



**Federal Transit Administration (FTA)**

**Overall DBE**

**Goal-Setting Methodology**

**For Federal Fiscal Years 2018-19, 2019-20 and 2020-21**

Submitted in fulfillment of:

Title 49 Code of Federal Regulations Part 26



**FY 2018-21 DISADVANTAGED BUSINESS ENTERPRISE (DBE) OVERALL GOAL SETTING METHODOLOGY**

**For Contracts Assisted by the Federal Transit Administration**

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## FY 2018-21 DISADVANTAGED BUSINESS ENTERPRISE (DBE) OVERALL GOAL SETTING METHODOLOGY

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### **I. INTRODUCTION**

The City of Simi Valley has established 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 2018-19, 2019-20 and 2020-21, in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26.

### **II. BACKGROUND**

The City of Simi Valley Transit is a Direct Recipient of Federal financial assistance from the Department of Transportation, and has no sub-recipients. As a condition of receiving this assistance, the City has signed an assurance that it will comply with 49 CFR Part 26. In accordance with Title 49 CFR Part 26 provisions: Participation by DBEs in USDOT Programs, The City of Simi Valley is required to develop and submit a Triennial Overall DBE Goal for its FTA-assisted projects.

It is the policy of the City to ensure that DBEs as defined in part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also the City's 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; and,



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- 6. To assist the development of firms that can compete successfully in the market place outside the DBE Program.

**III. GOAL METHODOLOGY**

**Step 1: Overall Goal Calculation – Section 26.45:**

The Base Figure reflects the absence of certified DBEs in the trades in the City’s market area. Considering all information available specific to pending projects, the City of Simi concludes the DBE Goal is 8.4% for FTA funded projects, and shall provide this goal on all contracts or agreements with other consultants/contractors for Federal Fiscal Years 2019-21.

**Determining the DBE goal**

The purpose is to determine what percentage DBEs represent all firms that are ready, willing, and able to compete for federally funded contracts. This percentage is calculated by dividing the number of eligible DBEs by the number of all firms (DBEs and non-DBEs) able to bid for the type of FTA funded work anticipated to be contracted out by the City of Simi Valley during the next triennial period.

The North American Industry Classification System (NAICS) was used to categorize the work activities anticipated by the City of Simi in the next three years. Planning and administration activities completed by City of Simi Valley Staff were not included in the analysis. The following tables represent the projects which projected for FTA funding during the FFY 2018-21:



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**TABLE 1**

<b>Projects with FDA Funding</b>	
<b>No.</b>	<b>Description</b>
1	Bus Stop Improvements
2	CNG Fueling Station Upgrade
3	Transit Maintenance Facility Expansion
4	Paving Resurfacing at Transit Maintenance Facility

**TABLE 2**

**Determine the weight of each type of work by NAICS Code:**

\* Enter all the FTA-assisted projects below. Project amounts should be assigned relevant NAICS Code(s).

	<b>NAICS Code</b>	<b>Project</b>	<b>Amount of DOT funds on project:</b>	<b>% of total DOT funds (weight)</b>
1)	238110	Project #1 & #2- Concrete Work	\$224,448.00	0.1520
2)	23731	Project #4-Concrete Work	\$304,076.92	0.2059
3)	23711	Project #4-Piping and adjustments	\$121,840.00	0.0825
4)	238210	Project #2 & #3- Electrical	\$392,000.00	0.2655
5)	238320	Project #2 & #3- Painting	\$36,000.00	0.0244
6)	238990	Project #2- Fencing	\$40,000.00	0.0271
7)	238330	Project #3- Flooring	\$24,800.00	0.0168
8)	335311	Project #2- Transformer	\$160,000.00	0.1083
9)	423990	Project #1 & #2- Bench, Canopy	\$173,552.00	0.1175
		<b>Total FTA-Assisted Contract Funds</b>	<b>\$1,476,716.92</b>	<b>1</b>



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**TABLE 3**

**Determine the relative availability of DBE's by NAICS Code:**

\* Use DBE Directory, census data and/or a bidders list to enter the number of available DBE firms and the number of available firms.

