

PUBLIC NOTICE

Corpus Christi Regional Transportation Authority

Proposed Disadvantaged Business Enterprise (DBE) Overall Goal for Federal Fiscal Years 2023 – 2025

The Corpus Christi Regional Transportation Authority (CCRTA) hereby notifies the public that it has established a proposed Disadvantaged Business Enterprise (DBE) overall goal for applicable procurement contracts assisted by Federal Transit Administration during federal fiscal years (FFY) 2023-2025. The proposed overall DBE goal for FFY 2023-2025 is 14%. The goal setting and methodology was determined in accordance with the requirements of the U.S. Department of Transportation as set forth in 49 Code of Federal Regulations (CFR) Part 26.45.

A description of the methodology used in establishing the proposed overall DBE goal will be available for public inspection for thirty (30) days from the date of this notice during normal business hours, Monday-Friday from 8:00 AM to 5:00 PM at the Corpus Christi Regional Transportation Authority's (CCRTA) DBE Office- 602 N. Staples St. Corpus Christi, TX 78401 and at the CCRTA website (www.ccrta.org).

CCRTA will accept written comments regarding the proposed goal for 45 days from the date of publication of this notice. Written comments to DBE Liaison Officer, Laura Yaunk, may be sent to the address above and/or emailed to lyaunk@ccrta.org.

[Disadvantaged Business Enterprise \(DBE\) Goal Setting & Methodology FFY 2023-2025](#)



Corpus Christi Regional Transportation Authority (CCRTA)

**Federal Transit Administration (FTA) –
Overall DBE Goal Setting and Methodology for
Federal Fiscal Years 2023-2025**

SUMMARY

Corpus Christi Regional Transportation Authority (CCRTA) submits the following Disadvantaged Business Enterprise (DBE) overall goal and methodology for Federal Fiscal Years (FFY) 2023-2025 to Federal Transit Administration (FTA) for review in accordance with 49 Code of Federal Regulations (CFR) Part 26.45. CCRTA’s triennial overall goal of 14% for FFY 2023-2025 includes a race-conscious projection of 11.58% and race-neutral projection of 2.42%. CCRTA shall make good faith efforts to meet the overall DBE goal each year during the triennial period. The overall goal was derived in the following manner:

- A base goal of 22.29% was calculated;
- An adjustment to the base goal was made taking into consideration the median past participation of 5.96%, thus reducing the base goal to 14.13% rounded to 14%;
- The maximum portion of the adjusted goal is 11.58% which is race-conscious and the race-neutral portion of the adjusted goal is 2.42%

BACKGROUND

As a recipient of Federal Transit Administration (FTA) funding, CCRTA is required to establish and submit a triennial DBE overall goal for its FTA-assisted projects pursuant to the U.S. Department of Transportation (USDOT) rules and regulations provided in Title 49 Code of Federal Regulations (CFR) Part 26 (DBE Regulations). DBE regulations required USDOT recipients to set an overall goal based on demonstrable evidence of the availability of ready, willing, and able DBEs relative to all businesses ready, willing, and able to participate on federally-assisted contracts. The goal must reflect CCRTA’s determination on the level of DBE participation expected absent the effects of discrimination.

FTA-ASSISTED CONTRACTING PROGRAM FOR FFY 2023-2025

Table 1 represents CCRTA’s FTA-assisted projects that are anticipated to be awarded during the triennial period and which are considered in preparing this goal methodology. The projects have viable subcontracting possibilities and corresponding availability of DBEs, a required criterion for overall goal consideration.

Table 1

Project Name	Estimated FTA Funding for FFY 2023-2025
Bus Stop Shelter Amenities	\$1,098,085.00
Bus Stop Improvements	\$1,200,000.00
Concrete Bus Pads	\$840,000.00
Bus Wash Replacement	\$200,000.00
Bus Lift Replacements	\$680,000.00
Fork Lift Replacement	\$43,008.00
Mobile Radio Replacement	\$195,200.00
Support Vehicle Purchases	\$506,726.00
Total	\$4,763,019.00

Categories of Work

CCRTA reviewed each project anticipated to be awarded in the triennial period and determined the applicable categories of work applicable for each project using North American Industry Classification System (NAICS) codes. The corresponding dollar values for each NAICS code for each project are summarized below for purposes of weighting the categories of work based on the staff estimates. Table 2 provides a summary of the categories of project with estimated dollars for each.

