

DBE Goal & Methodology FFY 2025-27

July 17, 2024



Disadvantaged Business Enterprise (DBE)

Goal and Methodology

- Required by the Federal Transit Administration
- Torrance Transit implemented a race-neutral DBE Program
- Helps create level playing field for DBEs
- Must be submitted every three years

Identifying Upcoming Projects for FFY 2025-27

- Step 1: Identify types of work involved and industry codes associated with that work using the North American Industry Classification System (NAICS)
- Step 2: Look up all ready and willing DBE firms in Los Angeles County using California Unified Certification Program (CUCP) Directory of Certified DBE Firms
- Step 3: Look up all comparable firms in Los Angeles County using U.S. Census Bureau County Business Patterns (CBP) Database

DOT Assisted Contracting Program FFY 2025-27

PROJECT	NAICS CUCP DATABASE ¹	TOTAL ESTIMATED PROJECT COST	ESTIMATED FEDERAL DOLLAR SHARE	DBE FEDERAL FUNDING
Preventative Maintenance	811111 811112 811113	\$2,250,000.00	\$2,250,000.00	\$940.64
Bus Replacement Vehicles (EXEMPT)*	485113	\$17,000,000.00	\$0.00	\$0.00
Supervisor and Security Vehicles	336111	\$500,000.00	\$400,000.00	\$0.00
On Board Security Camera System	561621	\$654,788.00	\$654,788.00	\$12,472.15
Bus Shelter and Transit Enhancements	236220 337127	\$600,000.00	\$480,000.00	\$28,701.03
Storage Facility	332311 236220 541330	\$700,000.00	\$700,000.00	\$38,558.23
Transit Facility Remodeling Phase 2.1	236220 541330	\$800,000.00	\$800,000.00	\$43,868.10
Radio Communication System	334220	\$500,000.00	\$400,000.00	\$0.00
TOTAL		\$23,004,788.00	\$5,684,788.00	\$124,540.15
TOTAL (Without Exempted)		\$6,004,788.00	\$5,684,788.00	\$124,540.15

NAICS Codes for Upcoming Projects

CONTRACT CATEGORY	NAICS CUCP DATABASE²
General Automotive Repair	811111
Automotive Exhaust Repair	811112
Automotive Transmission Repair	811113
Bus and Other Motor Vehicle Transit Systems	485113
Automobile Manufacturing	336111
Security Systems Services (except Locksmiths)	561621
Commercial and Institutional Building Construction	236220
Institutional Furniture Manufacturing	337127
Prefabricated Metal Building and Component Manufacturing	332311
Engineering Services	541330
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	334220

Establishing the Base Figure

- Step 4: Determine the weight of each type of work by NAICS code
- Step 5: Determine the relative availability of DBEs by NAICS code
- Step 6: Multiply the weight of each type of work in Step 4 by the relative availability of DBEs in Step 5 to calculate weighted base figure of each NAICS code. Add up the weighted base figures to calculate overall base figure.

Determining the Weight of Each Type of Work by NAICS Code

	NAICS Code	NAICS Category (Project Name)	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	811111	General Automotive Repair (Preventive Maintenance)	\$750,000.00	0.1319
2)	811112	Automotive Exhaust Repair (Preventive Maintenance)	\$750,000.00	0.1319
3)	811113	Automotive Transmission Repair (Preventive Maintenance)	\$750,000.00	0.1319
4)	485113	Bus and Other Motor Vehicle Transit Systems (Bus Replacement Vehicles) (EXEMPT)	\$0.00	0.0000
5)	336111	Automobile Manufacturing (Supervisor and Security Vehicles)	\$400,000.00	0.0704
6)	561621	Security Systems Services (except Locksmiths) (On-Board Security Camera System)	\$654,788.00	0.1152
7)	236220	Commercial and Institutional Building Construction (Bus Shelter and Transit Enhancements)	\$240,000.00	0.0422
8)	337127	Institutional Furniture Manufacturing (Bus Shelter and Transit Enhancements)	\$240,000.00	0.0422
9)	332311	Prefabricated Metal Building and Component Manufacturing (Storage Facility)	\$233,334.00	0.0410
10)	236220	Commercial and Institutional Building Construction (Storage Facility)	\$233,333.00	0.0410
11)	541330	Engineering Services (Storage Facility)	\$233,333.00	0.0410
12)	236220	Commercial and Institutional Building Construction (Transit Facility Remodeling Phase 2.1)	\$400,000.00	0.0704
13)	541330	Engineering Services (Transit Facility Remodeling Phase 2.1)	\$400,000.00	0.0704
14)	334220	Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing (Radio Communication System)	\$400,000.00	0.0704
Total FTA-Assisted Contract Funds			\$5,684,788.00	1

