

FY 2024 - FY 2026

**DISADVANTAGED BUSINESS ENTERPRISE PROGRAM METHODOLOGY
FOR**



BLUE GRASS AIRPORT

LEXINGTON, KY

SEPTEMBER 2023

METHODOLOGY for Establishing the FY 2024 – FY 2026 Overall Disadvantaged Business Enterprise (DBE) Goal for:

*Blue Grass Airport
Lexington, KY*

In fulfillment of the requirements of 49 CFR Part 26, the Blue Grass Airport (hereafter ‘the Airport’) has developed a proposed Overall Goal for FY 2024-2026 FAA-AIP projects for the Airport. The methodology used in establishing this goal is described herein.

Airport Sponsor: **Lexington-Fayette Urban County Airport Board**

Airport: **Blue Grass Airport**

**DBELO: Lynn Hoard-Wilson
Blue Grass Airport
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I. Detailed Methodology: Specific Steps

A. Amount of Goal

The Airport’s FY 2024-2026 overall goal for the Federal financial assistance it will expend in USDOT-assisted contracts is the following:

	<u>Overall</u>	<u>Race Neutral</u>	<u>Race Conscious</u>
Overall Goal	4.8%	0.4%	4.4%
Year 1 Goal	3.4%	0.4%	3.0%
Year 2 Goal	5.8%	0.4%	5.4%
Year 3 Goal	5.5%	0.4%	5.1%

Given the amount of USDOT-assisted contracts that the Airport expects to let from FY 2024-2026, which is approximately **\$40,766,014**, this means that the Airport has set a goal of expending approximately **\$1,954,982** with DBEs during this period.

B. Determination of the Market Area of the study

The normal market area was based on discussions with the Airport 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: Blue Grass Airport
Market Area**

County	Bidders	Percent of bidders	Dollars	Percent of dollars
Clark	1	5.6%	-	0.0%
Fayette	7	38.9%	\$46,432,760	69.3%
Jefferson	2	11.1%	\$63,123	0.1%
Laurel	2	11.1%	\$9,073,825	13.5%
Montgomery	2	11.1%	\$10,757,496	16.1%
Market Area	13	72.2%	\$66,327,204	99.0%
Other	5	27.8%	\$673,518	1.0%
Total	18	100.0%	\$67,000,722	100.0%

SOURCE: Blue Grass Airport

C. Determination of relevant Projects

Based on information provided by the Airport concerning the proposed projects for FY 2024 – FY 2026, a list of projects and AIP dollars for the Airports was developed and is shown below:

Table 2a: Blue Grass Airport - FY 2024 Projects

Project	Step 1 Goal	AIP Dollars
Design (Prelim) Air Traffic Control Tower	2.7%	\$1,350,000
Replace West Airfield Lighting	1.0%	\$495,000
Construct ARFF Training Center	4.7%	\$2,700,000
Fuel Farm (Design)	2.7%	\$590,625
Rehabilitate Terminal (HVAC, Bldg Envelope) Ph 1	3.1%	\$1,350,000
Rehabilitate Terminal (Restrooms, LEDs, Elevators) Ph II	2.5%	\$1,800,000
Construct Terminal (4 Passenger Boarding Bridges)	0.4%	\$3,009,539
Construct Terminal (Airline Baggage Conveyor)	0.1%	\$1,330,000
Construct Terminal Solar Arrays	0.4%	\$2,565,000
Fiscal Year 2024 Total		\$15,190,164

Table 2b: Blue Grass Airport - FY 2025 Projects

Project	Step 1 Goal	AIP Dollars
Design (Final) Air Traffic Control Tower	2.7%	\$1,800,000
Rehabilitate Air Carrier Ramp	12.8%	\$2,250,000
Construct Baggage Claim Conveyors	0.1%	\$675,000
Rehabilitate Deicing Containment Facility	8.8%	\$1,080,000
Construct Fuel Farm Ph2 (Tanks)	5.8%	\$4,020,850
Fiscal Year 2025 Total		\$9,825,850

