

University Of New Hampshire

Disadvantaged Business Enterprises Goal

FFY 2017 - 2020

Introduction and Overview of the Goal Setting Process

The University of New Hampshire (UNH) has used a variety of techniques to comply with the goal setting provisions to actively seek participation by disadvantaged business enterprises (DBE's) in its FTA assisted contracting programs as required by Section 26.45 of the DBE Regulations.

UNH has, and will continue to, actively reached out to DBE firms to inform them about the contracting opportunities and to invite them to submit a bid on all FTA funded projects.

In accordance with the requirements of 49 CFR Part 26.45, UNH publishes the DBE goals for FTA funded projects in various media to solicit public comment.

To comply with the goal setting provisions of the DBE regulations, UNH has employed the two step process outlined in Section 26.45 by first creating a baseline figure reflecting the relative availability of "ready, willing and able DBE's" in our marketplace, and then examining all relevant evidence, including past DBE participation, to determine what adjustments, if any, are needed to arrive at our overall goal.

Goal Statement

In FFY 2017 - 2020 the University of New Hampshire has scheduled at the time of this document only three federally funded projects.

1. NH-95-X018-02 UNH Coop Little Bay Bridge Year 3
2. NH-95-X012-03 UNH Commuter Service to Rochester – Ph. 4
3. NH-90-X201-00 Wildcat Transit Fleet Replacement – PhV1

Whereas rolling stock is not included in the DBE goal, that leaves only two projects to be considered when calculating the DBE goal for FFY '17 – 19.

1. NH-95-X018-02 UNH Coop Little Bay Bridge Year 3
2. NH-95-X012-03 UNH Commuter Service to Rochester – Ph. 4

UNH intends to expend 0 % of the federal financial assistance received from the Federal Transit Administration with small business concerns owned and controlled by socially and economically disadvantaged individuals (DBEs). It is the intent of UNH that this expenditure will be obtained through a race and gender neutral program.

Goal Methodology:

Step One: Base Figure for the Relative Availability of DBEs

UTS will use method 1 to calculate its base figure, using the current DBE directory maintained by the New Hampshire Department of Transportation (as is required).

Other methods for establishing the base figure were not used for the following reasons:

1. Exclusive use of a bidders list – UNH will use the NHDOT state bidders list in bidding projects because they are proven to be reliable and acceptable firms. However, in addition to this bidders list, UNH will also add DBE companies from NHDOT’s certified DBE Directory so as to be as inclusive in any bidding process as possible.
2. Use data from a disparity study – there are no disparity studies available for the relevant area for either public agencies or private sector companies.

Bidder’s List

New Hampshire DOT maintains a bidders list of pre-qualified firms which are proven to be reliable and acceptable companies. UNH will use this bidders list as well as including all relevant DBE’s listed in the NH DBE Directory. In determining what DBE’s to include in the bidding process, several things are looked at.

1. They were a certified DBE by the NHDOT
2. Their NAICS code reflected the NAICS codes we anticipate we will be using for our projects.
3. The description the business gave for their scope of work was used to include relevant businesses.

Disparity Studies

We researched whether disparity studies had been done for this area. We checked with the NHDOT and local agencies for information and there were no studies available.

Use of Other DOT Recipients Goals

We checked with NHDOT, and other local FTA recipients to see if they had set goals for similar projects. We found that they contract out services such as advertising and drug testing that UNH keeps in house.

Goal Calculation Process

As specified in section 26.45(c) of the DBE Regulations, the method used to calculate the relative availability of DBE’s (“base figure”) for Step 1 of the goal setting process is a percentage figure calculated by dividing a number representing available DBE’s by a number representing all available firms. UNH reviewed the DBE firms contained in the NHDOT directory in (which included NAICS codes for most of the DBE firms) to create a list of those whose services UNH might reasonably employ for these projects based on the NAICS code listed. UNH also used the Census Bureau Data for calculating a base figure.

We obtained our data and calculated the relative availability percentage in the following manner:

- We determined the number of ready, willing, and able DBE’s in our market from the NHDOT DBE directory. Then, using the Census Bureau’s County Business Pattern (CBP) database, we determined the number of all ready, willing and able businesses available in our market that perform work in the same North American Industry Classification System (NAICS) codes.
- For the purpose of setting an overall DBE goal for funds received from FTA, it was determined that our market or service area was Statewide. Data from the CBP database was filtered for the State of New Hampshire and for the following eleven (11) NAICS code categories, which were determined to be applicable for contracting opportunities.

Table 1 NAICS Codes

Shows the NAICS codes that were used for calculating our base figure.

