

# Welcome to

City of Austin

Small & Minority Business Resources

# Disadvantaged Business Enterprise

# Public Consultation



Program administered  
by the **Small &  
Minority Business  
Resource Department**

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# City of Austin Disadvantaged Business Enterprise (DBE) Program Fiscal Years 2018-2020

49 Code Federal  
Regulation (CFR),  
PART 26



**DBE Proposed Program Public  
Meeting**

**AGENDA**

**Opening & Introductions**

**Purpose & Overview of  
COA's DBE Program**

**Presentation of the Proposed  
DBE Goal**

**Q & A  
Public Input & Comments**

# Who is this meeting for

- **Minority contractors/consultants**
- **Women contractors/consultants**
- **General contractors/consultants**
- **Community organizations**
  - **Trade Associations**
  - **Service Providers**
- **Anyone who would like to provide input regarding City of Austin's DBE Program**

# What is the purpose of this meeting

- **Provide information about the City of Austin's DBE Program**
- **Discuss requirements of the DBE Program**
- **Discuss DBE Goal Methodology**
- **Get input regarding the DBE Program**



# City of Austin DBE Program



# What is the DBE Program

- **The U.S. Department of Transportation's Disadvantaged Business Enterprise (DBE) program provides a vehicle for increasing the participation of women and minorities in state and local procurement.**
- **Federal Regulations require Departments of Aviation that receive USDOT financial assistance to establish a DBE Program and goals for the participation of DBE's.**
- **Departments of Aviation are required to establish triennial DBE goals and review contracts throughout the year to establish project-specific DBE subcontracting goals.**

# Who participates in the DBE Program

**Any City of Austin Department who is a recipient of federal grant funds**

Federal Aviation Administration (FAA)  
Federal Highway Administration (FHWA)  
Federal Transportation Administration (FTA)

- **Aviation (ABIA)**
- Transportation

# City of Austin Department

## Program Areas

- **Airport Concession  
Disadvantaged Business  
Enterprise (DBE)**
- **Disadvantaged Business  
Enterprise (DBE)**
- **Minority-Owned & Women-  
Owned Business Enterprises  
(MBE/WBE)**
- **Small Business Enterprise (SBE)**

# Components of the Business Enterprise (DBE) Program

- **Certification**
- **Compliance**
- **Program Updates**
- **Goal Setting**
- **Reporting**



