



Disadvantaged Business Enterprise Participation in Greater MN Transit

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MnDOT Office of Civil Rights
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Getting to Know You

Go to www.menti.com and use the code 80 00 88



Disadvantaged Business Defined

“For-profit small business where socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations.”



**U.S. Department
of Transportation**

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What is the purpose of the DBE Program?

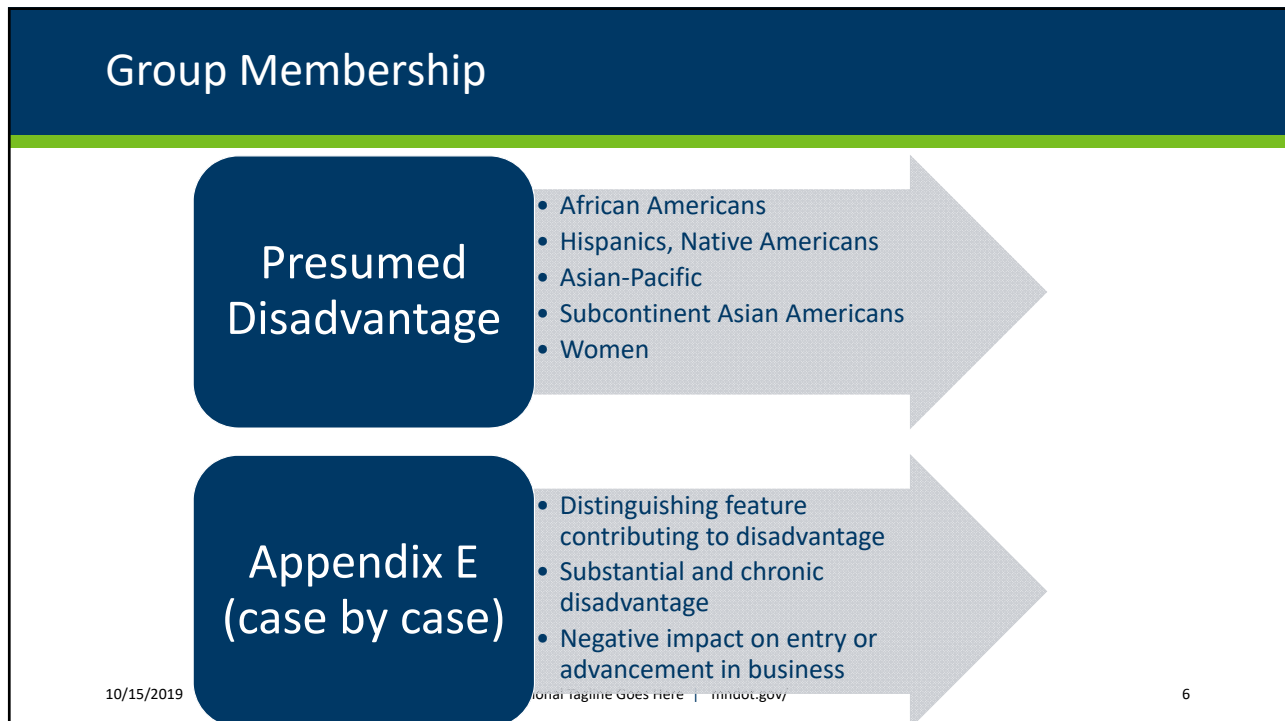
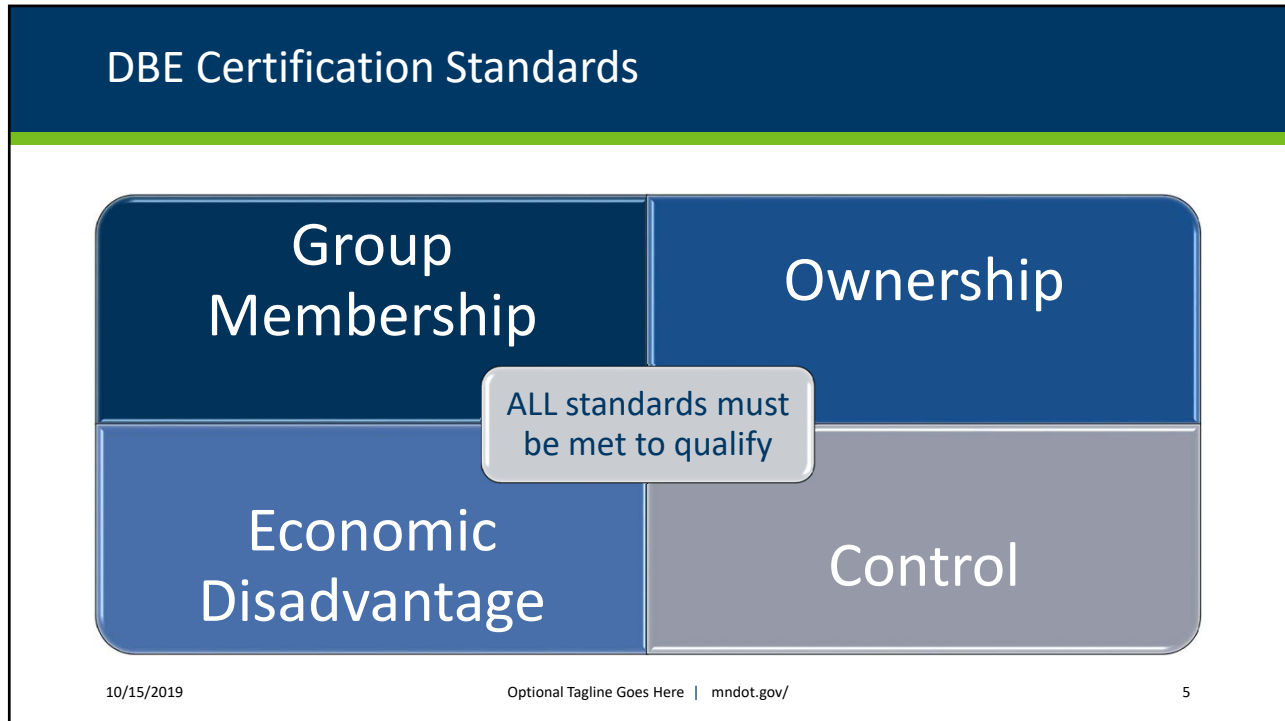
- **REMOVE** barriers on federally funded projects
- **CREATE** a level playing field for participation
- **ENSURE** non-discrimination in award and administration



