



GAO South Lafourche
Leonard Miller, Jr. Airport

Fiscal Years 2025-2027 **DBE GOAL METHODOLOGY**

Attachment 5

**For the South Lafourche Airport (GAO)
Galliano, Louisiana**

Sponsor: Greater Lafourche Port Commission

**For the period
October 1, 2024, to September 30, 2027**

DBE Point of Contact:

**Mr. Davie Breaux, Deputy Port Director
South Lafourche Airport
16829 East Main Street
Cut Off, Louisiana 70345
T – (985) 632-6701
davieb@portfourchon.com**

July 22, 2024

**Overall Goals and Methodology
South Lafourche Airport (GAO)
FYs 2025-2027 Update**

OVERALL GOALS (\$26.45)

Amount of goal

The overall goal for South Lafourche Airport (GAO or the Airport) for Fiscal Years 2025-2027 (October 1, 2024, to September 30, 2027) is **1.55%** 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:

GAO expects to fund four (4) DOT-assisted contracts during Fiscal Years 2025-2027:

- 2025 Master Plan Update with AGIS
- 2026-2027 Wildlife Hazard Remediation Improvements - Phase I

The first project, 2025 Master Plan Update with AGIS, involves the services of airport planners, with an estimated project value of **\$578,870** (federal portion).

The second project, 2026-2027 Wildlife Hazard Remediation Improvements - Phase I, involves design/construction administration and fence installation as recommended in the recent Wildlife Hazard Management Plan. It involves the trades engineers and fence contractors. The budget for the project is **\$884,000** (federal portion).

The total Federal allocation is expected to be **\$1,462,870**. The Airport has set a goal of expending **\$22,617** with certified DBE firms yielding a participation rate of **1.55%**.

Market Area:

After careful research of the historical bidding practices and responses to requests for services, the Airport has determined that its market area is consists of these Parishes:

- Assumption Parish, Louisiana
- Jefferson Parish, Louisiana
- Lafourche Parish, Louisiana
- Orleans Parish, Louisiana
- St. Charles Parish, Louisiana
- St. John the Baptist Parish, Louisiana
- Terrebonne Parish, Louisiana

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

1. FY 2023 Navaid Maintenance
2. FY 2020 Drainage Construction
3. FY 2017 Taxiway Lighting Design

The first project was for Navaid Maintenance and the successful bidder was located in Cypress, Texas, which is not within the Airport's Market Area. The second project was the construction of drainage improvements, and the successful bidder was located in Terrebonne Parish, which is within the GAO market area. The third project involved the design of taxiway lighting, and the successful bidder was located in Orleans Parish, Louisiana, which is also within the GAO market area.

As can be seen by this analysis, the majority of the respondents come from the identified market area and the substantial majority of contracting dollars has been expended in the same area. Consequently, the Airport has determined that the appropriate Market Area is the seven parish area described previously.

Method:

In accordance with the current FAA and DOT guidance, the Airport is utilizing a two-step process in setting its FYs 2025-2027 goal. 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 project and will be used in the overall calculation of relative availability for the FYs 2025-2027 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 projects broken down by trade with appropriate NAICS codes.

Project 1 – 2025 Master Plan Update with AGIS

This project involves the services of Airport Planners and should provide opportunities for DBE participation as documented in the following table:

NAICS code	Work Item	Weighting Factor ¹	DBEs in Market Area	All Available Firms	Relative Availability
541990	Other Professional Services	100%	0	0	0.00%
	Totals for this Contract	100%	0	0	0.00%

¹ Weighting factor is based on % of total project costs in each category.

The estimate for the federally funded portion of this project is **\$578,870**. As identified in the above table, the relative availability of DBE contractors in the GAO MSA includes Airport Planners. The baseline DBE goal for this contract is shown below:

$$\begin{aligned} \text{Base Figure} &= \frac{100\% \text{ Planners} \times \# \text{ DBEs in Market Area (0)}}{\# \text{ All Firms (0)}} \\ &= 100\% \times 0/5 = 0.00\% \end{aligned}$$

This calculation provides a Base Figure of **0.00%**.

Project 2 – 2026 Wildlife Hazard Remediation Improvements - Phase I

This project involves design and fence installation and should provide opportunities for DBE participation as documented in the following table:

NAICS code	Work Item	Weighting Factor ¹	DBEs in Market Area	All Available Firms	Relative Availability
541330	Engineering Services	15%	20	269	1.12%
238990	Other Specialty Trade Contractors	85%	1	37	2.30
	Totals for this Contract	100%	0	5	3.41%

¹ Weighting factor is based on % of total project costs in each category.

The estimate for the federally funded portion of this project is \$225,000. As identified in the above table, the relative availability of DBE contractors in the GAO MSA includes Airport Planners. The baseline DBE goal for this contract is shown below:

$$\begin{aligned} \text{Base Figure} &= 15\% \text{ Eng} \times \frac{\# \text{ DBEs in Market Area (0)}}{\# \text{ All Firms (0)}} + 85\% \text{ Fence} \times \frac{\# \text{ DBEs in Market Area (1)}}{\# \text{ All Firms (37)}} \\ &= (15\% \times 20/269) + (85\% \times 1/37) = 3.41\% \end{aligned}$$

This calculation provides a Base Figure of **3.41%**.

