



Cape Ann Transportation Authority

Disadvantaged Business Enterprise Goal Methodology FFY2025-FFY2027
Submitted June 14, 2024

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DBE Goal Submission for FFY2025-FFY2027

New Goals

The Cape Ann Transportation Authority's (CATA) overall goal for FFY25-FFY27 (October 1, 2024-September 30, 2027) is 4.75% of the Federal financial assistance we will expend in DOT-assisted contracts, exclusive of FTA funds used for the purchase of transit vehicles. \$1,794,283 is the dollar amount of DOT-assisted contracts that CATA expects to award between FFY2025 and FFY2027. \$1,202,559 is expected to be awarded in FFY25, \$364,204 is expected to be awarded in FFY26, and \$227,500 is expected to be awarded in FFY27.

CATA has set a goal of expending \$84,199 with DBE-certified companies over the next three federal fiscal years. CATA expects to meet our overall goal of 4.75% with 100% obtained from race-neutral participation and 0% from race-conscious methods.

Proof of Publication

CATA published notification of an outreach meeting in the Gloucester Times on Friday, March 29, 2024. A copy has been included in Attachment 1 and 2. In addition, this information was sent to the Greater Cape Ann Chamber of Commerce for distribution to its members. CATA also published notification of the meeting to our various social media accounts. The posting is included in Attachment 3. The meeting was held on Monday, April 8, 2024.

CATA published a notice announcing the DBE goals established as part of this program on our website, www.canntan.com. A copy of this notifications is included in Attachment 4.

CATA did not receive any comments on the DBE goals. As a result, CATA did not make any changes to the goal as a result of comments.

Minority/Women Contracting Groups

CATA utilizes the local Cape Ann Chamber of Commerce for assistance in identifying Chamber members and small business associations in the area. CATA will continue to utilize the Cape Ann Chamber of Commerce for outreach and to establish relationships with small and minority owned businesses.

In addition to the local Chamber of Commerce, CATA participates in the Unified Certification Program (UCP) managed by MassDOT. The UCP provides DBE certification for eligible business and conducts outreach and training across the state. CATA also uses the database maintained by the UCP to locate DBE-certified businesses.

CATA partners with peer regional transit authorities to create greater interest in RTA projects from the DBE community. CATA will continue this partnership in future years.

CATA conducted an outreach meeting to discuss upcoming procurement opportunities and CATA's goal-setting methodology. CATA did have five attendees at CATA's outreach meeting, which was held in person at CATA training room. The level of attendees this year was higher than the previous outreach meeting, which had zero attendees.

Goal Construction

Projects

CATA typically receives a limited amount of 5307 federal funding for use on capital projects. However, CATA was awarded an additional 5307 capital funds through the Boston MPO Transit Transformation Program. CATA is planning for a few larger projects during this goal period including repaving the parking area and building rehabilitation, including the rehabilitation of several restrooms original to the building and the replacement of all windows throughout the building. In previous years, CATA has capitalized allowable preventative maintenance expenses and will continue to do so during this goal period. We included operating expenses CATA can reasonably expect to expend during the time period.

Capital Projects and Purchases

- Preventative Maintenance
 - CATA has programmed preventative maintenance into our FFY25, FFY26, and FFY27 projects. Expenses typically include the following:
 - Vehicle supplies (supplies for use on the vehicles, such as paper towels and windshield fluid),
 - Contract maintenance and parts (bodywork, filters, brake pads, light bulbs, and other replacement parts)
 - Lubes (oil and other fluids)
 - Tires
 - Shop supplies (supplies for use in the shop, such as paper towels, cleaners, rags, bulbs)
 - Radio maintenance and repairs
- Paving
 - CATA has programmed the repaving of the parking area of the Administration and Operations Facility in FY25
- Building Rehabilitation
 - CATA has programmed for building rehabilitation to include the restrooms, windows, and other integral parts of the building

Equipment and Operating Purchases

- Audit Services

- Fuel and Petroleum Products
- Ground Maintenance and Plowing
- Transit Management Services (Operating Contract)
- Office Supplies

A listing of projects by fiscal year has been included on pages 8-10.

