

Joint Report of the Management and Transportation Committee

For the Metropolitan Council meeting of July 23, 2014

Subject: Approval of the Metropolitan Council's 2014-2017 USDOT Triennial Disadvantaged Business Enterprise (DBE) goal of 15%.

Proposed Action

That the Metropolitan Council approves the 2014-2017 USDOT Triennial Disadvantaged Business Enterprise (DBE) goal of 15%.

Summary of Committee Discussion/Questions

Wanda Kirkpatrick, Director of the Office of Equal Opportunity (OEO); and Pat Calder, Manager of Small Business Programs, presented an overview of the proposed USDOT DBE Triennial Goal for fiscal years 2014-2017 of 15% for all Federal Transit Administration (FTA)-funded contracts and procurements (exclusive of funding for LRT mega projects or transit vehicle purchases). OEO explained the goal methodology used to calculate the proposed 15% goal, which follows the required formula prescribed in 49 CFR Part 26. Discussion followed about the use of the Council's bidders list to establish an unadjusted 15% base figure and the adjustment factors OEO considered in arriving at the recommendation to establish a 15% DBE goal for the coming 2014-2017 period. Factors considered included the Council's past goal achievements, the goal percentages established by other USDOT funding recipients performing similar work (i.e. MnDOT at 10.3% and MAC at 11%) and the anticipated demand for certified DBE's firms in the upcoming three year period.

Management Committee members questioned the possibility of increasing the 15% goal in our future contracting opportunities by establishing an internal Council aspirational goal above the overall 15%. The members of the Committee also asked OEO what steps can be taken to increase the pool of available DBE firms to meet the increased demand for their services. OEO will study possible solutions to these issues and return to the Management Committee at a later date with their findings and suggestions.

Transportation Committee member Elkin inquired about whether this USDOT DBE goal was the same as the workforce goals that had recently been increased. Clarification was given that workforce goals are separate and distinct from the DBE business goals being discussed at this meeting. Committee member Elkin also questioned whether OEO has been able to resolve the issue of prompt payments to DBE subcontractors that surfaced during the CCLRT project. It was explained that although several options have been considered it will require additional research by OEO and our interested stakeholders to find a workable solution. OEO will continue to keep the Transportation Committee members advised as progress is made in these discussions.

Management Committee: A motion was made and seconded to approve the Council's 2014-2017 overall triennial DBE goal of 15%. Motion approved. Transportation Committee: A motion was made and seconded to adopt the Management Committee's approval of the Council's 2014-2017 overall DBE goal of 15%. Motion approved.

Management Committee

Meeting date: July 9, 2014

Transportation Committee

Meeting date: July 14, 2014

For the Metropolitan Council meeting of July 23, 2014

Subject: Metropolitan Council Disadvantaged Business Enterprise (DBE) Program Triennial 2014-2017 Goal

District(s), Member(s): All

Policy/Legal Reference: Code of Federal Regulations Chapter 49 part 26

Staff Prepared/Presented: Wanda Kirkpatrick 651-602-1085 & Pat Calder 612-349-7463)

Division/Department: Office of Equal Opportunity

Proposed Action

That the Metropolitan Council approve the Disadvantaged Business Enterprise (DBE) Program FFY 2014-2017 Goal of 15% for submittal to the U.S. Department of Transportation.

Background

Chapter 49 part 26 of the Code of Federal Regulations requires US Department of Transportation funding recipients who anticipate awarding \$250,000 or more in prime contracts in a federal fiscal year to set and publish a triennial DBE goal and submit the goal to the appropriate USDOT Operating Administration. The Metropolitan Council receives funding assistance from the Federal Highway Administration, the Federal Aviation Administration and the Federal Transit Administration. The Council has previously prepared and submitted its Disadvantaged Business Enterprise program document to the Federal Transit Administration. The Council follows the goal methodology prescribed in CFR 49 part 26.

Rationale

The DBE Program Document will be forwarded to USDOT with a request to approve an overall Metropolitan Council DBE goal of 15% for FFY 2014-2017. This 15% goal represents a percentage of all DOT assisted contracts (exclusive of funds to be used for the purchase of Transit vehicles) that the Council anticipates expending in DOT assisted contracts in the forthcoming Federal fiscal years 10/1/14 – 9-30-17. This goal will not be used for Green Line or Blue Line Extension (Southwest & Bottineau) projects.

Funding

Not Applicable

Known Support / Opposition

Once approved, by the Council an announcement of the triennial DBE goal will be published in the local media and minority publications. Stakeholder meetings will also be held to answer questions concerning the goal methodology. The Metropolitan Council's DBE program embodies the desired Thrive 2040 outcomes of stewardship, prosperity, equity, livability and sustainability.