

Methodology and Consultation Process
City of Las Cruces Overall Goal for FTA Funding
Agency: City of Las Cruces/RoadRUNNER Transit – (Agency 1580)
Goal Period: FY2024-2026
Overall goal: 0.00%

Step 1: Identification of DBE contracting opportunities and determine the weight of each type of work by NAICS Code:

The City of Las Cruces (City) administers RoadRUNNER Transit. The City’s primary source of Federal Transit Administration (FTA) funding is derived from formula Section 5307 programs. Of this funding, most is programmed for non-contractual operational activities such as salaries, employee benefits, utilities expenses, and travel expenses. Most of the remainder of operational contracting use only local grant match funds. The only planned operational contracting activities that would use federal dollars in the FY24-FY26 period are for purchases of bulk fuel and contracted security services.

The City will also make capital purchases with FTA Section 5307 and 5339 funds for staff vehicles. The procurements of revenue vehicles is also planned but are not included in this goal methodology and instead fall under FTA’s Transit Vehicle Manufacturer (TVM) requirements.

For the FY2024-2026 period, the City has identified potential contracting opportunities that would use federal dollars for fuel and security services. The estimated cost reflected in the table below is the average federal share of annual cost for three years. These FTA-assisted contracting opportunities are identified by NAICS codes in the Table 1 and the dollar amounts are the estimated FTA share of these opportunities.

Table 1 Annual Identified Contracting Opportunities 2024-2026

	NAICS Code	Project	Amt of DOT funds on project:	% of total DOT funds (weight)
1)	423110	Fuel Contract	\$262,500.00	0.7384
2)	561612	Security Services	\$65,000.00	0.1828
3)	423110	Automobile and Other Motor Vehicle Merchant Wholesalers	\$28,000.00	0.0788
	Total FTA-Assisted Contract Funds		\$355,500.00	1.0000

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

Table 2 shows the relative availability of DBEs by the NAICS Codes identified in Step 1. Each NAICS activity was defined based on the type of work proposed or product being procured and the likelihood of companies willing to provide that service or product in the proximity of Las Cruces. The market area for each activity was determined by looking at vendors who responded to previous City of Las Cruces solicitations for the same type of activity.

The market area for Security Services is Doña Ana County, New Mexico, of which Las Cruces is the county seat. The market area for automobile dealers and fuel suppliers is the State of New Mexico. The market area for automobile dealers and fuel suppliers also includes El Paso County, Texas.

Data for the total available firms was selected from the U.S. Census Bureau’s “County Business Patterns” Table ID CBP2021.CB2100BP and reflects the most current available data, which is from 2021. The extracted spreadsheets are shown in Table 2.

The New Mexico Department of Transportation (NMDOT) DBE Directory was examined to see if there were any registered BEhe registered DBE firms in the market area for each NAICS code. This directory is available online at:

<https://nmdot.dbesystem.com/FrontEnd/SearchCertifiedDirectory.asp?XID=1102&TN=nmdot>.

There were no DBE firms identified that indicated they supplied goods or services in the given NAICS codes.

The City is a member of the New Mexico Unified Certification Program (NMUCP) administered by the NMDOT. The spreadsheet used for this calculation is provided by FTA.

Table 2 Relative Availability of DBEs by NAICS Codes

	NAICS Code	Project	# of DBEs available to perform this work	# of all firms available (including DBEs)	Relative Availability	Market area
1)	423110	Fuel Contract	0	24	0.0000	State of NM, El Paso County
2)	561612	Security Services	0	4	0.0000	Dona Ana County
3)	423110	Automobile and Other Motor Vehicle Merchant Wholesalers	0	34	0.0000	State of NM, El Paso County
Combined Totals			0	62	0.0000	Overall availability of DBEs

Step 3: Determination of Base Figure based on weighting of available FTA funds by NAICS

The base figure for the DBE goal is derived by multiplying the relative weight of the FTA funds going to each NAICS activity (Table 1 in Step 1) by the ratio of ready, willing, and able DBEs to total ready, willing, and able firms for each NAICS Code (Table 2 in Step 2). This produces a weighted base figure for each NAICS activity using FTA funds. The weighted base figures for each activity are then added together, then rounded, to determine the Base Figure as shown in Table 3. This base information derives a rounded weighted DBE goal of 0.00%.

