

PUBLIC NOTICE

DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL

This is to inform the public that the Corpus Christi Regional Transportation Authority (CCRTA) has established a Disadvantaged Business Enterprise (DBE) Program goal of 13% for its Federal Fiscal Years 2020-2022 federally-funded expenditures. The goal setting methodology was determined in accordance with the guidance provided in 49 Code of Federal Regulations (CFR) Part 26.45.

The public has 30 days following the date of this notice to inspect a description of our rationale for setting the DBE goal. The goal may be accessed at www.ccrta.org or during normal business hours, 8:00 a.m. to 5:00 p.m. at the RTA's Administration/Operations Facility, 602 N. Staples, Corpus Christi, TX 78401.

The CCRTA will accept comments on the goal for 35 days from the date of this notice. Inquiries may be directed to the CCRTA at the above address or cperez@ccrta.org

1. Introduction

Corpus Christi Regional Transportation Authority (CCRTA) herein sets forth its overall Disadvantaged Business Enterprise (DBE) Goal along with the corresponding goal-setting methodology for the three-year Federal Fiscal Year (FFY) goal period of 2020-2022 (October 1, 2019 through September 30, 2022), pursuant to Title 49 Code of Federal Regulations (CFR) Part 26 “Participation by Disadvantaged Business Enterprises in the U.S. Department of Transportation Programs.”

2. Background

CCRTA is a recipient of U.S. Department of Transportation (USDOT), Federal Transit Administration (FTA) funding. As a condition of receiving this assistance, CCRTA must comply with FTA’s DBE requirements. In accordance with Title 49 CFR Part 26, Participation by DBE’s in USDOT programs, CCRTA is required to develop and submit a triennial Overall DBE goal for its FTA assisted projects.

3. FTA-Assisted Contracting Program for FFY 2020 – 2022

Table 1 represents CCRTA’s FTA-assisted contracting program which lists all the projects considered in preparing the goal methodology. It is anticipated that the projects listed in this table will be awarded during the triennial period.

Table 1

Projects with Contracting Opportunities	Federal Funds FFY 2020-2022
Bus Stop Shelter Amenities	\$ 1,787,818.00
Bus Stop Improvements Phase VIII through X	\$ 2,400,000.00
Maintenance Building Parking Lot Concrete Replacement	\$ 700,000.00
Non Revenue Vehicles	\$678,702
Capitalized Preventive Maintenance	\$2,400,000
Mobile Bus Lifts	\$72,000
Mobility Management	\$ 407,730.00
Total FTA-assisted Contracting Opportunities	\$ 8,446,250.00

Table 2 represents all the projects in Table 1 but is further broken down by sub-contracting opportunities for each project (if applicable). NAICS codes were established for all work categories listed in Table 2.

Table 2

Projects and Sub-Contracting Opportunities	Estimated FTA \$ by Work Category 2020-2022
Capitalized Preventive Maintenance	\$ 2,400,000.00
Motor vehicle parts and accessories, new, merchant wholesalers	\$ 2,400,000.00
Bus Stop Shelter Amenities	\$ 1,787,818.00
Concrete	\$ 375,441.00
Bus Stop Improvements Phase VIII through X	\$ 2,400,000.00
Concrete	\$ 504,000.00
Maintenance Building Parking Lot Concrete Replacement	\$ 700,000.00
Concrete	\$ 50,000.00
Demolition	\$ 20,000.00
Electrical Contractors	\$ 20,000.00
Drainage (irrigation system)	\$ 20,000.00
Sidewalk and Ramps	\$ 20,000.00
Non-Revenue Vehicles	\$ 678,702.00
Non-Revenue Vehicles	\$ 678,702.00
Mobile Bus Lifts	\$ 72,000.00
Mobile Bus Lifts	\$ 72,000.00
Mobility Management	\$ 407,730.00
Mobility Management	\$ 407,730.00
Total FTA-assisted Contracting Opportunity	\$ 8,446,250.00

After all the NAICS Codes were assigned to the work categories in Table 2, the page below was sorted by NAICS code number to identify any potential duplicates. In some cases, the same NAICS code applied to work categories across different projects as demonstrated in Table 3

