



***Monroe Regional Airport  
(MLU)***

**Monroe, Louisiana**

***Fiscal Years 2022 through 2024  
Revised DBE GOAL METHODOLOGY***

**Attachment**

**Sponsor: City of Monroe, Louisiana**

**For the period  
October 1, 2021, to September 30, 2024**

**DBE Point of Contact:**

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September 24, 2021

**Overall Goals and Methodology  
Monroe Regional Airport (MLU)  
Update for FYs 2022 through 2024**

**OVERALL GOALS (\$26.45)**

**Amount of goal:**

The overall goal for Monroe Regional Airport (MLU or the Airport) for Fiscal Years 2022 through 2024 (October 1, 2021, to September 30, 2024) is **8.31%** of the Federal financial assistance that it will expend in DOT-assisted contracts with DBE contractors.

**Number of Projects to be covered by this contract goal:**

The Airport expects to fund five (5) DOT-assisted contracts during FYs 2022-2024:

1. Acquire ARFF Truck (2022)
2. Taxiway D Realignment Construction Ph I (2022)
3. Acquire Sweeper (2022)
4. Taxiway D Realignment Construction Ph II (2023)
5. Runway 14-32 and 4-22 Intersection Work (2024)

The first project, 2022 ARFF Truck Acquisition, involves equipment purchase only and does not include design or construction services. The estimated budget for this project is **\$900,000** (Federally-funded portion.).

The second project, Taxiway D Realignment Construction Ph I (FY 2022), involves trucking, pavement construction, electrical work, and pavement marking. The estimated value for this project is **\$3,300,000** (Federal portion).

The third project, 2022 Sweeper Truck Acquisition, involves equipment purchase only and does not include design or construction services. The estimated budget for this project is \$300,000 (Federally-funded portion.).

The fourth project, Taxiway D Realignment Construction Ph II (FY 2023), involves trucking, pavement construction, electrical work, and pavement marking. The estimated value for this project is **\$4,200,000** (Federal portion).

The fifth project, Runway 14-32 and 4-22 Intersection Work (FY 2024), involves design, trucking, pavement construction, electrical work, and pavement marking. The estimated value for this project is **\$1,300,000** (Federal portion).

The Airport has set a goal of expending **\$731,174** with certified DBE firms yielding a participation rate of **8.31%**.

## Market Area:

After careful research of the historical bidding practices and responses to requests for construction and consulting services, the Airport has revised its previous 9-parish market area to include Avoyelles Parish. The revised market area is made up of the following Parishes:

1. Avoyelles Parish, Louisiana
2. East Carroll Parish, Louisiana
3. Franklin Parish, Louisiana
4. Madison Parish, Louisiana
5. Morehouse Parish, Louisiana
6. Ouchita Parish, Louisiana
7. Richland Parish, Louisiana
8. Tensas Parish, Louisiana
9. Union Parish, Louisiana
10. West Carroll Parish, Louisiana

The analysis prepared in determining this included a review of the responses to advertised opportunities for projects awarded by the Airport over several previous years. This period has included the following projects:

1. 2020 Airfield Drainage Construction (prime contractor located in Avoyelles Parish, outside the previous 9-parish market area)
2. 2020 Rwy 14-32 Extension Construction (prime contractor located in Avoyelles Parish, outside the previous 9-parish market area)
3. 2019 Extend Runway14-32, Phase II Construction (prime contractor located in Avoyelles Parish, outside the previous 9-parish market area)
4. 2018 Extend Runway 14-3, Phase I Construction (prime contractor located in Avoyelles Parish, outside the previous 9-parish market area)
5. 2017 Runway 14-32 Design (prime located outside the State)
6. 2016 Phase II Construction of Perimeter Road (prime contractor located in Ouachita Parish, which is inside the previous 9-parish market area)
7. 2014 Phase I Construction of Perimeter Road (prime contractor located in Ouachita Parish, which is inside the previous 9-parish market area)

As can be seen by this analysis, only 2 of the 7 of the successful bidders were located in the previously identified 9-parish Market Area. Four of the 7 were located in Avoyelles Parish and one was located out of state. ***Therefore, the Airport has determined that the appropriate Market Area should be adjusted to add Avoyelles Parish to the other nine parishes, for a total of ten parishes within the Market Area.***

