

SARASOTA MANATEE AIRPORT AUTHORITY
SARASOTA BRADENTON INTERNATIONAL AIRPORT
AIRPORT CONCESSIONS
DISADVANTAGED BUSINESS ENTERPRISE PROGRAM
FISCAL YEARS 2019 – 2021



Sarasota Manatee Airport Authority
6000 Airport Circle
Sarasota, FL 34243-2105
941-359-2770 Ext. 4233

POLICY STATEMENT AND PROGRAM OBJECTIVES

The Sarasota Manatee Airport Authority (SMAA) is the owner and operator of the Sarasota Bradenton International Airport (SRQ) and, as such, has an obligation to meet the safety, capacity, security, and environmental requirements of SRQ. In fulfilling these obligations, the SMAA has received federal financial assistance from the Department of Transportation pursuant to the grant of entitlement and discretionary funds awarded through the Airport Improvement Program (AIP) administered by the Federal Aviation Administration (FAA). As a condition of receiving this assistance, the SMAA has provided its written assurance that it will comply with, among others, those regulations of the U.S. Department of Transportation (DOT) found in Title 49 Part 23 of the Code of Federal Regulations. These regulations address the participation by disadvantaged business enterprises in airport concessions when an airport is participating in DOT financial assistance programs. Accordingly, SMAA has established this Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program in accordance with 49 CFR Part 23 (hereinafter "Part 23").

It is the policy of SMAA to ensure that ACDBEs, as defined in Part 23, have an equal opportunity to receive and participate in concession opportunities at SRQ. It is furthermore our policy and the objective of this ACDBE Program:

1. To ensure nondiscrimination in the award and administration of opportunities for our concessions;
2. To create a level playing field on which ACDBEs can compete fairly for opportunities for our concessions;
3. To ensure that our ACDBE program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet Part 23's eligibility standards are permitted to participate as ACDBEs at SRQ;
5. To help remove barriers to the participation of ACDBEs in opportunities for our concessions.

Mr. Donald Farr has been designated as the ACDBE Liaison Officer for SMAA. In that capacity, Mr. Farr is responsible for implementing all aspects of the ACDBE program. Implementation of the ACDBE program is assigned the same priority as compliance with all other legal obligations incurred by SMAA in its financial assistance agreements with the DOT/FAA.

SMAA has disseminated this policy statement to our Board of Commissioners and to all other components of our organization. We have distributed this statement to the ACDBE and non-ACDBE concessionaire communities directly via the US postal service and indirectly via publication in the local newspaper of greatest circulation and by posting on the SMAA website.

Fredrick J. Piccolo, President/CEO
Sarasota Manatee Airport Authority

Date

GENERAL

Objectives

The objectives of this ACDBE Program are found in the "Policy Statement and Program Objectives" section serving as an introduction to this Program.

Applicability of Part 23

SRQ is a primary airport and SMAA is the recipient of federal funds for airport development after January 1988 that were authorized under Title 49 of the United States Code. Accordingly, by definition, SMAA is subject to compliance with Part 23.

Definitions

SMAA will use terms in this Program that have the meaning defined in Part 23.3.

Non-discrimination

SMAA 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, lease, or other agreement covered by Part 23 on the basis of race, color, sex, or national origin.

In administering its ACDBE program, SMAA 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 ACDBE program with respect to individuals of a particular race, color, sex, or national origin.

SMAA will include the following assurances 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, 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 Part 23.

(2) "The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract that it enters which is covered by Part 23 and to cause those businesses to similarly include the statements in any further agreements."

Statutory Compliance and Enforcement

SMAA acknowledges that it is subject to the provisions of 49 CFR Part 26 §§ 26.101, 26.105, 26.107 and 2 CFR parts 180 and 1200 with respect to its compliance obligations under Part 23.

SMAA will comply with Part 23 or be subject to formal enforcement action under 49 CFR Part §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.

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

- (a) For a firm that does not meet the eligibility criteria of Subpart D of Part 23 and that attempts to participate as an 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.
- (b) For a firm that, in order to meet ACDBE goals or other ACDBE 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 D of this Part 23, DOT or FAA may initiate suspension or debarment proceedings against the firm under 2 CFR parts 180 and 1200.
- (c) 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.
- (d) 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 SMAA ACDBE program or otherwise violates applicable Federal statutes.

The FAA may review SMAA's compliance with Part 23 at any time, including but not limited to, reviews of paperwork, on-site reviews, and reviews of SMAA'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 SMAA may file a complaint under 14 CFR Part 16 with the Federal Aviation Administration Office of Chief Counsel.

ACDBE PROGRAM

Program Development and Updates

SRQ is a small hub primary airport with multiple concession opportunities. SRQ is owned and operated by SMAA which has received airport development grant funds and, accordingly, is required to develop and maintain an ACDBE program.

Whenever SMAA makes significant changes to its ACDBE program, we will provide the amended program to the FAA for approval prior to implementing the changes.

Administrative Provisions

Policy Statement: SMAA is committed to operating its ACDBE program in a nondiscriminatory manner. SMAA's Policy Statement is set forth in the introduction to this Program document.