	NAICS Code	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability
1)	238110	Project #1 & #2- Concrete Work	33	391	0.0844
2)	23731	Project #4- Concrete Work	33	146	0.2260
3)	23711	Project #4- Piping and adjustments	6	135	0.0444
4)	238210	Project #2 & #3- Electrical	25	2758	0.0091
5)	238320	Project #2 & #3- Painting	25	1116	0.0224
6)	238990	Project #2- Fencing	8	817	0.0098
7)	238330	Project #3- Flooring	12	501	0.0240
8)	335311	Project #2- Transformer	2	13	0.1538
9)	423990	Project #1 & #2- Bench, Canopy	26	1022	0.0254
	<b>Combined Totals</b>		<b>170</b>	<b>6899</b>	<b>0.0246</b>



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**TABLE 4**  
**(Weight) x (Availability) = Weighted Base Figure**

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)	238110	Project #1 & #2-Concrete Work	0.15199	x	0.08440	0.0128
2)	23731	Project #4-Concrete Work	0.20591	x	0.22603	0.0465
3)	23711	Project #4-Piping and adjustments	0.02438	x	0.04444	0.0011
4)	238210	Project #2 & #3-Electrical	0.26545	x	0.00906	0.0024
5)	238320	Project #2 & #3-Painting	0.02438	x	0.02240	0.0005
6)	238990	Project #2-Fencing	0.02709	x	0.00979	0.0003
7)	238330	Project #3-Flooring	0.01679	x	0.02395	0.0004
8)	335311	Project #2-Transformer	0.10835	x	0.15385	0.0167
9)	423990	Project #1 & #2- Bench, Canopy	0.11753	x	0.02544	0.0030
					<b>Total</b>	0.0837
					<b>Expressed as a % (*100)</b>	<b>8.37%</b>
					<b>Rounded, Weighted Base Figure:</b>	<b>8.4%</b>



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### **DBE Firms**

The Caltrans Disadvantaged Business Enterprise (DBE) Database was used to calculate the number of available, willing, and able DBE firms. The DBE database contains information on certified DBE firms.

DBEs searched under Caltrans District 7 that matched the NAICS codes were counted as DBE that are ready, willing and able to perform the work tasks. Specifically the Caltrans DBE database was searched by first selecting District 7, then selecting the appropriate NAICS code and using the start search button. The process was repeated for each NAICS code. The total number of DBE firms is listed in the table above under the Column heading DBE Firms.

### **All Firms**

The US Census Bureau County Business Patterns (CPB) database was used to calculate the number of all available, willing and able firms (DBEs and non DBEs). The CPB provides subnational economic data by industry including the number of business establishments.

The “All Firms” data was obtained by selecting the Los Angeles-Long Beach-Anaheim CA Metro Area as well as the relevant NAICS code for each category. Additional Metro areas in Ventura County were not selected to avoid double counting. The total number of All Firms can be found on the table above.

### **Base Figure**

The Base DBE Goal was calculated using a weighted average of the 3 year contract estimate of each project type. A weighted average was used to ensure greater accuracy of the Base Figure. The analysis resulted in a Base DBE Goal of 8.4%.

### **Step Two: Weighting/Adjusting the Base Figure**

Upon establishing the Base Figure, the City of Simi reviewed and assessed other known relevant evidence to determine what adjustments, if any, were needed to narrowly tailor the Base Figure to the City’s market area, in accordance with the prescribed narrow tailoring provisions set forth under 49 CFR Part 26 DBE Goal





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Adjustment provisions. Factors considered in determining the City DBE participating that can be expected, absent discrimination, included the following:

**A. Current Capacity DBE's Measured by Actual Attainments**

The volume of similar work that DBE's performed in the City's DOT-assisted contracting program for Fiscal Years 2016/17 and 2017/18 based on actual DBE utilization paid report summaries as follows:

<b>FISCAL YEAR 2016/17</b>			
<b>Work Category</b>	<b>\$ paid to Contractors</b>	<b>\$ Paid to DBE Firms</b>	<b>DBE Goal Attainment</b>
	1,560,467.00	\$52,649.00	3.4%

<b>FISCAL YEAR 2017/18</b>			
<b>Work Category</b>	<b>\$ paid to Contractors</b>	<b>\$ Paid to DBE Firms</b>	<b>DBE Goal Attainment</b>
	913,460.00	\$3,500.00	0.4%

**B. Disparity Study Results: DBE Availability vs. Utilization Ratios**

The City has not conducted a Disparity Study, and there is no other related study available which can be based upon for adjusting the Base Figure.

