



**CITY OF ABILENE**

---

**ABILENE REGIONAL AIRPORT**

**FYs 2019-2021**

**DBE GOAL METHODOLOGY**

**Attachment G**

**Overall DBE Goals**

**For the period:**

**October 1, 2018 to September 30, 2021**

DBE Point of Contact:

Mr. Alex Cargile

Aviation Contracts Specialist

Abilene, Texas 79602

T – 325-676-6224

F – 325-676-6317

[alex.cargile@abilenetx.com](mailto:alex.cargile@abilenetx.com)

August 8, 2018

**Overall Goals and Methodology**  
**Abilene Regional Airport**  
**FYs 2019-2021 Update**

**OVERALL GOALS (\$26.45)**

Amount of Goal

Abilene Regional Airport's overall goal for Fiscal Years 2019-2021 (October 1, 2018 to September 30, 2021) is **3.82%** of the Federal financial assistance that it will expend in DOT-assisted contracts with DBE contractors.

Number of Projects to be covered by this contract goal:

The Abilene Regional Airport (ABI) expects to fund four (4) DOT-assisted contracts during Fiscal Years 2019-2021:

- **ARFF Building Modifications FY 2019**
- **Acquire New ARFF Vehicle FY 2019**
- **Remove C1/Reconfigure TW R (Design and Construction) & Reconstruct Taxiway T1 and T2 (Design and Construction) - FY2020**
- **Reconstruct Northwest Apron, All Stages (Design and Stage 1 Construction) - FY 2020**

Please note, in FY 2021, the airport is working with the FAA to use Entitlement Carry-Over for a future year project.

The first project, the **ARFF Building Modifications**, has an estimated value of \$810,000 (Federally-funded portion) and involves the modification and expansion of the Airport ARFF Building and has opportunities for DBE participation for Engineer/Architectural Services, Electrical Contracting and Building Construction/Modification.

The second project, the **Acquire New ARFF Vehicle**, has an estimated value of \$630,000 (Federally-funded portion) and involves the acquisition of an Aircraft Rescue Firefighting Vehicle.

The third project, **Remove C1/Reconfigure TW R Design and Construction & Reconstruct Taxiway T1 and T2 Design and Construction** will involve Engineering Services, Excavation, Trucking, Lighting and Construction Services., with an estimated value of \$5,220,000 (Federally-funded portion).

The fourth project, **Reconstruct Northwest Apron, All Stages Design and Stage 1 Construction**, has an estimated value of \$3,600,000 (Federally-funded portion) and will include opportunities for DBE participation for Engineering Services, Excavation, Trucking, Lighting and Construction Services.

ABI has set a goal of expending **\$391,932** with certified DBE firms yielding a participation rate of **3.82%**.

**Market Area:**

After careful research of the historical bidding practices and responses to requests for professional services, the Abilene Regional Airport has determined that its market area is made up of the following Counties:

<b>Brown County, Texas</b>	<b>Nolan County, Texas</b>
<b>Callahan County, Texas</b>	<b>Runnels County, Texas</b>
<b>Coleman County, Texas</b>	<b>Shackelford County, Texas</b>
<b>Eastland County, Texas</b>	<b>Stephens County, Texas</b>
<b>Fisher County, Texas</b>	<b>Taylor County, Texas</b>
<b>Jones County, Texas</b>	<b>Tom Green County, Texas</b>

The analysis prepared in determining this included a review of the responses to advertised opportunities for similar projects awarded by the Abilene Regional Airport over the last several years. This period has included the following projects:

1. FY 2017 – Taxiway Seal Coat Design, Airport Master Plan, CCTV Security System
2. FY 2016 – Runway Reconstruction 17R/35L
3. FY 2015 – Runway 17R/35L Reconstruction Design
4. FY 2014 – Runway 17L/35R Reconstruction, Rehabilitate Taxiways M, N, & P

Based on a review of these airport projects and similar projects conducted in other city departments, the previous analysis that a substantial majority of contractors and subcontractors comes from the 12 counties identified remains valid, with a comparable percentage of contracting dollars being spent in this area. Consequently, the Airport has determined that the appropriate Market Area is the 12 county region described above.

