

**City of Albuquerque Transit Department
Disadvantaged Business Enterprise Goal
FY 2017 through FY 2019**

The City of Albuquerque - Transit Department (ABQ RIDE) has prepared the following Disadvantaged Business Enterprise (DBE) program goals for contracting opportunities in Federal Fiscal Years 2017 through 2019. The amount of the Annual Anticipated Disadvantaged Business Enterprise Participation Level (AADPL) and methodology are presented herein in accordance with Title 49 of the Code of Federal Regulations, Part 26. ABQ RIDE has established an AADPL goal of 3.4% for the Federal Fiscal Years 2017 through 2019 beginning October 1, 2016 and ending on September 30, 2019.

Market Area

After examining relevant available data, ABQ RIDE identified its DBE local market area based upon the following factors:

- the area where the substantial majority of the contractors and subcontractors with which ABQ RIDE does business are located and
- the area in which ABQ RIDE spends the substantial majority of its contracting dollars.

Based on these criteria, ABQ RIDE's market area is considered to be:

- Bernalillo County
- Sandoval County
- Tarrant County
- Valencia County
- Santa Fe County
- Dona Ana County

Method for Determining Base DBE Availability Figure

ABQ RIDE has used the "Use of DBE Directories and Census Bureau Data" method for calculating the FY2017-2019 goal.

The New Mexico Unified Certification Program (UCP) is the official statewide database of firms certified as DBE's in New Mexico. The UCP provides the information necessary to determine the number of ready, willing, and able DBE firms that could potentially participate in upcoming contract opportunities. The U.S. Department of Commerce, Bureau of the Census, 2014 County Business Patterns (released April 21, 2016) provides data necessary to determine the total number of all firms (DBE's and non-DBE's) ready, willing and able to bid on contracts.

A. Establishment of FY2017-2019 DBE Goal Methodology

1. Projected Contracting Opportunities, DBE Directory, and Census Bureau Data

ABQ RIDE forecasted the FTA-funded projects anticipated to have contracting opportunities over the next three fiscal years. For each project, ABQ RIDE estimated

the amount of FTA funding to be used and the primary work type involved. This forecast provided the basis for the weight of each project in the overall goal and the work involved in the project by NAICS code. ABQ RIDE used existing available grant funding as well as funding planned in the regional Transportation Improvement Program to forecast the projects that are likely to have contracting opportunities in the FY2017-2019 goal period.

To determine the number of DBE firms, ABQ RIDE reviewed the New Mexico UCP database for currently certified DBE firms by NAICS code expertise. The number of firms was narrowed to include firms that are located within the market area in the relevant NAICS codes to determine the Step 1 Base Figure for DBE availability.

To determine the number of all firms (DBE's and non-DBE's) in the market area that are ready, willing and able to bid on the Transit projects, ABQ RIDE reviewed the Census Bureau's 2014 County Business Patterns (released April 21, 2016). These data sets, for the relevant market area and NAICS codes, were utilized because they closely match the location of the firms that have previously conducted business for ABQ RIDE.

2. Step 1: Base Figure

The table on the following page shows the calculation of the 3.4% goal for the three-year period. The method used to calculate the relative availability of DBEs for Step 1 is in accordance with 49 CFR 26.45(c)(1).

3. Step 2 - Base Figure Adjustments

Step 2 of the goal determination is to examine all evidence in the market area to determine what adjustment, if any, is needed to the base figure to reflect actual DBE availability (Section 26.45 (d)).

ABQ RIDE has determined that the Census data and the UCP DBE database represent a realistic number of contractors that could potentially bid on these projects. The department considered other factors that could impact DBE's ability to perform work in the DOT-assisted program. ABQ RIDE has also considered the available evidence from related fields that affect opportunities for DBE firms to form, grow, and compete. In our research we have found no available information that would require an adjustment to the base figure, and the department's goal is not the goal of another recipient and therefore did not require an adjustment to the local market.

