



FAA-DBE Goal Setting Presentation by Milwaukee County Community Business Development Partners (CBDP)

Milwaukee County CBDP Presentation Disadvantaged
Business Enterprises Goal Setting for Federal Fiscal Year
2017-2019 Federal Aviation Administration (FAA) Assisted
Projects at General Mitchell International Airport (GMIA)
Public Hearings

Tuesday, November 1, 2016

10:00 AM to 12:00 Noon

Washington Park Senior Center

Rick Norris PE, Director, CBDP

Tuesday, November 1, 2016

2:00 PM to 4:00 PM

Wilson Park Senior Center

Rick Norris PE, Director, CBDP



FAA-DBE Goal Setting Presentation by Milwaukee County Community Business Development Partners (CBDP)

Milwaukee County CBDP Presentation Disadvantaged Business Enterprises Goal Setting for Federal Fiscal Year 2017-2019
Federal Aviation Administration (FAA) Assisted Projects at
General Mitchell International Airport (GMIA)

Speakers: Rick Norris P.E., Director, CBDP

James Zsebe P.E., GMIA, Airport Engineer

Renee Shavers, Manager-Analysis & Strategy, CBDP

Public Feedback, Questions and Answers



Purpose of Overall Goal

The Federal Aviation Administration (FAA) requires all grant recipients with funding in excess of **\$250,000** in a Federal Fiscal Year (FFY=October-September) for airport planning or development to establish **anticipated amount** of Disadvantaged Business Enterprise (DBE) participation on DOT-Assisted projects absent the effects of discrimination every three years.

Purpose of the Overall Goal

- Establish an **Anticipated Amount** of DBE Participation on DOT Assisted Projects absent the effects of discrimination
- FAA reviews recipient goals every 3 years
- Must follow USDOT's "Tips for Goal Setting in the DBE program"
[http://www.faa.gov/about/office org/headquarters offices/acr/bus ent program/training conf/media/Tips%20for%20Goal%20Setting.pdf](http://www.faa.gov/about/office_org/headquarters_offices/acr/bus_ent_program/training_conf/media/Tips%20for%20Goal%20Setting.pdf)
- FAA Reviews the goals using this guidance and may require adjustments



Purpose of the Overall Goal

- This report has been developed according to the United States of America Code of Federal Regulations Title 49, Part 26 (49 CFR Part 26), which mandates the design and implementation of the DBE Program
- This report is prepared by the Milwaukee County Community Business Development Partners (CBDP) with assistance from General Mitchell International Airport (GMIA)
- Until FAA formally accepts the goal it is acceptable to operate under it.
- These goals will go into affect as of December 1, 2016. The previous goals will remain in effect until that date.



