

**Little Rock Municipal Airport Commission
Disadvantaged Business Enterprise Program
2018-2020 Goal**



**BILL AND HILLARY
CLINTON
NATIONAL AIRPORT
— LITTLE ROCK —**

**Thomas W. Clarke, Director – Properties, Planning, and Development
August 1, 2017
Updated April 18, 2018**

BILL AND HILLARY

CLINTON NATIONAL AIRPORT

ONE AIRPORT DRIVE
LITTLE ROCK, AR 72202

DBE GOAL for FY-2018-2020

Section 26.45: Overall DBE 3-Year Goal Methodology

Name of Recipient: Bill and Hillary Clinton National Airport

Goal Period: FY: 2018-2020 (October 1, 2018 through September 30, 2020)

DOT-assisted contract amount: FY-2018 \$ 4,857,000.00
FY-2019 \$ 6,830,000.00
FY-2020 \$ 10,000,000.00

Total dollar amount to be expended on DBE's: \$ 2,537,379.00

DBE 3-Year Overall Goal: 13%

Describe the Number and Type of Projects that the airport anticipates awarding:

FY-2018

- | | |
|--|-----------------|
| 1. Runway 18-36 Edge Light Rehabilitation | \$ 607,000.00 |
| 2. Replace EMAS at Runway 22R-Phase II | \$ 650,000.00 |
| 3. Runway 4L-22R Rehab (RGL's) | \$ 500,000.00 |
| 4. Drainage Improvement | \$ 2,550,000.00 |
| 5. Emergency Generators for ARFF & East Lighting Vault | \$ 550,000.00 |

FY-2018 TOTAL \$ 4,857,000.00

FY-2019

- | | |
|---|-----------------|
| 1. Rehabilitate Terminal Apron & Drainage | \$ 3,580,000.00 |
| 2. Terminal Ramp Expansion | \$ 3,250,000.00 |

FY-2019 TOTAL \$ 6,830,000.00

FY-2020

- | | |
|--|-----------------|
| 1. Taxiway Papa Rehabilitation (from Twy B to Z) | \$ 5,500,000.00 |
| 2. Taxiway Charlie Relocation – Phase 1 | \$ 4,500,000.00 |

FY-2020 TOTAL \$ 10,000,000.00

The identification of FY 2018-2020's potential projects was the Commission's initial step in determining its DBE goal. Professional service firms are needed for design and construction management services.

A historical review of the bidders' data from FY 2015, FY 2016, and FY 2017 is available to identify the market area. In 2005, the Commission began collecting bid data to reflect the demographics of all bidders. This data shows that the majority of bidders are from an array of cities and counties in Arkansas, mostly in Little Rock and North Little Rock, and, depending on the type of bid, the same bidders are recorded on similar projects. This information allows the Commission to consider the data from all bidders, not just that of the successful awards.

In developing the methodology, the review also involved implementation of any subsequent adjustments needed for race neutral considerations. The race neutral considerations are detailed in that particular section of this process.

The US Department of Commerce's NAICS codes were used to appropriately segregate the project work by discipline. Utilizing the US Census Bureau data, the Commission identified the number of available firms to compete for the proposed work within the State of Arkansas in the 2015 County Business Patterns (CBP), latest edition.

The Certified DBE List for the State of Arkansas (issued June 28, 2017 by the Arkansas Highway and Transportation Department) was used to identify the number of ready, willing and able disadvantaged businesses. There was an increase in the number of DBE certified firms in the NAICS codes represented in the methodology for FY 2018-2020 (1,902) compared to the number of firms in FY 2015-2017 (1,345).

Areas of work for potential DBEs were segregated by NAICS with the comparable non-DBE firms in Step One: Base Figure on the following page. The chart identifies the number of firms by 6 digit codes to better isolate the firms with some degree of specifics. Information from the latest CBP statistics was used. The number of firms from each project was added for a total sum. The same process was performed on the DBEs from the AHTD List. The relative availability of firms for the Base Figure was calculated by dividing the DBE firms by the CBP firms. The numerator was derived from the number of certified DBE firms. The denominator is representative of the firms as indicated by the CBP.

