



**DISADVANTAGED BUSINESS ENTERPRISE (DBE)
FEDERAL FISCAL YEARS 2022–2024
PROPOSED OVERALL DBE GOAL
& GOAL SETTING METHODOLOGY**

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**LONG BEACH TRANSIT
DISADVANTAGED BUSINESS ENTERPRISE
OVERALL GOAL & METHODOLOGY
FOR OCT. 1, 2021 THRU SEPT. 30, 2024**

I. SUMMARY & INTRODUCTION

Long Beach Transit (LBT) is required to develop and submit a Disadvantaged Business Enterprise (DBE) Overall Goal for DBE participation as a condition of receiving federal assistance, pursuant to the United States Department of Transportation (USDOT) DBE regulations, 49 CFR Part 26.45¹. DBE regulations require USDOT recipients to set an Overall triennial goal for DBE participation in their federally assisted projects.

Based on information described in this report, Long Beach Transit will:

- Adopt an Overall DBE Goal of 13% for Federal Fiscal Years (FFY) 2022–2024.
- Follow guidelines in 49 CFR Part 26.45, as amended, related to narrowly tailoring.
- Seek to unbundle contracts to bolster DBE and SBE participation in support of its DBE program.
- Promote subcontracting to its prime vendors to encourage DBE and SBE inclusion in contract bids.
- Set the race-and gender-neutral goal at 9% and the race- and gender-conscious goal at 4.0%, to support the overall goal of 13% for federal fiscal years 2022 – 2024.

II. BACKGROUND

The regulations require that the overall goal be prepared using a two-step process. According to the USDOT Tips for Goal Setting² (USDOT Tips), approved by the General Counsel of the USDOT, the recipient must first determine a base figure for the relative availability of certified DBEs and potentially certified Minority and Women-Owned Business Enterprises, hereafter collectively referred to as Disadvantaged Business Enterprises (DBEs), in the relevant market area. Next, the recipient must examine all relevant evidence to determine what adjustment, if any, is needed to the base figure in order to arrive at an overall goal. The final adjusted figure is the recipient's overall goal, and represents the proportion of federal transportation funding that the recipient is expected to allocate to DBEs during the subsequent three federal fiscal years (FFY). Once the adjusted overall goal is determined, the process requires considering what portion of the goal will be met by race and gender-neutral measures. If a recipient claims that it can meet its overall goal with race and gender-neutral measures, those measures must be utilized. In contrast, if the recipient determines it cannot achieve the entire overall goal using only race- and gender-neutral measures, it must establish a race and gender-conscious portion of the overall goal³.

¹ Effective February 28, 2011, the USDOT amended the DBE regulations set forth in 49 CFR Part 26 as described in the Federal Register, Volume 76, Number 19 and Vol. 79 Thursday, No. 191 October 2, 2014 Part II Disadvantaged Business Enterprise: Program Implementation Modifications; 49 CFR Part 26 [Docket No. OST-2012-0147] IN 2105-AE08.

² United States Department of Transportation, Tips for Goal Setting in the Disadvantaged Business Enterprise (DBE) Program, U.S. Department of Transportation, May 15, 2015, <http://www.osdbu.dot.gov/DBEProgram/tips.cfm>.

³ Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs, 49 CFR Part 26, 26.51(f)(1), §26.51(d).

Pursuant to *Western States Paving Co., Inc. v. USDOT and Washington State DOT* (Western States), recipients in the United States Court of Appeals for the Ninth Circuit (Ninth Circuit) cannot consider the use of a race- or gender-conscious goal unless a finding of statistically significant disparity has been made for the ethnic and gender groups to be included in the race or gender-conscious goal. The Ninth Circuit determined that statistical findings demonstrating a “small disparity” are insufficient probative value to meet the strict scrutiny standard. Citing *City of Richmond v. J.A. Croson Co.* (Croson), the Court declared that an inference of discriminatory exclusion could arise where there is a statistically significant disparity between the number of qualified minority contractors willing and able to perform a particular service, and the number of ~~sub~~contractors actually engaged by the locality or its prime contractors.

This Report of Overall DBE Goal & Methodology is based upon the DBE regulations contained in 49 CFR Part 26.45, as amended, the decisions of the United States Federal Court, and the USDOT Guidance Memorandum.

III. PROPOSED OVERALL GOAL FOR FEDERAL FISCAL YEARS 2022–2024

LBT has implemented a DBE program in accordance with 49 CFR Part 26 and directives issued by the USDOT. Based on the requirements set forth in 49 CFR Part 26, Western States and the USDOT’s Guidance Memorandum, LBT is submitting the goal methodology for FFY 2022–2024. The proposed overall DBE goal for the period is 13 percent (13%). LBT is proposing to meet the DBE goal with nine percent (9 %) race-conscious measures and four percent (4%) race-neutral measures. The Federal Transit Administration (FTA) reporting period for the proposed will be October 1, 2021 through September 30, 2024.

IV. LOCAL MARKET AREA

LBT has defined its local market area as the County of Los Angeles, California. This is the area in which the majority of the contractors and subcontractors with which LBT does business with are located; and the area in which LBT spends the majority of its contracting ~~dis~~

V. OVERALL GOAL-SETTING METHODOLOGY

The two-step goal-setting process required by the regulations and the findings in *Western States* was used to determine the recommended overall goal for FFY 2022–2024. The two steps for setting an overall goal are to:

1. Establish a base figure for the relative availability of DBEs; and
2. Determine the base figure adjustment, if necessary

The base figure is intended to be a measurement of the current ready, willing and able DBEs as a percentage of all businesses ready, willing and able to perform on the recipient’s anticipated FTA-assisted contracts.

VI. DOT-ASSISTED CONTRACTING PROGRAM FOR FFY 2022–2024

Table 1 represents LBT’s DOT-assisted contracting program that was considered in preparing its Overall DBE Goal-Setting Methodology. The fiscal years covered by this FTA-assisted contracting program includes bus stop amenities, bus components, facility and parking lot improvements, building construction, information systems, office equipment, electric bus charging infrastructure, security/safety enhancements, shop equipment, support vehicles and tire leases, each of which was assessed in preparing LBT’s Overall DBE Goal-Setting Analysis.

