

# Agenda Item 9: DBE Program and Goals

## October 18, 2023



# What and Why

- What?
  - Disadvantaged Business Program (DBE)
    - Certification Process - <https://dot.ca.gov/programs/civil-rights/dbe>
    - Eligibility Requirements – 49 CFR Part 26
- Why?
  - SMART receives federal funds
  - Designed to do the following:
    - Ensure non-discrimination in DOT assisted contracts
    - Provide level playing field for DBEs to compete
    - Help remove barriers for DBEs
    - Assist in the development of DBEs to compete in all types of procurements

# When?

- Required to be updated every three (3) years
- Based on a federal fiscal year (Oct. 1 – Sept. 30)
- Needs to be updated more frequently if conditions change

# How?

## DBE Goal Setting

- Step 1 – Identify federal funding over next 3 years
- Step 2 – Identify the type of work to be performed
  - Use North American Industry Classification System (NAICS Codes)
- Step 3 – Determine market area
  - Sonoma
  - Marin
  - Solano
  - Napa
  - Contra Costa

# How?

## DBE Goal Setting

- Step 4 – Determine all firms in SMART’s market area
  - Based on NAICS codes
- Step 5 – Determine number of DBE’s in SMART’s market area
- Step 6 – Determine availability
  - DBEs available in NAICS code/ All firms available in NAICS code

# Availability of DBEs

Category of Work/ Description (A)	NAICS (B)	CBP (C)	DBE (D)	Availability of DBEs (E)
Salaries (In-House Staff)	n/a	n/a	n/a	n/a
Construction Sand & Gravel Mining	212321	0	0	0.0%
Highway, Street, and Bridge	237310	65	11	16.9%
Electrical Contractors	238210	723	7	1.0%
Plumbing, Heating, & Air Conditioning Contractors	238220	813	0	0.0%
Iron & Steel Mills and Ferroalloy Manufacturing	331110	0	0	0.0%
Metal Coating, Engraving, and Allied Services	332812	9	0	0.0%
Commercial & Service Industry Machinery Manufacturing	333310	14	0	0.0%
Radio & Television Broadcasting & Wireless Equipment	334220	4	0	0.0%
Railroad Rolling Stock Manufacturing	336510	0	0	0.0%
Metal Service Centers & Other Metal Merchants	423510	34	1	2.9%
Electrical Apparatus & Equipment, Wiring Supplies, and Related Equipment	423610	83	1	1.2%
Hardware Merchant Wholesalers	423710	26	1	3.8%
Industrial Machinery & Equipment Merchant	423830	121	0	0.0%
Industrial Supplies Merchant Wholesalers	423840	72	2	2.8%
Transportation Equipment & Supplies	423860	40	0	0.0%
Other Misc. Durable Goods Merchant Wholesalers	423990	57	1	1.8%
Hardware Retailers	444140/444180	374	0	0.0%
General Freight Trucking	484110	239	0	0.0%
Support Activities for Rail Transportation	488210	13	0	0.0%
General Warehousing	493110	72	0	0.0%
All other Consumer Goods Rental	532289	33	0	0.0%
Construction, Mining, & Forestry Machinery & Equipment Rental	532412	45	0	0.0%
Engineering Services	541330	643	19	3.0%
Landscaping Services	561730	974	1	0.1%
All Other Support Services	561990	69	1	1.4%
Total		4,523	45	1.0%

# How?

## DBE Goal Setting

- Step 7 – Calculate Weighted Base Figure
  - % of Federal Funds by NAICS x Availability of DBEs by NAICS
  - Result 6.9%
- Step 8 – Adjustment
  - Past Participation
  - 3.45%

# Race-Neutral vs. Race-Conscious

- Race Neutral –
  - Done through outreach efforts
- Race Conscious -
  - Set goals on solicitation
- SMART's goal is Race Neutral



# Small Business Participation

## Larger Focus

- On larger contracts requiring bidders on the prime contract to specify elements of the contract or specific subcontracts that are of a size that small businesses can reasonably perform
- On prime contracts not having DBE contract goals, requiring the prime contractor to provide subcontracting opportunities of a size that small business, including DBEs can reasonably perform
- Ensuring that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform

# Prime and Sub Supplier Report

Bidder Name: \_\_\_\_\_ Solicitation #: XX-XX-XX-XXX  
 Solicitation Title: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Is your firm a Disadvantaged Business Enterprise: Yes  No   
 Owner or Contact Person: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_ E-Mail: \_\_\_\_\_

**Instructions:**

Please provide information **on ALL firms** (Prime Contractor/subcontractors/subconsultants/suppliers) that provided Bidder a bid, quote, or proposal to perform work, provide labor, render services or provide supplies in connection with this contract *WHETHER BID WAS ACCEPTED OR NOT*. You shall provide this information for all sub-bidders regardless of tier for both DBEs/SBEs and non-DBEs/SBEs alike. Include all bid acceptance(s) AND rejection(s). Signature is required on page three of this form.

