

FY 2009
DISADVANTAGED BUSINESS ENTERPRISE PROGRAM METHODOLOGY
for



North Carolina Department of Transportation
Division of Aviation
Raleigh, North Carolina

With Assistance From



Ken Weeden & Associates, Inc.

August 2008

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**N.C. Division of Aviation: FY 2009
DBE Overall Goal and Methodology Summary Sheet**

Airport	Weighted DBE Base Figure	Presence of Adjustment Factors	Final Overall Goal	RN/RC indicators
A. Brunswick County Airport	11.9%	Yes	9.0%	0.0% RN 9.0% RC
B. Concord Regional Airport	13.7%	Yes	12.0%	0.0% RN 12.0% RC
C. Currituck County Airport	6.4%	No	6.0%	0.0% RN 6.0% RC
D. Dare County Airport	6.0%	No	6.0%	0.0% RN 6.0% RC
E. Hickory Regional Airport	9.2%	Yes	11.0%	0.0% RN 11.0% RC
F. Statesville Regional Airport	11.3%	No	11.0%	0.0% RN 11.0% RC
FY 2009 Median	10.3%		10.0%	
FY 2009 Mean	9.8%		9.2%	
STATE OVERALL:	10.0%		9.6%	

RN/RC = Race Neutral, Race Conscious

METHODOLOGY for Establishing the FY 2009 Overall Disadvantaged Business Enterprise (DBE) Goal for:

**North Carolina Department of Transportation
Division of Aviation
Raleigh, North Carolina**

August 2008

I. Introduction

In fulfillment of the requirements of 49 CFR Part 26, the NC Division of Aviation has proposed an Overall Goal for FY 2009 FAA-AIP projects at all of the general aviation sub-recipient airports in North Carolina. The methodology used in establishing this goal is described herein, first with an overview, followed by a more detailed explanation.

II. Goal Methodology Overview

The methodology used to establish the FY 2009 overall goal, including determining the relative availability of DBEs in the Airports' market area and making any necessary adjustments consists of a multi-step process, consistent with that outlined in the Federal Register (49 CFR Part 26) – Steps 1 and 2.

A. Preliminary Actions: Identify Geographic Market Area and Project Activities with NAICS Codes

1. Determine the Airport's normal market area for procuring goods and services, by county, because of the data format contained in the Census' County Business Patterns.
2. Select the market area based on the geographic area, where, historically, the substantial majority of successful bidders came from, and where the substantial majority of the contracting dollars were spent. This establishes the *geographic* parameters for statistical analysis of the relative availability of DBEs.
3. Review the airport's proposed FY 2009 projects in order to determine the types of projects/ activities involving federal funds (FAA-AIP) proposed for the fiscal year, to be broken out according to major NAICS codes.
4. Allocate the project activities and/or types of firms/services required by the major relevant NAICS codes needed to complete these projects. This triggers the market search for both "all firms" *and* DBE firms within the selected geographic parameters, and for the *same* NAICS codes, in order to help determine the relative availability of DBEs.
5. Collect information, if available, on the engineering cost estimates or other detailed cost estimates for the project activities, in order to allocate these costs according to the identified major NAICS codes. This may permit the availability of DBEs in each major NAICS code to be "weighted" according to the relative percent-of-project-cost by NAICS code.

B. STEP 1: Determine the Relative Availability of DBEs in the Market Area

1. Examine the census data (County Business Patterns, 2006) for the market area, by county, using the previously-identified NAICS codes to determine the total number of firms that perform the types of work/activities relevant to the proposed FAA-AIP projects for FY 2009.
2. Determine the initial relative availability of DBEs in the market area, *only* within the identified NAICS codes. Some data sources for this determination include the following:
 - *2006 County Business Patterns.*
 - *NC DOT Directory of Transportation Firms, August 2008.*
3. Count only the DBE firms by relevant NAICS codes that are capable of performing work relevant to the proposed FY 2009 projects. Compare DBE firms to **all** firms in the same codes to determine the initial “relative availability” of DBE firms within the market area.
4. Calculate the Step 1 DBE base figure, or the “weighted” DBE Base figure to determine the relative availability of DBE firms in all the relevant NAICS codes.

C. STEP 2: Adjust the DBE Base Figure

In accordance with 49 CFR Part 26, give consideration to “...*additional evidence in the sponsor’s jurisdiction [which should] 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)).

