



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

**Goal Period:  
Federal Fiscal Years (FFY) 2024-2026**

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



## I. INTRODUCTION

The City of Davis (City) is a recipient of federal transit funds. The University of California at Davis (University) on behalf of Unitrans, a unit of the University, is the sub-recipient of the grants which partially fund Unitrans' capital projects and operating costs. For each FTA grant, an agreement exists between the University and the City, which passes the federal grant requirements on to the University. Throughout this document, "Unitrans" refers to the University acting as the sub-recipient to the City of Davis on behalf of Unitrans, a unit of the University.

Unitrans herein sets forth its Overall Disadvantaged Business Enterprise (DBE) Goal and corresponding federally prescribed goal-setting methodology for the Federal Fiscal Year (FFY) period of 2024-2026 (October 1, 2023 through September 30, 2026), 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 so that DBEs can compete fairly for U.S. Department of Transportation (USDOT)-assisted contracts, however, the program must be narrowly tailored in accordance with applicable law.

## II. BACKGROUND

As the recipient of federal transit funds, the City of Davis utilizes only a small portion of FTA funding for the purchase of paratransit vehicles, which is not subject to the DBE goal-setting process. The City passes the remainder of FTA funds through to Unitrans for the provision of fixed route transit service. Therefore, as a condition of receiving this assistance, Unitrans assures the City that it will comply with FTA's DBE requirements. Therefore, in accordance with Title 49 CFR Part 26 provisions, Unitrans develops and submits a Triennial Overall DBE Goal for its FTA-assisted projects.

Unitrans herein presents its Overall DBE Goal Methodology for FFY 2024-2026.

## III. FTA-ASSISTED CONTRACTING PROGRAM FOR FFY 2024-2026

### 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 Unitrans 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 or quotes.

The Unitrans bidder's list was reviewed and analyzed to determine where Unitrans spends the substantial majority of its contracting dollars. The previously recognized market area of Sacramento, Solano, and Yolo counties remain the valid market area.

### Anticipated Projects

Unitrans has three (3) FTA-assisted projects that are anticipated to be awarded during the triennial period and which were considered in preparing this goal methodology. The projects, which include construction and



professional services contracting opportunities, have potential subcontracting opportunities. These projects and their federal share are listed in Table 1.

**TABLE 1**  
(amounts subject to rounding differences)

PROJECT NAME/DESCRIPTION <sup>1</sup>	EST. TOTAL PROJECT COST <sup>2</sup>	EST. FTA \$ SHARE <sup>3</sup>	EST. FTA % SHARE <sup>4</sup>
Phase 2 Electric Bus Infrastructure and Chargers: Infrastructure and charging equipment to support up to 16 battery electric buses. In addition, repaving the northern half of the bus yard, installing new security fencing and mechanized gates, adding stormwater retention areas per State compliance regulations, and reconfiguring western parking area to accommodate revenue vehicles.	\$8,500,000	\$6,800,000	80%
Miscellaneous Bus Stop Improvements: Miscellaneous bus stop infrastructure accessibility improvements across bus stops in the city. No specific locations or projects budgeted at this point.	\$575,000	\$460,000	80%
Administrative Building Reconstruction: Demolish and reconstruct the administrative building at the Unitrans Operations and Maintenance Facility to a large, two-story facility to accommodate all Unitrans staff at one facility. Facility would include improved training space, workspace for all career and student staff, and improved break facilities.	\$8,500,000	\$6,800,000	80%
<b>Total</b>	<b>\$17,575,000</b>	<b>\$14,060,000</b>	<b>80%</b>

### Subrecipients

Unitrans does not reallocate any FTA funds to subrecipients.

### Categories of Work

Unitrans reviewed each project anticipated to be awarded in the triennial period and determined the 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.

<sup>1</sup> The name and brief description of each project.

<sup>2</sup> The total estimated cost of each project.

<sup>3</sup> The estimated FTA dollar share for each project.

<sup>4</sup> The estimated FTA percentage share for each project.



