

Attachment 4

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

Amount of Other Than Car Rental Concessions: Anticipate gross revenue in excess of \$200,000.

Name of Recipient: Ontario International Airport Authority (ONT)

Goal Period: FY-2021-2022-2023 – October 1, 2020 through September 30, 2023

Overall Three-Year Goal:

13.90%, to be accomplished through 6.00% RC and 7.90% RN

Market Area:

The City of Ontario, California (population 185,010 (2019 est)) is located in the southwestern corner of San Bernardino County. The City is considered part of the greater Los Angeles Area and the Ontario International Airport is considered one of the busiest airports in the United States based on carried cargo. The County demographics show steady growth due in part to the, industry, local universities, and businesses. The airport is San Bernardino County in California. The area is multicultural with significant populations of African American, Asian, Hispanic or Latino, Native American, Pacific Islander, and White. OIAA has determined the pool of ACDBE Businesses for Non-Car Rental Concessions that have the greatest potential to provide service to the Ontario International Airport are primarily located in San Bernardino County, Los Angeles County, Orange County, and Riverside County. Some services (eg, suppliers) are less sensitive to location and will therefore be considered even if based outside of the 4-county market area.

Base of Goal

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

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

Fiscal Year	Concessions Revenue (Excluding Car Rental)
2018	\$15,773,889
2019	\$11,307,613

2020*	\$7,287,990
Total	\$34,369,492.00
Average	\$ 11,456,497.33

**Significant reduction Due to COVID 19 Pandemic*

The Ontario International Airport Authority estimates that revenues to existing non-car rental concessions will likely increase by a modest 1% over the next three years due to market and anticipated passenger forecasts using ONT. However, due to the decreased traffic as a result of the COVID 19 pandemic, the Ontario International Airport saw a significant decrease in passenger travel hence revenues were down in FFY 2020. A 1% growth is anticipated for 2021 through 2023.

To calculate the base of the goal for non-car rental concessions:

(2020) \$7,287,990

(2021) \$7,287,990 + 1% (\$72,879.90) = \$7,360,869.90

(2022) \$7,360,869.90 + 1% (\$73,608.70) = \$7,434,478.60

(2023) \$7,434,478.60 + 1% (\$74,344.78) = \$7,508,823.39

\$7,360,869.90 + \$7,434,478.60 + \$7,508,823.39 = **\$22,304,172** is the Ontario International Airport's base of the goal for non-car rental concessions.

The non-car rental businesses operating at the Ontario International Airport and offering service to the public includes businesses in Terminal 2 and Terminal 4. The contracts for these concessions are expected to extend over the period of this triennium.

Methodology used to Calculate Overall Goal

Goods and Services

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

Step 1: 23.51(c)

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

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

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

NAICS	Type of Concession	Total ACDBE's	Total All Firms
311811	Retail Bakeries	3	401
424130	Restaurant Suppl.	3	439
423840	Janitorial Supplies	2	66
445291	Baked Goods	2	175
445292	Confections	4	130
446120	Cosmetics Beauty	3	728
446199	Health, Personal	1	415
448110	Men's Clothing	4	303
448120	Women's Clothing	4	690
448190	Other Clothing	2	521
448310	Jewelry	5	383
448320	Luggage, Leather	2	63
451212	Newsstands	32	201
452990	General Merch.	6	569
453110	Florists	2	493
453220 & 310	Gifts & Office Supplies	58	225
454210	Vending	6	100
519130	Internet Services	4	113
522320	Financial Transactions, Processing	1	261
541613	Marketing Cons.	25	323
541810, 541850	Advertising	12	257
541890	Other Advertising	8	335
561720	Janitorial Services	11	323
722310	Food Service	31	252
722320	Caterers	7	649
722211	Food & Beverage	34	871

722410	Drinking Places (alcohol)	16	668
722511	Full-Service Restaurants	42	1423
722515	Snack & Beverage	35	423
812113	Nail Salons	7	377
Total		372	12217

The Total Base Goal for Step 1 is therefore calculated by

 Total Number of ACDBE divided by Total All Firms

$$372 / 12217 = 3.04\% \text{ for Step 1.}$$

The data source or demonstrable evidence used to derive the **numerator** was:

The State of California Uniform Certification Program ACDBE Directory:

<https://ucp.dot.ca.gov>

The data sources or demonstrable evidence used to derive the **denominator** were:

US Census Bureau:

<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

Blue Book for California:

<http://www.thebluebook.com>

Yellow Pages Directory:

<https://www.yellowpages.com>

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: 3.04%

Step 2: 23.51(d)

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

Past History Participation

Historical DBE accomplishments for non-car rental concessions at the Ontario International Airport are as follows:

