



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Staff Report
May 12, 2009

**Honorable Mayor and
Members of the City Council**

**Title: Disadvantaged Business Enterprise (DBE) Program Race-Conscious
Component Approval**

Location/Council District: Citywide

Recommendation: This report recommends that City Council adopt the attached resolution that 1) approves the Disadvantaged Business Enterprise (DBE) revised Race-Conscious goal at 17.5% and a Race-Neutral goal at 7.1%, for an overall program goal of 24.6%, for federally funded transportation projects for the 2008-2009 federal fiscal year; and 2) authorizes the City Manager to execute the "DBE Program Implementation Agreement."

Contact: Charlotte A. Broussard, DBE Liaison Officer, Economic Development Department, 808-8174, James R. Rinehart, Citywide Division Manager, 808-5054

Presenters: Charlotte A. Broussard, DBE Liaison Officer, Office of Small Business

Department: Economic Development Department

Division: Economic Development, Office of Small Business

Organization No: 18001031

Description/Analysis

Issue: The State of California Department of Transportation (Caltrans) completed its state-wide disparity study in 2008, establishing an overall Disadvantaged Business Enterprise (DBE) program participation goal of 13.5%, with 6.75% of the goal as race-neutral, and 6.75% as race-conscious. The Federal Highway Administration (FHWA) recently approved the Caltrans DBE Program goals. On March 4, 2009, Caltrans notified Local Agencies, as subrecipients, to begin the implementation of the race-conscious component to the DBE Program within 90 days. Caltrans requires local agencies to submit for approval a "Disadvantaged Business Enterprise Implementation Agreement" by June 2, 2009, as a condition of continued receipt of FHWA funding for their respective transportation projects. This proposed action revises the previously adopted agreement by City Council on July 15, 2008. Adoption of this resolution, approving a race-conscious

methodology and goal for federal fiscal year 2008/2009, will maintain the City's eligibility for federal-aid reimbursements through Caltrans.

Policy Considerations: This report is consistent with the Council's policy to utilize DBEs in all aspects of contracting to the maximum extent possible and to utilize DBE participation in all activities funded wholly or in part by any Federal Aid Transportation monies.

Environmental Considerations:

California Environmental Quality Act (CEQA): Under the California Environmental Quality Act (CEQA) guidelines, continuing administrative activities do not constitute a project and are therefore exempt from review.

Sustainability Considerations: N/A

Other: N/A

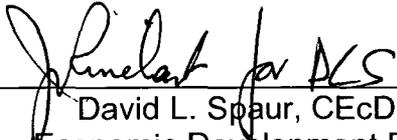
Commission/Committee Action: N/A

Rationale for Recommendation: The adoption of DBE participation goals is required to maintain the City's eligibility for federal-aid reimbursements through Caltrans. The actions recommended in this report are consistent with earlier Council actions regarding compliance with Caltrans and FHWA requirements.

Financial Considerations: Failure to approve the DBE Implementation Agreement, or abide by the provisions contained therein, including establishment of an Annual Anticipation DBE Participation Level (AADPL), will result in the loss of FHWA funding for the City's transportation projects, including planned American Recovery and Reinvestment Act (ARRA) projects.

Emerging Small Business Development (ESBD): The Emerging and Small Business Development Program does not apply to contracts with federal Disadvantaged Business Enterprise (DBE) Program requirements as defined in 49 Code of Federal Regulations, Part 26.

Respectfully Submitted by: 
James R. Rinehart
Citywide Division Manager

Approved by: 
David L. Spaur, CEcD, EDFP
Economic Development Director

Recommendation Approved:



Ray Kerridge
City Manager

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Attachment 1**Background Information:**

The State of California Department of Transportation (Caltrans) conducted its state-wide disparity study in 2008, establishing an overall Disadvantaged Business Enterprise (DBE) project participation goal of 13.5%, with 6.75% as a race-neutral goal and 6.75% as a race-conscious goal. The disparity study established a subset of the DBEs, herein identified as Underutilized Disadvantaged Business Enterprises (UDBEs), consisting of Asian Pacific Americans, Black Americans, Native Americans, and Women. The primary focus of the revised DBE program will emphasize UDBE participation on FHWA-funded transportation projects. FHWA has approved the Caltrans DBE program and goals.