All projects listed have contracting and subcontracting possibilities and are anticipated to be awarded within the FFY 2022–2024, a required criterion for Overall DBE Goal preparation.

Table 1 – Anticipated Federally Assisted Contracts

PROJECT	TOTAL ESTIMATED PROJECT COST	TOTAL ESTIMATED FEDERAL SHARE	ESTIMATED FEDERAL DOLLAR SHARE OF CONSTRUCTION	ESTIMATED FEDERAL DOLLAR SHARE OF PROFESSIONAL SERVICES	ESTIMATED FEDERAL DOLLAR SHARE OF MATERIALS AND SUPPLIES
Bus Components	\$ 3,367,333	3,367,333	\$ -	\$ -	\$ 3,367,333
Bus Stop Amenities	\$ 6,853,566	5,319,414	\$ 691,524	\$ 957,495	\$ 3,670,395
Information Systems Upgrade	\$ 14,469,131	13,270,489	\$ -	\$ 1,129,020	\$ 12,141,469
LBT 2 Parking Lot Improvements	\$ 236,060	236,060	\$ 161,060	\$ -	\$ 75,000
Facility Modernization Design (A & E)	\$ 3,711,290	3,711,290	\$ -	\$ 3,711,290	\$ -
BEB Charging Infrastructure	\$ 5,588,743	2,299,798	\$ 501,248	\$ 1,695,609	\$ 102,941
Transit Vehicle Replacements*	\$ 31,163,227	-	\$ -	\$ -	\$ -
LBT 1 Building Rehabilitation	7,126,331	560,592	560,592	-	-
Preventive Maintenance*	\$ -	-	\$ -	\$ -	\$ -
Security/Safety	\$ 477,574	469,449	\$ -	\$ 46,945	\$ 422,504
Shop Equipment/Support Vehicles/Tires	\$ 2,396,618	1,183,280	\$ -	\$ -	\$ 1,183,280
Total	\$ 75,389,873	\$ 30,417,704	\$ 1,914,424	\$ 7,540,358	\$ 20,962,922
Total (Without Exempted*)	\$ 44,226,646	\$ 30,417,704	\$ 1,914,424	\$ 7,540,358	\$ 20,962,922

* The projects (shaded in gray), were exempted from this FFY 2022 - 2024 analysis as the Preventive Maintenance project will be utilizing funds strictly for operating costs and the Replacement Vehicles project will be electing to procure this under the TVM process to fulfill this requirement.

Tables 2 - 4 - Federal Assisted Project Opportunities by NAICS Code and Industry

Tables, 2, 3 and 4 below, outline the North American Industry Classification System Association work categories (NAICS) codes for each of the anticipated federally-assisted projects that Long Beach Transit expects to let during the 2022- 2024 federal fiscal years. A separate table is provided to break out opportunities for each of the three primary industries: Construction, Materials & Supplies, and Professional Services. The amount of prime and subcontracting opportunities anticipated to be let under our DBE program for each work category and NAICs is also shown. Details contained in these tables will enable the Long Beach Transit procurement and civil rights teams to conduct targeted outreach and promote contracting opportunities by NAICS codes within our local market area.

**Table 2 - Federally Assisted Construction Opportunities
2022 – 2024 by Project and NAICS**

Industry	Project	Total Anticipated Federal Dollars	NAICS Codes	Work Scope Description (NAICS)
Construction Services	Bus Stop Amenities	\$ 691,524	238210	Electrical Services
			236220	Industrial/Commerical Bldg Construction Labor
			238120	Shelter Building Installation Services
			238110	Concrete Repair
	LBT 2 Parking Lot Improvements	\$ 161,060	238110	Concrete & Asphalt Contractor
			237310	Parking Lot Striping Services
			238210	Electrical Services
			238990	Other Specialty Contractors
	BEB Charging Infrastructure	\$ 501,248	238120	General & Civil Contractor Services
			238910	Site Preparation & Demolition Services
			238210	Electrical Services & Site Assessment
			238110	Concrete & Asphalt Contractor
	LBT1 Modernization	\$ 560,592	236210	Construction Project Management
Total Construction Services Opportunities		\$ 1,914,424		

**Table 3 - Federally Assisted Materials & Supply Opportunities
2022 – 2024 by Project and NAICS**

Category	Project	Total Anticipated Federal Dollars	NAICS Codes	Work Scope Description (NAICS)
Materials	Bus Components	\$ 3,367,333	423120	Motor Vehicle Supplies and New Parts Wholesalers
			423910	Sport and Recreation Equipment Wholesale (Bike Racks)
	Bus Stop Amenities	\$ 3,670,395	332311	Prefab Metal Building, Bus Shelter/Shed Manufacturers
			337127	Bus Stop Benches/Seating
			332999	Bus Stop Amenities: Manufacturers
			423850	Wholesale Bus Stop Trash Cans, Signs, Poles & Other
			339950	Electronic (Digital) Signs
			423610	Wholesale/Distributors of LED or Solar Lighting
	Information Technology Upgrades	\$ 12,141,469	423430	Computer Software Merchants Wholesale
			488999	GIS & GPS Mapping Computer Software for CAD/AVL
			511210	Packaged Computer Software Publishers
			423430	Computer Hardware, Equipment & Peripherals -Wholesale
			423210	Office Furniture Wholesalers- CAD Workstations
			334220	Radio & Wireless Equipment Manufacturers
			423620	Electronics & Communications Equip Wholesale
			517919	Other Telecommunications & GPS Systems
	LBT 2 Parking Lot Improvements	\$ 75,000	324121	Asphalt & Concrete
			423610	Lighting Material, Poles, Conduits & Wiring Wholesale
			424950	Paint
	BEB Charging Infrastructure	\$ 102,941	327390	Precast Concrete Blocks
			447190	EV Charging Equipment, Cabinets & Pedestals
			335999	Electrical Materials, Apparatus, Wiring & Conduit
	Security/Safety	\$ 422,504	339129	Poles & Related Materials
			334511	Collision Avoidance Materials Manufacturer
			488390	Water Transportation Support Equip
	Shop Equipment/Support Vehicles/Tires	\$ 1,183,280	335399	Electrical Materials for Ferry Conversion
			423110	Automotive Vehicle Merchants/Dealers
423130			Tire and Tube Merchant Wholesalers	
Total Materials	\$ 20,962,922	423860	Transportation Equipment & Supplies	

