

MBTA Triennial Goal Setting Public Engagement Meeting

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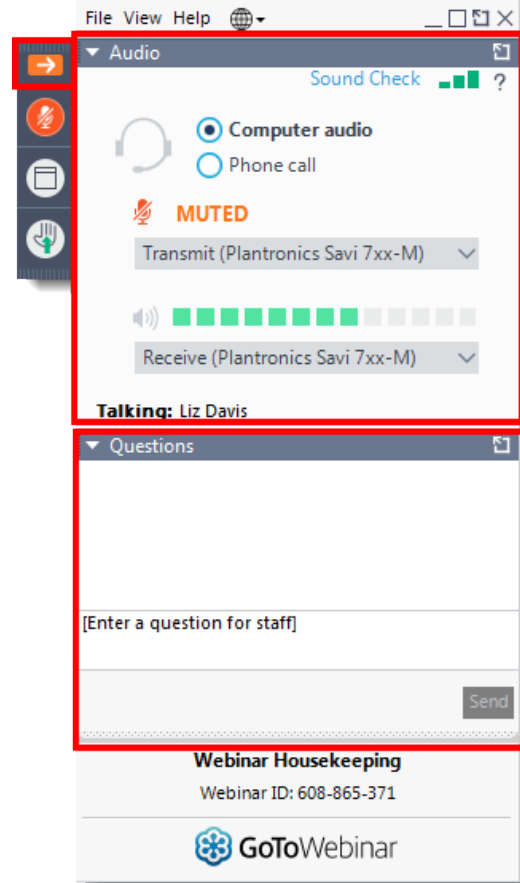


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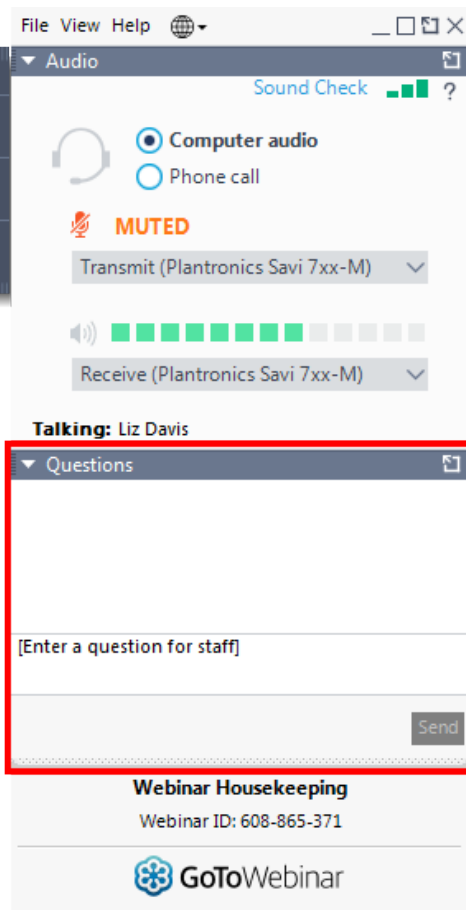


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Note: Today’s presentation is being recorded

AGENDA

Triennial Goal Setting

- **Disadvantaged Business Enterprise (DBE) Program**
 - **Background**
 - **Highlights**
 - **Objectives**
 - **Program Requirements**
 - **Goal Setting Methodology and Rationale**
 - **Proposed DBE Triennial Goal**
- **Questions & Comments**

BACKGROUND

- **As a recipient of federal funds, Massachusetts Bay Transportation Authority (MBTA) is required to have a DBE program for its federally-funded projects**
- **The DBE Program only applies to federally-funded projects**

DBE Program Highlights

- **Conforms with regulations of the U.S. Department of Transportation (DOT), 49 Code of Federal Regulations (CFR) Part 26**
- **Ensures the administration, monitoring and implementation requirements set forth in 49 CFR Part 26**
- **Utilizes a Triennial (3-year) DBE goal to achieve DBE participation for federally-funded projects**

DBE Program Objectives

- **Create “level playing field” for expected DBE participation**
- **Goals must be clearly tied to and narrowly tailored to local market**
- **Recipients can use contract-specific goals based on identified opportunities and DBE availability to meet the Triennial goal**
- **Quotas or set-asides are not allowed based on race/gender**

