



Federal Transit Administration
(FTA) Overall DBE
Goal-Setting Methodology

For

FFY 2021-2023
Goal Period

Submitted in fulfillment of:

Title 49 Code of Federal Regulations Part 26

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DBE GOAL METHODOLOGY

I. INTRODUCTION

The City of Roseville (City) herein 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 2021-2023 (October 1, 2020 through September 30, 2023), pursuant to Title 49 Code of Federal Regulations (CFR) Part 26 “Participation by Disadvantaged Business Enterprises in U.S. Department of Transportation Programs.” The purpose of the DBE goal-setting process is to level the playing field so that DBEs can compete fairly for Department of Transportation-assisted contracts, however, the program must be narrowly tailored in accordance with applicable law.

II. BACKGROUND

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

The City presents its Overall DBE Goal Methodology for FFY 2021-2023.

III. FTA-ASSISTED CONTRACTING PROGRAM FOR FFY 2021-2023

Table 1 represents the City’s FTA-assisted contracting programs, which consists of two (2) projects considered in preparing this goal methodology.

Table 1: FTA-Assisted Projects FFY21/23

PROJECT NAME/DESCRIPTION	TOTAL ESTIMATED CONTRACTED COST
MV Transit Operations	\$ 12,847,873
Mobility Management Program	\$ 100,518
Total estimated expenditures on FTA-assisted contract	\$ 12,948,391

Tables 2 and 3 provides a summary of the categories of work with estimated cost breakdown for each project. Categories of work are groups utilizing comparable North American Industry Classification System (NAICS) codes for purposes of weighting the categories of work based on operational budgets.

The MV Transit Operations project include contracted transit services and total estimated project cost is based on the existing contract between MV and the City. The contract began in 2017, with optional service years through FY 24/25. A breakdown by category and estimated expenses are shown below in Table 2.

Table 2: MV Transit Operations

CATEGORY OF WORK	NAICS CODES	ESTIMATED %	ESTIMATED FEDERAL \$ BY NAICS
Electrical Contractors and Other Wiring Installation Contractors	238210	0.94%	\$ 120,740.38
Other Services to Buildings and Dwellings	561790	0.63%	\$ 80,509.61
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	334220	0.56%	\$ 72,342.12
Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	423430	0.36%	\$ 46,419.96
Office supplies and stationery stores	453210	1.28%	\$ 164,374.56
Cut and Sew Apparel Contractors	315210	0.17%	\$ 21,812.34
Bus and other motor vehicle transit systems	485113	96.06%	\$ 12,341,673.59
MV Transit Operations - TOTAL			\$ 12,847,872.56

The Mobility Management Program (Section 5310) budget includes \$149,802 in expenses for the two (2) year program. Of the program budget, \$49,281 will be expended for staff time (direct costs) for a total of \$100,518 in outside procurement. Due to the unique nature of a Mobility Management Program, it was difficult to ascertain a NAICS category; therefore, the contracted services portion of the program budget was allocated into to Temporary Help Services. The categories and estimated cost breakdown are shown below.

Table 3: Mobility Management Project Expenses

CATEGORY OF WORK	NAICS CODES	ESTIMATED % BY NAICS	ESTIMATED FEDERAL \$ BY NAICS
Temporary Help Services	561320	92.04%	\$ 92,518.00
Commercial Printing (except Screen and Books)	323111	4.97%	\$ 5,000.00
Commercial Screen Printing	323113	2.98%	\$ 3,000.00
Mobility Management Program Contract - TOTAL			\$ 100,518.00

IV. GOAL METHODOLOGY

Step 1: Determination of a Base Figure (26.45)¹

To establish the City’s Base Figure of the relative availability of DBEs to all comparable firms (DBE and Non-DBE) available to bid or propose on City FTA-assisted contracting opportunities projected to be solicited during the triennial goal period, the City followed the prescribed federal methodology to determine

¹ 26.45 represents Title 49 CFR Part 26 regulatory goal setting methodology reference.

relative availability. This was accomplished by assessing the *California Unified Certification Program (CUCP) DBE Database of Certified Firms* and the *2018 U.S. Census Bureau County Business Patterns Database* within the City’s market area (defined as Placer and Sacramento Counties) for each of the categories of work defined in Tables 2 and 3.

