

FY 2022 – FY 2024

**DISADVANTAGED BUSINESS ENTERPRISE PROGRAM METHODOLOGY
FOR**



**ROANOKE-BLACKSBURG REGIONAL AIRPORT
ROANOKE, VIRGINIA**

ROANOKE, VA

MAY 2021

METHODOLOGY for Establishing the FY 2022 – FY 2024 Overall Disadvantaged Business Enterprise (DBE) Goal for:

*Roanoke-Blacksburg Regional Airport
Roanoke VA*

In fulfillment of the requirements of 49 CFR Part 26, the Roanoke-Blacksburg Regional Airport (hereafter ‘the Airport’) has developed a proposed Overall Goal for FY 2022-2024 FAA-AIP projects for the Airport. The methodology used in establishing this goal is described herein.

Airport Sponsor: **Roanoke Regional Airport Commission**

Airport: **Roanoke-Blacksburg Regional Airport**

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I. Detailed Methodology: Specific Steps

A. Amount of Goal

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

Overall Goal:	<u>6.6%</u>
Race-Neutral:	<u>0.0%</u>
Race-Conscious:	<u>6.6%</u>

Given the amount of USDOT-assisted contracts that the Airport expects to let from FY 2022-2024, which is approximately **\$15,500,000** this means that the Airport has set a goal of expending approximately **\$1,028,850** with DBEs during this period.

B. Determination of the Market Area of the study

The normal market area was based on discussions with the Airport 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: Roanoke-Blacksburg Regional Airport
Market Area**

County	Bidders	Percent of bidders	Dollars	Percent of dollars
Buchanan	2	28.6%	\$4,038,470	39.3%
Roanoke	4	57.1%	\$6,246,820	60.7%
Market Area	6	85.7%	\$10,285,290	100.0%
Other	1	14.3%	\$0	0.0%
Total	7	100.0%	\$10,285,290	100.0%

SOURCE: Roanoke-Blacksburg Regional Airport

C. Determination of relevant NAICS codes

Based on information provided by the Airport concerning the proposed projects for this fiscal year, a list of NAICS codes corresponding to these projects was developed and is shown below:

**Table 2: Roanoke-Blacksburg Regional Airport
FY 2022-FY 2024 Projects & Activities**

Fiscal Year	PROJECT	ACTIVITY	NAICS
2022	Alternatives Analysis for RWY Extension	Engineering	541330
		Engineering	541330
	Security Fence Line Replacement	Fencing	238990
2023	Enviro Impact Report for RWY Extension	Engineering	541330
		Environmental	541620
	Replace RW 34 EMAS	Highway & Street	237310
		Electrical	238210
		Site Prep	238910
		Engineering	541330
		Geotechnical Testing	541380
	Improve RW 6-24 Safety Areas	Landscaping	561730
		Highway & Street	237310
		Site Prep	238910
		Engineering	541330
2024	Replace Loader Ramp Bucket - #20	Landscaping	561730
	Replace Tractor #35 & Mowing deck	Loaders merchant wholesalers	423810
2024	Snow Blower Truck	Lawn and Garden Tractor Equipment Manufacturing	333112
		Special Purpose Highway Vehicle	336211

SOURCE: Roanoke-Blacksburg Regional Airport

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

Table 3a: DBES—Roanoke-Blacksburg Regional Airport by Relevant NAICS Codes Alternatives Analysis for RWY Extension

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Engineering	541330	120	2,178	5.5%	\$1,000,000	\$55,096
Total					\$1,000,000	\$55,096
Weighted Step 1 Goal =						5.5%

SOURCES:

1. 2018 County Business Patterns, U.S. Census Bureau.
2. Virginia UCP DBE Directory, May 2021.

Table 3b: DBES—Roanoke-Blacksburg Regional Airport by Relevant NAICS Codes Security Fence Line Replacement

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Fencing	238990	2	20	10.0%	\$270,000	\$27,000
Engineering	541330	120	2,178	5.5%	\$30,000	\$1,653
Total					\$300,000	\$28,653
Weighted Step 1 Goal =						9.6%

SOURCES:

1. 2018 County Business Patterns, U.S. Census Bureau.
2. Virginia UCP DBE Directory, May 2021.

Table 3c: DBES—Roanoke-Blacksburg Regional Airport by Relevant NAICS Codes Enviro Impact Report for RWY Extension

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Engineering	541330	120	2,178	5.5%	\$230,000	\$12,672
Total					\$230,000	\$12,672
Weighted Step 1 Goal =						5.5%

SOURCES:

1. 2018 County Business Patterns, U.S. Census Bureau.
2. Virginia UCP DBE Directory, May 2021.

**Table 3d: DBES—Roanoke-Blacksburg Regional Airport by Relevant NAICS Codes
Replace RWY 34 EMAS**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	2	14	14.3%	\$594,794	\$84,971
Electrical	238210	0	31	0.0%	\$18,794	\$0
Site Prep	238910	1	18	5.6%	\$3,378,140	\$187,674
Engineering	541330	120	2,178	5.5%	\$900,607	\$49,620
Geotechnical Testing	541380	28	98	28.6%	\$107,393	\$30,684
Landscaping	561730	0	58	0.0%	\$40,272	\$0
Total					\$5,040,000	\$352,949
Weighted Step 1 Goal =						7.0%

SOURCES:

1. 2018 County Business Patterns, U.S. Census Bureau.
2. Virginia UCP DBE Directory, May 2021.

