

Charleston County Aviation Authority

CHS – Charleston International Airport

JZI – Charleston Executive Airport

LRO – Mount Pleasant Regional Airport

Overall DBE Three-Year Goal Methodology

FY 2023-25 (10/1/2022 through 9/30/2025)

EXECUTIVE SUMMARY

The Charleston County Aviation Authority (CCAA) presents its Federal Aviation Administration (FAA) Disadvantaged Business Enterprise (DBE) goal calculation, documentation, and methodology for the United States Department of Transportation's (USDOT) assisted contracts anticipated for award from October 1, 2022, through September 20, 2025.

This three (3) year goal calculation was prepared in accordance with 49 CFR Part 26, and all relevant USDOT and FAA goal-setting guidance, using the FAA DBE Goal Setting Tool. The USDOT-assisted projects are summarized below and includes the estimated contract amount for each airport owned and controlled by CCAA.

CCAA DOT – Assisted Contracts by Year and Total Cost:

Fiscal Year	Airport	Planned Project Name	Contract Amount
2023	CHS	Terminal Environmental Assessment	\$450,000
2023	JZI	Drainage Improvement Design	\$200,000
2024	CHS	Terminal Expansion Design	\$10,500,000
2024	JZI	Drainage Improvement Construction	\$2,426,500
2024	JZI	Drainage Mitigation	\$709,054
2024	LRO	Master Environmental Plan Update	\$150,000
2025	CHS	Apron	\$2,541,466
2025	CHS	Apron Lighting	\$317,683
2025	CHS	Terminal Building	\$57,907,318
2025	CHS	Terminal Loop Road	\$1,588,417
2025	JZI	Taxiway Rehabilitation Design	\$166,000
2025	LRO	Midfield Taxiway Rehabilitation Design	\$65,000
		TOTAL	77,021,438

From the projects identified above, the combined annual contract award is as follows:

CCAA DOT- Assisted Contract Amounts:

Year 1 - 2023	\$650,000
Year 2 - 2024	\$13,785,554
Year 3 - 2025	\$62,585,884
Total	\$77,021,438

Accordingly, the three-year overall goal established for the FFY2023 – 2025 is **8.8%, to be accomplished through 4.9% Race-Conscious (RC) means and 3.9% Race-Neutral (RN) means. The total dollar amount to be expended on DBEs is \$3,762,561.00.**

The below discusses the methodology used by CCAA to calculate this goal.

BACKGROUND¹

As a recipient of USDOT funds, CCAA is required to establish a DBE Program in accordance with 49 CFR Part 26. Pursuant to USDOT guidelines, the DBE program is to be narrowly tailored to the specific market area to level the playing field for small, minority, and women-owned businesses to participate in federally funded contracts.

Methodology and Overall Goal

49 CFR 26.45 requires that the recipient of USDOT funds utilize a two-step process in the development of its overall DBE goal:

Step 1: Calculation of a base figure that represents the availability of DBEs ready, willing, and able to work on CCAA contracts.

Step 2: Adjustment of the base figure so that the final overall goal represents the amount of participation CCAA might expect in the absence of discrimination or its effects.

¹ CCAA contracted with The Nelson Ideation Group, LLC (TNIG) to assist CCAA in developing its Triennial Disadvantaged Business Enterprise (DBE) Goal Methodology for Federal Fiscal Years (FFY) 2023 – 2025 for Charleston International Airport (CHS), Charleston Executive Airport (JZI), and Mount Pleasant Regional Airport (LRO). CCAA and TNIG analyzed the above listed planned projects and determined that sufficient subcontracting opportunities for DBE subcontractors exists for each project.

Based on this methodology, CCAA's Overall Goal for the next three (3) fiscal years (FY 2023-2025) is for **8.8%** of its Federal financial assistance to be expended in DOT-assisted contracts. CCAA anticipates awarding these contracts between October 1, 2022, and September 30, 2025.

MARKET AREA

According to 49 CFR Part 26:45, the jurisdiction (Market Area) is determined by the geographical area where a majority of the airport's contractors and subcontractors who seek to do business with CCAA are located in the area where the airport(s) spends the majority of its contracting dollars. The South Carolina counties for the Charleston County Aviation Authority are:

1. *Beaufort*
2. *Berkeley*
3. *Charleston*
4. *Dorchester*
5. *Greenville*
6. *Horry*
7. *Kershaw*
8. *Lexington*
9. *Richland*
10. *Spartanburg*

In addition to US Census data, other local area factors used in developing the goal setting methodology include, data collected using CCAA's Bidders List, past federally funded projects, historical yearly accomplishments, and the South Carolina Department of Transportation (SCDOT) DBE Directory.

