

LEESBURG INTERNATIONAL AIRPORT



Disadvantaged Business Enterprise Goals and Methodology

For
FY 2024 – FY 2026



LEESBURG INTERNATIONAL AIRPORT DISADVANTAGED BUSINESS ENTERPRISE GOALS AND METHODOLOGY

The city of Leesburg, Florida (City or Airport Sponsor) is the owner and operator of the Leesburg International Airport (Airport or LEE). The city of Leesburg is known to the Federal Aviation Administration (FAA) as the Sponsor of the Airport.

As a recipient of FAA Airport Improvement Program (AIP) funds in the amount of over \$250,000 per year, it is required that the Airport's AIP goal for Disadvantaged Business Enterprise (DBE) be calculated on a triennial basis consistent with 49 CFR Part 26, *Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*, Section 26.45, *How Do Participants Set Overall Goals? under DOT-Assisted Projects*. The process is intended to provide maximum flexibility, while ensuring that goals are based on the availability of ready, willing, and able DBEs in the Airport's "Market Area." This approach is crucial in meeting the obligation to ensure that these goals are narrowly tailored. The process of setting goals is used to estimate the percentage of the base calculation that would be performed by DBEs in the absence of discrimination and its effects. The overall goal period for LEE's DBE program at the Airport for federally assisted projects is established on at least a triennial basis. This report establishes the goals for the period beginning on October 1, 2023, and ending on September 30, 2026. This is referred to as the goal period.

The overall goal for the goal period has been set using the methodologies described in 49 CFR Part 26. Based on the data currently available to the Airport staff, the **overall goal of 7.56 percent has been set for the goal period of FY 2024 through FY 2026**. The Airport anticipates \$ 4,335,000.00 of Department of Transportation (DOT)-assisted contracts within the goal period. The Airport has set a goal of expending \$ 327,726.00 with DBEs during the goal period.

Step 1.1 – Actual Relative Availability of Disadvantaged Business Enterprises

The first step of the goal setting process is based on the demonstrable evidence of the relative availability of ready, willing, and able DBEs (relative availability of DBEs) to compete for AIP projects. The data sources used to determine the contractors and subcontractors include DBE directories, lists of bidders and proposers, and firms who previously competed for AIP contracts at the Airport. The Airport elected to use the methodology described in 49 CFR 26.45 (c) (1) to determine the base figure for the relative availability of DBEs. Analysis of the Airport’s previous three years’, FY 2021 through FY 2023, AIP projects; discussions with Airport staff and consultants; and a review of the Airport’s bidders’ lists, and the Florida DOT (FDOT) DBE directory revealed 10 counties as the Airport’s “market area.” An amount of \$ 5,587,289.94 represents 100 percent of the Airport’s projects receiving AIP funds awarded during the three-year history for the Airport. A total of 21 bidding contractors and subcontractors are represented in the bids. These were spread across the 10 counties shown in Table 1.

**Table 1
MARKET AREA COUNTIES**

Market Area Counties
Citrus, FL
Columbia, FL
Hillsborough, FL
Lake, FL
Levy, FL
Orange, FL
Seminole, FL
St. Lucie, FL
Sumter, FL
Volusia, FL

The 2021 Census Bureau’s CBP data was used as the denominator and the FDOT’s DBE Directory information was used as the numerator to determine the percentage of DBE contractors within the market area. All were extracted for construction and professional services trades for the Airport’s “market area” in the same North American Industry Classification System (NAICS) codes category.

The NAICS code is a six-digit code. The FDOT DBE Directory’s gleaned information also included all DBE participants within the six-digit classification. Further, while the FDOT DBE Directory classifies those participants that have been certified to perform aviation work, as opposed to those who have been certified to perform highway, rail, or transit work, it was elected to include all FDOT DBEs certified within the NAISC six-digit code. The base figure was calculated by counting only the DBEs and the U.S. Census Bureau establishments in the same NAICS codes as shown in Tables 2.

