

Overall DBE Three-Year Goal Methodology

Name of Recipient: *Lincoln County – Eureka Airport – Lincoln County Airport Commission*

Goal Period: FY 2024-2026 (10/1/2023 through 9/30/2026)

DBE Goal: 4.7%

Total dollar amount to be expended on DBE's: \$96,670

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

The projects for the next three years at the Eureka Airport shall consist of

Projects Fiscal Year #1 (FY-24) - **\$0.00**

Project 1 – No Project Scheduled

Projects Fiscal Year #2 (FY-25) – **\$400,000.00**

Project 1 – Design T-Hangars - \$100,000.00

Project 2 – Airfield Pavement Maintenance - \$300,000.00

Projects Fiscal Year #3 (FY-26) – **\$1,495,000.00**

Project 1 – Terminal Construction – Construct T-Hangars

1 STEP 1 OF OVERALL GOAL DETERMINATION

For the Step 1 Base Figure, Lincoln County determined the relative DBE availability in accordance with 49 CFR Part 26.45 (c)(3), which is to use data from a disparity study. Lincoln County utilized data from the 2022 Disparity Study compiled by BBC Research & Consulting (BBC) to set the base figure. According to the report, 91% of all relevant contracting and procurement dollars during the study period went to firms located within Montana.¹ Therefore, Montana was the relevant geographic market area (RGMA). To examine availability, BBC used a custom-census approach focused on airport construction and professional services work types that the NPIAS (National Plan of Integrated Airport Systems) airports in Montana awarded prime contracts and subcontracts during the study period. BBC developed the availability database through surveys of businesses, located in the RGMA, that perform work in airport construction and professional services industries relevant to contracting.

Finally, by applying the ratio of ready, willing, and able DBE firms and the total number of ready, willing, and able firms from the census data to the estimated percentage of total project costs, the Step 1 goal is determined.

Table 1 calculates the DBE availability using the 2022 Disparity Study data and anticipated work types and associated costs for all projects in 2024 at Lincoln County. **Appendix A** provides the cost breakdown by project and the weighted DBE goal associated with the costs.

Determination of Market Area:

Market Area: State of Montana

¹ 2022 MDT Disparity Study, Chapter 3.

Table 1 - Weighted DBE Availability using 2022 Disparity Study Data

	Work Type	Work Type Description	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Construction							
2	Asphalt paving	Paving, resurfacing, and pavement marking	\$ 290,000.00	9.0%	0%	9.0%	\$25,986
3	Excavation, site prep, grading, and drainage	Preparing land for construction	\$ 50,000.00	9.0%	0%	9.0%	\$4,480
4	Traffic control, barricades, and signs	Traffic control goods and services	\$ 10,000.00	0.0%	0%	0.0%	\$0
7	Concrete, asphalt, sand, and gravel products	Sale of concrete, asphalt, and aggregates	\$ 150,000.00	5.4%	0%	5.4%	\$8,170
9	Building construction	Vertical construction related to buildings	\$ 650,000.00	4.4%	0%	4.4%	\$28,815
10	Electrical work	Installation of airport lights and signals	\$ 150,000.00	14.0%	0%	14.0%	\$21,070
13	Trucking, hauling and storage	Any type of trucking	\$ 20,000.00	17.4%	0%	17.4%	\$3,489
Professional Services							
17	Engineering	Engineering services - Consultant not DBE	\$ 245,000.00	12.2%	0%	12.2%	\$0
19	Testing and inspection	Safety testing	\$ 30,000.00	16.3%	0%	16.3%	\$4,886
*Other industries are industries that are not captured by the above categories. Additional lines should be added as needed.							
National Industry Products or Services - No Local Availability							
30	Hangar Doors	Hangar Doors	\$ 300,000.00	0.0%	0%	0.0%	\$0

*National Market products or services are those for which local firms cannot compete with a national vendor, resulting in no local availability

Sum of Available Work Item Amounts (L): **\$96,896**
 Total Project Amount (M): **\$1,895,000**

Base Contract Goal (N): 5.1%

The weighted DBE availability calculation and step 1 base figure is **5.1%**.

