

**AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE
FY2020-2022 GOAL METHODOLOGY**

Airport Name	Friedman Memorial Airport
Airport Sponsor	Friedman Memorial Airport Authority
Goal Period	FY 2020-2022
Prepared By	Wayne Reiter, T-O Engineers

Friedman Memorial Airport Authority as a recipient of federal grant funds is required to establish goals for ACDBE participation in airport concession opportunities. The goals are determined for a three-year overall period on an annual basis. Goals are determined separately for non-car rental concessions and car rental concessions.

OVERALL GOAL CALCULATION FOR CONCESSIONS OTHER THAN CAR RENTALS

Name of Recipient: Friedman Memorial Airport, Hailey, Idaho.

Goal Period: FY 2020-2021-2022 – October 1, 2019 through September 30, 2022.

Overall Three-Year Goal: **1.10%**, to be accomplished through **0.00%** RC and **1.10%** RN.

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 the geographical area in which the firms that receive a substantial majority of concessions related revenues are located.

Friedman Memorial Airport has determined the market area for concessions other than car rental as follows:

The following table shows the market area and total number firms in the market area for each of the various types of non-car rental concessionaires.

Market Area for Non-Car Rental Concessionaires All Firms

Non-Car Rental Commodity	NAICS Code	Blaine County	Twin Falls County	Idaho Statewide	Utah Statewide
Printing	323111	1	4		
Cleaning supplies	423850	0	2		
Electronics stores	443142	7	12		
Baked goods stores	445291	0	1		
Confectionery and nut stores	445292	0	1		
Cosmetics, beauty supplies, and perfume stores	446120	1	6		
Health and personal care stores	446199	1	3		
Men's clothing stores	448110			15	45
Women's clothing stores	448120	7	10		
Other clothing stores	448190	4	4		
Jewelry stores	448310	6	9		
Luggage and leather goods stores	448320			0	7
Sporting goods stores	451110	13	6		
Book store	451211	2	2		
News dealers and newsstands	451212	0	0	2	1
Florists	453110	3	3		
Office supplies and stationery	453210	2	3		
Gift, novelty, and souvenirs	453220	1	7		
Vending machine operators	454210			20	28
Limousine and shuttle service	485999	1	0		
Delivery service	492110	29	4		
Internet web portals	519130	2	1		
Financial transactions processing (ATM)	522320	0	1		
Insurance	524298			12	62
Legal services	541110	22	57		
Accounting	541211	17	49		
Advertising agencies	541810	2	2		
Security	561621	1	3		
Janitorial services	561720	19	22		
Food service contractors	722310	2	3		
Drinking places (alcoholic beverages)	722410	4	15		
Snack and nonalcoholic beverage bars	722515	5	20		
Other personal care (spa)	812199	1	5		

Per 49 CFR 23 the goal period specified is 2020/2021/2022 – October 1, 2019 through September 30, 2022. The base goal has been calculated using the latest three years of gross receipts (FY 2017/2018/2019) for non-car rental concessionaires and the projected potential revenue (gross receipts) for the goal period. Friedman Memorial Airport estimates that non-car rental concession revenue projections will remain flat (0%) each year for the goal period.

Gross Receipts for Non-Car Rental Concessionaires

Fiscal Year	Actual Gross Receipts			
	Advertising	Jersey Girl	Coffee House	Total
2017	\$103,932.00	\$0	\$0	\$103,932.00
2018	\$100,405.24	\$31,492.53	\$101,755.40	\$233,653.17
2019	\$81,527.60	\$0	\$237,311.59	\$318,839.19
3-Year Average	\$95,288.28	\$10,497.51	\$113,022.33	\$218,808.12
	Projected Gross Receipts (0% Annual Growth)			
2020	\$81,527.60	\$0	\$237,311.59	\$318,839.19
2021	\$81,527.60	\$0	\$237,311.59	\$318,839.19
2022	\$81,527.60	\$0	\$237,311.59	\$318,839.19
Total	\$244,582.80	\$0	\$711,934.77	\$956,517.57

Since Friedman Memorial Airport does not anticipate any major changes that would increase or decrease non-car rental concession revenue over the next three years, base of the goal is **\$956,517.57** (FY2019 revenue of \$318,839.19 x 3 years).

