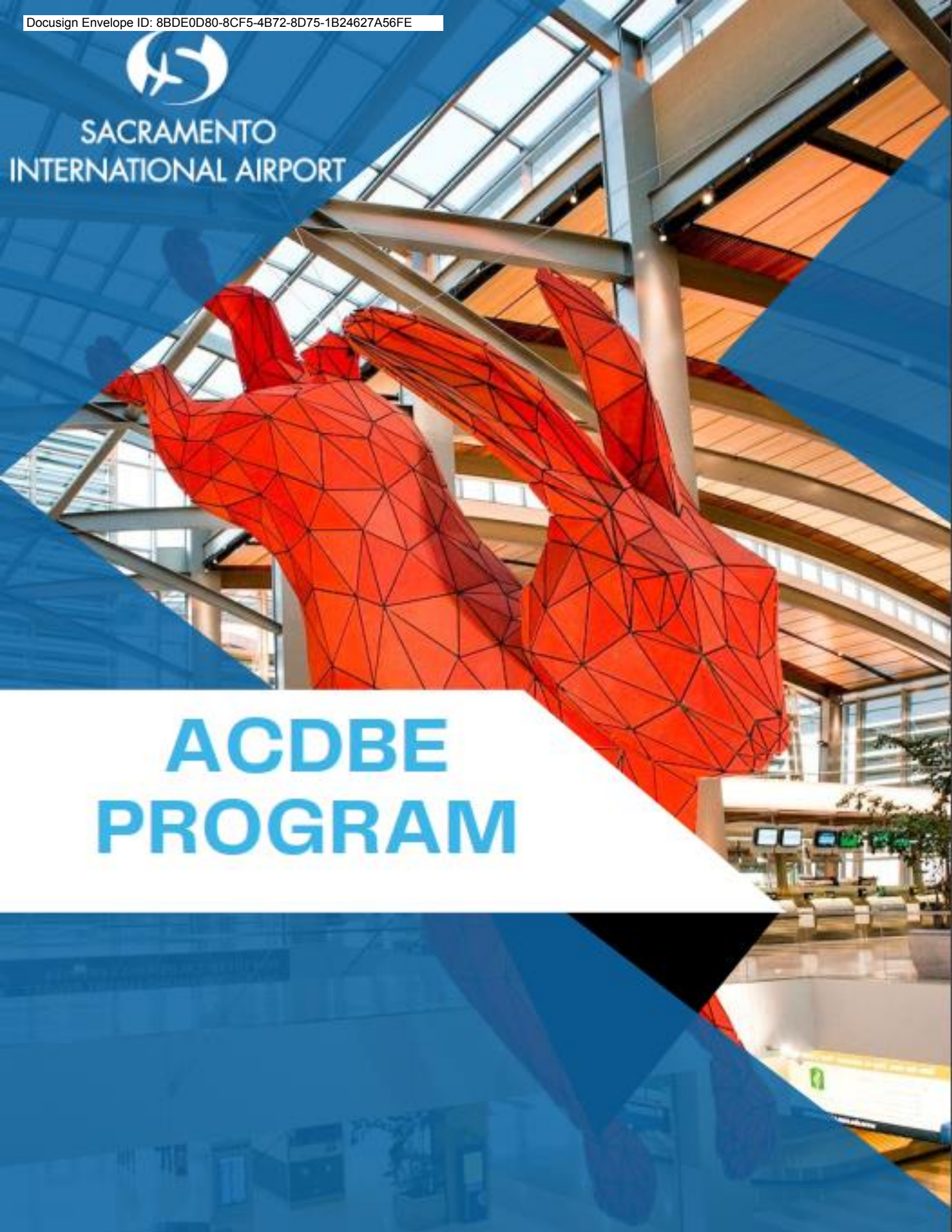




SACRAMENTO  
INTERNATIONAL AIRPORT

# ACDBE PROGRAM



## Table of Contents

I. ACDBE PROGRAM POLICY STATEMENT .....	3
A. Objectives/Policy Statement .....	3
II. GENERAL REQUIREMENTS .....	5
A. Objectives .....	5
B. Definitions .....	5
C. Applicability .....	5
D. Non-discrimination Requirements .....	5
E. Compliance and Enforcement .....	6
III. ACDBE PROGRAM .....	7
A. ACDBE Program Updates .....	7
B. Administrative Provisions .....	7
C. Ensuring Nondiscriminatory Participation of ACDBEs.....	8
D. Small Business Element of the County’s ACDBE Program.....	9
E. Reporting .....	9
F. Compliance and Enforcement Procedures.....	10
IV. CERTIFICATION AND ELIGIBILITY .....	11
A. Certification Standards and Procedures .....	11
B. Business Size Standards .....	11
C. Personal Net Worth Limits .....	12
V. GOALS AND COUNTING .....	13
A. Overall Goals .....	13
B. Consultation in Goal Setting.....	13
C. Submission of Overall Goals.....	14
D. Counting ACDBE Participation for Car Rental Goals.....	14
E. Counting ACDBE Participation for Concessions Other than Car Rentals .....	15
F. Goal Shortfall Accountability .....	15
G. Quotas or Set-asides .....	16
VI. OTHER PROVISIONS .....	17
A. Existing Agreements .....	17

B.	Privately-Owned or Leased Terminal Buildings .....	17
C.	Long-Term Exclusive Agreements .....	17
D.	Preemption of Local Requirements .....	18
E.	Geographic Preferences .....	18
	ATTACHMENTS .....	19
Attachment 1	Organizational Chart .....	20
Attachment 2	Small Business Element of the County’s ACDBE Program	21
Attachment 3	Active Participants Collection Form .....	24
Attachment 4	Monitoring and Enforcement Mechanisms .....	25
Attachment 5	Overall Goal for Concessions other than Car Rentals ...	28
Attachment 6	Overall Goals for Car Rentals .....	33

## **I. ACDBE PROGRAM POLICY STATEMENT**

### **A. Objectives/Policy Statement**

The County of Sacramento (County), which owns and operates Sacramento International Airport (Airport) through its Department of Airports (Department), has established an Airport Concession Disadvantaged Business Enterprise (ACDBE) program in accordance with regulations promulgated by the U.S. Department of Transportation (DOT) and codified in 49 CFR Part 23. The Airport is a primary airport; the County has received federal funds for airport development after January 1988 (authorized under Title 49 of the United States Code) and has signed airport grant assurances that it will comply with 49 CFR Part 23 (hereafter referred to as "Part 23").

It is the policy of the County to ensure that ACDBEs, as defined in Part 23, have an equal opportunity to receive and participate in concession opportunities at the Airport. It is also the County's policy to:

