

**FY 2022 - 2024 Disadvantaged Business Enterprise
Goal Methodology**

FOR



Mobile Airport Authority

MOBILE, ALABAMA

NOVEMBER 2022

Mobile Airport Authority
THREE-YEAR OVERALL DISADVANTAGED BUSINESS ENTERPRISE GOAL
Federal Fiscal Years 2022, 2023 and 2024

In fulfillment of the requirements of 49 CFR Part 26, Mobile Airport Authority (“Authority”) has developed a proposed Overall Goal for FY 2022 – FY 2024 FAA-AIP projects. The methodology used in establishing this goal is described herein.

Airport Sponsor: **Mobile Airport Authority**

DBELO: **Rita L. Barren**
 DBE Liaison Officer
 Grant Administrator / Capital Programs
 Administrative Project Coordinator
 Mobile Airport Authority
 1891 9th Street
 Mobile, Al 36615
 251-650-2627
rbarren@mobairport.com

I. Detailed Methodology: Specific Steps

A. Amount of Goal

The Authority’s FY 2022-2024 overall goal for the Federal financial assistance it will expend in USDOT-assisted contracts is the following:

	<u>Overall</u>	<u>Race Neutral</u>	<u>Race Conscious</u>
Total Goal	10.70%	0.0%	10.70%
Year 1 Goal	17.72%	0.00%	17.72%
Year 2 Goal	10.46%	0.00%	10.46%
Year 3 Goal	17.72%	0.00%	17.72%

Given the amount of USDOT-assisted contracts that the Authority expects to let from FY 2022-2024, which is approximately **\$218,171,925**, the Authority has set a goal of expending approximately **\$23,333,833** with DBEs during this period.

B. Determination of the Market Area of the Study

The normal market area was based on discussions with Authority staff and an assessment of bidders from similar recent projects. Specifically, the market area is based on where the substantial majority of bidders, both successful and unsuccessful, are located and where the substantial majority of funding was spent, as illustrated in **Table 1** below.

**Table 1: Market Area for
Mobile Airport Authority**

County	Bidders	Percent of bidders	Dollars	Percent of dollars
Baldwin	1	4.3%	\$0	0.0%
Mobile	13	56.5%	\$24,641,852	68.4%
Montgomery	1	4.3%	\$0	0.0%
Market Area	15	65.2%	\$24,641,852	68.4%
Other	8	34.8%	\$11,395,489	31.6%
Total	23	100.0%	\$36,037,341	100.0%

C. Determination of relevant NAICS codes

Based on information provided by the Authority concerning the proposed projects for this fiscal year, a list of projects was developed and is shown below:

**Table 2: Mobile Airport Authority
FY 2022-FY 2024 Projects**

Fiscal Year	Projects	AIP Dollars
2022	Apron Bid Package 3	\$6,841,340
2023	Tenant Relocation	\$7,974,980
2023	Install Utility Systems	\$3,600,000
2023	Enclose Rabby Creek	\$4,723,520
2023	Expand Terminal Apron & Apron Rehab	\$33,971,313
2023	Ground Service Equipment (GSE) Support Area	\$2,289,600
2023	Terminal	\$124,390,607
2023	Airside Ramps Area (Terminal)	\$13,411,274
2023	Surface Parking (Terminal)	\$1,880,000
2023	Roadway Improvements (Terminal)	\$18,303,291
2023	ALP Update	\$150,000
2023	Airfield Improvements (2023 project)	\$318,000
2024	Airfield Improvements (2024 project)	\$318,000

SOURCE: Mobile Airport Authority

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

Table 3a: Firms in Market Area by Relevant NAICS Codes

FY 2022 - Apron Bid Package 3						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Highway & Street	237310	9	38	23.68%	\$4,434,202	\$1,050,206
Site Prep	238910	8	72	11.11%	\$1,299,855	\$144,428
Engineering	541330	4	202	1.98%	\$684,134	\$13,547
Geotechnical Testing	541380	0	24	0.00%	\$354,736	\$0
Landscaping	561730	13	233	5.58%	\$68,413	\$3,817
Total					\$6,841,340	\$1,211,998
Weighted Base Figure						17.72%