**C. Resultant Goal Adjustment**

The impact of these factors resulted in no adjustment of the Base Figure from 8.4% for DBE participation in City's Transit DOT-assistant contracts projected to be expended for Fiscal Years 2018-2021.

**IV. BREAKOUT OF ESTIMATED RACE-NEUTRAL AND RACE-CONSCIOUS PARTICIPATION**

The City of Simi Valley will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The City uses the following race-neutral means for DBE participation and ensures the distribution of the City's DBE



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Directory through print and electronic means to the widest feasible audience of potential prime contractors.

The City estimates that, in meeting the City’s overall goal of 8.4%, the City will obtain 100% from race-neutral participation and 0% through race-conscious measures.

In order to ensure that the City’s DBE program will be narrowly tailored to overcome the effects of discrimination, if the City uses contract goals the City will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation and the City will track and report race-neutral and race conscious participation separately. 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 goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contractor that did not consider a firm’s DBE status in making the award.

The City will maintain data separately on DBE achievements in those contracts with and without contract goals, respectively.

<b>Race-Conscious &amp; Race-Neutral Projections</b>	
DBE Adjusted Base Figure	8.4%
Race-Conscious Component	0.0%
Race-Neutral Component	8.4%

**Fostering Small Business Participation**

The City has incorporated the following non-discriminatory element to its DBE program, in order to facilitate competition on DOT-assisted projects by small business concerns (both DBEs and non-DBE small businesses) and to ensure that the maximum feasible portion of the City’s overall DBE goal is met by using race-neutral means. Prime contractors may use DBE and/or small business firms



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in order to satisfy the City's DBE goals. The City's policy will include the following:

1. Remove unnecessary and unjustified bundling of contract requirements;
2. Require bidders on large contracts to identify and/or provide specific subcontracts appropriate for small business participation; and
3. Include reasonably competitive contract, provide outreach, technical assistance and training opportunities for small businesses through various partnerships. City staff sponsors and participates in business outreach sessions conducted by local municipalities, non-profit agencies, local chambers of commerce, and minority and women business organizations, which are designed to introduce small and minority-owned businesses to the City's procurement processes and practices. The City has advertised contracting opportunities through various outlets, including local newspapers, as well as on the City's website.