**Table 4 - Federally Assisted Professional Services Opportunities
2022 – 2024 by Project and NAICS**

Industry	Project	Total Anticipated Federal Dollars	NAICS Codes	Work Scope Description (NAICS)
Professional & Other Services	Bus Stop Amenities	\$ 957,495	541990	Permit Services
			541519	Digital Sign Software Installation
			541310	Architecture & Design
			517312	Wireless/ Telecom Services
			611420	Trucking Services
	Information Technology Upgrade	\$ 1,129,020	562112	E Waste Clection
			541511	Customized Computer Programming
			541512	Computer System Design
			541611	Management Consulting Services
			541519	Computer Cybersecurity Planning & Services
			611420	Computer Training & Educational Services
			541611	IT Technical & Management Consulting Services
			541512	Telecom & AVL System Design Services
	Facility Modernization Design & Engineering	\$ 3,711,290	518210	Data Storage & Migration Services
			541490	Lighting Design Services
			541310	Design: Space, Relocation, Demo & Constr. Plans
			541310	Architectural Design
			541611	Design Project Management
			541330	Engineering Services
			541410	Interior Design
			541310	Architecture & Design
			541715	Design Battery Storage System (BESS)
			541614	Feasibility Study
	BEB Charging Infrastructure	\$ 1,695,609	541330	Engineering Services
			541990	Permit Services
			541715	Design Battery Storage System (BESS)
Security/Safety	46,945	541490	Lighting Design Services	
		541690	Collision Avoidance System	
			541310	Ferry Boat Electrical Conversion
	Total Professional Services	\$ 7,540,359		

**Summary of Federally Assisted Projects
By NAICS and Percentage of Federal Funding**

After elimination of work categories duplicated across projects, Table 5 provides a summary of federally-assisted grouped into three primary categories: Construction, Professional Services and Materials and Supplies, that are aligned with The North American Industry Classification System (NAICS) work categories and comparable 2020 Census Business Patterns NAICS Work Codes to determine if sector concentration is present and ascertain if further weight analysis would be applicable. The table as presented estimates Federal Dollar Share and Percent of Federal Funding for each of the categories as follows:

**Table 5 – Weighted Percentage of Federally Assisted Projects
By Industry Category with NAICS**

CONTRACT CATEGORY	NAICS CODES	ESTIMATED FEDERAL DOLLAR SHARE	PERCENT (%) OF FEDERAL FUNDING
Construction	236210, 236220, 237310, 238110, 238120, 238910, 238990	\$ 1,914,424	6%
Professional Services	541990, 517312, 518210, 541310, 541330, 541410, 541490, 541511, 541512, 541519, 541611, 541614, 541690, 541715, 541990, 562112, 484110, 484220, 484230, 611420	\$ 7,540,359	25%
Materials	324121, 327290, 32311, 332999, 334220, 334511, 334511, 335399, 35999, 337127, 339129, 39950, 423110, 423120, 423210, 423210, 423,610, 423620, 423850, 423860, 423910, 423950, 424950, 447190, 488390, 488999, 511210, 517919	\$ 20,962,922	69%

**Rounded to the nearest whole number*

VII. STEP ONE: BASE FIGURE CALCULATION

Step 1: Determination of a Base Figure (§26.45)⁴

The purpose of Step 1 is to establish LBT’s Base Figure of the relative availability of DBEs to all comparable firms (DBE and non-DBEs) available to propose on LBT’s FFY 2022–2024 DOT-assisted contracting opportunities projected to be solicited. LBT used one of the five prescribed federal goal-setting methodologies in accordance with Title 49 CFR Part 26 regulations. This was accomplished by accessing the California Unified Certification Program (CUCP) Directory of Certified DBE Firms and the 2020 U.S. Census Bureau County Business Patterns (CBP) Database. Comparisons were made within LBT’s market area, defined as Los Angeles County, and by specified industries and types of businesses identified by NAICS codes as shown in Tables 2-4. LBT’s local market represents the area where the substantial majority of LBT’s contracting dollars are expended and/or where the substantial majority of contractors and subcontractors’ bids or quotes are received from.

LBT made a concerted effort to ensure that the scope of businesses included in the numerator was as close as possible to the scope included in the denominator. Corresponding detail of all work category classifications were then grouped.

- For the numerator: ***CUCP Directory of Certified DBE Firms***
- For the denominator: ***U.S. Census Bureau CBP Database⁷***

To determine the relative availability of DBEs, LBT divided the numerator⁵ representing the ratio of ready, willing and able DBE firms, by the denominator⁶ representing all firms (DBE and non-DBEs) available in each work category. Application of this formula yielded the following baseline information:

$$\frac{\text{Ready, willing and able DBEs}}{\text{Number of all ready, willing and able businesses (including DBEs and non-DBEs)}} = \text{Base Figure} \quad \frac{4,898}{30,928} = 15.8\%$$

To enumerate a more refined accounting of availability, the database was queried for businesses within the NAICS codes of the anticipated contracts only. Businesses that do not perform the types of work related to the anticipated contracts were excluded to ensure the base figure did not overstate the number of available businesses. Table 5 was used to examine the availability of contracting opportunities in each of the three primary work categories and determine whether weighting would be appropriate. LBT found no need to further adjust the base figure by use of commodity weights.

Table 6 presents the relative availability by NAICS code for FFY 2022–2024. The percent of available businesses in each NAICS code reflects the portion of all available businesses in the market area. The relative availability of DBEs within Los Angeles County, LBT’s local market area is 15.8 percent.

⁴ §26.45 represents Title 49 CFR Part 26 regulatory referenced section.

⁵ Numerator represents all applicable available DBE firms established within LBT’s market area.

⁶ Denominator represents all comparable available established firms.

⁷ Long Beach Transit changed its method for determining the base figure denominator to the CBP database in March 2021.

