

access

ACCESS SERVICES

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

Fiscal Federal Years (FFY) 2025-2027

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

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DBE GOAL METHODOLOGY

I. INTRODUCTION

Access Services (Access) 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 2025-2027 (October 1, 2024, through September 30, 2027), 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 to allow DBEs to compete fairly for Department of Transportation-assisted contracts; however, the program must be narrowly tailored in accordance with applicable law.

II. BACKGROUND

Access is a recipient of U.S. Department of Transportation (USDOT), Federal Transit Administration (FTA), funding. As a condition of receiving this assistance, Access 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, Access is required to develop and submit a Triennial Overall DBE Goal for its FTA-assisted projects.

Access herein presents its Overall DBE Goal Methodology for FFY 2025-2027.

III. FTA-ASSISTED CONTRACTING PROGRAM FOR FFY 2025-2027

Since its founding in 1994, Access has operated as a coordinated paratransit system that provides seamless Americans with Disabilities Act (ADA) paratransit on behalf of its now 45 fixed-route member agencies. This structure, which was encouraged by the original ADA paratransit regulations, provides an enormous benefit to paratransit customers in the Los Angeles County basin who are able to enjoy transfer-free paratransit services for their trips.

Los Angeles County spans over 4,700 square miles of which 1,950 squares miles is Access’ service area. This vast service area prompted Access in 1994 to assess the best method in delivering an efficient and effective coordinated ADA Complementary Paratransit service model. Due to the size of the service area, including taking into consideration aspects of implementing a coordinated ADA complementary system, six (6) service areas were established.

The inception of the six (6) service regions prompted six (6) different contractors with each service region competitively bid and procured. The Prime contractor for each respective service area holds primary responsibility in administering and delivering ADA Complementary Paratransit services. The contractor is responsible for hiring drivers, reservations/dispatch personnel, call-takers, fleet, maintenance, and other support staff. The Prime contractor, to the extent possible can identify subcontracting opportunities. This service model has been proven effective in over 20 years that Access has operated, as it allows Access Services to efficiently manage ADA Complementary Paratransit services in Los Angeles County.

It has been very difficult to unbundle or reduce the contracts into smaller structures due to the size and scale of Access’ operations and the financial investment that is required to operate one of the six service areas. Access has not been able to identify DBE firms that are ready, willing, and/or able to provide the level of operational support for specialized services such as ADA Paratransit.

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 Access 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 Access bidder’s list was reviewed, and the previously recognized market area of Los Angeles County was confirmed.

Anticipated Projects

Access has four (4) 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 COST ¹	EST. FTA \$ SHARE ²	EST. FTA % SHARE ³
Antelope Valley Facility: Construction of an operating division	\$21,000,000	\$2,940,000	14%
Santa Clarita Contract: Operating Contract	\$22,000,000	\$13,200,000	60%
West/Central Contract: Operating Contract	\$140,000,000	\$47,600,000	34%
Southern Region Contract: Operating Contract	\$325,000,000	\$110,500,000	34%
Total	\$508,000,000	\$174,240,000	34%

Subrecipients

Access does not reallocate funds and has no subrecipients.

Categories of Work

Access reviewed each project anticipated to be awarded in the triennial period and determined the applicable categories of work applicable 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 the 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.

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.

TABLE 2
 (amounts subject to rounding differences)

PROJECT NAME	EST. FTA \$ SHARE ⁴	NAICS CODE ⁵	NAICS TITLE ⁶	EST. FTA \$ NAICS ⁷
Antelope Valley Facility	\$2,940,000	238990	All other specialty trade contractors	\$192,418
		238190	Other foundation, structure, and building exterior contractors	\$403,056
		238160	Roofing contractors	\$133,484
		238350	Finish carpentry contractors	\$261,577
		238220	Plumbing, heating, and air-conditioning contractors	\$451,764
		238210	Electrical contractors and other wiring installation contractors	\$305,266
		423830	Industrial machinery and equipment merchant wholesalers	\$221,792
		423210	Furniture merchant wholesalers	\$13,757
		238910	Site preparation contractors	\$956,885
Santa Clarita Contract	\$13,200,000	485991	Special needs transportation	\$11,880,000
		541611	Administrative management and general management consulting services	\$1,320,000
West/Central Contract	\$47,600,000	485991	Special needs transportation	\$42,840,000
		541611	Administrative management and general management consulting services	\$4,760,000
Southern Region Contract	\$110,500,000	485991	Special needs transportation	\$99,450,000
		541611	Administrative management and general management consulting services	\$11,050,000
Total	\$174,240,000			\$174,240,000

Table 3 is a summary of each NAICS code and the total dollar values for each NAICS code based on the projects listed in Table 2.