Table 2c: Blue Grass Airport - FY 2026 Projects

Project	Step 1 Goal	AIP Dollars
Construct Air Carrier Ramp	12.8%	\$2,970,000
Rehabilitate GA Ramps and Parking	12.8%	\$1,260,000
Rehabilitate Terminal (Restrooms, Roof)	3.7%	\$2,070,000
Construct Air Traffic Control Tower Ph 1	4.3%	\$7,550,000
Construct Central Terminal HVAC Plant	0.5%	\$1,900,000
Fiscal Year 2026 Total		\$15,750,000

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

**Table 3a: FY 2024 - Blue Grass Airport
Step 1 Base Figure – Design (Prelim) Air Traffic Control Tower**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Engineering	541330	7	261	2.7%	\$1,350,000	\$36,207
Total					\$1,350,000	\$36,207
Weighted Step 1 Goal						2.7%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3b: FY 2024 - Blue Grass Airport
Step 1 Base Figure – Replace West Airfield Lighting**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Electrical	238210	2	247	0.8%	\$445,500	\$3,607
Engineering	541330	7	261	2.7%	\$49,500	\$1,328
Total					\$495,000	\$4,935
Weighted Step 1 Goal						1.0%

SOURCES:

3. 2021 County Business Patterns, U.S. Census Bureau.
4. Kentucky UCP DBE Directory, August 2023.

**Table 3c: FY 2024 - Blue Grass Airport
Step 1 Base Figure – Construct ARFF Training Center**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Building Construction	236220	11	149	7.4%	\$1,470,997	\$108,597
Land Subdivision	237210	0	16	0.0%	\$261,027	\$0
Concrete	238110	7	57	12.3%	\$59,819	\$7,346
Masonry Contractors	238140	2	40	5.0%	\$84,290	\$4,215
Electrical Contractors	238210	2	247	0.8%	\$247,432	\$2,003
Plumbing, Heating, and Air-Conditioning Contractors	238220	1	392	0.3%	\$383,384	\$978
Drywall and Insulation Contractors	238310	1	68	1.5%	\$174,018	\$2,559
Landscaping	561730	4	371	1.1%	\$19,033	\$205
Total					\$2,700,000	\$125,904
Weighted Step 1 Goal						4.7%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3d: FY 2024 - Blue Grass Airport
Step 1 Base Figure - Fuel Farm (Design)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Engineering	541330	7	261	2.7%	\$590,625	\$15,841
Total					\$590,625	\$15,841
Weighted Step 1 Goal						2.7%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3e: FY 2024 - Blue Grass Airport
Step 1 Base Figure - Rehabilitate Terminal (HVAC, Building Envelope) Ph 1**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Masonry	238140	2	40	5.0%	\$540,000	\$27,000
Mechanical	238220	1	392	0.3%	\$270,000	\$689
Carpentry	238350	2	78	2.6%	\$270,000	\$6,923
Architectural Services	541310	2	81	2.5%	\$135,000	\$3,333
Engineering	541330	7	261	2.7%	\$135,000	\$3,621
Total					\$1,350,000	\$41,566
Weighted Step 1 Goal						3.1%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3f: FY 2024 - Blue Grass Airport
Step 1 Base Figure – Rehabilitate Terminal (Restrooms, LEDs, Elevators) Ph II**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Building Construction	236220	11	149	7.4%	\$560,449	\$41,375
Electrical Contractors	238210	2	247	0.8%	\$315,000	\$2,551
Plumbing, Heating, and Air-Conditioning Contractors	238220	1	392	0.3%	\$177,980	\$454
Other Building Equipment Contractors	238290	0	37		\$292,500	
Drywall and Insulation Contractors	238310	1	68	1.5%	\$80,785	\$1,188
Other Building Finishing Contractors	238390	2	40		\$80,785	
Elevator and Moving Stairway Manufacturing	333921	0	3	0.0%	\$292,500	\$0
Total					\$1,800,000	\$45,568
Weighted Step 1 Goal						2.5%

SOURCES:

- 2021 County Business Patterns, U.S. Census Bureau.
- Kentucky UCP DBE Directory, August 2023.

