

**CITY OF CORONA, CITY OF CORONA TRANSIT SYSTEM  
DISADVANTAGED BUSINESS ENTERPRISE (DBE)  
OVERALL DBE GOAL AND METHODOLOGY  
FEDERAL FISCAL YEARS (FFY) 202~~14~~-202~~36~~  
(Covering the period of October 1, 202~~03~~ to September 30, 202~~36~~)**

## I. INTRODUCTION

City of Corona, City of Corona Transit System (CCTS) herein sets forth its Proposed Overall Disadvantaged Business Enterprise (DBE) Goal and corresponding federally prescribed goal-setting methodology for the three-year Federal Fiscal year (FFY) goal period of 202~~14~~-202~~36~~ (October 1, 202~~03~~ through September 30, 202~~36~~), pursuant to Title 49 Code of Federal Regulations (CFR) Part 26 “Participation by Disadvantaged Business Enterprises in U.S. Department of Transportation Programs”.

The goal setting process consists of two steps. Step one determines the base figure for the relative availability of DBEs. Step two determines what adjustment, if any, may be needed.

## II. BACKGROUND

Public agencies receiving U.S. Department of Transportation (DOT), Federal Transit Administration (FTA) assisted funds, who anticipate awarding \$250,000 or more in DOT-assisted contracts, must adopt a three-year Disadvantaged Business Enterprise (DBE) goal. As such, CCTS is required to develop and submit a Triennial Overall DBE Goal for DBE participation as a condition of receiving federal funding for its FTA-assisted projects.

Effective March 3, 2010, the United States Department of Transportation (“DOT”) issued a final rule affecting the implementation and management of the Department’s Disadvantaged Business Enterprise (“DBE”) program. The final rule requires the submission of a goal-setting methodology on a three-year cycle. Pursuant to this final rule, CCTS is still required to conduct an annual review to account for changes that may warrant an adjustment to the overall goal or make an adjustment based on changed circumstances (i.e. significant change in the legal standards governing the DBE program, new contracting opportunities presented by the availability of new or different grant opportunities to ensure the goal and program as a whole are narrowly tailored throughout the goal period.

**CCTS herein presents its Proposed Overall DBE Goal Methodology for FFY 202~~14~~/202~~36~~ goal period, which resulted in a ~~50~~% Overall DBE Goal.**

### III. DOT-ASSISTED CONTRACTING PROGRAM FOR FFY 2021-2023

Table 1 below represents CCTS’ U.S. DOT-assisted (FTA) contracting program, which includes ~~four~~<sup>three</sup> (4<sup>3</sup>) projects considered in preparing its Overall DBE Goal-Setting Methodology utilizing the North American Industry Classification System (NAICS) work categories. The projects include: Contracting Services for Dial-A-Ride and Fixed Route Service, ~~Comprehensive Operational Analysis~~, an Intelligent Transportation System, ~~Bus Stop Amenities~~ and ~~Office Support equipment~~ a Digital Land Mobile Radio System. These projects are anticipated to be awarded ~~—~~ within FFYs ~~2021-2023~~<sup>2024-2026</sup>. CCTS anticipates spending approximately ~~\$4,730,026~~<sup>\$11,165,602</sup> of federal dollars in which there may be DBE contracting opportunities ~~during the triennial period over the three-year term~~.

