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City of Riverbank • City of Turlock • City of Waterford • County of Stanislaus

October 29, 2004

Bill Sandhu, DLAE  
Caltrans  
P. O. Box 2048  
Stockton, CA 95201

Attention: Annie Ellis

### **ANNUAL OVERALL GOAL INFORMATION**

The amount of overall goal, methodology, breakout of estimated race-neutral and race-conscious participation, and any DBE program updates are presented herein in accordance with Title 49 of the Code of Federal Regulations Part 26, and as described in the *Local Assistance Procedures Manual*.

**StanCOG** submits our annual overall goal information for your review and comment. We propose an annual overall DBE goal of **3 %** for the Federal Fiscal Year 2004 / 2005, beginning on October 1, 2004 and ending on September 30, 2005.

#### Methodology

To establish the StanCOG's Base Figure of the relative availability of DBE firms in relation to all comparable firms available for StanCOG's FFY 2004-05 FHWA funded program, StanCOG has elected to declare that their market area is composed of the nearby surrounding counties that have a zip code of 952xx or 953xx; including Stanislaus County, San Joaquin County, Merced County, Calaveras County and Tuolumne County; however, because the nature of the work to be performed can be served by agencies at a greater distance away, StanCOG will use the entire State as a market area in searching for potential contenders for the work to be performed. The Caltrans database of certified DBEs will be used for calculating the numerator and the Census Bureau's Business Pattern Database within the same geographical market area will be used to calculate the denominator. The resulting figure was then multiplied by its corresponding percent of the anticipated work share of the overall annual program. This activity produces a Base Figure. The Base Figure is then reviewed to narrowly tailor it to the specifics of the projects involved and our past experiences.

Breakout of Estimated Race-Neutral and Race-Conscious Participation

Of the overall 3% goal for DBE participation, StanCOG projects meeting 0% of the goal utilizing race-neutral methods, including making efforts to assure that bidding and contract requirements facilitate participation by DBEs and other small businesses. The remaining 3% of the goal is anticipated to be accomplished race-conscious measures, which includes establishing specific goals on the printing/publishing contract. The lack of DBEs providing these specific services within the immediate area further signals the need for a race-conscious contract goal.

Updates to the DBE Program

There have been no changes to the adopted DBE program for StanCOG. Comments from Caltrans on earlier versions of the DBE Goal Methodology for 2004-05 will be addressed in this section. The search area for DBEs was broadened in conformance with the suggestion by Caltrans while the defined market area for advertising the DBE goal will remain the same. The NAICS codes were changed in the latest submittal to better define and reflect the work activities to be performed. The "Adjusting the Base Figure" portion of the DBE Goal Methodology was revised to remove references to the possibility that the existing contractor would be a strong candidate for a contract renewal.

*o/s*

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C Johnson, DBE Liaison Officer

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Date

**STANISLAUS COUNCIL OF GOVERNMENTS  
OVERALL ANNUAL DBE GOAL AND METHODOLOGY**

**1. DOT-Assisted Contracting Program for FFY 2004-05**

The following represents the Stanislaus Council of Government's (StanCOG's) projected FHWA funded contracts and expenditures by North American Industry Classification System (NAICS) code numbers for FFY 2004-05. The proposed project and its respective work categories are shown in Table A.

**Table A\***

Project Description	2002 Caltrans NAICS Codes	2001 Census Bureau NAICS Codes	Estimated Dollar Value	% Of Federal Funding By Activity
Public Information Publication	323114, 323119, 511120	323114, 323119, 511120	\$17,706	100%
<b>Total</b>			<b>\$17,706</b>	<b>100%</b>

\*Table A discriminates between 2002 Caltrans NAICS Codes and 2001 Census Bureau NAICS Codes because they use different definitions for some trades. In the case of this project, there were no differences noted.