## **Method:**

In accordance with the current FAA and DOT guidance, the Airport is utilizing a two-step process in setting its goals for FYs 2022-2024. The first step examines the relative availability of DBE firms in the established Market Area and the second step allows for adjustments to the relative availability based on:

- Information from available Disparity Studies
- Information gained from research and outreach with:
  - Organizations servicing or representing DBEs
  - Federal, State and Local agencies that procure services
  - Agencies charged with enforcing Civil Rights Law
  - State and Local Agencies responsible for minority/women's affairs
- Historical accomplishments of the Airport's DBE program

## **Relative Availability:**

The following documents the relative availability for the proposed projects and will be used in the overall calculation of relative availability for FY 2022-2024 goal. The following is a summary of the method used to calculate this goal:

**Step 1:** The method used to calculate the relative availability of DBEs for Step 1 in this process is 26.45(c) (1) DBE Directories and Census Bureau Data. The base figure was determined by dividing the total DBE firms in the local market area by the total of all firms (both compiled according to the relevant NAICS/SIC project codes).

The following tables identify the components of the project broken down by trade with appropriate NAICS codes.

## **Project No. 1 – 2022 Acquisition of ARFF Truck**

This project is limited to the procurement of an ARFF Truck. It does not lend itself to further breakdown or opportunities for additional subcontracting since it only involves equipment procurement, and is, therefore, not subject to DBE participation. The anticipated funding for this project is \$900,000.

## Project No. 2 – Taxiway D Realignment Construction Ph I (FY 2022)

This project, Phase I Construction of the Taxiway D Realignment, involves trucking, pavement construction, electrical work, and pavement marking, and should provide opportunities for DBE participation as documented in the following table:

NAICS code	Work Item	Weighting Factor <sup>1</sup>	DBEs in Market Area	All Available Firms	Relative Availability
484110	Trucking	10%	1	25	0.40%
237310	Pavement Construction	70%	3	21	10.00%
238210	Electrical Contractors	10%	2	57	0.35%
237310	Pavement Marking	10%	0	21	0.00%
	<b>Totals for this Contract</b>	<b>100%</b>	<b>6</b>	<b>124</b>	<b>10.75%</b>

<sup>1</sup> Weighting factor is based on % of total project costs in each category.

The estimate for the Federally-funded portion of this project is **\$3,300,000**. As identified in the above table, this project involves trucking, pavement construction, electrical work, and pavement marking. Therefore, the baseline DBE goal for this contract should be weighted to reflect the potential DBE participation more accurately, as shown below.

$$\begin{aligned} \text{Base Figure} &= \frac{\% \text{ Truck} \times \# \text{ DBE} - \text{Local Market (1)}}{\# \text{ All Firms (25)}} + \frac{\% \text{ Pvmt} \times \# \text{ DBE} - \text{Local Market (3)}}{\# \text{ of All Firms (21)}} + \\ &\quad \frac{\% \text{ Elec} \times \# \text{ DBE} - \text{Local Market (2)}}{\# \text{ of All Firms (57)}} + \frac{\% \text{ Marking} \times \# \text{ DBE} - \text{Local Market (0)}}{\# \text{ of All Firms (21)}} \end{aligned}$$

$$\text{Base Figure} = 10\% \times 1/25 + 70\% \times 3/21 + 10\% \times 2/57 + 10\% \times 0/21$$

This calculation provides a Base Figure of **10.75%**.

## Project No. 3 – 2022 Acquisition of Sweeper Truck

This project is limited to the procurement of a Sweeper Truck. It does not lend itself to further breakdown or opportunities for additional subcontracting since it only involves equipment procurement, and is, therefore, not subject to DBE participation. The anticipated funding for this project is \$300,000.