Table 2
ACTUAL RELATIVE AVAILABILITY OF DISADVANTAGED BUSINESS ENTERPRISES FOR FY 2024

NAICS	Project	Total Project Amount	Total DBE Firms for Subject NAICS Groups Located in Market Area	Total all Firms for Subject NAICS Groups Located in Market Area
FY 2024				
	Wildlife Hazard Management Plan - Planning	\$ 35,000.00		
541330	Engineering Services	\$ 5,250.00	42	1,287
541620	Environmental Consulting Services	\$ 29,750.00	29	156
	Taxiway A1, A2, A3, D Pavement Rehab	\$ 2,000,000.00		
237310	Highway, Street, & Bridge Construction	\$ 1,640,000.00	20	126
484220	Specialized Freight (except Used Goods) Trucking, Local	\$ 100,000.00	28	309
541370	Survey and Mapping (except geophysical) Services	\$ 200,000.00	9	151
561730	Landscaping Services (Sod)	\$ 60,000.00	18	2,378
FY 2025				
	Taxilane (T-hangar) Rehabilitation - Design	\$ 100,000.00		
541330	Engineering Services	\$ 90,000.00	42	1,287
541370	Survey and Mapping (except geophysical) Services	\$ 10,000.00	9	151
	Wildlife Fence	\$ 200,000.00		
541330	Engineering Services	\$ 176,000.00	42	1,287
541370	Survey and Mapping (except geophysical) Services	\$ 24,000.00	9	151
FY 2026				
	Wildlife Fence (Phase 1) - Construction	\$ 1,000,000.00		
238990	Other Specialty Contractors	\$ 800,000.00	50	943
541370	Survey and Mapping (except geophysical) Services	\$ 100,000.00	9	151
561370	Landscaping Services (Sod)	\$ 100,000.00	18	2,378
	Taxilane (T-hangar) Rehabilitation - Construction	\$ 1,000,000.00		
237310	Highway, Street, & Bridge Construction	\$ 600,000.00	20	126
238210	Electrical Contractors and Other Wiring Installation Contractors	\$ 100,000.00	16	1,266
238990	Other Specialty Contractors	\$ 100,000.00	50	943
484220	Specialized Freight (except Used Goods) Trucking, Local	\$ 50,000.00	28	309
541370	Survey and Mapping (except geophysical) Services	\$ 100,000.00	9	151
561370	Landscaping Services (Sod)	\$ 50,000.00	18	2,378

Step 1.2 Weighted Availability of Disadvantaged Business Enterprises

49 CFR Section 26.45 (d) and the goal and the methodology guidelines found on the Office of Small and Disadvantaged Business Utilization (OSDBU) website identify numerous examples of the various types of data to examine to adjust the Total Relative Availability to make it as precise as possible. This step is intended to adjust the preliminary percentage from Step 1 to accurately reflect the DBE participation that would be expected in the absence of discrimination.

Step 1.3 – Weighted Availability of Disadvantaged Business Enterprises

For FY 2024 and FY 2025, the award of the following projects and classifications is anticipated as shown in Table 3. For FY 2026, the award of the following projects and classifications is anticipated as shown in Table 4.

**Table 3
WEIGHTED RELATIVE AVAILABILITY OF DBEs FOR FY 2024 AND FY 2025**

Contract Name	Trade/NAICS Description	NAICS Code	Trade Dollars	Number of State DOT Directory Firms	Number of U.S. Census Firms	DBE Percentage	DBE Dollars
FY 2024							
Wildlife Hazard Management Plan - Planning	Engineering Services	541330	\$ 5,250.00	42	1,287	3.26%	\$ 171.33
	Environmental Consulting Services	541620	\$ 29,750.00	29	156	18.59%	\$ 5,530.45
	Total No. 1 Contract FY 2024		\$ 35,000.00			16.29%	\$ 5,701.78
Taxiway A1, A2, A3, D Pavement Rehab	Highway, Street, & Bridge Construction	237310	\$ 1,640,000.00	20	126	15.87%	\$ 260,317.46
	Specialized Freight (except Used Goods) Trucking, Local	484220	\$ 100,000.00	28	309	9.06%	\$ 9,061.49
	Survey and Mapping (except geophysical) Services	541370	\$ 200,000.00	9	151	5.96%	\$ 11,920.53
	Landscaping Services (Sod)	561730	\$ 60,000.00	18	2,378	0.76%	\$ 454.16
	Total No. 2 Contract FY 2024		\$ 2,000,000.00			31.65%	\$ 281,753.64
FY 2025							
Taxilane (T-hangar) Rehabilitation - Design	Engineering Services	541330	\$ 90,000.00	42	1,287	3.26%	\$ 2,937.06
	Survey and Mapping (except geophysical) Services	541370	\$ 10,000.00	9	151	5.96%	\$ 596.03
	Total No. 1 Contract FY 2025		\$ 100,000.00			3.53%	\$ 3,533.09
Wildlife Fence	Engineering Services	541330	\$ 176,000.00	42	1,287	3.26%	\$ 5,743.59
	Survey and Mapping (except geophysical) Services	541370	\$ 24,000.00	9	151	5.96%	\$ 1,430.46
	Total No. 2 Contract FY 2025		\$ 200,000.00			3.59%	\$ 7,174.05

