

**FY 2022 - FY 2024
DISADVANTAGED BUSINESS ENTERPRISE GOAL METHODOLOGY
FOR**



WEST PADUCAH, KENTUCKY

MARCH 2022

METHODOLOGY for Establishing the FY 2022-FY 2024 Overall Disadvantaged Business Enterprise (DBE) Goal for:

*Barkley Regional Airport
West Paducah, KY*

Airport Sponsor: **Barkley Regional Airport Authority**
Airport: **Barkley Regional Airport**
DBELO: **Carol Creason, Director of Administrative and Terminal Services**
Barkley Regional Airport
2901 Fisher Road
West Paducah, KY 42086
Phone: 270.744.0521 ext. 110
Email: carol@flybarkley.com

I. Detailed Methodology: Specific Steps

A. Amount of Goal

The Barkley Regional Airport Authority’s FY 2022-FY 2024 overall goal for the federal financial assistance it will expend in USDOT-assisted contracts is the following:

Overall Goal:	<u>8.18%</u>	<u>FY 2022 Goal</u>	<u>5.13%</u>
Race-Neutral:	<u>0.00%</u>	<u>FY 2023 Goal</u>	<u>8.08%</u>
Race-Conscious:	<u>8.18%</u>	<u>FY 2023 Goal</u>	<u>8.98%</u>

The Airport Authority expects to let approximately **\$23,057,100** in USDOT-assisted contracts for FY 2022-FY 2024. The Airport Authority has set a goal of expending approximately **\$1,886,013** with DBE firms during this three-year period.

B. Determination of the Market Area of the study

The market area is derived by determining where the substantial majority of contracting dollars for AIP-funded projects were spent, and from where the majority of bidders over a given period of time have come as illustrated in **Table 1 below**.

Table 1: Counties in the Local Market Area for Barkley Regional Airport

County	Bidders	% of bidders	Dollars	Percent of dollars
Graves	2	11.1%	\$84,056	0.3%
Hopkins	1	5.6%	-	0.0%
Jefferson	1	5.6%	-	0.0%
Livingston	4	22.2%	\$14,542,547	54.0%
Lyon	1	5.6%	-	0.0%
McCracken	8	44.4%	\$12,313,600	45.7%
Market Area	17	94.4%	\$26,940,203	100.0%
Other	1	5.6%	\$0	0.0%
Total	18	100.0%	\$26,940,203	100.0%

C. Determination of relevant NAICS codes

Based on information provided by the Airport concerning the proposed projects for this fiscal year, a list of NAICS codes corresponding to these projects was developed and is shown below:

Table 2: Barkley Regional Airport—FY 2022-FY 2024 Projects & Activities

FY 2022 Projects		
Project	Activity	NAICS
Rehabilitate Runway 5/23 - Phase 2, including Paving & Drainage Improvements (Design)	Engineering	541330
Rehabilitate Runway 5/23, Runway 14/32, Taxiway Alpha, & Taxiway Charlie Lighting Improvements (Design)	Engineering	541330
Airfield Marking Improvements (Design & Construction)	Highway & Street	237310
	Engineering	541330
	Landscaping	561730
FY 2023 Projects		
Project	Activity	NAICS
Rehabilitate Runway 5/23 - Phase 2 Paving Improvements (Construction)	Highway & Street	237310
	Drainage	237990
	Electrical	238210
	Site Prep	238910
	Engineering	541330
	Testing	541380
	Landscaping	561730
Rehabilitate Runway 5/23, Runway 14/32, Taxiway Alpha, & Taxiway Charlie Lighting Improvements (Construction)	Electrical	238210
	Engineering	541330
Improve Terminal Building - Sanitary Sewer Extension to Airport (Construction)	Sewer Construction	237110
	Engineering	541330
	Testing	541380
FY 2024 Projects		
Project	Activity	NAICS
Rehabilitate Runway 5/23 - Phase 3 Drainage Improvements (Construction)	Highway & Street	237310
	Drainage	237990
	Site Prep	238910
	Engineering	541330
	Testing	541380
	Landscaping	561730
Acquire Easements & Remove Approach Obstructions (Design) - Phase 1	Engineering	541330
Rehabilitate & Expand Former Terminal Apron for Proposed Cargo Operations (Design)	Engineering	541330
Conduct Airport Planning Studies, including Exhibit 'A'	Planning	541320

