

## ATTACHMENT 5

### Section 26.45: Overall DBE Three-Year Goal Methodology

**Name of Recipient:** Ontario International Airport Authority (OIAA), owner of Ontario International Airport (ONT)

**Goal Period:** FY-2017-2018-2019 (October 1, 2016 through September 30, 2019)

There are 13 projects that are expected to occur in FY 2017 - 2019 that would be eligible for AIP funding. The individual projects are listed in the chart below. The total AIP value of the contracts is projected to be \$96,644,020, and represents the portion that may be applicable to DBE goals.

Project Name	Estimated Project Cost	AIP eligible?	Eligible Percent?	PFC eligible?	PFC eligible percent?	Total Cost by Calendar Year			
						2017	2018	2019	Subtotal 2017-2019
Twy S & W Intersection Repair	\$8,030,000	Yes	80%	Yes	<20%	\$8,030,000			\$8,030,000
Twy S from Twy F to Cucamonga Channel (Phase I)	\$6,100,000	Yes	80%	Yes	<20%		\$6,100,000		\$6,100,000
Twy S from Twy F to Cucamonga Channel (Phase II)	\$18,860,000	Yes	80%	Yes	<20%			\$18,860,000	\$18,860,000
Reconstruct Rwy 8R-26L Shoulders	\$18,592,000	Yes	80%	Yes	<20%			\$18,592,000	\$18,592,000
Install Rwy 26R TDZ Lighting	\$4,000,020	Yes	80%	Yes	<20%			\$4,000,020	\$4,000,020
Taxiway N1 Centerline Lighting	\$2,412,000	Yes	80%	Yes	<20%			\$2,412,000	\$2,412,000
Airport Master Plan	\$5,000,000	Yes	80%	Yes	<20%	\$5,000,000			\$5,000,000
Airport Pavement Management Plan	\$1,500,000	Yes	80%	Yes	<20%		\$1,500,000		\$1,500,000
Airport Marking Lighting and Signage Plan	\$200,000	Yes	80%	Yes	<20%			\$200,000	\$200,000
ARFF Vehicles and Equipment	\$5,000,000	Yes	80%	Yes	<20%			\$5,000,000	\$5,000,000
Security Screening Improvements	\$750,000	Yes	80%	Yes	<20%			\$750,000	\$750,000
Northwest Cargo Area Remediation, Demolition, Clean Up, Site Prep	\$16,200,000	Yes	80%	Yes	<20%		\$16,200,000		\$16,200,000
ACAMS Security System Rehabilitation	\$10,000,000	Yes	80%	Yes	<20%			\$10,000,000	\$10,000,000
<b>TOTAL</b>	<b>\$96,644,020</b>					<b>\$13,030,000</b>	<b>\$23,800,000</b>	<b>\$59,814,020</b>	<b>\$96,644,020</b>

**Market Area:** The following map shows the market area in which it is expected that the substantial majority of the Airport’s contractors and subcontractors that seek to do business with the Airport are located **and** the area in which it is expected that the Airport will spend the substantial majority of its contracting dollars. The market area surrounding the Airport includes San Bernardino County, Riverside County, Orange County, and Los Angeles County.



**DBE Goal:**

**Step 1. 26.45(c) Actual relative availability of DBE’s**

CFR Part 26.45 recommends five methodologies for determining a base DBE goal based on relative availability of DBEs. The recommendations and examples are provided as a starting point but are not intended as an exhaustive list. As per CFR Part 26.45, “Other methods or combinations of methods to determine a base figure may be used, subject to approval by the concerned operating administration.”

Since there was little historical data, no bidder’s list, and no disparity study for ONT, the base figure for the relative availability of DBEs was calculated through an analysis of the State of California DBE directory and Census Bureau County Business Patterns in the market area counties, as well as a comparison of goals at airports in the region.

