

LAFAYETTE AIRPORT COMMISSION (LAC)  
LAFAYETTE REGIONAL AIRPORT

**2016 – 2018 DISADVANTAGED BUSINESS ENTERPRISE GOAL**

**Goal Setting Methodology and Calculations for DBE Participation**

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**GOAL OVERVIEW**

The Lafayette Airport Commission (LAC) proposes an overall Disadvantaged Business Enterprise (DBE) Goal applicable to contracting opportunities that are budgeted to receive federal financial assistance from the U.S. Department of Transportation. **The proposed overall goal of 4.51% was developed in compliance with 49 CFR Part 26 to ensure a level playing field for DBE certified businesses.** Of the overall goal all 4.51% will be Race and Gender Conscious.

**MARKET AREA**

Upon embarking on the new terminal development program, the Lafayette Regional Airport has worked with partner organizations in the Lafayette region to determine the appropriate market area. The Lafayette Metropolitan Statistical Area (MSA), as defined by the US Census Bureau, includes the following five parishes: Lafayette, St. Martin, Acadia, Iberia, and Vermillion. The combined statistical area adds two additional parishes, St. Landry and St. Mary to include two more populous cities of Opelousas and Morgan City.

The Lafayette Regional Airport consulted with the Louisiana Small Business Development Center at the University of Louisiana at Lafayette to understand the local business market. The LSBDC – Lafayette had established an eight-parish catchment area which includes: Acadia, Evangeline, Iberia, Lafayette, St. Landry, St. Martin, St. Mary, and Vermillion parishes. As such, LAC used the eight-parish area as the market area for the goal methodology.

**FEDERALLY FUNDED PROJECTS – CONTRACTING OPPORTUNITIES**

Nine (9) federally funded contracting opportunities are identified for the reporting period for a total of \$31,592,570.24 based on total FAA AIP Commitments and AIP Discretionary Funds request. These projects, and the overall weighting of each project for calculation of the base goal is detailed in Table 1 below.

<b>TABLE 1</b>			
<b>FAA Assisted Capital Program</b>			
<b>Project</b>	<b>FAA Budget</b>	<b>Weight</b>	<b>Weight %</b>
<b>2016 (actual)</b>			
Runway 29 East End Design	\$893,252.00	0.02827412	2.83%
Perimeter Road Construction	\$1,413,874.54	0.04475339	4.48%
Wildlife Hazard Management Plan	\$13,315.50	0.00042148	0.04%
<b>Subtotal</b>	<b>\$2,320,442.04</b>		
<b>2017 (actual)</b>			
Runway 29 East End Construction	\$11,831,786.00	0.37451166	37.45%
Terminal Infrastructure Design - Phase 1 (Env/Conceptual Design)	\$2,089,786.00	0.06614802	6.61%
Noise Program Phase I	\$2,235,985.20	0.07077567	7.08%
<b>Subtotal</b>	<b>\$16,157,557.20</b>		
<b>2018 (projected)</b>			
New Terminal Design and Construction	\$10,000,000.00	0.31653012	31.65%
Noise Program Phase II	\$1,114,571.00	0.03527953	3.53%
RTR Relocation	\$2,000,000.00	0.06330602	6.33%
<b>Subtotal</b>	<b>\$13,114,571.00</b>		
<b>Total</b>	<b>\$31,592,570.24</b>		100.00%

**READY, WILLING & ABLE CONTRACTING POOL**

In this goal setting period, the Lafayette Regional Airport is embarking on a major capital program supported by Federal funds. This program will include extensive flatwork to the Airport’s aprons and runways, demolition of ancillary buildings, and the construction of a new terminal building. This robust capital program is unmatched by opportunities that have been offered by the Airport in prior years and the Lafayette Airport Commission has invested a great deal of time and resources to expanding outreach to contractors within the local region to communicate the upcoming contract opportunities and promote the DBE Program. Outreach efforts began in 2016 to increase the availability of certified DBE firms.

Through outreach, the Lafayette Airport Commission has increased awareness of the DBE Program requirements to the local contractor community and has increased interest from small, women and minority-owned business. During the early project phases, efforts continue to increase the number of certified, “ready, willing, and able” DBE firms in the local Lafayette region.

