

ATTACHMENT 5

Overall DBE Three-Year Goal Methodology

Name of Recipient: Gary/Chicago International Airport Authority, Gary/Chicago Airport

Goal Period: FY 2023-2024-2025 October 1, 2022 through September 30, 2025

DOT-assisted contract amount:	FY-2023	\$	2,000,000
	FY-2024	\$	0
	FY-2025	\$	<u>33,255,000</u>
	Total	\$	35,255,000

Overall Three-Year Goal: 13.15%, to be accomplished through 13.15% RC and 0.00% RN

Total dollar amount to be expended on DBEs: \$ 4,373,033

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

FY 2023

Rehabilitate HIRL Runway "12-30" Lighting: \$ 2,000,000 \$ 1,800,000 Federal Share

FY 2024

No Project

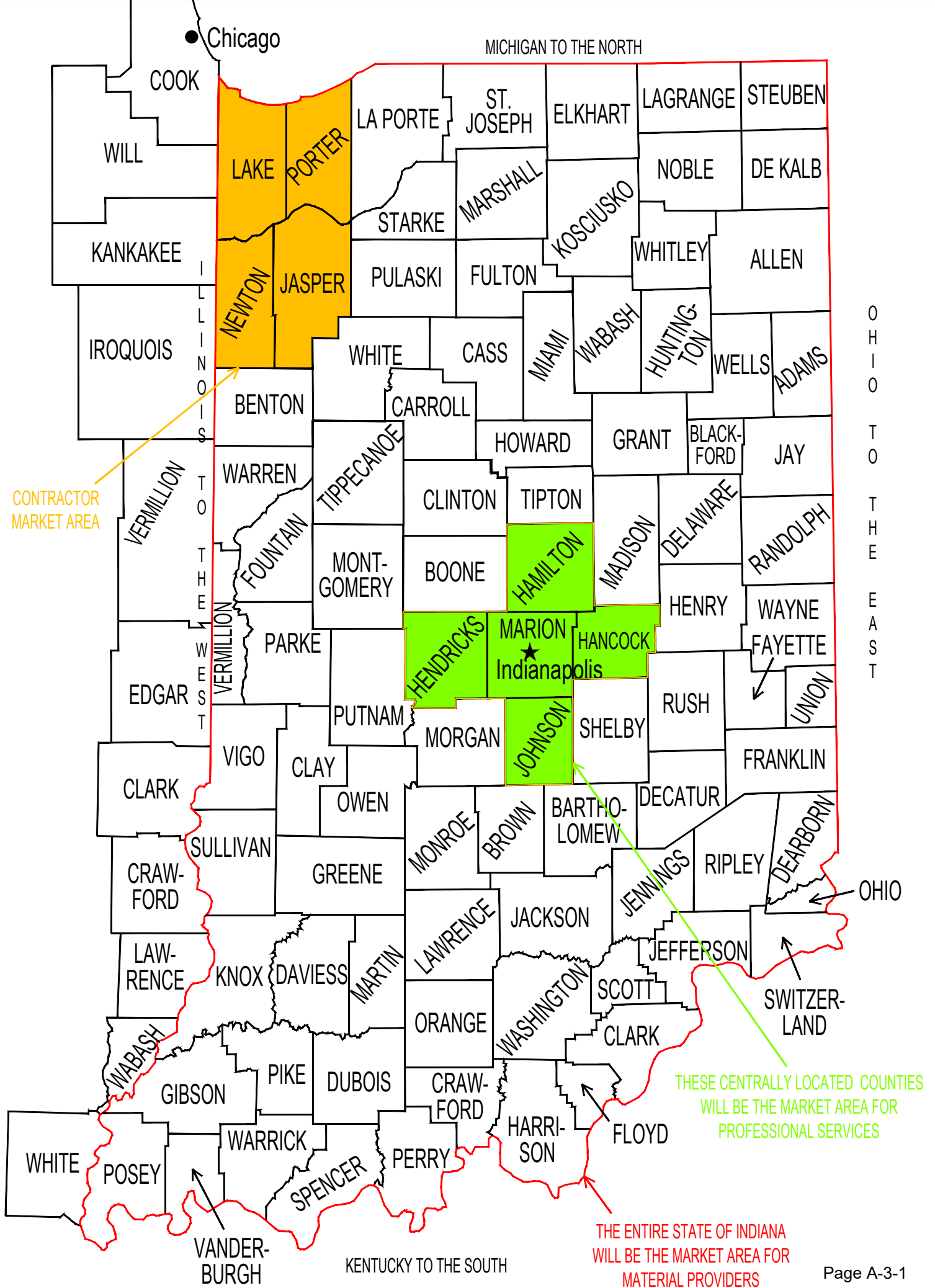
FY 2025

Construct Wide-Body Ramp & Infrastructure: \$ 31,550,000 Total, \$ 28,395,000 Federal Share

Market Area: Indiana Counties of Lake, Jasper, Newton & Porter for construction.

Indiana Counties of Marion, Hamilton, Hendricks, Hancock & Johnson for professional services.

Entire Indiana State of Indiana for Material Providers.



Step 0. Cost Opinion & NAICS Distribution

The cost opinion from the Capital Improvement Program was used to define work elements and identify likely NAICS distribution for each work element. Spreadsheets illustrating this distribution are as follows:

NAICS DISTRIBUTION
Gary/Chicago International Airport

