

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 5/25/2022

Staff Report No. 22-239

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Disadvantaged Business Enterprise Semi-Annual Payment Report

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider receiving the Disadvantaged Business Enterprise (DBE) Semi-Annual Payment Report for the period of October 1, 2021 through March 31, 2022.

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, is required to 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:

The District's FTA Federal Fiscal Year (FFY) Triennial DBE Goal for FFY 2020-2022 is 10% annually, then reported semi-annually for periods October through March, and April through September. This is the 1st required report for FFY 2021-2022. The 2nd required report for FFY 2021-2022, and the final report for this (FFY 20-22) triennial period, will come to the Board in November 2022.

During this reporting period, the District exceeded its ten percent (10%) DBE participation goal. District awards and commitments during this reporting period resulted in \$176,000 in federal-assisted contracting dollars going to DBE firms. While the District processed several small dollar purchase orders and task orders on existing contracts with federal funding, only a single, federally funded contract award, which included a ten percent (10%) Small Business Enterprise (SBE) goal, provided greater than seventeen percent DBE participation.

Prime Contract Award Dollars	\$1,025,436
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DBE Prime Awards and Subcontract Commitments	\$176,000
DBE Participation (%)	17.6%

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, there were six (6) ongoing contracts and subcontracts resulting in a continued 6.3% DBE utilization, as indicated in the table below:

Total Federal Dollars Paid	Total Payments to DBEs	DBE Percentage
\$1,601,627	\$101,411	6.3%

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 report period. District staff continually performs electronic monitoring of its prime contractors and their commitment to DBEs and Small Business Enterprises, including prompt payment requirements. Additionally, efforts to increase the use of DBEs have been bolstered by aligning procurement opportunities with Board Policy 460: Disadvantaged Business Enterprise (DBE) Policy, and Board Policy 466: Small and Small Local Business Enterprise Policy. Since the onset of COVID-19 and related gathering restrictions, staff has engaged in online outreach efforts that entail video conferencing webinars and modified "meet the primes" events. Staff continues to work with internal and external partners to focus on innovative solutions to conduct safe DBE and SBE outreach programs including specific opportunities on doing business with AC Transit.

Small Business and Small Local Business Utilization

At the September 8, 2021 meeting, the Board adopted a ten percent Small Business Enterprise (SBE) goal and a separate ten percent Small-Local Business Enterprise (SLBE) goal. The Board requested updates on the District's progress with these newly adopted goals. The first of these updates will be submitted to the Board at the June 22nd meeting.

Disadvantaged Business and Small Business Outreach Efforts

In addition to regular updates on DBE, SBE, and SLBE utilization, the Board expressed an interest in small business outreach efforts staff undertook in the course of achieving these goals. Staff has developed a set of strategies and tools to improve contracting to small, disadvantaged, local, women-owned, and minority-owned businesses. Again, updates on the District's outreach efforts and engagements with the small business community will be submitted to the Board at the June 22nd meeting.

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 22-014 Amendments to DBE Program

Staff Report 21-524 Disadvantaged Business Enterprise (DBE) Semi-Annual Payment Report
Staff Report 21-296 Small and Local Business Contracting Goals
Staff Report 19-199 Disadvantaged Business Enterprise (DBE) Goal for Fiscal Years 2020-2022
Board Policy 460 Disadvantaged Business Enterprise (DBE) Policy

ATTACHMENTS:

None

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