

CITY COUNCIL

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Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 9
Date: December 8, 2010

TO: Honorable Mayor and Members of the City Council

FROM: Edward N. Domingue, Director of Engineering Services

SUBJECT: Disadvantaged Business Enterprise (DBE) Program and 2010/2011 Annual Anticipated DBE Participation Level (AADPL)

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2010-175 establishing the 2010/2011 DBE Program and an AADPL of 2.53%, with a race conscious goal of 1.17% and a race neutral goal of 1.36% for the period of October 1, 2010 through September 30, 2011.

FISCAL ANALYSIS:

This program is federally mandated and adoption of the AADPL is a requirement for receipt of any federal funding.

PREVIOUS ACTION:

Since 1995 the City has been required to approve DBE goals in each year that federal funding has been requested.

BACKGROUND:

All federally funded projects require that local agencies establish an annual plan with a goal to have a certain percentage of work completed by DBE businesses. Last year Caltrans received approval from Federal Highway Administration (FHWA) to implement a partially Race Neutral and partially Race Conscious Program. The Race Conscious portion of the program will cover four groups: African-American, Asian-Pacific American, Women, and Native American businesses. These four groups were considered to be Underutilized Disadvantaged Business Enterprises (UDBE's) based upon a disparity study that was conducted.

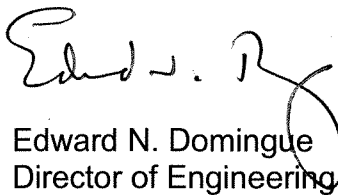
The methodology to determine the Annual Anticipated DBE Participation Level (AADPL) is a two step process. Step one of the process determines a base figure for the relative availability of DBE firms in the region who are ready, willing, and able to participate in Federally funded projects. Step two determines if the local agency should adjust the base figure according to the recent history of their

federally funded projects. Since the DBE goal established last year was 2.4% and similar to this year's projected goal, no historical adjustments were made to the base figure.

A comparison of available DBE firms in San Diego County, as determined from the Caltrans website, versus the total number of firms in San Diego County, as determined by the Census Bureau's County Business Patterns-California was used. Both the DBE firms and non-DBE firms were ready, willing, and able to do work in San Diego County. The base figure determined from this calculation is 2.53%.

Under the new guidelines, the AADPL is split into two parts, Race Conscious and Race Neutral. The Race Conscious Goal is calculated by determining the number of UDBE's in San Diego that are ready, willing, and able to participate in Federally-funded projects. The Race Conscious Goal calculated is 1.17%. The Race Conscious Goal is then subtracted from the AADPL in order to establish the race Neutral Goal of 1.36%.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Edward N. Domingue", with a large, stylized flourish at the end.

Edward N. Domingue
Director of Engineering Services

RESOLUTION NO. 2010-175

9.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING THE DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM AND ESTABLISHING A 2010/2011 ANNUAL PARTICIPATION GOAL OF 2.53% WITH A RACE CONSCIOUS GOAL OF 1.17% AND A RACE NEUTRAL GOAL OF 1.36%

WHEREAS, the Federal Department of Transportation, under the Code of Federal Regulations, Title 49; Part 23, requires each local government entity receiving Federal Transportation funds to establish Disadvantaged Business Enterprise ("DBE") Program with an Annual Anticipated DBE Participation Level ("AADPL"); and

WHEREAS, the City is now required to implement a partially Race-Conscious and partially Race-Neutral program; and

WHEREAS, the City proposes an overall annual goal of 2.53%, with a Race-Conscious Goal of 1.17% and a Race-Neutral Goal of 1.36% for Federal Fiscal Year 2010/2011; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the City Council does hereby approve the Disadvantaged Business Enterprise Program for the City of Escondido and adopts the 2010/2011 AADPL with an overall annual goal of 2.53%, with a Race-Conscious Goal of 1.17% and a Race-Neutral Goal of 1.36% for Federal Fiscal Year 2010/2011.