



U.S. Department  
of Transportation  
**Federal Transit  
Administration**

REGION 6  
Texas, Oklahoma,  
Arkansas, Louisiana, and  
New Mexico

819 Taylor Street, Room 14A02  
Fort Worth, TX 76102

December 31, 2020

Michael D. Bryant, Civil Rights Division Director, DBELO  
Texas Department of Transportation/TxDOT, Recipient ID: 1567  
150 E RIVERSIDE DR  
AUSTIN, TX 78704

Re: 2021-2023 Triennial DBE Goal Submission

Dear Michael D. Bryant, Civil Rights Division Director, DBELO,

The Federal Transit Administration (FTA) has received and reviewed Texas Department of Transportation/TxDOT's Disadvantaged Business Enterprise (DBE) triennial goal setting methodology for Federal Fiscal Years (FFY) 2021-2023. This DBE goal is effective October 1, 2020 through September 30, 2023. This submission is required by the Department of Transportation DBE regulations found at 49 C.F.R. Part 26. Your proposed overall goal is 3.1%, with a proposed race-conscious/race-neutral split of 0.8% RC / 2.3% RN.

Our review considered all elements required by the Department of Transportation regulations found at 49 C.F.R. § 26.45, including the descriptions of the evidence and methods used to calculate, adjust and establish the overall goal. The review assessment attached to this letter identifies the specific areas reviewed, any concerns, and relevant reviewer comments. You must address and correct any identified concerns to assure you are implementing the goal in accordance with the regulations. Your goal status is now *Concur*, and your next triennial goal is due to FTA on **August 1, 2023**. FTA will verify corrections have been made and implemented at the next oversight opportunity.

You are expected to make a good faith effort to meet your goal each year during the three-year period for which it is in effect. You must document your DBE attainment on FTA-funded contracts and purchases by submitting a semi-annual report via TrAMS on June 1 and December 1 of each year. If you fall short of your overall DBE goal in any given year, you must develop a shortfall analysis and corrective action plan following the guidance in 49 C.F.R. § 26.47(c). Transit vehicles must be purchased from a DBE-certified transit vehicle manufacturer (TVM) and reported to FTA within 30 days of purchase. The current list of DBE-certified TVMs and the online reporting tool can be found on the DBE portion of FTA's website at [www.transit.dot.gov](http://www.transit.dot.gov). Finally, any mid-cycle adjustment to your goal to reflect changed circumstances must be submitted to FTA.

FTA is committed to providing technical assistance to help correct your DBE goal and to implement your program consistent with the regulations and guidance. In order to preserve paper, we are issuing this letter electronically via email and it is attached to your profile in

TrAMS. Please do not hesitate to contact me directly at 817-978-0567 or at [marisa.appleton@dot.gov](mailto:marisa.appleton@dot.gov) if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Marisa Appleton". The signature is fluid and cursive, with a large initial "M" and a stylized "A".

Marisa Appleton/s/  
Civil Rights Officer, Region 6

cc: Monica McCallum, FTA Civil Rights, Director of Regional Operations



# Overall Annual DBE Goal for Public Transportation

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Fiscal Years 2021-2023

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## **EXECUTIVE SUMMARY**

The Texas Department of Transportation (TxDOT) submits the following Disadvantaged Business Enterprise (DBE) goal methodology for 2021 - 2023 to the United States Department of Transportation (USDOT) Federal Transportation Administration (FTA) for review in accordance with 49 Code of Federal Regulations (CFR) Part 26.45, as amended by Docket No. OST-2010-0021. The goal will remain in effect until the next review cycle. TxDOT will make a good faith effort to meet the goal each year.

To ensure overall quality of the information and data used in the goal setting methodology, TxDOT will continue to review and refine, as needed, its data collection process and analysis, and engagement with stakeholders and the public.

The goal methodology consists of two steps: the base figure for the relative availability of DBEs and any adjustments to the base figure based on available evidence. In Step 1, the base figure is established through the use of the Texas Unified Certification Program (TUCP) DBE directory and 2017 United States Census Bureau data. In Step 2, TxDOT reviews and considers available information and new evidence presented in public consultation meetings when determining an adjustment to the base figure. The base figure and the adjustments to the base figure are then used to determine the overall goal. The overall goal is further defined as race-neutral and race-conscious based on the amount that TxDOT plans to meet through race-neutral means.

