

**FAA Overall Goals (\$26.45)**

**Name of Recipient: Lea County - Lea County Regional Airport**

**Goal Period:**     **Fiscal Year 2019** – October 1, 2018 through September 30, 2019  
                           **Fiscal Year 2020** – October 1, 2019 through September 30, 2020  
                           **Fiscal Year 2021** – October 1, 2020 through September 30, 2021

**DOT-Assisted Contract Amount: \$ 8,113,179.34**

**DBE Goal 8.96%**

**Market Area:** The market area was determined to be both Geographical Areas One and Four; combined these two Geographical Areas make up Market Area Four. Geographical Area Four is located in the southeastern portion of New Mexico and is comprised of the following counties: Tarrant, Lincoln, De Baca, Curry, Otero, Chavez, Roosevelt, Eddy, and Lea. Geographical Area One is located in central New Mexico and is comprised of the following counties: Sandoval, Santa Fe, Bernalillo, Valencia, and Los Alamos. As with all New Mexico communities, the substantial majority of contractors and subcontractors come from Geographical Area One. Due to the majority of contractors and subcontractors coming from Geographical Area One, Lea County, like other New Mexico communities spends the majority of their contracting dollars within Geographical Area One as well. This was determined based on information within the contract documents showing locations of contractors and subcontractors that have performed work for the Lea County Airports in the past. Information regarding locations of the DBE businesses was found from the New Mexico Department of Transportation website. This information also shows that the substantial majority of all DBE’s are based within the Geographical Area One boundary. A map and breakout of the Geographical Areas can be seen as an attachment.

**Number and Types of Projects for FY 2019:**

1. **Acquire Property Interests R/W 12-30 (under \$250,000 and no potential for DBE)**
2. **R/W 3-21 RSA Construction**

**Analysis**

**Project: R/W 3-21 RSA Construction**  
**Amount: \$2,125,419.59**

**TABLE 1  
 PROJECT TWO: RUNWAY 3-21 RSA CONSTRUCTION**

NAICS Code	Work Item	DBE's in Market Area	All Available Firms	Total Amount	Weight Factor
237310	Heavy Construction	16	50	\$ 449,091.20	21.13%
23821	Electrical	2	423	\$ 2,700.00	0.13%
23899	Markings/ Specialty	2	107	\$ 98,500.00	4.63%
541330	Engineering	7	335	\$ 109,878.39	5.17%
48411	Trucking	9	75	\$ 1,325,250.00	62.35%
54138/54169	Inspection/ Testing	2	118	\$ 100,000.00	4.70%
54137	Surveying	3	63	\$ 40,000.00	1.88%
	<b>Total</b>	<b>41</b>	<b>1171</b>	<b>\$ 2,125,419.59</b>	<b>100.00%</b>

*Source: County Business Patterns and NMDOT DBE Directory*

The construction estimate for this project is \$2,125,419.59. Of that amount, \$439,091.20 or 20.66% is anticipated for heavy construction, \$62,700.00 or 2.95% is anticipated for electrical, \$98,500 or 4.63% is anticipated for Markings/Specialty Items, \$109,878.39 or 5.17% is anticipated for engineering, \$1,275,250.00 or 60.00% is anticipated for trucking, \$100,000 or 4.70% is anticipated for inspection/testing, and \$40,000.00 or 1.88% is anticipated for surveying.

Therefore, the baseline DBE goal for this contract was weighed so that it would more accurately reflect the potential DBE participation as shown below.

H = Heavy Construction    EL= Electrical    M = Markings/Fencing/Specialty Contractors    E = Engineering  
T= Trucking                    I= Inspection/Testing    S=Surveying

**Project One Base Figure =**

$$\begin{aligned}
 & H(\%) \times \frac{\# \text{ DBE in Local Market (H)}}{\# \text{ All Firms (H)}} + EL(\%) \times \frac{\# \text{ DBE in Local Market (EL)}}{\# \text{ All Firms (EL)}} + M(\%) \times \frac{\# \text{ DBE in Local Market (M)}}{\# \text{ All Firms (M)}} \\
 & E (\%) \times \frac{\# \text{ DBE in Local Market (E)}}{\# \text{ All Firms (E)}} + T (\%) \times \frac{\# \text{ DBE in Local Market (T)}}{\# \text{ All Firms (T)}} + \\
 & I (\%) \times \frac{\# \text{ DBE in Local Market (I)}}{\# \text{ All Firms (I)}} + S (\%) \times \frac{\# \text{ DBE in Local Market (S)}}{\# \text{ All Firms (S)}} +
 \end{aligned}$$

**Project One Base Figure =**

$$2.066(16/50) + .2952(2/423) + .463(2/107) + .517(7/335) + 6.00(9/75) + .470(2/118) + .188(3/63)$$

