

***El Paso International Airport
FY 2018-FY2020 DBE Goal***

Name of Recipient: El Paso International Airport

Goal Period: FY-2018– October 1, 2017 through September 30, 2020

FAA-assisted contract amount: \$11,701,249

DBE Goal: 11%

Total dollar amount to be expended on DBE's: \$1,287,137

Number and Type of Projects for this FY 2018-FY2020:

| Project Type & Name | Funding Source | Total Project Cost Estimated | FY 2018 FAA Assisted Amount | FY 2019 FAA Assisted Amount | FY 2020 FAA Assisted Amount | Total FAA Budgeted 3 FY Period |
|--|-----------------------|-------------------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------------------|
| Runway 4-22 Reconstruction & Taxiway System Construction | FAA/PFC/ Airport | \$35,320,000 | \$1,864,249 | \$ | | \$1,864,249 |
| ARFF Safety Equipment* | FAA/ Airport | \$27,000 | 9,000 | \$9,000 | \$9,000 | \$27,000 |
| Ramp Lighting Upgrades | FAA/ Airport | \$2,000,000 | | \$1,800,000 | | \$1,800,000 |
| Reconstruct Taxiway V from Twy U to Twy L | FAA/ Airport | \$3,400,000 | | \$3,060,000 | | \$3,060,000 |
| Taxiway U from Customs Ramp to Taxiway L (Mill and Overlay) | FAA/ Airport | \$1,300,000 | | \$1,170,000 | | \$1,170,000 |
| Reconstruct Taxiway M from Rwy 8R to Twy K & from Twy G to Twy L | FAA/ Airport | \$3,600,000 | | | \$3,240,000 | \$3,240,000 |
| Rwy 8R26L Safety Area (mill & overlay) at Twys M, S, T, U & V | FAA/ Airport | \$600,000 | | | \$540,000 | \$540,000 |
| Total | | \$46,247,000 | \$1,873,249 | \$6,039,000 | \$3,789,000 | \$11,701,249 |

*ARFF Equipment was not part of analysis due to being equipment purchase and these do not have subcontracting possibilities.

Market Area: El Paso County, Tx, Socorro, Tx, Horizon, Tx, Sunland Park, Tx- In reviewing the DBEs that are certified by TXDOT, and which are automatically certified as a DBE at EPIA through our participation in the Texas Unified Certification Program, we see that many of the DBEs are located in other areas of Texas (e.g. Dallas, Houston, San Antonio). However, due to the distance of those cities, we excluded these numbers from our analysis due to historical data showing that we do not receive participation from these DBEs.

Determination of Market Area:

We determined this market area by reviewing data including bidders lists, jobs awarded and what contractors and subs were awarded the job, and companies represented at prebid conferences. This data showed us where our local market area boundaries lay. It is the area in which the

substantial majority of the contractors and subcontractors with which we do business are located and the area in which we spend the substantial majority of contracting dollars.

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

In determining the FY2018-FY2020 DBE goal, the El Paso International Airport (EPIA) utilized information made available by the US Census Bureau on-line at <https://factfinder.census.gov>, and information made available by the Texas Department of Transportation (TXDOT) at <https://txdot.txdotems.com/FrontEnd/VendorSearchPublic.asp?TN=txdot&XID=2340>.

According to our records, the vast majority of contractors who submit bids are not certified as DBE's, but are certified as Historically Underutilized Businesses (HUBs), Women-Owned Businesses (WOBs) or Minority-Owned Businesses (MOBs).

Method: TxDOT DBE Directories and FY 2015 Census Bureau Data utilized

FY2018

Runway 4-22 Reconstruction & Taxiway System Construction

| <i>NAICS</i> | <i>Type of Work</i> | <i>Total Dbe's in El Paso</i> | <i>Total All Firms</i> | <i>Project Weight %</i> (total Project \$/FY18 \$) | <i>Project Dollars</i> | <i>DBE Weight Total DBE/Firms=%</i> | <i>DBE Dollars</i> |
|--------------|----------------------|-------------------------------|------------------------|--|------------------------|-------------------------------------|--------------------|
| 484000 | Truck Transportation | 4 | 446 | 10% | \$186,424.90 | 0.01 | \$1,864 |
| 237000 | Heavy Const | 32 | 63 | 10% | \$186,424.90 | 0.51 | \$95,077 |
| 488100 | Other Support | 1 | 20 | 65% | \$1,211,761.85 | 0.05 | \$60,588 |
| 238910 | Site | 15 | 28 | 5% | \$93,212.45 | 0.54 | \$50,335 |
| 238210 | Electrical | 16 | 114 | 10% | \$186,424.90 | 0.05 | \$9,321 |
| Total | \$1,864,249 | | | 100% | \$1,864,249.00 | 12% | \$215,321 |