To engage the public, TxDOT provided two types of opportunities for public participation. The first opportunity included public consultation meetings held virtually. The public was invited to discuss evidence that would influence the relative availability of DBEs or other issues that influence DBE participation. In the second opportunity, the methodology was posted for a period of 45 days from July 24 to September 7, 2020 to allow for public review and comment. TxDOT did not receive any comments or suggestions that impacted the DBE goal methodology.

## **Results Summary**

The revised DBE goal methodology justifies an overall DBE goal of 3.1% for FYs 2021-2023. TxDOT plans to meet the overall DBE goal of 3.1% with 2.3% race-neutral means and 0.8% race-conscious means. TxDOT will monitor DBE participation for federal-aid achievement in public transportation projects during FYs 2021-2023 and will make necessary adjustments based on the DBE program requirements.

## **Methods**

The process for setting an overall goal is defined in §26.45. The CFR identifies August 1 as the submittal date (see §26.45(f)(1)). However, due to the COVID-19 public health emergency, USDOT issued a [memorandum](#) on April 1, 2020 extending the submittal date to October 1.

The methodology includes the following (see §26.45(f)(3)):

- Description of the methods used to establish the goal,
- Base figure and evidence used for its calculation,
- Summary listing of available evidence, and if necessary, an explanation on why it was not used, and
- Proposed projections for the portions of the goal to be met through race-neutral and race-conscious means.

The methodology also expands on TxDOT's efforts to obtain public participation through public consultation meetings for evidence that may influence adjustments to the base figure and extending public comment on the proposed methodology (see §26.45(g)).

TxDOT is not required to have the operating administration's concurrence to implement the DBE goal; However, if the operating administration's review suggests there are concerns over the methodology, it may, after consulting with TxDOT, adjust the overall goal or require TxDOT to do so (see §26.45(f)(4)).

TxDOT's overall goal provides for the participation of all certified DBEs. The overall goal is not subdivided into group-specific goals (see §26.45(h)).

## **Covid-19 Public Health Emergency Impacts**

In 2020, the United States and the rest of the world were faced with a public health emergency caused by the spread of the Coronavirus (COVID-19). The health emergency impacted operations of organizations across the country, forcing them to take unprecedented measures in conducting business to mitigate losses and protect employees and customers alike. To alleviate some of the hardships businesses face, the Office of Management and Budget issued a memorandum ([OMB M-20-17](#)) on March 19, 2020 waiving procurement requirements contained in 2 CFR §200.319(b) and 2 CFR §200.321. This includes regulations regarding contracting small and minority businesses, women's business enterprises, and labor surplus area firms. Because of the uncertainties related to the impacts COVID-19 is having and will continue to have on procurement activities and the availability of DBEs, the effects were not factored into the development of the DBE goal for Fiscal Years 2021-2023. Although, every effort will be made to meet the goal despite the difficulties.

## **ESTABLISH BASE FIGURE**

For Step 1, TxDOT takes into account available evidence in determining the base figure. Factors considered in this calculation include the relative availability of DBEs and the types of contracts anticipated for the upcoming fiscal years. In order to improve the efficiency of the calculation, TxDOT evaluated the procurable portion of all contracts to determine contracting

opportunities, determined the weight of the contracting opportunities, evaluated the relative availability of these opportunities using the TUCP DBE Directory and US Census Bureau data, and calculated a weighted average of the relative availability to determine the base figure. The final calculation results in a base figure of 3.59%.

## General Procurable Categories

TxDOT evaluated all past and projected federal funding expenditures on general procurable categories most commonly used by TxDOT and its Subrecipients (Table 1).