On March 4, 2009, Caltrans notified Local Agencies, as subrecipients, to begin the implementation of the race-conscious component of their respective DBE programs for federal fiscal year 2008/2009 within 90 days. Local agencies that receive funding through the American Recovery and Reinvestment Act (ARRA) or other non-ARRA federal-aid funds are required to calculate an Annual Anticipated Disadvantage Business Enterprise Participation Level (AADPL), establishing race-neutral and race-conscious participation goals, for federal fiscal year 2008/2009, and have it approved before a Request for Authorization will be approved by Caltrans. The previously approved race-neutral component of the DBE program remains in effect for the remainder of federal FY 08/09.

The City, with Caltrans approval, has relied upon a past disparity study with an established DBE participation goal of 25%, and had not previously calculated an AADPL. Staff has calculated the AADPL for the current federal fiscal year 2008-2009 to be 24.6%, with 17.5% race-conscious and 7.1% race-neutral.

The City's Disadvantaged Business Enterprise Liaison Officer (DBELO) is responsible for administration of its DBE Program. DBELO responsibilities include, but are not limited to, conducting Pre-Bid conferences, participation at regional outreach events, providing technical assistance to potential prime and sub contractors, referral assistance to start-up firms and other small businesses to improve management, record-keeping, and financial and accounting capability and other small businesses, providing DBEs with information, recommending sources to assist in preparing bids, and obtaining bonding and insurance, and participating in DBE training seminars to stay abreast of current program mandates. The DBELO will continue these efforts as specified in the DBE Program Implementation Agreement required by Caltrans.

This action by Council will meet Caltrans mandated deadline of June 2, 2009 to submit its "DBE Program Implementation Agreement" (Exhibit 9-A) and an AADPL (Exhibit B).

RESOLUTION NO.

Adopted by the Sacramento City Council

**DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM
RACE-CONSCIOUS COMPONENT APPROVAL**

BACKGROUND

- A. The City of Sacramento has received and expects to continue to receive federal financial assistance through the State of California Department of Transportation (Caltrans) for the completion of Federal Fiscal Year 2008-2009: October 1, 2008 to September 30, 2009.
- B. As a condition of receiving this assistance, the City of Sacramento must execute the approved Disadvantaged Business Enterprise (DBE) Program Implementation Agreement, as of this day, May 12, 2009.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City of Sacramento hereby reaffirms its adoption of the State of California Disadvantaged Business Enterprise Race-Neutral and Race-Conscious Program and Implementation Agreement for the purpose of receiving federal financial assistance from Caltrans for transportation projects.
- Section 2. The City of Sacramento adopts an Annual Anticipation DBE Participation Level (AADPL) of 24.6% for the balance of federal FY 2008/2009, consisting of a minimum 17.5% race-conscious participation and 7.1% race-neutral participation.
- Section 3. The City Manager is hereby authorized to execute the documents required for the Disadvantaged Business Enterprise Race-Neutral and Race-Conscious Program Implementation Agreement for the completion of the Federal Fiscal Year 2008-2009, effective June 2, 2009 through September 30, 2009.

Table of Contents:

Exhibit A	Disadvantaged Business Enterprise Implementation Agreement for Local Agencies (Caltrans Exhibit 9-1)			
Exhibit B	Disadvantaged Business Enterprise Annual Anticipated DBE Participation Level	(AADPL)	Methodology	and Calculations

Attachment 3

Local Assistance Procedures Manual

EXHIBIT 9-A

Disadvantaged Business Enterprise Implementation Agreement for Local Agencies

Exhibit 9-A Disadvantaged Business Enterprise Race-Neutral Implementation Agreement for Local Agencies

CALIFORNIA
DEPARTMENT OF TRANSPORTATION
DISADVANTAGED BUSINESS ENTERPRISE
PROGRAM
FOR
CITY OF SACRAMENTO

MAY 12, 2009

CALIFORNIA DEPARTMENT OF TRANSPORTATION DISADVANTAGE BUSINESS ENTERPRISE IMPLEMENTATION AGREEMENT

For the City of Sacramento, California, hereinafter referred to as "RECIPIENT."

