

## 49 CFR Part 26 DISADVANTAGE BUSINESS ENTERPRISE POLICY STATEMENT

### Section 26.1, 26.23 Objectives/Policy Statement

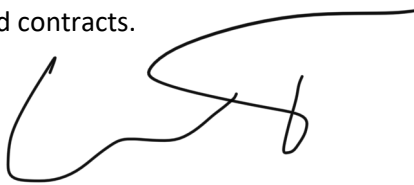
Grande West Transportation has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. Grande West Transportation has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, Grande West Transportation has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of Grande West Transportation to ensure that DBEs are defined in part 26, have an equal opportunity to receive and participate in DOT–assisted contracts. It is also our policy:

1. To ensure nondiscrimination in the award and administration of DOT – assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. To help remove barriers to the participation of DBEs in DOT-assisted contracts;
6. To assist the development of firms that can compete successfully in the market place outside the DBE Program.
7. To provide appropriate flexibility to recipients of Federal financial assistance in establishing and providing opportunities to DBEs

Michelle Sahai has been delegated as the DBE Liaison Officer. In that capacity, Ms. Sahai is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by Grande West Transportation in its financial assistance agreements with the Department of Transportation.

Grande West Transportation has disseminated this policy statement to the Board of Directors of Grande West Transportation and all of the components of our organization. We will distribute this statement to DBE and non-DBE business communities that perform work for us on DOT- assisted contracts in our RFPs and contracts.



\_\_\_\_\_  
William Trainer, President & CEO

October 16, 2019

\_\_\_\_\_  
Date

## **49 CFR Part 26 DISADVANTAGE BUSINESS ENTERPRISE - PLAN**

### **SUBPART A – GENERAL REQUIREMENTS**

#### Section 26.1 Objectives

The objectives are found in the policy statement on the first page of this program.

#### Section 26.3 Applicability

Grande West Transportation is a Transit Vehicle Manufacturer (TVM) and anticipates bidding on FTA-assisted vehicle procurements pursuant to 49 CFR Part 26.

#### Section 26.5 Definitions

Grande West Transportation will adopt the definitions contained in Section 26.5 for this program.

#### Section 26.7 Non-discrimination Requirements

Grande West Transportation will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR part 26 on the basis of race, color, sex, or national origin.

In administering its DBE program, Grande West Transportation will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

#### Section 26.11 Record Keeping Requirements

##### ***Reporting to DOT: 26.11(b)***

We will report DBE participation to DOT as follows:

We will report DBE participation on a semi-annual basis (i.e. June 1 and December 1 of each fiscal year), using the DOT reporting form or as otherwise proscribed by FTA. These reports will reflect payments actually made to DBEs on DOT-assisted contracts.

##### ***Bidders List 26.11(c)***

Grande West Transportation will create a bidder's list, consisting of information about all DBE and non-DBE firms that bid or quote on DOT-assisted contracts. The purpose of this requirement is to allow use of the bidder's list approach to calculating overall goals. The bidder's list will include the name, address, DBE non-DBE status and annual gross receipts of firms.

We will collect this information in the following ways:

- Determining a base figure for the relative availability of DBEs and all firms in the Bus Manufacturing industry as a starting point for our goal setting process to determine which workscopes products and services are required to repair the Bus's components and assemble the Bus.
- Researching the NAICS Codes (<https://www.naics.com/search/>)

- matching those of Georgia (<http://www.dot.ga.gov/PS/Business/DBE>) and Indiana (<https://entapps.indot.in.gov/DBELocator/>)
- Examining U.S. Economic Census Bureau Data (<https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>),
- Bus Manufacturing industry DBE and non-DBE firms known by our staff, and the American Public Transportation Association On-Line Buyer's Guide.
- the number of DBEs and all businesses that have bid or quoted on our DOT- assisted prime contracts or subcontracts in the previous year(s).

Section 26.13 Federal Financial Assistance Agreement

Grande West Transportation will sign the following assurances, applicable to all DOT-assisted contracts and their administration:

***Assurance: 26.13(a)***

Grande West Transportation shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE Program or the requirements of 49 CFR part 26. Grande West Transportation shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. Grande West Transportation's DBE Program, as required by 49 CFR part 26 and as approved by DOT, is incorporated by reference in this 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. Upon notification to Grande West Transportation of its failure to carry out its approved program, the Department may impose sanction as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

This language will appear in Grande West Transportation certifications.