Table 2

NAICS Code	Bus Stop Shelter Amenities	Bus Stop Improv	Concrete Bus Pads	Bus Wash Replc	Bus Lifts Replc	Fork Lift Replc	Mobile Radio Replc	Support Vehicle Purchases	Est. FTA \$ Share NAICS	Est. FTA % Share NAICS
236220	\$957,296	\$400,000							\$1,357,296	28.50%
237310		\$200,000	\$465,000						\$665,000	13.96%
238110	\$120,789	\$450,000	\$375,000						\$945,789	19.86%
238910	\$20,000	\$50,000							\$70,000	1.47%
334220							\$195,200		\$195,200	4.10%
423120					\$680,000	\$43,008			\$723,008	15.18%
441110								\$506,726	\$506,726	10.64%
541330		\$100,000							\$100,000	2.10%
811192				\$200,000					\$200,000	4.20%
	\$1,098,085	\$1,200,000	\$840,000	\$200,000	\$680,000	\$43,008	\$195,200	\$506,726	\$4,763,019	100.00%

GOAL METHODOLOGY

Step 1: Determination of a Base Figure

The calculations to determine the base figure are made in order to measure the relative availability of DBE firms or firms that could be certified as DBE firms to perform the types of prime and subcontract work that CCRTA contracts. The methodology used determines the percentage of DBE firms that are ready, willing, and able to respond to solicitations for the types of work that CCRTA will be performing during the 2023-2025 federal fiscal years.

CCRTA followed one of the prescribed federal goal-setting methodologies in accordance with 49 CFR Part 26.45 regulations. This was accomplished by accessing the *Texas Unified Certification Program (TUCP) Directory of Certified DBE firms* and the *2020 U.S. Census Bureau County Business Patterns (CBP) database*.

Local Market Area:

Comparisons were made within CCRTA’s local market area which consists of Nueces, San Patricio, and Aransas counties and by specified industries and type of businesses. This is where the substantial majority of CCRTA’s contracting dollars are expended and/or the substantial majority of contractors’ and subcontractors’ bids or quotes are received.

In accordance with the formula below, the Base Figure is derived by dividing the number of ready, willing, and able DBE firms identified for each NAICS work category by the number of all firms identified for each corresponding work category (relative availability), then weighting the relative availability for each work category by the corresponding work category weight from Table 2 (weighted ratio) and then adding the weighted ratio figures together.

$$\text{Base Figure} = \frac{\text{Number of Ready, Willing, and Able DBEs}}{\text{Number of All Ready, Willing, and Able Firms}} \times \text{Weight} \times 100$$

⇒ For the numerator: Texas UCP DBE Database of Certified Firms

⇒ For the denominator: 2020 U.S. Census Bureau’s County Business Pattern (CBP) Database

CCRTA made a concerted effort to ensure that the scope of businesses included in the numerator was as close as possible to the scope included in the denominator.

The result of the Base Figure calculation is **22.29%**, as shown in Table 3 as follows:

Table 3

NAICS CODE	NAICS TITLE	NAICS %	DBEs	ALL FIRMS	RELATIVE AVAILABILITY (DBE ÷ All Firms)	WEIGHTED RATIO (Relative Availability % x NAICS %)
236220	Bus shelter construction	28.50%	9	43	20.93%	5.97%
237310	Concrete paving	13.96%	6	10	60.00%	8.38%
238110	Concrete pouring	19.86%	9	24	37.50%	7.45%
238910	Site preparation contractors	1.47%	7	27	25.93%	0.38%
334220	Mobile communication equipment	4.10%	0	4	0.00%	0.00%
423120	Shop equipment	15.18%	0	12	0.00%	0.00%
441110	Auto/light utility truck dealers	10.64%	0	25	0.00%	0.00%
541330	Engineering services	2.10%	5	100	5.00%	0.11%
811192	Truck and bus washes	4.20%	0	21	0.00%	0.00%
					Base Figure	22.29%

Step 2: Adjusting the Base Figure

Upon establishing the base figure, CCRTA reviewed and assessed other known evidence potentially impacting the relative availability of DBEs within the market area, in accordance with prescribed narrow tailoring provisions set forth under 49 CFR Part 26.45: Step 2; DBE Goal Adjustment guidelines.

