

***El Paso International Airport  
FY 2019-FY2021 ACDBE Goal***

EPIA's overall goal for concessions other than car rental during the period beginning October 1, 2018 and ending September 30, 2021 is the following: **6%** of the total gross receipts for concessions at El Paso International Airport. 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.

Concession opportunities that will be generated during fiscal years 2018 -2021 will be: Specialty Retail, Passenger Services/Business Center, Luggage Cart Services, Advertising, and Massage Chair Concessions. The gross receipts revenue for the past three (3) years for these types of concessions were:

<b>2015</b>	\$693,831
<b>2016</b>	\$912,308
<b>2017</b>	\$1,096,975
<b>3 Year Average</b>	<b>\$901,038</b>

The median year revenue (2016) was **\$912,308**. We are aware that 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, EPIA will submit an appropriate adjustment to the overall goal. This will be submitted to FAA for approval at least 6 months before executing the new concession agreement. (23.45(i)).

EPIA has determined that its market area is statewide, Texas. This is the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and the geographical area in which the firms receive a substantial majority of concessions related revenues are located.

**Methodology used to Calculate Overall Goal**

**Goods and Services**

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

**Management Contract or Subcontract**

We can meet the percentage goal by including any business operated through a management contract or subcontract with an ACDBE. We, and the businesses at the airport, will add the dollar amount of a management contract or subcontract with an ACDBE to the total participation by ACDBEs in airport concessions (both the numerator AND the denominator) and to the base from which the airport’s percentage goal is calculated. However, the dollar amount of a management contract or subcontract with a non-ACDBE and the gross revenue of business activities to which the management contract or subcontract pertains will not be added to this base in either the numerator or denominator.

**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:

Option 1:

Ready, willing, and able non-car rental ACDBEs in the market area (State of Texas)

Base figure = \_\_\_\_\_

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

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

<https://txdot.txdotcms.com/FrontEnd/VendorSearchPublic.asp?TN=txdot&XID=2340>

<b>NAICS</b>	<b>Type of Work</b>	<b>Total ACDBE's Statewide</b>	<b>Total All Firms</b>
453220	Gift, Novelty and Souvenir Stores	29	1,560
522220	Sales Financing	0	365
812199	Other Personal Care Services	1	1,297
<b>Total</b>		<b>30</b>	<b>3,222</b>

The data source or demonstrable evidence used to derive the denominator was U.S. Census Business Builder database:

<https://cbb.census.gov/sbe/#>

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

**Show the calculation here.**  $30/3,222 = 0.01$

**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 base figure in order to arrive at the overall goal.

In order to reflect as accurately as possible the ACDBE participation we would expect in the absence of discrimination we have adjusted our base figure by **5%**. Our overall goal for non-car rental concessions is **6%**.

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

**Step 2. Analysis:**

- a. El Paso International Airport (EPIA) researched its market area for any disparity studies that may have been conducted in the last 7 years and found none. EPIA contacted TXDOT, the City of El Paso Purchasing Department, and searched the Internet for disparity studies conducted within El Paso County. Because there was no evidence found of any disparity studies having been conducted, EPIA did not adjust the ACDBE goal for this factor.
- b. Due to the relative distance of El Paso, Texas, to other cities of similar size, the vast majority of contractors who submit bids are not certified as ACDBE’s, but are certified as Historically Underutilized Businesses (HUBs), Women-Owned Businesses (WOBs) or Minority-Owned Businesses (MOBs). EPIA contacted TXDOT and the City of El Paso Purchasing Department. Additionally, EPIA staff firmly believes that cultural issues associated with Hispanics, who make up over 82% of El Paso County’s population, affect the number of ACDBEs in El Paso. Hispanics tend to be extremely private when it comes to business matters, and are not as willing to open up their companies’ books for review, as required for ACDBE certification. Because there were no quantitative studies done to determine the ratio of certified ACDBEs relative to the availability of HUBs, WOBs, and/or MOBs, EPIA did not adjust the ACDBE goal for this factor.
- c. The historic overall ACDBE goals accomplishments at El Paso International Airport for the past three years are noted in the table below:

<b>Fiscal Year</b>	<b>Goal</b>	<b>Accomplishments</b>
2015	2%	7.36%
2016	6%	7.87%
2017	7%	10.76

← Median figure

The median percentage of accomplishments for all similar projects over recent years is 7.87%. When we compare this median with the proposed base figure for FY-2016-2018, we determine

that we will need to adjust the overall figure by 4%; accordingly, the figure will be adjusted to 6%  $((4 + 7.87)2 = 5.935$ , or to be more just, 6%).