Weighted Availability of DBE firms:

Fiscal Year #1 – No Projects for 10/1/2023 - 9/30/2024

Fiscal Year #2

For 10/1/2024 - 9/30/2024, an award of the following is anticipated:

Project Name	NAICS Description	NAICS	Trade (\$)	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
Airfield Pavement Maintenance	Engineering Services	541330	\$75,000	0%	\$0
Airfield Pavement Maintenance	Traffic control, barricades, and signs	532490	\$10,000	0%	\$0
Airfield Pavement Maintenance	Highway, Street and Bridge Construction	237310	\$215,000	9.0%	\$19,350
Airfield Pavement Maintenance			\$300,000	6.5%	\$19,350
Design T-Hangars	Engineering Services	541330	\$85,000	0%	\$0
Design T-Hangars	Testing Services	541380	\$15,000	16.3%	\$2,445
Design T-Hangars			\$100,000	2.4%	\$2,445
Year 2 Total			\$400,000	5.4%	\$21,795

Fiscal Year #3

For 10/1/2025 - 9/30/2026, award of the following is anticipated:

Project Name	NAICS Description	NAICS	Trade (\$)	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
Terminal Construction	highway, road, street, bridge or airport runway, construction	237310	\$75,000	9.0%	\$6,750
Terminal Construction	Excavation, Earthwork, Site Work	238910	\$50,000	9.0%	\$4,500
Terminal Construction	Engineering	541330	\$85,000	0%	\$0
Terminal Construction	Hangars door	332321	\$300,000	0%	\$0
Terminal Construction	Concrete, Concrec Forming, Precast	238123	\$150,000	5.4%	\$8,100
Terminal Construction	Electrical	238210	\$150,000	14.0%	\$21,000
Terminal Construction	Trucking	484220	\$20,000	17.4%	\$3,480
Terminal Construction	Structural - Building Construction	238130	\$650,000	4.4%	\$28,600
Terminal Construction	Materials Testing and Special Inspections	541380	\$15,000	16.3%	\$2,445
Terminal Construction			\$1,495,000	5.0%	\$74,875
Year 3 Total			\$1,495,000	5.0%	\$74,875

The base goal projection after weighting is as follows:

- Total Weighted DBE Availability: **\$96,670**
- Total for All Trades: **\$1,895,000**

Dividing the weighted DBE totals by the total estimate for all trades gives a base DBE availability figure for the projects anticipated during the goal-setting period. This figure is expressed as a percentage and serves as the basis for the three-year overall goal.

Step 1 Base of DBE Goal: **5.1%**

Not enough historical data on DBE participation is available to reference to make an adjustment to the Step 1 base figure; therefore, Lincoln County is adopting the Step 1 base figure of **5.1%** as the overall goal for this three-year goal period (FY 2024-2026).

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 to the base figure was needed to arrive at the overall goal.

During Step 2, we examined all evidence available in its jurisdiction to determine what adjustment is needed to the base figure to arrive at the overall DBE participation goal. We considered the following Step 2 adjustments:

The current capacity of DBEs to perform work, as measured by the volume of work DBEs have performed in recent years.

Information related to employment, self-employment, education, training, and unions.

Any disparities in the ability of DBEs to get financing, bonding, and insurance; and Other relevant factors.

Current Capacity

Lincoln County did not have projects that met a DBE goal for several years and most recently had a pavement maintenance project that had 0% DBE participation. Lincoln County did not make a current capacity adjustment to the Step 1 figure.

Past History Participation

There was no past participation for FY 2021 – FY 2023 at the Lincoln County – Eureka Airport to be used in the determination of the goal setting.

FY	Total Grant \$ Amount	DBE Goals			Accomplishments			Type of Work
		Race Conscious (%)	Race Neutral (%)	Total	Race Conscious (%)	Race Neutral (%)	Total	
FY 21	\$286,963	0.0%	5.1%	0.0%	0.0%	0.0%	0.0%	Pavement Maintenance & Runway Shoulder Rehab
FY 22	\$0.00	0.0%	5.1%	0.0%	0.0%	0.0%	0.0%	No Project
FY 23	\$500,000	0.0%	5.1%	0.0%	0.0%	0.0%	0.0%	Jet A Fuel System

Employment, Education, Training, and Unions

The 2022 Disparity Study conducted an analysis related to marketplace conditions in Montana and found that there are barriers that certain minority groups and women face related to human capital, financial capital, and business ownership in Montana. Specifically, Native Americans working in the Montana construction industry were less likely than non-minorities to own construction businesses, and Hispanic Americans were less likely than non-minorities to own a professional services business. The 2022 Disparity Study indicated that Native American-owned firms did not experience substantial disparities in airport work, so Lincoln County did not make an upward adjustment for this factor.

Financing, Bonding, and Insurance

The 2022 Disparity Study found quantitative and anecdotal evidence that minorities, women, and minority- and women-owned firms in Montana do not have the same access to financing, bonding, and insurance as those owned by white American men. Although the analysis indicates an upward adjustment could be made to address these barriers, the impact of those factors could not be quantified². As a result, we chose not to make this Step 2 adjustment.