The Louisiana Unified Certification Program (LAUCP) is the basis of the airport’s DBE pool. For the defined market area, a total of 59 DBE certified firms are identified as detailed below.

<b>TABLE 2</b>	
<b>Parish</b>	<b>DBEs</b>
Acadia	4
Evangeline	0
Iberia	4
Lafayette	37
St. Landry	6
St. Martin	3
St. Mary	2
Vermillion	3
<b>Total</b>	<b>59</b>

The list of certified DBE contractors is compared to a more global list of businesses, segregated by NAICS Code. The U.S. County Business Pattern (USCBP) 2016 Economic Census data for the Lafayette MSA is used to determine the general market population of ready, willing and able businesses. These data sources reveal a total market availability of 552 firms for the construction and professional services trades represented in the federally-funded contracting opportunities. Of these, 28 firms in the Lafayette market are certified DBE firms as detailed in Table 3 below.

<b>TABLE 3</b>			
<b>NAICS</b>	<b>Type of Work</b>	<b>DBE</b>	<b>Market</b>
541330	Engineering	1	150
541310	Architectural	1	41
541620	Environmental Design	1	35
238110	Poured Concrete	1	25
238910	Site Preparation Contractors	5	44
238210	Electrical Contractors	3	124
237110	Water/Sewer Line	1	17
236210	Industrial Building Construction	0	4
237990	Other Heavy Civil Engineering Construction	0	8
541360	Geophysical Surveying/Mapping	0	13
237130	Power & Communications Lines & Structures	1	17
484110	Trucking	11	62
332312	Fabricated Metal	3	12
	<b>Total</b>	<b>28</b>	<b>552</b>

**BASE FIGURE**

In accordance with the current FAA and DOT guidance, the Airport is utilizing a two-step process in setting the goal. The first step examines the relative availability of DBE firms in the established market area and the second step allows for adjustments to the relative availability based on:

- Information from available Disparity Studies;
- Information gained from research and outreach with other relevant entities; and
- Historical accomplishments of the Airport’s DBE program.

<b>TABLE 4</b>						
<b>FAA Assisted Capital Program</b>						
<b>Project</b>	<b>Amount</b>	<b>DBE</b>	<b>Market</b>	<b>Relative Availability</b>	<b>Relative Weight</b>	<b>Base Goal</b>
<b>2016 (actual)</b>						
Runway 29 East End Design	\$893,252.00	1	163	0.00613497	0.0283000	0.02%
Perimeter Road Construction	\$1,413,874.54	9	193	0.04663212	0.0448000	0.21%
Wildlife Hazard Management Plan	\$13,315.50	1	35	0.02857143	0.0004000	0.00%
<b>Subtotal</b>	<b>\$2,320,442.04</b>					
<b>2017 (actual)</b>						
Runway 29 East End Construction	\$11,831,786.00	9	193	0.04663212	0.3745000	1.75%
Terminal Infrastructure Design - Phase 1 (Env/Conceptual Design)	\$2,089,786.00	2	191	0.01047120	0.0661000	0.07%
Noise Program Phase I	\$2,235,985.20	2	185	0.01081081	0.0708000	0.08%
<b>Subtotal</b>	<b>\$16,157,557.20</b>					
<b>2018 (projected)</b>						
New Terminal Design and Construction	\$10,000,000.00	28	531	0.05273070	0.3165000	1.67%
Noise Program Phase II	\$1,114,571.00	2	185	0.01081081	0.0353000	0.04%
RTR Relocation	\$2,000,000.00	9	197	0.04568528	0.0633000	0.29%
<b>Subtotal</b>	<b>\$13,114,571.00</b>					
<b>Total</b>	<b>\$31,592,570.24</b>	<b>63</b>	<b>1873</b>			<b>4.12%</b>
					<b>Base Goal</b>	<b>4.12%</b>

The Base Figure calculation conducted in Step 1 of the goal setting process weighs the relative availability of DBE contractors to the amount of contracting opportunities available for the total pool of contractors in the Market Area. The calculation factors all funded and anticipated projects. (See Appendix A for project details.) Based on the ready willing and able analysis, a base figure of 4.12% participation was developed as detailed in Table 4 above.