Table 6 – Relative Availability of DBEs in Local Market Area

Product Description	NAICS CODE	# of Relative Available DBEs	Total # of Establishments In Market Area
Construction Project Managemet	236210	48	73
Industrial/Commerical Building Construction Labor	236220	199	930
Parking Lot Striping Services	237310	75	76
Asphalt & Construction Contractors	238110	91	253
General & Civil Contractor Services	238120	70	127
Electrical, IT Wiring & Cabling	238210	152	2147
Site Preparation & Demolition Services	238910	131	359
Other Specialty Contractors	238990	80	577
Asphalt & Concreate Contractors	324121	1	22
Precast Concrete Blocks	327390	5	15
Prefab Metal Building, Bus Shelter/Shed	332311	3	5
Bus Stop Amenities: Trash Cans, Signs, Poles & Other	332999	9	99
Radio & Wireless Equipment Manufacturers	334220	4	31
Manufacturers of LED or Solar Lighting Systems	334413	1	30
Proximity Detection & Safety Software	334511	0	35
Other Electric Parts & Equipment & EV Chargers	335399	10	30
Bus Stop Benches/Seating	337127	1	24
Collision Avoidance Materials Manufacturer	334511	0	35
Electronic/Digital Signs	339950	14	136
Automotive & Vehicle Merchants	423110	2	238
Motor Vehicle Parts	423120	10	751
Tire and Tube Merchant Wholesalers,	423130	4	80
Office Furniture Wholesalers- CAD Workstations	423210	4	1687
Computer Software Wholesalers	423420	2	366
Computer Equipment & Peripherals	423430	8	366
AV Equipment	423490	2	71
Electrical Materials , Wiring, Cables & Conduit	423610	67	577
Electronics & Communications Equip Wholesale	423620	2	255
Bus Stop Amenities: Trash Cans, Signs, Poles & Other	423850	20	174
Transportation Equipment & Supplies	423860	4	152
Sport and Recreation Equipment Wholesale (Bike Rack	423910	1	337
Paint	424950	2	62
EV Charging Equipment, Cabinets & Pedestals	447190	1	316
Repair Services Water Vehicle	488390	0	21
Equipment for CADL/AVL Systems	488999	9	30
Wireless/ Telecom Services	517312	1	829
Other Telecommunications & GPS Systems	517919	8	73
Data Storage & Migration Services	518210	26	591
Architecture & Design	541310	31	1133
Engineering Services	541330	436	1617
Drafting & CAD Services	541340	184	117
Interior Design Services	541410	73	914
Customize Computer Programming	541511	242	2310
Lighting Design Services	541490	73	484
Computer System Design	541512	287	1926
Cybersecurity, Digital Sign Software Services	541519	167	245
Management Consulting	541611	820	4481
Feasibility Study	541614	181	374
Project Planning & Security Design Consulting	541690	328	1286
Design Battery Storage System (BESS)	541715	3	211
Permit Services & Construction Management	541990	167	883
Computer E-Waste Disposal	562112	19	30
Specialized Trucking Services - Long Distance	484230	158	163
Specialized Trucking Services - Local	484220	369	389
General Trucking Trucking Services	484110	140	2085
Computer Training & Educational Services	611420	62	47
Site Prep Concrete Repair & Demolition	238110	91	253
Total		4898	30928
	Relative Availability		15.8%

VIII. STEP TWO: BASE FIGURE ADJUSTMENT

Upon establishing the Base Figure, LBT reviewed and assessed other known evidence potentially impacting the relative availability of DBEs within LBT’s market area, in accordance with the prescribed narrow tailoring provisions set forth under Title 49 CFR Part 26.45 and the Step II DBE Goal Adjustment guidelines. As a result, LBT has adjusted its Overall Goal downward from the base figure of **15.8 percent to 13 percent**.

Evidence considered in making the adjustment to the Base Figure included LBT’s Past DBE Goal Attainments, Bidders List, available Disparity Studies, and other agencies’ DBE Goals and Attainments within LBT’s jurisdiction, along with Other Evidence. A summary of these considered follows:

A. Past DBE Goal Attainments

LBT had not been successful in attaining its DBE goal only using race-neutral measures in past years. Shortfall Analyses were submitted to the FTA to document the shortfall for FFY 2016 with a **4.6 percent** DBE goal achievement and FFY 2017 with a **2.4 percent** DBE goal achievement. The June 1, 2018 Semi-Annual Report shows LBT achieved an **18 percent** DBE goal, which was done using both race-neutral and race-conscious measures. A shortfall analysis determined that the 10 percent DBE goal was also not achieved in FFY 2020 and notification submitted to the FTA. In 2019 and 2020, LBT continued its efforts to meet its goal by implementing its Small Business Program and engaging in outreach to DBEs and achieved **11%** attainment in 2018 and **34.9%** as of the June 1, 2020 UCP reporting period.

The DBE goal achieved for previous federal fiscal years ended are as follows:

Prior Federal Fiscal Year	DBE Goal	Past Performance DBE Goal Achieved	Median Past Performance
FFYE 2017	10%	2.4%	11.0 % Median
FFYE 2018	18%	18.0%	
FFYE 2019	10%	11.0%	
FFYE 2020	10%	0.0%	
FFYE 2021 ⁹	14%	34.9%	

⁹The availability analysis for goal setting was predicated on businesses in the NAICS codes for anticipated projects only.

Assigning both race-neutral and race-conscious measures to solicitations over the past three years have been the main reason that LBT's DBE goal was met in the June 1 Semi-Annual Report for FFY 2021. The availability of certified DBEs can be verified in the California Unified Certification Program (CUCP) database. Additionally, LBT ramped up its Small Business Enterprise (SBE) Program to include increased outreach to DBEs and SBEs.

Based on LBT's review of the completed DOT-assisted contract(s) in the past fiscal years, there was sufficient data to obtain a median DBE goal. Prior to the implementation of the SBE Program, LBT attempted to achieve DBE participation through race-neutral measures and seldom attained its goal. In 2016, LBT amended its goal methodology to include race-conscious measures, which FTA approved in October 2016. Subsequently, LBT's DBE goal attainment began to improve. LBT will therefore, continue to utilize both race and gender- neutral and race-conscious measures to attain its contracting goal.

