



FEDERAL FISCAL YEARS 2020 THROUGH 2022

SMALL BUSINESS ENTERPRISE (SBE) GOAL ANALYSIS REPORT

For Contracts Assisted by the Federal Transit Administration

May 2, 2019

SUMMARY

WETA's Disadvantaged Business Enterprise (DBE) Program requires the establishment of an overall Small Business Enterprise (SBE) goal for each triennial DBE goal period. The SBE goal analysis is conducted using the same methodology as the DBE overall goal. This report provides a description of the data sources used to set the SBE goal, a brief description of the two step process to determine the goal and tables displaying the Base Figure and Base Figure per contract. Please refer to the DBE Goal Analysis Report for a more detailed description of the methodology used to establish both the DBE and SBE goals.

WETA has developed a 7.5% SBE goal applicable to Federal Fiscal Years 2020, 2021, and 2022 contracting opportunities assisted by the Federal Transit Administration (FTA) in accordance with revisions to 49 CFR Part 26.

The goal is applicable to a total of \$14,708,683 of FTA dollars that are budgeted for 26 projects with contracts anticipated to be awarded from October 1, 2019, through September 30, 2022. The SBE goal developed for FTA-assisted contracts identifies the relative availability of SBEs, based on evidence of ready, willing and able SBEs in relationship to all comparable businesses that are likely to be available to compete for WETA's FTA-assisted contracts.

Contracts Assisted by FTA for FFY 20-22

A total of \$14,708,683 of FTA dollars is budgeted for 26 projects with contracts expected to be awarded during FFY 2020 through 2022. See Table 1 below. A two-step process is used to determine the overall goal for these contracts.

Table 1: Federally Funded Contracts Anticipated to be Awarded During FFY20-22

Contract Type	Description of Contract	FTA Dollars
FFY 2020		
Vessel	Scorpio Engine Major Overhaul & Vessel Quarter Life Refurbishment	\$ 2,404,280
Vessel	2020 Engine Major Overhaul (Gemini)	\$ 284,280
Vessel	2020 Engine Quarter Life Overhauls (Argo, Carina, Pyxis)	\$ 328,000
Terminal	Harbor Bay Terminal - Pile Replacement	\$ 201,200
FFY 2021		
Vessel	2021 Engine Major Overhauls (Pisces & Bay Breeze)	\$ 712,926
Vessel	2021 Engine Half Life Overhauls (Hydrus, Cetus, Pyxis)	\$ 1,002,339
Vessel	2021 Engine Quarter Life Overhauls (Intintoli, Vela, Lyra)	\$ 390,411
Terminal	Main Street - Terminal Rehab	\$ 4,124,000
FFY 2022		
Vessel	2022 Engine Major Overhaul & Gear Box (Peralta)	\$ 871,428
Vessel	2022 Engine Half Life Overhauls (Argo, Carina, Intintoli, Vela, Lyra)	\$ 1,658,322
Vessel	2022 Engine Quarter Life Overhauls (Mare Island, Pyxis, Hydrus, Solano)	\$ 507,026
Terminal	Vallejo Terminal - Dredging	\$ 2,224,472
Total		\$ 14,708,683

Step One. Determining Base Figures

Base figures were calculated for contracts budgeted for award to determine the relative availability of SBEs using the same local market area and North American Industry Classification codes as were used for the FFY 20-22 DBE Goal Analysis. As described in WETA’s FFY20-22 DBE Goal Analysis Report, WETA’s local market area includes the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma. San Diego County will be included for the M/V SCORPIO - Vessel Quarter Life Refurbishment and Major Engine Overhaul project.

Number of SBEs: To determine the number of SBEs in WETA’s market area staff searched the California Unified Certification Program (CUCP) database for DBEs (all DBEs are considered SBEs), Small Minority Business Enterprises (SMBEs) and Small Women Business Enterprises (SWBEs) certified in the NAICS codes identified for the prime contracts and subcontracts. In addition, staff also consulted the Department of General Services database (<https://caleprocure.ca.gov/pages/PublicSearch/supplier-search.aspx>) to find the number of SBEs certified by the California Department of General Services. The lists of DBEs, SMBEs, SWBEs and SBEs were combined, duplicates and businesses outside of WETA’s market area were deleted to determine the total number of SBEs in WETA’s market area. The total number of SBEs identified in each NAICS code is displayed in Column C of Tables 2a and 2b located below.

