

**DISADVANTAGED BUSINESS
ENTERPRISE (DBE) PROGRAM**

FY'S 2015-2017 GOALS & METHODOLOGY

Sanford Airport Authority

Oct 2014

**DBE Liaison Officer
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**Orlando Sanford International Airport
Sanford Airport Authority
DISADVANTAGED BUSINESS ENTERPRISE PROGRAM
Fiscal Years 2015 - 2017
Goal & Methodology**

Definitions of Terms

The terms used in this program have the meanings defined in 49 CFR §26.5.

Objectives and Policy Statement

The Sanford Airport Authority, (hereinafter the “Authority”) the owner and operator of the Orlando Sanford International Airport, has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. The Orlando Sanford International Airport has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, the Airport has signed assurances that it will comply with 49 CFR Part 26. It is the policy of the Authority to ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also the Authority’s policy:

1. To ensure nondiscrimination in the award and administration of DOT assisted contracts;
2. To create opportunities in which DBEs can compete fairly for DOT assisted contracts;
3. To ensure the DBE Program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs; and,
5. To help remove barriers to the participation of DBEs in DOT assisted contracts.

The Vice-President of Finance and Administration at the Airport Authority has been designated as the DBE Liaison Officer, and can be contacted at the following address:

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Due to the lack of staff resources, the Airport Authority does not certify DBE firms itself. Rather, it accepts valid and current certifications that have been done by other government agencies in the State of Florida, such as the Florida Department of Transportation (FDOT), cities, counties, or other airport/port authorities. With the completion and approval of the Unified Certification Program, now in place in Florida, the Authority will rely on this directory for the identification of certified DBEs. This policy statement has been disseminated to all of the component units of the Authority. The Authority will continue to distribute this statement to DBEs and non-DBEs that perform work on DOT-assisted contracts. This is accomplished through advertisement of the overall goal and DBE plan availability in *The Seminole Herald*, the local area newspaper, as well as posting the goal on the Airport's internet web site (www.OrlandoSanfordAirport.com), and in legal notices announcing procurements of DOT-assisted projects.

Amount of the Goal

The Authority's **overall DBE goal** for the Orlando Sanford International Airport for FY 2015-2017 is that 12.02% of the Federal financial assistance will be expended in DOT-assisted contracts. Given the amount of DOT-assisted contracts that the Authority expects to award during FY 2015 - 2017, which is approximately \$49,853,998.00 [see Attachment 1], this means that the Authority has set a goal of expending approximately \$5,992,450.56 with DBEs during the 2015-17 fiscal year.

Methodology

49 Code of Federal Regulations, Part 26.45 requires that the recipient of US DOT funds utilize a two-step process in the development of its overall DBE goal:

Step One: Calculation of a base figure that represents the availability of DBEs ready, willing, and able to work on Authority contracts.

Step Two: Adjustment of the base figure so that the final overall goal represents the amount of participation the Authority might expect in the absence of discrimination or its effects.

The following is a summary of the method the Authority used to calculate this goal:

Step 1: Availability Estimate

Pursuant to 49 CFR 26.45, the Authority has elected to use the goal of another DOT recipient, Greater Orlando Aviation Authority (GOAA), to determine Step 1 of its goal setting process. This method is adopted because the Authority and GOAA are located in the same Orlando Metropolitan Statistical Area and share the same or substantially similar Normal Market Area (NMA).

The Authority will participate as a partner, along with GOAA in the State of Florida's Unified Certification Program and solicit and do business with the same vendors both locally and statewide.

Additionally, the Authority and GOAA provide business opportunities in many of the same NAICS categories.

GOAA established its annual DBE goal for FY 14-16 at 16.0%; therefore, the base figure for the Authority is: 16.0%.

Step 2: Adjustment of Base Figure

The US DOT regulations (49 CFR Part 26.25(d) (1) (I) require that the Base Figure be adjusted to determine, as precisely as possible, the overall goal in the absence of discrimination. The regulations do not provide a method to adjust the Base Figure. However, it does suggest that the current capacity of DBEs measured by the volume of work in the past, evidence from a disparity study not included in the calculation of the Base Figure, data on employment, self-employment, bonding, financing, education, training, and union apprenticeship, and any other data be considered.

Base Figure Adjustment

The data source utilized to make a Base Figure Adjustment is derived from the Authority’s actual DBE accomplishments for FY 2008-2011, as shown below.

**Table 1
Actual DBE Accomplishments
FY 2006-2010**

Fiscal Year	Goal	Actual DBE Participation	Difference
2009	15.42%	8.04%	-7.38%
2010	15.42%	15.62%	.20%
2011	15.42%	0%	-15.42%
2012	11.51%	4.5%	-7.01%
2013	11.51%	14%	2.49%
Actual Median Participation 8.04%			

$$\text{Overall Goal} = \frac{\text{Base Figure} + (\text{actual Median for past 5 years})}{2}$$

$$\text{Overall Goal} = \frac{16\% + 8.04\%}{2} = \frac{24.04}{2}$$

Overall DBE Goal = 12.02%

Disparity Study

To the Authority’s knowledge, a current disparity study has not been conducted that would be relevant to its airport. The staff of the Authority checked with the City of Sanford, Seminole County Government, and Seminole Community College, and found no evidence of such a disparity study.

