

DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM PROPOSED AMENDED THREE-YEAR OVERALL GOAL & METHODOLOGY FOR FEDERAL FISCAL YEARS 2014 THROUGH 2016

Sound Transit last developed its overall DBE goal in 2009, which the agency used for federal fiscal years (FFYs) 2010 through 2013 (a goal of 18.39%). In accordance with 49 CFR Part 26, the United States Department of Transportation's (USDOT's) Tips for Goal-Setting, and other USDOT official guidance, Sound Transit based its goal and goal methodology on an availability study that was completed in October 2005 and on other relevant information. Recently, Sound Transit commissioned BBC Research & Consulting (BBC) to conduct a disparity study related to the agency's implementation of the Federal DBE Program. BBC completed the study in September 2013 (referred to herein as the 2013 Disparity Study). Based substantially on study results, federal guidance, and relevant case law, Sound Transit proposes a new three-year overall DBE goal for FFYs 2014 through 2016. To determine its new overall DBE goal, Sound Transit followed the two-step goal-setting methodology set forth in 49 Code of Federal Regulations (CFR) Section 26.45.

Step 1. Determining a Base Figure – 49 CFR Section 26.45(c)

Sound Transit began the process of determining its overall DBE goal by first establishing a base figure. Consistent with USDOT guidance, Sound Transit established a base figure based on data from a "custom census" availability analysis that BBC conducted as part of the 2013 Disparity Study (for details, see Chapter 5 and Appendix D of the 2013 Disparity Study report). BBC estimated the availability of minority- and women-owned businesses to participate in FTA-funded transportation contracts — both prime contracts and subcontracts — that Sound Transit awarded in calendar years 2008 through 2011 (referred to herein as the study period).^{1, 2} Sound Transit has determined that the mix of the types and sizes of transportation contracts that it anticipates awarding in FFYs 2014 through 2016 will be similar to the mix of types and sizes of transportation contracts that it awarded in calendar years 2008 through 2011.

BBC expressed availability as the percentage of the associated contracting dollars that one might expect minority- and women-owned businesses to receive based on various factors including the type of work involved, the location of the work, and the size of the contract. In the base figure analysis, BBC considered only those minority- and women-owned businesses that are DBE-certified or appear that they could be DBE-certified based on revenue requirements described in

¹ Consistent with USDOT guidance, Sound Transit considers any contract with at least \$1 of FTA funding as an "FTA-funded contract" and includes the total value of the contract in its pool of total FTA-funded contracting dollars.

² BBC defined women-owned businesses specifically as *non-Hispanic white women-owned businesses*. BBC grouped minority women-owned businesses with their corresponding minority groups (e.g., grouping Black American women-owned businesses with all other Black American-owned businesses). For details about BBC's definition of women-owned businesses, see Chapter 5 of the 2013 Disparity Study report. The Ninth Circuit Court of Appeals has accepted this definition of women-owned businesses. See *AGC, San Diego Chapter v. California DOT*, 713 F.3d 1187, 1198, 2013 WL 1607239 (9th Cir. April 16, 2013).

federal regulations including 49 CFR Section 26.65 (referred to herein as potential DBEs; see 76 Federal Register 5092 (January 28, 2011)).

Figure 1 presents detailed information about the base figure for Sound Transit’s overall DBE goal:

- Column (a) presents the DBE groups that BBC considered as part of the base figure analysis;
- Column (b) presents the availability percentage for each group for FTA-funded *construction* contracts;
- Column (c) presents the availability percentage for each group for FTA-funded *architecture and engineering (A&E)* contracts; and
- Column (d) presents the availability percentage for each group for *all* FTA-funded contracts (i.e., construction and A&E contracts considered together).

