

FY 2018 - FY 2020

**DISADVANTAGED BUSINESS ENTERPRISE PROGRAM METHODOLOGY
FOR**

**GEORGETOWN COUNTY AIRPORT
GEORGETOWN, SC**



MARCH 2018

METHODOLOGY for Establishing the FY 2018 – FY 2020 Overall Disadvantaged Business Enterprise (DBE) Goal for:

*Georgetown County
Georgetown, SC*

In fulfillment of the requirements of 49 CFR Part 26, Georgetown County (hereafter ‘the County’) has developed a proposed Overall Goal for FY 2018-2020 FAA-AIP projects for the County. The methodology used in establishing this goal is described herein.

Airport Sponsor: **Georgetown County**

Airport: **Georgetown County Airport**

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I. Detailed Methodology: Specific Steps

A. Amount of Goal

The County’s FY 2018-2020 overall goal for the Federal financial assistance it will expend in USDOT-assisted contracts is the following:

Overall Goal:	<u>12.2%</u>
Race-Neutral:	<u>0.0%</u>
Race-Conscious:	<u>12.2%</u>

Given the amount of USDOT-assisted contracts that the County expects to let from FY 2018-2020, which is approximately **\$5,429,755**, this means that the County has set a goal of expending approximately **\$663,280** with DBEs during this period.

B. Determination of the Market Area of the study

The normal market area was based on discussions with the County staff and an assessment of bidders from similar recent projects. Specifically, the market area is based on where the substantial majority of bidders, both successful and unsuccessful are located and where the substantial majority of funding was spent as illustrated in **Table 1** below:

Table 1: Georgetown County Market Area

County	Bidders	Percent of bidders	Dollars	Percent of dollars
Georgetown - SC	5	14.3%	\$152,152	4.8%
Horry - SC	23	65.7%	\$2,942,566	92.2%
Market Area	28	80.0%	\$3,094,718	97.0%
<i>Other</i>	7	20.0%	\$95,865	3.0%
Total	35	100.0%	\$3,190,583	100.0%

SOURCE: Georgetown County

C. Determination of relevant NAICS codes

Based on information provided by County concerning the proposed projects for this fiscal year, a list of NAICS codes corresponding to these projects was developed and is shown below:

**Table 2a: Georgetown County
FY 2018 - FY 2019 Projects & Activities**

FY	PROJECT	ACTIVITY	NAICS
2018	Land Acquisition for Runway 5-23 Approaches (Phase II)	Appraisal	531320
		Legal	541110
		Survey	541370
		Environmental Consulting	541620
2018	Apron Expansion (Phase IV)	Highway & Street	237310
		Drainage	237990
		Concrete	238110
		Site Prep	238910
		Engineering	541330
		Geotechnical Testing	541380
		Landscaping	561730
2019	Obstruction Removal for Runway 5-23 Approaches (Phase I)	Site Prep	238910
		Engineering	541330
		Landscaping	561730

SOURCE: Georgetown County

**Table 2b: Georgetown County
FY 2020 Projects & Activities**

FY	PROJECT	ACTIVITY	NAICS
2020	Land Acquisition for Runway 5 RPZ	Appraisal	531320
		Legal	541110
		Engineering	541330
		Survey	541370
		Environmental Consulting	541620
	Runway 5-23 Rehabilitation	Highway & Street	237310
		Site Prep	238910
		Engineering	541330
		Geotechnical Testing	541380
		Landscaping	561730
	Auto Parking Lot Expansion	Highway & Street	237310
		Site Prep	238910
		Engineering	541330
		surveying	541370
		Geotechnical Testing	541380
	Landscaping	561730	

SOURCE: Georgetown County

D. Determination of Relative Availability of DBEs in Market Area, Compared to all Firms

**Table 3a: DBES—Georgetown County Airport
by Relevant NAICS Codes - Land Acquisition for Runway 5-23 Approaches (Phase II)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Goal (Dollars)
Appraisal	531320	0	73	0.0%	\$110,000	\$0
Legal	541110	0	679	0.0%	\$71,000	\$0
Surveying	541370	2	28	7.1%	\$88,000	\$6,286
Environmental Consulting	541620	3	20	15.0%	\$16,000	\$2,400
Total					\$285,000	\$8,686
Weighted Step 1 Goal =						3.0%

SOURCES:

1. 2015 County Business Patterns, U.S. Census Bureau, February 2018.
2. South Carolina UCP DBE Directory, February 2018.

