CHICAGO TRANSIT AUTHORITY (CTA)
DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM
Amended Goal Setting Methodology and Calculations

Federal Fiscal Years (FFY) 2025, 2026 & 2027
(October 1, 2024 through September 30, 2027)
Submittal Date August 7, 2026

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GOAL OVERVIEW

Pursuant to the Interim Final Rule (IFR) for 49 CFR Part 26 (DBE Regulations) issued by the U.S. Department of Transportation (DOT) on October 3, 2026, the CTA conducted an analysis on the remaining contracting opportunity for FFY 2025 through 2027 and proposes an overall DBE goal that is applicable to the CTA's DOT-assisted contracting opportunities during those federal fiscal years. The CTA projects to spend $321,676,887 of the $2,051,852,589 of Federal Transit Administration (FTA) funds that was included in the original FFY 2025-2027 methodology. The proposed overall goal for DBE participation is 21% or $67,552,146 of the remaining projected FTA funds that will be subject to DBE participation requirements as demonstrated by the calculation shown below. Please note that CTA uses the total amount of the anticipated projects even though the total will not be funded through federal dollars. Since all of the funding sources for a particular project are not all known at the time of this goal methodology and since the DBE Regulations will apply to the entire project because CTA will be using federal funding, CTA includes the total dollar amount of each project in its calculation.

21% (Amended DBE goal) x $321,676,887 (Remaining CTA federally funded capital budget excluding transit vehicle purchases) = $67,552,146.

REMAINING USDOT-ASSISTED CONTRACTING PROGRAM FOR FFY 2025 - 2027

The CTA has adopted a comprehensive capital improvement plan that will provide faster, more comfortable, and more reliable transportation services for our customers throughout the service area, which supports the CTA's overall mission to deliver quality, affordable transit services that link people, jobs and communities. Based on the remaining projected capital projects below, we have identified subcontracting opportunities in order to calculate our amended DBE goal for FFY 2025 - 2027. As part of the methodology, CTA reviewed similar past projects to forecast opportunities for firms to compete at the prime and subcontracting level; those opportunities are reflected in our Step One calculation.

Capital projects included among the FFY 2025 - 2027 work categories:

- 103rd Bus Garage – Roof Replacement
- 98th, Midway, and Rosemont Yards – Diesel Locomotive Storage Shed
- All Stations Accessibility Program (ASAP) – O'Hare Line – Belmont and Irving Park

Stations
- ASAP – Congress Line Pulaski
- ASAP – Lake Line Oak Park and Ridgeland Stations
- Bus Overhaul
- Bus Router MP070 Replacements (equipment only)
- Camera and Video Program (Equipment only. Installation is under a different contract)
- Electric Bus Program (eBus) – 95th Initial Buildout
- eBus – 103rd Garage Initial Installation
- eBus – Chicago and 103rd Full Buildout
- eBus – Route 66 Phase 2
- Public Address System Overhaul
- Rail Car Overhaul
- Rail Station Communication Overhaul
- Red Line Extension (RLE) 120th Rail Shop and Maintenance Yard
- Skokie Shops Placeholder
- Traction Power Upgrades – 95th Substation and Kedvale, Nagle, Franklin & Sacramento DC Breaker Replacement

Projects that were included in the original FFY 2025-2027 methodology but were awarded prior to the issuance of the DBE IFR include Ravenswood – Western Station Improvements, Red Line Extension Mainline Design-Build, and South Mainline – 43rd Station Improvements. These projects and their associated contract dollars were not included in this amended goal methodology.

The CTA is committed to maximizing DBE opportunities on all of its procurements and regularly reviews contracts for DBE-neutral and small business participation. As part of these efforts, the CTA has established a policy to assess DBE goals at the task-order level for blanket, or task-order-based, contracts. Examples of these contracts are the Construction Management/Owner’s Representative (CM/OR), General Engineering Consultant (GEC), and Mid-Level Construction (MIDCON) contracts.

