The City of McAllen, Texas



DISADVANTAGED BUSINESS ENTERPRISE (DBE) PLAN UPDATE

for

Fiscal Year 2025/2026/2027

Federal Aviation Administration (FAA)
Airport Improvement Program (AIP) Projects

at

McAllen International Airport

Submitted by Estela Velasquez Assistant Director of Aviation Administration 2500 S. Bicentennial Blvd., Ste 100 McAllen, Texas 78503-3140

> Phone: (956) 681-1527 Fax: (956)681-1510

Email: evelasquez@mcallen.net

Policy Statement

The McAllen International Airport (MFE) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. The McAllen International Airport (MFE) has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, the McAllen International Airport (MFE) has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of the McAllen International Airport (MFE) to ensure that DBEs are defined in part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also our policy:

- 1. To ensure nondiscrimination in the award and administration of DOT assisted contracts:
- To create a level playing field on which DBEs can compete fairly for DOTassisted contracts;
- To ensure that the DBE Program is narrowly tailored in accordance with applicable law:
- To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
- 5. To help remove barriers to the participation of DBEs in DOT assisted contracts;
- To assist the development of firms that can compete successfully in the market place outside the DBE Program.

Estela Velasquez, Assistant Director of Aviation Administration has been delegated as the DBE Liaison Officer. In that capacity, Estela Velasquez, DBELO is responsible for implementing all aspects of the DBE program.

Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by the McAllen International Airport (MFE) in its financial assistance agreements with the Department of Transportation.

Estela Velasquez has disseminated this policy statement to the City of McAllen, Texas and all of the components of our organization. We have distributed this statement to DBE and non-DBE business communities that perform work for us on DOT- assisted contracts. Distribution was accomplished via posting on the website and email.

SUBPART A - General Requirements

Section 26.1 Objectives

The objectives are found in the policy statement on the first page of this program.

Section 26.3 Applicability

The McAllen International Airport (MFE) is the recipient of federal airport funds authorized by 49 U.S.C. 47101, et seq.

Section 26.5 Definitions

The McAllen International Airport (MFE) will adopt the definitions contained in Section 26.5 for this program.

Section 26.7 Non-discrimination Requirements

The McAllen International Airport (MFE) will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR part 26 on the basis of race, color, sex, or national origin.

In administering its DBE program, the McAllen International Airport (MFE) will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

Section 26.11 Record Keeping Requirements

Reporting to DOT: 26.11(b)

We will report DBE participation to DOT as follows:

The FAA Office of Civil Rights (ACR)

We will submit annually DOT Form 4630, as modified for use by FAA recipients.

Bidders List: 26.11(c)

The McAllen International Airport (MFE) will create a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on DOT-assisted

contracts. The purpose of this requirement is to allow use of the bidders list approach to calculating overall goals. The bidder list will include the name, address, DBE non-DBE status, age, and annual gross receipts of firms.

We will collect this information in the following ways:

- Pre-Bid and Pre-Construction sign in sheets (when available)
- Bid tabulations from previous city solicitations and contracts (when available)
- Contract clauses requiring prime bidders to report the names/addresses, and possibly other information, of all firms who quote to them on subcontracts (when applicable)
- A notice in all solicitations, and otherwise widely disseminated request to firms quoting on subcontracts to report information directly to the recipient, etc.

Section 26.13 Federal Financial Assistance Agreement

McAllen International Airport (MFE) has signed the following assurances, applicable to all DOT-assisted contracts and their administration:

Assurance: 26.13(a)

McAllen International Airport (MFE) shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT assisted contract or in the administration of its DBE Program or the requirements of 49 CFR part 26. The recipient shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of DOT assisted contracts. The recipient's DBE Program, as required by 49 CFR part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the McAllen International Airport (MFE) of its failure to carry out its approved program, the Department may impose sanction as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

This language will appear in financial assistance agreements with sub-recipients.

Contract Assurance: 26.13b

We will ensure that the following clause is placed in every DOT-assisted

contract and subcontract:

The contractor, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

SUBPART B - ADMINISTRATIVE REQUIREMENTS

Section 26.21 DBE Program Updates

Since the McAllen International Airport (MFE) has received a grant of \$250,000 or more for airport planning or development, we will continue to carry out this program until all funds from DOT financial assistance have been expended. We will provide to DOT updates representing significant changes in the program.

Section 26.23 Policy Statement

The Policy Statement is elaborated on the first page of this program.

Section 26.25 DBE Liaison Officer (DBELO)

We have designated the following individual as our DBE Liaison Officer:

Estela Velasquez
Assistant Director of Aviation Administration
2500 S. Bicentennial Blvd., Ste 100
McAllen, Texas 78503-3140
Phone: (956) 681-1527

Phone: (956) 681-1527 Fax: (956)681-1510

Email: evelasquez@mcallen.net

In that capacity, the DBELO is responsible for implementing all aspects of the DBE program and ensuring that the McAllen International Airport (MFE) complies with all provision of 49 CFR Part 26. The DBELO has direct, independent access to the Director of Aviation concerning DBE program matters. An organization chart displaying the DBELO's position in the organization is found in Attachment 1 of this program.