The following are not included in the total gross receipts for non-car rental 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 not 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, Friedman Memorial 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.

The Friedman Memorial Airport can meet the percentage goal by including the purchase from ACDBEs of goods and services used in businesses conducted at the airport. 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.

Step 1: 23.51(c) DETERMINING A BASE FIGURE FOR THE OVERALL GOAL.

The Friedman Memorial Airport calculated the base figure for the relative availability of non-car rental ACDBEs as follows:

Numerator: Ready, willing, and able non-car rental ACDBEs certified by the Idaho Transportation Department.

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

The Step 1 Base Figure was determined by dividing the numerator by the denominator.

Non-Car Rental Concessionaires ACDBEs

Non-Car Rental Commodity	NAICS Code	Firms		ACDBE Availability
		All	ACDBE	
Printing	323111	5	0	0.00%
Cleaning Supplies	423850	2	0	0.00%
Electronics Stores	443142	19	0	0.00%
Baked Goods Stores	445291	1	0	0.00%
Confectionery and Nut Stores	445292	1	0	0.00%
Cosmetics, Beauty Supplies, and Perfume Stores	446120	7	0	0.00%
Health, Personal Care Stores	446199	4	0	0.00%
Men's Clothing Stores	448110	60	0	0.00%
Women's Clothing Stores	448120	17	1	5.88%
Other Clothing Stores	448190	8	0	0.00%
Jewelry Stores	448310	15	0	0.00%
Luggage and Leather Goods	448320	7	0	0.00%
Sporting Goods Stores	451110	19	0	0.00%
Book Store	451211	4	0	0.00%
News Dealers and Newsstands	451212	3	1	33.33%
Florists	453110	6	0	0.00%
Office Supplies and Stationery	453210	5	0	0.00%
Gift, Novelty, and Souvenirs	453220	8	0	0.00%
Vending Machine Operators	454210	48	0	0.00%
Limousine and Shuttle Service	485999	36	0	0.00%
Delivery Service	492110	33	0	0.00%
Internet Web Portals	519130	3	0	0.00%
Financial Transactions Processing (ATM)	522320	1	0	0.00%
Insurance	524110	74	1	1.35%
Legal Services	541110	79	0	0.00%
Accounting	541211	66	0	0.00%
Advertising Agencies	541810	4	3	75.00%
Security	561621	4	0	0.00%
Janitorial Services	561720	41	0	0.00%
Food Service Contractors	722310	5	0	0.00%
Drinking Places (alcoholic beverages)	722410	19	0	0.00%
Snack and Nonalcoholic Beverage Bars	722213	25	1	4.00%
Other Personal Care (Spa)	812199	6	0	0.00%
Total		635	7	1.10%
Step 1				1.10%

The data source for the numerator was:

Non-car rental ACDBEs certified by the Idaho Transportation Department and listed in the DBE directory retrieved in March 2020.

The data source for the denominator was:

In the market area the numbers of firms doing business with the same NAICS Code as type of concession was counted. Information as to total available firms based on NAICS Code is from the United States Census Bureau, American Fact Finder County Business Patterns (2016).

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: **1.10%**.

Step 2: 23.51(d) ADJUSTING THE BASE FIGURE.

After calculating a base figure of the relative availability of ACDBEs, evidence was examined to determine what adjustment (if any) was needed to the base figure in order to arrive at the overall goal.

Past History Participation

No actual ACDBE participation has been recorded for non-car rental concessions at the Airport in the past three years because there was no previous requirement to develop non-car rental goals. Because of the lack of historical ACDBE data to reference to make an adjustment to the Step 1 base figure, Friedman Memorial Airport is adopting its Step 1 base figure as its overall goal for the period.

Disparity Study

The Idaho Transportation Department released its latest Disparity Study in June 2017. The disparity study did not indicate a disparity in certified ACDBE participation. As a result, no further adjustments were made.

