



U.S. Department
of Transportation
**Federal Transit
Administration**

REGION 9
Arizona, California,
Hawaii, Nevada, Guam,
American Samoa, and the
Northern Mariana Islands

90 7th Street, Suite 15-300
San Francisco, CA 94103

August 31, 2021

Elaine Richardson
San Diego Association Of Governments, Recipient ID: 1620
401 B ST STE 800
SAN DIEGO, CA 92101

Re: 2022-2024 Triennial DBE Goal Submission

Dear Elaine Richardson,

The Federal Transit Administration (FTA) has received and reviewed San Diego Association Of Governments's Disadvantaged Business Enterprise (DBE) triennial goal setting methodology for Federal Fiscal Years (FFY) 2022-2024. This DBE goal will be effective October 1, 2021 through September 30, 2024. This submission is required by the Department of Transportation DBE regulations found at 49 C.F.R. Part 26. Your proposed overall goal is 9.8%, with a proposed race-conscious/race-neutral split of 6.5% RC / 3.3% RN.

Our review considered all elements required by the Department of Transportation regulations found at 49 C.F.R. § 26.45, including the descriptions of the evidence and methods used to calculate, adjust and establish the overall goal. The review assessment attached to this letter identifies the specific areas reviewed, any concerns, and relevant reviewer comments. You must address and correct any identified concerns to assure you are implementing the goal in accordance with the regulations. Your goal status is now *Concur*, and your next triennial goal is due to FTA on August 1, 2024. FTA will verify corrections have been made and implemented at the next oversight opportunity.

You are expected to make a good faith effort to meet your goal each year during the three-year period for which it is in effect. You must document your DBE attainment on FTA-funded contracts and purchases by submitting a semi-annual report via TrAMS on June 1 and December 1 of each year. If you fall short of your overall DBE goal in any given year, you must develop a shortfall analysis and corrective action plan following the guidance in 49 C.F.R. § 26.47(c). Transit vehicles must be purchased from a DBE-certified transit vehicle manufacturer (TVM) and reported to FTA within 30 days of purchase. The current list of DBE-certified TVMs and the online reporting tool can be found on the DBE portion of FTA's website at www.transit.dot.gov. Finally, any mid-cycle adjustment to your goal to reflect changed circumstances must be submitted to FTA.

FTA is committed to providing technical assistance to help correct your DBE goal and to implement your program consistent with the regulations and guidance. In order to preserve paper, we are issuing this letter electronically via email and it is attached to your profile in

TrAMS. Please do not hesitate to contact me directly at richard.musto.ctr@dot.gov or Chris MacNeith at Christopher.macneith@dot.gov if you have any questions.

Sincerely,

Richard Musto
Policy Analyst

On behalf of:

Chris MacNeith /s/
Civil Rights Officer, Region 9

cc: Ray Tellis, FTA Region 9, Regional Administrator
Monica McCallum, FTA Civil Rights, Director of Regional Operations

DBE Goal Review Assessment:

Items below identified as “YES” are included in the DBE goal, and no changes are needed. Items identified as “NO” were not included or were insufficient and must be corrected. Carefully address all insufficient items, as indicated in this review letter, to ensure you are implementing a goal in accordance with the regulations.

Overall Goal Methodology and Submission

1. Does the overall goal reflect the percentage of DBE participation you expect to have on FTA-funded contracts in the upcoming three years (excludes transit vehicles purchases)?
Yes
2. The overall goal, as stated in the submission is: *9.8%*
3. Is there a description of how much of the goal you anticipate meeting using race/gender conscious (RC) measures (i.e. contract-specific DBE goals), versus race/gender neutral (RN) measures? *Yes*
4. The RC portion of the goal, as stated in the submission, is: *6.5%*.
5. The RN portion of the goal, as stated in the submission, is: *3.3%*.
6. Is there a sufficient description of the consultation with minority, women’s and general contractor groups? *Yes*
7. Does the methodology summarize the comments received during consultation with the public and what changes, if any, were made to the goal as a result? *Yes*
8. Was the proposed overall goal posted on your official agency website before the August 1st submission date? *Yes*
9. Does the methodology include your data sources and the assumptions and calculations used to establish the overall goal? *Yes*

Step 1 – Developing the Base Figure

10. Is there a description of the FTA-funded projects or contracts you project for the next three years? *Yes*
11. Are larger projects broken down or described to evaluate possible sub-contracting opportunities? *Yes*
12. If applicable, are all of the prime and sub-contracting opportunities included for sub-recipients? *N/A - grantee does not have sub-recipients*
13. Did you “show your work” when calculating the percentage of DBE availability as compared to all available firms? *Yes*
14. FTA identified that the following strategies were used to narrowly tailor this goal:
The most refined data (such as 6-digit NAICS) is used to focus the goal on firms that are most likely to bid on contracts as either a prime contractor or sub-contractor,

Contracting opportunities are associated with the correct and appropriate NAICS codes,

NAICS codes or projects or contracts are associated with the amount of anticipated FTA funds,

DBE Goal Review Assessment (continued):

The number of ready willing and able DBEs is included for each NAICS code or project or contract,

The number of all firms (DBE and non-DBE) is included for each NAICS code or project or contract,

The data source(s) used to find the number of available DBE and non-DBE firms is relevant and verifiable,

The local market area (the area where a substantial majority of the contractors you do business with are) is described,

Weighting was used to ensure the Step 1 Base Figure is as accurate as possible

15. Does the data, evidence, and methodology presented clearly describe and verify how you arrived at the Step 1 Base Figure? *Yes*

Step 2 – Adjusting the Base Figure

16. Is the Step 1 Base Figure adjusted? *Yes*

17. Was past participation used to adjust the goal? *Yes*

18. The following was considered when adjusting the goal with Past participation:

Past participation does not represent years where DBE participation on contracts was unfairly high or unfairly low,

Upcoming contracting opportunities are the same as - or substantially similar to - the recent past,

Used the historical median (not average) to measure past participation,

The historical median of past participation is averaged with the Step 1 Base Figure to arrive at the adjusted goal

19. Does the methodology suggest that all available evidence was considered to determine what, if any, adjustments to the Base Figure were needed? *Yes*

20. The evidence considered in Step 2 was:

Recent disparity studies conducted in the market area

21. Does the goal appear to be narrowly tailored? *Yes*

Calculating the Race and Gender-Neutral Projection for the Goal, Which Determines the Portion of the Goal that Can Be Achieved Through Race-Neutral Measures (i.e. contracts with no DBE goals.)

22. Did you calculate the portion of the goal you project to meet using only RN means of facilitating DBE participation? *Yes*

DBE Goal Review Assessment (continued):

23. FTA verified the following elements were included when projecting the RC and RN participation:

The amount by which the goals were exceeded in the past (using the median of at least 3 years of data is most accurate)

24. Does the evidence presented suggest you can meet the RN portion of your goal without the use of contract specific DBE goals? *Yes*

FTA Reviewer Comments:

Thank you for your submission.

Also, please visit the FTA Civil Rights webpage for more information:

<https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/civil-rightsada>

Federal Transit Administration Final FFY 2022-2024 Disadvantaged Business Enterprise Program Triennial Goal

Overview

The SANDAG Disadvantaged Business Enterprise (DBE) Program is designed to level the playing field and encourage DBE participation on SANDAG contracts that use Federal Transit Administration (FTA) funding. The U.S. Department of Transportation requires submission of a DBE goal-setting methodology on a triennial (three-year) cycle, which establishes an agency-wide DBE goal for FTA-assisted contracts.

At its May 14, 2021, meeting, the Board of Directors accepted the release of the draft proposed FTA Federal Fiscal Year (FFY) 2022–2024 Triennial Goal-Setting Methodology and 9.8% DBE goal to the public for a 30-day comment period. SANDAG received and evaluated questions and comments through focused meetings with numerous minority and trade organizations. Valuable input was received that will inform overall process improvements; however, no adjustment was made to the proposed DBE goal.

Action: **Approve**

The Board of Directors is asked to approve the Final Proposed Triennial Federal Transit Administration Overall Disadvantaged Business Enterprise Goal and Methodology for Federal Fiscal Years 2022-2024.

Fiscal Impact:

None.

Schedule/Scope Impact:

None.

Key Considerations

Proposed Overall Triennial DBE Goal and Methodology for FFY 2022-2024

The proposed overall goal for FFY 2022-2024 (Attachment 1) is 9.8%, which decreased from the previous goal of 10.3%. The FFY 2022-2024 DBE goal considers the reduction in the number of anticipated FTA-funded construction projects and the estimated availability of DBEs in the SANDAG market area over the next three years.

During the upcoming triennial period, SANDAG is scheduled to conduct annual reviews to account for changes that may warrant an adjustment to the goal. The annual review of the goal is done to ensure the program is appropriately tailored to SANDAG specific contracts, the relevant market area, and available DBEs throughout the triennial period.

Public Participation Facilitation Efforts

In accordance with Public Participation Regulatory Requirements of Title 49 CFR Part 26, minority, women, local business associations, and community organizations within the SANDAG market area were contacted and provided an opportunity to review the triennial goal analysis and provide input. A Public Notice was issued on the SANDAG website on May 14, 2021, publishing the Draft Proposed FTA Overall DBE Goal-Setting Methodology for FFY 2022-2024. The notice informed the public that the proposed goal and rationale were available upon request, that SANDAG would host a webinar to present the DBE goal and methodology, and that comments would be accepted on the proposed goal for 30 days from the date of the Public Notice. SANDAG prepared and sent Outreach Consultation Letters advising 17 business community groups of the proposed DBE goal and methodology and its availability for review and comment. Meetings were held virtually with six industry and trade groups, including minority and women-specific groups.

SANDAG sent a follow-up email to ten organizations that had not scheduled a one-on-one meeting and provided a link to the draft proposed DBE Goal-Setting Methodology and a link for providing comments.

Small Business Public Facilitation Forum Webinar

SANDAG hosted a Small Business Public Facilitation Forum webinar on May 26, 2021, from 3 to 6 p.m., as part of this process. A public notice announcing the webinar was posted on the SANDAG website and SANDAG sent e-blasts to 4,914 DBE and small business firms to invite them to attend and provide their comments. SANDAG presented the material multiple times during the presentation and nine individuals participated. A summary of outreach efforts and materials are included in the exhibits of Attachment 1.

Summary of Public Comments

All comments received during the public comment period were carefully reviewed; however, the comments did not merit an adjustment to the proposed methodology and goal that was released for public comment in May. The comments received did not address new evidence demonstrating the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, or the effects of SANDAG's efforts to establish a level playing field for the participation of DBEs. The public participation process was conducted in conformance with 49 CFR Part 26.45. A summary of the public comments and responses are included in Attachment 1, Exhibit 10.

Next Steps

Upon Board approval of the FTA Triennial DBE Goal and Methodology for FFY 2022-2024, SANDAG staff will submit the DBE Triennial Goal report to the FTA Office of Civil Rights for review and approval.

Hasan Ikhata, Executive Director

Key Staff Contact: Elaine Richardson, (619) 699-6956, elaine.richardson@sandag.org

Attachment: 1. FTA Overall DBE Goal-Setting Methodology, Outreach Efforts and Public Comments



SAN DIEGO ASSOCIATION OF GOVERNMENTS

Federal Transit Administration (FTA) Overall Disadvantaged Business Enterprise (DBE) Goal-Setting Methodology

**Federal Fiscal Year (FFY)
2022-2024**

Submitted in fulfillment of:
Title 49 Code of Federal Regulations Part 26

July 2021

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DBE GOAL METHODOLOGY

I. INTRODUCTION

The San Diego Association of Governments (SANDAG) herein sets forth its Overall Disadvantaged Business Enterprise (DBE) Goal and corresponding federally prescribed goal-setting methodology for the three-year Federal Fiscal Year (FFY) goal period of 2022-2024 (October 1, 2021 through September 30, 2024), pursuant to Title 49 Code of Federal Regulations (CFR) Part 26 “Participation by Disadvantaged Business Enterprises in U.S. Department of Transportation Programs.” The purpose of the DBE goal-setting process is to level the playing field so that DBEs can compete fairly for Department of Transportation-assisted contracts; however, the program must be narrowly tailored in accordance with applicable law.

II. BACKGROUND

SANDAG is a recipient of U.S. Department of Transportation (USDOT), Federal Transit Administration (FTA), funding. As a condition of receiving this assistance, SANDAG signed an assurance that it will comply with FTA’s DBE requirements. In accordance with Title 49 CFR Part 26 provisions: Participation by DBEs in USDOT Programs, SANDAG is required to develop and submit a Triennial Overall DBE Goal for its FTA-assisted projects.

