

Overall Goal Calculation

Amount of Goal

The City of Galveston's overall goal for 2020-2022 is .7% of the Federal Financial assistance we will expend in DOT-assisted contracts, which is exclusive of FTA funds to be used for the purchase of transit vehicles. The City estimates that it will receive \$1,500,000 in FTA funds per year for the next 3 years (\$4,500,000 in total). The City estimates that it will spend approximately \$300,000 in areas that will be bid out in each of these 3 years (Tires, Lubricants, Parts, Uniforms and fuel.)

Methodology used to Calculate Overall Goal

Step 1:

Determine the base figure for the relative availability of DBEs.

The base figure for the relative availability of DBE's was calculated as follows:

$$\text{Base figure} = \frac{\text{Ready, willing, and able DBEs}}{\text{All firms ready, willing and able}}$$

The data source or demonstrable evidence used to derive the numerator was: All DBE firms listed for Galveston, Brazoria, Chambers, and Harris Counties as provided by Texas Unified Certified Program Disadvantaged Business Enterprise Directory through Texas Department of Transportation.

The data source or demonstrable evidence used to derive the denominator was: U.S. Census Bureau North American Industry Classification System (NAICS) 2016 County Business Patterns, using the U.S. Census Bureau American FactFinder website.

Base Figure Analysis

Market Area:

The City of Galveston selected the Galveston, Brazoria, Chambers, and Harris County area as the market area for this analysis.

Sources of Data:

The data source for identifying ready, willing and able DBEs is the Texas Unified Certification Program (TUCP) DBE Category Listing. The web address is:

<https://txdot.txdotcms.com/>

The data source for identifying all firms ready, willing and able is the U.S. Census Bureau North American Industry Classification System (NAICS) 2009 County Business Patterns. The web address is:

<https://factfinder.census.gov/bkmk/table/1.0/en/BP/2016/00A1/0500000US48039|0500000US48071|0500000US48167|0500000US48201/naics~423120|423130|423610|424690|424720|811111|811310|81233>

WEIGHTING

Contracting opportunities are estimated to be 50% of the federal funds over the next three years. Therefore, the number of firms in related NAICS codes for the four County Market area were weighted at 50% that are relevant to operations and preventive maintenance. The detailed calculation is shown at the end of this section.

With the above methodology a base figure was calculated for our overall DBE goal to be .7%.

Applicable North American Industry Classification System (NAICS) Codes:

The Federal funds will be used for daily operations, preventative maintenance, and repairs. Based on this, the City of Galveston selected the following NAICS codes for identifying the data required to calculate the overall goal base figure. The data compiled for the market area as defined above includes ready, willing and able DBEs and all firms ready, willing and able.

423120 Motor Vehicle Supplies and New Parts Wholesalers

This industry comprises establishments primarily engaged in the merchant wholesale distribution of motor vehicle supplies, accessories, tools, and equipment; and new motor vehicle parts (except new tires and tubes).

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able DBEs
Galveston – 0
Chambers - 0
Brazoria – 0
Harris – 2
Total for 423120 – 2

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able Firms
Galveston – 4
Chambers - 1
Brazoria – 5
Harris – 204
Total for 423120 – 214

423130 Tire and tube merchant wholesalers

This industry comprises establishments primarily engaged in the merchant wholesale distribution of new and/or used tires and tubes for passenger and commercial vehicles.

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able DBEs
Galveston – 0
Chambers - 0
Brazoria – 0
Harris – 1
Total for 423130 – 1

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able Firms
Galveston – 2
Chambers - 1
Brazoria – 3
Harris – 57
Total for 423130 – 63

423610 Electrical apparatus and equipment, wiring supplies, and related equipment merchant wholesalers This industry comprises establishments primarily engaged in the merchant wholesale distribution of electrical construction materials; wiring supplies; electric light fixtures; light bulbs; and/or electrical power equipment for the generation, transmission, distribution, or control of electric energy.

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able DBEs
Galveston – 2
Chambers - 0
Brazoria – 0
Harris – 13
Total for 423610– 15

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able Firms
Galveston – 11
Chambers - 1
Brazoria – 13
Harris – 302
Total for 423610– 327

424690 Other Chemical and Allied Products Merchant Wholesalers;
This industry comprises establishments primarily engaged in the merchant wholesale distribution of chemicals and allied products (except agricultural and medicinal chemicals, paints and varnishes, fireworks, and plastics materials and basic forms and shapes).