<u>NAICS Code Number:</u>	<u>Code Description</u>
221210	Natural Gas Distribution
323111	Commercial Printing (except Screen and Books)
326212	Tire Retreading
423130	Tire and Tube Merchant Wholesalers
424110	Printing and Writing Paper Merchant Wholesalers
424710	Petroleum Bulk Stations & Terminals
424720	Petroleum & Petroleum Products Merchant Wholesalers – Non-Bulk
441320	Tire Distributor
447110	Gasoline Stations with Convenience Store
447190	Other Gasoline Stations
448190	Uniform Stores

The number of available firms for each of these categories was then extracted from the Census County Business Patterns (CBP) Database using the most recent data (2014). In all cases, the state of New Hampshire was used as the market area for this.

Table 2, shown below, compares the number of all New Hampshire businesses according to the CBP (including DBE's) to the number of DBE firms.

Table 2

Shows the number of NHDOT certified DBE firms in each of these categories.

<u>NAICS</u>	<u>Code Description</u>	<u>NH DBE DBE Firms</u>	<u>CCBP Total for NH</u>
221210	Natural Gas Distribution	0	13
323111	Commercial Printing (except Screen and Books)	2	98
326212	Tire Retreading	0	2
423130	Tire & Tube Merchant Wholesalers	0	12
424110	Printing and Writing Paper Merchant Wholesalers	3	No census info available
424710	Petroleum Bulk Stations & Terminals	0	17
424720	Petroleum & Petroleum Products Merchant Wholesalers – Non-Bulk	0	9
441320	Tire Dealers	1	103
447110	Gasoline Stations with Convenience Store	0	491
447190	Other Gasoline Stations	0	81
448190	Uniform Stores	0	61
	Total	6	887

Ready, willing, and able DBE's (6)
All ready, willing, and able businesses (887)

Relative Availability of DBE's in the Marketplace (6/887)

0.7%

- The CBP database identified a total of 887 businesses ready, willing, and able to perform work in the above-listed 11 NAICS code categories in New Hampshire. However, there are several categories for which there are no ready, willing, and able DBE's.
- The next step to level the comparison was to remove the NAICS code listings for which there were no ready, willing, and able DBE's or non-DBE companies. This brought the NAICS Code list down to two (2).

Table 3

Shows the list of NAICS codes with the codes removed if there were either no DBE's or no companies listed under the CBP database available.

<u>NAICS</u>	<u>Code Description</u>	<u>NH DBE DBE Firms</u>	<u>CCBP Total for NH</u>
323111	Commercial Printing (except Screen and Books)	2	98
441320	Tire Dealers	1	103
	Total	3	201

- The CBP database identified a total of 201 businesses ready, willing, and able to perform work in the above-listed NAICS code category in New Hampshire. A total of 3 certified DBE is listed in the directory that are ready, willing, and able to perform work in this same NAICS code category. We divided the number of DBE's by the number of all businesses, to determine the relative availability of DBE's in our marketplace:

$$\frac{\text{Ready, willing, and able DBE's (3)}}{\text{All ready, willing, and able businesses (201)}}$$

Relative Availability of DBE's in the Marketplace (3/201) 1.5%

Step Two – Adjustment to the Base Figure

As specified in Section 26.45, once the relative availability of ready, willing and able DBE's in our marketplace has been determined, it is necessary to examine additional evidence and, if appropriate, make adjustments to the base figure, to ensure that our goal truly and accurately reflects the level of DBE participation we would expect absent the effects of discrimination. Accordingly, UNH has gone beyond the formulaic measurement of current availability in Step 1, to consider and account for other evidence of conditions affecting DBE's, including past participation.

Past Participation

In the past UNH has utilized two DBE contractors. One for the Drug & Alcohol testing program and one for advertising. UNH has brought both of those programs in house so those contracting opportunities no longer exist.

Weighting

Weighting was not used for this calculation because the contracting opportunities are not project specific.

Other Contracting Opportunities:

Insurance: The University System of New Hampshire puts the insurance out to bid annually. Due to the nature of having Commercial Drivers under the age of 18 they only receive one or two bids each year and they are with large insurance companies. Currently our insurance carrier for the buses is Liberty Mutual.

Fuel: The University purchases its fuel from the NHDOT. UNH contacted NHDOT Fuel Distribution to see how they contract out their fuel. NHDOT puts it out to bid and goes with the low bidder. There are no DBE's in this area who are petroleum wholesalers.

CNG: This is not a widely used fuel source in our area. Our CNG fueling station is the only one of its type in our immediate area. The next closest location that we are aware of is located over 1 hr away. Our CNG fuel system is connected to the existing CNG pipes that are in our location. There is only the one existing supplier available.

Printing: UNH has an in-house printing department which handles our printing. The only job they contract out is the printing of our schedule booklets. While there were two (2) DBE printing companies in the DBE directory it was determined that they are not able to handle the printing of the booklets because they do not have the necessary equipment or they do not do that type of work.