Data Sources:

- *DBEs in Local Market Area: State of Louisiana Department of Transportation and Development DBE directory for Federal Aid Projects in the following parishes: Assumption, Jefferson, Lafourche, Orleans, St Charles, St John, and Terrebonne, Louisiana*
- *All Available Firms: U.S. Census Data website*

Weight Factors:

Following the procedures to add weight factors based on the individual project estimates, an additional weight factor is usually applied, based on each project's percentage of the total amount of anticipated award construction dollars (Federal portion.) Since there is only one federally funded project for the FY 2025-2027 timeframe, the weight factor for that project is 100%:

Project	Amount of Estimate	% of Total / Weight Factor
1-Master Plan, AGIS	\$578,870	39.57%
2-Wildlife Hazard Imprsr	\$884,000	60.43
Total	\$417,600	100.00%

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:

$$\text{Overall Base Figure} = (0.3957\% \times 0.0\%) + (0.6043 \times 0.0341) = 0.0\% + 2.06\% = 2.06\%$$

Overall Base Figure = 2.06%

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.

Disparity Studies:

First, the airport searched for availability of information from Disparity Studies. The Airport first performed an internet search which did not yield any relevant disparity studies.

Finding no available relevant data, the Airport contacted the following organizations via phone in July of 2024:

- ➔ South Central Planning Development Commission – Mr. Kevin Belanger, Chief Executive Officer
- ➔ South Louisiana Economic Council – Mr. Vic LaFont, President and CEO

Neither was able to provide any other documentation of disparity studies performed for the region.

Historical DBE Accomplishments:

Since none of these sources was able to provide any disparity study information, the Airport must then look to historical performance and DBE goal accomplishments under previous FAA grants for similar types of projects. 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 for the Fiscal Years 2025-2027 is calculated.

In recent years, the Airport has not implemented any projects similar to the new project addressed in this report. If we were to use 0% for median percentage of accomplishments, the adjusted goal would be artificially lowered. Therefore, the airport has used three design/construction projects implemented in recent years to calculate the historic overall DBE goals accomplished at the Airport, which is summarized in the following table:

**GAO Historical DBE Accomplishments for DOT-Assisted
Design/Construction Contracts**

Fiscal Year	Goal	Accomplishment	Type of Work
2023	0.61%	0.00%	Navaid Maintenance
2020	3.80%	1.40%	Drainage Construction
2017	9.98%	1.03%	Taxiway Lighting Design
		1.03%	Median Accomplishments for all Projects

The median percentage of accomplishments for design/construction projects over recent years is therefore determined to be **1.03%**. When we compare this with the base figure for FYs 2025-2027, we determine that the adjusted overall goal is **1.55%**.

(Overall Base Figure) **2.06%** + (Historical Median) **1.03%** divided by 2 = **1.55%** (Adjusted Goal.)

Adjusted DBE Goal for FYs 2025-2027 = 1.55%.

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

GAO has historically used race-conscious measures in calculating its overall contract goals on Federally assisted contracts. The Airport has fallen short of its DBE goal in recent years, as illustrated in the Historical DBE Accomplishment table. Therefore, we estimate that, in meeting our overall adjusted goal of **1.55%**, it is appropriate to continue to use race-conscious measures.

We anticipate that we will obtain 0% from race-neutral participation and 1.55% from race-conscious measures (e.g., setting contract goals).

In the future, the Greater Lafourche Port Commission will strive to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The Greater Lafourche Port Commission 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/UCPResults.aspx>

Contract Goals

In recent solicitations, the Greater Lafourche Port Commission has used race-conscious measures in calculating its overall contract goals on Federally assisted contracts. GAO has fallen short of its DBE goal in recent years, as illustrated in the Historical DBE Accomplishment table. Therefore, we estimate that, in meeting our overall adjusted goal of **1.55%**, it is appropriate to continue to use race-conscious measure and **we anticipate that we will obtain 0% from race-neutral participation and 1.55% from race-conscious measures (e.g., setting contract goals.)**

The Greater Lafourche Port Commission 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:

Consultation:

The Airport encourages the participation of Disadvantaged Business Enterprises 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.

As documented in the Market Area section of this report, the relative availability of DBE firms is limited. 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 July 24, 2024, 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 2025-2027
- Discuss proposed construction projects that are planned at each airport during this period

The following parties were invited to participate:

- South Louisiana Economic Council
- Louisiana Minority Business Council
- Women's Business Enterprise Council
- Hispanic Chamber of Commerce of Louisiana
- Louisiana Small Business Development Center
- Louisiana Association of General Contractors
- LA DOTD DBE/SBE Program Manager
- All Certified DBEs in the market area

Published Notice:

The following is the website 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 2025-2027**

The Greater Lafourche Port Commission hereby announces its fiscal years 2025-2027 DBE goal for construction projects at South Lafourche Airport. The proposed goals and goal setting methodology are available for inspection between 8:00 a.m. and 4:30 p.m., Monday through Friday, for 30 calendar days, in the Airport's Administrative office, 16829 East Main Street, Cut Off, LA 70345.

Davie Breaux, Airport Manager
South Lafourche Airport
16829 East Main Street
Cut Off, LA 70345

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

APPENDIX

Attached are the following documents for the July 24, 2024, consultation conference call:

- A – Email invitation to the conference call
- B – List of the participants invited to attend the teleconference
- C – PDF of the online presentation
- D – List of attendees
- E – Screenshot of GAO website notice