Table 3

NAICS Codes "Duplicates"	NAICS Code	Estimated FTA \$ by NAICS 2020-2022
Concrete pouring	238110	\$ 375,441.00
Bus shelter construction	236220	\$ 1,412,377.00
Concrete pouring	238110	\$ 504,000.00
Bus terminal construction	236220	\$ 1,896,000.00
Highway, Street, and Bridge Construction	237310	\$ 570,000.00
Retaining wall (except anchored earth), poured concrete, construction	238110	\$ 50,000.00
Demolition, building and structure	238910	\$ 20,000.00
Electrical, electrical wiring, and low voltage electrical work	238210	\$ 20,000.00
Demolition, building and structure	238910	\$ 20,000.00
Sidewalk construction, residential and commercial	238990	\$ 20,000.00
Motor Vehicle Supplies and New Parts Merchant Wholesalers	423120	\$ 2,400,000.00
Non Revenue Vehicles	441110	\$ 678,702.00
Motor Vehicle Supplies and New Parts Merchant Wholesalers	423120	\$ 72,000.00
Special Needs Transportation	485991	\$ 407,730.00
Total FTA assisted Contracting Opportunity		\$ 8,446,250.00

Table 4 provides a final summary of the work categories once all the duplicate NAICS codes were combined. The table also provides the estimated FTA funds per NAICS code and the corresponding NAICS weight for each work category.

Table 4

Category of Work	NAICS Code	Estimated FTA \$ by NAICS 2020 - 2022	NAICS Weight (%)
Concrete pouring	238110	\$ 929,441.00	11.00
Bus shelter construction	236220	\$ 3,308,377.00	39.17
Highway, Street, and Bridge Construction	237310	\$ 570,000.00	6.75
Demolition, building, and structure	238910	\$ 40,000.00	0.47
Electrical, electrical wiring, and low voltage electrical work	238210	\$ 20,000.00	0.24
Sidewalk construction, residential and commercial	238990	\$ 20,000.00	0.24
Motor Vehicle Supplies and New Parts Merchant Wholesalers	423120	\$ 2,472,000.00	29.27
Non Revenue Vehicles	441110	\$ 678,702.00	8.04
Special Needs Transportation	485991	\$ 407,730.00	4.83
Total FTA-assisted Contracting Opportunity		\$ 8,446,250.00	100.00

4. Goal Methodology

Step 1: Determination of a base figure

CCRTA followed the prescribed federal methodology to determine a base figure. CCRTA looked at the availability of ready and willing DBE firms in each category code and also looked at all ready and willing firms in each category code. This information was gathered through the Texas Unified Certification Program (TUCP) DBE database of certified firms and the 2016 U.S. Census Bureau County Business Patterns Database with defined specific market areas based on the individual contracting opportunity.

CCRTA's Metropolitan Statistical area (MSA) consists of Nueces, San Patricio and Aransas Counties. This is where the majority of contracting dollars are expended and/or the majority of contractor and subcontractor bids/quotes are located.

The base figure is derived by dividing the number of ready, willing and able DBE firms identified in each work category by the number of all firms identified in each work category (relative availability), then weighting the relative availability for each work category by the corresponding work category weight (Table 4), and then adding the weighted ratios together.

$$\text{Base Figure} = \frac{\text{Number of Ready, Willing and Able DBE Firms}}{\text{Number of ALL Ready, Willing and Able Firms}} (\text{X}) \text{ Category Weight (X) } 100$$

Numerator: TUCP DBE Database of Certified Firms

Denominator: U.S. Census Bureau's 2016 Business Patterns

To ensure the information pulled for DBE firms and all firms were equal, the same geographic region was selected for both groups as noted in Table 5.

The result of the base figure calculations is **18.40%**, as shown in Table 5.

Table 5

Category of Work	NAICS Code	NAICS Weight (%)	Geographic Region	All Firms	DBE Firms	Weighted Ratio (%)
Concrete pouring	238110	11.56%	Nueces County, San Patricio County & Aransas County	23	7	3.51%
Bus shelter construction	236220	41.16%	Nueces County, San Patricio County & Aransas County	43	8	7.65%
Highway, Street, and Bridge Construction	237310	7.09%	Nueces County, San Patricio County & Aransas County	10	10	7.09%
Demolition, building, and structure	238910	0.50%	Nueces County, San Patricio County & Aransas County	31	7	0.11%
Electrical, electrical wiring, and low voltage electrical work	238210	0.25%	Nueces County, San Patricio County & Aransas County	80	2	0.00%
Sidewalk construction, residential and commercial	238990	0.25%	Nueces County, San Patricio County & Aransas County	46	9	0.04%
Motor Vehicle Supplies and New Parts Merchant Wholesalers	423120	30.75%	Nueces County, San Patricio County & Aransas County	17	0	0.00%
Non Revenue Vehicles	441110	8.44%	Nueces County, San Patricio County & Aransas County	31	0	0.00%
Special Needs Transportation	485991	4.83%	Nueces County, San Patricio County & Aransas County	2	0	0.00%
BASE FIGURE		100.00%		283	43	18.40%

Step 2: Adjusting the Base Figure

After establishing the base figure, CCRTA reviewed other known factors potentially impacting the relative availability of DBE's within the market area. This approach follows the narrow tailoring provisions set forth under 49 CFR §26.45: Step 2; DBE Goal Adjustment guidelines.