**Table 3e: DBES—Roanoke-Blacksburg Regional Airport by Relevant NAICS Codes
Improve RWY 6-24 Safety Areas**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	2	14	14.3%	\$1,529,500	\$218,500
Site Prep	238910	1	18	5.6%	\$5,635,000	\$313,056
Engineering	541330	120	2,178	5.5%	\$805,000	\$44,353
Landscaping	561730	0	58	0.0%	\$80,500	\$0
Total					\$8,050,000	\$575,908
Weighted Step 1 Goal =						7.2%

SOURCES:

1. 2018 County Business Patterns, U.S. Census Bureau.
2. Virginia UCP DBE Directory, May 2021.

NOTE: The County Business Patterns data were used as the source to determine the denominator, or the number of all firms in the market area. The DBE directories listed above were used to determine the numerator, or the number of DBE firms in the market area.

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 activity 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 Airport are as follows:

Alternatives Analysis for RWY Extension	5.5%
Security Fence Line Replacement	9.6%
Enviro Impact Report for RWY Extension	5.5%
Replace RW 34 EMAS	7.0%
Improve RW 6-24 Safety Areas	7.2%

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. These include:

“(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 Airport in recent years were examined relative to the above consideration. Notice the annual DBE percent accomplishment indicated in Table 4 below:

**Table 4: Roanoke-Blacksburg Regional Airport
DBE Accomplishment**

Report Period	DBE Goal	DBE Percentage Achieved	Achieved Over/Under
FY 2017	8.39%	1.06%	-7.33%
FY 2018	8.40%	7.25%	-1.15%
FY 2020	3.30%	2.99%	-0.31%
MEDIAN	8.39%	2.99%	-1.15%

The median DBE accomplishment for the periods as shown above for the Airport is 2.99%. This accomplishment was compared to the step 1 base figures calculated above.

B. Consultations

The Airport held a consultation meeting on May --, 2021 at 11:00 am. 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 Airport, the effects of discrimination on opportunities for DBEs, and the Airport’s effort to increase DBE participation. Consultation information can be found in Appendix B.

C. Adjustment to Step 1 DBE Base Figures: Roanoke-Blacksburg Regional Airport, FY 2022-FY 2024

With the adjustment factors considered to this point, the Airport will not adjust the Step 1 base figures calculated above. The Airport feels that past achievement does not represent current DBE capacity.

**Table 6: Roanoke-Blacksburg Regional Airport
FY 2022 – FY 2024 Overall Goal**

Fiscal Year	Project	Step1	Step 2 adjustment	Overall Goal	Total project costs	DBE Goal (dollars)
FY 2022	Alternatives Analysis for RWY Extension	5.5%	N/A	5.5%	\$1,000,000	\$55,000
	Security Fence Line Replacement	9.6%	N/A	9.6%	\$300,000	\$28,800
FY 2022 Total				6.4%	\$1,300,000	\$83,800
FY 2023	Enviro Impact Report for RWY Extension	5.5%	N/A	5.5%	\$230,000	\$12,650
	Replace RW 34 EMAS	7.0%	N/A	7.0%	\$5,040,000	\$352,800
	Improve RW 6-24 Safety Areas	7.2%	N/A	7.2%	\$8,050,000	\$579,600
FY 2023 Total				7.1%	\$13,320,000	\$945,050
FY 2023 - 2024	Vehicle and Equipment purchases	0.0%	N/A	0.0%	\$880,000	\$0
FY 2024 Total				0.0%	\$880,000	\$0
FY 2022 - FY 2024 Overall Goal				6.6%	\$15,500,000	\$1,028,850

The total DBE goal in dollars was divided by the total project costs to derive the overall DBE goal of 6.6% for FY 2022-FY 2024.

III. Process

The Airport will normally submit its overall goal to the FAA on August 1 of each goal year.

Before establishing the overall goal this year, the Airport 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 Airport's efforts to establish a level playing field for the participation of DBEs.

Following this consultation, the Airport 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 Airport'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 to FY 2024.

The Airport'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 Airport will begin using the overall goal on October 1 of each goal year, unless the Airport 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 Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The Airport 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 Airport proposes a race-conscious goal of **6.6%** and a race-neutral goal of **0.0%**, for a total of **6.6%**. The reason for this breakout is that the projects from previous years show that the median amount by which the past DBE goals were under-achieved is **1.15%** (see **Table 4**).

The Airport 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.

VI. Contract Goals

The Airport will use contract goals to meet any portion of the overall goal that the Airport 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 the overall goal that is not projected to be met through the use of race-neutral means.

The Airport will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. The Airport 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 Airport will express its contract goals as a percentage of the Federal share of a DOT-assisted contract.

Appendix A: Resource Listing

A. Resource Documents:

1. Virginia UCP DBE Directory
2. 2018 County Business Patterns, Census Bureau
3. Uniform Report of DBE Commitments/Awards and Payments