***Contract Assurance: 26.13b***

We will ensure that the following clause is placed in every DOT-assisted contract and subcontract: The contractor, sub-TVM, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Grande West Transportation deems appropriate.

## **SUBPART B - ADMINISTRATIVE REQUIREMENTS**

### Section 26.21 DBE Program Updates

Grande West Transportation will continue to carry out this program so long as it anticipates bidding on FTA-assisted vehicle procurement. We will provide to DOT updates representing significant changes in the program.

### Section 26.23 Policy Statement

The Policy Statement is elaborated on the first page of this program.

### Section 26.25 DBE Liaison Officer (DBELO)

We have designated the following individual as our DBE Liaison Officer:

Michelle Sahai, DBELO

Grande West Transportation International Ltd.  
3168 262 St, Aldergrove, BC V4W 2Z6, Canada  
604-607-4000, DiversityOfficer@grandewest.com

In that capacity, the DBELO is responsible for implementing all aspects of the DBE program and ensuring that Grande West Transportation complies with all provision of 49 CFR Part 26. The DBELO has direct, independent access to the President concerning DBE program matters. An organization chart displaying the DBELO's position in the organization is found in [Attachment 1](#) to this program.

The DBELO is responsible for developing, implementing and monitoring the DBE program, in coordination with other appropriate officials. The DBELO has access to the entire administrative staff to assist in the administration of the program. The duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required by DOT.
2. Reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with all departments to set overall annual goals.
4. Ensures that bid notices and requests for proposals are available to DBEs in a timely manner.
5. Identifies contracts and procurements so that DBE Plans are included in solicitations (both race-neutral methods and contract specific goals attainment and identifies ways to improve progress.
6. Analyzes Grande West Transportation's progress toward attainment and identifies ways to improve progress.
7. Participates in pre-bid meetings.
8. Advises the CEO/governing body on DBE matters and achievement.
9. Chairs the DBE Advisory Committee.
10. Provides DBEs with information and assistance in preparing bids, obtaining bonding and insurance.
11. Plans and participates in DBE training seminars.
12. Ensures DBEs are currently certified within the DBE's home State UCP.
13. Provides outreach to DBEs and community organizations to advise them of opportunities.
14. Ensures Grande West Transportation's DBEs are currently certified by their home state UCP.

### Section 26.27 DBE Financial Institutions

It is the policy of Grande West Transportation to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contract to make use of these institutions.

We will make the following efforts to identify and use such institutions:

We will review the DBE Financial Institutions at the Federal Reserve Board website (<https://www.federalreserve.gov/Releases/mob/current/default.htm>) on at least an annual basis.

Information on the availability of such institutions can be obtained from the DBE Liaison Officer.

### Section 26.29 Prompt Payment Mechanisms

Grande West Transportation will include the following clause in each DOT-assisted prime contract:

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment prime contractor receives from Grande West Transportation. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of Grande West Transportation. This clause applies to both DBE and non-DBE subcontracts.

### Section 26.33 Overconcentration

Grande West Transportation has not identified that overconcentration exists in the types of work that DBEs perform because this is our first DBE Plan. Grande West Transportation has not identified that overconcentration exists in the types of work that DBEs will perform for this contract. We have not determined to date that DBE firms are overconcentrated in any certain type of work as to unduly burden the opportunity of non-DBE firms to participate in any type of work to date. If we do determine a future overconcentration of DBEs exists in the types of work that DBEs perform, we will devise appropriate measures to address this overconcentration and obtain the approval of the concerned DOT operating administration for our determination of overconcentration and the measures we devise to address it

### Section 26.35 Business Development Programs

Grande West Transportation has not yet established a business development program because this is our first DBE Plan.

### Section 26.37 Monitoring and Enforcement Mechanisms

Grande West Transportation will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 26.

1. We will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector

General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.109.

