



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

for

FFY 2016-FFY 2018

Goal Period

REVISED

Submitted in fulfillment of:

Title 49 Code of Federal Regulations Part 26

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I. INTRODUCTION

Omnitrans 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 2016-2018 (October 1, 2015 through September 30, 2018), 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

Omnitrans is a recipient of U.S. Department of Transportation (USDOT), Federal Transit Administration (FTA), funding. As a condition of receiving this assistance, Omnitrans 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, Omnitrans is required to develop and submit a Triennial Overall DBE Goal for its FTA-assisted projects.

Omnitrans herein presents its Overall DBE Goal Methodology for FFY 2016-18.

III. FTA-ASSISTED CONTRACTING PROGRAM FOR FFY 2016-2018

Table 1 represents Omnitrans’ FTA-assisted contracting program, which consists of projects considered in preparing this goal methodology. The projects, which include Construction, Professional Services and Materials/Supplies contracting opportunities, are anticipated to be awarded during the triennial period:

Table 1

PROJECT NAME	ESTIMATED FTA DOLLAR SHARE
WV & I-St UST Manhole Replacement	95,000
EV Elevator Door Edge Detectors	24,000
WV Hydraulic Hoist Replacement	700,000
EV, WV & I-ST Asphalt Parking Lots, Crack Fill, Seal Coat & Re-stripe	95,000
EV / Ride-on Floor Scrubber	28,000
EV MAU Replacement	136,000
EV Maintenance Supervisors’ Office - Install Dedicated A/C Unit	36,309
WV Roof Replacement (Fuel Island)	24,480
WV Evaporative Coolers for Shop	119,000
I-St. HVAC Package Units’ Replacement	102,000
Install Dedicated A/C Unit for IT/DVR Closets	85,959
I-St Roof Replacement (Admin Bld)	13,600



PROJECT NAME	ESTIMATED FTA DOLLAR SHARE
WV HVAC Package Units Replacement	85,000
sbX After Study – Bus Rapid Transit Corridor Impact Analysis Survey	320,000
Bus Stop Improvement Program Construction of ADA Accessibility Improvements at Various Bus Stop Locations	70,000
Installation of Premium Bus Shelters	240,000
Installation of Variable Message Signs (e-signs) at Shelters	80,000
West Valley Connector Corridor Construction – Construction of a bus rapid transit line including stations, dedicated lanes, and ITS systems	61,600,000
West Valley Connector Corridor Design	6,960,000
West Valley Connector Corridor Design Plan Check/Value Engineering Services	51,200
County-wide Vanpool Project	4,000,000
Redland Passenger Rail Project- Final Design	24,503,494
Redland Passenger Rail Project – Program Management Contract	9,935,661
Chino Transit Center	141,120
CSS Volunteer Driver Program	667,730
Rialto Metrolink Expansion	3,585,000
Victor Valley Transit Authority Vehicle Operations and Maintenance	1,075,184
TOTAL	\$114,773,737

Projects in blue will be administered by sub-recipient.

Table 2 provides a summary of the categories of work with estimated cost breakdown for each. Categories of work are groups utilizing comparable North American Industry Classification System (NAICS) codes for purposes of weighting the categories of work based on the engineer’s estimates.

Table 2:

CATEGORY OF WORK	NAICS CODES	ESTIMATED FTA \$ BY NAICS	NAICS WEIGHT
Water supply and irrigation systems	221310	250,000	0.2%
Industrial building construction	236210	20,000	0.0%
Highway, street, and bridge construction	237310	25,816,120	22.5%
Other heavy and civil engineering construction	237990	1,167,088	1.0%
Poured concrete foundation and structure contractors	238110	149,000	0.1%
Structural steel and precast concrete contractors	238120	9,856,000	8.6%
Masonry contractors	238140	50,000	0.0%
Glass and glazing contractors	238150	9,976,000	8.7%
Roofing contractors	238160	16,320	0.0%
Electrical contractors and other wiring installation contractors	238210	10,151,000	8.8%