Consideration of Step 2 Adjustment

USDOT's "Tips for Goal-Setting" suggests that an agency can make a Step-2 adjustment by averaging the base figure with past median DBE participation. USDOT "Tips for Goal-Setting" states that an agency is not required to make a Step-2 adjustment to its base figure as long as it can explain what factors it considered and can explain its decision in its Goal and Methodology document.

The anticipated projects for FFY 2022-2024 include contracting opportunities in construction and professional services in NAICS categories that can support LBT's ability to increase DBE participation through subcontracting. The anticipated contracting period includes a significant amount of materials acquisitions, a category where DBE availability is lower than in other categories. In considering an adjustment, LBT considered using the base figure, but felt it might be hard to achieve with the high proportion of anticipated materials purchases. So, LBT then considered using an average of the Base Figure of **15.8%**, plus the median of past performance, **11.0%**. Adding the Base Figure of **15.8** to the median of past participation of **11.0%** would total **26.8%**. Then, dividing the **26.8%** by two (2), would result in an average of **13.4**, which was rounded down to **13%**. Based on this, we find that it is reasonable for Long Beach Transit to believe its ability to attain a goal of **13%** for the federal fiscal year triennial period October 1, 2021 through September 30, 2024.

Based on the increasing participation over the past few years and the addition of the Small Business Element, LBT believes that a goal of **13%** can be achieved. Therefore, LBT is adjusting the DBE base figure from **15.8 percent** to **13 percent** for FFY 2022–2024. LBT believes that DBE capacity and diversity of federally assisted contract opportunities in the primary types of work projected can support goal attainment in the upcoming three-year goal period if race-conscious measures continue.

B. Evidence from Disparity Studies

LBT did not find it possible to conduct its own independent availability/disparity study; however, LBT considered the 2017 Los Angeles County Metropolitan Transportation Authority's (LA Metro) Disparity Study (Study). The Study was initiated to determine the existence of discrimination or its effects within the County of Los Angeles, California. LBT reviewed the results of LA Metro's Study and determined that there were similar types of contracting opportunities, and specifically contract

types that compared to LBT contracting opportunities. Upon further review of the Study, it had an emphasis on prime and subcontractor construction and engineering contracts which coincide with some of the future projects to be let by LBT in the next three fiscal years. Additionally, LA Metro's disparity study showed underutilization in all minority and women-owned contracting groups, with lower level of disparities among Asian-owned businesses.

Considering LA Metro's Study, conducted in conformance with the Ninth Circuit's decision relative to its FTA-assisted projects, LBT requests to continue using race-conscious measures under this factor. LBT will continue to monitor whether other agencies plan to conduct Disparity Studies, and if other relevant study opportunities become available, LBT will consider participating.

C. Other Agencies' DBE Goals

LBT surveyed the DBE programs of other FTA recipients within and adjacent to its local market area, with similar contracting programs to assess its DBE goals and attainments toward making an adjustment. The following agency program goals were examined.

- Culver City Bus
- Foothill Transit
- Antelope Valley Transit Authority
- GTrans (formerly Gardena Municipal Bus Lines)
- Santa Monica Big Blue Bus
- Torrance Transit
- Ventura County Transit Authority
- Los Angeles County Metropolitan Transportation Authority (LA Metro)

After the review of these agencies' DBE goals (with similar contracting programs), LBT has determined that using a race-conscious and race-neutral breakout is warranted.

Other Evidence

LBT reviewed the anecdotal accounts from interviews conducted for LA Metro's 2017 DBE Program; LA Metro's Small Business Office was credited for providing valuable technical assistance services to DBEs. In the Study, many DBEs reported that LA Metro's DBE program was instrumental in building capacity for their businesses and aiding them in securing work from other public agencies. However, this adjustment factor was not considered because it was not relevant to LBT.

LBT will continue to explore and consider all available evidence that might materially affect the opportunities for DBEs to develop, grow, and compete in LBT's FTA-assisted contracting programs.

IX. RACE-CONSCIOUS AND RACE-NEUTRAL MEASURES

Federal regulations require that grant recipients meet the maximum feasible portion of the Overall DBE Goal through race and gender-neutral measures. Federal rules also require that contract goals be established to meet any portion of the Overall DBE Goal that cannot be met through race and gender-conscious measures alone. The following provisions apply to the use of contract goals:

- Contract goals may only be used on contracts that have subcontracting possibilities.
- Contract goals are not required on every project.
- The goal for a specific contract may be higher or lower than the percentage of the Overall Goal depending on such factors as the type of work involved the location of the work, and the availability of DBEs for the work of the particular contract. However, over the period covered by the Overall DBE Goal, grantees must set contract goals so that they will cumulatively result in meeting the portion of the overall goal projected not to be met through the use of race-neutral measures.
- Contract goals must provide for participation by all certified DBEs and must not be subdivided into group-specific goals.

If during the course of any year in which contract goals are used it is determined that the Overall Goal will be exceeded, the use of contract goals must be reduced or eliminated to the extent necessary to ensure that the use of contract goals does not result in exceeding the Overall Goal. Conversely, if it is determined that the Overall Goal will not be met, then, appropriate measures need to be taken.

LBT's past shortfalls has demonstrated the agency's difficulty in achieving its DBE goals through the use of race and gender-neutral measures alone.

Comparing Proposed Projects with Projects Awards in Past Years

Projects proposed for funding in the next three years, shown in Tables 2 through 4, were compared to project contracts awarded in recent years of similar work type to estimate DBE participation based on race and gender-neutral measures. Using the agency's list of past contract awards from 2016-2021, LBT's bidder's list and the availability of DBEs per the CUCP database for similar projects, it was determined that it is difficult for Long Beach Transit to achieve its DBE goals through the sole use of race-and gender-neutral basis. The results of our analysis clearly demonstrated that based on past performance, DBE goal attainment only reached 2.4% in 2017 and was in fact lower in years prior, based on race- and gender-neutral measures (no contract goals).

Determination of Race/Gender-Conscious vs. Race/Gender-Neutral Split

Reviewing DBE attainment during the past several years and the most recently results reported to FTA, we compared the performance to years when race-conscious measures were utilized and found that following FTA's 2016 approval of use of race-conscious measures when LBT amended its DBE goal methodology, goal achievement began to improve. LBT will therefore, continue to utilize both race and gender- neutral and race-conscious measures to attain its contracting goal.

