

GREENVILLE-SPARTANBURG AIRPORT DISTRICT

**AIRPORT CONCESSIONS DISADVANTAGED BUSINESS
ENTERPRISE PROGRAM**



GSP INTERNATIONAL
AIRPORT
ROGER MILLIKEN FIELD

**2000 GSP Drive, Suite 1
Greer, SC 29651**

September 9, 2019

Objectives and Policy Statement

(49 CFR Sections 23.1 & 23.23)

The Greenville-Spartanburg Airport District (hereafter referred to as "the District") has established an Airport Concession Disadvantaged Business Enterprise (ACDBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 23. The District is a primary airport and has received federal funds authorized for airport development after January 1988. The District has signed airport grant assurances that it will comply with 49 CFR Part 23.

It is the policy of the District to ensure that ACDBEs, as defined in Part 23, have an equal opportunity to receive and participate in concession opportunities. It is also our policy:

1. To ensure nondiscrimination in the award and administration of opportunities for concessions by airports receiving DOT financial assistance;
2. To create a level playing field on which DBEs can compete fairly for opportunities for concessions;
3. To ensure that the ACDBE Program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 23 eligibility standards are permitted to participate as ACDBEs;
5. To help remove barriers to the participation of ACDBEs for opportunities for concessions at our airport, and
6. To provide appropriate flexibility to our airport in establishing and providing opportunities for ACDBEs.

Ashley Bruton, Director of Human Resources, has been designated as the ACDBE Liaison Officer (ACDBELO). In that capacity, Ashley Bruton is responsible for implementing all aspects of the ACDBE program. Implementation of the ACDBE program is accorded the same priority as compliance with all other legal obligations incurred by the District in its financial assistance agreements with the Department of Transportation.

The District has disseminated this policy statement to its board members and all the components of our organization. The District has publicized this statement on its website, and will continue to publicize this statement, to the ACDBE and non-ACDBE business communities that perform work or is interested in performing work on concessions related contracting opportunities.



David N. Edwards, Jr., A.A.E.
President/CEO



Date

Subpart A – General Requirements

Objectives

(Section 23.1)

The objectives are found in the policy statement on the first page of this program.

Definition of Terms

(Section 23.3)

All of the terms used in this program have the meanings defined in Section 23.3 and Part 26, Section 26.5 where applicable and are hereby adopted by the District.

Applicability

(Section 23.5)

The District is the recipient of federal airport funds authorized by 49 U.S.C. 47107, et seq. and is therefore subject to part 23.

Non-Discrimination Requirements

(Section 23.9)

The District will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any concession agreement, management contract or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23 on the basis of race, color, sex, or national origin.

In administering its DBE program, the District will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

The District acknowledges these representations are also in accordance with obligations contained in its Civil Rights, DBE and ACDBE Airport Grant assurance. The following assurances will be included in all concession agreements and management contracts it executes with any firm:

1. This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23.
2. The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23, that it enters and cause those businesses to similarly include the statements in further agreements.

Compliance and Enforcement

(Section 23.11)

The District will comply with and is subject to the provisions of 49 CFR Part 26 (26.101 and 26.105 through 26.107), and 2 CFR Parts 180 and 1200.

The District will comply with this part or be subject to formal enforcement action under 26.105 or appropriate program sanctions, such as the suspension or termination of federal funds, or refusal to approve projects, grants or contracts until deficiencies are remedied. Program sanctions may include actions consistent with 49 U.S.C. 47106(d), 47111(d), and 47122.

2 C.F.R. Part 180, Government-wide Debarment and Suspension (Non-procurement), effective November 15, 2006, adopted and supplemented by DOT at 2 C.F.R. Part 1200, effective June 2, 2008, provides Office of Management and Budget (OMB) guidance for Federal agencies on the government-wide debarment and suspension system for non-procurement transactions, programs and activities. 2 C.F.R. Part 1200 adopts the OMB guidance in subparts A through I of 2 CFR part 180, as supplemented by part 1200, as the Department of Transportation policies and procedures for non-procurement suspension and debarment.

The District's compliance with all requirements of this part is enforced through the procedures of Title 49 of the United States Code, including 49 U.S.C. 47106(d), 47111(d), and 47122, and regulations implementing them.

The following enforcement actions apply to firms participating in the District's ACDBE program:

1. For a firm that does not meet the eligibility criteria of subpart C of this part and that attempts to participate as a ACDBE on the basis of false, fraudulent, or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty, the Department of Transportation (DOT) or the Federal Aviation Administration (FAA) may initiate suspension or debarment proceedings against the firm under 2 CFR Parts 180 and 1200.
2. For a firm that, in order to meet ACDBE goals or other DBE program requirements, uses or attempts to use, on the basis of false, fraudulent or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty, another firm that does not meet the eligibility criteria of subpart C of this part, DOT or FAA may initiate suspension or debarment proceedings against the firm under 2 CFR Parts 180 and 1200.
3. DOT may take enforcement action under 49 CFR Part 31, Program Fraud and Civil Remedies, against any participant in the ACDBE program whose conduct is subject to such action under 49 CFR Part 31.
4. DOT may refer to the Department of Justice, for prosecution under 18 U.S. C 1001 or other applicable provisions of law, any person who makes a false or fraudulent statement in connection with participation of an ACDBE in the Airport District's ACDBE program or otherwise violates applicable Federal statutes.

Compliance reviews: The FAA may review the District's compliance with this part at any time, including but not limited to, reviews of paperwork, on-site reviews, and review of the airport sponsor's monitoring and enforcement mechanism, as appropriate. The FAA Office of Civil rights may initiate a compliance review based on complaints received.

Any person who knows of a violation of this part by the District may file a complaint under 14 CFR Part 16 with the Federal Aviation Administration Office of Chief Counsel.

Subpart B – ACDBE Programs

ACDBE Program Updates

(Section 23.21)

The District is a small hub primary airport that is required to have an ACDBE program. As the recipient of federal airport funds and as a condition of eligibility for FAA financial assistance, the District will submit its ACDBE program and overall goals to the FAA in accordance with 23.45(a) of this section. Until this program is submitted and approved, the Airport Commission will continue to implement the concessions DBE program that was previously in effect, except with respect to any provision that is contrary to 46 CFR Part 23.

Administrative Provisions

(Section 23. 23)

The District is committed to operating its ACDBE program in a nondiscriminatory manner. The District's full Policy Statement is described in greater detail on the first page of this program.

ACDBE Liaison Officer (ACDBELO): The District has designated the following individual as the ACDBE Liaison Officer (ACDBELO):

*Ashley Bruton
Director of Human Resources
Greenville-Spartanburg International Airport
2000 GSP Drive, Greer SC 29651
864.848.6271
abruton@gspairport.com*

In this capacity, the ACDBELO is responsible for implementing all aspects of the ACDBE program and ensuring that the District complies with all provisions of 49 CFR Part 23. The ACDBELO has direct, independent access to the President/CEO concerning ACDBE program matters. The ACDBELO, with the assistance of the airport staff, will administer the ACDBE program.