I Definition of Terms

The terms used in this agreement have the meanings defined in 49 CFR § 26.5.

II OBJECTIVE/POLICY STATEMENT (§26/1. 26/23)

The RECIPIENT intends to receive federal financial assistance from the U. S. Department of Transportation (DOT) through the California Department of Transportation (Caltrans), and as a condition of receiving this assistance, the RECIPIENT will sign the California Department of Transportation's Disadvantaged Business Enterprise Implementation Agreement (hereinafter referred to as Agreement). The RECIPIENT agrees to implement the State of California, Department of Transportation Disadvantaged Business Enterprise (DBE) Program Plan (hereinafter referred to as the DBE Program Plan) as it pertains to local agencies. The DBE Program Plan is based on U.S. Department of Transportation (DOT), 49 CFR, Part 26 requirements.

It is the policy of the RECIPIENT to ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also their policy:

- To ensure nondiscrimination in the award and administration of DOT-assisted contracts.
- To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts.
- To ensure that their annual overall DBE participation percentage is narrowly tailored, in accordance with applicable law.
- To ensure that only firms that fully meet 49 CFR, Part 26 eligibility standards are permitted to participate as DBEs.
- To help remove barriers to the participation of DBEs in DOT-assisted contracts.
- To assist the development of firms that can compete successfully in the market place outside the DBE Program.

III Nondiscrimination (§26.7)

RECIPIENT will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR, Part 26 on the basis of race, color, sex, or national origin. In administering the local agency components of the DBE Program Plan, the RECIPIENT will not, directly, or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE Program Plan with respect to individuals of a particular race, color, sex, or national origin.

IV Annual DBE Submittal Form (§26.21)

The RECIPIENT will provide to the Caltrans District Local Assistance Engineer (DLAE) a completed *Local Agency DBE Annual Submittal Form* (Exhibit 9-B) by June 1 of each year for the following Federal Fiscal Year (FFY). This form includes an Annual Anticipated DBE Participation Level (AADPL), methodology for establishing the AADPL, the name, phone number, and electronic mailing address of the designated DBELO, and the choice of Prompt Pay Provision to be used by the RECIPIENT for the following FFY.

V Race-Neutral Means of Meeting the Annual DBE Goal (§26.51)

RECIPIENT must meet the maximum feasible portion of its AADPL by using race-neutral means of facilitating DBE participation. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures, is awarded a subcontract on a prime contract that does not carry a DBE goal, or even if there is a DBE goal, wins a subcontract from a prime contractor that did not consider its DBE status in making the award (e.g., a prime contractor that uses a strict low-bid system to award subcontracts).

Race-neutral means include, but are not limited to, the following:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE, and other small businesses, participation (e.g., unbundling large contracts to make them more accessible to small businesses, requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces);
2. Providing assistance in overcoming limitations such as 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);
3. Providing technical assistance and other services;
4. Carrying out information and communication programs 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);
5. Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;
6. Providing services to help DBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of types of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
7. Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low;
8. Ensuring distribution of your DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors; and
9. Assisting DBEs, and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media.

VI Race Conscious Means of Meeting the Overall Statewide Annual DBE Goal (§26.51(d))

RECIPIENT must establish contract goals for Underutilized Disadvantaged Business Enterprises (UDBEs) to meet any portion of your AADPL you do not project being able to meet using race-neutral means. UDBEs are limited to these certified DBEs that are owned and controlled by African Americans, Native Americans, Women, and Asian Pacific Americans.

VII Quotas (§26.43)

RECIPIENT will not use quotas or set-asides in any way in the administration of the local agency component of the DBE Program Plan.

VIII DBE Liaison Officer (DBELO) (§26.25)

RECIPIENT has designated a DBE Liaison Officer. The DBELO is responsible for implementing the DBE Program Plan, as it pertains to the RECIPIENT, and ensures that the RECIPIENT is fully and properly advised concerning DBE Program Plan matters. Resources available to the DBELO is the City's Economic Development Department Management and Administrative Staff, City Small Business Program Coordinator, City DOT professional employees, and support personnel who devote a portion of their time to the DBE program. The name, address, telephone number, electronic mail address, and an organization chart displaying the DBELO's position in the organization are found in Attachment 1 to this Agreement. This information will be updated annually and included on the DBE Annual Submittal Form.

