

**PORT OF OAKLAND
DISADVANTAGED BUSINESS ENTERPRISE
FFY 2010-2011 OVERALL ANNUAL GOAL REPORT
TO THE FEDERAL AVIATION ADMINISTRATION**

The Port of Oakland has completed its initial review process for its annual Disadvantaged Business Enterprise (DBE) goals applicable to Federal Fiscal Year (FFY) 2009-2010 contracting opportunities funded in whole or in part by the Federal Aviation Administration (FAA). The Port utilizes the DBE goal-setting methodology in compliance with the U.S. Department of Transportation regulations 49 CFR Part 26, issued February 2, 1999, and effective March 4, 1999 (“DBE Regulations”).

For FFYs 04/05 and 05/06, the Port of Oakland exceeded its overall DBE goal. Therefore, the Port did not establish a goal for FFY 06/07 for construction and consulting opportunities on projects assisted by FAA. For FFY 07-08 no federally funded projects were procured. For FFY 08-09, DBE participation was 15.9%, slightly under the race neutral goal of 18.6%. For FFY 09-10 DBE participation was 10.43% under the race neutral goal of 15.24%.

The Regulations require a two-step process for goal setting. This process intends to provide the maximum flexibility for recipients while ensuring that goals are based on availability of ready, willing, and able DBEs in each recipient’s relevant market.

The Port of Oakland’s FFY 2010-2011 FAA funded contracting opportunities in the total amount of \$12,168,096 are described below, pursuant to U.S. Census Bureau’s North American Industry Classification System (NAICS) codes. The total estimated amount of federal funding for these projects (including projected matching funds of \$1,877,513) is \$12,168,096.

Table 1: Projected Projects*

Project Name	Total Project Dollars	Federally Funded Portion
Reconstruction of East Apron Phase3 (non VALE portion of Alternate E)	2,677,431	2, 157,742
Rehabilitation of High-Speed Taxiways Yankee and Victor**	2,604,349	2,604,349
Replacement of Two Aircraft Rescue And Fire Fighting Vehicle	1,850,000	1,490,915
Runway Safety Improvement	1,000,000	805,900
Airport Layout Plan Update	902,000	726,922
Install Ground Power at Cargo & E Apron Remain Overnite Park	3,134,316	2,507,453
TOTAL	12,168,096	10,293,281

* Projected Projects – Please note that the Port has applied for grants from the FAA for the projected projects listed above. In some instances, the Port has received and accepted grant awards. For the remainder of the projected projects, the Port is still awaiting grant determination and/or award from the FAA. .

** VALE grant at 100%

GOAL METHODOLOGY

Step One: Determining the Base Figure: DBE Availability

To determine the base figure, the Port of Oakland estimated the percentage of projected project dollars attributable to each category of work utilizing the North American Industry Classification System (NAICS). The percentage breakdown is outlined in Table 2 below.

Table 2: Percentage of projected project dollars by NAICS code

NAICS CODE	Projected subcontracting opportunities by Dollar Totals	Percentage of Project Dollars
237110	90,000	0.007
237130	3,292,000	0.271
237990	2,431,770	0.200
238910	474,000	0.039
336120	1,227,918	0.101
541330	3,329,462	0.274
541370	800,000	0.066
541620	500,000	0.041

In establishing its base figure for the relative availability of DBEs in the Port's market area of Alameda and Contra Costa counties, the Port of Oakland has used the following data:

1. California Unified Certification Program (CUCP) DBE Database
2. 2007 Census Bureau County Business Patterns

The total number of construction firms in the local counties (Alameda and Contra Costa County) in the 2007 Census Bureau County Business Patterns for NAICS code 237110 (Water and Sewer Construction) is **59**. Approximately **8** DBE firms are in the CUCP DBE Database representing **13.6%** of the **59** in the counties.

The total number of construction firms in the local counties (Alameda and Contra Costa County) in the 2007 Census Bureau County Business Patterns for NAICS code 237130 (Power and Communication Line and Related Structures) are **31**. Approximately **5** DBE firms are in the CUCP DBE Database representing **16.1%** of the **31** in the counties.

The total number of construction firms in the local counties (Alameda and Contra Costa County) in the 2007 Census Bureau County Business Patterns for NAICS code 237990 (Heavy Civil Engineering Construction) are **34**. Approximately **11** DBE firms are in the CUCP DBE Database representing **32.4%** of the **34** in the counties.

The total number of construction firms in the local counties (Alameda and Contra Costa County) in the 2007 Census Bureau County Business Patterns for NAICS code 238910 (Site Preparation Contractors) are **171**. Approximately **16** DBE firms are in the CUCP DBE Database representing **9.4%** of the **171** in the counties.

The total number of manufacturing firms in the local counties (Alameda and Contra Costa County) in the 2007 Census Bureau County Business Patterns for NAICS code 336120 (Heavy Duty Truck Manufacturing) is **1**. Approximately **0** DBE firms are in the CUCP DBE Database representing 0% of the **1** in the counties.

The total number of engineering firms in the local counties (Alameda and Contra Costa County) in the 2007 Census Bureau County Business Patterns for NAICS code 541330 (Engineering Services) are **751**. Approximately **49** DBE firms are in the CUCP DBE Database representing 6.5% of the **751** in the counties.

