

DBE GOAL METHODOLOGY
49 CFR PART 26
MAC CRENSHAW MEMORIAL AIRPORT
GREENVILLE, ALABAMA
FY 2021-2023
FY 2021

A. UPDATE OF GOALS - To make the program as useful as possible to the public, the City of Greenville will update the "amount," "method," and "breakout" portions of this section of the program annually, or as required. The following sections will be submitted to the FAA every year, or as required, for approval: Amount of Overall goal section, Method used for establishing overall goals, Process, the Race-Neutral/Race Conscious Breakout, and Contract Goals. The material on overall goals in the DBE program will be a shorter summary of the material submitted annually, or as required, in the overall goal submission.

B. AMOUNT OF GOAL -The City of Greenville's overall goal for FY 2021 is 9.61% of the Federal financial assistance we will expend in FAA-assisted contracts. We expect to let projects during this FY in the amount of \$904,433.00, this means that our DBE goal is set at \$86,916.00 for this Fiscal Year. This overall goal is intended for information of public users of the program, and does not imply that the FAA, as such, has approved the goal.

C. METHOD STEP 1: In the development of the DBE goal for Mac Crenshaw Memorial Airport the first step was to establish the availability of ready, willing and able DBE businesses that were capable of participating in the type of contracts that were programmed during FY 2021. The project that is anticipated at Mac Crenshaw Memorial Airport includes Eliminate Taxiway Direct Access and Taxiway Mill and Overlay, along with its associated Professional Effort. The monetary size of the grant is expected to be approximately \$904,433.00. An analysis of the project indicates that funds will be expended in the following areas:

MAC CRENSHAW MEMORIAL AIRPORT			
PROJECT ANALYSIS			
FY 2021			
TASK	NAICS	AMOUNT	PERCENTAGE
General Contractors	236220	\$110,790	12.26%
Water/Sewer	237110	\$15,300	1.69%
Street/Highway	237310	\$516,060	57.06%
Electrical	238210	\$42,728	4.72%
Site Prep	238910	\$15,120	1.67%
Hauling	484220	\$72,000	7.96%
Engineering	541330	\$102,330	11.31%
Survey	541370	\$15,750	1.74%
Landscaping	561730	\$14,355	1.59%
TOTAL		\$904,433	100.00%

The weighting factor is the value of each work item based on cost as a fraction of the whole project.

The formula to be used to calculate the Base Figure for the DBE goal is as follows:

$$\frac{\text{Total DBE Firms in the State by County/ NAICS Code of Work to be Performed}}{\text{Total Firms in the State by County/NAICS Code of Work to be Performed}} \times 100 = \text{Base Figure}$$

As there was a lack of recent bidder information it was agreed that the market area should include the county where the airport is located, as well as the surrounding counties. The counties to be included in the market area are as follows: Lowndes, Dallas, Crenshaw, Covington, Wilcox, Butler, Conecuh, and Montgomery counties in Alabama.. It was generally agreed that the most comprehensive directory for DBE firms in Alabama was the UCP DBE Directory that has been established by the Alabama Department of Transportation. This directory contains DBE firms that are certified in accordance with 49 CFR Part 26. The list was refined by identifying firms that could participate in the project by their appropriate NAICS code. The resulting number will be used as the numerator in determining the Base Figure.

The next step in establishing the Base Figure was to determine our denominator. This was accomplished through the use of the Census Bureau's County Business Pattern (CBCBP) and the identification of the NAICSs that were the same as those identified from the Directory. With these figures in hand, we compute our Base Figure using the following mathematics:

$$\frac{\text{Base Figure}}{\text{Figure}} = \frac{103}{1000} = 10.3\%$$

ANAICS- Alabama DBE Directory NAICS
 NAICS – Census Bureau's County Business Pattern (CBCBP) Data Base

