

# **GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT**



## ***OVERALL DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL ANALYSIS REPORT FEDERAL FISCAL YEARS 2016/2017 – 2018/2019***

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*Contracts Assisted by the Federal Transit Administration*

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**FINAL REPORT: AUGUST 1, 2016**

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## **SUMMARY**

The Golden Gate Bridge, Highway and Transportation District (District) has developed a 3.3% overall Disadvantaged Business Enterprise (DBE) goal applicable to Federal Fiscal Year (FFY) 2016/17, 2017/18, and 2018/19 contracting opportunities assisted by the Federal Transit Administration (FTA) in accordance with revisions to 49 CFR Part 26 published in the Federal Register on October 2, 2014.

The goal is applicable to a total of \$24,090,874 of FTA dollars that are budgeted for 11 contracts anticipated to be awarded from October 1, 2016, through September 30, 2019. It is understood that in the event of changed circumstances the District will evaluate such changes to determine whether the present goal continues to be realistic or whether mid-course adjustments will be necessary.

The DBE goals developed for FTA-assisted contracts identify the relative availability of DBEs, based on evidence of ready, willing and able DBEs in relationship to all comparable businesses that are likely to be available to compete for the District's FTA-assisted contracts. The three-year overall goal reflects the District's determination of the level of DBE participation that would be expected absent the effects of discrimination.

The steps taken in the development of the District's goal is in accordance with 49 Code of Federal Regulations (CFR) Part 26, issued by the U.S. Department of Transportation (U.S. DOT). A narrative description accompanied by tables and calculations is contained in this report to provide a clear explanation of how the District developed its DBE goal for FFY 2016/2017 through 2018/2019.

## **RELEVANT AVAILABLE EVIDENCE**

The District examined all evidence in its jurisdiction to determine which sources might be considered for its DBE goal-setting methodology in the step one and step two process:

### **DATA CONSULTED**

#### ***➤ Census Bureau's County Business Pattern (CBP) Database***

The District used the Census Bureau's County Business Pattern (CBP) database, updated as of April 2016, to obtain the number of all firms (DBEs and non-DBEs) ready, willing and able to bid for the District's FTA-assisted contracts. This data is used in Step One of the goal-setting process.

#### ***➤ California Unified Certification Program (CUCP) Database***

The District used the California Unified Certification Program (CUCP) database to determine the number of certified DBEs ready, willing and able to bid for the District's FTA-assisted contracts. This data is used in Step One of the goal-setting process.

#### ***➤ Actual DBE Participation in Past Race/Gender-Neutral Contracts***

Actual DBE participation in race/gender-neutral contracts in past years as well as other applicable analysis was used to determine whether adjustment to the Step One Base Figure is necessary. Where relevant, this data is used in Step Two of the goal-setting process.

➤ ***Data from Disparity Studies Performed by Other Agencies***

Several Bay Area transit agencies [San Mateo County Transit District (SamTrans), Bay Area Rapid Transit (BART), Santa Clara Valley Transportation Authority (VTA) and the California Department of Transportation (Caltrans)]; have completed disparity studies in the past. The San Francisco Municipal Transportation Agency (SFMTA), VTA, SamTrans and Caltrain are currently conducting disparity studies but have not been completed. The local market areas of these agencies do overlap with that of the District. However, the types of contracts (specifically marine contracts) and the size of contracts are not similar to the District and therefore limits the District's use to make a Step One Base figure or Step Two adjustment.

➤ ***Bidders List***

The District maintains a bidders list as required under 49 CFR Part 26.11 of all bidders (DBEs and non-DBEs) on District contracts. Staff reviewed its list and determined the data was not comprehensive enough to solely determine the relative availability of DBEs in its local market area.

➤ ***Goals of Other U.S. DOT Recipient***

The District did not consider the goals of other U.S. DOT recipients due to the fact other recipients do not have substantially similar contracting opportunities and/or marketplace as the District.

➤ ***Metropolitan Statistical Areas***

The Consolidated Metropolitan Statistical Area (CMSA) which closely matches the District's marketplace is San Francisco-Oakland-San Jose. However, this area does not cover all the counties that are in the District's marketplace, and therefore, would be an incomplete source for the District's goal-setting process. The Census Bureau's CBP database is a more appropriate source to obtain data on the specific counties in the District's marketplace.

➤ ***Sources from Organizations and Institutions***

The District did not receive information about past discrimination in public contracting; discrimination in private contracting; discrimination in credit, bonding or insurance; data on employment, self-employment, training or union apprenticeship programs; and/or data on firm formation which could be used to make adjustment to the base figure in Step Two of the goal-setting process.

## **DETERMINING LOCAL MARKET AREA**

The following areas were considered in determining the District's local market area: 1) the area in which the substantial majority of the contractors and subcontractors with which the District does business are located, and 2) the area in which the District spends the substantial majority of its contracting dollars.

The District identified the locations of all its contractors and subcontractors by examining its Bidders List, which includes business addresses for both successful and unsuccessful bidders. It has been determined that the majority of the contractors and subcontractors with which it does business are located in the counties of Alameda, Contra Costa, Marin, Sacramento, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

The District is comprised of four divisions: District, Bridge, Bus, and Ferry. Its facilities are located in the counties of San Francisco, Marin, and Sonoma. The District determined that it spends substantial contracting dollars in all facilities.

Based on the above, the boundaries of the District's local market area include the nine counties of Alameda, Contra Costa, Marin, Sacramento, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma. The District will use these counties to determine the number of DBEs and all firms in its local market area.

## CONTRACTS ASSISTED BY FTA

A total of \$24,090,874 of FTA dollars is budgeted for 11 contracts to be awarded during Federal Fiscal Year 2016/2017 through 2018/2019. **See Exhibit 1 below.** A two-step process is used to determine the overall goal for these contracts.