**Table 3g: FY 2024 - Blue Grass Airport
Step 1 Base Figure – Construct Terminal (4 Passenger Boarding Bridges)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Electrical	238210	2	247	0.8%	\$161,682	\$1,309
Other Building Equipment Contractors	238290	0	37	0.0%	\$248,516	\$0
Site Prep	238910	2	73	2.7%	\$138,998	\$3,808
Elevator and Moving Stairway Manufacturing	333921	0	3	0.0%	\$2,251,471	\$0
Hauling	484220	3	80	3.8%	\$94,166	\$3,531
Engineering	541330	7	261	2.7%	\$114,706	\$3,076
Total					\$3,009,539	\$11,725
Weighted Step 1 Goal						0.4%

SOURCES:

- 2021 County Business Patterns, U.S. Census Bureau.
- Kentucky UCP DBE Directory, August 2023.

**Table 3h: FY 2024 - Blue Grass Airport
Step 1 Base Figure – Construct Terminal (Airline Baggage Conveyor)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Structural Steel	238120	0	3	0.0%	\$14,066	\$0
Electrical	238210	2	247	0.8%	\$42,197	\$342
Mechanical	238220	1	392	0.3%	\$45,323	\$116
Other Building Equipment Contractors	238290	0	37	0.0%	\$478,237	\$0
All Other Specialty Trade Contractors	238990	7	92	7.6%	\$3,126	\$238
Conveyor & Conveying Equipment Manufacturing	333922	0	6	0.0%	\$718,919	\$0
Janitorial Services	561720	6	277	2.2%	\$28,132	\$609
Total					\$1,330,000	\$1,304
Weighted Step 1 Goal						0.1%

SOURCES:

- 2021 County Business Patterns, U.S. Census Bureau.
- Kentucky UCP DBE Directory, August 2023.

**Table 3i: FY 2024 - Blue Grass Airport
Step 1 Base Figure – Construct Terminal Solar Arrays**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Electrical	238210	2	247	0.8%	\$1,282,500	\$10,385
Electrical Apparatus and Equipment	423610	0	52	0.0%	\$1,282,500	\$0
Total					\$2,565,000	\$10,385
Weighted Step 1 Goal						0.4%

SOURCES:

- 2021 County Business Patterns, U.S. Census Bureau.
- Kentucky UCP DBE Directory, August 2023.

**Table 3j: FY 2025 - Blue Grass Airport
Step 1 Base Figure – Design (Final) Air Traffic Control Tower**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Engineering	541330	7	261	2.7%	\$1,800,000	\$48,276
Total					\$1,800,000	\$48,276
Weighted Step 1 Goal						2.7%

SOURCES:

- 2021 County Business Patterns, U.S. Census Bureau.
- Kentucky UCP DBE Directory, August 2023.

