

**2011 – 2013 DBE GOAL**  
**INDIANAPOLIS AIRPORT AUTHORITY, INDIANAPOLIS, INDIANA**

The Indianapolis Airport Authority (IAA) overall goal for F.Y. 2011, 2012 and 2013 is that: 12% of Federal Financial assistance the IAA will expend in DOT-assisted contracts for the time period 10-1-10 – 9-30-13.

Given the amount of DOT-assisted contracts the IAA expects to let during this next three fiscal years, which is \$35,895,667 exclusively construction and engineering work, this means that IAA has set a goal of expending \$4,307,480 with DBEs during this three fiscal year time frame.

The projects covering this goal are as follows: Environmental Documentation for IND Master Plan, Rehabilitate Taxiway, Master Plan for IND, Rehabilitate Runway 5R-23L, Rehabilitate Taxiways J & P 2012"B", (2012) Snow Equipment Replacement Program, (2013) Snow Equipment Replacement Program, ACS Consolidation, Deicing Control Facilities Improvements – 2012, Deicing Control Facilities Improvements – 2013, Deicing Control Facilities Improvements - 2014-2015, FAR Part 150 Noise Map Update, Install Perimeter Fencing Phase 1- Hendricks Co., Install Perimeter Fencing Phase 2/3 - Hendricks Co., Rehabilitate Tug Road (South) & Fire Department Access Road, Rehabilitate Southeast Apron - Eagle Creek, Rehabilitate Runway - Eagle Creek, Rehabilitate Taxiway A - Eagle Creek, Update Heliport Layout Plan, Rehabilitate T-Hangar Taxi lanes Phase I - Metropolitan, Rehabilitate T-Hangar Taxi lanes Phase II – Metropolitan, Rehabilitate Runway and Taxiway Connectors A1, A2, A3 and A4- Metropolitan, Runway 7-25 & Taxiway Extension Phase III Extension Construction- Mt. Comfort, Runway 7-25 & Taxiway Extension Phase I Design - Mt. Comfort, Runway 7-25 & Taxiway Extension Phase II Localizer Relocation- Mt. Comfort, Firehouse # 2 Refurbishment - Phase 2, Rehabilitate Existing Foxtrot Lane

METHODOLOGY used to Calculate Overall Goal

Step 1: 26.45(c)

The base figure for the relative availability of DBEs, the substantial money spent, and majority of bidders are in the relevant market of State of Indiana, is calculated as follows:

Base figure = Ready, willing, and able DBEs (construction, engineering, professional services) / All firms ready, willing and able (construction, engineering, professional services)  
= 576/14,188 equals a base figure of 4.05%

The data source or demonstrable evidence used in State of Indiana, to derive the numerator was: Indiana Department of Transportation Certified Disadvantaged Owned Business Enterprise Search. The data source or demonstrable evidence used to derive the denominator was the 2008 Census Bureau County Business Patterns Data for State of Indiana

Step 2: 26.45(d)

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

To determine an adjustment to the base figure a weighted average was calculated using the total dollars awarded over the past three fiscal years (\$41,632,207) divided by the total DBE dollars awarded over the same period (\$3,540,627). The weighted average of historical total DBE accomplishments from the past three years equals 8.50%. The dollars awarded in F.Y. 2008 represent an outlier in the three year sample due to the financial closeout and release of retainage of contracts related to the construction of the New Indianapolis International Airport. Due to this an adjusted average of DBE participation 12.98% was determined.

F.Y.	Total Dollars Awarded	Total DBE Dollars Awarded	Average DBE Participation
2009	\$4,419,948	\$824,416	18.65%
2008	\$30,488,810	\$1,735,276	5.69%
2007	\$6,723,449	\$980,935	14.59%
<b>Total</b>	<b>\$41,632,207</b>	<b>\$3,540,627</b>	<b>Weighted Average = 8.50%</b>
			<b>Adjusted Average = 12.98%</b>

The calculations from step 1 and step 2 indicate that 4.05% of ready willing and able DBE firms comprised the 12.98% weighted average over the past three fiscal years. Based on the current and foreseeable economic climate, the adjusted average (12.98%) was reduced to 12.0%. This adjustment will accurately reflect an achievable goal for the type of work to be performed annually for the time period 10-1-10 to 9-30-13.

There are no applicable disparity studies for the local market area or recent legal case information available from the State of Indiana Department of Transportation to show any evidence of barriers to entry or competitiveness of DBEs in State of Indiana.

## Process

Before establishing the overall goal each year, IAA will consult with the Greater Indianapolis Chamber of Commerce, Indiana Chamber of Commerce, City of Indianapolis Department of Public Works, Indiana Department of Transportation, State of Indiana Minority Business Development Office, National Association of Women Business Owners – Indianapolis Chapter, without limiting consultation to these persons or groups to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Indianapolis Airport Authority's efforts to establish a level playing field for the participation of DBEs.

Following the consultation (normally completed in May each year), IAA will publish a notice in the Indianapolis Star and Indianapolis Recorder of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the airport administration building for 30 days following the date of the notice, and informing the public that IAA and DOT will accept comments on the goals for 45 days from the date of the notice. Normally, IAA will issue this notice by June 1 of each year. The notice must include addresses to which comments may be sent and addresses where the proposal may be reviewed.

Our overall goal submission to DOT will include a summary of information and comments received during this public participation process and responses, if any. No comments have been received.

IAA will begin using our overall goal on October 1 of each year, unless we have received other instructions from DOT.

## Race Conscious – Race Neutral

IAA will meet the maximum feasible portion of its overall goal by using race neutral means of facilitating DBE participation. IAA uses the following race-neutral means to increase DBE participation:

- Offer instructions and clarification on bid specifications, general bidding requirements, and our procurement policy and procedures to all small businesses.
- Maintain a file of successful bid documents from past bids and encourage DBEs and other small business firms to review and evaluate these documents.
- When requested by DBEs, conduct debriefing sessions to explain why certain bids were unsuccessful.

- Provide DBEs and other small business firms with information on future procurement schedules.
- Provide information on certification procedures, subcontracting, and bonding requirements to all small businesses.
- Place bid notices in the DBE trade association newsletters, major local newspapers, as well as periodicals of interest to the disadvantaged community.
- Make bid specifications available to DBE contractor associations and technical assistance agencies.
- Provide DBEs and DBE organizations with lists of majority firms bidding as prime contractors.

We estimate that, in meeting our overall goal of 12.0%, we will obtain 2.0% from race-neutral participation and 10.0% through race-conscious measures. This breakout is based on:

- IAA expects to have at least three DBE prime contractors in during the three year period.
- IAA plans to hold its first annual targeted DBE construction outreach meeting during the fourth quarter of 2010 to detail the scheduled 2011 construction projects.
- IAA does not have a history of DBE participation or over-achievement of goals to reference and expects to obtain the majority of its DBE participation through DBE contract goals or a conscious effort to obtain DBE participation.

We will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation and we will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not limited to the following: DBE participation through a prime contract a 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; and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

#### Contract Goals

IAA will use contract goals to meet any portion of the overall goal that it is anticipated will not be achieved through race-neutral means. Contract goals are established so that, over the period to which the overall goals 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 DOT-assisted contracts that have subcontracting possibilities. The size of the contract goals will be adapted to the circumstances of each such contract.

We will express our contract goals as a percentage of total amount of a DOT-assisted contract.