

FY 2022-2024 Airport Concession DBE Goal Methodology
(Car Rental Concessions)
for



With Assistance From



May 2021

METHODOLOGY for Establishing the FY 2022 – FY 2024 RENTAL CAR Airport Concession Disadvantaged Business Enterprise (ACDBE) Goal for:

Savannah Hilton Head International Airport, Savannah, GA (49 CFR Part 23)

In fulfillment of the requirements of 49 CFR Part 23, the Savannah Airport Commission has developed a proposed Overall Goal for FY 2022 – FY 2024 for Car Rentals Concessions.

General Information:

Airport Sponsor: **Savannah Airport Commission**

Airport: **Savannah Hilton Head International Airport**

DBELO: **Dawoud Stevenson**
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Savannah Airport Commission
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I. Amount of Goal

The Savannah Airport Commission’s overall car rental goal for the period beginning October 1, 2021 and ending September 30, 2024 is the following:

Overall Goal:	<u>2.0%</u>
Race-Neutral:	<u>0.9%</u>
Race-Conscious:	<u>1.1%</u>

The base of the goal will be the total purchases of goods and services for car rental operations at the Airport.

There are new car rental concession opportunities anticipated for this time period. If additional car rental concession opportunities arise 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 Airport Commission will submit an appropriate adjustment to the overall goal. This will be submitted to the FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity (23.45(i)).

Table 1: Car Rental Lease Dates

Concession Type	Concession	Contract Start Date	Contract End Date
Alamo/National Car Rental	Car Rental	May 1, 2014	April 30, 2039
Avis/Budget Rent A Car	Car Rental	May 1, 2014	April 30, 2039
Dollar/Thrifty Rent A Car	Car Rental	May 1, 2014	April 30, 2039
Enterprise Rent A Car	Car Rental	May 1, 2014	April 30, 2039
Hertz Corporation	Car Rental	May 1, 2014	April 30, 2039
Payless Car Rental	Car Rental	May 1, 2014	April 30, 2039

Source: Airport; compiled by KWA

A. Projected Concessions Revenue: October 1, 2022 - September 20, 2024

ACDBE opportunity for the 3-year period will be the total expenditures on goods/services by car rental operations at the Airport during the goal period. The projected dollar value of goods/services expenditures will increase 3% a year over the next 3-years compared with FY 2020 expenditures of **\$315,886**. The projected expenditures over the goal period is **\$1,005,663**.

Table 2: Goods & Services Expenditures

Report Period	Projected Expenditures
FY 2022	\$325,363
FY 2023	\$335,123
FY 2024	\$345,177
Total	\$1,005,663

Source: Airport; compiled by KWA

B. Determination of Market area

The market area is defined by the geographical area in which the substantial majority of firms which seek to do concessions business with the car rental companies are located and the geographical area in which the firms which receive the substantial majority of car rental related revenues are located.

The Airport Commission believes that, although firms that are currently doing business with the airport are located nationally, Airport Concession Disadvantaged Business Enterprises (ACDBE) that would participate would be more local, especially for the purchase of goods and services. Therefore, the Airport Commission is proposing to use the state of Georgia as its market area.

II. Methodology used to Calculate Overall Goal

A. Goods and Services

The Airport Commission can meet the percentage goal by including the purchase from ACDBEs of goods and services used in business 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.

B. Management Contract or Subcontract

The Airport Commission can meet the percentage goal by including any business operated through a management contract or subcontract with an ACDBE. The Airport Commission, 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.

C. Step 1: 23.51 (c)

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

The Step 1 DBE Base Figure was determined by dividing the number of ACDBE firms available by the total number of firms available to determine the relative availability of ACDBEs as indicated in **Table 3** below.

Table 3: Determination of Relative Availability of ACDBEs (Car Rental)

Concession Type	NAICS	ACDBEs	All Firms	Percent
Motor Vehicle Supplies	423120	230	11211	2.1%
Car Dealer	441110			
Tire Dealers	441320			
Insurance	524210			
Janitorial	561720			
Auto Repair	811111			
Auto Body Repair	811121			
Car Washes	811192			

Sources:

1. Georgia UCP DBE Directory, April 2021.
2. US Census Bureau, 2018 County Business Patterns.

The Step 1 base goal for car rental ACDBEs is **2.1%**.

D. Step 2: 23.51(d)

After calculating a base figure of the relative availability of ACDBEs, the Airport Commission examined evidence to determine whether or not the base figure needs to be adjusted in order to arrive at the overall goal.

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

1. **Past participation** – The Airport Commission evaluated the current capacity of ACDBEs to perform work in car-rental concessions program by measuring the volume of work ACDBEs have performed in the past.

Specifically, the annual “Uniform Report of ACDBE Participation” for the reporting periods listed below was assessed. Notice the annual ACDBE percent accomplishment for each year, and the median for the periods reported.

**Table 4: Savannah Hilton-Head ACDBE
Accomplishments for FY 2018-FY 2020**

Report Period	ACDBE Goal	ACDBE % Achieved	Achieved Over/Under
FY 2018	0.0%	0.9%	0.9%
FY 2019	1.9%	1.9%	0.0%
FY 2020	1.9%	7.0%	5.1%
Median	1.9%	1.9%	0.9%

Source: Uniform Report of ACDBE Participation, Savannah Hilton Head International Airport

The median ACDBE accomplishment for the reporting periods as shown above is **1.9%**, compared to the Step 1 DBE base figure for the airport of **2.1%**.

Note: There is no goal document submitted for FYs 2016-2018. Therefore the report for 2018 displays 0% goals.

E. Adjustment of the Step 1 Base Figure

The Airport Commission will adjust the base figure with the median past participation indicated in Table 4. The step 1 goal of **2.1%** was averaged with the median past participation of **1.9%** for a car rental concessions goal of **2.0%**.

