

## Overall DBE Three-Year Goal Methodology

**Name of Recipient:** *Gallatin County Airport (Pogreba Field – 9S5), Three Forks, MT*

**Goal Period:** FY 2024-2026 (10/1/2023 through 9/30/2026)

**DBE Goal:** 4.4%

**Total dollar amount to be expended on DBE's:** \$57,115

**Describe the Number and Type of Contracts that the airport anticipates awarding:**

The projects for the next three years at the Gallatin County Airport shall consist of

Projects Fiscal Year #1 (FY-24) - **\$150,000**

Project 1 – Phase 1 TL Expansion Design

Projects Fiscal Year #2 (FY-25) – **\$554,000**

Project 1 – Phase II TL Expansion Construction and Pivot Gate

Projects Fiscal Year #3 (FY-26) – **\$520,000**

Project 1 – Terminal Construction

### **1 STEP 1 OF OVERALL GOAL DETERMINATION**

For the Step 1 Base Figure, Gallatin County Airport determined the relative DBE availability in accordance with 49 CFR Part 26.45 (c)(3), which is to use data from a disparity study. Gallatin County Airport utilized data from the 2022 Disparity Study compiled by BBC Research & Consulting (BBC) to set the base figure. According to the report, 91% of all relevant contracting and procurement dollars during the study period went to firms located within Montana.<sup>1</sup> Therefore, Montana was the relevant geographic market area (RGMA). To examine availability, BBC used a custom-census approach focused on airport construction and professional services work types that the NPIAS (National Plan of Integrated Airport Systems) airports in Montana awarded prime contracts and subcontracts during the study period. BBC developed the availability database through surveys of businesses, located in the RGMA, that perform work in airport construction and professional services industries relevant to contracting.

Finally, by applying the ratio of ready, willing, and able DBE firms and the total number of ready, willing, and able firms from the census data to the estimated percentage of total project costs, the Step 1 goal is determined.

**Table 1** calculates the DBE availability using the 2022 Disparity Study data and anticipated work types and associated costs for all projects in 2024 at Gallatin County Airport.

**Appendix A** provides the cost breakdown by project and the weighted DBE goal associated with the costs.

**Determination of Market Area:**

**Market Area:** State of Montana

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<sup>1</sup> 2022 MDT Disparity Study, Chapter 3.

**Table 1 - Weighted DBE Availability using 2022 Disparity Study Data**

Work Type	Work Type Description	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount	Comments	
Work Type	Work Type Description	\$ 100,000.00	10%	10%	10.0%	\$10,000	No adjustments made.	
<b>Construction</b>								
1	Runway and taxiway construction	Heavy construction work on runways and taxiways	\$ 150,000.00	4.6%	0%	4.6%	\$6,972	
2	Asphalt paving	Paving, resurfacing, and pavement marking	\$ 30,000.00	9.0%	0%	9.0%	\$2,688	
3	Excavation, site prep, grading, and drainage	Preparing land for construction	\$ 39,000.00	9.0%	0%	9.0%	\$3,495	
4	Traffic control, barricades, and signs	Traffic control goods and services	\$ 25,000.00	0.0%	0%	0.0%	\$0	
7	Concrete, asphalt, sand, and gravel products	Sale of concrete, asphalt, and aggregates	\$ 100,000.00	5.4%	0%	5.4%	\$5,446	
8	Electrical equipment and supplies	Sale of electrical equipment and supplies	\$ 150,000.00	9.0%	0%	9.0%	\$13,441	
10	Electrical work	Installation of airport lights and signals	\$ 145,000.00	14.0%	0%	14.0%	\$20,368	
12	Landscape services	Landscaping including seeding and mulching	\$ 5,000.00	12.7%	0%	12.7%	\$634	
<b>Professional Services</b>								
17	Engineering	Engineering services	\$ 500,000.00	12.2%	0%	12.2%	\$0	Consultant not DBE
18	Environmental services and transportation consultir	Environmental consulting and airport obstruction analysis	\$ 35,000.00	12.2%	0%	12.2%	\$0	
19	Testing and inspection	Safety testing	\$ 25,000.00	16.3%	0%	16.3%	\$4,072	
20	Surveying and mapmaking	Collection of geospatial data related to construction	\$ 20,000.00	12.2%	0%	12.2%	\$0	Consultant/Survey not DBE
Sum of Available Work Item Amounts (L):						\$57,115		
Total Project Amount (M):						\$1,224,000		
<b>Base Contract Goal (N):</b>						<b>4.7%</b>		

The weighted DBE availability calculation and step 1 base figure is **4.7%**.