Step 1. Actual relative availability of DBEs:

The base figure for the relative availability was calculated as follows:

Weighted Availability of DBE Firms:

Fiscal Year 1 - 2023

For 10/1/2022 - 9/30/2023, award of the following is anticipated:

Project Name	Trade Description	NAICS Description	NAICS	Trade (\$)	Directory	Census	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
Drainage Improvement Design	A/E Consultant	Architectural Services	541310	\$200,000	6	176	3.4%	\$6,800
Drainage Improvement Design				\$200,000			3.4%	\$6,800
Terminal Environmental Assessment	A/E Consultant	Architectural Services	541310	\$450,000	6	176	3.4%	\$15,300
Terminal Environmental Assessment				\$450,000			3.4%	\$15,300
Year 1 Total				\$650,000			3.4%	\$22,100

Fiscal Year 2 - 2024

For 10/1/2023 - 9/30/2024, award of the following is anticipated:

Project Name	Trade Description	NAICS Description	NAICS	Trade (\$)	Directory	Census	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
Drainage Improvement Construction	A/E Consultant	Architectural Services	541310	\$194,120	6	176	3.4%	\$6,600
Drainage Improvement Construction	Sitework	Site Preparation Contractors	238910	\$2,232,380	36	557	6.5%	\$145,105
Drainage Improvement Construction				\$2,426,500			6.3%	\$151,705
Drainage Mitigation	A/E Consultant	Architectural Services	541310	\$709,054	6	176	3.4%	\$24,108
Drainage Mitigation				\$709,054			3.4%	\$24,108
Master Environmental Plan Update	A/E Consultant	Architectural Services	541310	\$150,000	6	176	3.4%	\$5,100
Master Environmental Plan Update				\$150,000			3.4%	\$5,100
Terminal Expansion Design	A/E Consultant	Architectural Services	541310	\$10,500,000	6	176	3.4%	\$357,000
Terminal Expansion Design				\$10,500,000			3.4%	\$357,000
Year 2 Total				\$13,785,554			3.9%	\$537,913

Fiscal Year 3 - 2025

For 10/1/2024 - 9/30/2025, award of the following is anticipated:

Project Name	Trade Description	NAICS Description	NAICS	Trade (\$)	Directory	Census	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
Apron	Concrete	Foundation and Structure Contractors	238110	\$584,537	24	392	6.1%	\$35,657
Apron	Sitework	Site Preparation Contractors	238910	\$1,779,027	36	557	6.5%	\$115,637
Apron	Electrical	Electrical Contractors and other Wiring Installation Contractors	238210	\$127,073	26	1,037	2.5%	\$3,177
Apron	Waste Disposal -Dump Trucks	Other Waste Collection	562119	\$50,829	1	9	11.1%	\$5,642
Apron				\$2,541,466			6.3%	\$160,113
Apron Lighting	Electrical	Electrical Contractors and other Wiring Installation Contractors	238210	\$317,683	26	1,037	2.5%	\$7,942
Apron Lighting				\$317,683			2.5%	\$7,942
Midfield Taxiway Rehabilitation Design	A/E Consultant	Architectural Services	541310	\$65,000	6	176	3.4%	\$2,210
Midfield Taxiway Rehabilitation Design				\$65,000			3.4%	\$2,210
Taxiway Rehabilitation Design	A/E Consultant	Architectural Services	541310	\$166,000	6	176	3.4%	\$5,644
Taxiway Rehabilitation Design				\$166,000			3.4%	\$5,644
Terminal Building	A/E Consultant	Architectural Services	541310	\$590,891	6	176	3.4%	\$20,090
Terminal Building	Sitework	Site Preparation Contractors	238910	\$5,908,910	36	557	6.5%	\$384,079
Terminal Building	Concrete	Foundation and Structure Contractors	238110	\$18,908,512	24	392	6.1%	\$1,153,419
Terminal Building	Deep Foundation	Pour Concrete Foundation and Structure Contractors	238910	\$8,863,365	36	557	6.5%	\$576,119
Terminal Building	Masonry	Masonry Contractors	238140	\$2,954,455	10	243	4.1%	\$121,133