*Table 1: Projected Expenditures on General Procurable Categories*

| General Procurable Category         | Projected Expenditure |
|-------------------------------------|-----------------------|
| Vehicle Insurance                   | \$1,900,000           |
| Facility Insurance                  | \$300,000             |
| Other Insurance                     | \$1,300,000           |
| Purchase of Transportation Services | \$4,300,000           |
| Vehicle Repairs and Maintenance     | \$5,100,000           |
| Accounting/Financial Services       | \$800,000             |
| Engineering                         | \$750,000             |
| Management/Operations Services      | \$6,200,000           |
| Office/Facility Services            | \$1,600,000           |
| Drug and Alcohol Services           | \$300,000             |
| Marketing                           | \$420,000             |
| Fuel                                | \$10,500,000          |
| Vehicle Parts/Tires/Equipment       | \$2,700,000           |
| Facility Supplies                   | \$600,000             |
| Office Supplies                     | \$800,000             |
| Construction Activities             | \$9,500,000           |
| Facility Improvement Activities     | \$900,000             |
| Other                               | \$7,800,000           |

We further segmented the general categories into specific procurement categories (51) (Table 2). The procurement opportunity categories were then compared against the North American Industry Classification System (NAICS) codes.

*Table 2: Procurement Categories*

| Procurement Opportunity   | NAICS Code |
|---|------------|
| Accounting/Auditing Services  | 54121      |
| Administrative Management, Financial Management, and General Management Consulting Services | 54161      |
| Advertising Agencies  | 54181      |
| Appliance Repair and Maintenance  | 81141      |

|   |       |
|---|-------|
| Architectural Services  | 54131 |
| Automotive Body, Paint, Interior, and Glass Repair and Maintenance                                | 81112 |
| Automotive Oil Change, Car Wash, and Other Maintenance  | 81119 |
| Bus driver training   | 61151 |
| Bus Rental or Leasing   | 53212 |
| Cellular Telephone Services   | 51731 |
| Commercial and Institutional Building Construction/Construction Management (Bus Shelter/Terminal) | 23622 |
| Computer, Office, and Communication Equipment Repair and Maintenance                              | 81121 |
| Construction materials, electrical, merchant wholesalers  | 42361 |
| Construction/Engineering Services   | 54133 |
| Custom Computer Programming, Design, and Other Services   | 54151 |
| Direct Life, Health, Medical, Property, and Casualty Insurance Carriers                           | 52411 |
| Electronics Stores/Camera/radio/Software, Computer Stores   | 44314 |
| Employee drug testing services  | 62199 |
| Facilities Support Services   | 56121 |
| Flooring Contractors  | 23833 |
| Fuel dealers  | 45431 |
| Furniture Stores  | 44211 |
| Gasoline Service Stations   | 44719 |
| General, Exhaust, Transmission, Mechanical, and Electrical Automotive Repair                      | 81111 |
| Illumination, Electrical Contractors, Telephone Equipment, and Other Wiring Installations         | 23821 |
| Insurance Carriers (automotive and facility)  | 52412 |
| Internet Service Providers (wired and wireless)   | 51731 |
| Janitorial Services   | 56172 |
| Landscaping Services  | 56173 |
| Legal Aid Services (Offices of Lawyers)   | 54111 |
| Machinery, construction equipment rental (except crane) with operator                             | 23891 |
| Marketing services  | 54161 |
| Meeting hall and room rental or leasing   | 53112 |
| Minor Structures and Miscellaneous Concrete (sidewalk, driveway, parking lot, fencing)            | 23899 |
| Motor Repair and Maintenance Services (Commercial and Industrial Machinery)                       | 81131 |
| Motor Vehicle Towing  | 48841 |
| Motor Vehicle/Auto body shop supplies   | 42312 |



|  |       |
|--|-------|
| Office Supplies and Stationery Stores  | 45321 |
| Outdoor Advertising  | 54185 |
| Painting   | 23832 |
| Planning, Safety, Consultants (Other Scientific and Technical Consulting Services) | 54169 |
| Plumbing, Heating, and Air-Conditioning Contractors                                | 23822 |
| Professional membership associations   | 81392 |
| Roofing Contractors  | 23816 |
| Siding Contractors   | 23817 |
| Special Needs Transportation   | 48599 |
| Taxi Service   | 48531 |
| Tire Dealers   | 44132 |
| Transit (Mixed Mode, Bus)  | 48511 |
| Uniforms   | 31521 |
| Vehicle parts/supplies   | 44131 |

### Weight of Categories

TxDOT evaluated all projected expenditures (Table 1) against the procurable categories (Table 2) to determine the proportion of the funds or the “weight” each category carries (Table 3).