Information Sources

CATA used two sources to determine the number of DBEs certified in our area and the availability of total firms.

1. CATA is a part of a UCP with the Commonwealth of Massachusetts and the Massachusetts Department of Transportation. The Commonwealth's Supplier Diversity Office (SDO) maintains a directory of these certified businesses on their website. This is a searchable directory in which DBE certified businesses can be sorted by NAICS code. CATA downloaded the directory, categorized, sorted, and checked for duplicate listings in similar categories. CATA identified 73 DBE certified firms within the applicable NAICS codes.
2. CATA used the 2021 County Business Patterns provided by the U.S. Census to determine the total number of firms within the same geographic area as the DBE firms found via the SDO database. The 2021 County Business Patterns database is searchable by state, county, and then NAICS code. CATA identified 14,689 firms within the same geographic area and applicable NAICS codes as that of the DBE firms identified.

Goal Setting Process

Step One: Base Figure

CATA began our goal setting process by determining a base figure for the relative availability of DBEs.

Using the Massachusetts Supplier Diversity Office (SDO) DBE Directory, CATA determined the number of ready, willing, and able DBE's in CATA's market for each of project/contract CATA expects to award during each of the three years in the period. CATA uses Essex, Middlesex, and Suffolk counties as the local market area as we currently utilize vendors in each of these counties.

CATA then utilized the Census Bureau's County Business Pattern (CBP) database to determine the number of all ready, willing, and able businesses available in the CATA market that perform work in the same NAICS codes.

After determining the number of DBE firms and the number of all firms in each applicable NAICS, CATA divided the number of DBE firms by the total number of firms in each applicable NAICS. This provided a preliminary figure for the relative availability of DBEs in the CATA market of 0.59%. A listing of this information is included on the following page in *Table 1: Listing of Applicable NAICS Codes for Projected CATA Projects FFY25-FFY27*.

Projects and applicable NAICS codes for projects CATA is expecting to complete during the three-year period are in red.

Table 1: Listing of Applicable NAICS Codes for Projected CATA Projects

FFY25-FFY27

NAICS Codes (2021 County Business) Essex, Middlesex, and Suffolk Counties, MA	Code	Total	SOMWBA Listing (Essex, Middlesex, Suffolk)	
Surfacing & Paving	237310	82	Surfacing & Paving	13
Windows	238150	110	Windows	0
General Plumbing	238220	2,392	General Plumbing	0
Printing & Related	323111	333	Printing & Related	4
Motor Vehicle Supplies & Parts Wholesale	423120	172	Motor Vehicle Supplies & Parts Wholesale	0
Tire & Tube Merchant Wholesale	423130	24	Tire & Tube Merchant Wholesale	0
Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	423430	285	Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	2
Industrial Supplies Merchant Wholesalers	423840	101	Industrial Supplies Merchant Wholesalers	0
Petroleum & Products Merchants Wholesale	424720	13	Petroleum & Products Merchants Wholesale	2
Automotive Part & Accessories Stores	441310	422	Automotive Part & Accessories Stores	0
Tire Dealers Retail	441320	227	Tire Dealers Retail	0
Office Supplies	453210	84	Office Supplies	0
Fuel Dealers	454310	279	Fuel Dealers	1
Transit Management and Operations	485113	3	Transit Management and Operations	0
Newspaper Publishers	511110	104	Newspaper Publishers	0
Commerical Banks	522110	1,557	Commerical Banks	0
CPA Services	541211	1,097	CPA Services	6
Computer Systems Design Service	541512	1,414	Computer Systems Design Service	23
Translation & Interpretation Services	541930	66	Translation & Interpretation Services	1
Extermination & Pest Control Services	561710	179	Extermination & Pest Control Services	0
Janitorial Services	561720	1,533	Janitorial Services	20
Landscaping Services (& Plowing)	561730	3,065	Landscaping Services (& Plowing)	3
Waste Collection	562111	185	Waste Collection	1
Auto Body, Paint & Interior Repair	811121	935	Auto Body, Paint & Interior Repair	0
Communication Equipment Repair & Maintenance	811213	15	Communication Equipment Repair & Maintenance	2
Linen & Uniform Supply	812331	12	Linen & Uniform Supply	0
Total		14,689	Total	78
Applicable NAICS Codes		12,331	Applicable NAICS Codes	73

