



**Greater Derry-Salem Cooperative Alliance for Regional Transportation (CART)
Disadvantaged Business Enterprise (DBE)
FY2017-FY2019 Triennial Program Goal**

This goal is prepared pursuant to and following the examples set in 49 CFR 26.45.

Overall Goal

CART's overall Disadvantaged Business Enterprise (DBE) contracting goal for Federal fiscal years 2017-2019 is the following: **3.7%** of the Federal financial assistance, exclusive of FTA funds used for the purchase of transit vehicles, will be expended in DOT-assisted contracts.

Given the amount of DOT-assisted contracts CART expects to let during this fiscal year, which is \$580,180 this means that CART has set a goal of expending \$21,715 with small business concerns owned and controlled by socially and economically disadvantaged individuals, or Disadvantaged Business Enterprises (DBEs) during this fiscal year. This goal and supporting documentation are posted on the CART website at: www.cart-rides.org/html/federal-policies.htm

Method

The following is a summary of the method CART staff used to calculate this goal:

Step 1

We used the 2014 Census Bureau's County Business Patterns (CBP) database to determine the number of businesses available in our market that perform work for which CART anticipates contracting during the Fiscal Years 2017-2019. These services include:

- Call Center Operations (NAICS codes 485113, 485210, 485991) – CART's current contract for Call Center operations extends for three years with two optional years. The initial three year period extends through March 2018.
- Demand Response Transit Operations (NAICS codes 485113, 485210, 485210, 485991) – CART's current contract for transit operations extends for three years with two optional years. The initial three year period extends through March 2018.
- Marketing Consulting Services (NAICS codes 541613) – Services include design and update of print and web based promotional materials, and sales of on-bus advertising.
- Commercial Printing Services (NAICS code 424110) – CART periodically contracts for printing services for brochure updates, schedules, ride cards, reports and other documents.
- Accounting Services (contracted bookkeeping and audit) (NAICS code 541211) – Accounting services include general CART bookkeeping, as well as annual audits.
- Insurance (NAICS code 524210) – This includes CART property and liability coverage, directors and officers coverage and workers compensation.
- Legal Services (NAICS code 541110) – Legal services include reviews of FTA documents, draft contracts and period is advice of counsel on other matters.

Staff then used the State of New Hampshire's DBE Directory to determine the number of DBEs in these industries in CART's market area. Based on use of the NHDOT DBE Directory, CART's market area is considered to include the State of New Hampshire. For each industrial code corresponding to work for which CART anticipates contracting, the number of DBEs in the market area was divided by the total number of businesses that perform transit-related work to obtain a base figure of **1.3%** for the relative availability of DBEs in our market. One private transit contractor in NAICS codes 485991 and 485310 listed in the NHDOT DBE directory was excluded from the calculation as they are based in Florida, far outside of CART's market area. Also, the narrative description of the company's services in the DBE directory focuses on parking management and parking shuttle services rather than public transit or special needs transportation.

Step 2

After the base figure was calculated, the Step 1 figure was adjusted based on prior year actual contracting data. For CART Fiscal Year 2016, DBE contracts totaled 6.2% of total CART contracting.

This is a revision to the DBE goal calculation initially submitted in July 2016. The originally submitted calculation used FY15 actual DBE contracting levels for the Step 2 analysis. FY15 DBE contracting reached 11.3% based on a single contract for supplemental vehicle operations that CART had during the first six months of FY15 with a local taxi company. While CART currently has contracts with four different DBE firms, the supplemental operations contract with the taxi company made up almost 60% of DBE contracting while it was in place.

As background, during FY13-FY15 CART contracted with this taxi company to provide certain demand response trips in the CART system that did not require a lift equipped vehicle. This offered CART a lower cost option to provide ambulatory demand response trips that did not easily fit into the daily schedules for our lift equipped buses. In FY15 CART conducted a procurement for its primary call center and vehicle operations contract, and split off a separate procurement for supplemental vehicle operations to allow this sort of flexible supplemental contracting arrangement to continue. Only one proposal was received in response to the supplemental services RFP, from the taxi company, and it proposed a higher hourly operating rate for non-accessible sedans than CART is paying for lift equipped minibuses. Given the single bid response and cost ineffectiveness of the taxi company proposal CART did not move forward with a contract.

On further analysis, we realized that the draft goal submitted in July 2016 will be extremely difficult to attain in the absence of contracting with this one cab company, which as explained above is not in the financial interest of the transit agency. Consequently, we have redone the Step 2 calculation using FY2016 full-year DBE contracting. As noted above, DBE contracts in FY2016 represented 6.2% of overall CART contracting.

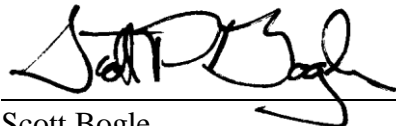
Based on this past contracting experience we propose to adjust our base figure of 1.3% to set a DBE Goal for FY2017, FY2018 and FY2019 of **3.7%**, equivalent to the average of the base goal calculation and actual FY2016 DBE contracting.