Number of All Firms (SBEs and non-SBEs): To determine the number of all firms (SBEs and non-SBEs) in WETA’s market area, staff searched the Census Bureau’s County Business Patterns database for all firms specializing in the NAICS codes identified for the prime contracts and subcontracts. Numbers of all firms identified are displayed in Column D of Tables 2a and 2b.

Relative Availability of SBE Firms: Relative availability is derived by dividing the number of ready, willing and able SBEs in a particular NAICS code by the number of all firms (SBEs and non-SBEs) in that NAICS code. Tables 2a and 2b show this equation carried out for the SBEs identified in the CUCP and DGS databases and all firms identified in the County Business Pattern database.

Relative Availability figures are displayed in two different tables below as a result of the fact that WETA has a different Local Market Area for vessel refurbishment projects. Table 2a displays the Availability of SBEs and all firms by NAICS Code for all projects except Vessel Refurbishment (excluding San Diego County). Table 2b displays the availability of SBEs and all firms by NAICS Code for M/V SCORPIO - Vessel Quarter Life Refurbishment and Major Engine Overhaul project (includes San Diego County). The resulting relative availability figures are displayed in Column E of Table 2a and 2b.

Table 2a: Availability of DBEs and all firms by NAICS Code for all projects except Vessel Refurbishment (excluding San Diego County)

A. NAICS Code	B. NAICS Description	C. SBE Firms	D. All Firms in Local Market Area	E. Relative DBE Availability (E = C/D+C)
-				
237990	Other Heavy and Civil Engineering Construction	9	64	12.33%
325212	Synthetic Rubber Mfg	0	2	0.00%
336611	Shipbuilding and Repair	1	11	8.33%
423510	Metal Service Centers and Other Metal Merchant Wholesalers.	0	171	0.00%
484110	General Freight Trucking, Local	21	510	3.95%
541330	Engineering Services	39	2,284	1.68%
541370	Surveying and Mapping (except Geophysical) Svcs	7	93	7.00%
541620	Enviro consulting Svcs	36	380	8.65%
811310	Commercial and Industrial Machinery and Equipment Repair and Maint.	1	298	0.33%

Table 2b: Availability of DBEs and all firms by NAICS Code for Vessel Refurbishment project (M/V Scorpio vessel refurbishment - Including San Diego County)

A. NAICS Code	B. NAICS Description	C. SBEs Firms	D. All Firms in Local Market Area	E. Relative DBE Availability (E = C/D+C)
-				
238210	Electrical Contractors and other Wiring Contractors	143	2,480	5.45%
238220	Plumbing, HVAC Contractors	86	2,721	3.06%
238310	Drywall and Insulation Contractors	39	648	5.68%
238320	Painting and Wall Covering Contractors	67	1,474	4.35%
238330	Flooring Contractor	38	631	5.68%
238350	Finish Carpentry Contractor/ship joinery	9	753	1.18%
332999	All Other Miscellaneous Fabricated Metal Products Mfg	1	100	0.99%
334220	Radio & Television Broadcasting and Wireless Communications Equipment Mfg	1	82	1.20%
334511	Search, Detection, Navigation, Guidance, Aeronautical, & Nautical System & Instrumentation Mfg	0	34	0.00%
336360	Motor Vehicle Seating and Interior Trim Mfg	1	6	14.29%
336611	Shipbuilding and Repair	1	39	2.50%
541330	Engineering Svcs	63	3,390	1.82%

FTA Funds to be Expended in Each Specific Area and Calculating Base Figure: The FTA-assisted contracts and subcontracts identified by project managers were categorized according to their NAICS industry classifications. See Exhibit 1, Column B. Contract dollars of each industry classification were divided by the total contract dollars (\$14,708,683) resulting in percentage of total dollars per contract and classification, called the “weighted” percentage. The result is shown in Exhibit 1, Column D.

