

FY-2012 DBE Goal Update for
Four Corners Regional Airport
Farmington, New Mexico

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Required DBE Goal Elements for Update

Name of Recipient: Four Corners Regional Airport

Goal Period: FY-2012 – October 1, 2011 through September 30, 2012

Anticipated DOT-assisted contract amount: \$1,700,000 **DBE Goal:** 5.12%

Total dollar amount to be expended on DBE's: \$87,082.50

Number and Type of Projects for this FY:

- | | |
|--|-----------|
| 1. Electrical Upgrades, Phase 2 - construction | \$400,000 |
| 2. Reconstruct Apron, Phase 2 - construction | \$850,000 |
| 3. Terminal Renovations | \$300,000 |
| 4. ARFF Building Renovations | \$150,000 |

Market Area: The Market Area is market area 2 and consists of geographical areas 1 and 2.

Determination of Market Area: For these projects, geographical area 2 is our primary area. This area contains the County in which the Airport is located and is where most of the dollars will be spent. The market area was extended to include geographical area 1 due to the substantial majority (at least 69%) of the Engineers in New Mexico come from this area. A map and breakdown of business patterns is available in appendix A. This is also where a substantial majority of the contractor come from and where a substantial majority of Farmington's contracting dollars are spent.

Step 1. Analysis: Actual relative availability of DBE's

Project 1. Electrical Upgrades, Phase 2 - construction

NAICS	Total DBE's	Total All Firms	Total \$ Amount	Percent of cost
23821 Electrical	1	419	\$356,000	89%
541330 Engineering Services	8	338	\$20,000	5%
54138/54169 Inspection/Testing	2	123	\$24,000	6%
Total	11	880	\$400,000	100%

Where:

E=Electrical

EN=Engineering

I=Inspection & Testing

$$\text{Project 1 Base} = \frac{\%E * \# E \text{ DBE in Market Area}}{\# E \text{ All Available Firms}} + \frac{\%EN * \#EN \text{ DBE in Market Area}}{\# EN \text{ All Available Firms}} +$$

$$\frac{\%I * \# I \text{ DBE in Market Area}}{\# I \text{ All Available Firms}}$$

$$\text{Project 1 Base} = 0.89*(1/419)+0.05*(8/338)+0.06*(2/123) = 0.004$$

Project 1 Base= 0.43%

Project 2. Reconstruct Apron, Phase 2 - Construction

NAICS	Total DBE's	Total All Firms	Total \$ Amount	Percent of cost
237310 Highway, Street, and Bridge Construction	5	53	\$510,000	60%
23821 Electrical	1	419	\$42,500	5%
48411 Trucking	3	55	\$85,000	10%
541330 Engineering Services	8	338	\$85,000	10%
54138/54169 Inspection/Testing	2	123	\$85,000	10%
54137 Surveying	3	64	\$42,500	5%
Total	22	1052	\$850,000	100%

Where:

H= Highway
EN=Engineering

E=Electrical
I=Inspection/Testing

T=Trucking
S = Survey

$$\text{Project 2 Base} = \%H * \frac{\# H \text{ DBE in Market Area}}{\# H \text{ All Available Firms}} + \%E * \frac{\# E \text{ DBE in Market Area}}{\# E \text{ All Available Firms}}$$

$$+ \%T * \frac{\# T \text{ DBE in Market Area}}{\# T \text{ All Available Firms}} + \%EN * \frac{\# EN \text{ DBE in Market Area}}{\# EN \text{ All Available Firms}}$$

$$+ \%I * \frac{\# I \text{ DBE in Market Area}}{\# I \text{ All Available Firms}} + \%S * \frac{\# S \text{ DBE in Market Area}}{\# S \text{ All Available Firms}}$$

$$\text{Project 2 Base} = 0.6*(5/53)+0.05*(1/419)+0.1*(3/55)+0.1*(8/338)+0.1*(2/123)+0.05*(3/64)= 0.069$$

Project 2 Base= 6.85%

Project 3. Terminal Renovations

NAICS	Total DBE's	Total All Firms	Total \$ Amount	Percent of cost
236210/236220 Industrial Building Construction/Commercial and Institutional Building Construction	5	280	\$135,000	45%
238160 Roofing	0	104	\$30,000	10%
23821 Electrical	1	419	\$30,000	10%
23822 Mechanical	2	442	\$30,000	10%
541330 Engineering Services	8	338	\$30,000	10%
54138/54169 Inspection/Testing	2	123	\$30,000	10%
54137 Surveying	3	64	\$15,000	5%
Total	21	1770	\$300,000	100%

Where:

NB=Nonresidential Building Construction
R=Roofing
M = Mechanical
S = Survey

E=Electrical
EN=Engineering
I=Inspection & Testing

$$\text{Project 3 base} = \frac{\%NB * \# \text{ NB DBE in Market Area}}{\# \text{ NB All Available Firms}} +$$

$$\frac{\%R * \# \text{ R DBE in Market Area}}{\# \text{ R All Available Firms}} + \frac{\%E * \# \text{ E DBE in Market Area}}{\# \text{ E All Available Firms}}$$

$$\frac{\%M * \# \text{ M DBE in Market Area}}{\# \text{ M All Available Firms}} + \frac{\%EN * \# \text{ EN DBE in Market Area}}{\# \text{ EN All Available Firms}}$$

$$\frac{\%I * \# \text{ I DBE in Market Area}}{\# \text{ I All Available Firms}} + \frac{\%S * \# \text{ S DBE in Market Area}}{\# \text{ S All Available Firms}}$$

$$\text{Project 3 Base} = 0.45 * (5/280) + 0.1 * (0/104) + 0.1 * (1/419) + 0.1 * (2/442) + 0.1 * (8/338) + 0.1 * (2/123) + 0.05 * (3/64) = 0.0151$$

Project 3 Base=1.51%

Project 4. ARFF Building Renovations

NAICS	Total DBE's	Total All Firms	Total \$ Amount	Percent of cost
236210/236220 Industrial Building Construction/Commercial and Institutional Building Construction	5	280	\$82,500	55%
238110 Concrete Work	4	100	\$15,000	10%
238210 Electrical	1	419	\$15,000	10%
238220 Mechanical	2	442	\$15,000	10%
541330 Engineering Services	8	338	\$15,000	10%
541370 Surveying	3	64	\$3,000	2%
541620 Geotechnical/Environmental	3	88	\$4,500	3%
Total	26	1731	\$150,000	100%

Where:

NB=Nonresidential Building Construction

C=Concrete Work

EN=Engineering

E=Electrical

S = Survey

M = Mechanical

G=Geotechnical

$$\text{Project 4 base} = \frac{\%NB * \# \text{ NB DBE in Market Area}}{\# \text{ NB All Available Firms}} +$$

$$\frac{\%C * \# \text{ C DBE in Market Area}}{\# \text{ C All Available Firms}} + \frac{\%E * \# \text{ E DBE in Market Area}}{\# \text{ E All Available Firms}}$$

$$\frac{\%M * \# \text{ M DBE in Market Area}}{\# \text{ M All Available Firms}} + \frac{\%EN * \# \text{ EN DBE in Market Area}}{\# \text{ EN All Available Firms}}$$

$$\frac{\%S * \# \text{ S DBE in Market Area}}{\# \text{ S All Available Firms}} + \frac{\%G * \# \text{ G DBE in Market Area}}{\# \text{ G All Available Firms}}$$

$$\text{Project 4 Base} = 0.55 * (5/280) + 0.1 * (4/100) + 0.1 * (1/419) + 0.01 * (2/442) + 0.1 * (8/338) + 0.02 * (3/64) + 0.03 * (3/88) = 0.0184$$

Project 4 Base=1.84%

Four Corners Regional Airport Base Figure = Project 1 % + Project 2 % + Project 3 % + Project 4 %

TOTAL FOR ALL PROJECTS = 0.43%+ 6.85%+ 1.51%+ 1.84%

Four Corners Regional Airport Base Figure = 6.97%

Step 2. Analysis: Adjustment to Step 1 base figure to make it more precise.

Three factors to consider in the adjustment of Step 1 base figure:

- a. First, the recipient researched its market area for any disparity studies that may have been conducted in the last 7 years and found none. We contacted NMDOT office of Equal Opportunity and conducted research on the internet.
- b. Second, the recipient addressed other factors by contacting the following offices:
 - 1. Accion New Mexico
 - 2. State Office of Equal Opportunity
 - 3. SBA

In our communications with the above offices, we explain what we are doing and why. We tell them what our proposed goal is and ask them for any comments they may have regarding it. None of the offices had any disagreements with the proposed goal.

We have considered the other factors, which include the current capacity of DBEs to perform work in the DOT assisted program We also considered the available evidence from related fields that affect the opportunities for DBE firms to form, grow, and compete and they do not warrant an adjustment to the base figure. In our research, none of the previous mentioned factors require an adjustment to the base figure.

We also found that our base figure is not the goal of another recipient and therefore was not considered as an adjustment factor.