**Weighted Availability of DBE firms:**

**Fiscal Year #1**

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

Project Name	NAICS Description	NAICS	Trade (\$)	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
FY 2024	Engineering Services	541330	\$150,000	0.0%	\$0
FY 2024			\$150,000	0.0%	\$0
Year 1 Total			\$150,000	0.0%	\$0

**Fiscal Year #2**

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

Project Name	NAICS Description	NAICS	Trade (\$)	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
FY 2025	Excavation, Earthwork, Site Work	238910	\$39,000	9.0%	\$3,510
FY 2025	Electrical and other wiring installation	238210	\$75,000	9.0%	\$6,750
FY 2025	Engineering Services	541330	\$100,000	0.0%	\$0

FY 2025	Survey	541370	\$10,000	0.0%	\$0
FY 2025	highway, road, street, bridge or airport runway, construction	237310	\$30,000	9.0%	\$2,700
FY 2025	Testing Services	541380	\$25,000	16.3%	\$4,075
FY 2025	Heavy Construction	237990	\$150,000	4.6%	\$6,900
FY 2025	Concrete	423320	\$75,000	5.4%	\$4,050
FY 2025	Electrical work	238210	\$20,000	14.0%	\$2,800
FY 2025	Traffic Control	532490	\$25,000	0.0%	\$0
FY 2025	Landscape	561730	\$5,000	12.7%	\$635
FY 2025			\$554,000	5.7%	\$31,420
Year 2 Total			\$554,000	5.7%	\$31,420

### Fiscal Year #3

For 10/1/2025 - 9/30/2026, award of the following is anticipated:

Project Name	NAICS Description	NAICS	Trade (\$)	DBE (%)	DBE (\$) (= Trade \$ x DBE %)
FY 2026	Concrete	423320	\$25,000	5.4%	\$1,350
FY 2026	Electrical and other wiring installation	238210	\$75,000	9.0%	\$6,750
FY 2026	Electrical work	238210	\$125,000	14.0%	\$17,500
FY 2026	Engineering Services	541330	\$250,000	0.0%	\$0
FY 2026	Environmental services and transportation consulting	541380	\$35,000	12.2%	\$4,270
FY 2026	Survey	541370	\$10,000	0.0%	\$0
FY 2026			\$520,000	5.7%	\$29,870
Year 3 Total			\$520,000	5.7%	\$29,870

The base goal projection after weighting is as follows:

- Total Weighted DBE Availability: **\$57,115**
- Total for All Trades: **\$1,224,000**

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.

**Step 1 Base of DBE Goal: 4.7%**

Not enough historical data on DBE participation is available to reference to make an adjustment to the Step 1 base figure; therefore, Gallatin County Airport is adopting the Step 1 base figure of 4.7% as the overall goal for this three-year goal period (FY 2024-2026).

**Step 2. Adjustments to Step 1 base figure**

After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what adjustment to the base figure was needed to arrive at the overall goal.

During Step 2, we examined all evidence available in its jurisdiction to determine what adjustment is needed to the base figure to arrive at the overall DBE participation goal. We considered the following Step 2 adjustments:

The current capacity of DBEs to perform work, as measured by the volume of work DBEs have performed in recent years.

Information related to employment, self-employment, education, training, and unions.

Any disparities in the ability of DBEs to get financing, bonding, and insurance; and

Other relevant factors.

**Current Capacity**

Gallatin County Airport did not have projects that met a DBE goal for several years. Gallatin County Airport did not make a current capacity adjustment to the Step 1 figure.

