

**Little Rock Municipal Airport Commission
Disadvantaged Business Enterprise Program
2021-2023 Goal**



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

**Thomas W. Clarke, Director – Properties, Planning, and Development
August 1, 2020**

BILL AND HILLARY

CLINTON NATIONAL AIRPORT

ONE AIRPORT DRIVE
LITTLE ROCK, AR 72202

DBE GOAL for FY-2021-2023

Section 26.45: Overall DBE 3-Year Goal Methodology

Name of Recipient: Bill and Hillary Clinton National Airport

Goal Period: FY: 2021-2023 (October 1, 2021 through September 30, 2023)

DOT-assisted contract amount: FY-2021 \$ 9,500,000.00
FY-2022 \$ 15,100,000.00
FY-2023 \$ 13,000,000.00

Total dollar amount to be expended on DBE's: \$ 37,600,000.00

DBE 3-Year Overall Goal: 11%

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

FY-2021

1. Taxiway Charlie Reconstruction – Phase 1/Part B (B-D) \$ 9,500,000.00
FY-2021 TOTAL \$ 9,500,000.00

FY-2022

1. ARFF Replacement Vehicles \$ 2,100,000.00
2. Taxiway Charlie Reconstruction – Phase 2 (D-G) \$13,000,000.00
FY-2022 TOTAL \$15,100,000.00

FY-2023

1. Taxiway Charlie Rehabilitation – Phase 3 (G-A) \$ 7,000,000.00
2. Taxiway Alpha South Relocation \$ 6,000,000.00
FY-2023 TOTAL \$ 13,000,000.00

The identification of FY 2021-2023'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 2018, FY 2019, and FY 2020 is available to identify the market area. 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 2018 County Business Patterns (CBP), latest edition.

The Certified DBE List for the State of Arkansas provided by the Arkansas Highway and Transportation Department was used to identify the number of ready, willing and able disadvantaged businesses. There was an decrease in the number of DBE certified firms in the NAICS codes represented in the methodology for FY 2021-2023 (711) compared to the number of firms in FY 2018-2020 (1,902) mainly due to the decrease in anticipated projects for the timeframe.

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 five projects)

*2018 County Business Patterns – US Census Bureau and **AHTD DBE List (Dated 07/25/2020)

1 of 5 Taxiway Charlie Reconstruction – Phase 1/Part B		All Firms	DBE Firms
\$9,500,000.00		(AR)	(AR)
532412	Construction Equipment Rental & Leasing	46	4
238210	Electrical Contractors	642	17
238110	Poured Concrete Foundation & Structure	159	37
238910	Site Preparation Contractors	416	50
237990	Other Heavy and Civil Engineering	31	18
335129	Lighting Fixtures, Airport (runway, taxiway)	0	1
541690	Scientific & Technical Consulting Services	216	6
541990	Professional, Scientific & Tech. Services	96	8
8	NAICS Classifications Sub-Total	1606	133
541330	Engineering Services	399	32
541370	Surveying & Mapping Services	93	6
541380	Test Laboratories	56	5
3	NAICS Classifications Sub-Total	548	43
2 of 5 ARFF Replacement Vehicles		All Firms	DBE Firms
\$2,100,000.00		(AR)	(AR)
336320	Motor Vehicle Electrical & Electronic Equip	5	1
336390	Other Motor Vehicle Parts Manufacturing	9	1
339950	Sign Manufacturing	47	2
423110	Automobile & Other Motor Vehicle Merchant Wholesalers	83	0
454310	Fuel Dealers	35	1
524210	Insurance Agencies and Brokerages	1547	1
524291	Claims Adjusting – Insurance Claims Inve.	51	1
7	NAICS Classifications Sub-Total	1777	7