After developing the preliminary figure, CATA calculated the weight of each project in respect to the total amount of federal funds CATA expects to expend. The percentage of DBE firms was multiplied by the weight of each project. These figures were then added together to calculate CATA's weighted base goal of 4.75% or \$84,199 out of \$1,794,263.

A listing of projects by year, NAICS codes, number of DBE firms in the NAICS and CATA's local area, the number of total firms within the NAICS code and CATA's local area, the estimated federal dollar portion of each project, the weight of federal dollars per project, and a weighted DBE base figure has been included on the following pages as *Table 2: CATA Federally Assisted Projects FFY25-FFY27 Development of Weighted Base Goal*.

Table 2: CATA Federally Assisted Projects FFY25, FFY26, FFY27

Development of Weighted Base Goal

Project Award	Project Completion	Project	NAICS	# of DBE firms	# of all firms	Percentage of DBE firms	Estimated Dollar of Contract (DOT Funds only)	Percentage of Budget	Weighted by Budget Expense
2025	2025	Plumbing	238220	0	2502	0.0000	\$ 160,000	0.0892	0.0000
2025	2025	Paving	237310	13	82	0.1585	\$ 320,000	0.1783	0.0283
2025	2025	Computer System Design & Related Services + ADA/DAR Fare Upgrades	541512	23	1414	0.0163	\$ 52,000	0.0290	0.0005
2025	2025	Computer & Computer Peripheral Equip & Software Merchant Wholesalers	423430	2	285	0.0070	\$ 80,000	0.0446	0.0003
2025	2025	Office Supplies	453210	0	84	0.0000	\$ 4,371	0.0024	0.0000
2025	2025	Fuel	454310	1	279	0.0036	\$ 35,883	0.0200	0.0001
2025	2025	Petroleum Products (Fluids/Lubes)	424720	2	13	0.1538	\$ 47,844	0.0267	0.0041
2025	2025	Motor Vehicle Supplies & Parts Wholesale	423120	0	172	0.0000	\$ 20,203	0.0113	0.0000
2025	2025	Automotive Part & Accessories Stores	441310	0	422	0.0000	\$ 20,203	0.0113	0.0000
2025	2025	Auto Body, Paint, and Interior Repair	811121	0	935	0.0000	\$ 2,245	0.0013	0.0000
2025	2025	Industrial Supplies Merchant Wholesalers	423840	0	101	0.0000	\$ 23,288	0.0130	0.0000
2025	2025	Tire and Tube Merchant Wholesalers	423130	0	24	0.0000	\$ 11,048	0.0062	0.0000
2025	2025	Tire Dealers Retail	441320	0	227	0.0000	\$ 3,683	0.0021	0.0000
2025	2025	Landscaping (includes plowing)	561730	3	3065	0.0010	\$ 2,000	0.0011	0.0000
2025	2025	Communication Equipment Repair & Maintenance	811213	2	15	0.1333	\$ 6,396	0.0036	0.0005
2025	2025	Audit Services	541211	6	1097	0.0055	\$ 7,000	0.0039	0.0000
									\$ 1,202,559

