

**PROPOSED DBE OVERALL CONCESSION GOALS**

**2007 – 2009  
Palm Springs International Airport  
Palm Springs, California**

Airport Sponsor: City of Palm Springs, CA

Goal Period:

FY 2007 From: October 1, 2006  
Thru: September 30, 2007

FY 2008 From: October 1, 2007  
Thru: September 30, 2008

FY 2009 From: October 1, 2008  
Thru: September 30, 2009

DBE Goal for Car Rental Concessions:	FY 2007:	0.0%
	FY 2008:	0.0%
	FY 2009:	0.0%

DBE Goal for Terminal Concessions:	FY 2007:	4.0%
	FY 2008:	4.0%
	FY 2009:	4.0%

Palm Springs International Airport  
 Concession Leasing Goals  
 Goal Period: From 10/1/06 through 9/30/07

Concessionaire	Contract	Lease Commencement Date	Lease Expiration Date	Estimated Gross Revenues	Estimated DBE Gross Revenues	DBE %	% Joint Venture
Airport Displays	Advertising	01/01/99	12/31/09	\$520,000			
Anton's Airfoods	Food & Beverage	11/01/99	10/31/09	\$2,912,000			
Courtesy Vending	Vending	05/01/02	06/30/06	\$79,040			
To Be Determined (TBD)	Specialty Retail	TBD	TBD	\$192,400	\$192,400	100.0%	
Q3 Telecom	Public Payphones/Wifi	10/21/03	11/01/08	\$78,000	\$78,000	100.0%	
Palm Desert National Bank	ATM	01/04/06	01/03/09	\$37,440			
The Paradies Shops	Gift/News/Retail	10/20/99	10/19/09	\$3,016,000			
<b>Total Concessions (Excluding Rental Cars)</b>				<b>\$6,834,880</b>	<b>\$270,400</b>	<b>4.0%</b>	<b>0.0%</b>
Avis	Rental Cars	07/01/06	06/30/09	\$6,656,000			
Budget	Rental Cars	07/01/06	06/30/09	\$5,720,000			
Dollar/Thrifty	Rental Cars	07/01/06	06/30/09	\$4,492,800			
Enterprise	Rental Cars	07/01/06	06/30/09	\$3,536,000			
Hertz	Rental Cars	07/01/06	06/30/09	\$11,336,000			
Vanguard (National & Alamo)	Rental Cars	07/01/06	06/30/09	\$7,384,000			
Eagle Rider	Rental Motorcycles	07/01/06	06/30/09	\$168,480			
<b>Total Rental Cars</b>				<b>\$39,293,280</b>	<b>\$0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Total Concessions</b>				<b>\$46,128,160</b>	<b>\$270,400</b>	<b>0.6%</b>	<b>0.0%</b>

Palm Springs International Airport  
 Concession Leasing Goals  
 Goal Period: From 10/1/07 through 9/30/08

Concessionaire	Contract	Lease Commencement Date	Lease Expiration Date	Estimated Gross Revenues	Estimated DBE Gross Revenues	DBE %	% Joint Venture
Airport Displays	Advertising	01/01/99	12/31/09	\$540,800			
Anton's Airfoods	Food & Beverage	11/01/99	10/31/09	\$3,028,480			
Courtesy Vending	Vending	05/01/02	06/30/06	\$82,202			
Eva's	Specialty Retail	TBD	TBD	\$200,096	\$200,096	100.0%	
Q3 Telecom	Public Payphones/Wifi	10/21/03	11/01/08	\$81,120	\$81,120	100.0%	
Palm Desert National Bank	ATM	01/04/06	01/03/09	\$38,938			
The Paradies Shops	Gift/News/Retail	10/20/99	10/19/09	\$3,136,640			
<b>Total Concessions (Excluding Rental Cars)</b>				<b>\$7,108,276</b>	<b>\$281,216</b>	<b>4.0%</b>	<b>0.0%</b>
Avis	Rental Cars	07/01/06	06/30/09	\$6,922,240			
Budget	Rental Cars	07/01/06	06/30/09	\$5,948,800			
Dollar/Thrifty	Rental Cars	07/01/06	06/30/09	\$4,672,512			
Enterprise	Rental Cars	07/01/06	06/30/09	\$3,677,440			
Hertz	Rental Cars	07/01/06	06/30/09	\$11,789,440			
Vanguard (National & Alamo)	Rental Cars	07/01/06	06/30/09	\$7,679,360			
Eagle Rider	Rental Motorcycles	07/01/06	06/30/09	\$175,219			
<b>Total Rental Cars</b>				<b>\$40,865,011</b>	<b>\$0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Total Concessions</b>				<b>\$47,973,287</b>	<b>\$281,216</b>	<b>0.6%</b>	<b>0.0%</b>

Palm Springs International Airport  
 Concession Leasing Goals  
 Goal Period: From 10/1/08 through 9/30/09

