

City of Nampa, Idaho Nampa Municipal Airport

FY 2018-2020 Overall Goal for the Disadvantaged Business Enterprise (DBE) Program



TABLE OF CONTENTS

OVERALL GOAL (\$26.45) 2
 AMOUNT OF GOAL – FY 2018-2020 IMPROVEMENTS 2

METHOD 2
 DETERMINING TYPES OF WORK 2
 DETERMINING THE GEOGRAPHICAL AREA 3

DETERMINING THE COMMON OPPORTUNITIES IN THE FY 2017 PROJECT 3
 STEP 1 – ANALYSIS 4
 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 5

BREAKOUT OF RACE NEUTRAL AND RACE CONSCIOUS PARTICIPATION 5
 CONSIDERATIONS FOR RACE NEUTRAL 5
 CONSIDERATIONS FOR RACE CONSCIOUS 6

PROCESS 6

PUBLIC NOTICE 6
 PUBLIC NOTICE 7

FY 2018-2020 Overall Goal

Overall Goal (\$26.45)

Amount of Goal – FY 2018-2020 Improvements

This document proposes an overall goal for FY 2018-2020. The projects referred to in this report appear on the most recent Capital Improvement Plan (CIP) for the Nampa 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 Nampa Municipal Airport.

The Overall Goal for FY 2018-2020 is 1.40% (Race Neutral).

Method

Determining Types of Work

There is currently one project programmed in the FY 2018-2020 Capital Improvements Plan (CIP) at the Nampa Municipal Airport that will be used in the DBE goal determination. A taxiway will be constructed in 2019. The project’s estimated cost is listed below in Table 1. (These are total project costs. The FAA participation at a 90% level yield an FAA cost for FY 2019 of \$310,500. The total dollars will be shown throughout this report, as the percentages will remain the same whether shown at the full amount or the 90% level.)

In the case of land acquisition projects, only funds toward professional services, such as appraisal negotiation and consulting, have DBE opportunities. Typically, those services account for approximately 10% of the total project funds. Based on the projected land acquisition project cost in 2018, those services are not expected to surpass the \$250,000 threshold for FAA funding, and will not be included in this DBE goal calculation. Projects planned for 2020 will also not be used in the goal calculation because their total costs sum to less than \$250,000.

The project planned for 2019 creates subcontracting opportunities in eight (8) different disciplines, as listed in Table 2, below, paired with their respective NAICS codes. Although engineering services will be utilized on the projects, the Nampa Municipal Airport has awarded a prime contract to an engineering firm through June 2019, therefore no DBE opportunities will be available to a DBE engineering firm.

Table 1: FY 2018-2020 Capital Improvement Projects

FY 2018		FY 2019		FY 2020	
Land Acquisition (approx. \$100,000 professional services)	\$ 1,000,000	Construct Taxiway	\$ 345,000.00	Lighted Wind Cone	\$ 45,000
				Install Taxiway Lighting	\$ 70,000

Table 2: Disciplines Employed in FY 2019 Project

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

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 Nampa Municipal Airport is located in south central Idaho. Using this airport as the reference point, the Market Area includes Ada and Canyon counties.

After establishing the Market Area, the 2015 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 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 Project

Table 3 below summarizes the total available businesses, total DBE businesses, and estimated available DBE contract dollars for each aspect of the upcoming projects at the airport. This table shows the FY 2019 project. The number of engineering firms is shown as 1, because J-U-B Engineers is contracted with the Nampa Airport until June 2019, therefore no DBE opportunities will be available. Table 4 lists the individual DBE contractors available, per the DBE Directory, in the Market Area. A two-step process is conducted to determine the opportunities for DBE: (1) Analysis and (2) Adjustment.

Table 3 - Determination of DBE Opportunities

NAICS Code	Classification	Total Businesses	Total DBE Businesses	% DBE Businesses	Contract Dollars FY 2018-2020	Contract Dollars DBE
237110	Storm Drainage	33	0	0.00%	\$51,750.00	\$0.00
237310	Highway, Street and Bridge Construction	21	1	4.76%	\$100,050.00	\$4,764.29
238910	Site Preparation	85	0	0.00%	\$41,400.00	\$0.00
484220	Trucking	39	0	0.00%	\$17,250.00	\$0.00
541330	Engineering	1	0	0.00%	\$93,150.00	\$0.00
541370	Land Surveying	17	0	0.00%	\$17,250.00	\$0.00
541380	Material Testing	7	0	0.00%	\$13,800.00	\$0.00
561990	Traffic Control	26	1	3.85%	\$10,350.00	\$398.08
Total					\$345,000.00	\$5,162.36
Contract Work Available to DBE Firms:						1.50%

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 2018-2020 projects, that percentage for work, referred to as the base figure percentage, on the Nampa Municipal Airport project is 1.50%.

Table 4 lists the DBE firms in the Market Area that are available for the types of services required in the FY 2018-2020 projects.

Table 4: Disadvantaged Business Enterprises in the Market Area

	Business Name	Type of Work
1	Boswell Asphalt Paving Solutions Inc (Meridian)	Asphalt Paving (237310)
2	JH Construction Traffic Control Co LLC (Boise)	Traffic Control (561990)

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. Since 2013, the only DBE participation reported at the Nampa Municipal Airport was in 2016, when the airport achieved 2.6% DBE participation on a 3.4% goal. FY 2013 and 2014 did not track DBE participation, as the projects on the airport were under the threshold to require an annual report. FY 2015 had a 0% DBE participation reported on the annual report. Given that FY 2013 and 2014 did not do a report, only FY 2015 and 2016 will be considered for past participation. The median annual DBE reporting over these two years is 1.3%.

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 Idaho Department of Transportation website has a DBE Directory which was used to determine DBEs in the area that may bid on the above projects.

A teleconference call was held on August 10, 2017 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 was sent to the Boise Chamber of Commerce and the Nampa Chamber of Commerce for distribution to their membership. The DBE businesses shown in Table 4 were also contacted regarding the teleconference. A representative from Boswell Asphalt Paving Solutions called in to go over the goal calculation and to ask about upcoming projects. She was provided the answers to the questions she had and had no concerns over the methodology used to formulate the goals.

Step 2(d) – Adjusted DBE Goal

The past participation will be averaged with the current calculated goal. $(1.50 + 1.30) / 2 = 1.40\%$. The overall DBE Goal will be set at 1.40%.

Breakout of Race Neutral and Race Conscious Participation

Considerations for Race Neutral

The City of Nampa will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The City 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 City of Nampa estimates that in meeting its overall goal 1.40%, it will obtain 1.40% from Race Neutral participation and 0% through Race Conscious measures.

Process

The City of Nampa will submit this DBE goal to the FAA by August 1, prior to the beginning of the goal period.

Public Notice

The City of Nampa will publish a notice of the proposed overall DBE goal for aviation projects on their website (<http://www.cityofnampa.us/>) informing the public that the proposed goal and its rationale are available for inspection and comment during normal business hours at the Town 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 City of Nampa hereby announces its FY 2018-2020 Disadvantaged Business Enterprise (DBE) Race-Neutral goal for the Nampa Municipal Airport of 1.40% for airport construction projects. The proposed goal and rationale are available for inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday at the City of Nampa City Hall, 411 3rd St. S., Nampa, ID for 30 days from the date of this publication.

Comments on the DBE Overall Goal may be sent to:

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Nampa, ID 83651

or Federal Aviation Administration
Civil Rights Staff, ASW-9
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