

The Port of Benton, Washington
Richland Airport
FY 2018-2020
Overall Goal to the
Disadvantaged Business Enterprise (DBE)
Program



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FY 2018-2020 Overall Goal Amendment

Overall Goals (\$26.45)

Amount of Goal – FY 2018-2020 Improvements

This document proposes a DBE goal for FY 2018 through FY 2020 for the Richland Airport. The projects referred to in this report appear on the most recent Capital Improvement Plan (CIP) for the Tri-Cities Airport. If, for any reason, the project list changes, this report will be amended to reflect the actual projects expected to be completed.

The purpose of establishing a DBE goal is to promote the use of disadvantaged and women-owned businesses in our geographical area, and to assure FAA grant eligibility for projects at the Richland Airport.

The amended overall goal for FY 2018-2020 is 1.62% (race neutral).

Method

Determining Types of Work

The FY 2018-2020 Capital Improvements Plan (CIP) at the Prosser Airport includes two (2) projects that are slated to utilize FAA funding. The project costs shown in Table 1 are total project costs. The FAA participation is at a 90% level. The total dollars will be shown throughout this report, as the percentages will remain the same whether shown at the full amount or the 90% level.

The 2018 and 2020 projects are the only one for which a goal will be calculated, as there is no project currently slated in 2019. The projects planned for this period create subcontracting opportunities in an estimated ten (10) different disciplines, as listed in Table 2, below, paired with their respective NAICS codes. Although engineering services will be utilized on the projects, the Richland Airport has a contract through 2020 with an engineering firm; therefore, no DBE opportunities will be available in this area.

Table 1: FY 2018-2020 Capital Improvement Projects

FY 2018 Projects		FY 2019 Projects		FY 2020 Projects	
Helipad Apron (Construction)	\$288,889	No Project	\$0.00	Master Plan Update & ALP	\$333,333

Table 2: Disciplines Employed in FY 2018-2020 Projects

Discipline	NAICS	Discipline	NAICS
Storm Drainage	237110	Engineering	541330
Pavement Marking	237310	Land Surveying	541370
Asphalt Paving	237310	Geospatial Map	541370
Asphalt Removal	237310	Material Testing	541380
Excavation/Backfill	238910	Hydroseeding	561730

Determining the Geographical Area

Based on past federally funded airport projects, the prime contractors that generally bid on projects are predominately from a specific geographic region. That region is hereafter referred to as our Market Area. Using the Port of Benton as the reference point, the Market Area includes the Yakima County to the west, Walla Walla County to the east, Franklin County to the north and Benton County to the south. If the work on a project is large enough, the Richland Airport will occasionally see contractors from Spokane County participate in the bid process.

After establishing the Market Area, the 2015 US Census Bureau database was used to determine the number of available contractors and subcontractors for the work anticipated on these projects. The “DBE Directory” on the FAA dbE-Connect website was used to find DBE businesses in the Market area that did the type of work called out.

Federal grant authorities prohibit recipients from using geographic preference in the evaluation of bids or proposals for DOT-assisted contracts, including contracts funded with AIP grants. The specific regulation outlining this requirement is 49 CFR, Part 18, “Uniform Administration Requirements for Grants and Cooperative Agreements to State and Local Governments.”

Determining the Common Opportunities in the FY 2018-2020 Projects

Table 3 below summarize the total available businesses, total DBE businesses, and estimated available DBE contract dollars for each aspect of the projects planned for 2018-2020. Table 4 lists the individual DBE contractors available, per the OMWBE Directory, in the Market Area. A two-step process is conducted to determine the opportunities for DBE: (1) Analysis and (2) Adjustment.