*Table 3: Weight of Procurement Categories*

| Procurement Opportunity   | Category Weight Percentage |
|---|----------------------------|
| Accounting/Auditing Services  | 1.29%                      |
| Administrative Management, Financial Management, and General Management Consulting Services       | 11.57%                     |
| Advertising Agencies  | 0.18%                      |
| Appliance Repair and Maintenance  | 0.09%                      |
| Architectural Services  | 1.47%                      |
| Automotive Body, Paint, Interior, and Glass Repair and Maintenance                                | 2.34%                      |
| Automotive Oil Change, Car Wash, and Other Maintenance  | 2.34%                      |
| Bus driver training   | 0.88%                      |
| Bus Rental or Leasing   | 2.57%                      |
| Cellular Telephone Services   | 0.28%                      |
| Commercial and Institutional Building Construction/Construction Management (Bus Shelter/Terminal) | 7.71%                      |
| Computer, Office, and Communication Equipment Repair and Maintenance                              | 1.84%                      |
| Construction materials, electrical, merchant wholesalers  | 1.65%                      |
| Construction/Engineering Services   | 1.38%                      |

|   |       |
|---|-------|
| Custom Computer Programming, Design, and Other Services                                   | 1.32% |
| Direct Life, Health, Medical, Property, and Casualty Insurance Carriers                   | 2.20% |
| Electronics Stores/Camera/radio/Software, Computer Stores                                 | 0.73% |
| Employee drug testing services  | 0.55% |
| Facilities Support Services   | 1.84% |
| Flooring Contractors  | 1.38% |
| Fuel dealers  | 9.64% |
| Furniture Stores  | 0.37% |
| Gasoline Service Stations   | 9.64% |
| General, Exhaust, Transmission, Mechanical, and Electrical Automotive Repair              | 2.34% |
| Illumination, Electrical Contractors, Telephone Equipment, and Other Wiring Installations | 1.47% |
| Insurance Carriers (automotive and facility)  | 4.04% |
| Internet Service Providers (wired and wireless)   | 0.55% |
| Janitorial Services   | 0.07% |
| Landscaping Services  | 1.38% |
| Legal Aid Services (Offices of Lawyers)   | 0.37% |
| Machinery, construction equipment rental (except crane) with operator                     | 1.64% |
| Marketing services  | 0.40% |
| Meeting hall and room rental or leasing   | 0.09% |
| Minor Structures and Miscellaneous Concrete (sidewalk, driveway, parking lot, fencing)    | 1.65% |
| Motor Repair and Maintenance Services (Commercial and Industrial Machinery)               | 2.34% |
| Motor Vehicle Towing  | 0.73% |
| Motor Vehicle/Auto body shop supplies   | 1.65% |
| Office Supplies and Stationery Stores   | 1.84% |
| Outdoor Advertising   | 0.18% |
| Painting  | 1.29% |
| Planning, Safety, Consultants (Other Scientific and Technical Consulting Services)        | 1.47% |
| Plumbing, Heating, and Air-Conditioning Contractors                                       | 1.47% |
| Professional membership associations  | 0.02% |
| Roofing Contractors   | 1.47% |
| Siding Contractors  | 1.29% |
| Special Needs Transportation  | 2.57% |
| Taxi Service  | 0.18% |
| Tire Dealers  | 1.65% |
| Transit (Mixed Mode, Bus)   | 2.57% |
| Uniforms  | 0.37% |

|                        |       |
|------------------------|-------|
| Vehicle parts/supplies | 1.65% |
|------------------------|-------|

### Relative Availability Calculations

TxDOT determined the base figure by calculating the relative availability of DBEs (see §26.45(c)) for each of the procurement categories by weight. TxDOT used the TUCP DBE directory and the most current, at the time of relative availability calculations, US Census Bureau's 2017 County Business Patterns (CBP) data as suggested in §26.45(c)(1) to determine the number of ready, willing and able firms.