Figure 1.
Availability components of the base figure

| a. DBE group | Availability percentage | | |
|-----------------------------------|-------------------------|--------------|--------------|
| | b. Construction | c. A&E | d. Total |
| Black American-owned | 1.6 % | 0.4 % | 1.3 % |
| Asian-Pacific American-owned | 1.3 | 0.7 | 1.2 |
| Subcontinent Asian American-owned | 0.3 | 1.9 | 0.7 |
| Hispanic American-owned | 1.7 | 0.3 | 1.4 |
| Native American-owned | 1.8 | 0.4 | 1.5 |
| WBE (white women-owned) | 1.2 | 4.8 | 2.1 |
| Total potential DBEs | 8.0 % | 8.6 % | 8.1 % |
| Industry weight | 0.76 | 0.24 | |

Note: Numbers rounded to nearest tenth of 1 percent. Numbers may not add to totals due to rounding.

Source: BBC Research & Consulting availability analysis from 2013 Disparity Study

As presented at the bottom of column (d), based on the availability analysis, Sound Transit considers 8.1% as the base figure of its new overall DBE goal. That value reflects a weight of 0.76 for construction contracts and 0.24 for A&E contracts. The study team based those weights on the volume of FTA-funded construction and A&E contracting dollars that Sound Transit awarded during the study period.

Step 2. Determining if an Adjustment is Needed – 49 CFR Section 26.45(d)

After establishing the base figure, Sound Transit considered available information to determine whether any adjustment was needed to the base figure to determine its new overall DBE goal and to make it as precise as possible. In considering an adjustment to the base figure, Sound Transit evaluated information about:

- Current capacity of DBEs to perform work on DOT-assisted contracting;

- Any disparities in the ability of DBEs to get financing, bonding, and insurance;
- Employment, self-employment, education, training, and unions; and
- Other relevant data.

Sound Transit considered all of the above information in considering whether to make an adjustment to the base figure. All of the above evidence suggested that no adjustment or an upward adjustment to the base figure would be appropriate.

Current capacity of DBEs to perform work on DOT-assisted contracting. USDOT’s “Tips for Goal-Setting” suggests that agencies should examine data on past DBE participation on their USDOT-funded contracts in recent years. USDOT further suggests that agencies should choose the median level of annual DBE participation for those years as the measure of past participation. According to Sound Transit Uniform Reports of DBE Awards or Commitments and Payments, median DBE participation on Sound Transit’s FTA-funded contracts from FFYs 2009 through 2011 was 8.2 percent (see Chapter 9 of the 2013 Disparity Study report).

The information about past DBE participation supports virtually no adjustment to Sound Transit’s base figure. If Sound Transit were to use the approach that USDOT outlined in “Tips for Goals Setting,” the overall goal would be the average of the 8.1 percent base figure and the 8.2 percent median past DBE participation, yielding a potential overall DBE goal that would remain at 8.1 percent.

Any disparities in the ability of DBEs to get financing, bonding, and insurance. BBC’s analysis of access to financing, bonding, and insurance revealed quantitative and qualitative evidence that minorities, women, and minority- and women-owned businesses do not have the same access to those business inputs as white males and majority-owned businesses in the Seattle Metropolitan Area (Sound Transit’s “relevant geographic market area”).³ Any barriers to obtaining financing, bonding, and insurance might affect opportunities for minorities and women to successfully form and operate construction and A&E businesses in the local marketplace. Any barriers that MBE/WBEs face in obtaining financing, bonding, and insurance would also place those businesses at a disadvantage in obtaining Sound Transit and local agency transportation prime contracts and subcontracts (see Chapter of 4 of the 2013 Disparity Study report).

