# FFY 2022 - 2024 Disadvantaged Business Enterprise Program Methodology for



ALBANY, GEORGIA

SEPTEMBER 2021 (REVISED FEBRUARY 2023)

## Federal Fiscal Years (FFY) 2022-2024 Overall Disadvantaged Business Enterprise (DBE) Goal Methodology

Airport Sponsor: City of Albany

Airport: Southwest Georgia Regional Airport

DBELO: Deborah Davis, Administrative Manager

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#### I. Detailed Methodology: Specific Steps

#### A. Amount of Goal

The City of Albany's ("the City") overall goal for the Southwest Georgia Regional Airport ("the Airport") for FFY 2022-2024 for the federal financial assistance it will expend in USDOT-assisted contracts is the following:

Overall Goal:	<u>11.97%</u>	FFY 2022 Goal	<u>n/a</u>
Race-Neutral:	<u>1.97%</u>	<b>FFY 2023 Goal</b>	<u>10.01%</u>
Race-Conscious:	<u>10.00%</u>	<b>FFY 2024 Goal</b>	12.39%

The City expects to let approximately **\$4,398,480** in USDOT-assisted contracts for FFY 2022-2024. The City has set a goal of expending approximately **\$526,551** with DBE firms during this three-year period.

#### B. Determination of the Market Area

The normal market area is derived by determining where the substantial majority of contracting dollars for AIP-funded projects were spent, and from where the majority of bidders over a given period of time have come. The market area is shown below in Table 1.

Table 1: Counties in the Local Market Area for Southwest Georgia Regional Airport

County	Number of bidders	Percentage of bidders	Dollars	Percentage of Dollars
Dougherty	11	64.7%	\$24,423,464	92.3%
Lowndes	1	5.9%	\$1,612,787	6.1%
SUBTOTAL	12	70.6%	\$26,036,251	98.4%
Others	5	29.4%	\$432,160	0.0%
TOTAL	17	100.0%	\$26,468,411	98.4%

Source: Holt Consulting Company, LLC

#### C. Determination of relevant NAICS codes

Based on information provided by the consulting engineer concerning the proposed projects for this fiscal period, a list of NAICS codes corresponding to these projects was developed and is shown below:

Table 2: Southwest Georgia Regional Airport—FFY 2022-2024 Projects & Activities

FFY 2022 Proje	ects								
PROJECT	ACTIVITY	NAICS CODE							
No projects with subcontracting opportunities that exceed \$250,000 in AIP grant funds									
FFY 2023 Projects									
PROJECT ACTIVITY NAICS COD									
	Drainage	237110							
	Engineering/design	541330							
Cargo Ramp Expansion (Design)	Surveying	541370							
	Geotechnical	541380							
	Erosion control	561730							
Acquire ARFF vehicle <sup>1</sup>	n/a	n/a							
Master Plan Update	Planning	541320							
Master Flair Opuate	Engineering	541330							
FFY 2024 Proje	ects								
PROJECT	ACTIVITY	NAICS CODE							
	Drainage	237110							
	Paving	237310							
	Electrical	238210							
Cargo Ramp Expansion (Construction)	Grading	238910							
	Engineering	541330							
	Testing	541370							
	Erosion control	561730							
	Drainage	237110							
Install Parimeter Pead including Security Phase 4	Engineering/design	541330							
Install Perimeter Road including Security - Phase 1	Surveying	541370							
(Design)	Geotechnical	541380							
	Erosion control	561730							

<sup>&</sup>lt;sup>1</sup> The purchase of an ARFF vehicle will not be included in the DBE goal methodology. There are only three ARFF vehicle manufacturers in the United States, and none of them are eligible to be certified DBE firms.

