

**FAA DBE Goal Methodology
Yellowstone Airport (WYS)
Montana Department of Transportation
Federal Fiscal Year 2025 – 2027**

The Montana Department of Transportation (MDT), in accordance with United States Department of Transportation (USDOT) guidelines, determines MDT's Disadvantaged Business Enterprise (DBE) Goal for Federal Aviation Administration (FAA) funded contracts on a staggered three-year schedule.

MDT calculates the goal using the criteria set forth in 49 CFR Part 26.45. The determination of the level of DBE participation is based on the availability of all DBE businesses that are ready, willing, and able to participate in FAA-assisted contracts in the State of Montana in relationship to all comparable businesses which are known to be available to compete for FAA-assisted contracts.

For Federal Fiscal Year 2025 – 2027, MDT has established an overall DBE goal of 7.4% for WYS to be accomplished through race neutral means.

This methodology and the supporting evidence comply with the requirements of the federal regulations and federal guidance, as well as relevant court decisions, including *Western States Paving v. Washington State Dept. of Transportation*, 907 F.3d 963 (9th Cir. 2005).

For Federal Fiscal Years 2025 through 2027, the following projects are anticipated for WYS:

Contract(s) FY 2025 – \$3,277,740

- Project 1. Acquire ARFF Vehicle
- Project 2. Construct Terminal Building (Bag Handling)
- Project 3. Construct Terminal Building (Bag Make Up)
- Project 4. Modify Terminal Bldg (Exst Terminal Demo)

Contract(s) FY 2026 - \$2,529,840

- Project 1. Expand Apron (Concrete Commercial)
- Project 2. Rehabilitate Access Road

Contract(s) FY 2027 - \$380,932

- Project 1. Acquire Snow Removal Equipment (Plow Truck)

Step 1: Determining the Base Figure

For the Step 1 Base Figure, MDT determined the relative DBE availability in accordance with 49 CFR Part 26.45 (c)(3), which is to use data from a disparity study. MDT 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 Montana¹. Therefore, Montana was determined to be the relevant geographic market area (RGMA). To examine availability, BBC used a custom-census approach that focused on airport construction and professional services work types that the NPIAS (National Plan of Integrated Airport Systems) airports in Montana awarded as 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 MDT contracting.

Tables 1-3 calculate the DBE availability using the 2022 Disparity Study data and anticipated work types and associated costs for projects in 2025 - 2027 at Yellowstone Airport. Appendix A provides the cost breakdown by project and the weighted DBE goal associated with the costs.

**Table 1 – Weighted DBE Availability using 2022 Disparity Study Data
All Anticipated Projects for FY 2025**

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Construction							
238910	Excavation, site prep, grading, and drainage	y	\$ 325,000.00	9.0%	0%	9.0%	\$29,122
238120	Building construction	y	\$ 500,000.00	4.4%	0%	4.4%	\$22,166
238210	Electrical work	y	\$ 175,000.00	14.0%	0%	14.0%	\$24,582
238110	Concrete work	y	\$ 120,000.00	17.0%	0%	17.0%	\$20,447
484220	Trucking, hauling and storage	y	\$ 225,000.00	17.4%	0%	17.4%	\$39,252
Professional Services							
541330	Engineering	y	\$ 266,154.00	12.2%	0%	12.2%	\$32,381
541380	Testing and inspection	y	\$ 25,000.00	16.3%	0%	16.3%	\$4,072
541370	Surveying and mapmaking	y	\$ 640.00	12.2%	0%	12.2%	\$78
*National Market products or services are those for							
336211	Motor Vehicle Body Manufacturing	y	\$ 1,000,000.00		0%		\$0
333922	Conveyor and Conveying Equipment Manufacturing	y	\$ 640,946.00		0%		\$0

Sum of Available Work Item Amounts (L): **\$172,099**

Total Project Amount (M): **\$3,277,740**

Base Contract Goal (N): 5.3%

Adjustments:

Adjustment 1 (O): 0.0%

Adjustment 2 (P): 0.0%

Adjusted Contract Goal (Q): 5.3%

¹ 2022 MDT Disparity Study, Chapter 3.

