



June 19, 2017

Ms. Keturah Pristell
Office of Civil Rights
Southern Region DBE Program Specialist
Federal Aviation Administration
1701 Columbia Avenue
College Park, Georgia 30337

RE: DBE GOALS FY 2017
ALBERTVILLE REGIONAL AIRPORT

Dear Ms. Pristell:

The City of Albertville, Alabama has developed an interim DBE goal and methodology for the FY 2017. We are at this time advertising for public comments pertaining to the DBE goals. Upon receipt of appropriate public comments or the completion of the required advertisement time, we will prepare a final goal for this period if required.

Should you have any questions concerning this course of action please be certain to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Tracy Honea", with a horizontal line extending to the right.

Honorable Tracy Honea
Mayor
City of Albertville
Albertville, Alabama



**LEGAL NOTICE
CITY OF ALBERTVILLE
DISADVANTAGED BUSINESS ENTERPRISE
PARTICIPATION IN FEDERALLY FUNDED
AIRPORT IMPROVEMENT PROJECTS**

JUNE 21, 2017

The City of Albertville, AL hereby publishes a proposed overall goal for its Disadvantaged Business Enterprise (DBE) Program for FY 2017 for Albertville Regional Airport. The proposed overall goal is 97.7% for all FAA-AIP funded projects for FY 2017. The methodology used in developing this goal is available for inspection at the Office of the Mayor, the Honorable Tracy Honea, 116 W. Main Street, Albertville, AL 35950, Monday through Friday, 7:30 AM until 4:30 PM, or online at www.cityofalbertville.com. The City will receive and consider public comments on the proposed goal for 30 days from the date of this advertisement. These goals are established in accordance with 49 CFR Part 26. Written comments may be forwarded to the addresses listed below.

Honorable Tracy Honea
Mayor
City of Albertville
P.O. Box 1248
Albertville, AL 35950

AND

FAA Southern Regional Office
Ms. Keturah Pristell
EEO Compliance Specialist
1701 Columbia Ave, ASO-9
College Park, GA 30337
Keturah.pristell@faa.gov

**DBE GOAL METHODOLOGY
49 CFR PART 26
ALBERTVILLE REGIONAL AIRPORT
ALBERTVILLE, ALABAMA
FISCAL YEAR 2017**

A. GOALS - To make the program as useful as possible to the public, The City of Albertville, Albertville, Alabama will update the "amount," "method," and "breakout" portions of this section of the program annually, or as required. The following sections will be submitted to the FAA every year, or as required, for approval: Amount of Overall goal section, Method used for establishing overall goals, Process, the race-neutral/race conscious breakout, and contract goals. The material on overall goals in the DBE program will be a shorter summary of the material submitted annually, or as required in the overall goal submission.

B. AMOUNT OF GOAL -The City of Albertville's overall goal for FY 2017 is 9.97% of the Federal financial assistance we will expend in FAA-assisted contracts. We expect to let projects during this FY in the amount of \$409,250.00. This means that our DBE goal is set at \$40,802.00 for this Fiscal Year. This overall goal is intended for information of public users of the program, and does not imply that the FAA, as such, has approved the goal.

C. METHOD STEP 1: In the development of the DBE goal for the Albertville Regional Airport the first step was to establish the availability of ready, willing and able DBE businesses that were capable of participating in the type of contracts that were programmed during FY 2017. The project that is anticipated at the Albertville Regional Airport includes the T-Hangar Taxi Lane Repair, Apron Crack and Seal Treatment and Drainage Improvements, along with all the professional effort associated with such a project. The monetary size of the project is expected to be \$409,250.00. An analysis of the project indicates that funds will be expended in the following areas:

ALBERTVILLE REGIONAL AIRPORT PROJECT ANALYSIS FY 2017			
TASK	NAICS	AMOUNT	PERCENTAGE
General Contractors	236220	\$54,300	13.27%
Street/Highway	237310	\$187,750	45.88%
Site Prep	238910	\$7,000	1.71%
Trucking	484110	\$79,000	19.30%
Engineering	541330	\$78,000	19.06%
Consulting	541611	\$3,200	0.78%
TOTAL		\$409,250.00	100.00%

