

## ATTACHMENT 5

### Overall DBE Three-Year Goal Methodology

**Name of Recipient:** Fallon County - Baker Municipal Airport

**Goal Period:** FY-2021-2022-2023 – October 1, 2021 through September 30, 2023

<b>DOT-assisted contract amount:</b>	FY-2021	\$	549,450
	FY-2022	\$	0
	FY-2023	\$	<u>415,000</u>
	<b>Total</b>	<b>\$</b>	<b>964,450</b>

**Overall Three-Year Goal:** 3.71%, to be accomplished through 0.0% RC and 3.71% RN  
(Note: the goal reflects weighting and an average per calculations below)

**Total dollar amount to be expended on DBEs:** \$35,733 [multiply goal % x DOT-assisted amount]

#### **Describe the Number and Type of Contracts that the airport anticipates awarding:**

Contracts Fiscal Year #1

1. Construct New Fuel System \$507,450
2. Replace Rotating Beacon \$42,000

Contracts Fiscal Year #2

1. No projects

Contracts Fiscal Year #3

1. Pavement Maintenance \$415,000

**Market Area:** The market area is the area in which most of the Airport's contractors and subcontractors that seek to do business with the Airport are located and the area in which the Airport spends the majority of its contracting dollars. For the type of work proposed, this market area consists of the State of Montana.

#### **Step 1.** Actual relative availability of DBEs

The base figure for the relative availability was calculated as follows:

Method: Use DBE Directories

<https://app.mdt.mt.gov/dbe/dbe/search>

and Census Bureau Data from

<https://data.census.gov/cedsci/table?q=Montana%20naics%20codes&g=0400000US30&n=N0600.00&tid=ECNBASIC2017.EC1700BASIC&hidePreview=true>

## Unweighted Availability of DBE Firms

### FY 2021 - Project No. 1 – New Fuel System

NAICS	Type of Work	Total DBEs	Total All Firms
237120	Oil and Pipeline Construction	3	30
238210	Electrical	3	529
541330	Engineering	7	300
<b>Total</b>		13	859
<b>Base Figure Project 1</b>		1.51%	

### FY 2021 - Project No. 2 – Replace Airport Beacon

NAICS	Type of Work	Total DBEs	Total All Firms
238210	Electrical	3	529
541330	Engineering	7	300
<b>Total</b>		10	829
<b>Base Figure Project 2</b>		1.21%	

### FY 2023 - Project No. 1 – Pavement Maintenance

NAICS	Type of Work	Total DBEs	Total All Firms
237310	Highway, Street & Bridge Construction	18	84
541330	Engineering	7	300
<b>Total</b>		25	384
<b>Base Figure Project 3</b>		6.51%	

The data source or demonstrable evidence used to derive the numerator was:

<https://app.mdt.mt.gov/dbe/dbe/search>

The data source or demonstrable evidence used to derive the denominator was:

<https://data.census.gov/cedsci/table?q=Montana%20naics%20codes&q=0400000US30&n=N0600.00&tid=ECNBASIC2017.EC1700BASIC&hidePreview=true>

Dividing the total number of DBEs by the total number of All Firms gives a base DBE availability figure for each contract. The availability figures for all contracts were then combined and averaged to provide the basis for the three-year overall goal.

The base goal projections are as follows:

- Project Summation 2021 –  $(1.51\% + 1.21\%)/2 = 1.36\%$
- Project Summation 2022 – 0.00%
- Project Summation 2023 – 6.51%

Average of unweighted availability:  $(1.36\% + 6.51\%) / 2 = 3.94\%$

Base of DBE Goal: **3.94%** of all firms ready, willing and able.

## Base Figure Weighting

After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what adjustment (if any) was needed to the base figure in order to arrive at the overall goal.

An examination of the anticipated contracts for each fiscal year, the availability of the DBE firms by trade classification and the volume of work performed by DBE firms over previous years.

