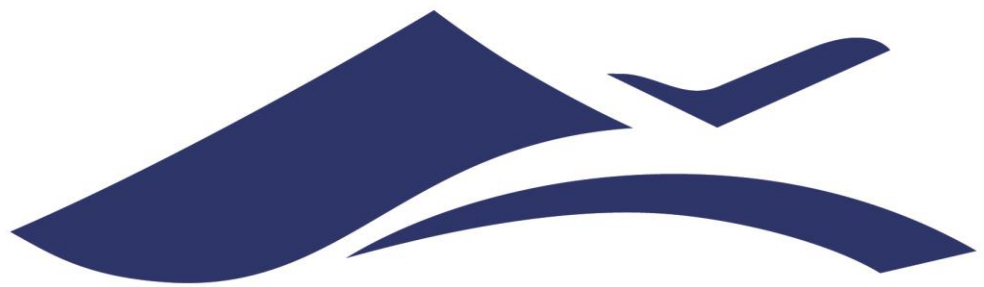


FFY2020 – 2022 Proposed DBE Methodology



Salt Lake City
Department of Airports

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Salt Lake International Airport

Overall DBE Three-Year Goal Methodology

Name of Recipient: Salt Lake City International Airport

Goal Period: FY-2020-2021-2022 – October 1, 2019 through September 30, 2022

DOT-assisted contract amount:	FY 2020	\$18,900,000
	FY 2021	
	FY 2022	
	Total	\$18,900,000

Overall Three-Year Goal: 9.2%, to be accomplished through 8.0% Race Conscious measures, and 1.2% by Race Neutral measures.

Total dollar amount to be expended on DBE's: \$1,738,800

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

AIP Fiscal Year 2020	<u>Contract</u>	<u>AIP Funded</u>
a. Taxiway E&F Pavement Rehabilitation	\$8,464,000	\$7,900,000
b. Continued Airport Redevelopment Project		\$11,000,000
Total Future Anticipated Federal Grants		\$18,900,000

SLCDA is currently under \$3.8 Billion construction project to build a new airport in the location of the current airport. The Airport Redevelopment Project (ARP) has 11 construction procurements, of which two procurements were AIP funded. The South Concourse Apron Paving construction contract has a 9.8% DBE commitment from the joint venture of Holder and Big D Construction (HDJV). The North Concourse Apron Paving construction contract has a 9.8% DBE commitment from the joint venture of Austin Commercial and Okland Construction (AOJV).

Projected FFY2020 – 2022 AIP funding

According to the FAA Area District Office, SLCDA projects to receive \$7,900,000 in AIP funds earmarked for the Taxiway E & F Pavement Rehabilitation construction project. Also, SLCDA projects to receive \$11,000,000 in AIP funds for the current two ARP Apron Paving construction projects (South and North Concourse).

Market Area: Salt Lake City International Airport is owned by Salt Lake City Corporation, and is a department of Salt Lake City government. Salt Lake City Department of Airports (SLCDA) operates three airports, Salt Lake City International Airport, Tooele Valley Airport and the South Valley Regional Airport. Salt Lake City International Airport and South Valley Regional Airport are located in Salt Lake County. Tooele Valley Airport is located in Tooele County which is adjacent to Salt Lake County. According to SLCDA Bidder's Statistics, the substantial majority of Salt Lake

City Department of Airports contractors and subcontractors are located within the State of Utah. Similarly, the majority of Salt Lake City Department of Airports contracting dollars are spent within the State of Utah. Salt Lake City International Airport is the only international airport in the State of Utah. According to the Federal Aviation Administration (FAA), SLCDCA is a large Hub Primary airport that reasonably anticipates awarding more than \$250,000 in a federal fiscal year. According to 49 CFR 26.45, SLCDCA must set an overall goal for DBE participation on Department of Transportation (DOT)-assisted contracts.

SLCDA overall DBE proposed FFY2017 – 2019 DBE goal is 9.2%.