Terminal Building	Mechanical	Other Building Equipment Contractors	238290	\$5,318,019	6	119	5.0%	\$265,901
Terminal Building	Electrical	Electrical Contractors and other Wiring Installation Contractors	238210	\$3,545,346	26	1,037	2.5%	\$88,634
Terminal Building	Plumbing	Plumbing, Heating, and Air Conditioning Contractors	238220	\$3,604,435	20	1,696	1.2%	\$43,253
Terminal Building	Fire Suppression	Sprinkler System, Equipment and supplies	238210	\$2,363,564	26	1,037	2.5%	\$59,089
Terminal Building	Low Voltage	Electrical Contractors and other Wiring Installation Contractors	238210	\$1,772,673	26	1,037	2.5%	\$44,317
Terminal Building	Framing	Framing Contractors	238130	\$2,954,455	7	170	4.1%	\$121,133
Terminal Building	Glass	Glass and Glazing Contractors	238150	\$590,891	0	107	0.0%	\$0
Terminal Building	Security	Security Guards and Patrol Services	561612	\$177,267	4	100	4.0%	\$7,091
Terminal Building	Waste Disposal -Dump Trucks	Other Waste Collection	562119	\$354,535	1	9	11.1%	\$39,353
Terminal Building				\$57,907,318			5.0%	\$2,923,611
Terminal Loop Road	Security	Security Guards and Patrol Services	561612	\$79,421	4	100	4.0%	\$3,177
Terminal Loop Road	Sitework	Site Preparation Contractors	238910	\$1,143,660	36	557	6.5%	\$74,338
Terminal Loop Road	Concrete	Foundation and Structure Contractors	238110	\$285,915	24	392	6.1%	\$17,441
Terminal Loop Road	Electrical	Electrical Contractors and other Wiring Installation Contractors	238210	\$79,421	26	1,037	2.5%	\$1,986
Terminal Loop Road				\$1,588,417			6.1%	\$96,942
Year 3 Total				\$62,585,884			5.1%	\$3,196,462

The base goal projection after weighting is as follows:

- Total Weighted DBE Availability: **\$3,756,475**
- Total for All Trades: **\$77,021,438**

Dividing the weighted DBE totals by the total estimate for all trades gives a base DBE availability figure for the projects anticipated during the goal-setting period. This figure is expressed as a percentage and serves as the basis for the three-year overall goal.

Base of DBE Goal: **4.9%**

Step 2. Adjustment of the Base Figure:

One piece of data used to determine the adjustment to the base figure was the median of historical DBE accomplishments, as follows:

Past History Participation

FY	Total Grant \$ Amount	DBE Goals			Accomplishments			Type of Work
		Race Conscious (%)	Race Neutral (%)	Total	Race Conscious (%)	Race Neutral (%)	Total	
FY 15	\$17,842,816	10.2%	1.4%	11.6%	11.8%	1.0%	12.8%	Taxiway Rehab Project
FY 16	\$3,043,344	10.2%	1.4%	11.6%	0.0%	0.0%	0.0%	Construction Project
FY 19	\$14,534,502	4.8%	10.0%	14.8%	19.3%	2.7%	22.0%	Parking Lot
FY 20	\$0	4.8%	10.0%	14.8%	0.0%	0.0%	0.0%	Covid
FY 21	\$0	9.2%	4.2%	13.4%	13.4%	0.0%	13.4%	CRRSA General

Arranging this historical data from low to high (0%, 0%, 12.8%, 13.38%, 21.97%), the median is **12.8%**.

Step 1 Base averaged with historical median: **$(4.9\% + 12.8\%) / 2 = 8.8\%$**

To arrive at an overall goal, the Step 1 base figure was added to the Step 2 adjustment figure and the total was averaged, arriving at an overall goal of **8.8%**. (CCAA) believes this adjusted goal accurately reflects DBE participation that can be achieved for the type(s) of work being awarded during this three-year goal period (FY 2023-25).

From the historical data on DBE participation available, Charleston County Aviation Authority believes that slightly higher DBE participation can be obtained during the 3-year period because a significant number of additional firms that perform work are expected to be certified in the local market area. Therefore, Charleston County Aviation Authority is increasing its Step 1 base figure of **4.9%** by 3.9 % for a total overall goal of **8.8%** for FY 2023-25.

Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation

CCAA will meet the maximum feasible portion of the overall goal by using race neutral means of facilitating DBE participation.

1. Arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBEs, and other small businesses, participation;
2. Refer DBEs to small business assistance agencies in overcoming limitations such as inability to obtain bonding or financing;
3. Refer DBEs to small business assistance agencies to provide technical assistance and other services;
4. Carry out information and communications programs on contracting procedures and specific contract opportunities;
5. Refer DBEs to small business assistance agencies for supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;
6. Inform small businesses in CCAA’s MWBE directory of programs the assist them in becoming DBEs, particularly in fields in which DBE participation has historically been low;
7. Ensure the distribution of DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors;

Charleston County Aviation Authority (CCAA) estimates that in meeting the established overall goal of **8.8%**, it will obtain **3.9%** from Race-Neutral participation and **4.9%** through Race-Conscious measures.

This breakout is based on: Calculations of our base goal is 4.9% Adjusted goal based on pass performance was achieved due to over the following:

- In 2015, Race-Conscious over achievement of 1.62%, Race-Neutral under achievement was -1.42%
- In 2016, Race-Conscious under achievement of -6.21%, Race-Neutral under achievement of -1.40%
- In 2018, Race-Conscious under achievement of -10%, Race-Neutral over achievement of 57.71%
- In 2019, Race-Conscious over achievement of 9.28%, Race-Neutral underachievement of -2.11%
- In 2020, Race-Conscious and Race-Neutral were not achieved due to COVID
- In 2021, Race-Conscious and Race-Neutral were not achieved as no AIP projects were awarded

CCAA will adjust the estimated breakout of race-neutral and race-conscious DBE participation as needed to reflect actual DBE participation (*see* 49 CFR §26.51(f)) 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.

CCAA will use contract goals to meet any portion of the overall goal that is not expected to be met through RN means. Contract goals are established over the three-year period to which the overall goal applies, they will cumulatively result in meeting any portion of the CCAA's overall goal that is not projected to be met through the use of RN means.

CCAA will establish contract goals on all USDOT-assisted contracts that have subcontracting possibilities and the size of the contract goals will be adapted to the circumstances of each such contract including type of work, availability of DBEs to perform that work, and necessary adjustments to account for market conditions.

CCAA will continue to increase contract opportunities for DBE contractors by participating in small, minority and women-owned outreach events, and communicate their upcoming solicitations with business associations, organizations, chambers of commerce, and small business resource centers in the CCAA Market Area.

CCAA has participated in the following activities since the last goal setting period:

Project No.	Project Title	Event Date	Event Type
2021-CHS-199	CHS Misc. Airfield Repairs	3/17/2021	DBE Outreach
2021-CHS-205	Gateway Enhancements at CHS	10/6/2021	MWBE Outreach
2021-CHS-209	T-Hangar Development at LRO	11/4/2021	DBE Outreach
2022-CHS-218	Janitorial Services at CHS	8/30/2022	MWBE Outreach

3/14/2022: ***Black Expo*** – North Charleston Convention Center. Networking and recruiting Black business owners.

3/24/2022 ***City of Charleston – Small Business Expo***. Gilliard Center. Networking and recruiting Black business owners, procurement personnel etc. Presentations of opportunities available at each organization.

- 4/26/2022 ***Airport Rental Car Supplier Diversity Webinar.*** Virtual Zoom. Participation with Columbia and Myrtle Beach Airports and announcements of contract opportunities at each airport.
- 4/29/2022S ***SCAGPO Reverse Trade Show*** (South Carolina Association of Governmental Purchasing Officials) Felix C. Davis Community Center. Networking and recruiting.
- 8/30/2022 ***Subcontracting Janitorial Services.*** CCAA facilitated a virtual meeting.
- 10/20/2022 ***South Carolina Airports Coalition DBE Outreach Event.*** Columbia, SC. In-person, CCAA presented.

Methodology used:

South Carolina's DBE Directory:

<https://www.scdot.org/business/bus-development-dbe-sbe-cert.aspx>

U.S. Census Bureau Data for South Carolina Business Patterns:

<https://www2.census.gov/programs-surveys/cbp/data/2020>

CONSULTATION

The CCAA DBE Public Notice of the proposed goal and DBE Methodology Draft report was published in the **Charleston Post & Courier**, regarding the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the Charleston County Aviation Authority offices for 30 days following the date of the notice, and informing the public that the Charleston County Aviation Authority will accept comments on the goals for 30 days from the date of the notice.