**Past History Participation**

There was no past participation for FY 2021 – FY 2023 at Gallatin County Airport to be used in the determination of the goal setting.

**Employment, Education, Training, and Unions**

The 2022 Disparity Study conducted an analysis related to marketplace conditions in Montana and found that there are barriers that certain minority groups and women face related to human capital, financial capital, and business ownership in Montana. Specifically, Native Americans working in the Montana construction industry were less likely than non-minorities to own construction businesses, and Hispanic Americans were less likely than non-minorities to own a professional services business. The 2022 Disparity Study indicated that Native American-owned firms did not experience substantial disparities in airport work, so Gallatin County Airport did not make an upward adjustment for this factor.

**Financing, Bonding, and Insurance**

The 2022 Disparity Study found quantitative and anecdotal evidence that minorities, women, and minority- and women-owned firms in Montana do not have the same access to financing, bonding, and insurance as those owned by white American men. Although the analysis indicates an upward adjustment could be made to address these barriers, the impact of those factors could not be quantified<sup>2</sup>. As a result, we chose not to make this Step 2 adjustment.

**Other Factors**

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<sup>2</sup> 2022 MDT Disparity Study, Chapter 10.

The other factors examined in the 2022 Disparity Study were related to the success of minority- and women-owned firms relative to majority-owned businesses in the Montana marketplace. The Study noted quantitative and anecdotal evidence that minority- and women-owned firms are less successful than majority-owned firms and face greater barriers in the marketplace.<sup>3</sup> Although the analysis indicates an upward adjustment could be made to address these barriers, the impact of those factors could not be quantified. As a result, we chose not to make this Step 2 adjustment.

### **Final Step 2 Adjustment to Step 1 Base Figure**

To arrive at an overall goal, the Step 1 base figure was added to the Step 2 adjustment figure using the statewide district availability modifier of **-0.3%** for our Step 2 adjustment, giving us an adjusted contract goal of **4.4%**. Gallatin County Airport 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 2024-2026).

Gallatin County Airport will attempt to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation.

Gallatin County Airport will also use the following **race-neutral** means to increase DBE participation:

- Unbundling large contracts to make them more accessible to small businesses where feasible
- Ensure 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

Considering these factors, a **race/gender-neutral** means of acquiring the overall goal of **4.4%** has been established.

For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract
- 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
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

### **Breakout of Estimated Race-Neutral (RN) and Race-Conscious (RC) Participation. 26.51(b)(1-9)**

Gallatin County Airport will meet the maximum feasible portion of its overall goal by using RN means of facilitating 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.
2. Providing technical assistance and other services.

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<sup>3</sup> 2022 MDT Disparity Study, Chapter 10.

3. Carrying out information and communications programs on contracting procedures and specific contract opportunities.
4. Ensuring distribution of the DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors.

Gallatin County Airport estimates that in meeting its overall goal 4.4%, it will obtain 4.4% from RN participation and 0.0% through RC measures.

Considering these factors, a race/gender-neutral means of acquiring the overall goal 4.4%, has been established.

Gallatin County Airport does not have a history of DBE under-participation or over-achievement of goals to reference and expects to obtain its DBE participation using DBE contract goals or a conscious effort to obtain DBE participation. Therefore, we are applying the entire goal of 4.4% to race-neutral participation.

Gallatin County Airport will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation (see Section 26.51(f)) and track and report RN and RC participation separately. For reporting purposes, RN 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.

### **Race Conscious / Race Neutral Evaluation**

The 2022 Disparity Study indicated that race- and possibly gender-conscious means need to be implemented for the portion of the overall goal that cannot be met solely through race-neutral measures. While race- and gender-conscious methods may be used. Furthermore, to comply with 49 CFR 26.51, where the maximum feasible portion of the overall DBE goal must be met through race and gender-neutral measures, Gallatin County Airport proposes to meet the overall goal solely through race-neutral measures. If the Uniform Report indicates that the Airport fell short or will fall short of meeting the overall goal, we will re-evaluate how much of the overall goal can be met through race-neutral means and implement race-conscious measures (i.e., project-specific goals) to meet the remainder.

