

THE CITY OF BISMARCK'S

DISADVANTAGED

BUSINESS

ENTERPRISE

GOALS

FOR THE YEARS 2016-2018

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The City of Bismarck will receive in excess of \$1,500,000 per year in FTA Federal funds, between 201 and 2018. This meets the threshold for preparing and adhering to a DBE goal and program. The City of Bismarck's DBE goal was arrived at by using 49 CFR Section 26.45. **The City of Bismarck's DBE Goal for years 2016-2018 can be accessed at www.bismarcknd.gov/mpo under "Quick Links".**

METHODOLOGY

Historical Review of DBE Goal:

Historically, the city of Bismarck has not had an achieved DBE goal above .6% in the last fifteen years (2000-.6%, 2001-.5%, 2002-.3%, 2003-0%, 2004-0%, 2005-0%, 2006-0%, 2007-0%, 2008-0%, 2009-0%, 2010-0%, 2013-2015-.2%). The median percentage of this group (2000–2015) is 0%.

Establishing Local Market:

Our local market was determined to be the immediate Bismarck/Mandan Lincoln area. Firstly, most of our contracting opportunities are for small expenditures. It would be inconvenient for transit to contract with far-distant businesses to complete these services, since we are over 2-hours drive from other major metropolitan markets. Secondly, our best available data was purchased in 2012 from InfoGroup, and was restricted to our local region.

Base Figure Goal Setting Methodology:

The following format is the basic component of the Base Figure equation:

$$X = \% \text{ (DBE/All Businesses)}$$

Step 1: We identified which budget items were applicable to our DBE Goal Setting, and noted their total budget amounts. There were seventeen budget items in total. Then, we determined the percentage of each budget amount, in respect to the total Transit budget. This can be viewed in column __ on Table 1. These percentages were used as multipliers for the in the DBE Goal Setting Equation, and are denoted by ‘%’ in the above equation.

Step 2: We identified appropriate NAICS codes for each of the seventeen budget items. On occasion, multiple NAICS codes were identified for a single budget item. Using on-hand InfoGroup data, acquired in 2012, we then queried the number of area businesses matching each NAICS code. This number is equivalent to ‘All Businesses’ in the above equation.

Step 3: We cross-referenced the NAICS codes from each of the budget areas with NAICS codes listed in the North Dakota DOT's DBE Directory. This process established the number of ready, willing, and able DBE business in our region, who could potentially provide a service for Transit. These numbers, ascertained for each budget item, match ‘DBE’ in the above equation.

Step 4: The percentage, ‘DBE’ number, and ‘All Business’ were calculated for each budget area, according to the above equation. Adding these numbers together, we determined the Base Figure for the DBE Goal. The unadjusted Base Figure equaled .15%.

DBE 2016-2018 Goals

Table 1

Category	NAICS	Category Budget Amount	% of Total Applicable Budget	Total All Businesses	Total DBE Businesses
Management Contract	541614	\$175,675	22.3%	19	0
Auditing and Accounting	541211	\$30,000	3.8%	31	0
Supplies	453210	\$25,478	3.2%	5	0
Telephone	811213	\$7,228	0.9%	1	0
Printing / Copies	811212	\$13,120	1.7%	14	0
Travel	561510, 561520, 561591	\$2,500	0.3%	13	0
Insurance	524126	\$86,347	11.0%	3	0
Advertising	515720, 541860, 541810, 541870, 541820, 541890, 541840, 515112, 541850	\$27,500	3.5%	45	0
Fundraising	561499	\$515	0.1%	6	0
Misc. Building	238220, 561730	\$61,728	7.8%	103	2
Vehicle Cost	811111	\$151,009	19.2%	32	0
Computer	811212	\$7,788	1.0%	14	0
Marketing	541618, 541690, 541611, 541612, 541614	\$62,200	7.9%	37	0
Fuel SurCharge	447190	\$125,000	15.9%	13	0
Rodent Control	561710	\$1,128	0.1%	3	0
Waste Management	562119	\$5,537	0.7%	3	0
Janitorial	561720	\$5,769	0.7%	14	0
Totals:		\$788,522	100.0%	356	2

DISCUSSION OF GOAL

Adjustment to Base Figure:

This adjustment process consisted of analyzing any evidence of other applicable factors and adjusting the base factor accordingly. Considering future cooperation with the North Dakota DOT and increased efforts in DBE outreach, recruitment, certification, and public information efforts, the City of Bismarck increased its DBE Base figure by 0.05%. Therefore, the 0.15% base figure was adjusted to 0.2%.

Adjusted Goal:

The Adjusted DBE Goal for the City of Bismarck is 0.2% (0.15% base figure + 0.05 adjustment factor).

Race- Neutral Goal:

Historically Bis-Man Transit, on behalf of the City of Bismarck, has not been able to achieve its DBE goal through Race-Neutral (RN) efforts. However, Bis-Man Transit is striving to follow Federal procurement procedures more precisely. These activities are anticipated to focus on RN efforts. Therefore the City of Bismarck believes .1% of its 2016-2018 DBE goal can be attained through RN activities.

Race-Conscious Goal:

There are a limited number of DBEs available in the Bismarck area, especially in operational (day to day) services. This necessitates more focused recruitment activity, such as future cooperation with the North Dakota DOT and continued efforts in DBE outreach, recruitment, and certification. The City of Bismarck believes .1% of its 2016-2018 DBE goal can be accomplished through Race-Conscious (RC) means.

