

The Port of Walla Walla, Washington

Walla Walla Regional Airport

FY 2018 Overall Goal to the Disadvantaged Business Enterprise (DBE) Program



TABLE OF CONTENTS

OVERALL GOALS (\$26.45)..... 2
 AMOUNT OF GOAL – FY 2018 IMPROVEMENTS..... 2

METHOD 2
 DETERMINING TYPES OF WORK 2
 DETERMINING THE GEOGRAPHICAL AREA..... 2

DETERMINING THE COMMON OPPORTUNITIES IN THE FY 2018 PROJECTS..... 3
 STEP 1 – ANALYSIS 3
 STEP 2 – ADJUSTMENT..... 4
 Step 2(a) – Past Participation..... 5
 Step 2(b) – Disparity Studies..... 5
 Step 2(c) – Consultation..... 5
 Step 2(d) – Adjusted DBE Goal..... 6

BREAKOUT OF RACE NEUTRAL AND RACE CONSCIOUS PARTICIPATION 6
 CONSIDERATIONS FOR RACE NEUTRAL 6
 CONSIDERATIONS FOR RACE CONSCIOUS..... 6

PROCESS 6

PUBLIC NOTICE 6

FY 2018 Overall Goal Amendment

Overall Goals (\$26.45)

Amount of Goal – FY 2018 Improvements

This document proposes a DBE goal for FY 2018 for the Walla Walla Regional Airport. The projects referred to in this report appear on the most recent Capital Improvement Plan (CIP) for the Walla Walla Regional Airport.

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 Walla Walla Regional Airport.

The amended overall goal for FY 2018 is 4.1% (race neutral).

Method

Determining Types of Work

The FY 2018 Walla Walla Regional Airport capital improvement projects and estimated costs are listed below in Table 1. The projects planned for this period create subcontracting in an estimated eight (8) different disciplines, as listed in Table 2 below, paired with their respective NAICS codes.

Table 1: FY 2018 Capital Improvement Projects

Run Up Area for Turnarounds	\$250,000	Pavement Maintenance	\$500,000	Environmental CatEX	\$20,000
-----------------------------	-----------	----------------------	-----------	---------------------	----------

Table 2: Disciplines Employed in FY 2018 Projects

Discipline	NAICS	Discipline	NAICS	Discipline	NAICS
Storm Drainage	237110	Excavation/Backfill	238910	Land Surveying	541370
		Engineering – Design and Construction	541330	Material Testing	541380
		Geotechnical Engineering	541330	Cultural Resource Consulting	541720

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 Walla Walla as the reference point, the Market Area includes Yakima County to the west, Walla Walla County to the east, Franklin County to the north and Benton County to the south. The NAICS code that includes asphalt paving and pavement repair (237310) constitutes a large enough quantity of work that contractors may be willing to come from a larger distance to

participate in the project. For this NAICS code, the Market Area was expanded to include Spokane, Yakima, Garfield, and Asotin counties. Additionally, geotechnical engineers are more willing to travel farther distances, so the four additional counties were also included for this work.

This information was derived using records of recent construction projects for the Port of Walla Walla and other nearby ports, cities, and municipalities, and the "U.S. Census Bureau, 2015 County Business Patterns."

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 Projects

Table 3 below summarizes the total available businesses, total DBE businesses, and estimated available DBE contract dollars for each aspect of the projects planned for 2018. 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 projects, that percentage for work, referred to as the base figure percentage, on the Walla Walla Regional Airport projects is 4.1%.

Table 3: Determination of DBE Opportunities

NAICS Code	Classification	Total Businesses	Total DBE Businesses	% DBE Business	Contract Dollars ¹	Contract Dollars DBE ¹
237110	Storm Drainage	24	0	0.0%	\$25,000.00	\$0.00
237310	Highway, street, and Bridge Construction	33	2	6.1%	\$462,500.00	\$28,212.50
	Pavement Marking					
	Asphalt Paving					
	Seal Coat					
	Crack Repair					
238910	Site Preparation Contractors	43	1	2.3%	\$62,500.00	\$1,437.50
	Excavation/Backfill					
541330	Engineering – Design and Construction	111	0	0.0%	\$197,300.00	\$0.00
541330	Geotechnical Engineering	3	0	0.0%	\$5,000.00	\$0.00
541370	Land Surveying	8	2	25.0%	\$7,500.00	\$1,875.00
541380	Material Testing	16	0	0.0%	\$7,500.00	\$0.00
541720	Cultural Resource Consulting	1	0	0.0%	\$2,700.00	\$0.00
561990	Traffic Control				\$0.00	
Total:					\$770,000.00	\$31,525.00
Contract Work Available to DBE Firms:						4.1%