CATEGORY OF WORK	NAICS CODES	ESTIMATED FTA \$ BY NAICS	NAICS WEIGHT
Plumbing, heating, and air-conditioning contractors	238220	265,538	0.2%
All other specialty trade contractors	238990	269,720	0.2%
Commercial printing (except screen and books)	323111	833,920	0.7%
All other rubber product manufacturing	326299	7,000	0.0%
Ornamental and architectural metal work manufacturing	332323	120,000	0.1%
Air-conditioning and warm air heating equipment and commercial and industrial refrigeration equipment manufacturing	333415	93,799	0.1%
Elevator and Moving Stairway Manufacturing	333921	14,400	0.0%
Motor and generator manufacturing	335312	250,000	0.2%
All other miscellaneous electrical equipment and component manufacturing	335999	100,000	0.1%
Roofing, siding, and insulation material merchant wholesalers	423330	656,000	0.6%
Other construction material merchant wholesalers	423390	60,310	0.1%
Electrical apparatus and equipment, wiring supplies, and related equipment merchant wholesalers	423610	96,000	0.1%
Warm air heating and air-conditioning equipment and supplies merchant wholesalers	423730	72,583	0.1%
Industrial machinery and equipment merchant wholesalers	423830	628,000	0.5%
Paint, varnish, and supplies merchant wholesalers	424950	93,799	0.1%
New car dealers	441110	2,950,902	2.6%
Other building material dealers	444190	10,000	0.0%
Bus and other motor vehicle transit systems	485113	1,075,184	0.9%
Other support activities for road transportation	488490	600,957	0.5%
Wireless telecommunications carriers (except satellite)	517210	69,600	0.1%
Real estate credit	522292	20,000	0.0%
All other legal services	541199	30,000	0.0%
Architectural services	541310	139,200	0.1%
Landscape architectural services	541320	219,600	0.2%
Engineering services	541330	18,388,285	16.0%
Drafting services	541340	348,000	0.3%
Building inspection services	541350	50,000	0.0%
Geophysical surveying and mapping services	541360	4,864,417	4.2%
Surveying and mapping (except geophysical) services	541370	1,111,618	1.0%
Other specialized design services	541490	561,800	0.5%
Computer systems design services	541512	68,313	0.1%
Administrative management and general management consulting services	541611	12,767,150	11.1%



CATEGORY OF WORK	NAICS CODES	ESTIMATED FTA \$ BY NAICS	NAICS WEIGHT
Other management consulting services	541618	40,151	0.0%
Environmental consulting services	541620	5,033,615	4.4%
Other scientific and technical consulting services	541690	840,542	0.7%
Public relations agencies	541820	51,806	0.0%
Marketing research and public opinion polling	541910	236,000	0.2%
Office administrative services	561110	4,276,000	3.7%
Private mail centers	561431	7,000	0.0%
Other business service centers (including copy shops)	561439	1,000	0.0%
TOTAL		114,773,737	100.00%

IV. GOAL METHODOLOGY

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

To establish Omnitrans’ Base Figure of the relative availability of DBEs to all comparable firms (DBE and Non-DBE) available to bid or propose on Omnitrans’ FTA-assisted contracting opportunities projected to be solicited during the triennial goal period, Omnitrans followed the prescribed federal methodology to determine relative availability. This was accomplished by assessing the *California Unified Certification Program (CUCP) DBE Database of Certified Firms* and the *2014 U.S. Census Bureau County Business Patterns Database* within Omnitrans’ market area (defined as San Bernardino County) for each of the categories of work defined in Table 2.

Omnitrans’ local market area consists of the geographic area in which 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: 2014 U.S. Census Bureau’s Business Patterns Database

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

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 3.9%, as shown in Table 3 as follows:

Table 3

CATEGORY OF WORK	CATEGORY WEIGHT	ALL FIRMS	DBES	WEIGHTED RATIO
Water supply and irrigation systems	0.2%	38	2	0.0%
Industrial building construction	0.0%	22	4	0.0%
Highway, street, and bridge construction	22.5%	54	2	0.8%
Other heavy and civil engineering construction	1.0%	23	1	0.0%
Poured concrete foundation and structure contractors	0.1%	107	5	0.0%
Structural steel and precast concrete contractors	8.6%	30	4	1.1%
Masonry contractors	0.0%	55	3	0.0%
Glass and glazing contractors	8.7%	45	1	0.2%
Roofing contractors	0.0%	104	0	0.0%
Electrical contractors and other wiring installation contractors	8.8%	360	7	0.2%
Plumbing, heating, and air-conditioning contractors	0.2%	413	4	0.0%
All other specialty trade contractors	0.2%	161	10	0.0%
Commercial printing (except screen and books)	0.7%	91	0	0.0%
All other rubber product manufacturing	0.0%	11	0	0.0%
Ornamental and architectural metal work manufacturing	0.1%	11	2	0.0%
Air-conditioning and warm air heating equipment and commercial and industrial refrigeration equipment manufacturing	0.1%	5	0	0.0%
Elevator and Moving Stairway Manufacturing	0.0%	0	0	0.0%
Motor and generator manufacturing	0.2%	1	0	0.0%
All other miscellaneous electrical equipment and component manufacturing	0.1%	2	0	0.0%
Roofing, siding, and insulation material merchant wholesalers	0.6%	12	0	0.0%
Other construction material merchant wholesalers	0.1%	20	1	0.0%
Electrical apparatus and equipment, wiring supplies, and related equipment merchant wholesalers	0.1%	110	3	0.0%
Warm air heating and air-conditioning equipment and supplies merchant wholesalers	0.1%	24	0	0.0%
Industrial machinery and equipment merchant wholesalers	0.5%	160	1	0.0%
Paint, varnish, and supplies merchant wholesalers	0.1%	12	0	0.0%
New car dealers	2.6%	94	0	0.0%
Other building material dealers	0.0%	115	2	0.0%
Bus and other motor vehicle transit systems	0.9%	4	0	0.0%
Other support activities for road transportation	0.5%	19	0	0.0%