The total certified DBE firms in a particular county may include firms who possess an interstate certification, meaning they may be physically located in another state yet have expressed an interest in doing business in California, thus obtaining a California DBE certification. For example, a DBE firm located in New York City can register to do business in San Bernardino County. This often times, as seen in the table below, can exceed total firms by NAICS code because the Census Bureau only takes into consideration firms that have a physical address in a specific county.

Since there is a presumption that the market area is the area in which it is expected that the substantial majority of the Airport's contractors and subcontractors that seek to do business with the Airport **are located**, data from the State of California was further analyzed to assess DBE firms physically located in the market (San Bernardino, Riverside, Orange, and Los Angeles counties).

The 2014 U.S. Census County Business Patterns by NAICS classifications for San Bernardino County, Los Angeles County, Orange County and Riverside County were compared to the number of firms certified as DBEs by the California UCP and located in the market area counties to arrive at the base percentage.

NAICS Total Firms Compared to Total and County Registered DBE Firms

2012 NAICS code	Definition of 2012 NAICS code	San Bernardino County DBE - Registered Firms	San Bernardino County DBE - Located Firms	Total San Bernardino Firms	Riverside County DBE - Registered Firms	Riverside County DBE - Located Firms	Total Riverside Firms	Orange County DBE - Registered Firms	Orange County DBE - Located Firms	Total Orange Firms	Los Angeles County DBE - Registered Firms	Los Angeles County DBE - Located Firms	Total Los Angeles Firms	TOTAL DBE FIRMS LOCATED IN MARKET AREA	TOTAL FIRMS	PERCENT (%) DBE
237310	Highway, street, and bridge construction	159	9	54	168	16	46	170	26	67	188	27	84	78	251	31%
237990	Other heavy and civil engineering construction	109	4	23	114	4	22	112	20	37	123	16	42	44	124	35%
<b>Total Heavy Construction</b>		<b>268</b>	<b>13</b>	<b>77</b>	<b>282</b>	<b>20</b>	<b>68</b>	<b>282</b>	<b>46</b>	<b>104</b>	<b>311</b>	<b>43</b>	<b>126</b>	<b>122</b>	<b>375</b>	<b>33%</b>
238110	Poured concrete foundation and structure contractors	65	6	107	68	6	140	72	6	150	75	12	220	30	617	5%
238120	Structural steel and precast concrete contractors	51	9	30	51	6	24	52	3	28	57	5	88	23	170	14%
238210	Electrical contractors & other wiring contractors	102	12	360	98	9	467	104	10	795	121	10	1,726	41	3348	1%
238910	Site preparation contractors	93	9	145	97	13	196	100	18	186	107	9	348	49	875	6%
238990	All other specialty trade contractors	128	9	161	135	17	247	134	14	302	150	20	506	60	1216	5%
<b>Total Other Construction Categories</b>		<b>439</b>	<b>45</b>	<b>803</b>	<b>449</b>	<b>51</b>	<b>1074</b>	<b>462</b>	<b>51</b>	<b>1461</b>	<b>510</b>	<b>56</b>	<b>2888</b>	<b>203</b>	<b>6226</b>	<b>3%</b>
541310	Architectural services	85	1	42	92	1	56	94	6	378	114	46	943	54	1419	4%
541330	Engineering services	325	12	206	336	16	260	332	25	1,099	362	96	1,511	149	3076	5%
541370	Surveying and mapping (except geophysical) services	64	4	31	63	3	35	61	1	45	67	6	53	14	164	9%
541620	Environmental consulting services	270	3	39	274	11	46	272	16	169	304	76	231	106	485	22%
<b>Total Design Categories</b>		<b>744</b>	<b>20</b>	<b>318</b>	<b>765</b>	<b>31</b>	<b>397</b>	<b>759</b>	<b>48</b>	<b>1477</b>	<b>847</b>	<b>224</b>	<b>2738</b>	<b>323</b>	<b>5144</b>	<b>6%</b>

## Weighting by Type of Project and the Type of Firm that Would Bid

The availability calculations in the above chart were then weighted by the anticipated expenditures for Heavy Construction categories, Other Construction categories, and Design categories for each project. **The result of these calculations yields a base goal of 13%.**