1. Ensure nondiscrimination in the award and administration of opportunities for concessions; and
2. Create a level playing field on which ACDBEs can compete fairly for opportunities for concessions; and
3. Ensure that the ACDBE program is narrowly tailored in accordance with applicable law; and
4. Ensure that only firms that fully meet Part 23 eligibility standards are permitted to participate as ACDBEs; and
5. Help remove barriers to the participation of ACDBEs in opportunities for concessions; and
6. Provide appropriate flexibility in establishing and providing opportunities for ACDBEs.

Renata Daher, Senior Airport Economic Development Specialist with the Department, has been designated as the ACDBE Liaison Officer (ACDBELO). In that capacity, Ms. Daher is responsible for implementing all aspects of the ACDBE program. Implementation of the ACDBE program is accorded the same priority as compliance with all other legal obligations incurred by the County in its financial assistance agreements with the DOT.

The County has disseminated this policy statement to the Sacramento County Board of Supervisors and all of component departments and agencies of the County organization. This statement also has been distributed to ACDBE and non-ACDBE concessionaire communities in the area by the following:

1. A copy of this policy statement will be posted on the Department's website ([www.sacramento.aero/scas/opportunities/acdbe/](http://www.sacramento.aero/scas/opportunities/acdbe/)).
2. A copy of this policy will be made available to each attendee of all informational and pre-bid meetings dealing with concessions opportunities at the Airport.

Signed by:  
  
9078FC2075F549C...

---

Cynthia A. Nichol, Director  
Department of Airports

1/3/2025

---

Date

## **II. GENERAL REQUIREMENTS**

### **A. Objectives**

The objectives are found in the policy statement on the first page of this document.

### **B. Definitions**

The County will use terms in the ACDBE program that have the meanings set forth in Sections 23.3 and 26.5 of Part 23 , where applicable.

### **C. Applicability**

The Airport is a primary airport and the County is the sponsor of federal airport funds authorized for airport development under Title 49 of the United States Code.

### **D. Non-discrimination Requirements**

The County will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any concession agreement, management contract or subcontract, purchase or lease agreement or other agreement covered by 49 CFR Part 23, found here:

<https://www.ecfr.gov/current/title-49/subtitle-A/part-23?toc=1>, on the basis of race, color, sex, or national origin.