Step 1 – Analysis

Table 3 is used to determine the percentage of the total estimated project costs which is available to DBE Contractors. The number of total contractors and the number of DBE contractors available for each relevant category of work are listed. A rough estimate of the combined project costs is tabulated along with a breakdown of costs by construction category. From these figures, a weighted percentage of contract dollars available to DBE’s in the Market Area can be calculated. First, the percent of DBE firms in each category is calculated. The estimated cost of construction for each category is multiplied by this percentage to determine a reasonable amount that could be available to be paid to DBE firms in each category. Next, the reasonable amounts available for DBE firms in each category are totaled. Finally, the dollar value reasonably available to DBE firms is divided by the estimated combined project total. The result is the percentage of contract work reasonably available to DBE firms. For the FY 2018-2020 projects, that percentage for work, referred to as the base figure percentage, on the Richland Airport projects is 1.62%.

Table 3: Determination of DBE Opportunities- Helipad Construction FY 2018

NAICS Code	Classification	Total Businesses	Total DBE Businesses	% DBE Businesses	Contract \$ FY 2018-2020	Contract \$ to DBE
237110	Storm Drainage	34	2	6%	\$14,444.45	\$852.22
237310	Pavement Marking	8	1	13%	\$5,777.78	\$722.22
237310	Asphalt Paving	8	0	0%	\$147,333.39	\$0.00
238910	Excavation/Backfill	71	2	3%	\$37,555.57	\$1,051.56
541330	Engineering	1	0	0%	\$46,222.24	\$0.00
541370	Land Surveying	14	2	14%	\$23,111.12	\$3,304.89
541380	Material Testing	18	0	0%	\$11,555.56	\$0.00
561730	Hydroseeding	166	0	0%	\$2,888.89	\$0.00
				Total	\$288,889.00	\$5,930.89
Contract Work Available to DBE Firms:						2.05%

Table 4: Determination of DBE Opportunities- Master Plan Update FY 2020

NAICS Code	Classification	Total Businesses	Total DBE Businesses	% DBE Businesses	Contract \$ FY 2018-2020	Contract \$ to DBE
541330	Engineering	171	0	0%	\$298,333.00	\$0.00
541370	Land Surveying	14	0	0%	\$10,000.00	\$0.00
541370	Aerial Surveying	6	1	16.67%	\$25,000.00	\$4,166.67
				Total	\$333,333.00	\$4,166.67
Contract Work Available to DBE Firms:						1.25%

A weighted average will be used with these projects to determine an overall base figure.

$$\frac{\$288,889.00 * 2.05\% + \$333,333.00 * 1.25\%}{\$288,889.00 + \$333,333.00}$$

Overall DBE participation (Weighted average) = 1.62%

Table 5 lists the DBE firms in the Market Area that are available for the types of services required in the construction of the FY 2018-2020 projects. This table was updated to include the firms that currently appear in the OMWBE Directory and will be used for the updating of the goal calculation.

Table 5: Disadvantaged Business Enterprises in the Market Area (2018-2020 Projects)

	Business Name	Type of Work
1	Pavement Surface Control (Kennewick)	Pavement Marking (237310)
2	White Shield, Inc. (Pasco)	Construction Surveying (541370)
3	C I Lovell Inc. (Brownstown)	Storm Drainage (237110), Excavation (238910)
4	Scout Lake Construction Inc. (Selah)	Storm Drainage (237110), Excavation (238910)
5	Guitz Tague Construction Surveys LLC (Kennewick)	Construction Surveying (541370)
6	Puget Sound GIS (Seattle)	Geospatial Mapping (541370)

Step 2 – Adjustment

The regulations allow for an adjustment to the base figure percentage (derived above) for circumstances or issues that might impact the availability.

Step 2(a) – Past Participation

Past participation can be considered as a possible reason for adjustment of the Step 1 goal. However, since 2013, Prosser Airport has experienced projects totaling less than \$250,000, and projects with no DBE participation. Additionally, the past projects are construction projects, with scopes drastically different from the Master Plan Update project planned in 2020. Considering these factors, the goal calculated in Step 1 stands without past participation adjustment as 1.62%.