## ADJUSTMENTS TO THE BASE GOAL

Step 2 to this process is intended to adjust the Base Figure percentage from Step 1 so that it reflects as accurately as possible the DBE participation the recipient would expect in the absence of discrimination.

The Airport performed an internet search and was unable to locate any applicable disparity studies for the Lafayette market area.

Additionally, the Airport contacted area entities and was unable to document any existing disparity studies performed for the region. These entities include: 1) University of Louisiana at Lafayette Small Business Development Center; 2) Lafayette Consolidated Government Business and Career Solutions; and 3) Greater Lafayette Chamber of Commerce. No relevant Disparity Studies were identified to inform the study.

Therefore, after calculating the Base Figure of 4.12%, LAC’s historic data was calculated for a five-year period from 2013 to 2017 to determine if the goal is consistent with the agency’s performance. It was determined that LAC has historic DBE direct participation ranging from 0% to 9.74% as detailed in Table 5 below.

HISTORIC PARTICIPATION TABLE 5 <sup>1</sup>							
Year	DBE Goal	Award	Description	Status	DBE Attainment	Race Conscious	Race Neutral
<b>Projects Completed</b>							
2013	5.50%	No projects completed in 2013					
2014	5.50%	\$ 189,450.00	Perimeter Road - Design	Complete	0.00%		
<b>2014 Total</b>		<b>\$ 189,450.00</b>			<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
2015	5.50%	No projects completed in 2015					
2016	7.31%	\$ 1,413,874.54	Perimeter Road - Construction	Complete	4.77%		

<sup>1</sup> Historic performance data includes actual spending to date for AIP assisted projects. For Noise Mitigation projects where LAC has not drawn down all of the FAA funds, only the expended funds are used in the calculation of historic participation. Additionally, AIP funding for Runway 29 has additional funds in the grant balance for testing and inspection which is not yet complete. For the Wildlife Management grant, LAC expended less than the total AIP grant amount.

HISTORIC PARTICIPATION TABLE 5 <sup>1</sup>							
Year	DBE Goal	Award	Description	Status	DBE Attainment	Race Conscious	Race Neutral
		\$ 9,388.22	Wildlife Hazard Management Plan	Complete	0.00%		
<b>2016 Total</b>		<b>\$ 1,423,262.76</b>			<b>4.73%</b>	<b>4.73%</b>	<b>0.00%</b>
2017	7.31%	\$ 6,412.50	RW 29 EMAS Constructability Review	Complete	98.25%		
		\$ 437,903.21	Construct Terminal Building P1 of 7 - PMCM	Complete	11.17%		
		\$ 71,449.06	CIP PMCM	Complete	30.76%		
		\$ 1,030,990.50	Construct Terminal Building P1 of 7 - Design	Complete	10.43%		
<b>2017 Total</b>		<b>\$ 1,546,755.26</b>			<b>9.74%</b>	<b>9.74%</b>	<b>0.00%</b>
Awarded Prime Contract with FAA Funds							
2017	7.31%	\$ 12,126,266.00	RW 29 East End Const.	Ongoing	N/A	N/A	N/A
		\$ 958,288.50	Noise Program Phase I	Ongoing	N/A	N/A	N/A
		\$ 620,892.29	Construct Terminal Building P1 of 7 - Design	Ongoing	N/A	N/A	N/A
		\$ 504,954.00	Noise Program Phase II	Not Started	N/A	N/A	N/A
		\$ 1,554,849.00	Terminal Schematic Design	On going	N/A	N/A	N/A
		\$ 36,494.10	Historic American Building Survey	On going	N/A	N/A	N/A
<b>2017 Total</b>		<b>\$ 15,801,743.89</b>					
Projects in Litigation <sup>2</sup>							
2013	5.50%	\$ 5,831,000.00	4R - 22L Overlay	Litigation	N/A	N/A	N/A
2015	5.50%	\$ 1,037,163.66	TW Sealcoat	Litigation	N/A	N/A	N/A
2015	5.50%	\$ 6,073,779.30	RW 11 EMAS Construction	Litigation	N/A	N/A	N/A
<b>Litigation Total</b>		<b>\$ 12,941,942.96</b>					

As such, adjustments to the base goal factor and the average DBE participation of 4.89% for a five-year period (2013– 2017)<sup>3</sup> yields an overall goal of 4.51% as detailed in Table 6 below.