**Fiscal Year #1** - award of the following is anticipated:

A	B	C	D	E	F	G	H	I	J
Project Name	Trade Description	NAICS Description	NAICS	Federal Funds (\$)	% of Project Total Cost	Census	DBE Directory	DBE (%) (= H/G)	DBE (\$) (= E x I)
Project #1 – New Fuel System	Construction – Fuel System Improvements	Oil and Pipeline Construction	237120	\$368,500	72.62%	30	3	10.00%	\$36,850
	Construction – Electrical Improvements	Electrical Construction	238210	\$40,000	7.88%	529	3	0.57%	\$227
	Design / Constr Mgmt	Engineering	541330	\$98,950	19.50%	300	7	2.61%	\$2,583
<b>TOTAL PROJECT #1</b>				<b>\$507,450</b>	<b>100.00%</b>	<b>859</b>	<b>13</b>	<b>1.51%</b>	
Project Name	Trade Description	NAICS Description	NAICS	Federal Funds (\$)	% of Project Total Cost	Census	DBE Directory	DBE (%) (= H/G)	DBE (\$) (= E x I)
Project #2 – Replace Rotating Beacon	Construction – Electrical Improvements	Electrical Construction	238210	\$37,000	88.10%	529	3	0.57%	\$210
	Design / Constr Mgmt	Engineering	541330	\$5,000	11.90%	300	7	2.61%	\$131
<b>TOTAL PROJECT #2</b>				<b>\$42,000</b>	<b>100.00%</b>	<b>829</b>	<b>10</b>	<b>1.21%</b>	
<b>TOTAL FY 2021</b>				<b>\$549,450</b>		<b>1,688</b>	<b>23</b>	<b>1.36%</b>	

**Fiscal Year #2** - award of the following is anticipated:

*No Project anticipated in Fiscal Year #2.*

**Fiscal Year #3** - award of the following is anticipated:

A	B	C	D	E	F	G	H	I	J
Project Name	Trade Description	NAICS Description	NAICS	Federal Funds (\$)	% of Project Total Cost	Census	DBE Directory	DBE (%) (= H/G)	DBE (\$) (=E x I)
Project #1 – Pavement Maintenance	Construction – Pavement Maintenance	Highway, Street and Bridge Construction	237310	\$335,000	80.72%	84	18	21.43%	\$71,786
	Design / Constr Mgmt	Engineering	541330	\$80,000	19.28%	300	7	2.33%	\$1,867
<b>TOTAL PROJECT #1</b>				<b>\$415,000</b>	<b>100.00%</b>	<b>384</b>	<b>25</b>	<b>6.51%</b>	

Dividing the total number of DBEs by the total number of All Firms gives a base DBE availability figure for each year. The availability figures for all contracts were then combined and averaged to provide the basis for the three-year overall goal. The base goal projections are as follows:

- Fiscal Year 2021 – 1.36
- Fiscal Year 2022 – 0.00
- Fiscal Year 2023 – 6.51

Average of weighted availability:  $(1.36 + 0.00 + 6.51) / 3 = 2.62\%$

Weighted DBE 3-year Goal: **2.62%**

## **Step 2. Adjustments to Step 1 base figure .**

After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what adjustment was needed to the base figure in order to arrive at the overall goal.

### **Past History Participation**

In reviewing past DBE participation on projects at the Baker Airport for FY 2018 thru FY 2020, there was not enough historical data to make an adjustment to the Step 1 base figure.

### **Evidence from Disparity Studies**

The Montana Department of Transportation (MDT) engaged a consultant (Keen Independent) to conduct an Availability and Disparity Study, which focused on participation of minority- and women-owned firms in MDT's contracts from October 2009 through September 2014. The Study was completed in July of 2016. Although this Study did not examine contracts using Federal Aviation Administration (FAA) funds; agencies might review information in the report regarding DBE availability as they relate to operating the Program for FAA-funded contracts. Since contractors that participated on MDT road construction and design contracts during the Study period are in most cases the same contractors that are awarded FAA-funded contracts, DBE availability data from the 2016 Disparity Study was compared to the project's work types.