Building Construction	Highway Construction	Electrical Contractors	Site Preparation Contractors	Specialty Contractors	Construction Materials (Statewide)	Electrical Materials (Statewide)	Trucking, Local	Design, Bid & CA Services	Surveying Services	Material Testing	Commercial Photography	Landscaping Services
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						236220	237310	238210	238910	238990	423390	423610	484220	541330	541370	541380	541922	561730
FY2023	Rehabilitate HIRL Runway "12-30" & Vault (FAA Discretionary)																	
	Mobilization/Demobilization	1	LS	300,000	300,000	15.00%												
	Construction Engineering	1	LS	50,000	50,000	2.50%									2.5000%			
	Install LED MIRL Fixtures	110	EA	1,200	132,000	6.60%						1.6500%						
	Install LED Guidance Signs	28	EA	5,000	140,000	7.00%						1.7500%						
	#8, 5 kV Cable, In Conduit	23,000	LF	5	115,000	5.75%						1.4375%						
	Lightning Arrestors	18	EA	500	9,000	0.45%						0.1125%						
	Construct Electrical Vault	1	LS	450,000	450,000	22.50%					5.6250%							
	Install Switchgear Regulators	1	LS	250,000	250,000	12.50%						3.1250%						
	Miscellaneous	1	LS	299,000	299,000	14.95%												
					1,745,000													
	Independent Fee Estimate				5,000	0.25%								0.2500%				
	Professional Services - Design, Bid, Construction Administration & Testing				250,000	12.50%								12.5000%				
	Total			\$	2,000,000	100.00%	0.00%	0.00%	71.05%	0.00%	0.00%	5.63%	8.08%	0.00%	12.75%	2.500%	0.00%	0.00%
						\$0.00	\$0.00	\$1,421,000.00	\$0.00	\$0.00	\$112,500.00	\$161,500.00	\$0.00	\$255,000.00	\$50,000.00	\$0.00	\$0.00	\$0.00