PUBLIC PARTICIPATION

Consultation

The airport conducted a teleconference with interested stakeholders to obtain information relevant to goal setting. ACDBEs certified by the Idaho Transportation Department, existing concessionaires, minority, women, trade and small business development groups in the region were invited by email to participate. The teleconference was held on June 11, 2020 at 11:00 a.m. During the teleconference, the methodology used to establish goals was presented and discussed with participants. No recommendations were made to modify the methodology used to establish goals. As the teleconference discussion did not provide any recommendations for goal setting different than the process currently being used, no subsequent adjustment of the goals was made.

Efforts for increasing ACDBE participation that were discussed during the teleconference included: conducting outreach to discuss concession opportunities and sending notices to ACDBEs in the region informing them in advance of concession opportunities.

Future goals will include input from the same sources used to set the goal for this year and will include consultation with local minority, women or trade groups to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and efforts to establish a level playing field for the participation of ACDBEs.

Public Notice

A notice announcing the proposed overall goal and the goal-setting methodology are available for public review and comment was published on the Airport's website: <https://iflysun.com/>

Friedman Memorial Airport Overall ACDBE Goal Calculation for Concessions Other Than Car Rentals: 1.10%

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

Friedman Memorial Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. Friedman Memorial Airport uses the following race-neutral means to increase ACDBE participation.

1. Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23;
2. Notifying ACDBEs of concession opportunities and encouraging them to compete, when appropriate;
3. When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs;
4. Providing technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing;
5. Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process;
6. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation; and
7. Establishing a business development program (see 49 CFR Part 26.35); technical assistance program or taking other steps to foster ACDBE participation in concessions.

We estimate that, in meeting our overall goal of **1.10%**, we will obtain **1.10%** from race-neutral participation and **0.0%** through race-conscious measures. Friedman Memorial Airport does not have sufficient evidence of discrimination or its effects from which to set race-conscious goals.

The Idaho Transportation Department released its 2017 Disparity Study in June 2017. The disparity study did not indicate a disparity in certified ACDBE participation, so it was not used as a basis for setting race-conscious goals.

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.

OVERALL GOAL CALCULATION FOR CAR RENTALS

Name of Recipient: Friedman Memorial Airport, Hailey, Idaho.

Goal Period: FY 2020-2021-2022 – October 1, 2019 through September 30, 2022.

Overall Three-Year Goal: 2.36%, to be accomplished through 0.0% RC and 2.36% RN.

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 the geographical area in which the firms that receive a substantial majority of concessions related revenues are located.

Friedman Memorial Airport has determined the market area for car rental concessions as follows:

The following table shows the market area and total number of firms in the market area for each of the various type of car rental concessionaires.

Market Area for Car Rental Concessionaires All Firms

Car Rental Commodity	NAICS	Blaine County	Twin Falls County	Idaho	Utah	United States
Accounting	541211	17	49			
Asset Recovery	561491					835
Automotive Body and Interior Repair	811121	5	12			
Automotive Repairs	811111	12	37			
Automotive Parts	423120	1	10			
Auto Transport	484230	0	12			
Car Dealers	441110					21,427
Cleaning Supplies	423850	0	2			
Credit Card Processing	522320					4,653
Delivery Service	492110	29	4			
Drug Testing	621999	0	0	29	43	
Misc Durable Goods/Merchants (Fire Ext.)	423990	2	3			
Fuel/Oil	424720	0	0	5	13	
Fuel Maintenance	333911	0	1			
Insurance	524210					134,423
Janitorial	561720	19	22			
Key/Locks	561622	0	0	23	40	
Legal Services	541110	22	57			
Office Supply Stores	453210	2	3			
Printing	323111	1	4			
Professional employer organizations (Drivers)	561330			31	104	
Roadside Assistance/Towing	488410	0	3			
Security	561621	1	3			
Tires	423130	0	0	7	23	
Wheelchairs	423450			52	130	
Windshield Repair	811122	0	2			

Uniforms	812331					1,052
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To calculate the base of the goal Friedman Memorial Airport considered the previous three years of gross car rental receipts and the projected potential car rental revenue (gross receipts) three years into the future.