In administering the ACDBE program, the County will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the ACDBE program with respect to individuals of a particular race, color, sex, or national origin.

The County will include the following assurances in all concession agreements and management contracts it executes with any firm:

1. "This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23."
2. "The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters and cause those

businesses to similarly include the statements in further agreements.”

### **E. Compliance and Enforcement**

The County will comply with and is subject to the provisions of 49 CFR Part 26 (Sections 26.101 and 26.105 through 26.109) relating to disadvantaged business enterprises in DOT financial assistance programs (Part 26), which provisions apply to the concessions program under Part 23 in the same way that they apply to FAA recipients and programs under Part 26.



### **III. ACDBE PROGRAM**

#### **A. ACDBE Program Updates**

The County is the operator of at least one primary airport and is required to have an ACDBE program. This ACDBE program is applicable to the following airport(s):

- Sacramento International Airport.

The County will submit a goal methodology for Sacramento International Airport to FAA for review and approval.

Prior to implementing significant changes to this ACDBE program, the County will provide the amended program to FAA for review and approval.

#### **B. Administrative Provisions**

Policy Statement: The County is committed to operating the ACDBE program in a nondiscriminatory manner. The Policy Statement is set forth on the first page of this document.

ACDBE Liaison Officer (ACDBELO): The County has designated the following individual as the ACDBELO:

Renata Daher  
Senior Airport Economic Development Specialist  
Sacramento County Department of Airports  
6900 Airport Blvd.  
Sacramento, CA 95837  
(916) 874-0914  
[DaherR@saccounty.gov](mailto:DaherR@saccounty.gov)

In that capacity, the ACDBELO is responsible for implementing all aspects of the ACDBE program and ensuring that the County complies with all provisions of 49 CFR Part 23. The ACDBELO has direct, independent access to the Director of Airports concerning ACDBE program matters. An organizational chart displaying the ACDBELO's position in the organization is found in Attachment 1 to this program.

The ACDBELO is responsible for developing, implementing and monitoring the ACDBE program, in coordination with other appropriate officials. ACDBELO duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required by FAA or DOT.
2. When relevant, reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with all departments to set overall annual goals.



4. Ensures that bid notices and requests for proposals are available to ACDBEs in a timely manner.
5. Identifies contracts and procurements so that ACDBE goals are included in solicitations.
6. Analyzes the County's progress toward attainment and identifies ways to improve progress.
7. Participates in pre-bid meetings with potential concessionaires.
8. Advises the Director of Airports on ACDBE matters and achievement.
9. Provides outreach to ACDBEs and community organizations to advise them of opportunities.
10. Plans and participates in ACDBE training seminars.

The specific duties of other airport sections/divisions with responsibilities for the ACDBE Program are listed below:

- **Concessions:** Oversees the daily operation, monitoring and compliance of concession and car rental leases.
- **Accounting:** Prepares and provides concessions and car rental revenue reports.
- **Marketing and Public Relations:** Maintains information regarding ACDBE policy and concessions opportunities on the County's website. Responsible for collaborative creation and distribution of ACDBE outreach materials and coordination of public outreach efforts.
- **Directory:** The County, through the California Unified Certification Program (UCP), maintains a directory identifying all firms eligible to participate as DBEs and ACDBEs. The Directory lists the firm's name, address, phone number, date of the most recent certification, and the type of work the firm has been certified to perform as an ACDBE. The Directory clearly specifies whether a firm is certified as a DBE for purposes of Part 26, an ACDBE for purposes of Part 23, or both. The website can be found here: <https://californiaucp.dbesystem.com/>

### **C. Ensuring Nondiscriminatory Participation of ACDBEs**

The County will not use set-asides or quotas as a means of obtaining ACDBE participation.

The County will seek ACDBE participation in all types of concession activities.

The County will maximize the use of race-neutral measures, obtaining as much as possible the ACDBE participation needed to meet overall goals through such measures. The County will take the following measures to ensure nondiscriminatory participation of ACDBEs in concessions and other covered activities (Part 23, Section 23.25(a)):

1. Locate and identify ACDBEs and other small businesses who may be interested in participating as concessionaires;
2. Notify ACDBEs of concession opportunities and encouraging them to compete, when appropriate;
3. When practical, structure concession activities to encourage and facilitate the participation of ACDBEs;
4. Provide resources to assist ACDBEs in overcoming limitations, such as inability to obtain bonding or financing;
5. Provide information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation; and

#### **D. Small Business Element of the County's ACDBE Program**

The County has created a small business element to provide for the structuring of concession opportunities to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of concession opportunities that may preclude small business participation in solicitations.

