

GARY PUBLIC TRANSPORTATION CORPORATION

Triennial Goal-Setting Methodology for FFYs 2018-20 DBE

The Gary Public Transportation Corporation (GPTC) overall goal for Federal Fiscal Years (FFY) 2018-20 is 2.95%.

This represents the percentage of Federal financial assistance anticipated to go to DBEs, to be expended on Department of Transportation (DOT)-assisted contracts (exclusive of Federal Transit Administration (FTA) funds to be used for the purchase of transit vehicles).

GPTC expects to award **\$6,346,350** in contracts during between FFY 2018 and FFY 2020 with award opportunities for Disadvantaged Business Enterprises (DBEs).

The following methodology was used to calculate GPTC's overall triennial goal for FFY's 2018-20.

Market Area — the service area of GPTC is the legal jurisdiction of the City of Gary and surrounding communities in Lake County, Indiana. Though this service area encompasses a significant urban county in the State of Indiana, for the purposes of its Goal Setting and DBE calculations, GPTC is using the entire State of Indiana as its market area for potential vendors for contracts analyzed herein.

The U.S. Census Bureau 2012 County Business Patterns for the State of Indiana was used to determine the number of firms by North American Industry Classification System (NAICS). The State of Indiana DBE Directory of certified firms was used to filter the number of DBE firms within GPTC's marketing area for calculating the numerator. This information is current as of June 1, 2017.

Step 1 — Base Figure

The Base Figure was established on the relative availability of DBEs in relation to all comparable firms available for GPTC FFYs 2018-20 contracting program. The base figure is 3.29%.

Step 2 — Weighted Base Figure

To ensure that the base figure is as accurate as possible, weighting was used to calculate the relative availability of DBE firms. The dollar value for contract budgets in each Work Category is here compared to the total dollar value of GPTC's cumulative contract opportunities. The resulting figures are added to create GPTC's Weighted Goal.

The resulting Weighted Base Figure (WBF) is 3.70%.

Step 3 — Adjustments

The DBE Liaison Officer (DBELO) does not recommend lowering the WBF based on historical trends due to dissimilarities in anticipated contracts. The weighted figure is accurate with the exception of anticipated participation in the largest line-item, health care. Though this line-item is significant, the DBE firms shown as indicated will not, based on experience, be the end recipient of this value. Because of the nature of healthcare, the only probable DBE participation would be at the brokerage level.

An aggressive outreach would garner brokerage at approximately 15% of the triennial amount for healthcare, which is \$217,500. This lowers the weight of the healthcare line item from 22.85% of GPTC's total contract dollar value to 4.25%. As a result, the weighted DBE goal for this line-item is now 0.29%.

GPTC's adjusted goal, as a result of this change, is 2.95%.

Race/Gender-Neutral and Race/Gender-Conscious Goal Split

As note in Federal regulation 49 CFR Part 26.51, GPTC must meet the maximum feasible portion of the overall goal by using race/gender-neutral means of facilitating DBE participation.

GPTC anticipates that, with robust outreach, these goals can be reached via race-neutral means. However, contract goals are anticipated for the following projects:

| NAICS | Description | \$ Value |
|--------------|--------------------------------|-----------------|
| 423430 | Computer Hardware and Software | \$370,750 |
| 541320 | Architectural Services | \$100,000 |

As a result, of GPTC's adjusted goal of 2.95% will be broken down as follows:

- Race-Neutral Means 2.60%
- Race-Conscious Means 0.35%

Consultation in Development of Annual DBE Goal

GPTC has consulted with the following agencies, groups and organizations in its efforts to identify ready, willing and able DBEs. This consultation includes distribution of GPTC's anticipated contracts and discussion of GPTC's the program with members and staff:

- City of Gary Public Board of Works
- Gary Chamber of Commerce
- Lakeshore Chamber of Commerce
- Crossroads Chamber of Commerce
- Northwest Indiana Regional Planning Commission
- Ivy Tech Northwest (Gary Campus)

In addition to these outreach efforts, GPTC will accept public comments for forty-five days from the date of this action. In addition to the mainstream print media, this notification will be directed to local minority newspapers.