The DBELO is responsible for developing, implementing and monitoring the

DBE program, in coordination with other appropriate officials. The DBELO has a staff of one to assist in the administration of the program. The duties and responsibilities include the following:

- Gathers and reports statistical data and other information as required by DOT.
- 2. Reviews third party contracts and purchase requisitions for compliance with this program.
- 3. Works with all departments to set overall annual goals.
- 4. Ensures that bid notices and requests for proposals are available to DBEs in a timely manner.
- 5. Identifies contracts and procurements so that DBE goals are included in solicitations (both race-neutral methods and contract specific goals attainment and identifies ways to improve progress.
- 6. Analyzes MFE's progress toward attainment and identifies ways to improve progress.
- 7. Participates in pre-bid meetings.
- 8. Advises the CEO\governing body on DBE matters and achievement.
- 9. Chairs the DBE Advisory Committee.
- 10. Participates in pre-bid meetings.
- 11. Provides DBEs with information and assistance in preparing bids, obtaining bonding and insurance.
- 12. Plans and participates in DBE training seminars.
- 13. Certifies DBEs according to the criteria set by DOT and acts as liaison to the Uniform Certification Process in the State of Texas.
- 14. Provides outreach to DBEs and community organizations to advise them of opportunities.
- 15. Maintains the McAllen International Airport (MFE)'s updated directory on certified DBEs.

Section 26.27 DBE Financial Institutions

It is the policy of the McAllen International Airport (MFE) to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contract to make use of these institutions. We have made the following efforts to identify and use such institutions:

Internet searches (when required)

Section 26.29 Prompt Payment Mechanisms

The McAllen International Airport (MFE) will include the following clause in each DOT-assisted prime contract:

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contract receives from McAllen International Airport (MFE). The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the McAllen International Airport (MFE). This clause applies to both DBE and non-DBE subcontracts.

Section 26.31 Directory

The McAllen International Airport (MFE) maintains a directory identifying all firms eligible to participate as DBEs. The directory lists the firm's name, address, phone number, date of the most recent certification, and the type of work the firm has been certified to perform as a DBE. We revise the Directory at least annually. We make the Directory available as follows:

The Directory may be found in Attachment 6 to this program document.

Section 26.33 Overconcentration

McAllen International Airport (MFE) has not identified that overconcentration exists in the types of work that DBEs perform.

Section 26.35 Business Development Programs

McAllen International Airport (MFE) has not established a business development program.

Section 26.37 Monitoring and Enforcement Mechanisms

The McAllen International Airport (MFE) will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 26.

1. We will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT

- can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.109.
- 2. We will consider similar action under out own legal authorities, including responsibility determinations in future contracts. Attachment ___ lists the regulation, provisions, and contract remedies available to us in the events of non-compliance with the DBE regulation by a participant in our procurement activities.
- 3. We will also provide a monitoring and enforcement mechanism to verify that work committed to DBEs at contract award is actually performed by the DBEs. This will be accomplished by periodic inspections.
- 4. We will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

SUBPART C - GOALS, GOOD FAITH EFFORTS, AND COUNTING

Section 26.43 Set-asides or Quotas

The McAllen International Airport (MFE) does not use quotas in any way in the administration of this DBE program.

Section 26.45 Overall Goals

A description of the methodology to calculate the overall goal and the goal calculations can be found in Attachment 4 to this program. This section of the program will be updated annually.

In accordance with Section 26.45(f) the McAllen International Airport (MFE) will submit its overall goal to DOT on August 1 of each year. Before establishing the overall goal each year, McAllen International Airport (MFE) will consult with the local chambers of commerce, minority associations, and local contractors to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the McAllen International Airport's efforts to establish a level playing field for the participation of DBEs.

Following this consultation, we will publish a notice of the proposed overall goals, informing the public that the proposed goal and its rational are available for inspection during normal business hours at your principal office for 30 days following the date of the notice, and informing the public that you and DOT will accept comments on the goals for 45 days from the date of the notice. The media in which this notice was issued is a local newspaper and the airport website. Normally, we will issue this notice by June 1 or each year. The notice must include

addresses to which comments may be sent and addresses (including offices and websites) where the proposal may be reviewed.

Our overall goal submission to DOT will include a summary of information and comments received during this public participation process and our responses.

We will begin using our overall goal on October 1 of each year, unless we have received other instructions from DOT. If we establish a goal on a project basis, we will begin using our goal by the time of the first solicitation for a DOT-assisted contract for the project.

Section 26.51(a-c) Breakout of Estimated Race-Neutral & Race-Conscious Participation

The breakout of estimated race-neutral and race-conscious participation can be found in Attachment 2 of this program. This section of the program will be updated annually when the goal calculation is updated.

