

Section 26.45: Overall DBE Three-Year Goal Methodology

Name of Recipient: Port of Bellingham, Bellingham International Airport (BLI)

Goal Period: FY2024 -FY2026

DOT-assisted contract amount:	FY-2024*	\$1,500,000
	FY-2025	\$9,000,000
	FY-2026	<u>\$12,200,000</u>
	Total	\$22,700,000

Overall Three-Year Goal: 7.5%, to be accomplished through 5.5% RN and 2.0% RC

Total dollar amount to be expended on DBE's: \$1,702,500
(Calculated by multiplying goal % x DOT-assisted amount) (\$22,700,000 X 7.5% = \$1,702,500)

Describe the Number and Type of Projects that the airport anticipates awarding:

Projects Fiscal Year #1

1. Equipment Purchase*- Aircraft Rescue Fire Fighting (ARFF) Truck - \$1,500,00
2. Design- Phase 1 Rehabilitation Runway 16/34 (Mill /Overlay) - \$1,500,000

Projects Fiscal Year #2

1. Final Design & Construction- Taxiway D & E Reconfiguration - \$9,000,000

Projects Fiscal Year #3

1. Construction- Phase 2 Rehabilitation Runway 16/34 (Mill /Overlay) - \$12,200,000

*The ARFF equipment purchase for FY 2024 totaling \$1,500,000 was not included in the expended dollars to DBEs due to no current DBE vendors being eligible for this grant per FAA specifications.

Step 1. Actual relative availability of DBEs

The base figure for relative availability as calculated as follows: The base figure for the relative availability was calculated and investigated by utilizing the information found in the 2019 Washington State Airport Disparity Study; <https://wsdot.wa.gov/sites/default/files/2016/05/09/OEO-Washington-State-Airports-Disparity-Study-2019.pdf>. Appendix E, Table E-3, contains the statewide information utilized in the market area. The percent of qualified DBEs per the Disparity Study are weighted against the available types of work for all anticipated AIP-funded projects at Bellingham International Airport between FY 2024 and FY 2026. The following sections provide a detailed breakdown of the annual and three-year DBE goal calculations.

Market Area:

The market area for Bellingham International Airport is the area where the majority of the contractor and subcontractor bidders are located, and the area in which the airport will most likely be doing the majority of its contracting. **This market area was determined by the 2019 WA State Airport Disparity Study to be the Central Region of Washington State**, including Clark, Columbia, Cowlitz, Ferry, Garfield, Island, King, Kitsap, Pierce, Skagit, Skamania, Snohomish, Thurston, Wahkiakum, and Whatcom Counties.

For the ARFF equipment purchase noted above in FY 2024, BLI did not factor in a market area or analyze the equipment purchase further for DBE participation as no current DBE vendors are eligible to bid on the federal grant per FAA specifications for ARFF trucks.

Weighted Availability of DBE Firms:

Examinations of the anticipated federally funded projects for each fiscal year are summarized in the tables below. These tables are used to determine the percentage of the total estimated project costs, which is available to DBE Contractors as determined by the 2019 WA State Airport Disparity Study. The number of total contractors and the number of DBE contractors available for each relevant category of work is 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. 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.

FY2024 PROJECT EXAMINATION -

A	B	C	D	E	F	H	I
Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Percentage of Work Type	Available DBE (%) Per the Disparity	DBE (\$)
Project #1 Design Phase 1 Rehab Runway 16/34 (Mill/Overlay)	1	Engineering Services	541330	\$ 1,200,000.00	80%	7.7%	\$ 92,400.00
	3	Surveying Services	541370	\$ 150,000.00	10%	8.4%	\$ 12,600.00
	4	Material Testing	541380	\$ 150,000.00	10%	8.8%	\$ 13,200.00
Total Contract #1				\$ 1,500,000.00	100%	7.9%	\$ 118,200.00
Total FY-2025				\$ 1,500,000.00		7.9%	\$ 118,200.00