III. Consultation with Stakeholders (23.43)

Before establishing the ACDBE **Car Rental** goal, the Airport provided opportunity for consultation with small, minority and women-owned business development organizations including current airport concessionaires. The opportunity was not limited to these persons or groups. The intent and purpose were to attempt to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the Airport’s efforts to establish a level playing field for the participation of ACDBEs. *Prior to submitting this new goal to the FAA Civil Rights office, the Airport conducted virtual stakeholder meetings on May 11, 2021 via GoToWebinar. Questions and answers from the meetings are provided as an attachment to this document.*

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

The Airport Commission will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Airport Commission uses the race-neutral measures listed below to increase ACDBE participation. The Airport Commission understands that it 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.

The Airport Commission proposes a race-conscious goal of **1.1%** and a race-neutral goal of **0.9%, for a total of 2.0%**. The reason for this projected split is that the median amount by which the Airport Commission achieved its goals over the preceding three (3) year period as shown in Table 4 is **0.9%**.

If the Airport Commission projects that race-neutral measures, standing alone, are not sufficient to meet an overall goal, it will use the following race-conscious measures to meet the overall goal:

1. Establish concession-specific goals for particular concession opportunities;
2. Negotiate with potential concessionaires to include ACDBE participation through purchases of goods and service in the operation of the concession; and
3. Utilize, with prior FAA approval, other methods that take a competitor's ability to provide ACDBE participation into account in awarding a concession.

In order to ensure that the ACDBE program will be narrowly tailored to overcome the effects of discrimination, if the Airport Commission uses concession-specific goals, it will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and the Airport Commission 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.

The Airport Commission will maintain data separately on ACDBE achievements in those contracts with and without concession-specific goals, respectively.

Resource Documents:

1. Georgia UCP DBE Directory
2. U.S. Census County Business Patterns
3. Uniform Report of DBE Awards or Commitments and Payments

Attachments

**Savannah Hilton Head International Airport
ACDBE PROGRAM
FY 2022-2024 –Overall ACDBE Car Rental Goal
Stakeholder Activities**

Stakeholder Notice, ACDBE

Please join us...

Airport Concession Disadvantaged Business Enterprise Stakeholder Meeting



When: Tuesday, May 11, 2021

Time: 10:30 a.m. – 11:30 a.m. EST

In compliance with the Federal Regulations, 49 CFR Part 23, the Airport Commission is in the process of developing its FY 2022 – FY 2024 3-year Airport Concession Disadvantaged Business Enterprise (ACDBE) program goal updates.

We are soliciting input and feedback from representatives of current concessionaires, minority and women-owned businesses and trade associations, to assist the Airport Commission in the establishment of its ACDBE goals. We invite you to participate in a meeting to discuss the proposed goals, as well as the availability of potential ACDBEs at the Savannah Hilton Head International Airport, the effects of discrimination on opportunities for ACDBEs, and the Airport Commission's effort to increase ACDBE participation. **Although upcoming projects may be discussed at this meeting, this meeting does not involve solicitations for contracting opportunities.**

We sincerely hope that you or your representative will attend this meeting to assist the Airport Commission in our ongoing efforts to implement an effective ACDBE program.

For questions or additional information, please contact Christy Seals at (912) 964-3368 or cseals@flySAV.com.

We will be using GoToWebinar. You can join our session by using a Mac, PC or a mobile device.

[Register Here!](#)

ACDBE Program Consultation Meeting Minutes/Summary-Car Rental Goal

Meeting: Savannah Hilton Head International Airport (SAV)

Date: May 11, 2021

Time: 11:30 a.m. – 11: 30 a.m.

Facilitator: Kenneth Weeden, Ken Weeden and Associates, Inc.

Location: GoToWebinar

In Attendance

Announcements concerning the meeting was emailed to various community stakeholder organizations. Approximately **10** persons attended the ACDBE Stakeholder meeting. A list of meeting attendees is attached.

Summary of Meeting

The meeting was called to order by Mr. Ken Weeden, President of Ken Weeden & Associates, Inc. an independent consultant leading the development of the Savannah Hilton Head International's overall ACDBE Goal for Federal Fiscal Year 2022-2024. Mr. Weeden introduced himself and shared biographical information regarding his extensive background working within the aviation field. Mr. Weeden informed attendees that the ACDBE goal methodology would be presented in two-parts: non-car rental concessions and car rental concessions.

Mr. Weeden began his presentation of the ACDBE goal methodology for non-car rental concessions by providing background information on ACDBE programs, FAA grant conditions and guidelines, program objectives and airport participants. Nikki Jefferies, Compliance Specialist, then proceeded in providing a step-by-step review of the ACDBE goal methodology utilizing a 2-Step process, first for the Non-Car Rental Goal Calculation and Goal Adjustment. After allowing a brief time for Q/A, Nikki proceeded to present the similar 2-step goal development process for the Airport's rental car concessions.

Questions & Answers (Q&A)

The general Q/A session after both presentations, was led by Nikki Jefferies. There were no questions from the attendees. Mr. Dawoud Stevenson, Savannah Hilton Head International Airport's Director of Program Management, Information Technology thanked everyone for attending the meeting. Meeting adjourned.

ACDBE Program Consultation Attendee List

Name	Organization
Barry Crocker	Cyntechs
Terry Lemmons	Workplace Advisory Services
Sharon Mendon	AETC Inc.
Melissa Phillips	Pond & Company
Bruce President	AETC Inc.
Christy Seals	Savannah Airport Commission
Carol Sellers Legasse	Salt Table LLC
Dawoud Stevenson	Savannah Airport Commission
Nikki Jefferies	Ken Weeden & Associates
Kenneth Weeden	Ken Weeden & Associates