



**Regional Transit Authority
Of Southeast Michigan**

**DISADVANTAGED
BUSINESS ENTERPRISE
GOAL METHODOLOGY:**

FY2026 - 2028

UPDATED AUGUST 2025

REVISION LOG

Revision Name:	Adopted On:	Update Notes:
Original	May 19, 2016	Updated to reflect staff changes and other RTA updates and added 2017-2019 DBE goals
Updated (Version 2)	November 18, 2018	Updated to reflect staff changes and other RTA updates and added 2020-2022 DBE goals
Update (Version 3)	October 20, 2022	Updated to reflect staff changes and other RTA updates and added 2023-2025 DBE goals
Updated (Version 4)	September 15, 2024	Updated to reflect staff changes, remove the RTA's 2023-2025 DBE Goal Methodology from the RTA's DBE Program Plan.
Updates (Version 5)	August 21, 2025	Updated with new 2026-2028 DBE Goals

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OVERALL GOAL CALCULATION (2 6 . 4 5)

FISCAL YEARS 2026 - 2028

As required in 49 CFR Part 26 of the Code of Federal Regulations, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs, the Regional Transit Authority (RTA) of Southeast Michigan has completed its triennial review and set an overall goal for Disadvantaged Business Enterprise (DBE) participation for Fiscal Years (FYs) 2026 - 2028 contracts funded in whole or in part with Federal Transit Administration (FTA) funds. The recommended goal of 6.60% attained through 3.28% from race-neutral participation and 3.32% from race-conscious measures reflects the relative availability of DBEs to participate in contracts and procurements projected by the RTA of Southeast Michigan.

The term "Marketplace" is defined as businesses located in the State of Michigan, that are both Disadvantaged Business Enterprises (DBE) and Non-Disadvantaged Business Enterprises, who are ready, willing, and able to participate in RTA of Southeast Michigan contracts.

In accordance with 49 CFR Section 26.45, RTA's proposed goal will be published in media outlets.

METHODOLOGY

RTA considered a two-step process defined below to determine its DBE participation goal for FY 2026-2028.

STEP 1) Determine the Base Figure for the overall goal:

- Calculate the relative availability of DBEs to perform the types of work forecasted by RTA of Southeast Michigan.
- Weight the respective contract dollars to be expended in each type of federally-assisted project or procurement.
- Determine the weighted DBE relative availability in the projected types of work.
- Aggregate the weighted availability figures to determine the base figure.

STEP 2) Adjustments to the Base Figure:

- Due to the difference in project types and projected project costs, the RTA will be making no adjustments to the Base Figure based on historical data or disparity studies.

Additionally, the methodology includes an explanation of how the forecasted overall goal will be achieved.

GOAL CALCULATION FOR FY2026-2028

STEP 1) Determine the Base Figure for the Overall Goal

The RTA of Southeast Michigan determined that the Michigan Unified Certification Program (MUCP) database of Michigan DBEs and the 2020 United States (U.S.) Census Bureau data for Michigan provided relevant and reliable data to assess RTA's marketplace availability to DBEs operating within the state and identify DBEs capable of completing or contributing to future RTA opportunities. This approach was taken for the following reasons:

- All DBEs certified to work in Michigan are tracked by type of work and by their approved North American Industry Classification System (NAICS) codes on the web-based MUCP database located at <https://mdotjboss.state.mi.us/MUCPWeb/>
- The U.S. 2020 Economic Census data provides economy-wide statistics for Michigan, including the number of vendors by NAICS code on both a state-wide and county-wide basis. The statewide data serves as the RTA coverage area for the DBE calculation.

The RTA's core services that are funded with partial/full federal funding are currently and anticipated during the triennial period to be limited to communications, public relations, engineering, planning/landscape architecture, consulting, accounting/payroll, and environmental consulting services. As such, the following NAICS codes were used to determine the base figure for RTA services:

NAICS Code	Project Description
	Administrative Management and General Management
541611	Consulting Services
541199	All Other Legal Services
485510	Charter Bus Industry
541513	Computer Facilities Management Services
541330	Engineering Services
541620	Environmental Consulting Services
541612	Human Resources Consulting Services
541320	Landscape Architectural Services
541613	Marketing Consulting Services
541219	Other Accounting Services
237990	Other Heavy and Civil Engineering Construction
541820	Public Relations Agencies

Table 1.0 lists the number of DBE firms willing and able to work in the market area for the defined RTA practice areas listed in the MUCP and the overall firms willing and able to work in the RTA coverage area defined by 2020 Census Data.