# D. Determination of Relative Availability of DBEs in Market Area, Compared to All Firms

Table 3a: DBEs—Southwest Georgia Regional Airport, by Relevant NAICS Codes—FFY 2023

#### **CARGO RAMP EXPANSION (DESIGN)**

Activity	NAICS CODES	DBE Firms	/	All Firms	=	Percent of DBE Firms Available	x	Federal Grant = Dollars	DBE Dollars
Drainage	237110	2	/	28	=	7.14%	Х	\$23,598 =	\$1,685
Engineering/design	541330	24	/	291	=	8.25%	Х	\$129,789 =	\$10,708
Surveying	541370	7	/	28	=	25.00%	Х	\$23,598 =	\$5,900
Geotechnical	541380	3	/	36	=	8.33%	Х	\$11,799 =	\$983
Erosion control	561730	19	/	60	=	31.67%	Х	\$47,196 =	\$14,947
						TOTAL	_ =	\$235,980	\$34,222
STEP 1 DBE BASE FIGURE =									14.50%

Table 3b: DBEs—Southwest Georgia Regional Airport, by Relevant NAICS Codes—FFY 2023

#### **MASTER PLAN UPDATE**

Activity	NAICS CODES	DBE Firms	/ A	ll Firms =	Percent of DBE Firms : Available	X	Federal Grant = Dollars	=	DBE Dollars
Planning services	541320	1	/	16 =	6.25%	Х	\$54,000 =	=	\$3,375
Engineering	541330	24	/	291 =	8.25%	X	\$486,000 =	=	\$40,082
					TOTAL	=	\$540,000		\$43,457
STEP 1 DBE BASE FIGURE =								-	8.05%

Table 3c: DBEs—Southwest Georgia Regional Airport, by Relevant NAICS Codes—FFY 2024

#### **CARGO RAMP EXPANSION (CONSTRUCTION)**

Activity	NAICS CODES	DBE Firms	/	All Firms	=	Percent of DBE Firms Available	x	Federal Grant Dollars	=	DBE Dollars
Drainage	237110	2	/	28	=	7.14%	х	\$76,364	=	\$5,452
Paving	237310	2	/	24	=	8.33%	х	\$2,378,127	=	\$198,098
Electrical	238210	1	/	54	=	1.85%	Х	\$54,545	=	\$1,009
Grading	238910	2	/	79	=	2.53%	Х	\$293,236	=	\$7,419
Engineering	541330	24	/	291	=	8.25%	Х	\$472,500	=	\$38,981
Testing	541380	3	/	36	=	8.33%	Х	\$67,500	=	\$5,623
Erosion control	561730	19	/	60	=	31.67%	Х	\$32,727	=	\$10,365
						TOTAI	_=	\$3,375,000		\$266,947
						STEP 1 D	ВІ	E BASE FIGURE	=	7.91%

Table 3d: DBEs—Southwest Georgia Regional Airport, by Relevant NAICS Codes—FFY 2024

#### **INSTALL PERIMETER ROAD INCLUDING SECURITY - PHASE 1 (DESIGN)**

Activity	NAICS CODES	DBE Firms	1	All Firms =	=	Percent of DBE Firms Available	x	Federal Grant Dollars	=	DBE Dollars
Drainage	237110	2	/	28 :	=	7.14%	Х	\$37,125	=	\$2,651
Engineering/design	541330	24	/	291 :	=	8.25%	Х	\$123,750	=	\$10,209
Surveying	541370	7	/	28 :	=	25.00%	х	\$24,750	=	\$6,188
Geotechnical	541380	3	/	36 :	=	8.33%	Х	\$12,375	=	\$1,031
Erosion control	561730	19	/	60 :	=	31.67%	х	\$49,500	=	\$15,677
						TOTAL	_ =	\$247,500		\$35,755
STEP 1 DBE BASE FIGURE =								14.45%		

#### **SOURCES:**

- 1. 2019 County Business Patterns, US Census Bureau, April 22, 2021.
- 2. Georgia DOT UCP Directory, September 2021.

NOTE: The County Business Patterns data were used as the source to determine the denominator, or the number of all firms in the market area. The DBE directories listed above were used to determine the numerator, or the number of DBE firms in the market area.