Additionally, the CCAA public notice of the proposed goal and DBE Methodology Draft report was published on the Charleston County Aviation Authority official website [Disadvantaged Business Enterprise \(iflychs.com\)](https://iflychs.com) on **October 13, 2022**, before the methodology was submitted to Federal Aviation Administration.

The consultation engaged was held as a virtual Stakeholder Meeting via Microsoft Teams:

Charleston County Aviation Authority
5500 International Blvd, #101
North Charleston, SC **29418-6911**
Tuesday, October 25, 2022, at 11:00am.

As a result of the Stakeholders meeting, the following barriers were identified for DBEs to participate in work for the CCAA:

- Partner with small business organizations, chambers of commerce, advocacy groups and small business technical assistance programs to educate and inform their members and clients about the benefits of becoming DBE certified and the type of work categories the airports plans to solicit in the next three years.
- Participate in education and training seminars for small, minority and women-owned firm to discuss and inform said firms about the benefits of being a DBE firm and doing work at the airport.
- Develop and conduct a CCAA DBE outreach event inviting prime and DBE firms to learn about upcoming contracts and the importance of networking to form teams for future work opportunities.

The following comments were received during the course of the consultation:

CCAA did not receive any comments during the Stakeholders Meeting or during the 30-day Public Notice period.

If the proposed goal changes following review by Federal Aviation Administration, the revised goal will be posted on Charleston County Aviation Authority official website at **Disadvantaged Business Enterprise (iflychs.com)**

Notwithstanding 49 CFR §26.45(f)(4), Charleston County Aviation Authority proposed goals will not be implemented until this requirement has been met.

ATTACHMENTS

- A Charleston County Aviation Authority Public Notice**
- B Charleston International Airport Website – www.iflychs.com**
- C The Coastal Chronicles Newspaper Publication**
- D Stakeholders Meeting Registration and Attendees List via Microsoft Teams**

ATTACHMENT A

Charleston County Aviation Authority Public Notice

PUBLIC NOTICE

The Charleston County Aviation Authority (Authority) hereby announces its proposed Disadvantaged Business Enterprise (DBE) participation goal of 8.8% for Federal Aviation Administration (FAA) funded contracts/agreements. The proposed overall goal pertains to Federal Fiscal Years 2023 through 2025 (10/1/2022 - 9/30/2025).

The Authority is working with The Nelson Ideation Group, LLC to set a new overall goal for the participation of DBEs in FAA-funded projects it anticipates awarding in Federal Fiscal Years 2023, 2024, and 2025. The goal pertains to:

- Charleston International Airport – (CHS)
- Charleston Executive Airport - (JZI)
- Regional Airport (LRO)

We invite all business owners, consultants, organizations, and external stakeholders to attend our virtual stakeholder meeting on Tuesday, October 25, 2022, at 11 am, to consult with our stakeholders to obtain information relevant to the goal-setting process, **review and comment on the new proposed DBE goal and methodology.**

The proposed goal and its attendant methodology are available for inspection between 8:00 a.m. and 4:30 p.m. Monday through Friday, at Charleston County Aviation Authority, 5500 International Blvd., #101, North Charleston, SC 29418-6911, and on the CHS website www.iflychs.com for 30 days from the date of this publication.