						236220	237310	238210	238910	238990	423390	423610	484220	541330	541370	541380	541922	561730
FY2025	Wide-Body Ramp & Infrastructure Ph. 2 (BIL Funded)																	
	Wetland Delineation & Mitigation	6	AC	250,000	1,550,000	4.91%				2.9477%				1.9651%				
	Miscellaneous Grading & Drainage	150,000	CY	67	10,050,000	31.85%			23.8906%		7.9635%							
	Wildlife Fencing	2,300	LFT	100	230,000	0.73%				0.4374%	0.2916%							
	Motorized Gates	4	EA	25,000	100,000	0.32%				0.1902%	0.1268%							
	Road Infrastructure	20,000	SYD	125	2,500,000	7.92%		5.9429%			1.9810%							
	Apron Infrastructure	102,000	SYD	125	12,750,000	40.41%		16.1648%	8.0824%		16.1648%							
	Deicing Infrastructure	1	LS	760,000	760,000	2.41%			0.9635%	0.9635%	0.4818%							
	Utility Relocation	10,000	LFT	160	1,600,000	5.07%			2.0285%	2.0285%	1.0143%							
					29,540,000													
	Independent Fee Estimate				10,000	0.03%								0.0317%				
	Professional Services - Design, Bid, Construction Administration & Testing				2,000,000	6.34%								6.3391%				
	Total			\$	31,550,000	100.00%	0.00%	22.11%	11.07%	26.88%	3.58%	28.02%	0.00%	8.34%	0.00%	0.00%	0.00%	0.00%
						\$0.00	\$6,975,000.00	\$3,494,000.00	\$8,481,500.00	\$1,128,000.00	\$8,841,500.00	\$0.00	\$0.00	\$2,630,000.00	\$0.00	\$0.00	\$0.00	\$0.00

						236220	237310	238210	238910	238990	423390	423610	484220	541330	541370	541380	541922	561730
FY2025	Construct Air Traffic Control Tower - Phase 1, Design (FCT BIL)																	
	Independent Fee Estimate				5,000	0.29%								0.2933%				
	Professional Services				1,700,000	99.71%								99.7067%				
	Total			\$	1,705,000	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%
						\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,705,000.00	\$0.00	\$0.00	\$0.00	\$0.00

Step 1. Relative Availability of DBEs

The Step 1 figure for the relative availability was calculated as follows:

Method: Use DBE Directories

The data source or demonstrable evidence used to derive the numerator was:

<https://entapps.indot.in.gov/DBELocator/>

and Census Bureau Data

The data source or demonstrable evidence used to derive the denominator was:

<https://data.census.gov/cedsci/>

This step illustrates the total number of DBE firms available within the Market Area and compares them with the total number on DBE and Non-DBE Firms in the same area.

Dividing the total number of DBEs by the total number of All Firms gives a base DBE availability figure for each contract. The availability figures for all contracts were then combined and averaged to provide the basis for the three-year overall goal.

The following spreadsheets illustrate the unweighted percentage of DBE vendors available for each fiscal year:

Step 1 Analysis: Actual relative availability of DBEs

Utilizing the DBE Directories and the designated market area and Census Bureau Data (PROVIDERS) A map of the Market Area is included at the end of this section.

FY2023 Rehabilitate HIRL Runway "12-30" & Vault (FAA Discretionary)

NAICS Code	Type of Work	Total DBEs	Total All Firms
236220	Building Construction	0	0
237310	Highway Construction	0	0
238210	Electrical Contractors	4	119
238910	Site Preparation Contractors	0	0
238990	Specialty Contractors	0	0
423390	Construction Materials (Statewide)	20	68
423610	Electrical Materials (Statewide)	6	116
484220	Trucking, Local	0	0
541330	Design, Bid & CA Services	19	375
541370	Surveying Services	2	9
541380	Material Testing	0	0
541922	Commercial Photography	0	0
561730	Landscaping Services	0	0
Total		51	687

Divide the total number of DBEs by the total number of All Firms = base figure for each project.

$$51 \div 687 = 0.07 \text{ or } \underline{7.42\%}$$

FY2023 Base Figure Total = 7.42%

FY2024 No Project

NAICS Code	Type of Work	Total DBEs	Total All Firms
236220	Building Construction	0	0
237310	Highway Construction	0	0
238210	Electrical Contractors	0	0
238910	Site Preparation Contractors	0	0
238990	Specialty Contractors	0	0
423390	Construction Materials (Statewide)	0	0
423610	Electrical Materials (Statewide)	0	0
484220	Trucking, Local	0	0
541330	Design, Bid & CA Services	0	0
541370	Surveying Services	0	0
541380	Material Testing	0	0
541922	Commercial Photography	0	0
561730	Landscaping Services	0	0
Total		0	0