Concessionaire	Contract	Lease Commencement Date	Lease Expiration Date	Estimated Gross Revenues	Estimated DBE Gross Revenues	DBE %	% Joint Venture
Airport Displays	Advertising	01/01/99	12/31/09	\$500,000			
Anton's Airfoods	Food & Beverage	11/01/99	10/31/09	\$3,200,000			
Take A Break Vending	Vending	01/01/08	12/31/10	\$20,000			
Eva's	Specialty Retail	7/16/06	Month to Month	\$240,000	\$240,000	100.0%	
Fluid Images	Advertising	5/1/07	12/31/09	\$45,000			
Q3 Telecom	Public Payphones/Wifi	10/21/03	11/01/08 (5 one-yr options)	\$50,000	\$50,000	100.0%	
Palm Desert National Bank	ATM	01/04/06	01/03/09 (2 one-yr options)	\$40,000			
The Paradies Shops	Gift/News/Retail	10/20/99	10/19/09	\$3,200,000			
<b>Total Concessions (Excluding Rental Cars)</b>				<b>\$7,295,000</b>	<b>\$290,000</b>	<b>4.0%</b>	<b>0.0%</b>
Avis	Rental Cars	07/01/06	06/30/09	\$7,100,000			
Budget	Rental Cars	07/01/06	06/30/09	\$6,300,000			
Dollar/Thrifty	Rental Cars	07/01/06	06/30/09	\$5,700,000			
Enterprise	Rental Cars	07/01/06	06/30/09	\$4,400,000			
Hertz	Rental Cars	07/01/06	06/30/09	\$13,000,000			
Vanguard (National & Alamo)	Rental Cars	07/01/06	06/30/09	\$7,600,000			
Eagle Rider	Rental Motorcycles	07/01/06	06/30/09	\$150,000			
<b>Total Rental Cars (All contracts end June 30, 2009 with 2 one-yr options)</b>				<b>\$44,250,000</b>	<b>\$0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Total Concessions</b>				<b>\$51,545,000</b>	<b>\$290,000</b>	<b>0.6%</b>	<b>0.0%</b>

## OVERALL GOAL METHODOLOGY FY 2007-2009

Palm Springs International Airport DBE Concession Goals for fiscal years 2007-2009 have been set for each concession contract as follows:

**Advertising** - The contract is currently operated by Airport Displays and does not have a provision for DBE participation. The contract does not expire during the three-year goal period, therefore gross revenues have been projected without DBE participation for the next three years. It should be noted that we anticipate awarding a non-exclusive, short-term (3 years), sole source contract for a specialty advertising test project during fiscal year 2006. The contract will be sole source because the equipment to be utilized for the test is only available from a single vendor. The gross revenue potential is unknown at this time. If the test is successful and the project is continued, we will proceed with the necessary study for determining a DBE goal. This test does not affect the existing contract with Airport Displays. The Advertising revenue is projected to decrease during a terminal rehabilitation project in FY 09.

**Food/Beverage** - The Food/Beverage contract was operated by Anton's Airfoods under a contract that commenced in November 1999. Anton's was bought out by HMS Host and the lease has been assigned to them. The contract will expire on October 31, 2009. Since the expiration date is not during this three-year goal period, we have projected sales without DBE participation for this goal period.

**Courtesy Vending** – The vending contract will expire 06/30/2007. We will award this contract during this goal period, however since the contract is small, there is not a viable opportunity for subcontracting, therefore we do not plan to set a DBE goal for this project. The new contract for less vending machines was awarded to Take A Break Services. The reduced estimated revenue did not justify a contract goal.

**Specialty Retail (Eva's)** – A small cart selling specialty retail items is currently operated under a month-to-month agreement with Eva's Enterprises. We are considering including this operation under separate Retail/Gift/News Contract and perhaps expanding the operation from a cart to a kiosk. We anticipate a decision in this matter will be made in the first or second quarter of 2009 and is contingent upon some reconfiguration of terminal space. In any scenario under consideration, it is our intent to maintain DBE participation in the retail business at the airport. We have, therefore, projected gross revenues for this operation to continue to be generated by a DBE for the duration of this goal period.

**Public Payphones/Wifi** - This contract is currently operated by Q3 Telecom, a certified DBE. The contract will expire in November 2008. However there are five one-year option periods possible. If all of the options are not exercised we will undertake setting a goal for this project before it goes out to bid. The Wi Fi portion of the contract may be eliminated in FY 09.

**ATM** – There is currently one ATM operator at the airport, Palm Desert National Bank. There is no DBE participation in this contract and the contract expires in January 2009.

However, there are two one-year options that may be exercised. Therefore, we have projected gross revenues for the three-year goal period without DBE participation.

Gift/News/Retail - The Gift/News/Retail contract has been operated by the Paradies Shops since 1999. The contract does not have a DBE participation goal and will not expire during this three-year goal period. Therefore, we have projected sales without DBE participation for this goal period. In the event that the Specialty Retail cart is added as a facility under this contract, we will undertake setting a goal for the contract.

Rental Cars – There are currently 6 rental car companies and one motorcycle rental company operating at Palm Springs International Airport. The contracts for these 7 companies expire in June 2009. However, there are two one-year options that may be exercised. We intend to pursue the collection of information and data relating to purchasing of goods and services and DBE availability for car rental opportunities during this period in order to be prepared to set goals for these concessions when the contract comes to an end.