SANDAG herein presents its Overall DBE Goal Methodology for FFY 2022-2024.

III. FTA-ASSISTED CONTRACTING PROGRAM FOR FFY 2022-2024

Market Area

The Federal DBE Program requires agencies to implement the DBE Program based on information from the relevant geographic market area—the area in which the agency spends the substantial majority of its contracting dollars. The SANDAG local market for contracts consists of a geographic area that is:

- where a large majority of contracting dollars is expended, and
- where a substantial number of contractors and subcontractors are located and available to submit bids, quotes, or proposals.

The SANDAG bidder’s list was reviewed and the previously recognized market area of Orange and San Diego Counties was confirmed.

Anticipated Projects

SANDAG has 39 FTA-assisted projects that are anticipated to be awarded during the triennial period and which were considered in preparing this goal methodology. These projects and their federal share are listed in Table 1.

TABLE 1
(amounts subject to rounding differences)

PROJECT NAME/DESCRIPTION	EST. TOTAL PROJECT COST¹	EST. FTA \$ SHARE²	EST. FTA % SHARE³
A&E On-Calls	\$42,000,000	\$2,520,000	6.00%
CM On-Calls	\$22,700,000	\$3,995,200	17.60%
On-Call JOC	\$1,325,983	\$79,559	6.00%
On-Call Environmental	\$532,192	\$31,932	6.00%
On-Call ITS	\$1,723,634	\$103,418	6.00%
On-Call Legal	\$1,183,175	\$70,991	6.00%
On-Call Marketing	\$2,759,525	\$165,572	6.00%
On-Call Modeling	\$383,751	\$23,025	6.00%
On-Call Planning	\$2,982,433	\$178,946	6.00%
Household Travel Behavior Study: Small sample household travel behavior survey with big data to help supplement travel information	\$600,000	\$413,124	68.85%
Annual Telework Survey: Survey of businesses and residents in the San Diego region	\$186,270	\$128,254	68.85%
Second Year ABM3 Development for 2025 Regional Plan: with focus on model estimations for all ABM3 resident model components and ABM3 software development using Pytho-based ActivitySim	\$400,000	\$161,123	40.28%
Sketch Planning Model Development: with an optional risk analysis component	\$250,000	\$100,702	40.28%
ABM2+ Application and Initial Cross-Border Model Application Support	\$60,000	\$24,168	40.28%
Support for Development of the San Diego Forward: The 2021 Regional Plan	\$180,000	\$33,785	18.77%
Legal Assistance for the San Diego Forward: The 2021 Regional Plan	\$250,000	\$46,923	18.77%
Social Equity and Environmental Justice Consulting	\$150,000	\$65,294	43.53%
iCommute website redesign	\$50,000	\$49,235	98.47%
On-Call Class/Comp Services	\$230,000	\$38,640	16.80%
Org. Effectiveness Strategies/Initiatives	\$150,000	\$25,200	16.80%
Agency Training: Various Employee Development Classes	\$50,000	\$8,400	16.80%
Professional Services for Training: related to Diversity, Equity, Inclusion Initiatives	\$50,000	\$8,400	16.80%
Equity Action Plan Consultant Services: to inform development of an Equity Action Plan that will broadly	\$200,000	\$33,600	16.80%

¹ The total estimated cost of each project.

² The estimated FTA dollar share for each project.

³ The estimated FTA percentage share for each project.



PROJECT NAME/DESCRIPTION	EST. TOTAL PROJECT COST ¹	EST. FTA \$ SHARE ²	EST. FTA % SHARE ³
describe the agency's intentions, commitments, and goals related to Diversity, Equity, Inclusion Initiatives.			
DBE and Civil Rights consulting services: Provide guidance and assistance as required to ensure that all programs and activities of SANDAG meet or exceed the requirements contained in, but not limited to the DBE Program, Civil Rights Act of 1964, Title VI, Civil Rights Act of 1987, Environmental Justice Executive Order and the State of California Code 11135 and 65040.12.	\$183,225	\$30,782	16.80%
Labor Compliance: monitoring services and oversight; technical assistance; and labor compliance program auditing support.	\$72,840	\$12,237	16.80%
Project Labor Agreement Consulting Services and Legal Support	\$200,000	\$33,600	16.80%
Gartner IT Consultation Services	\$160,000	\$26,880	16.80%
Professional Services to support Data Governance implementation	\$150,000	\$25,200	16.80%
Del Mar Bluffs V: The Del Mar Bluffs Stabilization 5 (DMB5) is a maintenance of way project, to maintain the existing track and protect it from erosion and seismic events.	\$34,567,329	\$320,000	0.93%
Total	\$113,730,357	\$8,754,189	7.70%

Subrecipients

In FY22, SANDAG will pass through approximately \$3,800,000 of FTA Section 5310 Enhanced Mobility for Seniors and Individuals with Disabilities funds to subrecipients to continue providing transportation services for seniors and individuals with disabilities. During this time, emphasis will be monitoring and oversight of subrecipients, providing technical assistance to grantees, internal process improvements, and procuring vehicles on behalf of grantees. Subrecipients of this funding include organizations such as Jewish Family Services, Facilitating Access to Coordinated Transportation (FACT), the Arc of San Diego, and St. Madeleine Sophie's Center. These grantees use the awards to provide specialized transportation services, reimburse mileage, and to procure vehicles.

Categories of Work

SANDAG reviewed each project anticipated to be awarded in the triennial period and determined the applicable categories of work for each project using North American Industry Classification System (NAICS) codes. The corresponding dollar values for each NAICS code for each project were summarized for purposes of weighting the categories of work based on the staff estimates. Table 2 provides a summary of the categories of work with estimated dollars for each.

TABLE 2
(amounts subject to rounding differences)

PROJECT NAME	EST. FTA \$ SHARE ⁴	NAICS CODE ⁵	NAICS TITLE ⁶	EST. FTA \$ SHARE NAICS ⁷	EST. FTA % SHARE NAICS ⁸
A&E On-Calls	\$2,520,000	541310	Architectural services	\$252,000	2.88%
		541330	Engineering services	\$1,360,800	15.54%
		541620	Environmental consulting services	\$907,200	10.36%
CM On-Calls	\$3,995,200	541330	Engineering services	\$2,796,640	31.95%
		541370	Surveying and mapping (except geophysical) services	\$79,904	0.91%
		541380	Testing laboratories	\$279,664	3.19%
		541618	Other management consulting services	\$79,904	0.91%
		541620	Environmental consulting services	\$79,904	0.91%
		541690	Other scientific and technical consulting services	\$279,664	3.19%
		541990	All other professional, scientific, and technical services	\$399,520	4.56%
On-Call JOC	\$79,559	238210	Electrical contractors and other wiring installation contractors	\$7,956	0.09%
		238910	Site preparation contractors	\$2,387	0.03%
		423610	Electrical apparatus and equipment, wiring supplies, and related equipment merchant wholesalers	\$796	0.01%
		541330	Engineering services	\$58,874	0.67%
		541370	Surveying and mapping (except geophysical) services	\$3,182	0.04%
		541690	Other scientific and technical consulting services	\$3,182	0.04%
		561730	Landscaping services	\$3,182	0.04%
On-Call Environmental	\$31,932	541620	Environmental consulting services	\$20,756	0.24%
		541690	Other scientific and technical consulting services	\$11,176	0.13%
On-Call ITS	\$103,418	488999	All other support activities for transportation	\$7,756	0.09%
		541330	Engineering services	\$28,440	0.32%
		541511	Custom computer programming services	\$15,513	0.18%

⁴ The estimated FTA dollar share for each project from Table 1.

⁵ The category of work (NAICS code) for each project.

⁶ The category of work (NAICS) title.

⁷ The estimated FTA dollar share for each NAICS code.

⁸ The estimated FTA percentage share for each NAICS code.

PROJECT NAME	EST. FTA \$ SHARE ⁴	NAICS CODE ⁵	NAICS TITLE ⁶	EST. FTA \$ SHARE NAICS ⁷	EST. FTA % SHARE NAICS ⁸
		541512	Computer systems design services	\$20,684	0.24%
		541611	Administrative management and general management consulting services	\$2,585	0.03%
		541690	Other scientific and technical consulting services	\$28,440	0.32%
On-Call Legal	\$70,991	492110	Couriers and express delivery services	\$710	0.01%
		531320	Offices of real estate appraisers	\$2,130	0.02%
		541110	Offices of lawyers	\$65,311	0.75%
		541191	Title abstract and settlement offices	\$2,130	0.02%
		561439	Other business service centers (including copy shops)	\$710	0.01%
On-Call Marketing	\$165,572	323111	Commercial printing (except screen and books)	\$24,836	0.28%
		541430	Graphic design services	\$21,524	0.25%
		541820	Public relations agencies	\$102,654	1.17%
		541850	Outdoor advertising	\$11,590	0.13%
		541930	Translation and interpretation services	\$4,967	0.06%
On-Call Modeling	\$23,025	541330	Engineering services	\$921	0.01%
		541511	Custom computer programming services	\$2,072	0.02%
		541620	Environmental consulting services	\$3,914	0.04%
		541690	Other scientific and technical consulting services	\$8,059	0.09%
		541910	Marketing research and public opinion polling	\$921	0.01%
		541990	All other professional, scientific, and technical services	\$7,138	0.08%
On-Call Planning	\$178,946	488999	All other support activities for transportation	\$12,526	0.14%
		541320	Landscape architectural services	\$32,210	0.37%
		541613	Marketing consulting services	\$118,104	1.35%
		541820	Public relations agencies	\$5,368	0.06%
		541830	Media buying agencies	\$3,579	0.04%
		561499	All other business support services	\$7,158	0.08%
Household Travel Behavior Study	\$413,124	541910	Marketing research and public opinion polling	\$413,124	4.72%
Annual Telework Survey	\$128,254	541910	Marketing research and public opinion polling	\$128,254	1.47%



PROJECT NAME	EST. FTA \$ SHARE ⁴	NAICS CODE ⁵	NAICS TITLE ⁶	EST. FTA \$ SHARE NAICS ⁷	EST. FTA % SHARE NAICS ⁸
Second Year ABM3 Development for 2025 Regional Plan	\$161,123	541690	Other scientific and technical consulting services	\$161,123	1.84%
Sketch Planning Model Development	\$100,702	541690	Other scientific and technical consulting services	\$100,702	1.15%
ABM2+ Application and Initial Cross-Border Model Application Support	\$24,168	541511	Custom computer programming services	\$24,168	0.28%
Support for Development of the San Diego Forward: The 2021 Regional Plan	\$33,785	541690	Other scientific and technical consulting services	\$33,785	0.39%
Legal Assistance for the San Diego Forward: The 2021 Regional Plan	\$46,923	541110	Offices of lawyers	\$46,923	0.54%
Social Equity and Environmental Justice Consulting	\$65,294	541690	Other scientific and technical consulting services	\$65,294	0.75%
iCommute website redesign	\$49,235	541511	Custom computer programming services	\$49,235	0.56%
On-Call Class/Comp Services	\$38,640	541612	Human resources consulting services	\$38,640	0.44%
Org. Effectiveness Strategies/Initiatives	\$25,200	541618	Other management consulting services	\$25,200	0.29%
Agency Training	\$8,400	611430	Professional and management development training	\$8,400	0.10%
Professional Services for Training	\$8,400	611430	Professional and management development training	\$8,400	0.10%
Equity Action Plan Consultant Services	\$33,600	541618	Other management consulting services	\$33,600	0.38%
DBE and Civil Rights consulting services	\$30,782	541618	Other management consulting services	\$30,782	0.35%
Labor Compliance	\$12,237	541618	Other management consulting services	\$12,237	0.14%
Project Labor Agreement Consulting Services and Legal Support	\$33,600	541618	Other management consulting services	\$33,600	0.38%
Gartner IT Consultation Services	\$26,880	541511	Custom computer programming services	\$26,880	0.31%
Professional Services to support Data Governance implementation	\$25,200	541511	Custom computer programming services	\$25,200	0.29%
Del Mar Bluffs V	\$320,000	541620	Environmental consulting services	\$95,233	0.18%

PROJECT NAME	EST. FTA \$ SHARE ⁴	NAICS CODE ⁵	NAICS TITLE ⁶	EST. FTA \$ SHARE NAICS ⁷	EST. FTA % SHARE NAICS ⁸
		541360	Geophysical surveying and mapping services	\$95,233	0.18%
		561730	Landscaping services	\$190,466	0.37%
		237990	Other heavy and civil engineering construction	\$761,864	1.46%
		238910	Site preparation contractors	\$95,233	0.18%
		238120	Structural steel and precast concrete contractors	\$571,398	1.10%
		541370	Surveying and mapping (except geophysical) services	\$95,233	0.18%
Total	\$8,754,189			\$8,754,189	100%

IV. GOAL METHODOLOGY

Step 1: Determination of a Base Figure (26.45)⁹

To establish the Base Figure of the relative availability of DBEs to all comparable firms (DBE and Non-DBE) available to bid or propose on SANDAG FTA-assisted contracting opportunities projected to be solicited during the triennial goal period, SANDAG followed the prescribed federal methodology to determine relative availability. This was accomplished by assessing the *California Unified Certification Program (CUCP) DBE Database of Certified Firms* and the *2018 U.S. Census Bureau County Business Patterns Database* within the SANDAG market area for each of the categories of work defined in Table 2.

$$\text{Base Figure} = \sum \frac{(\text{Number of Ready, Willing and Able DBEs})}{(\text{Number of All Ready, Willing and Able Firms})} \times \text{Estimated NAICS \%}$$

- For the numerator: CUCP DBE Database of Certified Firms
- For the denominator: 2018 U.S. Census Bureau’s Business Patterns Database

In accordance with the formula listed above, the Base Figure is derived by:

- dividing the number of ready, willing, and able DBE firms identified for each NAICS work category by the number of all firms identified within the market area for each corresponding work category (*relative availability*),
- weighting the relative availability for each work category by the corresponding work category weight from Table 2 (NAICS %) to determine the Weighted Ratio for each NAICS work category, and
- adding the weighted ratio figures together.