The total number of surveying/mapping firms in the local counties (Alameda and Contra Costa County) in the 2007 Census Bureau County Business Patterns for NAICS code 541370 (Surveying and Mapping) are **52**. Approximately **4** DBE firms are in the CUCP DBE Database representing 7.7% of the **52** in the counties.

The total number of environmental consulting firms in the local counties (Alameda and Contra Costa County) in the 2007 Census Bureau County Business Patterns for NAICS code 541620 (Environmental Consulting Services) are **144**. Approximately **23** DBE firms are in the CUCP DBE Database representing 16% of the **144** the counties.

The total number of trucking firms in the local counties (Alameda and Contra Costa County) in the 2007 Census Bureau County Business Patterns for NAICS code 484110 (Local Trucking) are **198**. Approximately **24** DBE firms are in the CUCP DBE Database representing 12.1% of the **198** in the counties.

Table 3: Determining Base Figure

NAICS CODE	INDUSTRY AREA	Census	CUCP	Available UCP/Census=Base Figure	% of Project Dollars to be Spent in Each	WEIGHTED %
237110	Water/Sewer Construction	59	8	.136	.007	.001
237130	Power/Communication Line Construction	31	5	.161	.271	.043
237990	Heavy/CE Construction	34	11	.324	.200	.065
238910	Site Preparation	171	16	.094	.039	.004
336120	Heavy Duty Truck Manufacturing	1	0	.000	.101	.000
541330	Engineering Services	751	49	.065	.275	.018
541370	Surveying/Mapping	52	4	.077	.066	.005
541620	Environmental Consulting	144	23	.160	.041	.007
484110	Trucking*	198	24	.121	.002	.000
Total						.143

*1% is a general estimation of trucking services expected for construction projects. This figure is an estimate provided by the Port of Oakland Engineering Department.

Based on the data in Table 1: Determining Base Figure, the Port of Oakland has calculated a **weighted DBE availability of 14.30%** to establish its base figure applicable to contracting opportunities.

Step Two: Adjusting the Base Figure

Disparity Study

The Port of Oakland has not conducted a recent disparity study.

Past DBE Attainment

The Port has awarded similar aviation projects over the past three years. The annual DBE attainment is listed in the following chart:

Federal Fiscal Year	Total Project Dollars	Total DBE Dollars	Percentage of DBE Participation
07/08	N/A	N/A	N/A
08/09	6,850,439	1,093,422	15.96
09/10	13,278,603	1,384,310	10.43

The average DBE participation on Port projects for related aviation projects is 13.20% (15.96%+10.43%/2=13.20%). The Port is proposing an adjustment to the base figure by averaging DBE participation over the last two years and the base figure (14.30% +13.20%/2 = 13.75%). **Therefore, the Port is proposing a 13.75% aspirational goal for FFY 10-11.**

PUBLIC PARTICIPATION

The Port of Oakland will publicly notice its goal through advertisement for a 45-day period, allowing for inspection and comment.

UTILIZATION OF RACE-NEUTRAL AND RACE CONSCIOUS METHODS

Consistent with the Port’s policy, as stated in the Program Report, the Port intends to meet DBE participation goals entirely through race-neutral means.

Race-Neutral Methods

The Port will implement a race-neutral program to achieve DBE participation goals. The program consists of:

- a. Structuring contracting activities so as to encourage and facilitate the participation of DBEs when practical;
- b. Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the Port’s DBE Program is administered;
- c. Assisting in overcoming limitations in bonding and financing through the Surety Bond and Financing/Loan Guarantee Programs of various agencies;

- d. Providing technical assistance in orienting small businesses to contracting opportunities at the Airport through the Internet and facilitating introductions to the Port's and other U.S. DOT recipients' contracting activities, through various Small Business Conferences and local chambers and trade association (i.e., Hispanic Chamber, Black Caucus, Black Board of Trade and Commerce, and Asian Business Chamber) sponsored events and conferences, as well as monthly breakfasts and other outreach activities;
- e. Providing outreach and communications programs on contract procedures and contract opportunities to ensure the inclusion of DBEs;
- f. Ensuring the distribution of the California Unified Certification Program (CUCP) Database to potential contractors by listing the CUCP website location in the RFPs/RFQs; and,
- g. Providing business development assistance through the Port's Owner Controlled Insurance Program and referrals East Bay Small Business Development Center and other assistance agencies.

Race Conscious Methods

The Port will not utilize any race conscious means of participation in achieving its goal.

In order to obtain the maximum amount of participation of DBE firms in contracting opportunities, the Port of Oakland's DBE Liaison Officer attends, sponsors and coordinates local and regional events for minority, women, small and local businesses. During FFY 2009-2010, the Port of Oakland participated in local small business conferences sponsored by the Hispanic Chamber of Commerce, Oakland African American Chamber, the Bay Area Rapid Transit District, City of Oakland and the Port of Oakland. Also, events for minority and women-owned businesses in which the DBE Representative participated included the East Bay Inter-Agency Alliance monthly meetings, the African American Business Summit and the annual Airport Minority Advisory Council.

Lists of DBEs are available to potential prime contractors on Port of Oakland projects and to Purchasing Department staff for bidding opportunities on the CUCP website. The DBE Liaison Officer is available to answer DBE program questions and review federal aid funded proposals requiring DBE compliance.