

Bishop International Airport

Goal Update FY 2012, 2013, 2014

Overall Goals (26.45)

Amount of goal

The Bishop International Airport Authority overall goal for FY 2012, 2013, 2014 is the following: 4.27% of the Federal financial assistance we will expend in DOT assisted contracts.

Method

The following is a summary of the method we used to calculate this goal:

The method used to calculate the relative availability of DBEs ('base figure') for 'Step 1' of the process (see 26.45(c)) is as follows. The base figure is a percentage figure calculated by dividing a number representing available DBEs (10) by a number representing all available firms (361).

The data sources used to derive the numerator and denominator in the calculation: there were 33 DBEs in our Directory and 458 total firms in the following NAICS codes and following counties found in the Census Bureau's County Business Pattern (CBP) database:

Counties: Genessee

Work will include Airport Runway Construction (237310) and professional engineering services (541330).

	Directory	NAICS
Runway Construction	9	234
541330 - Engineering Serv.	1	127
All	10	361

Base figure= **2.77%**

Weighting of the base figure is done with respect to both the NAICS category amounts and the geographic location of projects. Due to the lower amount of DBEs in the northern part of the state, yet the larger portion of funds spent there, the actual weighting is distributed by utilizing the base figure in each district where the project is located. See the attached State Block Grant Program Summary.

Engineering is affected heavily in Michigan due to the influence of the automobile industry. The automotive industry relies on mechanical, electrical, computer, and robotic engineering which were counted with the "Engineering Services" category in the NAICS. These types of businesses do not perform civil engineering for airports which is needed for the listed projects. The data has been weighted by as much as 85% in those influenced areas of the state.

The market area depends on the type of work and the size of the proposed contract or subcontract. For heavy construction and electrical work the market area is reduced for smaller jobs due to the relative cost of transportation of equipment. For this program Airport - Runway Construction classification was evaluated for each MDOT district as the market area, which are roughly fifty mile radius areas.

For professional services the district market areas were utilized for small jobs (\$50,000 to \$200,000 prime), and 200 miles for larger jobs (greater than \$200,000 prime contracts)

Adjustment of base figure.

reflected in the directory contractors, the base figure needs to be analyzed.

Recent data of accomplishments was utilized for calculating and establishing the race neutral goal

<u>Year</u>	2008	2009	Average
<u>Goal data</u>	0.00%	0.00%	0.00%
<u>Accomplishment data</u>	2.90%	7.19%	5.05%

The base figure has been adjusted by averaging the past performance with the base figure.

Past accomplishments over the last two years have been an average of **5.05%**.

The overall goal is: **4.27%**

Process

The Bishop International Airport Authority submits its overall goal to DOT on or near August 1 of each year.

Before establishing the overall goal each year, the Bishop International Airport Authority will consult with its agent, MDOT, to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Bishop International Airport Authority efforts to establish a level playing field for the participation of DBEs.

The MDOT consults with its statewide DBE Advisory Committee that is comprised of minority and women business owners, as well as non-DBE business owners. This group meets quarterly and the resulting comments will be documented and distributed.

Following this consultation, we will publish a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection at the MDOT internet website for 30 days following the date of the notice, and the Bishop International Airport Authority and DOT will accept comments on the goals for 45 days from the date of the notice. Notices will appear in the periodicals listed in Attachment B.

Our overall goal submission to DOT will include a summary of information and comments received during this public participation process and our responses.

We will begin using our overall goal on October 1 of each year, unless we have received other instructions from DOT.

Breakout of Estimated Race-Neutral and Race-Conscious Participation

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

We estimate that, in meeting our overall goal of 4.27%, we will obtain 1.11% from race-neutral participation and 3.16% through race-conscious measures.

Further monitoring will be done to evaluate the race neutral calculations for next year.

We will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (see 26.51(f)) and we will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures;
- and DBE participation on a subcontract to a prime contract that had no DBE requirement or 0% goal.

The state level information regarding disparity studies and other pertinent barriers is focused at the Michigan Department of Transportation (MDOT). MDOT conducted a statewide disparity study at the beginning of its DBE program in the early eighties. Since then MDOT has been the only department at the state level to certify DBEs for federal qualification of grants. The above data has been accumulated by the MDOT.