## Project No. 4– Taxiway D Realignment Construction Ph II (FY 2023)

This project, Phase II Construction of the Taxiway D Realignment, involves trucking, pavement construction, electrical work, and pavement marking, and should provide opportunities for DBE participation as documented in the following table:

NAICS code	Work Item	Weighting Factor <sup>1</sup>	DBEs in Market Area	All Available Firms	Relative Availability
484110	Trucking	10%	1	25	0.40%
237310	Pavement Construction	70%	3	21	10.00%
238210	Electrical Contractors	10%	2	57	0.35%
237310	Pavement Marking	10%	0	21	0.00%
	<b>Totals for this Contract</b>	<b>100%</b>	<b>6</b>	<b>124</b>	<b>10.75%</b>

<sup>1</sup> Weighting factor is based on % of total project costs in each category.

The estimate for the Federally-funded portion of this project is **\$4,200,000**. As identified in the above table, this project involves trucking, pavement construction, electrical work, and pavement marking. Therefore, the baseline DBE goal for this contract should be weighted to reflect the potential DBE participation more accurately, as shown below.

$$\text{Base Figure} = \frac{\% \text{ Truck} \times \# \text{ DBE} - \text{Local Market (1)}}{\# \text{ All Firms (25)}} + \frac{\% \text{ Pvmt} \times \# \text{ DBE} - \text{Local Market (3)}}{\# \text{ of All Firms (21)}} + \frac{\% \text{ Elec} \times \# \text{ DBE} - \text{Local Market (2)}}{\# \text{ of All Firms (57)}} + \frac{\% \text{ Marking} \times \# \text{ DBE} - \text{Local Market (0)}}{\# \text{ of All Firms (21)}}$$

$$\text{Base Figure} = 10\% \times 1/25 + 70\% \times 3/21 + 10\% \times 2/57 + 10\% \times 0/21$$

This calculation provides a Base Figure of **10.75%**.

## Project 5 – Runway 14-32 and 4-22 Intersection Work (2024)

This project includes design and construction for the Runway 14-32 / Runway 4-22 intersection improvements. It will involve engineering, trucking, pavement construction, electrical work, and pavement marking. It should provide opportunities for DBE participation as documented in the following table:

NAICS Code	Work Item	Weighting Factor <sup>1</sup>	DBEs in Market Area	All Available Firms	Relative Availability
541330	Engineering Services	10%	0	31	0.00%
484110	Local Trucking	7%	1	25	0.28%
237310	Pavement Construction	70%	3	21	10.00%
238210	Electrical Contractors	7%	2	57	0.35%
237310	Pavement Marking	6%	0	21	0.00%
	<b>Totals for this Contract</b>	<b>100%</b>	<b>6</b>	<b>155</b>	<b>10.53%</b>

<sup>1</sup> Weighting factor is based on % of total project costs in each category.

The estimate for the Federally-funded portion of this project is **\$1,300,000**. As identified in the above table, the relative availability of DBE contractors in the MLU market area includes engineering, trucking, pavement construction, electrical work, and pavement marking. Therefore, the baseline DBE goal for this contract should be weighted to reflect the potential DBE participation more accurately, as shown below.

$$\text{Base Figure} = \frac{\% \text{ Eng} \times \# \text{ DBE} - \text{Local Market (0)}}{\# \text{ of All Firms (31)}} + \frac{\% \text{ Truck} \times \# \text{ DBE} - \text{Local Market (1)}}{\# \text{ of All Firms (25)}} +$$

$$\frac{\% \text{ Pvmt} \times \# \text{ DBE} - \text{Local Market (3)}}{\# \text{ of All Firms (21)}} + \frac{\% \text{ Elec} \times \# \text{ DBE} - \text{Local Market (2)}}{\# \text{ of All Firms (57)}} +$$

$$\frac{\% \text{ Pvmt} \times \# \text{ DBE} - \text{Local Market (0)}}{\# \text{ of All Firms (21)}}$$

$$\text{Base Figure} = 10\% \times 0/31 + 7\% \times 1/25 + 70\% \times 3/21 + 7\% \times 2/57 + 6\% \times 0/21$$

This calculation provides a Base Figure of **10.53%**.

### Data Sources:

- *DBEs in Local Market Area: State of Louisiana Department of Transportation and Development DBE directory for Federal Aid Projects in 10 Louisiana Parishes*
- *All Available Firms: Census Data from U.S. Census website*

## Weight Factors:

Following the procedures to add weight factors based on the individual project estimates, an additional weight factor is applied based on each project's percentage of the total amount of anticipated award construction dollars.