### Exhibit 1: Contracts subject to overall three-year goal.

A. DESCRIPTION OF CONTRACT	B. FTA DOLLARS
<b>Anticipated for award in FFY 2016/17</b>	
Service Life Extension Program (SLEP) Larkspur Passenger Ramps and Piers	\$1,080,000
M.V. Napa Engine Vessel Modifications Incidental to Ramp and Gangway Improvement	\$679,437
M.S. Sonoma Main Engine Replacement	\$2,000,000
M.V. Golden Gate Vessel Modifications Incidental to Ramp and Gangway Improvement	\$679,437
TVM Enclosure Door Replacement	\$72,000
Repower M.V. Marin and Associated Dry-Dock	\$2,820,000
Toll Plaza Administration Building Improvements, Construction	\$1,200,000
San Rafael Employee Parking Lot Improvements	\$2,560,000
South Approach and Pier Security Improvements	\$3,200,000
<b>Anticipated for award in FFY 2017/18 and 2018/19</b>	
Gangways and Piers – Sausalito Construction	\$9,200,000
Transit Scheduling System	\$600,000
<b>Total:</b>	<b>\$24,090,874</b>

## Step One. Determining Base Figures

Base figures were calculated for contracts budgeted for award to determine the relative availability of DBEs in specific areas of expertise using the North American Industrial Classification System (NAICS) codes. The District identified 18 NAICS codes as pertinent areas of expertise for the contracts. The NAICS codes and descriptions are identified in **Exhibit 2, Columns A and B on page FTA-15.**

Number of DBEs: To determine the number of DBEs in the District's nine-county market area, the District searched the CUCP database for DBEs that are certified in the NAICS codes identified for the prime contracts and subcontracts. The numbers of DBEs identified are displayed in **Column C of Exhibit 2.** Businesses that were not relevant to the District's calculations were filtered out in the Step One process.

Number of All Firms (DBEs and non-DBEs): To determine the number of all firms (DBEs and non-DBEs) in the District’s nine-county market area, the District searched the Census Bureau’s most recent CBP database for all firms specializing in the NAICS codes identified for the prime contracts and subcontracts. Numbers of all firms identified are displayed in **Column D of Exhibit 2**. To ensure percentages reflect “apples to apples”, the District included the number of DBE firms in the denominator shown in **Column E of Exhibit 2**.

Relative Availability of DBE Firms: Relative availability is derived by dividing the number of DBEs available in a particular NAICS code by the number of all firms in that NAICS code. **Exhibit 2** shows this equation carried out for the CUCP/County Business Pattern databases. The resulting relative availability figures are displayed in **Column F of Exhibit 2**.

FTA Funds to be Expended in Each Specific Area and Calculating Base Figure: To determine the FTA dollars that will be expended for each specific area of expertise, the FTA-assisted contracts and subcontracts identified by project managers were categorized according to their NAICS industry classifications. **See Exhibit 3, Column B, on page FTA-16**. Contract dollars of each industry classification were divided by the total contract dollars (\$24,090,874) resulting in percentage of total dollars per contract and classification, called the “weighted” percentage. The result is shown in **Exhibit 3, Column D**.

Next, the Base Figure for the Overall Goal was calculated by multiplying the weighted percentage of funds to be expended for each NAICS (**Exhibit 3, Column D**) by DBE relative availability for each NAICS (carried forward from Exhibit 2 and shown in **Exhibit 3, Column E**). Base Figure per NAICS is shown in **Exhibit 3, Column F**. Finally, Base Figures for all NAICS were totaled, resulting in a **15.1% Overall Base Figure**.

Calculating Base Figure per Individual Contract: To determine the base figure for each contract, the percentage of work (prime and sub) identified by project managers was multiplied by the DBE relative availability (carried forward from **Exhibit 2**), and totaled for each contract. See **Exhibit 4 on page FTA-18**.

## **Step Two. Adjusting Step One Base Figures**

In adjusting the District’s Step One Base Figure of 15.1%, the District examined past participation as considerable evidence of DBE participation it expects in the absence of discrimination. The District also considered other data that would help better measure the percentage of work that DBEs would be likely to obtain in the absence of discrimination to make the Step One Base Figure as precise as possible.

### ***Past Participation***

In accordance with the U.S. DOT Tips for Goal Setting, as of December 22, 2014, the District examined DBE participation (based on awards and commitments) on FTA-assisted projects for FFY 2012/2013 – 2014/2015.

FFY 2012-2013: Awards/Commitments 4.9%

FFY 2013-2014: Awards/Commitments 11.4%  
FFY 2014-2015: Awards/Commitments .4%

In adjusting the Step One Base Figure, the District determined DBE historical past participation percentage is 4.9%. The District calculated its past participation percentage and Step One Base Figure to determine the Step Two adjustment of 10%.

**Calculations:**

FFY 2016/2017- 2018/2019 Base Figure: 15.1%  
Historical Median Past Participation: 4.9%  
Adjustment: (base figure 15.1%) + (median of past participation 4.9%) divided by 2 = 10%.

In evaluating the adjusted Step Two figure, the District did not exercise this option due to the contracting opportunities was not similar. Therefore, the District considered other data and information that is more relevant to the contracting opportunities included in the triennial goal.

***Other Considered Information***

The District evaluated the specific nature of the contracts budgeted for award in FFY 2016/2017 – 2018/2019, and past participation on marine construction projects, and found that further refinements were warranted to measure actual relative availability of DBEs to perform the types of contracts (both prime and sub) that the District will let.

Staff investigated the availability of the 38 DBE firms in the District's local market area certified in NAICS code 237990, Other Heavy and Civil Engineering, to perform work as prime contractors on three contracts. Evidence suggests these firms were unlikely able to perform as prime contractors but could potentially perform as a subcontractor. If the District chose to filter out these 38 DBE firms from NAICS code 237990 in the Step One process, the District's overall base figure would have resulted in a 2.3% goal. Therefore, staff determined adjustments were warranted to the prime work for three contracts:

1. SERVICE LIFE EXTENSION PROGRAM (SLEP) LARKSPUR PASSENGER RAMPS AND PIERS
2. SOUTH APPROACH AND PIER SECURITY IMPROVEMENTS
3. GANGWAYS AND PIERS – SAUSALITO CONSTRUCTION

**SERVICE LIFE EXTENSION PROGRAM (SLEP) LARKSPUR PASSENGER RAMPS AND PIERS**

This project is considered specialized as the prime work will require a marine construction contractor to perform work over the water with specialized marine equipment. There is an opportunity for the prime to subcontract a portion of the work such as reconstruction, and/or repairs that would fall under NAICS code 237990. Following discussions with the project manager, the District's Step Two adjustment is based on an assessment of DBE availability solely on subcontracting opportunities and includes 5% of NAICS code 237990 for potential subcontracting.