TxDOT's initial and primary source of DBE firms that perform public transportation work is the TUCP DBE Directory (<https://txdot.txdotcms.com/>) for each of the relevant procurement categories (Table 2). The overall number of all ready, willing and able businesses in TxDOT's market is determined by the 2017 CBP data (Table 4).

*Table 4: Relative Availability of DBEs by Procurement Category*

| Procurement Opportunity   | DBE Firms | Total Firms |
|---|-----------|-------------|
| Accounting/Auditing Services  | 80        | 10,348      |
| Administrative Management, Financial Management, and General Management Consulting Services       | 870       | 10,919      |
| Advertising Agencies  | 50        | 972         |
| Appliance Repair and Maintenance  | 2         | 408         |
| Architectural Services  | 80        | 1,450       |
| Automotive Body, Paint, Interior, and Glass Repair and Maintenance                                | 9         | 2,843       |
| Automotive Oil Change, Car Wash, and Other Maintenance  | 25        | 2,796       |
| Bus driver training   | 13        | 696         |
| Bus Rental or Leasing   | 4         | 551         |
| Cellular Telephone Services   | 5         | 4,134       |
| Commercial and Institutional Building Construction/Construction Management (Bus Shelter/Terminal) | 4         | 3,244       |
| Computer, Office, and Communication Equipment Repair and Maintenance                              | 38        | 1,034       |
| Construction materials, electrical, merchant wholesalers  | 79        | 1,234       |
| Construction/Engineering Services   | 606       | 5,286       |
| Custom Computer Programming, Design, and Other Services   | 369       | 11,703      |
| Direct Life, Health, Medical, Property, and Casualty Insurance Carriers                           | 2         | 903         |
| Electronics Stores/Camera/radio/Software, Computer Stores   | 16        | 2,532       |
| Employee drug testing services  | 14        | 558         |
| Facilities Support Services   | 44        | 538         |
| Flooring Contractors  | 51        | 636         |
| Fuel dealers  | 4         | 351         |
| Furniture Stores  | 7         | 1,983       |

|   |     |        |
|---|-----|--------|
| Gasoline Service Stations   | 2   | 973    |
| General, Exhaust, Transmission, Mechanical, and Electrical Automotive Repair              | 23  | 6,355  |
| Illumination, Electrical Contractors, Telephone Equipment, and Other Wiring Installations | 209 | 5,008  |
| Insurance Carriers (automotive and facility)  | 4   | 1,345  |
| Internet Service Providers (wired and wireless)   | 5   | 4,134  |
| Janitorial Services   | 155 | 3,391  |
| Landscaping Services  | 206 | 4,866  |
| Legal Aid Services (Offices of Lawyers)   | 5   | 13,374 |
| Machinery, construction equipment rental (except crane) with operator                     | 269 | 2,266  |
| Marketing services  | 875 | 10,919 |
| Meeting hall and room rental or leasing   | 6   | 2,836  |
| Minor Structures and Miscellaneous Concrete (sidewalk, driveway, parking lot, fencing)    | 296 | 2,415  |
| Motor Repair and Maintenance Services (Commercial and Industrial Machinery)               | 20  | 2,031  |
| Motor Vehicle Towing  | 6   | 750    |
| Motor Vehicle/Auto body shop supplies   | 11  | 1,016  |
| Office Supplies and Stationery Stores   | 16  | 450    |
| Outdoor Advertising   | 14  | 196    |
| Painting  | 119 | 1,330  |
| Planning, Safety, Consultants (Other Scientific and Technical Consulting Services)        | 171 | 2,307  |
| Plumbing, Heating, and Air-Conditioning Contractors                                       | 82  | 7,561  |
| Professional membership associations  | 0   | 364    |
| Roofing Contractors   | 50  | 1,646  |
| Siding Contractors  | 9   | 205    |
| Special Needs Transportation  | 26  | 199    |
| Taxi Service  | 2   | 90     |
| Tire Dealers  | 5   | 1,751  |
| Transit (Mixed Mode, Bus)   | 7   | 59     |
| Uniforms  | 2   | 79     |
| Vehicle parts/supplies  | 7   | 3,327  |

We calculated the Step 1 relative availability by using the weight goal setting guidelines, “Tips for Goal-Setting in the DBE Program,” from the Office of Small and Disadvantaged Business Utilization (OSDBU). The weight of each category was determined by calculating the relative availability of DBEs in that category against the weight of the projected expenditures for each category (see Figure 1).