**Table 3k: FY 2025 - Blue Grass Airport
Step 1 Base Figure – Rehabilitate Air Carrier Ramp**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Highway & Street	237310	5	27	18.5%	\$1,458,333	\$270,062
Site Prep	238910	2	73	2.7%	\$427,500	\$11,712
Engineering	541330	7	261	2.7%	\$225,000	\$6,034
Geotechnical Testing	541380	0	31	0.0%	\$116,667	\$0
Landscaping	561730	4	371	1.1%	\$22,500	\$243
Total					\$2,250,000	\$288,051
Weighted Step 1 Goal						12.8%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3l: FY 2025 - Blue Grass Airport
Step 1 Base Figure – Construct Baggage Claim Conveyors**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Structural Steel	238120	0	3	0.0%	\$7,139	\$0
Electrical	238210	2	247	0.8%	\$21,416	\$173
Mechanical	238220	1	392	0.3%	\$23,002	\$59
Other Building Equipment Contractors	238290	0	37	0.0%	\$242,714	\$0
All Other Specialty Trade Contractors	238990	7	92	7.6%	\$1,586	\$121
Conveyor & Conveying Equipment Manufacturing	333922	0	6	0.0%	\$364,865	\$0
Janitorial Services	561720	6	277	2.2%	\$14,277	\$309
Total					\$675,000	\$662
Weighted Step 1 Goal						0.1%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3m: FY 2025 - Blue Grass Airport
Step 1 Base Figure – Rehabilitate Deicing Containment Facility**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Water & Sewer Line Construction	237110	4	16	25.0%	\$324,000	\$81,000
Electrical	238210	2	247	0.8%	\$324,000	\$2,623
Site Prep	238910	2	73	2.7%	\$324,000	\$8,877
Engineering	541330	7	261	2.7%	\$108,000	\$2,897
Total					\$1,080,000	\$95,397
Weighted Step 1 Goal						8.8%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3n: FY 2025 - Blue Grass Airport
Step 1 Base Figure – Construct Fuel Farm Ph2 (Tanks)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Electrical Contractors	238210	2	247	0.8%	\$91,383	\$740
Site Prep	238910	2	73	2.7%	\$420,362	\$11,517
All Other Specialty Trade Contractors	238990	7	92	7.6%	\$456,915	\$34,765
Petroleum Bulk Stations & Terminals	424710	1	13	7.7%	\$2,101,808	\$161,678
Engineering	541330	7	261	2.7%	\$855,344	\$22,940
Testing	541380	0	31	0.0%	\$95,038	\$0
Total					\$4,020,850	\$231,640
Weighted Step 1 Goal						5.8%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3o: FY 2026 - Blue Grass Airport
Step 1 Base Figure – Construct Air Carrier Ramp**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Highway & Street	237310	5	27	18.5%	\$1,925,000	\$356,481
Site Prep	238910	2	73	2.7%	\$564,300	\$15,460
Engineering	541330	7	261	2.7%	\$297,000	\$7,966
Geotechnical Testing	541380	0	31	0.0%	\$154,000	\$0
Total					\$2,970,000	\$380,721
Weighted Step 1 Goal						12.8%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3p: FY 2026 - Blue Grass Airport
Step 1 Base Figure – Rehabilitate GA Ramps and Parking**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Highway & Street	237310	5	27	18.5%	\$816,667	\$151,235
Site Prep	238910	2	73	2.7%	\$239,400	\$6,559
Engineering	541330	7	261	2.7%	\$126,000	\$3,379
Geotechnical Testing	541380	0	31	0.0%	\$65,333	\$0
Landscaping	561730	4	371	1.1%	\$12,600	\$136
Total					\$1,260,000	\$161,309
Weighted Step 1 Goal						12.8%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3q: FY 2026 - Blue Grass Airport
Step 1 Base Figure – Rehabilitate Terminal (Restrooms, Roof)**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Building Construction	236220	11	149	7.4%	\$784,628	\$57,926
Roofing	238160	1	77	1.3%	\$810,000	\$10,519
Plumbing, Heating, and Air-Conditioning Contractors	238220	1	392	0.3%	\$249,173	\$636
Drywall and Insulation Contractors	238310	1	68	1.5%	\$113,100	\$1,663
Other Building Finishing Contractors	238390	2	40	5.0%	\$113,099	\$5,655
Total					\$2,070,000	\$76,399
Weighted Step 1 Goal						3.7%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3r: FY 2026 - Blue Grass Airport
Step 1 Base Figure – Construct Air Traffic Control Tower Ph 1**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Building Construction	236220	11	149	7.4%	\$2,516,667	\$185,794
Site Prep	238910	2	73	2.7%	\$5,033,333	\$137,900
Total					\$7,550,000	\$323,694
Weighted Step 1 Goal						4.3%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

**Table 3s: FY 2026 - Blue Grass Airport
Step 1 Base Figure – Construct Central Terminal HVAC Plant**

Activity	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	Weighted Total Availability
Mechanical	238220	1	392	0.3%	\$1,520,000	\$3,878
Engineering	541330	7	261	2.7%	\$380,000	\$10,192
Total					\$1,900,000	\$10,192
Weighted Step 1 Goal						0.5%

SOURCES:

1. 2021 County Business Patterns, U.S. Census Bureau.
2. Kentucky UCP DBE Directory, August 2023.