III. Calculate/Project Race-Neutral/Race-Conscious (contract) DBE goal split

Review the history of DBE participation on FAA-AIP projects in previous years at the Airport to look for factors that indicate race-neutral DBE accomplishment. This could be, for example, the amount by which the Airport exceeded its established DBE goals in the past. The median amount by which the goals were exceeded could be evidence to support a projection of race-neutral participation for FY 2009.

IV. Detailed Methodology: Specific Steps

A. Brunswick County Airport

1. Airport Name and Location:

Brunswick County Airport is located on the coast of North Carolina, in Brunswick County and about 25 miles south of Wilmington, in the City of Southport.

2. Definition of Project Service Area:

The normal market area was determined through consultation with engineers and an assessment of historic bidders for similar projects, i.e., the area from where the substantial majority of bidders came, and the area where the substantial majority of dollars in both construction and professional services were spent. The counties in the airport’s market area are listed in the table below:

Table 1: Brunswick County Airport—Project Service Area Counties

Brunswick	Lenoir	New Hanover
Onslow	Pender	

Source: NC Division of Aviation, Talbert & Bright, Inc.

3. Definition of Project Scope, Activities and NAICS codes:

The FY 2009 projects proposed for the Brunswick County Airport consists of runway and taxiway extension. The projects, activities, and relevant NAICS codes are summarized in the table below:

Table 2: Brunswick County Airport

PROJECT	ACTIVITY	NAICS
Runway and Parallel Taxiway Extension	Highway & Street	237310
	Drainage/Embankment	237990
	Electrical	238210
	Site Prep	238910
	Engineering	541330
	Landscaping	561730

Source: NC Division of Aviation, Talbert & Bright, Inc.

4. Determination of Relative Availability of DBE’s in Project Service Area

**Table 3: Availability of DBEs for the Brunswick County Airport
by Relevant NAICS Codes—FY 2009**

NAICS Codes	All Firms	DBE Firms	% of DBE Firms Available	% of estimated total expended	Weighted Total Availability
237310	22	6	27.3%	42.8%	11.7%
237990	31	1	3.2%	4.6%	0.1%
238210	212	0	0.0%	28.6%	0.0%
238910	95	2	2.1%	2.2%	0.0%
541330	92	0	0.0%	18.4%	0.0%
561730	232	2	0.9%	3.4%	0.0%
Total	684	11	1.8%	100.0%	11.9%
Weighted Baseline Goal =					

Compiled by: KWA, Inc.

SOURCES:

1. 2006 County Business Patterns.
2. NC DOT Disadvantaged Enterprise Directory, August 2008.

5. Determining the Step 1 DBE Base Figure

The Step 1 DBE Base Figure was derived by using a weighting process by which the percentage of dollars spent on various activities (represented by NAICS codes) were multiplied by the percentage of relevant DBE firms to all relevant firms as indicated in Table 3 above.

The Step 1 DBE Base Figure for the Brunswick County Airport is 11.9%.

6. 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 also state that 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 DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years.

The historical overall DBE goals established and/or accomplished at the Airport in recent years was examined relative to the above consideration. (see table below)

Table 4: Brunswick County Airport DBE Accomplishment

Report Period	Established DBE Percentage Goal	Total DBE Percent Achieved	Over-/Under-Achieved
FY 2002	9.6	2.2	-7.4
FY 2004	11.4	11.6	0.2
Median	10.5	6.9	-3.6

Source: Division of Aviation staff; analysis by Ken Weeden & Associates, Inc.

The median annual accomplished DBE goal for the reporting periods as shown above for the Brunswick County Airport is 6.9% compared to the Step 1 DBE base figure of 11.9%. Indicators of “relative availability,” based on previous volumes of work performed by DBEs in the Airport’s market area suggest that the actual overall DBE goal could perhaps be lower than the **11.9%** derived as the Step 1 DBE Base Figure.

b. Consultations

In analyzing the Step 1 DBE Base Figure, the regulations also require consideration of:

Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure...” (26:45 (d)(1)(ii).

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

Data on employment, self-employment, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.” (26.45(d)(2)(i)(ii)

There was no indication that a Disparity Study was ever conducted for the City of Southport. The offices of the Southport Oak Island Chamber of Commerce, and the Brunswick County Airport confirmed this. The airport does not have a disparity study. However, the Airport has a directory of Women and Minority-owned firms.

