

OVERALL GOAL CALCULATION

The Harris County Improvement District #1 (Uptown Houston) follows the FTA Region VI two-step process to calculate its DBE goal. The goal calculation is based on documented evidence of the availability of ready, willing and able DBEs relative to all ready, willing and able businesses for FTA-assisted contracts within the next three fiscal years.

Step 1 – Establish Base Goal

Uptown Houston considered all possible FTA-assisted contracting opportunities for award in FY 2018 through FY 2020 and assigned the North American Industry Classification System (NAICS) codes for the contracting opportunities. Uptown Houston identified the TxDOT Houston Work District as its market area, which includes Brazoria, Fort Bend, Galveston, Harris, Montgomery, and Waller Counties. In the Texas Unified Certification Program (TUCP), Uptown Houston searched the DBE Directories by NAICS codes by availability in the location of the businesses for the six counties in the TxDOT Houston Work District. Uptown Houston used the 2015 US Census County Business Patterns database to determine the total number of ready, willing and able firms within the TxDOT Houston Work District. A directory of all list firms, as of June 9, 2017, is included in **Attachment 5**.

Uptown Houston has two procurements in the next three years for the design and construction of the Uptown Transit Center (UTC) facility. Uptown Houston searched on the below NAICS codes that correspond with the upcoming procurements.

| Table 1 – Relevant NAICS Codes | |
|---------------------------------------|--|
| Code | Definition |
| 238110 | Poured Concrete Foundation and Structure Contractors |
| 238120 | Structural Steel and Precast Concrete Contractors |
| 238130 | Framing Contractors |
| 238150 | Glass and Glazing Contractors |
| 238160 | Roofing Contractors |
| 238190 | Other Foundation, Structure, and Building Exterior Contractors |
| 238210 | Electrical Contractors and Other Wiring Installation Contractors |
| 238220 | Plumbing, Heating, and Air-Conditioning Contractors |
| 238310 | Drywall and Insulation Contractors |
| 238320 | Painting and Wall Covering Contractors |
| 238330 | Flooring Contractors |
| 238910 | Site Preparation Contractors |
| 238990 | All Other Specialty Trade Contractors |
| 541310 | Architectural Services |

Uptown Houston used the suggested calculation tables to determine the weighted base goal.

| | NAICS Code | Project | Amount of DOT funds on project: | % of total DOT funds (weight) |
|--|-------------------|---------------------------|--|--------------------------------------|
| 1) | 541310 | UTC Facility Design | \$1,500,000.00 | 0.0909 |
| 2) | 238110 | UTC Facility Construction | \$3,750,000.00 | 0.2273 |
| 3) | 238120 | UTC Facility Construction | \$3,500,000.00 | 0.2121 |
| 4) | 238130 | UTC Facility Construction | \$1,250,000.00 | 0.0758 |
| 5) | 238150 | UTC Facility Construction | \$937,500.00 | 0.0568 |
| 6) | 238160 | UTC Facility Construction | \$937,500.00 | 0.0568 |
| 7) | 238190 | UTC Facility Construction | \$250,000.00 | 0.0152 |
| 8) | 238210 | UTC Facility Construction | \$1,250,000.00 | 0.0758 |
| 9) | 238220 | UTC Facility Construction | \$937,500.00 | 0.0568 |
| 10) | 238310 | UTC Facility Construction | \$312,500.00 | 0.0189 |
| 11) | 238320 | UTC Facility Construction | \$312,500.00 | 0.0189 |
| 12) | 238330 | UTC Facility Construction | \$312,500.00 | 0.0189 |
| 13) | 238910 | UTC Facility Construction | \$625,000.00 | 0.0379 |
| 14) | 238990 | UTC Facility Construction | \$625,000.00 | 0.0379 |
| Total FTA-Assisted Contract Funds | | | \$16,500,000.00 | 1.0000 |

