

FAA Overall Goals (§26.45)

Name of Recipient: Cavern City Air Terminal

Goal Period: Fiscal Year 2016 – October 1, 2015 through September 30, 2016

Fiscal Year 2017 – October 1, 2016 through September 30, 2017

Fiscal Year 2018 – October 1, 2017 through September 30, 2018

DOT-Assisted Contract Amount: \$1,150,482.00

DBE Goal: 3.69%

Market Area: The market area was determined to be both Geographical Areas One and Four; combined, these two Geographical Areas make up Market Area Four. Geographical Area Four is located in the southeastern portion of New Mexico and is comprised of the following counties: Torrance, Lincoln, De Baca, Curry, Otero, Chavez, Roosevelt, Eddy, and Lea. Geographical Area One is located in central New Mexico and is comprised of the following counties: Sandoval, Santa Fe, Bernalillo, Valencia, and Los Alamos. A substantial majority of contractors that perform work at the Cavern City Air Terminal are from the counties that make up Geographical Area One, as it is with the rest of New Mexico. As with all New Mexico communities, the substantial majority of contractors and subcontractors come from Geographical Area One. Due to the majority of contractors and subcontractors coming from Geographical Area One, the City, like other New Mexico communities, spends the majority of their contracting dollars within Geographical Area One as well. This was determined based on information within the contract documents from past projects showing locations of contractors and subcontractors that have performed work for the Cavern City Air Terminal in the past. Information regarding locations of the DBE businesses was found on the New Mexico Department of Transportation website. This information also shows that the substantial majority of all DBEs are based within the Geographical Area One boundary. A map and breakout of the Geographical Areas is enclosed as an attachment.

Step One: The method used to calculate the relative availability of the DBEs for Step One in this process utilizes 26.45(c)(1) DBE Directories and Census Bureau Data. The base figure was determined by dividing the total number of DBE firms in the local market area by the total of all firms in the market area.

Number and Types of Projects for FY 2016:

1. Runway 8-26 Rehabilitation

Project: Runway 8-26 Rehabilitation

Amount: \$163,000.00

**TABLE 1
PROJECT ONE: RUNWAY 8-26 REHABILITATION**

NAICS Code	Work Item	DBE's in Market Area	All Available Firms	Total Amount	Weight Factor
23899	Markings/ Specialty	4	107	\$ 117,400.00	72.02%
541330	Engineering	7	335	\$ 28,000.00	17.18%
48411	Trucking	3	75	\$ 10,000.00	6.13%
54138/54169	Inspection/ Testing	2	118	\$ 7,600.00	4.66%
	Total	16	635	\$ 163,000.00	100.00%

Source: County Business Patterns and NMDOT DBE Directory

The design estimate for this project is \$163,000.00. Of that amount, \$117,400 or 72.02% is anticipated for Marking and Specialty work, \$28,000 or 17.18% is anticipated for Engineering, \$10,000 or 6.13% is anticipated for Trucking and \$7,600 or 4.66% is anticipated for Inspection and Testing.

Therefore, the baseline DBE goal for this contract was weighed so that it would more accurately reflect the potential DBE participation as shown below.

MS= Markings/Specialty ES = Engineering T= Trucking I=Inspection/Testing

Project One Base Figure =

$$MS (\%) \times \frac{\# \text{ DBE in Local Market (MS)}}{\# \text{ All Firms (MS)}} + ES (\%) \times \frac{\# \text{ DBE in Local Market (ES)}}{\# \text{ All Firms (ES)}} +$$

$$T (\%) \times \frac{\# \text{ DBE in Local Market (T)}}{\# \text{ All Firms (T)}} + I (\%) \times \frac{\# \text{ DBE in Local Market (I)}}{\# \text{ All Firms (I)}} +$$

$$\text{Project One Base Figure} = 7.202 (4/49) + 1.718(7/335)+ .613(3/75) + .466(2/118)$$

Project One Base Figure = 3.38%

Number and Types of Projects for FY 2017:

No projects in 2017

Source: County Business Patterns and NMDOT DBE Directory

Number and Types of Projects for FY 2018:

1. Taxiway C Reconstruction

Project: Taxiway C Reconstruction
Amount: \$987,482

**TABLE 1
 PROJECT ONE: TAXIWAY C RECONSTRUCTION**

NAICS Code	Work Item	DBEs in Market Area	All Available Firms	Total Amount	Weight Factor
2373	Heavy Construction	14	104	\$107,228.00	10.86%
23899	Markings/ Specialty	2	198	\$36,000.00	3.65%
541330	Engineering	7	312	\$45,000.00	4.56%
238210	Electrical	2	423	\$350,000.00	35.44%
48411	Trucking	4	72	\$392,254.00	39.72%
54138/54169	Inspection/ Testing	0	45	\$37,000.00	3.75%
54137	Surveying	3	63	\$20,000.00	2.03%
	Total	32	1217	\$987,482.00	100.00%

Source: County Business Patterns and NMDOT DBE Directory

The construction estimate for this project is \$987,482.00. Of that amount, \$45,000 or 4.56% is anticipated for engineering; \$37,000 or 3.75% is anticipated for inspection/testing; \$350,000 or 35.44% is anticipated for electrical work, and \$20,000 or 2.03% is anticipated for survey work, \$107,228.00 or 10.86% is anticipated for heavy construction, \$392,254.00 or 39.72% is anticipated for trucking and \$36,000 or 3.65% is anticipated for markings/specialty.