There were no statistical disparities in the jurisdiction that referred to the ability of DBEs to secure insurance, bonding, capital, etc. The agencies referred to above had no data.

c. Adjustment to Step 1 DBE Base Figure

The median annual accomplished DBE goal for the reporting periods as shown in Table 4 for the Brunswick County Airport is 6.9%. This amount will be averaged with the 11.9% base figure to yield an adjusted goal of **9.0%**.

Proposed Overall Goal for Brunswick County Airport FY 2008: 9.0% (9.4% rounded to the nearest whole number).

7. Race-Conscious/Race-Neutral Projections

Brunswick County Airport proposes that, of the DBE goal of **9.0%**, the projected race-neutral goal will be **0.0%**, and the race conscious goal will be **9.0%**. The reason for this projected split is that the historical information on DBE participation showed that the annual DBE accomplishment on the FAA-AIP projects was below the established annual goal. The median goal was 10.5% while the median accomplishment was 6.9%. Therefore, the Airport will focus on achieving its entire overall goal (**9.0%**) through race-conscious means during this fiscal year.

8. Contract Goals

The Brunswick County Airport will use contract goals to meet any portion of the overall goal that it 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 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

Agency/Person Consulted	Discussion/ Information
Southport Oak Island Chamber of Commerce	Discussed the availability of disparity studies or additional DBE listings. No additional documentation was available.
Brunswick County Airport, Howard Franklin	Discussed the availability of disparity studies or additional DBE listing. Disparity information was not available. DBE listing was provided.
Southport City Hall Rob Gandy	Discussed the availability of disparity studies or additional DBE listing. Disparity information was not available.
Brunswick County Airport Commission John Ramsey	Discussed the availability of disparity studies or additional DBE listing. Disparity information was not available.

B. Concord Regional Airport

1. Airport Name and Location:

Concord Regional Airport is located in Cabarrus County, approximately 25 miles from Charlotte.

2. Definition of Project Service Area:

The normal market area was determined through consultation with engineers and an assessment of historic bidders for similar projects, i.e., the area from where the substantial majority of bidders came, and the area where the substantial majority of dollars in both construction and professional services were spent. This area included the municipalities of Concord and Charlotte. The counties where these municipalities are located are listed in the table below:

Table 1: Concord Regional Airport – Project Service Area Counties

Cabarrus
Mecklenburg

Source: NC Division of Aviation, Talbert & Bright

3. Definition of Project Scope, Activities and NAICS codes:

The FY 2009 Project proposed for the Concord Regional Airport consists of Pavement Rehabilitation. The project, activities, and relevant NAICS codes are summarized in the table below:

Table 2: Concord Regional Airport

PROJECT	ACTIVITY	NAICS CODES
Pavement Rehabilitation	Highway & Street	237310
	Site Prep	238910
	Engineering	541330
	Landscaping	561730

Source: NC Division of Aviation

4. Determination of Relative Availability of DBEs in Project Service Area

Table 3: Availability of DBEs for the Concord Regional Airport by Relevant NAICS Codes – FY 2009

NAICS CODES	All Firms	DBE Firms	% of DBE Firms Available	% of estimated total expended	Weighted Total Availability
237310	38	7	18.4%	69.4%	12.8%
238910	97	6	6.2%	9.1%	0.6%
541330	308	6	1.9%	18.0%	0.4%
561730	375	5	1.3%	3.5%	0.0%
Total	818	24		100.0%	13.7%
WEIGHTED GOAL – Step 1					

Compiled by: KWA, Inc.

SOURCES:

1. 2006 County Business Patterns.
2. NCDOT Directory of Transportation Firms, August 2008.

5. Determining the Step 1 DBE Base Figure

The Step 1 DBE Base Figure was derived by using a weighting process by which the percentage of dollars spent on various activities (represented by NAICS codes) were multiplied by the percentage of relevant DBE firms to all relevant firms as indicated in **Table 3** above.

The Step 1 DBE Base Figure for the Concord Regional Airport is 13.7%.

6. 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 also state that 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 DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years.

The historical overall DBE goals established and/or accomplished at the Airport in recent years was examined relative to the above consideration (see table below):

Table 4: Concord Regional Airport DBE Accomplishment

Report Period	Established DBE Percentage Goal	Total DBE Percent Achieved	Over-/Under-Achieved
FY 2002	10.0	11.6	1.6
FY 2003	12.4	9.6	-2.8
FY 2004	12.2	7.0	-5.2
Median	12.2	9.6	-2.8

Source: Division of Aviation staff; analysis by Ken Weeden & Associates, Inc.