Section 26.51(d-g) Contract Goals

The McAllen International Airport (MFE) will use contract goals to meet any portion of the overall goal McAllen International Airport (MFE) does not project being able to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means.

We will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. We need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work.)

We will express our contract goals as a percentage of the Federal share of a DOT-assisted contract.

Section 26.53 Good Faith Efforts Procedures demonstration of good faith efforts (26.53(a) & (c))

The obligation of the bidder/offeror is to make good faith efforts. The bidder/offeror can demonstrate that it has done so either by meeting the contract goal or documenting good faith efforts. Examples of good faith efforts are found in Appendix A to Part 26.

The following personnel are responsible for determining whether a bidder/offeror who has not met the contract goal has documented sufficient good faith efforts to be regarded as responsive.

We will ensure that all information is complete and accurate and adequately documents the bidder/offer's good faith efforts before we commit to the performance of the contract by the bidder/offeror.

Information to be submitted (26.53(b))

McAllen International Airport (MFE) treats bidder/offers' compliance with good faith efforts' requirements as a matter of responsiveness.

Each solicitation for which a contract goal has been established will require the bidders/offerors to submit the following information:

- 1. The names and addresses of DBE firms that will participate in the contract;
- 2. A description of the work that each DBE will perform;
- 3. The dollar amount of the participation of each DBE firm participating;
- Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal;
- 5. Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime contractor's commitment and
- 6. If the contract goal is not met, evidence of good faith efforts.

Administrative reconsideration (26.53(d))

Within 15 days of being informed by McAllen International Airport (MFE) that it is not responsive because it has not documented sufficient good faith efforts, a bidder/offeror may request administrative reconsideration. Bidder/offerors should make this request in writing to the following reconsideration official:

Mr. Gerardo Noriega,
Purchasing and Contracting Director
1300 Houston Avenue
McAllen, Texas 78501
Phone:(956) 681-1130
gnoriega@mcallen.net.

The reconsideration official will not have played any role in the original determination that the bidder/offeror did not document sufficient good faith efforts.

As part of this reconsideration, the bidder/offeror will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The bidder/offeror will have the opportunity to meet in person with our reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do. We will send the bidder/offeror a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

Good Faith Efforts when a DBE is replaced on a contract (26.53(f))

McAllen International Airport (MFE) will require a contractor to make good faith efforts to replace a DBE that is terminated or has otherwise failed to complete its work on a contract with another certified DBE, to the extent needed to meet the contract goal. We will require the prime contractor to notify the DBE Liaison officer immediately of the DBE's inability or unwillingness to perform and provide reasonable documentation.

In this situation, we will require the prime contractor to obtain our prior approval of the substitute DBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts.

If the contractor fails or refuses to comply in the time specified, our contracting office will issue an order stopping all or part of payment/work until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

Sample Bid Specification:

The requirements of 49 CFR Part 26, Regulations of the U.S. Department of Transportation, apply to this contract. It is the policy of the McAllen International Airport (MFE) to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. All firms qualifying under this solicitation are encouraged to submit bids/proposals. Award of this contract will be conditioned upon satisfying the requirements of this bid specification. These requirements apply to all bidders/offerors, including those who qualify as a DBE. A DBE contract goal of 7.15 percent has been established for this contract. The bidder/offeror shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26 (Attachment 1), to meet the contract goal for DBE participation in the performance of this contract.

The bidder/offeror will be required to submit the following information: (1) the names and addresses of DBE firms that will participate in the contract; (2) a

description of the work that each DBE firm will perform; (3) the dollar amount of the participation of each DBE firm participating; (4) Written documentation of the bidder/offeror's commitment to use a DBE subcontractor whose participation it submits to meet the contract goal; (5) Written confirmation from the DBE that it is participating in the contract as provided in the commitment made under (4); and (5) if the contract goal is not met, evidence of good faith efforts.

Section 26.55 Counting DBE Participation

We will count DBE participation toward overall and contract goals as provided in 49 CFR 26.55.

SUBPART D - CERTIFICATION STANDARDS

Section 26.61 - 26.73 Certification Process

McAllen International Airport (MFE) will use the certification standards of Subpart D of Part 26 to determine the eligibility of firms to participate as DBEs in DOT-assisted contracts. To be certified as a DBE, a firm must meet all certification eligibility standards. We will make our certification decisions based on the facts as a whole.

For information about the certification process or to apply for certification, firms should contact:

Our certification application forms and documentation requirements are found in Attachment to this program.

SUBPART F - COMPLIANCE AND ENFORCEMENT

Section 26.109 Information, Confidentiality, Cooperation

We will safeguard from disclose to third parties' information that may reasonably be regarded as confidential business information, consistent with Federal, state, and local law.

Notwithstanding any contrary provisions of state or local law, we will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than DOT) without the written consent of the submitter.

Monitoring Payments to DBEs

We will require prime contractors to maintain records and documents of payments to DBEs for three years following the performance of the contract. These records will be made available for inspection upon request by any authorized representative of the McAllen International Airport (MFE) or DOT. This reporting requirement also extends to any certified DBE subcontractor.