Other Factors

The other factors examined in the 2022 Disparity Study were related to the success of minority- and women-owned firms relative to majority-owned businesses in the Montana marketplace. The Study noted quantitative and anecdotal evidence that minority- and women-owned firms are less successful than majority-owned firms and face greater barriers in the marketplace.³ Although the analysis indicates an upward adjustment could be made to address these barriers, the impact of those factors could not be quantified. As a result, we chose not to make this Step 2 adjustment.

² 2022 MDT Disparity Study, Chapter 10.

³ 2022 MDT Disparity Study, Chapter 10.

Final Step 2 Adjustment to Step 1 Base Figure

To arrive at an overall goal, the Step 1 base figure was added to the Step 2 adjustment figure using the statewide district availability modifier of -0.4% for our Step 2 adjustment, giving us an adjusted contract goal of 4.7% Lincoln County believes this adjusted goal accurately reflects DBE participation that can be achieved for the type(s) of work being awarded during this three-year goal period (FY 2024-2026).

Lincoln County will attempt to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation.

Lincoln County will also use the following race-neutral means to increase DBE participation:

- Unbundling large contracts to make them more accessible to small businesses where feasible
- Ensure the inclusion of DBE's and other small businesses on recipient mailing lists for bidders
- Ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors

Considering these factors, a race/gender-neutral means of acquiring the overall goal of 4.7% has been established.

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

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

Breakout of Estimated Race-Neutral (RN) and Race-Conscious (RC) Participation. 26.51(b)(1-9)

Lincoln County will meet the maximum feasible portion of its overall goal by using RN means of facilitating 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.
2. Providing technical assistance and other services.
3. Carrying out information and communications programs on contracting procedures and specific contract opportunities.
4. Ensuring distribution of the DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors.

Lincoln County estimates that in meeting its overall goal 4.7%, it will obtain 4.7% from RN participation and 0.0% through RC measures.

Considering these factors, a race/gender-neutral means of acquiring the overall goal 4.7%, has been established.

Lincoln County does not have a history of DBE under-participation or over-achievement of goals to reference and expects to obtain its DBE participation using DBE contract goals or a conscious

effort to obtain DBE participation. Therefore, we are applying the entire goal of 4.7% to race-neutral participation.

Lincoln County will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation (see Section 26.51(f)) and track and report RN and RC participation separately. 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 and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

Race Conscious / Race Neutral Evaluation

The 2022 Disparity Study indicated that race- and possibly gender-conscious means need to be implemented for the portion of the overall goal that cannot be met solely through race-neutral measures. While race- and gender-conscious methods may be used. Furthermore, 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, Lincoln County proposes to meet the overall goal solely through race-neutral measures. If the Uniform Report indicates that the Airport fell short or will fall short of meeting the overall goal, we will re-evaluate how much of the overall goal can be met through race-neutral means and implement race-conscious measures (i.e., project-specific goals) to meet the remainder.

Race Neutral Initiatives

To meet the overall 4.7% DBE goal, Lincoln County is committed to implementing race-neutral measures that encourage small businesses and DBE participation. Lincoln County has implemented several race-neutral measures to ensure the maximum feasible portion of the overall goal is achieved through race-neutral means, in accordance with 49 CFR 26.51. These include:

- A networking meeting with different Montana airports, consultants, and contractors to encourage relationship building and opportunities to partner on upcoming airport projects
- Ensuring a reasonable number of prime contracts are of a size that small businesses can reasonably perform. The proposed projects at the Airport are broken into phases to allow for smaller contract sizes.
- Identification of potential DBEs and SBEs

PUBLIC PARTICIPATION

Consultation: Section 26.45(g)(1).

Lincoln County submits its overall DBE three-year goal to DOT on August 1 as required by the set schedule.

In establishing the overall goal, COUNTY OF LINCOLN provided for consultation and publication. This process included consultation with minority, women, 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 the COUNTY OF LINCOLN'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 a face-face public meeting held at the Great Northern Hotel on June 28, 2023, from 11:00 a.m. to 2:00 p.m.

No comments were received during the course of the consultation.

Morrison-Maierle is seeking public comments about its proposed overall three-year DBE goal.

Comments can be provided in the following ways:

Email: nenblom@m-m.net

Mail: Morrison-Maierle
Nick Enblom
1 Engineering PL
Helena, MT 59602

Morrison-Maierle will review all comments, make any necessary adjustments to the goal, and submit to the FAA by August 1, 2023.

A notice of the proposed goal was published on Lincoln County's official website before the methodology was submitted to Federal Aviation Administration.

If the proposed goal changes following review by Federal Aviation Administration, the revised goal will be posted on Lincoln County's official website.