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Economic Disadvantage

- Personal Net worth under 1.32 million
- Must meet SBA size standards
- Annual gross receipts cannot exceed 23.98 million
- Salary under \$350,000



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Ownership and Control

51% owned and controlled by disadvantaged individual(s)

- Real and substantial
- Independent
- Position in business
- Relevant expertise
- Directs day to day operations



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CERTIFYING AGENCIES



- Minnesota Department of Transportation
- City of Minneapolis
- Metropolitan Airport Commission
- Metropolitan Council



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Who must have a DBE program?

(a) If you are a recipient of any of the following types of funds, this part applies to you:

Authority: 49CFR §26.3(a)

- All FHWA primary recipients receiving funds authorized by a statute to which the DBE program applies
- **FTA recipients receiving planning, capital and/or operating assistance who will award prime contracts (excluding transit vehicle purchases) the cumulative total value of which exceeds \$250,000 in FTA funds in a Federal fiscal year**
- FAA recipients receiving grants for airport planning or development who will award prime contracts the cumulative total value of which exceeds \$250,000 in FAA funds in a Federal fiscal year

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What Assurances Must Recipients & Contractors Make?

- Each financial assistance agreement you sign with a DOT operating administration (or a primary recipient) must include an assurance.
- The recipient shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts.
- The recipient's DBE program, as required by 49 CFR part 26 and as approved by DOT, is incorporated by reference in the agreement.
- Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement.

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What Assurances Must Recipients & Contractors Make?

- Each contract you sign with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the same assurances.
- The contractor, **sub recipient** or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract

Authority: 49 CFR §26.13

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What records do recipients keep and report?

- MnDOT must transmit the Uniform Report of DBE Awards or Commitments and Payments (Semi-Annual Report)
- MnDOT must continue to provide data about your DBE program to the Department as directed by DOT operating administrations
- MnDOT must implement appropriate mechanisms to ensure compliance with DBE program requirements by all program participants (e.g., applying legal and contract remedies available under Federal, state and local law).

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MnDOT Greater MN Transit Overall DBE Goal FFYs 17-19

FFY 17: **9.12%** (7.2% R/C, 2.4% R/N) FFY 18: **9.12%** (7.2% R/C, 2.4% R/N) FFY 19: **9.12%** (7.2% R/C, 2.4% R/N)



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How do recipients set overall goals?

- Overall goal is expressed as a percentage of all FTA or FAA funds (exclusive of FTA funds to be used for the purchase of transit vehicles) that you will expend in FTA or FAA-assisted contracts in the three forthcoming fiscal years.
- If you are a FTA or FAA recipient who reasonably anticipates awarding (excluding transit vehicle purchases) \$250,000 or less in FTA or FAA funds in prime contracts in a Federal fiscal year, you are not required to develop overall goals for FTA or FAA respectively for that fiscal year

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Can MnDOT be penalized for failing to meet overall goals?