⁹ 26.45 represents Title 49 CFR Part 26 regulatory goal setting methodology reference.

A concerted effort was made to ensure that the scope of businesses included in the numerator was as close as possible to the scope included in the denominator.

The weighted base figure is the sum of the weighted ratios for each NAICS code.

TABLE 3
(amounts subject to rounding differences)

NAICS CODE	NAICS TITLE	NAICS % ¹⁰	DBES ¹¹	ALL FIRMS ¹²	RELATIVE AVAILABILITY (DBEs ÷ All Firms) ¹³	WEIGHTED RATIO (Rel. Avail. x NAICS %) ¹⁴
237990	Other heavy and civil engineering construction	1.46%	14	63	22.22%	0.32%
238120	Structural steel and precast concrete contractors	1.10%	10	70	14.29%	0.16%
238210	Electrical contractors and other wiring installation contractors	0.09%	36	1,692	2.13%	0.00%
238910	Site preparation contractors	0.21%	42	436	9.63%	0.02%
323111	Commercial printing (except screen and books)	0.28%	4	506	0.79%	0.00%
423610	Electrical apparatus and equipment, wiring supplies, and related equipment merchant wholesalers	0.01%	16	446	3.59%	0.00%
488999	All other support activities for transportation	0.23%	0	8	0.00%	0.00%
492110	Couriers and express delivery services	0.01%	0	165	0.00%	0.00%
531320	Offices of real estate appraisers	0.02%	4	290	1.38%	0.00%
541110	Offices of lawyers	1.28%	6	5,117	0.12%	0.00%
541191	Title abstract and settlement offices	0.02%	3	67	4.48%	0.00%
541310	Architectural services	2.88%	23	746	3.08%	0.09%
541320	Landscape architectural services	0.37%	17	247	6.88%	0.03%
541330	Engineering services	48.50%	101	2,402	4.20%	2.04%
541360	Geophysical surveying and mapping services	0.18%	2	7	28.57%	0.05%
541370	Surveying and mapping (except geophysical) services	1.13%	21	101	20.79%	0.24%
541380	Testing laboratories	3.19%	21	233	9.01%	0.29%

¹⁰ The estimated percentage of each NAICS code (the estimated FTA dollars for each NAICS code divided by the grand total of all estimated FTA dollars) from Table 2.

¹¹ The number of DBEs in the market area for each NAICS code from the CUCP DBE Database of Certified Firms.

¹² The number of all firms (DBE and non-DBE) in the market area for each NAICS code from the 2018 U.S. Census Bureau County Business Patterns Database.

¹³ The relative availability of DBEs for each NAICS code (the number of DBEs divided by the number of all firms).

¹⁴ The weighted ratio for each NAICS code (relative availability divided by the estimated NAICS percentage).

NAICS CODE	NAICS TITLE	NAICS % ¹⁰	DBES ¹¹	ALL FIRMS ¹²	RELATIVE AVAILABILITY (DBEs ÷ All Firms) ¹³	WEIGHTED RATIO (Rel. Avail. x NAICS %) ¹⁴
541430	Graphic design services	0.25%	39	487	8.01%	0.02%
541511	Custom computer programming services	1.63%	51	2,308	2.21%	0.04%
541512	Computer systems design services	0.24%	55	2,044	2.69%	0.01%
541611	Administrative management and general management consulting services	0.03%	147	3,083	4.77%	0.00%
541612	Human resources consulting services	0.44%	18	342	5.26%	0.02%
541613	Marketing consulting services	1.35%	55	2,005	2.74%	0.04%
541618	Other management consulting services	2.46%	58	162	35.80%	0.88%
541620	Environmental consulting services	11.74%	89	376	23.67%	2.78%
541690	Other scientific and technical consulting services	7.90%	65	1,226	5.30%	0.42%
541820	Public relations agencies	1.23%	39	235	16.60%	0.20%
541830	Media buying agencies	0.04%	4	50	8.00%	0.00%
541850	Outdoor advertising	0.13%	8	72	11.11%	0.01%
541910	Marketing research and public opinion polling	6.19%	12	203	5.91%	0.37%
541930	Translation and interpretation services	0.06%	9	102	8.82%	0.01%
541990	All other professional, scientific, and technical services	4.65%	32	655	4.89%	0.23%
561439	Other business service centers (including copy shops)	0.01%	3	195	1.54%	0.00%
561499	All other business support services	0.08%	7	103	6.80%	0.01%
561730	Landscaping services	0.40%	20	1,641	1.22%	0.00%
611430	Professional and management development training	0.19%	29	193	15.03%	0.03%
Base Figure (i.e., Sum of Weighted Ratios for all Work Categories)						8.30%

Step 2: Adjusting the Base Figure

Upon establishing the Base Figure, SANDAG reviewed and assessed other known evidence potentially impacting the relative availability of DBEs within the SANDAG market area, in accordance with prescribed narrow tailoring provisions set forth under 49 CFR Part 26.45: Step 2; DBE Goal Adjustment guidelines.

Evidence considered in making an adjustment to the Base Figure included past DBE goal attainments, the SANDAG Disparity Study, and other evidence, as follows:

Past DBE Goal Award Attainments

Historical DBE participation attainments provide demonstrable evidence of DBE availability and capacity to perform on SANDAG projects. The projects anticipated to be awarded during the triennial period are substantially similar to those awarded in the recent past. SANDAG calculated past DBE participation attainments for the last five (5) FFYs. The table below reflects the demonstrated capacity of DBEs (measured by actual historical DBE participation attainments) on FTA-assisted contracts awarded by SANDAG.

TABLE 4

FEDERAL FISCAL YEAR	FTA DBE GOAL %¹⁵	FTA DBE AWARDS %¹⁶
FFY 2016	8.00%	11.30%
FFY 2017	8.00%	10.40%
FFY 2018	8.00%	17.00%
FFY 2019	10.30%	8.90%
FFY 2020	10.30%	16.70%
Median DBE Awards		11.30%

The median DBE goal attainment for the past three years is higher than the Base Figure derived from Step 1; therefore, an adjustment to the Base Figure based on past DBE goal awards has been made. The adjustment is calculated in accordance with FTA guidance by averaging the Base Figure with the Median DBE Past Awards, as shown below.

TABLE 5

Base Figure (A)	8.30%
Median DBE Awards (B)	11.30%
Adjusted Base Figure [(A+B)/2]	9.80%

Disparity Study

SANDAG commissioned a disparity study, which was completed in May 2014. This study looked at the procurement history of minority- and women-owned firms for a five-year period between January 1, 2008 and December 31, 2012. The primary objective of the study was to update the examination of any disparities between SANDAG utilization of minority and women-owned businesses on its transportation contracts, including those funded by the United States Federal Transit Administration (FTA) and the availability of those businesses to perform that work.

¹⁵ The FTA DBE Goal percentage for that FFY.

¹⁶ The percentage of DBE awards on the FTA share from the SANDAG Semi-Annual Uniform reports that were submitted to FTA.



The utilization of minority and women-owned businesses was compared with the availability of minority and women-owned businesses for contracting work. As part of the disparity study, the utilization of minority and women-owned businesses on SANDAG transportation prime contracts and subcontracts were compared with the percentage of contract dollars that minority and women-owned businesses might be expected to receive based on their availability for that work. The disparity study analysis resulted in including all DBE groups in the SANDAG race/gender-conscious component of our overall goal.

SANDAG has recently completed a new disparity study and is analyzing the results. The results of this new study will be used to update this Triennial Overall DBE Goal if necessary.

V. PROPOSED OVERALL DBE GOAL

The Final Proposed Overall DBE Goal for FFY 2022-2024 for SANDAG FTA-assisted contracts is 9.8%. As a part of the prescribed goal-setting methodology, SANDAG must project the percentage of its Proposed Overall DBE Goal that can be met utilizing race/gender-neutral and race/gender-conscious measures. SANDAG must meet the maximum feasible portion of the overall goal by using race/gender-neutral means of facilitating DBE participation.

SANDAG considered several factors to determine what portion of the overall goal can feasibly be met using race/gender-neutral measures. These include the following:

1. The amount by which the overall goal was exceeded for the past three years, and
2. The DBE participation on locally funded contracts where SANDAG did not apply race/gender-conscious measures (contract goals).

Overall Goal Exceeded: In order to calculate the race/gender-neutral and race/gender-conscious split, SANDAG considered the amount by which goals were exceeded for the past five (5) Federal Fiscal Years.

SANDAG calculated the median of the past years' awards and commitments exceeding the goal, as seen on Table 6.

TABLE 6

FEDERAL FISCAL YEAR	FTA DBE GOAL	FTA DBE Commitment %	EXCEEDING GOAL %
FFY 2016	8.00%	11.30%	3.30%
FFY 2017	8.00%	10.40%	2.40%
FFY 2018	8.00%	17.00%	9.00%
FFY 2019	10.30%	8.90%	-1.40%
FFY 2020	10.30%	16.70%	6.40%
Median Amount by Which DBE Goals Were Exceeded			3.30%

The projection of race/gender-neutral participation for the coming triennial period, as seen below.

TABLE 7

RACE/GENDER-CONSCIOUS & RACE/GENDER-NEUTRAL PROJECTIONS	
Overall DBE Goal	9.8%
Race/Gender-Conscious Component	6.5%
Race/Gender-Neutral Component¹⁷	3.30%
<ul style="list-style-type: none"> • Overall Goal Exceeded • DBE Participation on Locally Funded Projects 	

VI. RACE/GENDER-NEUTRAL IMPLEMENTATION MEASURES

SANDAG has implemented many race- and gender-neutral remedies and partners with other organizations serving small businesses in the Southern California region to outreach and promote the participation of DBEs and small businesses in the SANDAG FTA-assisted contracting program.

SANDAG plans to continue to implement the following race-neutral measures for FFY 2022-2024 and will continue to explore other options for consideration based on SANDAG success in meeting its overall DBE goals based on these efforts:

- SANDAG will arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBE and other small businesses (e.g., unbundling large contracts to make them more accessible to small businesses, requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces). Planned race-neutral measures include holding pre-bid conferences for federally aided projects, which include a networking component to promote teaming opportunities between prospective prime contractors and the DBE and small business contracting community.
- To meet the requirements under 49 CFR Part 26 Section 26.39 “Fostering Small Business Participation,” SANDAG developed a Small Business Program Strategic Plan. The strategic plan addresses all elements of the SANDAG Small Business Program. Additional information about the Plan is included below in the Fostering Small Business Participation section.
- SANDAG has put in place the unbundling of large On-Call Services procurements. The Architecture & Engineering, Construction Management, Planning, and Marketing On-Call Services contracting groups have designated several small dollar contracts with requirements that could be attainable by small businesses. The 2012 SANDAG A&E On-Call Services contracts awarded six contracts to certified Small Business, with one awarded to a DBE, while the 2017 series awarded five contracts to certified Small Businesses and one awarded to a DBE. Additionally, SANDAG executed ten CM contracts, awarding three to small businesses, two of which are also DBE certified. For the

¹⁷ The Race-Neutral projection is the median amount by which goals were exceeded over the past five years (3.30%).