DBE Program Objectives (cont'd)

- **The Triennial DBE Goal will be established for MBTA for federally funded projects for federal fiscal years (FFY) 2021 - 2023**
- **The DBE Program reporting period corresponds with the FFY (October 1 – September 30)**
- **A narrowly tailored contract-specific goal setting process will be used on a contract-by-contract basis**

Required Publication of Triennial Goal

- Notice placed on MBTA Website: **August 21, 2020**
- Notification to Public (through local organizations and media): **August 21, 2020**
- 35-day Review and Comment Period
 - **August 21, 2020 to September 24, 2020**
- **October 1st** deadline for submitting DBE goal

Triennial DBE Goal Setting Methodology

Establishing Triennial DBE Goal

Projection of federal funds:

- Identify broad categories of contracting opportunities for the upcoming 3-year period (2021-2023) excluding transit vehicle procurements (TVM)
 - Signals/Systems Upgrades
 - Stations & Facilities
 - Bridges & Tunnels
- Identify ready, willing and available DBEs, potential DBEs, and non-DBEs in the Commonwealth of Massachusetts

Establishing Triennial DBE Goal Step One

- **Step One: Base Figure**
 - Calculate relative availability of DBEs - establishing the “Base Figure”
 - MBTA utilized the Massachusetts Unified Certification Program (UCP) Directory divided by the United States (U.S.) Census data for Massachusetts firms

Base Figure Availability = 15.15%

Establishing Triennial DBE Goal Step Two

Adjustments to the Base Figure

- **Step Two**: Further adjustments to the Base Figure

Adjust the base figure to account for other evidence including local market conditions and types of work on federally-funded projects:

- Adding the number of prospective DBEs in the Commonwealth of Massachusetts area, according to Supplier Diversity Office (SDO) increases the goal to **17.31%**
- Substantial completion of the GLX program
- Anticipated projects for Federal Fiscal Years (FFY) 2021-2023
- Discussions with stakeholder including DBEs

Factors Considered

- **Local market area for MBTA and availability of DBEs currently working.**
- **MWBEs capable of working who may not currently be certified as DBEs in Massachusetts as registered with the SDO.**
- **Historical data on past participation of DBEs on similar MBTA Projects (e.g. 22.06% past year).**
- **2017 Massachusetts Business Census data shows up to 40% of the firms owned by women & minority groups.**

Factors Considered (cont'd)

- **The availability of ready, willing and able certified DBEs capable of participating by potential subcontracting elements;**
- **The scopes of work required to be performed during the upcoming Triennial period, including the budget;**
- **The realistic assessment of available DBE firms to participate in the subcontracted activity for the procurement by North American Industry Classification System (NAICS) code eligibility.**

Total Actual DBE Participation

- The MBTA has demonstrated average past participation levels of **22.06%** over the past year.
- In December 2019, the MBTA goal was adjusted to **24%** for the current year.
- When past participation is averaged with the **17.31%** base figure, the resulting goal is **20%**.

Estimated Race/Gender-Neutral and Race/Gender-Conscious Participation

- Under USDOT regulations, MBTA must meet the DBE participation goal using narrowly tailored means that do not unduly burden non-DBEs.
- To fulfill this obligation, MBTA is required to achieve the DBE participation goal to the greatest extent possible through the use of race/gender-neutral means.
- Race/gender-conscious means may be used only to the extent needed to meet whatever portion of the DBE participation goal that cannot be met through race/gender-neutral means.

Triennial DBE Goal

In accordance with USDOT regulation 49 CFR Part 26, MBTA has established a goal of awarding 20% of the value of federally-funded contracts to DBEs during FFYs 2021-2023 (exclusive of FTA funds to be used for the purchase of transit vehicles).

16% of the goal will be race/gender-conscious, and 4% race/gender-neutral.

The total Federal assistance contracts for the FFY Triennial period 2021-2023 will be \$1,443,326,996.

MBTA expects that DBEs will be awarded contracts and subcontracts valued in excess of \$288,665,330.

Questions and comments on the Triennial DBE Goal can be submitted to dbe@mbta.com.

Questions & Answers

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