Employment, self-employment, education, training, and unions. BBC used regression analyses to investigate whether race/ethnicity or gender affects rates of self-employment among workers in the local construction and A&E industries. The regression analyses allowed BBC to examine those effects while statistically controlling for various race- and gender-neutral personal characteristics including education and age (for details, see Chapter 4 and Appendix F of the 2013 Disparity Study report). The analyses revealed that Hispanic Americans and women

³ For the 2013 Disparity Study, BBC considered Sound Transit’s relevant geographic market area to be the Seattle Metropolitan Area, which includes King, Pierce, and Snohomish Counties. During the contracting years that the study examined (2008, 2009, 2010, and 2011), Sound Transit awarded approximately 90% of its transportation construction and A&E contracting dollars that the study team analyzed as part of the study to prime contractors and subcontractors with locations in the Seattle Metropolitan Area.

were significantly less likely than non-Hispanic whites and males to own construction businesses after accounting for various race- and gender-neutral personal characteristics. In contrast, there were no statistically significant differences in self-employment rates for minorities and women working in the local A&E industry after accounting for race- and gender-neutral factors.

BBC analyzed the impact that barriers to self-employment would have on the base figure. BBC estimated the availability of potential DBEs if minorities and women owned businesses at the same rate as non-Hispanic white males who shared similar race- and gender-neutral personal characteristics (for details, see Chapter 9 of the 2013 Disparity Study report). The analysis included the same set of contracting dollars that BBC used to determine the base figure (i.e., FTA-funded construction and A&E contracting dollars that Sound Transit awarded during the study period). BBC took the following steps to complete the analysis:

1. BBC made adjustments to availability percentages for construction contracts based on observed disparities in self-employment rates for minorities and women. BBC only made adjustments for those groups that exhibited statistically significant disparities in self-employment rates compared to non-Hispanic whites and males.
2. BBC then combined adjusted availability percentages for construction contracts with availability percentages for A&E contracts in a dollar-weighted fashion. The study team did not make any adjustments to the availability percentages for A&E contracts due to the lack of statistically significant disparities in self-employment rates for minorities and women in A&E.

Figure 2 presents the results of the analysis, which is sometimes referred to as a “but for” analysis, because it estimates the availability of potential DBEs *but for* the continuing effects of past race- and gender-based discrimination. The rows and columns of Figure 2 present the following information from the “but for” analysis:

- a. **Current availability.** Column (a) presents the current availability of potential DBEs by group and by industry, as also presented in Figure 1. Each row presents the percentage availability for each group. Before any adjustment, the availability of potential DBEs for Sound Transit’s FTA-funded construction and A&E contracts is 8.1%, as shown in row (19) of column (a).
- b. **Disparity indices for self-employment.** For each group that is significantly less likely than non-Hispanic white males to own construction or A&E businesses, BBC estimated business ownership rates if those groups owned businesses at the same rate as non-Hispanic white males who share the same race- and gender-neutral personal characteristics. The study team then calculated a self-employment disparity index for each group by dividing the observed self-employment rate by the estimated self-employment rate and then multiplying the result by 100. Values of less than 100 indicate that, in reality, the group is less likely to own businesses than what would be expected for non-Hispanic white males who share the same personal characteristics.

Figure 2.
Adjustment to base figure to account for disparities in self-employment rates