Step One: Base Figure (Average of the availability for all eleven projects)

*2015 County Business Patterns – US Census Bureau and **AHTD DBE List (Dated 06-28-2017)

1 of 9		Runway 18-36 Edge Light Rehabilitation	All Firms	DBE Firms
		\$607,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing		46	4
238210	Electrical Contractors		586	16
238110	Poured Concrete Foundation & Structure		152	34
238910	Site Preparation Contractors		414	53
237990	Other Heavy and Civil Engineering		25	15
541690	Scientific & Technical Consulting Services		190	6
541990	Professional, Scientific & Tech. Services		67	8
7	NAICS Classifications	Sub-Total	1480	136
541330	Engineering Services		417	26
541370	Surveying & Mapping Services		92	4
541380	Test Laboratories		53	6
3	NAICS Classifications	Sub-Total	562	36
2 of 9		Replace EMAS at Runway 22R – Phase II	All Firms	DBE Firms
		\$650,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing		46	4
238210	Electrical Contractors		586	16
238110	Poured Concrete Foundation & Structure		152	34
238910	Site Preparation Contractors		414	53
237310	Highway, Street, Bridge Construc. Paving		112	80
237990	Other Heavy and Civil Engineering		25	15
541690	Scientific & Technical Consulting Services		190	6
541990	Professional, Scientific & Tech. Services		67	8
8	NAICS Classifications	Sub-Total	1592	216
541330	Engineering Services		417	26
541370	Surveying & Mapping Services		92	4
541380	Test Laboratories		53	6
3	NAICS Classifications	Sub-Total	562	36

3 of 9		Runway 4L-22R Rehabilitation (RGL's)	All Firms	DBE Firms
		\$500,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing		46	4
238210	Electrical Contractors		586	16
238110	Poured Concrete Foundation & Structure		152	34
238910	Site Preparation Contractors		414	53
541690	Scientific & Technical Consulting Services		190	6
541990	Professional, Scientific & Tech. Services		67	8
6	NAICS Classifications	Sub-Total	1455	121
541330	Engineering Services		417	26
541370	Surveying & Mapping Services		92	4
541380	Test Laboratories		53	6
3	NAICS Classifications	Sub-Total	562	36
4 of 9		Drainage Improvement	All Firms	DBE Firms
		\$2,550,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing		46	4
238110	Poured Concrete Foundation & Structure		152	34
484110	General Freight Trucking, Local		201	3
238910	Site Preparation Contractors		414	53
237990	Other Heavy and Civil Engineering		25	15
541690	Scientific & Technical Consulting Services		190	6
6	NAICS Classifications	Sub-Total	1028	115
541330	Engineering Services		417	26
541370	Surveying & Mapping Services		92	4
541380	Test Laboratories		53	6
3	NAICS Classifications	Sub-Total	562	36
5 of 9		Emergency Generators of ARFF & East Lighting Vault (2 generators)	All Firms	DBE Firms
		\$550,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing		46	4
238210	Electrical Contractors		586	16
238110	Poured Concrete Foundation & Structure		152	34
484110	General Freight Trucking, Local		201	3
238910	Site Preparation Contractors		414	53
541690	Scientific & Technical Consulting Services		190	6
541990	Professional, Scientific & Tech. Services		67	8
7	NAICS Classifications	Sub-Total	1656	124
541330	Engineering Services		417	26
541380	Test Laboratories		53	6
2	NAICS Classifications	Sub-Total	470	32

6 of 9		Rehabilitate Terminal Apron & Drainage	All Firms	DBE Firms
		\$3,580,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing		46	4
238210	Electrical Contractors		586	16
238110	Poured Concrete Foundation & Structure		152	34
238910	Site Preparation Contractors		414	53
237310	Highway, Street, Bridge Construc. Paving		112	80
237990	Other Heavy and Civil Engineering		25	15
541690	Scientific & Technical Consulting Services		190	6
541990	Professional, Scientific & Tech. Services		67	8
	8 NAICS Classifications	Sub-Total	1592	216
541330	Engineering Services		417	26
541370	Surveying & Mapping Services		92	4
541380	Test Laboratories		53	6
	3 NAICS Classifications	Sub-Total	562	36
7 of 9		Terminal Ramp Expansion	All Firms	DBE Firms
		\$3,250,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing		46	4
238210	Electrical Contractors		586	16
238110	Poured Concrete Foundation & Structure		152	34
238910	Site Preparation Contractors		414	53
237310	Highway, Street, Bridge Construc. Paving		112	80
237990	Other Heavy and Civil Engineering		25	15
541690	Scientific & Technical Consulting Services		190	6
541990	Professional, Scientific & Tech. Services		67	8
	8 NAICS Classifications	Sub-Total	1592	216
541330	Engineering Services		417	26
541370	Surveying & Mapping Services		92	4
541380	Test Laboratories		53	6
	3 NAICS Classifications	Sub-Total	562	36