These are total dollars. FAA funds 91.88% of these amounts

¹ Dollar figures include 8.7% Washington State Sales Tax.

Table 4 lists the DBE firms in the Market Area that are available for the types of services required in the construction of the FY 2018 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 4: Disadvantaged Business Enterprises in the Market Area (2018 Projects)

	Business Name	Type of Work
1	Pavement Surface Control (Kennewick)	Pavement Marking (237310)
2	White Shield, Inc. (Pasco)	Construction Surveying (541370)
3	FFrazure Earthworks	Excavation (238910)
4	Eller Corporation	Highway/Runway Construction (237310)
5	Guitz Tague Construction Surveys LLC (Kennewick)	Construction surveying (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

The need for an adjustment to the base figure can be determined through an evaluation of past DBE goals and participation. Table 5 averages the actual DBE participation during past AIP projects since 2010.

Table 5: Actual Historical DBE Participation

Type of Work	No. of Contracts ¹	Total \$ Awarded	Actual \$ to DBE	% DBE
2013 – No Project				
2014 – Security Enhancements < \$250,000 No Report				
2015 – TW Rehab Design, ARFF Design, Fencing Project	1	\$632,874.00	\$0.00	0.00%
2015 – Update Master Plan	1	\$358,418.00	\$0.00	0.00%
2016 – ARFF Procurement – N/A				
Totals		\$991,292.00	\$0.00	0.00%

¹ The number of contracts applies only to those awarded to construction contractors. Engineering services were completed under a 5-year Engineering Service Agreement in place with the Walla Walla Regional Airport.

The percentage from Table 3 in Step 1 may be adjusted by incorporating past participation. The method for adjustment is taken from the “Tips for Goal-Setting in the Disadvantaged Business Enterprise (DBE) Program,” which was issued by U.S. Department of Transportation Office of Small and Disadvantaged Business Utilization.

With 0% DBE participation over the past four years, no adjustment will be made to the base figure percentage.

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 Walla Walla 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 October 12, 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 Walla Walla Valley Chamber of Commerce for distribution to its membership. There was no participation in this teleconference call.

Step 2(d) – Adjusted DBE Goal

The overall DBE Goal will remain at the calculated 4.1%.

Breakout of Race Neutral and Race Conscious Participation

Considerations for Race Neutral

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

- Project bid schedules will be broken down 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. DBE Contractors within the Port's market area have participated consistently on projects awarded by the Port.

Considerations for Race Conscious

Race conscious participation has not been considered.

Process

The Port of Walla Walla will submit this DBE goal to the FAA prior to issuance of the 2018 grants. Before establishing the overall goal each term, the Port of Walla Walla will consult with the WSDOT OMWBE Directory and local DBE firms to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Port of Walla Walla's efforts to establish a level playing field for the participation of DBEs.

Public Notice

The Port will publish a notice of the proposed overall goal on their website (portwallawalla.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.

Sample Public Notice Language:

PUBLIC NOTICE

The Port of Walla Walla hereby announces its FY 2018 Disadvantaged Business Enterprise (DBE) Race-Neutral goal of 4.1% for airport construction projects. The proposed goal and rationale are available for inspection between 7:30 a.m. and 4:00 p.m., Monday through Friday at the Walla Walla Regional Airport Administrative Office, 310 A Street, Walla Walla, WA for 30 days from the date of this publication.

Comments on the DBE overall goal may be sent to:

Port of Walla Walla
Attn: Jennifer Skoglund,
Airport Manager
310 A Street
Walla Walla, WA 99362

or

Federal Aviation Administration
Civil Rights Staff, ASW-9
PO Box 92007
Los Angeles CA 90009