This proposed overall DBE goal is based upon demonstrable evidence of the availability of ready, willing and able DBE's relative to all businesses ready, willing and able to participate on SLCDCA's DOT assisted contracts. SLCDCA defines "ready, willing and able" bidders / proposers as contractors, at any level tier of contracting, who have completed SLCDCA's Federal Form F and picked up plans, or attended a pre-bid meeting for a SLCDCA DOT assisted project.

Step 1. Actual relative availability of DBE's

According to 49 CFR Part 26.11, it states that the recipient should ensure the goal setting process reflects the most accurate number of DBE or potential DBE firms in our area. The regulation allows for the recipient to supplement the DBE directory with data from the U.S. Census Bureau. See Table A, Determining A Weighted Base Figure, and Table B, Weighted Average of Projects by Work Types was completed by supplementing data from the 2012 Survey of Business Owners Statistics for All U.S. Firms by Industry, Gender, Ethnicity, and Race for the U.S., States, Metro Areas, Counties, and Places. The list of work codes was generated from the bidder's statistics forms that are a required bid submittal document due at bid time.

The base figure is 10.1%.

Step Two, Adjustment to the Base Figure –

To take into account the past DBE participation on construction projects with the upcoming FFY2020 - 2022 construction procurement, SLCDCA proposes making an adjustment to the Base Figure (10.1%) by the median DBE past participation rate (FY2017-19) of 8.3%;

FFY 2016 (8.3%),
FFY 2017 (6.0%) and
FFY 2018 (9.8%).

Overall DBE Goal Calculation:

- Step One Base Figure is 10.1%
- Step Two Adjustment to Base Figure is 8.3%
- $10.1\% + 8.3\% = 18.4\% / 2 = 9.2\%$

SLCDA proposed overall FFY2017-2019 DBE goal is = 9.2%

Table A - Determining a Weighted Base Figure

Weighting Calculations					
NAICS Code	Projected FFY20-22 AIP funded projects	Amount of Project DOT funds	%	of Total DOT funds (weight)	
237310	T/W E & F Pavement Rehab	\$ 7,900,000		1.0000	
Total projected Airport Improvement Project funds		\$ 7,900,000		1	
Availability Calculations					
NAICS Code	Projected FFY20-22 AIP funded projects	Number of DBE's and firms owned by Minorities and Women (US Census)	Total # of all firms	Relative Availability	
237310	T/W E & F Pavement Rehab	667	6608	0.1009	
Combined Totals		667	6608	10.09%	Overall Availability of DBE
Weighted Base Figure					
NAICS Code	Projected FFY20-22 AIP funded projects	Weight	Availability	Weighted Base Figure	
237310	T/W E & F Pavement Rehab	1.0000	0.1009	0.10094	10.09%
				Rounded up	10.1%
				Weighted Base Figure	
		FY2016	8.3%	median	
		FY2017	6.0%		
		FY2018	9.8%		
		Step One	10.1%		
		Step Two adjustment	8.3%		
		Result	9.2%		
		Total projected funding	\$18,900,000		
		Projected DBE expenditures	\$1,738,800		
		RC 8.0%	\$1,512,000		
		RN 1.2%	\$226,800		

Table B, Weighted Average of Projects by Work Type

FY2020							
a. T/W E & F Pavement Rehab							
Work types	NAICS	census minority	census women	DBE	total m/w/d	total # of firms	Wgt Avg
Concrete	238110						
Concrete - Structural	237310						
Concrete - Flatwork	238110						
Concrete - Paving	238110						
Concrete - Saw & Seal	238990						
Demolition	237990	14	3	0	17	44	0.386
Electrical	238210	105	77	0	182	1747	0.104
Excavation	238910	20	54	2	76	780	0.097
Fencing	237310	7	7	1	15	378	0.040
Grading	238910	20	54	0	74	987	0.075
Hauling / Trucking	484220	19	37	7	63	745	0.085
Inspection	541350	7	27	0	34	368	0.092
Materials testing	541380	2	40	2	44	71	0.620
Painting - Striping	237130	3	6	2	11	63	0.175
Paving - Asphalt	237310	7	7	1	15	225	0.067
Paving - Rotormilling	237990	14	3	1	18	336	0.054
Signs	237130	0	0	1	1	176	0.006
Steel - Reinforcing	238120	94	2	2	98	268	0.366
Survey	541370	4	6	1	11	215	0.051
Sweeping	488490	0	2	1	3	85	0.035
SWPPP	541620	0	2	1	3	65	0.046
Traffic Control	561990	0	0	2	2	55	0.036
totals		316	327	24	667	6608	0.1009

Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation. 26.51(b) (1-9)

The recipient will meet the maximum feasible portion of its overall goal by using RN means of facilitating DBE participation:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE, and other small businesses, participation;
 - a. Examples of outreach activities including collaboration with the State of Utah Procurement Technical Assistance Center (PTAC) during the annual State of Utah Purchasing Symposium, presentations at the Utah Supplier Diversity Council Meeting, presenting DBE certification at the Small Business Administration Salt Lake City District Office, co-sponsoring a workshop on upcoming contracting opportunities for small businesses with the Salt Lake City Chamber of Commerce Women’s Business Network and Women’s Business Enterprise Council - West
2. Providing assistance in overcoming limitations such as inability to obtain bonding or financing;
 - a. SLCDA is a stakeholder with the US Department of Transportation Bonding Education Program in Salt Lake City and regularly attends the program to present DBE certification and contracting opportunities.
3. Providing technical assistance and other services;

SLCDA encourages Zion Bank, to provide information on various types of lending options for DBE firms, since the Short Term Loan Program has be disbanded.
4. Carrying out information and communications programs on contracting procedures and specific contract opportunities;
5. Ensuring distribution of DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors;
6. Assist DBE’s and other small businesses, to develop their capability to utilize emerging technology.

SLCDA estimates that in meeting its overall goal **9.2%, or \$1,738,800** during the three years. SLCDA will obtain 1.2% from RN participation, or \$226,800 and 8.00%, or \$1,512,000 through RC measures. This breakout is based on:

During the last three federal fiscal years, 2018, 2017 and 2016, Salt Lake City International Airport accomplished 0.172% race neutral participation. This is 0.057%, averaged over a three year period which was factored into the proposed overall DBE goal.

<u>Year</u>	<u>Goal</u>	<u>Participation Rate</u>	<u>RN</u>	<u>RC</u>
2016	8.0%	8.3%	0.09%	7.4%
2017	8.72%	6.0%	.002%	6.0%
2018	9.9%	9.8%	0.08%	9.0%

SLCDA will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation (see Section 26.51(f)) 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 PARTICIPATION

Consultation: Section 26.45(g)(1).

Per the regulation, SLCDA provided for consultation and publication. This 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 SLCDA efforts to establish a level playing field for the participation of DBEs. The consultation included a scheduled, direct, interactive exchange (e.g., a face-to-face meeting, video conference, teleconference) with as many interested stakeholders as possible focused on obtaining information relevant to SLCDA goal setting process, and it occurred before we were required to submit our goal methodology to the operating administration for review pursuant to paragraph (f) of this section.

Notwithstanding paragraph (f)(4) of this section, we will not implement our proposed goal until we have complied with this requirement.

Consultation

May 15, 2019

SLCDA co-hosted a multi-agency outreach event to present upcoming procurements (construction, professional services and contracts) to interested DBE firms and potential certified DBE firms. During this session, SLCDA requested input / feedback on issues to consider when calculating SLCDA’s overall DBE goal.

The public 45 day comment period is June 5, 2019 through July 20, 2019.

Advertising –

The proposed overall DBE goal and its rationale was available for public inspection at Salt Lake City Department of Airports, Administrative Offices, Salt Lake City International Airport, Terminal One, second floor reception area. Legal notice of SLCDAs proposed overall DBE goal was posted on the SLCDA website.

Stakeholder’s meeting -

SLCDA will hold a stakeholder’s meeting on Thursday, June 27, 2019 and presented the proposed overall DBE goal, its methodology and request any comments that may change the proposed FFY2020- 2022 overall DBE goal.