



# Disadvantaged Business Enterprise (DBE)

## Federal Fiscal Year 2023-2025

### Goal Setting

#### Stakeholders Meeting

#### September 16, 2022



ALLEGHENY COUNTY AIRPORT AUTHORITY  
PITTSBURGH INTERNATIONAL AIRPORT  
ALLEGHENY COUNTY AIRPORT



# Agenda

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- Introductions
- Overview of ACAA
- DBE Program Basics
- ACAA Goal Setting Methodology
- How to Provide Comments
- Partnering Opportunities
- Questions



# Introductions



- **Lisa Naylor**
  - *EVP and CHCO – ACAA*
- **Jeffrey Immel**
  - *SVP, Legal Affairs/General Counsel – ACAA*
- **Virginia Culbreath**
  - *DBE Program Administrator - ACAA*
- **M. Denise Bailey**
  - *Milligan Consulting, LLC*



# Overview of the Allegheny County Airport Authority



# Allegheny County Airport Authority (ACAA) manages Pittsburgh International Airport (PIT) and Allegheny County Airport (AGC)

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## **VISION**

To transform Pittsburgh's airports to reflect and serve the community, inspire the industry, and advance the region's role as a world leader.

## **MISSION**

A global aviation leader driving innovation, regional growth and prosperity by investing in our employees, customers, airlines, and partners.





## DUAL IMPERATIVES

**01 SAFETY, SECURITY  
& HEALTH**

**02 AIR SERVICE  
DEVELOPMENT**

# SMART PLAN FORWARD

A leading-edge plan to connect the great city we are with the vibrant region we've become.



### SMARTER TERMINAL

Modernize Pittsburgh International Airport to create operational efficiencies, welcome visitors properly, and make local residents proud.



### SMARTER TECHNOLOGY

Create seamless connectivity of interrelated devices, objects, people, and processes to improve the overall airport experience.



### SMARTER WORKFORCE

Enable, empower and equip our workforce to thrive in a digitally driven, operationally efficient environment.



### SMARTER DEVELOPMENT

Grow our prime real estate into a global epicenter of advanced manufacturing and digital innovation.



### SMARTER CARGO

Increase growth potential for air cargo companies by becoming a first-choice logistics center in the global supply chain of goods and materials.



# Disadvantaged Business Enterprise (DBE) Requirements





- Governing US Department of Transportation (DOT) Regulation
  - 49 CFR Part 26 and Participation by DBEs in (DOT) Financial Assistance Programs
- ACAA Responsibilities
  - Establish Overall Goals (every three years)
  - Determine Contract Goals
  - Monitoring and Enforcement
  - Reporting

# DBE Overall Goal Requirement

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- 49 CFR 26.45 of CFR requires the ACAA to set an overall DBE goals for its FAA-funded projects.
- Overall goal must be based on demonstrable evidence of the availability of ready, willing and able DBEs relative to all businesses ready, willing and able to participate in the agency's FAA-funded contract opportunities.
- Goal must reflect determination of the level of DBE participation ACAA would expect absent the effects of discrimination.





# DBE Goal Methodology



# Establishing Overall Goals

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- Current DBE Goal is 14.0%

## Past Participation

Fiscal Year	DBE Achievement
FY 2017	14.0%
FY 2018	18.5%
FY 2019	14.0%
FY 2020	14.0%
FY 2021	13.4%





- ACAA is currently developing its Federal Fiscal Years 2023-2025 DBE goals.
- Goal-setting is a two-step process.
- Establish a base figure based on the relative availability of DBEs to participate in ACAA's FAA-funded capital projects.
- Make any necessary adjustments to the base figure based on local market conditions.

# Calculating the Base Figure

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- This goal focuses on the participation of DBEs in FAA-funded contracts that will be *awarded* over the next three years.
- Potential projects are forecast three years into the future.
- This provides a “best estimate” of potential contracting activity and opportunities.