**Table 3b: DBES—Georgetown County Airport
by Relevant NAICS Codes - Apron Expansion (Phase IV)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Goal (Dollars)
Highway & Street	237310	2	10	20.0%	\$327,870	\$65,574
Drainage	237990	4	8	50.0%	\$5,000	\$2,500
Concrete	238110	4	18	22.2%	\$400	\$89
Site Prep	238910	5	34	14.7%	\$163,900	\$24,103
Engineering	541330	3	187	1.6%	\$100,000	\$1,604
Geotechnical Testing	541380	1	13	7.7%	\$18,055	\$1,389
Landscaping	561730	7	62	11.3%	\$8,775	\$991
Total					\$624,000	\$96,250
Weighted Step 1 Goal =						15.4%

SOURCES:

1. 2015 County Business Patterns, U.S. Census Bureau, February 2018.
2. South Carolina UCP DBE Directory, February 2018.

**Table 3c: DBES—Georgetown County Airport
by Relevant NAICS Codes - Obstruction Removal for Runway 5-23 Approaches**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Goal (Dollars)
Site Prep	238910	5	34	14.7%	\$709,800	\$104,382
Engineering	541330	3	187	1.6%	\$186,950	\$2,999
Landscaping	561730	7	62	11.3%	\$217,250	\$24,528
Total					\$1,114,000	\$131,910
Weighted Step 1 Goal =						11.8%

SOURCES:

1. 2015 County Business Patterns, U.S. Census Bureau, February 2018.
2. South Carolina UCP DBE Directory, February 2018.

**Table 3d: DBES—Georgetown County Airport
by Relevant NAICS Codes - Land Acquisition for Runway 5 RPZ**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Goal (Dollars)
Appraisal	531320	0	73	0.0%	\$10,000	\$0
Legal	541110	0	679	0.0%	\$10,000	\$0
Engineering	541330	3	187	1.6%	\$42,755	\$686
surveying	541370	2	28	7.1%	\$16,000	\$1,143
Environmental Consulting	541620	3	20	15.0%	\$11,000	\$1,650
Total					\$89,755	\$3,479
Weighted Step 1 Goal =						3.9%

SOURCES:

1. 2015 County Business Patterns, U.S. Census Bureau, February 2018.
2. South Carolina UCP DBE Directory, February 2018.

**Table 3e: DBES—Georgetown County Airport
by Relevant NAICS Codes - Runway 5-23 Rehabilitation**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Goal (Dollars)
Highway & Street	237310	2	10	20.0%	\$2,320,300	\$464,060
Site Prep	238910	5	34	14.7%	\$260,750	\$38,346
Engineering	541330	3	187	1.6%	\$346,700	\$5,562
Geotechnical Testing	541380	1	13	7.7%	\$40,000	\$3,077
Landscaping	561730	7	62	11.3%	\$86,250	\$9,738
Total					\$3,054,000	\$520,782
Weighted Step 1 Goal =						17.1%

SOURCES:

1. 2015 County Business Patterns, U.S. Census Bureau, February 2018.
2. South Carolina UCP DBE Directory, February 2018.

**Table 3f: DBES—Georgetown County Airport
by Relevant NAICS Codes - Auto Parking Lot Expansion**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Goal (Dollars)
Highway & Street	237310	2	10	20.0%	\$120,860	\$24,172
Site Prep	238910	5	34	14.7%	\$30,000	\$4,412
Engineering	541330	3	187	1.6%	\$83,940	\$1,347
surveying	541370	2	28	7.1%	\$6,000	\$429
Geotechnical Testing	541380	1	13	7.7%	\$10,000	\$769
Landscaping	561730	7	62	11.3%	\$12,200	\$1,377
Total					\$263,000	\$32,506
Weighted Step 1 Goal =						12.4%

SOURCES:

1. 2015 County Business Patterns, U.S. Census Bureau, February 2018.
2. South Carolina UCP DBE Directory, February 2018.

NOTE: County Business Patterns data were used as the source to determine the denominator, or the number of all firms in the market area. The DBE directories listed above were used to determine the numerator, or the number of DBE firms in the market area.

E. Determination of the “Weighted” DBE Base Figure

The Step 1 DBE Base Figure for each project was derived by multiplying the dollars for each activity by the percentage of relevant DBE firms to all relevant firms. The total DBE goal in dollars was divided by the total project costs to derive the step 1 goals.

The Step 1 DBE Base Figures for the County are as follows:

Fiscal Year	Project	Step 1
FY 2018	Land Acquisition for Runway 5-23 Approaches (Phase II)	3.0%
FY 2018	Apron Expansion (Phase IV)	15.4%
FY 2019	Obstruction Removal for Runway 5-23 Approaches (Phase I)	11.8%
FY 2020	Land Acquisition for Runway 5 RPZ	3.9%
FY 2020	Runway 5-23 Rehabilitation	17.1%
FY 2020	Auto Parking Lot Expansion	12.4%

II. 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 further state that there are 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 USDOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years.

