

Overall DBE Goal Methodology (26.45)

Name of Recipient: Bismarck Airport

Goal Period: FY2025-2026-2027 – October 1, 2025 – September 30, 2027

DOT-Assisted Contract Amount:	FY2025	\$7,560,000.00
	FY2026	\$5,520,000.00
	FY2027	<u>\$4,750,000.00</u>
	Total	\$17,830,000.00

Attachment “A” to this document is the Capital Improvement Plan for Bismarck from 2025-2029. This document lists the projects expected to be undertaken during the 3-year goal.

Overall 3 year goal: 2.85% to be accomplished through 2.85% Race Conscious and 0% Race Neutral

Total Dollar Amount to be Expended on DBEs: \$508,155.00

Market Area – The Market Area for the Bismarck Airport is the State of North Dakota. This the area where a substantial majority of the contractors come from and where the Bismarck Airport spends a majority of its contracting dollars. Additionally, Bismarck Airport competes for bidders with other state airports and with highway related work.

Development of Step 1 Baseline Goal

For the step 1 baseline goal setting process, Bismarck Airport staff followed Part 26 Section 26.45.(c).4 and utilized another DOT recipients goal. The Bismarck Airport Step 1 goal is derived from the North Dakota Department of Transportation’s approved “Fiscal Years 2021-2023 FHWA DBE Goal Disadvantaged Business Enterprise Participation In Transportation Related Projects” The full document outlining the ND DOT’s Goal Setting Methodology can be found as Attachment B to this document or the goal can be found at:

<https://www.dot.nd.gov/divisions/civilrights/docs/dbe/FHWAGoalMethodologyLetter.pdfnd.gov>

Bismarck Airport staff feels that the ND DOT’s DBE goal of 4.66% calculation is comparable and appropriate to use for the Step 1 Baseline Goal. The ND DOT calculation included the following items:

- Dirt – this shall include projects such as but not limited to grade raises, drainage improvements and reconstruction
- Asphalt – this shall include projects such as but not limited to asphalt paving, asphalt overlays, aggregate bases, culvert rehab, curb and gutter and milling.
- Concrete - this shall include projects such as but not limited to PCC paving, aggregate bases and concrete repair.
- Consulting this shall include projects such as but not limited to construction, prelim engineering, construction engineering and construction.

During the goal setting period, the Bismarck Airport Capital Improvement Plan identifies the following projects to be bid:

2025	Project Description	Project Type
	<ul style="list-style-type: none"> Rehabilitate Runway 3/21 	Asphalt
2026		
	<ul style="list-style-type: none"> Rehabilitate Taxiway D Wildlife Hazard Assessment 	Asphalt Consulting
2027		
	<ul style="list-style-type: none"> Terminal Expansion Plans and Specifications 	Consulting.

Based on the similarities in project type, the calculations that the ND DOT completed to obtain 4.21% are appropriate for the Bismarck Airport Staff to use as a step 1 baseline goal in its goal setting methodology.

The following is a summary description of the ND DOT's goal setting methodology:

Description of Calculation Performed

The relative availability was calculated by dividing the number of DBE primes that bid on **Asphalt** contracts (0) by the number of total prime bidders (32); and multiplying that quotient by the percentage of dollars projected for asphalt work in FY 2024-2026 as compared to overall dollars projected to be spent in FY 2024-2026 and multiplying that by the percent of work paid to primes in 2022-2023 ($\$933,616,489 / \$1,547,691,806 = 60.32\% \times 73.23\% = 44.17\%$).
 $0 \text{ DBE primes} / 32 \text{ total primes} = 0.00\% \times 44.17\% = 0.00\%$

The relative availability was calculated by dividing the number of DBE primes that bid on **Bridge** contracts (0) by the number of total prime bidders (11); and multiplying that quotient by the percentage of dollars projected for bridge work in FY 2024-2026 as compared to overall dollars projected to be spent in FY 2024-2026 and multiplying that by the percent of work paid to primes in 2022-2023 ($\$217,639,160 / \$1,547,691,806 = 14.06\% \times 73.23\% = 10.30\%$).
 $0 \text{ DBE primes} / 11 \text{ total primes} = 0.00\% \times 10.30\% = 0.00\%$