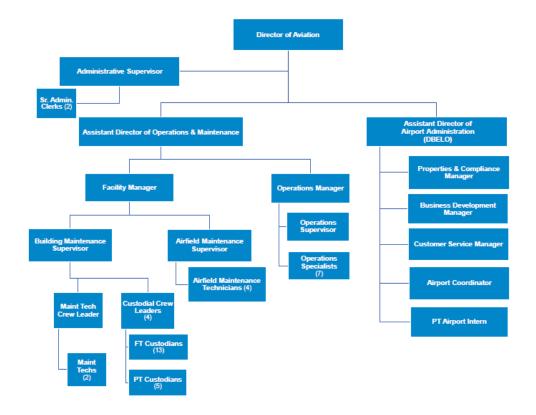
We will perform interim audits of contract payments to DBEs. The audit will review payments to DBE subcontractors to ensure that the actual amount paid to DBE subcontractors equals or exceeds the dollar amounts states in the schedule of DBE participation.

Attachment 1	Organizational Chart
Attachment 2	Overall Goal Calculations
Attachment 3	Demonstration of Good Faith Efforts or Good Faith Effort Plan
Attachment 4	DBE Monitoring and Enforcement Mechanisms
Attachment 5	DBE Certification Application Form
Attachment 6	State of Texas Unified Certification Program (UCP)
Attachment 7	Small Business Element Program

Organizational Chart



City of McAllen Department of Aviation Organizational Chart



Overall DBE Three-Year Goal Methodology

Name of Recipient: McAllen International Airport (MFE), City of McAllen, Texas

Goal Period: 3-Year Goal Period: FY2025 – 2026 – 2027 (October 1, 2024 – September 30, 2027)

DOT (FAA) - assisted contracts:

FY-2025	Reconstruct Cargo Apron; Construct RIM-HS1
FY-2026	Replace Terminal Jet Bridge (2); Replace Baggage Conveyor; GA Apron
	Construction (Environmental & Design)
FY-2027	Rehabilitate Airfield Signage & Lighting; Construct GA Apron; Rehabilitate
	GAFIS Apron

Overall Three-Year Goal: 7.15% to be accomplished through 7.15% RN and 0.00% RC

Total dollar amount to be expended on DBE(s): \$1,776,616.00.

Number and types of contracts Airport anticipate awarding:

Contracts for Fiscal Year #1

- 1. Reconstruct Cargo Apron
- 2. Construct RIM-HS1

Contracts for Fiscal Year #2

- 1. Replace Terminal Jet Bridge (2).
- 2. Replace Baggage Conveyor.
- 3. GA Apron Construction (Environmental & Design)

Contracts for Fiscal Year #3

- 1. Rehabilitate Airfield Signage & Lighting.
- 2. Construct GA Apron.
- 3. Rehabilitate GAFIS Apron

Market Area: Because many of the prime contractors are registered statewide, the market area has been determined to be the State of Texas with consideration given to all Texas Department of Transportation (TxDOT) Districts.

This market area was chosen because prime contractors will travel from many TxDOT Districts to perform this type of work in all TxDOT Districts. The TxDOT Districts are the areas where the substantial majority of contractors and subcontractors would seek to do business with the airport and the areas where the airport spends the substantial majority of its contracting dollars. This marketing area includes the counties surrounding the airport and additional areas in the State where contractors and subcontractors can be found to do the types of contracts being awarded at the airport.

Step 1 - Analysis: Actual relative availability of DBE(s)

The data used to calculate the DBE base figure was derived utilizing information collected from the US Census Bureau (American Fact Finder) concerning State of Texas County Business Patterns (using the National American Industry Classification System – NAICS):

https://data.census.gov/

and The Texas Department of Transportation (TXDOT) DBE Certified Contractors list:

https://txdot.txdotcms.com/

The ratios listed are determined by dividing the DBE firms in the local market area by the total of all firms within the same market area.

(Unweighted) DBE Goal per activity =
$$\frac{Total\ number\ of\ DBE\ Firms}{Total\ number\ of\ all\ firms}$$

The base figure was determined by dividing the total DBE firms in the local market area by the total of all firms (compiled from Census Bureau Data according to the relevant NAICS project codes):

- The data source used to derive the numerator was the Texas Department of Transportation (TXDOT) DBE Certified Contractors list for the market area.
- The data source used to derive the denominator was the US Census Bureau (American Fact Finder) concerning the State of Texas County Business Patterns.

Weighted Availability of DBE firms:

Dividing the total number of DBE(s) by the total number of "All Firms" gives a base DBE availability figure for each contract.

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The (Weighted) DBE Goal (in dollars) =
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\frac{Total\ number\ of\ DBE\ Firms}{Total\ number\ of\ all\ firms} x (% of the project activity costs x the total project costs)
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For example: for FY 2025, Site Preparation Firms DBE Goal = $\frac{156 \, DBE \, Firms}{2,558 \, total \, firms}$ = 6.10% x (21% x \$11,000,000.00) = \$140,910.00

Then all DBE activity totals are added and then divided by the total project cost to determine the DBE goal for the contract.

