

City of Bayonne - FTA DBE GOAL 2022-2024

The City of Bayonne has received a Federal Transit Agency (FTA) grant to construct Ferry Dock Improvements at the Peninsula at Bayonne Harbor (PABH) for anticipated Ferry Service between PABH and New York City in 2022.

The Disadvantaged Business Enterprise Goal for FFY 2022-2024 Federal Transit Administered (FTA) Funded Projects is set at 7.83 %

The public is invited to comment on this goal after reviewing Attachment 2 which explains the goal setting methodology.

Comments may be directed to Suzanne Mack, City Planner with a copy to John Coffey, Esq.

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City of Bayonne

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City of Bayonne's Proposed 2022-2024 DBE

Goal and Rationale

Attached Hereto

In addition if any DBE business would like to be informed of FTA Funded DBE Opportunities related to this FTA funded proposal or future opportunities please provide the following:

Legal name of business:

Federal Employer Identification Number:

NAICS Code:

Business Address:

Owner Name:

Phone:

Email:

Website Link:

Facebook Link:

ATTACHMENT 2

Overall Goal Calculation Pursuant to 49 C.F.R. 26.45

I. SUMMARY

The City of Bayonne has prepared this document to describe the methodology used to establish its overall Disadvantaged Business Enterprise (DBE) overall goal for Federal Transit Administration (FTA) assisted contracts. The DBE overall goal setting methodology is a requirement set forth in the United States Department of Transportation (USDOT) DBE regulations. Effective March 5, 2010, FTA modified the schedule so that the overall goal must be prepared every three years instead of annually, as previously required. The City of Bayonne followed the regulations and guidance contained in the USDOT DBE regulations, 49 C.F.R. Part 26.

II. PROPOSED OVERALL GOAL FOR FFY 2022-2024

The City of Bayonne, FTA fund recipients, will use an overall DBE goal for the three Federal Fiscal Year (FFY) period 2022-2024 (October 1, 2021 to September 30, 2024) of 7.83% with an 7.047%-conscious component. This goal will apply to all FTA-assisted contracts and represents the relative availability of DBEs based on evidence of ready, willing, and able DBEs in relationship to all comparable businesses which are known to be available to compete in FTA-assisted contracts. The overall DBE goal reflects staff's determination of the level of DBE participation which would be expected absent the effects of discrimination.¹

III. DBE GOAL SETTING METHODOLOGY

The USDOT DBE regulations, 49 C.F.R. Part 26 require using a two-step process for setting the overall DBE goal that reflects the level of DBE participation. The first step is the calculation of a base figure for the relative availability of DBEs in the relevant market area. The second step requires examining all relevant evidence to determine what adjustment, if any, is needed to the base figure in order to arrive at an overall goal. Once the adjusted overall goal is determined, the process requires considering what portion of the goal will be met by race and gender-neutral measures.

STEP 1. BASE FIGURE

The relative availability of DBEs to perform work on the contract was calculated. To determine the preliminary DBE goal base figure, the analyses and calculations described on the following pages were conducted in accordance with 49 C.F.R. Part 26.45:

¹Goal for individual projects will be assessed on a case by case basis to determine if adjustments are required given the scopes of work included and DBE availability.

A) Anticipated FTA Funding

FTA-assisted contracting for Federal Fiscal Years 2022 – 2024 is expected to consist of one contract with the City of Bayonne.

Additional projects may be undertaken if additional revenue becomes available (the overall DBE goal will be adjusted if necessary).

This anticipated contract with the calculated percentage of federal dollars allocated to each project category are listed in **Table 1**.

Table 1: Anticipated FTA-assisted contracts for FFY 2022-2024

NAICS Code	Notes	Estimate Amount
236220	Commercial and Institutional Building Construction	\$75,000.00
237110	Water and Sewer Line and Related Structures Construction	\$93,000.00
237990	Other Heavy and Civil Engineering Construction	\$246,000.00
238210	Electrical Contractors and Other Wiring Installation Contractors	\$274,500.00
238910	Site Preparation Contractors	\$170,750.00
238990	All Other Specialty Trade Contractors	\$462,355.00
332999	Misc. Fabricated Metal Product Manufacturing	\$120,000.00

Project: Ferry Dock Improvements

B) Assignment of Work Codes/NAICS Codes

The study next analyzed the scope of work of each project category and identified North American Industry Classification System (NAICS) codes by project and description, as shown in **Table 2**.

