

**DBE GOAL METHODOLOGY
CITY OF WEST POINT, MISSISSIPPI
MCCHAREN FIELD AIRPORT
FISCAL YEAR 2018**

A. UPDATE OF GOALS - To make the program as useful as possible to the public, the City of West Point, Mississippi 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's overall goal for FY 2018 is 11.42% of the Federal financial assistance we will expend in DOT-assisted contracts. With \$398,200.00 proposed for the DOT-assisted contract, the overall goal to be expended is \$45,474.00 with DBE's during this fiscal year. The City of West Point, Mississippi expects to let during FY 2018 \$398,200.00 in construction contracts which means that we have set a goal of expending \$45,474.00 with DBEs 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 McCharen Field 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 2018. The grant that is anticipated involves Ramp Expansion, Drainage, and Related Improvements, along with the professional efforts associated with such a project. An analysis of the project indicates that funds will be expended in the following areas.

MCCHAREN FIELD PROJECT ANALYSIS FY 2018			
TASK	NAICS	AMOUNT	PERCENTAGE
General Contractor	236220	\$125,575	31.54%
Street Highway	237310	\$122,900	30.86%
Electrical	238210	\$25,000	6.28%
Site Prep	238910	\$46,325	11.63%
Trucking	484110	\$10,000	2.51%
Engineering	541330	\$48,800	12.26%
Survey	541370	\$4,000	1.00%
Landscaping	561730	\$15,600	3.92%
TOTAL		\$398,200.00	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:

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

Past bidders from Lauderdale and Oktibbeha County will be included in the market area. It was considered reasonable to include Clay County, where the airport is located, and the counties surrounding the airport, Lowndes, Monroe, Chickasaw and Webster in the market area as well. Therefore, the market area for the development of the Base Figure was established as the above referenced counties in the state of Mississippi. It was agreed, that the most comprehensive directory for DBE firms in the State of Mississippi was the “Mississippi Unified Certification Program List of Certified DBE Firms” that is developed and published by the Mississippi Department of Transportation. The firms were then identified that could participate in the project from the appropriate NAICS in the May Mississippi UCP DBE directory. 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 County/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:

$$\frac{\text{Base}}{\text{Figure}} = .3154\left(\frac{\text{MNAICS236220}}{\text{NAICS236220}}\right) + .3086\left(\frac{\text{MNAICS237310}}{\text{NAICS237310}}\right) + .0628\left(\frac{\text{MNAICS238210}}{\text{NAICS238210}}\right) + .1163\left(\frac{\text{MNAICS238910}}{\text{NAICS238910}}\right) + .0251\left(\frac{\text{MNAICS484110}}{\text{NAICS484110}}\right) + .1226\left(\frac{\text{MNAICS541330}}{\text{NAICS541330}}\right) + .0100\left(\frac{\text{MNAICS541370}}{\text{NAICS541370}}\right) + .0392\left(\frac{\text{MNAICS561730}}{\text{NAICS561730}}\right)$$

MNAICS- Mississippi DBE Directory NAICS
 NAICS – Census Bureau’s County Business Pattern (CBCBP) Data Base

$$\frac{\text{Base}}{\text{Figure}} = .3154\left(\frac{3}{28}\right) + .3086\left(\frac{2}{12}\right) + .0628\left(\frac{1}{42}\right) + .1163\left(\frac{5}{35}\right) + .0251\left(\frac{4}{20}\right) + .1226\left(\frac{1}{42}\right) + .0100\left(\frac{0}{4}\right) + .0392\left(\frac{2}{62}\right)$$

$$\frac{\text{Base}}{\text{Figure}} = .0338 + .0514 + .0015 + .0166 + .0050 + .0037 + .0000 + .0013$$

$$\frac{\text{Base}}{\text{Figure}} = 11.33\%$$

STEP 2: 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 McCharen Field Airport. Currently there are no known disparity studies completed in this area of the State of Mississippi. The City has considered the suggested options outlined in 49 CFR Part 26 and determined that past performance data will be utilized to determine if an adjustment to our Base Figure is warranted.