Table 6: Actual Historical DBE Participation

Year	Work Description	Total \$ Awarded	Actual \$ to DBE	% DBE
2013	Install Perimeter Fencing (AIP 25) < \$250,000	\$0	\$0.00	0.00%
2014	Obstruction Mitigation (AIP 26) < \$250,000	\$0	\$0.00	0.00%
2015	TWY, Rehab Pavements - Design (AIP 27) < \$250,000	\$0	\$0.00	0.00%
2016	TWY, Rehab Pavements – Const. (AIP 28)	\$2,339,393	\$0.00	0.00%
		\$898,003	\$0.00	0.00%

Step 2(b) – Disparity Studies

WSDOT conducted a disparity study that became available in 2012. This study focused mainly on state highway construction projects. The aviation projects were not included in this study due to the low number of projects available for analysis. The Port of Benton will continue to monitor available media for Disparity Studies in preparation of future amendments to the DBE Program. The Washington State Department of Transportation Aviation division is beginning a new disparity study for airports in the state. It is estimated to be completed in 2018.

Step 2(c) – Consultation

The FAA dbE-Connect website has a DBE Directory which was used to determine DBEs in the area that may bid on the above projects.

Prior to finalizing the goal, a teleconference call was held to allow businesses in the Market Area to provide input on the methodology used in this goal calculation.

A teleconference call was held on July 26, 2017 from 10:30 am to 11:30 am to allow businesses in the Market Area to provide input on the draft DBE goals. Notice of this meeting was sent to the Tri City Regional Chamber of Commerce and Richland Chamber of Commerce for distribution to its membership. DBE businesses shown in Table 3 were also contacted when possible regarding the teleconference. Veronica Montez from the Port of Benton and Kim Silvester from J-U-B Engineers were on the call, but no businesses participated.

Based on the limited number of DBE companies available with adequate prior experience to do airport work in the market area, and the type of work expected at the Airport, no adjustment to the goal is needed based on Consultation.

Step 2(d) – Adjusted DBE Goal

After considering all these factors, the overall DBE Goal will be adjusted to 1.62%.

Breakout of Race Neutral and Race Conscious Participation

Considerations for Race Neutral

The Port of Benton will meet the maximum feasible portion of its overall goal by using race/gender neutral, with no race/gender component. The Port of Benton uses the following race-neutral means to increase DBE participation:

- Contracts will be unbundled to include pricing for separate items thus encouraging DBE participation;
- Notice of Invitation for Bids will be sent to the local newspaper to make minority, women, and/or small businesses aware of the project;
- Plans and specifications will be available on an ftp site so the DBEs may view the plans.

Through the bid and award process of past projects there appears to be no prejudices shown towards those DBE Contractors wishing to participate.

Considerations for Race Conscious

The State of Washington falls within the jurisdiction of the United States Court of Appeals for the Ninth Circuit. This court has ruled that race conscious goals are not to be set for DBE participation; therefore, race conscious goals have not been considered.

The Richland Airport estimates that in meeting its overall goal 1.62%, it will obtain 1.62% from Race Neutral participation and 0% through Race Conscious measures.

Process

The Port of Benton will submit this DBE goal to the FAA prior to issuance of the 2018 grants, and will maintain goals based on the established three-year cycle. Before establishing the overall goal each term, the Port of Benton will consult with the WSDOT OMWBE Directory and local DBE firms, trade associations, DBE Economic development groups, and DBE contractor associations to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Port of Benton's efforts to establish a level playing field for the participation of DBEs.

Public Notice

The Port of Benton will publish a notice of the proposed overall goal on their website (portofbenton.com) informing the public that the proposed goal and its rationale are available for inspection and comment during normal business hours at the Port's principal office for 30 days following the date of the notice. We will accept comments on the goals for 45 days from the date of notice.

Our overall goal submission to the FAA will include a summary of information and comments received and the Port's responses during the public participation process.

We will begin applying our overall goal effective October 1st of each year, if possible. In all cases the overall goal will be effective prior to the publication of the Invitation for Bids of the construction projects.