The ACDBELO is responsible for developing, implementing and monitoring the ACDBE program, in coordination with other appropriate officials. The ACDBELO carries out the following responsibilities:

1. Gathers and reports statistical data and other information as required by DOT/FAA.
2. Reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with all departments to set overall annual goals.
4. Ensures that bid notices and requests for proposals are available to ACDBEs in a timely manner.
5. Identifies contracts and procurements so that ACDBE goals are included in solicitations (both race-neutral methods and contract specific goals) and monitors results.
6. Analyzes the District's progress toward goal attainment and identifies ways to improve progress.
7. Participates in pre-bid/pre-proposal meetings.
8. Advises the President/CEO on ACDBE matters and achievement.
9. Provides ACDBEs with information and assistance in preparing bids, obtaining bonding, financing, and insurance, if requested.
10. Plans and participates in ACDBE training seminars.

11. Provides outreach to ACDBEs and community organizations to advise them of opportunities.
12. Serves as liaison to the Uniform Certification Program (UCP) in South Carolina.
13. Maintains an updated South Carolina UCP of certified ACDBEs and distinguishes them from DBEs.

The District through the State of South Carolina Uniform Certification Program (UCP), maintains a directory identifying all firms eligible to participate as DBEs and ACDBEs. The Directory lists the firm's name, point of contact (owner), address, phone number(s), email and/or web address, NAICS number, date of the most recent certification, and the type of work the firm has been certified to perform as an ACDBE.

The South Carolina UCP ensures that the certified directory database lists each type of work for which a firm is eligible to be certified by using the most specific NAICS code available to describe each type of work. The South Carolina UCP makes any changes to the current database necessary to meet the requirements of this paragraph.

The South Carolina UCP revises the Directory continuously and is available at <https://www.scdot.org/business/bus-development-dbe-sbe-cert.aspx> or by contacting Steve Smith at 803.737.6396.

Ensuring Non-Discrimination Participation of ACDBEs

(Section 23.25)

The District will take the following measures to ensure nondiscriminatory participation of ACDBEs in concession, and other covered activities: (23.25(a))

1. All concession agreements will contain the required non-discrimination clause from 49 CFR Part 23.
2. All concession solicitations will contain required Title VI language pertaining to contracting activities and concession performance.
3. All discrimination complaints will be thoroughly investigated by compliance staff.

The District will seek ACDBE participation in all types of concession activities, rather than concentrating participation in one category or a few categories to the exclusion of others. (23.25(c))

The District's overall goal methodology and a description of the race-neutral measures it will take to meet the goals are described in Section 23.25 and Attachment 4 of this plan. The goals are set consistent with the requirements of Subpart D. (23.25(b), (d))

If the District projects that race-neutral measures alone are not sufficient to meet an overall goal, it will use race-conscious measures as described in Section 23.25 and Attachments 4 and 5 of this plan. (23.25(e))

The District will require businesses subject to ACDBE goals at the airport (except car rental companies) to make good faith efforts to explore all available options to meet those goals, to the maximum extent practicable, through direct ownership arrangements with ACDBEs. The District will not use set-asides or quotas as a means of obtaining ACDBE participation. (23.25(g))

Reporting Requirements

(Section 23.27)

The District will retain sufficient basic information about this ACDBE program, ACDBE certification, and the award and performance of agreements and contracts to enable the FAA to determine compliance with Part 23. This data will be retained in accordance with the District's document retention policy following the end of the concession agreement or other covered contract.

The ACDBELO and compliance staff will submit to the FAA Regional Civil Rights Office an annual ACDBE participation report on the form found in Appendix A of Part 23.

Compliance and Enforcement Procedures

(Section 23.29)

The District will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 23.

1. The District will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.107.
2. The District will consider similar action under its own legal authorities, including responsibility determinations in future agreements and contracts. The District has listed the regulations, provisions, and contract remedies available to it in the event of non-compliance with the ACDBE regulation by a participant in the District's procurement activities (Attachment 3).
3. The District will also implement a monitoring and enforcement mechanism to ensure that work committed to ACDBEs at contract award is actually performed by the ACDBEs. This mechanism will provide for a running tally of actual ACDBE attainments (e.g., payment actually made to ACDBE firms), including a means of comparing these attainments to commitments. This will be accomplished by making observations or obtaining any documentation deemed necessary to verify the ACDBEs actual participation.

The District will show both commitments and attainments in the annual Uniform Report of ACDBE Participation as required by the DOT reporting form.

Subpart C – Certification and Eligibility

Certification Standards and Procedures

(Sections 23.31, 23.33, 23.35, 23.37, 23.39)

The District is a member of the Unified Certification Program (UCP) administered by South Carolina Department of Transportation (SCDOT). The South Carolina UCP complies with all relevant procedures and standards of Part 26, except for those specifically established in Part 23.31. Such procedures and standards in Part 23 are used to make certification decisions by the South Carolina UCP for ACDBEs to participate in the District's concessions program, and such standards and procedures are incorporated herein.

The South Carolina UCP's directory of eligible DBEs/ACDBs specifies whether a firm is certified as a DBE for the purposes of Part 26, or an ACDBE for the purposes of Part 23.

Prior to entering into a new contract, extension, or option period with a currently certified ACDBE, the District will review their eligibility by checking the UCP's certified directory database. The plan for this review process will be to review each new ACDBE, through the UCP's certified directory database, as they contract or propose to contract with the District.

The District will treat a firm as a small business eligible to be certified as an ACDBE if its gross receipts, averaged over the firm's previous three fiscal years do not exceed \$56.42 million for non-car rental ACDBEs and \$75.23 million for car rental ACDBEs. The size standard for banks and other financial institutions is \$1 billion in assets, for pay telephone companies the standard is 1,500 employees, and for automobile dealers is 350 employees.

The personal net worth standard used in determining eligibility for purposes of part 23 is \$1.32 million. An individual's personal net worth includes only his or her own share of assets held jointly or as community property with the individual's spouse. Any person who has a personal net worth (PNW) exceeding this amount is not a socially and economically disadvantaged individual, even if a member of a group is otherwise presumed to be disadvantaged.

The District presumes that a firm that is certified as a DBE under Part 26 is eligible to participate as an ACDBE by also meeting the eligibility standards of Part 23. However, the District shall ensure that the disadvantage owners of a DBE certified business under Part 26 are able to control the firm with respect to its activity in the airport's concessions program. The District is not obligated to certify a Part 26 DBE as a Part 23 ACDBE if the firm does not do work relevant to the airport's concession program.

The District acknowledges that a prime contractor includes a firm holding a prime contract with an airport concessionaire to provide goods or services to the concessionaire or a firm holding a prime concession agreement with the airport. The District recognizes that the eligibility of Alaska Native Corporations (ANC) owned forms for purposes of part 23 is governed by part 26 section 26.73(h). (23.39(c)(d))

In instances when the eligibility of a concessionaire is removed after the concessionaire has entered into a concession agreement because the firm exceeded the size standard or the owner has exceeded the PNW standard, and the firm in all other respects remains an eligible DBE, the District may continue to count the concessionaire's participation toward ACDBE goals during the remainder of the current concession agreement. The District will not count the concessionaire's participation toward ACDBE goals beyond the termination date for the concession agreement in effect at the time of the decertification. (23.39(e))

Subpart D – Goals, Good Faith Efforts, and Counting

Basic Overall Goal Requirements

(Section 23.41)

The District will establish two separate overall ACDBE goals, one for car rentals and another for concessions other than car rentals. The overall goals will cover a three-year period that will be reviewed annually to make sure both goals continue to fit the airport's circumstances appropriately. The District will report any significant overall goal adjustments to the FAA.