The City’s local market area consists of the geographic area where a substantial majority of contracting dollars are expended and/or where the substantial majority of contractor and subcontractor bids or quotes are located.

In accordance with the formula below, the Base Figure is derived by dividing the number of ready, willing and able DBE firms identified for each work category by the number of all firms identified 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.

$$\text{Base Figure} = \sum \frac{(\text{Number of Ready, Willing and Able DBEs})}{\text{Number of All Ready, Willing and Able Firms}} \times \text{weight} \times 100$$

- ⇒ For the numerator: CUCP DBE Database of Certified Firms
- ⇒ For the denominator: 2012 U.S. Census Bureau’s 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 for the MV Transit Operations is 0.01%, as shown in Table 4 as follows:

Table 4: MV Transit Operations Project Goal

CATEGORY OF WORK	DBES	ALL FIRMS	CATEGORY WEIGHT	WEIGHTED RATIO
Electrical Contractors and Other Wiring Installation Contractors	3	464	0.94%	0.01%
Other Services to Buildings and Dwellings	1	133	0.63%	0.00%
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	0	3	0.56%	0.00%
Computer and Computer Peripheral Equipment and Software Merchant Wholesalers	0	51	0.36%	0.00%
Office supplies and stationery stores	0	28	1.28%	0.00%
Cut and Sew Apparel Contractors	0	6	0.17%	0.00%
Bus and other motor vehicle transit systems	0	5	96.06%	0.00%
Base Figure (i.e., Sum of Weighted Ratios for all Work Categories)				0.01%

Using the same DBE Goal Methodology, a DBE project goal was estimated for the Mobility Management Program. The project goal is estimated at 1.48%.

Table 5: Mobility Management Program Goal



CATEGORY OF WORK	DBES	ALL FIRMS	CATEGORY WEIGHT	WEIGHTED RATIO
Temporary Help Services	3	464	92.04%	1.48%
Commercial Printing (except Screen and Books)	1	133	4.97%	0.00%
Commercial Screen Printing	0	48	2.98%	0.00%
Base Figure (i.e., Sum of Weighted Ratios for all Work Categories)				1.48%

The two FTA-assisted projects for FY 2021-2023 result in a total program expenditure of \$13,606,690 on FTA-assisted contracts, of which the MV Transit Operational Expenses account for 99.22% and the Mobility Management Program accounts for 0.78% of the total. The weighted goals by project are shown below.

Table 6: DBE Program Goal

PROJECT NAME/DESCRIPTION	CATEGORY WEIGHT	TOTAL ESTIMATED PROJECT COST	PROJECT DBE GOAL	WEIGHTED DBE GOAL
Mv Transit Operations	99.22%	\$ 12,847,872.56	0.01%	0.01%
Mobility Management Program	0.78%	\$ 100,518.00	1.48%	0.01%
Total - Overall DBE Goal and Expenditures		\$ 12,948,390.56		0.02%

Step 2: Adjusting the Base Figure

Upon establishing the Base Figure, the City reviewed and assessed other known evidence potentially impacting the relative availability of DBEs within the market area, in accordance with prescribed narrow tailoring provisions set forth under 49 CFR Part 26.45: Step 2; DBE Goal Adjustment guidelines.

Evidence considered in making an adjustment to the Base Figure included Past DBE Goal Attainments and Other Evidence, as follows:

A. Past DBE Goal Attainments

As historical DBE participation attainments provide demonstrable evidence of DBE availability and capacity to perform, the City 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 the City within the last three (3) federal fiscal years.