**Project One Base Figure = 14.19%**

**Number and Types of Projects for FY 2020**

**1. R/W 3-21 and T/W C Extension Design and Construction**

**Project: R/W 3-21 and T/W C Extension Design and Construction**  
**Amount: \$2,822,371.57**

**TABLE 1  
PROJECT ONE: R/W 3-21 & T/W C EXTENSION DESIGN AND CONSTRUCTION**

NAICS Code	Work Item	DBEs in Market Area	All Available Firms	Total Amount	Weight Factor
237310	Heavy Construction	16	50	\$ 454,091.57	16.09%
23821	Electrical	2	423	\$ 893,530.00	31.66%
23899	Markings/ Specialty	2	107	\$ 108,500.00	3.84%
541330	Engineering	7	335	\$ 301,000.00	10.66%
48411	Trucking	9	75	\$ 925,250.00	32.78%
54138/54169	Inspection/ Testing	2	118	\$ 100,000.00	3.54%
54137	Surveying	3	63	\$ 40,000.00	1.42%
	<b>Total</b>	<b>41</b>	<b>1171</b>	<b>\$ 2,822,371.57</b>	<b>100.00%</b>

Source: County Business Patterns and NMDOT DBE Directory

The construction estimate for this project is \$2,822,371.57. Of that amount \$454,091.57 or 16.09% is anticipated for heavy construction; \$893,530.00 or 31.66% is anticipated for electrical; \$108,500 or 3.84% is anticipated for markings and specialty contractors; \$301,000.00 or 10.66% is anticipated for engineering; \$925,250.00 or 32.78% is anticipated for trucking; \$100,000.00 or 3.54% is anticipated for inspection/testing; and \$40,000 or 1.42% is anticipated for surveying.

Therefore, the baseline DBE goal for this contract was weighed so that it would more accurately reflect the potential DBE participation as shown below.

HC = Heavy Construction      E=Electrical      M = Markings      EN=Engineering  
 T = Trucking                      I = Inspection/Testing      S = Surveying

**Project One Base Figure** =  $HC (\%) \times \frac{\# \text{ DBE in Local Market (HC)}}{\# \text{ All Firms (HC)}}$  +

$E(\%) \times \frac{\# \text{ DBE in Local Market (E)}}{\# \text{ All Firms (E)}} + M(\%) \times \frac{\# \text{ DBE in Local Market (M)}}{\# \text{ All Firms (M)}} + EN(\%) \times \frac{\# \text{ DBE in Local Market (EN)}}{\# \text{ All Firms (EN)}}$

$T (\%) \times \frac{\# \text{ DBE in Local Market (T)}}{\# \text{ All Firms (T)}} + I (\%) \times \frac{\# \text{ DBE in Local Market (I)}}{\# \text{ All Firms (I)}} +$

$S (\%) \times \frac{\# \text{ DBE in Local Market (S)}}{\# \text{ All Firms (S)}}$

**Project One Base Figure** = 1.609(16/50) + 3.166(2/423) + .384 (2/107) + 1.06(7/335) + 3.278(9/75) + .354(2/118) + .142(3/63)

**Project One Base Figure** = 9.65%

**Number and Types of Projects for FY 2021:**

1. ARFF Index B Vehicle
2. Terminal Ramp Reconstruction Phase I

**Project:** ARFF Index B Vehicle  
**Amount:** \$895,362.50- no opportunity for DBE Contractor

**Project:** Terminal Ramp Reconstruction- Phase I  
**Amount:** \$2,270,025.68

**TABLE 1  
PROJECT ONE: TERMINAL RAMP RECONSTRUCTION – PHASE I**

NAICS Code	Work Item	DBE's in Market Area	All Available Firms	Total Amount	Weight Factor
237310	Heavy Construction	16	50	\$ 250,091.57	11.02%
238110	Concrete	6	109	\$ 1,042,500.00	45.92%
23899	Markings/ Specialty	2	107	\$ 55,500.00	2.44%
541330	Engineering	7	335	\$ 301,000.00	13.26%
48411	Trucking	9	75	\$ 500,250.00	22.04%
54138/54169	Inspection/ Testing	2	118	\$ 100,000.00	4.41%
54137	Surveying	3	63	\$ 20,684.11	0.91%
	<b>Total</b>	<b>45</b>	<b>857</b>	<b>\$ 2,270,025.68</b>	<b>100.00%</b>

Source: County Business Patterns and NMDOT DBE Directory

The construction estimate for this project is \$2,270,025.68. Of that amount \$250,091.57 or 11.02% is anticipated for heavy construction; \$1,042,500.00 or 45.92% is anticipated for concrete; \$55,500 or 2.44% is anticipated for markings and specialty contractors; \$301,000.00 or 13.26% is anticipated for engineering; \$500,250.00 or 22.04% is anticipated for trucking; \$100,000.00 or 4.41% is anticipated for inspection/testing; and \$200,684.11 or .91% is anticipated for surveying.

Therefore, the baseline DBE goal for this contract was weighed so that it would more accurately reflect the potential DBE participation as shown below.