SOURCE: Barkley Regional Airport

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

**Table 3a: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2022
Rehabilitate Runway 5/23 - Phase 2, including Paving &
Drainage Improvements (Design)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Engineering	541330	2	172	1.16%	\$711,000	\$8,267
Total					\$711,000	\$8,267
Weighted Step 1 Goal						1.16%

SOURCES:

1. 2019 County Business Patterns, U.S. Census Bureau.
2. Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

**Table 3b: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2022
Rehabilitate Runway 5/23, Runway 14/32, Taxiway Alpha, &
Taxiway Charlie Lighting Improvements (Design)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Engineering	541330	2	172	1.16%	\$162,000	\$1,884
Total					\$162,000	\$1,884
Weighted Step 1 Goal						1.16%

SOURCES:

1. 2019 County Business Patterns, U.S. Census Bureau.
2. Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

**Table 3c: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2022
Airfield Marking Improvements (Design & Construction)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	2	11	18.18%	\$584,512	\$106,275
Engineering	541330	2	172	1.16%	\$76,241	\$887
Landscaping	561730	6	261	2.30%	\$88,947	\$2,045
Total					\$749,700	\$109,206
Weighted Step 1 Goal						14.57%

SOURCES:

1. 2019 County Business Patterns, U.S. Census Bureau.
2. Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

**Table 3d: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2023
Rehabilitate Runway 5/23 - Phase 2 Paving Improvements
(Construction)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	2	11	18.18%	\$5,417,852	\$985,064
Drainage	237990	2	7	28.57%	\$1,328,694	\$379,627
Electrical	238210	3	184	1.63%	\$208,028	\$3,392
Site Prep	238910	6	66	9.09%	\$1,712,338	\$155,667
Engineering	541330	2	172	1.16%	\$369,082	\$4,292
Testing	541380	0	25	0.00%	\$33,553	\$0
Landscaping	561730	6	261	2.30%	\$731,453	\$16,815
Total					\$9,801,000	\$1,544,856
Weighted Step 1 Goal						15.76%

SOURCES:

- 2019 County Business Patterns, U.S. Census Bureau.
- Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

**Table 3e: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2023
Rehabilitate Runway 5/23, Runway 14/32, Taxiway Alpha, & Taxiway Charlie Lighting
Improvements (Construction)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Electrical	238210	3	184	1.63%	\$1,242,353	\$20,256
Engineering	541330	2	172	1.16%	\$695,347	\$8,085
Total					\$1,937,700	\$28,341
Weighted Step 1 Goal						1.46%

SOURCES:

- 2019 County Business Patterns, U.S. Census Bureau.
- Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

**Table 3f: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2023
Improve Terminal Building - Sanitary Sewer Extension to Airport (Construction)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Sewer Construction	237110	1	7	14.29%	\$1,646,609	\$235,230
Engineering	541330	2	172	1.16%	\$20,583	\$239
Testing	541380	0	25	0.00%	\$226,409	\$0
Total					\$1,893,600	\$235,469
Weighted Step 1 Goal						12.43%

SOURCES:

- 2019 County Business Patterns, U.S. Census Bureau.
- Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

**Table 3g: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2024
Rehabilitate Runway 5/23 - Phase 3 Drainage Improvements (Construction)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	2	11	18.18%	\$1,878,479	\$341,542
Drainage	237990	2	7	28.57%	\$2,107,562	\$602,160
Site Prep	238910	6	66	9.09%	\$1,832,662	\$166,606
Engineering	541330	2	172	1.16%	\$377,987	\$4,395
Testing	541380	0	25	0.00%	\$34,362	\$0
Landscaping	561730	6	261	2.30%	\$687,248	\$15,799
Total					\$6,918,300	\$1,130,502
Weighted Step 1 Goal						16.34%