If the average annual concession revenues for car rentals over the preceding three (3) years do not exceed \$200,000, the District need not submit an overall goal for car rentals. Likewise, if the average annual concession revenues for concessions other than car rentals over the preceding three (3) years do not exceed \$200,000, the District need not submit an overall goal for

concessions other than car rentals. The District understands that “revenue” means total revenue generated by concessions, not the fees received by the airport from concessionaires.

The District’s overall goals will provide for participation by all certified ACDBEs and will not be subdivided into group-specific goals.

Consultation Requirements in Goal Setting

(Section 23.43)

The District consults with stakeholders before submitting the overall goals to the FAA. Stakeholders will include, but not be 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 District’s efforts to increase participation of ACDBEs.

When submitting overall goals, the District will identify all stakeholders that were consulted and provide a summary of the information obtained from the stakeholders.

Overall Goal Submission Requirements

(Section 23.45)

The District is a small hub primary airport. As a condition of eligibility for FAA financial assistance, the District will submit its overall goals according to the following schedule:

| Primary Airport Size | Date Due | Period Covered | Next Goal Due |
|-----------------------------|-----------------|-----------------------|----------------------------------|
| Small Hub | October 1, 2018 | 2019 - 2021 | October 1, 2021 (2022 – 2024) |

If a new concession opportunity arises at a time that falls between the normal submission dates above and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, the District will submit an appropriate adjustment to our overall goal to FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity. (23.45(i))

The District will establish overall goals in accordance with the 2-Step process as specified in Section 23.51. After determining the total gross receipts for the concession activity, the first step (23.51(c)) is to determine the relative availability of ACDBEs in the market area, “base figure”. The second step (23.51(d)) is to examine all relevant evidence reasonably available in the District’s jurisdiction to determine if an adjustment to the “base figure” in Step 1 is necessary so that the goal accurately reflects the ACDBE participation the District would expect in the absence of discrimination. Evidence may include, but is not limited to, current capacity of ACDBEs to perform work based on past participation, a disparity study, evidence from related fields that affect ACDBE opportunities to form, grow, and compete (such as statistical disparities in ability to get required financing, bonding, insurance; or data on employment, self-employment, education, training and union apprenticeship).

The District will arrange solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by ACDBEs and other small businesses

and by making contracts more accessible to small businesses, by means such as those provided under 26.39 of this part.

A description of the methodology to calculate the overall goal for car rentals, the goal calculations, and the data the District relied upon can be found in Attachment 5 of this program.

A description of the methodology to calculate the overall goal for other than car rentals, the goal calculations, and the data the District relied upon can be found in Attachment 4 of this program.

Projection of Estimated Race-Neutral & Race-Conscious Participation – (23.45(f), 23.25(d-e))

The breakout of estimated race-neutral and race-conscious participation can be found with the goal methodology in Attachments 4 and 5 to this plan. This section of the plan will be reviewed annually when the goal calculation is reviewed under 23.41(c).

Concession Specific Goals – (23.35(c)(e)(1)(iv))

The District will use concession specific goals to meet any portion of the overall goals it does not project being able to meet using race-neutral means to the extent permitted by law. Concession specific goals are established so that, over the period to which the overall goals apply, they will cumulatively result in meeting any portion of the overall goal that is not projected to be met through the use of race-neutral means.

The District will establish concession specific goals only on those concessions that have direct ownership arrangements (except car rentals), sublease, or subcontracting possibilities. The District will require businesses subject to ACDBE goals at the airport (except car rental companies) to make good faith efforts to explore all available options to meet goals, to the maximum extent practicable, through direct ownership arrangements with DBEs. (23.25(f))

Car rental firms are not required to change their corporate structure to provide for direct ownership arrangements. In the case of a car rental goal, where 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 or services from ACDBEs, one permissible alternative is to structure the goal entirely in terms of purchases of goods and services.

The District need not establish a concession specific goal on every such concession, and the size of concession specific goals will be adapted to the circumstances of each such concession (e.g., type and location of concession, availability of ACDBEs.)

If the objective of a concession specific goal is to obtain ACDBE participation through direct ownership with an ACDBE, the District will calculate the goal as a percentage of the total estimated annual gross receipts from the concession. (23.25(e)(1)(i))

If the concession specific goal applies to purchases and/or leases of goods and services, the District will calculate the goal by dividing the estimated dollar value of such purchases and/or leases from ACDBEs by the total estimated dollar value of all purchases to be made by the concessionaire. (23.25(e)(1)(ii))

Good Faith Efforts on Concession Specific Goals – (23.25(e)(1)(iii-iv))

To be eligible to be awarded a concession that has a concession specific goal, bidders/offerors must make good faith efforts to meet the goal. A bidder/offeror may do so either by obtaining enough ACDBE participation to meet the goal or by documenting that it made sufficient good faith efforts to do so. Examples of good faith efforts are found in Appendix A to 49 CFR Part 26.

The procedures applicable to 49 CFR Sections 26.51 and 26.53, regarding contract goals also apply to the District's concession specific goals. Specifically, the District shall provide for the following:

Demonstration of good faith efforts (26.53(a) & (c))

The ACDBELO, with the assistance of airport staff, is responsible for determining whether a concessionaire who has not met the concession specific goal has documented sufficient good faith efforts to be regarded as responsible. The District will ensure that all information is complete and accurate and adequately documents the bidder/offeror's good faith efforts before committing to the concession agreement with the bidder/offeror.

Information to be submitted (26.53(b))

Each solicitation for which a concession specific goal has been established, concessionaires will be required to submit the following:

1. Names and addresses of ACDBE firms or ACDBE suppliers of goods and services that will participate in the concession;
2. A description of the work that each ACDBE will perform;
3. The dollar amount of the participation of each ACDBE firm/supplier participating;
4. Written and signed documentation of commitment to use an ACDBE whose participation it submits to meet a contract goal;
5. Written and signed confirmation from the ACDBE that is participating in the concession as provided in the prime concessionaire's commitment, and
6. If the contract goal is not met, evidence of good faith efforts.
7. The District will require that the bidder/offeror present the information required by this section No later than 5 business days after bid opening as a matter of **responsibility**. This information will be collected using the forms found in Attachment 6.

Provided that, in a negotiated procurement, including a design-build procurement, the bidder/offeror may make a contractually binding commitment to meet the goal at the time of bid submission or the presentation of initial proposals but provide the information required by this section before the final selection for the contract is made by the District.

Administrative reconsideration (26.53(d))

Within five (5) business days of being informed by the District that it is not responsible because it has not documented sufficient good faith efforts, a bidder/offeror may request administrative reconsideration due to the fact that administrative reconsideration must be offered before awarding the contract. Bidder/offerors should make this request in writing to the following reconsideration official:

*David N. Edwards, Jr. (President/CEO)
Greenville-Spartanburg Airport District
2000 GSP Drive, Suite 1, Greer, SC 29651
dedwards@gspairport.com*

The reconsideration official will not have played any role in the original determination that the bidder/offeror did not document sufficient good faith efforts.