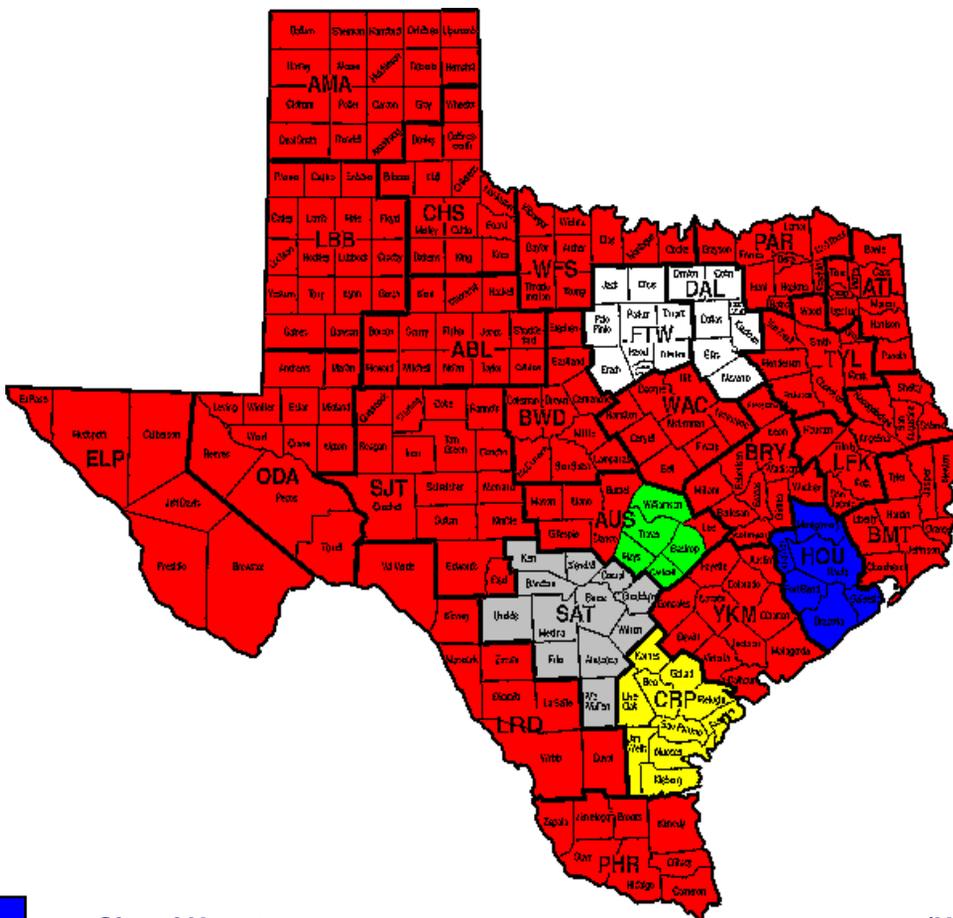
# Certification

# DBE Certification Requirements

- 51 percent owned, managed and controlled by an economically and socially disadvantaged individual
- Must be U.S. citizen or Legally Admitted Resident
- Contributions, ownership, and daily management control clearly documented
- Presumed Groups: Asian-American; African-American; Native American; Hispanic; Women
- The primary economically disadvantaged owner(s) personal net worth not to exceed \$1.32 million
- Firm must be organized as a for-profit business
- On-site visit required

# DBE Certification

## Texas Unified Certification Program (TUCP)



City of Houston

(HOUSTON)

City of Austin-Hays, Travis, Williamson, Caldwell, Bastrop

(AUSTIN)

Corpus Christi Regional Transportation Authority

(CCRTA)

North Central Texas Regional Certification Agency

(NCTRCA)

South Central Texas Regional Certification Agency

(SCTRCA)

Texas Department of Transportation

(TXDOT)



# Compliance

# Compliance Requirement

- **City of Austin's Small & Minority Resources Department monitors DBE participation on all prime and sub contracts**
- **Contractors identify DBE subcontractors they are intending to use to meet DBE contract goal**
- **Contractors submit monthly reports on DBE participation**
- **SMBR program designees verifies DBE subcontracts are in compliance with federal program requirements**
- **SMBR program designees identifies any corrective actions for compliance issues**



# DBE Proposed Program

# Goal Methodology

## Race Conscious/Race Neutral (RN/RC)

The Overall Goal and the breakdown for specific Race Conscious and Race Neutral Goals (both of which include gender-conscious/neutral goals) is reported.

- The **Race Conscious** Goal is based on measures that provide benefits only for DBEs. The use of contract goals is a primary example of a race conscious measure.
- The **Race Neutral** Goal include measures for all firms while benefiting DBEs.

# DBE Goal Calculation

## It's a Two Step Process!

- **Step 1 - Determine the base figure for the relative availability of DBEs. Availability refers to ready, willing and able (RWA) vendors.**

$$\text{Base figure} = \frac{\text{Ready, willing, and able DBEs in the market area}}{\text{All ready, willing and able vendors in the market area}}$$

- **Step 2 - Examine available evidence to determine adjusting base figure.**

**Adjustments based on past participation and upcoming projects anticipating federal grant funds.**

## DBE Program 2018-2020 Goal Methodology Step 1 Analysis Step 1: Actual Relative Availability of DBEs

Types of Work Identified in upcoming projects Apron Expansion Phase II & III; Airfield Electrical & Pavement Improvements	Total All Vendors	Total DBE Vendors TUCP Database DMS	DBE % by NAICS Calculation: Total DBE Vendors/Total Vendors
Water Supply & Irrigation Systems (221310)	39	10	25.64%
Construction Management water & sewer line (237110)	144	22	15.28%
Grading, highway, road, street & bridge (237310)	134	4	2.99%
Electrical Contractor (238210)	1246	20	1.61%
Security & Fire System Installation (238210)	22	5	22.73%
Lighting airport runway installation (238210)	22	1	4.55%
Demolition/Site preparation contractors (238910)	156	96	61.54%
Site (clearing)/Fencing installation contractors (238990)	177	9	5.08%
Liquefied petroleum gas distribution (221210)	19	0	0.00%
Landscaping Services (561730)	438	87	19.86%
Remediation: Hazardous Materials (Asbestos) Abatement Services (562910)	18	8	44.44%
All other Waste Management Services (562998)	24	10	41.67%
<b>Relative Availability of DBE Vendors to All Vendors</b>	<b>2395</b>	<b>266</b>	<b>11.11%</b>

STEP 1 Analysis Base Figure = 11.11%

DBE Program 2018-2020 Goal Methodology Step 1 Analysis  
**Step 2: Examination of available evidence to determine  
adjusting base figure using past participation**

City of Austin DBE Accomplishments for  
Fiscal Years 2014-2018

Fiscal Year	Goal	Accomplishment
2014	9.60%	12.30%
2015	9.60%	10.89%
<b>2016</b>	<b>15.77%</b>	<b>15.40%</b>
2017	15.77%	11.38%
2018	15.77%	11.90%

Based on the Past Participation, the median goal is  
**15.40%**

# DBE Program 2018-2020 Goal Methodology Step 1 Analysis

## Step 2: Examination of available evidence to determine adjusting base figure using upcoming projects anticipating grant funds

