**DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL**
**FY 2023 - FY 2025**

Version 2022.08.03

**Summary**

In keeping with the requirements of 49 C.F.R. Part 26 (Participation by Disadvantaged Business Enterprises in U.S. Department of Transportation (DOT) Programs), an overall Disadvantaged Business Enterprise (DBE) goal has been developed for DBE participation in DOT-assisted contracting by the City of Santa Rosa Transit Division (Santa Rosa CityBus) during Fiscal Year 2023 through Fiscal Year 2025 (FY23-25). Santa Rosa CityBus receives funding from the Federal Transit Administration (FTA) of the DOT.

Santa Rosa CityBus’ overall DBE goal for FY23-25 is 6.45% of the federal financial assistance we anticipate we will expend in FTA-assisted contracts, exclusive of FTA funds to be used for the purchase of transit vehicles.

This goal identifies the relative availability of DBE’s based on evidence of ready, willing, and able DBEs in relationship to all comparable businesses which are known to be available to compete in Santa Rosa CityBus FTA-assisted contracts. The overall DBE goal reflects staff’s determination of the level of DBE participation which would be expected absent the effects of discrimination. The methodology for developing the goal is in the next section.

**Overall DBE Goal Submission**

FTA-assisted contracting is expected to consist of some capital projects, paratransit operations contracts and purchase of transit vehicles, which are not subject to this goal-setting process. Additional projects may be undertaken if additional revenue becomes available; the overall DBE goal will be adjusted if necessary. The local market area for Santa Rosa and the area used (when identifying “all firms” and “DBE firms”) for all the projects was all nine (9) counties (Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma) within Caltrans Region 4. The anticipated contracts are listed below in the Goal Setting Methodology under Figure 2, column “projects”.

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1 DBE goals for Transit Vehicle Manufacturers (TVMs) are established through a separate FTA process. [https://www.transit.dot.gov/TVM](https://www.transit.dot.gov/TVM)
Public Participation in Setting Overall DBE Goal

Santa Rosa CityBus participated as a member agency in public meetings that were launched by the Business Outreach Committee (BOC) which is a consortium of Bay Area transportation agencies (held on 4/11/22 and 4/26/22). These meetings included an overview of the DBE Program, the goal setting process, and a comment period for input on the proposed DBE goals of the participating members (including Santa Rosa CityBus).

Santa Rosa CityBus reached out to our region’s transit agencies (Sonoma County Transit and Petaluma Transit), performed internet searches, utilized past mailings, and included any contacts made through past public meetings to generate a listing of minority, women’s, general professional, trade, and other organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses (Figure 1).

These organizations were sent an initial email on 4/8/22 and a follow-up email on 4/20/22 (Exhibit A) to ensure that they were made aware of the public meeting opportunities listed above to provide comments on our proposed DBE goal.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chamber of Commerce - Petaluma</td>
<td><a href="http://www.petalumachamber.com/">http://www.petalumachamber.com/</a></td>
</tr>
<tr>
<td>Chamber of Commerce - Santa Rosa</td>
<td><a href="http://www.santarosachamber.com/">http://www.santarosachamber.com/</a></td>
</tr>
<tr>
<td>Hispanic Chamber of Commerce of Marin</td>
<td><a href="http://hccmarin.com/">http://hccmarin.com/</a></td>
</tr>
<tr>
<td>Hispanic Chamber of Commerce of Sonoma County</td>
<td><a href="https://sonomahispanicchamber.org/">https://sonomahispanicchamber.org/</a></td>
</tr>
<tr>
<td>Latinos in Transit</td>
<td><a href="https://www.latinosintrastix.org/">https://www.latinosintrastix.org/</a></td>
</tr>
<tr>
<td>National Association of Women Business Owners - SF Bay Area</td>
<td><a href="https://www.navbo.org/san-francisco-bay-area">https://www.navbo.org/san-francisco-bay-area</a></td>
</tr>
<tr>
<td>NorCal Procurement Technical Assistance Center</td>
<td><a href="https://www.norcalpac.org/">https://www.norcalpac.org/</a></td>
</tr>
<tr>
<td>North Bay Black Chamber of Commerce</td>
<td><a href="http://www.nbcoc.org/">http://www.nbcoc.org/</a></td>
</tr>
<tr>
<td>North Bay Builders Exchange</td>
<td><a href="http://www.nbbuildersexchange.com/">http://www.nbbuildersexchange.com/</a></td>
</tr>
<tr>
<td>Small Business Development Center - Marin</td>
<td><a href="http://marinbdc.org/">http://marinbdc.org/</a></td>
</tr>
<tr>
<td>Small Business Development Center - Solano/Napa</td>
<td><a href="https://www.solananapa-bdc.org/">https://www.solananapa-bdc.org/</a></td>
</tr>
<tr>
<td>Small Business Development Center - Sonoma</td>
<td><a href="https://www.sonomabdc.org/">https://www.sonomabdc.org/</a></td>
</tr>
</tbody>
</table>