Factors considered in making an adjustment to the Base Figure included the following:

Past DBE Goal Attainments

The primary form of evidence available is the past participation of DBE's in CCRTA's contracting awards. CCRTA calculated past DBE participation attainments for the last three (3) federal fiscal years. Table 6 reflects the actual representation of DBE's on FTA-assisted contracts awarded by CCRTA in the last three federal fiscal years.

Table 6

Federal Fiscal Year (FFY)	Annual DBE Goal (%)	FTA DBE Goal Attainment (%)
2016	13%	67%
2017	16%	0%
2018	16%	7%
Median DBE Attainment Within the Last Three Years		7.00%
Base Figure		18.40%
Proposed Adjusted Base Figure		13%

The median established for the past three years, as shown in Table 6, is lower than the base figure derived from Step 1; therefore, an adjustment to the base figure based on CCRTA's past DBE goal attainments has been made. The decision to make an adjustment was based on the following:

- Past participation (the volume of work DBE's have performed in recent years) or other measures of demonstrated capacity as illustrated in Table 6;
- Evidence from past and recent disparity studies, and availability analysis which were used in evaluating the data; and
- Statistical data that show disparities in the ability of DBE's getting financing and bonding.

Based on the above, CCRTA feels that an adjustment to the base figure is warranted. The adjustment is calculated in accordance with FTA guidance by averaging the base figure with the median DBE past attainment, as shown below:

$$\text{Adjusted Base Figure} = \frac{\text{Base Figure (18.40\%)} + \text{Median Attainment (7\%)}}{2}$$

The formula resulted in a proposed adjustment (decrease) to the base figure from 18.40% to **13%**.

There are no other factors that CCRTA is aware of that would have an impact on the DBE goal setting methodology.

5. Proposed Overall DBE Goal

The final proposed overall DBE goal for FFY 2020-2022 for Corpus Christi Regional Transportation Authority's FTA-assisted contracts is 13%.

6. Utilization of Race/Gender Neutral Method

Per 49 CFR §26.51, "You must meet the maximum feasible portion of your overall goal by using race/gender-neutral means of facilitating DBE participation." Contract specific goals may be established in those instances when it is anticipated that the use of race-neutral measures may not be sufficient to meet the goal.

To ensure a measurable and accurate calculation, FTA's DBE program, through way of its Goal Setting Methodology and Consultation webinar held in May, 2019 has provided a current formula for calculating the race-neutral/race-conscious split. The formula, as shown below, requires you to calculate the *Relative RN (Race-Neutral) Attainment*, the *Absolute RN (Race-Neutral Attainment)* and finally, the *RC (Race-Conscious) Split*.

1. Relative RN Attainment =

$$\frac{\text{RN Attainment (by \$ or \%)}}{\text{Overall DBE Achievement (by \$ or by \%)}}$$

2. Absolute RN Attainment =

$$\text{Relative RN Attainment (by \%)} \times \text{Proposed Overall Goal (by \%)}$$

3. RC Split

$$\text{Proposed Overall Goal (by\%)} - \text{Absolute RN Attainment (by\%)}$$

Following this suggested formula lead CCRTA's Race-Conscious (RC)/Race-Neutral (RN) split as follows:

$$13\%/0\%$$

Because the goal of §26.51 is to meet the maximum feasible portion of a recipient's overall goal by race-neutral means of facilitating race-neutral DBE participation, CCRTA is committed to a RC/RN split of:

RC = 10% / RN = 3%

CCRTA will actively seek to solicit procurement participation from DBE firms and ensures the same in its public notices.

Race-neutral methods will include, but are not limited to the following:

- DBE participation through a prime contract obtained through competitive procurement measures
- DBE participation through a subcontract on a prime contract
- CCRTA will provide pre-bid/pre-proposal meetings to allow for networking opportunities for primes and subcontractors
- CCRTA advertises and distributes its DBE directory via its website, www.cccta.org
- CCRTA participates in local outreach events

CCRTA will also ensure that Requests for Proposals (RFPs), Invitation for Bids (IFBs), and all corresponding contracting requirements foster participation by DBEs and other small businesses. CCRTA encourages prime contractors to subcontract portions of the work to disadvantaged business enterprises (DBEs).