The median annual accomplished DBE goal for the reporting period as shown above for the Concord Regional Airport is 9.6% compared to the Step 1 DBE base figure of 13.7%. Indicators of “relative availability,” based on previous volumes of work performed by DBEs in the Airport’s market area suggest that the actual overall DBE goal could perhaps be lower than the **13.7%** derived as the Step 1 DBE Base Figure.

b. Consultations

In analyzing the Step 1 DBE Base Figure, the regulations also require consideration of:

Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure...” (26:45 (d)(1)(ii).

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

Data on employment, self-employment, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.” (26.45(d)(2)(i)(ii)

The City of Charlotte, which is approximately 25 miles from Concord, published a disparity study in 2004. The study found an underutilization of minority and women owned businesses in City contracts over a wide range of goods and services. However, the range of both goods and services and contract amounts was too broad to be used to adjust the DBE base figure, and is therefore not included in this analysis.

c. **Adjustment to Step 1 DBE Base Figure**

The median annual accomplished DBE goal for the reporting periods as shown in Table 4 for the Concord Regional Airport is 9.6%. This amount will be averaged with the 13.7% base figure to yield an adjusted goal of **12.0%** (11.65 rounded to the nearest whole number).

Proposed Overall Goal for Concord Regional Airport FY 2009: 12.0%

7. **Race-Neutral/Race Conscious Projections:**

Concord Regional Airport proposes that, of the DBE goal of **12.0%**, the projected race-neutral goal will be **0.0%**, and the race conscious goal will be **12.0%**. The reason for this projected split is that the historical information on DBE participation showed that the median DBE accomplishment on the FAA-AIP projects was below the median established annual goal. The median goal was 12.2% while the median accomplishment was 9.6%. Therefore, the Airport will focus on achieving its entire overall goal (**12.0%**) through race-conscious means during this fiscal year.

8. **Contract Goals**

The Concord Regional Airport will use contract goals to meet any portion of the overall goal that it 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 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.

Agency/Person Consulted	Discussion/ Information
1. Cabarrus Regional Chamber of Commerce Pam Hayworth	Discussed the availability of disparity studies or additional DBE listings. No additional documentation was available.
2. Concord Regional Airport Dick Lewis	Discussed the availability of disparity studies or additional DBE listing. Disparity information was not available.
3. City of Charlotte	Discussed the availability of disparity studies or additional DBE listing. Disparity information was not available. This agency provided a MWBD Listing.
4. Cabarrus County Government	Discussed the availability of disparity studies or additional DBE listing. Disparity information was not available.

C. Currituck County Airport

1. Airport Name and Location:

Currituck County Airport is located on the Outer Banks of North Carolina about 25 miles east of Elizabeth City.

2. Definition of Project Service Area:

The normal market area was determined through consultation with engineers and an assessment of historic bidders for similar projects, i.e., the area from where the substantial majority of bidders came, and the area where the substantial majority of dollars in both construction and professional services were spent. The counties in the airport’s market area are listed in the table below:

Table 1: Currituck County Airport—Project Service Area Counties

Pasquotank, NC	Chesapeake, VA
Perquimans, NC	Norfolk, VA

Source: NC Division of Aviation, Talbert & Bright, Inc.

3. Definition of Project Scope, Activities and NAICS codes:

The FY 2009 project proposed for the Currituck County Airport consists of Construction of a partial parallel taxiway. The activities, and relevant NAICS codes are summarized in the table below:

Table 2: Currituck County Airport

Project	ACTIVITY	NAICS
Southern Parallel Taxiway	Building Construction	236220
	Utility line construction (Water)	237110
	Utility line construction (Gas)	237120
	Utility line construction (Power)	237130
	Highway & Street	237310
	Drainage	237990
	Electrical	238210
	Site Prep	238910
	Fencing	238990
	Engineering	541330
	Landscaping	561730
Northern Parallel Taxiway	Building Construction	236220
	Utility line construction (Water)	237110
	Utility line construction (Power)	237130
	Highway & Street	237310
	Drainage	237990
	Electrical	238210
	Site Prep	238910
	Engineering	541330
	Landscaping	561730