The historical overall DBE goals accomplished in recent years were examined relative to the above consideration. Notice the annual DBE percent accomplishment indicated in Table 4 below:

**Table 4: Georgetown County
DBE Accomplishment**

Report Period	Approved DBE Goal	Total DBE Percent Achieved	Achieved Over/Under
FY 2011	3.2%	3.2%	0.0%
FY 2014	11.1%	11.1%	0.0%
FY 2015	10.7%	9.8%	-0.9%
Median	10.7%	9.8%	0.0%

The median DBE accomplishment for the periods as shown above for County is 9.8% compared to the Step 1 Base Figures derived using the methodology detailed above.

B. Consultations

The County held a web conference on March 2, 2018 at 10:00 am. The purpose of the meeting was to solicit information from interested stakeholders about the draft goal, as well as the availability of potential DBEs, the effects of discrimination on opportunities for DBEs, and County’s effort to increase DBE participation. The stakeholder invitation was sent to 74 individuals representing DBEs, Primes and Organizations. There was no additional information to adjust the goal.

**Table 5: Georgetown County
Stakeholder Meeting Attendee List**

Name	Organization/ Company
Al Smith	Talbert & Bright
Ray Funnye	Georgetown County
Wilfred Nixon	Ken Weeden & Associates

C. Adjustment to Step 1 DBE Base Figures: Georgetown County, FY 2018 - FY 2020

With the adjustment factors considered to this point, County will adjust the Step 1 base figures as calculated above by adding the annual accomplishment factor derived in Table 4 above (9.8%) to the base figure for each project as noted, and averaging the total, for an adjusted overall DBE goal.

**Table 6: Georgetown County
FY 2018 – FY 2020 Overall Goal**

Fiscal Year	Project	Step1	Step 2 adjustment	Overall Goal	Total project costs	DBE Goal (dollars)
FY 2018	Land Acquisition for Runway 5-23 Approaches (Phase II)	3.0%	9.8%	6.40%	\$285,000	\$18,240
FY 2018	Apron Expansion (Phase IV)	15.4%	9.8%	12.60%	\$624,000	\$78,624
FY 2018 Total				10.7%	\$909,000	\$96,864
FY 2019	Obstruction Removal for Runway 5-23 Approaches (Phase I)	11.8%	9.8%	10.80%	\$1,114,000	\$120,312
FY 2019 Total				10.8%	\$1,114,000	\$120,312
FY 2020	Land Acquisition for Runway 5 RPZ	3.9%	9.8%	6.85%	\$89,755	\$6,148
FY 2020	Runway 5-23 Rehabilitation	17.1%	9.8%	13.45%	\$3,054,000	\$410,763
FY 2020	Auto Parking Lot Expansion	12.4%	9.8%	11.10%	\$263,000	\$29,193
FY 2020 Total				13.1%	\$3,406,755	\$446,104
FY 2018 - FY 2020 Overall Goal				12.2%	\$5,429,755	\$663,280

The total DBE goal in dollars was divided by the total project costs to derive the overall DBE goal of 12.2% for FY 2018 - FY 2020.

III. Process

The County will normally submit its overall goal to the FAA by August 1 of the required year of submission for southern region non-primary airports.

Before establishing the overall goal this year, the County consulted with minority, women and general contractor groups, community organizations, and other officials or organizations to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the County’s efforts to establish a level playing field for the participation of DBEs.

Following this consultation, the County published a notice of the proposed overall goal on its website.

The County will begin using the overall goal on October 1 of each goal year, unless the County 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.

IV. Breakout of Estimated Race-Conscious/Race-Neutral Participation

The County will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The County will use a combination of the following race-neutral means to increase DBE participation:

1. *Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE, and other small businesses participation (e.g., unbundling large contracts to make them more accessible to small businesses, encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces);*
2. *Disseminating information communications on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists for bidders, ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors).*

The County proposes a race-conscious goal of **12.2%** and a race-neutral goal of **0.0%**, for a total of **12.2%**. The reason for this breakout is that the projects from the previous years show that the median amount by which the past DBE goals were over-achieved is **0.0%** (see **Table 4**).

The County will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (26.51(f)) and it will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry a DBE goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

V. Contract Goals

The County will use contract goals to meet any portion of the overall goal that the County 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 County will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. The County does not need to 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 County will express its contract goals as a percentage of the federal share of a DOT-assisted contract.

Appendix A: Resource Listing

A. Resource Documents:

1. 2015 County Business Patterns, U.S. Census Bureau.
2. South Carolina UCP DBE Directory, February 2018.
3. Uniform Report of DBE Awards/Commitments and Payments.