As part of this reconsideration, the bidder/offeror will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate

good faith efforts to do so. The bidder/offeror will have the opportunity to meet in person with our reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do so. The District will send the bidder/offeror a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

Good Faith Efforts when an ACDBE is replaced on a concession (26.53(f))

The District will require a concessionaire to make good faith efforts to replace an ACDBE that is terminated or has otherwise failed to complete its concession agreement, lease, or subcontract with another certified ACDBE, to the extent needed to meet the concession specific goal. The District will require the concessionaire to notify the ACDBELO immediately of the ACDBEs inability or unwillingness to perform and provide reasonable documentation.

In this situation, the concessionaire will be required to obtain the District's prior approval of the substitute ACDBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts.

For purposes of this paragraph, "good cause" includes the following circumstances:

1. The listed ACDBE sub-concession fails or refuses to execute a written contract;
2. The listed ACDBE sub-concession fails or refuses to perform the work of its sub-concession in a way consistent with normal industry standards. Provided however, that good cause does not exist if the failure or refusal of the ACDBE sub-concession to perform its work on the sub-concession results from the bad faith or discriminatory action of the prime contractor;
3. The listed ACDBE sub-concession fails or refuses to meet the prime concession's reasonable, non-discriminatory bond requirements.
4. The listed ACDBE sub-concession becomes bankrupt, insolvent, or exhibits credit unworthiness;
5. The listed ACDBE sub-concession is ineligible to work on public works projects because of suspension and debarment proceedings pursuant to 2 CFR Parts 180, 215 and 1,200 or applicable state law;
6. The District has determined that the listed ACDBE subcontractor is not responsible;
7. The listed ACDBE sub-concession voluntarily withdraws from the project and provides to us written notice of its withdrawal;
8. The listed ACDBE is ineligible to receive ACDBE credit for the type of work required;
9. An ACDBE owner dies or becomes disabled with the result that the listed ACDBE concession is unable to complete its work on the contract;
10. Other documented good cause which the District has determined to compel the termination of the ACDBE sub-concession. Provided, that good cause does not exist if the prime concession seeks to terminate an ACDBE it relied upon to obtain the contract so that the prime concession can self-perform the work for which the ACDBE concession was engaged or so that the prime contractor can substitute another ACDBE or non-ACDBE concession after contract award.

Before transmitting to the District its request to terminate and/or substitute an ACDBE sub-concession, the prime concession must give notice in writing to the ACDBE sub-concession, with a copy to us, of its intent to request to terminate and/or substitute, and the reason for the request.

The prime concession must give the ACDBE five days to respond to the prime concession's notice and advise the District and the concessionaire of the reasons, if any, why it objects to the proposed termination of its sub-concession and why the District should not approve the prime concession's action. If required in a particular case as a matter of public necessity (*e.g.*, safety), the District may provide a response period shorter than five days.

The District will require a concessionaire to make good faith efforts to replace an ACDBE that is terminated or has otherwise failed to complete its work on a concession with another certified ACDBE. These good faith efforts shall be directed at finding another ACDBE to perform at least the same amount of work under the concession contract as the ACDBE that was terminated, to the extent needed to meet the concession contract goal that we established for the procurement. The good faith efforts shall be documented by the concessionaire. If the District requests documentation from the concessionaire under this provision, the concessionaire shall submit the documentation to the District within five (5) business days, which may be extended for an additional five (5) business days if necessary at the request of the concessionaire, and the recipient shall provide a written determination to the concessionaire stating whether or not good faith efforts have been demonstrated.

The District will include in each prime concession contract the contract clause required by 26.13(b) stating that failure by the concessionaire to carry out the requirements of this part is a material breach of the contract and may result in the termination of the concession contract or such other remedies set forth in that section that the Authority deem appropriate if the prime concessionaire fails to comply with the requirements of this section.

If the concessionaire fails or refuses to comply in the time specified, the District will follow the procedures outlined in each agreement, which requires written notice of a default by the concessionaire. If the concessionaire still fails to comply, the District may issue a termination for default.

Sample Proposal/Bid Specification when a concession specific goal has been set:

The requirements of 49 CFR Part 23, regulations of the U.S. Department of Transportation, applies to this concession. It is the policy of the Greenville-Spartanburg Airport District to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. All firms qualifying under this solicitation are encouraged to submit bids/proposals. Award of this concession will be conditioned upon satisfying the requirements of this proposal/bid specification. These requirements apply to all concession's firms and suppliers, including those who qualify as an ACDBE. An ACDBE concession specific goal of _____ percent of (annual gross receipts; value of leases and/or purchases of goods and services) has been established for this concession. The concession firm shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26, to meet the concession specific goal for ACDBE participation in the performance of this concession.

The concession firm will be required to submit the following information:

- 1. Names and addresses of ACDBE firms and suppliers that will participate in the concession;*
- 2. A description of the work that each ACDBE will perform;*
- 3. The dollar amount of the participation of each ACDBE firm participating;*
- 4. Written and signed documentation of commitment to use an ACDBE whose participation it submits to meet a contract goal;*

5. *Written and signed confirmation from the ACDBE that it is participating in the concession as provided in the prime concessionaire's commitment; and*
6. *If the contract goal is not met, evidence of good faith efforts.*

Counting ACDBE Participation for Car Rental Goals

(Section 23.53)

The District will count ACDBE participation toward car rental overall goals as provided in 49 CFR 23.53.

Counting ACDBE Participation for Concessions Other than Car Rentals

(Section 23.55)

The District will count ACDBE participation toward overall goals other than car rentals as provided in 49 CFR 23.55.

Goal Shortfall Accountability

(Section 23.57(b))

If the awards and commitments shown on the District's Uniform Report of ACDBE Participation at the end of any fiscal year are less than the overall goal applicable to that fiscal year, the District will:

1. Analyze in detail the reasons for the difference between the overall goal and the District's awards and commitments in that fiscal year;
2. Establish specific steps and milestones (when necessary) to correct the problems identified during the goal shortfall analysis that enable the District to fully meet the new fiscal year goal.

Quotas or Set-asides

(Section 23.61)

The District does not use quotas or set-asides in any way in the administration of this ACDBE program.

Subpart E – Other Provisions

Existing Agreements

(Section 23.71)

When an extension or option to renew an existing agreement is exercised or when a material amendment is made the District will assess potential for ACDBE participation and may use means authorized by Part 23 to obtain a modified amount of ACDBE participation in the renewed or amended agreement.

Long-Term Exclusive Agreements

(Section 23.75)

The District will not enter into long-term exclusive agreements for concessions without prior approval of the FAA Regional Civil Rights Office. The District understands that a "long-term" agreement is one having a term of longer than five (5) years. The District understands that an "exclusive" agreement is one in which an entire category of a business opportunity is limited to a single business entity. If special, local circumstances exist that make it important to enter into a

long-term and exclusive agreement, the District will submit detailed information to the FAA Regional Civil Rights Office for review and approval.