For each classification, the number of DBE firms is divided by the number of firms found in the market area counties as shown in the U.S. Census. This results in the DBE percentage. The dollars for each trade are achieved by multiplying the percentage of the work required for that trade for that project by the Overall Project Budget. The trade dollars are then multiplied by the DBE percentage to achieve the DBE dollars.

The total weighted DBE percentage for FY 2024: Total DBE dollars (\$ 287,455.42) divided by the total number of trade dollars (\$2,035,000.00) = 14.13%

The total weighted DBE percentage for FY 2025: Total DBE dollars (\$ 10,707.14) divided by the total number of trade dollars (\$ 300,000) = 3.57 percent.

**Table 4
WEIGHTED RELATIVE AVAILABILITY OF DBEs FOR FY 2026**

Contract Name	Trade/NAICS Description	NAICS Code	Trade Dollars	Number of State DOT Directory Firms	Number of U.S. Census Firms	DBE Percentage	DBE Dollars
FY 2026							
Wildlife Fence (Phase 1) - Construction	Other Specialty Contractors	238990	\$ 800,000.00	50	943	5.30%	\$ 42,417.82
	Survey and Mapping (except geophysical) Services	541370	\$ 100,000.00	9	151	5.96%	\$ 5,960.26
	Landscaping Services (Sod)	561370	\$ 100,000.00	18	2,378	0.76%	\$ 756.94
	Total No. 1 Contract FY 2026		\$1,000,000.00			4.91%	\$ 49,135.02
Taxilane (T-hangar) Rehabilitation - Construction	Highway, Street, & Bridge Construction	237310	\$ 600,000.00	20	126	15.87%	\$ 95,238.10
	Electrical Contractors and Other Wiring Installation Contractors	238210	\$ 100,000.00	16	1,266	1.26%	\$ 1,263.82
	Other Specialty Contractors	238990	\$ 100,000.00	50	943	5.30%	\$ 5,302.23
	Specialized Freight (except Used Goods) Trucking, Local	484220	\$ 50,000.00	28	309	9.06%	\$ 4,530.74
	Survey and Mapping (except geophysical) Services	541370	\$ 100,000.00	9	151	5.96%	\$ 5,960.26
	Landscaping Services (Sod)	561370	\$ 50,000.00	18	2,378	0.76%	\$ 378.47
	Total No. 2 Contract FY 2026		\$1,000,000.00			11.27%	\$112,673.62

Total weighted DBE percentage for FY 2026: Total DBE dollars (\$ 161,808.64) divided by the total number of trade dollars (\$ 4,335,000.00) = 3.73 percent.

The Base DBE Goal projection after weighting is as follows:

- Total Weighted DBE Availability: FY 2024 (\$ 287,455.42) + FY 2025 (\$ 10,707.14) + FY 2026 (\$ 161,808.64) = **\$ 459,971.20**
- Total for all trades: FY 2024 (\$ 2,035,000.00) + FY 2025 (\$ 300,000.00) + FY 2026 (\$ 2,000,000.00) = **\$ 4,335,000.00.**

Dividing the weighted DBE totals (\$ 114,491.90) by the total estimate for all classifications (\$ 4,335,000.00) gives a base DBE availability figure for the projects during the goal setting period. This figure is expressed as a percentage and serves as the basis for the three-year overall goal.

Base DBE Goal: 10.61 percent

B. Step 2.1 – Past Participation - Median Past Participation Method

Adjustments based on the utilization of the “Median Past Participation” method included the three-year history of AIP projects of similar scope, which yielded an actual DBE median of 4.51 percent, as shown in Table 5.