Source: NC Division of Aviation, Talbert & Bright

4. Determination of Relative Availability of DBE’s in Project Service Area

**Table 3: Availability of DBEs for the Currituck County Airport
by Relevant NAICS Codes—FY 2009**

NAICS Codes	All Firms	DBE Firms	% of DBE Firms Available	% of estimated total expended	Weighted Total Availability
236220	91	0	0.0%	7.2%	0.0%
237110	35	0	0.0%	6.4%	0.0%
237120	3	0	0.0%	1.5%	0.0%
237130	7	0	0.0%	7.3%	0.0%
237310	16	3	18.8%	28.1%	5.3%
237990	30	1	3.3%	5.1%	0.2%
238210	150	2	1.3%	4.2%	0.1%
238910	47	3	6.4%	12.0%	0.8%
238990	92	4	4.3%	1.5%	0.1%
541330	113	0	0.0%	23.1%	0.0%
561730	155	4	2.6%	3.6%	0.1%
Total	739	17		100.00%	6.4%
Weighted Baseline Goal =					

Compiled by: KWA, Inc.

SOURCES:

1. 2006 County Business Patterns.
2. NCDOT Directory of Transportation Firms August 2008.
3. VDOT Disadvantaged Business Enterprise Directory August 2008.

5. Determining the Step 1 DBE Base Figure

The Step 1 DBE Base Figure was derived by using a weighting process by which the percentage of dollars spent on various activities (represented by NAICS codes) were multiplied by the percentage of relevant DBE firms to all relevant firms as indicated in **Table 3** above.

The Step 1 DBE Base Figure for the Currituck County Airport is 6.4%.

6. 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 also state that 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 DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years.

There are no past projects by which to adjust the goal, so this factor will not be used to adjust the base figure.

b. **Consultations**

In analyzing the Step 1 DBE Base Figure, the regulations also require consideration of:

(ii) Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure...”(26:45 (d)(1)(ii).

(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, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.” (26.45(d)(2)(i)(ii)

There was no indication that a disparity study was ever conducted for Currituck County. The offices of Currituck County and the Currituck County Chamber of Commerce confirmed this. The airport does not have a disparity study or a listing of DBE firms.

c. **Adjustment to Step 1 DBE Base Figure**

With no past project history and no disparity studies there are no adjustment factors to consider. The Airport will not adjust the Step 1 DBE Base Figure of **6.4%**.

Proposed Goal for Currituck County Airport: 6.0% (6.4% rounded to the nearest whole number).

7. **Race-Neutral/Race Conscious Projections:**

Currituck County Airport proposes to accomplish its entire overall goal with race-conscious, or contract goals. Due to its lack of project and/or funding history, there are no indicators of potential race-neutral or race conscious participation levels.

8. **Contract Goals**

The Currituck County Airport will use contract goals to meet any portion of the overall goal that it 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 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.

Agency/Person Consulted	Discussion/ Information
Currituck County Purchasing Sandra Hill	Discussed the availability of disparity studies or additional DBE listings. No additional documentation was available.
Currituck County Airport Daniel Scanlon	Discussed the availability of disparity studies or additional DBE listing. Disparity information was not available.
Currituck County Chamber of Commerce Willow Winterling	Discussed the availability of disparity studies or additional DBE listing. Disparity information was not available.

D. Dare County Regional Airport

1. Airport Name and Location:

Dare County Regional Airport is located in northeastern part of the state, one mile northwest of the coastal town of Manteo and near the Roanoke Sound.

2. Definition of Project Service Area:

The normal market area was determined through consultation with engineers and an assessment of historic bidders for similar projects, i.e., the area from where the substantial majority of bidders came, and the area where the substantial majority of dollars in both construction and professional services were spent. The counties in the airport’s market area are listed in the table below:

Table 1: Dare County Regional Airport—Project Service Area Counties

Chesapeake, VA	Dare, NC
Pasquotank, NC	

Source: NC Division of Aviation, Talbert & Bright

3. Definition of Project Scope, Activities and NAICS codes:

The FY 2009 project proposed for the Dare County Regional Airport consists of apron rehabilitation. The activities and relevant NAICS codes are summarized in the table below:

Table 2: Dare County Regional Airport

Project	ACTIVITY	NAICS
Rehabilitate Apron Pavement - Phase 2	Highway & Street	237310
	Site Prep	238910
	Engineering	541330
	Landscaping	561730

Source: NC Division of Aviation, Talbert & Bright

4. Determination of Relative Availability of DBEs in Project Service Area

Table 3: Availability of DBEs for the Dare County Regional Airport by Relevant NAICS Codes—FY 2009

NAICS Codes	All Firms	DBE Firms	% of DBE Firms Available	% of estimated total expended	Weighted Total Availability
237310	14	1	7.1%	79.3%	5.7%
238910	49	2	4.1%	0.4%	0.0%
541330	64	1	1.6%	20.0%	0.3%
561730	145	4	2.8%	0.3%	0.0%
Total	272	8		100.0%	6.0%
Weighted Baseline Goal =					

Compiled by: KWA, Inc.

