

Information Item

Environment Committee



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Meeting Date: September 12, 2023
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Topic

Proposed Metropolitan Council Triennial EPA DBE goal for FFYs 2024-2026

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: Ashanti Payne, Assistant Director, 612-349-7660

Division/Department: RA / Office of Equity and Equal Opportunity

Background

Triennial EPA DBE Program goal: The U.S. Environmental Protection Agency (EPA) 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 11.9% EPA DBE program Goal for FFYs 2024-2026.

Goal Setting Methodology

In 2019, the EPA did away with the need to establish a fair share goal objective. However, for our own internal benchmark, the Council still proceeds with the triennial goal setting process. For FFYs 2024-2026 triennial DBE goal, the availability rates of DBEs in the relevant geographic market area were established. From the availability analysis, we first derive and then adjust a base goal, using evidence on disparities in contract award amounts that cannot be explained by economically relevant factors. Finally, the maximum share of the DBE goal that should be attained through race neutral means is estimated.