GOAL METHODOLOGY

Pursuant to Section 26.45(b), the overall goal must be based upon demonstrable evidence of the relative availability of DBEs in the CTA’s geographic and product markets. Accordingly, the CTA proposes an amended overall goal for DBE participation that is consistent with the CTA's historical spending patterns and with the amount of DBE participation the CTA expects to achieve in its local market. The following sections, and the accompanying tables, explain the process that was followed to calculate the 21% proposed amended overall DBE goal for FFY 2025-2027.

The CTA used its Bidders List in order to identify businesses, both DBE and non-DBE, ready, willing, and able to do business with CTA. Since we encourage all vendors, whether they would like to participate as a prime or subcontractor, to register with us, the Bidders List provides a useful list of firms interested in doing business with CTA. The CTA’s Bidders List has been updated to reflect DBE firms that have been approved through the reevaluation process mandated by the DBE IFR. Firms that were either decertified, withdrew from the DBE Program, or is listed as “ineligible” for not having submitted the documents required by the DBE IFR have been removed from the DBE availability in CTA’s Bidders List. The CTA regularly updates the Bidders List to reflect firms that are approved for DBE certification or decertified. The CTA decided not to use the 2019 disparity study due to the effect of the COVID-19 pandemic had on market conditions.

STEP ONE: BASE FIGURE CALCULATION

Section 26.45(c) requires the measurement of ready, willing, and able businesses in the CTA's local market, using the best available evidence to derive a fair and accurate base figure that represents the percentage of DBEs. One of the methods recommended in the DBE Regulations for determining the base figure involves accessing information from a Bidders List (§26.45(c)(2)). The following describes the base figure calculation based on these sources.

The CTA determined the number of ready, willing, and able DBEs in our local market by identifying the DBE and non-DBE businesses registered on CTA's Bidders List, which is regularly updated, including their North American Industry Classification System (NAICS) codes. The CTA identified the relevant NAICS codes to apply to the remaining FFY 2025-2027 capital projects by reviewing the anticipated CTA projects funded by the CTA's previous (FFY 2022-2024) federally funded capital budget. The number representing all DBEs and the number representing all firms were then used to determine the percentage of ready, willing, and able "DBE firms to all firms" ratio for each NAICS code category (see Table 1).

As recommended in the DOT's "Tips for Goal-Setting", the CTA weighted the percentages by dividing the Budget Amount for each NAICS category by the remaining projected FTA funds, as shown in column E. The weighted percentage was then multiplied by the percentage derived from the "DBE firms to all firms" ratio and multiplied by 100 for each NAICS code category (column F). The resulting value for each NAICS code category was totaled to determine the overall base figure for the CTA's 3-year DBE utilization of 16.07%. The base figure calculation weighs the relative availability of DBE contractors against the relative budget amount of contracting opportunities available for the total pool of contractors in CTA's Bidders List. The Step One calculation for the amended FFY 2025-2027 overall goal yielded a Base Figure of 16.07%. For comparison, the CTA included the Step One calculation with the Pre-IFR DBE availability (Table 2), which yielded a Base Figure of 16.89%. The CTA's original FFY 2025-2027 overall DBE goal methodology used a Base Figure of 16.25%, a 0.18 difference from the amended goal Base Figure.

STEP TWO: ADJUSTING THE BASE FIGURE

Past participation is the most reliable factor the CTA can use in the Step Two adjustment due to the similarity of the CTA's federally funded capital spending in FFY 2016-2018, FFY 2019-2021, and FFY 2022-2023, and forecasted remaining federally funded capital spending in FFY 2025-2027 and accurately reflects the DBE participation the CTA can expect to attain during the rest of the FFY 2025-2027 period.

Once the amended base figure of 16.07% was calculated, the CTA determined it was slightly inconsistent with the historical attainment and the realities of the market in the CTA Service Area. As a result, the CTA adjusted the base figure pursuant to Section 26.45(d)(1)(i) of the DBE Regulations, which provides that the base figure can be adjusted by using the current capacity of DBEs to perform work on the recipient's DOT-assisted program by measuring the volume of work performed by DBEs in recent years. Although there has been a change in DBE availability after the re-evaluation process mandated by the DBE IFR, the CTA engages with multiple DBE firms across various NAICS codes that regularly compete for opportunities as prime and subcontractors on its projects. This demonstrates to the CTA that there is a large enough pool of DBE firms in most of the NAICS codes that apply to our projected work that using historical attainment is still a reliable factor to use in the Step Two adjustment.