Step 1: Results from Base Figure Calculation: 23.5%.

Step 2: Remove prime work from calculation. Possible subcontracting opportunities are available, and NAICS code 237990 has been included as a subcontracting opportunity, resulting in adjusted base figures of 1.9%.

NAICS Code and Description for Prime and Subcontracting Opportunities	% of Total Individual Contract Dollars	Relative DBE Avail-ability	Base Figure Per Contract
<b>Service Life Extension Program (SLEP) Larkspur Passenger Ramps and Piers</b>			
Prime: 237990 Other Heavy and Civil Engineering Construction	62.0%	0.0%	0.0%
Sub: 237990 Other Heavy and Civil Engineering Construction	5.0%	34.9%	1.7%
Sub: 238320 Painting and Wall Covering Contractors	7.0%	1.6%	0.1%
Sub: 332710 Machine Shops	26.0%	0.2%	0.1%
<b>Contract Total</b>			<b>1.9%</b>

## SOUTH APPROACH AND PIER SECURITY IMPROVEMENTS

This project is considered specialized as some work will be conducted on the pier but mostly on land. This project will also require specialized security features. There is an opportunity for the prime to subcontract a portion of the work such as rehabilitation and repair work that would fall under NAICS code 237990. Following discussions with the project manager, the District's Step Two adjustment is based on an assessment of DBE availability solely on subcontracting opportunities and includes 5% of NAICS code 237990 for potential subcontracting.

Step 1: Results from Base Figure Calculation: 16.7%.

Step 2: Remove prime work from calculation. Possible subcontracting opportunities are available, and NAICS code 237990 has been included as a subcontracting opportunity, resulting in adjusted base figures of 8%.

NAICS Code and Description for Prime and Subcontracting Opportunities	% of Total Individual Contract Dollars	Relative DBE Avail-ability	Base Figure Per Contract
<b>South Approach And Pier Security Implementation</b>			
Prime: 237990 Other Heavy and Civil Engineering Construction	25.0%	0.0%	0.0%
Sub: 237990 Other Heavy and Civil Engineering Construction	5.0%	34.9%	1.7%
Sub: 238110 Poured Concrete Foundation and Structure Contractors	10.0%	8.0%	0.8%
Sub: 238120 Structural Steel and Precast Concrete Contractors	20.0%	18.6%	3.7%
Sub: 238210 Electrical Contractors and Other Wiring Installation Contractors	27.0%	2.0%	0.5%
Sub: 238990 All Other Specialty Trade Contractors	13.0%	9.1%	1.2%
<b>Contract Total</b>			<b>8.0%</b>

## GANGWAYS AND PIERS – SAUSALITO CONSTRUCTION

The Gangways and Piers, Sausalito Construction project is a large project budgeted at \$9.2 million respectively. Due to the size of this project, the bonding requirements and financial requirements will likely limit the prospective prime contractors for the work to companies that

exceed the DBE size standards. The District acknowledges that there could be opportunities for the prime to subcontract a portion of the work that would be conducted offsite that would fall under NAICS code 237990. Therefore, the District's Step Two adjustment is based on an assessment of DBE availability solely on subcontracting opportunities, and includes 5% of NAICS code 237990 for potential subcontracting.

Step 1: Results from Base Figure Calculation: 29.1%.

Step 2: Remove prime work from calculation. Possible subcontracting opportunities are available, and NAICS code 237990 has been included as a subcontracting opportunity, resulting in adjusted base figure of 3.7%.

NAICS Code and Description for Prime and Subcontracting Opportunities	% of Total Individual Contract Dollars	Relative DBE Availability	Base Figure Per Contract
<b>Gangways and Piers, Sausalito Construction</b>			
Prime: 237990 Other Heavy and Civil Engineering Construction	73.0%	0.00%	0.0%
Sub: 237990 Other Heavy and Civil Engineering Construction	5.0%	34.9%	1.7%
Sub: 238120 Structural Steel and Precast Concrete Contractors	8.0%	18.6%	1.5%
Sub:238210 Electrical Contractors and Other Wiring Installation Contractors	4.0%	2.0%	0.1%
Sub: 238220 Plumbing, Heating, and Air-Conditioning Contractors	8.0%	0.7%	0.1%
Sub: 541370 Surveying and Mapping (except Geophysical) Services	2.0%	14.8%	0.3%
<b>Contract Total</b>			<b>3.7%</b>

## Overall Goal

To determine FTA dollars projected for DBEs on each contract, the FTA dollars budgeted for each contract (from **Exhibit 1, Column B**) was multiplied by the adjusted availability per contract. The total of the projected DBE participation dollars was then divided by the total of the budgeted FTA dollars for all contracts, resulting in a **3.3%** overall goal. See **Exhibit 5 below**.

