

## **Attachment 4**

### **Section 23.45: Overall Goal Calculation for Concessions Other Than Car Rentals**

**Amount of Goal** *(submit if average annual gross receipts exceed \$200,000)*

**Name of Recipient:**

Colorado Springs Airport

**Goal Period:** FY-2022, 2023, 2024 - October 1, 2021 through September 30, 2024

**Overall Three-Year Goal:**

3.22% to be accomplished through RC and RN

**Methodology used to Calculate Overall Goal:**

The Airport in conducting this goal-setting process is determining the extent, if any, to which the firms in the market area have suffered discrimination or its effects in connection with concession opportunities and related business opportunities.

**Market Area**

The market area is the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and in which the firms which receive the substantial majority of concessions-related revenues are located.

The Airport has determined that its market area is National, State and Local.

**Base of Goal**

To calculate the base of the goal Colorado Springs Airport considered the previous 3 years of gross concession receipts and the projected potential concession revenue (gross receipts) three years into the future including upcoming new opportunities.

## Gross Receipts for Previous 3 Years - Non-Car Rental Concessions

Fiscal Year	Non-Car Concessions Revenue (Gross Receipts)
2019	7,545,120.69
2020	4,470,238.64
2021	6,183,663.46
<b>Total</b>	<b>18,199, 022.79</b>

The Airport estimates that revenues to existing concessions will grow by 5% over the next three years due to inflation and increased passenger traffic.

(2019)  $\$7,545,120.69 + 5\% (\$377,256) = \$7,922,376.69$

(2020)  $\$4,470,238.64 + 5\% (\$223,512) = \$4,693,750.64$

(2021)  $\$6,183,663.46 + 5\% (\$309,183) = \$6,492,846.46$

$\$7,922,377 + \$4,693,751 + \$6,492,846 = \$19,108,974$  is the Airport's base of the goal for non-car rental concessions.

The following are not included in the total gross receipts for concessions: (a) the gross receipts of car rental operations, (b) the dollar amount of a management contract or subcontract with a non-ACDBE, (c) the gross receipts of business activities to which a management contract or subcontract with a non-ACDBE pertains, and (d) any portion of a firm's estimated gross receipts that will not be generated from a concession.

If a new concession opportunity arises prior to the end of this goal period and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, the Airport will submit to the FAA an appropriate adjustment to the overall goal. This will be submitted to FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity. (23.45(i)).

### **Methodology used to Calculate Overall Goal**

#### Goods and Services

We can meet the percentage goal by including the purchase from ACDBEs of goods and services used in businesses conducted at the airport. We, and the businesses at the airport, shall make good faith efforts to explore all available options to achieve, to the maximum extent practicable, compliance with the goal through direct ownership arrangements, including joint ventures and franchises. The dollar value from purchases of goods and services from ACDBEs may be added to the numerator, and the dollar value from purchases of goods and services from all firms (ACDBEs and non-ACDBEs) may be added to the denominator.

## Management Contract or Subcontract

We can meet the percentage goal by including any business operated through a management contract or subcontract with an ACDBE. We, and the businesses at the airport, will add the dollar amount of a management contract or subcontract with an ACDBE to the total participation by ACDBEs in airport concessions (both the numerator AND the denominator) and to the base from which the airport's percentage goal is calculated. However, the dollar amount of a management contract or subcontract with a non-ACDBE and the gross revenue of business activities to which the management contract or subcontract pertains will not be added to this base in either the numerator or denominator. *While we realize that this appears to go against the normal rules and rationale for goal-setting, we understand that this method is nevertheless required by statute.*

### Step 1: 23.51(c)

We determined the base figure for the relative availability of ACDBEs for non-car rental concessions. The base figure was calculated as follows:

**Numerator:** Ready, willing, and able non-car rental ACDBEs in the market area  
189 divided by 12,524

**Denominator:** All ready, willing and able non-car rental concession firms in the market area

The data source or demonstrable evidence used was the Colorado State DBE/ACDBE UCP Directory and the Census Bureau (<https://coucp.dbesystem.com/> and the Census Bureau's County Business Pattern (CBP) (<https://data.census.gov/cedsci/>).