(ADD ADDITIONAL SHEETS AS NEEDED).

Prime Contractor / Subcontractor / Supplier Information		Annual Gross Receipts	Identify if the firm is a certified DBE or SBE within the State of California*	Portion of Work or Type of Materials/Supplies	Dollar Amount of (Work / Materials / Supplies)	Was the Bid/Quote Accepted?	DBE and SBE Amount***
1	Name:	<input type="checkbox"/> < \$500,000 <input type="checkbox"/> \$500,000 - \$1 Million <input type="checkbox"/> \$1 Million - \$2 Million <input type="checkbox"/> \$2 Million - \$5 Million <input type="checkbox"/> > \$5 Million	<input type="checkbox"/> DBE <input type="checkbox"/> SBE <input type="checkbox"/> Not Certified			<input type="checkbox"/> Yes <input type="checkbox"/> No	DBE Amount:
	Address:						SBE Amount:
	Age of Firm:						
	Contact Person:						
	E-mail:						
	Phone:						
2	Name:	<input type="checkbox"/> < \$500,000 <input type="checkbox"/> \$500,000 - \$1 Million <input type="checkbox"/> \$1 Million - \$2 Million <input type="checkbox"/> \$2 Million - \$5 Million <input type="checkbox"/> > \$5 Million	<input type="checkbox"/> DBE <input type="checkbox"/> SBE <input type="checkbox"/> Not Certified			<input type="checkbox"/> Yes <input type="checkbox"/> No	DBE Amount:
	Address:						SBE Amount:
	Age of Firm:						
	Contact Person:						
	E-mail:						
	Phone:						



# Comments from FTA

- FFY 2021-2023 Plan
  - Your public participation and facilitation does not include scheduled, direct interactive exchanges as required by the regulations.
- Outreach
  - Participates in Business Outreach Committee (BOC)
    - Consortium of Bay Area Transit and Transportation Agencies form to maximize DBE/SBE outreach
    - Publish events on our website
    - Actively participated in seven (7) of the events between 2021 and 2023
  - Participated in APTA's "Meet the Primes/Agencies Business Networking Breakfast in June 2023

# New FFY 2024 – 2026 Plan and Goal

- Outreach
  - Available for review and comment Sept. 7 – Oct. 6
  - Published in Marin IJ and Press Democrat
  - Held Zoom meeting
    - Sent notification to:
      - Vendors
      - Newsletter recipients (9,783)
    - Fifteen people participated in Zoom Meeting
  - No comments or feedback regarding the proposed plan or goal

# Statement of Policy (Page 85 of Board Packet)

The Sonoma-Marín Area Rail Transit (SMART) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. SMART has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, SMART has signed an assurance that it will comply with 49 CFR Part 26.

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

- a. To ensure nondiscrimination in the award and administration of DOT - assisted contracts;
- b. To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
- c. To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
- d. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
- e. To help remove barriers to the participation of DBEs in DOT assisted contracts;
- f. To promote the use of DBEs in all types of federally-assisted contracts and procurement activities conducted by SMART
- g. To assist the development of firms that can compete successfully in the marketplace outside the DBE Program.



# Statement of Policy (Continued)

Heather McKillop, Chief Financial Officer, has been delegated as the DBE Liaison Officer. In that capacity, Heather McKillop is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by SMART in its financial assistance agreements with the Department of Transportation.

SMART has disseminated this policy statement to the SMART Board of Directors and all the components of our organization. We have distributed this statement to DBE and non-DBE business communities that perform work for us on DOT- assisted contracts and is posted on our website: [www.sonomamarintrain/business.org](http://www.sonomamarintrain/business.org).

All correspondence can be sent to:

SMART DBE Liaison  
5401 Old Redwood Highway, Suite 200  
Petaluma, CA 94954

Answers to any questions may be obtained by contacting Heather McKillop, Chief Financial Officer/ DBE Liaison at (707) 794-3320 or [hmckillop@sonomamarintrain.org](mailto:hmckillop@sonomamarintrain.org).



# Questions?

# Connect with us:

[www.SonomaMarinTrain.org](http://www.SonomaMarinTrain.org)



## Customer Service:

[CustomerService@SonomaMarinTrain.org](mailto:CustomerService@SonomaMarinTrain.org)

(707) 794- 3330