2026	2026	Computer System Design & Related Services + ADA/DAR Fare Upgrades	541512	23	1414	0.0163	\$ 32,960	0.0184	0.0003
2026	2026	Computer & Computer Peripheral Equipment & Software Merchant Wholesalers	423430	2	285	0.0070	\$ 12,000	0.0067	0.0000
2026	2026	Office Supplies	453210	0	84	0.0000	\$ 4,480	0.0025	0.0000
2026	2026	Translation Services	541930	1	66	0.0152	\$ 1,000	0.0006	0.0000
2026	2026	Fuel	454310	1	279	0.0036	\$ 36,780	0.0205	0.0001
2026	2026	Petroleum Products (Fluids/Lubes)	424720	2	13	0.1538	\$ 49,040	0.0273	0.0042
2026	2026	Motor Vehicle Supplies & Parts Wholesale	423120	0	172	0.0000	\$ 20,708	0.0115	0.0000
2026	2026	Automotive Part & Accessories Stores	441310	0	422	0.0000	\$ 20,708	0.0115	0.0000
2026	2026	Auto Body, Paint, and Interior Repair	811121	0	935	0.0000	\$ 2,301	0.0013	0.0000
2026	2026	Industrial Supplies Merchant Wholesalers	423840	0	101	0.0000	\$ 23,870	0.0133	0.0000
2026	2026	Tire and Tube Merchant Wholesalers	423130	0	24	0.0000	\$ 3,775	0.0021	0.0000
2026	2026	Tire Dealers Retail	441320	0	227	0.0000	\$ 1,025	0.0006	0.0000
2026	2026	Landscaping (includes plowing)	561730	3	3065	0.0010	\$ 2,000	0.0011	0.0000
2026	2026	Replace Windows	238150	0	110	0.0000	\$ 140,000	0.0780	0.0000
2026	2026	Communication Equipment Repair & Maintenance	811213	2	15	0.1333	\$ 6,556	0.0037	0.0005
2026	2026	Audit Services	541211	6	1097	0.0055	\$ 7,000	0.0039	0.0000

\$ 364,204

2027	2027	Computer System Design & Related Services + ADA/DAR Fare Upgrades	541512	23	144	0.1597	\$	22,400	0.0125	0.0020	
2027	2027	Computer & Computer Peripheral Equipment and Software Merchant Wholesalers	423430	2	285	0.0070	\$	12,000	0.0067	0.0000	
2027	2027	Office Supplies	453210	0	84	0.0000	\$	4,662	0.0026	0.0000	
2027	2027	Fuel	454310	1	279	0.0036	\$	37,700	0.0210	0.0001	
2027	2027	Petroleum Products (Fluids/Lubes)	424720	2	13	0.1538	\$	50,266	0.0280	0.0043	
2027	2027	Motor Vehicle Supplies & Parts Wholesale	423120	0	172	0.0000	\$	21,226	0.0118	0.0000	
2027	2027	Automotive Part & Accessories Stores	441310	0	422	0.0000	\$	21,226	0.0118	0.0000	
2027	2027	Auto Body, Paint, and Interior Repair	811121	0	935	0.0000	\$	2,358	0.0013	0.0000	
2027	2027	Industrial Supplies Merchant Wholesalers	423840	0	101	0.0000	\$	24,467	0.0136	0.0000	
2027	2027	Tire and Tube Merchant Wholesalers	423130	0	24	0.0000	\$	11,607	0.0065	0.0000	
2027	2027	Tire Dealers Retail	441320	0	227	0.0000	\$	3,869	0.0022	0.0000	
2027	2027	Landscaping (includes plowing)	561730	3	3065	0.0010	\$	2,000	0.0011	0.0000	
2027	2027	Communication Equipment Repair & Maintenance	811213	2	15	0.1333	\$	6,720	0.0037	0.0005	
2027	2027	Audit Services	541211	6	1097	0.0055	\$	7,000	0.0039	0.0000	\$ 227,500
											\$ 1,794,263
Totals				138	26842	0.0051	\$	1,794,263	1.0000	0.0475	\$ 85,199

Weighted Base Goal	4.75%
Dollar Amt. Weighted Base Goal	\$ 85,199

Step Two: Adjusting the Base Goal

CATA is not adjusting the weighted goal of 4.75% in Step Two.

CATA examined all of the evidence available in CATA's jurisdiction to determine what adjustment, if any, was needed to the base figure in order to arrive at a CATA overall goal (i.e., past participation, disparity studies, etc.).