**For example: Total FY-25 DBE Goal = $\frac{(\$213,521.00 + \$140,910.00 + \$101,398.00 + \$11,352.00 + \$9,636.00)}{\$11,000,000.00} = \frac{\textbf{4.33\%}}{\$11,000,000.00}$

Fiscal Year 25 – \$11,000,000.00 Cargo Apron Reconstruction; RIM-HS1 Construction. Award of the following is anticipated:

Activity	NAICS Codes	DBE Firms (A)	All Firms (B)	DBE % (A/B) = (C)	Project activity % (D)	Activity (Dollars) (E)	DBE Goal (C)x (E) = (F) (Dollars)
Highway, Street, Bridge	237310	26	791	3.29%	59%	\$ 6,490,000.00	\$213,521.00
Site Preparation	238910	156	2,558	6.10%	21%	\$ 2,310,000.00	\$140,910.00
Trucking	482220	192	2,290	8.38%	11%	\$ 1,210,000.00	\$101,398.00
Other Heavy (Canal)	237990	4	347	1.15%	43%	\$ 4,730,000.00	\$54,395.00
Engineering services	541330	96	5,569	1.72%	6%	\$ 660,000.00	\$ 11,352.00
Testing	541380	23	789	2.92%	3%	\$ 330,000.00	\$ 9,636.00
Total(s)		493	11,997		100%	\$ 11,000,000.00	\$476,817.00

Cargo Apron Reconstruction; RIM-HS1 Construction

4.33%

Fiscal Year 26 – \$3,372,500.00 Terminal Jet Bridge Replacement (2); Baggage Conveyor Replacement; GA Apron Construction (Environmental & Design). Award of the following is anticipated:

Activity	NAICS Codes	DBE Firms (A)	All Firms (B)	DBE % (A/B) = (C)	Project activity % (D)	Activity (Dollars) (E)	DBE Goal (C)x (E) = (F) (Dollars)
Site Preparation	000040	4.50	0.550	0.400/	0.40/	***	* 405 400 50
(incl. bridges)	238910	156	2,558	6.10%	61%	\$2,057,225.00	\$ 125,490.73
Architectural Services	541310	42	1,505	2.79%	11%	\$ 370,975.00	\$ 10,350.20
Engineering Services	561330	96	5,569	1.72%	10%	\$337,250.00	\$ 5,800.70
Testing Services							
(Electrical)	541380	58	789	7.35%	18%	\$607,050.00	\$ 44,618.18
Total(s)		352	10,421	3.38%	100%	\$3,372,500.00	\$186,259.81



Fiscal Year 27 – \$10,475,000.00 Airfield Signage & Lighting Rehabilitation; GA Apron Construction; GAFIS Apron Rehabilitation. Award of the following is anticipated:

Activity	NAICS Codes	DBE Firms (A)	All Firms (B)	DBE % (A/B) = (C)	Project activity % (D)	Activity (Dollars) (E)	DBE Goal (C)x (E) = (F) (Dollars)
Highway, Street Bridge	237310	26	791	3.29%	59%	\$ 6,180,250.00	\$ 203,330.22
Site Preparation	238910	156	2,558	6.10%	21%	\$ 2,199,750.00	\$ 134,184.75
Trucking	484220	192	2,290	8.38%	11%	\$ 1,152,250.00	\$ 96,558.55
Engineering services	541330	96	5,569	1.72%	6%	\$ 628,500.00	\$ 10,810.20
Testing Services	541380	23	789	2.92%	3%	\$ 314,250.00	\$ 9,176.10
Total(s)		493	11,997	4.11%	100%	\$ 10,475,000.00	\$ 454,059.82

Airfield Signage & Lighting Rehabilitation; GA Apron Construction; GAFIS

Apron Rehabilitation

4.33%

The availability figures for all contracts were then combined and averaged to provide the basis for the three-year overall goal. This figure is expressed as a percentage and serves as the basis for the three-year overall goal.

MFE AIP Project(s)	Fiscal Year	DBE Goal
Cargo Apron Reconstruction (Phase 1)	FY-25	4.33%
Cargo Apron Reconstruction (Phase 2)	FY-26	5.52%
Terminal Jet Bridge Replacements (2)	FY-27	4.33%
Median Goal (Step 1)		4.73%

The calculated base of the DBE Goal: 4.73%

Step 2 – Adjustments to Step 1 base figures

Breakout of Estimated Race-Neutral and Race-Conscious Participation

The City of McAllen will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The city will use the RN measures to obtain DBE participation:

- 1. Advertising contracting opportunities to as many small businesses as possible, and by making free plan inspection available at the office of the project engineer.
- 2. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE, and other small business participation.