**Exhibit 5: Overall Triennial DBE Goal**

Division	A. DESCRIPTION OF CONTRACT	B. FTA DOLLARS	C. DBE AVAILABILITY PER CONTRACT	FTA \$ Projected for DBEs
	<b>Anticipated for award in FFY 2016/17</b>			
Ferry	Service Life Extension Program (SLEP) Larkspur Passenger Ramps and Piers	\$1,080,000	1.9%	\$20,520
Ferry	M.V. Napa Engine Vessel Modifications Incidental to Ramp and Gangway Improvement	\$679,437	0.2%	\$1,359
Ferry	M.S. Sonoma Main Engine Replacement	\$2,000,000	0.0%	\$0
Ferry	M.V. Golden Gate Vessel Modifications Incidental to Ramp and Gangway Improvement	\$679,437	0.2%	\$1,359
Ferry	TVM Enclosure Door Replacement	\$72,000	0.7%	\$504
Ferry	Repower M.V. Marin and Associated Dry-Dock	\$2,820,000	0.1%	\$2,820
Bridge	Toll Plaza Administration Building Improvements, Construction	\$1,200,000	1.5%	\$18,000
Bus	San Rafael Employee Parking Lot Improvements	\$2,560,000	6.2%	\$158,720
Bridge	South Approach and Pier Security Improvements	\$3,200,000	8.0%	\$256,000
	<b>Anticipated for award in FFY 2017/18 and 2018/19</b>			
Ferry	Gangways & Piers - Sausalito Construction	\$9,200,000	3.7%	\$340,400
District	Transit Scheduling System	\$600,000	0.0%	\$0
		<b>\$24,090,874</b>		<b>\$799,682</b>
		<b>Step 2 Goal= 3.3%</b>		

## Race/Gender-Neutral Measures

### *Summary of Race Neutral Methods of Achieving DBE Participation*

Regulations require that the maximum feasible portion of the overall DBE goal be achieved through race-neutral measures. Neutral efforts are programs and other initiatives that assist small businesses in general and are not limited to minority- or women-owned firms. In the past 15 years, with four exceptions, the District has consistently met its DBE participation goals on FTA-assisted contracts using race-neutral measures. See **Table 1** for DBE achievement from 2000 to current.

**Table 1: Goals and DBE Achievement 2000 through Current:**

<b>Fiscal Year</b>	<b>Overall Goal</b>	<b>Achievement</b>	<b>% of Goal Achieved</b>
2000-2001	7%	8%	114%
2001-2002	8%	10%	125%
2002-2003	3%	4%	133%
2003-2004	4%	6%	150%
2004-2005	5%	8%	160%
2005-2006	7%	7%	100%
2006-2007	1%	1%	100%
2007-2008	4%	.5%	12%
2008-2009	4.5%	.3%	7%
2009-2010	3.4%	8.4%	247%
2010-2011*	3.1%	1.9%	61%
2011-2012	3.1%	5.9%	190%
2012-2013	3.1%	4.9%	158%
2013-2014	5.9%	11.4%	193%
2014-2015*	5.9%	.4%	7%
2015-2016	5.9%	TBD	TBD

\* Shortfall Analysis and Corrective Action plan completed.

TBD = To be determined.

Staff identified a few reasons for the District's recent shortfall of 5.5%. In FFY 2014/2015, the District's awards and commitments was \$14,819,019 of which eight (8) contracts totaling \$11,334,038 were awarded to non-DBE primes in the marine industry. The majority of marine contracts awarded in the fiscal year were Best Interest and Sole Source procurements (non competitive procurements) that did not offer subcontracting opportunities. The marine industry has been a real challenge for the DBE community due to the lack of DBE firms that are ready, willing and available to perform marine, vessel, or ship related work in the District's local market area. In an effort to boost DBE participation in the marine industry, the District plans to partner with the San Francisco Bay Area Water and Emergency Transportation Authority, Program Manager/Analyst, to reach out to DBE firms in the State of Washington to encourage interstate certification.

Another contributing factor to the District's shortfall was the timing of contract awards in FFY 2014/2015. Staff identified two contracts that were anticipated for award in FFY 2014/2015, but were not in fact awarded in that year. One project was removed from the District's capital budget and has been deferred, and the other project was a construction project that was awarded to a DBE prime in FFY 2013/2014 resulting in the District substantially exceeding its overall goal in FFY 2013/2014.

Besides the District's recent shortfall, past success supports the District's decision to continue with an all-race-neutral program for FTA-assisted contracts. However, should the District wish

to consider returning to a race-conscious program, certain steps would have to be taken such as conducting a disparity study that includes marine industry contracting opportunities.

The District continues to focus on expanding race/gender-neutral outreach through participation in the “Business Outreach Committee” (BOC), a consortium of 18 Bay Area transit and transportation agencies formed in an effort to maximize outreach efforts. The District’s DBE Program Analyst currently holds the chair position of this group. The BOC agencies include; Alameda Contra Costa Transit District, Alameda County Transportation Commission, Bay Area Rapid Transit, California High Speed Rail Authority, Central Contra Costa Transit Authority, City of Rio Vista, Golden Gate Bridge, Highway and Transportation District, Marin Transit, Metropolitan Transportation Commission, Napa Valley Transportation Authority, San Francisco Municipal Transportation Agency, San Francisco Bay Area Water Emergency Transit Authority, San Mateo County Transit District/Peninsula Joint Powers Board, Santa Clara Valley Transportation Authority, Solano County Transit, Transbay Joint Powers Authority, and Western Contra Costa Transit Authority. The BOC publishes a quarterly “Contracting Opportunities” newsletter which features contracts, contacts, resources, and guidance for small businesses and DBEs. Thirty-one (31) issues have been published to date.

The BOC has also developed an annual schedule of events. Events in the past years have included a DBE certification webinar presented by certifying agencies of the California Unified Certification Program, townhall meetings, meet the buyers and meet the primes events, and professional services networking and technical training workshops. The District also has participated in the Bay Area Small Business Expo and Matchmaking Fair hosted by the California Public Utilities Commission and is an active participating agency of the California Department of Transportation (Caltrans) Mentor Protégé program.

The District will continue its regular race/gender-neutral activities, including:

- Ensuring that bidding and contract requirements facilitate participation by DBEs and other small businesses by including DBE language throughout District bid documents:
  - ✓ The District’s DBE Program policy.
  - ✓ A nondiscrimination assurance from the contractor (and each subcontract the prime contractor signs with a subcontractor).
  - ✓ A statement that encourages prime contractors to use financial institutions owned and controlled by socially and economically disadvantaged individuals in the community.
  - ✓ The website address for the DBE directory identifying all firms eligible to participate as DBEs in the District’s program.
  - ✓ A section that provides the DBE certification standards.
  - ✓ A section providing areas for possible subcontracting, and of the availability of ready, willing and able subcontractors, including DBE firms, to perform such work.
- Ensuring contracts are accessible to small businesses, and if not, making efforts to unbundle large contracts to make them more accessible.
- Encouraging prime contractors to subcontract portions of the work that they might otherwise perform themselves.

