

**DBE GOAL METHODOLOGY
49 CFR PART 26
TUSCALOOSA NATIONAL AIRPORT
FY 2020**

A. UPDATE OF GOALS - To make the program as useful as possible to the public, the City of Tuscaloosa 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 Tuscaloosa's overall goal for FY 2020 is 8.10% of the Federal financial assistance we will expend in FAA-assisted contracts. We expect to let projects during this FY in the amount of \$11,642,710.00. This means that our DBE goal is set at \$943,060.00 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 the Tuscaloosa National Airport the first step was to establish the availability of ready, willing and able DBE businesses that are capable of participating in the type of contracts that are programmed during FY 2020. The project that is anticipated includes Runway 4-22 Pavement Reconstruction along with the associated professional effort. The monetary size of the project is estimated at \$11,642,710.00 which includes both construction and professional design expenses. An analysis of the project indicates that funds will be expended in the following areas.

TUSCALOOSA NATIONAL AIRPORT PROJECT ANALYSIS FY 2020			
TASK	NAICS	AMOUNT	PERCENTAGE
General Contractors	236220	\$2,066,970	17.75%
Street & Highway	237310	\$6,860,620	58.93%
Site Preparation	238910	\$1,878,920	16.14%
Hauling	484110	\$452,500	3.88%
Engineering	541330	\$380,700	3.27%
Consulting	541611	\$3,000	0.03%
TOTAL		\$11,642,710.00	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:

Total DBE Firms in the State by NAICS Code of Work to be Performed X100 = Base Figure
 Total Firms in the State by NAICS Code of Work to be Performed

In an effort to include all ready, willing and able DBEs, and after consideration of the size, scope, along with conversations with the airport representative, it was considered reasonable to establish the state of Alabama as the market area. It was generally agreed that the most comprehensive directory for DBE firms in Alabama is the UCP DBE Directory that has been established by the Alabama Department of Transportation. The list was refined by identifying those firms that could participate in the project by matching the specific trade and description of construction/professional effort with their appropriate NAICS in the State of Alabama. 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 American Fact Finders/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:

$$\frac{\text{Base}}{\text{Figure}} = \frac{.1775 \left(\frac{\text{ANAICS}236220}{\text{NAICS}236220} \right) + .5893 \left(\frac{\text{ANAICS}237310}{\text{NAICS}237310} \right) + .1614 \left(\frac{\text{ANAICS}238910}{\text{NAICS}238910} \right) + .0388 \left(\frac{\text{ANAICS}484110}{\text{NAICS}484110} \right) + .0327 \left(\frac{\text{ANAICS}541330}{\text{NAICS}541330} \right) + .0003 \left(\frac{\text{ANAICS}541611}{\text{NAICS}541611} \right)}{}$$

ANAICS- Alabama DBE Directory NAICS

NAICS – Census Bureau's County Business Pattern (CBCBP) Data Base/Fact Finder

$$\frac{\text{Base}}{\text{Figure}} = \frac{.1775 \left(\frac{22}{591} \right) + .5893 \left(\frac{9}{176} \right) + .1614 \left(\frac{38}{439} \right) + .0388 \left(\frac{6}{260} \right) + .0327 \left(\frac{19}{890} \right) + .0003 \left(\frac{30}{530} \right)}{}$$

$$\frac{\text{Base}}{\text{Figure}} = \frac{.0066 + .0301 + .0140 + .0009 + .0007 + .0001}{}$$

$$\frac{\text{Base}}{\text{Figure}} = 5.24\%$$

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 Tuscaloosa National Airport. Currently there are no known disparity studies completed in the State of Alabama. The City of Tuscaloosa 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. To more finely tailor the DBE goal, 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. To this end, we investigated five other airports with like type projects completed. Listed below are the projects that were included for analysis. As you will note, each of these projects is of a similar nature as the project that is being anticipated in the 2020 time frame at the Tuscaloosa National Airport:

YEAR	LOCATION	PROJECT TYPE	% OF DBE PARTICIPATION
2015	Cullman	Taxiway Rehabilitation	8.42%
2014	Fort Payne	Runway Rehabilitation	10.95%*
2014	Montgomery	RSA Rehabilitation	12.37%
2014	Scottsboro	Runway Overlay	4.30%
2000	Tuscaloosa	Runway Rehabilitation	12.63%
*Median			

A series of comparisons have been made to more accurately evaluate any adjustment that might be needed to the Base Figure. It was determined that the Median would be most appropriate for adjustment to the Base Figure. The Median was computed as 10.95% and it was felt that no further comparison was needed. Thus the Median would be used to adjust the Base Figure.