First, the City of McAllen researched its market area for any disparity studies that may have been conducted in the last 5 years and found none. We referred to the:

- Texas Overall Annual DBE Goal for Highway Design and Construction found at: http://ftp.dot.state.tx.us/pub/txdot-info/bop/dbe/dbe-goal-hwy-des-cst.pdf
- The Texas Economic Development Office found at: http://ftp.dot.state.tx.us/pub/txdot-info/bop/dbe/dbe-goal-hwy-des-cst.pdf
- TXDOT website found at: https://www.txdot.gov/

Second, community participation was solicited for comments. The following offices were contacted:

- The Associated General Contractors of Texas (https://agctx.org/)
- Association of Minority Contractors Texas (https://namctexas.org/)
- Hispanic Contractors Association of San Antonio (https://hcadesa.org/)
- Lower Rio Grande Valley Development Council (http://www.lrgvdc.org/)
- RGV Hispanic Chamber of Commerce (http://www.rgvhcc.com/)

Lastly, the historic DBE goal accomplishments at the airport were examined for the past 5 years. The McAllen International Airport has had other projects requiring DBE participation within this timeframe. Prior to this time, no projects were conducted at the airport.

Past History of DBE Participation

Fiscal Year	Total Grant amount	DBE Goal	DBE Accomplished	Over or Under (+ / -)	Type of work
FY-2019		11.99%	0	-11.99%	Airport Drainage Improvements (RW 14- 32/TWY "A" Improvements (Phase 1 & 2)
FY-2022	\$6,800,000.00	3.71%	11.3%	+7.59%	Cargo Apron Reconstruction (Phase 1)
FY-2023	\$2,600,000.00	3.71%	8.3%	+4.59%	Cargo Apron Reconstruction (Phase 2)
FY-2024	\$2,122,500.00	5.12%	TBD%	TBD%	Terminal Jet Bridge Replacements (2)

5		
Median adjustment	9.8%	+6.09%

Fiscal Year	Project	Step 1 Goal calculation	Step 2 Adjustment calculation	Overall Goal Avg S1&S2	Project amount DBE Goal (Dollars)	DBE Goal (Dollars)
FY-2025	Cargo Apron Reconstruction; RIM-HS1 Construction	4.33%	9.8%	7.07%	\$ 11,000,000.00	\$ 777,700.00
FY-2026	Terminal Jet Bridge Replacement (2); Baggage Conveyor Replacement; GA Apron Rehabilitation (Environmental & Design).	5.52%	9.8%	7.66%	\$ 3,372,500.00	\$ 258,333.50
FY-2027	Airfield Signage & Lighting Rehabilitation; GA Apron Construction; GAFIS Apron Rehabilitation	4.33%	9.8%	7.07%	\$ 10,475,000.00	\$ 740,582.50
Total(s)				%	\$ 24,847,500.00	\$1,776,616.00

FY-25/26/27 Overall Goal	7.15%
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To arrive at an overall goal, the Step 1 base figure was added to the Step 2 adjustment figure and the total was averaged, arriving at an overall goal of **7.15%.** The City of McAllen believes this adjusted goal accurately reflects DBE participation that can be achieved for the type of work being awarded during this three-year period.

Breakout of Estimated "Race and Gender Neutral" (RN) and "Race and Gender Conscious" (RC) Participation

The City of McAllen will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating race-neutral DBE participation. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures or is awarded a subcontract on a prime contract that does not carry a DBE contract goal.

Race-neutral means include, but are not limited to the following:

- (1) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more accessible to small businesses, by means such as those provided under §26.39.
- (2) Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing);
- (3) Providing technical assistance and other services;
- (4) Carrying out information and communications programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists for bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate);
- (5) Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;(6) Providing services to help DBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
- (6) Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low;
- (7) Ensuring distribution of the DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors; and
- (8) Assisting DBEs, and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media.

The City of McAllen estimates that in meeting the established overall goal of 7.15%, it will obtain 7.15% from RN participation and 0.00% through RC measures.

PUBLIC PARTICIPATION

Consultation:

In establishing the overall goal, the City of McAllen provided consultation and publication. This process included consultation with minority, women, and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the City of McAllen efforts to establish a level playing field for the participation of DBEs. The consultation included a scheduled, direct, interactive exchange with as many interested stakeholders as possible focused on obtaining information relevant to the goal setting process and was conducted before the goal methodology was submitted to the operating administration for review. Details of the consultation are as follows.

Published Notice: The Public Notice was published in the listed publication for the public to review for 30 days, and comments on the notice will be accepted for 30 days from the date of publication:

 Trade Publication: The Advanced News Journal – Advance Publishing Company 217 W. Park Avenue Pharr, TX 78577 Phone: 956-783-0036 - Email: advancenews@sbcglobal.net

Publication Date: June 26, 2024

A notice of the proposed goal will be published on the City of McAllen official website before the methodology is submitted to the Federal Aviation Administration. The notice will inform the public that the proposed goal and its rationale are available for inspection during normal business hours at the McAllen International Airport offices for 30 days following the date of the notice and informing the public that the City of McAllen will accept comments on the goals for 30 days from the date of the notice.

