

PROPOSED DBE OVERALL GOALS

Fiscal Years 2020 - 2022

JOHN WAYNE AIRPORT

Airport Sponsor: John Wayne Airport

Goal Period: ***From:*** October 1, 2019
 Thru: September 30, 2022

Overall DBE Goal for FAA-Assisted Projects: 4.7%

Race-Neutral Goal: 4.7%

Race-Conscious Goal: 0.0%

DBE GOAL METHODOLOGY

The overall goal period for the John Wayne Airport Disadvantaged Business Enterprise (DBE) program is on an annual basis, beginning on October 1 and ending on September 30. The Overall DBE Goal for fiscal years 2020 - 2022 has been set at 4.7% in compliance with the methodologies described in Code of Federal Regulations (CFR) 49 Part 26 and subsequent guidance. The Federal Aviation Administration (FAA) funding for Airport Improvement Program (AIP) projects is anticipated to be approximately \$4.2 million over the three-year period.

Geographic Region

The relevant geographic market for contractors for John Wayne Airport projects has been defined as Los Angeles, Orange, Ventura and San Diego counties because over 75% of the companies performing projects at the Airport over the past five years are based in one of these areas. FAA funding for AIP projects is anticipated to be approximately \$4.2 million over the three-year period.

Goal Methodology

49 CFR Part 26, Section 26.45(b) states as follows:

Your overall goal must be based on demonstrable evidence of the availability of ready, willing and able DBEs relative to all businesses ready, willing and able to participate on your Department of Transportation (DOT) assisted contracts (hereafter, the "relative availability of DBEs"). The goal must reflect your determination of the level of DBE participation you would expect absent the effects of discrimination. You cannot simply rely on either the 10 percent national goal, your previous overall goal or past DBE participation rates in your program without reference to the relative availability of DBEs in your market.

49 CFR Part 26, Section 26.45 further provides for a two-step process, consisting of:

Step 1 - Determine a Base Figure representing the Relative Availability of DBEs

and

Step 2-Examine data to determine what adjustment, if any, is needed to the Base Figure

The regulation provides the following examples of potential approaches for accomplishing Step 1, determining the base figure, as follows:

- 1) Use DBE Directories and Census Bureau Data. Determine the number of ready, willing and able DBEs in your market from your DBE directory. Using the Census Bureau's County Business Pattern (CBP) database, determine the number of all ready, willing and able businesses available in your market that perform work in the same NAICS codes.

- 2) Use a bidders list. Determine the number of DBEs that have bid or quoted on your DOT assisted prime contracts or subcontracts in the previous year. Determine the number of all businesses that have bid or quoted on prime or subcontracts in the same time period. Divide the number of DBE bidders and quoters by the number for all businesses to derive a base figure for the relative availability of DBEs in your market.
- 3) Use data from a disparity study. Use a percentage figure derived from data in a valid, applicable disparity study.
- 4) Use the goal of another DOT recipient. If another DOT recipient in the same, or substantially similar, market has set an overall goal in compliance with this rule, you may use that goal as a base figure for your goal.
- 5) Subject to the approval of the DOT operating administration, you may use alternative methods to determine a base figure for your overall goal. Any methodology you choose must be based on demonstrable evidence of local market conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of DBEs in your market.

The methodology used to determine the Overall Goal for JWA for fiscal years 2020 – 2022 is described below.

Step 1 - Determine a Base Figure representing the Relative Availability of DBEs.

We have reviewed each of the methodologies described and decided to utilize the directory/census methodology to determine the base figure for the relative availability of DBEs.

