



Salem Area Mass Transit District

Disadvantaged Business Enterprise Goal Setting Methodology

Federal Fiscal Year 2027-2029

October 1, 2026

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I. Introduction

Salem Area Mass Transit District (SAMTD), dba “Cherriots” sets forth its overall Disadvantaged Business Enterprise (DBE) goal and corresponding federally prescribed goal-setting methodology for the three-year Federal Fiscal Year (FFY) goal period of 2027-2029 (October 1, 2026 through September 30, 2029), pursuant to Title 49 Code of Federal Regulations (CFR) Part 26 “Participation by Disadvantaged Business Enterprises in U.S. Department of Transportation Programs.” Overall DBE goals are expressed as a percentage of the total amount of U.S. DOT funds SAMTD anticipates expending within a given three-year period. The overall DBE goal is based upon all budgeted contracts anticipated to utilize the U.S. DOT federal financial assistance, provided that the anticipated expenditures have viable opportunities for subcontracting possibilities and corresponding DBE availability.

II. Background

SAMTD is a recipient of U.S. Department of Transportation (USDOT), Federal Transit Administration (FTA), funding. As a condition of receiving this assistance, SAMTD has signed assurances that it will comply with FTA DBE requirements. In accordance with Title 49 CFR Part 26 provisions: Participation by DBEs in USDOT Programs, SAMTD is required to develop and submit an overall DBE Goal for its FTA-assisted projects.

SAMTD herein presents its overall DBE Goal Methodology for FFY 2027-2029.

III. FTA Assisted Contracting Program for FFY 2027-2029

A. Market Area

The Federal DBE Program requires agencies to implement the DBE Program based on information from the relevant geographic market area - the area in which the agency spends the substantial majority of its contracting dollars.

SAMTD’s local market for contracts consists of a geographic market area that is:

- Where a large majority of contracting dollars is expended, and
- Where a substantial number of contractors and subcontractors are located and available to submit bids, quotes, or proposals.

SAMTD’s bidder’s list was reviewed and analyzed to determine where SAMTD spends the substantial majority of its contracting dollars. This analysis confirms our geographic market area is the State of Oregon.



B. Anticipated Projects

SAMTD has 10 FTA-capital investment projects that are anticipated to be awarded during the three-year period and which were considered in preparing this goal methodology. These projects and their federal share are listed in Table 1.

- Column A: Lists the name of each project.
- Column B: Lists the total estimated cost of each project.
- Column C: Lists the estimated FTA dollar share (80%) for each project.

Table 1

	Column A	Column B	Column C	
	Project	Estimated Amount of DOT funds on project:	Estimated FTA \$ Share (80%)	Estimated FTA % Share
1	Fuel Tank Replacement	\$600,000.00	\$480,000.00	80%
2	HVAC Replacement (shop), Installation Heating, Ventilation and Air Conditioning	\$1,500,000.00	\$1,200,000.00	80%
3	CNG Generator Purchase and Installation	\$750,000.00	\$600,000.00	80%
4	Del Webb Maintenance Shop Floor Heating System Replacement	\$150,000.00	\$120,000.00	80%
5	Del Webb Fence and Exterior Security Upgrades	\$1,425,000.00	\$1,140,000.00	80%
6	Bus Stop Accessibility Improvements	\$200,000.00	\$160,000.00	80%
7	East Salem Transit Center - environmental consulting services	\$500,000.00	\$400,000.00	80%
8	East Salem Transit Center - design, engineering, and architectural services	\$1,700,000.00	\$1,360,000.00	80%
9	CNG Station Replacement	\$700,000.00	\$560,000.00	80%
10	Website replacement and network and tablet upgrades	\$490,000.00	\$392,000.00	80%
	Totals	\$8,015,000.00	\$6,412,000.00	

C. Subrecipients

SAMTD does not have any subrecipients.

D. Categories of Work

SAMTD reviewed each project anticipated to be awarded during the respective three-year period and determined the applicable categories of work for each project using the North American Industry Classification System (NAICS) codes. The corresponding dollar values for

each NAICS code by project were summarized for purposes of weighting the categories of work based on the staff estimates. Table 2 provides a summary of the categories of work with estimated dollars for each.