8 of 9	Taxiway Papa Rehabilitation (from Twy B to Z)	All Firms	DBE Firms
	\$5,500,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing	46	4
238210	Electrical Contractors	586	16
238110	Poured Concrete Foundation & Structure	152	34
484110	General Freight Trucking, Local	201	3
238910	Site Preparation Contractors	414	53
237310	Highway, Street, Bridge Construc. Paving	112	80
237990	Other Heavy and Civil Engineering	25	15
541690	Scientific & Technical Consulting Services	190	6
541990	Professional, Scientific & Tech. Services	67	8
	9 NAICS Classifications Sub-Total	1793	219
541330	Engineering Services	417	26
541370	Surveying & Mapping Services	92	4
541380	Test Laboratories	53	6
	3 NAICS Classifications Sub-Total	562	36

9 of 9	Taxiway Charlie Relocation – Phase 1	All Firms	DBE Firms
	\$4,500,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing	46	4
238210	Electrical Contractors	586	16
238110	Poured Concrete Foundation & Structure	152	34
484110	General Freight Trucking, Local	201	3
238910	Site Preparation Contractors	414	53
237310	Highway, Street, Bridge Construc. Paving	112	80
237990	Other Heavy and Civil Engineering	25	15
541690	Scientific & Technical Consulting Services	190	6
541990	Professional, Scientific & Tech. Services	67	8
	9 NAICS Classifications Sub-Total	1793	219
541330	Engineering Services	417	26
541370	Surveying & Mapping Services	92	4
541380	Test Laboratories	53	6
	3 NAICS Classifications Sub-Total	562	36

TOTAL DBE FIRMS	(Numerator)	1902
TOTAL FIRMS	(Denominator)	18947
BASE FIGURE		0.1004

Step 2. Analysis: Adjustment to Step 1 base figure to make it more precise.

After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what adjustment (if any) was needed to the base figure in order to arrive at the overall goal.

The data used to determine the adjustment to the base figure was the median of historical DBE accomplishments which ranged from 15% to 26% as follows:

<i>Fiscal Year</i>	<i>DBE Accomplishments</i>
<i>FY 16</i>	<i>26%</i>
<i>FY 15</i>	<i>18%</i>
<i>FY 14</i>	<i>15%</i>
<i>FY 13</i>	<i>16%</i>
<i>FY 12</i>	<i>15%</i>

Arranging this historical data from low to high, the median is 16%.

To arrive at an overall goal, we added our Step 1 base figure with our Step 2 adjustment figure and then averaged the total arriving at an overall goal of 13%. We feel this adjusted goal figure will accurately reflect DBE participation that can be achieved for the type of project work being awarded during FY 2018-2020.

Step Two: Adjustments

		Annual Accomplishments
CNA 2012 Accomplishments		0.1500
CNA 2013 Accomplishments		0.1559
CNA 2014 Accomplishments		0.1500
CNA 2015 Accomplishments		0.1800
CNA 2016 Accomplishments		0.2590
Part A:	Part B:	
LRNA Median	16% (rounded)	Step One Base Figure
		Step Two Median
		# equals 1 and 2 together
		0.2563 /2
		Average
		2018-2020 Overall Adjusted Goal (rounded)
		13%

Step one and two divided by 2

Further, there are no applicable disparity studies for the local market area or recent legal case information available from the State of Arkansas Department of Commerce E.O. office to show any evidence of barriers to entry or competitiveness of DBEs in Pulaski County.