Geographic Preferences

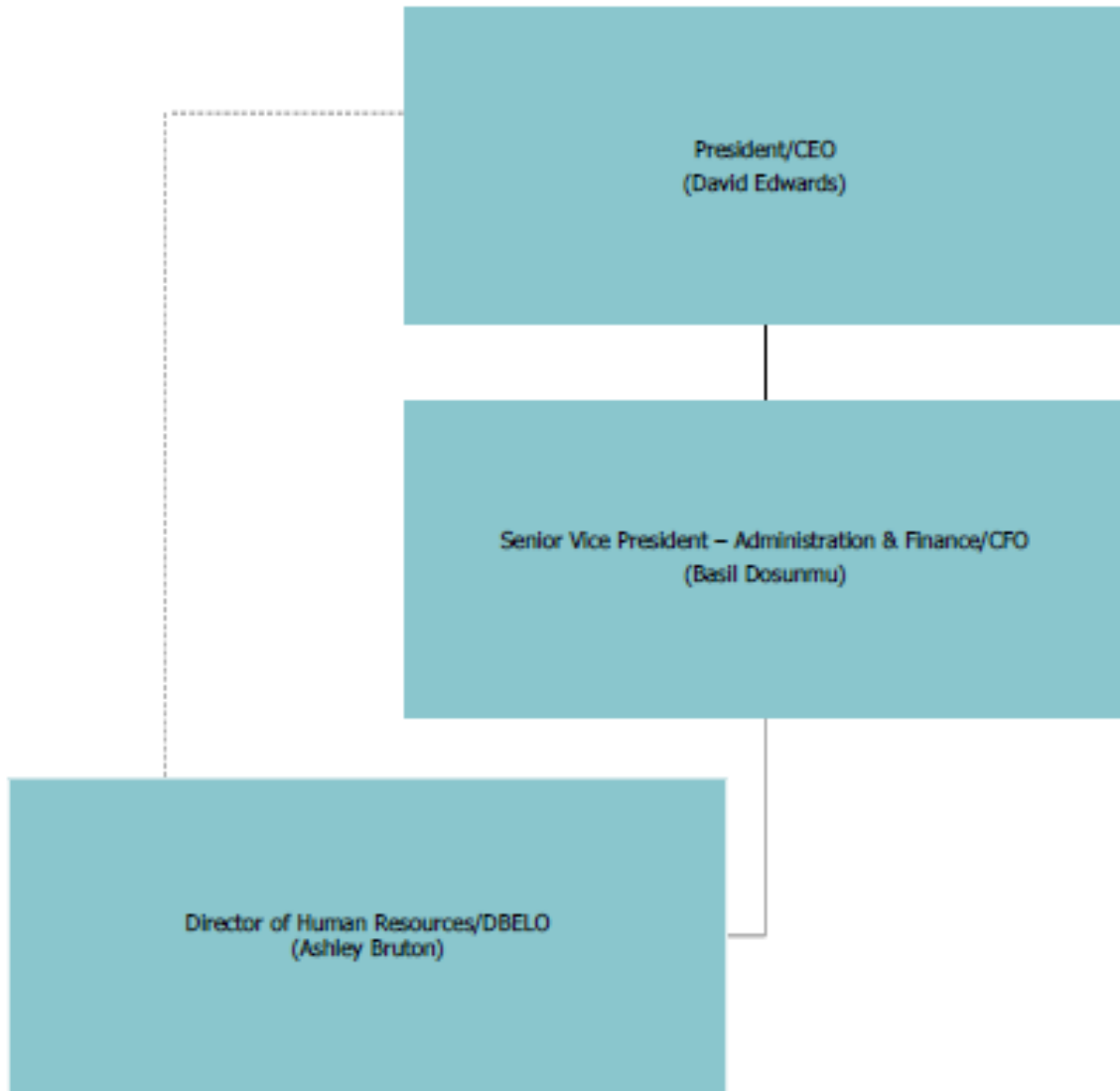
(Section 23.79)

The District will not use a "local geographic preference, i.e., any requirement that gives an ACDBE located in the Greenville-Spartanburg area an advantage over ACDBEs from other places in obtaining business as, or with, a concession at the airport.

List of Attachments

- Attachment 1: DBELO/ACDBELO Reporting Structure
- Attachment 2: South Carolina ACDBE/DBE Certification Information
- Attachment 3: Monitoring and Enforcement Mechanisms
- Attachment 4: Overall Goal Calculation for Concessions Other Than Car Rentals
- Attachment 5: Overall Goal Calculation for Concessions for Car Rentals
- Attachment 6: Forms for Demonstration of Good Faith Efforts
- Attachment 7: Regulations: 49 CFR Part 23

Attachment 1
DBELO/ACDBELO Reporting Structure



Attachment 2

South Carolina ACDBE/DBE Certification Information

South Carolina Disadvantaged Business Program

<https://www.scdot.org/business/bus-development-dbe-certification.aspx>

ACDBE/DBE Certification Directory

<https://www.scdot.org/business/bus-development-dbe-sbe-cert.aspx>

Minority & Small Business Affairs Staff

<https://www.scdot.org/business/bus-development-directory.aspx>

Attachment 3

Monitoring and Enforcement Mechanisms

The District has several remedies available to enforce the ACDBE requirements contained in its contracts, including, but not limited to, a breach of contract action, pursuant to the terms of the contract.

In addition, the federal government has available several enforcement mechanisms that it may apply to firms participating in the ACDBE problem, including, but not limited to, the following:

1. Suspension or debarment proceedings pursuant to 49 CFR part 23 and 2 CFR parts 180 and 1200
2. Enforcement action pursuant to 49 CFR part 31; and
3. Prosecution pursuant to 18 USC 1001.

The District will implement various mechanisms to monitor program participants to ensure they comply with Part 23, including, but not limited to the following:

1. We will insert the following provisions into concessions agreements and management contracts:
 - A. Equal Opportunity Contracting Statement: All businesses, including those that meet the definition of socially and economically disadvantaged, as defined in 49 Code of Federal Regulations ("CFR") Part 23 and 26, will be provided equal access to participate in the performance of all Authority and in DOT-assisted contracting and leasing opportunities. In the procurement of service and consulting agreements and the purchase of supplies, materials and equipment, the District's President/CEO or his or her designee shall be responsible for following all procedures required by the District, as amended from time to time, and other applicable federal, state and local laws.
 - B. Equal Opportunity Requirements: All companies interested in conducting business with the District shall not discriminate against any employee or applicant for employment, because of race, color, religion, gender, national origin, ancestry, physical or mental disability, veteran status, medical condition, marital status, age (40 years and older), sexual orientation, pregnancy or other non-job-related criteria. Interested companies shall also take action to assure that applicants and employees are treated without regard to the same criteria listed above. Questions regarding the Equal Opportunity Program Requirements – call 864.877.7426.
 - C. Small Business Development: The District encourages small businesses to contact all potential prime contractors on the RFP mailing list if they are interested in participating in this process. The District discourages prime contractors from imposing limitations on small businesses on the number of other proposals they wish to participate in as subcontractors.
 - D. ACDBE Participation: In accordance with Regulations of the U.S. Department of Transportation, 49 CFR Part 23, the District has implemented an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program Plan under which qualified firms may have the opportunity to operate an airport business. The District has a race-neutral ACDBE Program and requests that Respondents support this program. The overall ACDBE Non-Car Rental Goal for all concessions (excluding car rental concessions) at the Airport during Federal Fiscal Year 2015-2017 is 23.9%. ACDBE participation on this contract will be applied towards the overall goal. The District

Attachment 3

Monitoring and Enforcement Mechanisms

encourages the participation of certified ACDBEs in the Agreement to be awarded. In order to counted toward the District's overall ACDBE program, the Respondent's businesses must be certified as an ACDBE by the California Unified Certification Program.