## **Method:**

In accordance with the current FAA and DOT guidance, the Abilene Regional Airport is utilizing a two-step process in setting its goals for the Fiscal Years 2019-2021. The first step examines the relative availability of DBE firms in the established Market Area and the second step allows for adjustments to the relative availability based on:

- Information from available Disparity Studies
- Information gained from research and outreach with:
  - Organizations servicing or representing DBE's,
  - Federal, State and Local agencies that procure services,
  - Agencies charged with enforcing Civil Rights Law
  - State and Local Agencies responsible for minority/women's affairs
- Historical accomplishments of the Airport's DBE program

## **Relative Availability:**

The following documents the relative availability of the FY 2019-2021 projects and will be used in the overall calculation of relative availability for the goal.

The following is a summary of the method used to calculate this goal:

**Step 1:** The method used to calculate the relative availability of DBEs for Step 1 in this process is 26.45(c) (1) DBE Directories and Census Bureau Data. The base figure was determined by dividing the total DBE firms in the local market area by the total of all firms (both compiled according to the relevant NAICS/SIC project codes).

The FY 2019-2021 projects involves the continuation of the Airport's renovation program and include runway rehabilitation and construction. The rehabilitation and construction of the runway is generally classified as heavy/highway construction and will include several trades.

The following tables identify the main components of the projects broken down by trade with appropriate NAICS codes.

**Project 1 – ARFF Building Modifications FY 2019**

This project involves the Airport Rescue Fire Fighter Building Modifications with an estimated value of \$810,000 (Federal-funded portion).

Type of Work	NAICS	NAICS Definition	Cost Estimate	Weight Factor	# of DBE Firms	Total # of Firms	Relative Availability
Engineering Services	541330	Architectural Services	\$ 162,000.00	20%	1	29	3.45%
Electrical Contractor	238210	Electrical Contractors	\$ 81,000.00	10%	0	103	0.00%
Building Construction	236220	Commercial/Instit Bldg Const	\$ 567,000.00	70%	0	33	0.00%
<b>Relative Availability of DBE's for Project 1</b>			<b>\$ 810,000.00</b>	<b>100%</b>	<b>1</b>	<b>165</b>	<b>0.61%</b>

1 Weighting factor is based on % of total project costs in each category.

The estimate for this project is \$810,000 (Federally-funded portion). As identified in the above table, the relative availability of DBE contractors in the ABI MSA includes Engineer/Architectural Services, Electrical Contracting and Building Construction/Modification. Therefore, the baseline DBE goal for this contract should be weighted to more accurately reflect the potential DBE participation, as shown below.

**Base Figure=20% Engineering x #DBE in Local Market (1) + 10% Electrical Contractor x # DBE in Local Market (0) +**

**# All Firms (29)**

**# All Firms (103)**

**Base Figure= 70% Building Construction x #DBE in Local Market (0)**

**# All Firms (33)**

**Base Figure = (20% x (1/29) + (10% x (0/103) + (70% x (1/33)**

**0.69% + 0% + 0%= 0.69%**

**This calculation provides a Base Figure of 0.69%.**

**Project 2 – Acquire New ARFF Vehicle FY 2019**

This project involves the acquisition of an Aircraft Rescue Firefighting Vehicle with an estimated value of \$630,000 (Federal-funded portion).

Type of Work	NAICS	NAICS Definition	Cost Estimate	Weight Factor	# of DBE Firms	Total # of Firms	Relative Availability
ARFF Vehicle Purchase	336211	Special Purpose Highway Vehicle (e.g., firefighting vehicles) bodies manufacturing	\$ 630,000.00	100%	0	1	0%
<b>Relative Availability of DBE's for Project 2</b>			<b>\$ 630,000.00</b>	<b>100%</b>	<b>0</b>	<b>1</b>	<b>0%</b>

1 Weighting factor is based on % of total project costs in each category.

The estimate for this project is \$630,000 (Federally-funded portion). As identified in the above table, the relative availability of DBE contractors in the ABI MSA includes Special Purpose Highway Vehicles. The baseline DBE goal for this contract cannot be weighted since only one type of work is involved.