**Table 2 – Weighted DBE Availability using 2022 Disparity Study Data
All Anticipated Projects for FY 2026**

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Construction							
237310	Highway and street construction	y	\$ 600,000.00	3.2%	0%	3.2%	\$19,466
237310	Asphalt paving	y	\$ 220,950.00	10.1%	0%	10.1%	\$22,372
238910	Excavation, site prep, grading, and drainage	y	\$ 230,837.61	9.2%	0%	9.2%	\$21,350
561990	Traffic control, signs, and guardrails	y	\$ 35,000.00	13.2%	0%	13.2%	\$4,620
238110	Concrete work	y	\$ 840,000.00	18.3%	0%	18.3%	\$154,061
484220	Trucking, hauling and storage	y	\$ 50,000.00	16.5%	0%	16.5%	\$8,271
Professional Services							
541330	Engineering	y	\$ 505,967.92	8.6%	0%	8.6%	\$43,298
541380	Testing and inspection	y	\$ 27,084.47	10.1%	0%	10.1%	\$2,737
541370	Surveying and mapmaking	y	\$ 20,000.00	10.1%	0%	10.1%	\$2,021
Sum of Available Work Item Amounts (Q):							\$278,197
Total Project Amount (R):							\$2,529,840

Base Contract Goal (S):	11.0%
Adjustments:	
<i>Adjustment 1 (T):</i>	0.0%
<i>Adjustment 2 (U):</i>	0.0%
Adjusted Contract Goal (V):	11.0%

**Table 3 – Weighted DBE Availability using 2022 Disparity Study Data
All Anticipated Projects for FY 2027**

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Professional Services							
541330	Engineering	y	\$ 80,932.00	12.2%	0%	12.2%	\$9,847
*National Market products or services are those for which local firms cannot compete with a national vendor, resulting in no local availability							
423810	Construction & Mining Machinery and Equipment	y	\$ 300,000.00		0%		\$0
Sum of Available Work Item Amounts (L):							\$9,847
Total Project Amount (M):							\$380,932

Base Contract Goal (N):	2.6%
Adjustments:	
<i>Adjustment 1 (O):</i>	0.0%
<i>Adjustment 2 (P):</i>	0.0%
Adjusted Contract Goal (Q):	2.6%

Calculation for triennial goal:
 $(\$172,099 + \$278,197 + \$9,847) / (\$3,277,740 + \$2,529,840 + \$380,932) = 0.074 * 100 = 7.4$

The weighted DBE availability calculation and step 1 base figure is 7.4%.

Step 2: Adjustments to the Base Figure

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

- 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

The Yellowstone Airport did not have DBE participation in the last three years. Since a past participation adjustment of 0.0% is not allowed, MDT did not adjust based on current capacity.

Employment, Education, Training, and Unions

The 2022 Disparity Study conducted 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 on airport work, so we 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.² As a result, MDT chose not to make this Step 2 adjustment.

Other Factors

The other factors examined in the 2022 Disparity Study were related to 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.³ Although the analysis indicates an upward

² 2022 MDT Disparity Study, Chapter 10.

³ 2022 MDT Disparity Study, Chapter 10.

adjustment could be made to address these barriers, the impact of those factors could not be quantified. As a result, MDT chose not to make this Step 2 adjustment.

Final Step 2 Adjustments to Step 1 Base Figure

After examining all evidence available and evaluating all Step 2 adjustment options, MDT elected to not make any adjustments to the Base Figure. The overall DBE participation goal for Yellowstone Airport (WYS) for Fiscal Years 2025 through 2027 is 7.4%.

Race Conscious / Race Neutral Evaluation

The 2022 Disparity Study indicated that race- and possibly gender-conscious means may 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, MDT has shown through DBE utilization at other airports and through other Department of Transportation Operating Administrations that it can meet its overall DBE goal solely through race neutral measures. 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 MDT 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, MDT 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 of the goal.