Shown here are GPTC's FFY 2018-20 DBE contracting opportunities:

| WORK CATEGORY | NAIC Category | Estimated Dollar Value |
|-------------------------------|------------------------|-------------------------------|
| Building Construction | 236220, 237310, 238210 | 750,000 |
| Printing | 323111 | 80,000 |
| Computer Hardware/Software | 423430 | 370,750 |
| Office Supplies | 424120 | 190,000 |
| Purchase Electronic Equipment | 443112 | 75,000 |
| Health Insurance | 524114, 524298 | 1,450,000 |
| Audit Services | 541211 | 264,000 |
| Architectural Services | 541310 | 100,000 |
| Pest Control | 561710 | 3,850 |
| Cleaning/Janitorial | 561720 | 148,500 |
| Bus Maintenance Services | 811111, 811121 | 126,750 |
| Passenger Kiosks | 812990 | 200,000 |
| Fuel Delivery | 454390 | 2,400,000 |
| Telephone System Replacement | 541512 | 187,500 |

Finally, the below is the raw data used to calculate GPTC's Weighted Base Goal.

Base Figure Calculations & Adjustments to Base Figures

| WORK CATEGORY | NAIC Category | Available DBEs | Number of Firms in Indiana | Base Figure | Estimated Dollar Value | Weight | | Weighted Goal Percentage |
|-------------------------------|------------------------|----------------|----------------------------|--------------|------------------------|------------------------------------|------------------------------------|--------------------------|
| | | | | | | (% of GPTC Entire Contract Budget) | (% of GPTC Entire Contract Budget) | |
| Building Construction | 236220, 237310, 238210 | 349 | 2,880 | 12.31% | 750,000 | 11.82% | 11.82% | 1.45% |
| Printing | 323111 | 6 | 599 | 1.00% | 80,000 | 1.25% | 1.25% | 0.01% |
| Computer Hardware/Software | 423430 | 5 | 91 | 5.40% | 370,750 | 5.84% | 5.84% | 0.32% |
| Office Supplies | 474121 | 5 | 87 | 5.81% | 190,000 | 2.9% | 2.9% | 0.17% |
| Purchase Electronic Equipment | 443112 | 3 | 102 | 0.29% | 75,000 | 1.18% | 1.18% | 0.00% |
| Health Insurance | 521110, 522398 | 9 | 132 | 6.82% | 1,150,000 | 22.85% | 22.85% | 1.56% |
| Audit Services | 741711 | 5 | 901 | 0.66% | 294,000 | 4.16% | 4.16% | 0.07% |
| Architectural Services | 541310 | 18 | 942 | 1.91% | 100,000 | 1.58% | 1.58% | 0.03% |
| Pest Control | 561710 | 0 | 178 | 0.00% | 3,850 | 0.06% | 0.06% | 0.00% |
| Cleaning/Laborial | 561720 | 28 | 1,128 | 2.48% | 148,500 | 2.34% | 2.34% | 0.06% |
| Bus Maintenance Services | 811111, 811121 | 1 | 176 | 0.06% | 126,750 | 2.0% | 2.0% | 0.06% |
| Passenger Kiosks | 812900 | 0 | 145 | 0.00% | 200,000 | 3.15% | 3.15% | 0.06% |
| Fuel Delivery | 494900 | 0 | 1,671 | 0.00% | 2,400,000 | 37.82% | 37.82% | 0.06% |
| Telephone System Replacement | 741717 | 24 | 747 | 1.15% | 147,500 | 2.9% | 2.9% | 0.11% |
| Totals | TOTALS | 458 | 13,935 | 3.29% | 6,346,350 | 100.00% | 100.00% | 3.70% |