Base Figure = 100% Special Purpose Highway Vehicle x #DBE in Local Market (0)

# All Firms (1)

Base Figure = 100% x (0/1)

**This calculation provides a Base Figure of 0%.**

**Project 3 – Remove C1/Reconfigure TW R Design and Construction and Reconstruct Taxiway T1 and T2 – Design and Construction FY 2020**

This project will include opportunities for DBE participation for: Engineering Services, Excavation, Trucking, Lighting and Construction Services with an estimated value of \$5,220,000 (Federal-funded portion).

Type of Work	NAICS	NAICS Definition	Cost Estimate	Weight Factor	# of DBE Firms	Total # of Firms	Relative Availability
Engineering Services	541330	Engineering Services	\$ 1,044,000.00	20%	1	29	3.45%
Excavation	238910	Excavation	\$ 783,000.00	15%	0	67	0.00%
Trucking-Local	484110	General Freight Trucking, Local	\$ 522,000.00	10%	1	31	3.23%
Airfield Lighting	238210	Electrical Contractors	\$ 261,000.00	5%	1	103	0.97%
Construction Services	237310	Hwy & Street Construction	\$ 2,610,000.00	50%	2	18	11.11%
<b>Relative Availability of DBE's for Project 3</b>			<b>\$ 5,220,000.00</b>	<b>100%</b>	<b>5</b>	<b>248</b>	<b>2.02%</b>

Weighting factor is based on % of total project costs in each category.

The estimate for this project is \$5,5210,000 (Federally-funded portion). As identified in the above table, the relative availability of DBE contractors in the ABI MSA includes Engineering Services, Excavation, Trucking, Lighting and Construction Services. Therefore, the baseline DBE goal for this contract should be weighted to more accurately reflect the potential DBE participation, as shown below.

**Base Figure= 20% Engineering x #DBE in Local Market (1) + 15% Excavation x # DBE in Local Market (0) +**

**# All Firms (29)**

**# All Firms (67)**

**10% Trucking x # DBE in Local Market (1) + 5% Electrical Contractors x # DBE in Local Market (1) +**

**# of All Firms (31)**

**# of All Firms (103)**

**50% Construction Services x # DBE in Local Market (2)**

**# of All Firms (18)**

**Base Figure = (20% x (1/29)) + (15% x (0/67)) + (10% x (1/31)) + (5% x (1/103)) + (50% x (2/18))**

**0.69% + 0 + 0.32% + 0.05% + 5.55% = 6.61%**

**This calculation provides a Base Figure of 6.61%.**

**Project 4 – Reconstruct Northwest Apron, All Stages Design and Stage 1 Construction FY 2020**

This project has an estimated value of \$3,600,000 (Federally-funded portion) and will include opportunities for DBE participation for Engineering.

Type of Work	NAICS	NAICS Definition	Cost Estimate	Weight Factor	# of DBE Firms	Total # of Firms	Relative Availability
Engineering Services	541330	Engineering Services	\$ 450,000.00	13%	1	29	3.45%
Excavation	238910	Excavation	\$ 540,000.00	15%	0	67	0.00%
Trucking-Local	484110	General Freight Trucking, Local	\$ 360,000.00	10%	1	31	3.23%
Airfield Lighting	238210	Electrical Contractors	\$ 180,000.00	5%	1	103	0.97%
Construction Services	237310	Hwy & Street Construction	\$ 2,070,000	57%	2	18	11.11%
<b>Relative Availability of DBE's for Project 5</b>			<b>\$ 3,600,000.00</b>	<b>100%</b>	<b>5</b>	<b>248</b>	<b>2.02%</b>

1 Weighting factor is based on % of total project costs in each category.

The estimate for this project is \$3,600,000 (Federally-funded portion). As identified in the above table, the relative availability of DBE contractors in the ABI MSA includes Engineering Services, Excavation, Trucking, Lighting and Construction Services. Therefore, the baseline DBE goal for this contract should be weighted to more accurately reflect the potential DBE participation, as shown below.