Disparity Study Impacts on LBT's DBE Program Implementation for 2022- 2024

LBT will consider the findings of the LA Metro's disparity study results and other relevant information in connection with making decisions concerning the implementation of its DBE program for FFYs 2022-2024. Key areas of potential refinement include the following:

- Continuing and expanding its efforts to network with small and minority-and woman owned firms to further encourage the participation of small businesses, including many minority-owned and woman-owned businesses;

- Unbundle some relatively large contracts into smaller contracts. Doing so would result in the work being more accessible to small businesses, and support LBT’s goal of offering increased prime and subcontract opportunities for small, minority and woman-owned businesses, which in turn should result in greater SBE & DBE participation;
- The proposed overall DBE Goal for FFY 2022–2024 for LBT’s DOT-assisted contracts is **13.0 percent (nine percent Race-Conscious and four percent Race-Neutral)**. LBT will continue to implement race-conscious and neutral-measures to meet its overall DBE Goal objectives, including, but not limited to:
 - Submitting timely solicitations, conducting pre-bid meetings/conferences, developing clearly written plans and specifications, and delivering schedules in ways that facilitate DBEs and other small business firms’ participation;
 - Assigning DBE goals to solicitations that have possibility for subcontracting opportunities;
 - Implementing a SBE Program and assigning SBE goals to solicitations that have subcontracting opportunities;
 - Unbundling large contracts into smaller project scopes to make them more accessible for small and diverse businesses; requiring or encouraging Service Providers to subcontract portions of work that they might otherwise perform with their own workforces;
 - Providing information and communication programs on LBT’s contracting procedures and specific contract opportunities;
 - Partnering with community based organizations, small business development agencies and other programs to provide assistance through available resources to interested DBEs and SBEs in obtaining certification, bonding, lines of credit, and/or insurance requirements;
 - Partnering with minority chambers and other community organization through small business networking events; and
 - Hosting Prime Time Outreach events twice per year and attending at least ~~for~~ small business outreach and/or matchmaking events per year with other agencies and stakeholders to promote contracting opportunities for small businesses.

X. PUBLIC PARTICIPATION AND FACILITATION

In accordance with the Public Participation Regulatory Requirements of Title 49 CFR Part 26, minority businesses, women-owned businesses, local business chambers, and community and business organizations within LBT’s local market area will be provided an opportunity to review the goal methodology. LBT will undertake a proactive communication awareness effort to advise the local market area business community of the proposed DBE goals and methodology and its availability for review and comment.

A. Community Organization Consultation

As part of the DBE goal setting process, LBT is required to consult with persons and groups to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and LBT's efforts to establish a level playing field for the participation of DBEs.

The consultation process began December 31, 2022 with an initial outreach to stakeholder organizations to inform them of the development of the proposed DBE goal for Federal Fiscal Years 2022 – 2024, and by inviting them to participate and consult with LBT concerning disadvantaged businesses and on the effects of discrimination in the local market, as well as to provide comment on LBT's proposed goal and methodology. A consultation and public notice schedule was developed, and is included below.

Initial outreach was made to the community organizations on December 31, 2022 and invitations to consult with Long Beach transit on the DBE Overall Goal and Methodology have been extended to each of the following:

1. Regional Hispanic Chamber of Commerce (RHCC)
2. National Association of Minority Architects - Southern California (NOMA-SC)
3. National Association of Minority Contractors – Southern California (NAMC-SC)
4. National Association of Women Business Owners –Los Angeles Chapter (NAWBO-LA)
5. Greater Los Angeles African American Chamber of Commerce (GLAAACC)
6. The Long Beach Gay and Lesbian Chamber of Commerce (LBGLCC)
7. Veterans Chamber of Commerce (VCC)
8. Southern California Black Chamber of Commerce of Long Beach (SCBCC-LB)

B. Public Notice Plan for DBE Overall Goal & Goal Setting Methodology

LBT's proposed Overall DBE Goal and Goal Setting Methodology for the Federal Fiscal Year October 1, 2021 through September 30, 2024 for DOT-assisted contracts was published on its website (www.ridelbt.com) on **January 31, 2023**, allowing for convenient electronic access for public review and comment for 30 days. A screenshot of web posting is provided herein as an attachment.

LBT will also publish Public Notices of its proposed Overall DBE Goal for the FFY 2022–2024 DOT-assisted contracts and in the following market area publications:

- Asian Journal (regional Asian publication)
- La Opinion (regional Hispanic publication)
- The Wave (regional African-American publication)

Physical Inspection

LBT will make the Report of Proposed Overall DBE Goal & Methodology available to the public for in-person inspection, for 30 days beginning on January 31, 2023 at the Long Beach Transit & Visitor Information Center, located at 130 1st Street, Long Beach, California 90802 Monday through Friday from 7 a.m. – 6 p.m. and from 8 a.m. – 5 p.m. on Saturdays and Sundays.

Email to Suppliers and Stakeholders

LBT will send a notice to its suppliers and other stakeholders providing them notice of the availability of the Report of Proposed Overall DBE Goal & Methodology with a link to access it online and advising them of the 30-day comment period.

C. Public Comment

Individuals wishing to provide comment on LBT’s Report of Proposed Overall DBE Goal & Methodology during the 30 day comment (from January 31, 2023 through March 2, 2023) may submit comments by any of the following methods:

- By email by sending comments to comments@ridelbt.com
- By phone by calling the LBT Customer Care Team at (562) 591-2301 7 days per week; Mondays – Fridays from 6:30 a.m. -7:30 p.m. and Saturdays –Sundays from 8:00 a.m.– 5:00 p.m.
- By joining the LBT Public Hearing Zoom Conference Call on February 15, 2023 at 5:00 p.m. Details on the call-in information will be published on our website, sent to stakeholders and made available through our Customer Care Team personnel.

Upon completion of the required 30-day Public Comment Process, LBT will review public comments, submit the results to FTA and determine whether the public comments warrant a revision to LBT’s proposed goal.