The CTA utilized its DBE goal and actual attainment percentages filed with the FTA between FFY 2016-2018, FFY 2019-2021, and FFY 2022-2024 to calculate the figures in each category to determine a median rate of DBE participation for those federal fiscal years (see Table 3A-3D). Although typically the attainment for the last 3 FFYs is used, CTA determined that FFY 2021 and 2023 were outliers as the timing of contracts decreased our DBE attainment to only 8% and 13%, respectively. As evidenced in Tables 3A, 3B, and 3C, CTA attainment is higher in years with similar contracting opportunities. This information was taken into consideration because it is a likely indicator of participation on future projects, since the types of goods and services contracted by the CTA remain fairly consistent over time. Instead of using the median attainment of the last three FFYs, CTA used the median attainment over the last three triennial periods (see Table 3D) since they were more consistent with the CTA's attainment with the level of anticipated federal funding. According to the calculations, the CTA attained an average DBE participation rate of 37.20% and a median rate of 34.98% for FFY 2016-2018, an average DBE participation rate of 21.47% and a median rate of 26.97% for FFY 2019-2021, and an average DBE participation rate of 25.11% and a median rate of 30.83% for FFY 2022-2024. The average DBE attainment across the three triennial periods is 24.64% and the median participation is 21.66%.

Therefore, the CTA adjusts the DBE goal for FFY 2025-2027 to 21%.

FINAL STEP: ESTABLISHING THE OVERALL GOAL

The CTA has calculated an amended weighted base figure of 16% which is historically lower than normal. We are confident in our ability to meet a higher DBE goal, and based on historical data, the CTA has had a median DBE attainment of 21.26% for the past three triennial periods, which will be the basis for our amended FFY 2025-2027 Triennial DBE Goal of 21%.

ANNUAL OVERALL DBE PERCENTAGE GOAL = 21% OF TOTAL ESTIMATED REMAINING FEDERALLY-FUNDED CAPITAL BUDGET

UTILIZATION OF DBE-NEUTRAL AND DBE-CONSCIOUS METHODS

The goal of CTA's DBE Program is to be primarily a DBE-neutral initiative that incorporates DBE-conscious elements, as needed. DOT's DBE Regulations (49 CFR 26.51) require the CTA to meet the maximum feasible portion of the overall goal by using DBE-neutral means of facilitating DBE participation. The DBE-neutral measure or program is one that can be used to assist all businesses.

Formula for Calculating DBE-Neutral and DBE-Conscious Percentages

Step #1: Determine the FFY 2016-2024 average of DBE procurements achieved without contract goals. This is the DBE-neutral mean.

Step #2: Determine the FFY 2016-2024 average of DBE utilization achieved utilizing DBE contract goals. This is the DBE-conscious mean.

Step #3: DBE-neutral median FFY 2016-2024 = 4.90% (see Table 3c)
DBE-conscious median FFY 2016-2024 = 17.31% (see Table 3c)

As with the Step Two process, the median was used to determine the DBE-neutral/DBE-conscious percentages in order to account for any outliers in the data.

Step #4: Of the amended overall goal of 21% DBE participation for FFY 2025-2027 as computed from Steps One and Two, the CTA seeks to achieve 5% by DBE-Neutral means and the difference of 16% by DBE-Conscious means. This is the percentage the CTA can confirm based on the FFY 2016-2024 achievement.

The CTA will exert additional effort to extend outreach to potential prime contractors to ensure subcontracting opportunities are fully promoted prior to using DBE-conscious contract goals to achieve the amended FFY 2025-2027 overall DBE Goal.

Outreach to Business Support Organizations (BSOs)

The BSOs below were invited to a virtual meeting held on August 5, 2026 to discuss the CTA's amended DBE goal and methodology. The firms highlighted in yellow attended the meeting and none had any comments relating to the methodology or amended goal, therefore the CTA did not make any adjustments based on the meeting with the BSOs.