**Table 1 – FTA-assisted Contracting Opportunities**

	NAICS Code CUCP Database	Project Name	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	485113	Contracting Services for Dial-A-Ride & Fixed Route	\$2,000,000.00	0.4228
2)	485991	Contracting Services for Dial-A-Ride & Fixed Route	\$2,000,000.00	0.4228
3)	541614	Comprehensive Operations Analysis	\$100,000.00	0.0211
4)	541512	Intelligent Transportation System	\$252,350.00	0.0534
5)	518210	Intelligent Transportation System	\$252,350.00	0.0534
6)	517410	Digital Land Mobile Radio System	\$105,326.00	0.0223
7)	541930	Document Translation Services	\$20,000.00	0.0042
<b>Total FTA-Assisted Contract Funds</b>			<b>\$4,730,026.00</b>	<b>1</b>
	NAICS Code CUCP Database	Project Name	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	485113	Contracting Services for Dial-A-Ride & Fixed Route	\$5,115,788.00	0.4582
2)	485991	Contracting Services for Dial-A-Ride & Fixed Route	\$5,115,788.00	0.4582
3)	541512	Intelligent Transportation System	\$414,350.00	0.0371
4)	518210	Intelligent Transportation System	\$414,350.00	0.0371
5)	517410	Digital Land Mobile Radio System	\$105,326.00	0.0094
<b>Total FTA-Assisted Contract Funds</b>			<b>\$11,165,602.00</b>	<b>1</b>

### IV. GOAL METHODOLOGY

#### A. Step 1: Determination of a Base Figure (26.45)<sup>1</sup>

<sup>1</sup> 26.45 represents Title 49 CFR Part 26 regulatory goal setting methodology reference.

To establish CCTS’s Base Figure of the relative availability of DBEs to all comparable firms (DBE and Non-DBEs) available to propose on CCTS’s DOT-assisted contracting opportunities projected to be solicited during the triennial goal period, CCTS followed the prescribed federal goal-setting methodologies in accordance with 49 CFR Part 26 regulations. This was accomplished by assessing the **California Unified Certification Program (CUCP) Directory of Certified DBE Firms** and the **201821 U.S. Census Bureau County Business Patterns (CBP) Database**. Comparisons were made within the City of Corona Transit System’s market area (defined as Riverside County, San Bernardino County, and Orange County) and by specified industries and types of businesses identified in Table 1. The City of Corona Transit System’s local market area represents where the substantial majority of the City of Corona Transit System’s contracting dollars are expended and/or where the substantial majority of contractors and subcontractors bids or quotes are received. ~~CCTS also considered LA County into the market area, however doing so decreased the relative DBE availability.~~

The City of Corona Transit System made a concerted effort to ensure that the scope of businesses included in the numerator was as close as possible to the scope included in the denominator. For corresponding detail of all work category classifications grouped, refer to Table 1.

- ⇒ **For the numerator:** *California UCP DBE Database of Certified Firms*
- ⇒ **For the denominator:** *201821 U.S. Census Bureau’s Business Pattern Database (CBP)*

To determine the relative availability of DBEs, the City of Corona Transit System divided the numerator<sup>2</sup> representing the ratio of ready, willing, and able DBE firms, by the denominator<sup>3</sup> representing all firms (DBE and Non-DBEs) available in each work category and the same geographical regional. Application of this formula yielded the following baseline information:

$$\frac{\text{Number of Ready, Willing, and Able DBEs}}{\text{FIGURE Number of All Available Firms (including DBEs and Non-DBEs)}} = \text{BASE}$$

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The following table reflects the relative availability of DBE firms by NAICS Code:

<sup>2</sup> Numerator represents all DBE firms established within the City’s Market area.

<sup>3</sup> Denominator represents all comparable available established firms.

	NAICS Code CUCP Database	Project Name	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability	
1)	485113	Contracting Services for Dial-A-Ride & Fixed Route	0	14	0.0000	
2)	485991	Contracting Services for Dial-A-Ride & Fixed Route	0	82	0.0000	
3)	541614	Comprehensive Operations Analysis	31	270	0.1148	
4)	541512	Intelligent Transportation System	99	1406	0.0704	
5)	518210	Intelligent Transportation System	32	343	0.0933	
6)	517410	Digital Land Mobile Radio System	0	24	0.0000	
7)	541930	Document Translation Services	12	81	0.1481	
Combined Totals			174	2220	0.0784	Overall availability of DBEs
	NAICS Code CUCP Database	Project Name	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability	
1)	485113	Contracting Services for Dial-A-Ride & Fixed Route	0	8	0.0000	
2)	485991	Contracting Services for Dial-A-Ride & Fixed Route	0	117	0.0000	
3)	541512	Intelligent Transportation System	36	1440	0.0250	
4)	518210	Intelligent Transportation System	16	325	0.0492	
5)	517410	Digital Land Mobile Radio System	0	15	0.0000	
Combined Totals			52	1905	0.0273	Overall availability of DBEs