The DBELO is responsible for developing, implementing, and monitoring the RECIPIENT's requirements of the DBE Program Plan in coordination with other appropriate officials. Duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required.
2. Reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with all departments to determine projected Annual Anticipated DBE Participation Level.
4. Ensures that bid notices and requests for proposals are made available to DBEs in a timely manner.
5. Analyzes DBE participation and identifies ways to encourage participation through race-neutral means.
6. Participates in pre-bid meetings.
7. Advises the CEO/governing body on DBE matters and DBE race-neutral issues.
8. Provides DBEs with information and recommends sources to assist in preparing bids, obtaining bonding and insurance.
9. Plans and participates in DBE training seminars.
10. Provides outreach to DBEs and community organizations to fully advise them of contracting opportunities.

IX Federal Financial Assistance Agreement Assurance (§26.13)

RECIPIENT will sign the following assurance, applicable to and to be included in all DOT-assisted contracts and their administration, as part of the program supplement agreement for each project.

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract, or in the administration of its DBE Program, or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR, Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The recipient's DBE Program, as required by 49 CFR, Part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.). [Note – this language is to be used verbatim, as it is stated in §26.13(a).]

X DBE Financial Institutions (§26.27)

It is the policy of the RECIPIENT to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contracts to make use of these institutions.

Information on the availability of such institutions can be obtained from the DBELO. The Caltrans' Disadvantaged Business Enterprise Program may offer assistance to the DBELO.

XI Directory (§26.31)

RECIPIENT will refer interested persons to the Unified Certification Program DBE directory available from the Caltrans Disadvantaged Business Enterprise Program's website at www.dot.ca.gov/hq/bep.

XII Required Contract Clauses (§§26.13, 26.29)

RECIPIENT ensures that the following clauses or equivalent will be included in each DOT-assisted prime contract:

A. CONTRACT ASSURANCE

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR, Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as recipient deems appropriate.

[Note – This language is to be used verbatim, as is stated in §26.13(b). See Caltrans Sample Boiler Plate Contract Documents on the Internet at www.dot.ca.gov/hq/LocalPrograms under "Publications."]

B. PROMPT PAYMENT

Prompt Progress Payment to Subcontractors

The local agency shall require contractors and subcontractors to be timely paid as set forth in Section 7108.5 of the California Business and Professions Code concerning prompt payment to subcontractors. The 10-days is applicable unless a longer period is agreed to in writing. Any delay or postponement of payment over 30 days may take place only for good cause and with the agency's prior written approval. Any violation of Section 7108.5 shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies of that Section. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

Prompt Payment of Withheld Funds to Subcontractors

The local agency shall ensure prompt and full payment of retainage from the prime contractor to the subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed and accepted. This shall be accompanied by including either (1), (2), or (3) of the following provisions [local agency equivalent will need Caltrans approval] in their federal-aid contracts to ensure prompt and full payment of retainage [withheld funds] to subcontractors in compliance with 49 CFR 26.29.

1. No retainage will be held by the agency from progress payments due to the prime contractor. Prime contractors and subcontractors are prohibited from holding retainage from subcontractors. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

2. No retainage will be held by the agency from progress payments due the prime contractor. Any retainage kept by the prime contractor or by a subcontractor must be paid in full to the earning subcontractor in 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

3. The agency shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by the agency of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from all subcontractors within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the agency. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating prime contractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor; deficient subcontractor performance; and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

XIII Local Assistance Procedures Manual

The RECIPIENT will advertise, award and administer DOT-assisted contracts in accordance with the most current published Local Assistance Procedures Manual (LAPM).

XIV Transit Vehicle Manufacturers (§26.49)

If FTA-assisted contracts will include transit vehicle procurements, RECIPIENT will require each transit vehicle manufacturer, as a condition of being authorized to bid or propose on transit vehicle procurements, to certify that it has complied with the requirements of 49 CFR Part 26, Section 49.