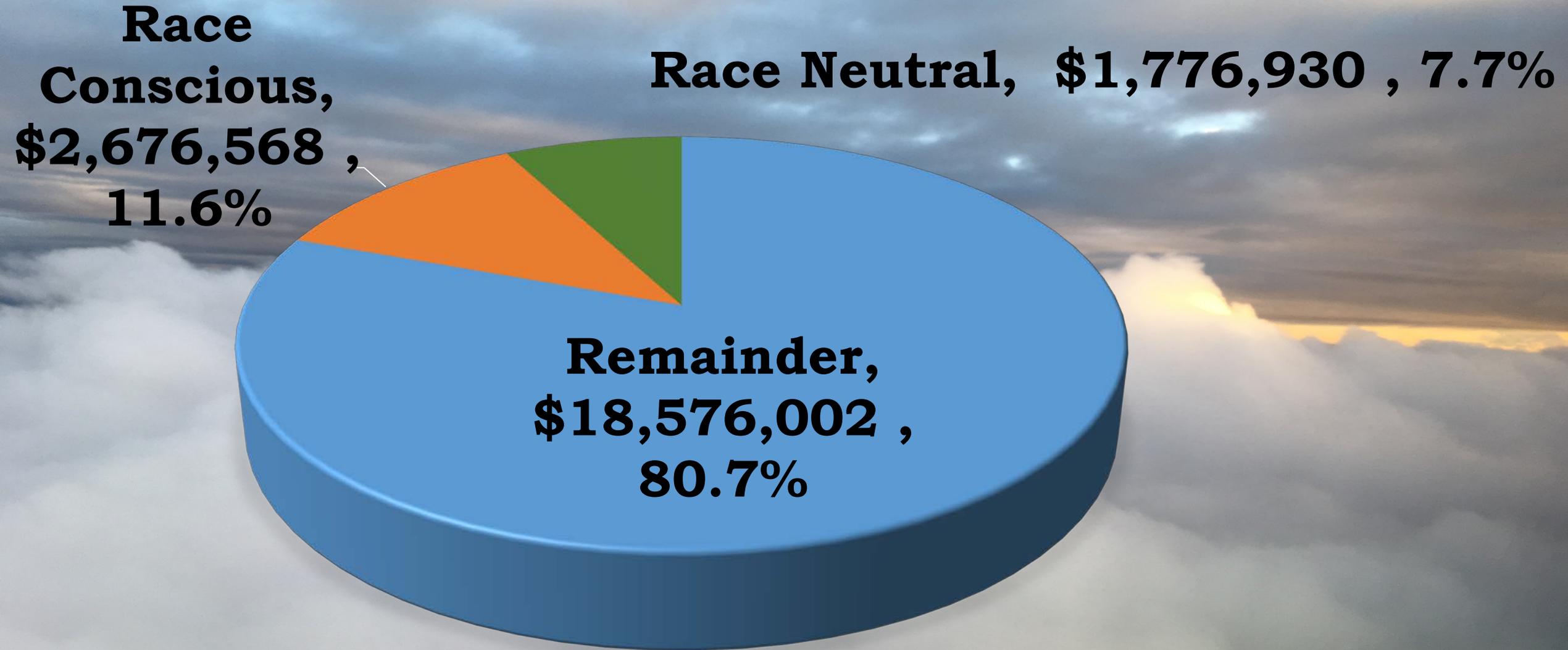
New Triennial DBE Goal for FAA-assisted Projects FFY 2017-2019

Milwaukee County Planned Spending: \$23,029,500
Construction: \$21,471,000
Professional Services/Procurement: \$ 1,558,500

FAA DBE Goal FFY 2017-2018: 19.3%

- Race-Neutral Portion: 7.7%
- Race-Conscious Portion: 11.6%

FY 2017-2019 FAA TOTAL GMIA PROJECT GOALS



How did you calculate all of these figures?

The process is described in detail by the federal regulations. Milwaukee County staff has been trained by the FAA to compute the goals accurately and followed all applicable regulations and guidelines in the calculation of this data.



Five options to choose from of Approaches to Calculate the Goal

1. **DBE Directory + Census Data**
2. Bidder's List
3. Disparity Study
4. Goal from another DOT Recipient
5. Alternative Methods

Milwaukee County utilized the Wisconsin Unified Certification Program (WI UCP) DBE Directory Data + US Census Data to calculate this goal.

Five Approaches to Calculate the Goal

1. DBE Directory + Census Data

- Determine the # of “ready, willing and able” firms and the number of all firms in your market from the DBE directory and US Census Data by NAICS codes
- $\text{Number of “ready, willing and able” firms} \div \text{Number of all firms} = \text{Base figure for relative availability}$



Method Used for Goal Setting and Implementation

1. Determine the list of anticipated FAA-assisted Projects by NAICS code and budgeted amounts of work
2. Determine a Geographic Market
3. Determine the Step One Base Figure calculation
4. Weighting by Work Type
5. Identify the Sources of Information
6. Step Two Adjustments
7. Race-Neutral/Race Conscious Breakdown
8. Community Consultation and Proof of Publication



