

# Overall Goal Calculation for Car Rental Concessions FY 2023-25

Name of Recipient: **Yampa Valley Regional Airport**

Goal Period: **FY 2023-25 (10/1/2022 through 9/30/2025)**

Overall Three-Year Goal: **2.7%, to be accomplished through 2.7% Race Conscious and 0.0% Race Neutral**

## **Goal Based on Goods and Services Purchases - Determination**

Upon review of the market, it appears that all or most of the goal is likely to be met through the purchases by car rental companies of vehicles or other goods/services from ACDBEs. This is due to the fact that no certified ACDBE car rental companies exist within the market. As such, Yampa Valley Regional Airport has structured the goal entirely in terms of the purchases of goods and services.

We determined the goal based on outreach for the purchases of goods and services from certified ACDBE firms and/or potential ACDBE firms in the market area. This basis is in lieu of a goal based upon a percentage of total gross receipts of car rental operations at the airport. We will make a good faith effort to pursue opportunities to meet the goods and services goal. We will continue to consult and work with the State DOT & UCP, our car rental concessionaires at the airport, similarly situated airports in our region, minority and women businesses in the State, minority serving institutions, local pro-business organizations, and targeted media publications to find prospective ACDBE firms. We will work with our car rental companies to strategize outreach to State DOT & UCP certified ACDBEs that may be able to provide car rental goods and services, to encourage current vendors who may be eligible for ACDBE certification to apply, and to encourage firms already working at the airport but certified as ACDBE in other states, to apply via the interstate certification process. The State DOT & UCP is aware of this requirement and is on board to assist and process certifications as required by 49 CFR Subpart C.

We have the following car rental agencies operating at the airport: Avis-Budget and Hertz.

After collaboration and discussion with Yampa Valley Regional Airport, car rental company concessionaires at the airport stated that the goods and services they may need in the goal period are: insurance activities.

## **Market Area**

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

Yampa Valley Regional Airport has determined that its market area is the entire State of Colorado.

## **Base of the goal**

To calculate the base of the goal, Yampa Valley Regional Airport considered the previous 3 years of car rental expenditures/purchases and the projected potential car rental expenditures/purchases three years into the future.

Car Rental Companies Goods and Services Purchases for Previous 3 Years

Year	Car Rental Companies Goods and Services Purchases	Increase/Decrease
2020	\$71,595	
2021	\$97,364	36%
2022	\$148,292	52%
	Average Increase:	44%

Yampa Valley Regional Airport estimates expenditures will grow by an average of 3% each year over the next three years due to The airport is expected to see increased passenger traffic over the next several years due to increased aircraft size and frequency. It is expected that the rental car companies will continue with steady gross revenues and therefore be able to cover the projected increase in gross domestic products of 3% per year..

Year	Annual Growth / Reduction Estimate	Annual Gross Receipts Estimate
2023	3%	\$152,741
2024	3%	\$157,323
2025	3%	\$162,043
Three-Year Total Gross Receipts:		\$472,106
Average Annual Growth Rate:		3%

\$152,741 + \$157,323 + \$162,043 = **\$472,106** which is the recipient's base of goal for car rental goods and services purchases.

The following are not included in this base: (a) non-car rental operations.

If a new concession opportunity arises prior to the end of this goal period and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, the Yampa Valley Regional Airport will submit to the FAA an appropriate adjustment to the overall goal. This will be submitted to FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity. (23.45(i))

### **Step 1 - Actual Relative Availability of ACDBEs - \$23.51 (c)**

We determined the base figure for the relative availability of ACDBEs for car rental goods and services purchases. The base figure was calculated as follows:

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

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

The data source(s) used in the calculation included:

- State UCP Data showing the number of ACDBEs that are certified within the market area (<https://coucp.dbesysystem.com/>)

The calculation and explanation for this is as follows:

Concession Activity	NAICS	# ACDBE Certified Firms	# Total Firms	% Availability
---------------------	-------	-------------------------	---------------	----------------

Auto Parts	423120	5	180	2.8%
General Auto Repair	811111	3	1537	0.2%
Insurance, Insurance Training, Insurance Marketing	524210	1	3228	0.0%
Locksmith	561622	1	92	1.1%
Petroleum	424720	4	55	7.3%
Printing	323111	20	407	4.9%
Average ACDBE Availability:				2.7%

When we calculated the average availability we arrived at the Step 1 base figure for our overall goal for car rental concessions of **2.7%**.

## **Step 2 Adjustment**

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. There is not enough historical data on ACDBE participation is available to reference to make an adjustment to the Step 1 base figure; therefore, Yampa Valley Regional Airport is adopting the Step 1 base figure of **2.7%** as the overall goal for this three-year goal period (FY 2023-25).

## **Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation**

Yampa Valley Regional Airport will make every reasonable effort to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The airport will use the following race-neutral measures.

We understand that we will be expected to actually take these steps, and this is not merely a paper exercise.

- Locate and identify ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23
- Notify ACDBEs of concession opportunities and encouraging them to compete, when appropriate
- When practical, structure concession activities so as to encourage and facilitate the participation of ACDBEs
- Provide technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing
- Ensure that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process
- Provide information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation

If race-neutral measures, standing alone, are not sufficient to meet an overall goal, the following race-conscious measures will be used to meet the overall goal:

- There will be no ACDBE concession goals.

Yampa Valley Regional Airport estimates that, in meeting the overall goal of 2.7%, it will obtain 0.0% from race-neutral participation and 2.7% through race-conscious measures. The reason for the breakout is that Yampa Valley Regional Airport has not been able to achieve its goal in recent past years and will use ACDBE concession goals to achieve this goal.

- ACDBE participation on concession leases that did not have ACDBE requirements including ACDBE goals.
- [Yampa Valley Regional Airport 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 2.7% to race-conscious participation.

In order to ensure that Yampa Valley Regional Airport's ACDBE program will be narrowly tailored to overcome the effects of discrimination, if concession specific goals are used, Airport will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation and race-neutral and race-conscious participation will be tracked 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.

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

## **Consultation**

Yampa Valley Regional Airport routinely meets with stakeholders in an effort to increase ACDBE participation. Stakeholders consulted included minority and women's business groups, community organizations, trade associations representing concessionaires currently located at the airport, as well as existing concessionaires themselves, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the sponsor's efforts to increase participation of ACDBEs.

Specifically, Yampa Valley Regional Airport consulted with: TBD. The consultation was done by video conference.

The following comments were received during the course of the consultation: TBD