XV Bidders List (§26.11(c))

The RECIPIENT will create and maintain a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on its DOT-assisted contracts. The bidders list will include the name, address, DBE/non-DBE status, age, and annual gross receipts of the firms.

XVI Reporting to the DLAE

RECIPIENT will promptly submit a copy of the Local Agency Bidder/Proposer-UDBE Commitment (Consultant Contract), (Exhibit 10-O(1) "Local Agency Bidder/Proposer-DBE Commitment (Consultant Contract)") or Exhibit 15-G(1) "Local Agency Bidder-UDBE Commitment (Construction Contracts), to the DLAE at the time of award of the consultant or construction contract.

RECIPIENT will promptly submit a copy of the Local Agency Bidder-DBE Information (Exhibit 15-G(2) "Local Agency Bidder-DBE (Construction Contracts) - Information" or Exhibit 10-O(2) "Local Agency Proposer/Bidder-DBE (Consultant Contracts)-Information" of the LAPM) to the DLAE at the time of execution of consultant or construction contract.

RECIPIENT will promptly submit a copy of the Final Utilization of DBE participation to the DLAE using Exhibit 17-F "Final Report - Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subcontractors" of the LAPM immediately upon completion of the contract for each consultant or construction contract.

XVII Certification (§26.83(a))

RECIPIENT ensures that only DBE firms currently certified by the California Unified Certification Program will participate as DBEs on DOT-assisted contracts.

XVIII Confidentiality

RECIPIENT will safeguard from disclosure to third parties, information that may reasonably be regarded as confidential business information consistent with federal, state, and local laws.

By _____
(Signature of Local Agency recipient's Chief Executive Officer)

Ray Kerridge, City Manager City of Sacramento, California
(Authorized Governing Body Representative)

Phone Number: (916) 808-5704

This California Department of Transportation's Disadvantaged Business Enterprise Program Plan Implementation Agreement is accepted by:

[Signature of DLAE]

Date: _____

[Print Name of DLAE]

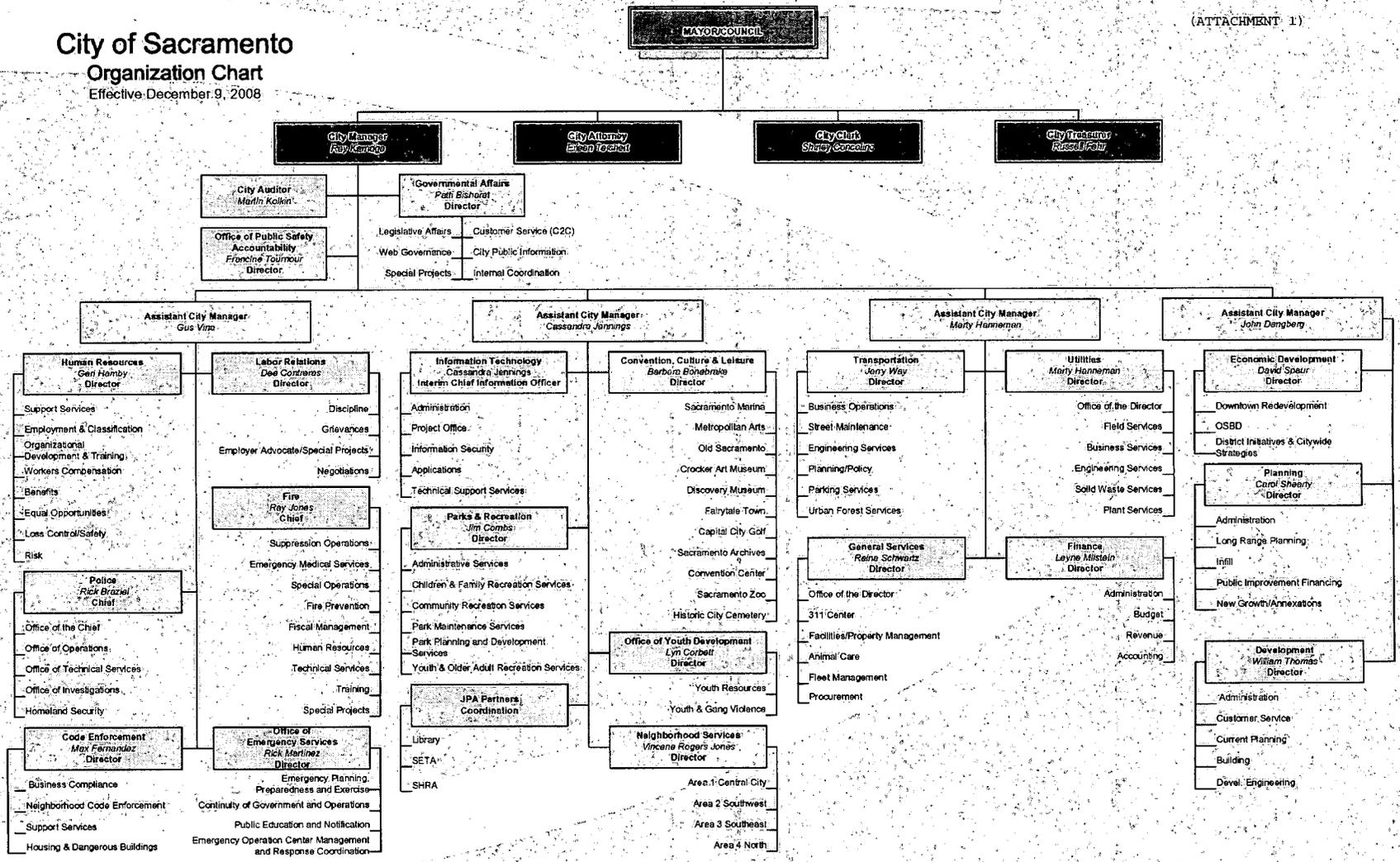
Distribution: (1) Original - DLAE
(2) Signed copy by the DLAE - Local Agency

