



**POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION**

AND

VIRGINIA RAILWAY EXPRESS

DISADVANTAGED BUSINESS ENTERPRISE GOAL METHODOLOGY

**FEDERAL FISCAL YEARS
2022-2024**

**DISADVANTAGED BUSINESS ENTERPRISE GOAL METHODOLOGY
FOR FEDERAL FISCAL YEARS 2022-2024**

I. SUMMARY

The Potomac and Rappahannock Transportation Commission (PRTC) and Virginia Railway Express (VRE) have established an overall goal for Disadvantaged Business Enterprise (DBE) participation in Federal Transit Administration (FTA) assisted contracts in accordance with regulations of the United States Department of Transportation (DOT), 49 CFR Part 26. This rule requires recipients of Federal funds to use a methodology based on demonstrable data of relevant market conditions and is designed so that the goal reflects the level of DBE participation the recipient would expect absent the effects of discrimination.

II. PROPOSED GOAL FOR FFY 2022-2024

PRTC/VRE have established its Triennial Disadvantaged Business Enterprise (DBE) Goal of **14.1% percent** for FFY 2022-2024 on FTA-assisted contracts. PRTC/VRE anticipates achieving this goal through race-neutral measures.

III. METHODOLOGY

Step 1. Base Figure Determination

The first step in establishing an overall DBE Goal is to measure the actual relative availability of DBE vendors within PRTC/VRE's service area that would perform the types of FTA-assisted contracts that PRTC and VRE intend to award during the three-year Federal fiscal year cycle. In FFYs 2022, 2023 and 2024, PRTC and VRE are expected to initiate contracts in Commercial Printing, Construction, Engineering and Design, Poured Concrete and Structure, Electrical, and Activities for Rail.

Specifically, PRTC's contracts include a Production Schedule Contractor to design and print the system map and bus schedules, engineering and design for site preparation along with construction and installation of bus shelters. VRE's contracts include: Engineering and Design for Station Improvements at Backlick Road, Crystal City and L'Enfant VRE Stations. Construction of expansion at the Broad Run Station, L'Enfant waiting area; concrete repairs at the Woodbridge and Manassas Parking Garages; Repairs of stairs at L'Enfant, Alexandria, Burke and Manassas Park; and several rail activities. As shown in **Table 1**, are PRTC's projected two (2) projects and VRE's projected fourteen (14) projects, listed by NAICS Code, which it expects to award in federal fiscal years 2022, 2023 and 2024. This is the basis of the goal methodology.

Table 1 – PRTC/VRE – List of Projects for Federal Fiscal Years 2022-2024

NAICS CODE	PROJECT	Estimated Cost
Potomac and Rappahannock Transportation Commission (PRTC)		
236220	Bus Shelter Construction (Construction & Installation)	\$200,000
323111	Production Schedule Contractor	\$300,000
541330	Site Preparation for Bus Shelter (Engineering & Design)	\$100,000
Virginia Railway Express (VRE)		
541330	Backlick Road Station Improvements (Design)	\$550,000
236220	Broad Run Expansion (Construction)	\$103,090,000
238110	Concrete Stair Repairs at L'Enfant, Alexandria, Burke, and Manassas Park	\$200,000
236220	Crystal City Station Improvements (Design)	\$4,000,000
541330	L'Enfant Track and Station Improvements (Design)	\$4,629,253
236220	L'Enfant Waiting Area (Construction)	\$300,000
488210	Locomotive Layover Battery Chargers	\$240,000
488210	Locomotive Power Assemblies	\$2,400,000
488210	Locomotive Truck Overhaul	\$2,500,000
488210	New Railcar Wheelchair Lifts	\$4,300,000
488210	Painting of Locomotives	\$2,340,000
488210	Replacement of Railcar Waste Treatment Tanks	\$1,500,000
238210	Security Camera Installation	\$400,000
238110	Woodbridge and Manassas Parking Garage Structural Repairs	\$500,000
Combined PRTC & VRE Total		\$127,549,253