FY2025 PROJECT EXAMINATION -

Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Percentage of Work Type	Available DBE (%) Per the Disparity	DBE (\$)
Project #2: Final Design and Construction-Taxiway D & E Reconfiguration	1	Engineering Services	541330	\$ 450,000.00	5%	7.7%	\$34,650.00
	2	Trucking	484220	\$ 900,000.00	10%	12.7%	\$114,300.00
	3	Surveying Services	541370	\$ 450,000.00	5%	10.0%	\$45,000.00
	4	Construction: Asphalt Paving	237310	\$ 2,250,000.00	25%	10.0%	\$225,000.00
	5	Site Preparation	238910	\$ 2,250,000.00	25%	6.4%	\$144,000.00
	6	Water and Sewer Line	237110	\$ 450,000.00	5%	8.9%	\$40,050.00
	7	Electrical	238210	\$ 450,000.00	5%	4.9%	\$22,050.00
	8	Concrete	238110	\$ 180,000.00	2%	5.1%	\$9,180.00
	9	Drainage System	238910	\$ 450,000.00	5%	6.4%	\$28,800.00
	10	Painting	238320	\$ 270,000.00	3%	3.6%	\$9,720.00
	11	Demolition	238910	\$ 450,000.00	5%	6.4%	\$28,800.00
	12	Materials Testing	541380	\$ 450,000.00	5%	8.8%	\$39,600.00
Total Contract #4				\$ 9,000,000.00	100%	8.2%	\$741,150.00
Total FY-2025				\$ 9,000,000.00		8.2%	\$ 741,150.00

FY2026 PROJECT EXAMINATION

Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Percentage of Work Type	Available DBE (%) Per the Disparity	DBE (\$)
Project #1: Construction-Phase 2 Rehabilitation RWY 16/34 (Mill/Overlay)	1	Engineering Services	541330	\$ 1,220,000.00	10%	7.7%	\$ 93,940.00
	2	Trucking	484220	\$ 1,220,000.00	10%	12.7%	\$ 154,940.00
	3	Surveying Services	541370	\$ 610,000.00	5%	10.0%	\$ 61,000.00
	4	Construction: Asphalt Paving	237310	\$ 4,270,000.00	35%	10.0%	\$ 427,000.00
	5	Site Preparation	238910	\$ 1,220,000.00	10%	6.4%	\$ 78,080.00
	6	Material Testing	541380	\$ 610,000.00	5%	8.8%	\$ 53,680.00
		Concrete	238110	\$ 244,000.00	2%	5.1%	\$ 12,444.00
		Drainage System	238910	\$ 610,000.00	5%	6.4%	\$ 39,040.00
		Painting	238320	\$ 366,000.00	3%	3.6%	\$ 13,176.00
		Demolition	238910	\$ 1,220,000.00	10%	6.4%	\$ 78,080.00
	7	Electrical	238210	\$ 610,000.00	5%	4.2%	\$ 25,620.00
Total Contract #1				\$ 12,200,000.00	100%	8.5%	\$ 1,037,000.00
Total FY-2026				\$ 12,200,000.00		8.5%	\$ 1,037,000.00

The base goal projection after weighting is as follows:

- Total Weighted DBE Availability: \$1,896,350
- Total for All Trades: \$22,700,000

Dividing the weighted DBE totals by the total estimate for all trades gives a base DBE availability figure for the projects anticipated during the goal-setting period. This figure is expressed as a percentage and serves as the basis for the three-year overall goal.

Base of DBE Goal: 8.0%

Step 2: Adjustments to Step 1 base figures

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

Past participation –One piece of data used to determine the adjustment to the base figure was the median of historical DBE accomplishments. The projects for FY 2024-2026 are similar in nature of past participation as similar trades will be utilized; both in design and construction scopes. Historical DBE accomplishments are as follows:

FY	DBE Goals			Accomplishments		
	RC	RN	Total	RC	RN	Total
FY 2018	0.0%	6.7%	6.7%	0.0%	0.0%	0.0%
FY 2019	0.0%	6.7%	6.7%	0.0%	12.2%	12.2%
FY 2020	0.0%	6.7%	6.7%	0.0%	5.0%	5.0%
FY 2021	2.6%	3.9%	6.5%	0.0%	8.9%	8.9%
FY 2022	2.6%	3.9%	6.5%	2.6%	1.2%	3.9%

Arranging this historical data from low to high, (0%, 3.9%, 5.0%, 8.9%, 12.2%) the median is 7.0% as 0% cannot be used to calculate a median.

