

EDWARD P. MANGANO
COUNTY EXECUTIVE



PHILLIP E. ELLIOTT
DEPUTY COUNTY EXECUTIVE/DBELO

NASSAU COUNTY OFFICE OF MINORITY AFFAIRS
One West Street
Mineola, New York 11501
(516) 572-2240

Nassau County
Disadvantaged Business Enterprise (DBE)
Overall Goal and Goal Setting Methodology for FFY 2015-2017
Federal Transit Administration
August 1st, 2014 date of submission

Nassau County is a recipient of Federal funds through the United States Department of Transportation (USDOT), Federal Transit Administration (FTA). Recipient agencies which expect to award contracts exceeding \$250,000 in FTA funds in a Federal fiscal year are required to set a Disadvantage Business Enterprises (DBE) goal. Nassau County intends to enter into multiple federally funded contracts during FY 2015-2017.

The purpose of the overall goal is to achieve a “level playing field” for ready, willing and able DBE’s seeking to participate in FTA-funded contracts awarded by Nassau County. In an effort to reach this level playing field, Nassau County examined its programs and relevant market to determine the amount of participation DBE’s would be expected to achieve in the absence of discrimination. This approach is consistent with 49 CFR §26.45, which requires recipients of USDOT federal-aid to utilize a two-step process in the development of their overall DBE goals.

Nassau County has chosen a geographic region that is consistent with the New York Metropolitan Transportation Council (NYMTC) area as its relevant local market. The NYMTC region consists of 10 counties: Nassau, Suffolk, Putnam, Rockland, Westchester and the New York City counties: Bronx, Kings, New York, Queens and Richmond.

Using FTA federal assistance estimated to be in the amount of \$2,320,500, Nassau County anticipates entering into multiple contracts for the work to be completed. The following chart indicates the scopes of work, by North American Industry Classification System (NAICS) industry codes and the corresponding dollar value.

NAICS code	Scope of Work	Estimated Dollar Value
236220	Commercial & Institutional Building Construction	\$525,000
238140	Masonry Contractors	\$100,000
238160	Roofing Contractors	\$112,500
238210	Electrical & Other Wiring Installation Contractors	\$765,000
238220	Plumbing, Heating and Air Conditioning Contractors	\$645,000
238910	Site Preparation Contractors	\$75,000
541511	Custom Computer Programming Services	\$98,000
Totals		\$2,320,500

STEP ONE: Determine the Base Figure for the Relative Availability of DBE's

Step one is to determine the base figure for the relative availability of DBE's. For this step, Nassau County weighted the relative availability of DBE's (*for the selected industries*), giving more weight to those industries where the County expects to spend more money.

To determine the numerator, Nassau County used the number of available DBE's (*for the geographic region*) listed under the North American Industry Classification System (NAICS) in the New York State Unified Certification Program (UCP) (*for the selected industries listed above*) known as Biz Net. (SOURCE: NYS UCP BIZNET, DBE Directory. Retrieved from <http://www.nysucp.net/> on 03/31/2014). Additionally, to ensure that the largest pool of ready, willing and able firms have been captured, for the purposes of goal-setting only, the availability of Minority- Women-Owned Businesses (MWBE) certified by New York State Empire State Development, by NAICS code, are added to the numerator. (SOURCE: NYS Empire State Development, MWBE Directory. Retrieved from <https://ny.newnycontracts.com/> on 04/04/2014). Recognizing that an otherwise eligible firm must still take the additional steps of going through the actual DBE certification process in order to actually be included in the DBE Directory, for this base figure calculation only, the total number of firms to be included in the numerator is 307.

To determine the denominator, Nassau County used the number of available firms (*for the geographic region*), by NAICS code, from 2011 Census Bureau's County Business Patterns (CBP) (SOURCE: US Census 2011 CBP, American Fact Finder released 05/16/13. Retrieved from <http://factfinder2.census.gov/> on 03/31/2014). As such, the identified total number of overall firms to be included in the denominator is 14,083.