CATEGORY OF WORK	CATEGORY WEIGHT	ALL FIRMS	DBES	WEIGHTED RATIO
Wireless telecommunications carriers (except satellite)	0.1%	39	0	0.0%
Real estate credit	0.0%	88	0	0.0%
All other legal services	0.0%	14	2	0.0%
Architectural services	0.1%	42	1	0.0%
Landscape architectural services	0.2%	9	0	0.0%
Engineering services	16.0%	206	3	0.2%
Drafting services	0.3%	8	2	0.1%
Building inspection services	0.0%	52	1	0.0%
Geophysical surveying and mapping services	4.2%	3	0	0.0%
Surveying and mapping (except geophysical) services	1.0%	31	4	0.1%
Other specialized design services	0.5%	6	1	0.1%
Computer systems design services	0.1%	107	5	0.0%
Administrative management and general management consulting services	11.1%	166	12	0.8%
Other management consulting services	0.0%	18	8	0.0%
Environmental consulting services	4.4%	39	3	0.3%
Other scientific and technical consulting services	0.7%	165	4	0.0%
Public relations agencies	0.0%	10	2	0.0%
Marketing research and public opinion polling	0.2%	9	1	0.0%
Office administrative services	3.7%	175	0	0.0%
Private mail centers	0.0%	29	0	0.0%
Other business service centers (including copy shops)	0.0%	23	0	0.0%
Base Figure (i.e., Sum of Weighted Ratios for all Work Categories)				3.9%

Step 2: Adjusting the Base Figure

Upon establishing the Base Figure, Omnitrans 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, Omnitrans 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 Omnitrans within the last three (3) federal fiscal years.

Table 4

FEDERAL FISCAL YEAR (FFY)	FTA DBE GOAL ATTAINMENT %
2012/2013	0.9%
2013/2014	3.3%
2014/2015	2.7%
Median DBE Attainment Within the Last Three (3) Years	2.7%

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 Omnitrans' 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.

$$\text{Adjusted Base Figure} = \frac{\text{Base Figure (3.9\%)} + \text{Median DBE Attainment (2.7\%)}}{2}$$

The formula resulted in a proposed adjustment (downward) to the Base Figure from 3.9% to 3.3%.

B. Omnitrans Bidder's List

Omnitrans will continue capturing Bidders List information on future procurements for the potential use in future DBE goal determinations.

C. Disparity Study

Omnitrans 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

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

VI. PROPOSED OVERALL DBE GOAL

The Final Proposed Overall DBE Goal for FFY 2016-2018 for Omnitrans' FTA-assisted contracts is 3.3%. The DBE Goal based on the federal share is a Race Neutral goal and Omnitrans 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, Omnitrans 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 Omnitrans DBE goal attainment data, which equals a 2.7% mean for the past three years, demonstrates that Omnitrans is able to meet the DBE goal through race neutral means. Omnitrans

intends to continue to use race-neutral methods to meet the overall DBE goal of 8.4% for FFY 2013-2015 in accordance with Title 49 CFR Part 26.51.