Project	Amount of Estimate	% of Total / Weight Factor
1-Acquire ARFF Truck (2022)	\$900,000	N/A
2-Twy D Realignment Construction Ph I (2022)	\$3,300,000	37.5%
3-Acquire Sweeper Truck (2022)	\$300,000	N/A
4-Twy D Realignment Construction Ph II (2023)	\$4,200,000	47.7%
5-Rwys 14-32 and 4-22 Intersection Work (2024)	\$1,300,000	14.8%
<b>Total</b>	<b>\$8,800,000</b>	<b>100.0%</b>

## Overall Base Figure:

The Overall Base Figure is calculated by multiplying each project's (contract) base figure by its weight factor and adding them together. Projects that involve equipment purchase only are not included in this calculation.

Overall Base Figure =  $(10.75\% \times 0.375\%) + (10.75\% \times 0.477\%) + (10.53\% \times 0.148\%) =$

$4.03\% + 5.13\% + 1.55\% = 10.72\%$

**Overall Base Figure = 10.72%**

**Step 2:** This step is intended to adjust the “base figure” percentage from Step 1 so that it reflects as accurately as possible the DBE participation the recipient would expect in the absence of discrimination.

First, the Airport searched out the availability of information from Disparity Studies. This was unable to document the preparation of any disparity studies for the area over the course of the last seven years. To document this fact, the Airport first performed an internet search which yielded two databases of disparity studies – both of which are maintained by the DOT Office of Small and Disadvantaged Business Utilization:

Disparity Studies Performed Since 1998 and found at <http://osdbuweb.dot.gov/disparity/>

- Disparity Studies Performed Since 1998 and found at <http://osdbuweb.dot.gov/disparity/>
- Partial List of Disparity Studies conducted for State and Local Agencies and found at <http://osdbuweb.dot.gov/business/Dbc/disparit3.xls>

Finding no available data at either of these sites, the Airport contacted the following entities in June of 2021 and was unable to document any other documentation of disparity studies performed for the region:



- The North Louisiana Economic Partnership located in Monroe, LA
- The North Delta Regional Planning & Development District, located in Monroe, LA

**Historical DBE Accomplishments:**

Since none of these sources was able to provide the Airport with any available disparity study information and with the lack of any disparity study being performed in the region, the Airport must then look to historical performance and DBE goal accomplishment under previous FAA grants for similar types of construction. The Airport reviewed its historical DBE participation achievement in order to ensure the goal’s reasonableness. By averaging the median historical DBE participation rate with the relative availability calculated in Step 1, an adjusted DBE goal is calculated.

The projects anticipated for FYs 2022-2024 include design and construction. A review of the historic overall DBE goals accomplished at the Airport for similar work in recent years revealed that two projects were of the same nature. Therefore, they have been included in the median accomplishment calculation, as summarized below.

**MLU Historical DBE Accomplishments for DOT-Assisted Contracts Projects**

Fiscal Year	Goal	Accomplishment	Type of Work
FY 2017	7.73%	4.60%	Runway 14-32 Design
FY 2016	7.73%	5.90%	Phase II Perimeter Road Construction
FY 2014	5.72%	6.00%	Phase I Perimeter Road Construction
		<b>5.90%</b>	<b>Median Accomplishments for all Projects</b>

The median percentage of accomplishment for all similar projects over recent years is therefore determined to be **5.90%**. When we compare this with the proposed base figure for FYs 2022-2024, we determine that our adjusted overall goal is: **8.31%**.

(Overall Base figure) **10.72%** + (Historical median) **5.90%** divided by 2 = **8.31%** (Adjusted Goal)

**Breakout of Estimated Race-Neutral and Race-Conscious Participation:**

The Airport will strive to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The Airport uses the following race-neutral means to increase DBE participation: By arranging solicitations, times for the presentations of bids, quantities, specifications, and delivery schedules in ways to facilitate DBE, and other small businesses, participation (e.g., requiring and/or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces). Additionally, the Airport and its engineer provide all potential bidders with information about the State of Louisiana’s Department of Transportation and Development web site for certified DBE contractors found at:

<http://www8.dotd.louisiana.gov/UCP/UCPSearch.aspx>

Over the history of data tracking, there have been few occasions when the Airport's annual goals were exceeded. As such, MLU intends to meet the entire goal through race-conscious means. When achievement exceeds the goal, MLU will be in a position to meet the goal through race-neutral means. However, since actual achievement has regularly fallen short of the goal, no race-neutral participation will be assumed.