Gross Receipts for Car Rental Concessionaires

Fiscal Year	Actual Gross Receipts			
	Avis/Budget	Hertz	Enterprise	Total
2017	\$1,477,595.34	\$2,562,902.63	\$1,525,786.04	\$5,566,284.45
2018	\$1,557,819.59	\$2,441,474.89	\$1,467,597.37	\$5,466,891.85
2019	\$1,623,640.18	\$2,794,099.55	\$1,497,705.94	\$5,915,445.67
3-Year Average	\$1,553,018.52	\$2,599,492.36	\$1,497,029.78	\$5,649,540.66
	Projected Gross Receipts (6% Annual Growth)			
2020	\$1,721,058.59	\$2,961,745.52	\$1,587,568.30	\$6,270,372.41
2021	\$1,824,322.11	\$3,139,450.25	\$1,682,822.39	\$6,646,594.75
2022	\$1,933,781.43	\$3,327,817.27	\$1,783,791.74	\$7,045,390.44
Total	\$5,479,162.13	\$9,429,013.05	\$5,054,182.43	\$19,962,357.61

Friedman Memorial Airport estimates that FY2019 car rental concession revenue projections will grow by 6% each year for FY2020, FY2021, and FY2022 due to inflation and growth. The base of the goal for car rental concessions is **\$19,962,357.61**.

The following are not included in this base: (a) non-car rental operations.

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, Friedman Memorial 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.

Upon review of the market, it appears that all or most of the goal is likely to be met through the purchases by car rental companies of vehicles or other goods/services from ACDBEs. This is due to the fact that no certified ACDBE car rental companies exist within the market. As such, the Friedman Memorial Airport has structured the goal entirely in terms of the purchases of goods and services.

We determined the goal based on outreach for the purchases of goods and services from certified ACDBE firms and/or potential ACDBE firms in the market area. This basis is in lieu of a goal based upon a percentage of total gross receipts of car rental operations at the Airport. We will make a good faith effort to pursue opportunities to meet the goods and services goal. We will continue to consult and work with the Idaho Transportation Department, our car rental concessionaires at the Airport, similarly situated airports in our region, minority and women businesses in the State, minority serving institutions, local pro-business organizations, and targeted media publications to find prospective ACDBE firms. We will work with our car rental companies to strategize outreach to Idaho Transportation Department certified ACDBEs that may be able to provide car rental goods and services, to encourage current vendors who may be eligible for ACDBE certification to apply, and to encourage firms already working at the airport but certified as

ACDBE in other states, to apply via the interstate certification process. The Idaho Transportation Department is aware of this requirement and is on board to assist and process certifications as required by 49 CFR Subpart C.

We have the following car rental agencies operating at the airport: Enterprise, Hertz, and Avis-Budget.

After collaboration and discussion with the Airport, car rental company concessionaires at the Airport stated that the goods and services they may need in the goal period are: Automobile Parts, Oil Change Services, Office Supplies, Auto Repair Services, Insurance Services, Tires, and Legal Services.

Step 1: 23.51(c) DETERMINING A BASE FIGURE FOR THE OVERALL GOAL.

The Friedman Memorial Airport calculated the base figure for the relative availability of car rental ACDBEs as follows:

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

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

The Step 1 Base Figure was determined by dividing the numerator by the denominator.

Car Rental Concessionaires ACDBEs

Car Rental Commodity	NAICS Code	Firms		ACDBE Availability
		All	ACDBE	ACDBE
Accounting	541211	66	0	0.00%
Asset Recovery	561491	835	0	0.00%
Automotive Body and Interior Repair	811121	17	0	0.00%
Automotive Parts	423120	11	0	0.00%
Automotive Repairs	811111	49	0	0.00%
Auto Transport	484230	12	0	0.00%
Car Dealers	441110	21,427	0	0.00%
Cleaning Supplies	423850	2	0	0.00%
Credit Card Processing	522320	4,653	1	0.02%
Delivery Service	492110	33	0	0.00%
Drug Testing	621999	72	0	0.00%
Misc Durable Goods/Merchants (Fire Ext.)	423990	5	0	0.00%
Fuel/Oil	424720	18	1	5.56%
Fuel Maintenance	333911	1	0	0.00%
Insurance	524210	134,423	1	0.00%
Janitorial	561720	41	0	0.00%
Key/Locks	561622	63	0	0.00%
Legal Services	541110	79	0	0.00%
Office Supply Stores	453210	5	0	0.00%
Printing	323111	5	0	0.00%
Professional employer organizations (Drivers)	561330	135	1	0.74%
Roadside Assistance/Towing	488410	3	0	0.00%
Security	561621	4	0	0.00%
Tires	423130	30	0	0.00%

