



OVERALL DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL SETTING FOR THE CITY OF LOMPOC

Recipient# 1651

Period FFY 2019 to FFY 2021

Date: June 12, 2018

City of Lompoc
Department of Public Works, Aviation/Transportation
Division
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GEOGRAPHIC OVERVIEW

The City of Lompoc is located on the Central Coast between San Francisco and Los Angeles, in northern Santa Barbara County. The population of Lompoc is 43,766. The City consists of 2,717 all business firms, currently registered with the City Clerk, with 813 minority firms (US Census 2012).



PROGRAM OF PROJECTS (POP)

The procedures for the program of projects (POP) for FTA Section 5307 funds were established by the region's Metropolitan Planning Organization (MPO), Santa Barbara County Association of Governments (SBCAG). This process allows each Grantee in their respective Urbanized Area (UZA) to issue a *call for projects* that is eligible for FTA Section 5307 funds for the following years. Project Sponsors submit projects to the Grantee in the respective UZA. The Grantee reviews and ranks the projects in accordance to the criteria established by SBCAG. The Grantee will host meetings with the project sponsors to review and discuss the project ranking. The Grantee will present their draft POP to their respective governing body for concurrence. In the City's case, the draft POP is presented to the Lompoc City Council. The draft POP is routed to the SBCAG where it is noticed, presented, and approved by the SBCAG Board of Directors. Once the POP is approved, the POP is incorporated into the Federal Transportation Improvement Program (FTIP).

For the purpose of developing the overall base figure, the projects in the POP are the basis of establishing the City's overall goal. The goal setting considers projects that allow the opportunities for small businesses and Disadvantaged Business Enterprises to compete on an equal playing field.

The City's most recent POP for Fiscal Years 2018 - 22, was approved on March 6, 2018. The City's POP included the following projects:

Program of Projects City of Lompoc: FY 2019, 2020, 2021				
Project	Total	Federal Match	Local Match	Include in Goal Setting
Operating Assistance	4,800,000	2,400,000 (50%)	2,400,000 (50%)	NO
Capital Cost of new facility	13,000,000	2,763,834 (21.26%)	10,500,000 (78.74%)	Yes

Operating Assistance and Capital Cost for our new facility are the only projects subject to DBE Overall Goals.

CURRENT OPERATIONS AND MAINTENANCE CONTRACT

Currently, the City contracts with RoadRunner Management Services, (a DBE firm) to perform operations for the City’s public transit service. The contract is a five year base contract with two, one year options. The contract was executed on July 1, 2016 and will expire on June 30, 2023 if all options are executed. The scope of the contract includes drivers, dispatchers, road supervision, and all operating support functions. There are no contracting opportunities until the City again solicits for Operating Assistance for a new contract and in 2019 for the construction of the new Transit Maintenance and Operating Facility. The City will include DBE contracting opportunities, as it has in the past, for the new contract in 2023, as well as the new facility when it is bid in 2019.

STEP ONE-CALCULATING THE BASE FIGURE

The first step to establishing the base figure is to identify the total number of firms that are ready, willing, and able to perform General Contracting.

All Firms. The City used the US Census to identify the total number of firms for the Urban Transit Systems and General

Table 1		
Source	NAICS Code	Total Firms
US Census	4851	94
	2362	57

Contractors. The City expanded the geographic area and market area to include the entire state because there were no firms available to perform the Operating Assistance in the geographic vicinity of the City of Lompoc or Santa Barbara County. Referring to Table 1, there are 94 firms available to perform Operating Assistance within the state of California with the North American Industry Classification System (NAICS) Code for Urban Transit Systems. There are 7 firms in Cal Trans District 5 with the NAICS code for General Contracting.

Table 2	
Source	California UCP
County	Statewide

DBE Firms. Utilizing the State of California Unified Certification Program (CUCP), the City searched the CUCP to identify DBE firms with the NAICS Code of Urban Transit Systems. Table 2 illustrates the query criteria the City used to search for DBE firms in the state. Based on this criteria, the query found three DBE firms. These firms provide engineering or limousine services, and were determined not able to provide bus operation services and bus maintenance. The CUCP listed 148 DBE firms for General Contracting.

NAICS	48 49
Categories	23 7
NAICS Codes	485111 485113 485119
	236220

Base Figure. Using the total firms and the DBE Firms the base figure is calculated below:

For Capital:

$$\frac{\text{Ready, Willing \& Able DBE Firms: 7}}{\text{Total Firms: 148}} = 10.36\%$$

Weighting. FTA recommends using weighting whenever possible to use the most refined figure possible. As an exercise, the City calculated the DBE Base Figure to compare the weighted ratio and non-weighted figure to determine if weighting improved the overall accuracy. Referring to the worksheet in Attachment A, weighting did not change the Base Figure. The Base Figure remained at 10.36%.

STEP TWO-ADJUSTING THE BASE FIGURE

The purpose of the analysis in the Step Two is to make a determination on relevant evidence available to the City if any adjustments to the Step One Base Figure are justified.

The City does not have any have the same NAICS work those planned for award.