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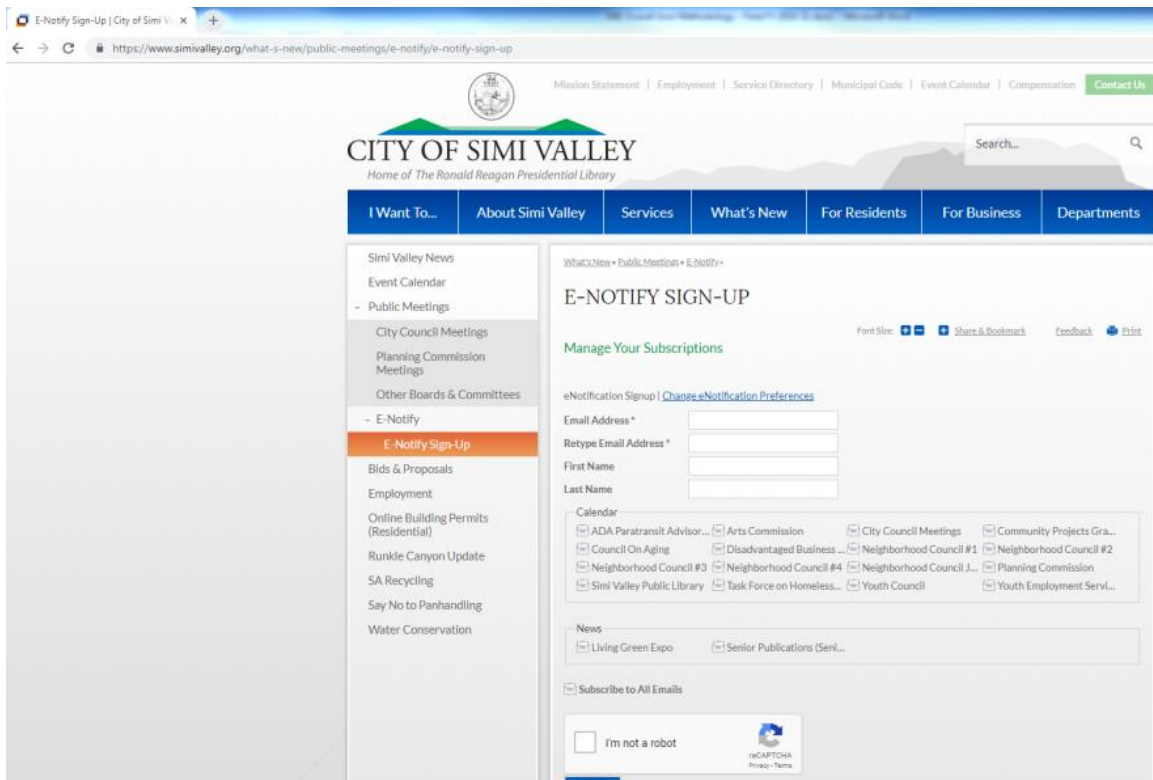
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### V. PUBLIC PARTICIPATION AND FACILITATION

#### Public Participation

The City of Simi Valley publishes its DBE Program and Goals in accordance with the Public Participation Regulatory Requirements of Title 49 CFR Part 26, and it is included in the City’s FTA Procurement Policies and Procedures Manual, in all solicitations for procurement contracts involving DOT-assistance via specific language in Request For Proposals (RFP) documents, hard-copy posted notices, published legal notices, and announcements on the City’s website. The DBE Program and Goal are also featured on the City of Simi Valley’s online Business Resource Center.

Furthermore, the City created a DBE electronic notification list (shown below) which offers businesses the opportunity to elect to receive announcements relative to DBE, including DBE Program and Goal updates, and bidding/proposal opportunities.





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### Publication of Goal

On November 8, 2018, the City of Simi Valley published its overall DBE goal for FY 2018/19, 2019/20 and 2020/21 on its official website. Public comments were accepted through November 21, 2018. A screenshot of the webpage notice is provided:

The screenshot shows the City of Simi Valley website. At the top, there is a navigation bar with links for Mission Statement, Employment, Service Directory, Municipal Code, Event Calendar, Compensation, and Contact Us. Below this is the City of Simi Valley logo and the tagline "Home of The Ronald Reagan Presidential Library". A search bar is located on the right. A main navigation menu includes "I Want To...", "About Simi Valley", "Services", "What's New", "For Residents", "For Business", and "Departments".

The main content area displays a page titled "DISADVANTAGED BUSINESS ENTERPRISE (DBE)". The page includes a breadcrumb trail: "Departments > Community Services > Simi Valley Transit >". The text on the page states: "The City of Simi Valley Transit Division has updated its Disadvantaged Business Enterprise (DBE) program and goal for Fiscal Years 2018/19, 2019/20 and 2020/21, and the DBE Goal is set at 4%." It also mentions a public meeting on November 15, 2018, at 2:00 to 3:00 p.m. at the City of Simi Valley Community Room. A description of the goal and additional information is available for review at [DBE Goal](#). The public is invited to comment on the program and goal either at the public meeting or in writing. Comments will be accepted through November 21, 2018. Written comments should be addressed to: City of Simi Valley, Attn: DBE Liaison Officer, Ronald K. Fuchiwaki, Public Works Director, Department of Public Works, 2929 Tapo Canyon Road, Simi Valley, CA 93063. The City of Simi Valley is eager to receive feedback and additionally requests that any qualified DBE firm that may be able to supply transit materials and supplies and/or equipment, or professional services, please contact Ron Fuchiwaki at the address above or at [publicworks@simivalley.org](mailto:publicworks@simivalley.org) or (805) 583-6811. Register for future notifications via e-mail regarding the City's [DBE program](#).