Race Neutral Initiatives

To meet the overall 7.4% DBE goal, MDT is committed to implementing race neutral measures that encourage small business and DBE participation. MDT 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
- A Quote Request System that allows a prime contractor to solicit bids from DBE and SBE firms. <https://app.mdt.mt.gov/dbeqt/>
- Ensuring a reasonable number of prime contracts are of a size that small businesses can reasonably perform.

MDT provides the following Supportive Services for DBEs and SBEs:

- Long-term development assistance to increase opportunities
- Trainings in contracting procedures
- Assistance to start-up firms
- Identification of potential DBEs and SBEs

Appendix A – Weighted DBE Goal by Year and Project

FY 2025 Projects

Acquire ARFF Vehicle

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Professional Services							
541330	Engineering	y	\$ 88,377.00	12.2%	0%	12.2%	\$10,752
National Industry Products or Services - No Local Availability							
336211	Motor Vehicle Body Manufacturing	y	\$ 1,000,000.00		0%		\$0

Sum of Available Work Item Amounts (L): **\$10,752**

Total Project Amount (M): **\$1,088,377**

Base Contract Goal (N):	1.0%
Adjustments:	
<i>Adjustment 1 (O):</i>	0.0%
<i>Adjustment 2 (P):</i>	0.0%
Adjusted Contract Goal (Q):	1.0%

Construct Terminal Building (Bag Handling)

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Construction							
238910	Excavation, site prep, grading, and drainage	y	\$ 175,000.00	9.0%	0%	9.0%	\$15,681
238120	Building construction	y	\$ 400,000.00	4.4%	0%	4.4%	\$17,732
238210	Electrical work	y	\$ 100,000.00	14.0%	0%	14.0%	\$14,047
238110	Concrete work	y	\$ 100,000.00	17.0%	0%	17.0%	\$17,039
484220	Trucking, hauling and storage	y	\$ 75,000.00	17.4%	0%	17.4%	\$13,084
Professional Services							
541330	Engineering	y	\$ 118,066.00	12.2%	0%	12.2%	\$14,364
541380	Testing and inspection	y	\$ 25,000.00	16.3%	0%	16.3%	\$4,072
National Industry Products or Services - No Local Availability							
333922	Conveyor and Conveying Equipment Manufacturing	y	\$ 460,946.00		0%		\$0
<i>*National Market products or services are those for</i>							

Sum of Available Work Item Amounts (L): **\$96,019**

Total Project Amount (M): **\$1,454,012**

Base Contract Goal (N):	6.6%
Adjustments:	
<i>Adjustment 1 (O):</i>	0.0%
<i>Adjustment 2 (P):</i>	0.0%
Adjusted Contract Goal (Q):	6.6%

Construct Terminal Building (Bag Make Up)

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Construction							
238910	Excavation, site prep, grading, and drainage	y	\$ 50,000.00	9.0%	0%	9.0%	\$4,480
238120	Building construction	y	\$ 100,000.00	4.4%	0%	4.4%	\$4,433
238210	Electrical work	y	\$ 50,000.00	14.0%	0%	14.0%	\$7,023
238110	Concrete work	y	\$ 20,000.00	17.0%	0%	17.0%	\$3,408
Professional Services							
541330	Engineering	y	\$ 35,351.00	12.2%	0%	12.2%	\$4,301
National Industry Products or Services - No Local Av							
333922	Conveyor and Conveying Equipment Manufacturing	y	\$ 180,000.00		0%		\$0
<i>*National Market products or services are those for</i>							

Sum of Available Work Item Amounts (L): **\$23,646**

Total Project Amount (M): **\$435,351**

Base Contract Goal (N):	5.4%
Adjustments:	
Adjustment 1 (O):	0.0%
Adjustment 2 (P):	0.0%
Adjusted Contract Goal (Q):	5.4%

Modify Terminal Bldg (Exst Terminal Demo)