Table 4

FEDERAL FISCAL YEAR (FFY)	FTA DBE GOAL ATTAINMENT %
2018	1.1%
2019	0.0%
2020	0.0%

The City considered an adjustment to the Base Figure based on recent DBE goal attainments, however, the data does not warrant an adjustment at this time. During the 2018 reporting period, the Louis Orlando construction project achieved a total 1.1% DBE participation. Since no FTA-assisted construction projects are included in the current goal for FFY 2021-2023, this does not warrant an adjustment.

B. Bidders List

The City’s bidders list does not provide sufficient data to date to justify an adjustment to the Base Figure. Bidders List information will continue to be collected on future procurements for the potential use in future DBE goal determinations.

C. Disparity Study

The City is not aware of any current disparity studies within their jurisdiction and/or market area to consider in this step of the goal setting analysis.

D. Other Available Evidence

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

V. PROPOSED OVERALL DBE GOAL

The City is currently operating a strictly race-neutral DBE Program. As such, the City will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation.

The Final Proposed Overall DBE Goal for FFY 2021-2023 for the City’s FTA-assisted contracts is 0.02%. As a part of the prescribed goal-setting methodology, the City must project the percentage of its Proposed Overall DBE Goal that can be met utilizing race-neutral and race-conscious measures.

Race-Conscious & Race-Neutral Projection

The City intends to continue to use race-neutral methods to meet the overall DBE goal of 0.02% for FFY 2021-2023 in accordance with Title 49 CFR Part 26.51.

RACE-CONSCIOUS & RACE-NEUTRAL PROJECTIONS	
DBE Adjusted Base Figure	0.02%
Race-Conscious Component	0.00%
Race-Neutral Component	0.02%

In order to ensure that the City’s DBE program will be narrowly tailored to overcome the effects of discrimination, if we use contract goals we will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (see 26.51(f)) and we will track and report race-neutral and race conscious participation separately.

VI. RACE-NEUTRAL IMPLEMENTATION MEASURES

The City is currently implementing a number of race- and gender-neutral remedies to outreach and promote the participation of DBEs and small businesses in the City's FTA-assisted contracting program. The City plans to continue or implement the following race-neutral measures for FFY 2021-2023 and will continue to explore other options for consideration based on the City's success in meeting its overall DBE goals based on these efforts. The City will:

- Arrange timely solicitation, times for the presentation of bids, quantities, specifications, and deliver schedules in ways that facilitate DBEs and other small business firms' participation.
- Unbundle large contracts to make them more accessible to small businesses, requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces.
- Provide technical assistance and other services to small businesses, including DBE firms.
- Provide information and communication programs on contracting procedures and specific contract opportunities.
- Provide assistance to small businesses in overcoming limitations in obtaining bonding, lines of credit and building financing capital.
- Compile a City database of all firms who attend pre-bid/pre-proposal meetings, whether they elect to bid/propose on a project or not. The City will then use that database to further their Outreach efforts on future projects and related events.

Fostering Small Business Participation²

The City has incorporated a small business element into the DBE Program. An important part of the City's small business element is its outreach activities. These outreach efforts include active, effective steps to increase small business participation, such as soliciting bids/proposals from DBEs and small businesses, responding to requests for information, participating at pre-bid and pre-proposals meets, and participating at outreach and training events for DBEs and small businesses. The City will collaborate with regional resources by pooling resources and/or creating joint programs for review and approval by FTA.

VII. PUBLIC PARTICIPATION AND FACILITATION

In accordance with Public Participation Regulatory Requirements of Title 49 CFR Part 26, minority, women, local business associations, and community organizations within the market area were consulted and provided an opportunity to review the triennial goal analysis and provide input.

The City will issue a Public Notice in general circulation media and minority focused media publishing the Draft Proposed FTA Overall DBE Goal-Setting Methodology for FFY 2021-FFY 2023. The notice will inform the public that the proposed goal and rationale were available for inspection at the City's principal office during normal business hours for 45 days following the date of the Public Notice.

² See Title 49 CFR Part 26 Section 26.39 "Fostering Small Business Participation."