Table 2 – NAICS Codes

NAICS Code	Notes
236220	Commercial and Institutional Building Construction
237110	Water and Sewer Line and Related Structures Construction
237990	Other Heavy and Civil Engineering Construction
238210	Electrical Contractors and Other Wiring Installation Contractors
238910	Site Preparation Contractors
238990	All Other Specialty Trade Contractors
332999	Misc. Fabricated Metal Product Manufacturing

C) Determination of Market Area

For purposes of DBE goal-setting, the Bayonne market area was defined as the NY-NJ Metropolitan area, based on City of Bayonne service area and bidder/vendor database profiles. The substantial majority of contractors and subcontractors working on City projects are located in one of these 18 Counties.

NJ Counties

- Bergen**
- Essex**
- Hudson**
- Middlesex**
- Monmouth**
- Morris**
- Passaic**
- Somerset**
- Union**

NY Counties

- Kings**
- Nassau**
- New York**
- Orange**
- Putnam**
- Queens**
- Richmond**
- Rockland**
- Westchester**

D) Calculation of Relative Availability

49 C.F.R. Part 26.45 Section (c) states that Step 1 must begin by determining a base figure for Relative Availability, and that any percentage figure derived is considered a basis to begin examining all evidence available within the jurisdiction. The City of Bayonne calculated Relative Availability of DBE firms using the following sources of information:

- NJUCP/Dbesystem.com and the NYSUCP(newnycontracts.com) were used to identify DBEs willing to perform work in the City of Bayonne’s market area for each on each of NAICS code identified for the project.
- The U.S. Census Bureau’s County Business Patterns (“CBP”) database was used to identify the total number of businesses available in the City of Bayonne’s market area to work on each of NAICS code identified for the anticipated contracts. For this analysis, the most recent available (2020) data from the CBP was used.

The relative availability was calculated dividing the number of DBEs (numerator) by the number of all businesses (denominator) for each NAICS code. The calculations yielded the following percentages (noted as “DBE% Relative Availability” in **Table 3**).

$$\text{Relative Availability} = \frac{\text{Number of DBEs}}{\text{All firms (including DBEs and non DBEs)}}$$

Table 3 – Relative Availability

NAICS Code	Notes	NY DBE Firm	NJ DBE Firms	Total DBE Firms	All Available Firms	DBE% Relative Availability
236220	Commercial and Institutional Building Construction	31	34	65	2,060	3.16%
237110	Water and Sewer Line and Related Structures Construction	15	6	21	196	10.71%
237990	Other Heavy and Civil Engineering Construction	17	11	28	112	25.00%
238210	Electrical Contractors and Other Wiring Installation Contractors	30	14	44	4,544	0.97%
238910	Site Preparation Contractors	47	9	56	911	6.15%
238990	All Other Specialty Trade Contractors	33	17	50	1,285	3.89%
332999	Misc. Fabricated Metal Product Manufacturing	3	2	5	76	6.58%

E) DBE Decertified Firms

FTA’s “Tips for Goal Setting” recommend making adjustments for decertification in Step One (Base Figure) of the process. The decertification of DBE firms is administered by OMWBE. The list of decertified firms was not available therefore no adjustments were made to the Step One.

F) Weighted Base Figure

Following the FTA recommendations from the “Tips for Goal setting” the relative availability was weighted based on the dollar amount projected to be spent on each NAICS code. This part of the process allows emphasized contracting opportunities based on relative importance to the City needs.