- Providing technical assistance and other support services to facilitate consideration of DBEs and other small businesses.
- Advertising contracts in *Small Business Exchange*, a minority-owned small business-focused publication.
- At pre-bid conferences, providing prospective contractors/consultants the following:
  - ✓ Applicable small business/DBE requirements.
  - ✓ Areas for possible subcontracting opportunities.
  - ✓ A helpful guide to navigate through the CUCP database to create lists of the ready, willing and able small businesses, including DBE firms, to perform such work.
  - ✓ Bidder request for small business/DBE assistance form.
  - ✓ Small business/DBE database websites.
- Regularly notifying certified DBEs and minority- and women-focused organizations by e-mail of newly-posted contracting opportunities on the District's website.
- Regularly notifying certified DBEs and non DBEs about networking events.
- Providing lists of planholders to DBE subcontractors, subconsultants and suppliers and urging them to contact and introduce their services to potential prime bidders or proposers.
- On a quarterly basis, reminding and encouraging officers, division managers, department heads, purchasers and buyers to utilize the District's DBE database.

## **Public Participation**

### ***Consultation with Various Groups, Organizations and Officials***

Member agencies of the BOC conducted a Consultation and Public Participation meeting on April 12, 2016, at the Alameda County Transportation Commission office in Oakland, California. The first segment of this meeting was dedicated to various trade groups, minority, women's and general contractor groups, community organizations, and other officials and organizations. An invitation letter and flyer was distributed to over a hundred groups and organizations such as the African American, Black, Hispanic, Asian, Filipino and American Indian Chambers of Commerce in the areas of Sacramento, San Francisco, San Jose, and Sonoma; the Builders Exchange in the counties of Alameda, Contra Costa, San Francisco, San Joaquin and Santa Clara; the U.S. Small Business Administration; Veterans Business Outreach Center; National Organization of Minority Architects, San Francisco Chapter; Women in Consulting; Department of General Services Office of Small Business Certification and Resources; National Association of Women in Construction; American Subcontractors Association; Small Business Development Centers at various junior and state colleges; Minority Business Development Agency U.S. Department of Commerce, etc. Out of all organizations invited, only two people were in attendance representing the African American Chamber of

Commerce, San Francisco Bay Area Small Business Council and the Conference of Minority Transportation Officials, Northern California. Both representatives are owners of DBE firms.

Topics for discussion in the first meeting included how to increase availability of disadvantaged, minority and women owned businesses in trades that have been historically low in DBE participation, the goal setting process and comments on the proposed goals of each agency. More questions were asked at this meeting than comments. Answers to some of the below questions were provided from several BOC member agencies:

- How are goals set and is there a standard amongst all agencies?
- How valid is the number of available DBEs and how can you be sure the database you are using to collect DBE information is correct?
- The availability data may be skewed. How do you monitor that?
- How are local funds being used towards the DBE community?

A few comments received are as follows:

- It would be nice to see a base percentage goal required by each agency.
- The key is to unbundle contracts. Times are changing and opportunities need to be made more available to match the present time.
- It is insulting to DBEs when primes have no real interest in working with the DBE/SBE community. There is a need to make sure primes send decision makers to outreach events who want to work with DBEs and SBEs.
- It is helpful to make information more transparent/available (i.e. utilization, goals met, set aside projects for DBEs, etc.)
- It is great to see the number of agencies represented in a formal meeting.

The second segment of the consultation process was open to the public to receive comments and questions on the goal setting process, discuss anticipated contracting opportunities from various transit agencies over the next three years and to answer any questions or concerns. Santa Clara Valley Transportation Authority used GovDelivery to send the meeting invitation and registration information to over 14,000 businesses, DBE firms included. Over 100 firms registered; however, only 30 were in attendance.

Two presentations were presented during the second session; Downtown San Francisco Ferry Terminal Expansion project by the San Francisco Water Emergency Transit Authority (WETA) and Goal Setting Process presented by SamTrans. The meeting provided a forum for representatives from businesses and organizations to share their views about the availability of certified and potential DBEs ready, willing and able to compete for DOT-assisted contracts, to discuss their concerns, and to provide their perspectives on how DOT recipients might more effectively administer their programs to improve DBE/SBE participation.

The majority of questions asked during the second segment of the meeting were about DBE certification and the application process. Very few comments were given.

***Adjustments Made Based on Comments from Various Groups, Organizations, and Officials***

Since the comments received at the public participation sessions do not specifically address the District's contracting opportunities projected for FY 2016/2017 through 2018/2019, no additional adjustments will be made to the DBE availability figures. However, the information gathered will be used by the District to focus on the areas requiring special attention in its race/gender-neutral efforts in the DBE Program. Some of the topics raised might also be addressed in future BOC outreach events or via its newsletter.

### ***Publication of Goal***

On July 15, 2016, the District published its proposed 3.3% overall goal on its official website at [www.goldengate.org](http://www.goldengate.org) (see Appendix A). In addition, the proposed goal was advertised in the Small Business Exchange publication. Per modifications to 49 CFR Part 26.45, effective November 3, 2014, the District has elected to eliminate the 30-day comment period and inspection of the District's goal methodology at a specified location. In the event comments are made on the District's proposed goal, the District will consider making any adjustments or modifications at that time.

### ***Conclusion***

The overall DBE goal for FTA-assisted contracts for FY 2016/2017 through 2018/2019 is 3.3% with DBE participation sought on a race/gender neutral basis.