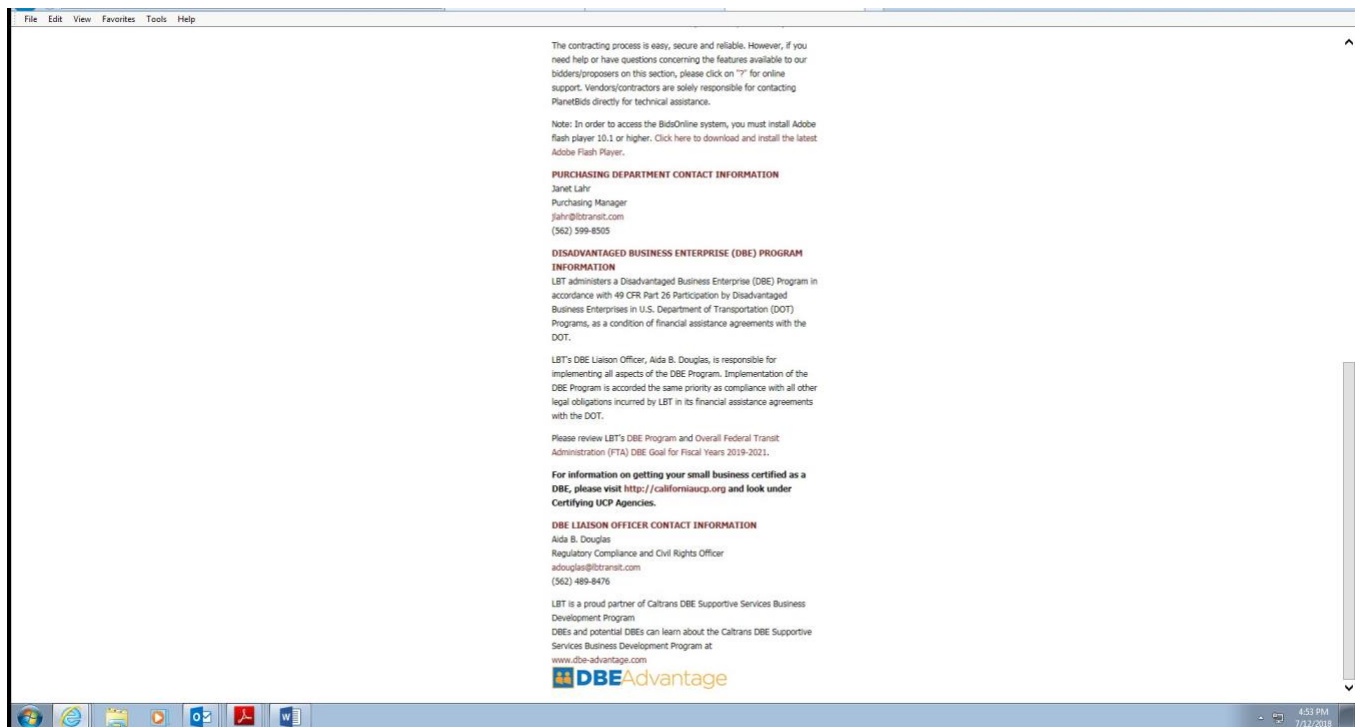
Proposed Consultation & Public Notice Schedule: December 31, 2022 – March 2, 2023

December 31, 2022	Stakeholder Consultation Period Began Emails sent to Targeted Local Community Groups
January 31, 2023	30 Day Public Comment Period Begins Published Public Notice of Proposed Goal & Overall Methodology in Local News Publications & on LBT Website
January 31, 2023	Report of Proposed Overall DBE Goal & Methodology made available for public inspection at Long Beach Transit & Visitors Information Center
January 31, 2023	Inform the Public that the proposed Overall DBE Goal & Methodology Report is available for Inspection
February 1, 2023	Email Notices to Suppliers and Stakeholders
February 15, 2023 at 5 p.m.	LBT will host a Public Zoom Conference (public hearing) with a telephone call-in option for stakeholders to learn about its DBE Overall Goal and Goal Setting methodology and to receive comments
March 2, 2023	30 Day Public Comment Period Ends

Attachments

Insert memo to LBT Website Administration (CONFIRM)

Long Beach Transit
Insert New Image - Bidder Registration Page –
Planet Bids





**Federal Transit Administration
Disadvantaged Business Enterprise Goal
For Federal Fiscal Years 2022-2024**

In accordance with Title 49 Code of Federal Regulations (CFR), Part 26, recipients of US Department of Transportation (USDOT) funds are required to establish Disadvantaged Business Enterprise (DBE) programs. 49 CFR §26.45 requires the recipients of federal funds, including Long Beach Transit, to set an overall goal for DBE Participation in USDOT assisted contracts.

As part of the goal-setting process, Long Beach Transit is publishing this announcement on our website to inform the public of the proposed overall goal for the federal fiscal years 2022-2024.

The proposed Overall DBE Goal for Federal Fiscal Years 2022-2024 is thirteen percent (13%) and the goal is 9 % race-conscious and 4% race-neutral.

Long Beach Transit will be receiving public comment on the Disadvantaged Business Enterprise (DBE) Goals and Methodology proposal. Please submit your comment by **Wednesday, March 2, 5:00 p.m.** via:

- Phone at 562-591-2301 Mon – Fri from 6:30 a.m. – 7:30 p.m. and Sat – Sun from 8:00 a.m. – 5:00 p.m.
- Email at comments@ridelbt.com
- Or you may participate in our virtual public hearing on February 15, 2023. The public meeting information and call-in options will be published on LBT’s website at ridelbt.com/doingbusiness.

EVIDENCE OUTREACH TO OBTAIN COMMUNITY CONSULTATION & INPUT

Invitation to Consult on Long Beach Transit Overall DBE Goal & Methodology

Sharon Evans <sharon.evans@pdaconsultinggroup.com>
To: president@nawbola.org
Cc: "renee@myaslanllc.com" <renee@myaslanllc.com>

December 31, 2022, 12:07 PM

Hello Renee,

I am currently serving as the Lead Consultant assisting Long Beach Transit to establish its DBE goals for federally assisted projects and am inviting you to provide consultation in this process.

Every three years Long Beach Transit is required to set an Overall DBE Goal that it must either meet or show that it uses good faith efforts to meet annually. Working under the direction of Long Beach Transit's Executive Team and their Office of Civil Rights, we have utilized the two step process as identified by the federal transit administration to establish its goal.