The relative availability was calculated by dividing the number of DBE primes that bid on **Concrete** contracts (0) by the number of total prime bidders (21); and multiplying that quotient by the percentage of dollars projected for concrete work in FY 2024-2026 as compared to overall dollars projected to be spent in FY 2024-2026 and multiplying that by the percent of work paid to primes in 2022-2023 ($\$6,694,125 / \$1,547,691,806 = 0.43\% \times 73.23\% = 0.32\%$).
 $0 \text{ DBE primes} / 21 \text{ total primes} = 0.00\% \times 0.32\% = 0.00\%$

The relative availability was calculated by dividing the number of DBE primes that bid on **Dirt** contracts (1) by the number of total prime bidders (17); and multiplying that quotient

by the percentage of dollars projected for dirt work in FY 2024-2026 as compared to overall dollars projected to be spent in FY 2024-2026 and multiplying that by the percent of work paid to primes in 2022-2023 ($\$165,328,472 / \$1,547,691,806 = 10.68\% \times 73.23\% = 7.82\%$).

1 DBE primes/17 total primes = $5.88\% \times 7.82\% = 0.46\%$

The relative availability was calculated by dividing the number of DBE primes that bid on **Additional Contracting Opportunities** contracts (1) by the number of total prime bidders (21); and multiplying that quotient by the percentage of dollars projected for other work in FY 2024-2026 as compared to overall dollars projected to be spent in FY 2024-2026 and multiplying that by the percent of work paid to primes in 2022-2023 ($\$129,138,057 / \$1,547,691,806 = 8.34\% \times 73.23\% = 6.11\%$).

1 DBE primes/21 total primes = $4.76\% \times 6.11\% = 0.29\%$

The relative availability was calculated by dividing the number of DBE **Consultants** that responded to an RFP or were included in a consultants response to an RFP (1) by the number of total consultants (25); and multiplying that by the percentage of dollars projected for consultants in FY 2024-2026 as compared to overall dollars projected to be spent in FY 2024-2026 and multiplying that by the percent of work paid to primes in 2022-2023 ($\$30,645,000 / \$1,547,691,806 = 1.98\% \times 1.10\% = 0.02\%$).

1 DBE consultants/26 total consultants = $3.84\% \times 0.02\% = 0.0008\%$

The relative availability was calculated by dividing the number of DBE **Subcontractors** that bid (47) by the number of total subcontractors (343); and multiplying that sum by the percentage of dollars in 2022-2023 (25.29%). This serves as an indicator of the overall total dollars projected to be spent in FY 2024-2026.

47 DBE subcontractors/343 total subcontractors = $13.70\% \times 25.29\% = 3.46\%$

2. Resulting Baseline Goal - The baseline goal for North Dakota is 4.21%. $0.46\% + 0.29\% + 0.0008\% + 3.46\% = 4.21\%$

Step Two Adjustments to Baseline Goal

Past Participation Summary

The Bismarck Airport believes that an adjustment based on past DBE participation is warranted. Our history of DBE achievement was:

According to the US DOT's "*Tips for Goal-Setting in the Disadvantaged Business Enterprise (DBE) Program*" Paragraph III Subpart A Number 5, an adjustment based upon past participation can be made if we feel that it is warranted. Paragraph III Subpart A Number 5 describes a method for adjusting the Step One figure to reflect past participation by averaging the Step One figure by the median value of past participation. The median is the middle number in any group of numbers, in this case the middle percentage of our historical achievement. To obtain the median, the percentage achieved was arranged in order from the lowest percentage to the highest percentage, as shown below:

Year	DBE Goal	DBE Accomplishments	
		RC	RN
FY2021	0.00%	0.00%	0%
FY2022	0.15%	0.15%	0%
FY2023	0.68%	0.68%	0%
FY2019	1.88%	1.88%	0%
FY2020	78.26%	78.26%	0%

To find the median, you take one value away from each end of the spectrum, until you are left with one or two values. In this case, there is one value left, which is .68%, and will be used in the step two calculation.