2. We will consider similar action under our own legal authorities, including responsibility determinations in future contracts. [Attachment 2](#) lists the regulation, provisions, and breach of contract remedies available to us in the events of non-compliance with the DBE regulation by a participant in our procurement activities.
3. We will also provide a monitoring and enforcement mechanism to verify that work committed to DBEs at contract award is actually performed by the DBEs. This will be accomplished by running and monitoring a monthly DBE award and payment report comparing work completed and timely payments.
4. We will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

#### Section 26.39 Fostering small business participation.

Grande West Transportation will incorporate non-discriminatory element to its DBE program in order to facilitate competition on DOT-assisted public works projects by small business concerns (both DBEs and non-DBE small businesses).

Grande West Transportation will implement race and gender-neutral efforts to promote small business concerns, including DBEs. Each year the DBELO will participate in at least one small business event, which may be coordinated with other U.S. DOT recipients to promote DBE outreach programs. Small businesses will be invited to meet with Grande West Transportation's DBELO, purchasing and project management staff and learn about the contracting program.

Grande West Transportation staff will have an opportunity to meet in person with qualified business owners who are interested in supplying services and products to Grande West Transportation.

Additionally, Grande West Transportation will implement strategies aimed at increasing competition in its procurement process. These programs provide procurement information, fostering small business participation on various aspects of the Grande West Transportation's procurement process. Some of the strategies we intend to implement include:

- Removal of unnecessary or unjustified bundling of contract requirements.
- Conducting outreach with Local Small Business Development Centers, US Small Business Administration, Chambers of Commerce, and/or other state and local agencies to help identify small businesses who can participate as subcontractors.
- Participation in local/regional area business opportunity and outreach symposiums to network with small businesses which could participate as subcontractors.

Grande West Transportation will be adding an additional reporting tool to capture the utilization of Small Business Firms, which will allow us to actively monitor and track Small Business participation.

## **SUBPART C – GOALS, GOOD FAITH EFFORTS, AND COUNTING**

### Section 26.43 Set-asides or Quotas

Grande West Transportation does not use quotas in any way in the administration of this DBE program.

### Section 26.45 Overall Goals

A description of the methodology to calculate the overall goal and the goal calculations can be found in [Attachment 3](#) to this program.

### Section 26.47 Short-Fall Analysis

Grande West Transportation will conduct a short fall analysis, in accordance with 49 CFR Part 26.47 if we do not meet our overall goal. We will analyze in detail the reasons we failed to meet our overall goal and establish specific steps and milestones to correct the problems we have identified.

### Section 26.51(a-c) Breakout of Estimated Race-Neutral & Race-Conscious Participation

The breakout of estimated race-neutral and race-conscious participation can be found in [Attachment 4](#) to this program. This section of the program will be updated annually when the goal calculation is updated.

Grande West Transportation will meet the entire portion of its overall goal by using race-neutral means of facilitating DBE participation. Grand West Transportation uses the following race-neutral means to increase DBE participation:

- a) Provide technical assistance.
- b) Informational and communication programs on specific contracting opportunities to DBEs.
- c) Arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE and other small business participation.

We will ensure our DBE program will be narrowly tailored to overcome the effects of discrimination. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry DBE Plan; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a supplier that did not consider a firm's DBE status in making the award.

### Section 26.55 Counting DBE Participation

We will count DBE participation toward overall and contract goals as provided in 49 CFR 26.55.

## **SUBPART D – CERTIFICATION STANDARDS**

### Section 26.61 – 26.73 Certification Process

Grande West Transportation will direct potential DBEs to their home state UCP for information regarding certification:

([https://www.transportation.gov/sites/dot.gov/files/docs/DBE%20Certifying%20Agencies%20List\\_933.pdf](https://www.transportation.gov/sites/dot.gov/files/docs/DBE%20Certifying%20Agencies%20List_933.pdf)).

Within our geographic market area of Georgia and Indiana, Grande West Transportation will direct potential DBEs for information regarding certification to the Georgia DOT (<http://www.dot.ga.gov/PS/Business/DBE>) and Indiana DOT (<https://entapps.indot.in.gov/DBELocator/>) DBE Directories



## **SUBPART F – COMPLIANCE AND ENFORCEMENT**

### Section 26.109 Information, Confidentiality, Cooperation

We will safeguard from disclose to third party information that may reasonably be regarded as confidential business information, consistent with Federal, state, and local FOIA laws.

