

**DBE GOAL METHODOLOGY  
49 CFR PART 26  
NORTHWEST FLORIDA BEACHES INTERNATIONAL AIRPORT  
PANAMA CITY, FLORIDA  
FISCAL YEAR 2019**

A. UPDATE OF GOALS - To make the program as useful as possible to the public, Panama City-Bay County Airport and Industrial District Board, Florida, (Sponsor) will update the "amount," "method," and "breakout" portions of this section of the program annually, or as required. The following sections will be submitted to the FAA every year, or as required for approval: Amount of Overall goal section, Method used for establishing overall goals, Process, the Race-Neutral/Race Conscious Breakout, and Contract Goals. The material on overall goals in the DBE program will be a shorter summary of the material submitted annually, or as required, in the overall goal submission.

B. AMOUNT OF GOAL - Panama City-Bay County Airport and Industrial District Board, Florida's overall goal for FY 2019 is 6.61%, of the Federal financial assistance we will expend in FAA-assisted contracts. We expect to let projects during this FY in the amount of \$10,276,277; this means that our DBE goal is set at \$679,262.00 for this Fiscal Year. This overall goal is intended for information of public users of the program, and does not imply that the FAA, as such, has approved the goal.

C. METHOD STEP 1: In the development of the DBE goal for the Northwest Florida Beaches International Airport the first step was to establish the availability of ready, willing and able DBE businesses that were capable of participating in the type of contracts that were programmed during FY 2019. The project that is anticipated at the Northwest Florida Beaches International Airport includes Environmental Mitigation, Terminal Gate Six and Seven Expansion, Taxiway E1 and Transient Apron, along with the professional effort associated with such a project. The monetary size of the project is expected to be \$10,276,277.00. An analysis of the project indicates that funds will be expended in the following areas:

<b>NORTHWEST FLORIDA BEACHES INTERNATIONAL AIRPORT PROJECT ANALYSIS FY 2019</b>			
TASK	NAICS	AMOUNT	PERCENTAGE
General Contractors	236220	\$3,240,000	31.53%
Water/Sewer Lines	237110	\$413,037	4.02%
Street & Highway	237310	\$3,350,240	32.60%
Electrical	238210	\$751,444	7.31%
Plumber	238220	\$162,000	1.58%
Painting	238320	95,440	0.93%
Site Prep	238910	\$1,124,626	10.95%
Fencing	238990	\$23,105	0.22%
Flooring	442210	\$81,000	0.78%
Trucking	484220	\$67,500	0.66%

Architectural Services	541310	\$72,900	0.71%
Engineering	541330	\$494,309	4.81%
Survey	541370	\$4,050	0.04%
Testing	541380	\$35,819	0.35%
Consulting	541611	\$207,939	2.02%
Environmental Engineering	541620	\$67,500	0.66%
Planning	541690	\$4,500	0.04%
Landscaping	561730	\$80,868	0.79%
TOTAL		\$10,276,277	100.00%

The weighting factor is the value of each work item based on cost as a fraction of the whole project.

The formula to be used to calculate the Base Figure for the DBE goal is as follows:

$$\frac{\text{Total DBE Firms in the Market Area by NAICS Code of Work to be Performed}}{\text{Total Firms in the Market Area by NAICS Code of Work to be Performed}} \times 100 = \text{Base Figure}$$

A review of the most recent bidders indicated bids received from the following counties in Florida: Leon, and Bay. It was considered reasonable to include the counties that surround the airport, therefore enlarging the market area to include the following counties in Florida: Leon, Bay, Gulf, and Calhoun. It was generally agreed that the most comprehensive directory for DBE firms in Florida is the UCP DBE Directory that has been established by the Florida Department of Transportation. The list was refined by identifying those firms that could participate in the project by matching the specific trade and description of construction/professional effort with their appropriate NAICS and County. The resulting number will be used as the numerator in determining the Base Figure.

The next step in establishing the Base Figure was to determine our denominator. This was accomplished through the use of the Census Bureau’s County Business Pattern (CBCBP) and the identification of the NAICSs that were the same as those identified from the Directory. With these figures in hand we compute our Base Figure using the following mathematics:

