



**CONCHO VALLEY**  
COUNCIL OF GOVERNMENTS

**Disadvantaged Business Enterprise (DBE)  
Goal for DOT-Assisted Contracts in the  
Concho Valley Region of Texas**

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*Fiscal Years 2024 – 2026*

## **1. EXECUTIVE SUMMARY**

In accordance with 49 Code of Federal Regulations (CFR) Part 26.45, as amended by Docket No. OST-2010-0021, Concho Valley Transit District (CVTD) proposes the following Disadvantaged Business Enterprise (DBE) goal methodology for 2024 - 2026 to the United States Department of Transportation (USDOT) Federal Transportation Administration (FTA) for review. This goal will remain in effect until the next review cycle. CVTD will make good faith efforts to meet this goal each year. This DBE goal, effective October 1, 2023, has been revised from the previous goal to take into consideration the evidence and data outlined in this report.

CVTD followed the federal regulations including the two-step goal setting methodology set forth in 49 CFR part 26.45 for how to set goals. Step 1 determines a base figure for the relative availability of DBEs and the overall goal and Step 2 allows adjustments to the base figure, these steps are outlined below:

### **1.1. STEP 1: DETERMINATION OF BASE FIGURE FOR THE RELATIVE AVAILABILITY OF DBE'S IN CVTD'S JURISDICTION.**

The base figure for Step 1 is established through the use of the Texas Unified Certification Program (TUCP) DBE/ACDBE and TxDOT SBE Directory and 2020 United States Census Bureau County Business Patterns (CBP) data.

### **1.2. STEP 2: DETERMINATION OF NECESSARY ADJUSTMENTS TO THE BASE FIGURE BASED ON AVAILABLE EVIDENCE IN CVTD'S JURISDICTION.**

Step 2 consists of adjusting the overall DBE goal calculated in Step 1 to account for other evidence, which may include past participation; evidence from disparity studies; statistical disparities relating to financing, bonding, and insurance; data on employment, self-employment education and training, and union apprenticeship programs; and other relevant data. CVTD reviewed past participation to consider adjusting the base figure.

### **1.3. RESULTS SUMMARY/OVERALL GOAL**

The base figure (Step 1) and the adjustments to the base figure (Step 2) 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 CVTD plans to meet through race-neutral means. To engage the public, CVTD provided two types of opportunities for public participation. The first opportunity included one virtual public forum meeting. 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 will be posted for a period of 30 days to allow for public review and comment. Comments will then be analyzed for any potential changes/impacts on the DBE goal methodology.

## **2. STEP 1: ESTABLISHMENT OF BASE FIGURE**

CVTD 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, CVTD evaluated the procurable portion of all contracts to determine contracting opportunities, evaluated the relative availability of these opportunities using the TUCP DBE

Directory and US Census Bureau data, and divided the number of ready and available DBEs by the number of vendors to determine the relative availability to highlight which categories had likelihood of DBE utilization. CVTD then took the total number of ready and available DBEs and divided by the total number of vendors for all categories to determine the base figure. The final calculation results in a base figure of **0.94%**.

## 2.1. DOT-FUNDED CATEGORIES PROJECTION

This section describes the reasonably anticipated categories funded in whole or in part by the FTA, excluding transit vehicle purchases. CVTD projects that it will award \$2,895,723.00 in FTA-assisted grants FFY 2024-2026. FTA requires an overall DBE goal because CVTD anticipates awarding more than \$250,000 in FTA funds in a federal fiscal year.

*Table 1: Projected Expenditures by Category*

<b>General Procurable Category</b>	<b>Projected Expenditure</b>
Vehicle Insurance	\$112,000.00
Facility Insurance	\$45,000.00
Vehicle Repairs and Maintenance	\$684,557.00
Accounting/Financial Services	\$30,111.00
Engineering	\$200,000.00
Management/Operations Services	\$200,530.00
Office/Facility Services	\$110,176.00
Drug and Alcohol Services	\$14,083.00
Fuel	\$729,883.00
Vehicle Parts/Tires/Equipment	\$395,995.00
Facility Supplies	\$50,536.00
Office Supplies	\$72,852.00
Facility Improvement Activities	\$250,000.00
<b>TOTAL PROJECTED FEDERAL EXPENDITURES (excluding rolling stock)</b>	<b>\$2,895,723.00</b>

Transit bus purchases and transit vehicle repairs are 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.