### **Race Neutral Initiatives**

To meet the overall 4.4% DBE goal, Gallatin County Airport is committed to implementing race-neutral measures that encourage small businesses and DBE participation. Gallatin County Airport has implemented several race-neutral measures to ensure the maximum feasible portion of the overall goal is achieved through race-neutral means, in accordance with 49 CFR 26.51. These include:

- A networking meeting with different Montana airports, consultants, and contractors to encourage relationship building and opportunities to partner on upcoming airport projects
- Ensuring a reasonable number of prime contracts are of a size that small businesses can reasonably perform. The proposed projects at the Airport are broken into phases to allow for smaller contract sizes.
- Identification of potential DBEs and SBEs.

## PUBLIC PARTICIPATION

**Consultation:** Section 26.45(g)(1).

Gallatin County Airport submits its overall DBE three-year goal to DOT on August 1 as required by the set schedule.

In establishing the overall goal, Gallatin County Airport provided for consultation and publication. This process included consultation with minority, women, and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Gallatin County Airport efforts to establish a level playing field for the participation of DBEs. The consultation included a scheduled, direct, interactive exchange with as many interested stakeholders as possible focused on obtaining information relevant to the goal-setting process and was conducted before the goal methodology was submitted to the operating administration for review. Details of the consultation are as follows.

The consultation engaged in a face-face public meeting held at the Great Northern Hotel on June 28, 2023, from 11:00 a.m. to 2:00 p.m.

No comments were received during the course of the consultation.

Morrison-Maierle is seeking public comments about its proposed overall three-year DBE goal.

Comments can be provided in the following ways:

Email: [teickman@m-m.net](mailto:teickman@m-m.net) or [agalen@m-m.net](mailto:agalen@m-m.net)

Mail: Morrison-Maierle  
Andy Galen  
1 Engineering PL  
Helena, MT 59602

Morrison-Maierle will review all comments, make any necessary adjustments to the goal, and submit to the FAA by August 1, 2023.

A notice of the proposed goal was published on Gallatin County Airport's official website before the methodology was submitted to Federal Aviation Administration.

If the proposed goal changes following review by Federal Aviation Administration, the revised goal will be posted on Gallatin County Airport's official website.

Notwithstanding paragraph (f)(4) of §26.45, Gallatin County Airport's proposed goals will not be implemented until this requirement has been met.

## PUBLIC NOTICE

Gallatin County Airport hereby announces its proposed Disadvantaged Business Enterprise (DBE) participation goal of **4.4%** for FAA-funded contracts/agreements. The proposed goal pertains to federal fiscal years 2024 through 2026 (10/1/2023 - 9/30/2026). A public meeting was held on June 28, 2023, at the Great Northern Hotel in Helena, MT for the purpose of consulting with stakeholders to obtain information relevant to the goal-setting process.

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

Andy Galen, Project Manager  
1 Engineering Place  
Helena, MT 59602  
406-495-3462  
[agalen@m-m.net](mailto:agalen@m-m.net)

OR

Federal Aviation Administration  
Office of Civil Rights  
Sonia Cruz, Compliance  
Specialist  
310-725-3940  
Sonia.Cruz@faa.gov

### **Contract Goals**

The Gallatin County Airport will use contract goals to meet any portion of the overall goal the recipient does not project being able to meet using RN 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 recipient's overall goal that is not projected to be met through the use of RN means.

The Gallatin County Airport will establish contract goals only on those FAA/DOT-assisted contracts that have subcontracting possibilities. It need not establish a contract goal on every such contract, and the size of the contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work and availability of DBEs to perform the particular type of work).

Gallatin County Airport will express our contract goals as a percentage *of the Federal share of an FAA/DOT-assisted contract*.