Planning On-Calls, 10 contracts were awarded in total, with one contract going to a certified Small Business and DBE firm. The Marketing On-Calls awarded a total of twenty-one contracts while allocating 13 to small businesses, 8 of which are also DBE certified.

- To assist with the SANDAG small business goal of reaching out to firms that are either DBE or Small Business (SB) certified, the A&E, CM, and Planning Bench programs were developed. The Bench is intended to assist small firms in fostering new business/partnership opportunities with prime consultants that will ultimately help grow their emerging businesses. The Caltrans District 11 Director remarked that the SANDAG A&E Bench Program is recognized as the best in the State for DBE and SB utilization. The Bench is open to small and disadvantaged firms that provide a variety of professional services as identified in the A&E, CM, and Planning contracts. The Bench serves as a pool of firms that prime consultants may add to their On-Call contracts. The Bench program has been highly successful with 17% or \$50.4 Million of the A&E task order work committed to DBEs/SBs under the original A&E Bench program that began in 2012 . In 2016, we executed a new series of A&E On-Call contracts with a new Bench program. Thus far, the new A&E program has achieved 17% of the total contract value awarded to DBE and SB firms, or \$25.9 million. The CM Bench program was created in 2014 and as of December 2020, 28% or \$43.5 Million of the total amount awarded has been committed to DBE and SB firms. The Planning Bench program was established in 2020 and has currently awarded 12% or \$940K of the total contract value to DBE and SB firms. SANDAG is committed to increasing opportunities for small businesses and to continue providing economic opportunities in the San Diego region. SANDAG highly encourages the participation of small and disadvantaged businesses on SANDAG projects. It is the intention of SANDAG to create a level playing field on which small businesses can compete fairly on contracts and subcontracts. Therefore, SANDAG has recently established the Small Business (SB) Program with a 15% goal for the purpose of promoting contracting opportunities. The SB goal of 15% applies to all state and locally funded projects that have potential subcontracting opportunities.
- SANDAG provides assistance in overcoming limitations, such as the inability to obtain bonding, insurance, or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, reducing general liability insurance requirements, and providing services to help DBEs and other small businesses meet the requirements to participate in procurements). Planned race-neutral measures include referring the DBE and small business contracting community, through the SANDAG website, to the Small Business Administration (SBA) bonding assistance program.
- Other planned race-neutral measures include carrying out information and communication programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs and other small businesses on recipient mailing lists of bidders; ensuring the dissemination of lists of potential subcontractors to bidders on prime contracts). SANDAG also solicits DBEs and small businesses within the SANDAG market area utilizing any or all of the following means: issuing solicitation flyers/letters to promote upcoming bid opportunities through e-mail blasts, website posting, electronic vendor database system, etc.
- SANDAG has implemented a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses. These race-neutral measures include providing educational and technical assistance through the San Diego Contracting Opportunity Center and the Small Business Development Center.

- SANDAG attends numerous outreach events each year reaching hundreds of registered attendees to share information about SANDAG and its opportunities. Additionally, SANDAG hosts training events for our consultants to ensure they are aware of all the resources made available to them for optimizing DBE and SB participation on their contracts.
- Services are provided to DBEs and other small businesses to help improve long-term development, increase opportunities to participate in a variety of types of work, handle increasingly significant projects, and achieve eventual self-sufficiency. These planned race-neutral measures include co-sponsoring Caltrans District 11 Calmentor Program for small firms that are in the Architecture & Engineering (A&E) categories. The Calmentor program establishes a mentoring program that pairs small businesses with large firms. The goal is to enhance small business operations to achieve their growth potential, to create more small business opportunities and provide more meaningful participation on transportation projects.
- Other planned race-neutral measures include advising the contracting community of the availability of the CUCP database (directory of certified DBEs) website at <https://caltrans.dbesystem.com/>. This database is discussed with potential bidders, included in the RFQ/RFP/IFB documents, listed on our outreach material, and included in the final contract agreement. This ensures the distribution of the Caltrans DBE directory to the widest feasible universe of potential prime contractors. SANDAG also has established an online electronic vendor registration and procurement management system. This system contains over 2,600 registered firms who can review and download procurement documents, submit bids, and receive specific SANDAG notifications relating to outreach events, news, and upcoming procurements. Additionally, the system provides SANDAG with specific company detail, including DBE and SB certification status, NAICS codes, license numbers, company type and contact information.
- SANDAG assists DBEs, and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media. SANDAG has launched an online vendor requisition system through BidNet. By utilizing this system, the list of consultants, contractors, and vendors may be accessed by numerous public agencies. The consultants, contractors, and vendors themselves also can access information on upcoming training classes, upcoming business opportunities, DBE certification process and approval, and significant small business outreach events.
- SANDAG developed six (6) “Small Business Resources – COVID 19” e-blasts to small and disadvantaged business to help them locate financial resources during the height of the coronavirus pandemic. Each of the e-blasts included a multitude of valuable financial resources from public and private organizations. This information was specifically tailored to small and disadvantaged firms in California. SANDAG held two (2) Virtual Speed Networking events to support the On-Call Construction Management (CM) and Architecture and Engineering (A&E) Contracts. These events are typically held in-person with 200 to 400 attendees. However, due to the pandemic, SANDAG developed the new concept of a virtual speed networking event. These virtual events proved to be a successful in connecting small and disadvantaged businesses with large consultant firms. The CM On-Call speed networking event matched over 600 one-on-one connections between small businesses and potential Prime Consultants. For the A&E speed networking event, there were over 1,600 virtual meetings held which was phenomenal. These results show the tremendous effort SANDAG has taken to ensure small and disadvantaged businesses are given the opportunity to work on SANDAG project.
- Lastly, SANDAG is actively performing increased outreach efforts by directly contacting DBEs that are utilized from the CUCP in developing contract DBE goals. All applicable DBEs are contacted

through email, telephone, etc. to notify these firms of upcoming procurement opportunities and are highly encouraged to attend the pre-bid/proposal meetings. This provides DBEs with an opportunity to directly network with potential Prime bidders.

SANDAG additionally attends many other small business outreach events to promote its FTA-assisted contracting program.

Fostering Small Business Participation¹⁸

Small Businesses, including DBEs, are an integral part of the San Diego business economy. Approximately 63% of SANDAG vendors are San Diego based¹⁹. Small businesses represent approximately 99.9²⁰ percent of all employers in the United States and 94 percent of firms in the San Diego-Carlsbad Metropolitan region, with 86% of those firms having fewer than 20 employees²¹. Over 50% of the 5,648 California certified DBE firms are located in southern California, 941 of which reside in San Diego and Orange Counties²². As the small and diverse business populations continue to grow, the Office of Diversity & Equity (ODE) is dedicated to serving these communities and promoting economic growth in San Diego County. With recent skilled and trained worker requirements being imposed on SANDAG procurement practices, it will be important for SANDAG to also identify effective policies to ensure small businesses meet the skilled and trained worker requirements that allow small businesses to participate in the SANDAG procurement process.

As mentioned above, SANDAG has implemented a Small Business Program to fully comply with Section 26.39. Key Procurement Strategies for the Program include the following:

a. Contract Small Business Goal

SANDAG understands the importance of small businesses and their impact on the economy and community as a whole. SANDAG recognizes that a robust Small Business program is critical for the success of small businesses by providing opportunities to firms who are not able to take advantage of the level-playing field offered by the DBE program. By implementing a Small Business Program and goal, we are able to provide opportunities to participate in larger SANDAG procurements. This results in fueling the local economies and creating more jobs. Small businesses add diversity, employ local workers, and invests money back into their communities.

SANDAG has established and implemented an overall small business goal of 15% on non-federally funded task orders for the Construction Management and Architectural and Engineering (A&E) on-call contracts (2021 series). This will reaffirm the SANDAG commitment to the successful inclusion of small business participation in SANDAG contracting.

b. Small Business Contracts

In order to provide greater participation by small businesses on SANDAG procurements and attracting more small businesses to successfully compete on SANDAG's larger contracts, we have carved out up

¹⁸ See Title 49 CFR Part 26 Section 26.39 "Fostering Small Business Participation."

¹⁹ Compliance Information System data from March 30, 2021.

²⁰ U.S. Small Business Administration, Small Business Profile, 2020

²¹ Statistics of U.S. Businesses Small Business Administration Office for Advocacy, San Diego-Carlsbad Metro, 2019

²² California Unified Certification Program database, collected March 30, 2021.

to 5 Small Business certified contracts for the Architectural and Engineering (A&E) on-call procurement (2021 series) to small businesses to enable them to compete and win contracts and help grow their firm. The Small Business Program not only establishes goals on non-federally funded task orders, it also provides maximum practicable opportunities to small businesses to perform as prime and subconsultants. This will allow SANDAG to encourage greater small business participation while allowing the small businesses to provide an economic boost to our region.

c. Annual and Contract Specific Goals

SANDAG has identified overall DBE goals for FTA-assisted assisted contracts. The overall annual goal is achieved through establishing contract/project specific goals. Contract goals are established according to the requirement of each individual contract and will vary accordingly. Small business utilization and participation is tracked monthly, with participation being reported quarterly, bi-annually and/or annually.

d. Bench Program

To assist with the SANDAG small business goal of reaching out to firms that are either DBE or SB certified, the Architecture and Engineering (A&E), Construction Management (CM), and Planning Bench programs were developed. The Bench is intended to assist small firms in fostering new business/partnership opportunities with prime consultants that will ultimately help grow their emerging businesses. SANDAG has established three (3) separate Bench Programs to help create more opportunities for small and disadvantaged businesses to participate in SANDAG On-Call contracts:

A&E Bench

In 2012, SANDAG awarded multiple contracts totaling over \$300 million for On-Call Environmental Planning and A&E Design services. These contracts are used for transportation infrastructure projects including transit system improvements, freeway and bridge enhancements, landscape design, freeway corridors, and other design efforts. The Bench Program was initially developed to assist certified small and disadvantaged businesses in their efforts to participate on SANDAG A&E contracts. To participate in the SANDAG Bench Program, firms must be an architecture or engineering firm and certified as either a DBE by the California Unified Certification Program (CUCP) or an SB by the Department of General Services (DGS). The Bench Program is open to DBE and SB firms that provide a variety of professional A&E services and can serve as a pool of certified firms that prime consultants will be able to access through a simplified process to work on SANDAG projects. The 2012 SANDAG A&E On-Call Services contracts awarded six contracts to certified Small Businesses, with one awarded to a DBE. Awarding these A&E On-Call contracts to small and disadvantaged businesses was a first for SANDAG. The Bench program has been highly successful with 17% or \$50.4 Million of the A&E task order work committed to DBE and SB firms under the original 2012 A&E Bench program. The 2017 A&E On-Call series was executed with 5 of the contracts awarded to certified Small Businesses, one of which was also a DBE. Thus far, the 2017 A&E On-Call series is showing great success with 17% or \$25.9 million of the total contract value awarded to DBE and SB firms.

CM Bench

In 2014, SANDAG awarded multiple contracts exceeding \$200 million for On-Call Construction Management contracts. The CM Bench procurements consist of contracts for Professional, Technical Construction Management and Engineering services, and related services to support the development and construction of various proposed capital improvement and maintenance

projects include heavy rail, light rail, bus rapid transit, freeways, highways, toll roads, local streets and roads, bikeways, and walkways. The CM Bench is open to small and disadvantaged firms that provide a variety of professional CM services as identified in the CM contracts. The CM Bench serves as a pool of firms that Prime consultants will be able to easily access to work on SANDAG projects. Our CM Bench program was created in 2014 and as of December 2020, 28% or \$43.5 Million of the total amount awarded has been committed to DBE and SB firms.

Planning Bench

In April of 2020, SANDAG created the Planning Bench that supported the ten (10) On-Call contracts valued at over \$40 million. The Planning Bench is open to firms that provide one or more of the 14 transportation planning services and are SB and/or DBE certified. As of December 2020, DBE and SB firms have been awarded 12% of the total contract value or just under \$1 Million.