# Calculating the Base Figure

Federal Fiscal Years 2023 – 2025

Anticipated FAA-Funded Projects

AGC Projects
Construct/Extend/Improve Safety Area - RSA RW 10-28 Ph 4 <del>Cnstr</del> (w Final Dsgn 2022)
Construct/Extend/Improve Safety Area - RSA RW 10-28 Ph 5 NAVAIDS <del>Cnstr/Dsgn</del> Reimb <del>Agmnt</del>
2022/2023 Airfield Signage Upgrades
Rehabilitation of Taxiway Pavement Design/Construction Ph 1
AGC Terminal Roof Rehab #11 Construction Ph 1
Construct/Extend/Improve Safety Area - RSA RW 10-28 Ph 6 <del>Cnstr</del>
Construct/Extend/Improve Safety Area - RSA RW 10-28 Ph 7 NAVAIDS <del>Cnstr</del> Reimb <del>Agmnt</del>
Airfield Pavement Joint Crack Rehab
Construct/Extend/Improve Safety Area - RSA RW 10-28 Ph 8 <del>Cnstr</del>
Construct/Extend/Improve Safety Area - RSA RW 10-28 Ph 9 NAVAIDS <del>Cnstr</del> Reimb <del>Agmnt</del>
Airfield Pavement Joint Crack Rehab
AGC Conveyance Upgrade

PIT Projects
Snow Removal Equipment (6 pieces)
Rehab Taxiway B and Spurs (construction with Design in 2022)
Restroom Renovations & Tru-Spin Sanitary Piping Replacement
Interior Lighting & GE LTC Lighting Control System
Terminal Baggage Handling System
Terminal Mechanical/Electrical/Plumbing, and Fire Protection Systems
Terminal Interior Construction
Foundation Underground Utilities
Structural Steel
Acquire Aircraft Rescue & Fire Fighting Vehicle - Replace ARFF Equipment
Rehabilitate Runway - RW 10L-28R Ph 1 <del>Cnstr</del> (incl 2023 Dsgn)
Acquire Snow Removal Equipment - Replace SRE
Rooftop Units and Air Handling Units & Grease interceptors
Terminal Baggage Handling System
Terminal Mechanical/Electrical/Plumbing, and Fire Protection Systems
Terminal Interior Construction
Foundation Underground Utilities
Structural Steel
Rehabilitate Runway - RW 10L-28R Ph 2 <del>Dsgn &amp; Cnstr</del>
Jetway Replacement Ph 1 - Design and Bid
5KvSwitchgear/480c Substations/ATS & Emergency Substations
Aluminum Frames, Curtainwall, Windows & Walls
Metal Wall and Soffit Panels/Doors & Hardware