NOTE: The 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 using a weighting process by which the dollars spent on various activities (represented by NAICS codes) were multiplied by the percentage of relevant DBE firms to all relevant firms as indicated in Table 3a – 3s above. **The Step 1 DBE Base Figures for the Airport can be found in tables 3a – 3s.**

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 at the Airport in recent years were examined relative to the above consideration. Notice the annual DBE percent accomplishment indicated in Table 4 below:

**Table 4: Blue Grass Airport
DBE Accomplishment**

Report Period	DBE Goal	Total DBE % Achieved	Over-/Under-Achieved
FY 2020	4.5%	34.3%	29.77%
FY 2021	4.5%	4.9%	0.40%
FY 2022	3.2%	2.1%	-1.10%
Median	4.5%	4.9%	0.4%

The median DBE accomplishment for the periods as shown above for the Airport is 4.9%. This factor was compared to the Step 1 Base Figures above.

B. Consultations

1. Evidence from Disparity Studies

The Airport reviewed the Lexington-Fayette Urban County Government 2022 Disparity Study. The study’s data included information from the entire county government and was too broad to use to adjust the Airport’s step 1 base figures.

2. Consultation with Stakeholders

The Airport held a public meeting on September 13, 2023. The purpose of the meeting was to solicit information from interested stakeholders about the draft goal, as well as the availability of potential DBEs at the Airport, the effects of discrimination on opportunities for DBEs, and the Airport's effort to increase DBE participation. Please see Appendix B for the attendee list and public comments.

C. Adjustment to Step 1 DBE Base Figures: Blue Grass Airport, FY 2024-FY 2026

With the adjustment factors considered to this point, the Airport will adjust the Step 1 base figures as calculated above by averaging the annual accomplishment factor derived in Table 4 above (4.9%) with the base figures, for an adjusted overall DBE goal.

**Table 5: Blue Grass Airport
FY 2024 – FY 2026 Overall Goal**

Fiscal Year	Project	Step1	Step 2 adjustment	Overall Goal	Total Federal Dollars	DBE Goal (dollars)
FY 2024	Design (Prelim) Air Traffic Control Tower	2.7%	4.9%	3.8%	\$1,350,000	\$51,300
	Replace West Airfield Lighting	1.0%	4.9%	3.0%	\$495,000	\$14,603
	Construct ARFF Training Center	4.7%	4.9%	4.8%	\$2,700,000	\$129,600
	Fuel Farm (Design)	2.7%	4.9%	3.8%	\$590,625	\$22,444
	Rehabilitate Terminal (HVAC, Bldg Envelope) Ph 1	3.1%	4.9%	4.0%	\$1,350,000	\$54,000
	Rehabilitate Terminal (Restrooms, LEDs, Elevators) Ph II	2.5%	4.9%	3.7%	\$1,800,000	\$66,600
	Construct Terminal (4 Passenger Boarding Bridges)	0.4%	4.9%	2.7%	\$3,009,539	\$79,753
	Construct Terminal (Airline Baggage Conveyor)	0.1%	4.9%	2.5%	\$1,330,000	\$33,250
	Construct Terminal Solar Arrays	0.4%	4.9%	2.7%	\$2,565,000	\$67,973
FY 2024 Total				3.4%	\$15,190,164	\$519,522
FY 2025	Design (Final) Air Traffic Control Tower	2.7%	4.9%	3.8%	\$1,800,000	\$68,400
	Rehabilitate Air Carrier Ramp	12.8%	4.9%	8.9%	\$2,250,000	\$199,125
	Construct Baggage Claim Conveyors	0.1%	4.9%	2.5%	\$675,000	\$16,875
	Rehabilitate Deicing Containment Facility	8.8%	4.9%	6.9%	\$1,080,000	\$73,980
	Construct Fuel Farm Ph2 (Tanks)	5.8%	4.9%	5.4%	\$4,020,850	\$215,115
FY 2025 Total				5.8%	\$9,825,850	\$573,495
FY 2026	Construct Air Carrier Ramp	12.8%	4.9%	8.9%	\$2,970,000	\$262,845
	Rehabilitate GA Ramps and Parking	12.8%	4.9%	8.9%	\$1,260,000	\$111,510
	Rehabilitate Terminal (Restrooms, Roof)	3.7%	4.9%	4.3%	\$2,070,000	\$89,010
	Construct Air Traffic Control Tower Ph 1	4.3%	4.9%	4.6%	\$7,550,000	\$347,300
	Construct Central Terminal HVAC Plant	0.5%	4.9%	2.7%	\$1,900,000	\$51,300
FY 2026 Total				5.5%	\$15,750,000	\$861,965
FY 2024 - FY 2026 Overall Goal				4.8%	\$40,766,014	\$1,954,982