Figure 1

On the meeting of 4/11/22, no comment was received regarding Santa Rosa CityBus’ goal. There was primarily a discussion about the difficulties DBE’s face in establishing themselves as a viable business, and what sort of training opportunities might be available to assist them in this endeavor. A weblink was provided (https://forms.office.com/r/J0F1P303kB) at this meeting to allow another option to let the public inspect and/or provide comments on our goal setting based on our methodology draft.

On the meeting of 4/26/22, no comment was received regarding Santa Rosa CityBus’ goal. There was discussion from the public that came up about the program process, such as what happens if an agency does not meet their annual goal, and what business development programs are available through the DBE program. A weblink that was provided at the previous meeting (https://forms.office.com/r/J0F1P303kB) was again provided at this meeting to allow another option to let the public inspect and/or provide comments on our goal setting based on our methodology draft.
Additionally, the DOT DBE Final Rule, which became effective November 3, 2014, requires that the grantee posts on its website, a notice announcing the proposed overall goal before submission to FTA. As shown in Exhibit B, the updated DBE Goal Methodology was published 4/21/22 on our website at: https://srcity.org/1307/Disadvantaged-Business-Enterprise-DBE-Go for the general public as well as the organizations listed above (Figure 1) to be able to review and comment on our goal.

Such notice must inform the public that the proposed DBE goal and its rationale are available for inspection during normal business hours. Santa Rosa CityBus will accept comments on the proposed goal.

Interested parties are encouraged to submit comments anytime to:

City of Santa Rosa
C/O: Brandalyn Tramel, DBE Liaison Officer
City of Santa Rosa
635 1st St., 2nd Floor
Santa Rosa, CA 95404

To improve Santa Rosa CityBus’ future outreach with organizations that could comment on our DBE goal, we will continue to attend meetings of the BOC that are seeking to level the playing field for DBEs and be available for other public meetings to encourage public participation.

**Data Consulted for Available Evidence**

Santa Rosa CityBus used all available sources including the following to assist in considering our DBE goal setting methodology in Step One and Step Two:

- The U.S. Census Bureau’s PUB Public Sector Annual Survey website to identify available firms (DBEs and non-DBEs) for the process in Step One
- California Department of Transportation’s (Caltrans) Unified Certification Program DBE directory for those DBEs able to bid for the process in Step One
- Past actual DBE participation was used to adjust the figure in Step Two

**Goal Setting Methodology**

Santa Rosa CityBus has defined FTA-assisted contracting opportunities that were considered in preparing its Overall Annual DBE Goal Setting Analysis. The projects (Figure 2) have been awarded, are anticipated to be awarded, and/or expended within the next three Federal fiscal years.
A two-step process was used to establish the overall DBE goal, as described below.

**Step 1: Compute Base Figure**

Per 49 CFR 26.45(c), a base figure was developed to determine the relative availability of DBEs to perform work on the anticipated contracts. The project work was used to identify the North American Industry Classification System (NAICS) code associated with this work description. The number of firms available were identified by using these NAICS codes.

The formula for calculating the “Base Figure” of relative availability of DBEs is noted in Figure 3.

**Step 1b: Compute a Weighted Base Figure**

Based on guidance from FTA and the U.S. DOT Office of Small and Disadvantaged Business Utilization, a weighted base figure was computed that considers the relative size of the anticipated contracts. The formula for the “Weighted Base Figure” is in Figure 4.
The weighted base figure was developed by:

1) Using the California Unified Certification Program Directory (https://californiaucp.dbesystem.com/) to identify the number of registered DBEs willing to perform work in the Santa Rosa CityBus’ market area\(^2\) for each of the anticipated contracts, based on the NAICS code most relevant to each contract based on data collected during the goal setting.

2) Using County Business Patterns (CBP) data from the U.S. Census Bureau (https://data.census.gov/cedsci/table) to identify the total number of businesses available in Santa Rosa CityBus’ market area for work on each contract, based on the same NAICS codes.

3) Dividing the number of DBEs by the number of all businesses to determine the relative availability of DBEs in the market area, for each contract, noted as “Relative Availability” in Figure 5.

