



**Recommendation to the Board of
Directors
2014-2016**

**Disadvantaged Business Enterprise
(DBE) Goal for Federally-Assisted
Design and Construction Contracts**

September 2014



Purpose

To recommend approval of an overall Disadvantaged Business Enterprise (DBE) participation goal of at least 25 percent for federally-assisted construction contracts for 2014-2016 and report on the results of the public participation process undertaken by staff as part of the goal development.



Background

U.S. Department of Transportation (DOT) regulations that govern the federal DBE program require the Airports Authority to establish its overall DBE participation goal for the Airport Improvement Program for a three-year period (2014 . 2016). The Airports Authority must apply DOT goal-setting procedures that assess the relative availability [-ÄÖÓÒ• Á§ Á@ ÁÖÄ] [!• ÁÖE c@ !ã^ q Á æ\ ^d] |æ& ÈÁ/ @ Á Airports Authority must then solicit public comments on its proposed overall goal for a 45-day period before finalizing the goal.



Background (continued)

There are several airfield projects eligible for federal-assistance planned at Ronald Reagan Washington National Airport and at Washington Dulles International Airport during 2014-2016 with a combined total estimated federal participation value of \$64.7 million. Based on the estimated scopes of work and DBE availability, staff projects at least 25 percent or \$16.2 million of the total projected cost of the projects may be performed by DBEs.



Public Comment Process

Staff conducted the required public comment process by:

1. Advertising the recommended goal in five local newspapers in general circulation;
2. Posting the notice of public comment and the DBE goal more than 45 days;
3. Notifying over 18,000 business representatives of the notice of public comment;
4. Accepting written comments for up to 45 days; and
5. Soliciting input from organizations knowledgeable about marketplace.



Recommendation

In June 2014, the Business Administration Committee established a minimum goal of 25 percent for the 2014-2016 DBE goal. Staff has concluded the public participation process and received no opposition to the proposed goal. Since the information is unchanged from what was presented to the Committee in June, the Committee is not required to consider the proposed goal again at its September meeting. Therefore, the Business Administration Committee recommends that the Board approve the 2014-2016 DBE goal of at least 25 percent for federally-assisted construction and design contracts.



Ronald Reagan Washington National Airport



Dulles Corridor Metrorail Project



Dulles Toll Road



Washington Dulles International Airport



METROPOLITAN WASHINGTON
AIRPORTS AUTHORITY

**RECOMMENDATION TO THE BOARD OF DIRECTORS
2014-2016
DISADVANTAGED BUSINESS ENTERPRISE (DBE)
GOAL FOR FEDERALLY-ASSISTED
DESIGN AND CONSTRUCTION CONTRACTS
SEPTEMBER 2014**

PURPOSE

To recommend approval of an overall Disadvantaged Business Enterprise (DBE) participation goal of at least 25 percent for federally-assisted construction contracts for 2014-2016 and report on the results of the public participation process undertaken by staff as part of the goal development.

BACKGROUND

The U.S. Department of Transportation regulations that govern the federal DBE program require the Metropolitan Washington Airports Authority (Airports Authority) to update its overall DBE participation goal for a three-year period (2014-2016). This update must be submitted to the Federal Aviation Administration for approval. The Airports Authority must apply goal-setting procedures that assess the relative availability of DBEs in the Airports Authority market that are ready, willing, and able to compete for Airports Authority federally-assisted contracts absent of discrimination. The goal setting process also requires the Airports Authority to solicit public comments on its proposed DBE goal for at least a 45-day period. Staff has completed the public participation process.

In determining the appropriate 2014-2016 overall DBE goal, staff updated the data required to identify the Airports Authority market and the relative availability of DBEs within the marketplace that would be ready, willing, and able to compete for the Airports Authority 2014-2016 federally-assisted contract opportunities, absent discrimination. The data analyzed supports a DBE goal of at least 25 percent. Other factors such as scope, type, and schedule of the Airports Authority 2014-2016 federally-assisted contract opportunities were also considered in reaching the 25 percent goal.

