

**Amended  
City of St. Louis- St. Louis Lambert  
International Airport®**

**Three Year Overall  
DBE Goal Methodology  
For  
2023-2025**

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## **DISADVANTAGED BUSINESS ENTERPRISE GOAL METHODOLOGY FISCAL YEARS 2023-2025**

### **I. SUMMARY**

The City of St. Louis-St. Louis Lambert International Airport has prepared this document to describe the methodology used to establish its' overall Disadvantaged Business Enterprise (DBE) goal for Federal Aviation Administration (FAA) assisted contracts. The DBE overall goal setting methodology is a requirement set forth in the United States Department of Transportation (USDOT) DBE regulations-49 CFR Part 26.

### **II. PROPOSED OVERALL GOAL FOR FFY 2023-2025**

Based on the requirements set forth in 49 CFR Part 26, the City of St. Louis-St. Louis Lambert International Airport is submitting a goal for 2023-2025. The recommended overall DBE goal for the period of 2023-2025 is 23 percent (23%).

### **III. OVERALL DBE GOAL SETTING METHODOLOGY**

In preparation for the 2023-2025 overall DBE goal, the Disadvantaged Business Enterprise Liaison Officer (DBELO) obtained the Airport's planned program of projects and the budget for those projects from the Airport Engineering, Planning & Development department. FAA assisted contracting for FFY 2023-2025 is expected to consist of six (6) main projects. Additional projects may be undertaken if revenue becomes available and the overall DBE goal will be adjusted, if necessary. The six (6) main projects are listed in **Table 1**.

**Table 1. Anticipated Program of Projects for 2023-2025**

<b>Projects</b>	<b>Federal Fiscal Year</b>
1. Charlie Reconstruction-Project 1	FFY 2023 (Oct.1 2022-Sept. 30, 2023)
2. Glycol Improvements Reconstruction	FFY 2023 (Oct.1 2022-Sept. 30, 2023)
3. Maintenance Facility Reconstruction	FFY 2023 (Oct.1 2022-Sept. 30, 2023)
4. Charlie Reconstruction-Project 2	FFY 2024 (Oct. 1 2023-Sept. 30, 2024)
5. Kilo Lima Reconstruction	FFY 2025 (Oct. 1, 2024-Sept. 30, 2025)
6. Air Cargo Ramp reconstruction	FFY 2025 (Oct. 1, 2024-Sept. 30, 2025)

Projects listed in Table 1 are evaluated for contracting opportunities. The City of St. Louis Lambert International Airport examined work categories by utilizing the North American Industry Classification System (NAICS) codes involved on projects listed in Table 1. NAICS along with their NAICS description are listed in **Table 2**. In order to determine the weight of each NAICS involved we must estimate and assign a dollar amount for each NAICS which is listed in the Amount of DOT Funds column. Once the amount has been determined we divide the total amount to be expended in each NAICS by the Total DOT-Assisted Contract Funds amount to assign weight to each NAICS as shown in the percentage of total DOT funds (weight) column (Table 2).

**Table 2. North American Industry Code System (NAICS)/Work Categories**

	NAICS Code	NAICS Description	Amount of DOT funds	% of total DOT funds (weight)
1)	237310	Highway, Street & Bridge Construction	\$ 33,000,000.00	0.2500
2)	237990	Other Heavy & Civil Engineering Construction	\$ 15,000,000.00	0.1136
3)	238110	Poured Concrete Foundation and Structure Contractors	\$ 10,000,000.00	0.0758
4)	238210	Electrical Contractors and Other Wiring Installation Contractors	\$ 7,000,000.00	0.0530
5)	238910	Site Preparation Contractors	\$ 10,000,000.00	0.0758
6)	238990	All Other Specialty Trade Contractors	\$ 3,000,000.00	0.0227
7)	327320	Ready-Mix Concrete Manufacturing	\$ 4,700,000.00	0.0356
8)	484220	Specialized Freight Trucking, Local	\$ 3,500,000.00	0.0265
9)	541330	Engineering Services	\$ 3,500,000.00	0.0265
10)	561990	All Other Support Services	\$ 3,000,000.00	0.0227
11)	238120	Structural Steel and Precast Concrete Contractors	\$ 8,000,000.00	0.0606
12)	236220	Commercial and Institutional Building Construction	\$ 20,000,000.00	0.1515
13)	238220	Plumbing, Heating & Air Conditioning Contractors	\$ 5,000,000.00	0.0379
14)	237130	Power and Communication Line & Related Construction	\$ 6,000,000.00	0.0455
15)	561730	Landscaping Services	\$ 300,000.00	0.0023
	<b>Total DOT-Assisted Contract Funds</b>		<b>\$ 132,000,000.00</b>	<b>1.0000</b>

