



September 19, 2017

Ms. Rebecca Rand
Region VI Civil Rights Officer
Federal Transit Administration
Office of Civil Rights
819 Taylor Street
Room 14A02
Fort Worth, TX 76102

RE: FY 2017 Annual DBE Goal Notification

Dear Ms. Rand,

This letter is in reference to our FY 2017 Disadvantaged Business Enterprise (DBE) program goal notification. At this time, we do anticipate exceeding \$250,000 in contracting opportunities as the Wichita Falls Transit System has the opportunity to build a transfer plaza with a park and ride outside of Sheppard Air Force Base.

We have budgeted \$300,000 of our FY 2016 5307 grant funding that is recently executed in TrAMS for this project along with \$268,500 of our FY 2017 5307 grant funding for a total of \$568,500 in potential DBE contracting. The City of Wichita Falls Transit System will actively pursue the construction of the Main Gate Transfer Plaza.

The overall projected DBE goal for the Wichita Falls Transit System D.B.A "Falls Ride" for **FY 2017 is 7.42%** for DOT assisted contracts and will cover the period from October 1, 2017 through September 30, 2018. The Wichita Falls Transit System remains committed to meeting the DBE provisions as outlined in 49 CFR Part 26 of the U.S. Department of Transportation (DOT) regulations.

Please find attached the methodology and the overall goal calculations used to reach our goal update. If you should need further information, please do not hesitate to contact me.

Best regards,

Jenny E. Stevens
Transit Grant Manager

Cc: Richard Neill – PTN Coordinator, TxDOT Paris District
Dennis Burket – WFTS Transit Administrator

Enclosure:

Section 26.45: Overall Goal Calculation

Amount of Goal

The Wichita Falls Transit System, in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26, announces its Disadvantaged Business Enterprise (DBE) goal of 7.42% of the Federal Financial assistance Wichita Falls Transit System will expend in DOT-assisted contracts exclusive of Federal Transit Administration (FTA) funds to be used for the purchase of transit vehicles. The Wichita Falls Transit System has budgeted \$568,500 in grant funding for contracting opportunities.

The entire goal will be obtained through race-neutral means. The purpose of the Disadvantaged Business Enterprise (DBE) overall goal is to achieve a "level playing field" for ready, willing and able DBE's seeking to participate in U.S. DOT-assisted contracts.

The Wichita Falls Transit System will ensure that DBE's have the maximum opportunity to compete for and participate in the performance on contracts and subcontracts awarded by the agency. Wichita Falls Transit System and its contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of Wichita Falls Transit System contracts.

The goal is based on demonstrable evidence of the availability of ready, willing and able DBE's relative to all business ready, willing and able to participate in U.S. DOT-assisted contracts. It reflects the level of DBE participation that would be expected absent the effects of discrimination.

Consultation/Public Participation

Prior to submitting the DBE goal, Wichita Falls Transit System consulted with the Texas Department of Transportation and local community organizations to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBE's, and the efforts to establish a level playing field for the participation of DBE's.

In an effort to foster public participation, future plans for consideration include partnering with the Wichita Falls Chamber of Commerce and the Small Business Development Center of Wichita Falls to further increase DBE participation. Alternatives such as this would advance our "good faith effort" to create interest in contracting opportunities from the disadvantaged business community.

Wichita Falls Transit System will make the proposed DBE goal and methodology available through public notice which will be published in the Times Record News and the City of Wichita Falls Website.

The published public notice will inform the public that the proposed overall goal and its rationale will be available for inspection for 30 calendar days following the date of publication of the notice. The notice will also inform the public that the Federal Transit Administration will accept comments on the goals for 45 calendar days from the date of the publication of the notice. The public notice will include the FTA regional Civil Rights Officer's business address in addition to the Wichita Falls Transit System contact information.

Methodology Used to Calculate Overall Goal

Step 1: Develop a Base Figure for the Relative Availability of DBE's

Acting as the primary link between Texas transportation infrastructure and businesses seeking to contract for sector-related activities, the Texas Department of Transportation (TXDOT) maintains a web-based database for DBE businesses to certify under the Texas Unified Certification Program (TUCP). This is a consolidated and centralized DBE directory for the State of Texas. The TUCP requires interested disadvantaged businesses to complete a certification for federal DBE programs in Texas to one of six certifying agencies within the state.

As part of the goal setting process, Step 1 requires to begin with a base figure for the relative availability of DBE's. The base figure represents the number and relative availability of ready, willing and able DBE firms as compared to all firms ready, willing and able to perform work for the Wichita Falls Transit System. The Wichita Falls Transit System extends out the percentage by two decimal places. The formula utilized to calculate this percentage is as follows:

$$\text{Base figure} = \frac{\text{Ready, willing, and able DBE's} \quad 239}{\text{All firms ready, willing and able} \quad 12394} = 1.93\%$$

The Wichita Falls Transit System is a small urban transit system with the majority of federal funding allocated toward operating and capital expenses that are performed by in-house personnel. Therefore, Wichita Falls Transit System very rarely has large contracts with sub-contracting opportunities along with the scarcity of DBE's in the Wichita Falls Area. With this, the Wichita Falls Transit System extends its DBE area to a 150-mile radius.

To establish the Base Figure, contractible items were identified. In review of the contracting opportunities over the next three fiscal years, it has been determined that the list for FY 2017 is representative of the contracting opportunities for each of the federal fiscal years under this submission cycle.

