

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 11/12/2020

Staff Report No. 20-443

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 April 1, 2020 through September 30, 2020.

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:

During this reporting period, the District successfully achieved and exceeded its 10% DBE participation goal. District awards and commitments during this period resulted in 18.1% of federal dollars going to DBE firms. This was due to a contract amendment and subcontracting award that included DBE commitments.

Prime Contract Awards Dollars	\$4,726,506
DBE Prime Awards & Subcontract Commitments	\$856,149
DBE %	18.1%

In addition to new DBE commitments, the FTA looks at ongoing utilization of DBE firms. Currently, there are 43 ongoing contracts and subcontracts awarded prior to the current reporting period resulting in 22.5% DBE utilization, as indicated in the table below:

Total Federal Dollars Paid	Total Payments to DBEs	DBE Percentage
\$12,902,047	\$2,903,330	22.5%

The District's FTA Federal Fiscal Year (FFY) Triennial DBE Goal for FFY2020 - 2022 is 10% annually, reported semi-annually for periods October-thru-March, and April-thru-September. This is the 2nd of two required reports for FFY2020-2021, completing the first year of the three- year period.

Although DBE firms have performed on non-federally funded projects during this report 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 SBEs, including prompt payment requirements. Additionally, efforts to increase the use of DBEs have been bolstered by aligning procurement opportunities with the 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 have engaged in online outreach efforts that entail video conferencing webinars and modified "meet the primes" events. Staff continues to work with our regional partners focusing on innovative solutions to conduct safe DBE and SBE outreach programs including specific opportunities on doing business with AC Transit.

ADVANTAGES/DISADVANTAGES:

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

ALTERNATIVES ANALYSIS:

As this report is informational, no alternatives were considered.

PRIOR RELEVANT BOARD ACTION/POLICIES:

SR20-195 Disadvantage Business Enterprise Semi-Annual Payment Report
SR19-199 Disadvantage Business Enterprise Goal for Fiscal Years 2020-2022
Board Policy 460 - Disadvantages Business Enterprise Policy

ATTACHMENTS:

None

Prepared by:

Phillip Halley, Contracts Compliance Administrator

Approved/Reviewed by:

Michael A. Hursh, General Manager

Jill A. Sprague, General Counsel

Lynette Little, Director of Civil Rights & Compliance