**2. Goal Methodology**

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

To establish the StanCOG's Base Figure of the relative availability of DBE firms in relation to all comparable firms available for StanCOG's FFY 2004-05 FHWA funded program, StanCOG has elected to declare that their market area is composed of the nearby surrounding counties that have a zip code of 952xx or 953xx; including Stanislaus County, San Joaquin County, Merced County, Calaveras County and Tuolumne County; however, because the nature of the work to be performed can be served by agencies at a greater distance away, StanCOG will use the entire State as a market area in searching for potential contenders for the work to be performed. The Caltrans database of certified DBEs will be used for calculating the numerator and the Census Bureau's Business Pattern Database within the same geographical market area will be used to calculate the denominator. The resulting figure was then multiplied by its corresponding percent of the anticipated work share of the overall annual program as shown below:

Base Figure = [1.0 x (DBEs/CBPs) for Printing/Publishing firms]

The Caltrans DBE Directory and Census Bureau Business Pattern Database were both queried for the corresponding NAICSs indicated in Table A. A search of the Caltrans DBE directory yielded the information shown in Attachments No 1 and 2 for printers and

publishers. The Census Bureau database search produces a one line result for each NAICS code and the results of both searches are summarized in Table B below:

**Table B**

NAICS Code	NAICS Definition	Caltrans DBE Database	Census Bureau Database
323114/323119	Quick Printing/Other Commercial Printing	53	1376
511120	Periodical Publishers	10	814
	<b>TOTALS</b>	<b>63</b>	<b>2,190</b>

$$\begin{aligned} \text{Base Figure} &= (1.0 \times 63/2190) \times 100\% \\ &= 2.9\% \end{aligned}$$

**Step 2: Adjusting the Base Figure**

Upon establishing the Base Figure, StanCOG reviewed and assessed other known relevant evidence to determine what adjustments, if any, were needed to narrowly tailor the Base Figure to StanCOG’s marketplace.

StanCOG has additional federally funded projects/activities in 2004-05 that will be lead by other agencies or entities or that have been initiated in prior years. Their only federally funded activity in 2004-05 wherein StanCOG is the lead agency involves contracting for an ongoing Public Information publication. This activity is focused on producing a quarterly publication that discusses the activities and accomplishments of StanCOG in the recent past and offers a view of future goals, activities and challenges. It is also a vehicle for press releases and the StanCOG annual report. The publications have several displays and photos of projects and the principal architects of the work accomplished. This activity is a downscoped version of the previous years similar effort in that StanCOG’s in house staff will take over much of the responsibility for providing articles and the bulk of information that comprises the publication.

Last year’s contract for similar printing/publishing work was awarded to a small firm in Turlock and there was no DBE participation.

No bidders list information was collected for this activity.

StanCOG is not aware of any current disparity studies within their market area to consider in the goal setting analysis.

No other nearby agencies are undertaking a similar activity with federal funding.

Considering the specific nature of the federally funded activities for StanCOG in the 2004-05 federal fiscal year, no adjustment of the base figure is needed. StanCOG feels that an Annual DBE Goal of 3% for 2004-05 is appropriate.

### **3. Utilization of Race-Neutral and Race-Conscious Methods**

Of the overall 3% goal for DBE participation, StanCOG projects meeting 0% of the goal utilizing race-neutral methods, including making efforts to assure that bidding and contract requirements facilitate participation by DBEs and other small businesses. The remaining 3% of the goal is anticipated to be accomplished race-conscious measures, which includes establishing specific goals on the printing/publishing contract. The lack of DBEs providing these specific services within the immediate area further signals the need for a race-conscious contract goal.

### **4. Public Participation in Setting Overall Annual DBE Goals**

In conformance with Public Participation Regulatory Requirements of 49 CFR Part 26.45 and Caltrans Local Assistance Procedures Manual (LAPM) Chapter 9, this goal analysis has been reviewed with minority recruitment centers, community organizations, and other U.S. DOT recipients. These entities are knowledgeable about the availability of disadvantaged and non-disadvantaged businesses and the effects of discrimination on contracting opportunities for DBEs within StanCOG's marketplace.

Additionally, StanCOG has published a Public Notice in general circulation media, women/minority focused media, and a trade publication announcing StanCOG's proposed overall annual goals for the FY 2004-2005 contracts assisted by FHWA. Such Notice informed the public that the overall goals and their rationale are available for inspection at StanCOG during regular business hours for 30 days following the date of the publication of the Public Notice and, that StanCOG and the FHWA will accept comments on the goals for 45 days from the date of the Public Notice. The required public participation provisions will be fully satisfied prior to submitting StanCOG's Overall Annual DBE Goal for Final Review and Approval.