- African American Contractors Association
- Black Contractors Owners and Executives (BCOE)
- Chatham Business Association (CBA)
- Chicago Building Congress
- Chicagoland Association of General Contractors
- Chicagoland Chamber of Commerce
- Cosmopolitan Chamber of Commerce
- Federation of Women Contractors (FWC)
- Hispanic American Construction Industry Association (HACIA)
- HIRE360
- Illinois Road and Transportation Builders Association
- World Business Chicago (WBC)

Table 1: Base Figure Calculation for Amended FFY 2025-2027 DBE goal

			A	B	C	D	E	F
NAICS Codes	Other NAICS Codes Included	Category	# of DBE Firms Certified on Bidders List	# of Overall Firms in NAICS Code Bidders List	DBE Firms/ Firms Ratio	Budget Amount	Weighted (Budget Amount/ Overall Contract Value)	Weighted x DBE Firms Ratio
38110	23731; 238120; 238190; 325510; 325520; 327320; 423510; 327390;	Concrete	14	127	11%	$18,893,743.52	5.87%	0.65%
238140	423320; 327991;	Masonry	11	92	12%	$4,466,170.05	1.39%	0.17%
238210	221122; 237130; 238290; 423610; 423510; 423690; 335999; 334514;	Electrical Contractors & Equipment	55	291	19%	$147,742,719.28	45.93%	8.68%
237120		Gas Line and Related Structures	3	22	14%	$1,252,956.42	0.39%	0.05%
238220	423720; 423730; 423740; 327120;	Plumbing, HVAC	19	230	8%	$13,063,423.71	4.06%	0.34%
238310	238170; 238320; 424950; 238390; 238140; 238330; 238340; 423320; 444180;	Finishes	22	184	12%	$8,041,532.43	2.50%	0.30%
23621	238910;	Sitework	9	42	21%	$23,449,714.45	7.29%	1.56%

42341	33431; 423690;	Audio & Video	1	52	2%	$24,351,084.58	7.57%	0.15%
236220	238290; 333923; 423860;	Commercial & Institution Building & Construction	42	341	12%	$12,260,485.39	3.81%	0.47%
238120	332312; 238150; 238190; 238130; 332323; 332321; 423390; 238290; 423310; 326199; 337127; 325520; 331313; 332311; 332322; 332439; 333413;	Metal, Wood, Plastics & Composites	17	91	19%	$43,412,954.05	13.50%	2.52%
238160	423330; 444180; 332322;	Roofing	13	84	15%	$9,646,610.84	3.00%	0.46%
561990	532490;	Traffic Control	9	70	13%	$3,550,057.31	1.10%	0.14%
541618	541370;	Professional Services (DoR, CM, PM)	7	21	33%	$190,088.35	0.06%	0.02%
23711		Water & Sewer	10	62	16%	$8,132,532.64	2.53%	0.41%
238990	339950; 562910; 424950; 561720;	Specialty Trade Contractors	29	204	14%	$1,538,820.07	0.48%	0.07%
488490		Truck Drivers	2	23	9%	$185,309.68	0.06%	0.01%
561730	424930;	Landscaping	10	52	19%	$1,257,957.82	0.39%	0.08%
336390		Bike Racks	12	290	4%	$4,197.33	0.00%	0.00%
562111	562212;	Waste Collection	3	30	10%	$236,529.30	0.07%	0.01%
Weighted DBE GOAL:					16.07%	**$321,676,887.22**	**100.00%**	**16.07%**

Table 2: Base Figure Calculation for Amended FFY 2025-2027 DBE Goal Using Pre-IFR Availability