SOURCES:

1. 2006 County Business Patterns.
2. NC DOT Directory of Transportation Firms, August 2008.
3. VDOT Disadvantaged Business Enterprise Directory, August 2008.

5. Determining the Step 1 DBE Base Figure

The Step 1 DBE Base Figure was derived by using a weighting process by which the percentage of dollars spent on various activities (represented by NAICS codes) were multiplied by the percentage of relevant DBE firms to all relevant firms as indicated in **Table 3** above.

The Step 1 DBE Base Figure for the Dare County Regional Airport is 6.0%.

6. 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 also state that 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 DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years.

There are no past similar projects by which to adjust the goal, so this factor will not be used to adjust the base figure.

b. **Consultations**

In analyzing the Step 1 DBE Base Figure, the regulations also require consideration of:

(ii) Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure...”(26:45 (d)(1)(ii).

(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, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.” (26.45(d)(2)(i)(ii)

There was no indication that a disparity study was ever conducted for Dare County. The Dare County Airport Authority and the Outer Banks Chamber of Commerce confirmed this. The airport does have a listing of DBE firms.

c. Adjustment to Step 1 DBE Base Figure

Having considered the above-mentioned adjustment factors, the Airport will not adjust the Step 1 DBE Base Figure of **6.0%**. There is no past participation history, and there was no statistical or anecdotal evidence available.

Proposed Goal for Dare County Regional Airport: 6.0%.

7. Race-Neutral/Race Conscious Projections:

Dare County Regional Airport proposes to accomplish its entire overall goal with race-conscious, or contract goals. Due to its lack of project and/or funding history, there are no indicators of potential race-neutral or race conscious participation levels.

8. Contract Goals

The Dare County Regional Airport will use contract goals to meet any portion of the overall goal that it 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 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.

Agency/Person Consulted	Discussion/ Information
Talbert & Bright John Massey	Provided project information and cost estimates for FY 2009 projects at the Airport.
Outer Banks Chamber of Commerce	Discussed the availability of disparity studies or additional DBE listings. No additional documentation was available.
Dare County Airport Authority Crystal Sidwell	Discussed the availability of disparity studies or additional DBE listing. No additional documentation was available.

E. Hickory Regional Airport

1. Airport Name and Location:

Hickory Regional Airport is located in Hickory, North Carolina in the foothills of North Carolina.

2. Definition of Project Service Area:

The normal market area was determined through consultation with engineers and an assessment of historic bidders for similar projects, i.e., the area from where the substantial majority of bidders came, and the area where the substantial majority of dollars in both construction and professional services were spent. The counties in the airport’s market area are listed in the table below:

Table 1: Hickory Regional Airport - Project Service Area Counties

Alamance	Catawba
Cabarrus	Caldwell
Forsyth	

Source: NC Division of Aviation

3. Definition of Project Scope, Activities and NAICS codes:

The FY 2009 Project proposed for the Hickory Regional Airport consists of pavement rehabilitation. The project, activities, and relevant NAICS codes are summarized in the table below:

Table 2: Hickory Regional Airport

PROJECT	ACTIVITY	NAICS CODES
Pavement Rehabilitation of Poor and Failing Sections	Building const	236220
	Highway & Street	237310
	Site Prep	238910
	Engineering	541330
	Environmental	541620
	Landscaping	561730

Source: NC Division of Aviation

4. Determination of Relative Availability of DBE’s in Project Service Area

**Table 3: DBEs: Hickory Regional Airport
by Relevant NAICS Codes—FY 2009**

NAICS CODES	All Firms	DBE Firms	% of DBE Firms Available	% of estimated total expended	Weighted Total Availability
236220	113	1	0.9%	7.0%	0.1%
237310	44	6	13.6%	58.0%	7.9%
238910	130	7	5.4%	12.4%	0.7%
541330	97	2	2.1%	17.4%	0.4%
541620	20	1	5.0%	3.7%	0.2%
561730	303	4	1.3%	1.5%	0.0%
TOTAL	707	21	3.3%	100.0%	9.2%
WEIGHTED GOAL – Step 1					

Compiled by: KWA, Inc.