Table 3b: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Tenant Relocation						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Building Construction	236220	4	129	3.10%	\$3,565,852	\$110,569
Land Subdivision	237210	1	9	11.11%	\$770,995	\$85,666
Concrete	238110	3	36	8.33%	\$176,686	\$14,724
Masonry Contractors	238140	2	32	6.25%	\$248,967	\$15,560
Other Foundation, Structure, and Building Exterior Contractors	238190	1	4	25.00%	\$779,026	\$194,757
Electrical Contractors	238210	4	196	2.04%	\$730,839	\$14,915
Plumbing, Heating, and Air-Conditioning Contractors	238220	7	285	2.46%	\$1,132,399	\$27,813
Drywall and Insulation Contractors	238310	1	38	2.63%	\$513,997	\$13,526
Landscaping	561730	13	233	5.58%	\$56,218	\$3,137
Total					\$7,974,980	\$480,667
Weighted Base Figure						6.03%

Table 3c: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Install Utility Systems						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Water and Sewer Line and Related Structures Construction	237110	4	25	16.00%	\$1,440,000	\$230,400
Power and Communication Line and Related Structures Construction	237130	0	17	0.00%	\$1,440,000	\$0
Site Prep	238910	8	72	11.11%	\$720,000	\$80,000
Total					\$3,600,000	\$310,400
Weighted Base Figure						8.62%

Table 3d: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Enclose Rabby Creek						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Water and Sewer Line and Related Structures Construction	237110	4	25	16.00%	\$2,361,760	\$377,882
Site Prep	238910	8	72	11.11%	\$1,889,408	\$209,934
Landscaping	561730	13	233	5.58%	\$472,352	\$26,354
Total					\$4,723,520	\$614,170
Weighted Base Figure						13.00%

Table 3e: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Expand Terminal Apron & Apron Rehab						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Highway & Street	237310	9	38	23.68%	\$22,018,444	\$5,214,895
Site Prep	238910	8	72	11.11%	\$6,454,549	\$717,172
Engineering	541330	4	202	1.98%	\$3,397,131	\$67,270
Geotechnical Testing	541380	0	24	0.00%	\$1,761,475	\$0
Landscaping	561730	13	233	5.58%	\$339,713	\$18,954
Total					\$33,971,313	\$6,018,291
Weighted Base Figure						17.72%

Table 3f: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Ground Service Equipment (GSE) Support Area						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Highway & Street	237310	9	38	23.68%	\$1,484,000	\$351,474
Site Prep	238910	8	72	11.11%	\$435,024	\$48,336
Engineering	541330	4	202	1.98%	\$228,960	\$4,534
Geotechnical Testing	541380	0	24	0.00%	\$118,720	\$0
Landscaping	561730	13	233	5.58%	\$22,896	\$1,277
Total					\$2,289,600	\$405,621
Weighted Base Figure						17.72%

Table 3g: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Terminal						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Building Construction	236220	4	129	3.10%	\$55,618,761	\$1,724,613
Land Subdivision	237210	1	9	11.11%	\$12,025,678	\$1,336,186
Concrete	238110	3	36	8.33%	\$2,755,885	\$229,657
Masonry Contractors	238140	2	8	25.00%	\$3,883,292	\$970,823
Other Foundation, Structure, and Building Exterior Contractors	238190	1	4	25.00%	\$12,150,945	\$3,037,736
Electrical Contractors	238210	4	196	2.04%	\$11,399,341	\$232,640
Plumbing, Heating, and Air-Conditioning Contractors	238220	7	285	2.46%	\$17,662,715	\$433,821
Drywall and Insulation Contractors	238310	1	38	2.63%	\$8,017,119	\$210,977
Landscaping	561730	13	233	5.58%	\$876,872	\$48,924
Total					\$124,390,607	\$8,225,377
Weighted Base Figure						6.61%

Table 3h: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Airside Ramps Area (Terminal)						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Highway & Street	237310	9	38	23.68%	\$8,692,492	\$2,058,748
Site Prep	238910	8	72	11.11%	\$2,548,142	\$283,127
Engineering	541330	4	202	1.98%	\$1,341,127	\$26,557
Geotechnical Testing	541380	0	24	0.00%	\$695,399	\$0
Landscaping	561730	13	233	5.58%	\$134,113	\$7,483
Total					\$13,411,274	\$2,375,915
Weighted Base Figure						17.72%