			A	B	C	D	E	F
NAICS Codes	Other NAICS Codes Included	Category	# of DBE Firms Certified on Bidders List	# of Overall Firms in NAICS Code Bidders List	DBE Firms/ Firms Ratio	Budget Amount	Weighted (Budget Amount/ Overall Contract Value)	Weighted x DBE Firms Ratio
238110	23731; 238120; 238190; 325510; 325520; 327320; 423510; 327390;	Concrete	96	371	26%	$18,893,743.52	5.87%	1.52%
238140	423320; 327991;	Masonry	30	122	25%	$4,466,170.05	1.39%	0.34%
238210	221122; 237130; 238290; 423610; 423510; 423690; 335999; 334514;	Electrical Contractors & Equipment	110	865	13%	$147,742,719.28	45.93%	5.84%
237120		Gas Line and Related Structures	3	22	14%	$1,252,956.42	0.39%	0.05%
238220	423720; 423730; 423740; 327120;	Plumbing, HVAC	48	346	14%	$13,063,423.71	4.06%	0.56%
238310	238170; 238320; 424950; 238390; 238140; 238330; 238340; 423320; 444180;	Finishes	153	754	20%	$8,041,532.43	2.50%	0.51%
23621	238910;	Sitework	35	128	27%	$23,449,714.45	7.29%	1.99%

42341	33431; 423690;	Audio & Video	1	96	1%	$24,351,084.58	7.57%	0.08%
236220	238290; 333923; 423860;	Commercial & Institution Building & Construction	82	372	22%	$12,260,485.39	3.81%	0.84%
238120	332312; 238150; 238190; 238130; 332323; 332321; 423390; 238290; 423310; 326199; 337127; 325520; 331313; 332311; 332322; 332439; 333413;	Metal, Wood, Plastics & Composites	89	349	26%	$43,412,954.05	13.50%	3.44%
238160	423330; 444180; 332322;	Roofing	25	101	25%	$9,646,610.84	3.00%	0.74%
561990	532490;	Traffic Control	22	104	21%	$3,550,057.31	1.10%	0.23%
541618	541370;	Professional Services (DoR, CM, PM)	142	695	20%	$190,088.35	0.06%	0.01%
23711		Water & Sewer	11	53	21%	$8,132,532.64	2.53%	0.52%
238990	339950; 562910; 424950; 561720;	Specialty Trade Contractors	88	447	20%	$1,538,820.07	0.48%	0.09%
488490		Truck Drivers	2	18	11%	$185,309.68	0.06%	0.01%
561730	424930;	Landscaping	12	47	26%	$1,257,957.82	0.39%	0.10%
336390		Bike Racks	15	287	5%	$4,197.33	0.00%	0.00%
562111	562212;	Waste Collection	0	0	0%	$236,529.30	0.07%	0.00%
Weighted DBE GOAL:					16.89%	**$321,676,887.22**	**100.00%**	**16.89%**

Table 3A: 2016-2018 FFY DBE Attainment

Fiscal Year	DBE Goal	DBE Attainment	Race-Conscious	Race-Neutral
2016	26%	51%	10%	41%
2017	26%	25%	22%	3%
2018	26%	35%	24%	11%
Total		**111.61%**	**56.77%**	**54.83%**
Mean		**37.20%**	**18.92%**	**18.28%**
Median		**34.98%**	**22.14%**	**10.52%**

Table 3B: 2019-2021 FFY DBE Attainment

Fiscal Year	DBE Goal	DBE Attainment	Race-Conscious	Race-Neutral
2019	26%	29%	23%	7%
2020	26%	27%	20%	7%
2021	26%	8%	7%	1%
Total		**64.41%**	**49.10%**	**15.30%**
Mean		**21.47%**	**16.37%**	**5.10%**
Median		**26.97%**	**19.71%**	**6.62%**

Table 3C: 2022-2024 FFY DBE Attainment

Fiscal Year	DBE Goal	DBE Attainment	Race-Conscious	Race-Neutral
2022	26%	31%	20%	11%
2023	26%	12%	10%	2%
2024	26%	33%	25%	7%
Total		**75.32%**	**55.24%**	**20.08%**
Mean		**25.11%**	**18.41%**	**6.69%**
Median		**30.83%**	**19.58%**	**7.33%**

Table 3D: DBE Attainment Summary

Fiscal Year	DBE Goal	DBE Attainment	Race-Conscious	Race-Neutral
2016-2018	26%	31%	21%	10%
2019-2021	26%	21%	16%	5%
2022-2024	26%	22%	17%	4%
Total		**73.93%**	**54.54%**	**19.39%**
Mean		**24.64%**	**18.18%**	**6.46%**
Median		**21.66%**	**17.31%**	**4.90%**