

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 5/14/2025

Staff Report No. 25-264

TO: AC Transit Board of Directors
FROM: Kathleen Kelly, Interim General Manager/Chief Executive Officer
SUBJECT: Disadvantaged Business Enterprise

BRIEFING ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider receiving the Disadvantaged Business Enterprise (DBE) Semi-Annual Payment Report for the period of October 1, 2024, through March 31, 2025.

Staff Contact:
Phillip Halley, Interim Director of Civil Rights & Compliance

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency
Initiative - Financial Efficiency and Revenue Maximization

The Federal Transit Administration (FTA) has mandated that AC Transit, as a recipient of DOT-assisted funding, adopt and implement a DBE program. Inclusive in the implementation is the periodic reporting to the FTA on the success and challenges of meeting established triennial DBE goals. Supporting this requirement ensures that the District remains eligible to receive FTA funding.

BUDGETARY/FISCAL IMPACT:

There is no budgetary or fiscal impact associated with this report.

BACKGROUND/RATIONALE:

On July 27, 2022, the Board adopted a 2% DBE goal for Federal Fiscal Years (FFY) 2023-2025. However, the FTA subsequently requested several follow-up consultation meetings which led to their recommendation that the District adopt a 24% DBE goal. On December 12, 2022, the Board adopted the FTA recommended 24% DBE goal for FFY 2023-2025.

The District's adopted FTA Triennial DBE Goal for FFY2023-2025 is 24% annually and is reported in two semi-annually periods: October through March, and April through September. This is the 5th required report for the FFY2023-2025 triennial period covering October 1, 2024, through March 31, 2025. There is one semi-annual report remaining for the current triennial period.

During this reporting period, the District did not meet its twenty-four percent (24%) DBE participation goal. The District awarded four federally assisted contracts valued at a total of \$372,785. None of these were awarded to DBE firms.

Prime Contract Award Dollars	\$372,785
DBE Prime Awards and Subcontract Commitments	0
DBE Participation (%)	0%

In addition to new DBE awards and commitments, the FTA looks at ongoing payments to, and utilization of, DBE firms. During this same reporting period, ongoing contracts resulted in 2.8% DBE utilization, as indicated in the table below:

Total Federal Dollars Paid	Total Payments to DBEs	DBE Percentage
\$1,548,720	\$43,611	2.8%

Although DBE firms may have performed on non-federally funded projects during this reporting period, the FTA DBE utilization calculation is exclusively based upon federally funded contract awards and commitments awarded during the specific semi-annual reporting period. District staff continually performs electronic monitoring of its prime contractors and their commitment to DBEs and Small Business Enterprises, including prompt payment requirements.

Beginning in 2024, in an effort to improve DBE participation, staff began making direct telephone contact with applicable DBE firms for the purpose of informing them about available federally and non-federally assisted, contracting opportunities. In addition, staff is evaluating the success with task order awards to DBEs to determine if there are practices that are transferable to the District's other award types.

Lastly, staff will continue to attend outreach events aimed at increasing DBE participation across all contracts. Staff is currently developing the District's recommended FFY2026-2028 DBE Triennial Goal and intends to develop a robust marketing and outreach campaign toward improving DBE utilization during the 2026 through 2028 triennial period.

ADVANTAGES/DISADVANTAGES:

This report does not recommend a course of action with notable advantages or disadvantages.

ALTERNATIVES ANALYSIS:

As this report is informational, no alternatives were considered.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 22-241a

Staff Report 22-241b

Staff Report 24-525

Board Policy 460 Disadvantaged Business Enterprise (DBE) Policy

ATTACHMENTS:

None

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Approved/Reviewed by:

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