

Section 26.45: Overall DBE Three-Year Goal Methodology

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

Goal Period: FY2021 -FY2023

DOT-assisted contract amount:	FY-2021	\$3,348,000
	FY-2022	\$8,100,000
	<u>FY-2023</u>	<u>\$4,500,000</u>
	Total	\$15,948,000

Overall Three-Year Goal: 5.4%, to be accomplished through 0% RC and 5.4% RN

Total dollar amount to be expended on DBE's: \$366,804
(Calculated by multiplying goal % x DOT-assisted amount) (\$15,948,000 X 5.4% = \$861,192)

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

Projects Fiscal Year #1

1. Runway Safety Area (RSA) Compliance- Construction: \$855,000
2. Runway Shoulders and Blast Pads- Design: \$810,000
3. Terminal Apron LED Lights- Design and Construction- \$180,000
4. Taxiway Kilo- Construction: \$1,062,000
5. Relocate/Demo of Taxiway C/D/E/F- Design: \$216,000
6. Snow Removal Equipment (SRE) Building Design: \$225,000

Projects Fiscal Year #2

1. Runway Shoulders and Blast Pads- Construction: \$6,300,000
2. Relocate/Demo of Taxiway C/D/E/F- Construction: \$1,800,000

Projects Fiscal Year #3

1. Snow Removal Equipment (SRE) Building: Construction- \$4,500,000

Market Area:

The Bellingham International Airport (BLI) has defined its market area to include all of Washington State. Based on the past projects at BLI, these services have historically been awarded to companies within several counties in Washington State and across the United States. Since firms must be registered in the State of Washington to pursue business at BLI, this market appears to be representative of where planning, design, and construction project interest is anticipated.

Step 1. Actual relative availability of DBEs

The base figure for relative availability as calculated as follows:

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

And Census Bureau Data (<https://data.census.gov>).

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. 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.

FY2021 PROJECT EXAMINATION

A	B	C	D	E	F	G	H	I
Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Census	Directory	Available DBE (%)	DBE (\$)
Project #1: RSA Compliance-Construction	1	Engineering Services	541330	\$128,250.00	1487	48	3.2%	4,139.88
	2	Trucking	484220	\$128,250.00	688	74	10.8%	13,794.33
	3	Surveying Services	541370	\$42,750.00	177	9	5.1%	2,173.73
	4	Construction	237310	\$171,000.00	248	7	2.8%	4,826.61
	6	Site Preparation	238910	\$342,000.00	1243	8	0.6%	2,201.13
	7	Fence Installation	238990	\$42,750.00	781	8	1.0%	437.90
	Total Contract #1				\$855,000.00			3.2%
Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Census	Directory	Available DBE (%)	DBE \$
Project #2: Runway Shoulders and Blast Pads-	1	Engineering Services	541330	\$ 688,500.00	1487	48	3.2%	22,224.61
	4	Surveying Services	541370	\$ 121,500.00	177	9	5.1%	6,177.97
Total Contract #2				\$ 810,000.00			3.5%	28,402.58
Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Census	Directory	Available DBE (%)	DBE \$
Project #3: Terminal Apron LED Lights- Design and Construction	1	Engineering Services	541330	\$ 54,000.00	1487	48	3.2%	1,743.11
	4	Surveying Services	541370	\$ 18,000.00	177	9	5.1%	915.25
	5	Site Preparation	238910	\$ 27,000.00	1243	8	0.6%	173.77
	6	Electrical	238210	\$ 81,000.00	1883	12	0.6%	516.20
Total Contract #3				\$ 180,000.00			1.9%	3,348.33

FY2021 PROJECT EXAMINATION CONTIUNED

Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Census	Directory	Available DBE (%)	DBE (\$)
Project #4: Taxiway Kilo- Construction	1	Engineering Services	541330	\$127,440.00	1487	48	3.2%	4,113.73
	2	Trucking	484220	\$106,200.00	688	74	10.8%	11,422.67
	3	Surveying Services	541370	\$31,860.00	177	9	5.1%	1,620.00
	4	Construction: Asphalt Paving	237310	\$318,600.00	248	7	2.8%	8,992.74
	5	Site Preparation	238910	\$371,700.00	1243	8	0.6%	2,392.28
	6	Water and Sewer Line	237110	\$53,100.00	302	9	3.0%	1,582.45
	8	Electrical	238210	\$31,860.00	1883	12	0.6%	203.04
	10	Materials Testing	541380	\$21,240.00	171	2	1.2%	248.42
Total Contract #4				\$1,062,000.00			2.9%	30,575.33
Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Census	Directory	Available DBE (%)	DBE \$
Project #5: Relocate/Dem o of Taxiway C/D/E/F-	1	Engineering Services	541330	172,800.00	1487	48	3.23%	5,577.94
	4	Surveying Services	541370	43,200.00	177	9	5.08%	2,196.61
Total Contract #5				216,000.00			3.6%	7,774.55
Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Census	Directory	Available DBE (%)	DBE \$
Project #6: Snow Removal Equipment (SRE) Building: Design	1	Engineering Services	541330	112,500.00	1487	48	3.23%	3,631.47
	2	Architectural Services	541310	90,000.00	713	3	0.42%	378.68
	4	Surveying Services	541370	22,500.00	177	9	5.08%	1,144.07
Total Contract #6				225,000.00			2.3%	5,154.22
Total FY-2021				\$3,348,000.00			3.1%	102,828.60