**Base Figure= 13% Engineering x #DBE in Local Market (1) + 15% Excavation x # DBE in Local Market (0) +**

**# All Firms (29)**

**# All Firms (67)**

**10% Trucking x # DBE in Local Market (1) + 5% Electrical Contractors x # DBE in Local Market (1) +**

**# of All Firms (31)**

**# of All Firms (103)**

**57% Construction Services x # DBE in Local Market (2)**

**# of All Firms (18)**

**Base Figure = (13% x (1/29)) + (15% x (0/67)) + (10% x (1/31)) + (5% x (1/103)) + (57% x (2/18))**

**0.45% + 0 + 0.32% + 0.05% + 6.33% = 7.15%**

**This calculation provides a Base Figure of 7.15%.**



Data Source:

- (DBEs in Local Market Area) Texas Department of Transportation – Texas Uniform Certification Program Directory of available DBE contractors in the identified Market Area
- (All Available Firms) from the Census Data using the Fact Finder System and Geography Area Series: County Business Patterns. <https://factfinder.census.gov>

### Weighting Base Figures

Following the procedures to add weight factors based on the project estimates, an additional weight factor is usually applied based on each project's percentage of the total amount of anticipated award construction dollars.

Project (Contract)	Amount of Estimate	% of Total Estimate/Weight Factor
ARFF Building Modifications	\$ 810,000.00	8%
ARFF Vehicle Purchase	\$ 630,000.00	6%
Remove C1/Reconfigure TW R Design and Construction and Reconstruct Taxiway T1 and T2 – Design and Construction	\$ 5,520,000.00	51%
Reconstruct Northwest Apron, All Stages Design and Stage 1 Construction	\$ 3,600,000.00	35%
Total	\$ 10,260,000.00	100%

The Overall Base Figure is calculated by multiplying each project's (contract) base figure by its weight factor, and adding them together.

$$\text{OVERALL BASE FIGURE} = (0.69\% \times .08) + (0.00 \times 0.06) + (6.61\% \times 0.51) + (7.15\% \times .35)$$

$$\text{OVERALL BASE FIGURE} = 0.06\% + 0 + 3.37\% + 2.50\% = 5.93\%$$

$$\text{OVERALL BASE FIGURE} = 5.93\%$$

**Step 2:** This step is intended to adjust the “base figure” percentage from Step 1 so that it reflects as accurately as possible the DBE participation the recipient would expect in the absence of discrimination.

First, the airport searched out the availability of information from Disparity Studies. This was unable to document the preparation of any disparity studies for the area over the course of the last seven years. To document this fact, the Airport first performed an internet search which yielded information maintained by the DOT Office of Small and Disadvantaged Business Utilization found at:

<https://www.transportation.gov/osdbu>

Finding no available data from this source, the Airport contacted the following entities and was unable to ascertain any other documentation of disparity studies performed for the region:

- The City of Abilene Economic Development Department
- The Texas Workforce Center
- Americas Small Business Development Center Abilene (Texas Tech University)

Since none of these sources was able to provide the airport with any available disparity study information and with the lack of any disparity study being performed in the region, the airport must then look to historical performance and DBE goal accomplishment under previous FAA grants for similar types of construction. The airport reviewed its historical DBE participation achievement in order to ensure the goal’s reasonableness. This included its annual Reports of DBE Goal Accomplishments and was supplemented by contract closeout information.

The historic overall DBE goals and accomplishments at the Airport for similar work in recent years that were examined relative to the above consideration are summarized below.

## ABI Historical DBE Accomplishments for

Similar DOT-Assisted Contracts Projects

Fiscal Year	Goal	Accomplishment	Type of Work
2017	2.73%	0.00%	Taxiway Seal Coat Rehabilitation, Master Plan, CCTV Security System
2016	2.73%	1.70%	Runway 17R/35L Reconstruction
2015	6.05%	2.40%	Runway 17R/35L Reconstruction Design, Runway 17L/35R Reconstruction
		<b>1.70%</b>	<b>Median Accomplishments for all Projects</b>

### Median Accomplishments for all Projects

The projects accomplished in the recent Fiscal Years 2015–2017 share similarities to those planned for FYs 2019-2021 and there are components of these completed projects that are similar to the proposed FY 2019-2021 projects.