Table 1.0 DBE & Total Firms Working in the RTA Market Area

Base Goal Calculation (FY 2026 – FY 2028)		A	B
NAICS Code	Project Description	# of DBE ONLY firms willing and able to work in market area (Statewide)	# of overall firms willing and able to work in market area (Statewide)
541611	Administrative Management and General Management Consulting Services	114	3,354
541199	All Other Legal Services	3	341
485510	Charter Bus Industry	1	29
541513	Computer Facilities Management Services	16	173
541330	Engineering Services	58	2,609
541620	Environmental Consulting Services	33	320
541612	Human Resources Consulting Services	24	463
541320	Landscape Architectural Services	14	173
541613	Marketing Consulting Services	31	1903
541219	Other Accounting Services	12	1,574
237990	Other Heavy and Civil Engineering Construction	18	328
541820	Public Relations Agencies	19	288
488210	Support Activities for Rail Transportation	2	37
TOTAL		345	11,592

The following section provides a breakdown of available work for each of these areas:

- a) **Administrative Management & General Management Consulting Services** - An estimated \$1,662,000 is projected for FTA-assisted Administrative Management and General Management Consulting Services, representing 8.18% of RTA's total projected FTA budget. The DBE relative availability for Administrative Management and General Management Consulting Services is 3.40%. The weighted DBE relative availability is 0.28%. **(see Table 2.0)**
- b) **All Other Legal Services** - An estimated \$240,000 is projected for FTA-assisted Legal Services, representing 1.18% of RTA's total projected FTA budget. The DBE relative availability for Legal Services is 0.88%. The weighted DBE relative availability for Legal Services is 0.03%. **(see Table 2.0)**
- c) **Charter Bus Industry** -An estimated \$9,00,000 is projected for the FTA-assisted Charter Bus Industry, representing 44.31% of RTA's total projected FTA budget. The DBE relative availability for Charter Bus Industry is 3.45%. The weighted DBE relative availability for Charter Bus

Industry is 2.92%. (see Table 2.0)

- d) **Computer Facilities Management Services**- An estimated \$250,000 is projected for the FTA-assisted Computer Facilities Management Services, representing 1.23% of RTA's total projected FTA budget. The DBE relative availability for Computer Facilities Management Services is 9.25%. The weighted DBE relative availability for Computer Facilities Management Services is 0.07%. (see Table 2.0)
- e) **Engineering Services** - An estimated \$1,080,000 is projected for FTA-assisted Engineering Services, representing 5.32% of RTA's total projected FTA budget. The DBE relative availability for Engineering Services is 2.22%. The weighted DBE relative availability for Engineering Services is 0.05%. (see Table 2.0)
- f) **Environmental Consulting Services** - An estimated \$480,000 is projected for FTA-assisted Environmental Consulting Services, representing 2.36% of RTA's total projected FTA budget. The DBE relative availability for Environmental Consulting Services is 8.09%. The weighted DBE relative availability for Environmental Consulting Services is 1.19%. (see Table 2.0)
- g) **Human Resources Consulting Services** - An estimated \$72,960 is projected for FTA- assisted Human Resources Consulting Services activities, representing .36% of RTA's total projected FTA budget. The DBE relative availability for Human Resources Consulting Services is 5.18%. The weighted DBE relative availability for Human Resources Consulting Services activities is 0.02%. (see Table 2.0)
- h) **Landscape Architectural Services** - An estimated \$1,662,000 is projected for FTA-assisted Landscape Architectural Services activities, representing 8.18% of RTA's total projected FTA budget. The DBE relative availability for Landscape Architectural Services is 8.09%. The weighted DBE relative availability for Landscape Architectural Services is 1.45%. (see Table 2.0)
- i) **Marketing Consulting Services** - An estimated \$240,000 is projected for FTA-assisted Marketing Consulting Services activities, representing 1.18% of RTA's total projected FTA budget. The DBE relative availability for Marketing Consulting Services is 1.63%. The weighted DBE relative availability for Marketing Consulting Services is .01%. (see Table 2.0)
- j) **Other Accounting Services** - An estimated \$306,460 is projected for FTA-assisted activities identified as Other Accounting Services representing 1.51% of RTA's total projected FTA budget. The DBE relative availability for Other Accounting Services is 0.76%. The weighted DBE relative availability for Other Accounting Services is 0.16%. (see Table 2.0)
- k) **Other Heavy and Civil Engineering Construction** - An estimated \$3,360,000 is projected for FTA-assisted activities identified as Other Heavy and Civil Engineering Construction representing 16.54% of RTA's total projected FTA budget. The DBE relative availability for Other Heavy and Civil Engineering