The Base Figure was further weighted by contract type and corresponding contract value. The Base Figure resulting from this weighted calculation is as follows:

	NAICS Code CUCP Database	Project Name	Weight	x	Availability	Weighted Base Figure
1)	485113	Contracting Services for Dial-A-Ride & Fixed Route	0.42283	x		
2)	485991	Contracting Services for Dial-A-Ride & Fixed Route	0.42283	x		
3)	541614	Comprehensive Operations Analysis	0.02114	x	0.11481	0.0024
4)	541512	Intelligent Transportation System	0.05335	x	0.07041	0.0038
5)	518210	Intelligent Transportation System	0.05335	x	0.09329	0.0050
6)	517410	Digital Land Mobile Radio System	0.02227	x		
7)	541930	Document Translation Services	0.00423	x	0.14815	0.0006
Total						0.0118
Expressed as a % (*100)						1.18%
Rounded, Weighted Base Figure:						1%

	NAICS Code CUCP Database	Project Name	Weight	x	Availability	Weighted Base Figure
1)	485113	Contracting Services for Dial-A-Ride & Fixed Route	0.45817	x		
2)	485991	Contracting Services for Dial-A-Ride & Fixed Route	0.45817	x		
3)	541512	Intelligent Transportation System	0.03711	x	0.02500	0.0009
4)	518210	Intelligent Transportation System	0.03711	x	0.04923	0.0018
5)	517410	Digital Land Mobile Radio System	0.00943	x		
<b>Total</b>						0.0028
<b>Expressed as a % (*100)</b>						0.28%
<b>Rounded, Weighted Base Figure:</b>						0%

## B. Step 2: Adjusting the Base Figure

Upon establishing the Base Figure, CCTS is required to review and assess other known evidence potentially impacting the relative availability of DBEs within CCTS’s 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 includes Past DBE Goal Attainments, Bidders List, Disparity Studies, and Other Evidence. A summary of these considered follows:

### Past DBE Goal Attainments

CCTS has experienced challenges in attaining its DBE goal for the past three federal fiscal years; the following table reflects the historical DBE participation on FTA-assisted contracts awarded by CCTS:

FFY21	FFY22	FFY23
0.0%	100%	0.0%
Median DBE Participation: 0%		

FFY18	FFY19	FFY20
0.0%	0.0%	0.0%
Median DBE Participation: 0.0%		

~~Median~~ The median for the past DBE participation on CCTS projects was 0.0 percent and is same as lower than the Base Figure derived from Step 1; therefore, an adjustment is not made based on past DBE participation.

As in prior years, CCTS’ awards and commitments were very limited. Of the five projects, only one project was awarded during the 2021-2023 DBE goal period. Further, mMajority of the

capital program funds were for contracted transit operations which was awarded on July 5, 2018, prior to the 2021-2023 DBE goal period. ~~Once the contract was awarded, CCTS' awards and commitments were limited to the three smaller projects. CCTS awarded a contract to a DBE-certified vendor in December 2021 for the comprehensive operations analysis. there were no additional opportunities for the following years to meet the DBE goal. While the contractor utilized a subcontractor, the amount was not sufficient to meet the DBE goal for the year. In addition, the other three-two projects were have been delayed due to competing priorities resulting from a reduction in transit staffing. Staff shortages create challenges in balancing increased day-to-day operations including transit contractor oversight, budgeting, grant administration (programming of funds for the Intelligent Transportation System), regulatory compliance, etc. Should this trend continue, staffing shortages will play a big role in the timeliness of the projects.as much of the~~ During the FFY 2021-2023 period, ~~staff~~ time was dedicated towards COA (transit study), update of the Public Transit Agency Safety Plan, Transit Asset Management Plan and Title VI Program, and the development of the Zero Emission Bus Rollout Plan. ~~the transition of the new transit operations contractor. Furthermore, staff could not proceed with the projects as the funds have yet to be programmed in the federal grants. Together~~ ~~These three~~ factors constrained CCTS' ability to proceed with all of the federally funded projects and limited its ability to obtain its overall DBE goal.