#### IV. STEP 1. BASE FIGURE CALCULATION

The initial phase of the Step 1 analysis requires that the Airport calculate the base figure for the relative availability of ready, willing and able DBEs within their market area to participate on Airport projects. Before calculating the base figure, the City of St. Louis-St. Louis Lambert International Airport must determine its market area. Review of census track data indicates that the St. Louis-Illinois Metropolitan Statistical Area is the Airport market area. has been determined to be the market area based on the area where the majority of the contractors and subcontractors who seek to do business with the Airport are located as well as the area in which the Airport spends the majority of its contracting dollars. The St. Louis Metropolitan Statistical includes counties in Missouri and Illinois as listed in **Table 3**. Once the market area has been established the City of St. Louis-St. Louis Lambert International Airport must examine DBE availability.

**Table 3. St. Louis Metropolitan Statistical Area-Missouri and Illinois Counties**

<b>Missouri Counties</b>	<b>Illinois Counties</b>
1. City of St. Louis	9. Bond
2. City of Sullivan	10. Calhoun
3. Franklin County	11. Clinton
4. St. Charles County	12. Jersey
5. St. Louis County	13. Macoupin
6. Jefferson County	14. Madison
7. Lincoln County	15. Monroe
8. Warren County	16. St. Clair

In order to determine the relative availability of DBEs in the market area the City of St. Louis-Lambert International Airport must examine the number of ready, willing and able DBE firms and total number of establishments within the market area and across all NAICS involved on projects at the Airport.

The Airport examined additional lists of DBEs within the Illinois Department of Transportation DBE Directory, the State of Missouri Office of Administration-Office of Equal Opportunity MBE/WBE Directory, Illinois Central Management Systems Directory of MBE/WBE, the City of St. Louis's MBE/WBE directory and MBEs/WBEs from other sources to ensure the number of ready, willing and able DBEs and potential DBEs is accurate.

The number of ready, willing and able DBE firms to participate on projects at the Airport within the market area for all NAICS totaled 410 (**see Number of DBEs available to perform this work column Table 4**). Additionally, the Airport examined the total number of establishments, including DBEs, available to perform within the market area and NAICS involved on Airport projects. The City of St. Louis-Lambert International Airport

examined the United States Census Bureau County Business Patterns database to determine the total number of establishments within the market area and NAICS involved. Based off data reviewed in the County Business Patterns database the total number of all establishments for all NAICS totaled 4,766 (see Table 4). USDOT tips requires the calculation of the relative base figure by dividing the total number of available, willing and able DBEs in the market area by the total number of all establishments multiplied by 100. The Step 1 base figure estimate of DBE availability equals 8.60 percent (8.60%) as shown in Table 4.

**Table 4. DBE Availability Analysis**

	NAICS Code	NAICS Description	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability	
1)	237310	Highway, Street & Bridge Construction	13	92	0.1413	
2)	237990	Other Heavy & Civil Engineering Construction	14	16	0.8750	
3)	238110	Poured Concrete Foundation and Structure Contractors	10	221	0.0452	
4)	238210	Electrical Contractors and Other Wiring Installation	22	500	0.0440	
5)	238910	Site Preparation Contractors	22	273	0.0806	
6)	238990	All Other Specialty Trade Contractors	19	397	0.0479	
7)	327320	Ready-Mix Concrete Manufacturing	2	54	0.0370	
8)	484220	Specialized Freight Trucking, Local	30	301	0.0997	
9)	541330	Engineering Services	25	459	0.0545	
10)	561990	All Other Support Services	9	155	0.0581	
11)	238120	Structural Steel and Precast Concrete Contractors	7	6	1.1667	
12)	236220	Commercial and Institutional Building Construction	10	357	0.0280	
13)	238220	Plumbing, Heating & Air Conditioning Contractors	20	808	0.0248	
14)	237130	Power and Communication Line & Related Construction	2	56	0.0357	
15)	561730	Landscaping Services	20	1071	0.0187	
	<b>Combined Totals</b>		<b>225</b>	<b>4766</b>	<b>0.0472</b>	<b>Overall availability of DBEs</b>

