

**FY 2025-2027 Airport Concession DBE Goal Methodology
(Car Rental Concessions)
For**



Attachment 6

Overall Goal Calculation for Car Rentals

Name of Recipient: Savannah, Georgia
Savannah/Hilton Head International Airport (SAV)

Goal Period: FFY-2025/2026/2027 October 1, 2024, through September 30, 2027

Overall Three-Year Goal:

2.71%, to be accomplished through 2.71% RC and 0.00% RN

Methodology used to Calculate Overall Goal:

The Airport in conducting this goal-setting process is evaluating the extent, if any, to which the firms in the market area have suffered discrimination or its effects in connection with concession opportunities and related business opportunities.

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 goods and services from ACDBEs. There are no ACDBE rental car companies in the market area. Savannah/Hilton Head International Airport has therefore structured the goal entirely in terms of the purchase of goods and services.

Market Area

Savannah/Hilton Head International Airport has determined that its market area for car rental goods and services is as follows: The state of Georgia, the Nation and Chatham County.

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.

Market Area: The market area was determined utilizing the following information.

| Type of Concession | NAICS Code(s) | County | State | Nationwide |
|------------------------|---------------|--------|-------|------------|
| Motor Vehicle Supplies | 423120 | X | | |
| Car Dealer | 441110 | | | X |
| Tire Dealer | 441320 | X | | |
| Insurance | 524210 | | | X |
| Janitorial | 561720 | X | | |
| Auto Repair | 811111 | | X | |
| Auto Body Repair | 811121 | | X | |
| Car Washes | 811192 | X | | |

Base of Goal

To calculate the base of the goal, Savannah/Hilton Head International Airport considered the previous 3 years of car rental expenditures/purchases and the projected potential car rental expenditures three years into the future, including upcoming new opportunities.

Expenditures for Previous 3 Years - Car Rental

| Fiscal Year | Car Rental Expenditures/Purchases | % Growth |
|-------------|-----------------------------------|----------|
| 2020 | \$4,497,011 | |
| 2021 | \$31,710,542 | 605% |
| 2022 | \$33,851,335 | 6.75% |
| 2023 | \$17,607,191 | -47.99% |

The Savannah/Hilton Head International Airport anticipates a 3% increase in goods and services opportunities over the next three years due to projected increased enplanements. Therefore, the recipient's base is the average goods and services of **\$57,736,371**.

The car rental ACDBE Goods & Services opportunities anticipated during this goal period are Motor Vehicle Supplies, Car Dealer, Tire Dealer, Insurance, Janitorial, Auto Repair, Auto Body Repair and Car Washes with estimated expenditures with ACDBEs of \$17,607,191.00.

Prior year (2023): \$17,607,191 + 3% growth (\$528,216) growth = \$18,135,407 (2024 projected)

(2025) \$18,135,407 + 3% (\$544,062) = \$18,679,469
 (2026) \$18,679,469 + 3% (\$560,384) = \$19,239,853
 (2027) \$19,239,853 + 3% (\$577,196) = \$19,817,049

\$18,679,469+ \$19,239,853+ \$19,817,049= **\$57,736,371** is the recipient’s base of the goal for car rental concessions.

The following are not included in this base: concessions other than car rental.

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, Savannah/Hilton Head International 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.

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. 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:

We determined by dividing the estimated dollar value of such purchases from ACDBEs by the total estimated dollar value of all purchases to be made by car rental companies. Below reflects past history.

The data source used was Georgia DBE/ACDBE UCP DIRECTORY [Oracle BI Interactive Dashboards - UCP Directory \(ga.gov\)](#) and Census Bureau data <https://data.census.gov/>

| Concession Type | NAICS Code | ACDBE Firms | All Firms in Market Area | % of ACDBE Firms that may be available |
|------------------------|-------------------|--------------------|---------------------------------|---|
| Motor Vehicle Supplies | 423120 | 0 | 15 | 0.00% |
| Car Dealer | 441110 | 2 | 21,835 | 0.01% |
| Tire Dealer | 441320 | 0 | 21 | 0.00% |
| Insurance | 524210 | 15 | 135,100 | 0.01% |
| Janitorial | 561720 | 3 | 76 | 3.95% |
| Auto Repair | 811111 | 7 | 2,176 | 0.32% |
| Auto Body Repair | 811121 | 5 | 1,018 | 0.49% |
| Car Washes | 811192 | 0 | 17 | 0.00% |
| Total | | 32 | 160,258 | |

Step 1 = 32/160,258 = 0.02%

When we divided the numerator by the denominator, we arrived at the Step 1 base figure for our overall goal for car rental concessions of: 0.02%

Step 2:

After calculating a base figure of the relative availability of ACDBEs, we examined evidence to determine what adjustment was needed to the Step 1 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 **2.69%**. Our overall goal for non-car rental concessions is **2.71%**.