$$\frac{\text{Base}}{\text{Figure}} = .3153 \left( \frac{FLNAICS236220}{NAICS236220} \right) + .0402 \left( \frac{FLNAICS237110}{NAICS237110} \right) + .3260 \left( \frac{FLNAICS237310}{NAICS237310} \right) + .0731 \left( \frac{FLNAICS238210}{NAICS238210} \right) + .0158 \left( \frac{FLNAICS238220}{NAICS238220} \right) + .0093 \left( \frac{FLNAICS238320}{NAICS238320} \right) + .1095 \left( \frac{FLNAICS238910}{NAICS238910} \right) + .0022 \left( \frac{FLNAICS238990}{NAICS238990} \right) + .0078 \left( \frac{FLNAICS442210}{NAICS442210} \right) + .0066 \left( \frac{FLNAICS484220}{NAICS484220} \right) + .0071 \left( \frac{FLNAICS541310}{NAICS541310} \right) + .0481 \left( \frac{FLNAICS541330}{NAICS541330} \right) + .0004 \left( \frac{FLNAICS541370}{NAICS541370} \right) + .0035 \left( \frac{FLNAICS541380}{NAICS541380} \right) + .0202 \left( \frac{FLNAICS541611}{NAICS541611} \right) + .0066 \left( \frac{FLNAICS541620}{NAICS541620} \right) + .0004 \left( \frac{FLNAICS541690}{NAICS541690} \right) + .0079 \left( \frac{FLNAICS561730}{NAICS561730} \right) +$$

FLNAICS- Florida DBE Directory NAICS  
 NAICS – Census Bureau’s County Business Pattern (CBCBP) Data Base

$$\frac{Base}{Figure} = \begin{aligned} &.3153\left(\frac{7}{73}\right) + .0402\left(\frac{2}{28}\right) + .3260\left(\frac{5}{24}\right) + .0731\left(\frac{2}{142}\right) + .0158\left(\frac{0}{212}\right) + \\ &.0093\left(\frac{2}{78}\right) + .1095\left(\frac{7}{43}\right) + .0022\left(\frac{15}{70}\right) + .0078\left(\frac{0}{33}\right) + .0066\left(\frac{4}{22}\right) + \\ &.0071\left(\frac{1}{53}\right) + .0481\left(\frac{10}{166}\right) + .0004\left(\frac{1}{27}\right) + .0035\left(\frac{0}{10}\right) + .0202\left(\frac{3}{186}\right) + \\ &.0066\left(\frac{4}{38}\right) + .0004\left(\frac{9}{122}\right) + .0079\left(\frac{8}{210}\right) \\ &.0302 + .0029 + .0679 + .0010 + .0000 + \\ &.0002 + .0178 + .0005 + .0000 + .0012 + \\ \frac{Base}{Figure} = &.0001 + .0029 + .0001 + .0000 + .0003 + \\ &.0007 + .0001 + .0003 \\ \\ \frac{Base}{Figure} = &12.62\% \end{aligned}$$

STEP 2: With the Base Figure established our next step was to more finely tailor this figure to reflect conditions which have occurred at the Northwest Florida Beaches International Airport. The Sponsor has considered the suggested options outlined in 49 CFR Part 26 and determined that past performance is the information that will be used to determine if an adjustment to our Base Figure is warranted. Listed below are the projects that were included for analysis. Below is a listing of the most recent DBE participation accomplishments for the Northwest Florida Beaches International Airport:

<b>PREVIOUS FAA PROJECTS ECP DBE PARTICIPATION HISTORY</b>			
	<b>LOCATION</b>	<b>PROJECT TYPE</b>	<b>% OF DBE PARTICIPATION</b>
2017	ECP	Terminal Apron Repair & Expansion	0.60% *
2016	ECP	Security Systems Upgrade	10.00%
2015	ECP	Environmental Mitigation	0.00%
* MEDIAN			

The next step was to determine if any adjustment might be needed to the Base Figure. It was determined that the Median of the projects was 0.60% and it was felt that the Base Figure should be adjusted to cater for this variance.

A summary of this analysis yields the following:

MEDIAN PERCENTAGE	12.62%
BASE FIGURE	+ <u>0.60%</u>
	13.22% ÷ 2 = 6.61%

After consultations with airport personnel, consultants and stakeholders it was agreed that the Median Percentage was valid. The final step in the comparison was the development of a simple average of the Base Figure and the Median Percentage to establish a final percentage. The result of this was 6.61%. It was felt that the Base Figure of 12.62% should be adjusted for this variance. The Average Percentage of 6.61% is established as the goal for DBE participation at the Northwest Florida Beaches International Airport for FY 2019.