Figure 1

Historical Goals		Step One Base Figure Adjustment	
Year	Goal		
2011	2.0%	Median Percentage	0.0%
2012		Average	0.0%
2013		Count	2
2014		Step One Base Figure	0.0%
2015	0.0%	Median Historical	0.0%
		Subtotal	0.0%
		Adjusted Base Figure	0.0%

Past Participation. The actual goals for the past are presented in Figure 1.

percentages represent projects that used FTA funds and are not similar to construction projects. The historical median of the past DBE percentages is 0.0%. The average is 0.0%.

contracts that groups as historical five years These operations

Based on this analysis, the Step One Base Figure is not adjusted because:

- Past DBE achievement is based on construction projects using FTA funds that are dissimilar to the bus operations and maintenance that is being analyzed.
- There are no DBEs ready, willing, and able in the market area to perform bus operations and maintenance.

The City DBE goal is (10.36%) for FY 2019.

Evidence from Disparity Studies. Disparity Studies are designed to investigate the existence of discrimination in contracting. There is no requirement to conduct a disparity study. However, the City contacted the following organizations to inquire if they have conducted a disparity study or have knowledge of a disparity study for the City’s local market area:

#	Organization	Disparity Study?	Relevance/Comment
	Caltrans	Yes	No. Study does not address bus operations.
	FTA, Compliance Reviews	No	Investigated site to search for references of disparity studies relevant to City.
	Santa Barbara County Association of Governments	No	
	City of Santa Maria	No	
	Santa Barbara Metropolitan Transit District	No	
	County of Santa Barbara	No	

Based on inquiring with local organizations, there is no evidence of a relevant disparity study.

Financial Institutions. The City contacted the DBE financial institutions identified in the City’s DBE Program. The results of the City’s inquiry are presented in the table below:

#	Financial Institution	DBE/RESPONSE
	Lompoc Community Bank	No clients in Lompoc.
	Rabo Bank	No clients in Lompoc.

The City did not contact the DBE firms identified to determine if they were ready, willing and able to perform the relevant NAICS Codes identified in the Step One analysis for General Contracting as we will not go out to bid until later this year. Financial institutions that were contacted did not have clients in Lompoc or they refused to disclose information due to confidentiality. As a result, there is no basis to adjust the Base Figure from this inquiry.

Data on Employment, Self-Employment, Education and Training, and Union Apprenticeship Program. There are no local minority associations in the City to identify any DBEs ready, willing, and able. The City did contact the following firms/agencies to find any DBEs ready, willing, and able. The results of the City’s inquiry are presented in the table below:

#	Firm/Agency	DBE
	Lompoc Valley Chamber of Commerce	None
	Lompoc Economic Development Commission	None

Other. The City will conduct a diligent effort to identify DBEs that are ready, willing and able prior to going out to bid for our construction project later this year.

RACE NEUTRAL AND RACE CONSCIOUS SPLIT

There is no Race Neutral and Race Conscious Split.

PUBLIC PARTICIPATION

The City publishes its DBE Program and Goals as described in the Policy Statement section of this document, and is in all solicitations for procurement contracts involving federally assisted via specific language in Request for Proposals (RFP) and bid documents. The DBE Program and Goal are also featured on the City online website

The City’s outreach included the Lompoc Valley Chamber of Commerce, and the Lompoc Economic Development Commission.

Community Input. In addition to the above agencies, the City invited the public and identified DBE firms to participate in the socially disadvantaged community workshop on June 28, 2018 to review the goal setting process and analysis and provide the opportunity for residents and businesses to provide input. The City placed advertisements in the Lompoc Record as well as posted announcements in buses and bus shelters. The City also noticed the Lompoc Valley Chamber of Commerce, and the Lompoc Economic Development Commission and direct mailed to all 148 identified firms as well as placing it on the City website. The purpose of this outreach was to provide opportunity for residents and businesses to provide input on the goal setting process. The City looks forward to more participation in the future.

Attachments

- A Weighting Goals
- B Public Notices
- C Outreach Workshop

**ATTACHMENT A
WEIGHTING OVERALL GOALS**

Project	Firm Type/ NAICS Code	Total Funds	Federal	Local	Project Weight	# of Businesses		Relative Availability	Weighted Goal
			0.5 0.8	0.5 0.2		Total	DBE's		
SMAT Transit Operations									
Purchased Transportation Contractor	4851	\$ 4,800,000	2,400,000	2,400,000	72%	94	-	0.0%	0.0%
Subtotal		\$ 4,800,000	\$ 2,400,000	\$ 2,400,000	72%				0.0%
Capital Cost of Contracting									
Capital Cost of Contracting	4851	\$ 13,000,000	2,040,000	510,000	28%	94	-	0.0%	0.0%
Subtotal		\$ 13,000,000	2,040,000	510,000	28%				0.0%
Blank									
TOTAL									
ADJUSTED TOTAL		\$ 17,800,000	\$ 7,297,383	\$ 10,486,696	100%	188	-		
DBE GOAL									0.0%

**ATTACHMENT B
PUBLIC WORKSHOP MEETING MATERIALS**

**CITY OF LOMPOC DISADVANTAGED BUSINESS
ENTERPRISE WORKSHOP**

The City of Lompoc Department of Public Works, Aviation/Transportation Division will be conducting a workshop regarding the City's goal setting process and opportunities for Disadvantaged Business Enterprises.

PLEASE JOIN US!

The workshop will be conducted at the Lompoc City Council Chambers, 100 Civic Center Plaza, Lompoc, CA 93436 on June 28, 2018, at 4:00 P.M.