

FY 2024 – FY 2026

**DISADVANTAGED BUSINESS ENTERPRISE (DBE)
PROGRAM METHODOLOGY
FOR**



GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

FLETCHER, NC

**MAY 2023
(DBELO CHANGE DECEMBER 2023)**

(This Page is Intentionally Blank)

METHODOLOGY for Establishing the FY 2024 – FY 2026 Overall Disadvantaged Business Enterprise (DBE) Goal for:

Asheville Regional Airport

Fletcher, NC

In fulfillment of the requirements of 49 CFR Part 26, the Greater Asheville Regional Airport Authority (hereafter 'GARAA') has developed a proposed Overall Goal for FY 2024-2026 FAA-AIP projects for the Asheville Regional Airport. The methodology used in establishing this goal is described herein.

Airport Sponsor: Greater Asheville Regional Airport Authority

Airport: Asheville Regional Airport

DBELO: Anna Henderson

Planning Coordinator

Greater Asheville Regional Airport Authority

61 Terminal Drive, Suite 1

Fletcher, NC 28732

E-mail: ahenderson@flyavl.com

Office: 828-209-3759

I. Detailed Methodology: Specific Steps

A. Amount of Goal

The GARAA's FY 2024-2026 overall goal for the Federal financial assistance it will expend in USDOT-assisted contracts is the following:

Overall Goal:	10.38%
Race-Neutral:	0.00%
Race-Conscious:	10.38%

Given the amount of USDOT-assisted contracts that GARAA expects to let from FY 2024-2026, which is approximately **\$7,567,424** this means that GARAA has set a goal of expending approximately **\$785,498** with DBEs during this period.

B. Determination of the Market Area of the study

The normal market area was based on discussions with GARAA 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: Greater Asheville Regional Airport Authority Market Area

County	Number of Bidders	Percent of Bidders	Dollars spent	% of dollars spent
Buncombe	2	20.0%	\$1,896,160	9.7%
Chatham	1	10.0%	\$1,870,423	9.5%
Lee	1	10.0%	\$0	0.0%
Macon	1	10.0%	\$0	0.0%
Mecklenburg	1	10.0%	\$0	0.0%
Wake	1	10.0%	\$9,087,857	46.4%
Market Area	7	70.0%	\$12,854,440	65.6%
Other	3	30.0%	\$6,746,800	34.4%
Total	10	100.0%	\$19,601,240	100.0%

SOURCE: Greater Asheville Regional Airport Authority

C. Determination of relevant NAICS codes

Based on information provided by GARAA concerning the proposed projects for this fiscal year, a list of NAICS codes corresponding to these projects was developed and is shown in Table 2 below:

Table 2: Greater Asheville Regional Airport Authority

FY 2024-FY 2026 Projects & Activities

Fiscal Year	Project	Activity	NAICS
FY 2024	ARFF Vehicle ¹	N/A	N/A
FY 2025	Taxiway A Rehabilitation	Highway & Street	237310
		Site Prep	238910
		Engineering	541330
		Geotechnical Testing	541380
		Landscaping	561730
FY 2026	Runway/Taxiway Sealcoat	Highway & Street	237310
		Site Prep	238910
		Engineering	541330
		Geotechnical Testing	541380
		Landscaping	561730
	Terminal Apron Improvements	Highway & Street	237310
		Site Prep	238910
		Engineering	541330
		Geotechnical Testing	541380
		Landscaping	561730

SOURCE: Greater Asheville Regional Airport Authority

¹ The purchase of an ARFF vehicle will not be included in the DBE goal methodology. There are only three ARFF vehicle manufacturers in the United States, and none of them are eligible to be certified DBE firms.

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

Table 3a: DBES—Asheville Regional Airport by Relevant NAICS Codes—Taxiway A Rehabilitation

Description	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	18	88	20.5%	\$2,451,845	\$502,628
Site Prep	238910	23	242	9.5%	\$718,905	\$68,296
Engineering	541330	62	842	7.4%	\$378,371	\$27,999
Geotechnical Testing	541380	7	74	9.5%	\$196,753	\$18,692
Landscaping	561730	33	1052	3.1%	\$37,838	\$1,173
Total					\$3,783,712	\$618,788
WEIGHTED GOAL – Step 1						16.35%

SOURCES:

- 2020 County Business Patterns, U.S. Census Bureau.
- North Carolina UCP DBE Directory, May 2023.

**Table 3b: DBES—Asheville Regional Airport by Relevant NAICS Codes—
Runway/Taxiway Sealcoat**

Description	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	18	88	20.5%	\$648,000	\$132,840
Site Prep	238910	23	242	9.5%	\$190,000	\$18,050
Engineering	541330	62	842	7.4%	\$100,000	\$7,400
Geotechnical Testing	541380	7	74	9.5%	\$52,000	\$4,940
Landscaping	561730	33	1052	3.1%	\$10,000	\$310
Total					\$1,000,000	\$163,540
WEIGHTED GOAL – Step 1						16.35%

SOURCES:

1. 2020 County Business Patterns, U.S. Census Bureau.
2. North Carolina UCP DBE Directory, May 2023.