Therefore, the baseline DBE goal for this contract was weighed so that it would more accurately reflect the potential DBE participation as shown below.

E = Electrical I = Inspection/Testing S= Survey M= Markings
 ENG = Engineering H= Heavy T= Trucking

Project One Base Figure =

$$E (\%) \times \frac{\# \text{ DBE in Local Market (E)}}{\# \text{ All Firms (E)}} + I (\%) \times \frac{\# \text{ DBE in Local Market (I)}}{\# \text{ All Firms (I)}} +$$

$$ENG (\%) \times \frac{\# \text{ DBE in Local Market (ENG)}}{\# \text{ All Firms (ENG)}} + H (\%) \times \frac{\# \text{ DBE in Local Market (H)}}{\# \text{ All Firms (H)}} +$$

$$S (\%) \times \frac{\# \text{ DBE in Local Market (S)}}{\# \text{ All Firms (S)}} + M (\%) \times \frac{\# \text{ DBE in Local Market (M)}}{\# \text{ All Firms (M)}} +$$

All Firms (S)

All Firms (M)

T (%) x # DBE in Local Market (T)
All Firms (T)

$$\text{Project One Base Figure} = 1.086(14/104) + .365(2/198) + .456(7/312) + 3.544(2/423) + 3.972(4/72) + .375(0/45) + .203(3/63)$$

Project One Base Figure = 4%

Source: County Business Patterns and NMDOT DBE Directory

Step Two: This step is intended to adjust the base figure percentage calculated in Step One to reflect as accurately as possible the DBE participation that the Cavern City Air Terminals would expect in the absence of discrimination.

We have considered all of the other factors, which include the current capacity of DBEs to perform work in the DOT-assisted program. We also considered the available evidence from related fields that affect the opportunities for DBE firms to form, grow, and compete. In our research, none of the previously mentioned factors require an adjustment to the base figure.

Our base figure is not the goal of another recipient and therefore was not considered as an adjustment factor.

In researching past participation for the Cavern City Air Terminal, we have not found any reported projects of this type at the Airport in the past five years; therefore, past participation will not be considered as an adjustment factor.

The proposed overall goal for the Cavern City Air Terminal can be seen below.

Cavern City Air Terminals Proposed Overall Goal = 3.69%

Breakout of Estimated Race-Neutral and Race-Conscious Participation (§26.51 (b) (1-9))

The Cavern City Air Terminal will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The Cavern City Air Terminal uses the following race-neutral means to increase DBE participation: By arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in a way to facilitate DBE and other small businesses' participation (e.g., requiring and/or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces).

The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious DBE participation. The Cavern City Air Terminal estimates that in meeting its overall goal of 3.69%, we will obtain 0% from race-neutral participation and 3.69% from race-conscious participation.

The Cavern City Air Terminal will adjust the estimated breakout of race-neutral and race-conscious DBE participation as needed to reflect actual DBE participation and 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 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.

Public Participation

Consultation

The DBE's in Geographic Area One and Four were notified of a public meeting to discuss projects that are planned for the next three years. The DBE goals and methodology for arriving at the goals for the project were discussed. A list of the projects, goals and methodology was also sent to them for review.

Public Notice

The proposed goal and rationale meeting notice was advertised in the Carlsbad Current-Argus, 620 S. Main St., Carlsbad, NM 88221-1629, 575-887-5501.

Sample Public Notice Language:

Disadvantaged Business Enterprise (DBE) Goals for Federal Fiscal Years 2016-2018

The Cavern City Air Terminal hereby announces its fiscal years 2016-2018 DBE Goal of 3.69% for airport construction projects. The proposed goal and goal-setting methodology are available for inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, for a period of 30 days following the date of this notice at the City of Carlsbad, 101 N. Halagueno, Carlsbad, NM 88221. Cavern City Air Terminal will accept comments on the DBE goals for 45 days from the date of this notice. Comments can be sent to either of the following:

DBELO
Jason Burns
Special Projects Administrator
Cavern City Air Terminal
P.O. Box 1569
Carlsbad, NM 88221-1569
Or

Federal Aviation Administration
Civil Rights Staff, AWP-9
P.O. Box 92007
Los Angeles, CA 90009-2007

Contract Goals

The Cavern City Air Terminal will use contract goals to meet any portion of the overall goal that the recipient 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 recipient's overall goal that is not projected to be met through the use of race-neutral means.

The Cavern City Air Terminal will establish contract goals only on those 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 DBEs to perform the particular type of work).

The Cavern City Air Terminal will express its contract goals as a percentage of the total amount of DBE-assisted contract.