The formula to be used to calculate the Base Figure for the DBE goal is as follows:

$$\frac{\text{Total DBE Firms in the State by NAICS Code of Work to be Performed}}{\text{Total Firms in the State by NAICS Code of Work to be Performed}} \times 100 = \text{Base Figure}$$

Past experience indicated that a majority of the contractors and subcontractors on projects accomplished in Alabama came from the State of Alabama and that the majority of the contract dollars were also expended in the State of Alabama. Therefore the market area for the development of the Base Figure was established as the State of Alabama. A search was initiated with a series of DBE agencies within Alabama for an appropriate DBE Directory. Alabama State University, the Small Business Administration and the Chamber of Commerce DBE Incubator were contacted. It was generally agreed that the most comprehensive directory for DBE firms in Alabama was the UCP DBE Directory that has been established by the Alabama Department of Transportation. This directory contains DBE firms that have been certified in accordance with the requirements for 49 CFR Part 26. The DBE Directory dated April 2017 contains the names of 658 DBE certified firms that are located both in and out of the State of Alabama. Past experience indicated that a majority, over 75% of the bidders on FAA projects in Alabama came from the State of Alabama and because of this, the universe to be used to establish a Base Figure will be limited to the State of Alabama. A total of 332 out of state firms were eliminated from consideration. This reduced the number of considered firms to a total of 326. The list was further refined by identifying those firms that could participate in the project by their appropriate NAICSs. The resulting number will be used as the numerator in determining the Base Figure.

$$\frac{Base}{Figure} = .1327\left(\frac{ANAICS236220}{NAICS236220}\right) + .4588\left(\frac{ANAICS237310}{NAICS237310}\right) + .0171\left(\frac{ANAICS238910}{NAICS238910}\right) + .1930\left(\frac{ANAICS484110}{NAICS484110}\right) + .1906\left(\frac{ANAICS541330}{NAICS541330}\right) + .0078\left(\frac{ANAICS541611}{NAICS541611}\right)$$

ANAICS- Alabama DBE Directory NAICS
 NAICS – Census Bureau’s County Business Pattern (CBCBP) Data Base

$$\frac{Base}{Figure} = .1327\left(\frac{16}{599}\right) + .4588\left(\frac{14}{127}\right) + .0171\left(\frac{34}{446}\right) + .1930\left(\frac{4}{103}\right) + .1906\left(\frac{17}{859}\right) + .0078\left(\frac{23}{513}\right)$$

$$\frac{Base}{Figure} = .0035 + .0506 + .0013 + .0075 + .0038 + .0003$$

$$\frac{Base}{Figure} = 6.70\%$$

STEP 2: With the Base Figure established our next step was to more finely tailor this figure to reflect conditions which have occurred at Albertville Regional Airport. Currently there are no known disparity studies completed in this area of the State of Alabama. The Alabama Department of Insurance and the Central Alabama Contractors Association were contacted and it was determined that there have been no studies of incidents of discrimination that have occurred in obtaining insurance, bonding, etc. for DBEs. The City of Albertville, has considered the suggested options outlined in 49 CFR Part 26 Para 26.45 and determined that past performance is the information that will be utilized to determine if an adjustment to our Base Figure is

warranted. It was felt that a sampling of like type projects that have taken place in Alabama would be appropriate for use in determining if an adjustment was required to the Base Figure. To this end, we investigated three airports with like type projects. Listed below are the projects that were included for analysis. As you will note, each of these projects is of a similar nature as the project that is being anticipated in the 2017 time frame at the Albertville Regional Airport:

ALBERTVILLE REGIONAL AIRPORT LIKE TYPE FAA PROJECTS				
YEAR	LOCATION	PROJECT EXPENSES	PROJECT TYPE	% OF DBE PARTICIPATION
2015	Cullman	\$488,149	Taxiway Rehabilitation	8.42%
2012	Cullman	\$754,191	Apron Rehabilitation	19.38%
2008	Madison Co.	\$611,239	Taxiway Construction	13.23%*
MEDIAN *				

The next step was to determine if any adjustment might be needed to the Base Figure. It was determined that the Median of the projects was 13.23% and it was felt that the Base Figure should be adjusted to cater for this variance.