### **Consultation with Stakeholders (23.43)**

Consultations were held with pre-proposal and pre-bid meetings open to the public. At that time comments and questions were taken and addressed. Among those attending these meetings were consulting firms, general contractors, prime contractors, and government entities. Examples of questions posed were:

- How do we become ACDBE certified?
- Who does the certifying?
- Where do we send the paperwork?
- What is the turnaround time for ACDBE certification?

Firms are directed to the UCP (TXDOT) and given phone numbers, websites and information about certification. Examples of information given:

- Certification has an estimated 90 day turnaround time
- DBE application can be found at:  
<https://txdot.txdotcms.com/FrontEnd/StartCertification.asp?TN=txdot&XID=42>
- FAA contact is:  
  
Dolores P. Leyva  
Compliance Specialist  
Office of Civil Rights – ACR-4  
Federal Aviation Administration  
15000 Aviation Blvd., Lawndale, CA 90261
- Phone number for Dolores Leyva is 310-725-3939
- Copy of RFP Directory (See Attachment A)

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

### **Section 23.51**

EPIA will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. EPIA uses the following race-neutral measures to increase ACDBE participation. We understand that we 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. 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

EPIA will meet the maximum feasible portion of its overall goal by using RN means of facilitating DBE participation.

1. All bid proposals and bid packets issued by the City of El Paso for El Paso International Airport include the ACDBE goal and certification information.
2. Contractors are notified at pre-proposal and pre-bid meetings that the El Paso International Airport is a partner of the Texas Unified Certification Program, and that certification by TXDOT ensures certification for EPIA.
3. El Paso International Airport will participate in any local workshops, held in conjunction with TXDOT and other local agencies that promote the utilization of ACDBEs, HUBs, MOBs, and/or WOBs on contracts.

EPIA estimates that in meeting its overall goal of 6%, it will obtain 6% from RN participation and 0% through RC measures. Looking at our past accomplishments, and observing that historically we have met our goals, EPIA arrived at this breakdown.

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.

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

***Car Rental Revenues: \$43,414,423***

***DBE dollars available: \$434,144***

EPIA's overall goal for car rentals during the period beginning October 1, 2019 and ending September 30, 2021 is the following: 1% of the total gross receipts of car rental operations at El Paso International Airport.

The concession opportunities anticipated during this goal period are: car rental concessions with estimated gross receipts revenue of **\$43,414,423**. If a new car rental 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, EPIA will submit an appropriate adjustment to the overall goal. This will be submitted to FAA for approval at least 6 months before executing the new concession agreement. (23.45(i)).

EPIA has determined that its market area is statewide, Texas. This is the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and the geographical area in which the firms receive a substantial majority of concessions related revenues are located.

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

#### Option 1:

$$\text{Base figure} = \frac{\text{Ready, willing, and able car rental ACDBEs in the market area}}{\text{All ready, willing and able car rental firms in the market area}}$$

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

<https://txdot.txdotcms.com/FrontEnd/VendorSearchPublic.asp?TN=txdot&XID=2340>

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

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

<b>NAICS</b>	<b>Type of Work</b>	<b>Total DBE's Statewide</b>	<b>Total All Firms</b>
336111	Automobile Manufacturing	0	8
336112	Light Truck & Utility Vehicle Manufacturing	0	3
336211	Motor Vehicle Body Manufacturing	0	45
336340	Motor Vehicle Brake System Manufacturing	0	6



336350	Motor Vehicle Transmission and Power Train Parts Manufacturing	0	21
336360	Motor Vehicle Seating and Interior Trim Manufacturing	0	21
336370	Motor Vehicle Metal Stamping	0	19
423110	Automobile and Other Motor Vehicle Merchant Wholesalers	1	526
423120	Motor Vehicle Supplies and New Parts Merchant Wholesalers	0	992
423130	Tire and Tube Merchant Wholesalers	0	240
441110	New Car Dealer	0	1563
441228	Motorcycles, ATV, and all other Motor Vehicle Dealers	0	516
441320	Tire Dealers	2	1780
488410	Motor Vehicle Towing	1	730
488490	Other Support Activities for Road Transportation	3	218
488510	Freight Transportation Arrangement	12	2449
488999	All Other Support Activities for Transportation	7	2016
532111	Passenger Car Rental	1	932
532112	Passenger Car Leasing	1	53
811111	General Automotive Repair	10	5350
811112	Automotive Exhaust System Repair	0	141
811113	Automotive Transmission Repair	0	382
811118	Other Automotive Mechanical and Electrical Repair and Maintenance	1	384
811121	Automotive Body, Paint, and Interior Repair and Maintenance	4	2125
811122	Automotive Glass Replacement Shops	0	2784
811191	Automotive Oil Change and Lubrication Shops	0	981
811198	All Other Automotive Repair and Maintenance	5	384
<b>Total</b>		<b>48</b>	<b>24,669</b>

