

City of Buhl, Idaho Buhl Municipal Airport

FY 2019-2020 Overall Goal for the Disadvantaged Business Enterprise (DBE) Program



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FY 2019-2020 Overall Goal

Overall Goal (\$26.45)

Amount of Goal – FY 2019-2020 Improvements

This document proposes an overall goal for FY 2019-2020. The projects referred to in this report appear on the most recent Capital Improvement Plan (CIP) for the Buhl Municipal 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 Buhl Municipal Airport.

The Overall Goal for FY 2019-2020 is 2.57% (Race Neutral).

Method

Determining Types of Work

Table 1 below shows the upcoming projects for FY 2019-2020 at the Buhl Municipal Airport based on their current Capital Improvement Plan (CIP). Estimated costs are also listed in Table 1 (these are total dollars. FAA funds at the 90% level of the dollars shown). The 2020 project will not be considered in this goal determination as it is under the FAA threshold of \$250,000. The projects create possible subcontracting opportunities in ten (10) different disciplines, as listed in Table 2, paired with their respective NAICS codes.

Table 1: FY 2019-2020 Capital Improvement Projects

FY 2019 Project		FY 2020 Projects	
Reconstruct Taxilane C and Construct Taxilane D	\$1,000,000	Construction Engineering	\$100,000

Table 2: Disciplines Employed in FY 2019-2020 Projects

Discipline	NAICS	Discipline	NAICS	Discipline	NAICS
Storm Drainage	237110	Dump Trucking	484220	Material Testing	541380
Highway, Street, and Bridge Construction	237310	Engineering	541330	Environmental Consultant	541620
Electrical Contractors	238210	Land Surveying	541370	Traffic Control	561990
Site Preparation Contractors	238910				

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. The market area is the area in which the substantial majority of the Airport’s contractors and subcontractors that seek to do business with the Airport are located and the area in which the

Airport spends the substantial majority of its contracting dollars. The Buhl Municipal Airport is located in southeastern Idaho. Using this airport as the reference point, the Market Area includes three counties: Ada, Bannock, and Twin Falls.

After establishing the Market Area, the 2016 US Census Bureau database was used to determine the number of available contractors and subcontractors for the work anticipated on these projects. The "DBE Directory" on the Diversity Management System – Idaho Transportation Department website was used to find DBE businesses in the Market area that did the type of work called out.

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 2019-2020 Project

A two-step process is conducted to determine the opportunities for DBE: (1) Analysis and (2) Adjustment.

Step 1 – Analysis

Table 3 below summarizes the total available businesses, total DBE businesses, and estimated available DBE contract dollars for each aspect of the FY 2019 project. The data source for the total available businesses comes from the US Census Bureau – County Business Patterns website. The Idaho Transportation Department Diversity Management System DBE Directory provided the list of DBE businesses available. Table 4 lists the individual DBE contractors available in the Market Area.

Table 3 is used to determine the percentage of the total estimated project costs available to DBE Contractors for each project. 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 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 for each category is multiplied by this percentage to determine the dollar amount that could be attributed to a DBE firm. Next, the amounts available for DBE firms in each category are totaled. Finally, the dollar value attributed to DBE firms is divided by the estimated combined project total. The result is the percentage of contract work DBE firms may participate in for the project.

Table 3 – 2019 Construct Taxilanes

NAICS Code	Classification	Total Businesses	Total DBE Businesses	% DBE Business	Contract Dollars FY 2019-2020	Contract Dollars DBE
237110	Storm Drainage	27	1	3.7%	\$160,000	\$5,920
237310	Highway, Street, and Bridge Construction	24	1	4.2%	\$457,000	\$19,194
238210	Electrical Contractor	172	1	0.6%	\$2,000	\$12
238910	Site Preparation Contractors	83	0	0.0%	\$80,000	\$0
484220	Trucking	53	0	0.0%	\$40,000	\$0
541330	Engineering	275	0	0.0%	\$200,000	\$0
541370	Land Surveying	16	0	0.0%	\$20,000	\$0
541380	Material Testing	16	0	0.0%	\$30,000	\$0
541620	Environmental Consulting (SWPPP)	44	3	6.8%	\$5,000	\$340
561990	Traffic Control	29	1	3.4%	\$6,000	\$204
Total					\$1,000,000	\$25,670
Contract Work Available to DBE Firms:						2.57%

The overall 2019-2020 goal based on availability of DBE firms is 2.57%.