Wheelchairs	423450	182	0	0.00%
Windshield Repair	811122	2	0	0.00%
Uniforms	812331	1,052	0	0.00%
Total		163,225	4	0.00%
Step 1				0.00%

The data source for the numerator was:

The directory used to gather specific ACDBE firm information is from the Idaho Transportation Department Diversity Management System retrieved March 2020.

The data source for the denominator was:

In the market area the numbers of firms doing business with the same NAICS Code as type of concession was counted. Information as to total available firms based on NAICS Code is from the United States Census Bureau, American Fact Finder County Business Patterns (2016).

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

Step 2: 23.51(d) ADJUSTING THE BASE FIGURE.

Per USDOT, if the Step 1 base figure is under 1% it must be adjusted upward to at least 1.0% based on planned outreach efforts to certified and potential ACDBEs. Therefore, the Step 1 base figure is **1.00%**. After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what adjustment (if any) was needed to the base figure in order to arrive at the overall goal.

Past History Participation

Actual ACDBE participation for the previous 3 years is as follows:

- FY17: 3.72%
- FY18: 0.66%
- FY19: 6.06%
- Median: 3.72%

To arrive at an overall adjusted goal, we added the Step 1 base figure of 1.00% to the median value of 3.72% from the 3-year past history participation and averaged the total to arrive at an adjusted goal of 2.36%. Calculations are $(1.00\% + 3.72\%) / 2 = \mathbf{2.36\%}$.

Disparity Study

The Idaho Transportation Department released its latest Disparity Study in June 2017. The disparity study did not indicate a disparity in certified ACDBE participation. As a result, no further adjustments were made.

PUBLIC PARTICIPATION

Consultation

The airport conducted a teleconference with interested stakeholders to obtain information relevant to goal setting. ACDBEs certified by the Idaho Transportation Department, existing concessionaires, minority,

women, trade and small business development groups in the region were invited by email to participate. The teleconference was held on June 11, 2020 at 11:00 a.m. During the teleconference, the methodology used to establish goals was presented and discussed with participants. No recommendations were made to modify the methodology used to establish goals. As the teleconference discussion did not provide any recommendations for goal setting different than the process currently being used, no subsequent adjustment of the goals was made.

Efforts for increasing ACDBE participation that were discussed during the teleconference included conducting outreach to discuss concession opportunities and sending notices to ACDBEs in the region informing them in advance of concession opportunities.

Future goals will include input from the same sources used to set the goal for this year and will include consultation with local minority, women or trade groups to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and efforts to establish a level playing field for the participation of ACDBEs.

Public Notice

A notice announcing the proposed overall goal and the goal-setting methodology are available for public review and comment was published on the Airport's website: <https://iflysun.com/>

Friedman Memorial Airport Overall ACDBE Goal Calculation for Car Rentals: 2.36%

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

Friedman Memorial Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. Friedman Memorial Airport uses the following race-neutral means to increase ACDBE participation.

1. Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23;
2. Notifying ACDBEs of concession opportunities and encouraging them to compete, when appropriate;
3. When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs;
4. Providing technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing;
5. Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process;
6. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation; and
7. Establishing a business development program (see 49 CFR Part 26.35); technical assistance program or taking other steps to foster ACDBE participation in concessions.

We estimate that, in meeting our overall goal of **2.36%**, we will obtain **2.36%** from race-neutral participation and **0.0%** through race-conscious measures. Friedman Memorial Airport does not have sufficient evidence of discrimination or its effects from which to set race-conscious goals.

The Idaho Transportation Department released its 2017 Disparity Study in June 2017. The disparity study did not indicate a disparity in certified ACDBE participation, so it was not used as a basis for setting race-conscious goals.

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.