**Exhibit 2: DBE Availability by NAICS Code**

<b>A. NAICS CODE NUMBER</b>	<b>B. NAICS DESCRIPTION</b>	<b>C. CUCP DBEs</b>	<b>D. ALL FIRMS IN LOCAL MARKET AREA</b>	<b>E. ALL FIRMS (INCLUDING DBES)</b>	<b>F. RELATIVE DBE AVAILABILITY</b>
332710	Machine Shops	1	528	529	0.2%
333618	Other Engine Equipment Manufacturing	0	3	3	0.0%
334413	Semiconductor and Related Device Manufacturing	0	183	183	0.0%
336611	Ship Building and Repair	0	10	10	0.0%
236220	Commercial and Institutional Building Construction	51	959	1010	5.0%
237310	Highway, Street, and Bridge Construction	54	182	236	22.9%
237990	Other Heavy and Civil Engineering Construction	38	71	109	34.9%
238110	Poured Concrete Foundation and Structure Contractors	32	366	398	8.0%
238120	Structural Steel and Precast Concrete Contractors	16	70	86	18.6%
238160	Roofing Contractors	6	544	550	1.1%
238210	Electrical Contractors and Other Wiring Installation Contractors	36	1782	1818	2.0%
238220	Plumbing, Heating, and Air-Conditioning Contractors	14	2057	2071	0.7%
238320	Painting and Wall Covering Contractors	18	1143	1161	1.6%
238910	Site Preparation Contractors	33	470	503	6.6%
238990	All Other Specialty Trade Contractors	62	620	682	9.1%
541370	Surveying and Mapping (except Geophysical) Services	18	104	122	14.8%
541519	Other Computer Related Services	0	624	624	0.0%
561990	All Other Support Services	12	330	342	3.5%

### Exhibit 3: Calculating Weighted FTA Dollars and Base Figures

- Col C ÷ Total FTA Dollars = Col D, Weighted Percentage
- Col D x Col E = Base Figure per NAICS

A. NAICS CODE	B. NAICS DESCRIPTION AND ASSOCIATED CONTRACTS	C. FTA DOLLARS	D. WEIGHTED % OF TOTAL FTA DOLLARS	E. DBE AVAIL.	F. BASE FIGURE
<b>332710</b>	<b>Machine Shops</b>				
	Service Life Extension Program (SLEP) Larkspur Passenger Ramps and Piers	\$ 280,000	1.2%	0.2%	0.0%
	M.V. Golden Gate Vessel Modifications Incidental to Ramp and Gangway Improvement	\$ 20,000	0.1%	0.2%	0.0%
	M.V. Napa Vessel Modifications Incidental to Ramp and Gangway Improvement	\$ 20,000	0.1%	0.2%	0.0%
<b>333618</b>	<b>Other Engine Equipment Manufacturing</b>				
	M.S. Sonoma Main Engine Replacement	\$ 2,000,000	8.3%	0.0%	0.0%
<b>334413</b>	<b>Semiconductor and Related Device Manufacturing</b>				
	San Rafael Employee Parking Lot Improvements	\$ 1,040,000	4.3%	0.0%	0.0%
<b>336611</b>	<b>Ship Building and Repair</b>				
	M.V. Napa Vessel Modifications Incidental to Ramp and Gangway Improvement	\$ 599,437	2.5%	0.0%	0.0%
	M.V. Golden Gate Vessel Modifications Incidental to Ramp and Gangway Improvement	\$ 599,437	2.5%	0.0%	0.0%
	Repower M.V. Marin and Associated Dry-Dock	\$ 2,560,000	10.6%	0.0%	0.0%
<b>236220</b>	<b>Commercial and Institutional Building Construction</b>				
	Toll Plaza Administrative Building Improvements	\$ 160,000	0.7%	5.0%	0.0%
<b>237310</b>	<b>Highway, Street, and Bridge Construction</b>				
	San Rafael Employee Parking Lot Improvements	\$ 40,000	0.2%	22.9%	0.0%
<b>237990</b>	<b>Other Heavy and Civil Engineering Construction</b>				
	Service Life Extension Program (SLEP) Larkspur Passenger Ramps and Piers	\$ 720,000	3.0%	34.9%	1.0%
	Gangways and Piers - Sausalito Construction	\$ 7,176,000	29.8%	34.9%	10.4%
	South Approach and Pier Security Improvements	\$ 960,000	4.0%	34.9%	1.4%
<b>238110</b>	<b>Poured Concrete Foundation and Structure Contractors</b>				
	San Rafael Employee Parking Lot Improvements	\$ 200,000	0.8%	8.0%	0.1%
	South Approach and Pier Security Improvements	\$ 320,000	1.3%	8.0%	0.1%
<b>238120</b>	<b>Structural Steel and Precast Concrete Contractors</b>				
	San Rafael Employee Parking Lot Improvements	\$ 400,000	1.7%	18.6%	0.3%
	Gangways and Piers - Sausalito Construction	\$ 800,000	3.3%	18.6%	0.6%
	South Approach and Pier Security Improvements	\$ 640,000	2.7%	18.6%	0.5%
<b>238160</b>	<b>Roofing Contractors</b>				
	Toll Plaza Administrative Building Improvements	\$ 480,000	2.0%	1.1%	0.0%
<b>238210</b>	<b>Electrical Contractors and Other Wiring Installation Contractors</b>				
	Toll Plaza Administrative Building Improvements	\$ 64,000	0.3%	2.0%	0.0%
	Gangways and Piers - Sausalito Construction	\$ 400,000	1.7%	2.0%	0.0%