*Table 2: Procurement Categories*

<b>Procurement Category</b>	<b>NAICS Code</b>
Commercial and Institutional Building Construction	236220
Poured Concrete Foundation and Structure Contractors	238110
Structural Steel and Precast Concrete Contractors	238120
Glass and Glazing Contractors	238150

Roofing Contractors	238160
Siding Contractors	238170
Electrical Contractors and Other Wiring Installation Contractors	238210
Plumbing, Heating, and Air-Conditioning Contractors	238220
Other Building Equipment Contractors	238290
Painting and Wall Covering Contractors	238320
Flooring Contractors	238330
Site Preparation Contractors	238910
All Other Specialty Trade Contractors	238990
Cut and Sew Apparel Contractors	315210
Commercial Printing (except Screen and Books)	323111
Motor Vehicle Supplies and New Parts Merchant Wholesalers	423120
Other Commercial Equipment Merchant Wholesalers	423440
Other Miscellaneous Durable Goods Merchant Wholesalers	423990
Stationery and Office Supplies Merchant Wholesalers	424120
Other Chemical and Allied Products Merchant Wholesalers	424690
New Car Dealers	441110
Tire Dealers	441340
Furniture Retailers	449110
Electronics and Appliance Retailers	449210
Gasoline Stations with Convenience Stores	457110
Other Gasoline Stations	457120
Mixed Mode Transit Systems	485111
Bus and Other Motor Vehicle Transit Systems	485113
Taxi and Ridesharing Services	485310
Special Needs Transportation	485991
All Other Transit and Ground Passenger Transportation	485999
Motor Vehicle Towing	488410
Software Publishers	513210
Construction/Engineering Services	541330
Telecommunications carriers, wired	517111
Telecommunications carriers, cellular telephone	517112
Printing and Writing Paper Merchant Wholesalers	524110
Insurance Carriers	5241
Lessors of Nonresidential Buildings (except Miniwarehouses)	531120
Truck, Utility Trailer, and RV (Recreational Vehicle) Rental and Leasing	532120
Offices of Lawyers	541110
Offices of Certified Public Accountants	541211
Architectural Services	541310
Other Computer Related Services	541519
Administrative Management and General Management Consulting Services	541611
Other Management Consulting Services	541618

Other Scientific and Technical Consulting Services	541690
Advertising Agencies	541810
Indoor and Outdoor Display Advertising	541850
Facilities Support Services	561210
Security Systems Services (except Locksmiths)	561621
Exterminating and Pest Control Services	561710
Janitorial Services	561720
Landscaping Services	561730
All Other Ambulatory Health Care Services	62199
Automotive Mechanical and Electrical Repair and Maintenance	81111
Automotive Body, Paint, Interior, and Glass Repair	81112
Other Automotive Repair and Maintenance	81119
Car Washes	811192
All Other Automotive Repair and Maintenance	811198
Electronic and Precision Equipment Repair and Maintenance	811210
Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	811310
Home and Garden Equipment Repair and Maintenance	811411

## 2.2. Relative Availability Calculations

CVTD calculated the relative availability of DBEs using data from the Texas Unified Certification Program (TUCP) DBE directory and the U.S. Census Bureau County Business Pattern database. These data are the most consistent and available sources so CVTD is using them until local or other informed data becomes available. This method takes the number of ready, willing, and able DBEs from the TUCP and divides it by the number of all ready, willing and able businesses available from the Census Bureau to obtain the base figure. The same NAICS codes and CVTD's market area are used for each corresponding DBE and business category.

CVTD operates in a very rural part of Texas. CVTD's Headquarters are located in the City of San Angelo, TX which is the only urbanized area with a population of fifty-thousand (50,000) or more for approximately ninety (90) miles.

CVTD defined the market area as the geographic area where the majority of its expenditures occur for FTA-funded projects. While a majority of CVTD's FTA-funded expenditures occur within the City of San Angelo, TX in Tom Green County, CVTD chose to analyze a broader market area in an effort to identify and include more DBE vendors in their calculations. CVTD's market area used for the relative availability calculation consists of the following Counties in Texas: Callahan, Coke, Coleman, Concho, Crockett, Glasscock, Howard, Irion, Kimble, Mason, McCulloch, Menard, Mitchell, Nolen, Reagan, Runnels, Schleicher, Sterling, Sutton, Taylor, and Tom Green. This selection is representative of Texas Counties that fall approximately within a seventy-five (75) mile radius of CVTD's headquarters in San Angelo, TX.