| | NAICS Code | Project | Number of DBEs available to perform this work | Number of all firms available (including DBEs) | Relative Availability |
|------------------------|-------------------|---------------------------|--|---|------------------------------|
| 1) | 541310 | UTC Facility Design | 19 | 368 | 0.0516 |
| 2) | 238110 | UTC Facility Construction | 46 | 253 | 0.1818 |
| 3) | 238120 | UTC Facility Construction | 17 | 91 | 0.1868 |
| 4) | 238130 | UTC Facility Construction | 20 | 101 | 0.1980 |
| 5) | 238150 | UTC Facility Construction | 3 | 102 | 0.0294 |
| 6) | 238160 | UTC Facility Construction | 18 | 240 | 0.0750 |
| 7) | 238190 | UTC Facility Construction | 4 | 126 | 0.0317 |
| 8) | 238210 | UTC Facility Construction | 36 | 981 | 0.0367 |
| 9) | 238220 | UTC Facility Construction | 16 | 1505 | 0.0106 |
| 10) | 238310 | UTC Facility Construction | 28 | 236 | 0.1186 |
| 11) | 238320 | UTC Facility Construction | 34 | 265 | 0.1283 |
| 12) | 238330 | UTC Facility Construction | 21 | 121 | 0.1736 |
| 13) | 238910 | UTC Facility Construction | 41 | 334 | 0.1228 |
| 14) | 238990 | UTC Facility Construction | 53 | 519 | 0.1021 |
| Combined Totals | | | 356 | 5242 | 0.0679 |

| Table 4 – Step 3 - (Weight) x (Availability) = Weighted Base Figure | | | | | | |
|--|-------------------|---------------------------|---------------|----------|---------------------|-----------------------------|
| | NAICS Code | Project | Weight | x | Availability | Weighted Base Figure |
| 1) | 541310 | UTC Facility Design | 0.09091 | x | 0.05163 | 0.0047 |
| 2) | 238110 | UTC Facility Construction | 0.22727 | x | 0.18182 | 0.0413 |
| 3) | 238120 | UTC Facility Construction | 0.21212 | x | 0.18681 | 0.0396 |
| 4) | 238130 | UTC Facility Construction | 0.07576 | x | 0.19802 | 0.0150 |
| 5) | 238150 | UTC Facility Construction | 0.05682 | x | 0.02941 | 0.0017 |
| 6) | 238160 | UTC Facility Construction | 0.05682 | x | 0.07500 | 0.0043 |
| 7) | 238190 | UTC Facility Construction | 0.01515 | x | 0.03175 | 0.0005 |
| 8) | 238210 | UTC Facility Construction | 0.07576 | x | 0.03670 | 0.0028 |
| 9) | 238220 | UTC Facility Construction | 0.05682 | x | 0.01063 | 0.0006 |
| 10) | 238310 | UTC Facility Construction | 0.01894 | x | 0.11864 | 0.0022 |
| 11) | 238320 | UTC Facility Construction | 0.01894 | x | 0.12830 | 0.0024 |
| 12) | 238330 | UTC Facility Construction | 0.01894 | x | 0.17355 | 0.0033 |
| 13) | 238910 | UTC Facility Construction | 0.03788 | x | 0.12275 | 0.0046 |
| 14) | 238990 | UTC Facility Construction | 0.03788 | x | 0.10212 | 0.0039 |
| Total | | | | | | 0.1269 |
| Expressed as a % (*100) | | | | | | 12.69% |
| Rounded, Weighted Base Figure: | | | | | | 13% |

Step 2 – Base Goal Adjustment

Previously, Uptown Houston had a FTA-approved, race-neutral DBE Program Goal of 17.8%. On all previous procurements, Uptown Houston encouraged all respondents to meet the Minority/Woman DBE Goal of 18.03%, but procurements did not have specific contract goals. Between FY 2015 and FY 2017, there were three Uptown Houston construction procurements and four design procurements associated with the Post Oak Boulevard Bus Rapid Transit Roadway project. The Post Oak Roadway – Design and Signal Design have DBE Firms as the prime contractors. Each construction contract had certified DBE, SBE and City of Houston’s certified MWDBE subcontractors, but only certified DBEs are considered in the calculation of the DBE participation goal. Table 5 shows Uptown Houston’s past performance by contract. Table 6 shows Uptown’s past performance by each fiscal year. In Tables 5 and 6, the “number of contracts” includes the prime contractor as well as all subcontractors on each contract.

