



Concho Valley Council of Governments

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Per the Disadvantaged Business Enterprise policy for the Concho Valley Transit District, a new goal for Federal Fiscal Years 2021-2023 has been determined. This DBE goal has been revised from the previous goal, effective October 1, 2020, to take into consideration the evidence and data outlined in this report. This submission is required by the Department of Transportation DBE regulations found at 49 C.F.R. Part 26.

Amount of Goal:

Concho Valley Transit District's (CVTD) overall goal for FY 2021-2023 is the following: **5.67%** of the Federal Financial assistance we will expend in DOT-assisted contracts, which is exclusive of FTA funds to be used for the purchase of transit vehicles.

Methodology Used to Calculate Base Figure:

FTA Funded Projects or Contracts

The following outlines the reasonably anticipated FTA funded projects or contracting opportunities that will arise over the period of time that this goal will be in effect:

- Architectural & Engineering Services for Transit Maintenance Facility
- Ride Systems & Drive Cam Software
- Building Cameras
- Destination Signs
- Bus Benches
- Bus Shelters
- Bus Barriers
- Automatic Passenger Counters
- Building Generator
- Foggers
- Bus HVAC Systems

Transit bus purchases and transit vehicle repairs should be excluded from the calculation of the base figure as they are listed as examples of "no contracting opportunities" in the Department of Transportation's "List of Expenditure Categories".

CVTD does not currently award sub-recipients with FTA funds, and they do not anticipate awarding sub-recipients with FTA funds within the time that this goal is effective.

Sub-Contracting Opportunities

The project and subsequent contract involving Architectural & Engineering services for our CVTD's new maintenance facility is complex in a way that allows many opportunities for sub-contracting and involvement of small businesses that may qualify or identify as DBEs. These sub-contracting opportunities include:

- Sitework
- Paving
- Fencing
- Landscaping
- Fuel Station
- Wash Station
- Repair Station
- Lift Equipment
- Storage Equipment
- Wash Equipment
- Fueling Equipment

Local Market Area

CVTD selected the following counties as the market area for this analysis: Sterling, Coke, Reagan, Irion, Tom Green, Concho, McCulloch, Crockett, Schleicher, Sutton, Menard, Kimble, Ector, Midland, Martin, Howard, Nolan, & Taylor.

Calculation of Base Figure:

Step 1: 26.45(c)

Determine the base figure for the relative availability of DBEs.

The base figure for the relative availability of DBEs was calculated as follows:

$$\text{Base Figure} = \frac{\text{Ready, Willing, and Able DBEs (8)}}{\text{All Firms Ready, Willing, and Able (2,375)}} = 0.00336842 = 0.34\%$$

Data Sources

Based on the anticipated FTA funded projects and contracts, and the related sub-contracting opportunities, the following NAICS codes were used to determine the industry classifications to be used in gathering data and calculating the base figure:

- NAICS 221122: Electric Power Distribution
- NAICS 236220: Commercial and Institutional Building Construction
- NAICS 236220: Construction management, commercial and institutional building
- NAICS 236220: Garage and service station, commercial, construction
- NAICS 237120: Oil and Gas Pipeline and Related Structures Construction
- NAICS 237310: Highway, Street, and Bridge Construction
- NAICS 238110: Poured Concrete Foundation and Structure Contractors
- NAICS 238120: Structural Steel and Precast Concrete Contractors
- NAICS 238150: Glass and Glazing Contractors
- NAICS 238210: Electrical Contractors and Other Wiring Installation Contractors
- NAICS 238220: Plumbing, Heating, and Air-Conditioning Contractors
- NAICS 238910: Site Preparation Contractors
- NAICS 238990: All Other Specialty Trade Contractors
- NAICS 323111: Lithographic printing (except books, grey goods)
- NAICS 334519: Other Measuring and Controlling Device Manufacturing
- NAICS 423440: Other Commercial Equipment Merchant Wholesalers
- NAICS 423990: Other Miscellaneous Durable Goods Merchant Wholesalers
- NAICS 441310: Automotive parts and Accessories Stores
- NAICS 447110: Gasoline stations with convenience stores
- NAICS 447190: Other Gasoline Stations
- NAICS 453210: Office Supplies and Stationery Stores
- NAICS 485113: Bus and Other Motor Vehicle Transit Systems
- NAICS 485999: All Other Transit and Ground Passenger Transportation
- NAICS 488410: Motor Vehicle Towing
- NAICS 511210: Software publishers
- NAICS 517110: Wired Telecommunications Carriers
- NAICS 51721: Wireless Telecommunications Carriers (except Satellite)
- NAICS 541519: Other Computer Related Services
- NAICS 541618: Other Management Consulting Services
- NAICS 561621: Security Systems Services (except Locksmiths)
- NAICS 561710: Exterminating and Pest control services
- NAICS 561720: Janitorial services
- NAICS 561730: Landscaping Services
- NAICS 811111: General Automotive Repair
- NAICS 811192: Car washes
- NAICS 811198: All Other Automotive Repair and Maintenance