Table 3i: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Surface Parking (Terminal)						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Highway & Street	237310	9	38	23.68%	\$1,218,519	\$288,596
Site Prep	238910	8	72	11.11%	\$357,200	\$39,689
Engineering	541330	4	202	1.98%	\$188,000	\$3,723
Geotechnical Testing	541380	0	24	0.00%	\$97,481	\$0
Landscaping	561730	13	233	5.58%	\$18,800	\$1,049
Total					\$1,880,000	\$333,057
Weighted Base Figure						17.72%

Table 3j: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Roadway Improvements (Terminal)						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Highway & Street	237310	9	38	23.68%	\$11,863,244	\$2,809,716
Site Prep	238910	8	72	11.11%	\$3,477,625	\$386,403
Engineering	541330	4	202	1.98%	\$1,830,329	\$36,244
Geotechnical Testing	541380	0	24	0.00%	\$949,060	\$0
Landscaping	561730	13	233	5.58%	\$183,033	\$10,212
Total					\$18,303,291	\$3,242,575
Weighted Base Figure						17.72%

Table 3k: Firms in Market Area by Relevant NAICS Codes

FY 2023 - ALP Update						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Engineering	541330	4	202	1.98%	\$150,000	\$2,970
Total					\$150,000	\$2,970
Weighted Base Figure					1.98%	

Table 3l: Firms in Market Area by Relevant NAICS Codes

FY 2023 - Airfield Improvements (2023 project)						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Highway & Street	237310	9	38	23.68%	\$206,111	\$48,816
Site Prep	238910	8	72	11.11%	\$60,420	\$6,713
Engineering	541330	4	202	1.98%	\$31,800	\$630
Geotechnical Testing	541380	0	24	0.00%	\$16,489	\$0
Landscaping	561730	13	233	5.58%	\$3,180	\$177
Total					\$318,000	\$56,336
Weighted Base Figure					17.72%	

Table 3m: Firms in Market Area by Relevant NAICS Codes

FY 2024 - Airfield Improvements (2024 project)						
Trades	NAICS	# of DBE Firms	All Firms	%DBE Availability	NAICS Dollars	DBE Dollars
Highway & Street	237310	9	38	23.68%	\$206,111	\$48,816
Site Prep	238910	8	72	11.11%	\$60,420	\$6,713
Engineering	541330	4	202	1.98%	\$31,800	\$630
Geotechnical Testing	541380	0	24	0.00%	\$16,489	\$0
Landscaping	561730	13	233	5.58%	\$3,180	\$177
Total					\$318,000	\$56,336
Weighted Base Figure					17.72%	

SOURCES:

1. 2020 County Business Patterns, U.S. Census Bureau.
2. Alabama UCP DBE Directory, August 2022.

E. Determination of the “Weighted” DBE Base Figure

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

The Step 1 DBE Base Figures for the Authority are as follows:

Fiscal Year	Projects	Goal percent
2022	Apron Bid Package 3	17.72%
2023	Tenant Relocation	6.03%
2023	Install Utility Systems	8.62%
2023	Enclose Rabby Creek	13.00%
2023	Expand Terminal Apron & Apron Rehab	17.72%
2023	Ground Service Equipment (GSE) Support Area	17.72%
2023	Terminal (PDB)	6.61%
2023	Airside Ramps Area (PDB)	17.72%
2023	Surface Parking (PDB)	17.72%
2023	Roadway Improvements (PDB)	17.72%
2023	ALP Update	1.98%
2023	Airfield Improvements (2023 project)	17.72%
2024	Airfield Improvements (2024 project)	17.72%

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, which includes:

“(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.

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

**Table 4: Mobile Airport Authority
DBE Accomplishment**

Report Period	DBE Goal	DBE Percentage Achieved	Achieved Over/Under
FY 2011	7.64%	28.79%	21.15%
FY 2017	10.00%	10.33%	0.33%
Median	8.82%	19.56%	10.74%

Source: Uniform Report of DBE Commitments/Awards and Payments

The median DBE accomplishment for the periods as shown above for the Authority is 19.56%.

B. Consultations

The Authority held a public meeting on November 28, 2022. The purpose of the meeting was to solicit information from interested stakeholders about the draft goal, as well as the availability of potential DBEs at the Authority, the effects of discrimination on opportunities for DBEs, and the Authority’s effort to increase DBE participation. Please see Appendix B for the attendee list and consultation comments.