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

***The calculation is shown here 48/24,669 = .0019 = .1%***

**Step 2. Analysis (23.51d):**

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

In order to reflect as accurately as possible the ACDBE participation we would expect in the absence of discrimination we have adjusted our base figure by .1%. We will round up to the nearest whole number, therefore our overall goal for car rental concessions is 1%

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

- a. El Paso International Airport (EPIA) researched its market area for any disparity studies that may have been conducted in the last 7 years and found none. EPIA contacted TXDOT, the City of El Paso Purchasing Department, and searched the Internet for disparity studies conducted within El Paso County. Because there was no evidence found of any disparity studies having been conducted, EPIA did not adjust the ACDBE goal for this factor.
- b. Due to the relative distance of El Paso, Texas, to other cities of similar size, the vast majority of contractors who submit bids are not certified as ACDBE’s, but are certified as Historically Underutilized Businesses (HUBs), Women-Owned Businesses (WOBs) or Minority-Owned Businesses (MOBs). EPIA contacted TXDOT and the City of El Paso Purchasing Department. Additionally, EPIA staff firmly believes that cultural issues associated with Hispanics, who make up 82% of El Paso’s population, affect the number of ACDBEs in El Paso. Hispanics tend to be extremely private when it comes to business matters, and are not as willing to open up their companies’ books for review, as required for ACDBE certification. Because there were no quantitative studies done to determine the ratio of certified ACDBEs relative to the availability of HUBs, WOBs, and/or MOBs, EPIA did not adjust the ACDBE goal for this factor.
- c. The historic overall ACDBE goals accomplishments at El Paso International Airport for the past three years are noted in the table below:

Fiscal Year	Goal	Accomplishments
2015	0%	0.48%
2016	1%	0.84%
2017	1%	0%

← Median

The median percentage of accomplishments for all similar projects over recent years is **0.84%**. When we compare this median with the proposed base figure for FY-2016, we determine that our adjusted overall, revised goal is rounded up to **1%**. We will not adjust with zero participation for the median, rather we will revise to 1% to aim for participation.

### **Consultation with Stakeholders (23.43)**

Consultations were handled with pre-proposal and pre-bid meetings open to the public. At that time comments and questions were taken and addressed. Among those attending these meetings were consulting firms, general contractors, prime contractors, and government entities. Examples of questions posed were:

- How do we become ACDBE certified?
- Who does the certifying?
- Where do we send the paperwork?
- What is the turnaround time for ACDBE certification?

Firms are directed to the UCP (TXDOT) and FAA and given phone numbers, websites and information about certification. Examples of information given:

- Certification has an estimated 90 day turnaround time
- DBE application can be found at:  
<https://txdot.txdotcms.com/FrontEnd/StartCertification.asp?TN=txdot&XID=42>
- FAA contact is:
- Dolores P. Leyva  
Compliance Specialist  
Office of Civil Rights – ACR-4  
Federal Aviation Administration  
15000 Aviation Blvd., Lawndale, CA 90261
- Phone number for Dolores Leyva is 310-725-3939

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

### **Section 23.51**

EPIA will meet the maximum feasible portion of its overall goal by using race-conscious means of facilitating ACDBE participation. The El Paso International Airport uses the following race-neutral means to increase ACDBE participation:

1. Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23;
2. Notifying ACDBEs of concession opportunities and encouraging them to compete, when appropriate;
3. When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs;
4. 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

We estimate that, in meeting our overall goal of 1%, we will obtain 0% from race-neutral participation and 1% through race-conscious measures.

The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious ACDBE participation:

Looking at our accomplishments, and observing that in the past 2 goal-cycles (6 years) we met our goals only once, EPIA arrived at the 1% breakdown. Due to El Paso's geographic location and its considerable isolation from the rest of the large cities within Texas, it is difficult to receive bids from DBEs who are willing to travel the distance.

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. All bid proposals and bid packets issued by the City of El Paso for El Paso International Airport include the ACDBE goal and certification information.
2. Contractors are notified at pre-proposal and pre-bid meetings that the El Paso International Airport is a partner of the Texas Unified Certification Program, and that certification by TXDOT ensures certification for EPIA.
3. El Paso International Airport will participate in any local workshops, held in conjunction with TXDOT and other local agencies that promote the utilization of ACDBEs, HUBs, MOBs, and/or WOBs on contracts.

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.