

Committee of the Whole

Meeting date: June 3, 2020

Subject: Metropolitan Council Triennial FTA DBE Goal and Triennial EPA DBE Goal

District(s), Member(s): All

Policy/Legal Reference: United States Department of Transportation Disadvantaged Business Enterprise Program (49 CFR 26; 26.45), United States Environmental Protection Agency Disadvantaged Business Enterprise Program (40 CFR 33)

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Division/Department: RA/ Office of Equal Opportunity

Background

An introduction of the triennial goal setting process will be reviewed today to provide the Metropolitan Council with information about the process, communication plan, and timeline for goal setting due by August 1, 2020.

2021-2023 Triennial Federal Transit Authority (FTA) Disadvantaged Business Enterprise (DBE) Goal:

The U.S. Department of Transportation (USDOT) requires that the Metropolitan Council administer a DBE Program on projects receiving federal funding. In order for the Metropolitan Council to remain eligible for future funding it must comply with DBE program requirements. One such requirement is that the Metropolitan Council must engage in analysis of future transportation spending to set a DBE inclusion goal that will remain in effect for three years. During the three-year period the Metropolitan Council report to the FTA on a semi-annual basis its progress. These reports are based on the small business subcontracting inclusion goals set on specific transportation projects that receive USDOT funding.

A 13% FTA DBE goal is proposed for the three-year period that runs from 2021-2023.

2021-2023 Triennial Environmental Protection Agency (EPA) Disadvantaged Business Enterprise (DBE) Goal:

The U.S. Environmental Protection Agency (EPA) requires that Metropolitan Council administer a DBE program on projects receiving federal funding. The Metropolitan Council must annual report DBE participation to remain eligible for future funding. The Metropolitan Council sets a DBE inclusion goal that will remain in effect for three years. The Metropolitan Council reports are based on the small business subcontracting inclusion goals on specific environmental service contracts that receive EPA funding.

An 11% EPA DBE goal is proposed for the three-year period that runs from 2021-2023.

Rationale

The Office of Equal Opportunity followed a methodology described by federal DBE regulations. The Metropolitan Council's three-year review ensures that the DBE program remains in federal compliance, thereby retaining the Council's eligibility to receive future federal funding.

OEO arrived at the recommended DBE program goals as follows:

1. Calculated the availability of DBE firms compared to all businesses in the seven-county metropolitan area that can perform work typically found on projects that receive federal funds;
2. Estimated future Council spending on transportation and Environmental Service projects;
3. Weighted this future spending with the availability of DBEs in the region; and
4. Adjusted these figures by considering the levels of past DBE participation on Council projects.

Thrive Lens Analysis

The DBE program seeks to ensure nondiscrimination in how federally funded projects are awarded and administered. The triennial DBE program goal methodology helps the Council implement and program that is narrowly tailored, while creating a level playing field and removing barriers for DBEs, as well as promoting small business use on Council projects. This action supports the region's women, people of color and indigenous owned small business communities by helping to eliminate barriers and provide access to Council procurement activities.

The recommended goals reflect the level of DBE participation that the Council would expect absent the effects of discrimination in the region. The triennial DBE program goals advance the Thrive outcomes of Equity and Prosperity.

Funding

The Council's triennial DBE Program Goal and the implementation of the DBE program are achieved using general operating funds.

Known Support / Opposition

There is no known opposition to the proposed action.