Projects planned for award during FY 2020 - 2022 are as follows:

- Airfield Lighting and Signage Improvements
- Airfield Perimeter Security Improvements

The trade classifications expected to be utilized for these projects are as follows:

| Table 1 - Anticipated Project Expenditures for FY 2020 - 2022 by Trade Classification | | | | |
|--|------------------------------------|-----------------------|---|-----------------------------------|
| <i>Project</i> | <i>Trade Classification</i> | <i>NAICS #</i> | <i>NAICS Description</i> | <i>FAA Funded Trade \$</i> |
| Airfield Lighting & Signage Improvements | Electrical | 238210 | Electrical Contractors | \$704,938 |
| | Electrical Equipment | 423610 | Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers | \$195,816 |

| Table 1 - Anticipated Project Expenditures for FY 2020 - 2022 by Trade Classification | | | | |
|--|-----------------------------|----------------|---|----------------------------|
| Project | Trade Classification | NAICS # | NAICS Description | FAA Funded Trade \$ |
| | Site Preparation | 238910 | Site Preparation Contractors | \$48,954 |
| | Concrete Foundation | 238110 | Poured Concrete Foundation Contractors | \$29,372 |
| Total Project | | | | \$979,080 |
| | | | | |
| Airfield Perimeter Security Improvements | Electrical | 238210 | Electrical Contractors | \$2,186,612 |
| | Electrical Equipment | 423610 | Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers | \$815,900 |
| | Fencing | 238990 | All Other Specialty Trade Contractors | \$130,544 |
| | Site Prep | 238910 | Site Preparation Contractors | \$97,908 |
| | Concrete Foundation | 238110 | Poured Concrete Foundation Contractors | \$32,636 |
| Total Project | | | | \$3,263,600 |
| | | | | |
| Total FY 2020 -2022 Projects | | | | \$4,242,680 |

DBE availability was determined by utilizing the California Unified Certification Program DBE Directory and 2016 Census Bureau Data. Census and Directory information was extracted for the trades listed above. The geographic areas represented include Ventura, Los Angeles, San Diego and Orange counties. The availability calculations are as follows:

| Table 2 - DBE Availability Percentages | | | | |
|---|------------|-------------------|----------------------|--------|
| % OF DBE FIRMS VS. ALL FIRMS | | | | |
| Trade Description | NAICS Code | Census # of Firms | Directory # of Firms | *DBE % |
| Poured Concrete Foundation Contractors | 238110 | 619 | 60 | 9.7% |
| Electrical Contractors | 238210 | 3,768 | 117 | 3.1% |
| Site Preparation Contractors | 238910 | 801 | 91 | 11.4% |
| All Other Specialty Trade Contractors | 238990 | 1,255 | 123 | 9.8% |
| Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers | 423610 | 1,150 | 31 | 2.7% |

* Note: The % was obtained by dividing the DBE directory # of firms by the census # of firms.

The availability calculations from the above chart were weighted by the anticipated expenditures for each trade classification as follows:

| Table 3 - DBE \$ based on Project Expenditures by Trade Classification X DBE Availability | | | | | |
|--|-----------------------------|--------------|--------------------|-------------------------|------------------|
| Project | Trade Classification | NAICS | Trade \$ | DBE Availability | DBE \$ |
| Airfield Lighting & Signage Improvements | Electrical | 238210 | \$704,938 | 3.1% | \$21,853 |
| | Electrical Equipment | 423610 | \$195,816 | 2.7% | \$5,287 |
| | Site Preparation | 238910 | \$48,954 | 11.4% | \$5,581 |
| | Concrete Foundation | 238110 | \$29,372 | 9.7% | \$2,849 |
| Total Project | | | \$979,080 | 3.6% | \$35,570 |
| | | | | | |
| Airfield Perimeter Security Improvements | Electrical | 238210 | \$2,186,612 | 3.1% | \$67,785 |
| | Electrical Equipment | 423610 | \$815,900 | 2.7% | \$22,029 |
| | Fencing | 238990 | \$130,544 | 9.8% | \$12,793 |
| | Site Prep | 238910 | \$97,908 | 11.4% | \$11,162 |
| | Concrete Foundation | 238110 | \$32,636 | 9.7% | \$3,166 |
| Total Project | | | \$3,263,600 | 3.6% | \$116,935 |
| | | | | | |
| Total FY 2020 - 2022 Projects | | | \$4,242,680 | 3.6% | \$152,505 |

Note: The dollars to be spent for each trade (Table 1) have been multiplied by the DBE calculated availability (Table 2). The result of this calculation is the dollar amount which would be awarded to DBE firms if the award was a true reflection of the DBE availability based on the census/directory methodology.