If the proposed goal changes following review by the Federal Aviation Administration, the revised goal will be posted on the City of McAllen official website.

Notwithstanding paragraph (f)(4) of §26.45, the City of McAllen proposed goals will not be implemented until this requirement has been met.

Public Notice Language:

PUBLIC NOTICE

In accordance with the U.S. Department of Transportation's Title 49 Code of Federal Regulations, Part 26, the City of McAllen hereby announces its proposed Disadvantaged Business Enterprise (DBE) participation goal of **7.15%** for Federal Aviation Administration funded contracts / agreements. The proposed goal pertains to federal fiscal years 2025 through 2027. A meeting will be held on **Friday**, **July 19**, **2024**, **at 10:00 a.m**.at the McAllen International Airport, Board Room, 2500 S. Bicentennial Blvd., McAllen, Texas 78503, for the purpose of consulting with stakeholders to obtain information relevant to the goal-setting process.

The proposed goal and its attendant methodology are available for inspection between 8:00 a.m. and 5:00 p.m. CDT Monday through Friday, except City Holidays, at the McAllen International Airport, Administration Office, 2500 S. Bicentennial Blvd., McAllen, Texas 78501, for 30 days from the date of this publication.

Comments on the DBE goal will be accepted for 30 days from the date of this publication and can be sent to the following:

ATTENTION: Estela Velasquez
Assistant Director of Aviation Administration
2500 S. Bicentennial Blvd. Suite 100
McAllen, Texas 78503-3140
Phone: (956) 681-1527
Fax: (956) 681-1510
evelasquez@mcallen.net

or

Shaun Bouy
Southwest Region
Office of Civil Rights
Federal Aviation Administration
267-702-5190
Shaun.A.Bouy@faa.gov

Sign in Sheet



Name

Organization / Company / Firm

Email Address

√= by phone only

Phone Number

McAllen International Airport DBE Public Consultation Meeting Sign-in Sheet Friday, July 19, 2024 – 10:00 AM

David Navarro	Roderick Wichelson	Morrique Frentes	Kelvin Solco, P.E.	Jeremy Santoscoy, P.E.
Soil Tech Advance In	The soloo Gray	Perez Consulting mf@perezce. com	The Solco Group	McAllen International Airport
Soil Tech Advance In. davido stains net	The Solco Granp Rod @ the solco JROUP cam V (769) 253-4421	mf@perezce. com	ksolco@yahoo.com	jsantoscoy@mcallen.net
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713-3987542	(769) 253-4421	88hb-189-98b	(817) 564-6895	(956) 681-1525

RESULTS OF THE PUBLIC MEETING

Date: Friday, July 19, 2024

Time: 10:00 a.m.

Location: McAllen International Airport (MFE) Airport Board Room

Meeting Overview:

The Public Consultation Meeting was conducted in accordance with 49 CFR Part 26 requirements. Participants were briefed on the draft updated Goal Methodology for fiscal years 2025 - 2027.

Key Points Discussed:

1. Draft Updated Goal Methodology:

- The draft updated MFE Goal Methodology for fiscal years 2025 2027 was presented to the attendees.
- Participants were informed about the calculations and considerations that led to the proposed 7.15% DBE participation goal.

2. Proposed DBE Participation Goal:

 The rationale behind the goal setting process and its alignment with federal requirements were explained.

3. Feedback and Discussion:

- There were no objections to the proposed 7.15% DBE participation goal from the participants.
- The group engaged in discussions about past projects, highlighting successes and areas for improvement.
- Potential upcoming projects were reviewed, with a focus on how they could offer opportunities for DBE participation.

Conclusion:

The meeting successfully addressed the key elements of the draft updated Goal Methodology and the proposed DBE participation goal. The participants' positive reception and lack of objections indicate a shared commitment to promoting DBE involvement in FAA-funded projects. The discussions on potential upcoming projects provided valuable insights for continuous improvement and effective implementation of the DBE program.

Attachment 3

Demonstration of Good Faith Efforts - Forms 1 & 2

FORM 1: DISADVANTAGED BUSINESS ENTERPRISE (DBE) UTILIZATION

The undersigned bidder/offeror has satisfied the requirements of the bid specification in the following manner (please check the appropriate space):

 The bidder/offeror has met the DBE contract goal. The bidder/offeror is committed to a minimum of % DBE utilization on this contract. 					
 The bidder/offeror is co 	meet the DBE goal of%) mmitted to a minimum of% DBE utilization on d submit documentation demonstrating good faith				
Legal name of the bidder/offeror's firr	m:				
Bidder / Offeror Representative:					
(Name)	(Title)				
(Signature)	(Date)				
State Registration No.	(if applicable)				

FORM 2 LETTER OF INTENT

Note: The authorized representative (AR) named below must be an individual vested with the authority to make contracting decisions on behalf of the firm.