FY2019**Ramp Lighting Upgrades**

| NAICS | Type of Work | Total Dbe's in El Paso | Total All Firms | Project Weight % (total Project \$/FY18 \$) | Project Dollars | DBE Weight Total DBE/Firms=% | DBE Dollars |
|--------------|----------------------|-------------------------------|------------------------|--|------------------------|-------------------------------------|--------------------|
| 484000 | Truck Transportation | 4 | 446 | 20% | \$360,000 | 0.01 | \$3,600 |
| 237000 | Heavy Const | 32 | 63 | 10% | \$180,000 | 0.51 | \$91,800 |
| 488100 | Other Support | 1 | 20 | 60% | \$1,080,000 | 0.05 | \$54,000 |
| 238910 | Site | 15 | 28 | 5% | \$90,000 | 0.54 | \$48,600 |
| 238210 | Electrical | 16 | 114 | 20% | \$360,000 | 0.05 | \$18,000 |
| Total | \$1,800,000 | | | 115% | \$2,070,000 | 10% | \$212,400 |

Reconstruct Taxiway V from Taxiway U to Taxiway L

| NAICS | Type of Work | Total Dbe's in El Paso | Total All Firms | Project Weight % (total Project \$/FY18 \$) | Project Dollars | DBE Weight Total DBE/Firms=% | DBE Dollars |
|--------------|----------------------|-------------------------------|------------------------|--|------------------------|-------------------------------------|--------------------|
| 484000 | Truck Transportation | 4 | 446 | 25% | \$765,000 | 0.01 | \$7,650 |
| 237000 | Heavy Const | 32 | 63 | 10% | \$306,000 | 0.51 | \$156,060 |
| 488100 | Other Support | 1 | 20 | 60% | \$1,836,000 | 0.05 | \$91,800 |
| 238910 | Site | 15 | 28 | 8% | \$244,800 | 0.54 | \$132,192 |
| 238210 | Electrical | 16 | 114 | 18% | \$550,800 | 0.05 | \$27,540 |
| Total | \$3,060,000 | | | 121% | \$3,702,600 | 11% | \$407,592 |

Taxiway U from Customs Ramp to Taxiway L (Mill and Overlay)

| NAICS | Type of Work | Total Dbe's in El Paso | Total All Firms | Project Weight % (total Project \$/FY18 \$) | Project Dollars | DBE Weight Total DBE/Firms=% | DBE Dollars |
|--------------|----------------------|-------------------------------|------------------------|--|------------------------|-------------------------------------|--------------------|
| 484000 | Truck Transportation | 4 | 446 | 25% | \$292,500 | 0.01 | \$2,925 |
| 237000 | Heavy Const | 32 | 63 | 10% | \$117,000 | 0.51 | \$59,670 |
| 488100 | Other Support | 1 | 20 | 60% | \$702,000 | 0.05 | \$35,100 |
| 238910 | Site | 15 | 28 | 8% | \$93,600 | 0.54 | \$50,544 |
| 238210 | Electrical | 16 | 114 | 18% | \$210,600 | 0.05 | \$10,530 |
| Total | \$1,170,000 | | | 121% | \$1,415,700 | 11% | \$155,844 |

FY2020

Reconstruct Taxiway M from Runway 8R to Taxiway K & from Taxiway G to Taxiway L

| NAICS | Type of Work | Total Dbe's in El Paso | Total All Firms | Project Weight % (total Project \$/FY18 \$) | Project Dollars | DBE Weight Total DBE/Firms=% | DBE Dollars |
|--------------|----------------------|-------------------------------|------------------------|--|------------------------|-------------------------------------|--------------------|
| 484000 | Truck Transportation | 4 | 446 | 25% | \$810,000 | 0.01 | \$8,100 |
| 237000 | Heavy Const | 32 | 63 | 10% | \$324,000 | 0.51 | \$165,240 |
| 488100 | Other Support | 1 | 20 | 60% | \$1,944,000 | 0.05 | \$97,200 |
| 238910 | Site | 15 | 28 | 8% | \$259,200 | 0.54 | \$139,968 |
| 238210 | Electrical | 16 | 114 | 18% | \$583,200 | 0.05 | \$29,160 |
| Total | \$3,240,000 | | | 121% | \$3,920,400 | 11% | \$431,568 |

Runway 8R26L Safety Area (mill & overlay) at Taxiway M, S, T, U & V

| NAICS | Type of Work | Total Dbe's in El Paso | Total All Firms | Project Weight % (total Project \$/FY18 \$) | Project Dollars | DBE Weight Total DBE/Firms=% | DBE Dollars |
|--------------|----------------------|-------------------------------|------------------------|--|------------------------|-------------------------------------|--------------------|
| 484000 | Truck Transportation | 4 | 446 | 25% | \$135,000 | 0.01 | \$1,350 |
| 237000 | Heavy Const | 32 | 63 | 10% | \$54,000 | 0.51 | \$27,540 |
| 488100 | Other Support | 1 | 20 | 60% | \$324,000 | 0.05 | \$16,200 |
| 238910 | Site | 15 | 28 | 8% | \$43,200 | 0.54 | \$23,328 |
| 238210 | Electrical | 16 | 114 | 18% | \$97,200 | 0.05 | \$4,860 |
| Total | \$540,000 | | | 121% | \$653,400 | 11% | \$71,928 |

| | Total % |
|--------------|----------------|
| FY2018 | 12% |
| FY2019 | 10% |
| | 11% |
| | 11% |
| FY2020 | 11% |
| | 11% |
| Total | |
| Avg | 11% |