| Table 5 – Past Performance by Contract | | | | |
|---|-----------------------------|----------------------------|-------------------------|---------------------------------|
| Contract | Total Amount Awarded | Number of Contracts | DBE Program Goal | Actual DBE Participation |
| Post Oak Roadway - Design | \$4,250,000.00 | 1 | 17.80% | 100.00% |
| Post Oak Roadway - Survey/Topo | \$650,000.00 | 1 | 17.80% | 0.00% |
| Post Oak Roadway - Signal Design | \$727,000.00 | 1 | 17.80% | 100.00% |
| Post Oak Roadway - Urban Design | \$798,000.00 | 1 | 17.80% | 0.00% |
| Post Oak South Segment | \$29,002,561.20 | 11 | 17.80% | 11.66% |
| Post Oak North Segment | \$25,959,595.95 | 11 | 17.80% | 17.21% |
| Post Oak Middle Segment | \$31,396,167.00 | 9 | 17.80% | 9.03% |
| Total | \$92,783,324.15 | 35 | 17.80% | 33.99% |

| Table 6 – Past Performance by Fiscal Year | | | | |
|--|-----------------------------|----------------------------|-------------------------|---------------------------------|
| | Total Amount Awarded | Number of Contracts | DBE Program Goal | Actual DBE Participation |
| FY 2015 | \$6,425,000.00 | 4 | 17.80% | 50.00% |
| FY 2016 | \$29,002,561.20 | 11 | 17.80% | 11.66% |
| FY 2017 | \$57,355,762.95 | 20 | 17.80% | 13.12% |
| Total | \$92,783,324.15 | 35 | 17.80% | 33.99% |

Using the guidance from FTA Region VI CRO, Uptown Houston averaged the rounded, weighted base figure with the last three year’s past performance median to determine the adjusted goal. Uptown Houston will use 12.91% adjusted DBE Goal for the overall program goal for the next three fiscal years.

| Table 7 – Goal Adjustment | |
|----------------------------------|---------------|
| Weighted Base Figure: | 12.69% |
| Past Performance, Median: | 13.12% |
| Adjusted Goal | 12.91% |

Using the guidance from FTA Region VI CRO, Uptown Houston then determined the race conscious / race neutral breakdown of the adjusted DBE Goal. Since Uptown Houston had an average of 34% DBE Participation and a previous DBE Goal of 17.8%, race conscious measures were determined to be unnecessary.

| Table 8 –Race Neutral/Race Conscious Breakdown | |
|---|---------|
| Past Participation from Past 3 Year | 33.99% |
| Actual Goal for Past Year | 17.80% |
| Overall Achievement | 190.93% |
| Adjusted DBE Goal | 12.91% |
| Percentage Breakdown | |
| Total DBE Goal | 12.91% |
| Percentage of DBE Goal - RC | 0.00% |
| Percentage of DBE Goal - RN | 12.91% |

Uptown Houston estimates that, to meet its overall goal of 12.91%, Uptown Houston will obtain 12.91% from race-neutral participation and 0.00% from race-conscious participation.

**Section 26.51: Breakout of Estimated
Race-Neutral & Race Conscious Participation**

Uptown Houston will meet the maximum feasible portion of its overall goal by using both race-neutral and race-conscious means of facilitating DBE participation. Uptown Houston uses race-neutral means, including but not limited to providing DBE and SBE Directories, creating bidders lists, proactive outreach events with DBE firms in the area, and advertising prime contracts to DBEs, to increase DBE participation.

*Uptown Houston estimates that, in meeting its overall goal of **12.91%**, Uptown Houston will obtain 12.91% from race-neutral participation and 0.00% from race-conscious participation.*

The following is a summary of the estimated breakout of race-neutral and race-conscious DBE participation:

In order to ensure that Uptown Houston's DBE Goal will be narrowly tailored to overcome the effects of discrimination, Uptown Houston will use contract goals as needed to reflect actual DBE participation and will track and report race-neutral and race-conscious participation separately.

For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract that a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry a DBE goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.