The result of the above calculations would yield a base goal of 3.6%. We recognize that this is low in relation to other agencies. This is due to the fact that there are no paving projects (which has a high availability of DBE firms) anticipated for the upcoming goal period.

Step 2 - Examine data to determine what adjustment, if any, is needed to the Base Figure.

Section 26.45(d) provides many examples of the types of data to examine in order to adjust the base figure. We have examined past history and bidder’s lists. We have also reviewed the Caltrans Disparity Study for relevance. Based on this, we have adjusted the base figure as described below.

Past history – The table below provides the history of DBE participation for the previous five-year period.

| Table 4 - Past History of DBE Participation | | | |
|---|----------------------------|------|--|
| Year | Total DBE % Accomplishment | Goal | Comment |
| 2018 | 0.0% | 0.0% | No activity |
| 2017 | 5.7% | 7.3% | |
| 2016 | 0.0% | 0.0% | No activity |
| 2015 | 7.8% | 9.6% | |
| 2014 | 0.5% | 9.6% | 2 small projects, total of both under \$1M |

Excluding the years with no activity, the median goal accomplishment for the five-year period between 2014 and 2018 is 5.7%.

Adjusting the base goal using past history results in the following adjusted goal:

$$\begin{aligned} \text{Base goal (3.6\%)} + \text{past history (5.7\%)} &= 9.3\% \\ \text{Adjusted goal} &= 9.3\%/2 = 4.7\% \end{aligned}$$

Given the above, the adjusted goal for FY 2020-2022 is 4.7%.

Race-Neutral Vs Race-Conscious Goal

JWA has elected to set a race neutral goal for fiscal years 2020 - 2022. We do not have sufficient evidence of discrimination or its effects to support a race-conscious goal at this time.

The following additional methods will be employed to implement race-neutral goals:

- 1) Provide information on the John Wayne Airport organization, functions and its full range of contractual needs.
- 2) Offer instructions and clarification on bid specifications, procurement policy, procedures, and general bidding requirements.
- 3) Maintain a file of successful bid documents from past procurement and permit potential participants to review and evaluate such documents.
- 4) Conduct debriefing sessions on each awarded contract to explain why certain bids were unsuccessful.
- 5) Routinely issue projected procurement information.
- 6) Provide instructions and clarification on job performance requirements.

- 7) Provide information and assistance on certification procedures, sub-contracting practices, bonding requirements.
- 8) Provide assistance in obtaining bonding and financing and provide technical assistance.
- 9) Arrange solicitations, time for presentation of bids, quantities, specifications and delivery schedules so as to facilitate the participation of DBES. The recruiting area for the projects will consist of Orange, Los Angeles, San Diego and Ventura counties.
- 10) Selectively set small business goals in accordance with JWA's approved Small Business Element.

Public Participation

In accordance with 49 CFR part 26, section 26.45, the JWA FFY 2020 - 2022 DBE Goal and Methodology has been published on the JWA Website:

<https://www.ocair.com/businessandemployment/dbeprogram>

In addition, JWA staff conducted a meeting to consult 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 the airport's efforts to establish a level playing field for the participation of DBEs (the "Stakeholder Meeting"). The Stakeholder Meeting was conducted on July 30, 2019. Information regarding the Stakeholder Meeting was posted on JWA's Website and sent to stakeholders in the community. There were no attendees except for Airport Staff and the Airport DBE/ACDBE Consultant. The following documents related to the Stakeholder Meeting are attached as follows:

Attachment 1 – Public Notice

Attachment 2 – Stakeholder Meeting Email Sent to Organizations

Attachment 3 - List of organizations receiving information

Attachment 4 – Website Posting

Attachment 5 - Attendance Record

Attachment 1 – Public Notice

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN, that the County of Orange, John Wayne Airport has established an Overall Annual Disadvantaged Business Enterprise (DBE) Goal of 4.7%, applicable to contracting opportunities scheduled to be awarded during the period of October 1, 2019 through September 30, 2022. The County of Orange, John Wayne Airport's proposed Overall Annual Goal and its rationale were developed in response to U.S. Department of Transportation's New Disadvantaged Business Enterprise Program Final Rule (49 CFR Part 26) and are available for inspection for a period of thirty (30) days following the date of this Notice, from 8:30 a.m. to 4:00 p.m., Pacific Standard Time, Monday through Friday, at our principal place of business located at:

County of Orange, California
John Wayne Airport
Administration Building, Public Notice Board
3160 Airway Avenue
Costa Mesa, CA 92626

The public is invited to a DBE Stakeholder's meeting on Tuesday, July 30, 2019, from 9:00am to 10:00am, in JWA's Airport Commission Room, located at 3160 Airway Avenue, Costa Mesa, CA 92626. The purpose of the meeting is to receive input regarding John Wayne Airport's three-year DBE Goal. We invite you to participate to discuss the proposed goal, as well as the availability of potential DBEs for the Airport's upcoming projects. Comments can be forwarded to the above mentioned office, or to the Regional Civil Rights Officer, United States Department of Transportation, Federal Highway Administration, 980 9th Street, Suite 400, Sacramento, CA 95814-2724. Comments received will be used for informational purposes only.

NOTICIA PUBLICA

SE PRESENTA LA NOTICIA que el Condado de Orange, Aeropuerto John Wayne (Orange County, John Wayne Airport) a establecido una Meta Total para Empresas y Negocios Desventajados (DBE) de 4.7%. Esta Meta sera aplicada a todas las oportunidades de contratos citadas para ser premiadas durante el periodo de Octubre 1, 2019 a Septiembre 30, 2022. La Meta propuesta por el Condado y su razonamiento se han desarrollado en respuesta a la Regla Final del Departamento de Transportacion de EE.UU., Programa Nuevo de Empresas y Negocios Desventajados (49 CFR Part 26). Estos documentos se pueden examinar por un periodo de treinta dias siguiente de esta noticia de las 8:30am hasta las 4:00pm hora del Pacifico, Lunes a Viernes, en nuestras oficinas principales ubicadas en:

County of Orange, California
John Wayne Airport
Administration Building, Public Notice Board
3160 Airway Avenue
Costa Mesa, California 92626

El público está invitado a una junta de partes interesadas del DBE que se llevará a cabo el Martes 30 de Julio de 2019, de 9:00am a 10:00am en la sala de la Comisión de Aeropuertos de JWA, 3160 Airway Avenue, Costa Mesa, CA 92626. El propósito de la junta es para recibir comentarios y opiniones sobre el objetivo DBE de tres años del Aeropuerto John Wayne. Los invitamos a participar para discutir el objetivo propuesto, así como la disponibilidad de posibles DBE para los próximos proyectos de JWA. Comentarios pueden ser enviados a la oficina mencionada arriba o al Oficial Regional de Derechos Civiles, Departamento de Transportacion de EE.UU., Administracion Federal Vial, 980 9th Street, Suite 400, Sacramento, California 95814-2724. Comentarios recibidos seran utilizados solamente para informacion.

Attachment 2 - Stakeholder Meeting Email Sent to Organizations



John Wayne Airport 2020 - 2022 DBE Goal - Stakeholder Meeting



Cindy Olivares <colivares@acc-consulting-llc.com>

To: Cindy Olivares

Cc: Grieco, Jeannette [JWA]

Bcc: carlosb@ochcc.com; admin@namcsc.net; pleague@cwlawyers.com; contact@vacoc.com; officemanager@abaoc.org; bobby.mcdonald@ocblackchamber.com; sueyoshis@agc-ca.org

On: Sunday, July 28, 2019 at 7:13 PM

[Hide Details](#)

Dear John Wayne Airport DBE Program Stakeholder,

In accordance with the US DOT Federal Regulation (49 CFR part 26), the County of Orange, John Wayne Airport ("JWA") has established an Overall Annual Disadvantaged Business Enterprise ("DBE") goal of 4.7% applicable to federally-funded contracting opportunities scheduled to be awarded between October 1, 2019 and September 30, 2022. Interested parties are invited to attend a Stakeholder Meeting to be held on Tuesday, July 30, 2019 between 9:00 am and 10:00 am in JWA's Airport Commission Room located at 3160 Airway Avenue, Costa Mesa, CA 92626. The purpose of the meeting is to receive input regarding the DBE Goal and Methodology. In addition, written comments may be sent to the address in the notice found at the below web address. Further information, including the DBE Goal and Methodology Draft Document, may be found at:

<https://www.ocair.com/businessandemployment/dbeprogram>

Thank you.