ACDBE Liaison Officer (ACDBELO): We have designated the following individual as our ACDBELO:

Donald Farr
Manager, Internal Audit & DBE-ACDBE Liaison Officer
Sarasota Manatee Airport Authority
6000 Airport Circle
Sarasota, FL 34243
941-359-2770 ext. 4233
donald.farr@srq-airport.com

The ACDBELO is responsible for implementing all aspects of the ACDBE program and ensuring that SMAA complies with all provisions of Part 23. The ACDBELO has direct, independent access to Frederick Piccolo, President and CEO, concerning ACDBE program matters. An organizational chart displaying the ACDBELO's position in the organization is found in Attachment 1 to this program.

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

1. Gathers and reports statistical data and other information as required by FAA or DOT.
2. Reviews third party contracts for compliance with this program.
3. Monitors actual involvement of ACDBEs in the business of concessionaires.
4. Works with other departments within SMAA to set overall annual goals.
5. Ensures that, when applicable, bid notices and requests for proposals are available to ACDBEs in a timely manner.
6. Identifies contracts and procurements so that, when applicable, ACDBE goals are included in solicitations.
7. Analyzes SMAA's progress toward attainment of ACDBE goals and identifies ways to improve ACDBE participation.
8. Participates in pre-bid meetings.
9. Advises the CEO on ACDBE matters including goal achievement.
10. Plans and participates in ACDBE training seminars.
11. Acts as liaison to the Unified Certification Program (UCP) in Florida.
12. Provides outreach to ACDBEs and community organizations to advise them of opportunities.
13. Maintains SMAA's updated directory on certified ACDBEs and distinguishes them from DBEs.

Directory: SMAA, through the Florida Unified Certification Program (UCP), maintains a directory identifying all firms eligible to participate as DBEs and ACDBEs. The Directory lists the firm's name, address, phone number, date of the most recent certification, and the type of work the firm has been certified to perform as an ACDBE.

The UCP ensures that the Directory 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 UCP makes any changes to the current directory entries that are necessary to meet the requirements of this paragraph.

The UCP Directory is maintained daily. The Directory is available on the Florida Department of Transportation website at:

<http://www3b.dot.state.fl.us/EqualOpportunityOfficeBusinessDirectory/>

or upon request from SMAA.

Ensuring Nondiscriminatory Participation of ACDBEs

SMAA will take the following measures to ensure nondiscriminatory participation of ACDBEs in concessions, and other covered activities:

In accordance with the guidance included in Part 23 Subpart D, SMAA will establish triennial overall goals for ACDBE participation by analyzing the availability of ACDBEs in each of the concession areas at SRQ relative to the overall availability of businesses (ACDBE and Non-ACDBE) in each of those concession areas. The relative amount of revenue potential from each non-rental car concession area will be used to weight the computation of ACDBE availability, thereby arriving at a more representative overall ACDBE participation goal.

SMAA 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.

SMAA's specific overall goal methodology and a description of the race-neutral measures it will use to meet the goals will be consistent with Part 23.25 and are fully described in Attachments 3 & 4 of this Program.

When SMAA projects that race-neutral measures alone will not be sufficient to meet an overall goal, it will use race-conscious measures in an effort to meet its established overall goal. These measures will include the insertion of contract specific ACDBE goals in certain concession agreements.

SMAA will encourage non-rental car concessionaires subject to ACDBE goals at SRQ to make good faith efforts to explore all available options to meet goals, to the maximum extent practicable, through direct ownership arrangements with ACDBEs.

SMAA will not use set-asides or quotas as a means of obtaining ACDBE participation in order to meet established goals.

Reporting

On an annual basis, SMAA will electronically submit a Uniform Report of ACDBE Participation to the FAA Regional Civil Rights Office using the form prescribed by Part 23.

Sufficient information concerning SMAA's ACDBE program implementation and performance thereunder will be prepared and retained for a minimum of 3 years

following the end of any concession agreement or other covered contract to enable the FAA to determine SMAA's compliance with Part 23.

Program Compliance and Enforcement Procedures as to Concessionaires

SMAA will implement the following monitoring and enforcement mechanisms to ensure compliance with Part 23:

The concession agreements utilized at SRQ will:

1. Contain specific language requiring concessionaires to provide the operating data necessary to enable SMAA to evaluate performance of the concessionaire relative to ACDBE participation and to accurately report that performance as described in the preceding section of this Program.
2. Contain contract specific goals for ACDBE participation during the term of the agreement in those instances where SMAA determines that race neutral measures may be insufficient to meet overall goals.
3. Contain provisions relative to good faith efforts required by concessionaires toward the attainment of ACDBE participation.
4. Contain language stating that non-compliance with the ACDBE provisions in the agreement constitute a breach which may allow SMAA to terminate the agreement.

All new concession contracts will require the review and approval of the ACDBELO prior to final execution by SMAA. A written certification that the contract has been reviewed and approved by the ACDBELO and that the contract is compliant with this Program and the intent of Part 23 will be retained in the contract file.

At least annually, the ACDBELO will inquire of each concessionaire concerning the actual involvement of ACDBEs in the conduct of their business. Site visits and personal interviews with concessionaire personnel working on the SRQ premises will also be conducted at least annually. The results of these inquires and site visits will be documented and such documentation retained for a period consistent with that required by the "Records" paragraph of this Program.

The SMAA 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 49 CFR Part 26.107. The SMAA will consider similar action under its own legal authorities.

ACDBE CERTIFICATION AND ELIGIBILITY

SMAA is a **non-certifying** member of a Unified Certification Program (UCP) administered by the State of Florida Department of Transportation. The UCP and its certifying members will meet all of the requirements of Part 23 Subpart C in the process of certifying businesses as ACDBEs.