	San Rafael Employee Parking Lot Improvements	\$	240,000	1.0%	2.0%	0.0%
	South Approach and Pier Security Improvements	\$	880,000	3.7%	2.0%	0.1%
<b>238220</b>	<b>Plumbing, Heating, and Air-Conditioning Contractors</b>					
	TVM Roll Up Door Replacement	\$	72,000	0.3%	0.7%	0.0%
	Toll Plaza Administrative Building Improvements	\$	480,000	2.0%	0.7%	0.0%
	Gangways and Piers - Sausalito Construction	\$	800,000	3.3%	0.7%	0.0%
	Repower M.V. Marin and Associated Dry-Dock	\$	60,000	0.2%	0.7%	0.0%
<b>238320</b>	<b>Painting and Wall Covering Contractors</b>					
	Service Life Extension Program (SLEP) Larkspur Passenger Ramps and Piers	\$	80,000	0.3%	1.6%	0.0%
	M.V. Napa Vessel Modifications Incidental to Ramp and Gangway Improvement	\$	60,000	0.2%	1.6%	0.0%
	M.V. Golden Gate Vessel Modifications Incidental to Ramp and Gangway Improvement	\$	60,000	0.2%	1.6%	0.0%
	Toll Plaza Administrative Building Improvements	\$	16,000	0.1%	1.6%	0.0%
	Repower M.V. Marin and Associated Dry-Dock	\$	200,000	0.8%	1.6%	0.0%
<b>238910</b>	<b>Site Preparation Contractors</b>					
	San Rafael Employee Parking Lot Improvements	\$	104,000	0.4%	6.6%	0.0%
<b>238990</b>	<b>All Other Specialty Trade Contractors</b>					
	San Rafael Employee Parking Lot Improvements	\$	520,000	2.2%	9.1%	0.2%
	South Approach and Pier Security Improvements	\$	400,000	1.7%	9.1%	0.2%
<b>541370</b>	<b>Surveying and Mapping (except Geophysical) Services</b>					
	Gangways and Piers - Sausalito Construction	\$	24,000	0.1%	14.8%	0.0%
<b>541519</b>	<b>Other Computer Related Services</b>					
	Transit Scheduling System	\$	600,000	2.5%	0.0%	0.0%
<b>561990</b>	<b>All Other Support Services</b>					
	San Rafael Employee Parking Lot Improvements	\$	16,000	0.1%	3.5%	0.0%
<b>TOTAL FTA-ASSISTED CONTRACTS</b>		<b>\$</b>	<b>24,090,874</b>	<b>100.0%</b>	<b>OVERALL BASE FIGURE</b>	<b>15.1%</b>

#### Exhibit 4: Base Figure Breakdown per Individual Contract

Description of Contract	NAICS Code and Description for Prime and Subcontracting Opportunities	% of Individual Contract Dollars	Relative DBE Availability	Base Figure Per Contract
<b>Service Life Extension Program (SLEP) Larkspur Passenger Ramps and Piers</b>	Prime: 237990 Other Heavy and Civil Engineering Construction	67.0%	34.9%	23.4%
	Sub: 238320 Painting and Wall Covering Contractors	7.0%	1.6%	0.1%
	Sub: 332710 Machine Shops	26.0%	0.2%	0.1%
	<b>Contract Total</b>	100%		<b>23.5%</b>
<b>M.V. Napa Vessel Modifications Incidental to Ramp and Gangway Improvements</b>	Prime: 336611 Ship Building and Repair	88.0%	0.0%	0.0%
	Sub: 238320 Painting and Wall Covering Contractors	9.0%	1.6%	0.1%
	Sub: 332710 Machine Shops	3.0%	0.2%	0.0%
	<b>Contract Total</b>	100%		<b>0.2%</b>
<b>M.S. Sonoma Main Engine Replacement</b>	Prime: 336611 Ship Building and Repair	100.0%	0.0%	0.0%
	<b>Contract Total</b>	100%		<b>0.0%</b>
<b>M.V. Golden Gate Vessel Modifications Incidental to Ramp and Gangway Improvements</b>	Prime: 336611 Ship Building and Repair	88.0%	0.0%	0.0%
	Sub: 238320 Painting and Wall Covering Contractors	9.0%	1.6%	0.1%
	Sub: 332710 Machine Shops	3.0%	0.2%	0.0%
	<b>Contract Total</b>	100%		<b>0.2%</b>
<b>TVM Roll-up Door Replacements</b>	Prime: 238220 Plumbing, Heating, and Air-Conditioning Contractors	100.0%	0.7%	0.7%
	<b>Contract Total</b>	100%		<b>0.7%</b>
<b>Repower M.V. Marin and Associated Dry-Dock</b>	Prime: 336611 Ship Building and Repair	91.0%	0.0%	0.0%
	Sub: 238320 Painting and Wall Covering Contractors	4.0%	1.6%	0.1%
	Sub: 238320 Painting and Wall Covering Contractors	3.0%	1.6%	0.0%
	Sub: 238220 Plumbing and HVAC Contractors	2.0%	0.7%	0.0%
	<b>Contract Total</b>	100%		<b>0.1%</b>
<b>Toll Plaza Administration Building Improvements</b>	Prime: 236220 Commercial and Institutional Building Construction	13.3%	5.0%	0.7%
	Sub: 238160 Roofing Contractor	40.0%	1.1%	0.4%
	Sub: 238210 Electrical Contractors and Other Wiring Installation Contractors	5.3%	2.0%	0.1%
	Sub: 238220 Plumbing, Heating, and Air-Conditioning Contractors	40.0%	0.7%	0.3%
	Sub: 238320 Painting and Wall Covering Contractors	1.3%	1.6%	0.0%
	<b>Contract Total</b>	100%		<b>1.5%</b>

<b>San Rafael Employee Parking Lot Improvements</b>	Prime: 238990 All Other Specialty Trade Contractors	20.3%	9.1%	1.8%
	Sub: 237310 Highway, Street, and Bridge Construction	1.6%	22.9%	0.4%
	Sub: 238110 Poured Concrete Foundation and Structure Contractors	7.8%	8.0%	0.6%
	Sub: 238120 Structural Steel and Precast Concrete Contractors	15.6%	18.6%	2.9%
	Sub: 238210 Electrical Contractors and Other Wiring Installation Contractors	9.4%	2.0%	0.2%
	Sub: 238910 Site Preparation Contractors	4.1%	6.6%	0.3%
	Sub: 334413 Semiconductor and Related Device Manufacturing	40.6%	0.0%	0.0%
	Sub: 561990 All Other Support Services	0.6%	3.5%	0.0%
	<b>Contract Total</b>	100%		<b>6.2%</b>
<b>South Approach and Pier Security Implementation</b>	Prime: 237990 Other Heavy and Civil Engineering Construction	30%	34.9%	10.5%
	Sub: 238110 Poured Concrete Foundation and Structure Contractors	10%	8.0%	0.8%
	Sub: 238120 Structural Steel and Precast Concrete Contractors	20%	18.6%	3.7%
	Sub: 238210 Electrical Contractors and Other Wiring Installation Contractors	27%	2.0%	0.5%
	Sub: 238990 All Other Specialty Trade Contractors	13%	9.1%	1.2%
	<b>Contract Total</b>	100%		<b>16.7%</b>
<b>Gangways and Piers - Sausalito Construction</b>	Prime: 237990 Other Heavy and Civil Engineering Construction	78.0%	34.9%	27.2%
	Sub: 238120 Structural Steel and Precast Concrete Contractors	8.0%	18.6%	1.5%
	Sub: 238210 Electrical Contractors and Other Wiring Installation Contractors	4.0%	2.0%	0.1%
	Sub: 238220 Plumbing and HVAC Contractors	8.0%	0.7%	0.1%
	Sub: 541370 Surveying and Mapping (except Geophysical) Services	2.0%	14.8%	0.3%
	<b>Contract Total</b>	100%		<b>29.1%</b>
<b>Transit Scheduling System</b>	Prime: 541519 Other Computer Related Services	100.0%	0.0%	0.0%
	<b>Contract Total</b>	100%		<b>0.0%</b>