Breakout of Estimated Race-Neutral and Race-Conscious Participation

The Authority will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The Authority uses the following race-neutral means to increase DBE participation:

1. Provide technical assistance and other services if needed.
2. Ensure the inclusion of known DBE’s on our mailing lists for bidders.
3. Provide our DBE listing to those present at pre-bid conferences.

Based on analysis of the Authority historical DBE utilization, the Authority has accomplished an average of 9.01% participation over the past five fiscal years (2006-2010). The median difference of those five years attainments is -6.41%, as shown in the table below:

**Table 2
Actual DBE Accomplishments
FY 2006-2010
Breakout of Race-Neutral/Race-Conscious Participation**

Fiscal Year	Goal	Actual DBE Participation	Difference
2009	15.42%	8.04%	-7.38%
2010	15.42%	15.62%	.20%

2011	15.42%	0%	-15.42%
2012	11.51	4.5%	-7.01%
2013	11.51	14%	2.49%

Average Actual Participation	8.43%
Median of Difference	-7.01%

Race-neutral = Median of difference = (-7.01%)

Race-conscious = Overall Goal – Race-neutral value:

Race-conscious = 12.02% - (-7.01%)

Race-conscious = 19.03%

The Authority estimates that in meeting the Goal, the Authority will obtain -7.01% from race-neutral participation, and 19.03% through race-conscious measures.

The Authority will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation, and the Authority will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract that a DBE obtains 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
- DBE participation through a subcontract from a prime contractor that did not consider a firm’s DBE status in making the award

Contract Goals

The Authority will use contract goals to meet any portion of the overall goal that is not projected to be met by 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.

The Authority will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. It is understood that the Authority need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the

circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work, etc.). The contract goals will be expressed as a percentage of the total amount of a DOT-assisted contract.

Process

The Authority recognizes the importance of public participation in the establishment of its DBE goal. The goal will be published every 3 years, and is available for inspection during normal business hours. The Authority will continue to maintain an open dialogue with local small businesses, contractors and consultants, community organizations, minority groups, other interested parties.

Consultations

Before establishing the overall goal, the Authority consults with chambers of commerce, and local minority and general contractor groups to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the Authority's efforts to establish a level playing field for the participation of DBEs. During the consultation process, the Authority attempted to determine if there are any complaints, comments, or other information about any barriers to lending, bonding, insurance, and similar issues. The Authority normally checks with such groups as the African American Chamber, the Black Business Investment Fund, the Hispanic Business Initiative Fund, the National Association of Women in Construction, the National Minority Supplier Development Council, the Sanford/Seminole County Chamber of Commerce, banks, and the Small Business Development Center of Central Florida. No instances of the above items that would be relevant to the Authority were discovered or brought to the Authority's attention by others.

Publication of Goal

Following this consultation, the Authority will publish a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the Airport Authority Administrative Offices at the Orlando Sanford International Airport (1200 Red Cleveland Boulevard, Sanford, Florida 32773) for thirty (30) days following the date of the notice, and informing the public that the Authority and FAA will accept comments on the goals for forty-five (45) days from the date of the notice. This notice is published in the local area general circulation newspaper (*The Seminole Herald*), and posted on the Authority's Internet website (www.OrlandoSanfordAirport.com). The notice includes addresses to which comments may be sent and locations (including offices and websites) where the proposal may be reviewed.

The Authority's overall goal submission to DOT will include a summary of information and comments received during this public participation process and our responses to those comments. The Authority will notify the DOT of any changes to the overall project goal immediately as a result of the consultation process.

The Authority will begin using our overall goal on October 1 of each year, unless The Authority has received other instructions from DOT.

Attachment -1-

ORLANDO SANFORD INTERNATIONAL AIRPORT

DOT-ASSISTED PROJECTS

2015-2017

FISCAL YEAR 2015

Southwest Ramp Rehabilitation (Phase III)	\$	7,777,778.00
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Design/engineer/construct terminal expansion	\$	4,000.00
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TOTAL 2015 (anticipated)	\$	7,781,778.00
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<u>FISCAL YEAR 2016*</u>	\$	- 0 -
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FISCAL YEAR 2017

Design/Construct Taxiway Alpha (Phase 2) between Taxiway Lima and Taxiway A2	\$	7,777,778.00
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Construct Taxiway Foxtrot	\$	5,555,554.00
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Construct Taxiway Tango	\$	6,111,110.00
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Replace airfield signs affected by change in runway magnetic heading	\$	1,150,000.00
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Design, Engineer and Construct third terminal building	\$	20,000,000.00
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Airfield improvements, Phase 2	\$	1,477,778.00
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Total 2017 (anticipated)	\$	42,072,220.00
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TOTAL 2015-2017 (anticipated)	\$	49,853,998.00
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