- Column A: Lists the (NAICS) code.
- Column B: Lists the category of work for the (NAICS) code.
- Column C: Lists the estimated FTA dollar share for each NAICS code.
- Column D: Lists the estimated percentage of each NAICS code (the estimated FTA dollars for each NAICS code divided by the grand total of all estimated FTA dollars).

Table 2

	A	B	C	D
	NAICS Code	NAICS Code Category of Work	Estimated FTA \$ by NAICS	Estimated FTA % by NAICS
1	237120	Oil and Gas Pipeline and Related Structures Construction	\$825,000.00	12.87%
2	238160	Roofing Contractors	\$200,000.00	3.12%
3	238210	Electrical Contractors	\$650,000.00	10.14%
4	238220	Plumbing, Heating, and Air-Conditioning Contractors	\$800,000.00	12.48%
5	238310	Drywall and Installation Contractors	\$300,000.00	4.68%
6	339950	Sign manufacturing	\$45,000.00	0.70%
7	541310	Architectural Services	\$1,500,000.00	23.39%
8	541330	Engineering design services	\$1,200,000.00	18.71%
9	541511	Custom computer programming services	\$392,000.00	6.11%
10	541620	Environmental Consulting Services	\$500,000.00	7.80%
		Totals	\$6,412,000.00	100.00%

IV. Goal Methodology

In accordance with 49 CFR Part 26, Section 26.45, SAMTD will submit its triennial overall DBE goal to the FTA on August 1 of the year specified by the FTA for each three (3) year period. The process used by SAMTD to establish overall DBE goals is as follows:

- Review SAMTD's Capital Investment Plan (CIP) and identify projects, for the three-year federal fiscal year (ex: October 1, 2026 thru September 30, 2029) goal setting period. Include the Project Description, Total Estimated Project Cost over the three-year period, Estimated FTA Dollar Share, and Estimated FTA Percentage Share.
- Exclude projected contract expenditures with transit vehicle manufacturers, as they are exempt from the program.

- Once the projects have been identified, identify the NAICS codes for each category of work related to the projects and apply the appropriate dollar amounts.
- Market Area: SAMTD’s market area is the State of Oregon.

A. Step 1: Determination of a Base Figure

To establish SAMTD’s Base Figure of the relative availability of DBEs relative to all comparable firms (DBE and non-DBE) available to bid or submit proposals on SAMTD FTA-assisted contracting opportunities projected to be solicited during the triennial goal period, SAMTD followed the prescribed federal methodology to determine the relative availability. This was accomplished by assessing:

1. [Certification Office for Business Inclusion and Diversity \(COBID\) Certification Management System](#); and
2. [2022 U.S. Census Bureau County Business Patterns Database](#), within SAMTD’s market area for each of the categories of work defined in Table 2.

In accordance with the formula listed below, the Base Figure is derived by:

- Dividing the number of ready, willing and able DBE firms identified for each NAICS work category by the number of all firms identified within the SAMTD market area for each corresponding work category (relative availability);
- Weighting the relative availability for each work category by the corresponding work category weight from Table 2 (weighted ratio); and
- Adding the weighted ratio figures together.

$$\text{Base Figure} = \sum \frac{(\text{Number of Ready, Willing and Able DBEs})}{(\text{Number of All Ready, Willing and Able Firms})} \times \text{Weighted Ratio}$$

⇒ For the numerator: COBID DBE Database of Certified Firms

⇒ For the denominator: 2022 U.S. Census Bureau County Business Patterns Database

A concerted effort was made to ensure that the scope of businesses included in the numerator was as close as possible to the scope included in the denominator. The result of the Base Figure calculation is shown in Table 3.

- Column A: Lists the (NAICS) code.
- Column B: Lists the category of work for the (NAICS) code.

- Column C: Lists the estimated percentage of each NAICS code (the estimated FTA dollars for each NAICS code divided by the grand total of all estimated FTA dollars) from Table 2.
- Column D: Lists the number of DBEs in the market area for each NAICS code from the Certification Office for Business Inclusion and Diversity (COBID) DBE Database of Certified Firms.
- Column E: Lists number of all firms (DBE and non-DBE) in the supplier market area for each NAICS code from the 2022 U.S. Census Bureau County Business Patterns Database.
- Column F: Lists the relative availability of DBEs for each NAICS code (the number of DBEs divided by the number of all firms).
- Column G: Lists the weighted base figure is the sum of the Estimated FTA% by NAICS in Column C multiplied by the Relative Availability of DBEs in Column F.