Tires: We investigated the ability of Strategic Tire Solutions, the DBE listed in the NH DBE Directory, to be a "ready, willing, and able" vendor. We determined they were not able to meet our needs because they are located in South Carolina. The UNH garage lacks the equipment to mount, balance, or retread our tires. Because of this, we require a vendor that is local who can pick-up our take-off tires and return them ready to be mounted. Additionally, because of our fleet size and tight spare ratio this needs to happen relatively quickly to ensure the vehicles are available for service. Shipping tires is very cost prohibitive given their size and weight. For these reasons we have determined this DBE vendor is unable to meet our needs.

UNH has set a 0 % DBE goal for FFY '2017 - 2019 for these reasons:

- There are contracting opportunities for which there are no DBE's available (ex: Insurance, CNG supplier because it is piped in and only the one supplier available, tires, and printing).
- The contracting opportunities we had in the past where DBE's were used, have now been brought in-house and are no long contracting opportunities.

Breakout of Estimated Race-Conscious and Race-Neutral Participation

UNH projects that 100% of the FTA project expenditures will be achieved through race neutral means. UNH will employ race conscious measures, if needed, to meet the goal if race neutral means are found to be insufficient.

On our FTA-assisted contracts, UNH estimates that we will meet our entire overall goal of 0 % through race-neutral participation, and that we will not have to resort to race-conscious measures.

We will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation and we will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures.
- DBE participation through a subcontract on a prime contract that does not carry a DBE goal.
- DBE participation on a prime contract exceeding a contract goal.
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

Public Participation

UNH invests significant resources in ongoing efforts to solicit DBE participation in the different FTA procurement opportunities.

For any future contracting opportunities involving FTA funds, UNH will continue to reach out to DBE's to alert them to bidding processes to ensure they have a fair chance to submit competitive proposals.

UNH shared its draft goal with the NHDOT DBE compliance officer and solicited comments to ensure we had not missed any opportunities for other DBEs to bid on our project.

A public hearing about our DBE goal was held on June 27, 2016.

UNH's DBE goal information was published in the following local newspapers:

Foster's Daily Democrat – Thursday, June 23, 2016 and Thursday, June 30, 2016

New Hampshire Union Leader – Thursday, June 23, 2016 and Thursday, June 30, 2016

Portsmouth Herald – Thursday, June 23, 2016 and Thursday, June 30, 2016

As of July 19, 2016 no comments have been received. The public has until August 19, 2016 to comment on our goal.

PUBLIC NOTICE - UTS DBE GOAL

The University of New (UNH) proposes a goal of 1 % for Disadvantaged Business Enterprises participation in Federal Transit Administration (FTA) contracting activity. The goal and its rationale are available for inspection between 8:00 am and 4:30 pm weekdays at 20 Sage Way, Durham NH for 30 days following publication of this notice. Written comments will be accepted for 45 days from the date of this notice and should be addressed to:

University Transportation Services
Attn: Beverly Cray, DBE Compliance Officer
20 Sage Way
Durham, NH 03824

Or

Civil Rights Officer
Federal Transit Administration, Region 1
Volpe Center
55 Broadway, Suite 920
Cambridge, MA 02142

A public hearing to solicit comments will be held on June 27, 2016 at 1:00 pm in the UNH Memorial Union Building (MUB) room 321.

Individuals or businesses interested in becoming a certified DBE in New Hampshire should contact: David Cloutier, External EEO Coordinator, NH Department of Transportation, 7 Hazen Drive, PO Box 483, Concord, NH 03302-0483

UNH's DBE goal information was published in the following local newspapers:

Foster's Daily Democrat – Thursday, June 23, 2016
New Hampshire Union Leader – Thursday, June 23, 2016
Portsmouth Herald – Thursday, June 23, 2016

Information about the printing company's and tire company's inability to meet our needs came after the original DBE goal submission in the local papers but before the public hearing was held so an updated DBE Goal public notice was published in the papers.

Updated PUBLIC NOTICE - UTS DBE GOAL

The University of New (UNH) proposes a goal of 0 % for Disadvantaged Business Enterprises participation in Federal Transit Administration (FTA) contracting activity. The goal and its rationale are available for inspection between 8:00 am and 4:30 pm weekdays at 20 Sage Way, Durham NH for 30 days following publication of this notice. Written comments will be accepted for 45 days from the date of this notice and should be addressed to:

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UNH's updated DBE goal information was published in the following local newspapers:

Foster's Daily Democrat – Thursday, June 30, 2016
New Hampshire Union Leader – Thursday, June 30, 2016
Portsmouth Herald – Thursday, June 30, 2016