

Management Committee

Meeting date: July 8, 2020

For the Metropolitan Council meeting July 22, 2020

Subject: Metropolitan Council Triennial FTA and EPA DBE Program 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)

Staff Prepared/Presented: Elaine Ogilvie, Supervisor Small Business Unit 651-602-1163; Ashanti Payne Assistant Director, Office of Equal Opportunity 651-602-7660

Division/Department: RA / Office of Equal Opportunity

Proposed Action

That the Metropolitan Council approve the triennial FTA and EPA DBE Program goal.

Background

Triennial FTA DBE Program goal: The U.S. Department of Transportation requires that agencies like the Council administer a DBE program on projects receiving federal funding. The DBE regulations describe many requirements the Council must satisfy to remain eligible for future USDOT funding. One requirement is that the Council engage in an analysis of future transportation spending to set a DBE inclusion goal that will remain in effect for three years. This program goal helps the Council set subcontracting inclusion goals on specific transportation projects that receive USDOT funding.

The Council is required to inform the public of the proposed goal and provide opportunity for submission of comments. The Council provided a public comment period that opened June 5th and will close on July 6th. Comments received will be reviewed, considered and incorporated into the final version of the 2021 – 2023 FTA DBE Program Goal Report.

The Council is proposing a 13% overall DBE goal for years 2021-2023.

Triennial EPA DBE Program goal: The U.S. Environmental Protection Agency requires that agencies like the Council administer a DBE program on projects receiving federal funding. Regulation requires the Council to annually report DBE participation to remain eligible for future US EPA funding. The Council sets a DBE inclusion goal that will remain in effect for three years. This program goal helps the Council set subcontracting inclusion goals on specific environmental service contracts that receive EPA funding.

The Council is proposing a 11% over EPA DBE Program Goal for years 2021-2023.

Rationale

Staff from the Office of Equal Opportunity followed a methodology described by federal DBE regulations.

The following information outlines how OEO arrived at the recommended DBE program goals:

- 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
- Estimated future Council spending on transportation and Environmental Service projects
- Weighted this future spending with the availability of DBEs in the region; and
- 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 a program that is narrowly tailored, while creating a level playing field and removing barriers for DBEs, as well as promoting their use on Council transportation projects.

These recommended goals reflect the level of DBE participation that the Council would expect absent the effects of discrimination in the region.

Overall, approval of the triennial DBE program goal advances equity and other Thrive outcomes. This approval helps ensure that the Council's DBE program remains in federal compliance, thereby retaining the Council's eligibility to receive future federal funding. In addition, this action supports the region's women and minority owned small business community by helping to barriers that typically affect subcontracting inclusion.

Funding

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

Known Support / Opposition

Through the public comment process, comments expressing opposition have been received and are under consideration.