A summary of this analysis yields the following:

MEDIAN PERCENTAGE	13.23%
BASE FIGURE	+ 6.70%
	19.93% ÷ 2 = 9.97%

Satisfied that the Median Percentage was valid, the final step in the comparison was the development of a simple average of the Base Figure and the Median Percentage to establish a final percentage. The result of this was 9.97%. It was felt that the Base Figure of 6.70% should be adjusted for this variance. The Average Percentage of 9.97% is established as the goal for DBE participation at the Albertville Regional Airport for FY 2017.

D. PROCESS - The City of Albertville, Albertville, Alabama submits its overall goal for FY 2017 to the FAA in May, 2017, for their consideration and approval. Before establishing the overall goal each year, the City has personally consulted with the Human Resources Division of the Alabama Department of Transportation, and the Office of Minority Business Development to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, and the effects of discrimination on opportunities for DBEs. The City's efforts are to establish a level playing field for the participation of DBEs. Following this consultation, The City has published a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the City's principal office for 30 days following the date of the notice, and informing the public that the City and FAA will accept comments on the goals for 30 days from the date of the notice. This information was on the city website at www.cityofalbertville.org and made available to the Office of Minority Business Development at the State of Alabama. Normally, the City will issue this notice by

June 1 of each year. The notice will include the City's address to which comments may be sent. The overall goal submission to the FAA will include a summary of information and comments received during this public participation process and the City's responses. Verbal coordination was initiated with the Office of Minority Business at Alabama State University, DBE Support Services of Tuskegee University and the Small and Disadvantaged Business Office and comments on the DBE Goals for FY 2017 were requested. We will begin using our overall goal on October 1 of each year, unless we have received other instructions from DOT (or if the goal is established on a project basis, by the time of the first solicitation for a DOT-assisted contract for the project).

ALBERTVILLE REGIONAL AIRPORT AGENCIES/PERSONS CONSULTED WITH	
Agency/Organization	Discussion/Information
UAB DBE Supportive Services Ms. Cynthia Matlock	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market
Alabama DBE Contractors Association, Inc. Ms. Suzanne Pritchett Whisenant	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market
Neel-Schaffer Mr. Jeff Redmill, PE	Availabilities of DBEs, Directories, small and DBE contracting experience in the local market

Public comments have been requested for the FY 2017 goal and the 30 day comment period is underway. Any comments received from the public advertisement or the other coordination will be evaluated and necessary changes will be made to the goal and included in the contract documents for the project.

E. RACE CONSCIOUS AND RACE NEUTRAL GOALS: The City will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. Each time The City of Albertville, submits an overall goal for review by the FAA, the City will also submit a projection of the portion of the goal that is expected to be met through race-neutral means and the basis for that projection. This projection is subject to approval by the FAA, in conjunction with its review of the City's overall goal. The City has established contract goals to meet any portion of an overall goal when the City does not project being able to meet goals using race-neutral means.

We estimate that, in meeting our overall goal of 9.97%, that 9.68% of the goal will be attained from race-conscious participation and 0.29% via race-neutral participation measures. This is an attainable goal based on the history of DBE participation in prior projects and the availability of current DBE contractors.

This breakout was established by computing the median of the variance of the level of DBE participation vs. DBE goal on the three projects considered in Step 2 (see page 3) of the overall goal participation computation. The Median Percentage was 0.29% and we felt it is an attainable goal for race-neutral participation. The following is the level of variance in each of the projects:

PROJECT DBE GOAL VARIANCE ALBERTVILLE REGIONAL AIRPORT PREVIOUS FAA PROJECTS				
YEAR	TYPE	DBE GOAL	% OF DBE PARTICIPATION	VARIANCE
2015	Cullman	11.31%	8.42%	-2.89%
2012	Cullman	9.91%	19.38%	9.47%
2008	Madison Co.	12.94%	13.23%	0.29%*
* MEDIAN VARIANCE				

F. CONTRACT GOALS

The City of Albertville, will use contract goals to meet any portion of the overall goal that the City 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. The contract goal established for this period is 9.97%.

G. THREE YEAR DBE GOAL

Based on the current information the Three Year Goal is as follows:

FY - 2015 DBE GOAL	-%
FY - 2016 DBE GOAL	-%
FY - 2017 DBE GOAL	+ 9.97%
	9.97%

References:

Alabama UCP List of Certified DBE Firms, April 2017

2015 – U.S. Census Bureau, American Fact Finder, County Business Patterns April 2017