Next, the Base Figure for the Overall Goal was calculated by multiplying the weighted percentage of funds to be expended for each NAICS code (Exhibit 1, Column D) by SBE relative availability for each NAICS code (carried forward from Table 2 and shown in Exhibit 1, Column E). Base Figures for each NAICS code is shown in Exhibit 1, Column F. Finally, Base Figures for all NAICS codes were totaled, resulting in a 4.82% overall base figure.

Calculating Base Figure per Individual Contract: To determine the Base Figure for each contract, the percentage of work (prime and sub) identified by project managers was multiplied by the SBE relative availability (carried forward from Table 2), and totaled for each contract. See Exhibit 2.

Step Two. Adjusting Base Figures

WETA examined the nature of the contracts budgeted for award to determine whether any further refinements were warranted. WETA also considered other data, such as past participation of SBEs, which would help measure the percentage of work that SBEs would be likely to obtain and to make the Step One Base Figure as precise as possible.

Past Participation

WETA examined the percentage of SBE participation committed to SBEs on WETA’s FTA funded contracts for the last 3 years:

FFY 16: SBE Awards/Commitments equaled 5.19%
FFY 17: SBE Awards/Commitments equaled 10.18%
FFY 18: SBE Awards/Commitments equaled 14.45%

Using adjustments based on past participation as a means of adjusting the Step 1 Base Figure, staff determined the median past participation to be 10.18%.

Final Step. Calculating the Overall Goal

1. FFY 2020-2022 Base Figure = 4.82%
2. Median Past Participation = 10.18%
3. Adjustment = (Base Figure 4.82% + median past participation 10.18%) / 2 = 7.5%

Conclusion

The overall SBE goal for FTA-assisted contracts for FFY 2020 through 2022 is 7.5%.

Exhibit 1: Calculating Weighted FTA Dollars and Base Figure

A. NAICS Code	B. NAICS Description and Associated Contracts	C. FTA Dollars for contract	D. Weighted % of Total FTA Dollars	E. SBE Availability	F. Base Figure
237990	Other Heavy and Civil Engineering Construction				
	Main Street - Terminal Rehab	\$412,400	2.80%	12.33%	0.35%
	Harbor Bay - Piles	\$116,696	0.79%	12.33%	0.10%
	Vallejo Terminal Dredging Con Mgmt	\$177,958	1.21%	12.33%	0.15%
	Vallejo Terminal Dredging - CON	\$1,913,046	13.01%	12.33%	1.60%
238210	Electrical Contractors and other wiring contractors				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$72,128	0.49%	5.45%	0.03%
238220	Plumbing, HVAC Contractors				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$96,171	0.65%	3.06%	0.02%
238310	Drywall and Insulation Contractors				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$12,021	0.08%	5.68%	0.00%
238320	Painting and Wall Covering Contractors				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$72,128	0.49%	4.35%	0.02%
238330	Flooring contractor				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$120,214	0.82%	5.68%	0.05%
238350	Finish Carpentry Contractor/ship joinery				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$48,086	0.33%	1.18%	0.00%
325212	Synthetic Rubber Manufacturing				
	Harbor Bay - Piles	\$56,336	0.38%	0.00%	0.00%

A. NAICS Code	B. NAICS Description and Associated Contracts	C. FTA Dollars for contract	D. Weighted % of Total FTA Dollars	E. SBE Availability	F. Base Figure
332999	All Other Miscellaneous Fabricated Metal Products Manufacturing				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$24,043	0.16%	0.99%	0.00%
334220	Radio & Television Broadcasting and Wireless Communications Equipment manufacturing				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$48,086	0.33%	1.20%	0.00%
334511	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrumentation Manufacturing				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$84,150	0.57%	0.00%	0.00%
336360	Motor Vehicle Seating and Interior Trim Manufacturing				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$144,257	0.98%	14.29%	0.14%
336611	Shipbuilding and Repair				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$1,514,696	10.30%	2.50%	0.26%
	Main Street - Terminal Rehab	\$3,299,200	22.43%	8.33%	1.87%
423510	Metal Service Centers and Other Metal Merchant Wholesalers.				
	Harbor Bay - Piles	\$16,096	0.11%	0.00%	0.00%
484110	General Freight Trucking, Local				
	2020 Engine Major Overhaul (Gemini)	\$3,411	0.02%	3.95%	0.00%
	2021 Engine Major Overhauls (Pisces & Bay Breeze)	\$3,565	0.02%	3.95%	0.00%
	2022 Engine Major Overhaul & Gear Box (Peralta)	\$3,486	0.02%	3.95%	0.00%