The UCP's directory of eligible DBEs specifies whether a firm is certified as a DBE for purposes of 49 CFR Part 26, an ACDBE for purposes of Part 23, or both.

The Hillsborough County Aviation Authority (HCAA), located approximately 54 miles north of SRQ, is the certifying member of the UCP in closest geographic proximity to SRQ. The SMAA will work closely with HCAA to coordinate the certification review process for prospective ACDBEs. While the majority of certification referrals at SRQ will be handled by HCAA, prospective ACDBEs may from time to time be reviewed by other certifying members of the UCP including the Lee County Port Authority (95 miles south) and the Greater Orlando Aviation Authority (129 miles northeast).

In instances where the ACDBE certification 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 personal net worth standard, and the firm in all other respects remains an eligible ACDBE, SMAA may continue to count the concessionaire's participation toward ACDBE goals during the remainder of the current concession agreement. SMAA will not count the concessionaire's participation toward ACDBE goals beyond the termination date for the concession agreement in effect at the time of decertification.

GOALS, GOOD FAITH EFFORTS, AND COUNTING

Goal Categories

SMAA will establish two separate overall ACDBE goals; one for concessions other than car rentals and another for car rental concessions. The overall goals will cover a three-year period and SMAA will review the goals annually to make sure the goal continues to fit the circumstances at SRQ. Any significant overall goal adjustments will be reported to the FAA.

Consultation in Goal Setting

The SMAA will consult with stakeholders before submitting its overall goals to the FAA. Stakeholders will include 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 or the effects of discrimination on opportunities for ACDBEs.

When submitting its overall goals to the FAA, the stakeholders that have been consulted will be identified and a summary of the information obtained from the stakeholders will be provided.

Overall Goals

SRQ is a small hub primary airport and, accordingly, the current triennial goal cycle under Part 23 is for fiscal years 2019 through 2021. New triennial goals are to be submitted to the FAA by October 1 of the first year in each triennial period.

If a new concession opportunity arises at a time that falls between the normal goal submission dates and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, SMAA will submit an appropriate adjustment to its overall

goal to FAA for approval. Submission will take place no later than 90 days before issuing the solicitation for the new concession opportunity.

The objective of SMAA's goal setting process is as follows:

1. Concessions Other Than Car Rentals - to estimate the percentage of total gross receipts (earned by ALL non-rental car concessionaires at SRQ) that would be earned by ACDBE firms in the absence of discrimination and its effects.
2. Car Rental Concessions- to estimate the percentage of total goods and services, net of fleet acquisitions, purchased by the rental car concessions at SRQ that would be supplied by ACDBE vendors in the absence of discrimination and its effects.
 - a. The modification of the objective for car rental concessions from that utilized for concessions other than rental cars is in recognition of the limited opportunities for ACDBEs to participate directly in the revenue generation of car rental enterprises.
 - b. Fleet acquisitions are excluded from total goods and services because, despite representing the largest expenditure for rental car firms thus providing, in theory, an opportunity for effectively meeting program objectives, there are no auto dealers currently listed in the Florida UCP directory. Furthermore, while some rental car companies apparently do acquire vehicles from ACDBE dealers (though not dealers listed in the Florida UCP directory), it is difficult to discern if those purchases are being reported as ACDBE purchases at multiple airports given the mobile nature of the acquired vehicles.

SMAA will establish its overall goals in accordance with the 2-Step process specified in Part 23.51. Initially, a "base figure" will be determined representing the relative availability of ACDBE firms to provide the concessions at SRQ as a percentage of all firms available to provide those concessions in the designated market area. All relevant evidence will then be examined to determine if an adjustment to the "base figure" is necessary so that the overall goal reflects as accurately as possible the ACDBE participation that would be expected in the absence of discrimination. Evidence may include, among other considerations; past participation by ACDBEs, a disparity study, and other related factors that may affect ACDBE's opportunities to form, grow, and compete.

A description of the methodology utilized to calculate the overall goal for concessions other than car rentals, the goal calculations, and the data we relied on can be found in Attachment 3 to this program.

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

Projection of Estimated Race-Neutral & Race-Conscious Participation

SMAA will maximize the use of race-neutral measures in carrying out this Program. The specific measures utilized in determining the breakout of estimated race-neutral and race-conscious participation can be found in Attachments 3 & 4. This section of the

program will be reviewed annually during the review of established goals pursuant to Part 23.41.

Concession-Specific Goals

SMAA will use concession-specific goals to meet any portion of its overall goals that it does not project being able to meet using race-neutral means. 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.

SMAA will establish non-car rental concession-specific goals only on those concessions that have direct ownership, sublease, or subcontracting possibilities. We will require non-car rental businesses subject to ACDBE goals at the airport to make good faith efforts to explore all available options to meet goals, to the maximum extent practicable, through direct ownership arrangements with ACDBEs.

Part 23 recognizes that it is not practical to require car rental firms to change their corporate structure to provide for direct ownership arrangements. Accordingly, in the case of car rental concessions, goals are projected to be met through the car rental companies' purchases of goods and services from ACDBEs.

SMAA will not establish a concession-specific goal on every concession, and the size of concession specific goals that are established will be adapted to the circumstances of the related 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, SMAA will calculate the goal as a percentage of the total estimated annual gross receipts from the concession.