FY	DBE Goals			Accomplishments		
	RC	RN	Total	RC	RN	Total
FY 15	13.20%	0.00%	13.20%	23.62%	10.84%	34.45%
FY 16	13.20%	0.00%	13.20%	27.74%	11.59%	36.34%
FY 17	17.50%	6.00%	11.50%	2.21%	0.00%	2.21%
FY 18	17.50%	6.00%	11.50%	11.63%	6.00%	17.63%
FY 19	17.50%	6.00%	11.50%	11.70%	13.06%	24.76%

**Source Data FAA Civil Rights Connect*

Considering the DBE participation and arranging this historical data of DBE accomplishments from low to high, (2.21%, 17.63%, 24.76%, 34.45%, 36.34%,) we arrive at a central tendency or median accomplishment of 24.76%. To arrive at an adjusted DBE goal, we added our Step 1 base figure (3.04%) with our Step 2 adjustment figure (24.76%) and then averaged the total arriving at an overall adjusted goal of 13.90%.

The Ontario International Airport Authority will use race-conscious measures (e.g., sets contract goals) to obtain the RC portion of the goal. We believe this adjusted overall goal of 6.00% will accurately reflect DBE participation that can be achieved for the types of comparable project work being awarded during this three-year overall goal period.

There are no applicable disparity studies for the local market area or recent legal case information available to show any evidence of barriers to entry or competitiveness of ACDBEs.

PUBLIC PARTICIPATION

Consultation: Section 23.43.

As per section Part 23.43 establishing the upcoming ACDBE goals for Federal Fiscal Years (FFY) 2021/2022/2023, a public/consultation meeting was held on May 18, 2021 at 10AM at Ontario International Airport (ONT) 1923 East Avion Drive, Ontario, CA 91761 for the purpose of discussing potential opportunities for ACDBE participation in upcoming projects, gain input, and to answer questions. A Public Notice of the meeting was issued that invited all interested parties including (but not limited to) minority, women's and general contractor groups, community organizations, and other officials or organizations who may have interest or information pertinent to the implementation of the Owner's ACDBE Program. It was noted, the meeting was not mandatory for ACDBE participation on projects at the Ontario International Airport Authority (ONT).

The Public Notice included that questions regarding the meeting or program be directed to:

ACDBELO-Elisa Grey- Commercial Manager

Ontario International Airport Authority

1923 E. Avion Street

Ontario, CA

909.544.5427 (Direct Line)

Grey, Elisa <egrey@flyontario.com>

No comments were received.

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

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

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. *Providing technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing;*
4. *Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation; and*
5. *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 13.90%, we will obtain 7.90% from race-neutral participation and 6.00% through race-conscious measures.

1. *The extent that you've exceeded your ACDBE goals in the past uniform reporting.*
2. *Proactively working with Concession vendors to increase awareness and encourage extension of your race-neutral business assistance efforts;*
3. *Information you obtained through consultation with stakeholders;*

The following is a summary of the basis of

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

1. We will establish concession-specific goals for particular concession opportunities in our contract agreements with Airport Concessionaires.

The Ontario International Airport Authority does not have a history of ACDBE participation or over-achievement of goals to reference and expects to obtain its ACDBE participation through the use of ACDBE goals or a conscious effort to obtain ACDBE participation. Therefore, we are applying the entire goal of 1.00% to race-conscious participation.

In order to ensure that our ACDBE program will be narrowly tailored to overcome the effects of discrimination, if we use concession specific goals we will adjust the estimated

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

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

Attachment 5

Section 23.45: Overall Goal Calculation for Car Rentals

Amount of Car Rental Concessions: Anticipate gross revenue in excess of \$200,000.

Name of Recipient: Ontario International Airport Authority

Goal Period: FY-2021-2022-2023 – October 1, 2019 through September 30, 2023

Overall Three-Year Goal:

6.41%, to be accomplished through 3.50% RC and 2.91% RN

The City of Ontario, California (population 185,010 (2019 est)) is located in the southwestern corner of San Bernardino County. The City is considered part of the greater Los Angeles Area and the Ontario International Airport is considered one of the busiest airports in the United States based on carried cargo. The County demographics show steady growth due in part to the, industry, local universities, and businesses. The airport is San Bernardino County in California. The area is multicultural with significant populations of African American, Asian, Hispanic or Latino, Native American, Pacific Islander, and White. OIAA has determined the pool of ACDBE Businesses for Non-Car Rental Concessions that have the greatest potential to provide service to the Ontario International Airport are primarily located in San Bernardino County, Los Angeles County, Orange County, and Riverside County. Some services (eg, suppliers) are less sensitive to location and will therefore be considered even if based outside of the 4-county market area.

