

FY 2022–2024

Shreveport Airport
Authority - (SAA)

Shreveport Regional
Airport – (SHV)

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SHREVEPORT AIRPORT AUTHORITY



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DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM

This document is being supplied to the FAA per 49 CFR Part 26 and covers the federal fiscal year period 2022–2024 for the Shreveport Regional Airport.

***Revised–January 31, 2022**

DBE PROGRAM GOAL SETTING AND METHODOLOGY

Shreveport Regional Airport

Federal Fiscal Years 2022-2024

(October 1, 2021 – September 30, 2023)

Goal Overview

The Shreveport Airport Authority proposes an overall Disadvantaged Business Enterprise (DBE) Goal applicable to contracting opportunities that are budgeted to receive federal financial assistance from the U.S. Department of Transportation. The goal was developed in compliance with Federal Regulations set forth by 49 CFR Part 26. The proposed cumulative overall goal for FAA assisted contracts scheduled for FY 2022-2024 at Shreveport Regional Airport (SHV) is 23.7%

During the fiscal year beginning October 1, 2021 through September 30, 2023, the Shreveport Airport Authority will deploy an estimated \$27,750,000 in capital expenditures to improve various portions of Shreveport Regional airport's facilities. To fund its capital program, the airport will also utilize various financing mechanisms, including the FAA's Airport Improvement Program.

The total dollar amount of FAA-assisted contracts that the Airport Authority expects to award is \$27,750,000, with the FAA financing 90% or \$25,005,000. Based on a DBE goal of 20.5%, it is estimated that the Airport Authority, through contract goal requirements, will spend potentially approximately \$5,356,445, with DBE-certified firms during the period FY2022-2024 for FAA-assisted capital improvement contracting opportunities.

Local Area Market

All DBE goals are set based on the state's UCP registry as the overall source of DBE participation for federally funded projects. The Airport Authority's primary market is Shreveport and Bossier City, including the parishes of Caddo and Bossier. Approximately 90% of the airports vendors are located in the

local area, with over 80% of contract dollars being spent in the Shreveport-Bossier Area.

Contracting Opportunities

During the fiscal year period 2022-2024, the Airport Authority's schedule of Capital Improvements is a total of 7 projects with a dollar amount of approximately \$27,750,000. The projects are enabling contracting opportunities on airport capital improvement projects for runway rehabilitation, planning and engineering.

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS) CODE

To obtain an accurate count of ready, willing and able DBEs, each project was examined and its "scope of services" was detailed for the purpose of defining the type of work and skillsets necessary to complete the scheduled work. Each work type was assigned a six-digit North American Industry Classification System (NAICS) Code.

NAICS was developed jointly by the U.S., Canada, and Mexico to provide new comparability in statistics about business activity across North America. After establishing NAICS codes contracting dollars were estimated for each work type on a project basis.

Ready, Willing and Able Contracting Pool

The LAUCP is the basis of the Airport Authority's DBE-certified contracting pool. The Louisiana Department of Transportation and Development (LADOTD) has been identified as the agency authorized to provide certification services in the State of Louisiana. The estimated number of certified DBE businesses state-wide is approximately 1000, to include Construction companies, Professional and Technical service providers.

The list of certified-DBE contractors is compared to a more global list of businesses, segregated by NAICS Code. The U.S. Census Bureau's County Business Pattern (USCBP) database is used to determine the general market population of ready, willing and able businesses.

SHREVEPORT REGIONAL AIRPORT (SHV)

2022-2024 DISADVANTAGED BUSINESS ENTERPRISE GOAL

Goal Setting Methodology and Calculations

Federally funded projects-Contracting Opportunities

Seven (7) federally-funded contracting opportunities is available for the Fiscal Years of 2022-2024. The estimated total for the reporting period is \$25,005,000, which is based on total FAA AIP funding requests.

Table 1 details the projects, the requested budget amount and amount of FAA assistance for each project.