### Figure 1: Weighted Relative Availability Calculation

$$\text{Category Weight} \times \left( \frac{\# \text{DBE in Category}}{\# \text{All Firms in Category}} \right)$$

### Base Figure Calculation

The base figure is calculated by adding the relative availability (Figure 1) for each of the procurement categories identified in Tables 2, 3, and 4. As indicated on page 5, there are a total of 51 categories. The calculation in Figure 2 below represents the sum of the relative availability of all categories 1 through 51. (For example: Relative availability of category 1 + category 2 + category 3 + (all others in between) + category 51). The calculation (see Figure 2) resulted in a base figure of 3.59%.

### Figure 2: Base Figure Calculation

$$\begin{aligned} \text{Base Figure} &= \left[ \text{Category 1 Weight} \left( \frac{\# \text{DBE in Category 1}}{\# \text{All Firms in Category 1}} \right) + \dots + \text{Category 51 Weight} \left( \frac{\# \text{DBE in Category 51}}{\# \text{All Firms in Category 51}} \right) \right] \\ &= \left[ 1.29\% \left( \frac{80}{10,348} \right) + \dots + 1.65\% \left( \frac{7}{3,327} \right) \right] \\ &= 3.59\% \\ &\text{Base Figure} \\ &\quad \mathbf{3.59\%} \end{aligned}$$

### ADJUSTMENTS TO BASE FIGURE

TxDOT examined all available evidence to determine any adjustments to the base figure. A summary of the evidence considered included: evidence made available through public consultation meetings, and past participation.

### Public Consultation Evidence

TxDOT consulted with minority, women, and general contractor groups, community organizations, and other officials or organizations (See Attachment A: Public Consultation Meeting Invitees) to assist in the development of the FY 2021 – 2023 DBE goal. Consultation was conducted through three virtual public meetings held in April and May 2020, and a survey conducted in May 2020. TxDOT used its available resources of minority chambers, TUCP DBE Directory, distribution list of business development organizations, and other viable resources to engage these entities for public input.

TxDOT sought comments and information regarding the following topics (see §26.45(g)(1)):

- Information concerning the availability of DBEs and non-DBEs,

- Knowledge regarding barriers and the effects of discrimination on opportunities for DBEs, and
- Information on TxDOT’s efforts to establish a level playing field for the participation of DBEs.

TxDOT received 10 responses to the survey. The results were analyzed and the responses indicated some evidence of effects of discrimination on DBE opportunities. More specifically, 30% of respondents indicated agreement that transit providers show preferential treatment to non-DBEs/legacy firms. It is important to note that all respondents indicated that they have not or are unsure if they submitted a proposal for contract work with a transit provider in the past three years. Furthermore, 60% of respondents agree that DBEs are given sufficient contracting opportunities.

TxDOT determined the results of the public consultation survey should be noted. However, the analysis of the data did not support sufficient basis for an adjustment. Therefore, no adjustment to the base figure was made due to public consultation.

### **Past Participation**

TxDOT determined an adjustment for past participation is appropriate. TxDOT used the goal setting guidelines, “Tips for Goal-Setting in the DBE Program,” from the OSDDBU website which includes a method for determining an adjustment based on past participation for the years in which participation is similar to the type of contracts for the goal methodology period. This adjustment considers past participation as a relative gauge of anticipated participation for FYs 2021-2023.

The adjustment to the base figure is determined with the median of past participation. The median is used instead of the average or mean because it excludes outliers (abnormally high or low numbers). TxDOT used six completed years of past participation (see Table 5) in computing the median value; the value is determined by putting the values in order from smallest to largest and averaging the two middle values. The resulting calculation using the 2019 achievement of 2.49% and 2015 achievement of 2.78%. yields a median value of 2.64% (see Figure 3).

