

Port of Walla Walla
Walla Walla Regional Airport
FY 2015 - 2017
Overall Goal Amendment to the
Disadvantaged Business Enterprise (DBE)
Program



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FY 2015 - 2017 Overall Goal Amendment

Overall Goals (\$26.45)

Amount of Goal – FY 2015 - 2017 Improvements

This document proposes an overall goal for the next three fiscal years, beginning on October 1, 2014, and ending on September 30, 2017. The projects referred to in this report appear on the most recent Capital Improvement Plan (CIP) for the Walla Walla Regional Airport. If, for any reason, a project scheduled for the next three fiscal years is not initiated, this report may 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 Walla Walla Regional Airport.

The overall goal for FY 2015-2017 is 1.86%

Method

Determining Types of Work

From FY 2015 to 2017, the Port of Walla Walla anticipates work on five FAA-funded capital improvements projects. Two projects are to take place in 2015. The first will be construction of additional perimeter security fencing. The second, a design project of the rehabilitation of Taxiway A, will be completed in 2015, and a construction project on Taxiway A will follow in 2016. A lighting upgrade project will also be completed in 2016 and an Airport Master Plan Update will be completed in 2017. Table 1 below lists the forecasted projects for the three year cycle. The projects planned for this period create subcontracting opportunities in an estimated thirteen (13) different disciplines. Table 2 lists these disciplines paired with their respective NAICS codes.

Table 1: FY 2015-2017 Capital Improvement Projects

FY 2015 Projects		FY 2016 Projects		FY 2017 Projects	
Security Fencing	\$247,500	Twy. A Rehab. Construction	\$6,288,300	Airport Master Plan Update	\$450,000
Taxiway A Rehab. Design	\$547,200	Install Regulators and REILs	\$36,000		

Table 2: Disciplines Employed in FY 2015-2017 Projects

Discipline	NAICS	Discipline	NAICS
Storm Drainage	237110	Geotechnical Eng.	541330
Asphalt Paving	237310	Land Surveying	541370
Pavement Markings	237310	Material Testing	541380
Excavation/Backfill	238910	Enviro. Consulting	541612
Airport Runway Lighting	238210	Airport Security	561612
Chain Link Fence Installation	238990	Flagging	561990
Engineering	541330		

Determining the Market Area

Based on information from past federally funded airport projects, the contractors that generally bid on work at the Walla Walla Regional Airport are usually from a specific geographic area. We chose this area to be our Market Area. Using Walla Walla Regional Airport as the reference point, the Market Area includes Walla Walla, Columbia, Benton and Franklin Counties in Washington State. Umatilla County in Oregon State is considered as part of the Market Area as well since Walla Walla is adjacent to the Oregon Border. The City of Pendleton Oregon, the county seat, is a populous metro area within two hours of Walla Walla.

Information concerning the businesses established within the Market Area was derived through online business directories, within the Market Area. Information concerning DBE businesses in the Market Area was taken from the Office of Minority and Women-Owned Business Enterprises (OMWBE) Directory for Washington State, the Office of Minority, Women and Emerging Small Businesses (OMWESB) Directory for Oregon State, and cross-checked with local business directories (including online directories) to confirm that those companies were located in the Market Area.

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." This regulation was observed to its full extent. Geographic location of DBE firms was only researched in order to calculate what percentage Market Area contractors were DBE contractors for each category of work.

Determining the Common Opportunities in FY 2015 - 2017 Projects

Table 3 below summarizes the total available businesses, total DBE businesses, and estimated available Disadvantaged Business Enterprise (DBE) contract dollars for each aspect of the project to be funded by the listed AIP grants. Table 2 lists the individual DBE contractors available, per the OMWBE and OMWESB Directories, in the Market Area. A two-step process is conducted to determine the opportunities for DBE: (1) Analysis and (2) Adjustments.

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 paid to DBE firms. Next, the 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 FY 2015 - 2017, that percentage is 1.86%. This percentage is further adjusted in Step 2 below.

Table 3: Determination of DBE Opportunities

NAICS Code	Classification	Total Businesses	Total DBE Businesses	% DBE Business	Contract Dollars FY 2015-2017	Contract Dollars DBE
237110	Storm Drainage	27	0	0%	\$955,620.00	\$0.00
237310	Asphalt Paving	3	0	0%	\$2,200,905.00	\$0.00
237310	Pavement Markings	3	1	33.0%	\$314,415.00	\$104,805.00
238210	Airport Runway Lighting/Electrical	68	0	0%	\$36,000.00	\$0
238910	Excavation/Backfill	10	0	0%	\$1,886,490.00	\$0
238990	Chain Link Fence Installation	34	0	0%	\$222,750.00	\$0
561990	Flagging	5	0	0%	\$314,415.00	\$0
541330	Engineering Services ²	1	0	0%	\$816,624.00	\$0
541330	Geotechnical Engineering	6	0	0%	\$65,664.00	\$0
541370	Land Surveying	5	1	20.0%	\$98,496.00	\$19,699.20
541380	Material Testing	1	0	0%	\$314,415.00	\$0
541620	Environmental Consulting	2	2	100%	\$16,416.00	\$16,416.00
561612	Airport Security	1	0	0%	\$326,790.00	\$0
Total		166³	4³		\$7,569,000	\$140,920.20
Contract Work Available to DBE Firms: 1.86%						
1	Dollar figures represent the Federally funded component of the total projects planned for 2015 through 2017.					
2	J-U-B was awarded a 5-year engineering services contract by the Port of Walla Walla in FY 2012.					
3	Some Contractors are counted in more than one category.					