In the application of the overall DBE goal, not all DBEs have equal opportunity for participation as opportunity depends on the dollar spend in each NAICS code. Weighting is recommended to ensure the overall goal accurately reflects the scopes of work involved on Airport projects. The Airport weighted the availability of firms based on the dollar spend in each NAICS which resulted in a weighted step-one base figure of 23 percent (23%) as outlined in **Table 5**.

**Table 5. DBE Goal Analysis**

	NAICS Code	NAICS Description	Weight	x	Availability	Weighted Base Figure
1)	237310	Highway, Street & Bridge Construction	0.25000	x	0.30435	0.0761
2)	237990	Other Heavy & Civil Engineering Construction	0.11364	x	1.25000	0.1420
3)	238110	Poured Concrete Foundation and Structure Contractors	0.07576	x	0.09050	0.0069
4)	238210	Electrical Contractors and Other Wiring Installation Contractors	0.05303	x	0.13000	0.0069
5)	238910	Site Preparation Contractors	0.07576	x	0.21978	0.0167
6)	238990	All Other Specialty Trade Contractors	0.02273	x	0.07557	0.0017
7)	327320	Ready-Mix Concrete Manufacturing	0.03561	x	0.03704	0.0013
8)	484220	Specialized Freight Trucking, Local	0.02652	x	0.18272	0.0048
9)	541330	Engineering Services	0.02652	x	0.05447	0.0014
10)	561990	All Other Support Services	0.02273	x	0.05806	0.0013
11)	238120	Structural Steel and Precast Concrete Contractors	0.06061	x	1.33333	0.0808
12)	236220	Commercial and Institutional Building Construction	0.15152	x	0.07003	0.0106
13)	238220	Plumbing, Heating & Air Conditioning Contractors	0.03788	x	0.03713	0.0014
14)	237130	Power and Communication Line & Related Construction	0.04545	x	0.03571	0.0016
15)	561730	Landscaping Services	0.00227	x	0.02894	0.0001
					<b>Total</b>	0.2319
					Expressed as a % (*100)	23.19%
					<b>Rounded, Weighted Base Figure:</b>	<b>23%</b>

## **V. STEP 2. CONSIDERATION OF ADJUSTMENT TO THE BASE FIGURE**

The Airport examined all evidence in its jurisdiction to determine what adjustment, if any, is needed to the base figure to arrive at the overall goal. Included among the types of evidence that must be considered is the current capacity of DBEs to perform work on the Airport's federally assisted contracts, as measured by the volume of work DBEs have performed on in recent years, evidence from a disparity study conducted in 2022 by St. Louis Metropolitan Sewer District (MSD) and information obtained from various stakeholders.

In order to adjust the Step One Base Figure the Airport is required to examine past participation for 2017, 2018, 2019, 2020 and 2021 as listed in Table 6 and determine the "median." The goal setting process will be more accurate if we use the median vs. the average or mean. The median is the middle number in any group of numbers. We arranged the percentages for past participation from low to high-0%, 14%, 18%, 28.5% and 43.6%. Because there is an odd number of values from which to determine the median, we took the number which falls in the middle. The median number from 2017-2021 was determined to be 18.0 percent (18.0%). Review of past participation, specific projects, characteristics of DBE firms within the jurisdiction and the aforementioned evidence does not indicate that an adjustment at this time is warranted. The City of St. Louis-Lambert International Airport's participation has been very similar to our Step One Base Figure. Therefore, the overall three year DBE goal will be 23 percent (23%).