At the bottom of the page, there is a note: "Free viewers are required for some of the attached documents. They can be downloaded by clicking on the icons below." Below this note are icons for various file formats: PDF, Word, Excel, and PowerPoint.



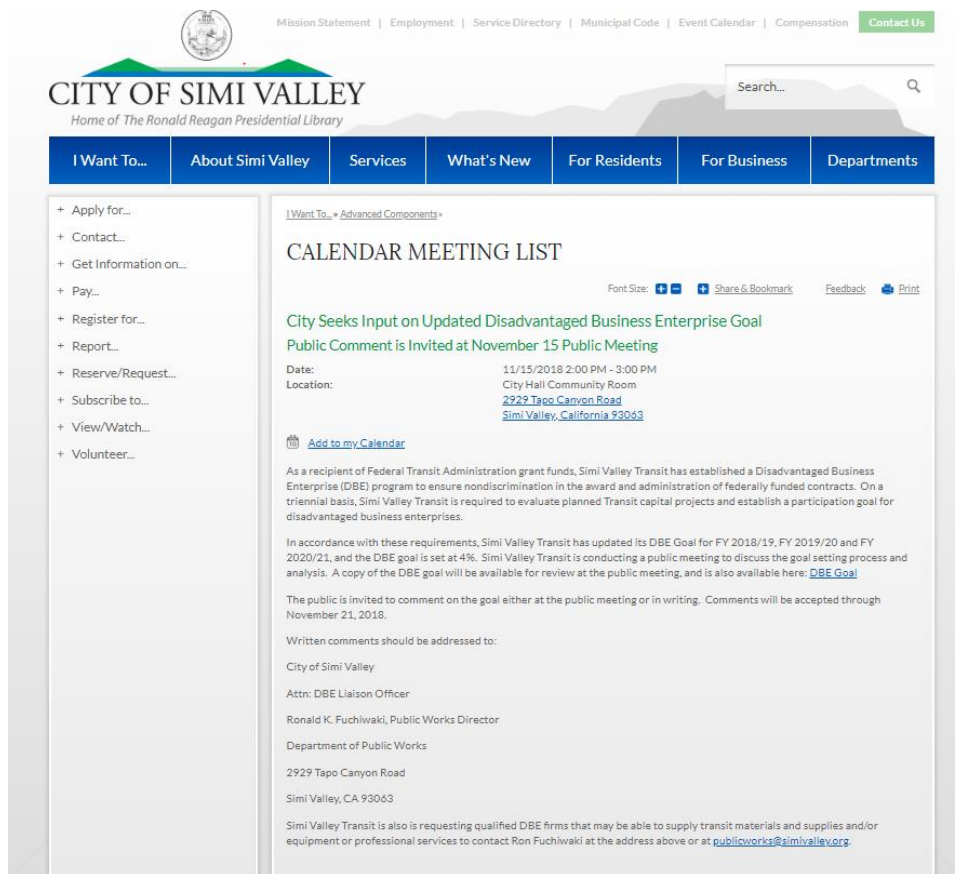
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Electronic notifications regarding the Public Input meeting were emailed to two groups:

- E-Notify subscribers who requested DBE notifications.
- Residents serving on the City’s four Neighborhood Council Executive Boards. The Neighborhood Council Executive Boards are comprised of volunteers who facilitate community involvement and communication and advise the City Council on matters pertaining to the community.
- A total of 401 electronic notifications were sent.

A screenshot of the e-notification sign-up page is provided:





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The City also distributed a News Release inviting public comments to the following:


- News outlets:
  - NBC Universal
  - Simi Valley News Press
  - Ventura County Star Newspaper
  - The Voice
  - Spectrum 24-hour local news channel
- Simi Valley Chamber of Commerce
- The Economic Development Collaborative Ventura County Small Business Development Center
- Women's Economic Ventures

A copy of the news release is provided on the following page:



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**CITY OF SIMI VALLEY**  
*Home of The Ronald Reagan Presidential Library*

November 8, 2018

**FOR IMMEDIATE RELEASE** **CONTACT:** Sarah Sheshebor  
Senior Engineer (805) 583-6792

**DISADVANTAGED BUSINESS ENTERPRISE (DBE)**


As a recipient of Federal Transit Administration grant funds, Simi Valley Transit has established a Disadvantaged Business Enterprise (DBE) program to ensure nondiscrimination in the award and administration of federally funded contracts. On a triennial basis, Simi Valley Transit is required to evaluate planned Transit capital projects and establish a participation goal for disadvantaged business enterprises.