Step 2. Analysis:

- a. El Paso International Airport (EPIA) researched its market area for any disparity studies that may have been conducted in the last 7 years and found none. EPIA contacted TXDOT, the City of El Paso Purchasing Department, and searched the Internet for disparity studies conducted within El Paso County. Because there was no evidence found of any disparity studies having been conducted, EPIA did not adjust the DBE goal for this factor.
- b. Due to the relative distance of El Paso, Texas, to other cities of similar size, the vast majority of contractors who submit bids are not certified as DBE's, but are certified as Historically Underutilized Businesses (HUBs), Women-Owned Businesses (WOBs) or Minority-Owned Businesses (MOBs). EPIA contacted TXDOT and the City of El Paso Purchasing Department. Additionally, EPIA staff firmly believes that cultural issues associated with Hispanics, who make up over 78% of El Paso's population, affect the number of DBEs in El Paso. Hispanics tend to be extremely private when it comes to business matters, and are not as willing to open up their companies' books for review, as required for DBE certification. Because there were no quantitative studies done to determine the ratio of certified DBEs relative to the availability of HUBs, WOBs, and/or MOBs, EPIA did not adjust the DBE goal for this factor.

- c. The historic overall DBE goals accomplishments at El Paso International Airport for the past five years are noted in the table below:

| Fiscal Year | Goal –RN/RC | DBE Participation- RN/RC | Difference | % Met |
|---------------|-------------|--------------------------|---------------------------|-------------|
| 2016 | 3%RC | 0% | -3 | 0 |
| 2015 | 3%RC | 0% | -3 | 0 |
| Median → 2014 | 3% RC | 22.50% | +19.50 | 100 |
| 2013 | 3% RC | 63.14% | +60.14 RC | 100 |
| 2012 | 6% | 5.5% | -0.5 | .65 |
| 2011 | 6% | 3.9% | -2.1 | .35 |
| | | | Avg % Met - RN | .47% |
| | | | Met – RC | 21% |

The median percentage of accomplishments for all similar projects over recent years is 22.50%. We were fortunate to have the prime contractor as the DBE in FY2014 and this is why we were able to meet and exceed our goals in 2013 and 2014. We were joint sealing and that is a very different project from the projects that we are projecting in this goal report. We therefore are not adjusting our goals with this factor.

Breakout of Estimated Race Neutral (RN) and Race Conscious (RC) Participation.

EPIA will use the following measures to promote an increase of DBE participation:

1. All bid proposals and bid packets issued by the City of El Paso for El Paso International Airport include the DBE goal and certification information.
2. Contractors are notified at pre-proposal and pre-bid meetings that the El Paso International Airport is a partner of the Texas Unified Certification Program, and that certification by TXDOT ensures certification for EPIA.
3. El Paso International Airport will participate in any local workshops, held in conjunction with TXDOT and other local agencies that promote the utilization of DBEs, HUBs, MOBs, and/or WOBs on contracts.

EPIA 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.

EPIA estimates that in meeting its overall goal of 11%, it will obtain 0% from RN participation and 11% through RC measures. Looking at our past accomplishments, and observing that historically we have met our goal only twice in the last six years, through Race Conscious measures, EPIA arrived at this breakdown.

Consultation and Public Notice.

Consultations were handled with pre-proposal and pre-bid meetings open to the public. At that time comments and questions were taken and addressed. Among those attending these meetings were engineering consulting firms, general contractors, prime contractors, and government entities. Examples of questions posed were:

- How do we become DBE certified?
- Who does the certifying?
- Where do we send the paperwork?
- What is the turnaround time for DBE certification?

Firms are directed to the UCP (TXDOT) and given phone numbers, websites and information about certification. Examples of information given:

- Certification has an estimated 90 day turnaround time
- Companies can apply for certification at <https://txdot.txdotcms.com/>
- Notices are published in the local newspaper and the airport's website.

PUBLIC NOTICE

The following notice was publicized in The El Paso Times on August 6, 2017 and posted on Airport's website (www.flyelpaso.com) on August 9:

The El Paso International Airport hereby announces its fiscal years 2018 through 2020 calculated goal of 11% for Disadvantaged Business Enterprise (DBE) airport construction projects. The proposed goal and rationale is available for inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday at 6701 Convair Road, El Paso, TX 79925 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:

El Paso International Airport
 Attn: Lili Gutierrez
 6701 Convair Road
 El Paso, TX 79925
Lili.gutierrez@elpasotexas.gov
 915-212-7317

or

Dolores Leyva
 FAA Western-Pacific Regional Office
 AWP-9, PO Box 92007
 Los Angeles, CA 90009-2007
 310-725-3939

Contract Goals.

El Paso International Airport will use contract goals to meet any portion of the overall goal. El Paso International Airport does not project being able to meet our goal 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.

We will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. We 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).

El Paso International Airport will express its contract goals as a percentage of DOT-assisted contract(s).