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able DBEs
Galveston – 2
Chambers - 0
Brazoria – 0
Harris – 1
Total for 424690– 3

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able Firms
Galveston – 14
Chambers - 4
Brazoria – 21
Harris – 279
Total for 424690– 318

424720 Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals); This industry comprises establishments primarily engaged in the merchant wholesale distribution of petroleum and petroleum products (except from bulk liquid storage facilities).

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able DBEs
Galveston – 1
Chambers - 0
Brazoria – 0
Harris – 5
Total for 424720– 6

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able Firms
Galveston – 3
Chambers - 0
Brazoria – 4
Harris – 93
Total for 424720– 100

811111 Automotive mechanical and electrical repair and maintenance.

This industry comprises establishments primarily engaged in providing mechanical or electrical repair and maintenance services for automotive vehicles, such as passenger cars, trucks and vans, and all trailers. These establishments may specialize in a single service or may provide a wide range of these services.

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able DBEs

Galveston – 0

Chambers - 0

Brazoria – 1

Harris – 6

Total for 811111–7

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able Firms

Galveston – 54

Chambers - 5

Brazoria – 59

Harris – 980

Total for 811111– 1098

811310 Commercial and Industry Machinery and Equipment (except automotive and electronic) repair and maintenance

This industry comprises establishments primarily engaged in the repair and maintenance of commercial and industrial machinery and equipment. Establishments in this industry either sharpen/install commercial and industrial machinery blades and saws or provide welding (e.g., automotive, general) repair services; or repair agricultural and other heavy and industrial machinery and equipment (e.g., forklifts and other materials handling equipment, machine tools, commercial refrigeration equipment, construction equipment, and mining machinery).

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able DBEs

Galveston – 0

Chambers - 0

Brazoria – 0

Harris – 2

Total for 811310– 2

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able Firms

Galveston – 24

Chambers - 3

Brazoria – 39

Harris – 410

Total for 811310– 476

812330 Linen and uniform supply

This industry comprises establishments primarily engaged in supplying, on a rental or contract basis, laundered items, such as uniforms, gowns and coats, table linens, bed linens, towels, clean room apparel, and treated mops or shop towels.

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able DBEs

Galveston – 0

Chambers - 0

Brazoria – 0

Harris – 1

Total for 812330–1

Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able Firms

Galveston – 0

Chambers - 0

Brazoria – 1

Harris – 28

Total for 812330– 29

WEIGHTING

Contracting opportunities relevant to operations, preventative maintenance, and repairs are estimated to be 50% of the federal funds over the next three years. Therefore the number of firms in related NAICS codes for the four County Market area were weighted at 50%.

Overall Goal Base Figure Calculations for 4 Counties

Total for Galveston, Brazoria, Chambers, and Harris County Ready, Willing and Able DBEs (numerator) - 37

Total for Firms Ready, Willing and Able (denominator) – 2625

Operations, Preventive Maintenance and Administration related firms weighed at 50%

$$0.50 \times \frac{37}{2625} = 0.00704$$

Base Figure – .7% or \$2,100 (based on a total allocated dollar amount of \$300,000 per fiscal year)

Step 2:

The Step 2 analysis involved the consideration of two factors to determine if adjusting the Step 1 availability figures was necessary:

- 1) The City found that there were no disparity studies applicable to City of Galveston and the four county market area. Harris County is currently conducting a disparity study – it began in the fall of 2018 – there have been no published results.
- 2) The City believes it can meet it'd goals completely through race neutral means. If it is discovered we cannot, we will calculate a race conscious split as well to assist us in meeting the goal.

Public Participation

The City plans to publish the approved DBE goal information in these publications:

Galveston County Daily News
Houston Chronicle

The City of Galveston has reached out to the Chamber of Commerce and local Minority groups to identify minority business advocacy groups that could provide informed input into updating the City 2019-2022 DBE Goal. The City has also reached out to the League of United Latin American Citizens (LULAC), The City's Purchasing Supervisor attended a monthly meeting and was able to inform them of DBE opportunities and certification. The City also has plans to reach out to the National Association for the Advancement of Colored People (NAACP) to inform them of the same opportunities. In the future, the City will place more emphasis on creating a dialog between us and the small businesses in our service area to ensure we are in compliance with all DBE regulations.

Comments Received:

No public comments have been received to date. The City will make sure to keep records of all public comments regarding DBE participation when it attends meetings.