Upcoming Projects	Trade Value	DBE Estimated Contract Value	Annual DBE Percentage	Adjust Based on Median	DBE Goal by Fiscal Year	Fiscal Years
ABIA Apron Expansion Phase II East Apron	\$18,727,885	\$2,097,153	11.20%	11.20% + 15.40% = 26.60%	<b>13.30%</b>	2017-2018
ABIA Apron Expansion Phase III West Apron	\$22,842,960	\$2,557,960	11.20%	11.20% + 15.40% = 26.60%	<b>13.30%</b>	2018-2019
ABIA Airfield Electrical & Pavement Improvements	\$7,872,950	\$180,211	2.29%	2.29% + 15.40% = 17.69%	<b>8.84%</b>	2019-2020

**Total Trade Value**  
**\$49,443,795**

**Total DBE Value**  
**\$4,835,323**

Calculation: Total DBE Goal by Fiscal Year divided by Each Fiscal Year = Proposed DBE Goal

$$35.44\% / 3 = \mathbf{11.81\%}$$

# Proposed DBE Goal

**Based on the information and evidence currently available, City of Austin is proposing a Goal of 11.81%.**

**WHAT WAS CONSIDERED? Relative Availability and Adjustments to the goal.**

- **In determining the relative availability the City utilized:**
  - 1.) TUCP Directory Information**
  - 2.) Census Bureau Data**
- **In determining any adjustments the City considered:**
  - 1.) Past Participation/Upcoming Projects**
  - 2.) Public Consultation**

# Questions?

## We Want Your Input

- **To Obtain Information From You Regarding:**
  - **availability of disadvantaged and non-disadvantaged businesses**
  - **the effects of discrimination on contract opportunities**
  - **City's efforts to provide information and opportunities to DBEs**

# Documents Available

## City of Austin Small & Minority Business Resources

[www.austintexas.gov/smbr](http://www.austintexas.gov/smbr)

AUSTINTEXAS.GOV | AIRPORT | LIBRARY | AUSTIN ENERGY | AUSTIN WATER | CONVENTION CENTER | VISITORS BUREAU | OPEN GOVERNMENT

**austintexas.gov**  
the official website of the City of Austin

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Department » Small And Minority Business » Divisions » Disadvantaged Business Enterprise

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KEEP IT CURRENT



email address



phone number



fax number



### Small and Minority Business Resources

#### DISADVANTAGED BUSINESS ENTERPRISE

The City of Austin's Small & Minority Business Resources (SMBR) Department certifies qualifying small businesses that are owned, managed, and controlled by both socially and economically disadvantaged individuals as Disadvantaged Business Enterprises (DBEs) and/or Airport Concession Disadvantaged Business Enterprises (ACDBEs).

DBEs and ACDBEs are qualified for participation in federally-funded Department of Transportation airport, highway, and public transit contracting projects across the State of Texas in compliance with Code of Federal Regulations (49 CFR Part 26 and Part 23).

The City of Austin is one of six members of the Texas Unified Certification Program (TUCP).

#### TOP CONTENT

- ★ Certification
- ★ About Small & Minority Business Resources
- ★ Disadvantaged Business Enterprise
- ★ Contract Compliance
- ★ Certification for Small Business Enterprise (SBE)

#### General Eligibility Requirements

- Fifty-one percent owned, managed and controlled by an economically and socially disadvantaged individual (see presumed groups below):
  - Asian-American,
  - African-American,
  - Native American,
  - Hispanic or
  - Women
- Must be a small business as defined by the US Small Business Administration (SBA).
- Personal Net Worth limit of \$1,320,000 for owner.
- Firm must be organized as a for-profit business.
- For application form click [here](#).

#### Reports

##### Part 26 – Federally-funded transportation, aviation, and highways

- Proposed Program Goals, 49 CFR Part 26, October 1, 2014 to September 30, 2016

##### Part 23 – Airport Concessions Disadvantaged Business Enterprise (ACDBE)

- Proposed Program Goals, 49 CFR Part 23

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#### Get There from Here

- City Jobs
- Austin Finance Online
- Neighborhoods
- Public Safety
- City Council
- Public Records
- Website Feedback
- Council Message Board

#### Towards a Best Managed City

- PRIDE - Vision and Values
- Resident Survey
- Share your Ideas
- Performance Measures
- Equal Opportunity

#### Connect With Us

- City Data
- City Social Media
- RSS Feeds
- Austin Notes

 **Austin Energy** @austinenergy 19h

Our web services, including online customer care, will be down from 1/17-1/18 for scheduled maintenance. Thanks for your patience.

Retweeted by Austin Texas

Expand

# **OPEN for PUBLIC COMMENTS**

We will continue to accept Public Comments regarding the 2018-2020 **until November 30, 2018, 5:00 p.m.**

Email comments to:  
**DBEPublicComments@austintexas.gov**

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**THANK YOU!**