SANDAG will continue to look into additional opportunities to utilize the bench program for other on-call services.

e. DBE and Small Business Subcontracting Plans

For alternative delivery method procurements, including Design-Build contracts, a Subcontracting Plan will be used to plan and monitor DBE and small business commitments. A Subcontracting Plan is intended to describe the specific tools and procedures that the Prime will utilize to support the SANDAG DBE/SB programs. The plan is used to define the subcontractor commitments, identify work areas anticipated for subcontracting, and establish timelines for DBE and small business subcontracts. The primary objectives of the plan include:

- Providing DBE and SB firms practical information and tools necessary to compete for contracts on the Alternative Delivery Method Project;
- Create a level playing field on which DBE and SB firms can compete;
- Meet DBE goals, SB objectives, and related FTA funding requirements;
- Develop a program to get subcontractors construction ready; and
- Develop and utilize a database of qualified DBE and SB firms that can work on the project.

A Subcontracting Plan details subcontractor goals and/or dollar commitments along with small business certification type for each listed subcontractor. These plans also include methods of monitoring performance relative to the requirements of the plan and designate a subcontracting plan administrator. This is an effective tool for establishing accountability of Primes in regard to meeting SB and DBE commitments outlined in their contract.

f. Procurement Evaluation

To determine small and disadvantaged business participation, an evaluation of each solicitation must occur. This assists project managers with an understanding of how to include small and disadvantaged business opportunities in the scope of their projects. Evaluations are conducted for the following projects:

- Architecture & Engineering
- Construction Management
- Planning

- Construction and Job Order Contracting
- Professional Services
- Amendments, Task Orders, Job Orders, etc.

VII. PUBLIC PARTICIPATION AND FACILITATION

A Public Notice was issued on the SANDAG website ([Exhibit 1](#)), publishing the Draft Proposed FTA Overall DBE Goal-Setting Methodology for FFY 2022-2024. The notice informed the public that the proposed goal and rationale were available upon request, that SANDAG would host a webinar to present the DBE goal and methodology, and that comments would be accepted on the proposed goal for 30 days from the date of the Public Notice.

Outreach

In accordance with Public Participation Regulatory Requirements of Title 49 CFR Part 26, minority, women, local business associations, and community organizations within the SANDAG market area were contacted and provided an opportunity to review the triennial goal analysis and provide input. SANDAG prepared and sent Outreach Consultation Letters ([Exhibit 2](#)) advising 17 of the previously referenced business community groups of the proposed DBE goal and methodology and its availability for review and comment. SANDAG sent follow-up emails ([Exhibit 3](#)) to 13 organizations that had not responded which provided a link to the draft proposed DBE Goal-Setting Methodology and a link for providing public comments ([Exhibit 4](#)).

One-on-One Meetings

SANDAG conducted individual virtual meetings with six (6) industry and trade groups, including minority and women-specific groups. The meetings lasted between 30 minutes and two hours and included a presentation ([Exhibit 5](#)). SANDAG provided time for any and all comments and questions.

Public Facilitation Forum Webinar

SANDAG hosted a Small Business Public Facilitation Forum Webinar as part of this process. A public notice announcing the webinar was posted on the SANDAG website ([Exhibit 6](#)). SANDAG sent e-blasts ([Exhibit 7](#)) to 4,914 DBE and small business firms to invite them to attend and provide their comments. SANDAG prepared a presentation ([Exhibit 8](#)) describing how the goal was developed and inviting questions and comments. The webinar was held from 3:00 PM to 6:00 PM and allowed participants to join at any time. SANDAG presented the materials five (5) times during the presentation and nine (9) individuals participated.

Comments Received

SANDAG received 26 comments during the one-on-one meetings ([Exhibit 9](#)) and four (4) comments during the Public Facilitation Forum webinar ([Exhibit 10](#)). SANDAG also provided a one-on-one webinar to a DBE firm who was unable to attend the Public Facilitation Forum Webinar. The two (2) comments received during that one-on-one webinar are included in [Exhibit 11](#).

SANDAG gave full consideration to all comments and input received as a part of this process, however no comments merited an adjustment to the DBE goal.

EXHIBITS

EXHIBIT 1: PUBLIC NOTICE

5/21/2021 SANDAG ::NOTICES:: San Diego's Regional Planning Agency

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Federal Transit Administration Triennial DBE Goal for Federal Fiscal Years 2022 - 2024

The San Diego Association of Governments (SANDAG) has prepared its draft proposed overall Disadvantaged Business Enterprise (DBE) goal in accordance with 49 CFR Part 26.45(g) for the triennial period between October 1, 2021 through September 30, 2024.

The DBE overall goal of 9.8 percent represents the percentage of work anticipated to be performed by certified DBE firms on SANDAG FTA-assisted projects during the triennial period.

The methodology document used to determine the proposed goal will be available for public inspection until Monday, June 14, 2021, which is at least thirty (30) days from the date of the original posting on SANDAG's website.

The draft methodology document may be downloaded here:
[SANDAG Draft FTA Overall DBE Goal-Setting Methodology FFY 2022-2024](#)

SANDAG will accept written comments until Monday, June 14, 2021. If you would like to provide written comments, please click on the following link: [SANDAG DBE Triennial Public Comments](#).

Should you have any questions in regard to written comments, you may email your questions to Brittany Yamagata, Small Business Coordinator, at brittany.yamagata@sandag.org.

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EXHIBIT 2: OUTREACH CONSULTATION LETTERS

Greetings American Indian Chamber of Commerce San Diego Chapter,

The San Diego Association of Governments will soon be advertising our new Disadvantaged Business Enterprise (DBE) goal for Federal Transit Administration (FTA) assisted procurements. Upon approval by the SANDAG Board of Directors (BOD) on May 14, 2021 to advertise the FFY 2022-2024 FTA DBE goal, we will send you the BOD report, DBE Goal Methodology Document, and our Public Notice for your review.

You are invited to a one-on-one virtual meeting to discuss the SANDAG DBE FTA Triennial Goal and methodology for FFY 2022 to FFY 2024. SANDAG would like to hear how the DBE program impacts your organization and its members. We would also like to discuss some of the obstacles that small and disadvantaged firms within your organization experience in doing business with SANDAG. We are looking for suggestions as to what kind of improvements can SANDAG make in reaching out to DBE's and small businesses.

Please choose three of the following times that best meet your schedule requirements and forward your response to this email no later than April 30, 2021. The dates below are first come first serve as we will be meeting with several organizations throughout the region. So please be aware that the sooner you provide your response with your selected dates/times, the more likely we will be able to accommodate your first choice.

If you have any questions, please feel free to email Brittany Yamagata, Small Business Coordinator, at brittany.yamagata@sandag.org.

Meeting dates and times:

- Tuesday, May 18, 2021 – 1 p.m. to 3 p.m.
- Wednesday, May 19, 2021 – 2 p.m. to 4 p.m.
- Thursday, May 20, 2021 – 1 p.m. to 3 p.m.
- Monday, May 24, 2021 – 2 p.m. to 4 p.m.
- Thursday, May 27, 2021 – 1 p.m. to 3 p.m.
- Friday, May 28, 2021 – 1 p.m. to 3 p.m.
- Tuesday, June 1, 2021 – 10 a.m. to 12 p.m.
- Wednesday, June 2, 2021 – 10 a.m. to 12 p.m.
- Thursday, June 3, 2021 – 1 p.m. to 3 p.m.
- Monday, June 7, 2021 – 10 a.m. to 12 p.m.
- Friday, June 11, 2021 – 1 p.m. to 3 p.m.
- Thursday, June 17, 2021 – 1 p.m. to 3 p.m.

Meeting will not be longer than 2 hours.

Thank you,

Elaine Richardson, MBA
Director of Diversity and Equity

(619) 699-6956
[401 B Street, Suite 800, San Diego, CA 92101](https://www.sandag.org/401-B-Street-Suite-800-San-Diego-CA-92101)



SANDAG hours: Tuesday-Friday and [every other Monday](#) from 8 a.m.-5 p.m.
Employees are teleworking while our offices are closed during the COVID-19 pandemic.

EXHIBIT 3: FOLLOW-UP EMAIL

Greetings!

The San Diego Association of Governments (SANDAG) would like to provide an update regarding the Draft Proposed Federal Transit Administration (FTA) Overall Disadvantaged Business Enterprise (DBE) Goal-Setting Methodology for Federal Fiscal Years (FFY) 2022-2024.

Please note that the public comment/inspection period for methodology document used to determine the proposed goal has been extended from June 11, 2021 to June 14, 2021.

Below is the link to the draft SANDAG DBE Goal-Setting Methodology:

https://www.sandag.org/uploads/publicationid/publicationid_4775_29157.pdf

If you would like to provide written comments, please use the following link: [Public Comments](#). All public comments should be received by the new date, June 14, 2021.

If you need any additional information, please feel free to email Brittany Yamagata, Small Business Coordinator, at brittany.yamagata@sandag.org.

Thank you,

Brittany Yamagata

Small Business Development Consultant

GCAP Services, Inc. (Supporting SANDAG)

619-699-6990 | [401 B Street, Suite 800, San Diego, CA 92101](#)

SANDAG offices are open Tuesday through Friday and [every other Monday](#) from 8 a.m. – 5 p.m.
Employees are teleworking while our offices are closed during the COVID-19 pandemic.

EXHIBIT 4: PUBLIC COMMENT LINK

Public Comments for SANDAG Triennial DBE Goal for FFY 2022-2024

The San Diego Association of Governments (SANDAG) has prepared its draft proposed overall Disadvantaged Business Enterprise (DBE) goal in accordance with 49 CFR Part 26.45(g) for the triennial period between October 1, 2021 through September 30, 2024. The DBE overall goal of 9.8 percent represents the percentage of work anticipated to be performed by certified DBE firms on SANDAG FTA-assisted projects during the triennial period.

The methodology document used to determine the proposed goal will be available for public inspection until June 14, 2021, which is at least thirty (30) days from the date of the original posting on SANDAG's website.

Here is the link to the methodology document:

https://www.sandag.org/uploads/publicationid/publicationid_4775_29157.pdf

Please enter your Public Comments in the form below.

* Required

1. First & Last Name *

Enter your answer

2. Email Address *

Please enter a valid email address as a confirmation email will be sent to this address.

Enter your answer

3. Phone Number *

Enter your answer

4. Company/Organization Name *

Enter your answer

5. Job Title *

Enter your answer

6. Are you certified as any of the following? *


- Disadvantaged Business Enterprise (DBE) by the California Unified Certification Program (CUCP)
- Small Business (SB) by the California Department of General Services (DGS)
- Not Applicable

7. Please provide Public Comments below: *

Enter your answer

Submit

EXHIBIT 5: ONE-ON-ONE PRESENTATION



**FTA Overall Triennial
DBE Goal Methodology**


Public Comment Webinar

SANDAG

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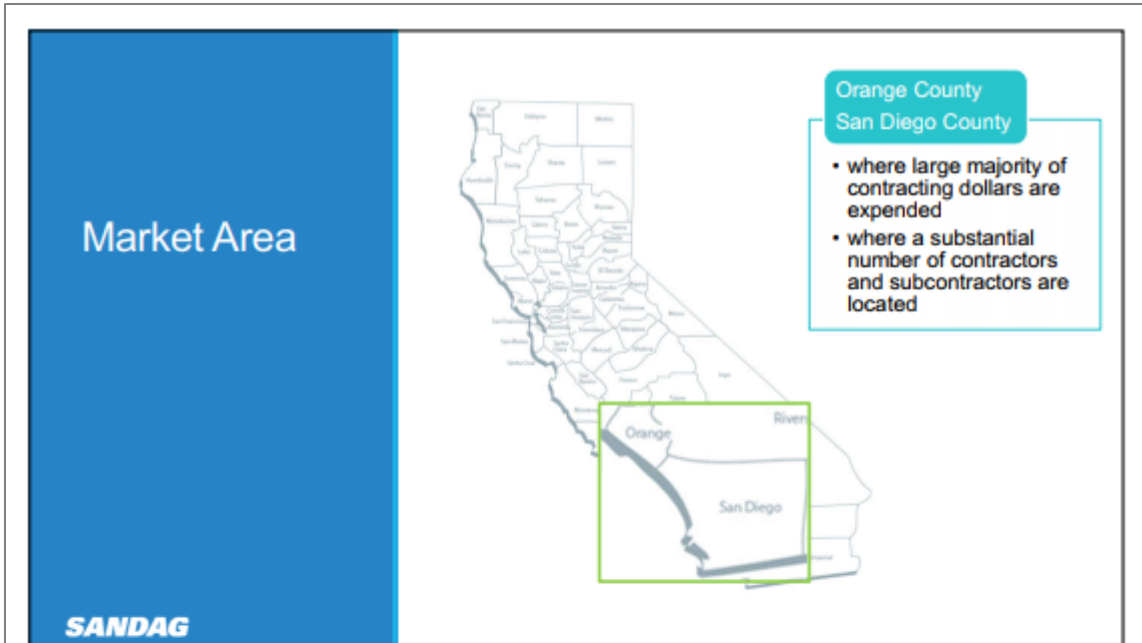
DBE Program Background

