

ATTACHMENT 5

Overall DBE Three-Year Goal Methodology

Name of Recipient: The Oregon Department of Aviation., owner of Joseph State Airport

Goal Period: FY-2024-2025-2026 – October 1, 2024 through September 30, 2026

DOT-assisted contract amount:	FY-2024	\$ 300,000
	FY-2025	\$ 585,000
	FY-2026	\$ <u>308,333</u>
	Total	\$ 1,193,333

Overall Three-Year Goal: 4.6%, to be accomplished through 100% RC and 0% RN

Total dollar amount to be expended on DBEs: 4.6% X \$1,193,333 = \$54,893

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

Contracts Fiscal Year #1

1. Snow Removal Equipment

Contracts Fiscal Year #2

1. IAP Obstruction Removal – Phase 1 – Design and Easement Acquisition (Easement Exempt from DBE Goal-Setting Dollars)
2. Snow Removal Equipment Building
3. PAPI Replacement – Phase 1 - Design

Contracts Fiscal Year #3

1. IAP Obstruction Removal – Phase 2 - Construction
2. PAPI Replacement – Phase 2 - Construction

Market Area: Based on the Oregon Statewide DBE Disparity Study¹, the market area for Joseph State Airport is the “Eastern Oregon Region” depicted as Study Region 5 in the map below¹.



Figure 1 - Study Regions¹

¹ - Oregon Statewide DBE Disparity Study developed by Keen Independent Research for Oregon Department of Aviation, Dated March 2, 2021

Step 1. Actual relative availability of DBEs (base figure calculation)

In compliance with the 5 methods spelled out in Part 26.45, the base figure for the relative availability was calculated as follows:

- A. Identification of types of work and dollars spent on FAA-funded projects.
- B. Calculating the base figure based on expected mix of contracts; and
- C. Consideration of a step 2 adjustment.

A. Identification of Types of Work and Dollars Spent

Joseph Airport Prime Contracts.

Figure 2 – FY24-FY26 Anticipated Prime Contracts provides the types of prime contracts expected to be developed with Joseph Airport’s FAA-funded projects for FY24 through FY26.

Project Description	Type of Work	Dollars
FY 24 Snow Removal Equipment	-Other Services (Procurement) -Design Engineering -Other Professional Services	\$ 250,000 \$ 45,000 <u>\$ 5,000</u>
	Total Dollars Subject to DBE Goals	\$ 300,000
	FY24 Total	\$ 300,000
FY 25 IAP Obstruction Removal – Phase 1 – Design and Easement Acquisition	-Easement Acquisition (Exempt from DBE Goal-Setting Dollars) -Design Engineering -Other Professional Services	\$ 100,000 \$ 155,000 <u>\$ 5,000</u> \$ 260,000
PAPI Replacement – Phase 1 – Design	-Design Engineering	<u>\$ 25,000</u>
Snow Removal Building	-Office and Public Building Construction -Design Engineering -Other Professional Services	\$ 335,000 \$ 60,000 <u>\$ 5,000</u> \$ 400,000
	Total Project Spending	\$ 685,000
	Less Easement Acquisition Exemption	<u>\$ -100,000</u>
	Total Dollars Subject to DBE Goals	\$ 585,000
	FY25 Total	\$ 585,000
FY 26 PAPI Replacement – Phase 2 - Construction	-Electrical Work -Design Engineering -Other Professional Services	\$ 133,333 \$ 20,000 <u>\$ 5,000</u> \$ 158,333
IAP Obstruction Removal – Phase 2 – Construction	-Excavation, Site Prep, Grading & Drainage -Design Engineering -Other Professional Services	\$ 100,000 \$ 40,000 <u>\$ 10,000</u> \$ 150,000
	Total Dollars Subject to DBE Goals	\$ 308,333
	FY26 Total	\$ 308,333

Figure 2 - Projected Types of Work for FY24 - FY26

From this table a second table was produced that provides sums of dollars per type of work, and a percentage per total dollars as seen below.

Type of Work	Dollars	Percent of Total Dollars
-Design Engineering	\$ 345,000	28.9%
-Excavation, Site Prep, Grading and Drainage	\$ 100,000	8.4%
-Electrical Work	\$ 133,333	11.2%
-Office and Public Building Construction	\$ 335,000	28.1%
-Other Services (Procurement)	\$ 250,000	20.9%
-Other Professional Services	\$ 30,000	2.5%
Total Dollars Subject to DBE Goals in 3 Years	\$ 1,193,333	100%

B. Calculating the Base Figure

Weighted Availability by Region and Type of Work.

The Oregon Statewide DBE Disparity Study¹ provides a table of weighted availability benchmarks by region and type of prime contract. Appendix D of the study provides detailed methodology and results measuring the relative availability of different firms to perform work for airports for 5 defined regions. Joseph Airport falls into the Eastern Region. The table, and benchmark results for all regions is shown below.