**Determine the list of
anticipated FAA-assisted
Projects by NAICS code and
budgeted amounts of work**

GMIA Engineers provided detailed charts with NAICS, \$ budgeted dates of work, etc. for all anticipated FAA-Assisted projects by Fiscal Year

	FY 2017 (10/1/2016-9/30/2017)		Project #1		FY 2017 (10/1/2016-9/30/2017)		Project #2
	Project Name	Airfield Safety Improvement	WA217		Project Name	Airfield Pavement Replacement	WA218
	Dates of Project Work	1/1/2017 - 10/1/2017			Dates of Project Work	1/1/2017 - 10/1/2017	
	Description of work	Airfield Lighting			Description of work	Conc. Pavemen Replacement - Airfield	
		238210;561439				237310;238210;541380;561730;561439;484220	
Construction	NAICS Codes	Dollars Budgeted	Planned dates of work		NAICS Codes	Dollars Budgeted	Planned dates of work
Highway, Street & Bridge Const.	237310				237310	\$ 1,100,000.00	5/1/2017 - 8/1/2017
Other Heavy & Civil Const.	237990				237990		
Other Foundation, Stuct. Bld Found Contractors	238190				238190		
Electrical Contractors	238210	\$ 430,000.00	2/1/2017 - 5/1/2017		238210	\$ 84,000.00	5/1/2017 - 8/1/2017
Site Prep Contractors	238910				238910		
Specialized Freight (except Used Goods) Trucking/Dump Trucking	484220				484220	\$ -	
Professional Services/Procurement							
Engineering Services	541330				541330		
Testing Labs	541380				541380	\$ 5,000.00	5/1/2017 - 8/1/2017
Landscape Services	561730				561730	\$ 30,000.00	7/1/2017-8/1/2017
Photocopying & Duplicating Services	561439	\$ 200.00	2/1/2017 - 5/1/2017		561439	\$ 200.00	4/1/2017-5/1/2017
Special Purpose Hwy Vehicle	336120				336120		

GMIA Engineers provided detailed charts with NAICS, \$ budgeted dates of work, etc. for all anticipated FAA-Assisted projects by Fiscal Year These were put into Table 2 and Table 3 for easier analysis.

FY 2017 (10/1/2016-9/30/2017)	Project #	Project Name	NAICS	Budget
	WA217	Airfield Safety Improvement	238210;56149	\$ 4
	WA218	Airfield Pavement Replacement	237310;238210;541380;561730;561439;484220	\$ 1,2
	WA221	Security Wildlife Perimeter Fencing	237990;561439;484220	\$ 2
	WA215	Runway 19R-1L, 13-31 and Taxiway & Relighting	238210;561730;484220	\$ 9
	WA224	LJT Airfield Pavement Replacement and Rehab 2016	237310;541380;484220	\$ 3
			Subtotal	\$ 3,2
FY 2018 (10/1/2017-9/30/2018)	Project #	Project Name	NAICS	Budget
	WA217	Airfield Safety Improvements	238210;56149	\$ 4
	WA218	Airfield Pavement Replacement - Phase 2	237310;238210;541380;561730;561439;484220	\$ 1,2
	WA224	LJT Airfield Pavement Replacement	237310;541380;484220	\$ 3
	WA219	Deice Pad 19R	237310;238210;238910;541330;541380;561730;561439;484220	\$ 2,8