(Update: March 4, 2009)

Attachment 4

(ATTACHMENT 1)

City of Sacramento
Organization Chart
 Effective December 9, 2008



Attachment 5**Exhibit B****City of Sacramento Department of Transportation**

**Disadvantaged Enterprise Program
Federal Fiscal Year 2008/09
Annual Anticipated DBE Participation Level (AADPL)
Methodology and Calculations**

In accordance with Title 49 of the Code of Federal Regulations, Part 26 (49 CFR Part 26), an Annual Anticipated DBE Participation Level (AADPL) must be established for contracts awarded with federal funds. A two-step methodology process described in 49 CFR Part 26 must be used to determine the AADPL. Step one of the methodology establishes a base figure for the relative availability of DBEs that are ready, willing, and able to participate in Department of Transportation projects fully or partially funded by the Federal Highway Administration (FHWA). Step two relies on the City of Sacramento's knowledge of its market area to determine if an adjustment to the base figure is needed. Each methodology is discussed in detail below.

I. Department of Transportation FHWA-funded Projects for Federal Fiscal Year 2008/09

Total Project Funding for fiscal year 2008/09: \$19,264,120

Work Category	NAICS Codes (1)	Estimated Value	% of Federal Funding by Work Category
Street and Bridge Construction	237310	\$ 14,745,775	76.5%
Electrical Contractor	238210	\$ 344,165	1.8%
Professional Services/Engineering	541330	\$4, 174,180	21.7%
Totals:		\$ 19,264,120	100.0%

City of Sacramento
 Disadvantaged Business Enterprise Program
 Federal Fiscal Year 2008/2009
 Annual Anticipated DBE Participation Level (AADPL)
 Methodology and Calculations

Contract #1: 12th&16th Street LRS Connectivity Improvements
 Total Funding (Federal and State/Local): \$215,000

Work Category	NAICS Codes	Estimated Value	% of Federal Funding by Work Category
Street and Bridge Construction	237310	\$43,000	0.2%
Electrical Contractor	238210	\$172,000	0.9%
Totals:		\$ 215,000	1.1%

Contract #2: 2009 Federal Overlay
 Total Funding (Federal and State/Local): \$5,786,725

Work Category	NAICS Codes	Estimated Value	% of Federal Funding by Work Category
Street and Bridge Construction	237310	\$ 5,437,775	28.2%
Electrical Contractor	238210	\$172,165	0.9%
Professional Services/Engineering	541330	\$176,785	0.9%
Totals:		\$ 5,786,725	30.0%