SOURCES:

1. 2006 County Business Patterns.
2. NC DOT Directory of Transportation Firms August 2008.

5. Determining the Step 1 DBE Base Figure

The Step 1 DBE Base Figure was derived by using a weighting process by which the percentage of dollars spent on various activities (represented by NAICS codes) were multiplied by the percentage of relevant DBE firms to all relevant firms as indicated in **Table 3** above.

The Step 1 DBE Base Figure for the Hickory Regional Airport is 9.2%.

6. 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 also state that 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 DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years.

The historical overall DBE goals established and/or accomplished at the Airport in recent years was examined relative to the above consideration (see table below):

Table 4: Hickory Regional Airport DBE Accomplishment

Report Period	Established DBE Percentage Goal	Total DBE Percent Achieved	Over-/Under-Achieved
FY 2002	8.8	13.0	4.2

Source: Division of Aviation staff; analysis by Ken Weeden & Associates, Inc.

The median annual accomplished DBE goal for the reporting period as shown above for the Hickory Regional Airport is 13.0% compared to the Step 1 DBE base figure of 9.2%. Indicators of “relative availability,” based on previous volumes of work performed by DBEs in the Airport’s market area suggest that the actual overall DBE goal could perhaps be higher than the **9.2%** derived as the Step 1 DBE Base Figure.

b. Consultations

In analyzing the Step 1 DBE Base Figure, the regulations also require consideration of:

Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure...” (26:45 (d)(1)(ii).

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

Data on employment, self-employment, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.” (26.45(d)(2)(i)(ii)

There was no indication that a Disparity Study was ever conducted in Hickory. The airport does not have a disparity study.

c. Adjustment to the DBE Base Figure

The median annual accomplished DBE goal for the reporting period as shown in Table 4 for the Hickory Regional Airport is 13.0%. This amount will be averaged with the 9.2% base figure to yield an adjusted goal of **11.1%**.

Proposed Overall Goal for Hickory Regional Airport FY 2009: 11.0% (11.1% rounded to the nearest whole number).

7. Race-Neutral/Race Conscious Projections:

Hickory Regional Airport proposes to accomplish its entire overall goal with race-conscious, or contract goals. Due to its lack of project and/or funding history, there are no indicators of potential race-neutral or race conscious participation levels.

8. Contract Goals

The Hickory Regional Airport will use contract goals to meet any portion of the overall goal that it 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 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.

Agency/Person Consulted	Discussion/ Information
Talbert & Bright Pat Turney	Provided project information and cost estimates for FY 2009 projects at the Airport.
City of Hickory Purchasing Department	Discussed the availability of disparity studies or additional DBE listing. The city provided information from their disparity study and MWBD Listing.
Small Business Center, Catawba Valley Community College	Discussed the availability of disparity studies or additional DBE listing. No additional information was available.

F. Statesville Regional Airport

1. Airport Name and Location:

Statesville Regional Airport is located in the western Piedmont, or “foothills” region of North Carolina, just southwest of the city of Statesville, in Iredell County, about 45 miles north of Charlotte.

2. Definition of Project Service Area:

The normal market area was determined through consultation with engineers and an assessment of historic bidders for similar projects, i.e., the area from where the substantial majority of bidders came, and the area where the substantial majority of dollars in both construction and professional services were spent. This area included the municipalities of Statesville and Charlotte. The counties where these municipalities are located are listed in the table below:

Table 1: Statesville Regional Airport - Project Service Area Counties

Alexander	Caldwell	Catawba
Davie	Iredell	Mecklenburg
Rowan	Wilkes	Yadkin

Source: NC Division of Aviation, Talbert & Bright

3. Definition of Project Scope, Activities and NAICS codes:

The FY 2009 Project proposed for the Statesville Regional Airport consists of a Runway Extension. The project, activities, and relevant NAICS codes are summarized in the table below:

Table 2: Statesville Regional Airport

Project	Activity	NAICS
Runway Extension Project	Highway & Street	237310
	Electrical	238210
	Site prep	238910
	Engineering	541330
	Landscaping	561730