TABLE 3: NAICS Code Summary
 (amounts subject to rounding differences)

NAICS Code	Category of Work	NAICS Dollars ⁸	NAICS Weight ⁹
238160	Roofing contractors	\$133,484	0.08%
238190	Other foundation, structure, and building exterior contractors	\$403,056	0.23%
238210	Electrical contractors and other wiring installation contractors	\$305,266	0.18%
238220	Plumbing, heating, and air-conditioning contractors	\$451,764	0.26%
238350	Finish carpentry contractors	\$261,577	0.15%

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 in each project.

⁸ The total dollars for each category of work (NAICS) that are summed from the values in Table 2.

⁹ The percentage of dollars for each category of work (NAICS) for all projects anticipated to be awarded.

NAICS Code	Category of Work	NAICS Dollars ⁸	NAICS Weight ⁹
238910	Site preparation contractors	\$956,885	0.55%
238990	All other specialty trade contractors	\$192,418	0.11%
423210	Furniture merchant wholesalers	\$13,757	0.01%
423830	Industrial machinery and equipment merchant wholesalers	\$221,792	0.13%
485991	Special needs transportation	\$154,170,000	88.48%
541611	Administrative management and general management consulting services	\$17,130,000	9.83%
		\$174,240,000	100.00%

IV. GOAL METHODOLOGY

Step 1: Determination of a Base Figure (26.45)¹⁰

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 Access FTA-assisted contracting opportunities projected to be solicited during the triennial goal period, Access 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 *2021 U.S. Census Bureau County Business Patterns Database* within the Access 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 Firms¹¹

⇒ For the denominator: 2021 U.S. Census Bureau’s Business Patterns Database¹²

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

- Relative Availability: 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,
- Weighted Relative Availability: weighting the relative availability for each work category by the corresponding work category weight from Table 3 (*NAICS Weight*) to determine the Weighted Ratio for each NAICS work category and adding the weighted ratio figures together.

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 relative availability of DBEs is calculated in Table 4 below.

TABLE 4: DBE Relative Availability

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

¹¹ <https://californiaucp.dbesystem.com/>

¹² <https://data.census.gov/advanced>

(amounts subject to rounding differences)

NAICS Code	Category of Work	DBEs ¹³	ALL Firms ¹⁴	Rel. Aval. ¹⁵
238160	Roofing contractors	5	460	1.09%
238190	Other foundation, structure, and building exterior contractors	15	160	9.38%
238210	Electrical contractors and other wiring installation contractors	55	2178	2.53%
238220	Plumbing, heating, and air-conditioning contractors	16	2578	0.62%
238350	Finish carpentry contractors	7	556	1.26%
238910	Site preparation contractors	39	348	11.21%
238990	All other specialty trade contractors	41	558	7.35%
423210	Furniture merchant wholesalers	1	367	0.27%
423830	Industrial machinery and equipment merchant wholesalers	3	689	0.44%
485991	Special needs transportation	4	106	3.77%
541611	Administrative management and general management consulting services	268	4960	5.40%
238160	Roofing contractors	5	460	1.09%
Total		454	12,960	3.50%¹⁶

The relative availability of DBEs from Table 4 is 4.51%. However, to make the Base Figure more accurate, Access used weighting to take into account the amount of work that is available for each category of work (NAICS).

The weighted relative availability of DBEs is calculated in Table 5 below.

TABLE 5: DBE Weighted Relative Availability
(amounts subject to rounding differences)

NAICS Code	Category of Work	NAICS Weight ¹⁷	Rel. Aval. ¹⁸	Weighted Ratio ¹⁹
238160	Roofing contractors	0.08%	1.09%	0.00%
238190	Other foundation, structure, and building exterior contractors	0.23%	9.38%	0.02%
238210	Electrical contractors and other wiring installation contractors	0.18%	2.53%	0.00%
238220	Plumbing, heating, and air-conditioning contractors	0.26%	0.62%	0.00%
238350	Finish carpentry contractors	0.15%	1.26%	0.00%
238910	Site preparation contractors	0.55%	11.21%	0.06%
238990	All other specialty trade contractors	0.11%	7.35%	0.01%
423210	Furniture merchant wholesalers	0.01%	0.27%	0.00%
423830	Industrial machinery and equipment merchant wholesalers	0.13%	0.44%	0.00%

¹³ The number of DBEs in the market area for each NAICS code from the CUCP DBE Database of Certified Firms.