Listing the contracting opportunities by NAICS codes, Wichita Falls Transit System applied the number of relevant area wide certified DBE's listed in the Texas Unified Certification Program (TUCP) as the numerator (239) in the calculation for the base figure.

Wichita Falls Transit System then applied the number of statewide businesses of the same NAICS codes according to the Census Bureau's County Business Patterns (CBP) database as the denominator (12394) in the base figure calculation. The Base Figure was calculated using the relative all willing, ready, and availability of DBE's in the state of Texas to perform contracts scheduled for fiscal years 2017-2019.

The Base Figure calculation weighs the relative availability of DBE firms to the relative amount of contractible federal funds available for total of all firms in the Metropolitan Statistical Area. The calculation resulted in a Base Figure of 1.93% of contracting work available for DBE-certified firms.

Step 2: Adjust the Base Figure

After calculating a Base Figure of the relative availability of DBE's and "weighting" the base figure relative to contracting opportunities, evidence was examined to determine what adjustment if any was needed to the base figure in order to arrive at the overall goal. Wichita Falls Transit System considered the lack of certified DBE's in the NAICS work categories and the lack of DBE participation in past contracting opportunities. In order to reflect as accurately as possible, the DBE participation we would expect in the absence of discrimination we have adjusted our base figure to 7.42%.

Based on the above information, Wichita Falls Transit System has set an overall DBE goal of 7.42% in Federal Financial assistance will be expended in DOT-assisted contracts, exclusive of FTA funds to be used for the purchase of transit vehicles, for the submission cycle of Fiscal Years 2017, 2018 and 2019. Based on historical data Wichita Falls Transit System feel that the overall goal of 7.42% is a more accurate figure.

Breakout of Estimated Race-Neutral & Race Conscious Participation

Wichita Falls Transit System anticipates meeting the overall FY 2017-2019 DBE goal of 7.42% entirely through race-neutral measures. These measures include but not limited to following:

- Arranging all possible aspects of solicitations, including delivery schedules, in ways that facilitate DBE participation
- Unbundling of contracts
- Reducing bonding requirements when possible
- Providing guidance on obtaining business assistance in areas such as business management, record keeping, and technical assistance
- Ensuring inclusion of DBE's on Wichita Falls Transit System's mailing list for bidders
- Providing guidance on obtaining assistance for start-up businesses
- Ensuring the widest possible distribution of the DBE Directory which is the TUCP maintained by TXDOT

Step 1 - Determine the weight of each type of work by NAICS Code:

* Enter all the FTA-assisted projects below. Project amounts should be assigned relevant NAICS Code(s).

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
1)	238110	Concrete	\$340,000.00	0.5981
2)	238120	Steel	\$103,500.00	0.1821
3)	238140	Masonry	\$50,000.00	0.0880
4)	238210	Electrical	\$50,000.00	0.0880
5)	238910	Site Prep	\$25,000.00	0.0440
6)				0.0000
7)				0.0000
8)				0.0000
9)				0.0000
10)				0.0000
11)				0.0000
12)				0.0000
13)				0.0000
14)				0.0000
15)				0.0000
16)				0.0000
17)				0.0000
18)				0.0000
19)				0.0000
20)				0.0000
Total FTA-Assisted Contract Funds			\$568,500.00	1.0000

Step 2 - Determine the relative availability of DBE's by NAICS Code:

* Use DBE Directory, census data and/or a bidders list to enter the number of available DBE firms and the number of available firms.

	NAICS Code	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability
1)	238110	Concrete	158	1338	0.1181
2)	238120	Steel	4	3332	0.0012
3)	238140	Masonry	23	853	0.0270
4)	238210	Electrical	44	4738	0.0093
5)	238910	Site Prep	10	2133	0.0047
6)	0	0			
7)	0	0			
8)	0	0			
9)	0	0			
10)	0	0			
11)	0	0			
12)	0	0			
13)	0	0			
14)	0	0			
15)	0	0			
16)	0	0			
17)	0	0			
18)	0	0			
19)	0	0			
20)	0	0			
	Combined Totals		239	12394	0.0193
					<i>Overall availability of DBEs</i>

Step 3 - (Weight) x (Availability) = Weighted Base Figure

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)	238110	Concrete	0.59807	x	0.11809	0.0706
2)	238120	Steel	0.18206	x	0.00120	0.0002
3)	238140	Masonry	0.08795	x	0.02696	0.0024
4)	238210	Electrical	0.08795	x	0.00929	0.0008
5)	238910	Site Prep	0.04398	x	0.00469	0.0002
6)	0	0	0.00000	x	0.00000	
7)	0	0	0.00000	x	0.00000	
8)	0	0	0.00000	x	0.00000	
9)	0	0	0.00000	x	0.00000	
10)	0	0	0.00000	x	0.00000	
11)	0	0	0.00000	x	0.00000	
12)	0	0	0.00000	x	0.00000	
13)	0	0	0.00000	x	0.00000	
14)	0	0	0.00000	x	0.00000	
15)	0	0	0.00000	x	0.00000	
16)	0	0	0.00000	x	0.00000	
17)	0	0	0.00000	x	0.00000	
18)	0	0	0.00000	x	0.00000	
19)	0	0	0.00000	x	0.00000	
20)	0	0	0.00000	x	0.00000	
					Total	0.0742
					Expressed as a % (*100)	7.42%
					Rounded, Weighted Base Figure:	7%