### **Contract Goals:**

Historically, MLU has used race-conscious measures in obtaining its overall contract goals on federally assisted contracts. ***We estimate that, in meeting our overall adjusted goal of 8.31% we will obtain 0% from race-neutral participation and 8.31% from race-conscious measures (e.g., setting contract goals).*** The estimation of race-neutral participation and race-conscious measures percentages are based on past participation and established goals.

The Airport will use contract goals to meet any portion of the overall goal the Airport does not project being able to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of the Airport's overall goal that is not projected to be met through the use of race-neutral means.

The Airport will establish contract goals only for those DOT-assisted contracts that have subcontracting possibilities. It is not necessary to establish a contract goal on every contract, and the size of contract goals will be adapted to the circumstances of each contract (e.g., type and location of work, availability of DBEs to perform the particular type of work).

## Public Participation:

The Airport encourages the participation of DBEs in its Development Program. In an effort to reach the available DBE community, seek out public input into the goal setting process, and to ensure wide distribution of the information contained in this document, the Airport makes copies of its DBE Program and Annual Goals Setting Document available to the local chapter of the Associated General Contractors, local architects and engineers, prospective bidders, and other interested parties. In order to encourage participation by Certified DBE firms, the Airport:

1. Provides prospective bidders with information on the State of Louisiana's certified list of DBE contractors.
2. Contacts the State of Louisiana to ascertain the availability of DBE contractors in the Market Area and work on ways to encourage participation.

To comply with Code of Federal Regulations Title 49, Part 26, Section 26.45(g)(1)(i), the Airport held a teleconference on September 23, 2021, to:

- Reach out to minority, women's, and general contractor groups to discuss opportunities for DBEs
- Discuss the process to become a certified-DBE
- Address issues that contractors face with the DBE certification process
- Present the proposed DBE Goal for FYs 2022-2024
- Discuss proposed construction projects that are planned at each airport during this period

The following parties were invited to participate:

- North Louisiana Economic Council
- North Delta Regional Planning & Development
- Louisiana Minority Business Council
- Women's Business Enterprise Council
- Hispanic Chamber of Commerce of Louisiana
- Louisiana Small Business Development Center, Monroe Chapter
- Louisiana Association of General Contractors
- LA DOTD DBE/SBE Program Manager
- All Certified DBEs in the market area

Attached are the following appendices regarding the consultation teleconference:

- A – Email invitation to the September 23, 2021 teleconference
- B – List of the participants invited to attend the teleconference
- C – PDF of the online presentation
- D – List of attendees
- E – Questions/Comments
- F – Screenshot of MLU website notice

**Published Notice:**

The following is the notice of availability of the Airport's proposed goals and goal setting methodology:

**WEBSITE PUBLIC NOTICE**

**Disadvantaged Business Enterprise (DBE) Goals for  
Federal Fiscal Years 2022-2024**

The Monroe Regional Airport hereby announces its fiscal years 2022-2024 DBE goal for airport construction projects. The proposed goal and goal setting methodology report are available for inspection between 8:00 a.m. and 3:30 p.m., Monday through Friday, for a period of 30 calendar days, in the offices of the Airport Director, 5400 Operations Road, Monroe, LA, 71203.

Comments can be sent to either of the following addresses:

Charles Butcher  
Airport Director  
5400 Operations Road #201  
Monroe, LA 71203

Federal Aviation Administration  
Civil Rights Staff, AWP-9  
PO Box 92007  
Los Angeles, CA 90009-2007

**APPENDIX**  
**PUBLIC CONSULTATION**  
**DOCUMENTATION**

- A – Email invitation to the September 23, 2021, teleconference
- B – List of the participants invited to attend the teleconference
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