- SANDAG is required to develop and submit an Overall Triennial DBE Goal as a condition of receiving federal assistance (49 CFR Part 26)
- FFY 2022-2024: October 1, 2021 – September 30, 2024
- Triennial DBE Goal Development:

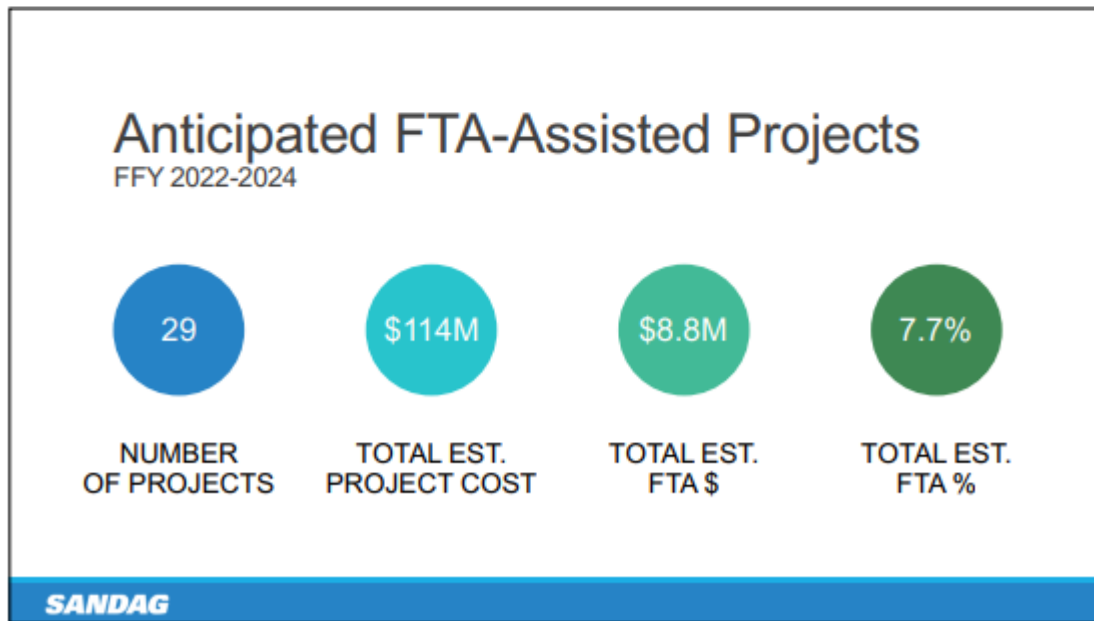


SANDAG

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**Anticipated
FTA-Assisted
Projects
FFY 2022-2024**

SANDAG

PROJECT NAME	EST. TOTAL PROJECT COST	EST. FTA \$ SHARE	EST. FTA % SHARE
A&E On-Call Task Orders	\$42,000,000	\$2,520,000	6.00%
CM On-Call Task Orders	\$22,700,000	\$3,995,200	17.60%
On-Call Job Order Contracts	\$1,325,983	\$79,569	6.00%
On-Call Environmental Task Orders	\$532,192	\$31,932	6.00%
On-Call ITS Task Orders	\$1,723,634	\$103,418	6.00%
On-Call Legal Task Orders	\$1,183,175	\$70,991	6.00%
On-Call Marketing Task Orders	\$2,759,525	\$165,572	6.00%
On-Call Modeling Task Orders	\$383,751	\$23,025	6.00%
On-Call Planning Task Orders	\$2,962,433	\$178,946	6.00%
Household Travel Behavior Study	\$600,000	\$413,124	68.85%
Annual Telework Survey	\$186,270	\$128,254	68.85%
Second Year ABMS Development for 2025 Regional Plan	\$400,000	\$161,123	40.28%
Sketch Planning Model Development	\$250,000	\$100,702	40.28%
ABM2+ Application and Initial Cross-Border Model Application Support	\$60,000	\$24,168	40.28%
Support for Development of San Diego Forward: 2021 Regional Plan	\$180,000	\$33,785	18.77%
Legal Assistance for San Diego Forward: 2021 Regional Plan	\$250,000	\$46,923	18.77%
Social Equity and Environmental Justice Consulting	\$150,000	\$65,294	43.53%
iCommuter Website Redesign	\$50,000	\$49,235	98.47%
On-Call Class/Comp Services	\$230,000	\$38,640	16.80%
Org. Effectiveness Strategies/Initiatives	\$150,000	\$25,200	16.80%
Various Employee Development Classes	\$50,000	\$8,400	16.80%
Diversity, Equity, Inclusion Initiatives Training	\$50,000	\$8,400	16.80%
Equity Action Plan Consultant Services	\$200,000	\$33,600	16.80%
DBE and Civil Rights Consulting Services	\$183,225	\$30,782	16.80%
Labor Compliance Services	\$72,840	\$12,237	16.80%
Project Labor Agreement Consulting Services and Legal Support	\$200,000	\$33,600	16.80%
Gartner IT Consultation Services	\$160,000	\$26,880	16.80%
Professional Services to Support Data Governance implementation	\$150,000	\$25,200	16.80%
Del Mar Bluffs V Maintenance of Way Project	\$34,567,329	\$320,000	0.93%
Total	\$113,738,358	\$8,754,189	7.70%

5

Categorization of Work

PROJECT NAME	EST. FTA \$	NAICS	NAICS TITLE	EST. FTA NAICS \$	EST. FTA NAICS %
A&E On-Calls	\$2,520,000	541310	Architectural services	\$252,000	2.9%
		541330	Engineering services	\$1,360,800	15.5%
		541620	Environmental consulting services	\$907,200	10.4%
Travel Behavior Study	\$413,124	541910	Marketing research and public opinion polling	\$413,124	4.7%
Del Mar Bluffs V	\$320,000	541620	Environmental consulting services	\$16,000	0.2%
		541360	Geophysical surveying and mapping services	\$16,000	0.2%
		561730	Landscaping services	\$32,000	0.4%
		237990	Other heavy and civil engineering construction	\$128,000	1.5%
		238910	Site preparation contractors	\$16,000	0.2%
		238120	Structural steel and precast concrete contractors	\$96,000	1.1%
Other Projects	\$5,501,065	541370	Surveying and mapping services	\$16,000	0.2%
		Various	Various	\$5,501,065	62.7%
Total	\$8,754,189			\$8,754,189	100.0%

*Please see Table 2 of the Goal-Setting Methodology for the full list of projects.

SANDAG

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$$\text{Base Figure} = \sum \frac{(\text{No. of Ready, Willing and Able DBEs})}{(\text{No. of All Ready, Willing and Able Firms})} \times \text{Estimated NAICS \%}$$

NAICS CODE	NAICS TITLE	NAICS %	DBES	ALL FIRMS	RELATIVE AVAILABILITY (DBEs + All Firms)	WEIGHTED RATIO (Rel. Avail. x NAICS %)
237990	Other heavy and civil engineering construction	1.46%	14	63	22.22%	0.32%
238120	Structural steel and precast concrete contractors	1.10%	10	70	14.29%	0.16%
238910	Site preparation contractors	0.21%	42	436	9.63%	0.02%
541310	Architectural services	2.88%	23	746	3.08%	0.09%
541330	Engineering services	48.50%	101	2,402	4.20%	2.04%
541360	Geophysical surveying and mapping services	0.18%	2	7	28.57%	0.05%
541370	Surveying and mapping (except geophysical) services	1.13%	21	101	20.79%	0.24%
541620	Environmental consulting services	11.74%	89	376	23.67%	2.78%
541910	Marketing research and public opinion polling	6.19%	12	203	5.91%	0.37%
561730	Landscaping services	0.40%	20	1,641	1.22%	0.00%
Various	Various	Various	Various	Various	Various	2.23%
DBE Base Figure						8.30%

*Please see Table 3 of the Goal-Setting Methodology for the full list of NAICS codes.

SANDAG

8

Adjustments to the Base Figure

SANDAG

Past Performance

FEDERAL FISCAL YEAR (FFY)	FTA DBE GOAL %	FTA DBE ATTAINMENT %
FFY 2016	8.0%	11.3%
FFY 2017	8.0%	10.4%
FFY 2018	8.0%	17.0%
FFY 2019	10.3%	8.9%
FFY 2020	10.3%	16.7%
Median DBE Attainment		11.3%

Adjustment

Base Figure	8.3%
Median DBE Attainment	11.3%
Adjusted Base Figure	9.8%

9

SANDAG

Other Adjustments to the Base Figure

Disparity Studies

10

FFY 2022-2024 Overall Triennial DBE Goal


9.8%

SANDAG

Next Steps


1. Continue outreach
2. Accept comments thru June 14
3. Analyze responses and revise goal, as needed
4. Finalize goal methodology with summary of comments
5. Present to Board of Directors
6. Submit final goal to FTA


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Thank You

SANDAG

 Elaine Richardson
Director of Diversity and Equity, DBELO

 619-699-6956

 Elaine.Richardson@sandag.org

 www.sandag.org

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EXHIBIT 6: PUBLIC FACILITATION FORUM WEBSITE NOTICE

The screenshot shows the SANDAG website's public notice page. At the top, the SANDAG logo is on the left, and navigation links for 'ABOUT SANDAG', 'CIVIL RIGHTS', 'MEETINGS', 'CALENDAR', 'PUBLIC NOTICES', 'CAREERS', 'CONTRACTS', and 'INVESTOR RELATIONS' are on the right. A search bar is also present. The left sidebar contains several menu categories: 'OFFICE OF THE INDEPENDENT PERFORMANCE AUDITOR' (with links for 'About' and 'Reporting of Fraud, Waste, and Abuse'), 'PROGRAMS & PROJECTS' (with links for 'Transportation', 'Land Use and Regional Growth', 'Biking and Walking', 'TransNet', 'Public Safety', 'Borders', 'Environment', 'Economics and Finance', and 'Regional Airport Access'), 'RESOURCES' (with links for 'Demographics and Other Data', 'Maps and GIS', 'Regional Models', and 'Publications'), and 'SERVICES' (with links for 'Public Information Office', 'Service Bureau', '511', 'FasTrak', 'iCommute', and 'Keep San Diego Moving'). The main content area features a blue header with 'Public Notice Details' and the SANDAG logo. Below this, there are links for 'Public Notices' and 'Public Notices Archive'. The main notice is titled 'Notice of Small Business Virtual Facilitation Forum - May 26, 2021' and includes a call to action: 'GIVE US YOUR INPUT!'. The text explains that SANDAG established a Draft Proposed Federal Transit Administration (FTA) Overall Disadvantaged Business Enterprise (DBE) Goal-Setting Methodology for FFY 2022-2024. It invites the public to attend a virtual Facilitation Forum webinar on Wednesday, May 26, 2021, from 3 to 6 p.m. A link is provided to 'Register for the Forum Here'. The notice also states that the forum will offer vendors, contractors, industry representatives, and others the opportunity to provide feedback on SANDAG's Proposed FTA Overall DBE Goal-Setting Methodology for FFY 2022-2024. SANDAG would like feedback on issues affecting contracting in the transportation industry, including starting and expanding businesses, obtaining financing, insurance and bonding, outreach efforts and assistance programs, obtaining work at SANDAG and other local establishments, subcontracting, and other topics affecting DBE Program stakeholders. Finally, it provides a link to download the draft methodology document: 'SANDAG Draft FTA Overall DBE Goal-Setting Methodology FFY 2022-2024'.

EXHIBIT 7: PUBLIC FACILITATION FORUM E-BLAST

E-blasts were sent on 5/18/21, 5/19/21, 5/20/21, 5/21/21, 5/24/21, and 5/25/21.