Name of bidder/offeror's firm:			
Name & Title of AR:			
Phone:	Email: _		
Name of DBE firm:			
Address:			
City:		State:	Zip:
Phone:	Email: _		
Work to be performed by DBE firm:			
Description of Work	NAICS Code	Dollar amount / %*	Dealer or Manufacturer**
*Note: Percentage is to be used only in negotial **For material suppliers only, indicated whether			
The bidder/offeror is committed to utilizing estimated dollar value of this work is \$ _ awarded the contract / agreement resulting DBE firm identified above that is represe understands that upon submitting this forr listed above without following the procedur	from this procurentative of the tym with its bid/off	The bidder/offeror ement, it must enter into ope and amount of wo er, it may not substitute	understands that if it is a subcontract with the rk listed. Bidder/offeror
Signature of Bidder/Offeror's Author	rized Represe	ntative Date:	
The undersigned DBE affirms that it and type of work as described abov participation, therefore.	•	•	
Signature of Bidder/Offeror's Author	rized Represe	 ntative Date:	

If the bidder/offeror does not receive award of the prime contract, any and all representations in this Letter of Intent and Affirmation shall be null and void.

Submit this page for each DBE subcontractor.

DBE Monitoring and Enforcement Mechanisms

The City of McAllen has available several remedies to enforce the DBE requirements contained in its contracts, including, but not limited to, the following:

- 1. Breach of contract action, pursuant to the terms of the contract;
- 2. Breach of contract action, pursuant to Texas Statutes, Title 15.

In addition, the Federal government has available several enforcement mechanisms that it may apply to firms participating in the DBE problem, including, but not limited to, the following:

- 1. Suspension or debarment proceedings pursuant to 49 CFR Part 26
- 2. Enforcement action pursuant to 49 CFR Part 31
- 3. Prosecution pursuant to 18 USC 1001.

DBE Certification Application Form

https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/new-dbe-uniform-certification-application

State of Texas UCP Agreement

http://ftp.dot.state.tx.us/pub/txdot-info/bop/tucp_moa.pdf

TxDOT DBE Directory

https://txdot.txdotcms.com

ATTACHMENT 7 Small Business Element

The City of McAllen will create and implement a race-neutral small business element as part of the McAllen International Airport program, in compliance with §26.39. The following components are strategies that will be used.

1. Objective/Strategies

The City of McAllen plans to use the following strategies to help eliminate obstacles for Small Business Enterprises (SBE) participation on DOT-assisted projects. These strategies have been selected because they can be successfully implemented by the current airport staff and have the greatest opportunity for race- and gender-neutral DBE participation at the Airport. This program will include, but not be limited to, the following strategies:

- (1) For large construction contracts (those over \$1,000,000), the Airport will require bidders on the prime construction contract to specify elements of the contract or specific subcontracts that are of a size that small businesses can reasonably perform.
- (2) The City of McAllen will structure procurements to allow joint ventures consisting of small businesses, including DBEs, to compete for and perform prime contracts.
- (3) The City of McAllen will unbundle some large engineering and construction contracts, when possible, to a size that SBEs can reasonably perform.
- (4) The City of McAllen will advertise in small business or state-wide publications the steps required for a DBE firm to become certified.

2. Definition

- (1) For this program, a small business is defined as one meeting the requirements of a CFR Part 26 for a "Small Business Concern". Only SBEs meeting this definition will be considered for inclusion in the small business program. SBEs shall be certified as small businesses with the US Small Business Administration (www.SBA.gov). The City of McAllen will use these sources to verify SBE certification.
- (2) Personal Net Worth standards should be consistent with 49 CFR Part 26.

3. Verification

The City of McAllen will diligently attempt to minimize fraud and abuse in the small business element of the DBE program by verifying that all disadvantaged business enterprises are certified under the State of Texas UCP program. The DBELO will document the certification and will refer any concerns of potential/suspected fraudulent

certifications to the Texas Department of Transportation - Civil Rights Division, 125 E. 11th Street, Austin, TX 78701-2483.

4. Monitoring / Record Keeping

All race-neutral DBE participation obtained by the plan will be reported as part of the Airport's annual DBE Accomplishment Reporting. In addition, the airport will track the plan's small business participation on an annual basis in the table below.

McAllen International Airport (MFE)					
Fiscal Year	Federal Dollars to SBE(s)	% of total Federal Dollars Awarded	Race Neutral DBE Participation		
2023		Dollars Awarded	1 articipation		
2024					
2025					
2026					
2027					

5. Assurance

- (1) All the strategies listed in this program are authorized under Texas state law.
- (2) Certified DBEs that meet the size criteria established under this program are presumptively eligible to participate in this program.
- (3) There are no geographic preferences or limitations imposed on any federally assisted procurements included in this program.
- (4) There are no limits on the number of contracts awarded to firms participating in the program; however, every effort will be made to avoid creating barriers to the use of new, emerging, or untried businesses.
- (5) Aggressive steps will be taken to encourage minority and women owned firms that are eligible for DBE certification to become certified.
- (6) This program is open to all small businesses regardless of their location.