



Agenda Item No. 1

To: Rules, Policy and Industrial Relations Committee/Committee of the Whole Meeting of March 11, 2005

From: Aida S. Caputo, DBE Program Administrator  
Teri W. Mantony, Deputy General Manager, Administration & Development  
Celia G. Kupersmith, General Manager

Subject: **APPROVE PROPOSED OVERALL PROJECT DISADVANTAGED BUSINESS ENTERPRISE GOAL FOR GOLDEN GATE BRIDGE SEISMIC RETROFIT PROJECT PHASE IIIA**

### **Recommendation**

The Rules, Policy and Industrial Relations Committee recommends that the Board of Directors approve the following actions relative to the overall project Disadvantaged Business Enterprise (DBE) goal for the Golden Gate Bridge Seismic Retrofit Project Phase IIIA – North Anchorage Housing/ North Pylon:

1. Establish a twelve percent (12%) proposed goal applicable to \$44,440,000 in contracts assisted by the Federal Highway Administration (FHWA) and authorize the General Manager to publish notice of the proposed goal in accordance with federal regulations;
2. Authorize the General Manager to formally adopt the goal if no public comments are received that require further consideration or modifications of the proposed goal by the Board; and
3. Authorize staff to submit the overall project DBE goal to the California Department of Transportation (Caltrans) on behalf of FHWA.

This matter will be presented to the Board of Directors at its March 11, 2005, meeting for appropriate action.

### **Summary**

The District proposes to establish an overall project goal rather than an annual overall goal for the Golden Gate Bridge Seismic Retrofit Project Phase IIIA. This project has several contracts that will be performed over a multi-year period. A project goal is usually established for a large multi-year project and is separate from the annual overall goal. The purpose of separating multi-year projects from projects that would be completed within a year is to avoid reporting and attainment discrepancies. Through guidance and clarification from the U.S. Department of Transportation (U.S. DOT), it is suggested that this is the best way to approach multi-year projects, and is generally allowable in the regulations.

The steps taken in the development of the overall project goal are in accordance with 49 Code of Federal Regulations Part 26, issued by U.S. DOT. The regulations prescribe a two-step process. In Step 1, base figures are calculated to determine the relative availability of DBEs in the specific areas of expertise involved in the District's expected contracting activities. The District used the Census Bureau's 2002 County Business Pattern database and the California Unified Certification Program (CUCP) DBE database to determine the base figures. In Step 2, an assessment of known relevant evidence available to the District is analyzed to determine what adjustments, if any, are needed to narrowly tailor the base figures to the District's marketplace. The District analyzed data from actual DBE participation in the District's race/gender-neutral and race/gender-conscious contracts in recent years to adjust the base figures.

Staff determined an overall base figure of 12%. Further analysis indicates that no adjustment is required to the 12% base figure. While adjustment was made to each contract classification for this project, the overall adjusted figure still resulted in 12%. Staff projects FHWA-assisted Golden Gate Bridge Seismic Retrofit Project Phase IIIA contracts may be able to achieve the 12% goal. A table providing the adjusted availability figure for each FHWA-assisted contract is provided as an attachment.

The U.S. DOT regulations require that the maximum feasible portion of the overall DBE goal be met by using race/gender-neutral methods. Because of the emphasis placed on race/gender-neutral methods, the District does not propose to set contract-specific DBE goals on Golden Gate Bridge Seismic Retrofit Project Phase IIIA contracts. To date, the District has met or exceeded its annual overall DBE goals using race-neutral means. However, the District will continue to carefully monitor the progress of each contract and may establish contract-specific goals on new contracts if race/gender-neutral methods do not appear sufficient to achieve the 12% overall project DBE goal.

The proposed 12% overall project DBE goal reflects staff's determination of the level of DBEs ready, willing and able to participate in the District's U.S. DOT-assisted contracting activity for the Golden Gate Bridge Seismic Retrofit Project Phase IIIA. The regulations require the proposed overall project goal to be published for public inspection and comment to ensure public participation in the goal-setting process. The regulations also require that the goal be submitted to Caltrans on behalf of FHWA. Caltrans may review and suggest adjustments to the goal upon consultation with the District; however, prior concurrence with the goal is not required.

The overall project DBE goal complies with the California Proposition 209, the 1996 California Civil Rights Initiative, in that they are only applicable to U.S. DOT-assisted contracts. No specific goal will apply to contracts that are not federally-assisted.

### **Fiscal Impact**

There is no fiscal impact associated with this report. However, the proposed overall project DBE goal for the Golden Gate Bridge Seismic Retrofit Project Phase IIIA must be submitted to Caltrans on behalf of FHWA to qualify for continued federal funding. Since contracts for this project are scheduled to be awarded within this federal fiscal year, publication of the goal must be authorized as soon as possible to allow sufficient time for the 45-day public comment period.

Attachment

## Overall Project DBE Goal for Golden Gate Bridge Seismic Retrofit Project Phase IIIA

The adjusted availability figures were calculated into projected DBE participation dollars for each specific area of expertise by taking the FHWA dollars budgeted for each contract and multiplying it by the adjusted availability figures. The total of the projected DBE participation dollars was then divided by the total of the budgeted FHWA dollars for all contracts, resulting in a **12%** overall project DBE goal.

<b>OVERALL PROJECT GOAL</b>				
<b>Golden Gate Bridge Seismic Retrofit Project Phase IIIA</b>				
<b>NAICS</b>	<b>Project</b>	<b>FHWA \$ Budgeted</b>	<b>Adjusted Availability Figures</b>	<b>FHWA \$ Projected For DBE</b>
237310	Construction	\$38,000,000	9.3%	\$3,534,000
541330	Engineering Support Services	2,000,000	24.4%	488,000
541330	Construction Management & Inspection Support Svcs	4,000,000	24.4%	976,000
541620	Environmental Compliance Monitoring	300,000	52.3%	156,900
541380	Materials Quality Assurance Testing	100,000	55.2%	55,200
323119	Printing of Bid Documents	40,000	11.1%	4,440
<b>Total</b>		<b>\$44,440,000</b>		<b>\$5,214,540</b>
<b>FHWA \$ Projected for DBE</b>		<b>FHWA \$ Budgeted</b>		<b>Overall Project Goal</b>
<b>\$5,214,540</b>		<b>÷</b>	<b>\$44,440,000</b>	<b>= 12%</b>