

# **FY 2024 - FY 2026**

## **DISADVANTAGED BUSINESS ENTERPRISE PROGRAM METHODOLOGY FOR**



## **Chester Catawba Regional Airport Chester, South Carolina**

**CHESTER, SOUTH CAROLINA**

**MARCH 2024**

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

*Chester, SC*

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

### I. Detailed Methodology: Specific Steps

#### A. Amount of Goal

The Airport’s overall goal for FY 2024 – FY 2026 is **7.1%** of the Federal financial assistance it will expend in USDOT-assisted contracts.

Given the amount of USDOT-assisted contracts that the Airport expects to let in FY 2024 through FY 2026, which is approximately **\$643,190** this means that the Airport has set a goal of expending approximately **\$45,498** with DBEs during this period.

#### B. Determination of the Market Area of the study

The normal market area was based on discussions with the consulting engineer, 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: Counties in the Chester Catawba Regional Airport Market Area**

| County             | Bidders  | Percent of bidders | Dollars            | Percent of dollars |
|--------------------|----------|--------------------|--------------------|--------------------|
| Chester - SC       | 0        | 0.0%               | \$0                | 0.0%               |
| Lancaster-SC       | 2        | 28.6%              | \$887,584          | 48.9%              |
| Mecklenburg-NC     | 2        | 28.6%              | \$0                | 0.0%               |
| Union-NC           | 2        | 28.6%              | \$928,115          | 51.1%              |
| <b>Market Area</b> | <b>6</b> | <b>85.7%</b>       | <b>\$1,815,699</b> | <b>100.0%</b>      |
| Other              | 1        | 14.3%              | \$0                | 0.0%               |
| <b>Total</b>       | <b>7</b> | <b>100.0%</b>      | <b>\$1,815,699</b> | <b>100.0%</b>      |

**C. Determination of relevant NAICS codes**

Based on information provided by the consulting engineer concerning the proposed projects, a list of NAICS codes corresponding to these projects were developed and are shown below:

**Table 2: Chester Catawba Regional Airport  
FY 2024 – FY 2026 Project & Activities**

| <b>FY 2024 - 2026 Projects Chester Catawba Regional Airport</b> |                                  |                        |              |                |
|---|----------------------------------|------------------------|--------------|----------------|
| <b>FY</b>   | <b>PROJECT</b>                   | <b>ACTIVITY</b>        | <b>NAICS</b> | <b>Dollars</b> |
| <b>2024</b>   | Airfield Lighting Rehabilitation | Highway & Street       | 237310       | \$292,190      |
|   |                                  | Electrical Contractors | 238210       |                |
|   |                                  | Engineering            | 541330       |                |
|   |                                  | Geotechnical Testing   | 541380       |                |
|   |                                  | Landscaping            | 561730       |                |
| <b>2026</b>   | Airport Layout Plan              | Engineering            | 541330       | \$351,000      |
|   |                                  | Survey                 | 541370       |                |
|   |                                  | Geotechnical Testing   | 541380       |                |
|   |                                  | Environmental          | 541620       |                |

*Source: Airport staff; Talbert, Bright & Ellington, compiled by Ken Weeden & Associates, Inc.*

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

**Table 3a: DBEs—Chester Catawba Regional Airport  
by Relevant NAICS Codes—FY 2024 – Airfield Lighting Rehabilitation**

| <b>Activity</b>               | <b>NAICS CODES</b> | <b>DBE Firms</b> | <b>All Firms</b> | <b>% of DBE Firms Available</b> | <b>NAICS Dollars</b> | <b>DBE Amount</b> |
|-------------------------------|--------------------|------------------|------------------|---------------------------------|----------------------|-------------------|
| <b>Highway &amp; Street</b>   | 237310             | 13               | 53               | 24.5%                           | \$16,192             | \$3,967           |
| <b>Electrical Contractors</b> | 238210             | 9                | 352              | 2.6%                            | \$218,741            | \$5,687           |
| <b>Engineering</b>            | 541330             | 22               | 370              | 5.9%                            | \$25,755             | \$1,520           |
| <b>Geotechnical Testing</b>   | 541380             | 3                | 24               | 12.5%                           | \$25,755             | \$3,219           |
| <b>Landscaping</b>            | 561730             | 21               | 603              | 3.5%                            | \$5,747              | \$201             |
| <b>Total</b>                  |                    |                  |                  |                                 | <b>\$292,190</b>     | <b>\$14,594</b>   |
| <b>Weighted Step 1 Goal</b>   |                    |                  |                  |                                 |                      | <b>5.0%</b>       |

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. South Carolina UCP DBE Directory, February 2024.
3. North Carolina UCP DBE Directory, February 2024.

**Table 3b: DBEs—Chester Catawba Regional Airport  
by Relevant NAICS Codes—FY 2026 – Airport Layout Plan**

| <b>Activity</b>             | <b>NAICS CODES</b> | <b>DBE Firms</b> | <b>All Firms</b> | <b>% of DBE Firms Available</b> | <b>NAICS Dollars</b> | <b>DBE Amount</b> |
|-----------------------------|--------------------|------------------|------------------|---------------------------------|----------------------|-------------------|
| <b>Engineering</b>          | 541330             | 22               | 370              | 5.9%                            | \$213,654            | \$12,606          |
| <b>Survey</b>               | 541370             | 4                | 45               | 8.9%                            | \$40,681             | \$3,621           |
| <b>Geotechnical</b>         | 541380             | 3                | 27               | 11.1%                           | \$20,358             | \$2,260           |
| <b>Environmental</b>        | 541620             | 7                | 43               | 16.3%                           | \$76,307             | \$12,438          |
| <b>Total</b>                |                    |                  |                  |                                 | <b>\$351,000</b>     | <b>\$30,925</b>   |
| <b>Weighted Step 1 Goal</b> |                    |                  |                  |                                 |                      | <b>8.8%</b>       |

**SOURCES:**

1. 2021 County Business Patterns, U.S. Census Bureau.
2. South Carolina UCP DBE Directory, February 2024.
3. North Carolina UCP DBE Directory, February 2024.

