

CEDAR RAPIDS AIRPORT COMMISSION FFY2021 – FFY2023 DBE GOALS

Overall Goals

Amount of Goal

The Commission's **overall goal for FFY2021 – FFY2023** is the following: **4.39%** of the Federal financial assistance we will expend in FAA-assisted contracts.

Methodology

To comply with 49 CRF Part 26.45, the Commission establishes its DBE goal based on evidence of availability of ready, willing, and able DBE's relative to all business ready, willing, and able to participate in the Commission's FAA-assisted contracts. The first step to begin the goal-setting process is determining a base figure for the relative availability of DBE's. The second step is to examine the evidence available locally to determine what adjustment, if any, is necessary to the base figure to arrive at an overall goal.

Step 1 (Ready, Willing, and Able to Work Step)

The Commission has at least five options that may be used in the goal-setting process. Adjustments can be made under Step 2 to ensure that the final goal is narrowly tailored to the Commission's market and contracting program. The options are as follows:

1. Use DBE Directories and Census Bureau Data to determine the number of ready, willing and able DBEs in the market by using the Iowa Department of Transportation (IDOT) DBE Directory and the Census Bureau's County Business Pattern database to determine the number of all ready, willing and able businesses available in the market that perform work in the same NAICS codes. The number of DBEs is divided by the number of all businesses to arrive at a base figure for the relative availability of the DBEs in the market.
2. Use a bidder's list to determine the number of DBEs that have bid or quoted on FAA assisted prime contracts or subcontracts in the previous year and determine the number of all businesses that have bid or quoted on prime or subcontracts in the same time period. The number of DBE bidders and quoters should be divided by the number of all businesses to derive a base figure for the relative availability of DBEs in the market.
3. Use data from a disparity study. Use a percentage derived from data in a valid, applicable disparity study.
4. Use the goal of another Department of Transportation (DOT) recipient in the same or substantially similar market that has set an overall goal in compliance with 49 CRF Part 26.45.
5. Alternative methods. Other methods may be used to determine a base figure for an overall goal. The methodology used must be based on demonstrable evidence of local market

conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of DBEs in the market.

The Commission will use the Iowa DOT FFY2021 – FFY2023 Goal of 6.03% under Step 1 of the goal-setting process. Adjustments will be made under Step 2 to ensure that the final goal is narrowly tailored to the Commission’s market and contracting program.

Step 2 (Adjustment Step Based on Evidence Available)

The second step is to examine the evidence available from Commission records to determine if any adjustment is needed. Two factors were examined to determine the capacity of the existing DBE firms working for the Commission:

1. The percentage of contracts that DBE firms were able to receive race neutral (e.g. low bid or used as subcontractors on projects without DBE goals) was reviewed.

- ◆ The percentage of prime contracts awarded to DBE’s represents their ability to compete and obtain prime contracts in a race neutral market.
- ◆ During the past 3 years, DBE firms obtained 0.0% of all prime contracts through the low-bid process, which represents 0.0% of the total contract dollars.

$$\frac{0 \text{ DBE prime contract awards}}{19 \text{ all prime contract awards}} = 0.00\%$$

$$\frac{\$0 \text{ of DBE prime contract awards}}{\$23,631,136 \text{ of all prime contract awards}} = 0.00\%$$

- ◆ The percentage of subcontracts awarded to DBE’s on projects without DBE goals represents their ability to compete and obtain subcontracts in a race neutral market.
- ◆ During the past 3 years, DBE firms obtained 3.2% of subcontracts without DBE goals, which represents 0.59% of the total subcontract dollars.

$$\frac{3 \text{ DBE subcontracts without DBE goals}}{10 \text{ total subcontracts without DBE goals}} = 30.00\%$$

$$\frac{\$16,650 \text{ of DBE subcontracts without DBE goals}}{\$2,843,082 \text{ of all subcontracts without DBE goals}} = 0.59\%$$

2. The percentage of contracts that DBE firms were able to receive race conscious (e.g. low bid or used as subcontractors on Federal assisted projects with DBE goals) was reviewed.