Table 1: Capital Improvement Projects/Financing Sources

Fiscal Year	Project	Amount (Total Budget requested)	Amount (FAA Assisted)
2022	Terminal Modernization (Implementation and Environmental)	\$800,000	\$720,000
2022	Airfield Lighting Rehabilitation (Construction)	\$1,700,000	\$1,560,000
2022	Pavement Management Program	\$250,000	\$225,000
FY 2022 TOTAL		\$2,750,000	\$2,505,000

Fiscal Year	Project	Amount (Total Budget requested)	Amount (FAA Assisted)
2023	Terminal Modernization (Design)	\$5,000,000	\$4,500,000
2023	ARFF Vehicle	\$1,000,000	\$900,000
FY 2023 TOTAL		\$6,000,000	\$5,400,000

Fiscal Year	Project	Amount (Total Budget requested)	Amount (FAA Assisted)
2024	Taxiway Alpha Rehabilitation (Construction)	\$4,000,000	\$3,600,000
2024	Terminal Modernization (ATCT Construction)	\$15,000,000	\$13,500,000
FY 2024 TOTAL		\$19,000,000	\$17,100,000

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 DBE's;
 - Federal, State and Local agencies that procure services;
 - Agencies charged with enforcing Civil Rights Law; and
 - State and Local Agencies responsible for minority/women's affairs.
 - Historical accomplishments of the Airport's DBE program.

Market Area:

Data Source/Market Area: The number of available certified DBEs in the Local Market Area was obtained from the State of Louisiana's DBE directory (LAUCP) for Caddo and Bossier Parishes. Data for all firms, willing, able and available were obtained from the U.S. Census Bureau, County Business Patterns for Caddo and Bossier Parishes.

Relative Availability:

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

Step 1: Base Goal

The method used to calculate the relative availability of DBE's for Step I in this process is 26.45 (c)(1) DBE Directories and the latest Census Bureau Data. The base figure was determined by dividing the total DBE firms in the local market area by the total of all ready, willing and able firms (both compiled according to the relevant NAICS project codes).

The following tables 2 and 3 identify the components of the projects broken down by Fiscal Year and trade with appropriate NAICS codes, anticipated dollar distribution and DBE percentage.

Table 2 FY 2022 Relative availability of DBE per trade and Base goal

A	B	C	D	E	F	G	H	I
Project #1 Terminal Modernization- Program (Implementation/ Environmental)	NAICS	NAICS Trade	NAICS Dollars	Estimated (%) of work (D/total project amt)	Available DBEs (market area)	Census All NAICS firms	DBE % (F/G)	DBE Goal (\$) Amount (D x H)
	541330	Engineering	\$720,000	100	2	66	3%	\$22,320
	TOTAL		\$720,000	100	2	66		\$22,320
Project 1 Weighted Step 1 DBE Base Figure								3%
Project #2 Airfield Lighting Rehabilitation Phase IV (Construction)	541330	Engineering	\$150,000	.10	2	66	3%	\$4,500
	238210	Electrical Contractors	\$1,275,000	.85	1	70	1.4%	\$17,850
	541380	Material testing/Quality control testing	\$15,000	.05	2	11	18.2%	\$2,730
	TOTAL		\$1,440,000	100	5	147		1.7%
Project 2 Weighted Step 1 DBE Base Figure								7.5%
Project #3 Pavement Management Program	541330	Engineering	\$225,000	.15	2	66	3%	\$6,750
This project consist mainly of software procurement, with an estimated 15% being engineering data compilation/input. Software procurement does not have subcontractor opportunities								
Project 3 Weighted Step 1 DBE Base Figure								3%
FY 2022	Total DBE Goal \$ (\$54,150) / Total NAICS \$ (\$2, 385,000)							2.27%

Table 3 FY 2023 Relative availability of DBE per trade and Base goal

A	B	C	D	E	F	G	H	I
Project #1 Terminal Modernization- Design	NAICS	NAICS Trade	NAICS Dollars	Estimated (%) of work (D/total project amt)	Available DBEs (market area)	Census All NAICS firms	DBE % (F/G)	DBE Goal (\$) Amount (D x H)
	541330	Engineering	\$2,025,000	.45	2	66	3%	\$22,320
	541310	Architect	\$2,475,000	.55	0	17	0%	\$0
	TOTAL		4,500,000	100	0	83		
Project 1 Weighted Step 1 DBE Base Figure								1%
Project #2 ARFF Vehicle	This project consist of equipment purchase only and does not lend itself to subcontracting opportunities. The anticipated FAA funding for this project is \$582,665.							
FY 2023	Total DBE Goal \$ (\$22,320) / Total NAICS \$ (\$4,500,000)							1%

