



MEMORANDUM

DATE: DECEMBER 1, 2000
TO: VICTOR KILMAN, PURCHASING MANAGER
FROM: H. DAVID JONES, DEPUTY DIRECTOR FOR BUSINESS DEVELOPMENT
RE: NOTICE OF DBE GOAL AND PUBLIC COMMENT
CC:

RESULTS OF CONSULATION REGARDING AVAILABILITY OF DISADVANTAGED BUSINESS ENTERPRISES

Pursuant to the new requirements of 49 CFR 26, please post the attached notice on the Purchasing Department's web page. In addition, please publish the same notice in the attached list of print media. I suggest the same frequency as we publish bid notices. Charge all costs to 90067.8304.20000.

In accordance with the Lubbock International Airport's Disadvantaged Business Enterprise Plan, the airport staff is currently working on the airport's proposed contracting goal for DBE participation for the fiscal year 2000-2001 for Department of Transportation (DOT)assisted contracts.

Effective March 4, 1999, the DOT passed new rules and regulations for its Disadvantaged Business Enterprise (DBE) program. The intent is to try to remedy past and current discrimination against DBEs, ensure a "level playing field", and foster equal opportunity in DOT-assisted contracts, improve the flexibility and efficiency of the DBE program, and reduce burdens on small businesses. This new program is for contracts only; not concessions.

As stipulated in the new rules, local sponsors are required to establish a level of participation for each DOT-assisted contract that reflects the annual goal set out in the sponsor's plan. Before the goal is established, the sponsor is also required to consult with local minority business leaders, local agencies that represent minority concerns and/or other interested persons to obtain information concerning the availability of DBEs and non-DBEs in the community, the effects of discrimination on opportunities for DBEs, and the City's efforts to establish a level playing field for past DBEs. Sponsors are also

required to make the results of this investigation public and invite comments from the general public as to the proposed goal and/or the process.

Pursuant to that charge Airport staff has contacted the Small Business Administration (SBA), the Lubbock Hispanic Chamber of Commerce, the Lubbock Black Chamber of Entrepreneurs, and the City's Purchasing Department.

The agencies and firms contacted are consistent in their opinion that there seems to be not only a shortage of minority owned businesses in the Lubbock region but also a shortage of certified DBE contractors. Aside from the DBE requirement for DOT-assisted contracts, the City utilizes many services provided by small businesses, including minority owned businesses. Often times the City must procure those services from outside the Lubbock County region due to the lack of minority or small business providers.

Likewise, the Small Business Administration reports that there are very few certified 8(a) Business Development firms in Lubbock County, which is another measure of the lack of small and/or minority business concerns.

The representative from the SBA noted that the number certified 8(a) contractors declined significantly after Reese Air Force Base closed several years ago.

As far as the effects of past discrimination are concerned, most of the agencies contacted felt like the effects of discrimination are reflected in the lack of certified contractors. Minority business owners are historically not educated about the advantages of the various programs that are available.

Prior to December 1999, the SBA sponsored several seminars designed to educate small business owners about the various programs available to stimulate the economic opportunities for small businesses and the advantages of being certified in one or more of the programs. These seminars covered the range from Historically Underutilized Business (HUB) Zone Empowerment Contracting, 8(a) Business Development and its associated Mentor/Protégé program, the Small Disadvantaged Business program, and DBE certification. Since that time SBA has experienced a manpower shortage and has curtailed these kinds of outreach opportunities. The only "outreach" being conducted by SBA currently is one-on-one when interested persons call or visit the office for assistance.

Regarding the same issue of the effects of discrimination, the City has for the last twenty years complied with all federally mandated procurement programs concerning minority owned or underutilized business concerns. The City has also on a number of occasions in the past participated with the SBA and/or other sponsors to host or co-host educational seminars regarding the programs noted above.

It is the conclusion of the City's Disadvantaged Business Enterprise Liaison Officer that the data collected generally evidence a considerable shortage in the availability of small and/or minority business contractors and service providers. Based on an historical

analysis of the level of DBE participation of DOT-assisted contracts over the last four years, the Disadvantaged Business Enterprise Liaison Officer (DBELO) has set the adjusted DOT-assisted contract goal for the fiscal year 2000-2001 at 9%. The City anticipates awarding approximately \$3 million dollars of DOT-assisted contracts during the fiscal year. Therefore approximately \$270,000 of work will be eligible for DBE participation.

This report of the results of public consultation regarding availability of Disadvantaged Business Enterprises and the airport's DBE Plan shall be available for inspection during normal business hours at the City of Lubbock Purchasing Department, 1625 13th Street, Lubbock, Texas, until [enter date (30 days after publish)].

The City shall accept comments from the interested public on its goal and rationale until [enter date (45 days from publish)]. Public comment will be reviewed, by the Federal Aviation Administration.

Victor, this report along with the airport's DBE Plan and need to be posted on your web page.

NOTICE FOR PUBLICATION

NOTICE of PROPOSED DBE GOAL for LUBBOCK INTERNATIONAL AIRPORT

Pursuant to 49 CFR 26, Lubbock International Airport proposes a goal of 9% DBE participation on DOT-assisted contracts for the fiscal year 2000-2001.

Lubbock International Airport's DBE plan and rationale for DBE participation is available for public inspection at <http://purchasing.ci.lubbock.tx.us> or at the Office of the City Purchasing Manager, 1625 13th Street, Lubbock, Texas, during normal business hours until [enter date (30 days after notice)]. Public comment will be received until [enter date (45 days from notice)] at [enter web address] or addressed to Purchasing Manager, City of Lubbock, P.O. Box 2000, Lubbock, Texas 79457, Re: Airport DBE Goal – 2001.

Victor, this "Notice for Publication" needs to appear on your web page and is the only notice that needs to be published in the attached list of newspapers.

Print Media Specified in DBE Plan

1. Lubbock Avalanche Journal
710 Avenue J
P.O. Box 491
Lubbock, Texas 79408
Phone: (806) 747-1043 classified

2. Southwest Digest
902 E. 28th Street
P.O. Box 2553
Lubbock, Texas 79408
Phone: (806) 762-3612
Fax: (806) 749-6303

3. El Editor
1502 Avenue M
P.O. Box 11250
Lubbock, Texas 79401
Phone: (806) 763-3841
Fax: (806) 741-1110

4. West Texas Hispanic News
1607 13th Street
P.O. Box 24
Lubbock, Texas 79408
Phone: (806) 747-3467
Fax: (806) 747-3524

5. El Sol Latino
1717 Ave. K, Suite 129
P.O. Box 126
Lubbock, Texas 79408
Phone: (806) 741-1956
Fax: (806) 740-0045