A. NAICS Code	B. NAICS Description and Associated Contracts	C. FTA Dollars for contract	D. Weighted % of Total FTA Dollars	E. SBE Availability	F. Base Figure
541330	Engineering Services				
	SCORPIO - Vessel Quarter Life and Major Engine Overhaul*	\$168,300	1.14%	1.82%	0.02%
	Main Street - Terminal Rehab	\$412,400	2.80%		0.00%
541370	Surveying and Mapping (except Geophysical) Services				
	Vallejo Terminal Dredging- CON	\$66,734	0.45%	7.00%	0.03%
	Harbor Bay - Piles	\$12,072	0.08%	7.00%	0.01%
541620	Enviro consulting services				
	Vallejo Terminal Dredging - Design Svcs	\$66,734	0.45%	8.65%	0.04%
811310	Commercial and Industrial Machinery and Equipment Repair and Maint.				
	2020 Engine Major Overhaul (Gemini)	\$280,869	1.91%	0.33%	0.01%
	2021 Engine Major Overhauls (Pisces & Bay Breeze)	\$709,361	4.82%	0.33%	0.02%
	2022 Engine Major Overhaul & Gear Box (Peralta)	\$867,942	5.90%	0.33%	0.02%
	2021 Engine Half Life Overhauls (Hydrus, Cetus, Pyxis)	\$1,002,339	6.81%	0.33%	0.02%
	2022 Engine Half Life Overhauls (Argo, Carina, Intintoli, Vela, Lyra)	\$1,658,322	11.27%	0.33%	0.04%
	2020 Engine Quarter Life Overhauls (Argo, Carina, Pyxis)	\$328,000	2.23%	0.33%	0.01%
	2021 Engine Quarter Life Overhauls (Intintoli, Vela, Lyra)	\$390,411	2.65%	0.33%	0.01%
	2022 Engine Quarter Life Overhauls (Mare Island, Pyxis, Hydrus, Solano)	\$507,026	3.45%	0.33%	0.01%