D. PROCESS - The Sponsor submits its overall goal for FY 2019 to the FAA in July, 2019, for their consideration and approval. Before establishing the overall goal each year, the Sponsor’s representative has consulted with the Florida Department of Transportation, and stakeholders to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, and the effects of discrimination on opportunities for DBEs. The Sponsor’s efforts are to establish a level playing field for the participation of DBEs. Following this consultation, the Sponsor has published a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the Sponsor’s principal office for 30 days following the date of the notice, and informing the public that the Sponsor and FAA will accept comments on the goals for 30 days from the date of the notice. This information was posted on the sponsor’s website at <https://www.iflybeaches.com/> and made available to the Office of Minority Business Development in the State of Florida. Normally, the Sponsor will issue this notice by June 1 of each year. The notice will include the Sponsor’s addresses to which comments may be sent. The overall goal submission to the FAA will include a summary of information and comments received during this public participation process and the Sponsor’s responses. We will begin using our overall goal on October 1 of each year, unless we have received other instructions from DOT (or if the goal is established on a project basis, by the time of the first solicitation for a DOT-assisted contract for the project). The following people/agencies were invited to the stakeholder consultation, Panama City-Bay County Airport and Industrial District Board, Florida, Northwest Florida Beaches International Airport, ZHA, Childers Construction, CW Roberts, and Taffy Pippin Consulting. Consultation discussions were held with the following agencies on July 26 at approximately 10:00 pm CST with a question regarding, forms for prompt payment reporting, bid procedures and DBEs, DBE replacement, Federal dollar counting, professional DBE goals and participation.

<b>NORTHWEST FLORIDA BEACHES INTERNATIONAL AIRPORT AGENCIES CONSULTED WITH</b>	
Agency/Organization	Discussion/Information
Darlene Nelson ECP Airport	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Rhonda Marchman ECP Airport	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Chet Smith Childers Construction	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
John Daum Childers Construction	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Parker McClellan ECP Airport	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
David Scruggs ZHA	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Rick Mellin ZHA	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Jeremy Powell CW Roberts	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Bayn Powell CW Roberts	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Clayton Pippin, Planner Taffy Pippin Consulting, LLC	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Taffy Pippin, Consultant Taffy Pippin Consulting, LLC	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting

Public comments have been requested for the FY 2019 goal and the 30 day comment period is underway. Any comments received from the public advertisement or the other coordination will be evaluated and necessary changes will be made to the goal and included in the contract documents for the project.

**E. RACE CONSCIOUS AND RACE NEUTRAL GOALS:** Each time The Panama City-Bay County Airport and Industrial District Board submits an overall goal for review by the FAA, the Sponsor will also submit a projection of the portion of the goal that is expected to be met through race-neutral means and the basis for that projection. This projection is subject to approval by the FAA, in conjunction with its review of the Sponsor’s overall goal. The Sponsor will establish contract goals to meet any portion of an overall goal when the Sponsor does not project being able to meet goals using race-neutral means.

We estimate that, in meeting our goal of 6.61%, we will obtain 6.61% of the goal from race-conscious participation and 0.00% via race-neutral participation measures. This is an attainable goal based on the history of DBE participation in prior projects and the availability of current DBE contractors.

This breakout was established by computing the median of the variance of the level of DBE participation vs. DBE goal on the three projects considered in Step 2 (see page 3) of the Previous FAA Projects. The Median is 0.00%, and is established as the race-neutral goal for FY 2019. The following is the data base upon which the level of variance was computed using the “Prior Projects Considered” information:

PROJECT DBE GOAL VARIANCE NORTHWEST FLORIDA BEACHES INTERNATIONAL AIRPORT PREVIOUS FAA PROJECTS				
YEAR	LOCATION	DBE GOAL	% OF DBE PARTICIPATION	VARIANCE
2017	ECP	8.01%	0.60%	7.41%
2016	ECP	10.00%	10.00%	0.00%*
2015	ECP	N/A	0.00%	0.00%
* MEDIAN VARIANCE				

**F. CONTRACT GOALS**

Panama City-Bay County Airport and Industrial District Board, Florida will use contract goals to meet any portion of the overall goal that the Sponsor 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.

**G. THREE YEAR GOAL**

Based on the methodologies and calculations for FY 2019, and FY 2020 for the Northwest Florida Beaches International Airport the following average is submitted as a two year goal.

$$\begin{array}{r}
 \text{FY 2019} \quad 6.61\% \\
 \text{FY 2020} \quad + \quad \underline{3.31\%} \\
 \hline
 9.92\% \div 2 = 4.96\%
 \end{array}$$

*References:*

*Florida UCP List of Certified DBE Firms, July 2019*  
*2016 – U.S. Census Bureau/American Fact Finder July 2019*

**FISCAL YEAR 2020**

A. Update of Goals - To make the program as useful as possible to the public, Panama City-Bay County Airport and Industrial District Board, Florida, (Sponsor) will update the "amount," "method," and "breakout" portions of this section of the program annually, or as required. The following sections will be submitted to the FAA every year, or as required for approval: Amount of Overall goal section, Method used for establishing overall goals, Process, the Race-Neutral/Race Conscious Breakout, and Contract Goals. The material on overall goals in the DBE program will be a shorter summary of the material submitted annually, or as required, in the overall goal submission.

