%	x	6.06%	0.12%
541613	<b>Marketing Consulting Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	2.29%	x	6.35%	0.15%
541620	<b>Environmental Consulting Services</b> BRT PE/NEPA, ITS Plan & Implementation, or the Regional Park and Ride Development Project	2.29%	x	17.24%	0.40%
541820	<b>Public Relations Agencies</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	2.27%	x	31.25%	0.71%
541910	<b>Marketing Research and Public Opinion Polling</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	1.66%	x	0.00%	0.00%
541930	<b>Translation and Interpretation Services</b> Develop plans for the Regional Freight Plan, BRT PE/NEPA, ITS Plan & Implementation, Regional Park and Ride Development, US 52 Corridor Study, TOD Planning Project, & Greenridge/Rivers Avenue.	0.93%	x	33.33%	0.31%
561730	<b>Lawn Maintenance</b> for the BCDCOG Office	0.07%	x	5.69%	0.004%
812331 812332	<b>Office Supplies</b> for BCDCOG Staff	0.04%	x	0.00%	0.00%
				<b>Total</b>	<b>4.99%</b>

- Step 1 Base Figure = 4.99%
- **Rounded, Weighted Base Figure: 5%**

## Step 2: Adjust the Base Figure

After calculating a weighted base figure of the relative availability of DBEs, other evidence available within the BCD region was examined to determine what adjustment, if any, was needed to the base figure to arrive at the overall goal. Based on past performance in DBE goal attainment, there is no adjustment warranted to the base figure. Here is what was examined:

1. Past Work 2017-2019 – Median Annual DBE Percentage (at the time of writing) was 4.17%
2. There were no known disparity studies conducted
3. Base figure was not determined by the goal of another recipient

### **Fiscal Year 2020-2022 Overall DBE Goal – 5%**

## Breakout of Race Neutral and Race Conscious Participation

The BCDCOG will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. BCDCOG uses the following race-neutral means to increase DBE participation:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications and delivery schedules in ways that facilitates DBE and other small business participation;
2. Carrying out information and communications programs on contracting procedures and specific contract opportunities;
3. Ensuring dissemination of DBE sources/directory, through print and electronic means, to the widest feasible universe of potential prime contractors; and
4. BCDCOG will work to unbundle contracts in an effort to eliminate obstacles for small business participation.

In FYs 2020-2022, BCDCOG expects to meet or exceed its Race Neutral Goal of 5%. 100% of this goal will be achieved through Race Neutral means. The BCDCOG will track actual DBE Race Neutral participation on all projects. For reporting purposes, Race Neutral DBE participation includes, but is not necessarily limited to, the following:

1. DBE participation through a prime contract obtained through customary competitive procurement procedures;
2. DBE participation through a subcontract on a prime contract that does not carry DBE goal; and
3. DBE participation on a prime contract exceeding a contract goal; and
4. DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

Data will be maintained on DBE participation in fulfilling contracts with and without DBE goals, respectively.

## Fostering Small Business Participation

Fostering small business participation is inherently race neutral. However, BCDCOG will examine several opportunities to improve small business participation for the contracting period of 2020-2022. Three areas that BCDCOG will examine to improve opportunities for small businesses are:

1. Work to unbundle large contracts where opportunities may exist for small businesses to participate;
2. In multi-year design-build contracts or other large contracts (e.g., for “megaprojects”) requiring bidders on the prime contract to specify elements of the contract or specific subcontracts that are of a size that small businesses, including DBEs, can reasonably perform; and
3. On prime contracts not having DBE contract goals, requiring the prime contractor to provide subcontracting opportunities of a size that small businesses, including DBEs, can reasonably perform, rather than self-performing all the work involved.
4. Work with jurisdictions to provide information on contracting opportunities with the BCDCOG.

BCDCOG will make a good faith effort to implement these measures for the DBE program.

## Contract Goals

BCDCOG will establish contract goals only on those U.S. DOT-assisted contracts that have subcontracting possibilities. Pursuant to 49 CFR Part 26, contract goals are not required to be established for every contract, and the proportion of the contract goals will be adapted to the circumstances of each such contract. BCDCOG will express its contract goals as a percentage of the total amount of the potential award.

## Consultation Meeting and Public Process

In an effort to help encourage DBE participation in the writing of the goal and to open communication with the community, a consultation meeting was setup with minority, women’s and general contractor groups, community organizations, and other officials or organizations that could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses. On May 16, 2019, CARTA and the Berkeley-Charleston-Dorchester Council of Governments held a multi-party meeting to gather feedback from the DBE community and seek details on how BCDCOG can further engage DBEs in the procurement process.

Approximately 18 different organizations were invited to participate in the meeting. The consultation process contained a presentation that showed BCDCOGs data, methodology, and approaches to the determination of an overall goal. The consultation process was a constructive activity to receive feedback on the goal-setting methodology and the established goal. The sign-in sheet on the following page shows the organizations who attended the meeting.



BCDCOG Board of Directors approved the FFY 2020 to 2022 DBE Goal of 5% on July 22<sup>nd</sup>, 2019.

<Insert Meeting Minutes when they are available here>

DRAFT

AFFIDAVIT  
OF PUBLICATION

# The Post and Courier

State of South Carolina

County of Charleston

Personally appeared before me the undersigned advertising Clerk of the above indicated newspaper published in the City of Charleston, County and State aforesaid, who, being duly sworn, says that the advertisement of

copy attached

appeared in the issue of said newspaper

on the following day(s): 6/18/19

Subscribed and sworn to

before me this 18<sup>th</sup> day

of June

A.D. 20 19

Elpidio L. Mancoske  
Advertising Clerk

Sherry Ann  
NOTARY PUBLIC, SC  
My Commission expires Sept. 24, 2021

The Berkeley-Charleston-Dorchester Council of Governments (BCDCOG) and Charleston Area Regional Transportation Authority (CARTA) announces a

### DISADVANTAGED BUSINESS ENTERPRISE GOAL FOR FY 2020-2022

CARTA and the BCDCOG have both established an overall goal of 5% for Disadvantaged Business Enterprise (DBE) participation in Federal-funded contracts through the Federal Transit Administration. A description of the methodology used to develop the goal is available for public inspection and comment for thirty (30) days from the date of this notice. The document will be available between the hours of 9:30 AM and 5:00 PM, Monday through Friday at the BCDCOG Office located at 5700 Cooper-Podgett Way, North Charleston, SC 29406. Public comments regarding the goal will be accepted at the address above or at [contact@bcddog.com](mailto:contact@bcddog.com). Qualified DBE firms are encouraged to participate in the SCDOT Unified Certification Program.

This is the CARTA's and BCDCOG's final DBE Usage Goal unless substantial comment is received and would constitute a change the goal as presented above.

021-1116-01