**Table 3c: DBES—Asheville Regional Airport by Relevant NAICS Codes—
Terminal Apron Improvements**

Description	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	18	88	20.5%	\$1,803,845	\$369,788
Site Prep	238910	23	242	9.5%	\$528,905	\$50,246
Engineering	541330	62	842	7.4%	\$278,371	\$20,599
Geotechnical Testing	541380	7	74	9.5%	\$144,753	\$13,752
Landscaping	561730	33	1052	3.1%	\$27,838	\$863
Total					\$2,783,712	\$455,248
WEIGHTED GOAL – Step 1						16.35%

SOURCES:

1. 2020 County Business Patterns, U.S. Census Bureau.
2. North Carolina UCP DBE Directory, May 2023.

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 directory listed above was 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 GARAA are as follows:

Taxiway A Rehabilitation	16.35%
Runway/Taxiway Sealcoat	16.35%
Terminal Apron Improvements	16.35%

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:

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

**Table 4: Asheville Regional Airport
DBE Accomplishment**

Report Period	Approved DBE Goal	Total DBE Percent Achieved	Achieved Over/Under
FY 2020	12.5%	6.7%	-5.8%
FY 2021	12.2%	4.4%	-7.8%
FY 2022	5.4%	2.5%	-2.9%
Median	12.2%	4.4%	-5.8%

The median DBE accomplishment for the periods as shown above for GARAA is 4.4%. This accomplishment was compared to the step 1 base figures calculated above.

B. Consultations

The GARAA held a virtual public meeting on May 18, 2023. 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 GARAA’s effort to increase DBE participation. Please see Appendix B for the consultation process.

C. Adjustment to Step 1 DBE Base Figures: Asheville Regional Airport, FY 2024 - FY 2026

With the adjustment factors considered to this point, GARAA will adjust the Step 1 base figures as calculated above by adding the annual accomplishment factor derived in Table 4 above (4.4%) to the base figures, averaging the total for an adjusted DBE goal.

**Table 5: Greater Asheville Regional Airport Authority
FY 2024 – FY 2026 Overall Goal**

Fiscal Year	Project	Step1	Step 2 adjustment	Overall Goal	AIP Dollars	DBE Goal (dollars)
2024	No projects at this time					
2025	Taxiway A Rehabilitation	16.35%	4.40%	10.38%	\$3,783,712	\$392,749
FY 2025 Total				10.38%	\$3,783,712	\$392,749
2026	Runway/Taxiway Sealcoat	16.35%	4.40%	10.38%	\$1,000,000	\$103,800
	Terminal Apron Improvements	16.35%	4.40%	10.38%	\$2,783,712	\$288,949
FY 2026 Total				10.38%	\$3,783,712	\$392,749
FY 2024 - FY 2026 Overall Goal				10.38%	\$7,567,424	\$785,498

The total DBE goal in dollars was divided by the total project costs to derive the overall DBE goal of 10.38% for FY 2024 through FY 2026.

III. Process

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

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

Following this consultation, GARAA published a notice of the proposed overall goal on its website, informing the public that the proposed goal and its rationale were available for inspection and comment during normal business hours at GARAA's administrative office for 30 days following the date of the notice.

The GARAA'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 GARAA will begin using the overall goal on October 1 of each goal year, unless GARAA 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 GARAA will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The GARAA will use a combination of the following race-neutral means to increase DBE participation:

- A.** 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);
- B.** 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).
- C.** The GARAA proposes a race-conscious goal of **10.38%** and a race-neutral goal of **0.00%**, for a total of **10.38%**. 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 5.8% (see **Table 4**).

The GARAA 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 GARAA will use contract goals to meet any portion of the overall goal that GARAA 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 GARAA will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. The GARAA does not need to 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 GARAA 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. North Carolina UCP DBE Directory
2. 2020 County Business Patterns, Census Bureau
3. Uniform Report of DBE Commitments/Awards and Payments
4. GARAA Capital Improvement Program

**Appendix B: Asheville Regional Airport – Web Conference
May 18, 2023 – 11:00 a.m.**

Summary of Meeting: Wilfred Nixon, of Ken Weeden & Associates, gave a PowerPoint presentation that covered and explained the following:

- Background, purpose, and goal requirements of the FAA-DBE program.
- Overview of the DBE goal methodology and basic requirements, such as use of most refined data, identification of a normal market area, and employment of a two-step process in establishing the overall 3-year DBE goals.
- Calculation of the base-figure goal (step 1), and adjusted goal (step 2), through “weighting” and consideration of indicators of “capacity”.

**Stakeholder Meeting
Attendee List**

Name	Company/Organization
Kalyn Huffman	Apple Designs
Rita Yanz	Asheville Regional Airport
Danielle Andrews	Ken Weeden & Associates
Wilfred Nixon	Ken Weeden & Associates

Although the meeting invitation was sent to over 1,200 organizations and businesses, there was only one attendee other than Airport and consultant staff.