The Step 1 Baseline figure of 4.21% was averaged with the median of past participation, which is .68%. This yielded an adjusted figure of 2.85%.

We estimated in meeting our adjusted overall goal of 2.85%, we would obtain 0.0% from race neutral participation and 2.85% through race conscious measure (see Breakout Paragraph).

Breakout of Estimated Race-Neutral and Race-Conscious Participation

The Bismarck Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The Bismarck Airport uses the following race-neutral means to increase DBE participation:

1. Advertise program goals.
2. Encouraging prime contractors to subcontract portions of work they would otherwise perform with their own forces.
3. Providing engineer consultant technical assistance and other service to fill out bids.
4. Ensuring prime contractors have lists of potential DBE subcontractors.
5. Inform prime contractors of past DBE participants.
6. Ensuring prime contractors have address and web page for ND DOT DBE directory.
7. Utilize engineer consultant to administer and monitor compliance.

We estimate that, in meeting our overall goal of 2.85%, we will obtain 0.0% from race-neutral participation and 2.85% through race-conscious measures.

The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious DBE participation:

The Bismarck Airport used strictly race-neutral means of DBE participation in FY 2000, those contracts resulted in 1.69% DBE participation. In 2001, we used an overall goal of 1.7% through race-neutral means and 4.2% race-conscious means. That contract resulted in 1.12%. For FY 2002 Bismarck Airport used strictly race conscious means resulting in 1.04%. For FY 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023, Bismarck Airport used strictly race conscious means resulting in 0.19%, 2.21%, 0%, 0.54%, 5.32 %, 3.36%, 0.36%, 2.4%, 0.65%, 0%, 1.09%, 1.08%, 11.25%, 3.22%, 1.01%, 2.19%, 1.88%, 78.26%, 0.00%, .15% and .68% respectively. For FY 2025-2027, we believe that our previous experience justifies that our goal of 2.85% can only be accomplished by use of race conscious means.

We will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (see 26.51 (f)) and we 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.

Contract Goals (26.51)

The Bismarck Airport will use contract goals to meet any portion of the overall goal the Bismarck 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.

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

We will express our contract goals as a percentage of the total amount of the DOT assisted contract.

Consultation (26.45)

In establishing the overall goals, Bismarck Airport Staff issued a public stating that the comment period for the 205-2027 goal was open from July 1, 2024 through July 30, 2024 and that an in person consultation meeting is set for July 17, 2024 at 10:00 am.

Below is the public notice that was in the Bismarck Tribune.

NOTICE OF AIRPORT DBE GOALS

The City of Bismarck (Bismarck Airport) as a sponsor for Federal Aviation Administration Grants, has established the following goal:

FY 2025-2027 Overall Construction/Professional Services Goal (49 CFR Part 26) Goal: 2.85%
The Bismarck Airport plans to achieve 0.0% by race neutral participation and 2.85% by race conscious methods (Contract Goals).

A teleconference will be held virtually on July 17, 2024 at 10:00am local time for the purpose of consulting with stakeholders to obtain information relevant to the goal setting process. Notice of the meeting details and how to register for the meeting will be posted on the Bismarck Airport's Website – www.bismarckairport.com for two weeks prior to the meeting

The proposed goal and its rationale will be available on the airport website, <http://bismarckairport.com/>, and in person Monday-Friday from 8:00am to 5:00pm, pending holidays, at the Airport Administration Office, 2301 University Drive, Building #17, Suite 225B, Bismarck, ND 58504. Comments will be accepted 30 days after this notice is published (July 1, 2024 -July 30, 2024) and can be sent to Matthew Remynse via email, mremynse@bismarcknd.gov or via mail at

Matthew J. Remynse
Marketing and Operations Manager
P.O. Box 991
Bismarck, ND 58502