Breakout of Estimated Race Neutral (RN) and Race Conscious (RC) Participation

The recipient will meet the maximum feasible portion of its overall goal by using RN means of facilitating DBE participation:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE, and other small businesses, participation;
2. Carrying out information and communications programs on contracting procedures and specific contract opportunities;
3. Providing services to help DBE’s and other small businesses improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
4. Ensuring distribution of DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors; and
5. Host an annual DBE conference to assist DBE’s and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media.

The recipient examined the race-neutral attainment for the past 5 years to determine the maximum race-neutral participation. On average, the recipient achieved 16% (see table below). The recipient estimates that in meeting its overall goal of 13%, it will obtain 7% from RN participation and 6% through RC measures.

Fiscal Year	Total Grant \$ Amount	DBE Goals			Accomplishments			Type of work
		RC	RN	Total	RC	RN	Total	
FY 16	\$ 7,590,123	11%	3%	8%	21%	5%	26%	Taxiway/Runway
FY 15	\$ 14,157,983	11%	3%	8%	0%	7%	18%	Airport Master Plan
FY 14	\$ 3,792,510	11%	3%	8%	0%	7%	15%	Taxiway/Runway
FY 13	\$ 5,124,468	8%	5%	13%	13%	3%	16%	Taxiway/Runway
FY 12	\$ 3,349,204	9%	0%	9%	7%	8%	15%	Taxiway/Runway

In FY16, the Commission accomplishments exceeded their goal by 15%, which is evidence of race-neutral participation, therefore, 7% of our 13% goal is being applied to race-neutral and the remaining 6% is applied to race-conscious participation. The Commission will monitor the projects and make any necessary adjustments as needed.

The Commission will adjust the estimated breakout of race neutral and race conscious DBE participation as needed to reflect actual DBE participation (see Section 26.51(f)) 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.

Race Neutral Considerations

	2012	2013	2014	2015	2016
Accomplishments	15%	16%	15%	18%	26%
FY Annual Goals	9%	8%	11%	11%	11%
Difference	6%	8%	4%	7%	15%

Median:

Ascending Order of Variance: goals - accomplishments

4% 6% 7% 8% 15%

2018-2020 Overall adjusted goal
(rounded figures)

Race conscious goal

Race neutral goal

13%

6%

7%

Consultation

The Airport submits its overall 3-year goal to DOT on August 1 as required. An update to the goal has been prepared to reflect changes in the Airport's Capital Improvement Program as of April 17, 2018.

The Airport representatives attend The Little Rock Regional Chamber of Commerce meetings the fourth Thursday of each month. We will also participate in the city's Minority Enterprise Development Week each year in September as well as host its own Small Business Conference each spring. We also participate in a business matchmaking event each fall with the Arkansas Economic Development Commission. The methodology was discussed at three separate public meetings. The first was Tuesday, February 20, 2017 at Clinton National Airport's Monthly Commission meeting. The second was during Clinton National Airports Small Business Conference, which was hosted on Friday, May 18, 2017. The third was during Little Rock Minority Development Week by participating in a panel discussion on Diversity and Inclusion on Thursday, September 13, 2017.

The Airport will continue to consult with Little Rock's Regional Chamber of Commerce, Airport Minority Business Council, without limiting consultation to these persons or groups, to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Airport Authority's efforts to establish a level playing field for the participation of DBEs.

Following the consultation, we will publish a notice on our website www.clintonairport.com, in the statewide daily newspaper, *Arkansas Democrat Gazette*, as well as a business newspaper whose emphasis is on the Hispanic community and the Black community. The advertisement will include the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the airport administration building for 30 days following the date of the notice, and informing the public that the Airport Authority and DOT will accept comments on the goals for 45 days from the date of the notice. The notice must include addresses to which comments may be sent and addresses where the proposal may be reviewed.

Our overall goal submission to DOT will include a summary of information and comments received during this public participation process and our responses, if any.

Public Notice

The Bill and Hillary Clinton National Airport hereby announces its fiscal year 2018-2020 goal of 13% for Disadvantaged Business Enterprise (DBE) airport construction projects. The proposed goals and rationale is available for inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday at One Airport Drive, Little Rock, Arkansas 72202 for 30 days from the date of this publication on online at clintonairport.com/Airport Business/DBE Program at any time.

Comments on the DBE goal will be accepted for 45 days from the date of this publication and can be sent to the following:

Leonard Smith
Manager - DBE
One Airport Drive
Little Rock, AR 72202