3 of 5		Taxiway Charlie Reconstruction – Phase 2	All Firms	DBE Firms
		\$13,000,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing		46	4
238210	Electrical Contractors		642	17
238110	Poured Concrete Foundation & Structure		159	37
238910	Site Preparation Contractors		416	50
237990	Other Heavy and Civil Engineering		31	18
335129	Lighting Fixtures, Airport (runway, taxiway)		0	1
541690	Scientific & Technical Consulting Services		216	6
541990	Professional, Scientific & Tech. Services		96	8
8	NAICS Classifications	Sub-Total	1606	133
541330	Engineering Services		399	32
541370	Surveying & Mapping Services		93	6
541380	Test Laboratories		56	5
3	NAICS Classifications	Sub-Total	548	43
4 of 5		Taxiway Charlie Reconstruction – Phase 3	All Firms	DBE Firms
		\$7,000,000.00	(AR)	(AR)
532412	Construction Equipment Rental & Leasing		46	4
238210	Electrical Contractors		642	17
238110	Poured Concrete Foundation & Structure		159	37
238910	Site Preparation Contractors		416	50
237990	Other Heavy and Civil Engineering		31	18
335129	Lighting Fixtures, Airport (runway, taxiway)		0	1
541690	Scientific & Technical Consulting Services		216	6
541990	Professional, Scientific & Tech. Services		96	8
8	NAICS Classifications	Sub-Total	1606	133
541330	Engineering Services		399	32
541370	Surveying & Mapping Services		93	6
541380	Test Laboratories		56	5
3	NAICS Classifications	Sub-Total	548	43

5 of 5	Taxiway Alpha South Reconstruction \$6,000,000.00	All Firms (AR)	DBE Firms (AR)
	532412 Construction Equipment Rental & Leasing	46	4
	238210 Electrical Contractors	642	17
	238110 Poured Concrete Foundation & Structure	159	37
	238910 Site Preparation Contractors	416	50
	237990 Other Heavy and Civil Engineering	31	18
	335129 Lighting Fixtures, Airport (runway, taxiway)	0	1
	541690 Scientific & Technical Consulting Services	216	6
	541990 Professional, Scientific & Tech. Services	96	8
	8 NAICS Classifications Sub-Total	1606	133
	541330 Engineering Services	399	32
	541370 Surveying & Mapping Services	93	6
	541380 Test Laboratories	56	5
	3 NAICS Classifications Sub-Total	548	43

TOTAL DBE FIRMS (Numerator) 711
TOTAL FIRMS (Denominator) 10393

BASE FIGURE 0.0685

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 11% to 19% as follows:

<i>Fiscal Year</i>	<i>DBE Accomplishments</i>
<i>FY 19</i>	<i>19%</i>
<i>FY 18</i>	<i>15%</i>
<i>FY 17</i>	<i>11%</i>

Arranging this historical data from low to high, the median is 15%.

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 11%. 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 2021-2023.

Step Two: Adjustments

		Annual Accomplishments
CNA 2017 Accomplishments		0.1100
CNA 2018 Accomplishments		0.1574
CNA 2019 Accomplishments		0.1903
Part A:		
LRNA Median	15% <small>(rounded)</small>	
	Part B:	
	Step One Base Figure	0.0685
	Step Two Median	0.1526
	# equals 1 and 2 together	0.2211 /2
	Average	0.1106
<small>Step one and two divided by 2</small>	2021-2023 Overall Adjusted Goal	
	(rounded)	11%

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 3 years to determine the maximum race-neutral participation. On average, the recipient

achieved 15% (see table below). The recipient estimates that in meeting its overall goal of 11%, it will obtain 5% 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 17	\$ 9,050,552	8%	3%	11%	8%	3%	11%	Taxiway/Runway
FY 18	\$ 4,153,612	6%	7%	13%	7%	9%	15%	Taxiway/Runway
FY 19	\$ 6,375,278	3%	2%	5%	3%	16%	19%	Taxiway/Runway

FY17-19, the Commission accomplishments exceeded their goal by 5%, which is evidence of race-neutral participation, therefore, 5% of our 11% 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

	2017	2018	2019
Accomplishments	11%	15%	19%
FY Annual Goals	11%	13%	5%
Difference	0%	2%	14%

Median:

Ascending Order of Variance: goals - accomplishments

0% 2% 14% **(5%)**

2021-2023 Overall adjusted goal
(rounded figures)

11%

Race conscious goal

6%

Race neutral goal

5%

Consultation

The Airport submits its overall 3-year goal to DOT on August 1 as required. 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 18, 2020 at Clinton National Airport's Monthly Commission meeting. The second was during Arkansas Regional DBE Conference, which was hosted on Wednesday, March 4, 2020. The third was during Little Rock Minority Development Week by participating in a panel discussion on Diversity and Inclusion on Tuesday, September 15, 2020.

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 2021-2023 goal of 11% 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