NAICS	Type of Concession	Total ACDBE's By State	Total All Firms
722513	Limited Service Restaurant	80	4357
722410	Drinking Places	23	780
722515	Snack & nonalcoholic beverage bars	16	1434
722330	Mobile Food Services	6	243
722511	Full Service Restaurants	53	5161
453220	Gift, novelty, souvenir stores	10	503
454210	Vending machine operators	1	46
<b>Total</b>		<b>189</b>	<b>12,524</b>

When we divided the numerator by the denominator, we arrived at the Step 1 base figure for our overall goal for non-car rental concessions of: 0.02%.

After calculating a base figure of the relative availability of ACDBEs, we examined evidence to determine what adjustment was needed to the Step 1 base figure in order to arrive at the overall goal.

In order to reflect as accurately as possible, the ACDBE participation we would expect in the absence of discrimination we have adjusted our base figure by 3.22%. Our overall goal for non-car rental concessions is 3.22%.

The data used to determine the adjustment to the base figure was:

**Past History Participation**

*Data used to determine the adjustment to the base figure was the median of historical ACDBE accomplishments*

Data used to determine the adjustment to the base figure was the median of historical ACDBE accomplishments:

<b>Fiscal Year</b>	<b>RN</b>	<b>RC</b>	<b>Total Achievement</b>
2019	1.13%	1.13%	2.26%
2020	4.20%	4.20%	8.40%
2021	3.21%	3.21%	6.42%

Arranging this historical data from low to high, 2.26%, 6.42%, 8.40%, the median is 6.42% which is our Step 2 figure.

To arrive at an overall goal, we added our Step 1 base figure with our Step 2 adjustment figure and then averaged the total arriving at an overall goal of 3.22%. (Step 1 0.02% plus Step 2 6.42% = 6.44% divided by 2 = 3.22%).

We feel this adjusted goal figure will accurately reflect ACDBE non-car rental concession participation that can be achieved during this 3-year period. Further, there are no applicable disparity studies for the local market area or recent legal case information available to show any evidence of barriers to entry or competitiveness of ACDBEs.

## PUBLIC PARTICIPATION

**Consultation:** Section 23.43.

### **§23.43 What are the consultation requirements in the development of recipients' overall goals?**

(a) As a recipient, you must consult with stakeholders before submitting your overall goals to FAA.

(b) Stakeholders with whom you must consult include, but are not limited to, minority and women's business groups, community organizations, trade associations representing concessionaires currently located at the airport, as well as existing concessionaires themselves, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the recipient's efforts to increase participation of ACDBEs.

Prior to submitting this goal to the FAA, Colorado Springs Airport consulted with the leadership of the Airport, concessionaires at the airport and posted the program on the Airport's website for public comment.

### **Breakout of Estimated Race-Neutral & Race Conscious Participation** **Section 23.51**

The Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Airport uses the following race-neutral measures.

We understand that we will be expected to actually take these steps, and this is not merely a paper exercise.

1. Posting all RFP's on the Rocky Mountain E-Purchasing website in order for all ACDBEs to learn of concession opportunities;
2. When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs;

We estimate that, in meeting our overall goal of 3.22%, we will obtain 3.22% from race-neutral participation and 3.22% through race-conscious measures.

If we project that race-neutral measures, standing alone, are not sufficient to meet an overall goal, we will use the following race-conscious measures to meet the overall goal:

1. We will establish concession-specific goals for particular concession opportunities.

In order to ensure that our ACDBE program will be narrowly tailored to overcome the effects of discrimination, if we use concession specific goals we will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and we will track and report race-neutral and race conscious participation separately. For reporting purposes, race-neutral ACDBE participation includes, but is not necessarily limited to, the following: ACDBE participation through a prime contract that an ACDBE obtains through customary competitive procurement procedures; ACDBE participation through a subcontract on a prime contract that does not carry ACDBE goal; ACDBE participation on a prime contract exceeding a concession specific goal; and ACDBE participation through a subcontract from a prime contractor that did not consider a firm's ACDBE status in making the award.