To this end, we investigated other airports with like type projects. Listed below are the projects that were included for analysis. As you will note, each of these projects contains similar elements and is similar in nature as the project that is being anticipated in the FY 2018 time frame at the McCharen Field Airport:

YEAR	LOCATION	PROJECT TYPE	% OF DBE PARTICIPATION
2015	Quitman	Apron Construction	7.81%
2011	Corinth	Drainage Improvements	18.00%
2011	Tupelo	Drainage Improvements	12.00%
2002	Greenwood	Drainage Improvements	7.84%
2000	Natchez	Reconstruct Apron	11.50%*

The next step was to determine if any adjustment might be needed to the Base Figure. It was determined that the Median of the five projects was 11.50% 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	11.50%
BASE FIGURE	<u>+ 11.33%</u>
	22.83% ÷ 2 = 11.42%

Satisfied that this percentage was valid, the final step in the comparison was the development of a simple average of the Like Type FAA Project Median and the Base Figure. It was felt that the Base Figure of 11.33% should be adjusted for this variance. The Base Figure and the Like Type FAA Project Median were combined and yielded an average of 11.42%, which is established as the goal for DBE participation at McCharen Field Airport for FY 2018.

D. PROCESS - The City of West Point, Mississippi submitted its overall goal to the FAA in June, 2018 for their consideration and approval. Before establishing the overall goal each year, the City has consulted with the Mississippi Department of Transportation, and the Office of Minority Business Development 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 the FAA will accept comments on the goals for 30 days from the date of the notice. This information was published on the City of West Point website, www.wpnet.org and made available to the Office of Minority Business Development at the State of Mississippi. Normally, the City will issue this notice by June 1 of each year with submittal to FAA by August 1 of each year. The notice will include the City’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 agencies and persons on June 7, 2018 at 3:30 pm with comments received regarding a DBE offering additional services.

MCCHAREN FIELD AGENCIES/PERSONS CONSULTED WITH	
<i>Agency/Organization</i>	<i>Discussion/Information</i>
Mr. Carey Hardin, PE Clearwater Consultants, Inc.	Availabilities of DBEs, Directories and DBE contracting experience.
Mr. Randy Jones, CAO/Airport Manager McCharen Field Airport	Availabilities of DBEs, Directories and DBE contracting experience.
Mr. Jeremy Klutts, Building Inspector City of West Point, Mississippi	Availabilities of DBEs, Directories, and Small and DBE contracting experience.
Ms. Taffy Pippin, Consultant Taffy Pippin Consulting, LLC	Availabilities of DBEs, Directories, and Small and DBE contracting experience.
Mr. Clayton Pippin, Planner Taffy Pippin Consulting, LLC	Availabilities of DBEs, Directories, and Small and DBE contracting experience.

Public comments have been requested for the FY 2018 goal and the 30 day comment period is underway. 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: Each time the city of West Point, Mississippi 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 its goals using race-neutral means. We estimate that, in meeting our overall goal of 11.42%, we will obtain 11.42% of the goal 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 five projects considered in Step 2 of the Like Type FAA Project. The Median is 0.00%, and we felt it is an attainable goal for race-neutral participation. The following is the data base upon which the level of variance was computed using the “Like Type FAA Project” information:

MCCHAREN FIELD AIRPORT LIKE TYPE FAA PROJECTS PROJECT DBE GOAL VARIANCE				
YEAR	LOCATION	DBE GOAL	% OF DBE PARTICIPATION	VARIANCE
2015	Quitman	11.28%	7.81%	-3.47
2011	Corinth	10.91%	18.00%	7.09%
2011	Tupelo	10.26%	12.00%	1.74%
2002	Greenwood	12.80%	7.84%	-4.96%
2000	Natchez	11.50%	11.50%	0.00%*
* MEDIAN PERCENTAGE				

F. CONTRACT GOALS: Contract goals will be used to meet any portion of the overall goal which 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.

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. The FY 2018 contract goal is 11.42%.

G. THREE YEAR GOAL

As the FY 2019 and FY 2020 have not yet been fully fleshed out, 0.00% will serve as a placeholder. The Three Year DBE Goal based on the current information available is as follows:

FY - 2018 DBE GOAL	11.42%
FY - 2019 DBE GOAL	0.00%
FY - 2020 DBE GOAL	+0.00%
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	11.42%

References:

Mississippi UCP List of Certified DBE Firms, May 2018

2016 – U S Census Bureau/ American Fact Finder, May 2018