*Table 3: Texas Counties Selected for Analysis*

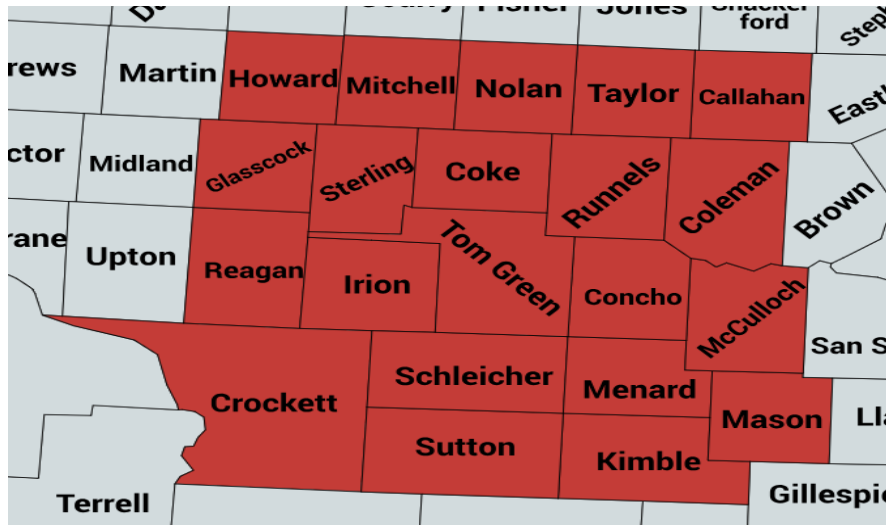


Table 4: Relative Availability of DBEs by Procurement Category

Procurement Category	NAICS Code	Number of DBEs in Market Area (TUCP)	Total Number of Vendors in Market Area (CPB)	Relative Availability
Commercial and Institutional Building Construction	236220	0	21	0.00%
Poured Concrete Foundation and Structure Contractors	238110	0	11	0.00%
Structural Steel and Precast Concrete Contractors	238120	0	0	0.00%
Glass and Glazing Contractors	238150	0	6	0.00%
Roofing Contractors	238160	0	24	0.00%
Siding Contractors	238170	0	4	0.00%
Electrical Contractors and Other Wiring Installation Contractors	238210	1	106	0.94%
Plumbing, Heating, and Air-Conditioning Contractors	238220	0	126	0.00%
Other Building Equipment Contractors	238290	1	4	25.00%
Painting and Wall Covering Contractors	238320	0	16	0.00%
Flooring Contractors	238330	0	3	0.00%
Site Preparation Contractors	238910	0	72	0.00%
All Other Specialty Trade Contractors	238990	3	37	8.11%
Cut and Sew Apparel Contractors	315210	0	0	0.00%
Commercial Printing (except Screen and Books)	323111	0	11	0.00%

Motor Vehicle Supplies and New Parts Merchant Wholesalers	423120	0	15	0.00%
Other Commercial Equipment Merchant Wholesalers	423440	0	0	0.00%
Other Miscellaneous Durable Goods Merchant Wholesalers	423990	0	0	0.00%
Stationery and Office Supplies Merchant Wholesalers	424120	0	0	0.00%
Other Chemical and Allied Products Merchant Wholesalers	424690	0	15	0.00%
Motor Vehicle and Motor Vehicle Parts and Supplies Merchant Wholesalers	4231	0	27	0.00%
New Car Dealers	441110	0	27	0.00%
Automotive Parts, Accessories, and Tire Retailers	4413	0	83	0.00%
Furniture Retailers	449110	0	31	0.00%
Electronics and Appliance Retailers	449210	0	22	0.00%
Gasoline Stations with Convenience Stores	457110	0	196	0.00%
Other Gasoline Stations	457120	0	29	0.00%
Mixed Mode Transit Systems	485111	0	0	0.00%
Bus and Other Motor Vehicle Transit Systems	485113	0	0	0.00%
Special Needs Transportation	485991	0	0	0.00%
All Other Transit and Ground Passenger Transportation	485999	0	0	0.00%
Motor Vehicle Towing	488410	0	13	0.00%
Software Publishers	513210	0	4	0.00%
Telecommunications carriers, wired	517111	0	46	0.00%
Telecommunications carriers, cellular telephone	517112	0	31	0.00%
Insurance Carriers	5241	0	11	0.00%
Lessors of Nonresidential Buildings (except Miniwarehouses)	531120	0	30	0.00%
Truck, Utility Trailer, and RV (Recreational Vehicle) Rental and Leasing	532120	1	14	7.14%