\(^2\) The nine counties of the Bay Area: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.
4) Computing a weighted base figure using the percent of the total FTA dollars for each anticipated contract as has been done in Figure 6.

5) Finally, the figure for relative availability of DBEs and percent of the total FTA dollars for each anticipated contract provides the weighted base figure as found in Figure 7.
Step 2: Adjust Base Figure

Per 49 CFR 26.45(d), following calculation of a base figure, all available evidence must be examined to determine what adjustment, if any, is needed to the base figure to arrive at the overall DBE goal. The primary form of evidence available is the past participation of DBEs in Santa Rosa CityBus contracting.

Though there are less operational contracting opportunities identified in this triennial goal cycle than there have been in past goal setting due to focusing the use of DOT funding on internal operational costs, adjusting the base figure based on past participation is still a valid benchmark for future participation, as past projects in the capital side are very similar to the expected future projects.

a. Determining the Median Past Participation. The first step in adjusting our Step One Base Figure for past participation is to determine the "median" past participation percentages as shown in Figure 8.
b. **Adjusting the Step One Base Figure with the Median Past Participation.** With these principles in mind, we took:

\[
\text{(Base Figure 4.23\%) + (Historical Median 8.68\%) = 12.91\% ÷ 2 = 6.45\% as shown in Figure 9.}
\]

**Figure 9**

Based on this analysis, Santa Rosa CityBus proposes an overall DBE goal of 6.45\% using FTA funds that will be expended in FTA-assisted contracts in FY23-25, exclusive of funds to be used for the purchase of transit vehicles.

**Use of Race-Neutral Methods and DBE Contract Goals**

The U.S. DOT regulations require that race-neutral methods be used to the maximum extent feasible to achieve the DBE overall goal.

In the past few fiscal years, Santa Rosa CityBus has worked to meet our DBE participation goal on FTA assisted contracts using race-neutral methods as seen in Figure 10.

**Figure 10**

Race-neutral methods include making efforts to assure that bidding and contract requirements facilitate participation by DBEs and other small businesses; unbundling large contracts to make them more accessible to small businesses; encouraging prime contractors to subcontract portions of the work that they might otherwise perform themselves; and providing technical assistance, communications programs, and other support services to facilitate consideration of DBEs and other small businesses.

As a grantee in **FTA Region 9** (Arizona, California, Hawaii, Nevada, American Samoa, Commonwealth of the Northern Mariana Islands, and Guam) Santa Rosa CityBus would need to utilize a disparity study or similar analysis before using race-conscious goals. Caltrans conducts
a routine disparity study\(^3\) which finds evidence of barriers for DBE qualified minorities and women owned businesses, with a focus on “study industries” including “construction” and “engineering-related services”.

If Santa Rosa CityBus puts out a bid for a project over the next three years within the “construction” or “engineering-related services” arena, we will consider setting a contract goal based on these disparity studies. Additionally, if there are other relevant disparity studies that we are not aware of at this time, Santa Rosa CityBus may adjust our goal if these disparity studies are applicable to our projects.

Of note, many of the capital projects have the potential for construction work, but some may be performed “in-house” and completed by City of Santa Rosa Public Works staff engineers and field teams. Most of our projects will not exceed the threshold for establishing a project goal (above $100,000) nor do they have subcontracting opportunities within them, except for; the Roadbed Rehabilitation, and Transit Hub/Stop Amenities projects.

With these considerations, it is anticipated that the DBE goal for FTA-assisted contracts will be achieved strictly through race-neutral methods, and Santa Rosa CityBus does not propose to use a race conscious goal to meet our overall DBE Goal as shown in Figure 11.

<table>
<thead>
<tr>
<th>DBE Goal Race Neutral</th>
<th>6.45%</th>
</tr>
</thead>
<tbody>
<tr>
<td>DBE Goal Race Conscious</td>
<td>0%</td>
</tr>
</tbody>
</table>

*Figure 11*

During this period, Santa Rosa CityBus will closely monitor our process of meeting our Goal race neutrally. If Santa Rosa CityBus is unable to show significant progress in meeting the goal race neutrally, a short fall analysis will be conducted, and race conscious goals will be further considered.