FY2017-2019 FAA Planned Projects by NAICS Code Totals/Year	Industry Sector/Description	2017	2018	2019	Total
NAICS Codes	Construction	Total			
237310	Highway, Street & Bridge Const.	\$ 1,275,100	\$ 7,370,000	\$ 2,589,400	\$ 11,234,500
237990	Other Heavy & Civil Const.	\$ 229,500	\$ -	\$ -	\$ 229,500
238190	Other Foundation, Stuct. Bld	\$ -	\$ -	\$ -	\$ -
238210	Electrical Contractors	\$ 1,309,700	\$ 1,200,000	\$ 1,400,000	\$ 3,909,700
238910	Site Prep Contractors	\$ -	\$ 2,000,000	\$ 1,500,000	\$ 3,500,000
484220	Specialized Freight (except Used Goods) Trucking/Dump Trucking	\$ 346,700	\$ 1,485,000	\$ 765,600	\$ 2,597,300
	Subtotal Construction by NAICS	\$ 3,161,000	\$ 12,055,000	\$ 6,255,000	\$ 18,873,700
	Professional Services				
541330	Engineering Services	\$ -	\$ 150,000	\$ 200,000	\$ 350,000
541380	Testing Labs	\$ 10,000	\$ 25,000	\$ 20,000	\$ 55,000
561730	Landscape Services	\$ 34,700	\$ 57,500	\$ 57,500	\$ 149,700
561439	Photocopying & Duplicating	\$ 600	\$ 1,600	\$ 1,600	\$ 3,800
336120	Special Purpose Hwy Vehicle	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
	Subtotal Professional Services	\$ 45,300	\$ 1,234,100	\$ 279,100	\$ 1,558,500
Total		\$ 3,206,300	\$ 13,289,100	\$ 6,534,100	\$ 23,029,500



Determine a Geographic Market

The "Seven County Area" Milwaukee County examined in Southeastern Wisconsin includes:
Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, and Waukesha



Determine the percentage of all firms in the market area defined as “Ready, Willing and Able”* DBE firms

***This is sometimes called the *Base Figure Availability* calculation**

Ready, Willing and Able Firms Calculations of Baseline Availability by NAICS Codes

Baseline Availability of Qualified Firms by NAICS Codes (per US Census Data & WI UCP)						
NAICS Codes	Description	Sector	All Firms	Qualified Firms	Unqualified Firms	Base Availability
237310	Highway, Street & Bridge Const.	Construction	39	9	30	23.1%
237990	Other Heavy & Civil Const.	Construction	25	3	22	12.0%
238190	Other Foundation, Struct. Bld Found Contractors	Construction	19	5	14	26.3%
238210	Electrical Contractors	Construction	389	18	371	4.6%
238910	Site Prep Contractors	Construction	171	13	158	7.6%
484220	Specialized Freight (except Used Goods) Trucking/Dump Trucking	Construction	231	120	111	51.9%
336120	Special Purpose Hwy Vehicle	Professional Services	-	-	-	0.0%
541330	Engineering Services	Professional Services	350	29	321	8.3%
541380	Testing Labs	Professional Services	47	2	45	4.3%
561439	Photocopying & Duplicating Services	Professional Services	26	1	25	3.8%
561730	Landscape Services	Professional Services	724	21	703	2.9%

Annual and Triennial Goals by Industry Sector

Final Annual and Triennial FAA Goals by Industry Sector			
Goal Type	Budgeted	Weighted Base Goal (per DMS)	Participation Baseline (Budgeted x Base Goal)
FY2017-2019 Construction			
2017 DBE Construction	\$ 3,161,000	17.8%	\$ 562,658
2018 DBE Construction	\$12,055,000	22.2%	\$ 2,680,068
2019 DBE Construction	\$ 6,255,000	18.8%	\$ 1,174,189
FY2017-2019 Construction Subtotal	\$21,471,000	20.6%	\$ 4,416,914
FY2017-2019 Professional Services			
2017 DBE Professional Services	\$ 45,300	5.1%	\$ 2,306
2018 DBE Professional Services	\$ 234,100	6.5%	\$ 15,170
2019 DBE Professional Services	\$ 279,100	6.9%	\$ 19,202
FY2017-2019 Professional Services Subtotal	\$ 558,500	6.6%	\$ 36,678
Special Purpose Hwy Vehicle (fire truck)	\$ 1,000,000	0.0%	\$ -
Triennial Totals and Weighted Averages	\$23,029,500	19.3%	\$ 4,453,592



Weighting by Work Type

WEIGHTED BASELINE AVAILABILITY BY ANNUALLY PLANNED FAA-ASSISTED PROJECTS

(SUM (Baseline Goal per each NAICS Code *
Dollars Spent per each NAICS code))/ Total
Dollars Spent * 100 = WEIGHTED BASELINE GOAL
%

Milwaukee County uses DCMS (B2GNow) software. See the document attached to IN the main .pdf of the report titled: *2017-2019 DMCS FAA Goal Setting Calculations.pdf* for the printouts of the annual calculations.