As part of the DBE Goal setting process, Long Beach Transit is consulting with persons and groups to obtain information concerning the availability of disadvantage and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs and gather feedback in furtherance of the agency's efforts to establish a level playing field for the participation of DBEs. As the President of the National Association of Women Business Owners - Los Angeles, your consultation in this process is valuable.

Following the consultation, Long Beach Transit will post a notice on its website informing the public that it has proposed the goal along with its rationale. We will hold a virtual briefing to further explain the goal setting process, and accept public comments for 30 days. Our submission to FTA will include a summary of this information and comments received during this public participation process

Please reach out to me so we can schedule time to have an initial call regarding this. I look forward to speaking with you soon.

Sincerely,

Sharon Evans, DBE Compliance Project Manager
PDA Consulting Group, Inc.
On Behalf of Long Beach Transit Office of Civil Rights
www.pdaconsultinggroup.com
sharon.evans@pdaconsultinggroup.com
Direct (818) 632-9290



PDAConsulting Group Inc.

Invitation to Consult on Long Beach Transit Overall DBE Goal & Methodology

Sharon Evans sharon.evans@pdaconsultinggroup.com

December 31, 2022, 12:01 PM

To: president@socalnamc.org, info@socalnamc.org

Cc: "scoleman@colemancon.com" <scoleman@colemancon.com>

Hello Sharon,

I am currently serving as the Lead Consultant assisting Long Beach Transit to establish its DBE goals for federally assisted projects and am inviting you to provide consultation in this process.

Every three years Long Beach Transit is required to set an Overall DBE Goal that it must either meet or show that it uses good faith efforts to meet annually. Working under the direction of Long Beach Transit's Executive Team and their Office of Civil Rights, we have utilized the two step process as identified by the federal transit administration to establish its goal.

As part of the DBE Goal setting process, Long Beach Transit is consulting with persons and groups to obtain information concerning the availability of disadvantage and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs and gather feedback in furtherance of the agency's efforts to establish a level playing field for the participation of DBEs. As the President of The National Association of Minority Contractors -Southern California, your consultation in this process is valuable.

Following the consultation, Long Beach Transit will post a notice on its website informing the public that it has proposed the goal, along with its rationale. We will hold a virtual briefing to further explain the goal setting process and accept public comments for 30 days. Our submission to FTA will include a summary of this information and comments received during this public participation process.

Please reach out to me so we can schedule time to have an initial call regarding this. I look forward to speaking with you soon.

Sincerely,

Sharon Evans, DBE Compliance Project Manager
PDA Consulting Group, Inc.
On Behalf of Long Beach Transit Office of Civil Rights
www.pdaconsultinggroup.com
sharon.evans@pdaconsultinggroup.com
Direct (818) 632-9290



PDAConsulting Group Inc.

Invitation to Consult on Long Beach Transit Overall DBE Goal & Methodology

Sharon Evans sharon.evans@pdaconsultinggroup.com
To: angela@glaaacc.org

December 31, 2022, 12:10 PM

Hello Angela,

I am currently serving as the Lead Consultant assisting Long Beach Transit to establish its DBE goals for federally assisted projects and am inviting you to provide consultation in this process.

Every three years Long Beach Transit is required to set an Overall DBE Goal that it must either meet or show that it uses good faith efforts to meet annually. Working under the direction of Long Beach Transit's Executive Team and their Office of Civil Rights, we have utilized the two step process as identified by the federal transit administration to establish its goal.

As part of the DBE Goal setting process, Long Beach Transit is consulting with persons and groups to obtain information concerning the availability of disadvantage and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs and gather feedback in furtherance of the agency's efforts to establish a level playing field for the participation of DBEs. As the President of the Greater Los Angeles African American Chamber of Commerce, your consultation in this process is valuable.

Following the consultation, Long Beach Transit will post a notice on its website informing the public that it has proposed the goal, along with its rationale. We will hold a virtual briefing to further explain the goal setting process and accept public comments for 30 days. Our submission to FTA will include a summary of this information and comments received during this public participation process.

Please reach out to me so we can schedule time to have an initial call regarding this. I look forward to speaking with you soon.

Sincerely,

Sharon Evans, DBE Compliance Project Manager
PDA Consulting Group, Inc.
On Behalf of Long Beach Transit Office of Civil Rights
www.pdaconsultinggroup.com
sharon.evans@pdaconsultinggroup.com
Direct (818) 632-9290



PDA Consulting Group Inc.

Invitation to Consult on Long Beach Transit Overall DBE Goal & Methodology

Sharon Evans sharon.evans@pdaconsultinggroup.com

January 1, 2023, 1:15 AM

To: jack@veteranschamber.com

Hello Jack,

I am currently serving as the Lead Consultant assisting Long Beach Transit to establish its DBE goals for federally assisted projects and am inviting you to provide consultation in this process.

Every three years Long Beach Transit is required to set an Overall DBE Goal that it must either meet or show that it uses good faith efforts to meet annually. Working under the direction of Long Beach Transit's Executive Team and their Office of Civil Rights, we have utilized the two step process as identified by the federal transit administration to establish its goal.

As part of the DBE Goal setting process, Long Beach Transit is consulting with persons and groups to obtain information concerning the availability of disadvantage and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs and gather feedback in furtherance of the agency's efforts to establish a level playing field for the participation of DBEs. As the President of the Veterans Chamber of Commerce, your consultation in this process is valuable.

Following the consultation, Long Beach Transit will post a notice on its website informing the public that it has proposed the goal, along with its rationale. We will hold a virtual briefing to further explain the goal setting process and accept public comments for 30 days. Our submission to FTA will include a summary of this information and comments received during this public participation process.

Please reach out to me so we can schedule time to have an initial call regarding this. I look forward to speaking with you soon.

Sincerely,

Sharon Evans, DBE Compliance Project Manager
PDA Consulting Group, Inc.
On Behalf of Long Beach Transit Office of Civil Rights
www.pdaconsultinggroup.com
sharon.evans@pdaconsultinggroup.com
Direct (818) 632-9290



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Insert Proof of Publication Here