A summary of this analysis yields the following:

MEDIAN PERCENTAGE	10.95%
BASE FIGURE	<u>+5.24%</u>
	16.19% ÷ 2 = 8.10%

Satisfied that this percentage was valid, the final step in the comparison was the development of a simple average to establish a final percentage and thus the DBE Goal for FY 2020. The Base Figure and the Median Percentage were combined and yielded an average of 8.10%, which is established as the goal for DBE participation at the Tuscaloosa National Airport for FY 2020.

D. PROCESS - The City of Tuscaloosa submitted its overall goal for FY 2020 to the FAA in January 2020, for their consideration and approval. The City's efforts are to establish a level playing field for the participation of DBEs. Following this consultation, the City published a notice of the proposed overall goal, informing the public that the proposed goal is available for inspection at <https://www.tuscaloosa.com/bids> 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 methodology and rational are available for viewing at the office of Ms. Caramyl Drake, Community Development Program Manager Infrastructure and Public Services, Tuscaloosa Builds, City of Tuscaloosa, 2201 University Blvd. Tuscaloosa, AL 35401 and at <https://www.tuscaloosa.com/bids>. Normally the City will issue this notice by June 1 of each year. The notice will include the City's and FAA's addresses 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 stakeholder agencies and persons on January 24, 2020 at 1:00 pm CDT, with comments regarding uniform reporting and compliance.

TUSCALOOSA NATIONAL AIRPORT AGENCIES/PERSONS CONSULTED WITH	
Agency/Organization	Discussion/Information
Ms. Caramyl Drake, Program Manager City of Tuscaloosa/Tuscaloosa Builds	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market
Mr. Jeff Powell, Airport Manager Tuscaloosa National Airport	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market
Mr. Darren Duckworth, PE, Senior Project Manager, Atkins	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market
Ms. Taffy Pippin, Consultant Taffy Pippin Consulting, LLC	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market
Mr. Clayton Pippin, Planner Taffy Pippin Consulting, LLC	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market

Public comments have been requested for the FY 2020 goal and the 30 day comment period is underway, in addition written notices were provided to the Chamber of Commerce Incubator and the Small Business Administration. Any comments received from the public advertisement or the other coordination will be evaluated and necessary changes will be made to the goal and included in the contract documents for the project.

E. RACE CONSCIOUS AND RACE NEUTRAL GOALS: The City of Tuscaloosa, Alabama will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. Each time The City of Tuscaloosa 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 will establish 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 8.10%, that 8.10% of the goal will be attained from race-conscious participation and 0.00% via race-neutral participation measures. This is an attainable goal based on the history of DBE participation in prior projects and the availability of current DBE contractors.

This breakout was established by computing the median of the variance of the level of DBE participation vs. DBE goal on the five projects considered in Step 2 (see page 3) of the overall goal participation computation. The Median Percentage was 0.00% and we felt it is an attainable goal for race-neutral participation. The following is the level of variance in each of the projects:

PROJECT DBE GOAL VARIANCE TUSCALOOSA NATIONAL AIRPORT PREVIOUS FAA PROJECTS				
YEAR	LOCATION	DBE GOAL	% OF DBE PARTICIPATION	VARIANCE
2015	Cullman	11.31%	8.42%	-2.89%
2014	Fort Payne	10.95%	10.95%	0.00%*
2014	Montgomery	11.90%	12.37%	0.47%
2014	Scottsboro	10.01%	4.30%	-5.71%
2000	Tuscaloosa	11.16%	12.63%	1.47%

*Median

F. CONTRACT GOALS:

The City of Tuscaloosa 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. The contract goal established for this period is 8.10%.

We will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. We need not 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 the contract goals as a percentage of the Federal share of a DOT-assisted contract.

G. THREE YEAR GOAL: The three year breakdown based on the above methodologies is as follows:

2018 -	8.68%
2019 -	8.39%
2020 -	<u>± 8.10%</u>
	25.17% ÷ 3 = 8.39%

References:

Alabama UCP List of Certified DBE Firms, January, 2020
2016 – U.S. Census Bureau/American Fact Finder January, 2020