<sup>2</sup> DBE participation for the projects noted as “litigation” are not included in past performance due to not having final figures. DBE Participation will be included once each project is final (out of litigation). As such, only the participation for contracts identified as complete are factored into the average participation calculation. When litigation is resolved, the goal methodology will be updated counting these projects as completed in the year litigation is complete.

<sup>3</sup> There were no completed projects in 2013 or 2015, so the average historic participation includes 2014, 2016 and 2017 only.

<b>TABLE 6</b>	
Base Goal	4.12%
2013 (No Completed Projects)	
2014	0.00%
2015 (No Completed Projects)	
2016	4.73%
2017	9.94%
Three-Year Average Historic Participation (0% + 4.73% + 9.74%)/3	4.89%
Adjusted Goal (4.12 + 4.89%)/2	4.51%

**USE OF RACE NEUTRAL MEANS**

Historically, Lafayette Regional Airport has used race-conscious measures in obtaining its overall contract goals on federally assisted contracts. It is estimated that in meeting the overall adjusted 4.51% DBE goal, 0% will be obtained from race-neutral participation and the entire 4.51% will be obtained from race-conscious measures (e.g. setting contract goals). The estimation of race-neutral participation and race-conscious measures percentages are based on past participation and established goals.

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

The Airport will establish contract goals only for those DOT - assisted contracts that have subcontracting possibilities. It is not necessary to establish a contract goal on every contract, and the size of contract goals will be adapted to the circumstances of each contract (e.g., work type and location of work, availability of DBEs to perform a particular type of work).

The Airport will also utilize race-neutral means of facilitating DBE participation. The race-neutral measures include:

- Inclusion of DBE firms and other small businesses in project notifications.
- Supplying of list of potential subcontractors to potential prime contractors.
- Ensuring the widest feasible distribution of this program by utilizing the DOT LAUCP Directory.

## **CALCULATION OF THE FY 2016 – 2018 DBE GOAL**

The base DBE goal calculated for 2016 – 2018 is 4.12%.

The average DBE participation is 4.89%.

The FY 2016 – 2018 DBE Goal is calculated using the following formula:

$$\begin{aligned} & \text{[(Five-Year Participation Average + FY 2017 Base Goal)/2=Adjusted DBE Goal]} \\ & \text{((4.12 \% + 4.89\%) divided by 2) = 4.51\%} \end{aligned}$$

## **PUBLIC PARTICIPATION AND CONSULTATION**

The original notice of the proposed overall goal was available to the public for 30 days following the date of the notice and comments regarding these documents were accepted for 45 days after the date the notice is published. The public notice indicated the location where the proposal can be reviewed and where comments can be transmitted. The notice was published in the following publications:

- The Lafayette Daily Advertiser
- Lafayette Airport Commission Website – LFTAairport.com

Given the significant changes to the goal methodology in this submission and based on comments from the FAA, LAC will engage the following professional, technical, civic, business, and community-based organizations as a DBE Advisory Committee for consultation on the DBE Goal. The DBE Advisory Committee includes the following organizations:

- Asian Chamber of Commerce
- National Black Chamber of Commerce
- Kiwanis Southwest
- Lafayette Economic Development Authority
- Louisiana Procurement and Technical Center
- 100 Black Men of Greater Lafayette
- Greater Southwest Black Chamber of Commerce
- Hispanic Chamber of Commerce
- Lafayette Consolidated Government
- Lafayette Commission on the Needs of Women
- Louisiana Small Business Development Center
- Pastoral Alliance

LAC will also re-advertise the overall goal for an additional 30-day comment period. The revised methodology will be made available on the LAC's website and notice will be published in the Lafayette Daily Advertiser. Following the public comment period, the goal will be adjusted to reflect input from the community as warranted.