There is no project specific ACDBE goal for this opportunity; however, any participation achieved by the successful respondent on the opportunity will be applied to the District's overall ACDBE program goal. If Respondent proposes ACDBE participation, please provide the name, email, address, and contact information of any ACDBE firm(s) that will participate and describe how that ACDBE participation will be achieved. This should include a description of the legal arrangement to be used to achieve participation (e.g. subcontract, joint venture, etc.) and the gross revenues to be earned by the ACDBE firm. If ACDBE participation is proposed in the form of the purchase of goods and/or services from an ACDBE firm(s), please provide the name, email, address, and contact information of any ACDBE firm(s) that will participate, the dollar amount of purchases anticipated for ACDBE firm(s) and the total dollar amount for the purchase of goods and/or services from all firms for the concession.

- E. ACDBE Credit: In the event that the Respondent wishes to receive ACDBE participation credit for a joint venture agreement, the agreement must be in compliance with 49 CFR part 23, the Joint Venture Guidance issued by the FAA in July 2008, and the above requirements.
 - F. Compliance: The District, in its sole discretion, shall determine if any proposed joint venture agreement is in compliance with the above requirements. If the District determines that the submitted joint venture is not in compliance, Respondent will have an opportunity to revise the joint venture agreement to remedy any issues identified by the District. In the event such remedy is deemed insufficient, Respondent will be required to convert proposed sub-participation into a form of sublease in compliance with Section 1 above.
 - G. Airport Concessions Disadvantaged Business Enterprise Program: The Greenville-Spartanburg International Airport District is a recipient of federal funds issued by the Federal Aviation Administration. Code of Federal Regulations ("CFR") 49, Part 23 and 26, requires the District to establish an overall airport concessions disadvantaged business enterprise ("ACDBE") goal for each federal fiscal year. A federal fiscal year is a twelve-month period commencing on October 1. The District has an existing Race-Neutral Airport Concessions Disadvantaged Business Enterprise Program and requests that the Respondent support this Program.
2. The District will implement the following additional monitoring and compliance procedures:
 - A. Concessionaires or contractors will be required to submit quarterly gross revenue earned by ACDBEs and expenditures to DBEs.
 - B. Concessionaires or contractors will be required to list the specific duties, functions, and responsibilities that ACDBEs or DBEs will perform.
 - C. Concessionaires or contractors will be required to submit, for review, a written notification of any material change in the duties, functions, and responsibilities of ACDBEs and DBEs prior to implementing the change.

Attachment 3

Monitoring and Enforcement Mechanisms

- D. The District will review, annually, the specific duties, functions, and responsibilities of each ACDBE and DBE to confirm that no material change has occurred.
 - E. The District will perform periodic reviews, including site visits, each year on concessionaires or contractors to confirm ACDBEs and DBEs are performing listed duties, functions, and responsibilities.
3. The District will implement its compliance and monitoring procedures as follows:
- A. The District will require that concessionaires submit written confirmation, annually, that there are no changes in duties, functions, and responsibilities of ACDBEs, including terms and conditions of joint venture agreements.
 - B. The District will perform reviews of ACDBEs to ensure that their activities correspond to the previously submitted list of duties, functions and responsibilities. Reviews may include review of appropriate records, contracts, financial information, joint venture agreements, certification information, site visits, and other relevant information deemed necessary.
 - C. Joint ventures will be reviewed in accordance with 49 CFR part 23 and the July 2008 FAA Joint Venture Guidance.
 - D. The District will include in the contract files a written certification that it has reviewed records of all contracts, leases, joint venture agreement, or other concession-related agreements and monitored the work on-site for each concession contract to which 49 CFR part 23 applies.

Attachment 4

Overall Goal Calculation for Concessions Other Than Car Rentals

General Information:

Airport Sponsor: **Greenville-Spartanburg Airport District**

Airport: **Greenville-Spartanburg International Airport**

DBELO: **Ashely Bruton**

Director of Human Resources
Greenville-Spartanburg Airport District
2000 GSP Drive, Suite 1
Greer, SC 29651
P: 864-848-6271
E: abruton@gspairport.com

I. Amount of Goal

The Greenville-Spartanburg Airport District's overall goal for concessions other than car rentals (i.e. non-car rental) during the period beginning October 1, 2018 and ending September 30, 2021 is the following:

Overall Goal: **26.7%**

Race-Neutral: **9.5%**

Race-Conscious: **17.2%**

The goal is based on the total gross receipts for concessions at the Airport District. 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.

The concession revenues anticipated during this goal period for all non-car rental concessions is **\$22,015,489**. 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 District will submit an appropriate adjustment to the overall goal. This will be submitted to FAA for approval at least 90 days before issuing the solicitation for the new concession opportunity (23.45(i)).

Table 1: Concession Lease Dates

| Concession Type | Concession | Beginning Lease Date | Ending Lease Date |
|-----------------|-------------|----------------------|-------------------|
| Gift Shop | Hudson News | 12/12/2012 | 12/12/2022 |
| Restaurant | OHM | 1/27/2016 | 12/12/2022 |
| Taxi/Limo | Eastside | 11/1/2017 | 10/31/2022 |

Source: Airport District; compiled by KWA

A. Projected Concessions Opportunities: October 1, 2018 – September 30, 2021

Attachment 4

Overall Goal Calculation for Concessions Other Than Car Rentals

Concessions revenue opportunity for the 3-year period is based upon the gross receipts for the preceding year. The table below describe the gross concession receipts for the goal period.

**Table 1: Projected Gross Receipts for "All Other"
(Non-Car Rental Concessions) FY 2019 – FY 2021**

| Fiscal Year | Gross Receipts |
|--------------|---------------------|
| FY 2019 | \$7,122,679 |
| FY 2020 | \$7,336,360 |
| FY 2021 | \$7,556,450 |
| Total | \$22,015,489 |

Source: Airport District; compiled by KWA

Projected gross receipts are based on a 3.0% expected annual growth rate over the FY 2017 gross receipts of \$6,915,223. The total projected non-car rental concessions revenue for the goal period is \$22,015,489.

B. Determination of Market Area

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

Although firms that are currently doing business with the Airport District are located in various states, ACDBEs that would participate would be located within the state of South Carolina. Therefore, the Airport District is proposing to use the **State of South Carolina** as its market area.

Table 3: Location of current concessionaires

| Concession Type | Name | Location |
|-----------------|-----------|---------------------|
| Eastside | Taxi/Limo | Taylors, SC |
| Restaurant | OHM | Woodson Terrace, MO |
| Retail | Hudson | East Rutherford, NJ |

II. Methodology used to Calculate Overall Goal

A. Goods and Services

The Airport District can meet the percentage goal by including the purchase from ACDBEs of goods and services used in non-car rental concessions business conducted at the Airport. The Airport District, and the non-car rental concessionaires at the Airport, should 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.

Attachment 4

Overall Goal Calculation for Concessions Other Than Car Rentals

B. Management Contract or Subcontract

The Airport District can meet the percentage goal by including any non-car rental concessions operated through a management contract or subcontract with an ACDBE. The Airport District, and the non-car rental concessions 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 District'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.

C. Step 1: 23.51 (c)

The Airport District determined the base figure for the relative availability of ACDBEs other than car rentals. The base figure was calculated as follows:

The Step 1 DBE Base Figure was determined by dividing the number of ACDBE firms available by the total number of firms available to determine the relative availability of ACDBEs for each concession type. That relative availability was multiplied by the projected gross receipts to determine ACDBE goal in dollars for each concession type as indicated in **Table 4** below.