Project Name	Estimated Project Cost	Weighting	Contractor Type	DBE Availability	Weighted DBE Dollars for Subtotal 2017-2019
Twy S & W Intersection Repair	\$8,030,000	50%	Heavy Construction	33%	\$1,324,950
		30%	Other Construction	3%	\$72,270
		20%	Design	6%	\$96,360
Twy S from Twy F to Cucamonga Channel (Phase I)	\$6,100,000	50%	Heavy Construction	33%	\$1,006,500
		30%	Other Construction	3%	\$54,900
		20%	Design	6%	\$73,200
Twy S from Twy F to Cucamonga Channel (Phase II)	\$18,860,000	50%	Heavy Construction	33%	\$3,111,900
		30%	Other Construction	3%	\$169,740
		20%	Design	6%	\$226,320
Reconstruct Rwy 8R-26L Shoulders	\$18,592,000	50%	Heavy Construction	33%	\$3,067,680
		30%	Other Construction	3%	\$167,328
		20%	Design	6%	\$223,104
Install Rwy 26R TDZ Lighting	\$4,000,020	20%	Heavy Construction	33%	\$264,001
		60%	Other Construction	3%	\$72,000
		20%	Design	6%	\$48,000
Taxiway N1 Centerline Lighting	\$2,412,000	20%	Heavy Construction	33%	\$159,192
		60%	Other Construction	3%	\$43,416
		20%	Design	6%	\$28,944
Airport Master Plan	\$5,000,000	0%	Heavy Construction	33%	\$0
		0%	Other Construction	3%	\$0
		100%	Design	6%	\$300,000
Airport Pavement Management Plan	\$1,500,000	0%	Heavy Construction	33%	\$0
		0%	Other Construction	3%	\$0
		100%	Design	6%	\$90,000
Airport Marking Lighting and Signage Plan	\$200,000	0%	Heavy Construction	33%	\$0
		0%	Other Construction	3%	\$0
		100%	Design	6%	\$12,000
ARFF Vehicles and Equipment	\$5,000,000	0%	Heavy Construction	33%	\$0
		0%	Other Construction	3%	\$0
		100%	Design	6%	\$300,000
Security Screening Improvements	\$750,000	0%	Heavy Construction	33%	\$0
		80%	Other Construction	3%	\$18,000
		20%	Design	6%	\$9,000
Northwest Cargo Area Remediation, Demolition, Clean Up, Site Prep	\$16,200,000	20%	Heavy Construction	33%	\$1,069,200
		60%	Other Construction	3%	\$291,600
		20%	Design	6%	\$194,400
ACAMS Security System Rehabilitation	\$10,000,000	0%	Heavy Construction	33%	\$0
		80%	Other Construction	3%	\$240,000
		20%	Design	6%	\$120,000
<b>TOTAL</b>	<b>\$96,644,020</b>				<b>\$12,854,006</b>