**Table 6. Adjustment to Base Figure**

<b>Federal Fiscal Year</b>	<b>Contract Awards/Commitments</b>	<b>DBE Awards/Commitments</b>	<b>Percentage</b>
2017	\$6,047,028	\$1,114,053	18%
2018	\$2,224,409	\$970,610	43.6%
2019	\$7,268,141	\$2,072,853	28.5%
2020	\$6,569,005	\$920,288	14.0%
2021	\$0	\$0	0%

## **VI. PROJECTION OF RACE NEUTRAL (RN) VS. RACE CONSIDIOUS (RC) GOAL ATTAINMENT**

The final requirement of the goal setting process is to determine the portion of the overall goal that will be achieved by race and gender-neutral means. As outlined in 49 CFR Part 26.51, the maximum feasible portion of the overall DBE goal should be achieved using race and gender-neutral means.



The Airport examined the achievement of its goals for 2017-2021 since contracting opportunities as similar. The race neutral and race conscious components were determined by analyzing the DBE achievements against the actual goals set forth for federally-funded projects. Race-neutral means includes, but are not limited to, the following:

- (1) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other small businesses and by making contracts more accessible to small businesses, by means such as those provided under § 26.39.
- (2) Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing);
- (3) Providing technical assistance and other services;
- (4) Carrying out information and communications programs 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; provision of information in languages other than English, where appropriate);
- (5) 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;
- (6) Providing services to help DBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
- (7) Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low;
- (8) Ensuring distribution of your DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors; and
- (9) Assisting DBEs, and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media.

Based off the upcoming program of projects the City of St. Louis-St. Louis Lambert International Airport estimates that in meeting the established overall goal of 23%. Based

off upcoming projects the Airport determined that the race neutral and race-conscious split would utilize the base figure of 23%. The Airport estimates that approximately \$5,500,000.00 worth of its contracting opportunities can be bid to small business. Examining larger opportunities the Airport considered if prime bidders would solicit and afford viable opportunities to DBE firms, as well as, small businesses to perform on larger opportunities. The Airport estimates that approximately \$3,000,000.00 worth of DBE participation exists within the remaining opportunities. The Airport calculated the total to be approximately \$8,500,000.00 of contracts awarded to DBE firms through race neutral means which equates to approximately 6.4 percent (6.4%). The Airport subtracted the race neutral percentage from the overall goal of 23% and determined the race conscious portion of the overall goal to be 16.6 percent (16.6%). Therefore, the Airport will obtain 6.4% from race-neutral (RN) participation and 16.6% through race-conscious (RN) measures.

The 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.

## **VII. CONTRACT GOALS**

Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means. We will establish contract goals only on those FAA-assisted contracts that have subcontracting possibilities. We do 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). We will express our contract goals as a percentage of the total amount of DOT-assisted contracts.

## **VIII. PUBLIC NOTICE OF PROPOSED OVERALL GOALS**

In establishing an overall goal, you recipients must provide for consultation and publication. This includes: Consultation with minority, women's 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 Airport's efforts to establish a level playing field for the participation of DBEs. The consultation

must include a scheduled, direct, interactive exchange (e.g., a face-to-face meeting, video conference, and tele-conference) with as many interested stakeholders as possible focused on obtaining information relevant to the goal setting process.

The public notice was posted on Friday, June 17, 2022 on the Airport's website at [Programs - St. Louis Lambert International Airport \(flystl.com\)](#) and sent to stakeholders, DBEs, MBEs, WBEs, and additional advocacy groups. The notice informed the public of the proposed DBE goal of 23% advised its rationale was available for inspection during normal business hours at the aforementioned locations for 30 days following the notice and public comments would be accepted for 30 days following the date of the notice.