- c. Third, the recipient examined the historic overall DBE goals accomplishments at the airport in recent years, i.e., 4 or so years, specifically, the Annual Report of DBE Awards or Commitments and Payments, supplemented by contractual closeout information, and summarized below:

Fiscal Year	Goal	Accomplishment	Type of Work
2011	6.76	0.46%*	Design and Construct ARFF Vehicle Bay Electrical Upgrades, Phase 2 (Construction) Apron Reconstruction, Phase 1 (Design) SRE Building, Phase 2 (Construction)
2010	3.83%	0%	Airfield Lighting System Improvements – Design Only Design Vehicle Equipment Building Wildlife Hazard Assessment
2009	6.2%	8.9%	Reconstruct Taxiway A/ Remove Taxiway D Reconstruct Short Term Parking Lot
2008	1.26%	0%	ARFF Vehicle and Equipment Purchase Engineering Design for multiple projects
2007	10.93%	4.2%	Mill and Overlay Runway Intersections Mill and Overlay Runway 5-23

*Goal committed to in contract

Past participation will be accounted for by taking the historical average (3.28%) of the achieved relevant goals, adding it to the base figure for FY 2012 (6.97%), and dividing by two.

$$\text{Overall Adjusted Goal} = \frac{6.97\% (\text{Base Figure}) + 3.28\% (\text{Achieved Goal})}{2}$$

Overall Adjusted Goal = 5.12%

City of Farmington – Four Corners Regional Airport Proposed Overall Goal = 5.12%

Breakout of Estimated Race Neutral (RN) and Race 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;
2. Requiring and/or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces
3. Providing technical assistance and other services;
4. Providing information and communications 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;

The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious DBE participation.

The estimation of race-conscious and race-neutral percentages are based on the established goals and recent construction projects at the Four Corners Regional Airport. As seen in the table of historic goals, two historical projects are similar to one of the proposed projects. Of those two, one goal was exceeded and one was not achieved. For the vertical construction, we have included the contract goal from the contractor on the SRE construction although it has not been achieved yet, therefore, the City of Farmington, Four Corners Regional Airport estimates that in meeting its overall goal of 5.12%, it will obtain 5.12% from RN participation and 0% through RC measures

The recipient 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.

We will maintain data separately on DBE achievements in those contracts with and without contract goals, respectively.

Public Participation

Consultation: Section 26.45(g)(1). In an effort to establish a level playing field, before establishing the overall goal, we have consulted with The City of Farmington Purchasing Department, The San Juan Community College – Small Business Development Center, and The City of Farmington Chamber of Commerce, without limiting consultation to these persons or groups, in order to obtain 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 notice will be published in the Farmington Daily News, and the Albuquerque Journal, informing the public that the proposed goal and its rationale are available for inspection on the Purchasing page of the City of Farmington website, www.fmtn.org, by calling (505) 599-1386, or visiting the Central Purchasing Office at 805 Municipal Drive, Farmington, New Mexico between 8:00 a.m. and 5:00 p.m., Monday through Friday, for 45 days from the date of the publication.

No comments were received on the FY 2011 DBE Program. When applicable, our overall goal submission to FAA will include a summary of information and comments received during this public participation process and our responses, if any.

Published Notice: Section 26.45 (g)(2). The proposed goal and rationale will be advertised as available for inspection as indicated below

PUBLIC NOTICE

The Four Corners Regional Airport hereby announces its fiscal year 2012 goal of 5.12% for Disadvantaged Business Enterprise (DBE) airport construction projects. The proposed goal and rationale is available for inspection on the Purchasing page of the City of Farmington website, www.fmtn.org, by calling (505) 599-1386, or visiting the Central Purchasing Office at 805 Municipal Drive, Farmington, New Mexico between 8:00 a.m. and 5:00 p.m., Monday through Friday, for 30 days from the date of this publication.

Comments on the DBE goal will be accepted for 45 days from the date of this publication and can be sent to the following:

Cynthia Chavez
WHPacific, Inc.
6501 Americas Parkway NE, Ste. 400
Albuquerque, NM 87110

Or

Dolores P. Leyva
FAA - AWP-9
Office of Civil Rights
PO Box 92007
Los Angeles, CA 90009-2002

Contract Goals

Four Corners Regional Airport will use contract goals to meet any portion of the overall goal it does not project being able 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.

Four Corners Regional Airport will establish contract goals only on those DOT-assisted contracts that have sub-contracting possibilities. It need not establish a contract goal on each such contract and the size of the contract goals will be adapted to the circumstances of each such contract (e.g. type and location of work, availability of DBE's to perform the particular type of work.)

We will express our contract goals as a percentage of the total amount of a DBE-Assisted contract.