*Table 5: Recent Past DBE Participation*

| Fiscal Year | DBE % Achieved |
|-------------|----------------|
| 2019        | 2.49           |
| 2018        | 3.98           |
| 2017        | 6.38           |

|      |      |
|------|------|
| 2016 | 1.01 |
| 2015 | 2.78 |
| 2014 | 2.44 |

**Figure 3: Median Value**

Median Value  
2.64%

### **ADJUSTED GOAL**

All available evidence is taken into consideration to determine the adjustments to the base figure. An adjustment for past participation is appropriate; Therefore, the base figure and median past participation adjustment are averaged to reveal the recommended adjusted goal (see Figure 4). The recommended DBE Goal for FYs 2021-2023 is 3.1%.

**Figure 4: Adjustment to Base Figure Calculation**

$$\begin{aligned} \text{Adjusted Goal} &= (\text{Base Figure} + \text{Median Past Participation Adjustment}) \div 2 \\ &= (3.59 + 2.64) \div 2 \\ &= 3.115\% \end{aligned}$$

**Proposed DBE Goal**  
**3.1%**

### **RACE-NEUTRAL AND RACE-CONSCIOUS PARTICIPATION**

The goal methodology includes the methods used to compute the DBE goal and a determination of how TxDOT plans to meet the goals through race-neutral and race-conscious measures. TxDOT plans to meet the “maximum feasible portion of [the] overall goal by using race-neutral means (see §26.51(a)).”

TxDOT used the previous year’s (2019) race-neutral participation (Table 6) in computing a proposed race-neutral goal. The 2019 race-neutral achievement divided by the overall goal achievement yields that 75% of the overall goal was achieved through race-neutral means. The 75% was applied to the 3.1% proposed goal and the resulting calculation a yields race-neutral goal of 2.3% (see Figure 5 below).

Table 6: Overall Goal vs. Race Neutral Achievement in 2019

| Fiscal Year | Overall DBE % Goal | Race-Neutral DBE % Achieved |
|-------------|--------------------|-----------------------------|
| 2019        | 2.49               | 1.87                        |

**Figure 5: 2019 Race-Neutral attainment x Proposed Overall Goal**

$$\begin{aligned}
 &= (1.87 \div 2.49) 3.1 \\
 &= (0.75) 3.1 \\
 &= 2.3\%
 \end{aligned}$$

**Proposed Race-Neutral Allocation**

**2.3%**

TxDOT will establish race-conscious measures and contract goals to meet the balance (see Figure 6) of the overall goal (see §26.51(d)). The proposed Race-Conscious Goal for FY 2021-2023 is 0.8%.

**Figure 6: Race-Conscious Calculation**

$$\begin{aligned}
 \text{Race-Conscious} &= \text{Overall Goal} - \text{Race-Neutral} \\
 &= 3.1\% - 2.3\% \\
 &= 0.8\%
 \end{aligned}$$

**Proposed Race-Conscious Allocation**

**0.8%**

TxDOT recognizes that in any given year (as in the past), there may be an opportunity to receive discretionary funds for major capital projects that could impact the goal. For this reason, beginning January 2020, TxDOT requires all Subrecipients with major facility construction projects (those of \$1,000,000 or more) to have Race-Conscious goals. Ensuring that DBE participation is attained on these large dollar construction projects is vital in promoting the federal DBE program.

Furthermore, TxDOT aims to achieve the overall goal by maximizing Race-Neutral participation. From 2018 to 2020 to date, the average Race-Neutral attainment is 3.92% (out of 2.29% projection) and a Race-Conscious attainment of 0.97% (out of 0.60% projection). This is in line with the proposed Race-Neutral and Race-Conscious allocation for FY 2021-2023.



## **PUBLIC REVIEW AND COMMENT**

TxDOT published a public notice announcing the proposed overall goal and methodology on TxDOT's website and Texas Register (see Attachment B: Public Outreach/Notice Postings). The notice provided for a 45-day review and comment period from the posting date. The public was afforded the opportunity to review and comment on the methodology until September 7, 2020. TxDOT received less than five comments, but none were relevant to this goal methodology.