Total Federal Funds	\$ 14,708,683
Base Figure	4.82%

***SCORPIO Vessel Quarter Life and Major Engine Overhaul Project SBE Availability Includes San Diego County**

Exhibit 2: Base Figure Breakdown per Individual Contract

NAICS Code & Description for Prime & Subcontracting Opportunities				Percent of Individual Contract Dollars	Relative SBE Availability	Base Figure Per Contract
<u>SCORPIO - Vessel Quarter Life and Major Engine Overhaul</u>						
	Prime	336611	Shipbuilding and Repair	63%	2.50%	1.575%
	Sub	238210	Electrical Contractors and other wiring contractors	3%	5.45%	0.164%
	Sub	238220	Plumbing, HVAC Contractors	4%	3.06%	0.123%
	Sub	238310	Drywall and Insulation Contractors	0.50%	5.68%	0.028%
	Sub	336360	Motor Vehicle Seating and Interior Trim Manufacturing	6%	14.29%	0.857%
	Sub	238330	Flooring contractor	5%	5.68%	0.284%
	Sub	238320	Painting and Wall Covering Contractors	3%	4.35%	0.130%
	Sub	541330	Engineering Services	7%	1.82%	0.128%
	Sub	334220	Radio & Television Broadcasting and Wireless Communications Equipment manufacturing	2%	1.20%	0.024%
	Sub	332999	All Other Miscellaneous Fabricated Metal Products Manufacturing	1%	0.99%	0.010%
	Sub	238350	Finish Carpentry Contractor/ship joinery	2%	1.18%	0.024%
	Sub	334511	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrumentation Manufacturing	3.50%	0.00%	0.000%
				100.00%		3.346%
<u>2020 Engine Major Overhaul (Gemini)</u>						
	Prime	811310	Commercial and Industrial Machinery and Equipment Repair and Maint.	98.8%	0.33%	0.330%
	Sub	484110	General Freight Trucking, Local	1.2%	3.95%	0.047%
				100%		0.378%
<u>2021 Engine Major Overhauls (Pisces & Bay Breeze)</u>						
	Prime	811310	Commercial and Industrial Machinery and Equipment Repair and Maint.	99.5%	0.33%	0.333%
	Sub	484110	General Freight Trucking, Local	0.5%	3.95%	0.020%
				100%		0.353%
<u>2022 Engine Major Overhaul & Gear Box (Peralta)</u>						
	Prime	811310	Commercial and Industrial Machinery and Equipment Repair and Maint.	99.6%	0.33%	0.333%
	Sub	484110	General Freight Trucking, Local	0.4%	3.95%	0.016%
				100%		0.349%
<u>2021 Engine Half Life Overhauls (Hydrus, Cetus, Pyxis)</u>						
	Prime	811310	Commercial and Industrial Machinery and Equipment Repair and Maint.	100%	0.33%	0.334%
				100%		0.334%

NAICS Code & Description for Prime & Subcontracting Opportunities				Percent of Individual Contract Dollars	Relative SBE Availability	Base Figure Per Contract
<u>2022 Engine Half Life Overhauls (Argo, Carina, Intintoli, Vela, Lyra)</u>						
	Prime	811310	Commercial and Industrial Machinery and Equipment Repair and Maint.	100%	0.33%	0.334%
				100%		0.334%
<u>2020 Engine Quarter Life Overhauls (Argo, Carina, Pyxis)</u>						
	Prime	811310	Commercial and Industrial Machinery and Equipment Repair and Maint.	100%	0.33%	0.334%
				100%		0.334%
<u>2021 Engine Quarter Life Overhauls (Intintoli, Vela, Lyra)</u>						
	Prime	811310	Commercial and Industrial Machinery and Equipment Repair and Maint.	100%	0.33%	0.334%
				100%		0.334%
<u>2022 Engine Quarter Life Overhauls (Mare Island, Pyxis, Hydrus, Solano)</u>						
	Prime	811310	Commercial and Industrial Machinery and Equipment Repair and Maint.	100%	0.33%	0.334%
				100%		0.334%
<u>Main Street - Terminal Rehab</u>						
<u>Construction Management Contract</u>						
	Prime	237990	Other Heavy and Civil Engineering Construction	10%	12.33%	1.233%
<u>Construction Contract</u>						
	Sub	541330	Engineering Services	10%	1.68%	0.168%
	Prime	336611	Shipbuilding and Repair	80%	8.33%	6.667%
				100%		8.067%
<u>Harbor Bay - Piles</u>						
	Prime	237990	Other Heavy and Civil Engineering Construction	58%	12.33%	7.151%
	Sub	423510	Metal Service Centers and Other Metal Merchant Wholesalers.	8%	0.00%	0.000%
	Sub	325212	Synthetic Rubber Manufacturing	28%	0.00%	0.000%
	Sub	541370	Surveying and Mapping (except Geophysical) Services	6%	7.00%	0.420%
				100%		7.571%
<u>Vallejo Terminal Dredging</u>						
<u>Dredging - Design Services</u>						
	Prime	541620	Enviro consulting services	3%	8.65%	0.260%
<u>Dredging - Construction Management</u>						
	Prime	237990	Other Heavy and Civil Engineering Construction	8%	12.33%	0.986%
<u>Dredging - Construction</u>						
	Prime	237990	Other Heavy and Civil Engineering Construction	86%	12.33%	10.603%
	Sub	541370	Hydrographic survey work	3%	7.00%	0.210%
				100%		12.059%