HC = Heavy Construction      C=Concrete      M = Markings      EN=Engineering  
T = Trucking                      I = Inspection/Testing      S = Surveying

**Project One Base Figure** = HC (%) x # DBE in Local Market (HC) +  
# All Firms (HC)

$$C(\%) \times \frac{\# \text{ DBE in Local Market (C)}}{\# \text{ All Firms (C)}} + M(\%) \times \frac{\# \text{ DBE in Local Market (M)}}{\# \text{ All Firms (M)}} + EN(\%) \times \frac{\# \text{ DBE in Local Market (EN)}}{\# \text{ All Firms (EN)}}$$

$$T(\%) \times \frac{\# \text{ DBE in Local Market (T)}}{\# \text{ All Firms (T)}} + I(\%) \times \frac{\# \text{ DBE in Local Market (I)}}{\# \text{ All Firms (I)}} +$$

$$S(\%) \times \frac{\# \text{ DBE in Local Market (S)}}{\# \text{ All Firms (S)}}$$

$$\text{Project One Base Figure} = 1.102(16/50) + 4.592(2/423) + .244(2/107) + 1.326(7/335) + 2.204(9/75) + .441(2/118) + .091(3/63)$$

**Project One Base Figure = 9.14%**

**Step Two:** This step is intended to adjust the base figure percentage calculated in Step One to reflect as accurately as possible the DBE participation that the Lea County Airports would expect in the absence of discrimination.

We have considered all of the other factors, which include the current capacity of DBEs to perform work in the DOT-assisted program. We also considered the available evidence from related fields that affect the opportunities for DBE firms to form, grow, and compete. In our research, none of the previously mentioned factors require an adjustment to the base figure.

Our base figure is not the goal of another recipient and therefore was not considered as an adjustment factor.

In our research, we discovered that a disparity study was completed for the City of Albuquerque by B.B.C. Research, out of Denver, Colorado in 1995. Though the City of Albuquerque is within our market area, this information is outdated and is not considered as an adjustment factor.

There have been two similar projects at the Lea County Regional Airport. Table 2 reflects the overall and achieved goals for each project.

**TABLE 2  
LEA COUNTY REGIONAL AIRPORT PAST PARTICIPATION**

Fiscal Year	Description	Overall Goal	Achieved Goal
3-35-0022-27-017	Rehab Apron	6.93	0
3-35-0022-25-016	Runway 12-30 Rehabilitation	6.93	6.93

Due to the similarity of the subcontracting possibilities between the past projects, past participation is going to be considered as an adjustment factor.

Past participation will be accounted for by taking the historical average (6.93%) of the achieved goals, adding it to the average base figure for FY 2019-2021 (11%), and dividing by two.

$$\text{Overall Adjusted Goal} = \frac{11\% (\text{Base Figure}) + 6.93\% (\text{Achieved Goal})}{2}$$

Overall Adjusted Goal = 8.96%

The proposed overall goal for the Lea County Regional Airport can be seen below.

**Lea County Regional Airport Proposed Overall Goal = 8.96%**

Breakout of Estimated Race-Neutral and Race-Conscious Participation (§26.51 (b) (1-9))

Lea County will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. Lea County uses the following race-neutral means to increase DBE participation: By arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in a way 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).

The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious DBE participation. Lea County Regional Airport estimates that in meeting its overall goal for FY 2019-2021 of 8.96%, we will obtain 8.96% from race-conscious participation and 0% from race-neutral participation.

Lea County will adjust the estimated breakout of race-neutral and race-conscious DBE participation as needed to reflect actual DBE participation and 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 obtained 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.

**Public Participation**

Consultation

DBE's in Geographic Area One and Four were notified of a public meeting to be held on August 13, 2019 to discuss the projects that are planned for the next three years. The DBE goals and methodology for arriving at the goals for the project were discussed. A list of the projects, goals and methodology was also made available to them for review.

Public Notice

The proposed goal and rationale were advertised in the Albuquerque Journal and Hobbs News-Sun.

Public Notice Language:

Disadvantaged Business Enterprise (DBE) Goals for Federal Fiscal Years 2019-2021

The Lea County Airports hereby announces its fiscal years 2019-2021 DBE Goal for airport construction projects at the Lea County Regional Airports. A public meeting will be held at 1:00 p.m. (local time) on August 29, 2019 at the Lea County Courthouse, 1<sup>st</sup> Floor, 100 Main Street, Lovington, NM 88260.

The proposed goal and goal-setting methodology are available for inspection as posted on the Lea County Website: <http://www.leacounty.net/p/open-government/368>

Lea County Regional Airport will accept comments on the DBE goals for 45 days from date of the meeting. Comments can be sent to either of the following:

DBELO  
Corey Needham  
Airport Supervisor  
Lea County  
100 N. Main  
Lovington, NM 88260

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

Contract Goals

Lea County will use contract goals to meet any portion of the overall goal that the recipient 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 recipient's overall goal that is not projected to be met through the use of race-neutral means.

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

Lea County will express its contract goals as a percentage of the total amount of DBE-assisted contract.