¹⁴ The number of all firms (DBE and non-DBE) in the market area for each NAICS code from the 2021 U.S. Census Bureau County Business Patterns Database.

¹⁵ The number of DBEs divided by the number of all firms.

¹⁶ All DBEs (454) ÷ All Firms (12,960) = 3.50%.

¹⁷ From Table 3.

¹⁸ From Table 4.

¹⁹ The NAICS weight multiplied by the relative availability.

NAICS Code	Category of Work	NAICS Weight ¹⁷	Rel. Aval. ¹⁸	Weighted Ratio ¹⁹
485991	Special needs transportation	88.48%	3.77%	3.34%
541611	Administrative management and general management consulting services	9.83%	5.40%	0.53%
238160	Roofing contractors	0.08%	1.09%	0.00%
Step 1 Base Figure (i.e., Sum of Weighted Ratios for all Work Categories)				3.97%

The Step 1 base figure of 3.97% is the sum of the weighted ratios for each NAICS code, as shown in Table 5 above.

Step 2: Adjusting the Base Figure

Upon establishing the Base Figure, Access reviewed and assessed other known evidence potentially impacting the relative availability of DBEs within the 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 and other evidence, as follows:

A. Past DBE Goal Attainments

Historical DBE participation attainments provide demonstrable evidence of DBE availability and capacity to perform on Access projects. Most of the projects anticipated to be awarded during the triennial period are substantially similar to those awarded in the recent past. However, Access anticipates awarding its first construction contract for the Antelope Valley Paratransit Operations & Maintenance (O&M) Facility. Access calculated past DBE participation attainments for the six (6) FFY, for which DBE attainment data is available. The table below reflects the demonstrated capacity of DBEs (measured by actual historical DBE participation attainments) on FTA-assisted contracts awarded by Access.

TABLE 6: Past Participation
(amounts subject to rounding differences)

FEDEAL FISCAL YEAR (FFY)	FTA DBE GOAL % ²⁰	FTA DBE % ATTAINMENT ²¹
FFY 2018	1.5%	0.01%
FFY 2019	1.5%	No FTA-funded projects awarded
FFY 2020	1.5%	No FTA-funded projects awarded
FFY 2021	1.5%	0.10%
FFY 2022	2.4%	0.50%
FFY 2023	2.4%	No FTA-funded projects awarded

During three (3) of the past six (6) FFYs, Access did not award any FTA-funded projects. The median participation for the past 3 FFYs with FTA-funded projects, 0.10%, is lower than the Base Figure derived from Step 1; however, because Access anticipates awarding a construction contract for the first time during this triennial period, no adjustment to the Base Figure based on Access' past DBE

²⁰ The FTA DBE Goal percentage for each Federal Fiscal Year.

²¹ The percentage of DBE attainment on the FTA share from the Authority's Semi-Annual Uniform reports that were submitted to FTA.

goal attainments has been made. The figures from the Past Participation table (Table 6) do not include construction contracts and therefore, are different from the types of work anticipated for this triennial period. The Base Figure will not be adjusted using DBE Past Attainment data.

B. Disparity Study

Access is required to have sufficient evidence of discrimination and its effects to socially and economically disadvantaged groups as defined by 49 CFR Part 26 before submitting a race- and gender-conscious overall goal. Access evaluated the 2023 Los Angeles County Metropolitan Transportation Authority (Metro) disparity study to consider whether a race-conscious DBE Program should be implemented.

The Metro Disparity Study focused on Los Angeles County which is aligned with Access' market area. The Metro Disparity Study included a five-year study period (January 1, 2016, through December 31, 2021) to determine any differences between the participation of minority- and woman-owned businesses in relevant contracts and the availability of those businesses to perform that work (referred to as disparities). Disparity analysis results indicated that most racial/ethnic and gender groups showed substantial disparities on construction and professional services contracts where race- and gender-conscious measures were not in place during the study period. As a result, the Disparity Study recommended the use of contract DBE goals.

