

## ATTACHMENT 5

### Section 26.45: Overall DBE Three-Year Goal Methodology

**Name of Recipient:** Port of Othello, owner of Othello Municipal Airport

**Goal Period:** FY-2018-FY-2020 – October 1, 2017 through September 30, 2019

<b>DOT-assisted contract amount:</b>	FY-2018	\$ <u>340,000.00</u>
	FY-2019	\$ _____
	FY-2020	\$ <u>280,000.00</u>
	<b>Total</b>	<b>\$ <u>620,000.00</u></b>

**Overall Three-Year Goal:** 9.9%, to be accomplished through 0% RC and 100% RN  
The goal is reflected as an average of the three years 2018 through 2020. There are no projects scheduled for 2019.

**Total dollar amount to be expended on DBE's:** \$61,380

**Describe the Number and Type of Contracts that the airport anticipates awarding:**

Contracts Fiscal Year #1

1. Slurry Seal Pavement - \$340,000
- 2.

Contracts Fiscal Year #2

1. No Projects Scheduled
- 2.

Contracts Fiscal Year #3

1. Fencing - \$280,000
- 2.

**Market Area:** Adams, Lincoln, Spokane, Whitman, Franklin, Grant, Walla Walla, Columbia and Garfield, Washington Counties. These counties are within a 500 mile radius of the airport and included a substantial majority of the local area contractors. The list was obtained through OMWBE directory noted below.

**Step 1. 26.45(c)** Actual relative availability of DBE's

Determine the base figure for the relative availability of DBEs. The base figure for the relative availability was calculated as follows:

Method: DBE Directories <https://omwbe.diversitycompliance.com/>

and State of Washington and Census Bureau Data

<http://www.census.gov/econ/cbp/index.html> and  
<https://secure.lni.wa.gov>

### 2018 Slurry Seal

NAICS	Type of Work	Total DBE's	Total All Firms
541330	Civil Engineering	31	153
237310	Asphalt Slurry Seal	19	248
237310	Asphalt Painting/Removal	9	135
541380	Quality Control	10	319
Total		99	855

### 2020 Fencing

NAICS	Type of Work	Total DBE's	Total All Firms
541330	Civil Engineering	31	153
238990	Fencing	15	390
541370	Survey	13	56
Total		139	599

Base figure = .116 of all firms ready, willing and able (2018).

No projects scheduled for 2019.

Base figure = .182 of all firms ready, willing and able (2020).

The average of these three years is 9.9%.

The data source or demonstrable evidence used to derive the numerator was: Washington State Department of Diversity Compliance.

The data source or demonstrable evidence used to derive the denominator was: Washington State Department of Labor and Industries and US Census Bureau.

### **Step 2. 26.45(d):** Adjustments to Step 1 base figure.

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

An examination of the anticipated contracts for each fiscal year, the availability of the DBE firms by trade classification and the volume of work performed by DBE firms over previous years.

There is no historical DBE data to reference to make an adjustment to the Step 1 base figure; therefore, The Airport Authority is adopting its Step 1 base figure as its overall goal for this three-year goal period.

Further, there are no applicable disparity studies for the local market area or recent legal case information available from the State of Washington Department of Transportation (WSDOT) office to show any evidence of barriers to entry or competitiveness of DBEs in all Washington counties.

Fiscal Year #1

For FY-2018 we anticipate the award of the following:

<i>Contract Name</i>	<i>Trade Description</i>	<i>NAICS Description</i>	<i>NAICS</i>	<i>Trade (\$)</i>	<i>Census</i>	<i>Directory</i>	<i>DBE (%) (= G/F)</i>	<i>DBE (\$) (= E x H)</i>
<i>Slurry Seal</i>	<i>Engineering</i>	<i>Civil Engineering</i>	<i>541330</i>	<i>\$85,000</i>	<i>153</i>	<i>31</i>	<i>20.3%</i>	<i>\$17,255</i>
	<i>Asphalt Seal</i>	<i>Asphalt Paving</i>	<i>237310</i>	<i>\$214,000</i>	<i>248</i>	<i>19</i>	<i>7.7%</i>	<i>\$16,478</i>
	<i>Asphalt Painting/Removal</i>	<i>Asphalt Paving</i>	<i>237310</i>	<i>\$31,000</i>	<i>135</i>	<i>9</i>	<i>6.7%</i>	<i>\$2,077</i>
	<i>Quality Control</i>	<i>Quality Control</i>	<i>541380</i>	<i>\$10,000</i>	<i>319</i>	<i>10</i>	<i>3.1%</i>	<i>\$310</i>
<b><i>Total Contract and Total FY-2018</i></b>				<b><i>\$340,000</i></b>	<b><i>855</i></b>	<b><i>99</i></b>	<b><i>11.6% (99/855)</i></b>	<b><i>\$39,440 (11.6% of \$340,000)</i></b>

Fiscal Year #2

For FY-2019, we anticipate no awards

Fiscal Year #3

For FY-2020, we anticipate the award of the following:

<i>Contract Name</i>	<i>Trade Description</i>	<i>NAICS Description</i>	<i>NAICS</i>	<i>Trade (\$)</i>	<i>Census</i>	<i>Directory</i>	<i>DBE (%) (= G/F)</i>	<i>DBE (\$) (= E x H)</i>
<i>Fencing</i>	<i>Engineering</i>	<i>Civil Engineering</i>	<i>541330</i>	<i>\$60,000</i>	<i>153</i>	<i>31</i>	<i>20.3%</i>	<i>\$12,180</i>
	<i>Fencing</i>	<i>Fencing</i>	<i>238990</i>	<i>\$215,000</i>	<i>390</i>	<i>15</i>	<i>3.85%</i>	<i>\$8,278</i>
	<i>Survey</i>	<i>Survey</i>	<i>541370</i>	<i>\$5,000</i>	<i>56</i>	<i>13</i>	<i>23.2%</i>	<i>\$1,160</i>
<b><i>Total Contract and FY-2020</i></b>				<b><i>\$280,000</i></b>	<b><i>599</i></b>	<b><i>109</i></b>	<b><i>18.2 (109/599)</i></b>	<b><i>\$50,960 (18.2% of \$280,000)</i></b>

**Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation. 26.51(b) (1-9)**

The Port of Othello will meet the maximum feasible portion of its overall goal by using RN means of facilitating DBE participation.

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE, and other small businesses, participation;
2. Providing assistance in overcoming limitations such as inability to obtain bonding or financing;
3. Providing technical assistance and other services;
4. Carrying out information and communications programs on contracting procedures and specific contract opportunities;
5. Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBE’s and other small businesses;
6. Providing services to help DBE’s 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 DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors;
9. Assist DBE’s and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media; and

The Port of Othello estimates that in meeting its overall goal 9.9%, it will obtain 100% from RN participation and 0% through RC measures.

This breakout is based on the fact that no Race Conscious DBE’s have been used at the Othello Municipal Airport in the past.

- The Port Of Othello Airport Authority does not have a history of DBE participation or over-achievement of goals to reference and expects to obtain its DBE participation through the use of DBE contract goals or a conscious effort to obtain DBE participation. Therefore, we are applying the entire goal of 9.9% to race-neutral participation.

The Port of Othello 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.

## PUBLIC PARTICIPATION

**Consultation:** Section 26.45(g)(1).

In establishing the proposed goal, we spoke with OMWBE (The Minority and Women's Business Enterprises of Washington) as well as local general contractors who could share information on the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs and the Port's efforts to establish a level playing field for the participation of DBEs.

The Airport Authority submitted its overall DBE three-year goal to DOT & FAA on March 14, 2018.

Before establishing the overall goal, the Port of Othello provided for consultation and publication. This included consultation with OMWBE (The Minority and Women's Business Enterprises as well as local general contractors who could share information based concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Port's efforts to establish a level playing field for the participation of DBEs. The consultation included a scheduled, direct, interactive exchange via telephone on January 24, 2018 with as many interested stakeholders as possible focused on obtaining information relevant to the Port of Othello's goal setting process, and it occurred before we submitted our goal methodology to the operating administration for review pursuant to paragraph (f) of this section. Notwithstanding paragraph (f)(4) of this section, we will not implement our proposed goal until we have complied with this requirement. A stakeholder's consultation, which was held on February 13, 12 PM-1 PM, PST, provided an opportunity for any interested parties to offer input, ask questions and give testimony on the DBE program. This event took place via teleconference, direct phone calls to bidders with proposed interest in the project, email to Associated General Contractors Group, direct phone to OMWBE/WSDOT/DOT, DBE State Newsletter from OMWBE/WSDOT and Airport Website publication 30 days prior to teleconference.

Following the consultation, we published a notice in the Sun Tribune local newspaper and on the Othello Airport's website <http://www.portofothello.com/othello-municipal-airport.php> of the proposed overall goal, informing the public that the proposed goal and its rationale were 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 the Port of Othello and DOT accepted comments on the goals for 30 days. No comments have been received.

## **PUBLIC NOTICE**

The Port of Othello hereby announces its fiscal years 2018 through 2020 goal of 9.9% for Disadvantaged Business Enterprise (DBE) airport construction Contracts. The proposed goals and rationale is available for inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday at Port of Othello office and website 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:

Chris Faix  
Executive Director, Port of Othello  
705 East Hemlock  
Othello, WA 99344  
509-488-2544

AND

Federal Aviation Administration  
Office of Civil Rights Staff  
ATTN: Sonia Cruz  
PO Box 92007  
Los Angeles, CA 90009

### **Contract Goals**

The Port of Othello will use contract goals to meet any portion of the overall goal that the recipient does not project being able to meet using RN means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of the recipient's overall goal that is not projected to be met through the use of RN means.

The Port of Othello will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. It need not establish a contract goal on every such contract, and the size of the contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work and availability of DBE's to perform the particular type of work).

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