Notwithstanding any contrary provisions of state or local law, we will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than DOT) without the written consent of the submitter.

## **ATTACHMENTS**

Attachment 1	Organizational Chart
Attachment 2	Monitoring and Enforcement Mechanisms
Attachment 3	Goal Setting
Attachment 4	Breakout of estimated Race-neutral and Race-conscious Participation



## **Attachment 2**

### Monitoring and Enforcement Mechanisms

Grande West Transportation has available several remedies to enforce the DBE requirements contained in its contracts. Grande West Transportation will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 26:

1. We will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.109.
2. We will consider similar action under our own legal authorities, including responsibility determinations in future contracts.
3. We will provide a monitoring and enforcement mechanism to verify work committed to DBEs at contract award is actually performed by the DBEs.
4. We will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

In addition, the federal government has available several enforcement mechanisms that it may apply to firms participating in the DBE problem, including, but not limited to, the following:

1. Suspension or debarment proceedings pursuant to 49 CFR part 26
2. Enforcement action pursuant to 49 CFR part 31
3. Prosecution pursuant to 18 USC 1001.

### ***Monitoring Payments to DBEs***

We will require prime contractors to maintain records and documents of payments to DBEs for three years following the performance of the contract. These records will be made available for inspection upon request by any authorized representative of Grande West Transportation or DOT. This reporting requirement also extends to any certified DBE subcontractor. We will perform interim audits of contract payments to DBEs. The audit will review payments to DBE subcontractors to ensure that the actual amount paid to DBE subcontractors equals or exceeds the dollar amounts states in the schedule of DBE participation.

### Attachment 3

#### Goal Setting Methodology

##### Step 1 Base Figure: 26.45(c)

Grande West Transportation 's DBE Plan will be based on demonstrable evidence of the availability of ready, willing and able DBEs relative to all businesses ready, willing and able to participate on our DOT-assisted contracts.

The current base figure for the relative availability of DBEs will be calculated as follows:

$$\text{BASE FIGURE} = \frac{\text{Number of ready, willing and able DBE's}}{\text{Number of all firms ready, willing and able}}$$

We will list all domestic supplies and/or services out-sourced when manufacturing our vehicles. We will exclude the supplies and services performed with our own forces. We will not exclude domestically manufactured "highly technical components" or major systems (e.g., chassis, engines, etc.). We will do our best to avoid using broad NAICS codes and classify the opportunities by appropriate NAICS codes closest to matching our vehicle work scopes.

We are confident our geographic market area of Georgia and Indiana represents a substantial majority of our contracting activity outside of our customer's (i.e., transit agency's) Bus Manufacturing contract technical specifications for major components manufactured by our non- DBE larger suppliers.

Grande West Transportation will derive its numerator and denominator for establishing its goal setting process by considering the following data sources:

- Determining a base figure for the relative availability of DBEs and all firms in the Bus Manufacturing industry as a starting point for our goal setting process.
- Reviewing FTA Recipients' bid specifications to determine which work scopes products and services are required to repair/replace components and assemble the Bus.
- Researching the NAICS Codes (<http://www.naics.com/search/>) matching those work scopes.
- Examining the DOT UCP Directories for the states in it Market area:
  - GA: <http://www.dot.ga.gov/PS/Business/DBE>
  - IN: <https://entapps.indot.in.gov/DBELocator/>
  - <https://webapps.dot.illinois.gov/UCP/ExternalSearch>
  - [http://mdot.ms.gov/bidsystem\\_data/bidderspdf/DBE%20Listing.pdf](http://mdot.ms.gov/bidsystem_data/bidderspdf/DBE%20Listing.pdf)
  - <https://mdotjboss.state.mi.us/MUCPWeb/welcome.htm;jsessionid=NDIYeocANNiFGdE3GxX57D8R0x4Hbbq8Ci9Vjkq1.appprodext>
  - <https://nysucp.newnycontracts.com/>
- Examining American Fact Finder – U.S. Census Bureau data: (<http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>)
- Considering Bus Manufacturing industry DBE and non-DBE firms known by our staff, and the American Public Transportation Association On-Line Buyer's Guide.
- Developing a Potential Suppliers List and determining the number of DBEs who may bid or quote on our DOT-assisted prime contracts or subcontracts in the previous year(s).