## APPENDIX A

### Proof of Proposed Goal Posted to Official Website

#### Artemise Davenport

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**From:** Pete Guthlein  
**Sent:** Friday, July 15, 2016 3:29 PM  
**To:** Elizabeth Eells; Melanie Sanborn  
**Cc:** Amorette Ko; Dana Fehler; Susan Spencer; Artemise Davenport; Mary Lucas; Madeline Chun : Hanson Bridgett  
**Subject:** RE: Web Posting: Notice of Proposed Overall DBE Goal for FY 16-17 to 18-19

Done.

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**From:** Elizabeth Eells  
**Sent:** Monday, July 11, 2016 1:26 PM  
**To:** Pete Guthlein; Melanie Sanborn  
**Cc:** Amorette Ko; Dana Fehler; Susan Spencer; Artemise Davenport; Mary Lucas; Madeline Chun : Hanson Bridgett  
**Subject:** Web Posting: Notice of Proposed Overall DBE Goal for FY 16-17 to 18-19

Hi Pete,

Attached is the Notice of the Proposed Overall Disadvantaged Business Enterprise (DBE) Goal for FY 16-17 to 18-19. Please post this Notice to the *Diversity Program for Contracts* page under the paragraph entitled, "DBE Goal" on Friday, July 15, 2016 after 12 noon.

Please let us know when this document appears on the web site. Thank you.

~Elizabeth

**NOTICE OF PROPOSED OVERALL  
DISADVANTAGED BUSINESS ENTERPRISE GOAL  
FOR FEDERAL FISCAL YEARS 2016/2017 THROUGH 2018/2019**

The Board of Directors of the Golden Gate Bridge, Highway and Transportation District announces a proposed 3.3% overall goal for the participation of Disadvantaged Business Enterprises in contracting opportunities that are budgeted to receive federal financial assistance from the U.S. Department of Transportation, as administered by the Federal Transit Administration, for the period beginning October 1, 2016 and ending September 30, 2019.

Information on the development of the proposed goal and its rationale is available on the District official website at [www.goldengate.org](http://www.goldengate.org).

/s/Amorette Ko-Wong, Secretary of the District. Dated: July 15, 2016

← → <http://goldengate.org/contracts/diversity.php> eCFR — Code of Federal Regul... Golden Gate District: About... x

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**BRIDGE**


**FERRY**


**TRANSIT**


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**GO PLACES WITH US**


 Go Mobile!

 Go With Clipper!

 Going Green!

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 Translations

The District, a recipient of federal financial assistance from the Federal Transit Administration ("FTA") and the Federal Highway Administration ("FHWA") of the U.S. DOT, is required to implement a DBE Program in accordance with 49 CFR Part 26, which is incorporated herein by this reference.

["Diversity Program for Contracts" \(PDF\)](#)

**Small Business Enterprise Element (SBE)**

The District has established a Small Business Enterprise (SBE) element within its DBE Program as one of its race-neutral methods of achieving small business participation, including disadvantaged business participation, on particular contracts with subcontracting opportunities. This SBE element applies to all District Contracts and Professional Service Agreements, regardless of funding source, where race-neutral and gender-neutral methods are employed.

It is the policy of the District to ensure nondiscrimination in the award and administration of all contracts and to create a level playing field on which (SBEs) can compete fairly for contracts and subcontracts relating to the District's construction, procurement and professional services activities. DBEs are by definition considered to be SBEs and are covered in all references to SBEs.

Read more about the ["Small Business Enterprise Element" \(PDF\)](#)

**Policy Statement on Diversity Program for Contracts**

The District is committed to a Diversity Program for the participation of DBEs in contracting opportunities in accordance with 49 Code of Federal Regulations (CFR) Part 26, revised as of October 2, 2014, as may be amended.

Read the entire [Policy Statement on Diversity Program for Contracts here](#).

**DBE Goal**

The District Board of Directors proposes an overall goal for the participation of DBEs in contracting opportunities that are budgeted to receive federal financial assistance.

Read more about the [DBE Goal for FFY 2013/2014 through FFY 2015/2016](#) and the [DBE Goal for FFY 2016/2017 through FFY 2018/2019](#).

Also read the [DBE Goal Methodology for FFY 2016/2017 through FFY 2018/2019](#).

**Guide for Small Businesses**

The District offers this [Guide for Small Businesses](#) to assist and encourage small businesses in participating in its procurement activities. It is the District's goal to maximize open competition and to promote the participation of small business enterprises in District procurement activities.

**Business Outreach Committee**

The Business Outreach Committee (BOC) is a consortium of Bay Area transit agencies and it assists small disadvantaged and local firms in doing business with Bay Area transportation agencies. It publishes a newsletter and holds frequent networking events and buyers forums.

**BOC Contracting Newsletters**

- [Newsletter #32, Fall 2016](#)
- [Newsletter #31, Spring/Summer 2016](#)
- [Newsletter #30, Winter 2016](#)
- [Newsletter #29, Fall 2015](#)
- [Newsletter #28, Summer 2015](#)