Santa Rosa CityBus will focus our efforts by:

- Developing race-neutral methods for facilitating DBE participation
- Utilizing the Caltrans UCP to identify and notify potential DBEs about all federal and non-federal funded contracting opportunities
- Advertising projects on Planet Bids ([www.planetbids.com](http://www.planetbids.com)) to track our visibility to DBEs
- Ensure contracts are accessible to small businesses by making efforts to unbundle large contracts

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\(^3\) Caltrans Disparity Studies for FTA Contracts Conducted by BBC Consulting
• Notify prospective contractors of areas of possible subcontracting, and the availability of ready, willing, and able subcontractors, including DBE firms, to perform such work
• Outreach to DBEs and encourage them to sign up to receive notices of projects advertised on Planet Bids

To improve Santa Rosa CityBus’ outreach with organizations that could comment on our DBE goal and connect with DBE certified firms, Santa Rosa CityBus continues to participate in meetings of the BOC [https://www.goldengate.org/district/doing-business/business-outreach-committee/] to maximize outreach efforts, including events for contractors and agencies to network and build relationships to promote DBE participation.

During this goal setting, the participating agencies include:

• Alameda-Contra Costa Transit District (AC Transit)
• Alameda County Transportation Commission (Alameda CTC)
• Bay Area Rapid Transit (BART)
• California Department of Transportation (Caltrans)
• California High Speed Rail Authority (HSR)
• Central Contra Costa Transit Authority (County Connection)
• City of Rio Vista (Delta Breeze)
• City of Santa Rosa (Santa Rosa CityBus)
• Golden Gate Bridge, Highway and Transportation District (GGBHTD)
• Livermore Amador Valley Transit Authority (LAVTA)
• Marin Transit
• Metropolitan Transportation Commission (MTC)
• Napa Valley Transportation Authority (NVTA)
• Peninsula Joint Powers Board (Caltrain)
• San Francisco Bay Ferry of the Water Emergency Transportation Authority (WETA)
• San Francisco County Transportation Authority (SFCTA)
• San Francisco Municipal Transportation Agency (SFMTA)
• San Mateo County Transit District (SamTrans)
• Santa Clara Valley Transportation Authority (VTA)
• Santa Cruz Metropolitan Transit District (Santa Cruz Metro)
• Solano County Transit (SolTrans)
• Sonoma County Transit (SCT)
• Sonoma-Marin Area Rail Transit (SMART)
• Transbay Joint Powers Authority (TJPA)
• Tri Delta Transit (ECCTA)
• Western Contra Costa Transit Authority (WestCAT)
EXHIBIT A

Email(s) to public organizations
Dear Professional, Trade and Chamber organizations,

We have updated our website to include our DBE Goal for the 2023-25 period. If you are interested I would also like to encourage you to participate in the Public Participation Meeting (see attached) being held on April 26th at 10am.

Yuri Koslen | Transit Planner he/him/his
Transportation and Public Works | Transit Division
45 Stony Point Road | Santa Rosa, CA 95401
Tel. (707) 543-3335 | ykoslen@srcity.org
Online at srcity.org/CityBus

Your low carbon commute
Please consider the environment when commuting and printing e-mails DOING ANYTHING

From: Koslen, Yuri
Sent: Friday, April 8, 2022 11:37 AM
To: pacc@petalumachamber.com; peterr@santarosachamber.com; hccmarin@um.att.com; hccadmin@hcc-sc.org; Information@latinosintransit.org; info@norcalptac.org; info@nbbcc.org; lisa@ncbeonline.com; info@northbayleadership.org; miriam@marinsbdc.org
Cc: Sosa, Shawn <SSosa@srcity.org>; Tramel, Brandalyn <btramel@srcity.org>
Subject: City of Santa Rosa CityBus Disadvantaged Business Enterprise (DBE) proposed goal for the Fiscal year 2023-2025

Dear Professional, Trade and Chamber organizations,

Our office is working to develop our Disadvantaged Business Enterprise (DBE) goal for the Fiscal year 2023-2025 period. Please consider attending one of the Public Participation Meetings (see attached) being held on April 11th and April 26th where the City of Santa Rosa CityBus along with other Bay Area agencies will be presenting our proposed DBE goals for the 2023-25 period.

We are seeking feedback, comments and concerns about the effectiveness of our Disadvantaged Business Enterprise (DBE) goal for the Fiscal year 2023-2025, in order to improve on our efforts to level the playing field for the participation of DBEs. This effort is in keeping with the requirements of 49 CFR Part 26 (Participation by Disadvantage Business Enterprises in the US Dept. of Transportation
Programs), for DBE participation in DOT assisted contracting by the City of Santa Rosa Transit Division.

Please don’t hesitate to contact me directly.