Evidence considered in making an adjustment to the Base Figure included past DBE goal attainments and other evidence as follows:

A. Past DBE Goal Attainments

As historical DBE participation attainments provide demonstrable evidence of DBE availability and capacity to perform, CCRTA considered DBEs’ past participation as a relevant factor and proceeded to calculate past DBE participation attainments for the last three federal fiscal years, for which DBE attainment data is available. The projects anticipated to be awarded during the triennial period are slightly similar to those awarded in the recent past. Every semi-annual reporting period, CCRTA awards FTA-assisted contracts that consist of varying dollar amounts, varying term periods, use of varying procurement selection methods and depending on the contract, a varying number of DBE firms ready, willing, and able to perform those type of services. These multiple factors have resulted in a range of DBE attainment rates in the given semi-annual reporting period.

Table 4 shows the demonstrated capacity of DBEs (measured by actual historical DBE participation attainment) on FTA-assisted contracts awarded by CCRTA in the last three federal fiscal years.

Table 4

FFY	Total Dollars	Total \$ to DBEs	Race-Conscious (RC) DBEs \$	Race-Neutral (RN) DBEs \$	RC %	RN%	Total RC+RN%*	FFY DBE Goal Attainment %
2019 - Oct-Mar	\$586,533.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	0.00%	
	Apr-Sep	\$768,247.00	\$80,765.00	\$40,015.00	\$40,750.00	5.21%	5.30%	10.51%
2020 - Oct- Mar	\$247,552.00	\$40,000.00	\$0.00	\$40,000.00	0.00%	16.16%	16.16%	
	Apr-Sep	\$1,407,719.00	\$0.00	\$0.00	\$0.00	0.00%	0.00%	0.00%
2021 - Oct-Mar	\$1,183,193.00	\$58,128.00	\$58,109.00	\$19.00	4.91%	0.002%	4.91%	
	Apr-Sep	\$687,845.00	\$91,373.00	\$71,618.00	\$19,755.00	10.41%	2.87%	13.28%
Median DBE Attainment within the last three FFY								5.96%

**The percentage of DBE goal attainment on the FTA share from CCRTA’s Semi-Annual Uniform reports that were submitted to FTA.*

The median DBE attainment for the past three years, as shown in Table 4, 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 adjustment is calculated by averaging the base figure with the median DBE past attainment, as shown below:

$$\text{Adjusted Base Figure} = \frac{\text{Base Figure (22.29\%)} + \text{Median Past Attainment (5.96\%)}}{2}$$

The formula resulted in an adjustment (decrease) to the base figure from 22.29% to 14.125% rounded to **14%**.

B. Disparity Studies

CCRTA has not conducted any disparity studies in the past three federal fiscal years. Therefore, no disparity studies were considered.

C. Other Related Evidence

In accordance with DOT DBE regulations, if available, CCRTA must consider evidence from related fields that affect the opportunity for DBEs to form, grow, and compete which include but not limited to: statistical data that show disparities in the ability of DBEs getting financing, bonding and insurance required to participate in CCRTA’s DBE Program; and data on employment, self-employment, education, training, and union apprenticeship programs to the extent related to the opportunities for DBEs to perform in CCRTA’s DBE Program. No such evidence of the kind described in the regulations at 49 CFR Part 26.45(d)(2) was available to consider in determining whether an adjustment to base figure is warranted.

PROPOSED OVERALL DBE GOAL

The final proposed overall DBE goal for federal fiscal years (FFY) 2023-2025 for Corpus Christi Regional Transportation Authority’s (CCRTA) FTA-assisted contracts is 14%.