Divide the total number of DBEs by the total number of All Firms = base figure for each project.

$$0 \div 0 = 0.0000 \text{ or } \frac{0.00\%}{\text{FY 2024 Base Figure Total} = 0.00\%}$$

FY2025 Wide-Body Ramp & Infrastructure Ph. 2 (BIL Funded)

NAICS Code	Type of Work	Total DBEs	Total All Firms
236220	Building Construction	0	0
237310	Highway Construction	2	12
238210	Electrical Contractors	4	119
238910	Site Preparation Contractors	6	70
238990	Specialty Contractors	8	95
423390	Construction Materials (Statewide)	20	68
423610	Electrical Materials (Statewide)	0	0
484220	Trucking, Local	0	0
541330	Design, Bid & CA Services	19	375
541370	Surveying Services	0	0
541380	Material Testing	0	0
541922	Commercial Photography	0	0
561730	Landscaping Services	0	0
Total		59	739

FY2025 Construct Air Traffic Control Tower - Phase 1, Design (FCT BIL)

NAICS Code	Type of Work	Total DBEs	Total All Firms
236220	Building Construction	0	0
237310	Highway Construction	0	0
238210	Electrical Contractors	0	0
238910	Site Preparation Contractors	0	0
238990	Specialty Contractors	0	0
423390	Construction Materials (Statewide)	0	0
423610	Electrical Materials (Statewide)	0	0
484220	Trucking, Local	0	0
541330	Design, Bid & CA Services	19	375
541370	Surveying Services	0	0
541380	Material Testing	0	0
541922	Commercial Photography	0	0
561730	Landscaping Services	0	0
Total		19	375

Divide the total number of DBEs by the total number of All Firms = base figure for each project.

$$78 \div 1114 = 0.0700 \text{ or } 7.00\%$$

FY 2025 Base Figure Total = 7.00%

Step 2: Adjustments to Step 1 Base Figure

After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what, if any, adjustment to the base figure was needed in order to arrive at the overall goal. This effort weights the percentages based on the amount of work for each trade. This prevents an oversaturated pool of firms with a small amount of work from skewing the overall total. By the same token, it corrects for a diluted pool of firms and provides the best opportunity to predict actual outcomes to be expected.

The following spreadsheets illustrate the weighted percentage of DBE vendors available for each fiscal year:

Step 2 Analysis: Adjustments to Step 1 Base Figure

After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what adjustment (if any) was needed to the base figure in order to arrive at the overall

An examination of the anticipated projects for each fiscal year, the availability of the DBE firms by trade classification and the volume of work performed by DBE firms over previous years.

FY2023 Rehabilitate HIRL Runway "12-30" & Vault (FAA Discretionary)

Trade Description A	NAICS Description B	NAICS C	Trade (\$) D	Census E	DBE Directory F	DBE (%) (F/E) G	DBE (\$) (D x G) H
Electrical Trades	Electrical Contractors	238210	1,421,000	119	4	3.36%	47,765
Construction Material Procurement (60%)	Construction Materials (Statewide)	423390	112,500	68	20	29.41%	33,088
Electrical Material Procurement (60%)	Electrical Materials (Statewide)	423610	161,500	116	6	5.17%	8,353
Professional Services	Design, Bid & CA Services	541330	255,000	375	19	5.07%	12,920
Construction Engineering	Surveying Services	541370	50,000	9	2	22.22%	11,111
			2,000,000	687	51	5.66%	113,238
			2,000,000			5.66%	113,238

$$\begin{array}{rclcl}
 7.42\% & + & 5.66\% & = & 13.08\% \\
 \text{Step 1 Goal} & & \text{Step 2 Goal} & & \\
 & & & & \div 2 \\
 & & & & \hline
 & & & & 6.54\% \text{ FY2023 Goal}
 \end{array}$$