If the concession-specific goal applies to purchases of goods and services, SMAA will calculate the goal by dividing the estimated dollar value of such purchases from ACDBEs by the total estimated dollar value of all purchases to be made by the concessionaire.

Good Faith Efforts toward Concession-Specific Goals

To be eligible to be awarded a concession that has a concession-specific goal, bidders must demonstrate good faith efforts to meet the goal. A bidder may do so either by obtaining enough ACDBE participation to meet the goal prior to the award of the concession contract 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.

SMAA's solicitations regarding concession contracts that contain concession-specific goals will include compliance with ACDBE goals as a required item in order for a bid to be considered responsive to the solicitation. The ACDBELO is responsible for determining whether a concessionaire who has not met the concession-specific goal through documented ACDBE participation commitments has documented sufficient good faith efforts to be regarded as responsive to the solicitation.

Each solicitation for which a concession-specific goal has been established will require bidding concessionaires to submit the following information:

1. The 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 a 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.

The forms included in Attachment 6 to this Program (or similar) will be utilized in new solicitations to document commitments to ACDBE participation.

Administrative Reconsideration: Within 15 days of being informed by SMAA that it is not responsive because it has not documented sufficient good faith efforts, a concessionaire may request administrative reconsideration. Concessionaire should make this request in writing to the following reconsideration official: Joseph Filippelli, Director of Properties, Sarasota Manatee Airport Authority, 6000 Airport Circle, Sarasota, FL 34243, 941-359-2770 ext.4214, joe.filippelli@srq-airport.com. The reconsideration official will not have played any role in the original determination that the concessionaire did not document sufficient good faith efforts.

As part of this reconsideration, the concessionaire will have the opportunity to provide written documentation concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The concessionaire will have the opportunity to meet in person with the reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do. SMAA will send the concessionaire a written decision on the request for reconsideration, explaining the basis for finding that the concessionaire 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 on Replacement: SMAA will require a concessionaire to make good faith efforts to replace an ACDBE that is terminated for good cause (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. Though not all inclusive, examples of good cause may found at 49 CFR Part 26.53(f)(3).

SMAA will require a concessionaire to notify the ACDBELO immediately of the ACDBE's inability or unwillingness to perform and provide reasonable documentation. The concessionaire must give the ACDBE five days to respond to the notice and advise SMAA and the concessionaire of the reasons, if any, why it objects to the proposed termination and why SMAA should not approve the prime concessionaire's action. The concessionaire will be required to obtain SMAA's prior approval of the substitute ACDBE and to provide copies of new or amended contracts, or documentation of good faith efforts in the event no substitute ACDBE can be identified.

Non-compliance with the ACDBE provisions in a concession agreement constitute a breach which may allow the SMAA to terminate the agreement.

Counting ACDBE Participation for Car Rental Goals

ACDBE participation toward overall goals for car rental concessions will be counted as provided in Part 23.53.

Counting ACDBE Participation for Concessions Other than Car Rentals

ACDBE participation toward overall goals for concessions other than car rental will be counted as provided in Part 23.55.

Failure to Meet Established Overall Goals

If the cumulative participation on SMAA's Uniform Report of ACDBE Participation (found in Appendix A to Part 23) for any fiscal year is less than the overall goal applicable to that fiscal year, SMAA will:

1. Analyze in detail the reasons for the difference between the overall goal and the participation for that fiscal year;
2. Establish specific steps and milestones to address the problems identified in the analysis in an effort to enable SMAA to meet its established goal for the ensuing fiscal year.

OTHER PROVISIONS

Renewals, Extensions, and Amendments

SMAA will assess the potential for ACDBE participation when an extension or option to renew an existing concession agreement is exercised, or when a material amendment is made. We will use any means authorized by Part 23 to obtain, if warranted, a modified amount of ACDBE participation in the renewed or amended agreement that is appropriate for the circumstances existing at that time.

Long-Term Exclusive Agreements

SMAA will not enter into a long-term exclusive agreement for concessions without prior approval of the FAA Regional Civil Rights Office. A "long-term" agreement is one having a term of longer than 5 years. An "exclusive" agreement is one in which an entire category of a particular 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, SMAA will submit detailed information to the FAA Regional Civil Rights Office for review and approval.