In accordance with these requirements, Simi Valley Transit has updated its DBE program and goal for FY 2018/19, FY 2019/20, and FY 2020/21, and the DBE goal is set at 4%. The updated DBE program and goal is available for review on the City's website at [www.simivalley.org/DBE](http://www.simivalley.org/DBE).

Simi Valley Transit will be conducting a public meeting to discuss the goal setting process and analysis on November 15, 2018, from 2:00 p.m. to 3:00 p.m. in the City of Simi Valley Community Room located at 2929 Tapo Canyon Road, Simi Valley. A copy of the DBE program and goal will be available for review. The public is invited to comment on the program and goal either at the public meeting or in writing. Comments will be accepted through November 21, 2018. Written comments should be addressed to:

City of Simi Valley  
 Attn: DBE Liaison Officer  
 Ronald K. Fuchiwaki, Public Works Director  
 Department of Public Works  
 2929 Tapo Canyon Road  
 Simi Valley, CA 93063

Simi Valley Transit is also requesting qualified DBE firms that may be able to supply transit materials and supplies and/or equipment or professional services to contact Ron Fuchiwaki at the address above or at [publicworks@simivalley.org](mailto:publicworks@simivalley.org).

###  
  
 Eric J. Levitt, City Manager

Bob Huber, Mayor   Glen T. Becerra, Mayor Pro Tem   Mike Judge, Council Member   Keith L. Mashburn, Council Member   Dee Dee Cavanaugh, Council Member  
 2929 Tapo Canyon Road, Simi Valley, CA 93063-2199   805.583.6700   [www.simivalley.org](http://www.simivalley.org)





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### Community Input Meeting

The public was invited to participate in a DBE community dialogue meeting to discuss the goal setting process and analysis.

Meeting date and time: November 15, 2018, from 2:00 to 3:00 p.m.

Meeting location: City of Simi Valley City Hall Community Room

This meeting was designed to provide an opportunity for residents and businesses, inclusive of DBE and minority communities, to provide input. Copies of the following items were provided as handouts at the meeting:

- A) Simi Valley Transit Disadvantaged Business Enterprise Program and Goal Analysis for FFY 2018-19, 2019-20, and 2020-21.
- B) Simi Valley Transit Federal Transit Administration Overall DBE Goal-Setting Methodology for FFY 2018-19, 2019-20 and 2020-21.
- C) US Department of Transportation Disadvantaged Business Program Application Packet, which contained the following items printed from the DOT website:
  - Eligibility
  - Obtaining Certification
  - Ready to Apply?
  - Application

Two members of the public attended the November 8 meeting and provided the following comments:

- ArchaeoPalio Resource Management, Inc., Robin Turner, Principal.
  - Non-minority woman-owned firm that provides cultural, paleontological, and geologic services during excavation.
  - Comment Received: Increase the Transit DBE goal for cultural, paleontological and geological services.
  - The owner was given a copy of each of the three handouts identified above.



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- It was explained that the goal is determined based on the types of Transit projects planned for completion during the next three-year period, and the identified projects do not require the services her firm provides. However, she was directed to information on the City's broader Public Works projects where there might be a need for the services her business provides.
- The Voice California, a local news outlet, was represented by sales representative Tamika Bridgewater.
  - Comment Received: How do local business owners become DBE certified and acquire information on DBE projects?
  - A copy of each of the handouts identified above was provided, which included a packet explaining the DBE certification process. Staff explained the general certification process and how business owners and members of the public can sign up for E-Notifications to receive DBE and RFP notifications.

No other public comments were received during the comment period of November 8 to 21, 2018.