Offices of Lawyers	541110	0	155	0.00%
Offices of Certified Public Accountants	541211	0	79	0.00%
Architectural Services	541310	0	5	0.00%
Construction/Engineering Services	541330	2	26	7.69%
Administrative Management and General Management Consulting Services	541611	2	42	4.76%
Other Management Consulting Services	541618	2	8	25.00%
Other Scientific and Technical Consulting Services	541690	0	26	0.00%
Advertising Agencies	541810	0	12	0.00%
Indoor and Outdoor Display Advertising	541850	0	0	0.00%
Facilities Support Services	561210	0	9	0.00%
Security Systems Services (except Locksmiths)	561621	0	8	0.00%
Exterminating and Pest Control Services	561710	0	14	0.00%
Janitorial Services	561720	0	54	0.00%
Landscaping Services	561730	2	86	2.33%
All Other Ambulatory Health Care Services	62199	0	10	0.00%
Automotive Mechanical and Electrical Repair and Maintenance	81111	2	62	3.23%
Automotive Body, Paint, Interior, and Glass Repair	81112	0	48	0.00%
Other Automotive Repair and Maintenance	81119	0	56	0.00%
Car Washes	811192	0	28	0.00%
All Other Automotive Repair and Maintenance	811198	0	0	0.00%
Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	811310	1	38	2.63%
Home and Garden Equipment Repair and Maintenance	811411	0	0	0.00%
<b>TOTALS</b>		<b>17</b>	<b>1801</b>	<b>0.94%</b>

### 2.3. Base Figure Calculation

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



$$\text{Base Figure} = \frac{\text{Ready, willing, and able DBEs}}{\text{Total number of potential vendors}}$$

$$\text{Base Figure} = \frac{17}{1801}$$

This calculation resulted in a Base Figure of **0.94%**.

### 3. STEP 2: ADJUSTMENTS TO BASE FIGURE

#### 3.1. Disparity Study

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 (**0.94%**) 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.

#### 3.2. Past DBE Utilization

As part of its Step Two analysis, CVCOG/CVTD considered the current capacity of DBEs to perform work on its FTA assisted projects, as measured by the amount of work performed by certified DBEs on FTA funded contracts over the past five years.

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.

*Table X: Past DBE Participation*

FFY	Semi-Annual Reporting Period	DBE Goal Achieved
2018	June	0.33%
2018	December	2.53%
2019	June	12.85%
2019	December	11.01%
2020	June	14.39%
2020	December	15.32%
2021	June	20.80%
2021	December	30.70%
2022	June	30.47%
2022	December	22.33%
2023	June	15.84%

Based on the above data, the median value of CVTD’s past DBE performance is **15.32%**. CVTD adjusted the base goal figures by taking the sum of the base figure and the median performance percentage, and divided to get the average of the two figures. As such, the adjusted base figure was calculated as follows:

$$\text{Adjusted Base Figure} = \frac{\text{Base Figure} + \text{Past Performance Median}}{2}$$

$$\text{Adjusted Base Figure} = \frac{0.94\% + 15.32\%}{2}$$

This calculation resulted in an Adjusted Base Figure of **8.13%**.

#### **4. 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 adjustments are averaged to reveal the recommended adjusted goal. The recommended DBE Goal for FYs 2024-2026 is **8.13%**.

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

CVTD estimates that, in meeting the overall goal of **8.13%**, they will obtain **8.13%** 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 June 2018 – June 2023 was **15.32%**. Given the adjusted base figure of **8.13%**, it has been determined that no adjustment to the goal for race and gender-neutral participation is necessary.

#### **6. PUBLIC REVIEW AND COMMENT**

**Public Opportunity #1:** The methodology will be posted publicly for a period of 30 days to allow for public review and comment. Comments will then be analyzed for any potential changes/impacts on the DBE goal methodology.

**Public Opportunity #2:** CVTD hosted a virtual townhall on December 29<sup>th</sup>, 2023 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.

#### **7. ATTACHMENTS**

Attachment A: Public Notice



**CONCHO VALLEY**  
COUNCIL OF GOVERNMENTS

5430 Link Road • San Angelo, TX 76904

**PUBLIC NOTICE**

Concho Valley Transit District (CVTD) announces its triennial DBE goal for Fiscal Years 2024-2026 is 8.13% in accordance with the regulations of U.S. DOT, 49 CFR Part 26. The proposed goal and its rationale are available for public review and comment for 30 days from the date of this notice. Responses or questions should be delivered to Jaylon Seales, DBE Liaison Officer by email at [jaylon.seales@cvcog.org](mailto:jaylon.seales@cvcog.org) or by mail at 5430 Link Rd. San Angelo, TX 76904. Additionally, CVTD will host a virtual public forum for any interested persons to provide comments regarding the proposed DBE goal methodology during the open comment period. Information can be found at [www.cvtfd.org](http://www.cvtfd.org) and [www.cvcog.org](http://www.cvcog.org).