We will maintain data separately on ACDBE achievements in those contracts with and without concession specific goals, respectively.

## Attachment 5

### Section 23.45: Overall Goal Calculation for Car Rentals

Amount of Goal (submit if average annual gross receipts exceed \$200,000)

**Name of Recipient:**

Colorado Springs Airport

**Goal Period:** FY-2022-2023-2024 – October 1, 2022 through September 30, 2024

**Overall Three-Year Goal:**

1.07%, to be accomplished through 1.07% RN

**Methodology used to Calculate Overall Goal:**

The Airport in conducting this goal-setting process is determining the extent, if any, to which the firms in the market area have suffered discrimination or its effects in connection with concession opportunities and related business opportunities.

**Goods and Services**

We can meet the percentage goal by including the purchase from ACDBEs of goods and services used in businesses conducted at the airport. We, and the businesses at the airport, shall make good faith efforts to explore all available options to achieve, to the maximum extent practicable, compliance with the goal through direct ownership arrangements, including joint ventures and franchises. The dollar value from purchases of goods and services from ACDBEs may be added to the numerator, and the dollar value from purchases of goods and services from all firms (ACDBEs and non-ACDBEs) may be added to the denominator.

**Management Contract or Subcontract**

We can meet the percentage goal by including any business operated through a management contract or subcontract with an ACDBE. We, and the businesses at the airport, will add the dollar amount of a management contract or subcontract with an ACDBE to the total participation by ACDBEs in airport concessions (both the numerator AND the denominator) and to the base from which the airport's percentage goal is calculated. However, the dollar amount of a management contract or subcontract with a non-ACDBE and the gross revenue of business activities to which the management contract or subcontract pertains will not be added to this base in either the numerator or denominator. *While we realize that this appears to go against the normal rules and rationale for goal-setting, we understand that this method is*

*nevertheless required by statute.*

## **Market Area**

The market area is the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and in which the firms which receive the substantial majority of concessions-related revenues are located.

The Colorado Springs Airport has determined that its market area is nationwide.

## **Base of Car Rental Goal**

To calculate the base of the goal Airport considered the previous 3 years of car rental expenditures/purchases and the projected potential car rental expenditures three years into the future, including upcoming new opportunities.

### **Gross Receipts (Revenue) for Previous 3 Years - Car Rental Concessions**

<b>Fiscal Year</b>	<b>Concessions Revenue (Car Rental)</b>
2019	22,792,169.53
2020	15,559,361.14
2021	25,310,116.40
<b>Total</b>	<b>\$63,661,647.07</b>

The Airport estimates expenditures will increase by 2% over the next three years due to inflation and increased passenger traffic as shown below.

2019 - 22,792,169.53 + 2% (\$455,843)

2020 - 15,559,361.14 + 2% (\$311,187)

2021 - 25,310,116.40 + 2% (\$506,202)

If a new concession opportunity arises prior to the end of this goal period and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, the Airport will submit to the FAA an appropriate adjustment to the overall goal. This will be submitted to FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity. (23.45(i)).

### **Step 1: 23.51(c)**

We determined the Step 1 base figure for the relative availability of ACDBEs for car rentals. The base figure was calculated as follows:



Numerator: Ready, willing, and able car rental ACDBEs in the market area

10 divided by 6,186

Denominator: All ready, willing and able car rental concession firms in the market area

The data source or demonstrable evidence used was the Colorado State DBE/ACDBE UCP Directory (<https://coucp.dbesystem.com/>) and the Census Bureau's County Business Pattern (CBP) (<https://data.census.gov/cedsci/>) were used.

NAICS	Type of Concession	Total ACDBE's	Total All Firms
524210	Insurance agencies and brokerages	2	3,156
423120	Motor vehicle supplies and new parts merchant wholesalers	1	188
811111	General automotive repair	1	1,549
484230	Freight/Auto Transport	0	194
441110	New car dealers	0	328
423850	Service/Maintenance	1	88
424720	Fuel	3	57
561622	Locksmiths	0	83
423130	Tires	0	39
811122	Windshield repair	0	173
323111	Signage	2	331
<b>Total</b>		<b>10</b>	<b>6,186</b>

When we divided the numerator by the denominator, we arrived at the Step 1 base figure for our overall goal for non-car rental concessions of: 0.00%

**Step 2: 23.51(d)**

After calculating a base figure of the relative availability of ACDBEs, we examined evidence to determine what adjustment was needed to the Step 1 base figure in order to arrive at the overall goal.