Although weighting is not required, since the overall goal of DBE participation indicates a combination of all DBE firms performing the work, by NAICS code and dollar amount, it is important to consider the proportions of work by NAICS code and ensure the accuracy of the goal as much as possible. Thus, to determine weights, Nassau County examined its estimated contracting opportunities for FY2015-2017 and gave the following weighted percentages:

NAICS Code	# DBE Firms	# Total Firms	Estimated Dollar Value	DBE Participation	% Scope of Work	Weighted Scope Percentages
236220	58	1,525	\$525,000	3.80%	22.62%	0.86%
238140	48	950	\$100,000	5.05%	4.31%	0.22%
238160	64	410	\$112,500	15.61%	4.85%	0.76%
238210	44	3,332	\$765,000	1.32%	32.97%	0.44%
238220	19	4,301	\$645,000	0.44%	27.80%	0.12%
238910	57	598	\$75,000	9.53%	3.23%	0.31%
541511	17	2,967	\$98,000	0.57%	4.22%	0.02%
Totals	307	14,083	\$2,320,500	2.18%	100.00%	2.73%

These weighted percentages of DBE availability by NAICS code were then added together to generate the Base Figure or total percentage of DBEs ready, willing, and able to perform work. Based upon the above information, the **DBE Base Figure for this project is set at 2.73%**. See Appendix A for the formula used to arrive at the DBE Base Figure.

STEP TWO: Adjustment of the Base Figure for the Overall Goal

The second step in this process is intended to adjust the DBE Base Figure to give a more accurate reflection of DBE utilization expected absent the effects of discrimination. Nassau County has chosen to incorporate DBE past participation (FY2011-2013) and the consideration of the median of the past participation versus the average past participation in order to adjust the base figure.

Previous federally-assisted contract awards for the Nassau HUB Study resulted in a past relative availability percentage of 4.94% DBE firm utilization in FY2011. No further DBE firm utilizations have taken place in FY2012 (0%) and FY2013 (0%) and this project is not scheduled to begin DBE participation again until the 3rd quarter of 2014. Furthermore, Nassau County has issued one (1) federally-assisted contract in FY2012, however, as this project for Veolia/NICE Bus strived toward full operation, it did not initially result in any DBE awards in FY2012 (0%) and had no DBE firm utilizations in FY2013 (0%). As a result, a shortfall analysis for FY2012 was submitted and approved by FTA.

No further contracts were issued or awarded. The DBE participation of each project was added together resulting in 4.94%, 0% and 0% for FY2011, FY2012 and FY2013, respectively. Thus, the Median Past Performance for the above-mentioned contracts was 0%. Therefore, there is no adjustment to the base figure.

$$\text{Adjustment to Base Figure: } (2.73\% + 0\%) = 2.73\%$$

Based upon the above information, the DBE overall goal is set at 2.73%.

Means to Meet Overall DBE Goal

Nassau County has not issued these types of contracts in the past and therefore will use a race-conscious means to promote and encourage DBE participation on FTA assisted contracts. Strategies to be implemented over the course of the next triennial will include the following,

- Review and identify to encourage the County's MWBE population from its certification program to become certified as a DBE
- Outreach to promote greater DBE involvement in county procurement activities to increase exposure and networking opportunities in which to become involved on federally assisted contracts
- Continue with project-specific goal-setting on all formally solicited & advertised competitive procurements by Veolia
- Closely examine the Nassau HUB Study Project for commencement of DBE participation anticipated in 3Q FY2014.

Public Involvement in the Overall Goal Setting Process

Nassau County consulted with the DBE Advisory Council consisting of minority, women and contractor groups in addition to community groups and other officials on May 13, 2014. Following consultation, Nassau County published a countywide public notice of the proposed goal and methodology in Newsday and Minority Commerce Weekly on May 19, 2014 through June 30, 2014. (See attached). The publication also informed the general public that written comments regarding the goal will be accepted for 45 calendar days from the original date of the public notice via email at DBEInformation@nassaucountyny.gov or via regular mail at the Nassau County Office of Minority Affairs, 240 Old Country Road, Suite 307, Mineola, NY 11501. All received comments will be included in the overall submission to USDOT FTA.

Pursuant to 49 CFR 26.45(g) (2), the goals and methodology were made available for inspection during normal business hours at the Nassau County Office of Minority Affairs, for 30 days following the original date of publication of the notice. To promote transparency and further publicize Nassau's DBE program and the proposed goal, it is also posted on the County's DBE website.

Submitted by:

Phillip E. Elliott, Nassau County DBE Liaison Officer

APPENDIX A

The Base Figure derived in step one attempts to come up with a measurement of the actual relative availability of DBEs to perform the types of contracts (both prime and sub) that Nassau County intends to let. The following is the formula for the calculation of the Base Figure:

$$\text{Base Figure} = \text{Weight} * (\text{DBE's} / \text{County Business Patterns})$$

$$\begin{aligned} \text{Base Figure} = & \left[.2262 \frac{58}{1525} + .0431 \frac{48}{950} + .0485 \frac{64}{410} + .3297 \frac{44}{3332} + \right. \\ & \left. .2780 \frac{19}{4301} + .0323 \frac{57}{598} + .0422 \frac{17}{2967} \right] \times 100 \end{aligned}$$

$$\text{Base Figure} = 2.73\%$$