- Not unless we have failed to administer our program in good faith.
- Yes, If the department does not have an approved DBE program or overall goal.
- If the awards and commitments shown on the Uniform Report of Awards or Commitments and Payments are less than the overall goal applicable to that fiscal year, MnDOT must Complete a “Shortfall Analysis” in order to be regarded by USDOT as implementing our DBE program in good faith



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What means do recipients use to meet overall goals?

RGN

You must meet the maximum feasible portion of your overall goal by using race-neutral means



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What means do recipients use to meet overall goals?



SMALL BUSINESS RESOURCES

ONE-ON-ONE PROJECT-BASED ASSISTANCE

Small Business Technical Assistance and Pinpoint Bidding and Estimating program

- Project specific bonding and banking
- Bidding and Estimating for specific scopes of work
- Reading plans and scope of work extraction
- One-on-one technical assistance

Contact:
Denae Johnson
denaejohnson@projectolutionsinc.com
612-605-7367

RESOURCE CENTER

Small Business Resource Center

- Mentoring services
- Workshops
- Access to office space and business technology
- Access to industry experts
- Access to helpline for small business inquiries
- Business Enterprise application and preparation for certified small businesses

Contact:
Lynn Pingel
lrynpingel@makecompany.com
651.756.1997

LOAN

Working Capital Loan Fund

- Loans are available up to \$25,000 per MnDOT contract
- Loans are available for each MnDOT contract held, up to a total of \$60,000
- One-on-one financial training, support and assistance

Contact:
Sarah Pike
spike@womensventure.org
612-224-9578

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What means do recipients use to meet overall goals?



MnDOT must establish contract goals to meet any portion of our overall goal we do not project being able to meet using race-neutral means

MnDOT may use contract goals only on those DOT-assisted contracts that have subcontracting possibilities

MnDOT is not required to set a contract goal on every DOT-assisted contract

If, during the course of any year in which you are using contract goals, and it is determine that you will exceed your overall goal, you must reduce or eliminate the use of contract goals

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What Type of Projects/Contracts Require DBE Goals?

MnDOT Office of Civil Rights (OCR) establishes DBE goals for greater Mn DOT-assisted Transit contracts

- Planning
- Capital Projects
- Operating assistance



<https://mnucp.metc.state.mn.us/Default.aspx>

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What happens when a DBE Contract goal is not achieved?

Meet/Exceed the goal or demonstrate "Good Faith Effort" (GFE)

100% Effort

Definition: An honest attempt to do something to your full potential.

Contract Clearance

GFE Determination

Reconsideration

Final Clearance

When you have established a DBE contract goal, you must award the contract only to a bidder/offeree who makes good faith efforts to meet it.

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Requirements for Transit Vehicle Manufacturers (TVMs):

- ✓ FTA Recipients must require that each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, certify that it has complied with the requirements of 49CFR §26.49
- ✓ Only those transit vehicle manufacturers listed on FTA's certified list of Transit Vehicle Manufacturers are eligible to bid
- ✓ A TVM's failure to implement the DBE Program in the manner as prescribed in 49 CFR part 26 will be deemed as non-compliance, which will result in removal from FTA's certified TVMs list, and that manufacturer becoming ineligible to bid
- ✓ FTA recipients are required to submit within 30 days of making an award, the name of the successful bidder, and the total dollar value of the contract in the manner prescribed in the grant agreement
- ✓ TVMs must establish and submit for FTA's approval an annual overall percentage goal



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Eligible Transit Vehicle Manufacturers:

<https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/eligible-transit-vehicle-manufacturersmndot.gov>

Transit Vehicle Manufacturer	Address	FY2020 DBE Goal %	DBE Liaison Officer/Email
A and J Vans, Inc.*	322 West Washington Street Valders, WI	2.51%	Travis Pflie
Alexander Dennis	31366 Railroad Canyon Road, Suite 342 Canyon Lake, CA	2.50%	Judy Lovitt
Alatom Transportation, Inc.*	1 Transit Drive Hannett, NY	7.63%	Michelle Studer
ARBOC Specialty Vehicles, LLC	51165 Greenfield Parkway Middlebury, IN	0.80%	Betty Henschelberger
Blue Bird Body Company	402 Blue Bird Boulevard, P.O. Box 927	0.85%	Linda Bellflower

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What compliance procedures apply to recipients?



Failure to comply with any requirement of this part, may subject you to formal enforcement action under §26.103 or §26.105 or appropriate program sanctions by the concerned operating administration, such as the suspension or termination of Federal funds, or refusal to approve projects, grants or contracts until deficiencies are remedied.