The Airport hosted a virtual Go-To-Meeting on Monday, July 18, 2022 from 10:00 a.m.-11:45 a.m. There was a total of 28 attendees in the virtual session. The following minority, women and general contractor groups, community organizations and other officials (interested parties) within St. Louis Lambert International Airport's contracting market were invited to attend the public meeting aimed at gathering information relative to the goal-setting process:

African American Business and Contractors Association (AABCA)  
Associated General Contractors of Missouri (AGC)  
Bi-State Development Agency  
City of Kansas City, Kansas City, Missouri  
City St. Louis-Board of Public Service  
City of St. Louis-Comptroller's Office  
Greater St. Louis Inc.  
Hispanic Chamber of Commerce of Metropolitan St. Louis  
Illinois Department of Transportation  
Mid-States Minority Supplier Council  
Missouri Department of Transportation  
Missouri Procurement Technical Assistance Centers-St. Louis  
Missouri Women in Trades (MOWIT)  
MOKAN  
NAACP  
Office of Administration-Office of Equal Opportunity State of Missouri  
People of Construction  
Regional Union Construction Center (RUCC)  
SITE Improvement Association  
St. Louis Agency on Employment and Training (SLATE)  
St. Louis Asian Chamber of Commerce  
St. Louis Council of Construction Consumers  
St. Louis County  
St. Louis Development Corporation  
St. Louis Economic Partnership

## Urban League of St. Louis

Additionally, the public notice and invitation was sent to 1,449 currently certified Disadvantaged Business Enterprises and Airport Concessions Disadvantaged Business Enterprises and 700 currently certified Minority Business Enterprises and Women Business Enterprises.

SITE Improvement Association (SITE) sent questions to the attention of the DBELO. SITE's questions focused on the increase in the goal from 19% to 23% which was attributed to the increase of projects from four-(4) to six-(6). When the anticipated program of projects increased from four to six so did the scopes of work and total dollar amount. Thereby, adjusting the weight. They inquired about the number of DBE firms exceeding the total number of all firms plus DBEs in NAICS 237990-Other Heavy Civil and Engineering Construction. Initially, the number of DBEs exceed the total number of all firms plus DBEs but the Airport re-examined the DBEs included in the calculation and made an adjustment based off new information obtained from four of the DBEs counted. With that information the Airport re-examined all NAICS and contacted DBEs to get more clarification. Adjustments were made across all NAICS due to DBEs advising a shift in certain types of work as a result of the pandemic-labor shortages, inability to obtain material and/or supplies, etc. SITE inquired about the use of the utilizing the median percentage over five years vs. the average and the Airport creating a pipeline program to ensure that DBEs firms are utilized by non-DBE firms on projects. SITE requested advice for non-DBE contractors that cannot find DBE contractors to perform on projects. The Airport advised that work a prime self-performs is considered an opportunity to obtain DBE participation. Primes should examine the "full scope" along with NAICS involved and search for DBEs to perform; contact the DBE Program of the various agencies and seek assistance because the prime might be looking in the wrong NAICS and many NAICS have been eliminated and some merged into other NAICS. The Airport provided SITE with the names of all DBE directories utilized along with the directories of those agencies that have firms that could potentially become DBEs.

The City of St. Louis- St. Louis Lambert International Airport® will begin using the overall three-(3) year goal on October 1, 2022.

July 11, 2022

**AMENDED PUBLIC NOTICE**

**PROPOSED DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL  
FOR  
FISCAL YEAR 2023 THROUGH FISCAL YEAR 2025**

Please be advised that St. Louis Lambert International Airport's proposed goal for DBE participation on federally funded contracts is 23%. The proposed goal and rationale is available for review by clicking the following link ([Programs - St. Louis Lambert International Airport \(flystl.com\)](https://flystl.com/Programs-St-Louis-Lambert-International-Airport)) for 30 days from the date of this publication.

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

**SEND COMMENTS ON THE PROPOSED GOAL TO:**

Francois Lyles-Wiggins, DBELO  
Assistant Airport Director, Community Programs/BDD  
St. Louis Lambert International Airport  
PO Box 10212  
St. Louis, Missouri 63145  
Email: [businessdiversity@flystl.com](mailto:businessdiversity@flystl.com)  
314-426-8111

**A PUBLIC MEETING WILL BE HELD VIA GO-TO-MEETINGS  
MONDAY, JULY 18, 2022  
10:00 a.m.-11:45 a.m.**

**Please join my meeting from your computer, tablet or smartphone.**

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