Attachment 3 – List of organizations receiving information

National Association of Women Contractors, Orange County Chapter
(pleague@cwlawyers.com)

Hispanic Chamber of Commerce of Orange County (carlos@ochcc.com)

Black Chamber of Commerce of Orange County (bobby.mcdonald@ocblackchamber.com)

National Association of Minority Contractors, Southern California Chapter
(admin@namcsc.net)

Association of General Contractors, LA District (sueyoshis@agc-ca.org)

Vietnamese American Chamber of Commerce, Orange County (contact@vacoc.com)

Asian Business Association of Orange County (officemanager@abaoc.org)

Attachment 4 – Website Posting

[Home](#) > [About JWA](#) > [Business and Employment](#) > [DBE Program](#)

> DBE PROGRAM

Disadvantaged Business Enterprise (DBE) Program

The Department of Transportation's (DOT) Disadvantaged Business Enterprise regulation, 49 CFR Part 26, went into effect on March 4, 1999 and Part 23 went into effect on April 22, 2005. John Wayne Airport is required to develop and implement a DBE program in compliance with 49 CFR Parts 23 and 26.

Contacts:

DBE Program - Construction

Larry Serafini
Deputy Airport Director, Facilities
(949) 252-5270
lserafini@ocair.com

ACDBE Program - Airport Concessions

David Pfeiffer
Deputy Airport Director, Business Development
(949) 252-5291
dpfeiffer@ocair.com

For information about JWA's DBE Disparity study, click [here](#).

The public is invited to a DBE Stakeholder's meeting on Tuesday, July 30, 2019, from 9:00am to 10:00am, in JWA's Airport Commission Room, located at 3160 Airway Avenue, Costa Mesa, CA 92626. The purpose of the meeting is to receive input regarding John Wayne Airport's three-year DBE Goal. We invite you to participate to discuss the proposed goal, as well as the availability of potential DBEs for the Airport's upcoming projects. DBE goals have now been set for federally funded projects that include construction and professional services for the period October 1, 2019 through September 30, 2022. Click [here](#) to view JWA's overall DBE goals for Federal Fiscal Years 2020 through 2022.

For information about the Disadvantaged Business Enterprise (DBE) Program, including the Unified Certification Program, please visit: <https://dot.ca.gov/programs/business-and-economic-opportunity/dbe>

For information about Programs and Technical Assistance Resources provided by the United States Department of Transportation (USDOT), Office of Small and Disadvantaged Business Utilization (OSDBU), please view [USDOT-OSDBU Technical Assistance Brochure](#)

Attachment 5 - Attendance Record



**JOHN WAYNE AIRPORT
DISADVANTAGED BUSINESS ENTERPRISE**



GOAL SETTING FFY2020-2022 STAKEHOLDERS MEETING

AIRPORT COMMISSION ROOM

JULY 30, 2019 9:00AM

ATTENDANCE SHEET

| NAME | COMPANY/FIRM | EMAIL | PHONE | DBE? |
|-------------------|----------------|----------------------|--------------|------|
| Jeanette Grieco | JWA-FACILITIES | jgrieco@ocair.com | 949.252.6057 | N |
| Lawrence Serafini | JWA-FAO | Lserafini@ocair.com | 949-252-5270 | N |
| John Pape | JWA-FACILITIES | JPAPPE@OCAIR.COM | 949 252 6058 | NO |
| Ken Wong | JWA-BA | kawong@ocair.com | 949 252-6056 | No |
| Diana Dais | JWA | ddais@ocair.com | 949.252.6095 | NO |
| Gady Olivares | AEC | acci ne2@bcgbbal.net | 713 397 5708 | Yes |
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