$$\frac{\text{Base Figure}}{\text{Figure}} = \frac{103}{953} = 10.80\%$$

$$\frac{\text{Base Figure}}{\text{Figure}} = \frac{103}{953} = 10.80\%$$

$$\frac{\text{Base Figure}}{\text{Figure}} = \frac{103}{953} = 10.80\%$$

$$\frac{\text{Base Figure}}{\text{Figure}} = 10.80\%$$

STEP 2: With the Base Figure established our next step was to more finely tailor this figure to reflect conditions which have occurred at the Mac Crenshaw Memorial Airport. Currently there are no known disparity studies completed in this area of the State of Alabama. The City of Greenville has considered the suggested options outlined in 49 CFR Part 26 and determined that past performance is the information available to determine if an adjustment to our Base Figure is warranted. It was felt that a sampling of like type projects that have taken place in Alabama would be appropriate for use in determining if an adjustment was required to the Base Figure. Listed below are the projects that were included for analysis. As you will note, each of these projects is of a similar nature to the project that is being anticipated in the 2021 time frame at the Mac Crenshaw Memorial Airport:

LIKE TYPE FAA PROJECT MAC CRENSHAW MEMORIAL AIRPORT			
YEAR	LOCATION	PROJECT TYPE	% OF DBE PARTICIPATION
2016	Evergreen	Taxiway Extension	10.80%
2015	Fairhope	Construct Taxiway	4.20%
2015	Cullman	Taxiway Rehabilitation	8.42%*
*MEDIAN			

The next step was to determine if any adjustment might be needed to the Base Figure. It was determined that the Median of the three projects was 8.42%, and it was felt that the Base Figure should be adjusted to cater for this variance.

A summary of this analysis yields the following:

MEDIAN PERCENTAGE	8.42%
BASE FIGURE	+ <u>10.80%</u>
	19.22% ÷ 2 = 9.61%

Satisfied that the Median Percentage was valid, the final step in the comparison was the development of a simple average of the Base Figure and the Median Percentage to establish a final percentage. The result was 9.61%. It was felt that the Base Figure of 10.80% should be adjusted for this variance. The Average Percentage of 9.61% is established as the goal for DBE participation at the Mac Crenshaw Memorial Airport for FY 2021.

D. PROCESS - The City of Greenville submits its overall goal for FY 2021 to the FAA in September 2020, for their consideration and approval. Before establishing the overall goal each year, the City has consulted with stakeholders to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, and the effects of discrimination on opportunities for DBEs. The City’s efforts are to establish a level playing field for the participation of DBEs. Following this consultation, the City has published a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the City’s principal office for 30 days following the date of the notice, and informing the public that the City and FAA will accept comments on the goals for 30 days from the date of the notice. This information was published on the City of

Greenville website at www.greenville-alabama.com, and made available to the Office of Minority Business Development at the State of Alabama. Normally, the City will issue this notice by June 1 of each year. The notice will include the City’s address to which comments may be sent. The overall goal submission to the FAA will include a summary of information and comments received during this public participation process and the City’s responses. We will begin using our overall goal on October 1 of each year, unless we have received other instructions from DOT (or if the goal is established on a project basis, by the time of the first solicitation for a DOT-assisted contract for the project). Consultation discussions were held with the following agencies and persons:

MAC CRENSHAW MEMORIAL AIRPORT AGENCIES/PERSONS CONSULTED WITH	
Agency/Organization	Discussion/Information
Michelle Conway, PE GMC	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market
City of Greenville Mr. Bruce Edwards, Airport Manager	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market
Taffy Pippin Consulting, LLC Ms. Taffy Pippin, Consultant	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market
Taffy Pippin Consulting, LLC Mr. Clayton Pippin, Planner	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market

The thirty day comment period for the public advertisement for the FY 2021 goal is underway, upon receipt of comments the necessary adjustments will be made.

E. RACE CONSCIOUS AND RACE NEUTRAL GOALS: Each time The City of Greenville submits an overall goal for review by the FAA, the City will also submit a projection of the portion of the goal that is expected to be met through race-neutral means and the basis for that projection. This projection is subject to approval by the FAA, in conjunction with its review of the City’s overall goal. The City has established contract goals to meet any portion of an overall goal when the City does not project being able to meet goals using race-neutral means.

We estimate that, in meeting our overall goal of 9.61%, that 9.61% of the goal will be attained from race-conscious participation and 0.00% via race-neutral participation measures.

