

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 5/24/2023

Staff Report No. 23-276

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

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, 2022 through March 31, 2023.

Staff Contact:
Lynette Little, 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, 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:

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 FFY FTA Triennial DBE Goal for FFY2023 - 2025 is 24% annually and is reported semi-annually for periods October through March, and April through September. This is the 1st required report for FFY2023-2025.

During this reporting period, the District did not meet its twenty-four percent (24%) DBE participation goal. District awards and commitments during this reporting period resulted in no federal-assisted contracting dollars going to DBE firms. The District processed several purchase orders, task orders, and contract extensions that included federal dollars, however none included DBE participation.

| | |
|--|-------------|
| Prime Contract Award Dollars | \$1,018,358 |
| 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, there were three (3) ongoing contracts and subcontracts resulting in a continued 4.3% DBE utilization, as indicated in the table below:

| Total Federal Dollars Paid | Total Payments to DBEs | DBE Percentage |
|----------------------------|------------------------|----------------|
| \$108,159 | \$4,632 | 4.3% |

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.

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 22-241b Disadvantaged Business Enterprise (DBE) Goal for Fiscal Years 2023-2025
Staff Report 22-241a Disadvantaged Business Enterprise (DBE) Goal for Fiscal Years 2023-2025
Staff Report 22-241 Disadvantaged Business Enterprise (DBE) Goal for Fiscal Years 2023-2025
Board Policy 460 Disadvantaged Business Enterprise (DBE) Policy

ATTACHMENTS:

None

Prepared by:

Phillip Halley, Contracts Compliance Program Manager

Approved/Reviewed by:

Lynette Little, Director of Civil Rights & Compliance

Michael A. Hursh, General Manager/Chief Executive Officer