



# Board Report

One Manchester Boulevard  
Inglewood CA 90301

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**File #:** 2023-0005

**File Type:** Staff Report

**Agenda Number:** 7

**REGULAR BOARD MEETING  
JANUARY 11, 2023**

**SUBJECT: APPROVAL OF STAFF REPORT AND RESOLUTION 23-03 APPROVING INGLEWOOD TRANSIT CONNECTOR DISADVANTAGED BUSINESS ENTERPRISE GOAL AND PROGRAM**

**ACTION: APPROVE**

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## RECOMMENDATION

**Approve the staff report and resolution to establish the Disadvantaged Business Enterprise (DBE) Program and adopt a 16% Project Overall DBE Goal for the Inglewood Transit Connector Project.**

## BACKGROUND

The City of Inglewood and the Los Angeles Metropolitan Transportation Authority (LA Metro) have entered into a Joint Powers Agreement (JPA), a single purpose governmental entity tasked with owning, managing, and overseeing the design, construction, financing, operation, and maintenance of the Inglewood Transit Connector (ITC) Project.

As an intended recipient of Federal financial assistance from the DOT and as a condition of receiving this assistance, the JPA staff has established a DBE Program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 Code of Federal Regulation (CFR) Part 26, and a proposed a Project Overall DBE Goal in accordance with 49 CFR Part 26, Section 26.45.

### DBE Program

The DBE Program (Attachment 2) encompasses the policies, procedures, and requirements that will govern the JPA's oversight over DBE participation in the ITC Project.

The DBE Program includes:

- General Requirements (such as Non-discrimination Requirements, Record Keeping Requirements);

- Administrative Requirements (such as establishing the DBE Liaison Officer, Prompt Payment Mechanisms, Monitoring and Enforcement Mechanisms, and Small Business Element);
- Goals, Good Faith Efforts, and Counting (such as Project Overall Goal, Good Faith Effort Procedures, Counting DBE Participation);
- Certification Standards and Procedures; and
- Compliance and Enforcement Policies

Within the DBE Program, the Small Business (SB) Element has been established as one of the JPAs race-neutral methods of achieving small business participation, including disadvantaged business participation. In addition to a variety of assertive strategies to promote Small Business utilization (such as requiring bidders to specify elements of the contract or specific subcontracts that are the size of small businesses and enhanced and targeted outreach measures), the Small Business Element establishes that the Chief Executive Officer shall determine Aspirational Small Business goals. As such, the CEO has provided direction to the team to set a 30% Aspirational Small Business Goal in order to maximize opportunities for a variety of small, local, minority-, women- and veteran-owned business to participate.

#### DBE Project Overall Goal

The JPA has also established a Project Overall DBE Goal for the life of the ITC project. The overall project DBE goal represents the amount of FTA-assisted funds that the JPA anticipates expending over the life of the ITC Project through race conscious and race neutral measures.

Establishing the base figure followed one of the five prescribed federal goal-setting methodologies in accordance with 49 CFR Part 26 regulations. Specifically, the JPA followed the two-step process required by the FTA, namely to (1) establish a base figure for the relative availability of DBEs and (2) determine the base figure adjustment, if necessary.

The base figure is intended to be a measurement of the current ready, willing, and able DBEs as a percentage of all ready, willing, and able businesses to perform on anticipated FTA-assisted contracts in the market area. To determine the relative availability of DBEs in each work category, the JPA compared firms registered in the California Unified Certification Program (CUCP) Directory to the number of firms in the 2020 U.S. Census Bureau County Business Patterns (CBP) Database.

Upon establishing the Base Figure, the JPA reviewed and assessed other known evidence potentially impacting the relative availability of DBEs within the market area (defined as Los Angeles County), in accordance with prescribed narrow tailoring provisions set forth under 49 CFR Part 26.45

Based on the above process and methodology, the Overall DBE Goal is recommended to be set at 16%, and an adjustment to the proposed 16% goal was not warranted.

#### Public Comment

The DBE Program and Goal were publicized for public comments from October 24, 2022 through November 22, 2022. During the Virtual Public Forum that took place on November 2, 2022, there were 20+ attendees. The JPA received seven (7) separate communications/comments -- most of the comments were relevant to how to best participate in project opportunities (four comments), the remaining comments related to participation in the virtual Public Consultation Meeting and comments regarding DBE certification. Comments received during the 30-day public comment period did not impact the data utilized to develop the DBE Goal, the methodology applied for developing the goal or development of the DBE Program.

### Next Steps

If approved by the JPA Board, staff will then finalize the program documents, approved as to form by counsel, and formally submit to the FTA.

The JPA will continue to consult with the public regarding input they have on DBE opportunities and any real and/or perceived barriers to DBE participation.

### **ATTACHMENT**

- Attachment 1: Resolution of the Board of Directors of the ITC JPA Approving DBE Goal and DBE Program
- Attachment 2: Disadvantaged Business Enterprise Program for the Inglewood Transit Connector Project
- Attachment 3: The Inglewood Transit Connector Joint Powers Authority's Federal Transit Administration - Overall DBE Goal Setting Methodology: Project Overall DBE Goal