Geographic Preferences

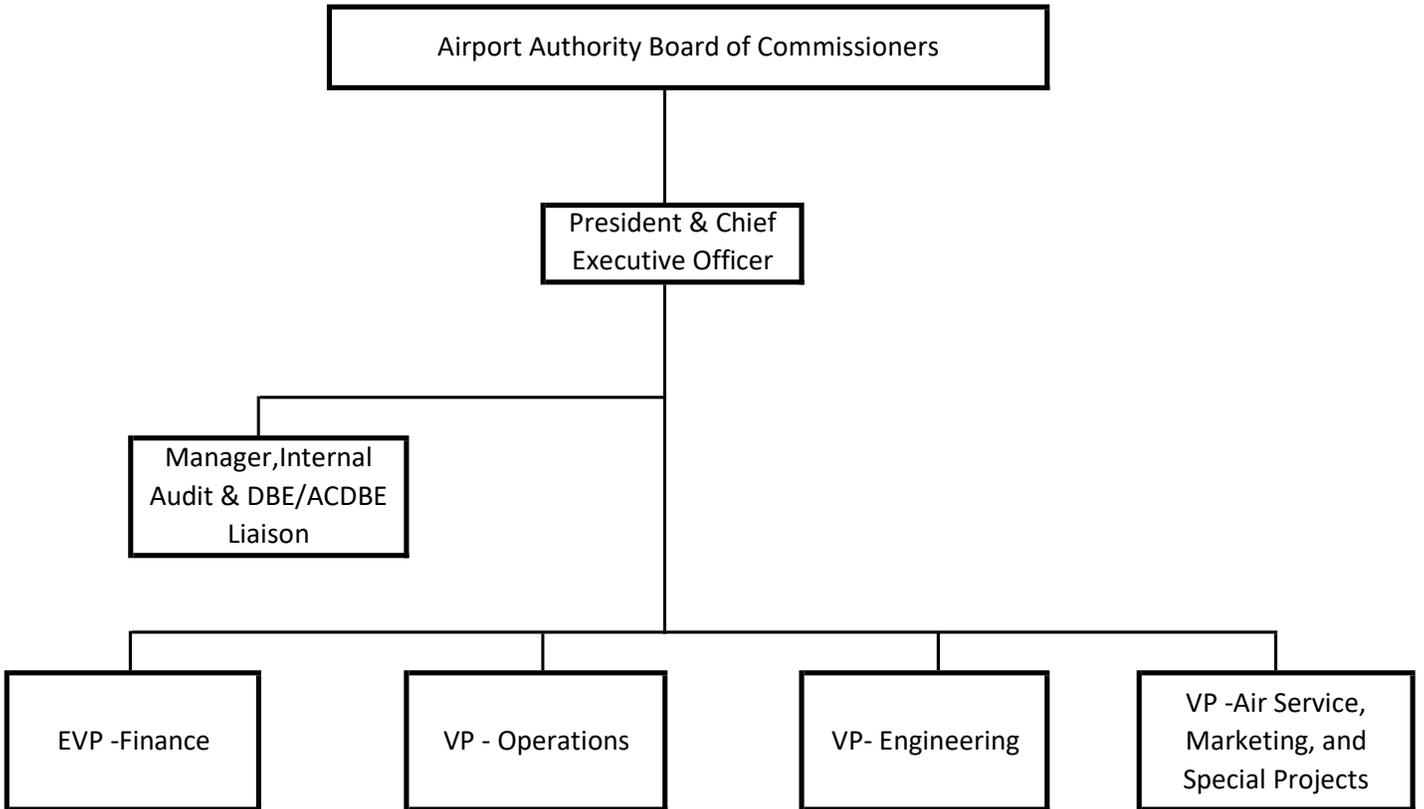
SMAA will not use a "local geographic preference", i.e. any requirement that gives an ACDBE located in one place an advantage over ACDBEs from other places in obtaining business as, or with, a concession at SRQ.

ATTACHMENTS

Attachment 1	Organizational Chart
Attachment 2	Important Links
Attachment 3	Overall Goal for Concessions other than Car Rental Calculation, Breakout of Estimated Race-Neutral & Race-Conscious Participation
Attachment 4	Overall Goals for Car Rentals Calculation, Breakout of Estimated Race-Neutral & Race-Conscious Participation
Attachment 5	Consultation
Attachment 6	Forms for Use in Solicitations for Concessions

Attachment 1

Organizational Chart



Attachment 2

Important Links

The following web links may be of assistance to the reader of this Program:

1. For a current directory of all ACDBEs certified under the Florida Unified Certification Program:
<http://www3b.dot.state.fl.us/EqualOpportunityOfficeBusinessDirectory/>
2. For a current version of current Federal Department of Transportation regulations regarding ACDBEs (i.e. 49 CFR Part 23):
http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title49/49cfr23_main_02.tpl
3. For a current version of current Federal Department of Transportation regulations regarding DBEs (i.e. 49 CFR Part 26):
http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title49/49cfr26_main_02.tpl

Attachment 3

Overall Goal Calculation for Concessions Other Than Car Rentals

Goal Period: FY-2019-2020-2021 – October 1, 2018 through September 30, 2021

Objective: To estimate the percentage of total gross receipts of the non-rental car concessions operating at SRQ during the goal period that would be earned by ACDBE firms in the absence of discrimination and its effects and, based on that estimate and other historical and market data, establish an overall goal for the participation of ACDBE firms in the non-rental car concessions at SRQ for the goal period.

Overall Three-Year Goal: 8.76%, to be accomplished entirely by race-conscious means.

Market Area: For concessions other than rental car, the entire state of Florida was considered the most appropriate market in light of the historical pattern of using national firms to provide nearly all such concessions at SRQ and the geographic location of certified ACDBEs available to participate in these concessions on a direct ownership basis.

General Outlook for Non-Rental Car Concessions at SRQ During the Goal Period

Non-Car Rental concession revenues at SRQ, which had been relatively flat for several years preceding fiscal 2018, began to improve in the latter half of 2018 as the airport added new service and carriers.

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

Fiscal Year	Concessions Revenue
2016	\$ 5,611,082
2017	\$ 5,586,641
2018 est.	\$ 5,968,071
Total	\$17,113,189
Average	\$ 5,704,396

SMAA estimates that passenger traffic will improve sharply during the upcoming triennial period as ultra-low-cost carriers committing to utilize SRQ for the first time in late 2018 continue to add flights due to favorable economies when compared to TPA and as competing airport facilities in St. Petersburg and Punta Gorda approach capacity.