**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 was derived by using a weighting process by which the percentage of dollars spent on various activities (represented by NAICS codes) were multiplied by the percentage of relevant DBE firms to all relevant firms as indicated in Table 3 above.

The Step 1 DBE Base Figure for the Airport for FY 2024-2026 is as follows:

FY 2024 – Airfield Lighting Rehabilitation – 5.0%

FY 2026 – Airport Layout Plan – 8.8%

**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 DBE percent accomplishment indicated in Table 4 below:

**Table 4: Chester Catawba Regional Airport  
DBE Accomplishment**

| <b>Report Period</b> | <b>Approved DBE Goal</b> | <b>Total DBE Percent Achieved</b> | <b>Achieved Over/Under</b> |
|----------------------|--------------------------|-----------------------------------|----------------------------|
| <b>FY 2020</b>       | 12.7%                    | 88.1%                             | 75.4%                      |
| <b>FY 2021</b>       | 13.0%                    | 88.1%                             | 75.1%                      |
| <b>FY 2023</b>       | 7.3%                     | 30.9%                             | 23.6%                      |
| <b>MEDIAN</b>        | <b>12.7%</b>             | <b>88.1%</b>                      | <b>75.4%</b>               |

The median DBE accomplishment for the period shown above for the Airport is 88.1%.

**B. Consultations**

The Airport held a web conference on March 8, 2024 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. Please see Appendix B for the attendee list and consultation comments.

**C. Adjustment to Step 1 DBE Base Figures: Chester Catawba Regional Airport,  
FY 2024 – FY 2026**

With the adjustment factors considered to this point, the Airport will not adjust the Step 1 base figure.

**Table 5: Chester Catawba Regional Airport  
FY 2024 – FY 2026 Overall Goal**

| <b>Fiscal Year</b>                    | <b>Project</b>                   | <b>Step 1</b> | <b>Step 2 adjustment</b> | <b>Overall Goal</b> | <b>Total project costs</b> | <b>DBE Goal (dollars)</b> |
|---------------------------------------|----------------------------------|---------------|--------------------------|---------------------|----------------------------|---------------------------|
| 2024                                  | Airfield Lighting Rehabilitation | 5.0%          | N/A                      | 5.0%                | \$292,190                  | \$14,610                  |
| <b>FY 2024 Total</b>                  |                                  |               |                          | <b>5.0%</b>         | <b>\$292,190</b>           | <b>\$14,610</b>           |
| FY 2025 – No projects at this time    |                                  |               |                          | N/A                 | N/A                        | N/A                       |
| 2026                                  | Airport Layout Plan              | 8.8%          | N/A                      | 8.8%                | \$351,000                  | \$30,888                  |
| <b>FY 2026 Total</b>                  |                                  |               |                          | <b>8.8%</b>         | <b>\$351,000</b>           | <b>\$30,888</b>           |
| <b>FY 2024 – FY 2026 Overall Goal</b> |                                  |               |                          | <b>7.1%</b>         | <b>\$643,190</b>           | <b>\$45,498</b>           |

The total DBE goal in dollars was divided by the total project costs to derive the overall DBE goal of 7.1% for FY 2024-FY 2026.

**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 on its website.

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 **7.1%** and a race-neutral goal of **0.0%**, for a total of **7.1%**. The reason for this breakout is that the projects from the previous years show that the median amount by which the past DBE goals were over-achieved is abnormally high (see **Table 4**). Therefore, it is projected that the entire goal of **7.1%** will be achieved using race conscious means.

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.

#### **V. 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 our 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 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 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. 2021 County Business Patterns, U.S. Census Bureau.
2. South Carolina UCP DBE Directory, February 2024.
3. North Carolina UCP DBE Directory, February 2024.

**Appendix B: Chester Catawba Regional Airport – Web conference – March 8, 2024**

**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**

| <b>Name</b>       | <b>Company/Organization</b>      |
|-------------------|----------------------------------|
| Michelle Richards | MB Richards Engineering          |
| Keith Roach       | Chester Catawba Regional Airport |
| Andy Shook        | Talbert Bright and Ellington     |
| Wilfred Nixon     | Ken Weeden & Associates          |

**Questions/Comments**

There were no questions or comments. The meeting invitation on the next page was sent to 65 organizations.

# You're Invited...

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## Disadvantaged Business Enterprise Stakeholder Meeting



## Chester Catawba Regional Airport

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When: Friday, March 8, 2024  
Time: 11:00 a.m.  
Location: Virtual (GoToWebinar)

The Airport is seeking input regarding its FY 2024 - FY 2026 three-year Disadvantaged Business Enterprise (DBE) goal. We invite you to participate in a meeting to discuss the proposed goal, as well as the availability of potential DBEs for the Airport's projects, and the Airport's effort to increase DBE participation.

We sincerely hope that you or your representative will attend this meeting to assist the Airport in our ongoing efforts to implement an effective DBE program.

The meeting will be held using **GoToWebinar**. You can join our session by using a Mac, PC or a mobile device. After registering, you will receive a confirmation email containing information about joining the meeting.

**For questions or additional information, please contact Danielle Andrews at [danielle-andrews@kwaplanning.com](mailto:danielle-andrews@kwaplanning.com).**

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