Local Market Area

The local market area is the area wherein the substantial majority of the contractors and subcontractors are located and the area in which PRTC/VRE spends the substantial majority of its contracting dollars. In past years, the local market area has included the District of Columbia as well as the cities and counties located in Northern Virginia (Cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas and Manassas Park and the Counties of Arlington, Fairfax, Loudoun, Prince William, Stafford, and Spotsylvania). However, evidence has shown that PRTC/VRE tend to contract with vendors in several Virginia localities outside of the Northern Virginia area. Therefore, PRTC and VRE have

determined the relevant market area to be the District of Columbia and the entire Commonwealth of Virginia.

The available pool of ready, willing and able firms to participate in PRTC and VRE’s FTA-funded contracting opportunities is analyzed based on the specific NAICS codes and descriptions. Thus, the total number of all contractors and subcontractors located in PRTC and VRE’s local market area who would be available for FTA–assisted projects were extracted from the 2019 County Business Patterns (NAICS) database hosted by the U.S. Census Bureau. **Table 2** summarizes the total available firms in the local market area by corresponding Industry (NAICS) Code.

Table 2 – Total Available Firms

TOTAL AVAILABLE FIRMS				
NAICS CODE	NAICS CODE Description	Local Market Area		Totals
		District of Columbia	Commonwealth of Virginia	
236220	Construction	99	1033	1,132
238110	Concrete & Structures	13	446	459
238210	Electrical & Wiring Installation	24	1731	1,755
323111	Commercial Printing	27	440	467
488210	Activities for Rail	0	21	21
541330	Engineering and Design	268	2277	2,545
Total Available Firms from Census Data Business Patterns Database				6,379

Source: U.S. Census Bureau, 2019 County Business Patterns

The total number of available DBE firms within each specified NAICS code were derived from State Unified Certification Program (UCP) DBE Directories provided by the District of Columbia and Virginia as shown in **Table 3**.

- **District of Columbia UCP DBE Directory** includes DBE firms that have been certified by the District of Columbia Department of Transportation (DDOT) and the Washington Metropolitan Area Transit Authority (WMATA).
- **Virginia UCP DBE Directory** includes DBE firms that have been certified by the Virginia Department of Small Business and Supplier Diversity (DSBSD) and the Metropolitan Washington Airports Authority (MWAA).

Table 3 – Certified DBE Firms

DBE Certified Firms				
NAICS CODE	NAICS CODE Description	DDOT WMATA	SBSD MWAA	Totals
236220	Construction	66	95	161
238110	Poured Concrete and Structure	14	46	60
238210	Electrical and Wiring	25	8	33
323111	Commercial Printing	3	8	11
488210	Activities for Rail	2	2	4
541330	Engineering and Design	40	125	165
Total DBE Firms from DBE Directories				434

PRTC/VRE cross-referenced each directory in order to prevent double counting a particular DBE firm who is certified and registered by more than one agency.

Base Figure Formula

The Regulations suggest the following formula for determining the base figure percentage of ready, willing and able DBE firms for DOT-Assisted projects:

Numerator: Ready, Willing and Able DBE Firms (by category) divided by;

Denominator: All Ready, Willing and Able Firms (by same numerator category)

PRTC and VRE developed a base goal using the relative availability of DBEs in the local market area based on the project and work item.

Therefore, the base goal calculation, using combined totals, is as follows:

