

**Board Report**

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**File #:** 2015-1174, **File Type:** Motion / Motion Response**Agenda Number:**

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**REGULAR BOARD MEETING  
JULY 23, 2015****Motion by:****Supervisor Ridley-Thomas and Kuehl  
as combined with Garcetti, Solis and Dupont-Walker Motion**

July 23, 2015

**File ID 2015-0895, Relating to Item 65: Disadvantaged Business Enterprise Goals**

The Board is being asked to approve of an 18% Federal Transit Administration (FTA) Disadvantaged Business Enterprise (DBE) Overall Goal and Goal Methodology Report for the Federal Fiscal Year 2016 through 2018 (FY2016-2018). The 18% proposed goal represents a 9% decrease from the Federal Fiscal Year 2012-2015 goal of 27%.

The decrease is based on the fact that fewer contract dollars are being awarded during this goal period (the Westside Purple Line Extension - Section 2 is the only project being funded), and because an assessment of available firms within the project area suggests that fewer firms exist within the project area in the required industry categories.

While MTA is required to submit a goal by August 1, 2015, the goal can be subsequently revised. This goal only applies to FTA-funded projects and does not impede Metro from continuing to pursue the existing agency-wide goal that has been set for small Business Enterprises, which include DBEs, to be awarded 30% of all contract dollars.

Metro should continue to set high expectations on the proportion of Disadvantaged Business Enterprise participation on FTA-funded projects. Throughout the process of developing the goal methodology report, Metro's team solicited feedback from the Transportation Business Advisory Council, but it's unclear whether adequate feedback was received regarding the availability of DBEs within the project area.

**WE THEREFORE MOVE THAT THE BOARD OF DIRECTORS:**

- A. Direct the Chief Executive Officer to engage the Transportation Business Advisory Council to ensure that there is an adequate understanding of potential local firms that can be engaged to complete the work that will be funded by the Federal Transit Administration during the Federal Fiscal Years 2016-2018 period and report back to the Board in September 2015 with a

recommendation on the feasibility of increasing the Disadvantaged Business Enterprise Overall Goal.

- B. Report back on MTA's DBE certification review process and discuss the criteria and principles used.
- C. Evaluate whether current staffing levels and resources are comparable with those of other countywide federal funding recipients.
- D. Provide an update on progress, methodology and projected schedule for the next DBE Disparity Study, including but not limited to focus on historically underutilized businesses.