Identify the Sources of Information

United States of America Census Bureau Data on County Business Patterns: <http://www.census.gov/programs-surveys/cbp.html> and American Fact Finder:

<http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

Wisconsin Unified Certification Program (UCP) Directory of DBE Firms:

<http://wisconsin.gov/Documents/doing-business/civil-rights/dbe/dbe-ucp-directory.xlsx>

Wisconsin Department of Administration, Division of Enterprise Operations, State Supplier, Diversity Business Certification Program Directory <http://wisdp.wi.gov/search.aspx>

Milwaukee County Community Business Development Partners, Diversity Management and Compliance System (B2GNow)

<https://mke.diversitycompliance.com/Default.asp>

See also Attachment 2017-2019 DMCS FAA Goal Setting Calculations.pdf: Referenced in Figure 1: Software Generated Annual Weighted Baseline Goal For FAA-Assisted Projects

Step Two Adjustments (Optional)

Milwaukee County calculated both adjustments and decided they distorted the anticipated achievement too dramatically from the Base Availability calculated. As a result, these calculations were not used in computing the goals.

Calculation of Adjustment Considerations					
Goal Type	Budgeted	Past Achievement on Similar Projects (calculated in DMCS software)	Past Achievement x Budgeted	Median Past DBE Participation (MPP) Calculation	MPP Goal
FY2017-2019 Construction					
2017 DBE Construction	\$ 3,161,000	26.0%	\$ 821,544		
2018 DBE Construction	\$12,055,000	26.1%	\$ 3,151,177	26.0%	\$ 5,580,313
2019 DBE Construction	\$ 6,255,000	26.0%	\$ 1,625,675		
FY2017-2019 Construction Subtotal	\$21,471,000	26.1%	\$ 5,598,395		
FY2017-2019 Professional Services					
2017 DBE Professional Services	\$ 45,300	29.6%	\$ 15,040		
2018 DBE Professional Services (includes fire truck)	\$ 1,234,100	32.8%	\$ 404,661	29.6%	\$ 460,693
2019 DBE Professional Services	\$ 279,100	17.3%	\$ 48,396		
FY2017-2019 Professional Services Subtotal	\$ 1,558,500	30.0%	\$ 468,097		
Triennial Totals and Weighted Averages	\$23,029,500	26.3%	\$ 6,066,492	26.2%	\$ 6,041,006

Race-Neutral (RN)/Race-Conscious (RC) Breakdown

RN Median 39.9%

Maximum feasible portion of overall goal must be met using race-neutral measures

Calculated by finding the Median race-neutral performance over the previous years.

	TOTAL PAYMENTS ON CONTRACTS COMPLETED THIS REPORTING PERIOD	Number of Contracts Completed	Total Dollar Value of Contracts Completed	DBE Participation Needed to Meet Goal (Dollars)	Total DBE Participation (Dollars)	Percent to DBEs
2015-2016						
2016	Race Neutral	7	\$76,051		\$35,972	47.3%
2015	Race Neutral	53	\$3,271,900		\$1,063,348	32.5%



COUNTING DBE PARTICIPATION

The County follows crediting and counting provisions contained in Section 26.55 to determine DBE participation on all projects on which DBE firms perform as a prime or sub-contractor/consultant. Milwaukee County utilizes Diversity Management software to track certification and participation activities within Milwaukee County. The software requires contractor input of subcontracting and payments received per contract on a monthly basis. In addition, each subcontractor must confirm in the software all payments received and any payments made to further subcontractors. The checks and balances in the software allow for accurate data collection, tracking and reporting of DBE contractor activities and are mandatory on all FAA-Assisted projects.