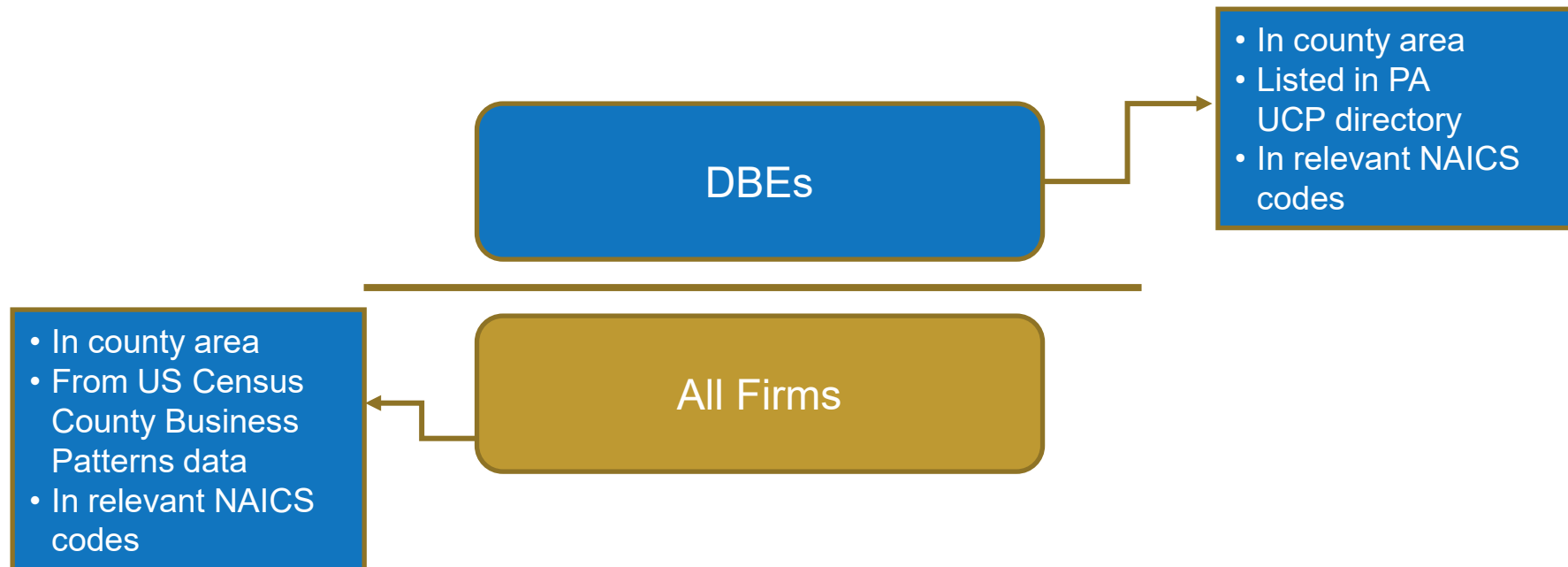
# Calculating the Base Figure

Geographic area for data based on location of where majority of DBE firms are located that current work on ACAA projects – Allegheny County



# Calculating the Base Figure

Based on projected opportunities and past/current DBE participation, ACAA estimates the % of DBEs compared to all firms that can participate in its FAA-funded contracts.





# Relevant NAICS Codes

NAICS Code	Description
238910	Site Preparation Contractors
331110	Iron and Steel Mills and Ferroalloy Manufacturing
332321	Metal Window and Door Manufacturing
332323	Curtain wall, metal, manufacturing
333922	Conveyor and Conveying Equipment Manufacturing
334290	Fire detection and alarm systems manufacturing
336120	Heavy Duty Truck Manufacturing
339950	Sign Manufacturing
423330	Soffit, building (except wood), merchant wholesalers
423610	Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers
423730	Warm Air Heating and Air-Conditioning Equipment and Supplies Merchant Wholesalers
423810	Snowplows merchant wholesalers
444190	Other Building Material Dealers
541330	Engineering Services

NAICS Code	Description
236220	Commercial and Institutional Building Construction
237110	Water and Sewer Line and Related Structures Construction
237130	Power and Communication Line and Related Structures Construction
237310	Highway, Street, and Bridge Construction
237990	Other Heavy and Civil Engineering Construction
238110	Poured Concrete Foundation and Structure Contractors
238120	Structural Steel and Precast Concrete Contractors
238130	Framing Contractors
238160	Roofing Contractors
238170	Fascia and soffit installation
238210	Electrical Contractors and Other Wiring Installation Contractors
238220	Plumbing, Heating, and Air-Conditioning Contractors
238290	Material handling equipment installation
238310	Drywall and Insulation Contractors
238320	Painting and Wall Covering Contractors
238330	Flooring Contractors
238340	Tile and Terrazzo Contractors
238350	Finish Carpentry Contractors
238390	Other Building Finishing Contractors



# Base Figure

For each NAICS codes, determine the relative weight of that type of work, determine the number of 'DBE' and 'All' firms and determine the weighted relative availability.

Project	Number of Available DBEs	Number of All Firms	Relative Availability	
Construction / Construction Related Services	341	2043	16.69%	
Engineering/Design/Construction Management Services	39	368	10.60%	
<b>Combined Totals</b>	<b>380</b>	<b>2,411</b>	<b>15.76%</b>	<b>Overall availability of DBEs</b>

After the Weighted Availability for each NAICS code is determined, add all figures in the Weighted Availability column to derive the base goal.

**For ACAA, this equals 15.76%**



## Step 2 – Adjusting the Base Figure

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Once a base figure has been calculated, relevant evidence in the market area is examined to determine what adjustment, if any, is needed to the base figure in order to arrive at the overall goal. Considerations include:

- Past DBE participation
- Evidence from disparity studies
- Any available evidence from related fields that affect the opportunities for DBEs to form, grow and compete, such as:
- Statistical disparities in the ability of DBEs to get the financing, bonding and insurance required to participate
- Data on employment, self-employment, education, training and union apprenticeship programs, to the extent that it is relevant



# Adjusting For Past Participation

- Past participation of DBEs was determined to be the Relevant adjustment to consider.
- For past five years, that participation was:

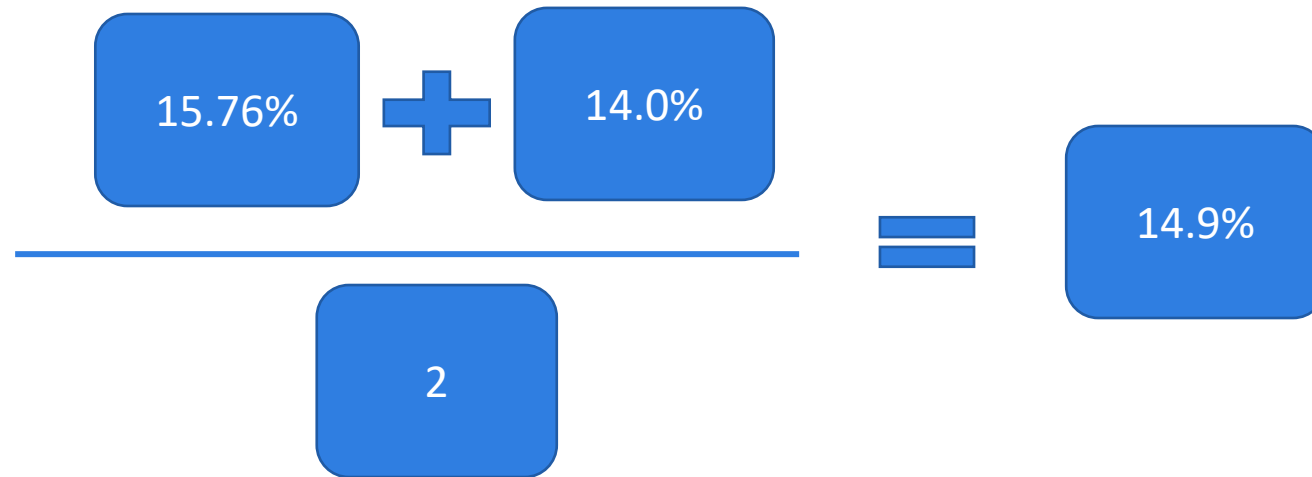
Fiscal Year	DBE Achievement
FY 2017	14.0%
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FY 2020	14.0%
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Regulations require using the median (or middle) past participation percentage



# Adjusting The Base Figure

Calculate the Overall Goal by *averaging* the results of Step 1 (15.76%) with Step 2 (14.0%)

$$\frac{15.76\% + 14.0\%}{2} = 14.9\%$$




# Projecting Race-Neutral/Race Conscious Split

- Once the overall goal is established, ACAA must project what part of the goal it anticipates achieving race-neutrally (i.e., no DBE goals set on agreements/contracts) and what portion it anticipates achieving race-consciously (i.e., setting a goal).
- Since the airport has exceeded its goals, it needs to factor that into the future use of race-conscious goals.
- Based on past participation and current agreements, ACAA anticipates attaining 12.9% race-consciously and 2.0% race neutrally for its FFY 2023-2025 goal.





# Public Participation and Partnerships



# Public Participation

- ACAA is required to communicate with the public in two ways
  - Consultative process with stakeholders
    - Today
  - Publishing of goal on its website
- Please meet with us after this session or send us your comments on the goal to:  
[vculbreath@flypittsburgh.com](mailto:vculbreath@flypittsburgh.com)
- Send comments by September 23, 2022



# Partnerships and Outreach

- ACAA hosts business-capacity building workshops throughout the year. Recent topics have included:
  - Bonding and Capacity Building Series
  - Meet the Terminal Modernization Project (TMP) Primes Workshop with the African American Chamber of Commerce of Western PA
  - Virtual Office Hour for new DBE firms seeking business opportunities at ACAA
  - Virtual TMP DBE Outreach Informative Sessions
  - MWDBE Governmental Committee Conference/Matchmaking & Networking







Southwestern Pennsylvania  
Engineering Outreach



Pittsburgh Metropolitan Area  
**Hispanic Chamber**  
of Commerce



U.S. Small Business  
Administration



AFRICAN AMERICAN  CHAMBER OF COMMERCE  
OF WESTERN PENNSYLVANIA



# Questions/Discussion