SOURCES:

1. 2019 County Business Patterns, U.S. Census Bureau.
2. Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

**Table 3h: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2024
Acquire Easements & Remove Approach Obstructions (Design) - Phase 1**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Engineering	541330	2	172	1.16%	\$201,600	\$2,344
Total					\$201,600	\$2,344
Weighted Step 1 Goal						1.16%

SOURCES:

1. 2019 County Business Patterns, U.S. Census Bureau.
2. Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

**Table 3i: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2024
Rehabilitate & Expand Former Terminal Apron for Proposed Cargo Operations (Design)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Engineering	541330	2	172	1.16%	\$286,200	\$3,328
Total					\$286,200	\$3,328
Weighted Step 1 Goal						1.16%

SOURCES:

1. 2019 County Business Patterns, U.S. Census Bureau.
2. Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

**Table 3j: DBEs—Barkley Regional Airport, by Relevant NAICS Codes—FY 2024
Conduct Airport Planning Studies, including Exhibit 'A'**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Planning	541320	2	20	10.00%	\$396,000	\$39,600
Total					\$396,000	\$39,600
Weighted Step 1 Goal						10.00%

SOURCES:

- 2019 County Business Patterns, U.S. Census Bureau.
- Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.

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 directories listed above were used to determine the numerator, or the number of DBE firms in the market area.

E. Determination of the DBE Base Figure

The Step 1 DBE Base Figure for each fiscal year was derived by multiplying the dollars for each activity by the percentage of relevant DBE firms to all relevant firms. The total DBE goal in dollars was divided by the total project costs to derive the step 1 goals.

Fiscal Year	Project	Step 1
2022	Rehabilitate Runway 5/23 - Phase 2, including Paving & Drainage Improvements (Design)	1.16%
2022	Rehabilitate Runway 5/23, Runway 14/32, Taxiway Alpha, & Taxiway Charlie Lighting Improvements (Design)	1.16%
2022	Airfield Marking Improvements (Design & Construction)	14.57%
2023	Rehabilitate Runway 5/23 - Phase 2 Paving Improvements (Construction)	15.76%
2023	Rehabilitate Runway 5/23, Runway 14/32, Taxiway Alpha, & Taxiway Charlie Lighting Improvements (Construction)	1.46%
2023	Improve Terminal Building - Sanitary Sewer Extension to Airport (Construction)	12.43%
2024	Rehabilitate Runway 5/23 - Phase 3 Drainage Improvements (Construction)	16.34%
2024	Acquire Easements & Remove Approach Obstructions (Design) - Phase 1	1.16%
2024	Rehabilitate & Expand Former Terminal Apron for Proposed Cargo Operations (Design)	1.16%
2024	Conduct Airport Planning Studies, including Exhibit 'A'	10.00%

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.

“(ii) Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure...”

The overall DBE goal accomplishments at the Airport were examined relative to the above consideration. Notice the annual DBE percent accomplishment indicated in Table 4 below:

Table 4: Barkley Regional Airport DBE Accomplishments

Report Period	Approved DBE Goal	DBE Percent Achieved	Achieved Over/Under
FY 2017	10.95%	2.90%	-8.05%
FY 2018	3.64%	6.81%	3.17%
FY 2019	2.80%	0.79%	-2.01%
FY 2020	6.49%	0.00%	-6.49%
FY 2021	3.72%	3.20%	-0.52%
MEDIAN	3.72%	2.90%	-2.01%

Source: <https://faa.civilrightsconnect.com>

49 CFR Part 26.45(d)(2) also states that the following must be considered for the purposes of considering an adjustment to the base figure:

“(i) Statistical disparities in the ability of DBEs to get the financing, bonding and insurance required to participate in your program;

“(ii) Data on employment, self-employment, education, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.”