1. Past Participation

CATA's past DBE participation is very uneven. This is primarily due to large IT contracts awarded to one particular DBE vendor. CATA did not meet the previous DBE goal of 4.31%, partly due to the low number of projects CATA awards as well as staff turnover and a loss of knowledge about CATA's DBE program. .. CATA's DBE attainment without the large IT contracts is significantly lower.

2. Disparity Studies

In reviewing our base goal to determine if an adjustment was necessary, CATA used a study prepared by NERA Economic Consulting in September 2010 for the Commonwealth's Division of Capital Asset Management (DCAM) and the Massachusetts Housing Finance Agency (MassHousing), *Race, Sex, and Business Enterprise: Evidence from the Commonwealth of Massachusetts: Volume II*. This is the only study CATA was able to locate for Massachusetts. The Massachusetts Department of Transportation has begun the process for a disparity study to be performed which would be more relevant for CATA, however that study has not been completed. CATA does not have projects planned that fall within the realm of the DCAM study, however the information presented in the study can still be useful in considering an adjustment of CATA's base goal.

The study showed that for minority and female business formation and ownership, there are "observed M/WBE availability levels in the Commonwealth of Massachusetts are substantially and statistically significantly lower than those that would be expected to be observed if commercial markets operated in a race- and sex-neutral manner.... Put differently, the disparity ratio of the actual business formation rate to the potential business formation rate is 0.64. Disparity ratios are large, adverse, and statistically significant for all groups examined with the exception of persons reporting multiple races." (Page 94, *Race, Sex, and Business Enterprise: Evidence from the Commonwealth of Massachusetts: Volume II*)

The study recommended that "given the large disparities observed for minority-owned and women-owned businesses, goal-setters may want to consider adjusting

baseline estimates of M/WBE availability upward to account for the continuing effects of discrimination.” (Page 95, *Race, Sex, and Business Enterprise: Evidence from the Commonwealth of Massachusetts: Volume II*)

CATA’s DBE attainment continues to be very uneven, however. CATA is not adjusting the goal of 5.00%, with the recognition the Authority did not achieve the previous goal due to the low number of projects CATA awarded during the past period as well as staff turnover and a loss of knowledge about CATA’s DBE program.

Race Neutral and Race-Conscious Participation

Detailed Past Goal Attainment

CATA did not meet the DBE goal attainment during the previous goal setting period.

Fiscal Year	Contracts Awarded or Committed	Dollar Amount	Payments on Ongoing Contracts	Dollar Amount	Payments on Contracts Completed	Dollar Amount
2021	1.03%	\$ 157	0.00%	\$ -	0.26%	\$ 157
2021	5.33%	\$ 6,163	0.00%	\$ -	4.90%	\$ 6,163
2022	0.02%	\$ 56	0.17%	\$ 189	0.10%	\$ 56
2022	1.69%	\$ 1,820	0.00%	\$ -	0.00%	\$ -
2023	0.02%	\$ 20	0.00%	\$ -	0.00%	\$ 20
2023	0.24%	\$ 129	0.00%	\$ -	0.25%	\$ 129

1. In FY21, there was 3.27% DBE participation in contracts awarded (1.03% and 5.33%).
2. In FY22, there was 0.45% DBE participation in contracts awarded (0.02% and 1.69%).
3. In FY23, there was 0.07% DBE participation in contracts awarded (0.02% and 0.24%).

CATA’s has worked to meet previous DBE participation goals using race-neutral means and is planning to continue do so during the upcoming three-year period. CATA intends to continue to utilize specific race-neutral means in order to meet the goal. This includes:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more accessible to small businesses. CATA allows potential bidders to conduct site visits at times of their choosing, making the site visit more convenient for the potential bidders.
2. Carrying out information and communication programs on contracting procedures and specific contract opportunities. CATA utilizes the MassDOT UCP as a directory

of DBE certified firms. DBE certified companies are directly contacted as part of the procurement process for each capital project.

3. Providing technical assistance and other services. CATA works to ensure potential bidders understand the project, including compliance with federal regulations.
4. Providing instruction, guidance, and monitoring to current contractors, including the current operating company, on the utilization of DBE certified companies and proper reporting of such. CATA is working closely with the current operating company to identify and utilize DBE certified companies for both small capital and operating purchases, including the implementation of a new DBE usage tracking form.