The data used to determine the adjustment to the base figure was as follows past history.

Past Participation

Data used to determine the adjustment to the base figure was the median of historical ACDBE accomplishments.

| <i>FY</i> | <i>RC</i> | <i>RN</i> | <i>Total Achievement</i> |
|----------------|-----------|-----------|--------------------------|
| | | | |
| 22 | 1.90% | 3.50% | 5.40%* |
| 23 | 1.10% | 9.45% | 10.55% |
| 21 | 1.52% | 0.00% | 1.52% |
| <i>*Median</i> | | | |

To arrive at an overall goal, we added our Step 1 base figure with our Step 2 adjustment figure and then averaged the total arriving at an overall goal of 2.71%. (Step 1 figure of 0.02% plus Step 2 figure of 5.40% = 5.42%, divided by 2 = 2.71%).

The Savannah/Hilton Head International Airport believes this adjusted goal figure will accurately reflect ACDBE car rental concession participation that can be achieved during this 3-year period.

PUBLIC PARTICIPATION

Consultation: Section 23.43.

The goal setting process used by recipients to establish their annual overall goal submitted to the operating administrations for approval includes consultation with minority, women’s and ACDBE community organizations, and other officials or organizations which could be expected to have information concerning the availability of ACDBEs and non-ACDBEs. This consultation process is also intended to gather information concerning the effects of discrimination on opportunities for ACDBEs and establishing a level playing field for the participation of ACDBEs. The stakeholders in invited are as follows: Savannah/Hilton Head International Airport, Taffy Pippin Consulting, Alamo/National Rent a Car, Avis/Budget Rent a Car, Dollar Rent a Car, Thrifty Car Rental, Enterprise Rent a Car, Hertz Rental Car, Payless Car Rental, Sixt Rent a Car. Prior to submitting the ACDBE goal to the FAA the Sponsor consulted with the following stakeholders on September 25, 2024, at approximately 12:30 pm CDT, with no questions or comments received.

| SAVANNAH/HILTON HEAD INTERNATIONAL AIRPORT AGENCIES CONSULTED WITH |
|---|
| Agency/Organization |
| Melanie Freeman, Purchasing Administrator Savannah Airport Commission |
| Christy Dixon, Purchasing Manager Savannah Airport Commission |
| Dawoud Stevenson, Director of Program Management Savannah Airport Commission |
| Meghan Woods, Vice President, Business Development Paradies Lagardere |
| Derek Barker, Marketing Manager IUGIS Construction Corporation |
| John Polites, Facilities Specialist Enterprise / National / Alamo |
| Leila Prioleau, Owner Beads on the Vine |
| Kassidy Jones, Business Advisory Services Manager Small Business Assistant Corporation |
| Derek Martinson Ready Credit Corporation |
| Stephen Douglas HMS Host |
| Taffy Pippin Taffy Pippin Consulting, LLC |
| Clayton Pippin, Planner Taffy Pippin Consulting, LLC |

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

The Savannah/Hilton Head International Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Sponsor uses 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.

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 2.71%, we will obtain 0.00% from race-neutral participation and 2.71% through race-conscious measures.

The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious ACDBE participation based on prior airport history.

| <i>Fiscal Year</i> | <i>ACDBE Goals</i> | | | <i>Accomplishments</i> | | |
|--------------------|--------------------|--------------|--------------|------------------------|--------------|-----------------|
| | <i>RC</i> | <i>RN</i> | <i>Total</i> | <i>RC</i> | <i>RN</i> | <i>Variance</i> |
| <i>2021</i> | <i>1.90%</i> | <i>0.00%</i> | <i>1.90%</i> | <i>1.52%</i> | <i>0.00%</i> | <i>-0.38%</i> |
| <i>2022</i> | <i>1.10%</i> | <i>0.90%</i> | <i>2.00%</i> | <i>1.10%</i> | <i>4.30%</i> | <i>3.40%*</i> |
| <i>2023</i> | <i>1.10%</i> | <i>0.90%</i> | <i>2.00%</i> | <i>1.10%</i> | <i>9.45%</i> | <i>8.55%</i> |
| | <i>*Median</i> | | | | | |

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. We will establish concession-specific goals for particular concession opportunities.
2. We will negotiate with potential concessionaires to include ACDBE participation through direct ownership arrangements or measures, in the operation of the concession.

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 concession 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.