Table 4 FY 2024 Relative availability of DBE per trade and Base goal

A	B	C	D	E	F	G	H	I
Project #1 Taxiway Alpha Rehabilitation Construction	NAICS	NAICS Trade	NAICS Dollars	Estimated (%) of work (D/total project amt)	Available DBEs (market area)	Census All NAICS firms	DBE % (F/G)	DBE Goal (\$) Amount (D x H)
	541330	Engineering	\$360,000	.10	2	66	3%	\$10,800
	237310	Highway/ Streets/Bridges	\$3,060,000	.85	5	17	29.4%	\$899,540
	541380	Materials testing/Quality control testing	\$180,000	.05	2	11	18.2	\$32,760
	TOTAL			3,600,000	100	9	94	
Project 1 Weighted Step 1 DBE Base Figure								26.20%
Project #2 Terminal Modernization- ATCT Relocation Construction	541330	Engineering	2,025,000	.15	2	66	3%	\$60,750
	237310	Highway/Streets/Bridges	9,450,000	.70	5	17	29.4%	\$4,134,375
	541380	Material testing/Quality control testing	675,000	.05	2	11	18.2%	\$122,850
	238210	Electrical Contractors	1,350,000	.10	1	70	1.4%	\$18,900
	TOTAL			13,500,000				
Project 2 Weighted Step 1 DBE Base Figure								21.94%
FY 2024	Total DBE Goal (\$5,279,975) / Total NAICS \$ FAA Asst (\$17,100,000)							30.88%

Base goal for FY 2022-2024

FY 2022: 2.27%

FY 2023: 1%

FY 2024: 30.88%

Add the proposed DBE goals and divide by three: $3.27\% + 1\% + 30.88\% / 3 = 11.38\%$

OVERALL BASE FIGURE = 11.4% (rounded up from 11.38%)

Step 2: Adjustments to Step I Base goal

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.

49 CFR 26.45(d) requires that additional evidence, if available in the Airport Authority’s jurisdiction, be considered to determine if any base figure adjustment is necessary to arrive at the overall goal.

However, the regulations do not dictate a specific base figure adjustment methodology, but they suggest consideration of the following factors: current capacity of DBEs measured by the volume of past work; evidence from a disparity study not included in the calculation of the base figure; data on employment, self-employment, education, training, and union apprenticeship; ability of DBEs to get bonding and financing; and any other relevant data.

Disparity Studies

Information concerning any Disparity Studies in the target area was researched.

The following sources of data were researched:

- The North Louisiana Economic Partnership
- Greater Shreveport Chamber of Commerce
- Greater Bossier Economic Development Foundation
- The Community Foundation of North Louisiana
- U.S. Department of Transportation

This researched yielded no information concerning Disparity Studies in the market region within the last eight years.

Past Participation

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

The Airport Authority evaluated the current capacity of DBEs to perform the required work in relation to the volume of work DBEs performed in recent years. The Airport Authority examined its overall DBE participation during the past four (4) fiscal years (FY 2017-2020). Table 4 below reflects the data used to determine the base figure adjustment.

Table 4 Shreveport Airport Authority DBE Participation for FY 2017-2020

Fiscal Year	Goal	Accomplishment	Project type
FY2017	20.0%	36.07	Pavement Rehabilitation
FY2018	20.0%	35.83	Pavement Rehabilitation
FY2019	16%	-	Pavement Rehab Design/Security
FY2020	46.4	--	

-FY 2019- and FY2020 projects not included-still in progress

As detailed in Table 4, the median DBE participation rate for the periods which there was reported completed DOT-funded activity of similar projects is 35.95%.