Step 1 Base averaged with historical accomplishment: $(8.0\% + 7.0\%)/2 = 7.5\%$

To arrive at an overall goal, the Step 1 base figure was added to the Step 2 adjustment figure and the total was averaged, arriving at an **overall goal of 7.5%**. BLI believes this adjusted goal accurately reflects DBE participation that can be achieved for the types of work being awarded during this three-year period.

Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation

The 2019 Washington State Department of Transportation (WSDOT) Aviation was also evaluated for use in BLI’s breakout of RN and RC participation. The study suggested an RC approach therefore, RC methods were considered to meet BLI’s triennial goals.

First, in conjunction with the Port’s DBE program and recommendations within WSDOT’s 2019 Airport Disparity Study, the Port first evaluated the maximum feasible portion of BLI’s overall goals to be met through RN means. BLI uses the following RN means to increase DBE participation:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE, and other small businesses, participation (e.g., unbundling large contracts to make them more accessible to small businesses, requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces);
2. Carrying out information and communications programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists for

bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate);

3. Ensuring distribution of the State DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors.

Secondly, when evaluating the breakout of RN and RC participation the Port evaluated past participation to determine the RN percentage to meet the overall triennial goal as projects are of like scope and categories. Past RN participation from 2018-2022 was averaged (0%, 12.2%, 5%, 8.9%, 1.2%)/5 which equates to 5.5%. BLI believes this is an accurate percentage the Port could expect to obtain through RN means.

Therefore, BLI estimates that in meeting the established overall goal of 7.5%, it will obtain 5.5% from RN participation and 2.0% through RC measures.

BLI will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation 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 PARTICIPIATION

Consultation:

In establishing the overall goal, BLI provided for consultation and publication. This process included consultation with minority, women's, and general contractor groups, community organizations, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and BLI's efforts to establish a level playing field for the participation of DBEs. The consultation included a scheduled, direct, interactive exchange with as many interested stakeholders as possible focused on obtaining information relevant to the goal-setting process, and was conducted before the goal methodology was submitted to the operating administration for review. Details of the consultation are as follows:

The consultation was a teleconference that will be held on July 25, 2023. The following agencies were invited to attend:

- Associated Builders and Contractors of Western Washington
- Association of Washington State Hispanic Chambers of Commerce
- Chambers of Commerce in Island, San Juan, Skagit, and Whatcom Counties
- Contractors Development and Competitiveness Center
- Economic Development Association of Skagit County
- Economic Development Councils Island, San Juan, Skagit and Whatcom Counties
- Ethnic Chamber of Commerce Coalition (ECCC)
- Northwest Minority Business Council
- Northwest Regional Office of the National Center for American Indian Enterprise Development
- Northwest Workforce Development Council
- OMWBE
- Skagit and Island Counties Builders Association
- The Building Industry Association of Whatcom County
- Washington State Economic Development Center
- National Association of Minority Contractors of Washington
- Construction Design Entrepreneurs- CDE Washington
- National Minority Supplier Diversity Council

A notice of the proposed goal was published on BLI's official website before the methodology was submitted to FAA.

If the proposed goal changes following review by FAA the revised goal will be posted on BLI's official website.

Notwithstanding paragraph (f)(4) of §26.45, BLI's proposed goals will not be implemented until this requirement has been met.

PUBLIC NOTICE

The Port of Bellingham/Bellingham International Airport hereby announces its proposed Disadvantaged Business Enterprise (DBE) participation goal of 7.5%; 5.5% from RN participation and 2.0% through RC measures for FAA-funded contracts/agreements. The proposed goal pertains to federal fiscal years 2024 through 2026. A teleconference will be held on July 25, 2023, at 10:00 AM for the purpose of consulting with stakeholders to obtain information relevant to the goal-setting process. Email emilyp@portofbellingham.com for Zoom information.