BASE FIGURE CALCULATION AND ADJUSTMENT

Step 1: Reference Table 1 for data input in calculation below.

Base Figure = [Amount of 1st Category Budget Item (Management Contract) / Total Applicable Budget] x [Number of DBE Firms in 1st Category / Total Number of Firms in 1st Category] + [Amount of 2nd Category Budget Item (Auditing & Accounting) / Total Applicable Budget] x [Number of DBE Firms in 2nd Category / Total Number of Firms in 2nd Category] + ... x 100.

Base Figure = [.223 (0/19) + .038 (0/31) + .032 (0/5) + .009 (0/1) + .017(0/14) +.003(0/13) + .110(0/3) + .035 (0/45) + 001(0/6) +.078 (2/103) + .192 (0/32) +.010 (0/14) + .079 (0/37) + .159 (0/13) +.001 (0/3) + 007 (0/3) + .007 (0/14)] x 100 = **0.15%**

Step 2:

Base Figure Adjustment

The City of Bismarck believes that by combining DBE efforts with the North Dakota DOT and by increasing efforts in DBE outreach, recruitment, certification, and public information efforts, an incremental adjustment increase of **0.05%** to the Base Figure is realistic and achievable.

Total Overall Goal

0.15 (Base Figure) + 0.05 (Adjustment Factor) = **0.2%** (Adjusted Goal)

Total Overall Breakdown

0.2% (Adjusted Goal) = .1% (Race Neutral) + .1% (Race Conscious)

EXPLANATION OF CONSULTIVE PROCESS

The City of Bismarck utilized the following methods to reach out to the DBE community and better understand the availability of DBE's in our local market.

- 1) Contacted the organizer of a local Women Entrepreneurs Meet Up Group. Inquired about group membership and member's status concerning DBE certification. Correspondence was well received, but information was not returned before submission of this goal. Efforts are planned to continue in the future to foster greater connection to the DBE community. (See Exhibit 1)
- 2) The Bismarck Mandan MPO, on behalf of Bis-Man Transit and the City of Bismarck, has continued its communication with NDDOT Civil Rights/ DBE Department and NDDOT Transit Department. Both relationships are healthful, and the City of Bismarck has been made aware of new DBE's throughout the state. However, none of these new DBE have a home base within our local area. Communication occurred at the following times:
 - a. 6-25-14: Denise Laub of NDDOT Civil Rights/ DBE
 - b. 5-12-15: Denise Springer of NDDOT Civil Rights/ DBE Department
 - c. 5-19-15: Julie Small of NDDOT Transit Department
- 3) The former Bis-Man Transit Director has been in contact with current DBE businesses to assess their ability to provide services for Transit.
 - a. Cheryl Enervold, owner of Green Acres Nursery

Exhibit 1

From: Mary Jo Van Horn [REDACTED]
Sent: Tuesday, August 25, 2015 5:14 PM
To: Rachel A. Drewlow
Subject: RE: Meet Up Members with DBE Certification

Rachel,

I'd be happy to pose this question to the group and provide that info to you.

Thanks for thinking of our group!

Mary Jo

Mary Jo Van Horn

Marketing | Mentoring | Money
[REDACTED]

From: Rachel A. Drewlow [<mailto:rdrewlow@bismarcknd.gov>]
Sent: Tuesday, August 25, 2015 1:17 PM
To: [REDACTED]
Subject: Meet Up Members with DBE Certification

Hi Mary Jo,

I received your contact from Mary Jo Froehlich Irmen, whom I met a number of years ago through the Women Entrepreneurs Meetup Group. You may not remember me, although I think your initial involvement was around the same time as mine.

I currently work as a Transportation Planner for the Bismarck-Mandan MPO. Every three years, my office evaluates the DBE (Disadvantaged Business Enterprise) Goal for our local transit provider, Bis-Man Transit. As you are most likely aware, DBE's are minority- or women-owned businesses. When certified with the State, they are eligible for increased consideration for federally funded contracts. DBE goals are proportional to the availability of DBE's in the local area, and help agencies know how much federal funding should equitably be awarded to DBE business. By establishing an accurate goal, the MPO and Transit can help encourage the growth of local minority- and women-owned businesses.

As part of this effort, we are reaching out to advocacy groups such as the Women Entrepreneurs Meetup group. Primarily we are interested in knowing if any of your Meetup members are Certified DBE's with the State of North Dakota. If possible, we would like to have a list of these businesses and what service(s) they provide. It's important to know how many DBE's exist in our area and to determine if they match Bis-Man Transit's needs. These numbers tie directly into our goal setting equations.

Any assistance you may provide in this endeavor would be much appreciated. I would also welcome contacts for other minority- or women-owned business advocacy groups that may exist in Bismarck-Mandan.

Regards,
Rachel

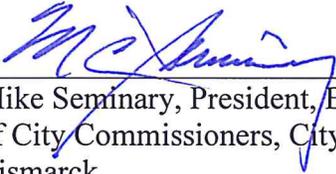
Rachel Drewlow

Transportation Planner

Bismarck-Mandan Metropolitan Planning Organization

YEARS 2016-2018 DISADVANTAGED BUSINESS ENTERPRISE GOALS

The City of Bismarck hereby adopts these Disadvantaged Business Enterprise Goals for the Years 2016-2019.



Mike Seminary, President, Board
of City Commissioners, City of
Bismarck



Steve Saunders, DBE Liaison
Officer, City of Bismarck