B. Amount of Goal - Panama City-Bay County Airport and Industrial District Board, Florida's overall goal for FY 2020 is 3.31%, of the Federal financial assistance we will expend in FAA-assisted contracts. We expect to let projects during this FY in the amount of \$2,914,670.00; this means that our DBE goal is set at \$96,476.00 for this Fiscal Year. This overall goal is intended for information of public users of the program, and does not imply that the FAA, as such, has approved the goal.

C. METHOD STEP 1: In the development of the DBE goal for the Northwest Florida Beaches International Airport the first step was to establish the availability of ready, willing and able DBE businesses that were capable of participating in the type of contracts that were programmed during FY 2019. The project that is anticipated at the Northwest Florida Beaches International Airport includes Design of TSA Screening Check Point, Outbound Baggage Makeup, CBP International Facility, Commercial Apron Expansion along with the professional effort associated with such a project. The monetary size of the project is expected to be \$2,914,670.00. An analysis of the project indicates that funds will be expended in the following areas:

<b>NORTHWEST FLORIDA BEACHES INTERNATIONAL AIRPORT PROJECT ANALYSIS FY 2019</b>			
<b>TASK</b>	<b>NAICS</b>	<b>AMOUNT</b>	<b>PERCENTAGE</b>
Architectural Services	541310	\$1,203,172	41.28%
Engineering	541330	\$755,102	25.91%
Survey	541370	\$47,694	1.64%
Consulting	541611	\$700,381	24.03%
Planning	541690	\$208,321	7.14%
<b>TOTAL</b>		<b>\$2,914,670</b>	<b>100.00%</b>

The weighting factor is the value of each work item based on cost as a fraction of the whole project.

The formula to be used to calculate the Base Figure for the DBE goal is as follows:

$$\frac{\text{Total DBE Firms in the Market Area by NAICS Code of Work to be Performed}}{\text{Total Firms in the Market Area by NAICS Code of Work to be Performed}} \times 100 = \text{Base Figure}$$

A review of the most recent bidders indicated bids received from the following counties in Florida: Leon, and Bay. It was considered reasonable to include the counties that surround the airport, therefore enlarging the market area to include the following counties in Florida: Leon, Bay, Gulf, and Calhoun. It was generally agreed that the most comprehensive directory for DBE firms in Florida is the UCP DBE Directory that has been established by the Florida Department of Transportation. The list was refined by identifying those firms that could participate in the project by matching the specific trade and description of construction/professional effort with their appropriate NAICS and County. The resulting number will be used as the numerator in determining the Base Figure.

The next step in establishing the Base Figure was to determine our denominator. This was accomplished through the use of the Census Bureau’s County Business Pattern (CBCBP) and the identification of the NAICSs that were the same as those identified from the Directory. With these figures in hand we compute our Base Figure using the following mathematics:

$$\frac{\text{Base}}{\text{Figure}} = .4128\left(\frac{FLNAICS541310}{NAICS541310}\right) + .2591\left(\frac{FLNAICS541330}{NAICS541330}\right) + .0164\left(\frac{FLNAICS541370}{NAICS541370}\right) + .2403\left(\frac{FLNAICS541611}{NAICS541611}\right) + .0714\left(\frac{FLNAICS541690}{NAICS541690}\right)$$

FLNAICS- Florida DBE Directory NAICS  
 NAICS – Census Bureau’s County Business Pattern (CBCBP) Data Base

$$\frac{\text{Base}}{\text{Figure}} = .4128\left(\frac{1}{53}\right) + .2591\left(\frac{10}{166}\right) + .0164\left(\frac{1}{27}\right) + .2403\left(\frac{3}{186}\right) + .0714\left(\frac{9}{122}\right)$$

$$\frac{\text{Base}}{\text{Figure}} = .0077 + .0156 + .0006 + .0039 + .0053$$

$$\frac{\text{Base}}{\text{Figure}} = 3.31\%$$

STEP 2: With the Base Figure established our next step was to more finely tailor this figure to reflect conditions which have occurred at the Northwest Florida Beaches International Airport. The Sponsor has considered the suggested options outlined in 49 CFR Part 26 and determined that, based on experience in this market and the heavy concentration of design in the scope of this project, and, after consultations with airport personnel, consultants and stakeholders it was agreed that no adjustment should be made to the Step 1 Base Figure.