Contract #3: Interstate 5 & Richards Blvd. Interchange Project Study Report
 Total Funding (Federal and State/Local): \$752,395

Work Category	NAICS Codes	Estimated Value	% of Federal Funding by Work Category
Professional Services/Engineering	541330	\$752,395	3.9%
Totals:		\$752,395	3.9%

City of Sacramento
 Disadvantaged Business Enterprise Program
 Federal Fiscal Year 2008/2009
 Annual Anticipated DBE Participation Level (AADPL)
 Methodology and Calculations

Contract #4: Interstate 5 & Richards Blvd. Interchange Improvements
 Total Funding (Federal and State/Local): \$12,510,000

Work Category	NAICS Codes	Estimated Value	% of Federal Funding by Work Category
Street and Bridge Construction	237310	\$ 9,265,000	48.1%
Professional Services/Engineering	541330	\$ 3,245,000	16.8%
Totals:		\$ 12,510,000	64.9%

II. Goal-Methodology

A. Construction:

The numerator is the total number of DBEs within the designated market area willing and able to perform the identified NAICS coded work type from the Caltrans DBE directory of firms, with the following modifications made:

1. Filtered for construction work codes
2. Filtered for contractors that operate within the seven-County market area that generally serves the City of Sacramento's contracting needs.

The search identified available 42 Underutilized Disadvantaged Business Enterprises (UDBEs). The Caltrans disparity study identified the four following groups as UDBEs:

- Asian Pacific American
- Black American
- Native American
- Women

A total of 65 DBEs were identified available. They are from the groups listed below:

- Latino/Hispanic
- Asian Subcontinent
- Other

City of Sacramento
 Disadvantaged Business Enterprise Program
 Federal Fiscal Year 2008/2009
 Annual Anticipated DBE Participation Level (AADPL)
 Methodology and Calculations

Denominator: The total number of construction companies within the City of Sacramento's seven County market area based on the U.S. Census Bureau "County Business Patterns" statistics for 2006 which is the most recent available year of data:

NAICS CODES: 237310 and 238210

<u>County</u>	<u>Number of firms</u>
Sacramento	299
Yuba	9
Placer	159
El Dorado	89
Contra Costa	249
San Francisco	191
Solano	86

Total Construction firms: 1,082

B. Professional Services:

The numerator is the total number of DBEs within the designated market area willing and able to perform the identified NAICS coded work type from the Caltrans DBE directory of firms, with the following modifications made:

1. Filtered for professional services work codes
2. Filtered for consultants that operate within the seven county market area that generally serves the City of Sacramento's consulting needs.

The search identified available 31 Underutilized Disadvantaged Business Enterprises (UDBEs). The Caltrans disparity study identified the four following groups as UDBEs:

- Asian Pacific American
- Black American
- Native American
- Women

A total of 38 DBEs were identified available. They are from the groups listed below:

- Latino/Hispanic
- Asian Subcontinent
- Other

City of Sacramento
 Disadvantaged Business Enterprise Program
 Federal Fiscal Year 2008/2009
 Annual Anticipated DBE Participation Level (AADPL)
 Methodology and Calculations

Denominator: The total number of consulting firms within the City of Sacramento's seven County market area based on the U.S. Census Bureau "County Business Patterns" statistics for 2006 which is the most recent available year of data:

NAICS CODES: 541330

<u>County</u>	<u>Number of firms</u>
Sacramento	274
Yuba	8
Placer	119
El Dorado	43
Contra Costa	332
San Francisco	264
Solano	50

Total Construction firms: 1,089

III: Establishment of Annual Anticipated DBE Participation Level (AADPL)

Based on the information contained herein, the City of Sacramento hereby establishes an annual overall AADPL of 24.6% for Federal Fiscal Year 2008/2009.

Race Conscious portion of AADPL= 17.5%
 Race Neutral portion of AADPL= 7.1%

Total AADPL= 24.6%

Notes:

- (1) NAICS refers to the "North American Industry Classification System", as used by the United States Census Bureau.
- (2) This area is defined as Sacramento, Placer, El Dorado, Yuba, Contra Costa, San Francisco, and Solano counties.