SANDAG

Proposed FTA DBE Triennial Goal Methodology for FFY 2022-2024

GIVE US YOUR INPUT!

The San Diego Association of Governments (SANDAG) established a Draft Proposed Federal Transit Administration (FTA) Overall Disadvantaged Enterprise (DBE) Goal-Setting Methodology for Federal Fiscal Years (FFY) 2022-2024.

The DBE overall goal of 9.8 percent represents the percentage of work anticipated to be performed by certified DBE firms on SANDAG FTA-assisted projects during the triennial period.

Small Business Virtual Facilitation Forum

The public is invited to attend and participate in a virtual Facilitation Forum webinar and is welcomed to provide oral testimony.

The Facilitation Forum will be held on:
Next Wednesday, May 26, 2021
from 3:00-6:00 PM PDT

[Register for the Forum Here](#)

The Facilitation Forum will offer vendors, contractors, industry representatives, and others the opportunity to provide feedback on SANDAG's Proposed FTA Overall DBE Goal-Setting Methodology for FFY 2022-20214 and other information related to implementation of the SANDAG FTA DBE Program.

SANDAG would like feedback on issues affecting contracting in the transportation industry; starting and expanding businesses; obtaining financing, insurance and bonding; outreach efforts and assistance programs; obtaining work at SANDAG and other local establishments; subcontracting; and other topics affecting DBE Program stakeholders.

The draft methodology document may be downloaded here:
[SANDAG Draft FTA Overall DBE Goal-Setting Methodology FFY 2022-2024](#)

SANDAG will accept written comments until **Monday, June 14, 2021**. If you would like to provide written comments, please click on the following link: [SANDAG DBE Triennial Public Comments](#).

Should you have any questions in regard to written comments, you may email your questions to Brittany Yamagata, Small Business Coordinator, at brittany.yamagata@sandag.org.

EXHIBIT 8: PUBLIC FACILITATION FORUM PRESENTATION



**FTA Overall Triennial
DBE Goal Methodology**


**Public Comment Webinar
May 26, 2021**

SANDAG

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DBE Program Background

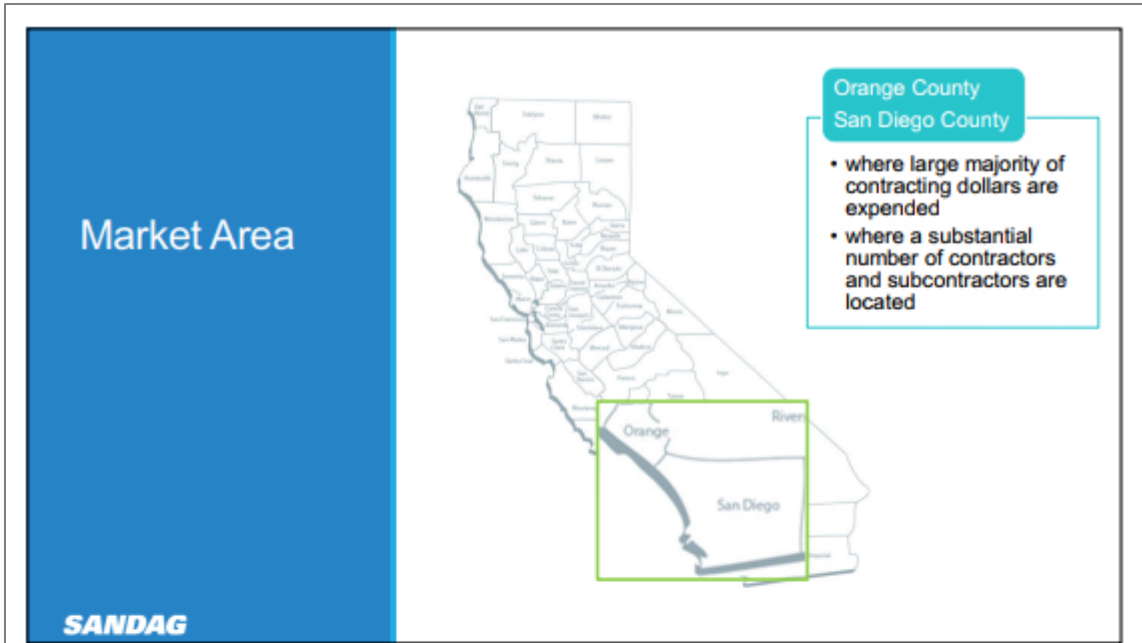
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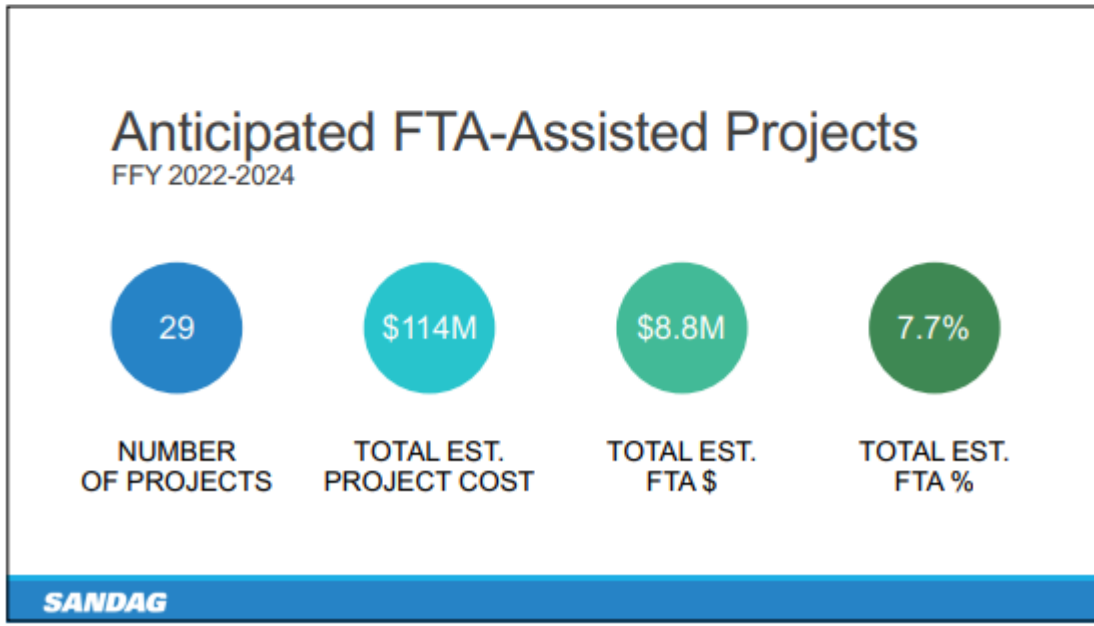
MARKET AREA **ANTICIPATED PROJECTS** **CATEGORIZATION OF WORK** **DBE BASE FIGURE** **ADJUSTMENTS**

SANDAG

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Anticipated FTA-Assisted Projects FFY 2022-2024

SANDAG

PROJECT NAME	EST. TOTAL PROJECT COST	EST. FTA \$ SHARE	EST. FTA % SHARE
A&E On-Call Task Orders	\$42,000,000	\$2,520,000	6.00%
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6

Categorization of Work

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		Various	Various	\$5,501,065	62.7%
Total	\$8,754,189			\$8,754,189	100.0%

*Please see Table 2 of the Goal-Setting Methodology for the full list of projects.

SANDAG

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$$\text{Base Figure} = \sum \frac{(\text{No. of Ready, Willing and Able DBEs})}{(\text{No. of All Ready, Willing and Able Firms})} \times \text{Estimated NAICS \%}$$

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Various	Various	Various	Various	Various	Various	2.23%
DBE Base Figure						8.30%

*Please see Table 3 of the Goal-Setting Methodology for the full list of NAICS codes.

SANDAG

9

Adjustments to the Base Figure

SANDAG

Past Performance

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FFY 2017	8.0%	10.4%
FFY 2018	8.0%	17.0%
FFY 2019	10.3%	8.9%
FFY 2020	10.3%	16.7%
Median DBE Attainment		11.3%

Adjustment

Base Figure	8.3%
Median DBE Attainment	11.3%
Adjusted Base Figure	9.8%

10

Other Adjustments to the Base Figure

Disparity Studies

SANDAG

11

FFY 2022-2024
Overall Triennial
DBE Goal

9.8%

SANDAG

Next Steps

1. Continue outreach
2. Accept comments thru June 14
3. Analyze responses and revise goal, as needed
4. Finalize goal methodology with summary of comments
5. Present to Board of Directors
6. Submit final goal to FTA

12

Thank You

SANDAG

Elaine Richardson
Director of Diversity and Equity, DBELO

619-699-6956

Elaine.Richardson@sandag.org

www.sandag.org

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EXHIBIT 9: COMMENTS RECEIVED DURING ONE-ON-ONE MEETINGS

San Diego and Imperial Valley Small Business Development Center

May 18, 2021 at 1:00 PM

- **Comment Received:** How does SANDAG define “ready, willing and able DBEs” and do you take into account capacity?

SANDAG Response: SANDAG defines “ready, willing and able DBEs as California Unified Certification Program-certified DBEs that are located in the market area. SANDAG does not take into account DBE capacity for overall triennial goal-setting purposes because we are not able to also look at capacity for all firms.

Women’s Transportation Seminar- San Diego

May 19, 2021 at 1:00 PM

- **Comment Received:** If a SANDAG and Caltrans share projects, is there a consideration for having the same goal?

SANDAG Response: This overall DBE goal is only for FTA-funding projects. For any FHWA funded projects, SANDAG follows the Caltrans process. Each contract is evaluated for a contract-specific DBE goal based on the funding source and the type of work. SANDAG fully complies with the Caltrans Local Assistance Procedures Manual (LAPM) requirements, uses the Caltrans Exhibit 9-D for contract specific goals, and sends those above the threshold to Caltrans for review.

- **Comment Received:** There are firms in the region who are eligible to be DBE certified but are not because either they don’t know about it or they don’t have the time for the long and difficult process. It takes a lot of your time, and when you're a small business, you don't have other personnel to do the paperwork for you. It is helpful knowing that there are organizations that can help firms through the process. SANDAG does a good job of getting the word out about DBE certification and letting people know there are organizations that can help.

SANDAG Response: SANDAG agrees that the DBE certification is cumbersome and time consuming. Although SANDAG doesn’t have the staff to assist with certification, they assist with funding other organizations that provide these services. SANDAG recently awarded several new on-call projects which include a small business subcontracting plan requirement which allows ODE to work closely with primes and to support them in encouraging their subcontractors to seek certification.

- **Comment Received:** SANDAG has been excellent at encouraging prime contractors to use more DBE firms on their projects because it is a requirement and not just a good faith effort. The meet and greets and speed networking events have been great. The face-to-face time with primes is very valuable. Job-specific meet and greets would be helpful. A deterrent for subs is the amount of paperwork involved. Is there a way to assist DBEs with the paperwork or require less paperwork for the subs than the primes?

SANDAG Response: SANDAG strives to minimize the amount of paperwork that is required by the primes. For example, SANDAG supports primes only requiring subs carry the amount of insurance appropriate with their level of effort. SANDAG also supports other supportive services organizations, including the Small Business Development Center, which helps DBEs and small businesses with proposals. If a procurement is more than \$100,000 and is FHWA-funded, SANDAG must following the Caltrans requirements. SANDAG works with Primes in creating processes that are conducive to small businesses with less resources.

- **Comment Received:** Payment terms can be an obstacle for subs when they are based on major milestones that flow down so that the sub will have to wait until the prime meets that milestone before the sub can be paid. As an example, a sub has an invoice from 2020 that the prime has not paid because they haven't met the major milestone. Also, the approved rate at the proposal may be different from the rate approved by SANDAG. There can be some confusion when a small firm provides their proposed rates on a contract to a prime and by the time that SANDAG approves the rate and the work actually starts that can impact the subs pay as well because it can be less than the rate they are paying their employees. And the escalation rate is about 2.7% and small firms need to keep employees and they will often provide 5% in raises and then they are paying their employees more than the approved rates. And contract amendments for rates take a long time. By the time the rates are approved, they have already changed.

SANDAG Response: SANDAG allows primes to pay their subs early and will consider including that as part of the evaluation criteria. The SANDAG Contracts Department works with their economist to evaluate rates escalation on large projects and takes into consideration a variety of issues.

- **Comment Received:** Members receive more work based on their DBE certification than their SB certification. Does SANDAG have a SB program? Does SANDAG recognize micro businesses?