The economy of the Sarasota-Manatee area is expanding rapidly. Over 1,200 hotel rooms were added since 2015 and the area is becoming increasingly popular as a

tourist and retirement destination. The combination of top-rated beaches, high quality arts and culture attractions, abundant restaurant and lounge options, and sports amenities is unmatched by almost any community of its size in the U.S. These factors are expected to drive increasing traffic through SRQ in the years ahead. Concession revenues are expected to correlate closely with airline passenger traffic. Resident population is projected to increase by approximately 4% over the next three years.

The primary food, beverage and retail concessions at SRQ are operating under 15-year agreements that run through the subject ACDBE triennial goal period. There are no significant new concessions planned for the goal period. The on-demand taxi concession at SRQ is operating under an agreement that expires 8/31/19, during the first year of the subject ACDBE triennial goal period. It is anticipated that this agreement will not be renewed, and that the airport will convert to an open system for taxi service with management of the ground transportation area handled under an extension of the parking lot management agreement.

Based on the above, non-car rental concession revenues are projected to increase sharply at 11.8% in the first year of the subject triennial period and then slow to a more modest 5.3% and 5.0% in the second and third years of the period, respectively. Total non-car rental concession revenues for the full triennial period are projected to increase 22% over the triennial period ending 9/30/2018.

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, SMAA will adjust its overall goal accordingly in compliance with Part 23.45(i).

Methodology used to Calculate Overall Goal for Non-Rental Car Concessions

Consistent with the objective of estimating the percentage of total gross revenues (earned by ALL concessionaires at SRQ) that would be earned by ACDBE firms in the absence of discrimination and its effects, SMAA sought to determine the relative availability of ACDBE firms to provide the concessions at SRQ as follows:

1. Derivation of a Base Figure - The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The NAICS utilizes a series of codes to describe the various functions that a business might perform.

The U.S. Census Bureau assigns one NAICS code to each establishment based on its primary activity (generally the activity that generates the most revenue for the establishment) to collect, tabulate, analyze, and disseminate statistical data describing the economy of the United States. Generally, the U.S. Census Bureau's NAICS classification codes are derived from information that the business establishment provided on surveys, census forms, or administrative records.

The U.S. Census Bureau periodically publishes statistical data that identifies the number of business establishments within each NAICS code that exist within a

given geographic area. The information is generally available by state and by each county within the state. The Florida Unified Certification Program (UCP) Directory identifies the NAICS Code for each available ACDBE.

By analyzing the 2016 U.S. Census Bureau data and the August 2018 UCP Directory data, SMAA was able to estimate the relative availability of ACDBEs in its designated market to participate in the concession opportunities at SRQ, and to then weight that availability based on the expected relative significance during the goal period, as follows:

Concession Opportunity	NAICS Code	Total Per Census Bureau	Total ACDBE Per UCP	ACDBE Availability	Expected Gross Revenue for Goal Period	Share of Expected Revenue	Weighted ACDBE Availability	Expected ACDBE Participation \$	Expected ACDBE Participation %	
Food & Beverage	722310	1,066	48	4.5%	11,852,797	56.0%	2.52%	1,066,752	9.0%	(1)
Retail, News & Gift	453220	1,538	47	3.1%	8,734,226	41.3%	1.26%	786,080	9.0%	(1)
Taxi & Limousine	485310	200	10	5.0%	163,397	0.8%	0.04%	-	0.0%	(2)
Luggage Cart & Massage Chair Rental	454210	329	15	4.6%	121,786	0.6%	0.03%	-	0.0%	(3)
Food & Beverage Vending	454210	329	15	4.6%	183,095	0.9%	0.04%	-	0.0%	(3)
ATM	454210	329	15	4.6%	71,994	0.3%	0.02%	-	0.0%	(3)
Pay Card Dispensers	454210	329	15	4.6%	32,140	0.2%	0.01%	-	0.0%	(3)
					21,159,435	100.0%	3.91%	1,852,832	8.76%	

(1) Contractual goal

(2) The term of the existing concession agreement expires during the first year of the three-year goal period. SMAA expects to shift to an open system for non-TNC providers of ground transportation upon expiration of the concession agreement.

(3) These short term agreements do not include contractual goals for specific levels of ACDBE participation. Opportunities to substitute ACDBE vendors for the existing providers of these services are explored, but no changes are imminent. Reasonable overall goals are attainable without participation in these vending concessions.

2. Analysis and Adjustment of Base Figure - The relative availability of ACDBEs based on statistical data as computed above (or the "Base Figure" per Part 23), was then analyzed in relation to the actual experience of concessionaires at SRQ in obtaining ACDBE participation. The median participation reported for the four-year period FY 2014 through FY 2017 was 9.51%. This higher than expected participation rate was driven by (1) contract goals of 9.0% contained in the principal food/beverage and retail concession agreements and (2) ACDBE ownership of the taxi concession during a portion of this period. While the referenced contract goals will continue in effect throughout the upcoming goal period, the taxi concession was sold by the ACDBE owner in 2016 and the taxi concession is expected to be terminated in its entirety during the first year of the upcoming goal period. Based on these factors, the Base Figure was adjusted by 3.91% to 8.76% as the weighted average participation rate assuming achievement of contract goals in the food/beverage and retail areas.