Additionally, TxDOT provided three interactive webinars on the FTA goal methodology. The interactive webinars were conducted on April 28, 2020, April 30, 2020, and May 5, 2020. Invitations for participation and review of the proposed goal methodology were sent via email to interested parties including businesses, associations, and transit providers. The webinars were followed by a survey, and results were analyzed as described in page 12 of this document.

## **ATTACHMENTS**

- Attachment A: Public Consultation Meeting Invitees
- Attachment B: Public Outreach/Notice Postings

## **Attachment A - Public Consultation Meetings Invitees**

The following minority, women's and general contractor groups, community organizations, and other officials and organizations were invited to attend public consultation meetings:

Abilene Black Chamber of Commerce  
Acres Home Chamber for Business and Economic  
Development  
AGC  
Amarillo Chamber of Commerce  
Asian Contractors Association  
Association of Women and Minority Contractors of Texas  
Austin Black Contractors Association  
Brazoria County Hispanic Chamber of Commerce  
Brownsville Chamber of Commerce  
Brownwood Chamber of Commerce  
Bryan/College Station Chamber of Commerce  
Camara de Empresarios Latinos de Houston  
Cen-Tex Hispanic Chamber of Commerce  
Corpus Christi Chamber of Commerce  
Corpus Christi Hispanic Chamber of Commerce  
Dallas Black Chamber of Commerce  
Dallas Fort Worth Minority Supplier Development Council  
Del Rio Hispanic Chamber of Commerce  
Eagle Pass Chamber of Commerce  
El Paso Hispanic Chamber of Commerce  
Fort Worth Hispanic Chamber of Commerce  
Fort Worth Metropolitan Black Chamber of Commerce  
Golden Triangle Minority Business Council  
Greater Amarillo Hispanic Chamber of Commerce  
Greater Austin Asian Chamber of Commerce  
Greater Austin Black Chamber  
Greater Austin Hispanic Chamber of Commerce  
Greater Beaumont Chamber of Commerce  
Greater Caldwell County Hispanic Chamber of Commerce  
Greater Dallas Hispanic Chamber of Commerce  
Greater Houston Black Chamber  
Harlingen Chamber of Commerce  
Hispanic American Chamber of Commerce Central Texas  
Hispanic Chamber of Commerce Baytown  
Hispanic Contractors Association de San Antonio  
Hispanic Women's Network of Texas  
Houston Minority Supplier Development Council  
Irving Hispanic Chamber of Commerce  
Kilgore Chamber of Commerce

Kingsville Chamber of Commerce  
Laredo Chamber of Commerce  
Lubbock Chamber of Commerce  
Lufkin Chamber of Commerce  
Odessa Chamber of Commerce  
Odessa Hispanic Chamber of Commerce  
Orange Chamber of Commerce  
Port Arthur Chamber of Commerce  
Regional Black Contractors Association  
Regional Hispanic Contractors Association  
Rio Grande Valley Hispanic Chamber of Commerce  
Round Rock Chamber of Commerce  
San Angelo Chamber of Commerce  
San Antonio Hispanic Chamber of Commerce  
San Antonio Chamber of Commerce  
San Marcos Chamber of Commerce  
Southwest Minority Supplier Development Council  
Texas Association of African American Chamber of Commerce  
Texas Association of Business  
Texas Association of Mexican American Chamber of Commerce  
Texas Chamber of Commerce Executives  
Tri-County Regional Black Chamber of Commerce  
Tyler Texas Chamber of Commerce  
U.S. Hispanic Contractors Association de Austin  
United States Pan Asian American Chamber of Commerce  
Women's Business Council Southwest  
Women's Business Enterprise Association

TxDOT's subrecipients (transit providers) were also notified and invited to the public forums.

## **Attachment B – Public Outreach/Notice Postings**

The following is a list of the public outreach conducted and notice publication for the examination of the DBE Goal Methodology. All were shared with our stakeholders (TxDOT transit providers), minority, women's and general contractor groups, community organizations, and the general public.

- Three Public Consultation Meetings conducted in April and May 2020
- TxDOT website posts (on the Public Transportation Division's webpage and on the Civil Rights Division webpage) for a minimum of 45 days
- Texas Register post in July announcing the public comment period