Type of prime contract	Portland/Hood River region	Northwest Oregon	Southwest Oregon	Central Oregon	Eastern Oregon
Construction					
Airport runway, taxiway or apron paving	9.1 %	8.6 %	4.7 %	4.9 %	5.2 %
Concrete work	5.6	5.1	6.1	5.9	6.5
Electrical work	4.2	4.1	4.8	4.3	4.8
Excavation, site prep, grading and drainage	6.8	6.1	5.0	4.6	5.3
Installation of guardrails and fencing	3.6	3.2	3.8	3.7	4.3
Office and public building construction	6.0	5.6	4.8	4.5	4.5
Pavement surface treatment (such as sealing)	1.1	1.1	1.4	1.3	1.3
Wrecking and demolition	9.7	9.0	5.1	5.0	5.4
Other construction work	0.0	0.0	0.0	0.0	0.0
Professional services					
Construction management	8.2 %	9.0 %	8.2 %	8.9 %	9.8 %
Design engineering	8.8	10.3	7.9	10.0	8.6
Environmental consulting	13.2	14.5	10.5	14.5	11.8
Geotechnical including soils & materials testing and inspection	0.6	0.6	0.5	0.6	0.6
Surveying and mapping	6.9	6.9	6.9	6.4	7.4
Other professional services	10.0	10.0	10.0	10.4	10.5
Other goods and services					
Other services	3.2 %	2.9 %	3.4 %	3.3 %	0.0 %

Note: Results incorporate DBE availability for anticipated subcontracts for a given type of prime contract.

Source: Keen Independent Research.

1 - Oregon Statewide DBE Disparity Study developed by Keen Independent Research for Oregon Department of Aviation, Dated March 2, 2021

Calculation of the Base Figure.

Using the benchmark numbers provided in the Disparity Study¹, the anticipated work types, and the total dollars for each, a base figure can then be calculated as seen below.

Type of Work	Benchmark Availability (a)	Dollars of FAA-funded Contracts for 3 years	Percent of Total Contract Dollars (b)	Weighted Average Availability (a*b)
Design Engineering	8.6%	\$ 345,000	28.9%	2.5%
Excavation, Site Prep, Grading and Drainage	5.3%	\$ 100,000	8.4%	0.5%
Electrical Work	4.8%	\$ 133,333	11.2%	0.5%
Office and Public Building Construction	4.5%	\$ 335,000	28.1%	1.3%
Other Services (Procurement)	0.0%	\$ 250,000	20.9%	0.0%
Other Professional Services	10.5%	\$ 30,000	2.5%	0.3%
Total		\$ 1,193,333	100%	5.1%

Base Figure = 5.1%

¹ - Oregon Statewide DBE Disparity Study developed by Keen Independent Research for Oregon Department of Aviation, Dated March 2, 2021

Step 2: Adjustments to Step 1 base figure

After calculating a base figure of the relative availability of DBEs, the following steps were performed to determine what, if any, adjustment to the base figure was needed to arrive at the overall goal.

1: Past History Participation

To determine the adjustment to the base figure, historical DBE accomplishments for FY15 through FY22 were studied the only available data within the last ten fiscal years.

FY	Total Grant \$ Amount	DBE Goals			Accomplishments		
		RC	RN	Total	RC	RN	Total
FY 18	\$ 0	0.0%	3.0%	3.0%	0.0%	0.0%	0.0%
FY 19	\$ 397,980	0.0%	3.0%	3.0%	0.0%	4.1%	4.1%
FY 20	\$ 0	0.0%	3.0%	3.0%	0.0%	0.0%	0.0%
FY 21	\$ 0	0.0%	9.7%	9.7%	0.0%	0.0%	0.0%
FY 22	\$ 0	0.0%	9.7%	9.7%	0.0%	0.0%	0.0%

No awards were given for FY18 and FY20 through FY22; Therefore, were not included in the median calculation. The median DBE participation on FAA-funded contracts could not be calculated without further data. For a Step 2 adjustment FY19's Accomplishment of 4.1% will be used as evidence of current capacity.

The low evidence of accomplishments with previous goals suggests a downward adjustment to the Base Figure.

USDOT "Tips for Goal-Setting" suggests taking ½ of the difference between the base figure and evidence of current capacity as an approach to calculate the Step 2 adjustment number.

Step 2 Adjustment Calculations as suggested by USDOT "Tips for Goal-Setting"

Base Figure (a)	Historical DBE Participation (b)	Difference (a-b)=c	½ of Difference (0.5*c)=d
5.1%	4.1%	5.1%-4.1%=1.0%	0.5*1.0%=0.5%

Final Downward Adjusted Goal Calculation

Base Figure (a)	Calculated Adjustment (b)	Downward Adjustment (a-b)=c
5.1%	0.5%	5.1%-0.5%=4.6%

Final DBE Goal for FY24-FY26 = 4.6%

Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation.

Oregon Department of Aviation will meet the maximum feasible portion of the 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 facilitates DBE, and other small businesses, participation;
2. Providing assistance in overcoming limitations such as inability to obtain bonding or financing;
3. Providing technical assistance and other services;
4. Carrying out information and communications programs on contracting procedures and specific contract opportunities;
5. Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;
6. Providing services to help DBEs and other small businesses improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
7. Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low;
8. Ensuring distribution of DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors;
9. Assist DBEs and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media; and

Oregon Department of Aviation estimates that in meeting the established overall goal of 4.6%, it will obtain 0.0% from RN participation and 4.6% through RC measures. This breakout is based on past participation and recommendations within the Oregon Disparity Study¹.

Oregon Department of Aviation does not have a history of DBE participation or over-achievement of goals to reference and expects to obtain its DBE participation through the use of DBE contract goals or a conscious effort to obtain DBE participation. Therefore, the entire goal of 4.6% is to be obtained through race-conscious participation.

Oregon Department of Aviation will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation, 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.

¹ - Oregon Statewide DBE Disparity Study developed by Keen Independent Research for Oregon Department of Aviation, Dated March 2, 2021