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While CCTS will make every effort to address the aforementioned limitations, CCTS expects to have similar contracting opportunities in the ~~up coming~~upcoming triennial cycle as previously proposed. ~~In addition, majority of the funds have yet to be programmed. Therefore, CCTS has considered an adjustment to the Base Figure and it is calculated in accordance with FTA guidance by averaging the Base Figure with the Median DBE past attainment as show below:~~

$$\text{Adjusted Base Figure} = \frac{1\% (\text{Base Figure}) + 0\% (\text{Median Attainment})}{2}$$

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~~The formula resulted in a proposed adjustment (decrease) to the Base Figure from 1% to .5%.~~

[City of Corona Transit System's Bidders List](#)

CCTS does not have a bidders list at this time, however, CCTS will work to build and maintain a Bidder's List that can be utilized for future goal development. ~~Bidders~~The bidders List will be developed based on the guidelines in CCTS' DBE Plan. CCTS has not made a further adjustment to the base figure based on a Bidder's List.

[Evidence from Disparity Studies](#)

CCTS did not find it feasible to conduct its own independent availability/disparity study. CCTS staff did review and ~~consider~~considered the following studies available during the evaluation of adjustment of the Base Figures: ~~2016~~2022 Disparity Study available through California Department of Transportation (Caltrans) and the LA Metro 2017 Disparity Study.

Caltrans study is not applicable due to the following factors: ~~the~~the study covers such a large

geographical area (the entire state of California) rather than focusing on a market area similar to CCTS. ~~and~~ Further, their contracting opportunities differ from CCTS ~~such that they focused on construction and engineering contract~~ which do not coincide with types of opportunities available in the upcoming triennial period by CCTS.

Metro's study in 2017 also emphasizes ~~on~~ large and complex projects such as Caltrans which are not similar in scope to the types of projects that CCTS will conduct. The study also indicated the majority of Metro's contracting opportunities went to locations in ~~the~~ Los Angeles; as such LA County is considered as Metro's geographical market area. ~~When calculating the base figure in Step 1, CCTS considered including LA County in CCTS' market area however this further reduced the DBE availability percentage.~~

Both of the studies vary in scope and are not relevant to CCTS's federally-assistance contracting opportunities, therefore CCTS did not make an adjustment under this factor at this time. ~~CCTS will continue to review applicable Disparity Studies as they become available and apply the appropriate adjustments to the DBE Program.~~

#### Other Evidence

CCTS is not in possession of other information nor aware of any other factors or adverse considerations that would have a material effect on DBE's availability within the CCTS market area, or on ~~DBEs-DBEs'~~ ability to participate in CCTS's FTA-assisted contracting opportunities. Therefore, no goal adjustment was in consideration of this factor. However, during this triennial goal, CCTS will explore and consider all available evidence that would materially affect the opportunities for DBEs to form, grow, and compete in CCTS's FTA-assisted contracting programs.

#### Goal Adjustments

After considering the above factors, the Base Figure of 40% was not adjusted, resulting in CCTS' Overall DBE goal for Fiscal Years 20214-20236 of .50%.

## **V. PROPOSED OVERALL DBE GOAL**

**The Overall DBE Goal for FFY 20214-20236 for the City of Corona Transit System's FTA-assisted contracts is .50%.** The Overall Goal is expressed as a percentage of all DOT-assisted funds that CCTS will expend in applicable DOT-assisted contracts in the given federal fiscal years.

The goal further serves to identify the relative availability of ~~DBE's-DBEs~~ based on evidence of ready willing, and able ~~DBE's-DBEs~~ to all comparable firms, which are known to be available to compete for and perform on the City of Corona Transit System's DOT-assisted contracts. In addition, as part of the prescribed goal-setting methodology, CCTS must project the percentage of its Proposed Overall DBE Goal that can be met utilizing race-neutral and race-conscious measures.