#### E. Determination of the DBE Base Figure

The Step 1 DBE Base Figure for each project was derived by multiplying the dollars for each activity by the percentage of relevant DBE firms to all relevant firms. The total DBE goal in dollars was divided by the total grant amount to derive the step 1 goals.

#### **FFY 2022**

n/a

#### **FFY 2023**

Cargo Ramp Expansion (Design)	14.50%
Acquire ARFF Vehicle	n/a
Master Plan Update	8.05%

#### **FFY 2024**

Cargo Ramp Expansion (Construction)	7.91%
Install Perimeter Road including Security - Phase 1 (Design)	14.45%

#### II. Adjustments to the DBE Base Figure

After the DBE Base Figure has been developed, the regulations (49 CFR Part 26) require that:

"...additional evidence in the sponsor's jurisdiction be considered to determine what adjustment, if any, is needed to the base figure in order to arrive at your overall goal" (26:45(d)).

#### A. Adjustment Factors to Consider

The regulations further state that there are several types of evidence that must be considered when adjusting the base figure. These include:

- "(i) The current capacity of DBEs to perform work in your USDOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years.
- "(ii) Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure...

The historical overall DBE goals accomplished at the Airport in recent years were examined relative to the above consideration. Notice the annual DBE percent accomplishment indicated in Table 4 below:

Table 4: Southwest Georgia Regional Airport Historic DBE Accomplishment Data

FISCAL	DBE	ACCOMPLISHMENT	OVER/UNDER
YEAR	GOAL		
FFY 2016	15.90%	18.61%	2.71%
FFY 2017	3.03%	3.93%	0.90%
FFY 2018	15.84%	16.57%	0.73%
FFY 2019	15.22%	19.71%	4.49%
FFY 2020	9.82%	11.79%	1.97%
	MEDIAN	16.57%	1.97%

49 CFR Part 26.45(d)(2) also states that the following must be considered for the purposes of considering an adjustment to the base figure:

- "(i) Statistical disparities in the ability of DBEs to get the financing, bonding and insurance required to participate in your program;
- (ii) Data on employment, self-employment, education, training, and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program."

There are no local disparity studies or similar documents that can be utilized to adjust the Step 1 DBE base figure. Several agencies were contacted, including the Georgia Department of Economic Development (GDEcD), the Georgia DOT Equal Opportunity Division, and the University of Georgia's Small Business Development Center office in Albany GA. None of the entities had any disparity studies or data available for the

Albany area within the past five years, and none had any data available noting disparities regarding DBEs' access to bonding, capital, insurance, etc.

There are a number of programs available to DBEs. GDEcD (<a href="http://www.georgia.org/small-business/">http://www.georgia.org/small-business/</a>) has resources available for DBEs, including certification information, legislation involving small businesses, and contact information for small and minority business coordinators throughout the state of Georgia.

The Georgia Small Business Development Center in Albany has consultants available to assist DBE firms in writing business plans; conforming to federal government regulations; bidding on federal, state, and local contracts; finding capital, etc. The agency does not conduct disparity studies, but it does provide resources to assist DBEs in obtaining a greater opportunity to participate in federally funded contracts.

## B. Adjustment to Step 1 DBE Base Figure: Southwest Georgia Regional Airport, FFY 2022-2024

With the adjustment factors considered to this point, the City will adjust the Step 1 base figures for construction projects only.