- Determining the number of all businesses that will bid or quote on prime or subcontracts in the same time period.
- Determining the number of potential DBE suppliers and bidders by the number for all businesses to derive a base figure for the relative availability of DBEs in our market.
- Calculation a weighted percentage basis for each NAICS category of work based on actual contracted dollar value (or budgeted amount if not yet awarded) for each category of percent DBE was calculated to make a weighted adjustment to the total DBE Plan.

We affirm to FTA that our geographic market area consists of Georgia and Indiana. Georgia and Indiana encourage its Prime Bidders/Contractors to utilize suppliers geographically close to their site as much as possible to reduce current contract and after-market costs (i.e., less freight costs and travel time to resolve problems) and improve the chance that their funding dollars will stimulate the local supplier base.

Most of the materials used by Grande West Transportation to manufacture transit buses are transit authority-specified components. Since the purchased existing bus and major components technically specified by our customer equals more than 85% of the total material costs, Grande West Transportation will also make its best efforts toward DBE participation through direct purchases from DBEs that provide supplies and services that are not within the major components and subsystems, such as metal fab, machining, wire/cable, plywood, hardware and transportation. Grande West Transportation's race-neutral means of obtaining DBE participation will include tracking 2nd-tier DBE participation from its non-DBE major component suppliers where there are no contract goals established.

We will develop a material cost spreadsheet based upon our Bill of Materials. We will calculate the percentage that each individual item represents as a percentage of the total cost of all materials and services to be awarded during each fiscal year.

While refining relevant supplier data from global, national and local market areas, we will focus on making an "apples to apples" comparison of Bus Manufacturing industry DBE and non-DBE suppliers. The reason we'll choose whether to adjust our figure using this data is our FTA Recipient customers (like most FTA Recipients on TVM contracts), requires the TVM to obtain the major subsystems and components (e.g., chassis, diesel engine, wheelchair lifts, etc.) from proven Bus Manufacturing industry prime contractors that are technically qualified to meet the Recipient's specific technical specifications. Realizing the availability of ready, willing and able DBEs is significantly higher for the non-major components, we will apply weighting to each individual material and service category.

Anytime a DBE wins a prime contract through customary competitive procurement procedures, is awarded a prime contract that does not carry a DBE Plan, or (even if there is a DBE Plan), wins a prime contract from us when we did not consider its DBE status in making the award (e.g., when we use a low bid and/or highest value system to award prime contracts), Grande West Transportation will record and report that participation.

After we multiply the weight of each type of work and relative availability of DBEs by NAICS Code, we will divide the numerator by the denominator and arrive at the base figure for our overall goal.

### Step 2 Adjustment: 26.45(d)

Once we calculate a base figure of the relative availability of DBEs, we will then examine evidence available in our jurisdiction to determine what Step 2 adjustment, if any, will be needed to the base figure in order to arrive at our overall goal.

#### Disparity Studies

We will examine disparity studies in the Georgia and Indiana including their DOTs. The data we'll use to determine the adjustment to the base figure will be:

- The current capacity of transit industry DBEs to perform work in our DOT-assisted contracting program, as measured by the volume of work Bus Manufacturing industry DBEs have performed in recent years.
- DBE Goal of the only other TVM providing similar Bus Manufacturing services: (<https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/eligible-tvms-list>)

## **Attachment 4**

### Section 26.51: Breakout of Estimated Race-Neutral & Race Conscious Participation

Grande West Transportation will meet the entire portion of its overall goal by using race-neutral means of facilitating DBE participation.

The following is a summary of the race-neutral DBE participation:

- Provide technical assistance.
- Informational and communication programs on specific contracting opportunities to DBEs.
- Arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE and other small business participation

We will ensure our DBE program will be narrowly tailored to overcome the effects of discrimination. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry DBE Plan; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a supplier that did not consider a firm's DBE status in making the award.