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Review of Roles and Responsibilities:

Action or Responsibility	Recipient (MnDOT)	Sub Recipient	Contractors/Consultants
Design and implement an effective DBE program	√		
Provide Assurances in the award and administration of DOT-assisted contracts	√	√	
Signed and Dated DBE Policy Statement	√		
Designate a DBE Liaison Officer who has direct and independent access to the CEO	√		
Send all bid notices and proposals to the DBE Liaison Officer early in the process to assess a DBE goal	√	√	
Monitor work and timely payments of DBEs on projects	√	√	√
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Review of Roles and Responsibilities:

Action	Recipient (MnDOT)	Sub Recipient	Contractors/Consultants
Gather reports and statistical data as required by USDOT	√	√	√
Review third-party contracts and purchase requisitions for compliance with the DBE program	√	√	
Establish overall annual DBE goals	√		
Provide DBEs with information, assistance in bid preparation, bonding, insurance and DBE training seminars	√		√
Certify DBEs according to the criteria in 49CFR §26 and participate in the Minnesota Uniform Certification Process (MnUCP)	√		
Maintain an updated Directory on certified DBEs	√		
Monitor DBE compliance performance of all participants	√		
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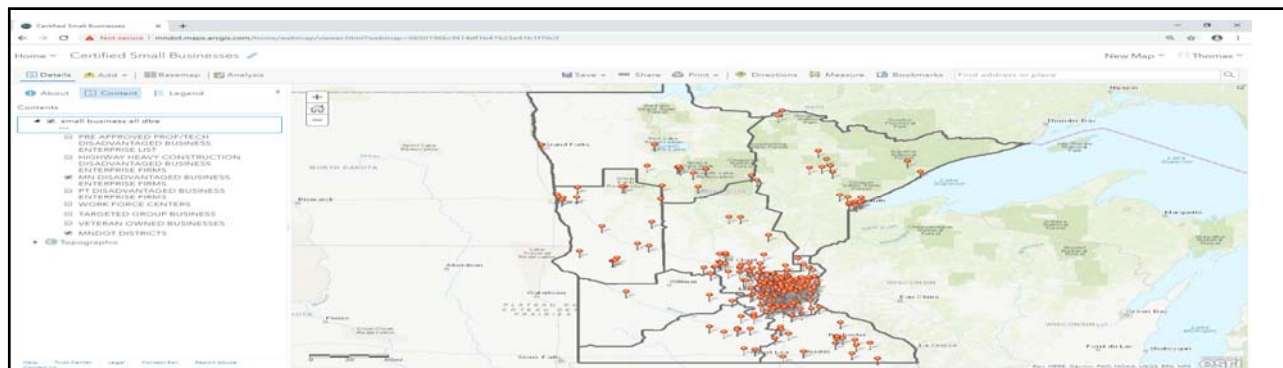
Additional Resources:

- MnDOT Office of civil Rights:
 - <http://www.dot.state.mn.us/civilrights/>
- FTA Civil Rights Training Materials:
 - <https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/civil-rights-training-materials>
- DBE Guidance – Official Q & A DBE Program Regulations
 - <https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/dbe-guidance>

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Mapping Minnesota Certified Small Businesses and Workforce Centers

Thomas Mebrahtu | Data & Reporting Coordinator

Office of Civil Rights

10/10/2019

What it is?

A tool that shows the spread of certified small businesses (DBE, TGB & Vet) and Workforce centers located in the state of MN.

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Benefits

- It is a one stop shop
- Tool for setting DBE Goals
- Marketing tool for our Stakeholders, DBE's, TGB, Veterans, Professional Engineers/Consultants
- Community Awareness & Engagement
- Promote & Encourage Joint Ventures
- Sort by Districts

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Data Source

- MnUCP (DBE Directory)
- Department of Admin TG/ED/VO List (Directory)
- MnDOT's Consultants Services website

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What is in it?

- Company Name
- Business description
- Contact information
- NAICS Codes that they are certified with and etc....

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Accessing the Map

- MnDOT main webpage
- Go to topics and click A-Z
- G-and that will take you to the Geographic data
- Go to the bottom of the GD and click on Mn-Map
- There are different types of maps to highlight and select CSB
- Go to content
- There are two options to select (click the arrow for smallbiz)
- If you want to look for HH DBEs, click

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Features

- Can be filtered by:
 - Business Description
 - Company name
 - Zip Code
 - Contact Person

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Thank you again!

Firstname Lastname

firstname.lastname@state.mn.us

555-555-5555