SANDAG Response: SANDAG has established a 15% SB goal and is developing a strong small business program with the support of the executive director. They have researched agencies in the area and the state as well as SB participation on SANDAG contracts over the last 5 years. Part of the SB program includes a 15% SB goal on the new on-call CM and A&E procurements. The overall prime contracts have a 15% SB goal at the contract level which means that across all non-federally funded Task Orders, primes must achieve 15% SB participation. The requirement is not at the individual Task Order level like the DBE program which has a DBE goal range within which DBE goals will be determined at the Task Order level. ODE is working with the Contracts Department to begin applying SB goals on a case-by-case basis for other contracts. SANDAG recognizes the small business category, including micro businesses, in the same group. SANDAG does not recognize the new small business public works category as those firms exceed the size standards.

- **Comment Received:** It's great that SANDAG is including a small business program and goal for the bench programs.

SANDAG Response: None.

- **Comment Received:** For professional services we don't have to deal with bonding, but insurance is difficult sometimes. We might have a \$30M contract and getting either professional liability or general liability to cover \$5M is not a standard for small businesses. That is a potential difficulty for meeting the flow down requirement for insurances. There is an idea that maybe that increase

in premiums can be paid by either the prime or by SANDAG if SANDAG requires it and isn't allowing a waiver.

SANDAG Response: ODE has included language in the new prime contracts that states that they require subs to carry insurance commensurate with the amount of work they have. Part of the requirement for the CM and A&E projects is that they require a DBE and small business subcontracting plan that specifically requires the prime to state how they will help the DBE and small business meet the insurance requirements. That subcontracting plan becomes part of their contract and ODE meets with the primes on an annual basis and will be asking about this. If you hear that primes are not adhering to this, please let us know and we can address it with the primes.

- **Comment Received:** We would like more opportunities for small businesses to participate as primes.

SANDAG Response: SANDAG is implementing a small business program that includes small business contracts that will only be awarded to DGS certified small businesses.

- **Comment Received:** We had an issue with the prime not getting the rate approved and that delays payment. Is there a requirement for the primes to get the sub rates approved prior to them starting work on the project? Because if they don't have a requirement to have sub rates approved prior to when the work is done, the payment to the prime is delayed. On the bench, the rates are approved for 5 years and in 2017 those rates expired, and new rates were approved on a project-by-project basis. The prime is probably not getting the rate approved by SANDAG now. We currently have invoices for work done in 2020 that have not been paid.

SANDAG Response: That is definitely an issue. It puts the sub at risk if the prime doesn't get the rates approved prior to the sub starting work. ODE will check into this issue as all the rates should be approved prior to task order execution. For your invoices from 2020, please send an email to Elaine Richardson, DBELO, explaining what happened and include relevant details and we will work with the prime to get you paid. It is important that our DBEs and small businesses are paid in a timely manner and according to the contract terms. ODE to also look into why a new 5-year rate has not been added to the bench.

- **Comment Received:** SANDAG is doing a great job in helping small businesses and DBEs in San Diego and we appreciate you supporting us.

SANDAG Response: We appreciate your feedback.

Asian Business Association

May 27, 2021 at 1:00 PM

- **Comment Received:** Why did the DBE participation drop in 2019?

SANDAG Response: The Mid-Coast Corridor Project and other related bridge projects have a significant impact on the level of DBE participation. SANDAG had expected to award another portion of the work 2019 to a DBE, however, in November 2019, the work was delayed to 2020.

National Black Contractors Association

June 1, 2021 at 10:00 AM

- **Comment Received:** Are there any “perks” for the DBEs who are located in Orange or San Diego County? Are there preference points if they are located in the market area?

SANDAG Response: For the FTA program, there are no points for being located in the market area. For federal projects, SANDAG cannot target outreach to just local firms or individuals.

- **Comment Received:** What is your level of participation for the African American community? Does the DBE program specify by race and gender?

SANDAG Response: SANDAG developed the triennial goal, in compliance with 49 CFR Part 26, based on the relative availability of DBEs within the market area that perform work in specific NAICS codes. DBEs includes all six socially and economically disadvantaged groups. On the SANDAG Mid-Coast project, the African American community is second or third in DBE participation. One of the electrical contractors working on the project is an African American DBE. He started in the mentor protégé program, and he was mentored by the CMGC of the Mid-Coast project, MCTC. Since joining the program, he has grown to have 5 additional employees.

- **Comment Received:** Is SANDAG looking to increase African American participation?

SANDAG Response: SANDAG continually strives to increase DBE participation for all six socially and economically disadvantaged groups.

- **Comment Received:** If I am just a contractor and I don’t want to be labeled by my race, is there any difference to me being part of the DBE program versus competing without the certification?

SANDAG Response: The purpose of the DBE program is to level the playing field for underserved firms to provide greater opportunities to work on SANDAG projects. Though contract-specific DBE goals, SANDAG requires that primes subcontract out portions of their work to certified DBEs to fulfill the goal. The \$1.1 B Mid-Coast project, for example, has an 11.3% DBE goal. This means that roughly \$130 million must go to DBEs.

- **Comment Received:** How do we get the prime contractors to be passionate about the DBE program? What perks do they get for meeting DBE goals?

SANDAG Response: SANDAG strives to emphasize to our primes that we as an agency are committed to helping small and disadvantaged businesses receive opportunities to work on SANDAG projects. Primes understand that when working within our programs, they need to have the same commitment to helping small companies. A perk for a Prime to meet DBE goals is ensuring a positive evaluation at the end of the project.

Latino Equity Council

June 7, 2021 at 10:00 AM

- **Comment Received:** How did you get 7.7% with all of those percentages being so much higher?
SANDAG Response: Table 1 shows the list of all projects, the total estimated project cost and the estimated FTA share for each project. It is estimated that for all the FTA-funded projects SANDAG anticipates for the triennial period, 7.7% of the funding will be FTA. The remaining funding will be from other sources.
- **Comment Received:** Are the DBE firms included in the availability calculation registered with SANDAG?
SANDAG Response: The DBE firms SANDAG included in the overall triennial goal are those that are certified with the California Unified Certification Program.
- **Comment Received:** Why are firms located in Orange County included in the calculation? Does SANDAG have jurisdiction in Orange County?
SANDAG Response: SANDAG follows guidance from the U.S. DOT on their market area, which says that the SANDAG market area must be the area in which the substantial majority of the contractors and subcontractors with which SANDAG does business are located and the area in which SANDAG spends the substantial majority of its contracting dollars. SANDAG reviewed bidder information and determined that their market area is San Diego County and Orange County.
- **Comment Received:** Is the 9.8% does this apply to all federally funded programs?
SANDAG Response: The FTA triennial DBE goal is for FTA-funded projects as SANDAG is a direct recipient of FTA funding.

Association of General Contractors of America, San Diego Chapter

June 9, 2021 at 8:00 AM

- **Comment Received:** What are the results of the current disparity study?
SANDAG Response: The disparity study did not impact the availability of DBEs for purposes of establishing the triennial DBE goal. SANDAG has seen overall that one group is disparate (Hispanic). When goals were used, 3 groups (Hispanic, Native American, Black American) were disparate. SANDAG will be submitting a waiver to FTA based on this.
- **Comment Received:** The goal is lower than it has been. What is the reason for dropping the goal?
SANDAG Response: The triennial DBE goal is based on procurements anticipated to be awarded. In the past SANDAG has had a larger number of construction projects and for the upcoming period SANDAG has only one (1) FTA-funded construction project. The other construction projects are FHWA-funded and SANDAG is required to follow the Caltrans DBE program for those projects.

There are some larger projects that will have FTA funding in the future, but they are not anticipated for the upcoming triennial period.

- **Comment Received:** What is the argument for having one goal for all types of procurement instead of separating it out?

SANDAG Response: The triennial goal is an overall goal for the agency and is a benchmark for SANDAG to try to achieve. Each of the projects will be evaluated for a contract-specific DBE goal.

- **Comment Received:** There are DBEs that are certified and say they can do the work, but they really do not. It happens less on SANDAG work but for Caltrans and the City of San Diego. It is a common experience for prime bidders to reach out to 100 DBEs and get only 8 responses from typically the same firms repeatedly. The City of San Diego did an audit of their Small Local Business Enterprise program and they found that 9 firms received 60% of the construction work. There are a lot of firms in the database that do not do public works. They get the certification to say they are certified on their resume, but they do not work with agencies. Risk is huge for small businesses with getting paid timely, insurance, etc. It is a formula to calculate the DBE goal, but those DBEs are not available because they will not do public works projects.

SANDAG Response: There are obstacles and challenges for small businesses. The solicitations are overwhelming and prohibit small businesses from bidding. On larger projects like CMGC, primes can get many DBEs to participate because they have more time to work with them and to outreach. SANDAG uses race-neutral measures in addition to contract goals to assist DBEs and small businesses including, supportive services, set-aside work (not on federally funded projects), and mentoring. We hear from primes that they cannot find qualified DBEs and from subs that they aren't hearing from primes and can't get on projects. SANDAG provides networking opportunities with pre-bid meetings to help assist with that. Regarding the triennial DBE goal, there are DBEs that are certified and do not actually work on public works projects. At the same time, the number of all firms we use in the calculation from census data also includes firms that do not perform on public works contracts.

- **Comment Received:** How does the bench work? Do you have a separate bench for construction? Are other agencies (like the City of San Diego) looking to implement a similar program?

SANDAG Response: The Mid-Coast project had a construction bench that MCTC created. SANDAG has bench programs for A&E, CM, and planning. SANDAG provides all the information that a prime needs to know about a bench sub. SANDAG is in the process of executing new A&E and CM contracts. Those primes will be able to go to the bench throughout the contract period and find firms that do specific work. The City of San Diego has a construction program. SBCTA has also asked about the bench program. SANDAG has also presented the bench program to both FHWA and Caltrans.



EXHIBIT 10: COMMENTS RECEIVED DURING PUBLIC FACILITATION FORUM

Wednesday, May 27, 2021. 3:00 PM – 6:00 PM

Attendees:

- Construction Service Workers
- Schaefer Ecological Solutions
- DATADA IT Consulting Services
- KDPM Consulting
- FTS Lighting Services
- Beehive Technology Solutions LLC
- NXTGEN SIGNS
- O2 Engineering, Projects & Construction Management, Inc.
- The Brass Star Group

COMMENT RECEIVED	SANDAG RESPONSE
How do I find out what opportunities you have for suppliers?	The first step is to register in our BidNet database. The SANDAG Office of Diversity & Equity will reach out to you to help you get registered. We also recommend that you attend pre-bid meetings to network with primes to let them know what supplies you can provide.
How will I know how much DBE participation is required by a prime?	The DBE goals are set separately by each contract/task order/job order. We have an Upcoming Projects List on our website that shows projects coming up. When they are out for bid you can see the advertised DBE goal for contracts in BidNet.
Asked for a copy of the presentation. Is there cybersecurity work in the triennial methodology?	There are a few computer-related services included in the list of projects for the upcoming triennial period, but there may be other SANDAG opportunities that are not included in this goal methodology as these are only FTA-funded projects.
How do I get opportunities with SANDAG?	The best way to get started is to register for our BidNet database. We also have an A&E and CM Bench that provides a list of DBE and small businesses for prime contractors to use to quickly add subcontractors to their task orders. The SANDAG Office of Diversity & Equity will reach out to you to help you get registered on BidNet and provide information on applying for the A&E and CM benches.

EXHIBIT 11: COMMENTS RECEIVED DURING WEBINAR WITH SAFEGUARD ASSET RECOVERY

June 3, 2021 10:00 AM

- **Comment Received:** Are the goals generated by the IT department, facilities or operations? How do we get traction in working with SANDAG?

SANDAG Response: SANDAG utilizes BidNet for procurements and it is important for both prime and sub bidders/proposers to register to receive information on opportunities. ODE recommends downloading look ahead reports to see what projects are coming up for bid soon and attending pre-bid meetings for those procurements that are out to bid. ODE will provide the name of the SANDAG IT Director for your firm to send their capability Statement.

- **Comment Received:** Are there any primes in the technology area that do outreach events?

SANDAG Response: SANDAG is not aware of any outreach events specifically for the technology industry, but SANDAG belongs to the San Diego Public Agency Consortium (PCA) which hosts four (4) major events per year. ODE will provide a list of the PAC members. ODE also uses a network of small business and diverse business liaisons that small businesses and DBEs can reach out to.