**TABLE 2: Project NAICS Codes**  
(amounts subject to rounding differences)

PROJECT NAME	EST. FTA \$ SHARE <sup>5</sup>	NAICS CODE <sup>6</sup>	NAICS TITLE <sup>7</sup>	EST. FTA \$ SHARE NAICS <sup>8</sup>
Phase 2 Electric Bus Infrastructure and Chargers	\$6,800,000	541330	Engineering services	\$1,016,564
		238910	Site preparation contractors	\$203,313
		238210	Electrical contractors and other wiring installation contractors	\$2,220,379
		561730	Landscaping services	\$5,083
		333923	Overhead traveling crane, hoist, and monorail system manufacturing	\$304,969
		238990	All other specialty trade contractors	\$3,049,692
Miscellaneous Bus Stop Improvements	\$460,000	541330	Engineering services	\$72,632
		236220	Commercial and institutional building construction	\$387,368
Administrative Building Reconstruction	\$6,800,000	541330	Engineering services	\$755,556
		236220	Commercial and institutional building construction	\$6,044,444
<b>Total</b>	<b>\$14,060,000</b>			<b>\$14,060,000</b>

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

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

NAICS CODE	CATEGORY OF WORK	NAICS DOLLARS <sup>9</sup>	NAICS FUNDING WEIGHT <sup>10</sup>
236220	Commercial and institutional building construction	\$6,431,813	45.7%
238210	Electrical contractors and other wiring installation contractors	\$2,220,379	15.8%
238910	Site preparation contractors	\$203,313	1.4%
238990	All other specialty trade contractors	\$3,049,692	21.7%
333923	Overhead traveling crane, hoist, and monorail system manufacturing	\$304,969	2.2%
541330	Engineering services	\$1,844,751	13.1%
561730	Landscaping services	\$5,083	0.0%
		<b>\$14,060,000</b>	<b>100.0%</b>

<sup>5</sup> The estimated FTA dollar share for each project.

<sup>6</sup> The category of work (NAICS) code for each project.

<sup>7</sup> The category of work (NAICS) title.

<sup>8</sup> The estimated FTA dollars for each NAICS code in each project.

<sup>9</sup> The total dollars for each category of work (NAICS) that are summed from the values in Table 2.

<sup>10</sup> The percentage of dollars for each category of work (NAICS) for all projects anticipated to be awarded.



## IV. GOAL METHODOLOGY

### Step 1: Determination of a Base Figure (26.45)<sup>11</sup>

To establish Unitrans's Base Figure of the relative availability of DBEs to all comparable firms (DBE and non-DBE) available to bid or propose on Unitrans's FTA-assisted contracting opportunities projected to be solicited during the triennial goal period, Unitrans 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 Unitrans's market area for each of the categories of work defined in Table 2.

$$\text{Base Figure} = \sum \frac{(\text{Number of Ready, Willing and Able DBEs})}{(\text{Number of All Ready, Willing and Able Firms})} \times \text{weighted ratio}$$

⇒ For the numerator: CUCP DBE Database of Certified Firms

⇒ For the denominator: 2021 U.S. Census Bureau County Business Patterns Database

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

- a. 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,
- b. Weighted Relative Availability: weighting the relative availability of each work category by the corresponding work category weight from Table 2 (NAICS %) 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**  
(amounts subject to rounding differences)

NAICS CODE	CATEGORY OF WORK	DBES <sup>12</sup>	ALL FIRMS <sup>13</sup>	REL. AVAL. <sup>14</sup>
236220	Commercial and institutional building construction	6	219	2.7%
238210	Electrical contractors and other wiring installation contractors	7	465	1.5%
238910	Site preparation contractors	10	116	8.6%
238990	All other specialty trade contractors	10	185	5.4%
333923	Overhead traveling crane, hoist, and monorail system manufacturing	0	0	0.0%

<sup>11</sup> 26.45 represents Title 49 CFR Part 26 regulatory goal setting methodology reference.

<sup>12</sup> The number of DBEs in the market area for each NAICS code from the CUCP DBE Database of Certified Firms.

<sup>13</sup> 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.

<sup>14</sup> The number of DBEs divided by the number of all firms.