**Table 5
THREE-YEAR MEDIAN HISTORICAL AIP PROJECTS**

Fiscal Year	Project Title	Total Project Dollars	DBE					
			Goal		Actual		Variance	
			Dollars	Percentage	Dollars	Percentage	Dollars	Percentage
2021	Runway 13/31 Construction	\$ 4,909,299.94	\$ 27,492.08	0.56%	\$ 944,000.00	19.23%	\$ 916,507.92	18.67%
2021	Runway 13/31 CA	\$ 137,000.00	\$ -	0.00%	\$ 25,000.00	18.25%	\$ 25,000.00	18.25%
2023	Taxiway D Design	\$ 255,000.00	\$ -	0.00%	\$ 11,500.00	4.51%	\$ 11,500.00	4.51%
2021	Runway 13/31 RPR Services	\$ 161,190.00	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
2022	Wildlife Hazard Assessment	\$ 124,800.00	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
					Median	4.51%		

The median actual percentage of the five historical projects was 4.51 percent. The Base DBE Goal of 10.61 percent plus the Median Past Participation of 4.51 percent yields $(10.61 + 4.51)/2 = 7.56$ percent. Therefore, the Base DBE Goal adjusted for Median Past Participation is 7.56 percent.

Step 2.2 - Other Factors

The Airport and its consultant validated with the State of Florida's Office of Supplier Diversity and found no information about past discrimination in public contracting, discrimination in private credit, bonding or insurance, data on employment, training, or union apprenticeship programs, and/or data on firms' formation. The city of Leesburg does not have sufficient reliable information about the characteristics of the firms (size, age, past-experience, bonding, insurance, etc.) available in the market area to make any justifiable adjustments.

The consultant and Airport staff considered all the factors listed in the federal regulation and the Office of Small and Disadvantaged Business Utilization (OSDBU) website to determine if an adjustment is necessary. It was determined that no market area disparity study had been conducted that would impact the federal DBE goal-setting process.

Step 3 Breakout of Race-Neutral and Race Conscious Participation

The estimated breakout of race-neutral and race conscious participation on the Airport's AIP projects will be adjusted to reflect actual DBE participation. Race-neutral and race conscious participation will be tracked and reported separately. Race-neutral participation includes either DBE participation through a prime contract, which a DBE obtains via competitive procurement procedures; DBE participation on a prime contract exceeding a contract goal; or DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making an award.

Per 49 CFR Part 26.51 (c), the Airport's race-neutral and race conscious goals are subject to change and will be updated annually to include these changes. It is anticipated that the Leesburg International Airport will meet the maximum feasible portion of its overall goal by using race conscious means of facilitating DBE participation. It is estimated that in meeting the Airport's overall goal of 7.56 percent, it will obtain zero percent from race-neutral participation and 7.56 percent will be obtained through race conscious measures. This projection is subject to approval by the FAA, in conjunction with its review of the Sponsor's overall goal. The Sponsor will establish goals to meet any portion of an overall goal when the Sponsor does not project being able to meet goals using race-neutral means.

The breakout was established by computing the median of the variance of the level of DBE participation versus the DBE goal on the previous three fiscal years considered in Step 2 of the Previous FAA Projects. The race conscious participation is established at 7.56 percent. The following is the data base upon which the level of variance was computed using the "Prior Projects Considered" information:

**Table 3
PAST DBE PARTICIPATION VARIANCE MEDIAN**

Fiscal Year	Airport	DBE Goal	Percent of DBE Participation	Variance
2021	Leesburg International Airport	0.56%	18.61%	18.05%
2022	Leesburg International Airport	0.00%	0.00%	0.0%
2023	Leesburg International Airport	0.00%	4.51%	4.51%
		MEDIAN		4.51%

The Airport has four recent examples of a history of DBE participation where no contract goals were used. These were:

- Runway 13/31 Rehabilitation Construction Administration (CA)
- Runway 13/31 Rehabilitation Resident Project Representative (RPR) Services
- Taxiway D Design Services
- Wildlife Hazard Assessment

The Airport uses the following race-neutral measures:

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. Carrying out information and communications programs on contracting procedures and specific contract opportunities.
3. Implementing a 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.