| Industry and group | a. Current availability | b. Disparity index for business ownership | c. Availability after initial adjustment* | d. Availability after scaling to 100% | e. Components of base figure** |
|----------------------------------|-------------------------------|--|--|--|--------------------------------------|
| Construction | | | | | |
| (1) Black American | 1.6 % | n/a | 1.6 % | 1.5 % | |
| (2) Asian-Pacific American | 1.3 | n/a | 1.3 | 1.2 | |
| (3) Subcontinent Asian American | 0.3 | n/a | 0.3 | 0.3 | |
| (4) Hispanic American | 1.7 | 23 | 7.4 | 6.9 | |
| (5) Native American | 1.8 | n/a | 1.8 | 1.7 | |
| (6) WBE | <u>1.2</u> | <u>59</u> | <u>2.0</u> | <u>1.9</u> | |
| (7) Potential DBEs | 8.0 % | n/a | 14.5 % | 13.6 % | 10.3 % |
| (8) All other businesses *** | <u>92.0</u> | <u>n/a</u> | <u>92.0</u> | <u>86.4</u> | |
| (9) Total firms | 100.0 % | n/a | 106.5 % | 100.0 % | |
| A&E | | | | | |
| (10) Black American | 0.4 % | n/a | 0.4 % | 0.4 % | |
| (11) Asian-Pacific American | 0.7 | n/a | 0.7 | 0.7 | |
| (12) Subcontinent Asian American | 1.9 | n/a | 1.9 | 1.9 | |
| (13) Hispanic American | 0.3 | n/a | 0.3 | 0.3 | |
| (14) Native American | 0.4 | n/a | 0.4 | 0.4 | |
| (15) White women | <u>4.8</u> | <u>n/a</u> | <u>4.8</u> | <u>4.8</u> | |
| (16) Potential DBEs | 8.6 % | n/a | 8.6 % | 8.6 % | 2.1 % |
| (17) All other businesses | <u>91.4</u> | <u>n/a</u> | <u>91.4</u> | <u>91.4</u> | |
| (18) Total firms | 100.0 % | n/a | 100.0 % | 100.0 % | |
| (19) Total | 8.1 % | n/a | n/a | | 12.4 % |

Note: Numbers rounded to nearest tenth of 1%. Numbers may not add to totals due to rounding.

* Initial adjustment is calculated as current availability divided by the disparity index.

** Components of the base figure were calculated as the value after adjustment and scaling to 100%, multiplied by the percentage of total FTA-funded contract dollars in each industry (construction = 76%, A&E = 24%).

*** All other businesses included majority-owned businesses and MBE/WBEs that were not potential DBEs.

Source: BBC Research & Consulting

Column (b) presents disparity indices related to self-employment for the different racial/ethnic and gender groups. For example, as shown in row (4) of column (b), Hispanic Americans own construction businesses at 23% of the rate that one might expect based on the estimated self-employment rates of non-Hispanic white males who share similar personal characteristics.

- c. Availability after initial adjustment.** Column (c) presents availability estimates by group and by industry after initially adjusting for statistically significant disparities in self-employment rates. BBC calculated those estimates by dividing the current availability in column (a) by the disparity index for self-employment in column (b) and then multiplying

by 100. Note that BBC only made adjustments for those groups that are significantly less likely than similarly-situated non-Hispanic white males to own businesses. (For that reason, BBC did not make any adjustments to availability percentages for A&E businesses.)

- d. Availability after scaling to 100%.** Column (d) shows adjusted availability estimates that the study team rescaled so that the sum of the availability estimates equaled 100% for each industry. BBC rescaled the adjusted availability estimates by taking each group's adjusted availability estimate in column (c) and dividing it by the sum of availability estimates shown under "Total firms" in column (c) — in row (9) for construction and in row (18) for A&E — and multiplying by 100. For example, the rescaled adjusted availability estimate for Hispanic American-owned construction businesses shown in row (4) of column (d) was calculated in the following way: $(7.4\% \div 106.5\%) \times 100 = 6.9\%$.
- e. Components of goal.** Column (e) shows the component of the total base figure attributed to the adjusted MBE/WBE availability for each industry. BBC calculated each component by taking the total availability estimate shown under "Potential DBEs" in column (d) — in row (7) for construction and in row (16) for A&E — and multiplying it by the proportion of total FTA-funded contract dollars for which each industry accounts (i.e., 0.76 for construction and 0.24 for A&E). For example, BBC used the 13.6% shown in row (7) of column (d) for construction and multiplied it by 0.76 for a result of 10.3% (see row (7) of column (e)). The values in column (e) were then summed to equal the base figure adjusted for barriers in business ownership — 12.4%, as shown in the bottom row of column (e).