Construction is 5.49%. The weighted DBE relative availability for Other Heavy and Civil Engineering Construction is 0.27%. **(see Table 2.0)**

- l) Public Relations Agencies** - The RTA anticipates using \$360,000 federal dollars for Public Relations Agencies for the defined triennial period. This amount represents 1.77% of RTA's total projected FTA budget. The DBE relative availability for Public Relations Agencies is 6.60%. The weighted DBE relative availability for this is 0.063%. **(see Table 2.0)**
- m) Support Activities for Rail Transportation** - The RTA anticipates using \$1,600,000 federal dollars for Support Activities for Rail Transportation for the defined triennial period. This amount represents 7.88% of RTA's total projected FTA budget. The DBE relative availability for Support Activities for Rail Transportation is 5.41%. The weighted DBE relative availability for this project is 0.43%. **(see Table 2.0)**

Table 2.0 Anticipated RTA Availabilities

Base Goal Calculation (FY 2026 – FY 2028)		A	B	C	D	E	F
NAICS Code	Project Description	# of DBE ONLY firms willing and able to work in market area (Statewide)	# of overall firms willing and able to work in market area (Statewide)	# DBE firms/# overall firms in market area (Statewide)	FTA Contracting Opportunities	Weighted % Contract (D/Total Contract Value)	Weighted % DBE Goal (C x E)
541611	Administrative Management and General Management Consulting Services	114	3,354	3.40%	\$1,662,000	8.18%	0.28%
541199	All Other Legal Services	3	341	0.88%	\$240,000	1.18%	0.01%
485510	Charter Bus Industry	1	29	3.45%	\$9,000,000	44.31%	1.53%
541513	Computer Facilities Management Services	16	173	9.25%	\$250,000	1.23%	0.11%
541330	Engineering Services	58	2,609	2.22%	\$1,080,000	5.32%	0.12%
541620	Environmental Consulting Services	33	320	10.31%	\$480,000	2.36%	0.24%
541612	Human Resources and Consulting Services	24	463	5.18%	\$72,960	0.36%	0.02%
541320	Landscape Architectural Services	14	173	8.09%	\$1,662,000	8.18%	0.66%
541613	Marketing Consulting Services	31	1,903	1.63%	\$240,000	1.18%	0.02%
541820	Media Representatives	12	288	6.60%	\$360,000	1.77%	0.12%
541219	Other Accounting Services	18	1,574	0.76%	\$306,460	1.51%	0.01%
237990	Other Heavy and Civil Engineering Construction	19	328	5.49%	\$3,360,000	16.54%	0.91%
488210	Support Activities for Rail Transportation	2	37	5.41%	\$1,600,000.00	7.88%	0.43%
TOTAL		343	11,592	2.98%	\$20,313,420	100.00%	4.03%
				Goal Without Weighing			Weighted Goal

Based on the above data, the Step One base figure for FTA-assisted funds was calculated to be 4.03%. **(See Table 3.0)**

Table 3.0 Base Figure – Weighted DBE Relative Availability

Types of Work Forecast for FY 2026-2028	Weighted DBE Relative Availability
Media Representatives	0.12%
Engineering Services	0.12%
Administrative Management and General Management Consulting Services	0.28%
Landscape Architectural Services	0.66%
All Other Legal Services	0.01%
Other Accounting Services	0.01%
Human Resources and Consulting Services	0.02%
Environmental Consulting Services	0.24%
Marketing Consulting Services	0.91%
Computer Facilities Management Services	0.02%
Charter Bus Industry	0.11%
Support Activities for Rail Transportation	1.53%
FTA Step One Base Figure (Sum of Types of Work)	4.03%

STEP 2: Adjustments to the Base Figure

RTA adjusted the base figure based on historical data, using information about past participation. The past DBE participation median for FY 2023-2025 was 8.20%, and when the weighted base figure (4.03%) is averaged, the adjusted goal comes out to 6.60%.

