

**PORT OF OAKLAND
DISADVANTAGED BUSINESS ENTERPRISE
TRIENNIAL OVERALL GOAL AND METHODOLOGY REPORT
FOR FEDERAL FISCAL YEARS 2017-2019
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 Years (FFY) 2017-2019 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 Part 26, issued February 2, 1999, and effective March 4, 1999 (“DBE Regulations”).

For FFY 2014-2016 DBE participation was 4.80% under the race-neutral goal of 10.28%.

The US DOT regulations allow for a federal aid recipient to calculate DBE goals for a three-year period, effective February 3, 2010, 49 CFR Part 26.45. The Port is submitting this triennial goal and methodology report, and if additional grants are received and secured or if federal funding is reduced during the noted FFYs, the Port may opt to update its goal and methodology report accordingly.

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 2017-2019 FAA funded contracting opportunities in the total amount of dollars 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 \$45,384,969) is \$56,315,881.

Table 1: Projected Projects

Project Name	Total Project Dollars	Federally Funded Portion
Runway 12-30 Rehabilitation	\$53,100,000	\$42,793,290
Airport Pavement Management System	\$314,000	\$253,053
Geometric Study	\$751,881	\$605,941
Wildlife Management Study	\$150,000	\$120,885
Replace North Field Taxiway Signs	\$2,000,000	\$1,611,800
Total	\$56,315,881	\$45,384,969

GOAL METHODOLOGY

Step One: Determining the Base Figure: DBE Availability

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

In establishing its base figure for the relative availability of ready and willing DBEs, the Port is utilizing a market area of Alameda and Contra Costa counties. The Port has used the following data in establishing the base data:

1. California Unified Certification Program (CUCP) DBE Database
2. 2012 Census Bureau County Business Patterns

The total number of construction firms in the local counties (Alameda and Contra Costa Counties) in the 2012 Census Bureau County Business Patterns for NAICS code 237310 (Highway, Street, and Bridge Construction) is **64**. Approximately **13** DBE firms are in the CUCP DBE Database representing **20.31%** of the **64** in the counties.

The total number of construction firms in the local counties (Alameda and Contra Costa Counties) in the 2012 Census Bureau County Business Patterns for NAICS 238210 (Electrical Contractors and Other Wiring Installation Contractors) is **503**. Approximately **8** DBE firms are in the CUCP DBE Database representing **1.59%** of the **503** in the counties.

The total number of construction firms in the local counties (Alameda and Contra Costa Counties) in the 2012 Census Bureau County Business Patterns for NAICS 541370 (Surveying and Mapping (except Geophysical Services)) is **32**. Approximately **4** DBE firms are in the CUCP DBE Database representing **12.5%** of the **32** in the counties.

The total number of construction firms in the local counties (Alameda and Contra Costa Counties) in the 2012 Census Bureau County Business Patterns for NAICS 541330 (Engineering Services) is **768**. Approximately **45** DBE firms are in the CUCP DBE Database representing **5.86%** of the **768** in the counties.

Table 2: Percentage of Project Dollars by NAICS code

NAICS Code	Industry Area	Dollar Totals by NAICS Codes	Total Project	Percentage of Project Dollars
237310	Highway, Street, and Bridge Construction	\$25,700,000	\$56,315,881	45.64%
238210	Electrical Contractors and Other Wiring Installation Contractors	\$15,840,000	\$56,315,881	25.75%
541370	Surveying and Mapping (except Geophysical) Services	\$900,000	\$56,315,881	1.60%
541330	Engineering Services	\$13,875,881	\$56,315,881	24.64%

Table 3: Determining Base Figure

NAICS Code	Industry Area	2012 Census	CUCP	Available UCP/Census = Base Figure	Percentage of Project Dollars	Percentage of Goal by Industry Area
237310	Highway, Street, and Bridge Construction	64	13	20.31%	45.64%	9.27%
238210	Electrical Contractors and Other Wiring Installation Contractors	503	6	1.19%	25.75%	0.31%
541370	Surveying and Mapping (except Geophysical) Services	32	4	12.5%	1.60%	0.20%
541330	Engineering Services	768	45	5.86%	24.64%	1.44%
					Total	11.22%

Based on the data in Table 3: Determining Base Figure, the Port of Oakland has calculated a weighted DBE availability of 11.22% 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
13/14	\$23,868,944	\$740,782	3.10
14/15	\$37,663,604	\$3,060,746	8.13
15/16	\$14,163,300	\$448,325	3.17*

*FFY 15/16 DBE participation is 3.17%; figures received for the first three quarters of FFY 15/16 indicated approximately \$56,000 monthly DBE participation.

The average DBE participation on Port projects for related aviation projects is 4.80% $((3.10+8.13+3.17)/3=4.80\%)$. The Port is proposing an adjustment to the base figure by averaging DBE participation over the last three years and the base figure $((11.22\% + 4.80\%)/2=8.01\%)$. Therefore, the Port is proposing an 8.01% race-neutral aspirational goal for FFY 2017-2019.

PUBLIC PARTICIPATION

The Port of Oakland will publicly notice its goal through advertisement for a 30-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 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 referral to and collaboration with the surety bond and financing 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 US 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 Bids, RFPs/RFQs; and,
- g) Providing business development assistance through the Port's Owner Controlled Insurance Program and referrals to the 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 2014 – 2016, 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 made 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.

LIST OF ATTACHEMENTS

1. NAICS Listing
2. Accomplishment Reports for FFYs 13/14, 14/15 and 15/16
3. CUCP DBEs by NAICS Codes
4. County Census Availability by NAICS codes

Due to volume and size of the documents for items listed above, attachments are not included, and may be obtained for review by contacting Lila Zinn, Contract Compliance Supervisor, at lzinn@portoakland.com or (510) 627-1485.