Other relevant data. The Federal DBE Program suggests that federal aid recipients also examine "other factors" when determining whether to make any step-2 adjustments to their base figures.⁴

Success of businesses. There is quantitative evidence that certain groups of MBE/WBEs are less successful than majority-owned businesses and face greater barriers in the marketplace, even after considering race- and gender-neutral factors. Chapter 4 and Appendix H of the 2013 Disparity Study report summarize that evidence. There is also qualitative evidence of barriers to the success of MBE/WBEs, as explored in Appendix J of the report. Some of that information suggests that discrimination on the basis of race/ethnicity and gender affects MBE/WBEs in the Washington transportation contracting industry.

Initiative 200. Initiative 200 amended state law to prohibit the use of race- and gender-based preferences in public contracting, public employment, and public education, unless such requirements are required "to establish or maintain eligibility for any federal program, if ineligibility would result in a loss of federal funds to the state."⁵ Thus, Initiative 200 prohibited government agencies in Washington from applying race- and gender-conscious programs (e.g., DBE contract goals) to locally-funded contracts but not necessarily to USDOT-funded contracts.

⁴ 49 CFR Section 26.45

⁵ RCW 49.60.400(1)

Many business owners and others knowledgeable about the local transportation contracting industry report that many minority- and women-owned businesses closed as a result of Initiative 200 and the prohibition of race- and gender-conscious programs on locally-funded contracts (see Appendix J of the 2013 Disparity Study report). Consistent with those claims, some academic research that has examined business ownership before and after the passing of Initiative 200 has suggested adverse effects for minorities, women, and minority- and women-owned businesses as a result of Initiative 200.⁶

Step 2 adjustment. Sound Transit has considered available information relevant to a potential step 2 adjustment and has decided to make an upward adjustment to the base figure. Sound Transit has decided to make an upward adjustment that specifically accounts for barriers that minorities and women face related to self-employment in the local transportation contracting industry. Sound Transit has decided to base its adjustment specifically on barriers to self-employment because there are clear, direct, and quantifiable effects of barriers to self-employment on the availability of potential DBEs. Furthermore, accounting for barriers to self-employment in the overall DBE goal indirectly accounts for other barriers that minorities and women face in the local transportation contracting industry (e.g., barriers related to education, unions, financing, bonding, and insurance).

Based on information about disparities in self-employment rates, Sound Transit proposes to adjust its base figure upward and amend its overall DBE goal to 12.4%.

Race-/Gender-Neutral and Race/Gender-Conscious Split – 49 CFR Section 26.51 (c)

In accordance with federal regulations and USDOT guidance, Sound Transit will attempt to meet the maximum feasible portion of its proposed 12.4% overall DBE goal by using race- and gender-neutral measures. As part of the 2013 Disparity Study, BBC provided information about the degree to which Sound Transit utilized certified DBEs on contracts that the agency awarded in a race- and gender-neutral environment (i.e., contracts to which Sound Transit did not apply DBE contract goals). BBC examined the utilization of certified DBEs on two such contract sets: locally-funded contracts throughout the entire study period; and FTA-funded contracts in 2008.

Considering both contract sets together, overall, certified DBEs received 5.6% of the dollars on those contracts. Sound Transit used myriad race- and gender-neutral measures to encourage DBE participation on those contracts (for details, see Chapter 10 of the 2013 Disparity Study report). The agency still uses most of those measures and will continue using them through the time period that the amended DBE goal will cover. Figure 3 presents a description of those measures.

⁶ Fairlie, R. & Marion, J. 2007. "Affirmative Action Programs and Business Ownership among Minorities and Women." Ford Foundation and National Economic Development and Law Center.