The total DBE goal in dollars was divided by the total project costs to derive the overall DBE goal of 4.8% for FY 2024-FY 2026.

III. Process

The Airport will normally submit its overall goal to the FAA on August 1 when the 3-year goal is due.

Before establishing the overall goal this year, the Airport consulted with minority, women's 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 Airport's efforts to establish a level playing field for the participation of DBEs. Following this consultation, the Airport published a notice of the proposed overall goal, informing the public that the proposed goal and its rationale were available for review and comment during normal business hours at the Airport's administrative office for 30 days following the date of the notice. The notice was published on the Airport's website. The notice included addresses (including offices) to which comments could be sent and addresses where the proposal could be reviewed. This process was used to establish the goals for FY 2024 to FY 2026.

The Airport's overall goal submission to the FAA will include a summary of information and comments received during this public participation process and our responses.

The Airport will begin using the overall goal on October 1 of each goal year, unless the Airport 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 Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The Airport 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 Airport proposes a race-conscious goal of **4.4%** and a race-neutral goal of **0.4%**, for a total of **4.8%**. The reason for this breakout is that the projects from previous years show that the median amount by which the past DBE goals were over-achieved is **0.4%** (see **Table 4**).

The Airport 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.

VI. Contract Goals

The Airport will use contract goals to meet any portion of the overall goal that the Airport 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 overall goal that is not projected to be met through the use of race-neutral means.

The Airport will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. The Airport 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 Airport 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. Kentucky UCP DBE Directory
2. 2021 County Business Patterns, Census Bureau
3. Uniform Report of DBE Commitments/Awards and Payments

Appendix B: Blue Grass Airport – Webinar – September 13, 2023

Summary of Meeting: Wilfred Nixon, of Ken Weeden & Associates, gave a PowerPoint presentation that covered and explained the following:

- Background, purpose, and goal requirements of the FAA-DBE program.
- Overview of the DBE goal methodology and basic requirements, such as use of most refined data, identification of a normal market area, and employment of a two-step process in establishing the overall 3-year DBE goals.
- Calculation of the base-figure goal (step 1), and adjusted goal (step 2), through “weighting” and consideration of indicators of “capacity”.

Stakeholder Meeting Q&A

1. **How did you determine the market area?** *The market area was determined by the location of the bidders and where previous dollars were spent.*
2. **How did you do with your previous goals?** *Many of the projects have low DBE participation because of the specialties involved in previous projects. We expect our numbers to increase this goal period.*
3. **Is there anything we can do to help you reach your goals?** *We can all do a better job of sharing our successes.*

Stakeholder Meeting Attendee List

Name	Organization
Barb Smith	Journey Steel, Inc.
Leah Scott	The Logo Warehouse
Marilyn Clark	University of Kentucky
Nick Brown	Crawford, Murphy & Tilly
Shirita Miller	Lexington-Fayette Urban County Government
Mark Day	Blue Grass Airport
Lynn Hoard-Wilson	Blue Grass Airport
Nikki Jefferies	Ken Weeden & Associates
Wilfred Nixon	Ken Weeden & Associates, Inc.