- ◆ During the past 3 years, DBE firms obtained 0.0% of Federal assisted prime contracts.

$$\frac{0 \text{ DBE Prime Contracts on Federal assisted contracts}}{9 \text{ Prime Contracts on Federal assisted contracts}} = 0.00\%$$

- ◆ During the past 3 years, DBE firms received 15.28% of Federal assisted subcontracts with DBE goals, which represents 10.81% of the total contract dollars.

$$\frac{11 \text{ DBE Subcontracts on Federal assisted contracts}}{72 \text{ total subcontracts on Federal assisted contracts}} = 15.28\%$$

72 Subcontracts on Federal assisted contracts

\$3,048,240 DBE Subcontracts on Federal assisted contracts = 10.81%
\$28,196,778 of Federal assisted contracts

- ◆ During the past 3 years, DBE firms have received 10.81% of the entire Federal assisted contract dollars.
3. Criteria for setting DBE goals on federal assisted contracts is to assure at least 3 ways exist to make a DBE goal. This may be 3 or more items that can be subcontracted to DBE contractors to meet the goal or 3 or more DBE contractors ready, willing, and able to quote on the available subcontract work. In reviewing the past 3 years in which DBE firms received 10.8% of the total Federal assisted contract dollars, one DBE grading subcontractor received \$2,275,605 of the \$3,048,240 or 74.65% of the contract dollars awarded to DBE firms. During the past 3 years no other DBE firm was utilized for grading work on federal assisted contracts. During the 3 year period 2 other DBE firms were utilized in erosion control and traffic control work of which there are multiple DBE firms available to perform this type of work. Consequently, the 3 year participation total for DBE firms was adjusted by subtracting the participation dollars of the DBE grading subcontractor. This adjustment resulted in DBE firms receiving 2.74% of the total Federal assisted contract dollars.

\$772,635 DBE Subcontracts on Federal assisted contracts = 2.74%
\$28,196,778 of Federal assisted contracts

- ◆ During the past 3 years, DBE firms have received 2.74% of the entire Federal assisted contract dollars when adjusted to account for 1 DBE firm receiving a disproportionate amount of Federal assisted contract dollars.

Summary

These factors indicate that DBE firms have not been able to obtain prime contracts through race-neutral methods or race-conscious methods. With the current DBE goals set on Federal assisted projects, DBE firms have been able to obtain 10.81% of total Federal assisted contract dollars. The DBE goals for this period averaged 2.30%. These factors indicate that DBE firms have been able to obtain 8.51% of Federal assisted contract dollars through race-neutral methods. However, when adjusted to account for 1 DBE firm receiving a disproportionate amount of Federal assisted contract dollars as previously stated, DBE firms obtained an adjusted 2.74% of total Federal assisted contract dollars, which when compared to the DBE goal of 2.30% during this time period it indicates that DBE firms obtained just 0.41% of Federal assisted contract dollars through race-neutral methods.

The Commission has compared the DBE percentages under Step 1 of 6.03% (Iowa DOT proposed FFY2021 – FFY2023 Goal) and under Step 2 of 2.74% (adjusted actual participation), and has concluded to establish the DBE goal based upon the average of the Step 1 and Step 2 percentages. Using this methodology, the Commission establishes a **FFY2021 – FFY2023 Goal of 4.39%** for participation by DBE firms on all Federal assisted contracts let through the Commission.

(Step 1 + Step 2) x .50 = goal

(6.03% + 2.74%) = 8.77% x .50 = **4.39% FFY2021-FFY2023 DBE Goal**

The Commission will monitor and administer existing FAA-assisted contracts under the current DBE Program. We will implement the use of the new DBE Program and goals beginning with the first FAA-assisted contract of Federal FFY2021 – FFY2023.

Process

The Commission's first overall three-year DBE goal was submitted to the FAA on August 1, 2011, and a new DBE overall goal will be submitted every three years after said date. Before establishing the overall DBE goal, the Commission conducts a consultation meeting with DBE firms who have participated on past Federal Assisted contracts to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBE's, and the Commission's efforts to establish a level playing field for the participation of DBE's.