The Metro Disparity Study satisfies the legal standards established by the Ninth Circuit Court of Appeals in *Western States Paving Co., Inc. v. Washington State Department of Transportation*, and guidance from the U.S. Department of Transportation concerning the implementation of race-conscious application. The Metro study includes contracts that are similar in scope and within a similar market area as Access, therefore, Access has elected to utilize this study as a basis for implementing the race-conscious component of their Overall DBE goal. Access will ensure that the use of race-conscious goals is narrowly tailored and consistent with other relevant legal standards. Access will continue to review applicable Disparity Studies as they become available and apply the appropriate adjustments to their Race-neutral/Race-Conscious DBE goal application.

C. Other Available Evidence

Access is not in possession of other information that would have an impact on the DBE goal assessment.

Access is not in possession of any anecdotal evidence nor is aware of any other factors or adverse considerations that would have had a material effect on DBE's availability within the Access marketplace or on DBEs' ability to participate (meeting bonding, insurance and financial requirements) in Access' FTA-assisted contracting programs. Therefore, no goal adjustment was made in consideration of this factor. However, Access will continue to explore and consider all available evidence that materially would impact the opportunities for DBEs to form, grow, and compete in FTA-assisted contracting.

V. PROPOSED OVERALL DBE GOAL

The Final Proposed DBE Goal for FFY 2025-2027 for Access' FTA-assisted contracts is 4.0%²².

²² Rounded from 3.97% to 4.0%.

Access intends to use both race-conscious and race-neutral methods, as shown below, to meet the overall DBE goal of 4.0% for FFY 2025-2027, in accordance with Title 49 CFR Part 26.51.

RACE-CONSCIOUS & RACE-NEUTRAL PROJECTIONS	
Proposed DBE Goal	4.0%
Race-Conscious Component	2.0%
Race-Neutral Component	2.0%

VI. RACE-NEUTRAL IMPLEMENTATION MEASURES

Access is currently implementing a number of race- and gender-neutral remedies to outreach and promote the participation of DBEs and small businesses in the Access FTA-assisted contracting program. Access plans to continue or implement the following race-neutral measures for FFY 2025-2027 and will continue to explore other options for consideration based on Access success in meeting its overall DBE goals based on these efforts:

- Access will encourage DBE and other small business contracting community to register and receive solicitation notices through its procurement website: https://accessla.org/cms/view/current_opportunities
- Access will host and participate in workshops for the DBE and small business contracting community. Access will attend and participate in vendor fairs hosted by unrepresented groups and other public agencies.
- Access will unbundle solicitations, provide pre-bid/pre-proposal conferences to afford networking opportunities for primes and subcontractors. Access will promote and encourage teaming opportunities between prospective prime contractors and the DBE and small business contracting community. Arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE and other small business participation.
- Structure solicitations to remove barriers such as the inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing).
- Access will solicit DBEs and other small businesses participation by carrying out information programs through use of advertisement and other communication methods 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 to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate).
- As a supportive service to help develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses, Access will actively promote the small business conferences, programs, and support services offered by other agencies that have established DBE and other small business programs.

- Access will advise its contracting community of the online directory of certified DBEs, found at the California Unified Certification Program website: <https://californiaucp.dbesystem.com/>.
- Access will also advise the contracting community of the available small businesses certified by the California Department of General Services (DGS) and found at the following: <http://www.dgs.ca.gov/pd/Programs/eprocare.aspx>.
- Access will advise the DBE and small business community to participate in Caltrans' related bidding/proposal opportunities at <http://www.dot.ca.gov/hq/esc/oe/>.
- Access will also encourage DBEs and small businesses to seek the assistance and training through the U.S. Small Business Administration at www.sba.gov.

Fostering Small Business Participation²³

Access has implemented several strategies to foster small business participation in its contracting process. These include the following:

- Conducting “How to do Business with Access” and DBE workshops.
- On larger prime contracts requiring the prime contractor to consider subcontracting opportunities of a size that small businesses, including DBEs, can reasonably perform, rather than self-performing all the work involved.
- Identifying alternative acquisition strategies and structuring procurements to facilitate the ability of consortia or joint ventures consisting of small businesses, including DBEs, to compete for and perform prime contracts.
- Ensuring that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform.
- Provide outreach to current Access contractors or past Access contractors who may qualify for DBE-certification by encouraging them to seek and obtain DBE-certification.

VII. PUBLIC PARTICIPATION AND FACILITATION

In accordance with 49 CFR Part 26, minority, women, small, and local business associations, and community organizations within the Access market area will be consulted and provided an opportunity to review the triennial goal methodology and provide input.

²³ See Title 49 CFR Part 26 Section 26.39 “Fostering Small Business Participation.”