Table 4: Determination of Relative Availability of ACDBEs (Non-Car Rental)

| NAICS Codes | Concession Type/Group | ACDBE Firms in Market Area | / | Total Firms in Market Area | = | Availability | x | Projected FY 19-21 Gross Receipts | = | ACDBE Goal (Dollars) |
|------------------|-----------------------|----------------------------|---|----------------------------|---|--------------|---|-----------------------------------|---|----------------------|
| 453220 | News & Gifts | | / | | = | 0.0% | x | \$11,743,166 | = | \$0 |
| 485310 | Ground Transportation | | / | | = | 0.0% | x | \$1,923,661 | = | \$0 |
| 722513 | Food & Beverage | | / | | = | 100.0% | x | \$8,348,663 | = | \$8,348,663 |
| Total | | | | | | | | \$22,015,489 | | \$8,348,663 |
| Step 1 Base Goal | | | | | | | | | | 37.9% |

Concessions that are shaded do not have opportunities. Their current ACDBE commitment was used as availability.

*Sources: South Carolina UCP DBE Directory, October 2018.
US Census Bureau, 2016 County Business Patterns.*

The Step 1 base goal for "all other" (i.e. non-car rental) ACDBEs is 37.9%.

A. Step 2: 23.51(d)

After calculating a base figure of the relative availability of ACDBEs, the Airport District examined evidence to determine whether or not the base figure needs to be adjusted in order to arrive at the overall goal.

The data used to determine the adjustment to the base figure was past participation.

Attachment 4

Overall Goal Calculation for Concessions Other Than Car Rentals

The Airport District evaluated the current capacity of ACDBEs to perform work in the concessions program by measuring the volume of work ACDBEs have performed in the past.

The historical ACDBE accomplishments in recent years were examined relative to the above consideration (i). Specifically, the annual "Uniform Report of ACDBE Participation" for the reporting periods listed below was assessed. Notice the annual DBE percent accomplishment for each year, and the annual median for the periods reported.

Table 3: Greenville-Spartanburg Airport District ACDBE Accomplishments

| Year | Goal | Accomplishment | Over/Under |
|---------------|-------------|----------------|-------------|
| 2015 | 5.9% | 4.3% | -1.7% |
| 2016 | 5.9% | 15.4% | 9.5% |
| 2017 | 5.9% | 37.9% | 32.0% |
| Median | 5.9% | 15.4% | 9.5% |

**Source: Uniform Report of ACDBE Participation, Greenville-Spartanburg Airport District*

Disparity Study – The Greenville-Spartanburg Airport District is not aware of any disparity studies that have been conducted in the Greenville area.

C. Adjustment of the Step 1 Goal

The median ACDBE accomplishment for the reporting periods as shown above is 15.4%, compared to the Step 1 DBE base figure for the Airport District of **37.9%**. This seems to indicate that the Step 1 base figure overestimates ACDBE capacity at the Airport District.

Therefore, the Airport District will adjust the Step 1 DBE base figure of 37.9% by averaging it with the median ACDBE participation (**15.4%**) for a final adjusted overall goal of **26.7%**.

III. Consultation with Stakeholders (23.43)

Before establishing the DBE non-car rental concessions goal, the Airport District consulted with stakeholders in its concession program to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the Airport District's efforts to establish a level playing field for the participation of ACDBEs.

The Airport District held a stakeholder meeting on October 18, 2018, where stakeholders were given an overview of the concession program requirements and an opportunity to comment on the goal methodology. The attendee list and comments can be found in Appendix A.

IV. Breakout of Estimated Race-Neutral & Race-Conscious Participation

A. Section 23.51

The Airport District will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Airport District uses the race-neutral measures below to increase ACDBE participation. The Airport District understands that it will be expected to actually take these steps, and this is not merely a paper exercise.

Attachment 4

Overall Goal Calculation for Concessions Other Than Car Rentals

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.
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.

The Airport District proposes a race-conscious goal of 17.2% and a race-neutral goal 9.5%, for a total of 26.7%. The reason for this projected split is the Airport District overachieved its ACDBE goals by a median of 9.5% between 2015 and 2017. Therefore, the Airport District will achieve its entire goal using race-conscious means.

If the Airport District projects that race-neutral measures, standing alone, are not sufficient to meet an overall goal, it will use the following race-conscious measures to meet the overall goal:

1. Establish concession-specific goals for particular concession opportunities;
2. Negotiate with potential concessionaires to include ACDBE participation through direct ownership arrangements or measures, in the operation of the concession; and
3. With prior FAA approval, other methods that take a competitor's ability to provide ACDBE participation into account in awarding a concession.

In order to ensure that the ACDBE program will be narrowly tailored to overcome the effects of discrimination, if the Airport District uses concession-specific goals, it will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and 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 in making the award.

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

Attachment 5

Overall Goal Calculation for Concessions for Car Rentals

General Information:

Airport Sponsor: **Greenville-Spartanburg Airport District**

Airport: **Greenville-Spartanburg International Airport**

DBELO: **Ashely Bruton**

Director of Human Resources
Greenville-Spartanburg Airport District
2000 GSP Drive, Suite 1
Greer, SC 29651
P: 864-848-6271
E: abruton@gspairport.com

I. Amount of Goal

The Greenville-Spartanburg Airport District's overall car rental goal for the period beginning October 1, 2018 and ending September 30, 2021 is the following:

Overall Goal: **1.1%**

Race-Neutral: **0.2%**

Race-Conscious: **0.9%**

The base of the goal will be the total purchases of goods and services for car rental operations at the Airport.

There are no car rental concession opportunities anticipated for this time period. If new car rental concession opportunities arise 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 District will submit 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)).

Table 1: Car Rental Lease Dates

| Car Rental | Lease start | Lease end |
|-----------------------|--------------------|------------------|
| Avis Rent-A-Car | 7/1/2013 | 6/30/2023 |
| Budget Rent-A-Car | 7/1/2013 | 6/30/2024 |
| Enterprise Rent-A-Car | 1/1/2009 | 6/30/2027 |
| Hertz Corporation | 7/1/2013 | 6/30/2028 |
| National Car Rental | 7/1/2013 | 6/30/2029 |

A. Projected Concessions Opportunities: October 1, 2018 - September 30, 2021

The goods and services opportunity for the 3-year period is based upon the car rental expenditures on goods and services for FY 2016. FY 2016 expenditures by car rental concession at Greenville-Spartanburg Airport District was **\$13,000,417**. This base number was multiplied by 3.0% the expected growth for each year for a total **car rental concessions base of \$41,388,479**.

Attachment 5

Overall Goal Calculation for Concessions for Car Rentals

**Table 2: Projected Car Rental Expenditures
FY 2019 – FY 2021**

| Fiscal Year | All Concessions (excluding car rentals) |
|--------------|--|
| FY 2019 | \$13,390,430 |
| FY 2020 | \$13,792,142 |
| FY 2021 | \$14,205,907 |
| Total | \$41,388,479 |

B. Determination of Market area

The market area is defined by the geographical area in which the substantial majority of firms which seek to do concessions business with the car rental companies are located and the geographical area in which the firms which receive the substantial majority of car rental related revenues are located.