At the time of this submittal, no information from minority stakeholders had been received based on recent contact. If or when such information becomes available, the Airport will provide an addendum to this report and re-submit to the FAA for further review.



**APPENDIX A**

<b>2016 RUNWAY 29 DESIGN</b>					
NAICS	Type of Work	Weight	DBE	Market	Relative Availability
541330	Engineering	95%	1	150	0.0063333333
541360	Geophysical Surveying/Mapping	5%	0	13	0.0000000000
	<b>Total</b>	100%	1	163	0.0063333333
					0.63%

<b>2016 PERIMETER ROAD CONSTRUCTION</b>					
NAICS	Type of Work	Weight	DBE	Market	Relative Availability
238110	Poured Concrete	70%	1	25	0.0280000000
238910	Site Preparation Contractors	20%	5	44	0.022727273
238210	Electrical Contractors	10%	3	124	0.002419355
	<b>Total</b>	100%	9	193	0.053146628
					5.31%

<b>2016 WILDLIFE HAZARD MMANAGEMENT PLAN</b>					
NAICS	Type of Work	Weight	DBE	Market	Relative Availability
541620	Environmental Design	100%	1	35	0.028571429
	<b>Total</b>	100%	1	35	0.028571429
					2.86%

<b>2017 RUNWAY 29 EAST END CONSTRUCTION</b>					
NAICS	Type of Work	Weight	DBE	Market	Relative Availability
238110	Poured Concrete	70%	1	25	0.0280000000
238910	Site Preparation Contractors	20%	5	44	0.022727273
238210	Electrical Contractors	10%	3	124	0.002419355
	<b>Total</b>	100%	9	193	0.053146628
					5.31%

2017 TERMINAL DESIGN PHASE I					
NAICS	Type of Work	Weight	DBE	Market	Relative Availability
541330	Engineering	60%	1	150	0.004000000
541310	Architectural	40%	1	41	0.009756098
	<b>Total</b>	100%	2	191	0.013756098
					1.38%

2017 NOISE PROGRAM PHASE I					
NAICS	Type of Work	Weight	DBE	Market	Relative Availability
541620	Environmental Design	90%	1	35	0.025714286
541330	Engineering	10%	1	150	0.000666667
	<b>Total</b>	100%	2	185	0.026380952
					2.64%

2018 NOISE PROGRAM PHASE II					
NAICS	Type of Work	Weight	DBE	Market	Relative Availability
541620	Environmental Design	90%	1	35	0.025714286
541330	Engineering	10%	1	150	0.000666667
	<b>Total</b>	100%	2	185	0.026380952
					2.64%

2018 RTR RELOCATION					
NAICS	Type of Work	Weight	DBE	Market	Relative Availability
238110	Poured Concrete	10%	1	25	0.004
238910	Site Preparation Contractors	10%	5	44	0.011363636
238210	Electrical Contractors	60%	3	124	0.014516129
236210	Industrial Building Construction	20%	0	4	0.000000000
	<b>Total</b>	100%	9	197	0.029879765
					2.99%

2018 NEW TERMINAL DESIGN & CONSTRUCTION					
NAICS	Type of Work	Weight	DBE	Market	Relative Availability
541330	Engineering	2%	1	150	0.000133333
541310	Architectural	1%	1	41	0.000243902
541620	Environmental Design	1%	1	35	0.000285714
238110	Poured Concrete	10%	1	25	0.004000000
238910	Site Preparation Contractors	20%	5	44	0.022727273
238210	Electrical Contractors	10%	3	124	0.002419355
237110	Water/Sewer Line	12%	1	17	0.007058824
236210	Industrial Building Construction	20%	0	4	0.000000000
237130	Power & Communications Lines	6%	1	17	0.003529412
484110	Trucking	10%	11	62	0.017741935
332312	Fabricated Metal	8%	3	12	0.020000000
	<b>Total</b>	100%	28	531	0.078139748
					7.81%