Base Goal	Calculations
6.8%	(161 construction DBE firms + 60 concrete DBE firms + 33 Electric DBE firms + 11 commercial printing DBE firms + 4 Activities for Rails DBE firms + 165 engineering and design DBE firms)
	(1,132 construction firms + 459 concrete firms + 1,755 Electric firms + 467 commercial printing firms + 21 Activities for Rails firms + 2,545 engineering and design firms)

$$\text{Base Figure} = \frac{434}{6,379} = 0.068 \text{ or } 6.8\%$$

Weighting

To make certain that the base goal is as accurate as possible, PRTC and VRE used weighting to adjust its Step 1 goal figure. In FFY 2022, 2023 and 2024, PRTC and VRE are expected to initiate the majority of contracts for Construction, Activities for Rail and also for Engineering and Design while less contract dollars will be spent on Commercial Printing, Electrical/Wiring and Poured Concrete. PRTC and VRE estimated that approximately 81% of contract dollars will be spent on heavy construction, 10% on Activities for Rail, 7% on Engineering and Design and less than 1% on Commercial Printing, Electrical/Wiring and Poured Concrete. The calculations in **Table 4** are provided as **Appendix A** and shows how PRTC and VRE arrived at these percentages.

Weighted Calculations

In order to calculate the weighted goal, PRTC and VRE used the number of DBE firms for construction, engineering, roofing, and activities for rail as the numerators and divided them by the number of firms in the same fields (denominators) and multiplied them by the weighted percentages. The sum of these numbers multiplied by 100 resulted in the weighted goal of **14.1%**. The calculations that were performed to determine an appropriately weighted baseline goal are shown below:

$$[.812*(.142) + 0.005*(0.130) + 0.003*(0.018) + 0.002*(0.0023) + 0.104*(0.190) + 0.072*(0.064)] \times 100 = 14.1\%$$

Step 2: Adjustment to Base Goal

Step Two of the goal setting calculation process is intended to adjust the Weighted Base Figure calculated in Step One (14.1%) to make sure the goal is precise as possible. Under the rule, all evidence available to the grantee must be considered to determine whether such an adjustment is necessary.

PRTC and VRE examined additional factors to determine what adjustment, if any, was needed to establish the overall goal. The factors considered are outlined below:

Past Participation

PRTC and VRE analyzed contracting opportunities for FFYs 2022-2024 and past participation to determine the feasibility of an adjustment to the base figure (**See Table 5**). In previous years, VRE have let contracts for construction of platform extensions and

second platforms in addition to the construction of the Lifecycle Overhaul and Maintenance Facility. In FFYs 2022-2024, VRE will let only a few contracts for construction, but the majority of contracts will be let for Engineering and Design and to purchase various activities for Rail such as Locomotive Power Assemblies, New Railcar Wheelchair Lifts, and for Locomotive Truck Overhaul. The previous years, Activities for Rail accounted for about 3% of total contract dollars and in FFYs 2022-2024, these projects account for over 10% of total contract dollars. Also, the DBE participation in FY2018 and FY2019 was an aberration because contracts were awarded to prime contractors who were also DBEs and therefore PRTC and VRE more than exceeded the established DBE goal. After analyzing contracting opportunities for FFYs 2022-2024 and past DBE participation, PRTC and VRE have determined that it is not feasible to use past DBE participation to make an adjustment to the weighted baseline goal.

Table 5 – Past DBE Participation

Federal Fiscal Year	DBE Participation	Established Overall DBE Goal
2018	5.08%	7.5%
2019	43.8%	11.3%
2020	17.6%	11.3%

Discriminatory Practices

PRTC/VRE have maintained a race-neutral DBE program and have not evidenced any reports of discrimination in the award of subcontracts, availability of insurance, bonding or any other business-related complaints resulting from discriminatory practices. PRTC/VRE have not discovered any examples of discrimination that may warrant an adjustment of the base figure to rectify a particular problem.

Disparity Study

PRTC and VRE have not commissioned or conducted a disparity study regarding DBEs; however, a 2020 Commonwealth of Virginia Disparity Study was completed in January 2021, prepared by BBC Research and Consulting for the Department of Small Business and Supplier Diversity. BBC conducted the disparity study based on contracts and procurements that Commonwealth executive branch agencies and higher education institutions awarded between July 1, 2014 and June 30, 2019.

