

ATTACHMENT 5

Overall DBE Goal Methodology

Name of Recipient: CITY OF JACKSON, MN

Goal Period: Overall 3-Year Goals are calculated according to the steps below.

The following is an estimate without historical data to base expectations. Prime contractors will be the initial primary expectation to meet the percentages below as percentage of contract value:

FY2018 Goal: 2.1 %

FY2019 Goal: 2.1 %

FY2020 Goal: 5.4%

Initial Methodology:

1. Identify the number, type, and dollar amount of contracts anticipated to be awarded

Contract #	Type of Contract	\$ Amount to be awarded
10108300 - 2018	Pavement Maintenance and Airport Planning	\$ 262,000
Contract # TBD – 2019	Runway and Taxiway Design	\$ 270,000
Contract # TBD -2020	Runway and Taxiway Construction	\$4,600,000

2. Develop market research on contractors and subcontractors located in the local and surrounding areas utilizing the State of Minnesota DBE Directory:

<https://mnucp.metc.state.mn.us/Default.aspx> (based on NAICS and ACDBE)

541330 – 81 firms

237310 – 78 firms

Additional Source used:

http://web.sba.gov/pro-net/search/dsp_dsbs.cfm (based on MN firms, disadvantaged business/minority by NAICS)

541330 – 200 Firms

237310 – 125 Firms

3. Complete the following table:

The following totals were based upon searching the Minnesota DBE Directory and the SBA Dynamic Small Business Search by the NAICS codes and only located in Minnesota provided in the following table.

- The total DBEs below was determined based on capabilities relevant to the specific scope for the City of Jackson planned acquisitions for Airport Design and Construction; and, DBE certified through State of Minnesota.
- Research included reviewing profile capabilities and websites of firms with relevant capabilities

NAICS	Type of Work	Total DBEs	Total All Firms
541330	Airport Engineering & Design	6	281
237310	Airport Runway Construction	11	203
Total		17	484

4. Complete the following table:

Contract Name	Trade Description	NAICS Description	NAICS	Trade (\$)	Census	Directory	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
Pavement Maintenance and Airport Planning	Engineering	Engineering	541330	\$262,000	281	6	2.1	\$5,502
Total Contract #1				\$262,000			2.1 %	\$5,502
Total FY 2018 <i>(This Contract is already in execution. DBE goal is in place)</i>				\$262,000				\$5,502 (2.1% of \$262,000)
Runway and Taxiway Design	Engineering Design	Engineering	541330	270,000	281	6	2.1	\$5,670
Total Contract #2				\$270,000			2.1%	\$5,670
Total FY – 2019 <i>(Contract value is an estimate, have not determined if a grant will be required if the final scope is <\$250,000. If a grant is required, DBE goal will be set at 2.1%)</i>				\$270,000				\$5,502 (2.1% of \$270,000)

Contract Name	Trade Description	NAICS Description	NAICS	Trade (\$)	Census	Directory	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
Runway and Taxiway Construction	Airport Runway Construction	Highway, Street, and Bridge Construction	237310	\$4,600,000	203	11	5.4	\$226,800
Total Contract #1				\$4,600,000				\$226,800

Total FY – 2020	\$4,600,000				\$226,800 (%)5.4 of \$4,600,000

Not enough historical data on DBE participation is available to reference to make an adjustment to the Step 1 base figure; therefore, the City of Jackson is adopting the Step 1 to develop the overall goal for a three-year goal period.

The 2017 Minnesota Joint Disparity Study, Metropolitan Airports Commission Executive Summary examined the Twin Cities Marketplace conditions based on U.S. Census data, surveys, interviews, and other sources. Based on the “availability, utilization and disparity analysis,” there is 5,064 businesses reporting that they were available for specific types of public sector contracts and subcontracts; of the 5,064 businesses, 9 percent were minority-owned and 18% were white women-owned for MAC contracts. However, for other contracts only a few firms were available and none were MBE/WBE. No other disparity study was found related specifically to DBE’s.

There are no specific disparity studies for the local market area or recent legal case information from the relevant jurisdictions to show evidence of barriers to entry or competitiveness of DBEs in the market area that is sufficient to warrant making an adjustment to the base goal.

Breakout of Estimated “Race-Conscious” (RC) Participation.

The City of Jackson will meet the maximum feasible portion of the overall goal by using RC means of facilitating DBE participation.

- Contractors will be required to make a good faith effort in accordance with Section 26.53.
- Each prime contract will include a provision stating:

The contractor shall utilize the specific DBEs listed in the contractor’s *bid/solicitation*]response to perform the services and/or supply the materials for which each is listed unless the contractor obtains prior written consent of the City of Jackson as provided in 49 CFR Part 26, §26.53(f). Unless such consent is provided, the contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

- The City of Jackson will arrange solicitations, times for the presentation of bids, quantities, specifications and delivery schedules in ways that facilitate qualified DBE and other small business participation.

The City of Jackson estimates that in meeting the established overall goal of [3.5 %], it will obtain 3.5_% from RC participation. (17 Ready & Willing DBE's divided by 484 Total Firms including total DBEs and Non-DBEs = 3.5%)

This breakout is based on

- a) The Recipient does not have a history of DBE participation or over-achievement of goals to reference; and, expects to obtain its DBE participation through the use of DBE contract goals or a conscious effort to obtain DBE participation. Therefore, the entire goal of 3.5% is to be obtained through Race Conscious (RC) participation.

The City of Jackson will adjust the estimated breakout of RC DBE participation as needed to reflect actual DBE participation [see §26.51(f)] and track and report RC participation separately. For reporting purposes, RC 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.