Determining the Relative Availability of DBEs by NAICS Code

	NAICS Code	NAICS Category (Project Name)	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability	
1)	811111	General Automotive Repair (Preventive Maintenance)	1	2230	0.0004	
2)	811112	Automotive Exhaust Repair (Preventive Maintenance)	0	46	0.0000	
3)	811113	Automotive Transmission Repair (Preventive Maintenance)	0	116	0.0000	
4)	485113	Bus and Other Motor Vehicle Transit Systems (Bus Replacement Vehicles) (EXEMPT)				
5)	336111	Automobile Manufacturing (Supervisor and Security Vehicles)	0	5	0.0000	
6)	561621	Security Systems Services (except Locksmiths) (On-Board Security Camera System)	4	210	0.0190	
7)	236220	Commercial and Institutional Building Construction (Bus Shelter and Transit Enhancements)	58	945	0.0614	
8)	337127	Institutional Furniture Manufacturing (Bus Shelter and Transit Enhancements)	0	25	0.0000	
9)	332311	Prefabricated Metal Building and Component Manufacturing (Storage Facility)	1	6	0.1667	
10)	236220	Commercial and Institutional Building Construction (Storage Facility)	58	945	0.0614	
11)	541330	Engineering Services (Storage Facility)	90	1754	0.0513	
12)	236220	Commercial and Institutional Building Construction (Transit Facility Remodeling Phase 2.1)	58	945	0.0614	
13)	541330	Engineering Services (Transit Facility Remodeling Phase 2.1)	90	1754	0.0513	
14)	334220	Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing (Radio Communication System)	0	32	0.0000	
	Combined Totals		360	9013	0.0399	Overall availability of DBEs

Determining the Overall Weighted Base Figure

	NAICS Code	NAICS Category (Project Name)	Weight	x	Relative Availability	Weighted Base Figure
1)	811111	General Automotive Repair (Preventive Maintenance)	0.13193	x	0.00045	0.0001
2)	811112	Automotive Exhaust Repair (Preventive Maintenance)	0.13193	x	0.00000	0.0000
3)	811113	Automotive Transmission Repair (Preventive Maintenance)	0.13193	x	0.00000	0.0000
4)	485113	Bus and Other Motor Vehicle Transit Systems (Bus Replacement Vehicles) (EXEMPT)	0.00000	x	0.00000	0.0000
5)	336111	Automobile Manufacturing (Supervisor and Security Vehicles)	0.07036	x	0.00000	0.0000
6)	561621	Security Systems Services (except Locksmiths) (On-Board Security Camera System)	0.11518	x	0.01905	0.0022
7)	236220	Commercial and Institutional Building Construction (Bus Shelter and Transit Enhancements)	0.04222	x	0.06138	0.0026
8)	337127	Institutional Furniture Manufacturing (Bus Shelter and Transit Enhancements)	0.04222	x	0.00000	0.0000
9)	332311	Prefabricated Metal Building and Component Manufacturing (Storage Facility)	0.04105	x	0.16667	0.0068
10)	236220	Commercial and Institutional Building Construction (Storage Facility)	0.04105	x	0.06138	0.0025
11)	541330	Engineering Services (Storage Facility)	0.04105	x	0.05131	0.0021
12)	236220	Commercial and Institutional Building Construction (Transit Facility Remodeling Phase 2.1)	0.07036	x	0.06138	0.0043
13)	541330	Engineering Services (Transit Facility Remodeling Phase 2.1)	0.07036	x	0.05131	0.0036
14)	334220	Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing (Radio Communication System)	0.07036	x	0.00000	0.0000
					Total	0.0242
					Expressed as a % (*100)	2.42%

2.42%

Adjusting the Base Figure

- Past DBE goal attainments
- Evidence from disparity studies
 - LA Metro (2023)
 - Caltrans (2022)
- Other agencies' DBE goals
 - Gardena Transit: 3% Race Neutral (FFY 25-27)
 - Culver City Bus: 14.19% Race Neutral (FFY 23-25)
 - Santa Monica Big Blue Bus: 0.87% Race Neutral (FFY 22-24)
 - LADOT: 4.98% Split (FFY 22-24)
 - LA Metro: 31% Split (FFY 25-27)
- Other Evidence

2.42%

Race Neutral Measures

Strategies to improve DBE Participation:

- Arranging timely solicitations
- Unbundling large contracts
- Providing information and community programs
- Providing assistance to interested DBEs
- Setting aside small business contracts
- Use social media to disseminate DBE Goals and federal funded contracts
- Attending local business community events (i.e. Pitch Torrance and Select Torrance)

Public Participation and Facilitation

- Community Letter
- Torrance Transit System Public Notice
- Mailing List to include:
 - Minority and women-led business associations
- Media Circulation
 - The Daily Breeze, La Opinión (Spanish)
- Website and social media posting of DBE Methodology & Proposed Base Figure
- Consultative Session

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