RTA has set a DBE goal of 6.60% for FY2026-2028

RECOMMENDATION for RACE- NEUTRAL (RN) MEANS

The RTA expects to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. We estimate that in meeting the overall goal of **6.60%**, the RTA of Southeast Michigan will obtain **3.28%** from race-neutral participation and **3.32%** from race-conscious measures.

The RTA will consistently examine the effectiveness of using race-neutral means to ensure proper DBE participation and will continue to evaluate the rationale for establishing a race-neutral goal.

OUTREACH TO MINORITY AND WOMEN'S GROUPS

The RTA consulted with the following minority, women's, and business organizations, which were coordinated when establishing the RTA's DBE goals. RTA sent correspondence to the following groups for input on the FY2026 -2028 goal. Consultation is intended to review the proposed overall DBE goal, receive comments, obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and help the RTA build long-term contracting relationships with DBEs in the market area.

In addition, staff commit to participating in local events in the upcoming year to increase awareness of future RTA opportunities, including those identified below.

Organization
Arab American Chamber of Commerce
Asian Pacific American Chamber of Commerce
Chaldean Chamber of Commerce
COMTO - Conference of Minority Transportation Officials (Michigan)
Conference of Minority Transportation Officials
Detroit Regional LGBT Chamber of Commerce
Detroit Regional Chamber
Great Lakes Women's Business Council
Metro Detroit Black Business Alliance
Michigan Association for Female Entrepreneurs (MAFE)
Michigan Department of Transportation (MDOT)
Michigan Hispanic Chamber of Commerce (MHCC)
Michigan Minority Business Development Association (MMBDA)
National Association Women Business Owners Greater Detroit Chapter
National Business League
Southwest Detroit Business Association (SDBA)
Women Impacting Public Policy (WIPP)

The RTA attends the Michigan Department of Transportation's DBE conference and presents upcoming projects to DBE vendors, as well as networks with DBEs interested in bidding on RTA projects. RTA staff also attend Michigan Unified Certification Program (MUCP) quarterly meetings. The meetings are attended by DBE certifying agencies and other FTA covered entities in the State of Michigan. During these meetings any changes to the FTA's DBE program are discussed, along with any ongoing DBE program related issues entities are experiencing.

MEDIA

RTA's announcement of its proposed DBE participation goal for FY2026 - 2028 will be published in the following media sources:

- The Michigan Chronicle
- Detroit News
- Detroit Free Press

Websites:

- www.rtamichigan.org

OUTREACH COMMUNICATIONS

Public Notice:

RTA of Southeast Michigan Proposed DBE Goals for FY 2026 - FY2028

The Regional Transit Authority of Southeast Michigan (RTA) has established a goal of **6.60%** for its Disadvantaged Business Enterprises (DBE) Program for fiscal years 2026 through 2028.

This goal will be attained through **3.28%** from race-neutral participation and **3.32%** from race-conscious measures, which reflects the relative availability of DBEs to participate in contracts and procurements projected by the RTA.

The proposed goal and its methodology have been developed in accordance with the Federal Transit Administration's regulations 49 CFR Part 26.

The goal and the methodology used to develop it are available for inspection from 8:30 a.m. to 4:30 p.m. Monday through Friday at RTA's offices located at 1001 Woodward Avenue, Suite 1400, Detroit, Michigan. These materials will be available for 30 days following the date of this notice.

The RTA will accept comments on the goal for 45 days from the date of this notice. Inquiries may be directed to the following:

RTA of Southeast Michigan

1001 Woodward Avenue, Suite 1400

Detroit, Michigan 48226

Or e-mail to: info@rtamichigan.org