Several federally-assisted airfield projects are forecasted at Ronald Reagan Washington National Airport during 2014-2016 including Runway Safety Area improvements, Overlay of Runway 4-22 as well as other miscellaneous projects.

Also, several federally-assisted airfield improvement projects are forecasted at Washington Dulles International Airport with a combined total estimated federal participation value of \$64.7 million. Based on the estimated scopes of work and DBE availability, staff projects at least 25 percent or \$16.2 million of the total projected cost of the projects may be performed by DBEs.

In reaching the overall DBE goal of at least 25 percent, staff considered the projected scope of work and types of contractors required for completion of the work. Staff anticipates that the utilization of DBE contract goals will be necessary to achieve the proposed DBE participation goal. Other factors, such as past achievements and the requirement that the goal not unduly burden non-DBEs seeking to participate in Airports Authority contract(s) were also considered. The use of race-neutral measures such as outreach and technical assistance will be

PUBLIC PARTICIPATION

Public comments have also been considered by staff in determining whether a 25 percent DBE goal is appropriate for 2014-2016. The public outreach and comment period conducted by the Airports Authority took place from June 22, 2014 through August 6, 2014.

During the public comment period, the staff sought feedback from organizations and agencies that have knowledge of the availability of both DBE and non-DBE contractors able to perform on Airports Authority projects. Additionally, notification of the public participation period was placed in major newspapers as well as with minority media. Staff completed the following specific actions:

- ◁ Ads were placed in five area newspapers (*The Washington Post, The Washington Afro-American, The Baltimore Sun, The El Tiempo Latino, and The Richmond Times Dispatch*), including minority focused newspapers, notifying the public of the Airports Authority's proposed DBE goal of at least 25 percent and inviting comments.
- ◁ Staff consulted with external organizations to receive input and discuss the Airports Authority's proposed DBE goal and the availability of DBE and non-DBE firms. These organizations included: 1) National Business League of Greater Washington; 2) The Washington DC Metropolitan Area Chapter of the National Association of Minority Contractors; 3) American Subcontractors Association of Metro Washington; 4) Capital Region

Minority Supplier Development Council; 5) Maryland Department of Transportation (BWI Airport); 6) Virginia Department of Transportation; 7) District Department of Transportation; and 8) Washington Metropolitan Area Transit Authority.

- < The public notice announcing the 45 day comment period was posted on the Airport's website for review and comment by the public.
- < The public notice announcing the 45 day comment period was included in the July 3, 2014 edition of Project eLERT and was distributed to more than 18,000 business representatives.

The Airports Authority received no comments from individuals or contractor businesses/organizations. Comments received from consultations with business organizations and agencies were favorable and concurred with our suggested 25 percent DBE goal.

RECOMMENDATION

In June 2014, the Business Administration Committee requested to initiate the process to establish a minimum goal of 25 percent for the 2014-2016 DBE goal. Staff has concluded the public participation process and received no opposition to the proposed goal. Since the information is unchanged from what was presented to the Committee in June, the Committee is not required to consider the proposed goal again at its September meeting. Therefore, the Business Administration Committee recommends that the Board approve the 2014-2016 DBE goal of at least 25 percent for federally-assisted construction and design contracts.

Prepared by:
Office of Business Administration
Equal Opportunity Programs
September 2014

Proposed Resolution

Establishing the 2014-2016
Disadvantaged Business Enterprise Goal
for Federally-Assisted Contracts

WHEREAS, The Federal Aviation Administration, under the Airport and Airway Improvement Act, requires airport proprietors to develop and submit annual goals for the participation of Disadvantaged Business Enterprises (DBEs) in federally-assisted construction aviation contracts;

WHEREAS, The Office of Business Administration Staff in June through August 2014 sought public comment on a proposed goal for the Airports Authority of at least 25 percent participation; and

WHEREAS, Public comment was supportive of the 25 percent goal; now, therefore be it

RESOLVED, That the 2014-2016 goal of the Airports Authority for DBE participation in federally-assisted construction aviation contracts shall be at least 25 percent of the total contracting dollars.

For Consideration by the Board of Directors on September 17, 2014