

Methodology for City of Las Cruces Overall Goal for FTA Funding
Agency: City of Las Cruces/RoadRUNNER Transit – (Agency 1580)
Goal Period: FY2021-2023
Overall goal: 5.28%

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 activities such as salaries and employee benefits as well being applied to fuel. The remainder of contracting opportunities related to operations use only local grant match funds.

The City received an \$11 million Section 5339 State of Good Repair Grant in FY2018 for the construction of an Operations and Maintenance Facility. This funding is being added to other FTA and local funding to construct a \$24 million facility. Construction of that facility will be occurring during the period that this goal will be effective.

The City also receives formula FTA Section 5339 for small urban systems that are passed through the New Mexico Department of Transportation. These funds are generally programmed for revenue vehicle replacement in the City's Dial-A-Ride paratransit service. The City also received a Low No Section 5339 grant for the purchase of battery electric buses (BEBs). Procurement of revenue vehicles is not included in this goal methodology and instead falls under FTA's Transit Vehicle Manufacturer (VMT) requirements. However, the electric bus project includes the procurement of chargers for the BEBs and that is included in calculating the DBE goal.

For the FY2021-2023 period, the City has identified many contracting and subcontracting opportunities related to the construction of the Operations and Maintenance facility. The estimated contracting opportunities dollar amounts for the facility were calculated using a recent City project facility project that cost about the same as the upcoming FTA-funded project. The estimated cost reflected in the table below is the average federal share of annual cost for three years. Contracting opportunities in addition to the facility project include the annual fuel contract, procurement of a non-revenue staff vehicle, and procurement of the chargers for the BEBs. 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 2021-2023

NAICS Code	Project	Amt of DOT funds on project:	% of total DOT funds (weight)
1) 236220	General contractors, commercial and institutional building*	\$372,551.06	0.0616
2) 237110	Water and Sewer Line and Related Structures Construction *	\$137,023.63	0.0226
3) 237130	Power and Communication Line and Related Structures Construction *	\$91,205.64	0.0151
4) 238110	Concrete Foundation and Structure Contractors*	\$309,957.23	0.0512
5) 238120	Structural Steel and Precast Concrete Contractors *	\$381,839.05	0.0631
6) 238130	Framing Contractors*	\$161,306.38	0.0267
7) 238140	Masonry Contractors*	\$110,978.64	0.0183
8) 238150	Glass and Glazing Contractors*	\$265,703.23	0.0439
9) 238160	Roofing contractors*	\$306,054.87	0.0506
10) 238170	Siding contractors*	\$6,377.97	0.0011
11) 238190	Other Foundation, Structure, and Building Exterior Contractors*	\$103,332.56	0.0171
12) 238210	Electrical contractors and other wiring installation contractors*	\$523,360.87	0.0865
13) 238220	Plumbing, heating and air-conditioning contractors*	\$939,559.61	0.1553
14) 238310	Drywall and insulation contractors*	\$541,281.50	0.0895
15) 238320	Painting and wall covering contractors*	\$96,600.26	0.0160
16) 238330	Flooring contractors*	\$98,112.43	0.0162
17) 238350	Finish carpentry contractors*	\$194,755.51	0.0322
18) 238390	Other building finishing contractors*	\$286,924.38	0.0474
19) 238910	Site preparation contractors*	\$73,868.00	0.0122
20) 238990	All Other Specialty Trade Contractors*	\$36,829.52	0.0061
21) 423110	Automobile and Other Motor Vehicle Merchant Wholesalers	\$10,666.67	0.0018
22) 424720	Fuel Contract	\$564,000.00	0.0932
23) 561730	Site preparation contractors: Landscaping*	\$33,081.31	0.0055
24) 535999	Electrovoltaic Charging Systems for buses.	\$366,358.67	0.0606
25) 337214	Office Furniture*	\$19,208.67	0.0032
26) 811111	Maintenance Shop equipment*	\$19,208.67	0.0032
Total FTA-Assisted Contract Funds		\$6,050,146.33	1.0000
*	Related to Operations and Maintenance Facility Project		

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 responded to previous City of Las Cruces solicitations for the same type of activity.

The market area for most of the identified activities is Doña Ana County, New Mexico, of which Las Cruces is the county seat. The market area for automobile dealers and electric chargers is the State of New Mexico. The market area for automobile dealers and fuel suppliers 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 CB1800CBP and reflects the most current available data, which is from 2018. The data was extracted from the dataset CBP2018 at <https://data.census.gov/cedsci/advanced>.

The registered DBE firms in the market area for each NAICS code was selected from the New Mexico Department of Transportation (NMDOT) DBE Directory available online at:

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

The identified DBE firms were registered with the NMDOT as of October 2020. 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.

Of 412 firms, available to do the anticipated activity, 30 are DBE firms and all are firms that could potentially do work on the construction project noted above.