ABQ RIDE also reviewed past DBE participation in its contracts to determine if an adjustment was necessary based on that prior experience. The department forecasts that it will not meet its FY2014-2016 goal due to much greater level of contracting for engineering services and other, non-construction-related materials and service (e.g. computer equipment and major vehicle maintenance expenses) than anticipated in the original calculation of that goal. Those work types have relatively low rates of DBE participation, and although ABQ RIDE did get DBE participation in some of those work types it was, as expected, a low percentage of the total contract values, leading to lower

overall DBE participation than anticipated in the original goal calculation. After adjusting for actual contracts issued, the department’s DBE participation is anticipated to be close to the expected participation given those work types. The FY17-19 goal calculations capture the shift in anticipated work types, and therefore ABQ RIDE does not anticipate a need to adjust the new goal based on past experience.

ABQ RIDE 2017-19 DBE Goal Calculation

Project List	NAICS Description	Total DBE's	Total All Firms	DBE Relative Availability	Project Federal Funds	Project Weight	Projected DBE Participation
ART Expansion - Station Construction	2362 - Nonresidential Building Construction	6	251	0.0239	\$ 400,000	2%	\$ 9,560
ART Expansions - Street Construction	23731 Highway, Street, and Bridge Construction	20	44	0.4545	\$ 400,000	2%	\$ 181,800
ART Expansion - TVM's & Signal Equipment	23821 - Electrical Contractors and Other Wiring Installation Contractors	5	299	0.0167	\$ 800,000	5%	\$ 13,360
Design of ART Expansion	5413 - Architectural, Engineering, and Related Services	14	548	0.0255	\$ 2,800,000	17%	\$ 71,400
Bus Stop Improvements - Signs & Pucks	339950 - Sign Manufacturing	3	17	0.1765	\$ 200,000	1%	\$ 35,300
CNG Fueling Station at Daytona	238290 - Other Building Equipment Contractors	0	17	0	\$ 3,120,000	19%	\$ -
CUTC Construction - Shelter Structure & Bathroom	23622 - Construction, Commercial & Institutional Buildings	6	240	0.025	\$ 640,000	4%	\$ 16,000
CUTC Construction - Paving	2389 Other Specialty Trade Contractors (includes paving commercial driveways & parking lots)	17	226	0.0752	\$ 480,000	3%	\$ 36,096
Coors Corridor Park & Ride Design	5413 - Architectural, Engineering, and Related Services	14	548	0.0255	\$ 280,000	2%	\$ 7,140
Coors Corridor Park & Ride Construction (Paving & Related)	2389 Other Specialty Trade Contractors (includes paving commercial driveways & parking lots)	17	226	0.0752	\$ 1,400,000	8%	\$ 105,280
Coors Corridor Park & Ride Construction (Structures)	2362 - Nonresidential Building Construction	6	251	0.0239	\$ 200,000	1%	\$ 4,780
Rehabilitation of Facilities - Design	5413 - Architectural, Engineering, and Related Services	14	548	0.0255	\$ 120,000	1%	\$ 3,060
Rehabilitation of Facilities - Paving	2389 Other Specialty Trade Contractors (includes paving commercial driveways & parking lots)	17	226	0.0752	\$ 400,000	2%	\$ 30,080