FY2022 PROJECT EXAMINATIONS

A	B	C	D	E	F	G	H	I	
Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Census	Directory	Available DBE (%)	DBE \$	
Project #1: Runway and Shoulder and Blast Pads- Construction	1	Engineering Services	541330	\$ 756,000.00	1487	48	3.2%	\$24,403.50	
	2	Trucking	484220	\$ 630,000.00	688	74	10.8%	\$67,761.63	
	3	Surveying Services	541370	\$ 189,000.00	177	9	5.1%	\$9,610.17	
	5	Construction: Asphalt Paving and Markings	237310	\$ 2,205,000.00	248	7	2.8%	\$62,237.90	
	7	Site Preparation	238910	\$ 1,890,000.00	1243	8	0.6%	\$12,164.12	
	8	Material Testing	541380	\$ 315,000.00	171	2	1.2%	\$3,684.21	
	9	Electrical	238210	\$ 315,000.00	1883	12	0.6%	\$2,007.43	
	Total Contract #1				\$ 6,300,000.00			2.9%	\$181,869
Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Census	Directory	Available DBE (%)	DBE \$	
Project #2: Relocate/Dem o Taxiways C/D/E/ F- Construction	1	Engineering Services	541330	\$ 180,000.00	1487	48	3.2%	\$5,810.36	
	2	Trucking	484220	\$ 180,000.00	688	74	10.8%	\$19,360.47	
	3	Surveying Services	541370	\$ 90,000.00	177	9	5.1%	\$4,576.27	
	5	Construction: Asphalt Paving and Markings	237310	\$ 630,000.00	248	7	2.8%	\$17,782.26	
	8	Site Preparation	238910	\$ 540,000.00	1243	8	0.6%	\$3,475.46	
	9	Material Testing	541380	\$ 90,000.00	171	2	1.2%	\$1,052.63	
	10	Electrical	238210	\$ 90,000.00	1883	12	0.6%	\$573.55	
	Total Contract #2				\$ 1,800,000.00			2.9%	\$52,631
Total FY-2022				\$8,100,000.00			2.9%	\$234,500	

FY2023 PROJECT EXAMINATION

A	B	C	D	E	F	G	H	I	
Project Name	Item No.	NAICS Description	NAICS	Estimated Trade (\$)	Census	Directory	Available DBE (%)	DBE \$	
Project #1: Snow Removal Equipment (SRE) Building- Construction	1	Engineering Services	541330	270,000.00	1487	48	3.23%	\$8,716	
	2	Architectural Services	541310	225,000.00	713	3	0.42%	\$947	
	3	Surveying Services	541370	135,000.00	177	9	5.08%	\$6,864	
	4	Industrial Building Construction	236210	2,025,000.00	63	5	7.94%	\$160,714	
	6	Construction: Asphalt Paving	237310	225,000.00	248	7	2.82%	\$6,351	
	8	Site Preparation	238910	675,000.00	1243	8	0.64%	\$4,344	
	9	Fence Installation	238990	45,000.00	781	8	1.02%	\$461	
	10	Water and Sewer	237110	450,000.00	302	9	2.98%	\$13,411	
	11	Electrical	238210	450,000.00	1883	12	0.64%	\$2,868	
	Total Contract				4,500,000.00			4.5%	\$204,675
Total FY-2023				\$4,500,000.00			4.5%	\$204,675	

The base goal projection after weighting is as follows:

- Total Weighted DBE Availability: \$542,004
- Total for All Trades: \$15,948,000

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: 3.4%

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 2021-2023 are similar in nature of past participation as similar trades will be utilized; both in design and construction scope. Historical DBE accomplishments are as follows:

FY	DBE Goals			Accomplishments		
	RC	RN	Total	RC	RN	Total
2015	0.00%	7.00%	7.00%	0.00%	0.00%	0.00%
2016	0.00%	8.86%	8.86%	0.00%	2.40%	2.40%
2017	No Grant Funding Accepted					
2018	0.00%	6.70%	6.70%	0.00%	0.00%	0.00%
2019	0.00%	6.70%	6.70%	0.00%	12.24%	12.24%

Arranging this historical data from low to high on past participation years, (2.4%, 12.24%) the median is 7.3%.

Step 1 Base averaged with historical median: $(3.4\% + 7.3\%)/2 = 5.4\%$

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 5.4%**. 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.

The Washington State Department of Transportation (WSDOT) Aviation published a disparity study in 2019. After review and consideration of DBE availability in Washington State along with past utilization rates, an adjustment was not made to BLI's overall goal as the Port believes it can obtain its goal through race-neutral methods. 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.

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

In conjunction with the recommendations within WSDOT's 2019 disparity study, BLI will meet the maximum feasible portion of its overall goal by using RN means of facilitating DBE participation and 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.

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 were not considered.

BLI estimates that in meeting the established overall goal of 5.4%, it will obtain 5.4% from RN participation and 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 advertising a 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 scheduled for October 27, 2020 at 11:00AM. 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

Despite the Port's best efforts of inviting the above agencies along with publicizing the consultation in the local newspaper and on the Port's website, no agencies or individuals responded to or attended the consultation. Therefore, no changes were made to the goals.

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 2.3% for FAA-funded contracts/agreements. The proposed goal pertains to federally funded projects within fiscal years 2021 through 2023. A teleconference will be held on Tuesday, October 27 at 11:00AM for the purpose of consulting with stakeholders to obtain information relevant to the goal-setting process. Email emilyp@portofbellingham.com for dial-in information

Based on feedback received by the FAA, the Port's goals were revised and a new goal of 5.4% was established. The Port published the revised goal the airport's website on 11/19/20 and allowed for a 30 day comment period prior to finalizing.