Figure 3.
Current Sound Transit race- and gender-neutral measures

| Current measures | |
|---|--|
| Advertises all contracts worth more than \$100,000 on its website and in the Daily Journal of Commerce | Encourages firms that could potentially qualify for DBE certification to apply |
| Maintains an active diversity oversight committee | Uses the E-bid system to notify bidders of solicitations, bid results, and solicitation award information |
| Initiated and continues the Business After Hours program to provide networking opportunities for small businesses | Maintains a Small Works Roster |
| Conducts networking sessions to provide small businesses an opportunity to meet and initially market themselves to prime contractors and Sound Transit | Sponsors outreach at the annual Regional Contracting Forum and other networking events |
| Has prompt payment mechanisms that require prime contractors to pay subcontractors no later than 10 working days after receipt of each progress payment | Co-sponsors business technical assistance, supportive services, and training programs |
| Operates a DBE fraud and abuse hotline | Hold quarterly "Best Practices" workshops |
| Provides weekly snapshots of procurements (solicitation, pre-bid meetings, due dates, and execution) occurring during the week | Participates in the Linked Deposit program |
| Partners with the Washington State Department of Transportation to help businesses overcome limitations related to bonding, financing, and other areas | Allows any bidder to request a debriefing following the award of a contract |
| Provides quarterly notice of future procurements on its webpage | Participates in the King County Supplier Program, which uses set asides for qualified small businesses (50% of the SBA size) |
| Offers one-on-one mentoring to businesses struggling with aspects of fulfilling their contract or with business management skills | Hosts pre-bid meetings on most contracts |
| | Offers DBE training and one-on-one consulting sessions on business management and contracting issues |
| | Maintains a bidder's list |

Source: Sound Transit, 2013.

Based on the above information, Sound Transit projects that it will be able to meet 5.6% of its new overall DBE goal through race- and gender neutral measures. Sound Transit projects that it will meet the remainder of its proposed 12.4% overall DBE goal — 6.8% — through the use of race- and gender-conscious measures (i.e., DBE contract goals).

DBE Groups Eligible for Race- and Gender-Conscious Measures – 49 CFR Section 26.15

Several seminal court cases — particularly in the Ninth Circuit — have indicated that, in order to implement the Federal DBE Program in a narrowly tailored manner, agencies should limit the use of race- and gender-conscious program measures to those minority groups “that have actually suffered discrimination” within its transportation contracting industry.^{7,8} In addition, in *H.B. Rowe v. Tippett*, the Fourth Circuit Court of Appeals ruled that the North Carolina Department of Transportation (NCDOT) did not provide an “exceedingly persuasive

⁷ *AGC, San Diego Chapter v. California DOT*, 713 F.3d 1187, 1191, 1199, 2013 WL 1607239 (9th Cir. April 16, 2013)

⁸ *Western States Paving Co. v. Washington State DOT*, 407 F.3d 983, 997-98 (9th Cir. 2005), *cert. denied*, 546 U.S. 1170 (2006)

justification” for including women-owned businesses in its use of race- and gender-conscious program measures, because the statistical evidence did not support an inference of discrimination against women-owned businesses.⁹ The Court found that there was strong evidence of overutilization of women-owned businesses in the public sector. As a result, the court held that NCDOT’s inclusion of women-owned businesses in its use of DBE contract goals was invalid. The Court thus held that the state legislation as applied to women-owned businesses was unconstitutional.¹⁰

Moreover, USDOT official guidance states that “even when discrimination is present in a state, a program is narrowly tailored only if its application is limited to those specific groups that have actually suffered discrimination or its effects.”¹¹ As provided in 49 CFR Part 26, such guidance is “valid, and express[es] the official positions and views of the Department of Transportation”¹²

As part of the 2013 Disparity Study, BBC assessed whether there were any disparities between Sound Transit’s utilization of minority- and women-owned businesses and the availability of those businesses for Sound Transit transportation contracts (for details, see Chapter 7 and Appendix K of the 2013 Disparity Study report). In sum, disparity analysis results indicated that all minority-owned business groups exhibited substantial disparities — that is, disparities whereby utilization was less than 80% of availability — on key contract sets that the study team examined. In contrast, non-Hispanic women-owned businesses did not exhibit substantial disparities on any key contract sets.