The data source or demonstrable evidence used to derive the numerator was the Texas Unified Certification Program (TUCP) DBE/ACDBE and TxDOT SBE Directory provided through the Texas Department of Transportation. Through this directory CVTD was able to identify all DBE firms listed for the Local Market Area (provided above) that fall under the above NAICS industry codes.

<https://txdot.txdotcms.com/FrontEnd/SearchCertifiedDirectory.asp?XID=3338&TN=txdot>

The data source or demonstrable evidence used to derive the denominator was the U.S. Census Bureau’s North American Industry Classification System (NAICS) County Business Patterns, utilizing the most current data table available for each given NAICS code, to determine all firms ready, willing, and able listed for the Local Market Area (provided above) that fall under the above NAICS industry codes.

<https://data.census.gov/cedsci/advanced>

Step 2: 26.45 (d)

Adjusted Base Figure

The table below illustrates CVTD’s past reported DBE performance to total participation dollars in relation to the DBE goal for the period. Given the performance, there is reasonable evidence to support using past performance to adjust the base figure.

Fiscal Year	Report	Reporting Period	DBE Percentage	Goal
2018	Semi-Annual	June	0.33%	0.18%
2018	Semi-Annual	December	2.53%	0.18%
2019	Semi-Annual	June	12.85%	0.18%
2019	Semi-Annual	December	11.01%	0.18%
2020	Semi-Annual	December	15.32%	0.18%

Based on the above data, the median of past DBE performance is 11.01%. TxDot’s direction for adjusting base goal figures is to take the sum of the base figure and the median performance percentage, and divide to get the average of the two figures. As such, the adjusted base figure is **5.67%** which is calculated as follows:

$$\text{Adjusted Base Figure} = \frac{[\text{Base Figure (0.34\%)} + \text{Median Past Performance Percentage (11.01\%)}]}{2} = \mathbf{5.67\%}$$

Disparity Studies

In 2019, TxDOT published a disparity study. The study cites several efforts that should be taken by the department to increase successful use of DBEs in our local market areas. However, considering CVTDs past and recently reported performance exceeding fiscal goals utilizing DBES, as well as the consideration of the limited pool (0.33%) of DBEs in CVTDs local market area, CVTD does not feel that it is appropriate to use this to adjust the base figure at this time. CVTD will continue to increase the awareness of the DBE program and encourage eligible firms to become certified therein, so that we may increase our opportunity to involve DBEs in future projects.

Race & Gender Neutral, and Race & Gender Conscious Participation:

CVTD estimates that, in meeting the overall goal of 5.67%, they will obtain 5.67% from race and gender-neutral participation, and 0% from race and gender conscious participation.

Based on past performance, the median percentage CVTD exceeded their goal semi-annually from 2018-2020 was 10.83%. Given the adjusted base figure of 5.67%, it has been determined that no adjustment to the goal for race and gender-neutral participation is necessary.

Public Outreach & Community Participation:

CVTD arranged for a virtual townhall to take place on June 8, 2021 to gather input from the community and other DBE's regarding the new goal calculation. This meeting was advertised via CVTD and CVCOG social media sites as well as their respective websites. The meeting was also advertised through the local newspaper and ran for one week prior to the meeting date. Interested parties were required to reach out via the posted e-mail and/or phone number to get the information to attend the meeting. This was the direction given by the IT department to protect privacy and security. As of the end of business on June 7, 2021, no interested parties had reached out for the information to attend the meeting. As such, the meeting was cancelled and there was no additional input provided from the community regarding CVTD's revised DBE goal.