The Airport District believes that, although firms that are currently doing business with the Airport District are located nationally, Airport Concession Disadvantaged Business Enterprises (ACDBE) that would participate would be more local, especially for the purchase of goods and services. Therefore, the Airport District is proposing to use the State of South Carolina as its market area.

II. Methodology used to Calculate Overall Goal

A. Goods and Services

The Airport District can meet the percentage goal by including the purchase from ACDBEs of goods and services used in business at the Airport. To calculate the percentage, the dollar value of purchases of goods and services from ACDBEs will form the numerator, and the dollar value of purchases of goods and services from all firms (ACDBEs and non-ACDBEs) will be used as the denominator.

B. Step 1: 23.51 (c)

The Airport District determined the base figure for the relative availability of car rental ACDBEs. The base figure was calculated as follows:

The Step 1 DBE Base Figure was determined by dividing the number of ACDBE firms available by the total number of firms available to determine the relative availability of ACDBEs as indicated in **Table 1** below.

Attachment 5

Overall Goal Calculation for Concessions for Car Rentals

Table 1: Determination of Relative Availability of ACDBEs (Car Rental)

| Goods and Services | NAICS Code | Potential ACDBE Firms | All Firms | % of ACDBE Firms Available |
|---|------------|-----------------------|-----------|----------------------------|
| Service Establishment Equipment and Supplies Merchant Wholesalers | 423850 | 61 | 5359 | 1.1% |
| Stationery and Office Supplies Merchant Wholesalers | 424120 | | | |
| Other Chemical and Allied Products Merchant Wholesalers | 424690 | | | |
| Tire Dealers | 441320 | | | |
| Automobile carrier trucking | 484230 | | | |
| Insurance | 524126 | | | |
| Janitorial | 561720 | | | |
| Auto Repair | 811111 | | | |
| Auto Body Repair | 811121 | | | |
| Auto Oil Change | 811191 | | | |
| Car Washes | 811192 | | | |

*Sources: South Carolina UCP DBE Directory, October 2018.
US Census Bureau, 2016 County Business Patterns.*

The Step 1 base goal for car rental ACDBEs is **1.1%**.

C. Step 2: 23.51(d)

After calculating a base figure of the relative availability of ACDBEs, the Airport District examined evidence to determine whether or not the base figure needs to be adjusted in order to arrive at the overall goal.

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

1. Past Participation – The Airport District evaluated the current capacity of ACDBEs to perform work in car-rental concessions program by measuring the volume of work ACDBEs have performed in the past.

Specifically, the annual “Uniform Report of ACDBE Participation” for the reporting periods listed below was assessed. Notice the annual DBE percent accomplishment for each year, and the median for the periods reported.

Table 2: Greenville-Spartanburg International Airport ACDBE Accomplishments for FY 2014 – FY 2016

| Report Period | Car Rental Goal | ACDBE Car Rental Accomplishment | Over/Under Participation |
|---------------|-----------------|---------------------------------|--------------------------|
| FY 2014 | 0.9% | 1.1% | 0.2% |
| FY 2015 | 2.0% | 1.0% | -1.0% |
| FY 2016 | 2.0% | 2.5% | 0.5% |
| Median | 2.0% | 1.1% | 0.2% |

**Source: Uniform Report of ACDBE Participation, Airport District*

The median ACDBE accomplishment for the reporting periods shown above is **1.1%**, compared to the Step 1 DBE base figure of **1.1%**. This may indicate that the Step 1 base figure correlates with ACDBE capacity at the Airport.

Attachment 5

Overall Goal Calculation for Concessions for Car Rentals

2. Disparity Study – The Airport District is not aware of any disparity studies that have been conducted in the Greenville area.

D. Adjustment of the Step 1 Base Figure

The Airport District will not adjust the Step 1 DBE base figure of 1.1%. The median past achievement is the also 1.1% indicating that current capacity is the same as availability. The overall goal will be **1.1%**.

III. Consultation with Stakeholders (23.43)

Before establishing the DBE car rental concessions goal, the Airport District consulted with stakeholders in its concession program to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the Airport District's efforts to establish a level playing field for the participation of ACDBEs.

The Airport District held a stakeholder meeting on October 18, 2018 where stakeholders were given an overview of the concession program requirements and an opportunity to comment on the goal methodology. The attendee list and comments can be found in Appendix A.

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

The Airport District will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Airport District uses the race-neutral measures listed below to increase ACDBE participation. The Airport District understands that it will be expected to actually take these steps, and this is not merely a paper exercise.

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.
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.

The Airport District proposes a race-conscious goal of 0.9% and a race-neutral goal of 0.2%, for a total of 1.1%. The reason for this projected split is that the median amount by which the Airport District over-achieved its goals over the preceding three (3) year period as shown in Table 4 is 0.2%. Therefore, the Airport District expects to meet 0.2% of its overall goal using race-neutral means. The remainder of the goal (0.9%) is projected to be met using race-conscious means.

Attachment 5

Overall Goal Calculation for Concessions for Car Rentals

If the Airport District projects that race-neutral measures, standing alone, are not sufficient to meet an overall goal, it will use the following race-conscious measures to meet the overall goal:

1. Establish concession-specific goals for particular concession opportunities;
2. Negotiate with potential concessionaires to include ACDBE participation through purchases of goods and service in the operation of the concession; and
3. Utilize, with prior FAA approval, other methods that take a competitor's ability to provide ACDBE participation into account in awarding a concession.

In order to ensure that the ACDBE program will be narrowly tailored to overcome the effects of discrimination, if the Airport District uses concession-specific goals, it will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and the Airport District 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.

The Airport District will maintain data separately on ACDBE achievements in those contracts with and without concession-specific goals, respectively.

Attachment 6

Forms for Demonstration of Good Faith Efforts

**FORM 1: AIRPORT CONCESSION DSADVANTAGED BUSINESS ENTERPRISE (ACDBE)
UTILIZATION**

The undersigned bidder/offeror has satisfied the requirements of the bid/proposal specification in the following manner *(please check the appropriate space)*:

- The bidder/offeror is committed to a minimum of _____% ACDBE utilization on this contract.

- The bidder/offeror (if unable to meet the ACDBE goal of _____%) is committed to a minimum of _____% ACDBE utilization on this contract and submitted documentation demonstrating good faith efforts.

Name of Bidder/offeror's firm: _____

By: _____

Title: _____
(Printed Name and Title of Authorized Representative)

Signature: _____

Date: _____

Attachment 6

Forms for Demonstration of Good Faith Efforts

FORM 2: LETTER OF INTENT

Name of bidder/offeror firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Name of ACDBE firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone Number: _____

Description of work to be performed by ACDBE firm:

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.....

.....

The bidder/offer is committed to utilizing the above named ACDBE firm for the work described above. The estimated dollar value of this work is \$ _____ .

Affirmation

The above named ACDBE firm affirms that it will perform the portion of the work described above for the **{Project Name}** project for the estimated dollar value as shown on this Letter of Intent.

By: _____
(Print Name) (Signature) (Title)

If the bidder/offeror does not receive award of the prime contract, any and all representations in this Letter of Intent shall be null and void.

(Submit this page for each ACDBE subcontractor)

Attachment 7

Regulations: 49 CFR Part 23

https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title49/49cfr23_main_02.tpl