In order to reflect as accurately as possible, the ACDBE participation we would expect in the absence of discrimination we have adjusted our base figure. Our overall goal for car rental concessions is 1.07%

The data used to determine the adjustment to the base figure was:

### **Past History Participation**

Data used to determine the adjustment to the base figure was the median of historical ACDBE accomplishments:

<b>Fiscal Year</b>	<b>RN</b>	<b>RC</b>	<b>Total Achievement</b>
2019	1.07%	1.07%	2.14%
2020	1.56%	1.56%	3.12%
2021	1.01%	1.01%	2.02%

Arranging this historical data from low to high, 2.02%, 2.14%, 3.12%, the median is 2.14% which is our Step 2 figure.

To arrive at an overall goal, we added our Step 1 base figure with our Step 2 adjustment figure and then averaged the total arriving at an overall goal of 1.07%. (Step 1 0.00% plus Step 2 2.14% = 2.14% divided by 2 = 1.07%).

We feel this adjusted goal figure will accurately reflect ACDBE car rental concession participation that can be achieved during this 3-year period. Further, there are no applicable disparity studies for the local market area or recent legal case information available to show any evidence of barriers to entry or competitiveness of ACDBEs.

## PUBLIC PARTICIPATION

**Consultation:** Section 23.43.

Prior to submitting this goal to the FAA, the Airport consulted with Airport leadership and posted the program on the Airport's website for public comment.

### **§23.43 What are the consultation requirements in the development of recipients' overall goals?**

(a) As a recipient, you must consult with stakeholders before submitting your overall goals to FAA.

(b) Stakeholders with whom you must consult include, but are not limited to, minority and women's business groups, community organizations, trade associations representing concessionaires currently located at the airport, as well as existing concessionaires themselves, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the recipient's efforts to increase participation of ACDBEs.

- This consultation process is intended to gather information concerning the effects of discrimination on opportunities for ACDBEs, if present - and establishing a level playing field for the participation of ACDBEs.
- The consultation is expected to occur before the proposed goal is established and prior to publication of the proposed overall goal for inspection and comment by the general public.
- The ACDBE consultation can be performed in person, via teleconference or via mass e-message.
- The consultation process must be documented in the recipient's annual goal submission.

Prior to submitting this goal to the FAA, Colorado Springs Airport consulted with the leadership of the Airport, and posted the program on the Airport's website for public comment.

**Breakout of Estimated Race-Neutral & Race Conscious Participation**  
**Section 23.51**

The Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Airport uses the following race-neutral measures.

We understand that we will be expected to actually take these steps, and this is not merely a paper exercise.

1. Posting all RFP's on the Rocky Mountain E-Purchasing website in order for all ACDBEs to learn of concession opportunities;
2. When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs;

We estimate that, in meeting our overall goal of 1.07%, we will obtain 1.07% from race-neutral participation measures.

If we project that race-neutral measures, standing alone, are not sufficient to meet an overall goal, we will use the following race-conscious measures to meet the overall goal:

1. We will establish concession-specific goals for particular concession opportunities.

In order to ensure that our ACDBE program will be narrowly tailored to overcome the effects of discrimination, if we use concession specific goals we will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and we will track and report race-neutral and race conscious participation separately. For reporting purposes, race-neutral ACDBE participation includes, but is not necessarily limited to, the following: ACDBE participation through a prime contract that an ACDBE obtains through customary competitive procurement procedures; ACDBE participation through a subcontract on a prime contract that does not carry ACDBE goal; ACDBE participation on a prime contract exceeding a concession specific goal; and ACDBE participation through a subcontract from a prime contractor that did not consider a firm's ACDBE status in making the award.

We will maintain data separately on ACDBE achievements in those contracts with and without concession specific goals, respectively.