**FY2021 Project No. 1 – New Fuel System**

Work Type	# DBE Firms	# of Total Firms	DBE Availability	Estimated Dollar Value	% of Total Contract	Weighted DBE Availability
Asphalt and concrete paving	5	54	9.26%	\$ 5,000	0.99%	0.09%
Excavation, site prep, grading, and drainage	6	75	8.00%	\$ 35,000	6.90%	0.55%
Drilling and foundations	2	46	4.35%	\$ 25,000	4.93%	0.21%
Electrical work including lighting and signals	0	32	0.00%	\$ 25,000	4.93%	0.00%
Temporary traffic control	5	41	12.20%	\$ 10,000	1.97%	0.24%
Landscaping and related work including erosion control	5	74	6.76%	\$ 1,000	0.20%	0.01%
Concrete flatwork (including sidewalk, curb and gutter)	9	52	17.31%	\$ 30,000	5.91%	1.02%
Structural steel work	2	32	6.25%	\$ 20,000	3.94%	0.25%
Pavement milling	3	28	10.71%	\$ 5,000	0.99%	0.11%
Trucking and hauling	3	112	2.68%	\$ 30,000	5.91%	0.16%
Surveying and mapping	1	55	1.82%	\$ 6,000	1.18%	0.02%
Engineering	3	72	4.17%	\$ 92,950	18.32%	0.76%
Other (Building finishes, etc.)	0	0	0.00%	\$ 222,500	43.85%	0.00%
<b>Total</b>	<b>44</b>	<b>673</b>	<b>6.54%</b>	<b>\$ 507,450</b>	<b>100.00%</b>	<b>3.43%</b>

**FY2021 Project No. 2 – Replace Rotating Beacon**

Work Type	# DBE Firms	# of Total Firms	DBE Availability	Estimated Dollar Value	% of Total Contract	Weighted DBE Availability
Asphalt and concrete paving	5	54	9.26%	\$ -	0.00%	0.00%
Excavation, site prep, grading, and drainage	6	75	8.00%	\$ 5,000	11.90%	0.95%
Drilling and foundations	2	46	4.35%	\$ 3,000	7.14%	0.31%
Electrical work including lighting and signals	0	32	0.00%	\$ 22,500	53.57%	0.00%
Temporary traffic control	5	41	12.20%	\$ -	0.00%	0.00%
Landscaping and related work including erosion control	5	74	6.76%	\$ -	0.00%	0.00%
Concrete flatwork (including sidewalk, curb and gutter)	9	52	17.31%	\$ 2,000	4.76%	0.82%
Structural steel work	2	32	6.25%	\$ 500	1.19%	0.07%
Pavement milling	3	28	10.71%	\$ -	0.00%	0.00%
Trucking and hauling	3	112	2.68%	\$ 4,000	9.52%	0.26%
Surveying and mapping	1	55	1.82%	\$ 2,000	4.76%	0.09%
Engineering	3	72	4.17%	\$ 3,000	7.14%	0.30%
Other (Building finishes, etc.)	0	0	0.00%	\$ -	0.00%	0.00%
<b>Total</b>	<b>44</b>	<b>673</b>	<b>6.54%</b>	<b>\$ 42,000</b>	<b>100.00%</b>	<b>2.80%</b>

**FY2023 Project No. 1 – Pavement Maintenance**

Work Type	# DBE Firms	# of Total Firms	DBE Availability	Estimated Dollar Value	% of Total Contract	Weighted DBE Availability
Asphalt and concrete paving	5	54	9.26%	\$ 320,000	77.11%	7.14%
Excavation, site prep, grading, and drainage	6	75	8.00%	\$ -	0.00%	0.00%
Drilling and foundations	2	46	4.35%	\$ -	0.00%	0.00%
Electrical work including lighting and signals	0	32	0.00%	\$ -	0.00%	0.00%
Temporary traffic control	5	41	12.20%	\$ 5,000	1.20%	0.15%
Landscaping and related work including erosion control	5	74	6.76%	\$ -	0.00%	0.00%
Concrete flatwork (including sidewalk, curb and gutter)	9	52	17.31%	\$ -	0.00%	0.00%
Structural steel work	2	32	6.25%	\$ -	0.00%	0.00%
Pavement milling	3	28	10.71%	\$ -	0.00%	0.00%
Trucking and hauling	3	112	2.68%	\$ 10,000	2.41%	0.06%
Surveying and mapping	1	55	1.82%	\$ 5,000	1.20%	0.02%
Engineering	3	72	4.17%	\$ 75,000	18.07%	0.75%
Other (Building finishes, etc.)	0	0	0.00%	\$ -	0.00%	0.00%
<b>Total</b>	<b>44</b>	<b>673</b>	<b>6.54%</b>	<b>\$ 415,000</b>	<b>100.00%</b>	<b>8.13%</b>