By averaging the median historical DBE participation rate with the relative availability calculated in Step 1, an adjusted DBE goal for the Fiscal Year 2019-2021 is calculated. The median percentage of accomplishment for all similar projects over recent years is therefore determined to be 1.70%. When we compare this with the proposed base figure for FYs 2019-2021, we determine that our adjusted overall goal is: **3.82%**

(Base figure) 5.93% + (Historical median) 1.70% divided by 2 =

**3.82% (Adjusted Overall Goal)**

### Breakout of Estimated Race-Neutral and Race-Conscious Participation

The Abilene Regional Airport will strive to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The Abilene Regional Airport uses the following race-neutral means to increase DBE participation:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE, and other small businesses, participation;
2. Providing technical assistance and other services;
3. Carrying out information and communications programs on contracting procedures and specific contract opportunities;
4. Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting
5. Encouraging contractors to help us meet our DBE goal in their selection of subcontractors.

6. Ensuring distribution of DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors;

Additionally, the airport and its engineer provide all potential bidders with information about the State of Texas' Department of Transportation web site for certified DBE contractors found at:

<https://txdot.txdotcms.com/FrontEnd/VendorSearchPublic.asp>

## **Public Participation**

### Consultation

The Airport encourages the participation of Disadvantaged Business Enterprises in its Development Program. In an effort to reach the available DBE community, seek out public input into the goal setting process, and to ensure wide distribution of the information contained in this document, the Airport makes copies of its DBE Program and Annual Goals Setting Document available to the local chapter of the Associated General Contractors, local architects and engineers, prospective bidders, and other interested parties.

As documented in the Market Area section of this report, the relative availability of DBE firms is limited. In order to encourage participation by Certified DBE firms, the Airport:

- 1. Provides prospective bidders with information on the State of Texas certified list of DBE contractors.**
- 2. Contacts the State of Texas to ascertain the availability of DBE contractors in the Market Area and work on ways to encourage participation.**

To comply with Code of Federal Regulations Title 49, Part 26, Section 26.45(g)(1)(i), the Airport held a meeting on **August 22, 2018**, to:

- Reach out to minority, women's and general contractor groups to discuss opportunities for DBEs;
- Discuss the process to become a certified-DBE;
- Address issues that contractors face with the DBE certification process;
- Present the proposed DBE Goal for FYs 2019-2021, and
- Discuss proposed construction projects that are planned at the airport during this period.

The following parties were invited to participate:

- Please See Attachment B – List of participants invited to attend the meeting. List includes stakeholder organizations, as well as, current DBE's and SBE's in the 12 county region.

Attached are the following appendices regarding the consultation meeting:

- A – Email invitation to the **August 22, 2018** meeting.
- B – List of the participants invited to attend the meeting.
- C – RSVP list.
- D – PDF of the online presentation.
- E – List of attendees.
- F – Questions/Comments.
- G – Follow up email.

**Published Notice**

The following is the notice of availability of the Airport's proposed goals and goal setting methodology:

WEBSITE PUBLIC NOTICE

Disadvantaged Business Enterprise (DBE) Goals

for Federal Fiscal Years 2019-2021

The Abilene Regional Airport hereby announces its FYs 2019-2021 DBE goals for airport construction projects. The Airport has set a goal of **3.82%** of the Federal financial assistance that it will expend on DOT-assisted contracts with DBE contractors. The proposed goals and goal setting methodology are available for inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday beginning **August 23, 2018**, through **September 23, 2018**, in the offices of the Director of Transportation Services, 2933 Airport Boulevard, Abilene, Texas 79602.

Mr. Don Green, AAE  
Director of Transportation Services  
City of Abilene  
2933 Airport Boulevard  
Abilene, TX 79602

Federal Aviation Administration  
Civil Rights Staff, AWP-9  
PO Box 92007  
Los Angeles, CA 90009-2007

## **Contract Goals**

Historically, the Abilene Regional Airport has used race-conscious measures in obtaining its overall contract goals on federally assisted contracts. Recent accomplishments have not materially exceed the Airport's stated goals. Consequently, we estimate that, in meeting our overall adjusted goal of **3.82%** we will obtain 0% from race-neutral participation and **3.82%** from race-conscious measures (e.g. setting contract goals).

While the Airport would like to obtain more participation through race-neutral efforts, its analysis indicates that there has been limited success in acquiring DBEs in the heavy construction fields. Implementation of race conscious efforts may provide an opportunity to improve the results in this area.

The Airport will use contract goals to meet any portion of the overall goal the Airport 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 the Airport's overall goal that is not projected to be met through the use of race-neutral means.

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