Base of Car Rental Goal

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

Expenditures for Previous 3 Years - Car Rental

Fiscal Year	Car Rental Expenditures/Purchases	% Growth
2018	\$11,901,135	1.2%
2019	\$12,280,291	3.2%
2020	\$10,117,761	-17.6%*

*Impacts of the COVID 19 pandemic in 2020.

The Ontario International Airport estimates that expenditures/purchases to existing car rental concessions will likely increase by 2.2% annually due to market and anticipated passenger forecasts using ONT. However, due to the decreased traffic as a result of the COVID 19 pandemic, the Ontario international Airport saw a significant decrease in passenger travel hence revenues were down in FFY 2020. A 2.2% annual growth is anticipated going forward.

To calculate the base of the goal for car rental concessions:

(2020) \$10,117,761

(2021) $\$10,117,761 + 2.2\% (\$222,590.74) = \$10,340,351.74$

(2022) $\$10,340,351.74 + 2.2\% (\$227,487.74) = \$10,567,839.48$

(2023) $\$10,567,839.48 + 2.2\% (\$232,492.47) = \$10,800,331.95$

$\$10,340,351.74 + \$10,567,839.48 + \$10,800,331.95 = \mathbf{\$31,708,523.17}$ is the Ontario International Airport's base of the goal for expenditures/purchases for car rental concessions.

The car rental businesses operating at the Ontario International Airport and offering service to the public includes Avis, Budget, Payless, Thrifty, Hertz, Fox Enterprise and National. The contracts for these concessions are expected to extend over the period of this triennium.

Methodology used to Calculate Overall Goal

Goods and Services

We can meet the percentage goal by including the purchase from ACDBEs of goods and services used in businesses conducted at the airport. 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)

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

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

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

NAICS	Type of Concession	Total ACDBE's	Total All Firms
332519 & 561622	Hardware Keys & Locks	5	397
423120	Auto Supplies & Parts	3	693
423130	Tire & Tube Wholesalers	5	481
423840	Janitorial Supplies	2	66
441310	Auto Accessories	4	865
485999	Transit & Ground Transportation	9	237
524210	Commercial Insurance Agencies	2	56
532111 & 532112	Car Rental / Lease	2	231
811192	Vehicle Repair, Wash & Detailing	5	444
Total		37	3470

The Total Base Goal for Step 1 is therefore calculated by

Total Number of ACDBE divided by Total All Firms

$$37 / 3470 = 1.07\% \text{ for Step 1.}$$

The data source or demonstrable evidence used to derive the **numerator** was:

The State of California Uniform Certification Program ACDBE Directory:

<https://ucp.dot.ca.gov>

The data sources or demonstrable evidence used to derive the **denominator** were:

US Census Bureau:

<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

Blue Book for California:

<http://www.thebluebook.com>

Yellow Pages Directory:

<https://www.yellowpages.com>

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: 1.07%.

Step 2: 23.51(d)

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

Past History Participation

Historical DBE accomplishments for car rental concessions at the Ontario International Airport are as follows:

FY	DBE Goals			Accomplishments		
	RC	RN	Total	RC	RN	Total
FY 15	3.50%	0.00%	3.50%	11.75%	0.00%	11.75%
FY 16	3.50%	0.00%	3.50%	5.63%	0.00%	5.63%
FY 17	3.50%	0.00%	3.50%	14.62%	0.00%	14.62%
FY 18	3.50%	0.00%	3.50%	7.51%	0.00%	7.51%
FY 19	3.50%	0.00%	3.50%	26.44%	0.00%	26.44%

**Source Data FAA Civil Rights Connect*

Considering the RC participation and arranging this historical data of RC DBE accomplishments from low to high, (5.63%, 7.51%, 11.75%, 14.62%, 26.44%) we arrive at a central tendency or median accomplishment of 11.75%. To arrive at an adjusted RC goal, we added our Step 1 base figure (1.07%) with our Step 2 adjustment figure (11.75%) and then averaged the total arriving at an overall adjusted goal of 6.41%.

The Ontario International Airport Authority will use race-conscious measures (e.g., sets contract goals) to obtain the RC portion of the goal. We believe this adjusted overall goal of 6.41% will accurately reflect DBE participation that can be achieved for the types of comparable project work being awarded during this three-year overall goal period.

PUBLIC PARTICIPATION

Consultation: Section 23.43.

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5. *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 6.41%, we will obtain 2.91% from race-neutral participation and 3.50% through race-conscious measures.

1. *The extent that you've exceeded your ACDBE goals in the past uniform reporting.*
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3. *Information you obtained through consultation with stakeholders;*

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In order to ensure that our ACDBE program will be narrowly tailored to overcome the effects of discrimination, if we use concession specific goals we will adjust the estimated

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

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