## Appendix A – Weighted DBE Goal by Year and Project

### FY - 2024 Ph. 1 TL Expansion Design

Work Type	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount	Comments	
Work Type	\$ 100,000.00	10%	10%	10.0%	\$10,000	No adjustments made.	
<b>Construction</b>							
<b>Professional Services</b>							
17 Engineering	\$ 150,000.00	12.2%	0%	12.2%	\$0	Consultant not a DBE	
<b>FY 2024</b>							
Sum of Available Work Item Amounts (L):					<b>\$0</b>		
Total Project Amount (M):					<b>\$150,000</b>		
<b>Base Contract Goal (N):</b>					<b>0.0%</b>		
<b>Adjustments:</b>					<b>Comments</b>		
Adjustment 1 (O):					-0.3%		
Adjustment 2 (P):					0.0%		
<b>Adjusted Contract Goal (Q):</b>					<b>0.0%</b>		

### FY - 2025 PH. II TL Expansion Construction and Pivot Gate

Work Type	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount	Comments	
Work Type	\$ 100,000.00	10%	10%	10.0%	\$10,000	No adjustments made.	
<b>Construction</b>							
1 Runway and taxiway construction	\$ 150,000.00	4.6%	0%	4.6%	\$6,972		
2 Asphalt paving	\$ 30,000.00	9.0%	0%	9.0%	\$2,688		
3 Excavation, site prep, grading, and drainage	\$ 39,000.00	9.0%	0%	9.0%	\$3,495		
4 Traffic control, barricades, and signs	\$ 25,000.00	0.0%	0%	0.0%	\$0		
7 Concrete, asphalt, sand, and gravel products	\$ 75,000.00	5.4%	0%	5.4%	\$4,085		
8 Electrical equipment and supplies	\$ 75,000.00	9.0%	0%	9.0%	\$6,721		
10 Electrical work	\$ 20,000.00	14.0%	0%	14.0%	\$2,809		
12 Landscape services	\$ 5,000.00	12.7%	0%	12.7%	\$634		
<b>Professional Services</b>							
17 Engineering	\$ 100,000.00	12.2%	0%	12.2%	\$0	Consultant not a DBE	
19 Testing and inspection	\$ 25,000.00	16.3%	0%	16.3%	\$4,072		
20 Surveying and mapmaking	\$ 10,000.00	12.2%	0%	12.2%	\$0	Consultant/survey not a DBE	
<b>FY 2025</b>							
Sum of Available Work Item Amounts (L):					<b>\$31,475</b>		
Total Project Amount (M):					<b>\$554,000</b>		
<b>Base Contract Goal (N):</b>					<b>5.7%</b>		
<b>Adjustments:</b>					<b>Comments</b>		
Adjustment 1 (O):					-0.3%	District 2 modifier	
Adjustment 2 (P):					0.0%		
<b>Adjusted Contract Goal (Q):</b>					<b>5.4%</b>		

\*National Market products or services are those for which local firms ca

**FY - 2026 Terminal Construction**

Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount	Comments
Work Type	Y	\$ 100,000.00	10%	10%	10.0%	\$10,000	No adjustments made.
<b>Construction</b>							
7	Concrete, asphalt, sand, and gravel products	\$ 25,000.00	5.4%	0%	5.4%	\$1,350	
8	Electrical equipment and supplies	\$ 75,000.00	9.0%	0%	9.0%	\$6,750	
10	Electrical work	\$ 125,000.00	14.0%	0%	14.0%	\$17,500	
<b>Professional Services</b>							
17	Engineering	\$ 250,000.00	12.2%	0%	12.2%	\$0	
18	Environmental services and transportation consulting	\$ 35,000.00	12.2%	0%	12.2%	\$4,270	
20	Surveying and mapmaking	\$ 10,000.00	12.2%	0%	12.2%	\$0	

\*National Market products or services are those for which local firms cannot compete

**FY 2026**

Sum of Available Work Item Amounts (L): **\$29,870**

Total Project Amount (M): **\$520,000**

**Base Contract Goal (N): 5.7%**

Adjustments:

Adjustment 1 (O): **-0.3%**

Adjustment 2 (P): **0.0%**

**Adjusted Contract Goal (Q): 5.4%**

Comments

District 2 modifier