NAICS CODE	CATEGORY OF WORK	DBES <sup>12</sup>	ALL FIRMS <sup>13</sup>	REL. AVAL. <sup>14</sup>
541330	Engineering services	21	394	5.3%
561730	Landscaping services	4	525	0.8%
<b>Total</b>		<b>58</b>	<b>1,904</b>	<b>3.0%</b>

The relative availability of DBEs from Table 4 is 3.0 %. However, to make the Base Figure more accurate, weighting was used 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	EST. FTA % BY NAICS <sup>15</sup>	REL. AVAL. <sup>16</sup>	WEIGHTED RATIO <sup>17</sup>
236220	Commercial and institutional building construction	45.7%	2.7%	1.3%
238210	Electrical contractors and other wiring installation contractors	15.8%	1.5%	0.2%
238910	Site preparation contractors	11.4%	8.6%	0.1%
238990	All other specialty trade contractors	121.7%	5.4%	1.2%
333923	Overhead traveling crane, hoist, and monorail system manufacturing	12.2%	0.0%	0.0%
541330	Engineering services	13.1%	5.3%	0.7%
561730	Landscaping services	0.0%	0.8%	0.0%
<b>Total</b>				<b>3.5%</b>

## Step 2: Adjusting the Base Figure

Upon establishing the Weighted Base Figure, Unitrans 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.

### A. Past DBE Goal Attainments

Historical DBE participation attainments provide demonstrable evidence of DBE availability and capacity to perform on Unitrans projects. The projects anticipated to be awarded during the triennial period are substantially similar to those awarded in the recent past. Unitrans proceeded to calculate past DBE participation attainments for the three (3) federal fiscal years, 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 Unitrans.

<sup>15</sup> From Table 3

<sup>16</sup> From Table 4

<sup>17</sup> The NAICS weight multiplied by the relative availability.



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

<b>FEDEAL FISCAL YEAR (FFY)</b>	<b>FTA DBE GOAL %<sup>18</sup></b>	<b>FTA DBE % ATTAINMENT</b>
FFY 2021	1.8%	1.3%
FFY 2022	1.8	1.6%
FFY 2023	1.8	1.9%
<b>Median DBE Attainment Within the Last 7 FFYs</b>		<b>1.6%</b>

The median established for the past federal fiscal years (1.6%) is lower than the Base Figure derived from Step 1 (3.5%); therefore, an adjustment to the Base Figure based on Unitrans past DBE goal attainments has been made. The adjustment is calculated in accordance with FTA guidance by averaging the Base Figure with the median DBE Past Attainment, as shown below.

**TABLE 7: Adjusted Base Figure**  
*(amounts subject to rounding differences)*

Step 1 Base Figure <sup>19</sup>	3.5%
Median DBE Attainment <sup>20</sup>	1.6%
<b>Adjusted Base Figure<sup>21</sup></b>	<b>2.5%</b>

**B. Disparity Studies**

Unitrans has not conducted an Availability and Disparity Study but has reviewed the draft results from the Caltrans 2022 FTA Disparity Study. Unitrans determined that the types of work included in the disparity study along with their respective market area are not representative of the projected FTA-assisted contracts for this upcoming triennial period. Unitrans has elected to not use the Caltrans 2022 FTA Disparity Study data as a basis for adjusting the base figure for this triennial period.

Unitrans is not aware of any other current disparity studies within their jurisdiction and/or market area that are demonstrably similar in size and nature to consider in this step of the goal setting analysis. Unitrans uses a strictly race-neutral DBE program but will continue to seek out disparity studies of a similar size and nature to consider for subsequent triennial goals.

**C. Other Available Evidence**

Unitrans is not in possession of other information that would have an impact on the DBE goal assessment and has not made an adjustment to the base figure due to the result of other agency goals.

<sup>18</sup> The FTA DBE Goal percentage for each Federal Fiscal Year.

<sup>19</sup> From Table 5.

<sup>20</sup> From Table 6.

<sup>21</sup> The average of the Base figure and the median DBE attainment  $[(3.5\% + 1.3\%) \div 2]$ .



## V. PROPOSED OVERALL DBE GOAL

Since the Ninth Circuit Court of Appeals decision regarding *Western States Paving v. Washington State Department of Transportation*, Unitrans has set race neutral goals. Unitrans will periodically re-evaluate its DBE Program to determine whether contract goals are necessary to achieve the overall goal. If after re-evaluation Unitrans believes a race-conscious program is necessary, as required by *Western States*, Unitrans will gather evidence to determine if discrimination in the transportation contracting industry is present. Unitrans will make a determination at that time what type of evidence gathering is appropriate, based on DOT regulations and case law.