CONTRACT GOALS

Goals were set following Section 26.51.

GOOD FAITH EFFORTS

In accordance with Section 26.53, the County requires a bidder/proposer to submit a Certificate of Good Faith Efforts form, along with supporting documentation, in instances where the participation goal is not met.



Community Consultation and Proof of Publication

To ensure adequate community input, Milwaukee County published this report in the following ways:

- Notification was made to the Milwaukee County Board of Directors, the Milwaukee County Executive and relevant Milwaukee County departments on 10/13
- Milwaukee County published on its CBDP websites 10/13
- Milwaukee County published in three local newspapers: Daily Reporter, Spanish Journal and Milwaukee Courier Week of 10/17
- Milwaukee County emailed all stakeholders listed in the report 10/14
- Milwaukee County emailed it to vendors, DBE firms and other interested parties per available email lists on 10/13
- Two public hearings will be on November 1, 2016, to solicit feedback and evidence to include in this report.
- Other media outlets as appropriate



Community Consultation and Proof of Publication (cont'd)

Milwaukee County is actively encouraging and requesting the submission of evidence of ongoing discrimination in its contracting activities during this public review period.

Suggested feedback and evidence may include:

- Comments and feedback on this report, goals, methodology, and Milwaukee County's contracting on FAA-assisted projects at General Mitchell International Airport
- DBE and non-DBE availability of ready, willing and able firms
- Effects of discrimination
- Efforts to establish a level playing field
- Any other evidence relevant to DBE's, SBE's, non-DBE's and contracting with Milwaukee County at GMIA



Community Consultation and Proof of Publication (cont'd)

Should you have evidence to include with this report to the FAA, please submit it by November 18, 2016 to:

**Mr. Rick Norris P.E., Director
Community Business Development Partners
Milwaukee County
633 West Wisconsin Avenue, Suite 902
Milwaukee, WI 53203
CBDP@milwaukeecountywi.gov**



Submittal of Evidence

Should you have evidence to include with this report to the FAA, please submit it by November 18, 2016 to:

**Mr. Rick Norris PE, Director
Community Business Development
Partners
Milwaukee County
633 West Wisconsin Avenue, Suite 900
Milwaukee, WI 53203
CBDP@milwaukeecountywi.gov**



Public Feedback Hearing Period

General courtesy rules:

- All comments under 2 minutes
- all speakers must speak into the microphone and give their names and addresses;
- all comments should be **relevant to contracting at GMIA**, and should not be of a personal nature unless that is also specifically relevant;



Public Feedback Hearing Period

General courtesy rules (cont'd):

- please avoid repetitive comments;
- if there are a large number of speakers, including many who are part of groups or organizations, please have a representative speak on behalf of your organization or group;
- unruly behavior, such as booing or hissing or harassing remarks, is prohibited.



Next Steps

- Solicit and analyze public feedback
- Make alterations to the report based on public feedback if necessary
- Submit report to FAA and begin using goals on December 1, 2016
- Submit final report on 2016 activity by December 1, 2016
- Submit for informational purposes to December County Board committee meetings and full County Board meeting



Next Steps (cont'd)

- **Submit final report on 2016 activity to FAA by December 1, 2016**
- **Submit for Goals and Report for informational purposes to December County Board committee meetings and full County Board meeting**
- **Developing an annual contractor's meeting**



Should you have evidence to include with this report to the FAA, please submit it **in writing** by November 18, 2016 to:

**Mr. Rick Norris P.E., Director
Community Business Development
Partners**

Milwaukee County

**633 West Wisconsin Avenue, Suite
902**

Milwaukee, WI 53203

CBDP@milwaukeecountywi.gov