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

PUBLIC NOTICE

Lincoln County hereby announces its proposed Disadvantaged Business Enterprise (DBE) participation goal of **4.7%** for FAA-funded contracts/agreements. The proposed goal pertains to federal fiscal years 2024 through 2026 (10/1/2023 - 9/30/2026). A public meeting was held on June 28, 2023, at the Great Northern Hotel in Helena, MT for the purpose of consulting with stakeholders to obtain information relevant to the goal-setting process.

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

Nick Enblom, Project Manager
1 Engineering Place
Helena, MT 59602
406-495-3417
nenblom@m-m.net

OR

Federal Aviation Administration
Office of Civil Rights
Sonia Cruz, Compliance
Specialist
310-725-3940
Sonia.Cruz@faa.gov

Contract Goals

The ***Lincoln County Airport Commission*** will use contract goals to meet any portion of the overall goal that the recipient does not project being able to meet using RN 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 the recipient's overall goal that is not projected to be met through the use of RN means.

The ***Lincoln County Airport Commission*** will establish contract goals only on those FAA/DOT-assisted contracts that have subcontracting possibilities. It need not establish a contract goal on every such contract, and the size of the contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work and availability of DBE's to perform the particular type of work).

Lincoln County Airport Commission will express our contract goals as a percentage of the Federal share of an FAA/DOT-assisted contract.

Appendix A – Weighted DBE Goal by Year and Project

FY 2024 Project 1: No Project

Work Type	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount	Comments
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Sum of Available Work Item Amounts (L): \$0

Total Project Amount (M): \$0

Base Contract Goal (N): **0.0%**

FY 2025 - Project 1 - Design T-Hangars

Work Type	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount	Comments
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Construction

Professional Services

17	Engineering	\$ 85,000.00	12.2%	0%	12.2%	\$0	Consultant not DBE
19	Testing and inspection	\$ 15,000.00	16.3%	0%	16.3%	\$2,443	

Sum of Available Work Item Amounts (L): \$2,443

Total Project Amount (M): \$100,000

Base Contract Goal (N): **2.4%**

Adjustments:

Adjustment 1 (O):

Adjustment 2 (P):

Adjusted Contract Goal (Q):

	Comments
-0.4%	District 1 modifier
0.0%	
2.0%	

FY 2025 - Project 2 - Airfield Pavement Maintenance

	Work Type	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount	Comments
	Work Type	\$ 100,000.00	10%	10%	10.0%	\$10,000	No adjustments made.
Construction							
2	Asphalt paving	\$ 215,000.00	9.0%	0%	9.0%	\$19,266	
4	Traffic control, barricades, and signs	\$ 10,000.00	0.0%	0%	0.0%	\$0	
Professional Services							
17	Engineering	\$ 75,000.00	12.2%	0%	12.2%	\$0	Consultant not DBE

Sum of Available Work Item Amounts (L): **\$19,266**

Total Project Amount (M): **\$300,000**

Base Contract Goal (N): **6.4%**

Adjustments:

Adjustment 1 (O):

Adjustment 2 (P):

Adjusted Contract Goal (Q):

	Comments
-0.4%	District 1 modifier
0.0%	
6.0%	

FY 2026 Terminal Construction - Construct T-Hangars

	Work Type	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount	Comments
	Work Type	\$ 100,000.00	10%	10%	10.0%	\$10,000	No adjustments made.
Construction							
2	Asphalt paving	\$ 75,000.00	9.0%	0%	9.0%	\$6,721	
3	Excavation, site prep, grading, and drainage	\$ 50,000.00	9.0%	0%	9.0%	\$4,480	
7	Concrete, asphalt, sand, and gravel products	\$ 150,000.00	5.4%	0%	5.4%	\$8,170	
9	Building construction	\$ 650,000.00	4.4%	0%	4.4%	\$28,815	
10	Electrical work	\$ 150,000.00	14.0%	0%	14.0%	\$21,070	
13	Trucking, hauling and storage	\$ 20,000.00	17.4%	0%	17.4%	\$3,489	
Professional Services							
17	Engineering	\$ 85,000.00	12.2%	0%	12.2%	\$0	Consultant not DBE
19	Testing and inspection	\$ 15,000.00	16.3%	0%	16.3%	\$2,443	
National Industry Products or Services - No Local Availability							
30	Hangar Doors	\$ 300,000.00		0%		\$0	
31				0%		\$0	
32				0%		\$0	
33				0%		\$0	
34				0%		\$0	

*National Market products or services are those for which local firms ca

Sum of Available Work Item Amounts (L): **\$75,188**

Total Project Amount (M): **\$1,495,000**

Base Contract Goal (N): **5.0%**

Adjustments:

Adjustment 1 (O):

Adjustment 2 (P):

Adjusted Contract Goal (Q):

	Comments
-0.4%	District 1 modifier
0.0%	
4.6%	