**Cape Ann
Transportation Authority
Meeting Notice Disadvantaged
Business Enterprise (DBE) Goal**
In conformance with the Department of Transportation's 49 CFR part 26, CATA will be holding a meeting of contractors and interested parties to discuss the three year DBE goal setting process for Federal Fiscal Years 25,26, 27 (October 1 2025-September 30, 2027). The meeting will be held in the CATA Training Room located at 3 Pond Road, Gloucester, MA at 1:00pm. Public transportation is available via CATA's Eastern Ave/Green route. For further information, please contact Eddie Marquesas 978-283-1886x101. marquesa@canntran.com
GT - Publication Dates

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Notice Details

Cape Ann Transportation Authority Meeting Notice Disadvantaged Business Enterprise (DBE) Goal In conformance with the Department of Transportation's 49 CFR part 26, CATA will be holding a meeting of contractors and interested parties to discuss the three year DBE goal setting process for Federal Fiscal Years 25,26, 27 (October 1 2025-September 30, 2027). The meeting will be held in the CATA Training Room located at 3 Pond Road, Gloucester, MA at 1:00pm. Public transportation is available via CATA's Eastern Ave/Green route. For further information, please contact Eddie Marques 978-283-1886x101, marquese@canntan.com GT - March 29 2024

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Attachment 3



The image shows a Facebook post from the Cape Ann Transportation Authority (CATA). The post features the CATA logo, a map of the Cape Ann area, and text announcing a public meeting. The text encourages the public and business community to attend a meeting on April 8, 2024, from 1:00pm to 1:30pm at the CATA Training Room. The meeting will discuss potential capital and operating projects, DOT funds, and CATA's DBE goal-setting methodology. Contact information for Eddie Marques is provided.

CATA
Cape Ann Transportation Authority

Capital & Operating Projects Meeting

THE PUBLIC & BUSINESS COMMUNITY ARE ENCOURAGED TO ATTEND

**Join Us April 8, 2024
1:00pm-1:30pm**

**CATA Training Room
3 Pond Road, Gloucester, MA 01930**

Cape Ann Transportation Authority ...
1d · 🌐

PUBLIC MEETING TODAY: Join CATA for an outreach meeting Today from 1:00pm-1:30pm, in the CATA Training Room located at 3 Pond Road, Gloucester, MA. We will be reviewing potential capital and operating projects CATA expects to undertake within the next three years. Members of the public and the business community are encouraged to attend. As a recipient of DOT funds, CATA develops a DBE goal on a triennial basis. This meeting will also include a discussion of CATA's DBE goal-setting methodology. Public transportation is available via CATA's Eastern Ave/Green route. For further details, please contact Eddie Marques at 978-283-1886x101, marquese@canntran.com **MassDOT** See less

Like Comment

Cape Ann Transportation Authority – Disadvantaged Business Enterprise Goal

Proposed Federal Fiscal Year 2025-2027 Goal

The Cape Ann Transportation Authority (CATA), in accordance with U.S. Department of Transportation Regulations at 49 CFR Part 26, has established a Disadvantaged Business Enterprise (DBE) Participation Goal for Federal Fiscal Year 2025-2027. CATA's goal for DBE Participation for FFY 2025-2027 shall be 4.75% of funds expended in U.S. Department of Transportation-assisted contracts.

The goal and description of the methodology used to determine the goal will be available for inspection for 30 days following the date of publication of this notice during normal business hours (8:00 am-4:00 pm) at CATA's Operations Center located at 3 Pond Road, Gloucester, MA 01930.

CATA and the Department of Transportation will accept comments on the goal for 30 days from the date of publication of this notice. Comments may be sent to DBELO, CATA, 3 Pond Road, Gloucester, MA 01930, or to the Civil Rights Officer, Federal Transit Administration, Volpe Center, 55 Broadway, Cambridge, MA 02142.

Date Posted 5/3/2024