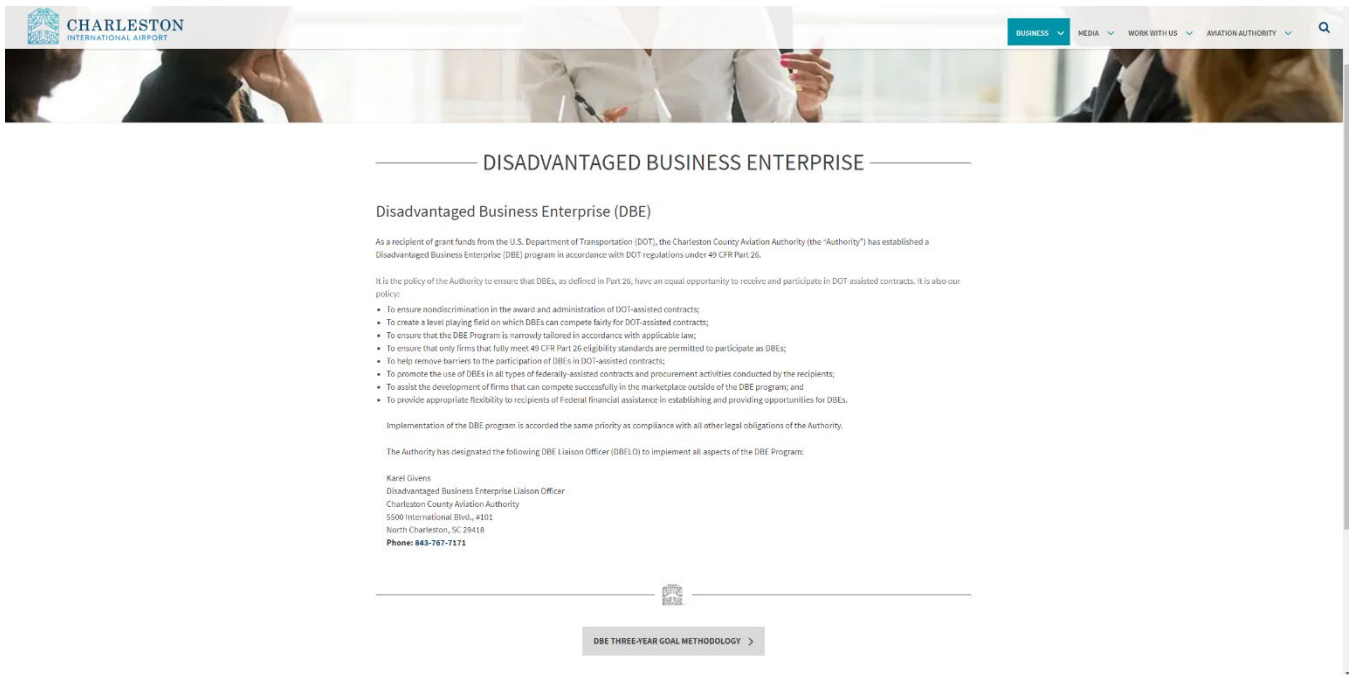
We value your participation and look forward to your attendance.

Comments on the DBE goal will be accepted for 30 days from the date of this publication and can be sent to the following:

Karel Givens, DBELO
Charleston County Aviation Authority
5500 International Blvd. #101
North Charleston, SC 29418-6911
843.767.7171
KGivens@iflychs.com

ATTACHMENT B

Charleston International Airport Website – www.iflychs.com



ATTACHMENT D

Stakeholders Meeting Registration and Attendees List via Microsoft Teams

1. Summary

Viewed	
Registration page	20
Registered participants	15
Canceled registrations	0
Attended	2

2. Participants

Registration First Name	Registration Last Name	Registration Email	Registration Time	Registration Status	Attended
Carla	Chambers	CANChambers@comcast.net	10/13/22, 4:08:29 PM	Registered	
Mary Lou	Posa	mlkposa@aol.com	10/13/22, 5:01:20 PM	Registered	X
Dominique	Milton	Dominique.milton@cvmsdc.org	10/13/22, 11:24:02 PM	Registered	
Samantha	Iorio	siorio@iflychs.com	10/14/22, 11:00:35 AM	Registered	
David	Morrow	dmorrow@iflychs.com	10/14/22, 11:17:22 AM	Registered	
Hernan	Peña	hpena@iflychs.com	10/14/22, 12:00:29 PM	Registered	
Adriana	Briggs	abriggs@iflychs.com	10/14/22, 12:01:06 PM	Registered	
Luke	Volkmar	luke@neighboringconcepts.com	10/14/22, 2:25:58 PM	Registered	
Carolyn	Burton	burtoncg@scdot.org	10/17/22, 10:28:26 AM	Registered	
Sebrina	Johnson				
	Holloman	betterdays5053@gmail.com	10/18/22, 9:16:33 PM	Registered	
Sharon	Brown	sharon@carwinlogisticsllc.com	10/19/22, 5:25:42 AM	Registered	
Ruth	Jordan	jordanr@charleston-sc.gov	10/20/22, 10:30:19 AM	Registered	X
Trina	Carter	mamabeaschickensalad@gmail.com	10/20/22, 2:53:21 PM	Registered	
Radia	Baxter	radia922@aol.com	10/21/22, 12:29:18 PM	Registered	
William	Patterson	wgyppatterson@yahoo.com	10/21/22, 12:30:33 PM	Registered	