Table 5: Overall DBE Goal Calculation

Federal Fiscal Year	Project	Step 1 Base Figure	Step 2 adjustment	Overall Goal	Federal portion project costs	DBE Goal (in dollars)
FFY 2022			n/a			
FFY 2022 To	tal					
	Cargo Ramp Expansion (Design)	14.50%	n/a	14.50%	\$235,980	\$34,217
FFY 2023	Acquire ARFF vehicle			n/a		\$0
	Master Plan Update	8.05%	n/a	8.05%	\$540,000	\$43,470
FFY 2023 To	tal			10.01%	\$775,980	\$77,687
	Cargo Ramp Expansion (Construction)	7.91%	16.57%	12.24%	\$3,375,000	\$413,100
FFY 2024	Install Perimeter Road including Security Phase 1 (Design)	14.45%	n/a	14.45%	\$247,500	\$35,764
FFY 2024 To	tal			12.39%	\$3,622,500	\$448,864
FFY 2022	- FFY 2024 Overall Goal			11.97%	\$4,398,480	\$526,551

# <u>Resources:</u> Southwest Georgia Regional Airport - Disadvantaged Business Enterprise Program Methodology (FFY 2022 – FY 2024)

#### A. Resource Documents

- 1. 2019 County Business Patterns, US Census Bureau, April 22, 2021.
- 2. Georgia DOT UCP Directory, September 2021.

## **APPENDIX A:**

### **PUBLIC COMMENTS**

There were no public comments received for the DBE program plan. The notice to the public was posted to <a href="http://airport.albanyga.gov/">http://airport.albanyga.gov/</a>.

A public consultation meeting was held via GoToWebinar on October 27, 2021 at 11:00 a.m. Invitations were sent to Albany City Commissioners, prime contractors, subcontractors, DBE firms, and minority/women-owned business firms. There were 103 invitations sent, and there were five participants. The meeting covered the DBE program requirements, including monitoring for contract compliance, prompt payment requirements, and counting of DBE participation. The session lasted about 40 minutes, and there were no comments or questions.

## Southwest Georgia Regional Airport (ABY) DBE stakeholders meeting Wednesday, October 27, 2021

#### 11:00 AM - 12:00 PM (EDT)

https://attendee.gotowebinar.com/register/5576633234449670924

You are in receipt of this email because of one or more of the following:

- → You represent a DBE firm listed in the GDOT DBE directory
- → Your firm is listed in the GDOT Prequalified Contractors directory

The City of Albany, as owner and operator of the Southwest Georgia Regional Airport (ABY), is a recipient of federal grant funds from the Federal Aviation Administration (FAA). As a condition of receiving the funds, the City is required to establish a Disadvantaged Business Enterprise (DBE) program plan, including a triennial overall DBE goal.

In accordance with 49 CFR Part 26.45(g)(1), one of the requirements of the DBE plan is to have a scheduled, direct, interactive exchange with stakeholders. The purpose of the exchange is to become educated on the requirements of the DBE program, and to solicit input on the goal-setting process. Stakeholders are also asked to give their input on:

- → Barriers to participation in federally-funded projects
- → The effects of discrimination on opportunities for DBE firms
- → Ways to level the playing field to increase opportunities for all firms, including DBE firms.

The City has established an overall DBE goal for federal fiscal years (FFY) 2022-2024 of **11.67%** (<a href="https://airport.albanyga.gov/about-aby/dbe-and-acdbe">https://airport.albanyga.gov/about-aby/dbe-and-acdbe</a>).

Proposed projects at the airport include electrical, paving, geotechnical, surveying, and erosion control services.

You are invited to take part in a short PowerPoint presentation via web conference, and you are invited to give input in writing or via the web conference. Kevin Weeden of Ken Weeden & Associates, Inc. will moderate the meeting on behalf of the City.

**Please register** for the Southwest Georgia Regional Airport (ABY) DBE stakeholders meeting at <a href="https://attendee.gotowebinar.com/register/5576633234449670924">https://attendee.gotowebinar.com/register/5576633234449670924</a>. After registering, you will receive a confirmation email containing information about joining the webinar. Please email Kevin at <a href="https://exemple.com/kevin-weeden@kwaplanning.com">kevin-weeden@kwaplanning.com</a> if you are available to participate. Your participation and input are quite valuable in this process, and would be much appreciated. Please reply by **9:00 a.m.** on **Wednesday**, **October 27**, **2021**, if you plan to participate. Thank you.