**FY21/22/23 DBE Goal Based on Type of Work Awarded through MDT Statewide = 4.79% (3.43 + 2.80 + 8.13 / 3 = 4.79%)**

When applying data from the Disparity Study, the overall DBE availability increased. This is because one NAICS code can cover a lot of work types whereas the Disparity Study further refined the work types, which allows the reporting of firms that are ready, willing, and able to conduct the specific work that is anticipated at the Baker Airport. Because the data from the Disparity Study has more refined work types, Fallon County elected to use this Step 2 adjustment.

To arrive at the FY2021-2023 overall DBE goal with relation to the MDT Disparity Study, Step 1 weighted base figure was added with Step 2 anticipated contracts and disparity study adjustment figures and then averaged the total arriving at an overall goal of 3.71% (2.62 + 4.79 / 2). The adjusted goal figure of 3.71% accurately reflects DBE participation that can be achieved for the type of work being awarded during FY2021-2023.

**Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation.**

Per 49 CFR Section 26.51, the Federal DBE Program requires state and local transportation agencies to meet the maximum feasible portion of their overall DBE goals using race- and gender-neutral measures. Race- and gender-neutral measures are initiatives that encourage the participation of all businesses, or all small businesses, and are not specifically limited to MBE/WBEs or DBEs.

The 2016 Disparity Study indicated that race- and possibly gender-conscious means may need to be implemented for the portion of the overall goal that cannot be met solely through race neutral measures. However, to comply with 49 CFR 26.51, where the maximum feasible portion of the overall DBE goal must be met through race-and gender-neutral measures, Fallon County proposes to meet the overall goal solely through race neutral measures. In order to meet the overall 3.71% DBE goal, Fallon County is committed to implementing race neutral measures that encourage small business and DBE participation. Race-and gender-neutral steps include:

- A Quote Request System that allows prime contractors to solicit bids from DBE firms. <https://app.mdt.mt.gov/dbeq/>
- Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE, and other small businesses, participation;
- Unbundling of large contracts;
- Subcontract work the prime contractor may self-perform;
- Provide bonding or financing assistance
- Provide technical assistance,
- Carrying out information and communications programs on contracting procedures and specific contract opportunities;
- Ensuring distribution of MDT's DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors;

For reporting purposes, RN DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract obtained 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;
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

## **PUBLIC PARTICIPATION**

### **Consultation:**

In establishing the overall goal, Fallon County provided for consultation and publication. This process included consultation with minority, women's, 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 Fallon County's 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.

The consultation engaged in was a conference call, which was held at 11:00AM, January 20, 2021. MDT sent out a notification of invitation to attend the consultation.

The following comments were received during the course of the consultation:  
[None]

A notice of the proposed goal was published on the Fallon County official website before the methodology was submitted to FAA.

If the proposed goal changes following review by the FAA, the revised goal will be posted on the Fallon County official website.

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

**Sample Public Notice Language:**

**PUBLIC NOTICE**

Fallon County hereby announce its proposed Disadvantaged Business Enterprise (DBE) participation goal of 3.71% for FAA-funded contracts/agreements. The proposed goal pertains to federal fiscal years 2021 through 2023.

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

Jan Singer, Secretary  
Baker Airport  
PO Box 979  
Baker, MT 59313  
[bakerairjs@midrivers.com](mailto:bakerairjs@midrivers.com)

and

Sonia G. Cruz  
FAA Compliance Specialist  
Office of Civil Rights – ACR-4  
Federal Aviation Administration  
[Sonia.cruz@faa.gov](mailto:Sonia.cruz@faa.gov)