Source: NC Division of Aviation, Talbert & Bright

4. Determination of Relative Availability of DBE’s in Project Service Area

**Table 3: DBEs: Statesville Regional Airport
by Relevant NAICS Codes—FY 2009**

NAICS CODES	All Firms	DBE Firms	% of DBE Firms Available	% of estimated total expended	Weighted Total Availability
237310	72	10	13.9%	76.3%	10.6%
238210	488	1	0.2%	1.5%	0.0%
238910	182	11	6.0%	8.2%	0.5%
541330	357	6	1.7%	13.9%	0.2%
561730	519	10	1.9%	0.1%	0.0%
TOTAL	1618	38		100.0%	11.3%
WEIGHTED GOAL – Step 1					

Compiled by: KWA, Inc.

SOURCES:

1. 2006 County Business Patterns.
2. NC DOT Directory of Transportation Firms August 2008.

5. Determining the Step 1 DBE Base Figure

The Step 1 DBE Base Figure was derived by using a weighting process by which the percentage of dollars spent on various activities (represented by NAICS codes) were multiplied by the percentage of relevant DBE firms to all relevant firms as indicated in **Table 3** above.

The Step 1 DBE Base Figure for the Statesville Regional Airport is 11.3%.

6. 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 also state that 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 DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years.

There are no recent past similar projects by which to adjust the goal, so this factor will not be used to adjust the base figure

b. Consultations

In analyzing the Step 1 DBE Base Figure, the regulations also require consideration of:

Evidence from disparity studies conducted anywhere within your jurisdiction, to the extent it is not already accounted for in your base figure...” (26:45 (d)(1)(ii).

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

Data on employment, self-employment, training and union apprenticeship programs, to the extent you can relate it to the opportunities for DBEs to perform in your program.” (26.45(d)(2)(i)(ii)

There was no indication that a Disparity Study was ever conducted in Statesville. The office of the Iredell County Government confirmed this. The airport does not have a disparity study.

c. Adjustment to the DBE Base Figure

Having considered the above-mentioned adjustment factors, the Airport will not adjust the Step 1 DBE Base Figure of **11.0% (11.3 rounded to the nearest whole number)**. There is no recent past participation history, and there was no statistical or anecdotal evidence available.

Proposed Overall Goal for Statesville Regional Airport FY 2009: 11.0%.

7. Race-Neutral/Race Conscious Projections:

Statesville Municipal Airport proposes to accomplish its entire overall goal with race-conscious, or contract goals. Due to its lack of project and/or funding history, there are no indicators of potential race-neutral or race conscious participation levels.

8. Contract Goals

The Statesville Municipal Airport will use contract goals to meet any portion of the overall goal that it 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 Airport 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, 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.

Agency/Person Consulted	Discussion/ Information
1. Iredell County Carolyn Harris	Discussed the availability of disparity studies or additional DBE listings. No additional documentation was available.
2. Statesville Municipal Airport Jason Ramey	Discussed the availability of disparity studies or additional DBE listing. Disparity information was not available.
3. Catawba Valley Community College Sallie Neville Merritt	The Catawba Valley Community College has a small business center that assists small businesses via workshops, seminars, books and videos.

V. Process

The NC Division of Aviation will normally submit its overall goal to the FAA on August 1 of each year.

Before establishing the overall goal this year, the NC Division of Aviation consulted with a number of agencies, including community colleges, chambers of commerce, and community and economic development departments, without limiting consultation to these groups, to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Division of Aviation's efforts to establish a level playing field for the participation of DBEs.

Following this consultation, the NC Division of Aviation published a notice of the proposed overall goal, informing the public that the proposed goal and its rationale were available for inspection during normal business hours at the Division of Aviation's administrative office for 30 days following the date of the notice, and informing the public that the Division of Aviation would accept comments on the goals for 45 days from the date of the notice. The notice was published in statewide newspapers. The notice included an address (including an office) to which comments could be sent and an address where the proposal could be reviewed. This process was used to establish the goals for FY 2009.

The Division of Aviation's overall goal submission to the FAA will include a summary of information and comments received during this public participation process and our responses. *(Note: No comments have been received as of this submittal. Should any comments be received, those comments and our responses to the comments will be submitted at the end of the review and comment period.)*

The NC Division of Aviation will begin using the overall goal on October 1 of each year, unless it 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.