Table 3

	A	B	C	D	E	F	G
	NAICS Code	NAICS Code Category of Work	Estimated FTA % by NAICS	DBEs	All Firms	Relative Availability of DBEs	Weighted Ratio
1	237120	Oil and Gas Pipeline and Related Structures Construction	12.87%	0	8	0.00%	0.00%
2	238160	Roofing Contractors	3.12%	6	515	1.17%	0.04%
3	238210	Electrical Contractors	10.14%	9	973	0.92%	0.09%
4	238220	Plumbing, Heating, and Air-Conditioning Contractors	12.48%	3	1389	0.22%	0.03%
5	238310	Drywall and Installation Contractors	4.68%	6	348	1.72%	0.08%
6	339950	Sign manufacturing	0.70%	2	93	2.15%	0.02%
7	541310	Architectural Services	23.39%	9	357	2.52%	0.59%
8	541330	Engineering design services	18.71%	18	747	2.41%	0.45%
9	541511	Custom computer programming services	6.11%	4	815	0.49%	0.03%
10	541620	Environmental Consulting Services	7.80%	22	185	11.89%	0.93%
Totals			100.00%	79	5430		2.25%
Step 1 Weighted Base Figure							2.25%

B. Step 2: Adjusting the Base Figure

Upon establishing the Base Figure, SAMTD reviewed and assessed other known evidence potentially impacting the relative availability of DBEs within the market area, in accordance with prescribed narrow tailoring provisions as set forth under 49 CFR Part 26.45: Step 2, DBE Goal Adjustment Guideline. Evidence considered in adjusting the Base Figure included Past DBE Goal Attainments and Other Evidence, as follows:

1. Past DBE Goal Attainments

Historical DBE participation attainments provide demonstrable evidence of DBE availability and capacity to perform on SAMTD projects that are substantially similar to previous years. SAMTD proceeded to calculate past DBE participation attainments for the three (3) federal fiscal years, for which DBE attainment data is available. The table below reflects the demonstrated capacity of DBEs (measured by actual historical DBE participation attainments) on FTA-assisted contracts awarded by SAMTD within the last three (3) federal fiscal years.

Table 4

Federal Fiscal Year (FFY)	%
2023	3.99%
2024	0.00%
2025	0.00%
Median DBE Attainment past 3 years	0.00%

The median established for the past three years is lower than the Base Figure derived from Step 1; therefore, an adjustment to the Base Figure based on SAMTD past DBE goal attainments has been made. The adjustment is calculated in accordance with FTA guidance by averaging the Base Figure with the median DBE Past Attainment, as shown below.

Step 1 Base Figure (A)	2.25%
Median past participation (B)	0.00%
Step 2 Adjustment (A + B) / 2	1.13%

2. Disparity Studies

SAMTD has reviewed the ODOT 2023 DBE Disparity Study Update (2023 State of Oregon Disparity Study) and has determined that the type of work is significantly different from SAMTD projects; therefore, SAMTD will not be making adjustments to the base figure based on the ODOT Disparity Study Update.



SAMTD uses a strictly race-neutral DBE program due to the Western States decision. If SAMTD fails to reach its goal for a complete federal fiscal year, SAMTD will re-evaluate its DBE program to determine whether contract goals are necessary to achieve the overall goal. If after re-evaluation SAMTD believes a race-conscious program is necessary, as required by the Western States, SAMTD will gather evidence to determine if discrimination in the transportation contracting industry is present. SAMTD will make a determination at that time what type of evidence gathering is appropriate, based on DOT regulations and case law.

3. Other Available Evidence

SAMTD is not in possession of other information that would have an impact on the DBE goal assessment.

V. Proposed Overall DBE Goal

The Proposed Overall DBE Goal for FFY 2027-2029 for SAMTD FTA-assisted contracts is 1.13%.

SAMTD will implement race-neutral measures to achieve this goal, as generally described in the following section. As a part of the prescribed goal-setting methodology, SAMTD must project the percentage of its Proposed Overall DBE Goal that can be met utilizing race-neutral and race-conscious measures.