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) 236220	General contractors, commercial and institutional building*	3	30	0.1000	Dona Ana County
2) 237110	Water and Sewer Line and Related Structures Construction *	3	9	0.3333	Dona Ana County
3) 237130	Power and Communication Line and Related Structures Construction *	0	3	0.0000	Dona Ana County
4) 238110	Concrete Foundation and Structure Contractors*	4	17	0.2353	Dona Ana County
5) 238120	Structural Steel and Precast Concrete Contractors *	0	1	0.0000	Dona Ana County
6) 238130	Framing Contractors*	0	3	0.0000	Dona Ana County
7) 238140	Masonry Contractors*	1	12	0.0833	Dona Ana County
8) 238150	Glass and Glazing Contractors*	0	1	0.0000	Dona Ana County
9) 238160	Roofing contractors*	1	23	0.0435	Dona Ana County
10) 238170	Siding contractors*	1	1	1.0000	Dona Ana County
11) 238190	Other Foundation, Structure, and Building Exterior Contractors*	0	3	0.0000	Dona Ana County
12) 238210	Electrical contractors and other wiring installation contractors*	2	44	0.0455	Dona Ana County
13) 238220	Plumbing, heating and air-conditioning contractors*	3	56	0.0536	Dona Ana County
14) 238310	Drywall and insulation contractors*	0	17	0.0000	Dona Ana County
15) 238320	Painting and wall covering contractors*	1	25	0.0400	Dona Ana County
16) 238330	Flooring contractors*	1	5	0.2000	Dona Ana County
17) 238350	Finish carpentry contractors*	1	12	0.0833	Dona Ana County
18) 238390	Other building finishing contractors*	0	3	0.0000	Dona Ana County
19) 238910	Site preparation contractors*	6	27	0.2222	Dona Ana County
20) 238990	All Other Specialty Trade Contractors*	3	26	0.1154	Dona Ana County
21) 423110	Automobile and Other Motor Vehicle Merchant Wholesalers	0	40	0.0000	Statewide + El Paso Co. TX
22) 424720	Fuel Contract	0	6	0.0000	Dona Ana + El Paso Co. TX
23) 561730	Site preparation contractors: Landscaping*	0	39	0.0000	Dona Ana County
24) 535999	Electrovoltaic Charging Systems for buses.	0	0	0.0000	Statewide
25) 423420	Office Furniture*	0	4	0.0000	Dona Ana County
26) 423830	Maintenance Shop equipment*	0	5	0.0000	Dona Ana County
	Combined Totals	30	412	0.0728	Overall availability of DBEs
*	Related to Operations and Maintenance Facility Project				

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 in Step 1) by the ratio of ready, willing, and able DBEs to total ready, willing, and able firms for each NAICS Code (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 5.28%.

Table 3 Calculations for Weighted DBE Base Figure

NAICS Code	Project	Weight	X	Availability	Weighted Base Figure
1) 236220	General contractors, commercial and institutional building*	0.06158	X	0.10000	0.0062
2) 237110	Water and Sewer Line and Related Structures Construction *	0.02265	X	0.33333	0.0075
3) 237130	Power and Communication Line and Related Structures Construction *	0.01507	X	0.00000	
4) 238110	Concrete Foundation and Structure Contractors*	0.05123	X	0.23529	0.0121
5) 238120	Structural Steel and Precast Concrete Contractors *	0.06311	X	0.00000	
6) 238130	Framing Contractors*	0.02666	X	0.00000	
7) 238140	Masonry Contractors*	0.01834	X	0.08333	0.0015
8) 238150	Glass and Glazing Contractors*	0.04392	X	0.00000	
9) 238160	Roofing contractors*	0.05059	X	0.04348	0.0022
10) 238170	Siding contractors*	0.00105	X	1.00000	0.0011
11) 238190	Other Foundation, Structure, and Building Exterior Contractors*	0.01708	X	0.00000	
12) 238210	Electrical contractors and other wiring installation contractors*	0.08650	X	0.04545	0.0039
13) 238220	Plumbing, heating and air-conditioning contractors*	0.15530	X	0.05357	0.0083
14) 238310	Drywall and insulation contractors*	0.08947	X	0.00000	
15) 238320	Painting and wall covering contractors*	0.01597	X	0.04000	0.0006
16) 238330	Flooring contractors*	0.01622	X	0.20000	0.0032
17) 238350	Finish carpentry contractors*	0.03219	X	0.08333	0.0027
18) 238390	Other building finishing contractors*	0.04742	X	0.00000	
19) 238910	Site preparation contractors*	0.01221	X	0.22222	0.0027
20) 238990	All Other Specialty Trade Contractors*	0.00609	X	0.11538	0.0007
21) 423110	Automobile and Other Motor Vehicle Merchant Wholesalers	0.00176	X	0.00000	
22) 424720	Fuel Contract	0.09322	X	0.00000	
23) 561730	Site preparation contractors: Landscaping*	0.00547	X	0.00000	
24) 535999	Electrovoltaic Charging Systems for buses.	0.06055	X	0.00000	
25) 337214	Office Furniture*	0.00317	X	0.00000	
26) 811111	Maintenance Shop equipment*	0.00317	X	0.00000	
*	Related to Operations and Maintenance Facility Project			Total	0.0528
				%	5.28%
				Rounded, Weighted Base Figure:	5%

Step 4: Consideration of Adjustments:

DBE participation was examined for the past three years (federal fiscal years 2017-2019). Because there was a goal of 0% during that period, there were no goal shortfalls. The DBE participation reported in 2018 was for work done by a DBE firm on facility security cameras. There are no similar security camera projects planned for the 2018-2020 goal period. Below are two tables showing the DBE achievement for the past 3 years and the median achievement.

Federal Fiscal year	Total Goal %	RC Goal %	RN Goal %	Past Participation %	RC %	RN %
2017	0.00	0.00	0.00	0.00	0.00	0.00
2018	0.00	0.00	0.00	2.20	0.00	2.20
2019	0.00	0.00	0.00	0.00	0.00	0.00

Federal Fiscal year	Participation
2018	2.2
2017	0
2019	0

3 year median

The median DBE attainment for the 3 years was 0%. The reason DBE goal for the FY2021-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.

There is no anticipated change in the level of DBE participation in contracting opportunities for related to routine operational activity in the FY 2021-2023 goal period. 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.

Step 5: Race Conscious and Race Neutral Goals

There is one large contracting opportunity in the FY20121-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. The City will continue to administer its DBE program and provide continuing outreach to potential DBE qualified firms.