Table 4 lists the DBE firms in the Market Area that are available for the types of services required on the upcoming projects.

Table 4: Disadvantaged Business Enterprises in the Market Area

	Business Name	Type of Work
2	REG Contracting (Twin Falls)	Storm Drainage (237110) Highway, Street, and Bridge Construction (237310)
5	Sundance Research (Bannock)	Environmental Consultant (541620)
7	Vision Air Research (Ada)	Environmental Consultant (541620)
10	Pacific Source Electric (Ada)	Electric Contractor (238210)
11	JH Construction Traffic Control (Ada)	Traffic Control (561990)
12	Ecological Design Inc. (Ada)	Environmental Consultant (541620)

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. Buhl has not been required to file DBE annual reports over the last five years due to the size of the projects done at the airport. Therefore, DBE work was not tracked. Consequently, no adjustment to the goal determined above will be made based on past participation.

Step 2(b) – Disparity Studies

A 2007 Disparity Study done on contracts for the Idaho Department of Transportation found 10.5% DBEs available statewide. The percentage of DBEs awarded ITD contracts was 7.3%. In the final recommendations portion of this study, it was noted that there were not enough FAA projects in the state to determine an overall DBE participation goal for these projects therefore these goals will not be considered in the adjustment.

Step 2(c) – Consultation

The FAA Civil Rights 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 will be held to allow businesses in the Market Area to provide input on the methodology used in this goal calculation.

A teleconference call will be held on August 5, 2019 from 10:30 to 11:30 am to allow businesses in the Market Area to provide input on the draft DBE goals. Notice of this meeting will be sent to the Twin Falls and Boise Metro Chambers of Commerce for distribution to their membership. The DBE businesses shown in Table 4 will be contacted regarding the teleconference.

Step 2(d) – Adjusted DBE Goal

The overall DBE goal will not be adjusted. The DBE goal for the Buhl Municipal Airport will be 2.57%

Breakout of Race Neutral and Race Conscious Participation

Considerations for Race Neutral

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

- Contracts will be unbundled to include pricing 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.

Considerations for Race Conscious

The State of Idaho 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.

The Buhl Municipal Airport estimates that in meeting its overall goal 2.57%, it will obtain 2.57% from Race Neutral participation and 0% through Race Conscious measures.

Process

The Buhl Municipal Airport will submit subsequent goals August 1 prior to the beginning of each goal period, starting in 2020.

Public Notice

The Buhl Municipal Airport will publish a notice of the proposed overall DBE goal for aviation projects on its website (<http://www.cityofbuhl.us/>) informing the public that the proposed goal and its rationale are available for inspection and comment during normal business hours at the City Hall for 30 days following the date of the notice.

Our overall goal submission to the FAA will include a summary of information and comments received and the airport'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 Buhl Municipal Airport hereby announces its FY 2019-2020 Disadvantaged Business Enterprise (DBE) Race-Neutral goal for the Buhl Municipal Airport of 2.57% for airport construction projects. The proposed goal and rationale are available for inspection between 7:00 a.m. and 6:00 p.m., Monday through Thursday at City Hall, 203 Broadway Ave N #B, Buhl, ID for 30 days from the date of this publication.

Comments on the DBE Overall Goal may be sent to:

Buhl Municipal Airport or
Karen Drown, Buhl City Clerk
(208) 543-5650

Federal Aviation Administration
Civil Rights Staff, ASW-9
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