**Step 2. 26.45(d): Adjustments to Step 1 base figure.**

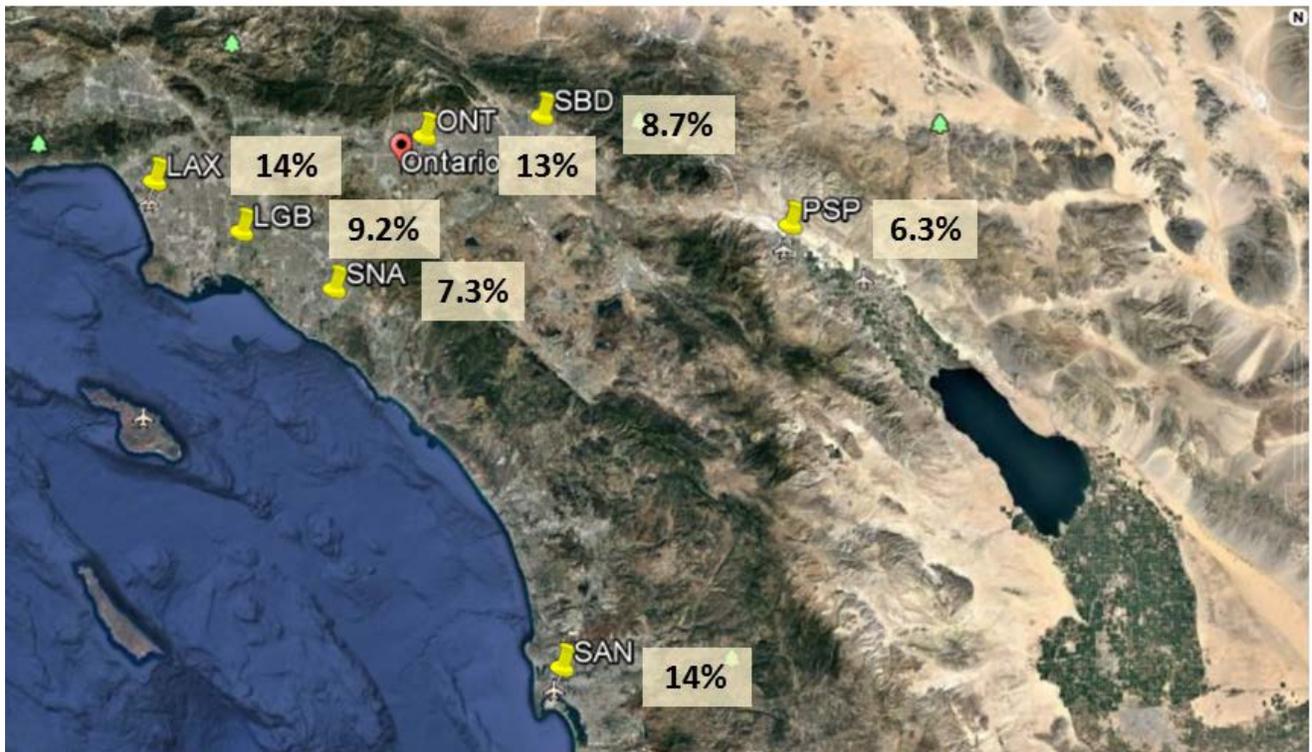
On November 1, 2016, ownership of the Ontario International Airport transferred from Los Angeles World Airports (LAWA) to the Ontario International Airport Authority (OIAA). There was not sufficient historical DBE data to reference, no bidder's list, and no disparity study for ONT to make an adjustment to the Step 1 base figure; therefore, the OIAA is adopting its Step 1 base figure as its overall goal for this three-year goal period.

This is in line with the DBE goals of other airports in the region, as depicted in the graphic below. It is also in line with the project-specific goal setting of the City of Ontario. The City of Ontario, had two recent federal projects and the DBE goals were as follows:

Philadelphia at Cypress Traffic Signal (Right of Way Services) - 14% DBE goal

Various Bridge Repair (Design Services) - 10% DBE goal

**Comparing ONT DBE Goal to other Airport DBE Goals in Region**





**“Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation.**  
26.51(b) (1-9)

The OIAA estimates that in meeting its overall goal of 13%, it will obtain 100% participation through RC measures (setting a DBE goal for each project).

The OIAA, as the new owner of ONT, does not have a history of DBE participation or over-achievement of goals to reference and expects to obtain its DBE participation through the use of DBE contract goals or a conscious effort to obtain DBE participation. Therefore, the OIAA is applying the entire goal of 13% to race-conscious participation.

The OIAA will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation and track and report RN and RC participation separately.

**PUBLIC PARTICIPATION**

In accordance with Public Participation Regulatory Requirements of 49 CFR Part 26, minority, women, local businesses, chambers, and community organizations within the OIAA’s market area will be provided an opportunity to review this goal analysis. The OIAA will issue a Public Notice to community groups, publish the notice in minority-focused media and the OIAA’s website ([www.flyontario.com](http://www.flyontario.com)).