

Santa Barbara County Association of Governments

Proposed Triennial DBE Goal and Methodology

Federal Fiscal Years 2025 - 2027

Summary

The Santa Barbara County Association of Governments (SBCAG) is working to become a *designated recipient* of U.S. Department of Transportation (US DOT) Federal Transit Administration (FTA) funds. Designated recipients are required to set a three-year overall goal for Disadvantaged Business Enterprise (DBE) participation in accordance with federal regulations (49 CFR part 26). The purpose of the triennial goal is to help ensure that DBEs have an equal opportunity to participate in SBCAG's federally funded transit contracts. SBCAG is currently a sub-recipient to Caltrans (not a direct recipient) and therefore is not required to prepare a triennial DBE goal. SBCAG has conducted the analysis and DBE Goal to remain compliant with federal regulations in the event that SBCAG becomes a direct recipient during the triennial period. The triennial period begins October 1, 2024, and ends September 30, 2027, and includes FFYs 2024/25, 2025/26, and 2026/27. SBCAG's proposed DBE Goal for FFYs 2025 – 2026 is 0% because there are no DBE firms that are *ready, willing or able* to compete for the single contract proposed to be awarded during the triennial period - The Clean Air Express Bus Operations project.

Background

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

It is the policy of SBCAG to ensure that DBEs have an equal opportunity to receive and participate in DOT-assisted contracts. It is also SBCAG's policy to:

1. Ensure nondiscrimination in the award and administration of DOT - assisted contracts;
2. Create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. Ensure that the DBE Program is narrowly tailored in accordance with applicable law;
4. Ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. Help remove barriers to the participation of DBEs in DOT assisted contracts;
6. Assist the development of firms that can compete successfully in the marketplace outside the DBE Program.

Access the '[SBCAG Disadvantaged Business Enterprise Program](https://www.sbcag.org/wp-content/uploads/2024/10/Disadvantaged-Business-Enterprise-Program.pdf)' PDF on the SBCAG website (<https://www.sbcag.org/wp-content/uploads/2024/10/Disadvantaged-Business-Enterprise-Program.pdf>). As part of the DBE Program, US DOT requires recipients of federal transit funds to

establish DBE goals to ensure that small DBE companies can compete fairly for transit contracts when recipients anticipate awarding more than \$250,000 in federal funds in prime contracts (excluding transit vehicle purchases) in a federal fiscal year. SBCAG anticipates awarding \$350,000 in FFY 2024/25 for the Clean Air Express Bus Operations project. This is the only FTA-funded contract anticipated to be awarded by SBCAG during FFYs 2025 – 2027. If one or more projects are proposed to be awarded during the triennial period, SBCAG will update the DBE Goal to include the new project(s).

US DOT has established a two-step process to assist designated recipients to calculate the DBE goal¹. **Step One** of the goal setting process is to estimate the relative availability of DBEs that are ready, willing and able to perform the proposed work compared to all willing and able firms regardless of race or gender. **Step Two** of the goal setting calculation is intended to adjust the Step One Base Figure to make it as precise as possible. Under the rule, all evidence available should be used to determine whether adjusting the goal is necessary. If the evidence does not suggest such an adjustment is necessary, then no adjustment should be made.

DBE Goal Setting Methodology

As described above, the DBE goal is calculated by using the two-step process described in the “Tips for Goal Setting” guidance provided by US DOT. Step One involves calculating a Base Figure that shows the relative availability of DBEs by dividing the number of DBE firms that are *ready, willing, and able* to compete for project contracts by the number of all firms (DBEs and non-DBEs) *ready, willing and able* to compete for project contracts. This calculation is summarized in the equation below:

$$\text{Step One Base Figure} = \frac{\text{Ready, willing and able DBEs}}{\text{All ready, willing and able businesses (Including DBEs and Non – DBEs)}}$$

Since the Base Figure calculation utilizes data from the Local Market Area, it is necessary to identify the Local Market Area before calculating the Step One Base Figure.

The Local Market Area

The SBCAG Bidders List (included Attachment 1) was utilized to identify the Local Market Area. The Bidder’s List includes:

- Projects funded with federal transit funds during the period beginning FFY 2015/16 and ending FFY 2023/24;

¹ US Department of Transportation, Tips for Goal Setting in the Disadvantaged Business Enterprise (DBE) Program, Updated December 22, 2014. <https://www.transportation.gov/osdbu/disadvantaged-business-enterprise/tips-goal-setting-disadvantaged-business-enterprise>

- Bidders (prime contractors and subconsultants) who competed for contracts; and
- Non-bidders that were awarded sole source contracts.