Each year the overall goal is submitted to the FAA, the Commission will publish a notice in the Cedar Rapids Gazette. The publication will notify the public that the proposed overall goal and its rationale are available for inspection during normal business hours at the Office of the Airport Director for 30 days following the date of the notice. The public will be informed that the Commission and FAA will accept comments on the goals for 45 days from the date of the notice. Normally, we will issue this notice by July 31st of each year. The notice will include addresses to which comments may be sent and addresses where the proposal may be reviewed.

The Commission's address for viewing and comments is:

Office of the Airport Director
The Eastern Iowa Airport
2515 Arthur Collins Parkway SW
Cedar Rapids, IA 52404-8952
Website: WWW.FLYCID.COM
Email: DBELO@FLYCID.COM

The FAA's address for comments:

Federal Aviation Administration
Office of Civil Rights
Western-Pacific Regional Office, AWP-9
P.O. Box 92007
Los Angeles, CA 90009-2007

Our overall goal submission including supplemental information to the FAA will include a summary of information and comments received during this public participation process and our

responses. We will normally begin using our overall goal on October 1st of each year, unless we have received other instructions from FAA.

Breakout of Race-Neutral and Race-Conscious Participation

The Commission will use race-neutral measures to meet the maximum feasible portion of the overall goal. Race-neutral measures will include outreach and technical assistance for DBE contractors. The outreach and technical assistance support will include technical assistance and training in areas such as preparing and using a business plan, bonding, working with the Commission, and contract administration.

The Commission established during its “FFY2018 – FFY2020 DBE Goal Analysis” that 0.41% of the DBE participation as adjusted on Federal assisted projects was obtained through race neutral measures. Since race neutral measures secured 0.41% of past DBE participation, we project that the 3.98% of the FFY2021 – FFY2023 goal of 4.39% will be achieved through race-conscious measures; and 0.41% of the goal will be achieved through race-neutral measures.

The Commission will adjust the estimated breakout of race-neutral and race-conscious participation if 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 prime contracts, DBE subcontracts on a prime contract that does not carry a DBE goal, DBE subcontracting exceeding a contract goal, and DBE subcontracting where the prime contractor did not consider a firm's DBE status in making the award.

Contract goals when used, will be 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 Commission will establish contract goals only on those FAA assisted contracts that have subcontracting possibilities. We need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstance of each such contract. (e.g., type and location of work, availability of DBE's to perform the particular type of work).

The Commission will express its contract goals as a percentage of the total amount of FAA assisted contracts.

The Eastern Iowa Airport Capital Project Summary

PROJECT RESOURCES		REVENUE SOURCE ABBREVIATIONS	DBE Goal Period			TOTALS	
			FY 21	FY 22	FY 23		
			Federal Share				
CARES Act Grant Funds	CARES	\$8,897,610	\$0	\$0	\$8,897,610		
FAA AIP Grants - Entitlement Funds	FAA-E	\$0	\$2,715,402	\$3,375,000	\$6,090,402		
FAA AIP Grants - Discretionary Funds	FAA-D	\$0	\$2,099,598	\$0	\$2,099,598		
TOTAL RESOURCES		\$8,897,610	\$4,815,000	\$3,375,000	\$17,087,610		
PROJECT EXPENDITURES							Percentage of Total
515999	Install Solar Panels (Admin., Maint., Parking, Public Safety, & Rental Car Bldg. Roofs)	CARES	\$924,000				5%
515118	Construct West Fuel Farm Improvements	CARES	610,000				4%
515299	Construct West G A Apron Expansion	CARES	4,524,319				26%
515286	Relocate WT Buildings	CARES	2,839,291				17%
515124	Masterplan Update	FAA-E		1,350,000			8%
515214	Construct Cargo Apron-Ph. 2/Reconstruct Existing Apron	FAA-E, FAA-D		3,465,000			20%
515251	Rehabilitate Taxilane D	FAA-E			3,375,000		20%
TOTAL CAPITAL IMPROVEMENTS + PURCHASES			\$8,897,610	\$4,815,000	\$3,375,000	\$17,087,610	100%