Contract Goals

The city of Leesburg, Florida, the Airport Sponsor, will use contract goals to meet any portion of the overall goal that the Leesburg International Airport does not project being able to meet using race-neutral means. Contract goals are established so that, over the goal period, they will cumulatively result in meeting any portion of the Airport’s overall goal that is not projected to be met using race-neutral means. The Sponsor will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. It is not necessary to establish a contract goal on every such project, and the size of contract goals will be adapted to the circumstances of each contract (e.g., type and location of work, DBEs to perform the work). The Sponsor will express its contract goals as a percentage of the federal share of a DOT-assisted contract. Contract goals shall be used to meet 7.56 percent of the Airport’s overall goal and such goals can only be used on contracts that present subcontracting opportunities. However, contract goals shall not be utilized for Part 26 federally funded FY 2024-FY 2026 projects beyond the attainment of the annual overall goal. This requirement applies to both

construction and non-construction (i.e., architectural, landscaping, and other professional services, equipment, etc.).

The appropriate goal will be included in each AIP solicitation. Individual contract goals may vary from the overall goals of the federal share of DOT-assisted contracts:

- Note 1: If a contract goal has been established, a bidder may not meet the requirements of the bid specification by stating that he/she will accomplish all work of the contract using his/her own employees. First, he/she must demonstrate, to the Airport's satisfaction, that he/she made good faith efforts to meet the goal, and despite those efforts, was unable to subcontract any of the work to DBEs.
- Note 2: The good faith effort requirements of 49 CFR Part 26.53 shall be required in every instance where a contract goal has been established.

DBE Goals Process and Public Participation

The Leesburg International Airport reviews its overall DBE goal each year and submits its triennial DBE Goals to the FAA Office of Civil Rights as per FAA's schedule.

The Airport placed the following notice in the *Daily Commercial*, a local newspaper, on May 1, 2024.

PUBLIC NOTICE

The City of Leesburg, FL hereby publishes a proposed overall goal for its Disadvantaged Business Enterprise (DBE) program for FY 2024 through F 2026, for the Leesburg International Airport in Leesburg, Florida. The proposed goal for overall FAA-AIP funded projects for FY 2024 through FY 2026 is 3.58 percent. The methodology used in developing this goal will be available for inspection until May 31, 2024, at the Airport's offices located at 8807 Airport Blvd, Leesburg, FL 34788 Monday through Friday 9:00 AM to 5:00 PM. These goals are established under 49 CFR Part 26.

Any written comments may be forwarded to the address cited below:

Ms. Tracey Dean
Leesburg International Airport
8807 Airport Road
Leesburg, FL 34788
Email: Tracey.Dean@leesburgflorida.gov

No comments were received.

The City of Leesburg also placed the following notice in the *Daily Commercial* on May 1, 2024.

NOTICE of PUBLIC MEETING

The Leesburg International Airport will hold an online Disadvantaged Business Enterprise (DBE) meeting on May 13, 2024, at 9:00 a.m. local time on Microsoft Teams, Meeting ID: 297 217 979 228 and passcode: jKUgym. The meeting will include a PowerPoint presentation to let participants know of the Leesburg International Airport's DBE Goals and Methodology, the purpose for its creation, the methodologies used in the development of the DBE Goals, and the Goals themselves. These goals are established under 49 CFR Part 26. An opportunity for questions and comments will occur at the end of the meeting. A copy of the DBE Goals and Methodology report may be viewed at the Airport offices located at 8807 Airport Blvd, Leesburg, FL 34788 Monday through Friday 9:00 am to 5:00 pm through May 31, 2024.

Written comments are encouraged and may be sent to the Airport Manager at:

Ms. Tracey Dean
Leesburg International Airport
8807 Airport Blvd.
Leesburg, FL 34788
Email: Tracey.Dean@leesburgflorida.gov

To date, no comments have been received.

Direct emails were also sent out to all DBEs listed within the entire State of Florida for the NAISC codes anticipated to be used in the upcoming federally funded projects that are available to do work in the Leesburg International Airport market area. This amounted to 113 DBE firms. Additionally, the three prime contractors that bid on project at the Airport in the last three years were also emailed directly to notify them of the presentation.

Two DBE firms responded by saying that they would not participate as they did not wish to travel to or work in Lake County. Two DBE firms participated in the presentation. Three DBE firms emailed later and requested a copy of the PowerPoint presentation, which was forwarded to them.

Should changes to this report be necessary after the conclusion of this approval process by the FAA, a revised and still accessible version of this report will be posted on the Airport website.

Summary

Because of the weighted relative methodology, together with the median of the past participation, the Airport determined that the goal of 7.56 percent is representative of the spirit and intent of 49 CFR Part 26. **The Airport has established the reasonable and attainable DBE goal of 7.56 percent for the goal period of FY 2024 through FY 2026.**