RACE-CONSCIOUS & RACE-NEUTRAL PROJECTIONS	
DBE Adjusted Base Figure	3.3%
Race-Conscious Component	0%
Race-Neutral Component	3.3%

VII. RACE-NEUTRAL IMPLEMENTATION MEASURES

Omnitrans is currently implementing a number of race- and gender-neutral remedies to outreach and promote the participation of DBEs and small businesses in Omnitrans' FTA-assisted contracting program. Omnitrans plans to continue or implement the following race-neutral measures for FFY 2016-2018 and will continue to explore other options for consideration based on Omnitrans' success in meeting its overall DBE goals based on these efforts:

- Omnitrans will host and participate in workshops for the DBE and Small Business community. Omnitrans will attend and participate in vendor fairs hosted by unrepresented groups and other public agencies.
- Omnitrans will unbundle solicitations, provide pre-bid/pre-proposal conferences to afford networking opportunities for primes and subcontractors. Omnitrans 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.
- Omnitrans will 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, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing). Specifically, Omnitrans will, through its website, refer the DBE and Small Business contracting community to the SBA Bonding Assistance Program.
- Omnitrans will solicit DBEs and other small businesses participation by carrying out information and communication programs 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).
- 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, Omnitrans will actively promote the Small Business conferences, programs, and support

services offered by other agencies that have established DBE and Small Business Programs. Omnitrans will also begin conducting “How to do Business with Omnitrans” and DBE workshops.

- Omnitrans will advise its contracting community of the online directory of certified DBEs, found at the California Unified Certification Program website: www.CaliforniaUCP.com. Omnitrans will also advise the contracting community of the available small businesses certified by the California Department of General Services (DGS) and found at www.bidsync.com.
- Omnitrans will advise the DBE and small business community to participate in Caltrans’ related bidding/proposal opportunities at <http://www.dot.ca.gov/hq/esc/oe/>. Omnitrans will encourage DBEs and small businesses to seek the assistance and training through the U.S. Small Business Administration at www.sba.gov.

Fostering Small Business Participation²

Omnitrans has implemented several strategies to foster small business participation in its contracting process. These include the following:

- Conducting “How to do Business with Omnitrans” and DBE workshops.
- In multi-year design-build contracts or other large contracts (e.g., for “megaprojects”) requiring bidders on the prime contract to specify elements of the contract or specific subcontracts that are of a size that small businesses, including DBEs, can reasonably perform.
- 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 Omnitrans contractors or past Omnitrans contractors who may qualify for DBE-certification by encouraging them to seek and obtain DBE-certification.

VIII. 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 Omnitrans market area were consulted and provided an opportunity to review the triennial goal analysis and provide input.

Omnitrans issued notice on their website of the Omnitrans Draft Proposed FTA Overall DBE Goal-Setting Methodology for FFY 2016-FFY 2018. This notice informed the public that the proposed goal and

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

rationale are available for inspection at Omnitrans' principal office during normal business hours for 30 days following the date of the Public Notice, and that Omnitrans would accept comments on the goal analysis for 30 days from the date of the Public Notice. Omnitrans gave full consideration to all comments and input received as a part of this process and assessed its impact on the goal-setting methodology.

In addition, Omnitrans conducted public participation meetings to discuss the goal setting process. The following eighteen (18) organizations representing DBE and minority communities were invited to express their thoughts about DBE participation in the area and Omnitrans' proposed goal during one-on-one meetings:

Black Chamber of Commerce Inland Empire
National Association of Women Business Owners - Inland Empire (NAWBO)
San Geronio Pass Hispanic Chamber of Commerce
American Indian Chamber of Commerce of California
Asian Business Association Inland Empire
Filipino-American Chamber of Commerce- Inland Empire (FACC-IE)
Greater Corona Hispanic Chamber of Commerce
Greater Riverside Chamber of Commerce
High Desert Hispanic Chamber of Commerce
Inland Empire Hispanic Chamber of Commerce
Minority Business Development Agency (MBDA) Business Center – Riverside
National Association of Women in Construction-San Bernardino/Riverside
Ontario Hispanic Chamber of Commerce
Southern California Black Chamber of Commerce
Women in Transportation (WTS) - Inland Empire
Asian American Business Women Association Inland Empire
Inland Empire African American Chamber
Inland Empire Minority Business Enterprise Center (MBEC)

Fifteen of the groups listed above engaged in email exchanges but only four of the community groups accepted the invitation and provided comments during one-on-one meetings. To summarize the comments, suggestions were made to increase Omnitrans' participation in community based events and that more effort should be provided to assist companies in obtaining DBE certification. Omnitrans considered the suggestions to be beneficial to increase DBE participation and has incorporated them into Omnitrans' DBE Program.