This breakout was established by computing the median of the variance of the level of DBE participation vs. DBE goal on the three projects considered in the Previous FAA Projects, Step 2 (see page 3). The Median is a negative number therefore 0.00% is established as the race-neutral goal for FY 2021. The following is the data base upon which the level of variance was computed using the “Prior Projects Considered” information:

PROJECT DBE GOAL VARIANCE MAC CRENSHAW MEMORIAL AIRPORT PREVIOUS FAA PROJECTS				
YEAR	LOCATION	DBE GOAL	% OF DBE PARTICIPATION	VARIANCE

2016	Evergreen	10.15%	10.80%	0.65%
2015	Fairhope	11.47%	4.20%	-7.27%
2015	Cullman	11.31%	8.42%	-2.89*
* MEDIAN VARIANCE				

F. CONTRACT GOALS

The City of Greenville, Alabama 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 our overall goal that is not projected to be met through the use of race-neutral means.

G. THREE YEAR GOAL - As the FY 2022 did not meet the monetary threshold requiring a DBE goal, 0.00% will serve merely as a place holder. Based on the methodologies and calculations for FY 2021 – FY 2023, Mac Crenshaw Memorial Airport submits the following average as a three year goal.

FY 2021	9.61%	
FY 2022	0.00%	
FY 2023	+ <u>10.18%</u>	
	19.79%	÷ 2 = 9.90%

References:

Alabama UCP List of Certified DBE Firms, September 2020

2018 – U.S. Census Bureau, County Business Patterns September 2020

FY 2022

No DBE goal was required for FY 2022.

FY 2023

A. Update of Goals - To make the program as useful as possible to the public, the City of Greenville will update the "amount," "method," and "breakout" portions of this section of the

program annually, or as required. The following sections will be submitted to the FAA every year, or as required, for approval: Amount of Overall goal section, Method used for establishing overall goals, Process, the Race-Neutral/Race Conscious Breakout, and Contract Goals. The material on overall goals in the DBE program will be a shorter summary of the material submitted annually, or as required, in the overall goal submission.

B. Amount of Goal -The City of Greenville's overall goal for FY 2023 is 10.18% of the Federal financial assistance we will expend in FAA-assisted contracts. We expect to let projects during this FY in the amount of \$324,110.00, this means that our DBE goal is set at \$32,994.00 for this Fiscal Year. This overall goal is intended for information of public users of the program, and does not imply that the FAA, as such, has approved the goal.

C. METHOD STEP 1: In the development of the DBE goal for Mac Crenshaw Memorial Airport the first step was to establish the availability of ready, willing and able DBE businesses that were capable of participating in the type of contracts that were programmed during FY 2023. The project that is anticipated at Mac Crenshaw Memorial Airport includes Construction of a Taxi Lane for a T-Hangar, along with its associated Professional Effort. The monetary size of the grant is expected to be approximately \$324,110.00. An analysis of the project indicates that funds will be expended in the following areas:

MAC CRENSHAW MEMORIAL AIRPORT PROJECT ANALYSIS FY 2023			
TASK	NAICS	AMOUNT	PERCENTAGE
Street/Highway	237310	\$195,525	60.33%
Site Prep	238910	\$25,920	8.00%
Hauling	484220	\$26,100	8.05%
Engineering	541330	\$36,720	11.33%
Survey	541370	\$5,670	1.75%
Landscaping	561730	\$34,175	10.54%
TOTAL		\$324,110	100.00%

The weighting factor is the value of each work item based on cost as a fraction of the whole project.

The formula to be used to calculate the Base Figure for the DBE goal is as follows:

$$\frac{\text{Total DBE Firms in the State by County/ NAICS Code of Work to be Performed}}{\text{Total Firms in the State by County/NAICS Code of Work to be Performed}} \times 100 = \text{Base Figure}$$

As there was a lack of recent bidder information it was agreed that the market area should include the county where the airport is located, as well as the surrounding counties. The counties to be included in the market area are as follows: Lowndes, Dallas, Crenshaw, Covington, Wilcox, Butler, Conecuh, and Montgomery counties in Alabama. It was generally agreed that the most comprehensive directory for DBE firms in Alabama was the UCP DBE Directory that has been established by the Alabama Department of Transportation. This directory contains DBE firms that are certified in accordance with 49 CFR Part 26. The list was refined by identifying

firms that could participate in the project by their appropriate NAICS code. The resulting number will be used as the numerator in determining the Base Figure.