Goods and Services

Part 23 permits the inclusion of the purchases of goods and services from ACDBEs by both SMAA and Non-Car Rental Concessionaires as a means of attaining the overall goal, but directs that, to the maximum extent possible, overall goals should be met through direct ownership arrangements in concession operations. SMAA intends to

meet its overall goal through direct ownership arrangements and therefore has not included goods and services in the goal setting process for Non-Car Rental Concessions. However, both the SMAA and all concessionaires will make good faith efforts to acquire goods and services from ACDBEs whenever possible.

Management Contracts and Subcontracts

Part 23 provides that any business at SRQ that is operated through a management contract or subcontract with an ACDBE shall be considered in the attainment of overall goals by including the value of such contracts in the annual reporting of ACDBE participation. 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 are excluded from both goal setting and participation reporting.

At the outset of 2019-2021 goal period, the management contract for parking lot management was the sole management contract in place at SRQ. This management contract is between SMAA and a joint venture entity of which an ACDBE currently owns 17%. Accordingly, while excluded from goal setting, ACDBE participation in the management of the parking lots at SRQ will be reported on annual participation reports to the extent qualified.

Breakout of Estimated Race-Neutral & Race Conscious Participation for Non-Car Rental Concessions

SMAA recognizes that it is expected to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. Accordingly, SMAA is committed to the use of the following race-neutral measures in soliciting for business enterprises to provide the concessions at SRQ:

1. Identifying ACDBEs and other small businesses that may be interested in participating as concessionaires under 49 CFR Part 23 through the use of the Florida UCP Directory, FAA Matchmaker, and consultation with relevant stakeholders in the designated market;
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. Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process;
5. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation; and

Considering, however, that the expiration dates of the primary Non-Car Rental Concession contracts at SRQ are beyond the relevant goal period and that there are no new concession opportunities planned during the goal period, the overall goal during this period will most likely be attained through the contract goals included in existing concession contracts. Therefore, we estimate that our entire overall goal of 8.76% will be met through race-conscious measures during this goal period.

Attachment 4
Overall Goal Calculation for Car Rental Concessions

Goal Period: FY-2019-2020-2021 – October 1, 2018 through September 30, 2021

Objective: To estimate the percentage of total goods and services purchased by the rental car concessions at SRQ (net of fleet vehicles) that would be supplied by ACDBE vendors in the absence of discrimination and its effects and, based on that estimate and other historical and market data, establish an overall goal for the participation of ACDBE firms in the rental car concessions at SRQ for the goal period.

Overall Three-Year Goal: 7.0%, to be accomplished 2% via race-conscious means and 5% via race-neutral means.

Market Area: For rental car concessions, the counties of Sarasota and Manatee were deemed the most appropriate market considering the nature of the goods and services purchased by these concessionaires for their concessions at SRQ.

General Outlook for Rental Car Concessions at SRQ During the Goal Period

Based on information reported by rental car concessionaires, purchases of goods and services at SRQ, exclusive of vehicle fleet purchases, totaled \$3.7 million during fiscal 2017 and are estimated to increase to approximately \$4.3 million for fiscal 2018 based on reporting for the first three quarters.

As noted above under Non-Rental Car Concessions, SMAA estimates that passenger traffic will improve sharply during the upcoming triennial period as ultra-low-cost carriers committing to utilize SRQ for the first time in late 2018 continue to add flights due to favorable economies when compared to TPA and as competing airport facilities in St. Petersburg and Punta Gorda approach capacity. We anticipate that there will be reasonably good correlation between passenger activity and rental car concession sales and, in turn, reasonably good correlation between rental car concession sales and the volume of goods and services required to operate those rental car concessions.

Currently, the three largest U.S. rental car companies (Hertz, Enterprise, and Avis Budget Group) operate nine brands at SRQ. Although no new rental car concessions or consolidations are expected during the goal period, the impact of either on overall sales volume (and, in turn, goods and services purchased) would likely be immaterial, since total rental car sales volume is almost exclusively a function of airline passenger traffic at the airport.

Transportation Network Companies are expected to have some negative impact on rental car activity during this goal period, but the extent of this impact is difficult to predict at this time.

Based on the above, annual purchases of non-fleet goods and services by all rental car concessions at SRQ are projected to average \$5.21 million during upcoming triennial period ending 9/30/21, a 9% increase over the current triennial period.

Methodology used to Calculate Overall Goal for Car Rental Concessions

Consistent with the objective of estimating the percentage of total goods and services purchased by the rental car concessions at SRQ that would be supplied by ACDBE vendors in the absence of discrimination and its effects, SMAA sought to determine the relative availability of ACDBE firms to provide goods and services to the rental car concessions at SRQ as follows:

1. SMAA reviewed the population of NAICS codes (see Goal Methodology for Non Car-Rental Concessions contained elsewhere in this Program for a definition of NAICS codes) and comprehensive vendor listings previously provided by rental car concessions at SRQ to identify those NAICS codes representing likely suppliers of goods and services to rental car concession businesses. UCP data revealed that there were no certified ACDBEs within the designated market of Sarasota and Manatee Counties within any of the identified NAICS codes. Accordingly, ACDBE geography was expanded to include ACDBEs certified by SRQ’s three certification referral agencies (see “ACDBE Certification and Eligibility” above) yielding the following results:

NAICS Code	Description	Total In Market	ACDBE	NAICS Code	Description	Total In Market	ACDBE
423120	Motor Vehicle Supplies and New Parts Merchant Wholesalers	15	1	811121	(includes following)	56	6
424720	Gasoline Wholesalers	2	6	811121	Upholstery shops, automotive		
441310	(includes following)	75	0	811121	Restoration shops,		
441310	Parts and accessories dealers,			811121	Automotive paint		
441310	Batteries, automotive,			811121	Paint shops,		
441310	Automotive parts and supply			811121	Interior repair shops,		
441310	Automotive audio equipment			811121	Body shops,		
441310	Automobile parts dealers			811121	Automotive		
441310	Auto supply stores			811121	Automotive body		
441320	(includes following)	44	0	811121	Antique and classic		
441320	Automotive tire dealers			811122	(includes following)	19	0
441320	Tire dealers, automotive			811122	Automotive glass		
453210	Office Supply Stores	21	0	811122	Glass installation,		
488410	(includes following)	13	1	811122	Glass shops,		
488410	Wrecker services (i.e., towing			811122	Glass tinting,		
488410	Towing services, motor			811122	Glass work,		
488410	Motor vehicle towing services			811122	Window tinting,		
488490	Other Support Activities for Road Transportation	5	2	811191	(includes following)	17	1
611430	Management Development Training	17	17	811191	Oil change and lubrication shops, autos		
811111	(includes following)	193	0	811191	Automotive oil change and lubrication shops		
811111	Automotive repair and			811191	Lubrication shops,		
811111	Engine repair and			811192	(includes following)	64	2
811111	Garages, general automotive			811192	Automotive washing		
811111	General automotive repair			811192	Detailing services (i.e.,		
811111	Automotive engine repair and			811192	Automotive detailing		
				TOTAL		541	36
				Availability of ACDBEs			6.7%

2. The availability of ACDBEs as computed above (the “Base Figure” per Part 23) appears optimistic since it assumes that certified ACDBEs that do not typically provide services to SRQ’s market might be persuaded to work with the rental car concessionaires at SRQ. Furthermore, the available historical data for rental car concessionaires pertaining to the total vendor population is often not sufficiently detailed to allow for accurate dollar weighting of computed theoretical availability based on relative usage of the various products and services.

However, the participation rates achieved more recently by the rental car concessionaires at SRQ have actually exceeded the theoretical availability computed above. These higher than anticipated participation rates were achieved primarily by targeted efforts conducted by one rental car company to obtain ACDBE participation in certain high-dollar supply areas – namely wholesale fuel and vehicle washing.

Based on the information discussed above, an overall goal of 7.0% was established for rental car concession ACDBE participation for the three-year period ending 9/30/2021.

Breakout of Estimated Race-Neutral & Race Conscious Participation For Car Rental Concessions

SMAA recognizes that it is expected to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. Accordingly, SMAA is committed to the use of the following race-neutral measures to encourage ACDBE participation in the car rental concessions at SRQ:

1. Consulting with rental car concessionaires to gain a better understanding of their requirements for goods and services and the process used for the procurement of those items;
2. Identifying ACDBEs and other small businesses that appear to be suppliers to the rental car trade through the use of the UCP Directory as well as consultation with relevant stakeholders in the designated market and ensuring that those businesses are aware of (a) the goods and services requirements of the rental car concessions at SRQ and (b) this ACDBE Program.

A review of the UCP Directory relative to the availability of ACDBEs that are potential suppliers to the rental car trade and that are also in convenient proximity to SRQ suggests that participation through race neutral means may prove, at best, challenging. However, despite contract goals of 2.00% in all current rental car concession contracts, the rental car concessionaires at SRQ have, on average, recently attained participation levels above the Base Figure computed in Step 1 of the previous section.

Based on the information discussed above, we estimate that of the overall goal of 7% established in Step 2 of the previous section, 2% will be achieved through race-conscious measures and 5% will be achieved through race-neutral measures.

Attachment 5 Consultation

In an effort to obtain additional information concerning the availability of ACDBEs and the effects of discrimination on opportunities for ACDBEs, SMAA contacted the following organizations prior to establishing this ACDBE Program:

- Florida Black Business Investment Fund
- Black Owned Business Network
- Gulf Coast Latin Chamber of Commerce
- Florida Women's Business Center
- Manasota SCORE
- Florida Small Business Development Center at USF
- American Rental Car Association
- Airport Minority Advisory Council
- Central & North Florida Minority Supplier Development Council

A summary of the information these stakeholders provided is as follows:

1. Women-owned businesses are a significant component of the ACDBE program as structured by the U.S. DOT. The automotive industry is male dominated and that extends to traditional suppliers of automotive wares. Consequently, ACDBE goods and service providers to the rental car industry are particularly scarce.
2. There is a perception within the potential ACDBE business community that often the possible rewards of certification do not justify the effort involved in obtaining certification.

Attachment 6

Forms for Use in Demonstration of Committed Participation and Good Faith Efforts

FORM 1: AIRPORT CONCESSION DISADVANTAGED 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: _____

State Registration No. _____

By _____ Title _____
(Signature)

FORM 2: LETTER OF INTENT & AFFIRMATION

Name of bidder/offeror's firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Name of ACDBE firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

Description of work to be performed by ACDBE firm:

The bidder/offeror 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 contract for the estimated dollar value as stated above.

By _____
(Signature) (Title)

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

(Submit this page for each ACDBE subcontractor.)