BREAKOUT OF ESTIMATED RACE-NEUTRAL/RACE-CONSCIOUS PARTICIPATION

The federal regulations require CCRTA to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. Race-neutral participation includes:

- DBEs who win prime contracts through customary competitive procurement procedures;
- DBEs who are awarded subcontracts on prime contracts that do not carry a DBE goal; and
- DBEs who are awarded subcontracts in excess of the stated DBE contract goal.

To calculate the race-neutral and race conscious split of the overall goal, CCRTA examined the race-neutral attainment for the past three years to determine the maximum feasible race-neutral participation. The median was used instead of the average to exclude outliers – that is, abnormally high or low numbers. Table 5 shows that CCRTA achieved a median of 2.42% of the goal over the past three years through race neutral means. CCRTA intends to meet the maximum feasible portion of the overall goal by using a combination of race-neutral and race conscious DBE participation.

Table 5

FFY	Total Dollars	Total \$ to DBEs	DBE Goal Attainment%	Race-Conscious DBEs \$	Race-Neutral DBEs \$	Race-Conscious %	Race-Neutral %
2019	1,354,780.00	80,765.00	5.96%	40,015.00	40,750.00	2.95%	3.01%
2020	1,655,271.00	40,000.00	2.42%	0.00	40,000.00	0.00%	2.42%
2021	1,871,038.00	149,501.00	7.99%	129,727.00	19,774.00	6.93%	1.06%
<i>Median Race-Neutral Attainment</i>							2.42%

CCRTA anticipates meeting the overall goal of 14% DBE participation for FFY 2023-2025 with 2.42% race-neutral participation and 11.58% race-conscious participation calculation as follows:

Overall DBE goal for FFY 2023-2025	-	14.00%
Race-neutral DBE goal (median FFY 2019-2021)	-	<u>- 2.42%</u>
Race-conscious DBE goal	-	11.58%

CCRTA

DBE Triennial Overall Goal and Methodology for FFY 2023-2025

Pursuant to the final rule requiring submission of a goal-setting methodology on a three-year cycle, CCRTA is also required to conduct an annual review to account for changes that may warrant an adjustment to the overall goal or make an adjustment based on changed circumstances (i.e. significant change in the legal standards governing the DBE program, new contracting opportunities presented by the availability of new or different grant opportunities, etc.) to ensure the goal and program as a whole are narrowly-tailored throughout the goal period.

CCRTA will monitor and adjust as needed the estimated breakout of race-neutral and race-conscious participation to reflect actual DBE participation. On a quarterly basis, CCRTA will:

- Separately track and report race-neutral and race-conscious participation
- Maintain data on DBE achievements in those contracts with or without contract goals.

RACE-NEUTRAL METHODS

To assist in increasing race-neutral participation on its contracts, CCRTA will continue to actively seek procurement participation from DBE certified firms which includes the following but are not limited to:

- Participating in conference, seminars and community outreach activities for the purpose of informing potential contractors of CCRTA's contracting procedures and available business opportunities;
- Hosting DBE Certification and How to Do Business with CCRTA outreach events in the local market area;
- Providing and arranging for pre-bid and pre-proposal meetings to allow for networking opportunities for primes and subcontractors;
- Ensuring participants at pre-bid meetings are informed of CCRTA's DBE Program and requirements;
- Advising its contracting community of the benefits of becoming DBE certified, the eligibility requirements to become certified as a DBE, and the online directory of certified DBEs found at CCRTA's website: www.ccrta.org & the Texas UCP website: <https://txdot.txdotcms.com/>;
- Ensuring that Invitation for Bids (IFBs), Requests for Proposals (RFPs), and all corresponding contracting requirements foster participation by DBEs and other small businesses.
- Encouraging prime contractors to subcontract portions of the work to DBEs.

PUBLIC PARTICIPATION & FEEDBACK – Next Steps

In accordance with 49 CFR Part 26.45, CCRTA will reach out to industry stakeholders and minority group representatives to obtain feedback on the methodology and data used to calculate the overall goal and evaluate barriers for DBEs. CCRTA will publish the DBE overall goal for FFY 2023-2025 on its website for public comments.