Summary

Sound Transit proposes a new three-year overall DBE goal for FFYs 2014 through 2016 of 12.4%. Based on the results of a “custom census” availability analysis, Sound Transit determined that the base figure for its new overall DBE goal is 8.1%. Sound Transit decided to adjust the base figure to 12.4% to account for barriers that minorities and women face related to self-employment and other factors in the local transportation contracting industry. Sound Transit projects that it will be able to meet 5.6% of its new overall DBE goal through race- and gender neutral program measures. Sound Transit projects that it will meet the remainder of the goal — 6.8% — through the use of race- and gender-conscious measures. Based on disparity study results, Sound Transit proposes that the following groups will be eligible to participate in race- and gender-conscious measures:

⁹ *H.B. Rowe Corp., Inc. v. W. Lyndo Tippet, North Carolina DOT, et al*; 615 F.3d 233 (4th Cir. 2010)

¹⁰ Although the state presented anecdotal evidence that suggested the existence of gender-based discrimination in the local marketplace, the Court ruled that the anecdotal evidence did not overcome the strong, statistical evidence of overutilization of women-owned businesses and it fell short of justifying NCDOT’s inclusion of women-owned businesses in its use of DBE contract goals.

¹¹ United States Department of Transportation Official Questions and Answers (Q&A’s) Disadvantaged Business Enterprise Program Regulation (49 CFR 26), <http://www.dot.gov/osdbu/disadvantaged-business-enterprise/official-questions-and-answers-26>

¹² 49 CFR Section 26.9

- ☐ Black American-owned businesses;
- ☐ Asian-Pacific American-owned businesses;
- ☐ Hispanic American-owned businesses;
- ☐ Native American-owned businesses; and
- ☐ Subcontinent Asian American-owned businesses.

Sound Transit will request a waiver to consider women-owned businesses as ineligible to participate in any race- and gender-conscious measures. DBEs that are owned by minority women will still be eligible to participate in Sound Transit's race- and gender-conscious measures if they are DBE-certified along with their corresponding minority groups.¹³ Non-Hispanic white women-owned businesses will still be eligible to participate in the race- and gender-neutral measures that are part of Sound Transit's implementation of the Federal DBE Program. Sound Transit will monitor its utilization of non-Hispanic white women-owned businesses and reassess the appropriateness of the requested waiver regularly. Several state departments of transportation have requested similar waivers that have been approved by USDOT including the California Department of Transportation and the Oregon Department of Transportation.

Public Participation – 49 CFR Section 26.45(g)

Public participation is a key component of Sound Transit's process for establishing a new overall DBE goal. Sound Transit will make efforts to engage the public as part of the goal-setting process and will make additional public engagement efforts in finalizing its Goal and Methodology.

Public notice. Sound Transit will publish a public notice announcing its proposed overall DBE goal and rationale for the goal. The notice will state that Sound Transit will accept comments on its overall DBE goal for 45 days, and it will provide physical addresses and e-mail addresses where the public can send any comments. The public notice will appear for 30 days at the Sound Transit Diversity Program office (401 S Jackson St. Seattle, WA 98104). The notice will also be posted on Sound Transit's website and will be published in general circulation media and trade association publications including the Seattle Times, Daily Journal of Commerce, Northwest Asian Weekly, and the Seattle Medium. Sound Transit will also e-mail the public notice to all registered DBEs and prime contractors.

¹³ For example, Black American women-owned businesses would be eligible for Sound Transit's race- and gender-conscious measures if they are certified as Black American-owned DBEs.

Consultation with organizations. Sound Transit will consult individually with several contracting groups, community organizations, and other organizations that have information about local marketplace conditions for minority- and women-owned businesses. During those meetings, Sound Transit will discuss its proposed overall DBE goal and rationale for the goal and also solicit comments about the goal from meeting participants. Sound Transit anticipates that it will consult with the following organizations:

- Astra Women’s Business Alliance
- National Association Of Minority Contractors
- Northwest Minority Supplier Development Council
- Tabor 100
- Women’s Transportation Seminar