FY2024 No Project

Trade Description A	NAICS Description B	NAICS C	Trade (\$) D	Census E	DBE Directory F	DBE (%) (F/E) G	DBE (\$) (D x G) H
			0	0	0	0.00%	-
			0			0.00%	-

$$\begin{array}{rclcl}
 0.00\% & + & 0.00\% & = & 0.00\% \\
 \text{Step 1 Goal} & & \text{Step 2 Goal} & & \\
 & & & & \div 2 \\
 & & & & \hline
 & & & & 0.00\% \text{ FY2024 Goal}
 \end{array}$$

FY2025 Wide-Body Ramp & Infrastructure Ph. 2 (BIL Funded)

Trade Description A	NAICS Description B	NAICS C	Trade (\$) D	Census E	DBE Directory F	DBE (%) (F/E) G	DBE (\$) (D x G) H
Paving Trades	Highway Construction	237310	6,975,000	12	2	16.67%	1,162,500
Grading & Drainage	Site Preparation Contractors	238910	8,481,500	70	6	8.57%	726,986
Specialty Trades	Specialty Contractors	238990	1,128,000	95	8	8.42%	94,989
Construction Material Procurement (60%)	Construction Materials (Statewide)	423390	8,841,500	68	20	29.41%	2,600,441
Professional Services	Design, Bid & CA Services	541330	2,630,000	375	19	5.07%	133,253
			31,550,000	739	59	15.33%	4,835,615
			31,550,000			15.33%	4,835,615

FY2025 Construct Air Traffic Control Tower - Phase 1, Design (FCT BIL)

Trade Description A	NAICS Description B	NAICS C	Trade (\$) D	Census E	DBE Directory F	DBE (%) (F/E) G	DBE (\$) (D x G) H
Professional Services	Design, Bid & CA Services	541330	1,705,000	375	19	5.07%	86,387
			1,705,000	375	19	5.07%	86,387
			1,705,000			5.07%	86,387

$$\begin{array}{rclcl}
 7.00\% & + & 14.80\% & = & 21.80\% \\
 \text{Step 1 Goal} & & \text{Step 2 Goal} & & \div 2 \\
 & & & & \hline
 & & & & 10.90\% \text{ FY2025 Goal}
 \end{array}$$

Past History Participation

Historical accomplishments are used to adjust the predicted number up or down based on past and real projects.

One piece of data used to determine the adjustment to the base figure was the median of historical DBE accomplishments, as follows:

Past History Participation

Other data used to determine the adjustment to the base figure was the median of historical DBE accomplishments as follows:

FY	Total Grant Payments	DBE Goals (%)			Accomplishments (%)			Type of Work
		RC	RN	Total	RC	RN	Total	
2019	\$6,800,718	11.85%	0.00%	0.00%	11.85%	3.49%	15.34%	Runway 12-30 Rehabilitation
2019	\$575,000	11.85%	0.00%	0.00%	11.52%	0.00%	11.52%	Taxiway A Rehab Design
2020	\$4,261,258	11.85%	0.00%	0.00%	11.85%	10.68%	22.53%	Taxiway A Rehabilitation, Phase 1
2021	\$4,120,356	11.85%	0.00%	0.00%	11.85%	10.25%	22.10%	Taxiway A Rehabilitation, Phase 2

Weighted Average: 11.83% 5.74% 17.57%

The weighted average of the historical accomplishments is: 17.57%

The proposed Overall DBE Goal is as follows:

FY 2023	6.54%	+	17.57%	=	24.11%	÷ 2 =	12.06%	
FY 2024	N/A	+	N/A	=	N/A	÷ 2 =	N/A	No Projects
FY 2025	10.90%	+	17.57%	=	28.47%	÷ 2 =	<u>14.24%</u>	
							13.15%	

To arrive at an overall goal, we added our Step 2 base figure with our Historical Participation figure and then averaged the total arriving at an overall goal of 13.15%. We feel this adjusted goal figure will accurately reflect DBE participation that can be achieved for the type of project work being awarded during this three-year period.

Further, there are no applicable disparity studies for the local market area or recent legal case information available from the State of Indiana Equal Employment Opportunity Commission (EEOC) to show any evidence of barriers to entry or competitiveness of DBEs in the utilized counties.

Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation.

Gary/Chicago International Airport Authority (Gary/Chicago Airport) will meet the maximum feasible portion of the overall goal by using RN means of facilitating DBE participation.

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE, and other small businesses, participation;
2. Establishing an outreach program to inform firms, particularly in fields in which DBE participation has historically been low;
3. Ensuring distribution of DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors;

Gary/Chicago International Airport Authority (Gary/Chicago Airport) estimates that in meeting the established overall goal of **13.15%**, it will obtain 0.00% from RN participation and 13.15% through RC measures.

This breakout is based on:

Gary/Chicago International Airport Authority (Gary/Chicago Airport) does not have a history of DBE participation or over-achievement of goals to reference and expects to obtain its DBE participation through the use of DBE contract goals or a conscious effort to obtain DBE participation. Therefore, the entire goal of 13.15% is to be obtained through race-conscious participation.

Gary/Chicago International Airport Authority (Gary/Chicago Airport) will monitor DBE participation on an ongoing basis during the goal period and adjust the estimated breakout of RN and RC DBE participation as needed.

CONSULTATION AND PUBLIC PARTICIPATION

In establishing the overall goal, **Gary/Chicago International Airport Authority (Gary/Chicago Airport)** has or will provide for consultation and publication. This process included consultation with minority, women's, and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the **Gary/Chicago International Airport Authority's (Gary/Chicago Airport)** efforts to establish a level playing field for the participation of DBEs. The consultation included a scheduled, direct, interactive exchange with as many interested stakeholders as possible, focused on obtaining information relevant to the goal-setting process, and was conducted before the goal methodology was submitted to the operating administration for review. Details of the consultation process are as follows.

A notice of the proposed goal was published on the **Gary/Chicago International Airport Authority (Gary/Chicago Airport)** official website before the methodology was submitted to the **FAA**. The DBE Program, Goal-Setting Methodology, and Notice can be found here:

<https://www.flyggy.com/>

If the proposed goal changes following review by the **FAA**, the revised goal will be posted on the **Gary/Chicago International Airport Authority (Gary/Chicago Airport)** official website.

Notwithstanding paragraph (f)(4) of §26.45, **Gary/Chicago International Airport Authority (Gary/Chicago Airport)** proposed goals will not be implemented until the stakeholder consultation requirement has been met.

PUBLIC NOTICE

The **Gary/Chicago International Airport Authority (Gary/Chicago Airport)** announces its proposed Disadvantaged Business Enterprise (DBE) participation goal of **13.15%** for **FAA**-funded contracts/agreements. **Gary/Chicago International Airport Authority (Gary/Chicago Airport)** estimates that in meeting the established overall goal of 13.15%, it will obtain 0.00% from RN participation and 13.15% through RC measures. The proposed goal pertains to federal fiscal years 2023 through 2025. Upon request, a web conference will be held to consult with interested stakeholders and share and obtain information relevant to the goal-setting process.

The proposed goal and its attendant methodology are available for inspection upon request at the following website:

<https://www.flygvy.com/>

Comments on the DBE goal will be accepted for 30 days from the date of this publication and can be sent to the following:

Name:	Dan Vicari
Title:	Executive Director DBE Liaison
Address:	6001 Airport Road Gary, IN 46406
Telephone:	(219) 949-4925
Email:	Dan@gciairport.com

A copy of the Public Notice was distributed to the following service organizations:

Mid-States Minority Supplier Development Council
2126 North Meridian Street
Indianapolis, Indiana 46202
Phone: (317) 923-2110
E-mail: info@midstatesmsdc.org

National Association of Women Business Owners
101 W Ohio St Suite 1580
Indianapolis, IN 46204
Phone: (317) 608-0250
E-mail: info@nawboindy.org

US Small Business Administration
5726 Professional Cir., Suite 100
Indianapolis, IN 46241
Phone: (317) 226-7272
E-mail: answerdesk@sba.gov