Each weight was calculated based on the projected dollars assigned to each NAICS code. Then, for each NAICS code, the percentage of relative DBE availability was multiplied by the corresponding weight. Finally, the resulting weighted percentages were added up to, as shown in **Table 4**. The weighted DBE availability is 7.83%.

$$\text{Weighted Base Figure} = \text{Weight} \times \text{Relative Availability}$$

Table 4 – Weighted Base Figure = 7.83%

NAICS Code	Notes	NY DBE Firm	NA DBE Firms	Total DBE Firms	All Available Firms	Relative Availability	Estimated Amount	Weight	Weighted Base Figure
236220	Commercial and Institutional Building Construction	31	34	65	2,060	3.16%	\$75,000.00	5.20%	0.16%
237110	Water and Sewer Line and Related Structures Construction	15	6	21	196	10.71%	\$93,000.00	6.45%	0.69%
237990	Other Heavy and Civil Engineering Construction	17	11	28	112	25.00%	\$246,000.00	17.06%	4.27%
238210	Electrical Contractors and Other Wiring Installation Contractors	30	14	44	4,544	0.97%	\$274,000.00	19.04%	0.18%
238910	Site Preparation Contractors	47	9	56	911	6.15%	\$170,750.00	11.84%	0.73%
238990	All Other Specialty Trade Contractors	33	17	50	1,285	3.89%	\$462,355.00	32.07%	1.25%
332999	Misc. Fabricated Metal Product Manufacturing	3	2	5	76	6.58%	\$120,000.00	8.32%	0.55%

STEP 2. BASE FIGURE ADJUSTMENT

Per 49 CFR 26.45(d), following calculation of a base figure, all available evidence must be examined to determine what adjustment, if any, is needed to the base figure to make the DBE goals as precise as possible. This adjustment can be made if relevant and reliable data is available. The City of Bayonne analyzed the following data sources to determine if and adjustment is required and found the following:

- Past participation – The City of Bayonne has no past experience with FTA Contracts

Other sources of data suggested by FTA that were not available at the time this document was written include:

- Statistical disparities in the ability of DBEs to get financing, bonding and insurance; and
- Data on employment, self-employment, education and training, union apprenticeship programs.

A final DBE goal was calculated as the average of the base figure and City of Bayonne’s DBE goal. Based on this analysis, the City of Bayonne proposes an overall DBE goal of 7.83% of FTA funds that will be expended in FTA assisted contracts in Fiscal Years 2022-2024, exclusive of funds to be used for the purchase of transit vehicles and equipment.

USE OF RACE-NEUTRAL METHODS AND DBE CONTRACT GOALS

The U.S. DOT regulations require that race-neutral methods be used to the maximum extent feasible to achieve the DBE overall goal. The City of Bayonne is committed to implementing strategies to maximize DBE participation through race-neutral methods including:

- Making efforts to assure that bidding and contract requirements facilitate participation by DBEs and other small businesses;
- Breaking large projects into smaller subparts for which small businesses and DBEs will be more likely to compete;
- Encouraging prime contractors to subcontract portions of the work that they might otherwise perform themselves; and
- Providing technical assistance, communications programs, and other support services to facilitate consideration of DBEs and other small businesses.

The City believes 10% of the DBE participation can be achieved through race-neutral means. Based on this information, the City of Bayonne proposes an overall DBE goal of 7.83% with an 10% race and gender-neutral component and 7.047% race-conscious component on FTA-assisted contracts to be awarded in Fiscal Year 2022 through Fiscal Year 2024. The race-conscious component will be made available only to the businesses listed above. The City will continue developing race-neutral methods for facilitating DBE participation:

The City will advise prospective contractors of areas for possible subcontracting, and of the availability of ready, willing, and able subcontractors, including DBE firms, to perform such work.

The City will carefully monitor its progress during the course of the year and may make adjustments to achieve the overall DBE participation goals for Fiscal Year 2022 through Fiscal Year 2024.

Public Participation Process

Prior to submitting the goal to the FTA, the City of Bayonne published the goal on the city's web site and invited DBE, minority, women-owned and general contractor groups and community organizations to comment concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the City's efforts to establish a level playing field for the participation of DBEs.

Emails were also sent out to the Bayonne Economic Opportunity Foundation and the Bayonne Chamber of Commerce with copies of the Goal Setting Methodology and invitation to comment.

DBE's interested were asked to send their email to drusso@baynj.org to be notified of any opportunities under this program.

The proposed goal will remain on the City of Bayonne's website for the duration of the triennial period after it has been reviewed and concurred by the FTA.