**APPENDIX B:** 

**NOTICE TO THE PUBLIC** 



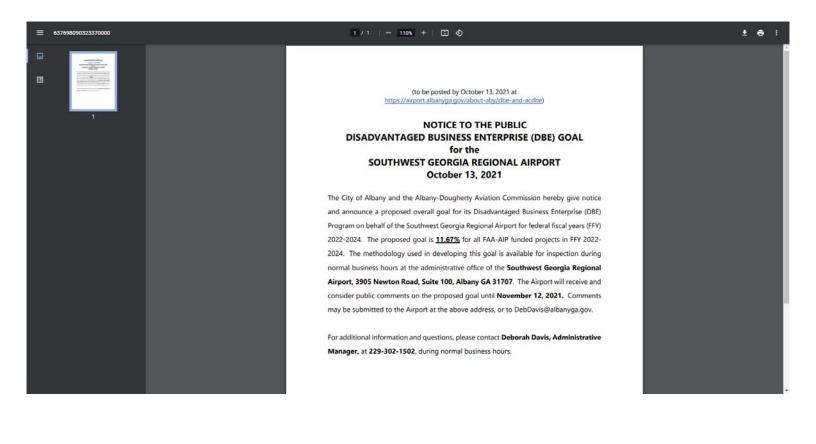
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## **Attachment 6**

Breakout of Estimated Race-Neutral & Race-Conscious Participation

#### I. Breakout of Estimated Race-Conscious/Race-Neutral Participation

The City will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The City will use a combination of the following race-neutral means to increase DBE participation:

Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE, and other small businesses participation (e.g., unbundling large contracts to make them more accessible to small businesses, encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces);

Disseminating information communications 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).

The City estimates that, in meeting its overall goal of <u>11.97%</u>, that it will obtain <u>1.97%</u> from race-neutral participation and <u>10.00%</u> through race-conscious measures. The reason for this breakout is that the projects from previous years show that the amount by which the past DBE goal was over-achieved is 1.97% (see <u>Attachment 5, Table 4</u>). Therefore, it is projected that 1.97% of the adjusted goal will be achieved using race-neutral means. The remainder of the goal is projected to be achieved using race-conscious measures.

The City will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (26.51(f)) and it will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following:

- → DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures;
- → DBE participation through a subcontract on a prime contract that does not carry a DBE goal;
- → DBE participation on a prime contract exceeding a contract goal.

#### **II. Process**

The City will normally submit its overall goal to the FAA on August 1 of the required year of submission for non-hub primary airports.

In establishing the overall goal, the City provided for consultation and publication. The consultation included minority-, women's and general contractor groups, and small business organizations that 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's efforts to establish a level playing field for the

participation of DBEs. The consultation included a scheduled, direct, interactive exchange via a web conference with as many interested stakeholders as possible focused on obtaining information relevant to the City's goal setting process. The consultation web conference was held on October 27, 2021, prior to the submission of the DBE goal methodology to the FAA for review pursuant to paragraph (f) of this section. The City documented in the goal submission the consultation process that was utilized (see Appendix A of Attachment 5).

Following this consultation, the City published a notice of the proposed overall goal that informed the public that the proposed goal and its rationale were available for inspection during normal business hours at the office of the Administrative Manager for 30 days from the date of the notice. The notice was posted at <a href="https://airport.albanyga.gov/about-aby/dbe-and-acdbe">https://airport.albanyga.gov/about-aby/dbe-and-acdbe</a>.

The City will begin using the overall goal on October 1 of the required year of submission, unless the City has received other instructions from USDOT/FAA (or, if the goal is established on a project basis) by the time of the first solicitation for a USDOT/FAA-assisted contract for the projects.

#### **III. Contract Goals**

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

The City will establish contract goals only on those USDOT-assisted contracts that have subcontracting possibilities. The City does not need to 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).

The City will express its contract goals as a percentage of the total amount of a USDOT-assisted contract.