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 2015-2017 projects.

Table 4: Disadvantaged Business Enterprises in the Market Area

	Business Name	Type of Work
1	Pavement Surface Control (Kennewick)	Pavement Markings
2	White Shield, Inc. (Pasco)	Construction Surveying, Environmental Consulting
3	RC Engineering (Richland)	Environmental Consulting

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 previous goal of 1.46% was not achieved. Past participation at the Walla Walla Airport was 0%. Past participation was not considered as a factor to adjust the Step 1 DBE goal.

Step 2(b) – DISPARITY STUDIES

To the best of the Port of Walla Walla’s knowledge and available public information, a Disparity Study has not been conducted for this geographical area. The Port will continue to monitor available media for Disparity Studies in preparation of future amendments to the DBE Program.

Step 2(c) – CONSULTATION

In recent years, Jackie Bayne of the WSDOT Civil Rights Department has forwarded comments concerning the DBE goal determination process. WSDOT conducts focus groups of DBEs and non-DBEs, to discuss opportunities, experiences, and limitations with discrimination, bidding and performing WSDOT contracts. WSDOT's investigation concluded that:

“Discrimination still limits the opportunities for DBEs of all racial and ethnic groups and white women to perform on its prime contracts and subcontracts. Therefore, to narrowly tailor its Program to achieve the Program's objective of creating a level playing field for all firms, WSDOT must judiciously apply contract goals to achieve its overall annual goal.”

Several comments have expressed concern that goals should be set geographically, and should depend on the type of work being performed in each contract. These comments have been duly noted and incorporated into this process. To be sure geographical location of the project was considered, our Market Area was identified as the four nearby counties, as discussed previously. 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 on the basis of Consultation.

Taking into account the past participation and the lack of disparity study, we have no additional information on which to base any further adjustment to the goal.

Step 2(d) – ADJUSTED DBE GOAL

After considering adjustments, the overall DBE Goal is set at 1.86%. The most recent previous DBE goal proposed for Walla Walla Regional Airport, in 2012, was 1.46%. The increase in the DBE goal is mainly due to the type of subcontracting opportunities that are expected to be available in the next three years compared to those available in the past. For many of the disciplines needed in the planned projects, there are no local DBE contractors.

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:

- Holding pre-bid meetings when appropriate to facilitate networking opportunities for DBE firms and other small businesses.
- Advertising opportunities in publications that have potential to reach the DBE firms and other small businesses. This includes publishing the DBE Program Public Notice inside and outside the Market Area. By doing so, this may bring the awareness to DBE firms of potential participation.

Considerations for Race Conscious

Race conscious participation cannot be considered without a valid diversity or disparity study covering the type of work being prosecuted for the region. This guidance was the outcome of the 2005 U.S. 9th Circuit Court ruling on the Case *Western States Asphalt vs. WSDOT*. Since no disparity study exists, no Race Conscious goals have been considered.

Process

The Port of Walla Walla will submit this DBE goal to the FAA by October 31, 2014. Goal proposals are generally due by August 31 of each triennial period. The next goal proposal will be due to the FAA no later than August 31, 2017. Before establishing the overall goal each period, the Port of Walla Walla will consult with the OMWBE and OMWESB Directories, 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 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 in the main daily newspaper in the Market Area 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.

The main Market Area newspaper is the Walla Walla Union-Bulletin. It should be noted that this newspaper has a subscriber base reaching beyond the Market Area.

Each opportunity is advertised, with the project specific goal, 21-30 days before the project is to bid. The goal and the process are available for inspection during normal business hours through the public disclosure process.

Each opportunity will be incorporated into the Invitation for Bids advertisement and issued in general circulation newspapers and regional plan centers.

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 triennial period 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 Walla Walla Regional Airport hereby announces its fiscal years 2015 thru 2017 goal of 1.86% for Disadvantaged Business Enterprise (DBE) airport construction projects. The proposed goals

and rationale is available for inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday at 310 A St., Walla Walla, Washington for **30 days** from the date of this publication.

Comments on the DBE goal will be accepted for **45 days** from the date of this publication and can be sent to the following:

Jennifer Skoglund
310 A St.
Walla Walla, WA 99362

or

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