Table 1 summarizes the location of bidders and awardees based on business addresses. Firms were counted once. The first column (shaded in green) summarizes the location of all firms - competitive and sole source, and the second column (shaded in blue) summarizes the location of firms that submitted competitive bids. Based on this analysis, the Local Market Area is comprised of the six counties listed below where 48% of bidders and awardees are located.

- Contra Costa County
- Los Angeles County
- Orange County
- San Luis Obispo County
- Santa Barbara County
- Ventura County

Table 1 - Location of Bidders and Awardees (FFY 2015/16 – FFY 2023/24)

Location	Awards and Bidders - Competitive & Sole Source		Awards and Bidders - Competitive Only	
	#	%	#	%
Alameda County	1	3%	1	4%
Contra Costa	2	6%	2	7%
Los Angeles County	3	10%	2	7%
Orange County	3	10%	3	11%
Placer County	1	3%	1	4%
Sacramento County	1	3%	1	4%
San Diego County	1	3%	1	4%
San Mateo County	1	3%	1	4%
San Francisco County	2	6%	1	4%
San Luis Obispo County	2	6%	2	7%
Santa Barbara County	2	6%	2	7%
Santa Clara County	1	3%	0	0%
Solano County	1	3%	1	4%
Ventura County	2	6%	2	7%
Outside California	8	26%	7	26%
Total	31	100%	27	100%

Step One: Calculating the DBE Goal Base Figure

FTA-funded contracts proposed for FFYs 2025 – 2027 must first be identified. Table 2 lists the single project proposed to be awarded to a third-party contractor during the triennial period.

FTA-funded projects completed by SBCAG staff without consultant assistance and vehicle purchases are not included as per FTA regulations.

Table 2 - FTA-Funded Contracts Scheduled for FFYs 2025 – 2027

Awarding Agency	Project Name	Anticipated Award FFY	Anticipated Contract Amount ¹
SBCAG	Clean Air Express Bus Operations	2024/25	\$350,000
TOTAL			

¹ Dollars listed represent the federal funds assigned to projects.

Next, North American Industry Classification System (NAICS) codes² are assigned to projects to identify businesses that are “ready, willing and able” compete for proposed contracts. The NAICS code selected for the Clean Air Express Bus Operations project is shown in Table 3.

Table 3 - NAICS Code Assigned to Project

Awarding Agency	Project Name	Anticipated Contract Totals ¹	NAICS Code	NAICS Code Industry	NAICS Code Description
SBCAG	Clean Air Express Bus Operations	\$350,000	485113	Transportation and Warehousing	Bus and Other Motor Vehicle Transit Systems

DBE Firms Ready, Willing and Able to Compete for Contracts

The NAICS code in Table 3 was used to identify eligible DBE firms located within the Local Market Area. One DBE firm was identified using the California Unified Certification Program (CUCP) Statewide DBE Directory³ listed in Table 4 on page 5. The result was the same when searching within the Local Market Area and statewide. Upon further review of the information provided in the firm’s website and in the CUCP DBE Directory provided by the firm, it was determined that the firm does not meet the standard of “ready, willing and able” to perform the work for the following reasons:

- The Firm’s website⁴ states that it provides “non-emergency medical transportation, paratransit and shuttle services in Los Angeles and throughout Southern California.” There is no mention of providing larger bus commuter service operations.

² North American Industry Classification System (NAICS) is an industry classification system that groups establishments into industries based on the similarity of their production processes. It is a comprehensive system covering all economic activities. There are 20 sectors and 1,012 industries in 2022 NAICS United States.

³ <https://californiaucp.dbesystem.com/>

⁴ <https://www.smstransportation.net/about-us-non-emergency-medical-transportation-shuttle-service-los-angeles/>

- The Firm did not indicate willingness to work in Santa Barbara County. When specifying Santa Barbara County as the Work District/Region, the CPUC DBE Directory indicated that there is no match (zero certifications found).
- The Firm has not bid on the project in past years.

Table 4 – DBE Firm with NAICS Code 485113

Firm ID	DBA Name & Telephone Number	Address	City	State	Zip
38398	SMS Transportation Services, Inc. (213) 489-5367	865 S. Figueroa St. # 2750	Los Angeles	CA	90017

All Firms (Non-DBEs and DBEs) Ready, Willing and Able to Compete for Contracts

This section does not apply as there are no DBE firms *ready, willing and able* to compare it with the number of all firms that are *ready, willing and able* to compete for the Clean Air Express Bus Operations project.

Relative and Weighted availability of DBEs (DBE Goal Base Figure)

As previously noted, the relative availability of DBEs is calculated by dividing the number of DBEs that are *ready, willing, and able* to compete by the number of total firms (DBEs and non-DBEs) *ready, willing and able* to compete for the proposed contracts. Because the numerator is zero, the relative availability and weighted availability are 0%.

