

OVERALL GOAL CALCULATION

The process used by Westchase District (Westchase) to establish its DBE goal for fiscal year (FY) 2017 through 2019 is summarized below. Westchase followed a two-step process based on documented evidence of the availability of ready, willing and able DBEs relative to all businesses ready, willing, and able to participate in Westchase's FTA assisted contracts, which is referred to as relative availability of DBEs and establishes the base goal. The goal reflects Westchase's expected level of participation by DBEs.

Step 1 – Establish Base Goal

Westchase considered all the possible FTA assisted contracting opportunities for award in FY 2017 through 2019 and compiled the North American Industry Classification System (NAICS) codes for the work included in the contracting opportunities.

There is only one project expected within the next three years that involves trail construction. For the local market area, Westchase choose to look at the TxDOT Houston Work District due to the quantity and size of the contracts. The fact that there is only one project below \$1 million may not draw firms statewide, but Westchase will not use location of the firm as a determining factor. In the Texas Unified Certification Program (TUCP), TxDOT Work Districts show local, statewide and national DBE firms that are certified to work in that district. The listed DBE firms for each NAICS code are listed in Attachment 5.

For the total ready, willing and able firms, Westchase looked at 2014 US Census County Business Patterns. Westchase reviewed the counties that are located within the Houston Work District, including Brazoria, Fort Bend, Galveston, Harris, Montgomery and Waller Counties. When reviewing total ready, willing and able firms for each NAICS code, there were more DBE firms for one code than there were total ready, willing and able firms in the work district. Since most certified DBE firms listed in the attachment are not located within the work district, Westchase used statewide totals for the total ready, willing and able firms. Those firms whose physical address are highlighted in Attachment 5.

Westchase used the spreadsheet provided by the FTA Region VI Civil Rights Officer to determine the weighting, firm relative availability, and weighted base figure for the CenterPoint Trail project. The categories for this project are curb construction (NAICS Code 237310), trail construction (237990), site preparation (238910) and materials testing (541380).

Weighted NAICS Codes			
NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
237310	CenterPoint Trail	\$40,000.00	0.0868
237990	CenterPoint Trail	\$301,000.00	0.6529
238910	CenterPoint Trail	\$90,000.00	0.1952
541380	CenterPoint Trail	\$30,000.00	0.0651
Total FTA-Assisted Contract Funds		\$461,000.00	1.0000

Westchase used the TUCP DBE Directory as mentioned above for the Number of DBEs Available and the firms listed for the three NAICS Codes are listed in Attachment 5. The Number of All Firms are from US Census Data.

Firm Relative Availability				
NAICS Code	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability
237310	CenterPoint Trail	251	699	0.3591
237990	CenterPoint Trail	63	312	0.2019
238910	CenterPoint Trail	127	2088	0.0608
541380	CenterPoint Trail	9	691	0.0130
Combined Totals		450	3790	0.1187

To determine the base goal, Westchase used the weight and availability of each NAICS to create the established base goal figure.

Weighted Base Figure					
NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
237310	CenterPoint Trail	0.08677	x	0.35908	0.0312
237990	CenterPoint Trail	0.65293	x	0.20192	0.1318
238910	CenterPoint Trail	0.19523	x	0.06082	0.0119
541380	CenterPoint Trail	0.06508	x	0.01302	0.0008
				Total	0.1757
				Percentage	18%

Westchase will use 18% DBE Participation as its established base goal.

Step 2 – Base Goal Adjustment

Previously, Westchase had a FTA-approved DBE goal of 8.59%. This DBE goal was 100% race-neutral. Based on the statistical analysis conducted under Step 1, Establish Base Goal, Westchase will use the base goal of 18%. In the past three years, Westchase has awarded one contract, totaling \$2,981,799. There was 100% participation of TUCP certified DBEs on the one contract as the prime contractor. For the three years previous to that, Westchase had one construction contract that had 12% DBE participation. Westchase has an established history of significant DBE participation.

Past Performance	
FY 2011 – FY 2014 DBE Performance	12%
FY 2014 – FY 2016 DBE Performance	100%
Median	56%

Due to this significant participation in construction contracts, Westchase decided to adjust the overall program goal. Westchase found the median of the past two contracts and averaged it with the weighted base goal to find the adjust DBE Goal of 37%.

Adjusted DBE Goal	
Rounded Weighted Base Goal	18%
Rounded Median Past Performance Percentage	56%
Total	74%
Adjusted DBE Goal	37%

This adjusted goal is Westchase's overall program goal for the next three fiscal years.

Public Participation

For public participation, Westchase talked with two organizations via teleconference, released a public notice in a local publication and published the public notice and DBE Goal Setting on the Westchase website.

Westchase used its consultative reviews of the program goal to discuss an appropriate goal adjustment with individuals with knowledge of the DBE program. On April 22, 2016, representatives of the Westchase discussed the goal adjustment with Carter Sieber of TxDOT. Westchase and Mr. Sieber discussed the goal setting process and the adjustment of the DBE Goal with 100% participation within the previous three years. While no exact method for adjustment was settled on, Mr. Sieber did encourage an adjustment on the base goal due to past performance. On April 25, 2016, representatives of the Westchase discussed the goal adjustment with Mark Praigg of the Houston MBDA. Mr. Praigg recommended using a 20.0% overall program goal, which is the minimum percentage on purchases over \$50,000 for Minority/Women-owned Business Enterprises for the Houston Independent School District (ISD). Westchase discussed informing the Houston MBDA of all potential contracting opportunities to email their members about the procurement. While these comments were considered for the goal calculation, the weighted goal calculation provided by the Region VI Civil Rights Officer was ultimately used to create the base and adjusted goal.

On May 2, 2016, Westchase published its DBE Public Notice and Goal Calculation to their website, westchasedistrict.com/index.php/about/public-notices/ and remained on the website over 45 calendar days.

On May 6, 2016, Westchase released a notice of proposed DBE goal to comply with the U.S. DOT's Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Program (49 CFR part 26). The notification was published in the Houston Business Journal and instructed the public that the proposed goal and the rationale for establishing the goal were available for review on Westchase's website and physically at Westchase offices. The public notice encouraged the public to provide comment on the DBE Goal. The goal was available 30 days for review and Westchase accepted public comment for 45 days from the date of publication. No comments from the public were received.

ATTACHMENT 1

Section 26.51: Breakout of Estimated Race-Neutral & Race Conscious Participation

Westchase will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. Westchase uses race-neutral means, including but not limited to providing DBE and SBE Directories, creating bidders lists, proactive outreach events with DBE firms in the area, and advertising prime contracts to DBEs, to increase DBE participation.

Westchase estimates that, in meeting our overall goal of 37.0%, Westchase will obtain 100.0% from race-neutral participation and 0.0% from race-conscious participation.

The following is a summary of the estimated breakout of race-neutral and race-conscious DBE participation:

Westchase's program will be implemented with entirely race-neutral means. If Westchase uses contract goals, Westchase will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (see 26.51(f)) and Westchase will communicate this change to the program to FTA.

Westchase does not intend to achieve any DBE participation by using contract goals.

If Westchase revise its program and use contract goals, Westchase will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry DBE goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.