The Commonwealth of Virginia implements the Small, Women, and Minority-owned Business (SWaM) Program to encourage the participation of small businesses and minority-and woman-owned businesses in state contracts and procurements. The

Department of Small Business and Supplier Diversity (SBSD) is responsible for administering the SWaM Program. The disparity study was conducted to help evaluate the effectiveness of the Small, Women, and Minority-owned Business (SWaM) Program in encouraging the participation of minority- and woman-owned businesses in state contracts and procurements.

The results of the disparity study showed that minority- and woman-owned businesses considered together exhibited substantial disparities for the Commonwealth's construction, professional services, and goods and other services contracts and procurements. Although PRTC and VRE are supportive of all small business including SWaMs, our DBE program is based on the participation of DBEs on federal contracts, not state contracts. Thus, there is no additional data within the Commonwealth's Disparity Study that suggest additional adjustments in PRTC's and VRE's base figure are warranted.

Breakout of Estimated Race-Conscious/Race-Neutral Breakdown

PRTC/VRE have established an overall goal of 14.1%; PRTC and VRE intend to attain 14.1% of this goal through race-neutral participation.

PRTC/VRE will meet the maximum feasible portion of the overall goal by using race-neutral means of facilitating DBE participation. PRTC/VRE have consistently met its DBE goal by implementing race-neutral measures.

PRTC/VRE continue to work with prime contractors to assist their efforts to facilitate race-neutral DBE participation. Race-neutral measures are a means to obtain DBE participation when a DBE firm wins a prime contract through customary competitive procurement procedures; DBE participation is awarded through a subcontract or a prime contract that does not carry a DBE goal; DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

PRTC/VRE implements race-neutral measures consisting of, but not limited to, the following:

1. PRTC/VRE attend local outreach events for Small businesses, Prime Contractors and DBEs in addition to hosting VRE's Industry Day in order to introduce upcoming construction projects and discuss how contractors can do business with PRTC and VRE.
2. PRTC/VRE provide copies of the Request for Proposals (RFPs) and Invitation for Bids (IFBs), when requested to Certified DBE's.

3. PRTC/VRE encourage introductions at pre-bid and pre-proposal conferences to help DBEs and other small businesses develop working relationships with prime contractors.

IV. CONSULTATION AND PUBLICATION OF OVERALL GOAL

The regulations requires that in establishing an overall goal, you must provide for consultation and publication. This includes: Consultation with minority, women’s and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effectors of discrimination on opportunities for DBEs, and the efforts to establish a level playing field for the participation of DBEs.

With the Commissioners approval, a public notice of the proposed goal is posted on PRTC and VRE’s websites and in employee areas at headquarters buildings. Also, the public notice is published in the following newspapers: the Washington Post, Inside Nova, Free Lance Star and APTA’s Passenger Transport Magazine, informing the public that the proposed goal and its rationale were available for public inspection during normal business hours at PRTC and VRE offices for a period of 30 days and public comment for 45 days from the date of notice. A copy of the public notice is provided as **Appendix B**.

Interested stakeholders such as Prince William County Chamber of Commerce, Hispanic Business Council, Northern Virginia Black Chamber of Commerce and the Business Women of Prince William County along with minority contractors, DBEs and other community organizations are invited to participate in a teleconference with PRTC and VRE regarding the proposed goal and its rationale. Consultation with the groups identified above is not to be construed as mutually exclusive or exhaustive. All stakeholders will be asked to complete the PRTC/VRE Consultative Process Form, which is attached as **Appendix C**.

At the close of the public comment and review process, copies of the meeting summary, list of attendees and public comments will be provided as an attachment to this report.