Step Two: Adjustments to the DBE Goal Base Figure

The purpose of Step Two in the DBE goal setting process is to evaluate whether the DBE Goal Base Figure should be adjusted based on all evidence including past participation of DBEs in contract awards, disparity studies conducted within the Local Market Area, and data on employment, self-employment education and training, and union apprenticeship programs.

DBE firms have not participated in bus operation contracts managed by SBCAG in past years given the unavailability of DBEs transit contract operators that are *ready, willing and able* to compete for bus operations contracts. This remains true for the FFY 2024/25 – 2026/27 triennial period. Disparity studies conducted by other agencies and data on employment, self-employment education and training, and union apprenticeship programs do not apply given the unavailability of DBE transit contract operators. Therefore, SBCAG does not propose to adjust the DBE Goal Base Figure of 0%.

Consultation and Publication

Designated recipients of FTA funds are required to consult with stakeholders during the development of the overall goal.

This section will be completed after the Consultation process has ended and will describe how SBCAG engaged stakeholders and the public to establish the Overall DBE Goal for FFYs 2025 – 2027. The consultation process will begin when SBCAG issues letters stakeholders (minority and women business groups and organizations, and public organizations and groups) and posts a public notice to inform stakeholders and the public on the:

- Proposed overall DBE goal for the FFY 2025 – 2027 triennial period
- How to obtain a copy of the draft DBE goal methodology report
- Date of the public meeting and how to attend
- Other opportunities to comment

This section will also summarize comments received from stakeholders and the public, and any changes made to the overall DBE goal and methodology based on the comments received. A copy of the following documents will be included as attachments:

- Letters sent to stakeholders
- List of stakeholders that were sent letters
- Public notice
- Public meeting materials.

ATTACHMENT 1 - Bidders List

Name of Bidder	Address	Project Name	Project Number	FFY	NAISC Code	Formal Bid?	Award?	DBE?	Prime or Sub?
AECOM	300 South Grand, Suite 900, Los Angeles, CA 90071	NC Transit Update	2680	15/16	541611	N	Y	N	P
AECOM	300 South Grand, Suite 900, Los Angeles, CA 90071	NC Transit Update	2780	16/17	541611	N	Y	N	P
AECOM Technical Services, Inc.	13355 Noel Rd #400, Dallas, TX 75240	Connected 2050	3810	21/22	541611	Y	N	N	P
American Star Tours	791 Price Street, #204, Pismo Beach, CA 93449	Clean Air Express Operator	5840	Various	485113	Y	Y	N	P
Caliper	1172 Beacon Street, Suite 300, Newton, MA 02461	TransCAD model support	2850	18/19	541512	N	Y	N	P
Caliper	1172 Beacon Street, Suite 300, Newton, MA 02461	Uplan Update	2850	19/20	541715	N	Y	N	P
Caliper	1172 Beacon Street, Suite 300, Newton, MA 02461	Uplan Update	2850	20/21	541715	N	Y	N	P
Digiwest	610 SW Alder Street, Suite 700, Portland, OR	OD survey	2670	15/16	541614	Y	N	N	S
DKS Associates	720 SW Washington St, STE 500, Portland, OR 97205	CCZEVS	3885	various	541611	Y	Y	N	P
EcoInteractive	548 Market Street, #19734, San Francisco, CA 94101	Project Tracker	3890	17/18	541512	N	Y	N	P
EcoInteractive	548 Market Street, #19734, San Francisco, CA 94101	Project Tracker	3890	18/19	541512	N	Y	N	P
Eight LLC, DBA Redesign to Align	349 Hopkins Dr, Fairfield, CA 94533	Accessory Dwelling Unit	3817	23/24	541611	Y	N	N	P
Fehr & Peers	600 Wilshire Boulevard, Suite 1050, Los Angeles, CA 90017	OD survey	2670	15/16	541614	Y	Y	N	P
Frontier Energy	12949 Alcosta Blvd, Ste 101 San Ramon, CA 94583	CCZEVS	3885	22/23	541611	Y	N	N	P
Godbe Research	1660 South Amphlett Blvd., Suite 205, San Mateo, CA 94402	OD survey	2670	15/16	541614	Y	N	N	S
HDR Engineering	350 S. Grand Ave, Ste 2900, Los Angeles, CA 90071	CCZEVS	3885	22/23	541611	Y	N	N	P
IBI Group	18401 Von Karman Avenue, Suite 11, Irvine, CA 92612	SP&R SM SLO Connectivity Study	3732	16/17	541611	Y	N	N	P
Impact Sciences, inc.	231 Village Commons Boulevard, Suite 17, Camarillo, CA 93012	SEIR Fast Forward	3710	16/17	541620	Y	N	Y	P
Kimley-Horn Inc.	555 Capital Mall, Suite 300 Sacramento, CA 95814	SP&R SM SLO Connectivity Study	3732	16/17	541611	Y	N	N	P