- Continued - Project List	NAICS Description	Total DBE's	Total All Firms	DBE Relative Availability	Project Federal Funds	Project Weight	Projected DBE Participation
Rehabilitation of Facilities - Buildings	23622 - Construction, Commercial & Institutional Buildings	6	240	0.025	\$ 400,000	2%	\$ 10,000
Replace Servers & PC's	443142 - Electronics Stores	0	136	0	\$ 720,000	4%	\$ -
Installation of Security Cameras at Facilities	23821 - Electrical Contractors and Other Wiring Installation Contractors	5	299	0.0167	\$ 1,200,000	7%	\$ 20,040
Uptown Transit- Oriented Development	2362 - Nonresidential Building Construction	6	251	0.0239	\$ 400,000	2%	\$ 9,560
Advertising (Transportation Demand Management)	5418 - Advertising, Public Relations, and Related Services	2	114	0.0175	\$ 96,000	1%	\$ 1,680
Supplies (Transportation Demand Management)	4532 - Office Supplies, Stationery, and Gift Stores	0	128	0	\$ 120,000	1%	\$ -
Vehicle Major Maintenance - Parts Other Than Hybrid Batteries	423120 Motor Vehicle Supplies and New Parts Merchant Wholesalers	0	48	0	\$ 160,000	1%	\$ -
Vehicle Major Maintenance - Hybrid Batteries	423120 Motor Vehicle Supplies and New Parts Merchant Wholesalers	0	48	0	\$ 1,248,000	8%	\$ -
Bike Lockers & Racks	236220 - Commercial and Institutional Building Construction	6	240	0.025	\$ 160,000	1%	\$ 4,000
New Maintenance Vehicles	4412 Other Motor Vehicle Dealers	0	54	0	\$ 80,000	0%	\$ -
Other Maintenance Equipment	23829 - Other Building Equipment Contractors	0	17	0	\$ 80,000	0%	\$ -
Replace Bus Shelter Batteries	23821 - Electrical Contractors and Other Wiring Installation Contractors	5	299	0.0167	\$ 72,000	0%	\$ 1,202
Transit Scheduling Software - Maintenance and Upgrades	51121 - Software Publishers	0	18	0	\$ 600,000	4%	\$ -
Total Projected Federal Project Funds					\$ 16,576,000	100%	\$ 560,338
Overall DBE Availability							3.4%

Race-Neutral Projections

A. Summary of Race-Neutral Methods of Achieving DBE Participation

The Regulations require that the maximum feasible portion of the DBE overall availability be achieved by using race-neutral means (i.e. not using contract goals per Section 26.51) and that ABQ RIDE include a projection of the overall availability of DBE effort to be met through race-neutral means. Race-neutral methods include ensuring that bidding and contracting requirements facilitate participation by DBE's and other small businesses, unbundling large contracts to make them more accessible to small businesses, encouraging prime contractors to subcontract portions of the work they might otherwise perform themselves, and providing technical assistance, communications programs and other support services to facilitate consideration of DBE's and other small businesses. The regulations require that a U. S. Department of Transportation (DOT) recipient use contract-specific ("race-conscious") goals only after it determines that it cannot meet its overall annual DBE goal otherwise.

B. Methods of Overall Annual Goal Achievement

Based on the necessity for ABQ RIDE to use race-conscious methods during the FY2014-2016 period, ABQ RIDE anticipates the need to use race-conscious methods (i.e. contract-specific goals) to achieve the FY2017-2019 goal. ABQ RIDE will focus race-conscious efforts on the projects with ample sub-contracting opportunities and with work types that have more than minimal rates of DBE participation. These projects will likely include construction projects with paving and related work. Therefore, the department estimates that it will achieve 1.8% overall DBE participation through race-conscious means and the remaining 1.6% through race-neutral participation. However, ABQ RIDE will adjust the estimated breakout of race-neutral and race-conscious participation as needed to minimize the use of race-conscious methods. ABQ RIDE will continue to track and report race-neutral and race-conscious participation separately.

Public Participation

A. Consultation

ABQ RIDE will solicit input on the goal-setting methods and resulting goal from minority, women's and general contractor groups and other officials or organizations which could have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and efforts to establish a level playing field for the participation of DBEs.

B. Public Notice

The proposed goal will be posted on ABQ RIDE's website and advertised as available for inspection in the *Albuquerque Journal*. ABQ RIDE will accept public comments on

the proposed goal for 30 days and will make adjustments to the goal as necessary after considering those comments.

Interested persons may submit written comments to Andrew de Garmo, Principal Planner, ABQ RIDE, City of Albuquerque, Alvarado Transportation Center, 100 1st St. SW, Albuquerque, NM 87102.