**PRTC and VRE
FFY 2022-2024 DBE Weighted Goal Calculation
TABLE 4**

Project	Construction NAICS 236220	Poured Concrete NAICS 238110	Electrical & Wiring NAICS 238210	Commerical Printing NAICS 323111	Activities for Rail NAICS 488210	Engineering NAICS 541330	TOTALS
Backlick Road Station Improvements (Design)						\$550,000	\$550,000
Broad Run Expansion (Construction)	\$103,090,000						\$103,090,000
Bus Shelters (Design, Contruccion and Installation)	\$200,000					\$100,000	\$300,000
Concrete Stair Repairs at L'Enfant, Alexandria, Burke and Manassas Park		\$200,000					\$200,000
Crystal City Station Improvements (Design)						\$4,000,000	\$4,000,000
L'Enfant Track and Station Improvements (Design)						\$4,629,253	\$4,629,253
L'Enfant Waiting Area (Construction)	\$300,000						\$300,000
Locomotive Layover Battery Chargers					\$240,000		\$240,000
Locomotive Power Assemblies					\$2,400,000		\$2,400,000
Locomotive Truck Overhaul					\$2,500,000		\$2,500,000
New Railcar Wheelchair Lifts					\$4,300,000		\$4,300,000
Painting of Locomotives					\$2,340,000		\$2,340,000
Production Schedule Contractor				\$300,000			\$300,000
Replacement of Railcar Waste Treatment Tanks					\$1,500,000		\$1,500,000
Security Camera Installation			\$400,000				\$400,000
Woodbridge and Manassas Parking Garage Structural Repairs		\$500,000					\$500,000
Totals	\$103,590,000	\$700,000	\$400,000	\$300,000	\$13,280,000	\$9,279,253	\$127,549,253
% of total Contract \$	0.812156854	0.005488076	0.003136043	0.002352033	0.104116643	0.072750352	
Available Firms	1,132	459	1,755	467	21	2,545	6,379
Available DBE Firms	161	60	33	11	4	165	434
% DBE Firms	0.142226148	0.130718954	0.018803419	0.023554604	0.19047619	0.064833006	
	0.115510	0.000717	0.000059	0.000055	0.019832	0.004717	0.140890
						Weighted Goal	14.1%

**Base Goal
6.8%**



PUBLIC NOTICE

DISADVANTAGED BUSINESS ENTERPRISE PROPOSED FEDERAL FY 2022-2024 GOAL

The Potomac and Rappahannock Transportation Commission (PRTC) and the Virginia Railway Express (VRE), in accordance with requirements of the U.S. Department of Transportation as set forth in 49 C.F.R. Part 26, as amended, hereby notifies the public that it is recommending the following Disadvantaged Business Enterprise (DBE) goal for applicable procurement contracts assisted by the Federal Transit Administration during Federal FY 2022-2024. The overall proposed DBE goal for Federal Fiscal Years 2022-2024 is 14.1%.

A copy of the DBE goal and rationale of how it was selected is available for inspection from 9:00 a.m. to 5:00 p.m. (Local Time) at the PRTC Administrative Offices at 14700 Potomac Mills Road in Woodbridge for 30 days following the date of publication of this notice. Written comments on this goal will be accepted for 45 days from the date of publication of this notice. Comments should be addressed to: PRTC (Attn: Cynthia Porter-Johnson), 14700 Potomac Mills Road, Woodbridge, Virginia 22192 (cporter-johnson@omniride.com), and to Ms. Lynn Bailey, Regional Civil Rights Officer, Federal Transit Administration, Region 3 Office, 1835 Market Street, Suite 1910, Philadelphia, Pennsylvania 19103.



**PRTC/VRE OVERALL DBE GOAL
CONSULTATIVE PROCESS FORM**

Federal Fiscal Years 2022-2024

Proposed DBE Goal 14.1%

Organization _____ DBE Small Business

Contact Person/Title _____

Email Address _____ Phone _____

Questions for Stakeholders:

1. What do you think of the PRTC/VRE proposed DBE goal? Please provide your comments.

2. How can PRTC/VRE establish a DBE goal and maximize its race-neutral measures?

3. How can PRTC/VRE better reach out to small and minority firms about upcoming solicitations?

4. Would it be helpful for PRTC/VRE to hold informational sessions for DBEs?

Please provide any additional comments, suggestions or concerns on the back of this form or on a separate sheet.

*The information and feedback collected on this form will be incorporated into the PRTC/VRE 2022-2024 DBE goal submission.