The next step in establishing the Base Figure was to determine our denominator. This was accomplished through the use of the Census Bureau's County Business Pattern (CBCBP) and the identification of the NAICSs that were the same as those identified from the Directory. With these figures in hand, we compute our Base Figure using the following mathematics:

$$\frac{\text{Base}}{\text{Figure}} = \frac{603308000805}{113301751054} = .0787014110151$$

ANAICS- Alabama DBE Directory NAICS
 NAICS – Census Bureau's County Business Pattern (CBCBP) Data Base

$$\frac{\text{Base}}{\text{Figure}} = \frac{.603308000805}{.113301751054} = .0787014110151$$

$$\frac{\text{Base}}{\text{Figure}} = \frac{.0787014110151}{.003500000000} = .0080$$

$$\frac{\text{Base}}{\text{Figure}} = 11.94\%$$

STEP 2: With the Base Figure established our next step was to more finely tailor this figure to reflect conditions which have occurred at the Mac Crenshaw Memorial Airport. Currently there are no known disparity studies completed in this area of the State of Alabama. The City of Greenville has considered the suggested options outlined in 49 CFR Part 26 and determined that past performance is the information available to determine if an adjustment to our Base Figure is warranted. It was felt that a sampling of like type projects that have taken place in Alabama would be appropriate for use in determining if an adjustment was required to the Base Figure. Listed below are the projects that were included for analysis. As you will note, each of these projects is of a similar nature to the project that is being anticipated in the 2021 time frame at the Mac Crenshaw Memorial Airport:

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2016	Evergreen	Taxiway Extension	10.80%
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The next step was to determine if any adjustment might be needed to the Base Figure. It was determined that the Median of the three projects was 8.42%, and it was felt that the Base Figure should be adjusted to cater for this variance.

A summary of this analysis yields the following:

MEDIAN PERCENTAGE	8.42%
BASE FIGURE	+ <u>11.94%</u>
	20.36% ÷ 2 = 10.18%

Satisfied that the Median Percentage was valid, the final step in the comparison was the development of a simple average of the Base Figure and the Median Percentage to establish a final percentage. The result was 10.18%. It was felt that the Base Figure of 11.94% should be adjusted for this variance. The Average Percentage of 10.18% is established as the goal for DBE participation at the Mac Crenshaw Memorial Airport for FY 2023.

D. PROCESS - The City of Greenville submits its overall goal for FY 2023 to the FAA in September 2020, for their consideration and approval. Before establishing the overall goal each year, the City has consulted with stakeholders to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, and the effects of discrimination on opportunities for DBEs. The City’s efforts are to establish a level playing field for the participation of DBEs. Following this consultation, the City has published a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the City’s principal office for 30 days following the date of the notice, and informing the public that the City and FAA will accept comments on the goals for 30 days from the date of the notice. This information was published on the City of Greenville website at www.greenville-alabama.com, and made available to the Office of Minority Business Development at the State of Alabama. Normally, the City will issue this notice by June 1 of each year. The notice will include the City’s address to which comments may be sent. The overall goal submission to the FAA will include a summary of information and comments received during this public participation process and the City’s responses. We will begin using our overall goal on October 1 of each year, unless we have received other instructions from DOT (or if the goal is established on a project basis, by the time of the first solicitation for a DOT-assisted contract for the project). Consultation discussions were held with the following agencies and persons:

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We estimate that, in meeting our overall goal of 10.18%, that 10.18% of the goal will be attained from race-conscious participation and 0.00% via race-neutral participation measures.

This breakout was established by computing the median of the variance of the level of DBE participation vs. DBE goal on the three projects considered in the Previous FAA Projects, Step 2 (see page 8). The Median is a negative number therefore 0.00% is established as the race-neutral goal for FY 2023. The following is the data base upon which the level of variance was computed using the “Previous FAA Projects” information:

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G. THREE YEAR GOAL - As the FY 2022 did not meet the monetary threshold requiring a DBE goal, 0.00% will serve merely as a place holder. Based on the methodologies and

calculations for FY 2021 – FY 2023, Mac Crenshaw Memorial Airport submits the following average as a three year goal.

FY 2021		9.61%
FY 2022		0.00%
FY 2023	+	<u>10.18%</u>
		19.79% ÷ 2 = 9.90%

References:

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2018 – U.S. Census Bureau/American Fact Finder September 2020