Proposed SBCAG Overall DBE Goal and Methodology: FFYs 2025 - 2027

Name of Bidder	Address	Project Name	Project Number	FFY	NAISC Code	Formal Bid?	Award?	DBE?	Prime or Sub?
Kittleson & Associates	155 Grand Avenue, Suite 900, Oakland, CA 94612	Goleta Ramp Meter	3722	16/17	541330	Y	Y	N	P
Kittleson & Associates	155 Grand Avenue, Suite 900, Oakland, CA 94612	Goleta Ramp Meter	3822	17/18	541330	N	Y	N	P
Kittleson & Associates	155 Grand Avenue, Suite 900, Oakland, CA 94612	OD survey	2670	15/16	541614	Y	N	N	P
Kittleson & Associates	155 Grand Avenue, Suite 900, Oakland, CA 94612	SP&R SM SLO Connectivity Study	3732	16/17	541611	Y	N	N	P
LSC Transportation Consultants	P.O. Box 5875, Tahoe City, CA 96145	SP&R SM SLO Connectivity Study	3732	16/17	541611	Y	N	N	P
Nelson/Nygaard	116 New Montgomery Street, Suite 500, San Francisco, CA 94105	SP&R SM SLO Connectivity Study	3732	16/17	541611	Y	Y	N	P
Nelson/Nygaard	116 New Montgomery Street, Suite 500, San Francisco, CA 94105	SP&R SM SLO Connectivity Study	3832	17/18	541611	Y	Y	N	P
Probolsky Research	23 Corporate Plaza, Ste 150, Newport Beach, CA	Accessory Dwelling Unit	3817	23/24	541611	Y	N	N	P
Quality Counts, LLC	1539 3rd Avenue, Ste B, Walnut Creek, CA 94597	OD survey	2670	15/16	541614	Y	N	N	S
RATP DEV USA, Inc.1	3800 Sandshell Dr, Ste 180, Fort Worth, Texas 76137	Clean Air Express Operator	5840	21/22	485113	Y	N	N	P
Redhill Group	18010 Sky Park Circle, Suite 275, Irvine, CA 92614	OD survey	2670	15/16	541614	Y	N	N	P
Rincon Consultants Inc.	180 N Ashwood Avenue, Ventura, CA 93003	SEIR Fast Forward	3710	16/17	541620	Y	Y	N	P
Rincon Consultants Inc.	180 N Ashwood Avenue, Ventura, CA 93003	SEIR Fast Forward	3810	17/18	541620	Y	Y	N	P
Rincon Consultants Inc.	180 N Ashwood Avenue, Ventura, CA 93003	RTP-SCS Programmatic EIR	3810	21/22	541620	Y	Y	N	P
Rincon Consultants Inc.	180 N Ashwood Avenue, Ventura, CA 93003	Connected 2050	3810	21/22	541611	Y	Y	N	P
Robert D. Neihaus Inc	140 E Carrillo St, Santa Barbara, CA 93101	Accessory Dwelling Survey	3817	23/24	541611	Y	Y	N	P
RLS & Associates	3131 South Dixie Highway, STE 545, Dayton, OH 45439	Coordinated Human Services	3824	22/23	541611	Y	N	Y	P
Sage Institute	1065 Higuera Street, Suite 301, San Luis Obispo, CA 93401	SEIR Fast Forward	3710	16/17	541620	Y	N	N	P
SCSCE	385 Homer Avenue, Palo Alto, CA 94301	Regional Growth Forecast	2830	17/18	541611	N	Y	N	P

Proposed SBCAG Overall DBE Goal and Methodology: FFYs 2025 - 2027

Name of Bidder	Address	Project Name	Project Number	FFY	NAISC Code	Formal Bid?	Award?	DBE?	Prime or Sub?
SCSCE	385 Homer Avenue, Palo Alto, CA 94301	Regional Growth Forecast	2830	18/19	541611	N	Y	N	P
SOCIUS AMICA LLC	114 Edgemont Highlands Pass, Durango, CO 81301	COORD Human Svc Trans Plan	3824	various	541611	Y	Y	N	P
TMD Inc.	1902 Wright Place, Suite 180, Carlsbad, CA 92008	SP&R SM SLO Connectivity Study	3732	16/17	541611	Y	N	N	P
Wood Environment & Infrastructure Solutions, Inc.	104 W Anapamu St, Suite 204A, Santa Barbara, CA 93101	Connected 2050	3810	21/22	541611	Y	N	N	P
Woodsong Associates	5267 NE 29th Ave, Portland, OR 97211	Accessory Dwelling Unit	3817	23/24	541611	Y	N	N	P

