

Overall Goal Calculation for Car Rental Concessions FY 2024-2026

Name of Recipient: **County of Sacramento, Department of Airports**

Name of Airport(s): **Sacramento International Airport (Airport)**

Goal Period: **FY 2024-2026 (10/1/2023 through 9/30/2026)**

Overall Three-Year Goal: **2%, to be accomplished through 2% Race and Gender Neutral (RN) and 0% Race and Gender Conscious (RC) participation.**

Market Area

The Airport has determined that the market area is the State of California. 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.

Goal Based on Goods and Services - 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, the 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 Group, Enterprise Holdings, and Hertz.

After collaboration and discussion with the Airport, car rental company concessionaires at the airport stated that the goods and services they may need in the goal period are: Automobile Parts, Oil Change Services, Office Supplies, Auto Repair Services, Cleaning Services, Insurance Services, and Tires.

Base of the goal

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

Car Rental Companies Goods and Services Purchases for Previous 3 years

Year	Car Rental Good and Services Purchases
2020	\$101,942,444
2021	\$138,053,880
2022	\$113,584,872

The Airport estimates expenditures will grow by an average of 4% each year over the next three years due to increased passenger traffic.

Year	Annual Growth / Reduction Estimate	Car Rental Good and Services Purchases
2024	4%	\$118,127,967
2025	4%	\$122,853,398
2026	4%	\$127,767,533
Three-Year Total Gross Receipts		\$368,748,898
Average Annual Growth Rate		4%

\$118,127,967 + \$122,853,398 + \$127,767,533 = **\$368,748,898** 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, The 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.

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 car rental goods and services ACDBEs in the market area.

Denominator: All ready, willing, and able car rental goods and services concession firms in the market area.

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

1. State UCP Data showing the number of ACDBEs that are certified within the market area California Unified Certification Program (dbesystem.com)
2. Census Bureau Data showing the number of all firms within the market area (<https://data.census.gov/cedsci/>)

The calculation and explanation for this is as follows:

Concession Opportunity	NAICS	# ACDBE Firms	# Total Firms	% Availability
All Other Automotive Repair and Maintenance	811198	9	965	0.9%
Automotive Body, Paint, and Interior	811121	13	4,088	0.3%
Automotive Oil Change	811191	7	701	1.0%
Car Washes	811192	24	2,015	1.2%
Claims Adjusting	524291	9	312	2.9%
General Automotive Repair	811111	18	9,470	0.2%
Insurance Related Activities	524298	19	248	7.7%
Motor Vehicle Supplies and New Parts	423120	12	1,883	0.6%
Motor Vehicle Towing	488410	5	1,193	0.4%
Other Automotive Electrical Repair	811118	5	363	1.4%
Petroleum and Petroleum Products	424720	18	237	7.6%

Tire and Tube Merchant Wholesalers	423130	5	258	1.9%
Child Seats Wholesalers	424330	3	2667	0.1%
Wholesale Office Supplies	424120	16	488	3.3%
Other Services to Buildings	561790	7	1881	0.4%
Total Average ACDBE Availability				2%

When we calculated the average availability, we arrived at the Step 1 base figure for our overall goal for car rental goods and services purchases concessions of **2%**.

Step 2 Adjustment (Did not change the goal)

From Step 1, base figure averaged with historical median:

$(2\% + 2\%) / 2 = 2\%$

Median Past Participation (MPP) 6%, 29%, **2%**, 1%, 1%

Year	Achieved	MPP
FY 2018	6%	
FY 2019	29%	
FY 2020	2%	2%
FY 2021	1%	
FY 2022	1%	

Breakout of Estimated RN and RC Participation

The Airport will make every reasonable effort to meet the maximum feasible portion of its overall goal by using RN means of facilitating ACDBE participation. The Airport will use the following RN measures.

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

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

1. Notify ACDBEs of concession opportunities and encouraging them to compete, when appropriate; and
2. When practical, structure concession activities so as to encourage and facilitate the participation of ACDBEs; and
3. Ensure that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor’s ACDBE program will affect the procurement process; and

4. Provide information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation.

The Airport estimates that, in meeting the overall goal of 2%, it will obtain 100% from RN participation and 0% through RC measures. The County of Sacramento is race and gender neutral.