D. PROCESS - The Sponsor submits its overall goal for FY 2020 to the FAA in July, 2019, for their consideration and approval. Before establishing the overall goal each year, the Sponsor’s representative has consulted with the Florida Department of Transportation, and stakeholders to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, and the effects of discrimination on opportunities for DBEs. The Sponsor’s efforts



are to establish a level playing field for the participation of DBEs. Following this consultation, the Sponsor has published a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the Sponsor’s principal office for 30 days following the date of the notice, and informing the public that the Sponsor and FAA will accept comments on the goals for 30 days from the date of the notice. This information was posted on the sponsor’s website at <https://www.iflybeaches.com/> and made available to the Office of Minority Business Development in the State of Florida. Normally, the Sponsor will issue this notice by June 1 of each year. The notice will include the Sponsor’s addresses to which comments may be sent. The overall goal submission to the FAA will include a summary of information and comments received during this public participation process and the Sponsor’s responses. We will begin using our overall goal on October 1 of each year, unless we have received other instructions from DOT (or if the goal is established on a project basis, by the time of the first solicitation for a DOT-assisted contract for the project). The following people/agencies were invited to the stakeholder consultation, Panama City-Bay County Airport and Industrial District Board, Florida, Northwest Florida Beaches International Airport, ZHA, Childers Construction, CW Roberts, and Taffy Pippin Consulting. Consultation discussions were held with the following agencies on July 26 at approximately 10:00 pm CST with a question regarding, forms for prompt payment reporting, bid procedures and DBEs, DBE replacement, Federal dollar counting, professional DBE goals and participation.

<b>NORTHWEST FLORIDA BEACHES INTERNATIONAL AIRPORT AGENCIES CONSULTED WITH</b>	
Agency/Organization	Discussion/Information
Darlene Nelson ECP Airport	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Rhonda Marchman ECP Airport	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Chet Smith Childers Construction	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
John Daum Childers Construction	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Parker McClellan ECP Airport	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
David Scruggs ZHA	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Rick Mellin ZHA	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Jeremy Powell CW Roberts	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Bayn Powell CW Roberts	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Clayton Pippin, Planner Taffy Pippin Consulting, LLC	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting
Taffy Pippin, Consultant Taffy Pippin Consulting, LLC	Availabilities of DBEs, Directories, small and DBE contracting opportunities, Goal setting

Public comments have been requested for the FY 2019 goal and the 30 day comment period is underway. Any comments received from the public advertisement or the other coordination will be evaluated and necessary changes will be made to the goal and included in the contract documents for the project.

E. RACE CONSCIOUS AND RACE NEUTRAL GOALS: Each time The Panama City-Bay County Airport and Industrial District Board submits an overall goal for review by the FAA, the Sponsor will also submit a projection of the portion of the goal that is expected to be met through race-neutral means and the basis for that projection. This projection is subject to approval by the FAA, in conjunction with its review of the Sponsor’s overall goal. The Sponsor will establish contract goals to meet any portion of an overall goal when the Sponsor does not project being able to meet goals using race-neutral means.

We estimate that, in meeting our goal of 3.31%, we will obtain 3.31% of the goal from race-conscious participation and 0.00% via race-neutral participation measures. This is an attainable goal based on the history of DBE participation in prior projects and the availability of current DBE contractors.

This breakout was established by computing the median of the variance of the level of DBE participation vs. DBE goal over the previous three years. The Median is 0.00%, and is established as the race-neutral goal for FY 2020.

<b>PROJECT DBE GOAL VARIANCE NORTHWEST FLORIDA BEACHES INTERNATIONAL AIRPORT PREVIOUS FAA PROJECTS</b>				
<b>YEAR</b>	<b>LOCATION</b>	<b>DBE GOAL</b>	<b>% OF DBE PARTICIPATION</b>	<b>VARIANCE</b>
2017	ECP	8.01%	0.60%	7.41%
2016	ECP	10.00%	10.00%	0.00%*
2015	ECP	N/A	0.00%	0.00%
* MEDIAN VARIANCE				

F. Contract Goals

Panama City-Bay County Airport and Industrial District Board, Florida will use contract goals to meet any portion of the overall goal that the Sponsor 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.

G. THREE YEAR GOAL

Based on the methodologies and calculations for FY 2019 and FY 2020 for the Northwest Florida Beaches International Airport the following average is submitted as a two year goal.

$$\begin{array}{r} \text{FY 2019} \quad 6.61\% \\ \text{FY 2020} \quad + \quad \underline{3.31\%} \\ \hline 9.92\% \div 2 = 4.96\% \end{array}$$

*References:*

*Florida UCP List of Certified DBE Firms, July 2019*

*2016 – U.S. Census Bureau/American Fact Finder July 2019*