No disparity study data were available for the Commonwealth of Kentucky or for the McCracken County area.

The [Kentucky Economic Development Finance Authority](#) (KEDFA), established within the Cabinet for Economic Development, exists to assist businesses of all sizes with their growth and development. The KEDFA offers businesses services such as access to capital, mentoring, and business advocacy.

B. Consultations

The Authority held a consultation meeting on April 01, 2022 at 1:00 pm. 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 Authority’s effort to increase DBE participation. Consultation information can be found in Appendix B.

C. Adjustment to Step 1 Base Figure: Barkley Regional Airport

With the adjustment factors considered to this point, the Airport will adjust the Step 1 base figures as calculated above by adding the annual accomplishment factor derived in Table 4 above (2.90%) to the base figures, averaging the total for an adjusted DBE goal for each project. The overall DBE goal calculation for FY 2024-FY 2024 is shown below.

Table 5: Overall DBE goal calculation - Barkley Regional Airport

Fiscal Year	Project	Step1	Step 2 adjustment	Overall Goal	Total project costs	DBE Goal (dollars)
2022	Rehabilitate Runway 5/23 - Phase 2, including Paving & Drainage Improvements (Design)	1.16%	2.90%	2.03%	\$711,000	\$14,433
	Rehabilitate Runway 5/23, Runway 14/32, Taxiway Alpha, & Taxiway Charlie Lighting Improvements (Design)	1.16%	2.90%	2.03%	\$162,000	\$3,289
	Airfield Marking Improvements (Design & Construction)	14.57%	2.90%	8.74%	\$749,700	\$65,486
FY 2022 Total				5.13%	\$1,622,700	\$83,208
2023	Rehabilitate Runway 5/23 - Phase 2 Paving Improvements (Construction)	15.76%	2.90%	9.33%	\$9,801,000	\$914,433
	Rehabilitate Runway 5/23, Runway 14/32, Taxiway Alpha, & Taxiway Charlie Lighting Improvements (Construction)	1.46%	2.90%	2.18%	\$1,937,700	\$42,242
	Improve Terminal Building - Sanitary Sewer Extension to Airport (Construction)	12.43%	2.90%	7.67%	\$1,893,600	\$145,144
FY 2023 Total				8.08%	\$13,632,300	\$1,101,820
2024	Rehabilitate Runway 5/23 - Phase 3 Drainage Improvements (Construction)	16.34%	2.90%	9.62%	\$6,918,300	\$665,540
	Acquire Easements & Remove Approach Obstructions (Design) - Phase 1	1.16%	2.90%	2.03%	\$201,600	\$4,092
	Rehabilitate & Expand Former Terminal Apron for Proposed Cargo Operations (Design)	1.16%	2.90%	2.03%	\$286,200	\$5,810
	Conduct Airport Planning Studies, including Exhibit 'A'	10.00%	2.90%	6.45%	\$396,000	\$25,542
FY 2024 Total				8.98%	\$7,802,100	\$700,985
FY 2022 - FY 2024 Overall Goal				8.18%	\$23,057,100	\$1,886,013

The total DBE goal in dollars was divided by the total federal portion of project costs to derive the overall DBE goal of **8.18%** for FY 2022-FY 2024.

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, informing the public that the proposed goal and its rationale were available for review and comment during normal business hours at the Airport's administrative office for 30 days following the date of the notice. The notice included addresses (including offices) to which comments could be sent and addresses where the proposal could be reviewed. This process was used to establish the goals for FY 2022 to FY 2024.

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 **8.18%** and a race-neutral goal of **0.00%**, for a total of **8.18%**. The reason for this breakout is that the projects from previous years show that the median amount by which the past DBE goals were under-achieved is **2.0%** (see [Table 4](#)).

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 the 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 need not 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. 2019 County Business Patterns, U.S. Census Bureau.
2. Kentucky Transportation Cabinet's Office for Civil Rights and Small Business Development's DBE directory, February 2022.
3. Uniform Report of DBE Awards/Commitments and Payments