To adjust the base figure, the 35.95% median percentage of historical DBE participation was averaged with the 11.4% base figure:

$(\text{Base figure \%} + \text{median DBE \% participation}) \div 2 = \text{Overall DBE Goal}$

$(11.4\% + 35.95\%) \div 2 = 23.7\%$ (rounded up from 23.67%)

23.7% Overall DBE Goal for 2022-2024

The Airport Authority believes that DBE capacity currently exists to perform work in our DOT-assisted projects at the adjusted percentage level.

Contract Goals

The Airport Authority will establish individual contract goals so that they will cumulatively result in meeting the overall 3-year goal that is not projected to be met through the use of race/gender neutral means. The Airport Authority will establish contract goals only on those DOT-assisted contracts that have actual subcontracting opportunities. The Airport Authority will modify the individual contract goal to the circumstances and conditions of the specific contract and will set a goal percentage that is consistent with the Federal share of a DOT-assisted contract.

The Airport Authority will meet the maximum feasible portion of its overall goal by using RC means of facilitating DBE participation. The Airport Authority uses RC means to increase DBE participation by distributing information on DBE goals and participation in:

- Bid solicitations-newspapers and Shreveport Regional Airport website
- Pre-bid meetings at which DBE participation is stressed for prime and subcontractors

- Consulting with the City of Shreveport DBE Coordinator

The Airport Authority estimates that, in meeting our overall adjusted goal of 19%, we will obtain the goal through RC participation.

The Airport Authority will continue to work to meet the overall goal by:

1. Encouraging prime contractors to subcontract portions of their work they would normally perform in-house
2. Continue to communicate contracting opportunities to all DBE firms through market area economic and business entities
3. Continue to update the Shreveport Airport Authority website with current and future projects that afford prime and subcontracting opportunities

To ensure that the DBE program is narrowly tailored to overcome the effects of discrimination, the airport will track and report race neutral and race conscious DBE participation. For reporting purposes, race neutral DBE participation includes, but is not limited to the following:

- DBE participation through a prime contract, where DBE participation is obtained through customary competitive procurement procedures
- DBE participation on a prime contract exceeding a stated contract goal
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

Public Participation

The involvement of interested community and business stakeholders is the ultimate measure to gauge the fairness and effectiveness of DBE participation goals. The Shreveport Airport Authority is currently and will continue to consult with, but not limited to, the following stakeholders:

- Louisiana Minority Business Council
- Hispanic Changers of Commerce
- Shreveport Bossier African American Chamber of Commerce
- Shreveport Chapter of the National Association of Minority Contractors
- Women's business groups, community organizations, trade associations, as well as currently certified disadvantaged businesses, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged businesses

In accordance with 49 CFR, Part 26, Section 26.45, on September 10, 2021, the Authority held an initial meeting with the Airport Authority staff to outline the projects and goals. Upon notice of the potential passenger of the Bipartisan Infrastructure Law, airport staff initiated major revisions of the Capital Improvement Plan submissions to the FAA and LADOTD, delaying DBE goal submission. The Airport Authority will hold a public virtual meeting February 24, 2022. The purpose of the conference will be to consult with minority, women-owned, specialty and general contractor groups, community organizations and other officials and organizations to:

- Discuss Airport Authority upcoming opportunities for DBE participation
- Exchange information concerning the effects of discrimination on opportunities for DBE's
- Gather information about the DBE certification process and address key issues firms face during the certification process
- Reinforce the importance of attending pre-bid/preproposal meetings, stressing information gathering and networking
- Disseminate information about The Shreveport Airport Authority's efforts to increase DBE participation

Notice of the proposed overall goal will be made available to the public via the Airport's website, local news publication and public outreach email. These notices will provide for a 30-day review period of the DBE goal, to allow for public and review of comments. If comments are received, then a supplemental report will be amended to this program.

The Airport Authority remains interested in feedback from the minority, women, and general contractor business community. Feedback plays a prominent role in the Airport Authority's adjustments to the procurement process as well as contract goal setting practices. Additionally, networking with other agencies provides crucial insight into common DBE program challenges. The Airport Authority will continue to consult with and provide support to a variety of DBE resource agencies as it pursues its 3-year DBE goal for Fiscal Years 2022-2024