C. Adjustment to Step 1 DBE Base Figures: Mobile Airport Authority, FY 2022-FY 2024

With the adjustment factors considered to this point, the Authority will not adjust the Step 1 base figures as calculated above. The accomplishment data is not current and needs to be updated. Once the accomplishment data is updated the Authority will consider using it as an adjustment factor.

**Table 5: Mobile Airport Authority
FY 2022 – FY 2024 Overall Goal**

Fiscal Year	Project	Step 1	Step 2 adjustment	Overall Goal	AIP Dollars	DBE Goal (dollars)
FY 2022	Apron Bid Package 3	17.72%	N/A	17.72%	\$6,841,340	\$1,212,285
FY 2022 Total				17.72%	\$6,841,340	\$1,212,285
FY 2023	Tenant Relocation	6.03%	N/A	6.03%	\$7,974,980	\$480,891
	Install Utility Systems	8.62%	N/A	8.62%	\$3,600,000	\$310,320
	Enclose Rabby Creek	13.00%	N/A	13.00%	\$4,723,520	\$614,058
	Expand Terminal Apron & Apron Rehab	17.72%	N/A	17.72%	\$33,971,313	\$6,019,717
	Ground Service Equipment (GSE) Support Area	17.72%	N/A	17.72%	\$2,289,600	\$405,717
	Terminal (PDB)	6.61%	N/A	6.61%	\$124,390,607	\$8,222,219
	Airside Ramps Area (PDB)	17.72%	N/A	17.72%	\$13,411,274	\$2,376,478
	Surface Parking (PDB)	17.72%	N/A	17.72%	\$1,880,000	\$333,136
	Roadway Improvements (PDB)	17.72%	N/A	17.72%	\$18,303,291	\$3,243,343
	ALP Update	1.98%	N/A	1.98%	\$150,000	\$2,970
	Airfield Improvements (2023 project)	17.72%	N/A	17.72%	\$318,000	\$56,350
FY 2023 Total				10.46%	\$211,012,585	\$22,065,198
FY 2024	Airfield Improvements (2024 project)	17.72%	N/A	17.72%	\$318,000	\$56,350
FY 2024 Total				17.72%	\$318,000	\$56,350
FY 2022 - FY 2024 Overall Goal				10.70%	\$218,171,925	\$23,333,833

The total DBE goal in dollars was divided by the total federal portion of project costs to derive the overall DBE goal of 10.70% for FY 2022-FY 2024.

III. Process

The Authority normally submits its overall goal to the FAA on or before August 1 of each goal period.

Before establishing the overall goal this year, the Authority consulted with minority, women's and general contractor groups, community organizations, and other officials or organizations to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Authority's efforts to establish a level playing field for the participation of DBEs.

Following this consultation, the Authority published a notice of the proposed overall goal, informing the public that the proposed goal and its rationale were available for review and comment during normal business hours at the Authority's administrative office for 30 days following the date of the notice. The notice included addresses (including offices) to which comments could be sent and addresses where the proposal could be reviewed. This process was used to establish the goals for FY 2022 through FY 2024.

The Authority's overall goal submission to the FAA will include a summary of information and comments received during this public participation process and our responses.

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

IV. Breakout of Estimated Race-Conscious/Race-Neutral Participation

The Authority will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The Authority will use a combination of 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 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);*
- 2. 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 Authority proposes a race-conscious goal of **10.70%** and a race-neutral goal of **0.0%**, for a total of **10.70%**. The reason for this breakout is there is no recent data to use for a race-neutral projection. Therefore, it is projected that the entire goal of **10.70%** will be achieved using race conscious means.

The Authority 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; and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

V. Contract Goals

The Authority will use contract goals to meet any portion of the overall goal that it 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 Authority will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. The Authority 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, etc.

The Authority will express its contract goals as a percentage of the Federal share of a DOT-assisted contract.

**Resources: Mobile Airport Authority FY 2022 – FY 2024
Disadvantaged Business Enterprise Program Methodology**

A. Resource Documents:

1. 2020 County Business Patterns, U.S. Census Bureau
2. Alabama Unified Certification Program, DBE Directory.
3. Mobile Airport Authority Capital Improvements Plan.
4. Uniform Report of DBE Commitments/Awards and Payments