



the City of Salem.

## **SUMMARY AND BACKGROUND:**

The City of Salem (City), as owner of the Salem Municipal Airport (Airport), has established a Disadvantaged Business Enterprise (DBE) Program in accordance with requirements set forth in Title 49 of United States Code of Federal Regulations (CFR) Part 26. As a condition of receiving federal funding for the airport, the City must sign assurances that it will comply with Title 49 CFR Part 26.

Disadvantaged Business Enterprises are defined as those for-profit businesses owned by socially- and/or economically-disadvantaged individuals, or, in the case of a corporation, businesses in which 51% of the stock is owned by one or more such individuals. Title 49 CFR 26 Section 81 requires that State recipients of federal transportation funds establish a one-stop process to certify such businesses as DBEs, known as the Unified Certification Program (UCP). Title 49 CFR Part 26.81 requires that all recipients of federal transportation funds in a state sign an agreement establishing the UCP and submit same to the U.S. Secretary of Transportation.

Subpart E, Section 26.81 of the Salem Airport's DBE program states that the City relies upon the Unified Certification Program (UCP) administered by the State of Oregon's Certification Office for Business Inclusion and Diversity (COBID) to meet the requirements of 49 CFR Part 26 Section 81. Execution of the attached IGA (Attachment 1) formally certifies that the City agrees to cooperate and coordinate the administration of DBE certification services as administered by COBID, thereby meeting the requirements of 49 CFR Part 26 Section 81.

## **FACTS AND FINDINGS:**

- Council authorization is required to enter into an IGA.
- Execution of the IGA is a requirement as part of the federal approval of the Airport's FY '18-20 DBE program update, to comply with past grant assurance agreements, and to ensure eligibility to receive future federal DOT funding.
- The IGA requires the City to cooperate and coordinate with the state in administration of the program, including DBE certification of vendors.
- There is no cost to participate in the program, and no budget impact to the Airport fund.

John Paskell  
Airport Manager

## **Attachments:**

1. Intergovernmental Agreement No. 32421