In conformance with Title 49 CFR Part 26; "Participation by Disadvantaged Business Enterprises

in Department of Transportation Programs” and in further response to FTA Notices issued to Public Transportation Providers regarding DOT’s DBE Program and Race-Neutral Policy Implementation Guidance, CCTS intends to implement a **strictly Race-Neutral Overall DBE Goal for FFY 2024-2026**, due to the absence of readily available evidence of discrimination and its effects in its marketplace.

## VI. RACE-NEUTRAL MEASURES

The CCTS will implement Race-Neutral measures to meet its Overall DBE Goal objectives in accordance with 49 CFR Part 26.51, including but not limited to:

- Reaching out to DBE’s under California Unified Certification Program, arranging timely solicitations, and times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBEs and other small business firms’ participation.
- 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 ~~work forces~~workforces.
- Providing technical assistance and other services to small businesses, including DBE firms.
- Providing information and communications programs on contracting procedures and specific contract opportunities.

### A. Small Business Element

The City’s DBE Program includes elements to facilitate competition by small businesses in the CCTS contracts as prime contractors or subcontractors. These elements include informational outreach on the City’s website, business development references, contract language for small business primes, and goals for subcontracting opportunities. The DBE Program includes details of the City’s efforts to Foster Small Business Participation.

## VII. PUBLIC PARTICIPATION

### A. Consultation

In accordance with Public Participation Regulatory Requirements of Title 49 CFR Part 26, minority, women, local business chambers, and community organizations within the ~~CCTS’~~CCTS market area were consulted and provided an opportunity to review the triennial goal analysis and provide input ~~(see Attachment 1)~~. CCTS reached out to the following community organizations to solicit their comments regarding the 2024-2026 Triennial DBE Goal:

- Inland Empire Women’s Business Center
- Businesswomen’s Association of San Bernardino County
- Orange County Small Business Development Center



- ~~• Southern California Minority Supplier Development Council~~
- Greater Riverside Hispanic Chamber of Commerce
- Asian Business Association
- Riverside County Black Chamber of Commerce
- Inland Empire Small Business Development Center
- Asian Indian Chamber of Commerce of the Inland Empire
- National Latina Business Women Association – Inland Empire
- ~~• Greater Riverside Chamber of Commerce~~
- ~~• Corona Chamber of Commerce~~
- ~~• San Bernardino Area Chamber of Commerce~~
- Orange County Chamber of Commerce
- Chamber of Commerce for the following cities/counties: Corona, Riverside, Norco, San Bernardino, Orange.

Organizations were contacted via email to discuss the proposed goal methodology, whereas, the organizations were provided the synopsis of the DBE Goal (see Attachment 21). Any interested parties were then provided the complete Overall DBE Goal & Methodology. CCTS did not receive any comments from the outreach efforts. However, a response was received from the National Latina Business Women Association asking the City to participate as a potential buyer in their upcoming conference which matches the agency's needs with potential vendors. The information for the conference and contact information was forwarded to the City's Purchasing Department. Should the City decide to participate, transit staff will participate as it relates to transit-related projects.

## B. Public Notice

CCTS will also post a Public Notice announcing the proposed Overall Goal for the FFY 20214-20236 FTA-assisted contracts on its official internet website; CCTS has elected to utilize its official website as the publication site. Such Notice will inform the public that the proposed goal and rationale are available for inspection at the City of Corona Transit System's principal office during normal business hours for 30 days following the date of the Public Notice and that CCTS will accept comments on the goal analysis for 30 days from the date of the Public Notice.- Further, the notice included information about the "DBE Virtual Consultation Session" which would provide information on the contracting opportunities available. CCTS will give full consideration to all comments and input and assess its impact on the proposed Overall DBE Goal. If no impact and/or comments are received during the public participation process, the Goal will be considered final. If there are comments, the City will respond in accordance with the DBE Program.

Attachment 31 – ~~Public Notice and Notice of DBE Virtual Consultation Session~~ Outreach Communication

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