Our existing Disadvantaged Business Enterprise (DBE) Goal 2020-2012 can be found at; https://srcity.org/1307/Disadvantaged-Business-Enterprise-DBE-Go

If you or a member of your organization has feedback, please do not hesitate to contact me directly.

**Question.** What is DBE?

**Answer.** DBEs are for-profit small business concerns where socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged. Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis.

**Question.** How to become a DBE

**Answer.** A business can become certified through the certification process. To seek Certification contact Caltrans, BART, VTA, CCCTA, SFMTA, SAMTRANS or City of Fresno. The City of Santa Rosa Transit Division can assist with initial questions as well. To be eligibility for certification as a DBE the following six requirements must meet by the DBE applicant (more details can be found in the DBE regulations under 49 CFR Part 26);

i. Social and Economic Disadvantage

ii. Personal Net Worth less than $1,320,000

iii. Small business as defined by the Small Business Administration (SBA) with annual gross receipts less than $23,980,000 in the previous three fiscal years.

iv. Ownership of DBE business

v. Independence of affiliated with another firm

**Question.** How does one Contracting at City of Santa Rosa?

**Answer.** All the information you need can be found at: www.srcity.org/bids

Yuri Koslen | Transit Planner he/him/his
Transportation and Public Works | Transit Division
45 Stony Point Road | Santa Rosa, CA 95401
Tel. (707) 543-3335 | ykoslen@srcity.org
Online at srcity.org/CityBus

Santa Rosa CityBus
Your low carbon commute
Please consider the environment when commuting and printing e-mails.
EXHIBIT B

Website Posting Screen Capture
Disadvantaged Business Enterprise (DBE) Goal

Summary

In keeping with the requirements of 49 C.F.R. Part 26, Participation by Disadvantaged Business Enterprises (DBEs) in the Department of Transportation (DOT) Programs, an overall Disadvantaged Business Enterprise (DBE) goal has been developed for DBE participation in DOT-assisted contracts of the City of Santa Rosa by the Federal Transit Administration (FTA) of the U.S. Department of Transportation. The City of Santa Rosa Transit Division’s overall DBE goal for FY 2023-2026 is 9.97% of the total contract dollar value to be set aside for DBE firms.

ATTENTION

Santa Rosa Citizens are developing a DBE Goal for the combined Fiscal years 2023-2026. For documents, we are seeking feedback and comments and concerns about the effectiveness of our Disadvantaged Business Enterprise (DBE) goal for the fiscal year 2023-2026. The goal will be reviewed by the Department of Transportation (DOT) in order to improve on our efforts to level the playing field for the participation of DBEs. Your input is important in improving the effectiveness of our DBE goals. Participation by Disadvantaged Business Enterprises in the DBE Goals for Fiscal Years 2023-2026 for DBE participation in DOT-assisted contracts of the City of Santa Rosa Transit Division.

The City of Santa Rosa Transit Division is part of the Business Outreach Committee (BOC), a consortium of Bay Area transit and transportation agencies working together to assist Disadvantaged Business Enterprises (DBEs) and Small Business Enterprises (SBEs).

The City of Santa Rosa presented our DBE 2023-2026 draft goal along with other agencies on the Business Outreach Committee (BOC) on April 11 2023 and received feedback and comments. This recording of the December 2022 meeting can be found at the following link: https://www.youtube.com/watch?v=dxh5h124qUk

We welcome you to join us for the second Public Participation meeting on April 29, 2023 to discuss with BOC representatives best practices to create a successful DBE goals. You may register here to participate: https://polk.zoom.us/meeting/register/tZQ1cO4zqDItGdE9QMrE8Ty5oQz3YFsvro6B

Joe Kelley (Email: joe.kelley@srcity.org)

Goals

The goal identifies the relative availability of DBEs based on evidence of nearly, white, and other DBEs to opportunities and all opportunities are to be抽烟 to compete for the City’s transportation contracts, which are available for DBE firms.

The overall DBE goal reflects the estimated percentage of the total contract dollar value to be set aside for DBE firms.

Doing Business with the City of Santa Rosa

Visit our Citizen’s Guide to learn about doing business with the City of Santa Rosa or to see current job and proposal opportunities.

Useful Documents

- Disadvantaged Business Enterprise (DBE) Goal FY23-26

Contact Us

Physical Address

465 York Street
Santa Rosa, CA 95404

Directions

Phone: 707-543-3333

Hours

Monday - Friday
8:30 a.m. - 4:30 p.m.

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Santa Rosa Street View

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Service Requests & Questions

Recreational Activities

Open Data Portal