There are no disparity studies available that would affect airports. Further, we are not aware of any evidence pertaining to barriers affecting opportunities for DBEs to form, grow, and compete.

Organizations in the Lansing area and statewide were contacted and had no usable input to offer regarding the program or the goal. These organizations included the Small Business Administration. Since the construction contracts and the professional services contracts are not bid locally, but on a statewide basis, the Michigan Department of Transportation will extend its search for input on a statewide basis, utilizing the resources of MDOT.

The MDOT, on behalf of the airport(s), consults with its statewide DBE Advisory Committee that is comprised of minority and women contractors, business owners and organizations, as well as non-DBE contractors and business owners. These discussions include the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the efforts to establish a level playing field.

Contacts requesting review and comments were made regarding programs and goals with the organizations on Attachment E. This list consists of DBE and non-DBE consultant and contractors as well as contractor organizations.

Consultations with the above mentioned DBE organizations will be held within sixty days to review the 2011 program and the status of the 2010 program. Public notice of the plan and goal in newspapers, trade magazines, and internet has resulted in no comments being received. Please see attachment B for a list of periodicals.

Race-neutral measures that are part of this program include, through the utilization of the MDOT, Office of Equal Opportunity, include:

- 1 Providing technical assistance and other services through MDOT's DBE semi-annual workshops;
- 2 Ensuring the inclusion of DBEs and other small business, on recipient mailing lists for bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; and provision of information in languages other than English,
- 3 Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability;
- 4 Providing services to help DBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
- 5 Establishing a program to assist new , start-up firms, particularly in fields in which DBE participation has historically been low;
- 6 Ensuring distribution of the DBE directory, through print, to all interested contractors statewide and in other states;

Contract Goals **(26.51)**

The Bishop International Airport will use contract goals to meet any portion of the overall goal the Bishop International Airport does not expect to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means.

We will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. We need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work).

We will express our contract goals as a percentage of the Federal share of a DOT-assisted contract.

The recipient does not intend to use any race-conscious means of obtaining DBE participation other than contract goals.

Race Conscious Measures

Goal Period: From: 10/1/11 To: 9/30/14
 Contracts Goal: 4.27% =

Adjusted Race Conscious Goal: 3.16%
 Race Neutral Goal: 1.11%
 Overall DBE Goal: 4.27%

Methodology for Establishing Contract Goal:

<u>Project Items - DBE participation required</u>	<u>Federal \$ Amount</u>	<u>Federal \$ DBE</u>	<u>DBE Portion</u>
Prof. Serv.	\$1,858,500	\$130,095	7.00%
Construction	\$ 16,446,500	\$519,709	4.27%
Equipment -	\$1,300,000	\$0	0.00%
Non-AIP & PFC items	N/A	N/A	
Land - less consultant	N/A	\$0	0.00%
Non contract:	\$0	\$0	0.00%
Subtotal:	\$19,605,000	\$649,804	4.27%
Total Amount:	\$19,605,000	\$649,804	4.27%

PROFESSIONAL SERVICES:

<u>Item Description</u>	<u>\$ Amount</u>	<u>\$ DBE</u>	<u>DBE %</u>
Plans and Desigr Supervision & Inspection	\$1,858,500	\$130,095	7.00%
Consultant			
Real Estate	\$0	\$0	0.0%
Total	\$1,858,500	\$130,095	7.00%

CONSTRUCTION:

<u>Description</u>	<u>Federal \$ Amount</u>	<u>Federal DBE \$\$</u>	<u>Contract DBE %</u>
Airside & Concourse Ex Ph 2 2012	\$ 3,500,000	\$ 149,450	4.27%
Taxiway A Pavement Rehab 2012	\$ 1,111,500	\$ 47,461	4.27%
QTA Facility - Construction 2013	\$ 3,325,000	\$ 141,977	4.27%
Corporate Area Dev - Aprons/Taxil: 2013	\$ 3,000,000	\$ 128,100	4.27%
Runway 18-36 Rehab - Constructior 2014	\$ 1,710,000	\$ 73,017	4.27%
Perimeter Rd Const Phase 1 2014	\$ 2,850,000	\$ 121,695	4.27%
Security Fencing Improvements 2014	\$ 950,000	\$ 40,565	4.27%
Total=	\$16,446,500	\$702,265	4.27%