Consultation

Draft goal calculations and information on CART’s Disadvantaged Business Enterprise program were sent with request for input to a list of stakeholder organizations detailed in Attachment B. These included the New Hampshire Department of Transportation Labor Compliance Office, the Greater Derry-Londonderry Chamber of Commerce, the Greater Salem Chamber of Commerce, the New Hampshire Women’s Foundation, the Center for Women’s Business Advancement, the New Hampshire Small Business Development Center, and the New Hampshire Chapter of the NAACP. One response was received, from the Greater Derry-Londonderry Chamber of Commerce, indicating that they would forward the information to DBEs and other small businesses in their membership.

Race Conscious/Race Neutral

CART proposed to achieve 100% of its proposed DBE contracting goal for FY2017-FY2019 using race neutral means, and 0% through race conscious approaches. We are confident that the goal defined here can be achieved by race neutral means such as outlined in section 26.51 of 49 CFR Part 26. These may include but are not limited to outreach regarding CART’s DBE program and contracting opportunities; arranging solicitations in ways that facilitate DBE and other small business participation; and technical assistance to interested contractors with securing DBE certification. These measures will increase opportunities for all small businesses, DBE and non-DBE alike.



Scott Bogle
DBE Liaison Officer

March 28, 2017
Date

Attachment A

Proposed revised DBE Contracting Goal for CART for FY2017-2020

Based on 2014 US Census County Business Pattern Data & NHDOT DBE Directory

| NAICS Code | CART Contracting Need - Industry Description | Contracting Amount Projected in CART FY2016 | Percent of Overall Contracting in FY2016 | Businesses in NAICS Code State of NH 2014 | Businesses in NHDOT DBE Directory Providing These Services | Step One Calculations | |
|----------------------|--|---|--|---|--|-----------------------------------|--|
| | | | | | | Step 1A Total Businesses /DBEs | Step 1B Weighted by % of Contract Value |
| See 4 Sub-Categories | Broker/Manager/Call Center Operations | \$ 152,632 | 26.3% | 26 | 0 | 0.0% | 0.00% |
| 485113 | Bus & motor vehicle transit systems | | | 5 | 0 | 0.0% | 0.00% |
| 485210 | Interurban & rural bus transportation | | | 6 | 0 | 0.0% | 0.00% |
| 485991 | Special needs transportation | | | 15 | 0 | 0.0% | 0.00% |
| See 4 Sub-Categories | Paratransit Vehicle Operations | \$ 389,725 | 67.2% | 62 | 1 | 1.6% | 1.08% |
| 485113 | Bus & motor vehicle transit systems | | | 5 | 0 | 0.0% | 0.00% |
| 485210 | Interurban & rural bus transportation | | | 6 | 0 | 0.0% | 0.00% |
| 485310 | Taxi, Limosine, Livery Service | | | 36 | 1 | 2.8% | 0.00% |
| 485991 | Special needs transportation | | | 15 | 0 | 0.0% | 0.00% |
| 541613 | Marketing consulting services | \$ 17,000 | 2.9% | 122 | 7 | 5.7% | 0.17% |
| 424110 | Commercial Printing | \$ 1,000 | 0.2% | 98 | 2 | 2.0% | 0.00% |
| 541211 | Offices of certified public accountants | \$ 12,000 | 2.1% | 225 | 3 | 1.3% | 0.03% |
| 524210 | Insurance agencies and brokers | \$ 6,823 | 1.2% | 446 | 1 | 0.2% | 0.00% |
| 541110 | Offices of Lawyers | \$ 1,000 | 0.2% | 683 | 1 | 0.1% | 0.00% |
| | | \$ 580,180 | 100.0% | | | | 1.29% |

| | | | |
|--|-----------|---|------|
| Approximate Contracting Value at Base Goal Calculation | \$ 7,458 | Step 1 Goal Calculation | 1.3% |
| Approximate Contracting Value at Adjusted Goal Calculation | \$ 21,715 | Step 2 - FY16 Actual DBE Contracting Percentage | 6.2% |
| | | Average of Base Calculation & FY16 Actual | 3.7% |

Attachment B

**Greater Derry-Salem Cooperative Alliance for Regional Transportation (CART)
DBE Public Notice Outlets**

NHDOT Labor Compliance Office

P.O. Box 483, 7 Hazen Drive
Concord, NH 03302-0483

John Ankenbrock
jankenbrock@dot.state.nh.us
(603) 271-2467

Manchester Union Leader

(800) 562-8218
Advertising@UnionLeader.com

Greater Derry-Londonderry Chamber of Commerce

29 W Broadway
Derry, NH 03038
www.gdlchamber.org

Will Stewart, Executive Director
info@gdlchamber.org
(603) 432-8205

Greater Salem Chamber of Commerce

81 Main Street
Salem, NH 03079
www.gschamber.com

Donna Morris, Executive Director
donna@gschamber.com
(603) 893-3177

New Hampshire Women's Foundation

2 Delta Drive
Concord NH 03301
www.nhwi.org

Cotton Cleveland, Interim President
nguzman@nhwomensfoundation.org
(603)-226-3355

Center for Women's Business Advancement

Southern NH University
2500 North River Road
Manchester, NH 03106
www.cwbanh.com

MaryAnn Manoogian, Executive Director
cwbanh@snhu.edu
(603)-629-4697

New Hampshire Small Business Development Center

UNH Peter T. Paul College of Business & Economics
10 Garrison Avenue
Durham, NH 03824
www.nhsbdc.org

Richard Grogan, State Director
richard.grogan@unh.edu
(603)862-1446

New Hampshire Chapter of the NAACP

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