A. Race-Conscious & Race-Neutral Projection

The United States Department of Transportation (USDOT) regulations require that race-neutral methods be used to the maximum extent feasible to reach the DBE overall goal. As SAMTD is located in the 9th Circuit, the agency cannot implement a race-conscious program without a disparity study that shows evidence of disparity. Therefore, SAMTD is unable to set a race-conscious projection and intends to continue to use race-neutral methods to meet the overall DBE goal of 1.13% for FFY 2027-2029 in accordance with Title 49 CFR Part 26.51.

SAMTD projects that all of the 1.13% DBE goal will be achieved through race-neutral means and that 0% will be achieved through race-conscious means.

Race- Conscious and Race-Neutral Projections	%
Step 2 Adjustment Figure	1.13%
Race-Neutral Component	1.13%
Race-Conscious Component	0.00%

Due to the emphasis on race-neutral methods, SAMTD will increase the use of the race-neutral measures listed below. SAMTD will carefully monitor participation during the course of the goal period. At the conclusion of each year during the goal period, SAMTD will re-evaluate the effectiveness of the race-neutral measures and determine if it is necessary to institute additional race-neutral measures to achieve the goal or if race-conscious methods should be considered.

VI. Race-Neutral Implementation Measures

SAMTD is currently implementing a number of race-neutral and gender-neutral measures. In order to promote the participation of DBEs and small businesses in SAMTD's FTA-assisted contracting program and to increase the effectiveness of established measures, SAMTD will continue to explore options for consideration based on the agency's success in meeting its overall DBE goals.

SAMTD will:

- Encourage DBE and other small business contracting community to register and receive solicitation notices through [Oregon Buys](#).
- Host and/or participate in workshops for the DBE and small business contracting community. SAMTD will attend and participate in vendor fairs hosted by unrepresented groups and other public agencies.
- Unbundle solicitations and provide pre-bid/pre-proposal conferences to afford networking opportunities for primes and subcontractors. SAMTD will promote and encourage teaming opportunities between prospective prime contractors and the DBE and small business contracting community. Arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE and other small business participation.
- Structure solicitations to remove barriers such as the inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, and eliminating the impact of surety costs from bids).
- Solicit DBEs and other small businesses participation by carrying out information programs through use of advertisement and other communication methods on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists of bidders; ensuring the dissemination to bidders on prime contracts of lists of potential

subcontractors; provision of information in languages other than English, where appropriate).

- Actively promote the small business conferences, programs, and support services offered by other agencies that have established DBE and other small business programs as a supportive service to help develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses. SAMTD will also begin conducting “How to do Business with Cherriots” and DBE annual workshop.
- Advise its contracting community of the online directory of certified DBEs, found at the [Certification Office for Business Inclusion and Diversity Certification Management System](#) website.
- Advise the DBE and small business community to participate in ODOT’s related bidding/proposal opportunities at [ODOT’s Business Procurement](#) website.
- SAMTD will also encourage DBEs and small businesses to seek the assistance and training through the [U.S. Small Business Administration](#) website and the [Oregon Government Contract Assistance Program \(GCAP\)](#) website.

In addition to the measures specified above, SAMTD has also implemented strategies to foster Small Business Participation in its contracting process. These include the following:

- Updated the [SAMTD Business](#) website “How to do Business with Cherriots” page.
- On larger prime contracts requiring the prime contractor to consider subcontracting opportunities of a size that small businesses, including DBEs, can reasonably perform, rather than self- performing all the work involved.
- Identifying alternative acquisition strategies and structuring procurements to facilitate the ability of consortia or joint ventures consisting of small businesses, including DBEs, to compete for and perform prime contracts.
- Ensuring that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform.
- Provide outreach to current SAMTD contractors or past SAMTD contractors who may qualify for DBE- certification by encouraging them to seek and obtain DBE- certification.

VII. Publication

A. Public Notice and Public Comment

SAMTD published a notice of the proposed overall goal methodology on their website. As required, this notice informed the public that:

- The proposed overall goal and its rationale are available for inspection on [SAMTD's DBE Program](#) website.
- SAMTD would accept comments on the goals for 30 days from the date of the notice published at the address above or at: procurement@cherriots.org

B. Summary of Comments & Responses

[Pending 30-day comment period]