**The Proposed Overall DBE Goal for FFY 2024-2026 for Unitrans’ FTA-assisted contracts is 2.5%.**

Unitrans will continue to have a race-neutral DBE Program for FFY 2024-2026 and will continue to use the existing race-neutral measures as listed below and will consider new measures in order to achieve greater participation over the triennial period. Unitrans will carefully monitor participation during the course of the goal period. At the conclusion of each year during the goal period, Unitrans will re-evaluate the effectiveness of the race-neutral methods and determine if it is necessary to institute a race-conscious portion and contract specific goals. If, in the future, as a result of this re-evaluation, Unitrans decides to implement race-conscious means, Unitrans will submit a revised DBE Goal Methodology for the FTA’s review and approval. Unitrans will use solely race-neutral methods, as shown below, to meet the overall DBE goal of 2.5% for FFY 2024-2026 in accordance with Title 49 CFR Part 26.51.

**TABLE 8: Race-Conscious & Race-Neutral Projections**

DBE Adjusted Base Figure	<b>2.5%</b>
Race-Conscious Component	<b>0.0%</b>
Race-Neutral Component	<b>2.5%</b>

## VI. RACE-NEUTRAL IMPLEMENTATION MEASURES

The USDOT regulations require that race-neutral methods be used to the maximum extent feasible to reach the DBE overall goal. Unitrans is currently implementing several race- and gender-neutral remedies to reach out and promote the participation of DBEs and small businesses in Unitrans’s FTA-assisted contracting program. In furtherance of its *Disadvantaged Business Enterprise Plan* (August 2017), Unitrans will continue to implement various race-neutral measures for FFY 2024-2026, including but not limited to the following:

- Arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE and other small business participation to ensure maximum opportunity to submit bids or proposals.
- Organize large contracts into smaller contracts when feasible, which would make contracts more accessible to small business, and would not impose significant additional cost, delay or risk to Unitrans.
- Identify components of the work which represent subcontracting opportunities. Encourage contractors to consider subcontractors for components of the work for which there is a known supply of ready, willing, and able subcontractors, including DBE subcontractors, in preparing their bids, and assist contractors in identifying DBE firms for subcontracting and joint venture opportunities.





- Encourage DBE and small business firms to register as a supplier through the University of California-Davis Supply Chain Management web site (<https://supplychain.ucdavis.edu/procure-contract/for-suppliers>), or contact the UC Davis Design & Construction Management office at [dcmcontracts@ucdavis.edu](mailto:dcmcontracts@ucdavis.edu) to receive its annual solicitation of interest from consultants to perform architectural, landscape architectural, engineering, environmental, land surveying, construction project management services, and other facility related services.
- Maintain a list of DBEs interested in business opportunities with Unitrans and provide this list to procurement and project management staff prior to soliciting quotes or issuing IFBs or RFPs, as applicable.

## VII. Fostering Small Business Participation

Unitrans has incorporated the following non-discriminatory small business element to its DBE program, in order to facilitate competition on DOT-assisted public works projects by small business concerns (both DBEs and non-DBE small businesses). Unitrans will structure contracting requirements to facilitate competition by small businesses and encourage prime contractors to specify elements of work that small businesses can perform to provide subcontract opportunities for those elements to DBEs and other small businesses.

In addition, Unitrans commits to the following:

- Organize large contracts into smaller contracts when feasible, which would make contracts more accessible to small business, and would not impose significant additional cost, delay or risk to Unitrans.
- Assist in overcoming limitations in bonding and financing by referral to an SBA resource.
- Providing business development assistance by referral to an SBA resource that will provide: instructions for preparation of bid specifications; procurement policy procedures and general bid requirements; information on specific reasons for unsuccessful bids through debriefing sessions; instruction on job performance requirements; and referrals to firms who offer advice and assistance through mentor-protégé programs.
- Facilitating introductions to Unitrans and other U.S. DOT recipients' contracting activities.
- Providing outreach and communications programs on contract procedures and contract opportunities to ensure the inclusion of small businesses.
- Consider setting race neutral small business goals on DOT funded contracts.
- Consider setting contract set asides for small business on DOT funded contracts.
- Encourage current or past Unitrans contractors who may qualify for DBE-certification to seek and obtain DBE-certification.

## VIII. VII. PUBLIC PARTICIPATION AND FACILITATION