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Construction							
238910	Excavation, site prep, grading, and drainage	y	\$ 100,000.00	9.0%	0%	9.0%	\$8,961
238210	Electrical work	y	\$ 25,000.00	14.0%	0%	14.0%	\$3,512
484220	Trucking, hauling and storage	y	\$ 150,000.00	17.4%	0%	17.4%	\$26,168
Professional Services							
541330	Engineering	y	\$ 24,360.00	12.2%	0%	12.2%	\$2,964
541370	Surveying and mapmaking	y	\$ 640.00	12.2%	0%	12.2%	\$78

Sum of Available Work Item Amounts (L): **\$41,682**

Total Project Amount (M): **\$300,000**

Base Contract Goal (N):	13.9%
Adjustments:	
Adjustment 1 (O):	0.0%
Adjustment 2 (P):	0.0%
Adjusted Contract Goal (Q):	13.9%

FY 2026 Projects

Expand Apron (Concrete Commercial)

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Construction							
237310	Highway and street construction	y	\$ 100,000.00	3.2%	0%	3.2%	\$3,244
237310	Asphalt paving	y	\$ 220,950.00	10.1%	0%	10.1%	\$22,372
238910	Excavation, site prep, grading, and drainage	y	\$ 205,000.00	9.2%	0%	9.2%	\$18,961
561990	Traffic control, signs, and guardrails	y	\$ 20,000.00	13.2%	0%	13.2%	\$2,640
238110	Concrete work	y	\$ 840,000.00	18.3%	0%	18.3%	\$154,061
Professional Services							
541330	Engineering	y	\$ 352,008.53	8.6%	0%	8.6%	\$30,123
541380	Testing and inspection	y	\$ 12,084.47	10.1%	0%	10.1%	\$1,221
541370	Surveying and mapmaking	y	\$ 10,000.00	10.1%	0%	10.1%	\$1,011

Sum of Available Work Item Amounts (Q):

\$233,633

Total Project Amount (R):

\$1,760,043

Base Contract Goal (S):

13.3%

Adjustments:

Adjustment 1 (T):

0.0%

Adjustment 2 (U):

0.0%

Adjusted Contract Goal (V):

13.3%

Rehabilitate Access Road

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Construction							
537310	Highway and street construction	y	\$ 500,000.00	3.2%	0%	3.2%	\$16,221
238910	Excavation, site prep, grading, and drainage	y	\$ 25,837.61	9.2%	0%	9.2%	\$2,390
561990	Traffic control, signs, and guardrails	y	\$ 15,000.00	13.2%	0%	13.2%	\$1,980
484220	Trucking, hauling and storage	y	\$ 50,000.00	16.5%	0%	16.5%	\$8,271
Professional Services							
541330	Engineering	y	\$ 153,959.39	8.6%	0%	8.6%	\$13,175
541380	Testing and inspection	y	\$ 15,000.00	10.1%	0%	10.1%	\$1,516
541370	Surveying and mapmaking	y	\$ 10,000.00	10.1%	0%	10.1%	\$1,011

Sum of Available Work Item Amounts (Q):

\$44,564

Total Project Amount (R):

\$769,797

Base Contract Goal (S):

5.8%

Adjustments:

Adjustment 1 (T):

0.0%

Adjustment 2 (U):

0.0%

Adjusted Contract Goal (V):

5.8%

FY 2027 Projects

Acquire Snow Removal Equipment (Plow Truck)

NAICS	Work Type	Sub/supplier Opportunity (Y=Yes)	Work Item Amount	Item Availability	Item Availability Adjustment	Final Item Availability	Available Work Item Amount
Professional Services							
541330	Engineering	y	\$ 80,932.00	12.2%	0%	12.2%	\$9,847
*National Market products or services are those for which local firms cannot compete with a national vendor, resulting in no local availability							
423810	Construction & Mining Machinery and Equipment	y	\$ 300,000.00		0%		\$0

Sum of Available Work Item Amounts (L): **\$9,847**

Total Project Amount (M): **\$380,932**

Base Contract Goal (N):	2.6%
Adjustments:	
Adjustment 1 (O):	0.0%
Adjustment 2 (P):	0.0%
Adjusted Contract Goal (Q):	2.6%