Table 3 Calculations for Weighted DBE Base Figure

	NAICS Code	Project	Weight	x	Availability	Weighted Base Figure
1)	423110	Fuel Contract	0.73840	x	0.00000	
2)	561612	Security Services	0.18284	x	0.00000	
3)	423110	Automobile and Other Motor Vehicle Merchant Wholesalers	0.07876	x	0.00000	
					Total	0.0000
					%	0.00%
					Rounded, Weighted Base Figure:	0%

Step 4: Consideration of Adjustments:

DBE participation was examined for the past three years (completed federal fiscal years 2021-2023). Because there was a goal of 0% during 2020, there were no goal shortfalls. In 2021 the race-neutral goal of 5.28% was met with the contracts awarded that year. In FY2022, the goal was not met and a shortfall analysis was performed. The reason stated in the shortfall analysis was that the FY2021-2023 goal was entirely established based on the award of a construction contract for a new operations and maintenance facility, which was not awarded until FY2023. None of the contracting opportunities in FY2022 pertained to the anticipated contracting opportunities with the construction project. The DBE participation reported in 2021 was for work done by a DBE firm that developed our short-range transit plan; we don't anticipate another short-range plan to be performed in the FFY2024-2026 period for this goal. Below is a Table 4 showing the DBE achievement for the past 3 completed federal fiscal years and the median achievement.

The median DBE attainment for the federal fiscal years 2020-2022 was 0%. As noted above the reason DBE goal for the FFY2021-FY2023 period is 5.28% is the large construction project. The goal would have remained 0% without this construction project. The goal of 5.28% is reasonable given that this construction project will likely be the sole generator of DBE participation in the next three years. The company that was awarded the prime contract in FY2023 for construction was not a DBE firm. Because the solicitation for the construction contract included a race-neutral goal, no DBE subcontractors were listed by the prime contractor.

There is no anticipated change in the level of DBE participation in contracting opportunities for related to routine operational activity in the FY 2024-2026 goal period. Also, there are no new construction projects anticipated or funded for the next three years that would involve federal dollars. Additionally, as noted in the goal calculation tables in above, there are very few types of contracting opportunities anticipated for regular operations where federal funding would be applied. Although the Las Cruces market area has a majority Hispanic population and demographic data would suggest that many firms in the Las Cruces market area could be eligible for DBE status, there has been very little interest or perceived need from businesses in this market area to obtain DBE certification and that trend is not expected to change during the three-year goal period. For the reasons noted in this section, we do not anticipate any DBE participation in the FY2024-2025 period.

Table 4 Consideration of Adjustments

Federal Fiscal year	Total Goal %	RC Goal %	RN Goal %	Past Participation %	RC %	RN %
2020	0.00	0.00	0.00	0.00	0.00	0.00
2021	5.28	0.00	5.28	38.19	0.00	38.19
2022	5.28	0.00	5.28	0.00	0.00	0.00

Federal Fiscal year	Paticipation
2020	0
2022	0
2021	38.19
3 year median	

Step 5: Race Conscious and Race Neutral Goals

There was just one large contracting opportunity in the FY2021-FY2020 period related to the construction of the operations and maintenance center. Because there is no history of recent large FTA-funded projects in this area, there is no data to suggest that the anticipated goal of 5.28% would not be met through race neutral means. For this reason, the City anticipates this DBE goal will be achieved during the goal period through race neutral means. While the goal was not achieved in any of the three years in the FFY2021-2023 goal period, we don't anticipate any similar type of construction contracting in the FFY2024-2026 so there is no need to develop a race-conscious goal. Also because there are no available DBEs to bid on the few anticipated contracting opportunities involving federal funds, there is not a history with which to develop a race-conscious goal for those types of contracts.

The City will continue to administer its DBE program and provide continuing outreach to potential DBE qualified firms.