The small business element is incorporated as Attachment 2 to this document. The program elements will be actively implemented to foster small business participation. The County acknowledges that active use of the small business element is a requirement of the good faith implementation of this ACDBE program.

The County will submit an annual report on small business participation obtained through the use of this small business element. The report must be submitted in the format acceptable to the FAA based on a schedule established and posted to the agency's website, available at [https://www.faa.gov/about/office\\_offices/acr/bus\\_ent\\_program](https://www.faa.gov/about/office_offices/acr/bus_ent_program).

#### **E. Reporting**

The County will retain sufficient basic information about the ACDBE program implementation, ACDBE certification, and the award and performance of agreements and contracts to enable the FAA to determine compliance with Part 23. This data will be retained for a minimum of three (3) years following the end of the concession agreement or other covered contract.

The County will submit an annual report on ACDBE participation to the FAA by March 1 following the end of each fiscal year. This report will be submitted in the format acceptable to the FAA and contain all of the information described in the Uniform Report of ACDBE Participation.

The County will create and maintain active participants list information and enter it into a system designated by the FAA. The County will collect the following information about ACDBE and non-ACDBEs who seek to work on each of our concession opportunities.

1. Firm name; and
2. Firm address including ZIP code; and

3. Firm status as an ACDBE or non-ACDBE; and
4. Race and gender information for the firm's majority owner; and
5. NAICS code applicable to the concession contract in which the firm is seeking to perform; and
6. Age of the firm; and
7. The annual gross receipts of the firm.

The County will collect the data from all active participants for concession opportunities by requiring the information to be submitted with their proposals or initial responses to negotiated procurements. (Attachment 3). The County will enter this data in FAA's designated system no later than March 1 following the fiscal year in which the relevant concession opportunity was awarded.

The state department of transportation in each Unified Certification Program (UCP) established pursuant to 49 CFR Section 26.81 must report certain information from the UCP directory to DOT's Departmental Office of Civil Rights each year.

#### **F. Compliance and Enforcement Procedures**

The County will take monitoring and enforcement mechanisms to ensure compliance with Part 23. (Attachment 4)

1. The County will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 49 CFR Section 26.107.
2. The County will consider similar action under legal authorities, including responsibility determinations in future contracts. The County has listed the regulations, provisions, and contract remedies available in the event of non-compliance with the ACDBE regulation by a participant in procurement activities (Attachment 4).

## **IV. CERTIFICATION AND ELIGIBILITY**

### **A. Certification Standards and Procedures**

The County is a non-certifying member of the California Unified Certification Program (California UCP) and relies upon that program's determinations of certification eligibility. California UCP will use the certification standards of Subpart C of Part 23 to determine the eligibility of firms to participate as ACDBEs in airport concessions contracts. To be certified as an ACDBE, a firm must meet all certification eligibility standards. Certifying California UCP members make all certification decisions based on the facts as a whole.

The California UCP directory of eligible ACDBEs specifies whether a firm is certified as a DBE for purposes of Part 26, an ACDBE for purposes of Part 23, or both. The directory can be found at <https://californiaucp.dbesystem.com/>

For information about the certification process or to apply for certification, firms should contact:

Caltrans – Office of Civil Rights

Certification Branch

PO Box 942874, MS 79

Sacramento, CA 95814

Phone Number: 916-324-0449

Email: DBE.Certification@dot.ca.gov

Website of certification office

<https://dot.ca.gov/programs/civil-rights/dbe-certification-information>

Link to electronic application portal <https://caltrans.dbesystem.com/>

The Uniform Certification Application form, Personal Net Worth statement, and documentation requirements can be reviewed at

<https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/ready-apply>.

### **B. Business Size Standards**

In general, a firm will be considered as a small business eligible to be certified as an ACDBE if its gross receipts, averaged over the firm's previous five (5) fiscal years, do not exceed \$56.42 million. The following special exceptions apply to the general small business size limit:

1. The limit for passenger car rental companies is \$75.23 million, averaged over the firm's previous five (5) fiscal years.
2. The size standard for banks and other financial institutions is \$1 billion in assets.
3. The size standard for pay telephone companies is 1500 employees.
4. The size standard for new car dealers is 350 employees.

For size purposes, gross receipts (as defined in [13 CFR 121.104\(a\)](#)) of affiliates are included in a manner consistent with [13 CFR 121.104\(d\)](#), except in the context of joint ventures. For gross receipts attributable to joint venture partners, a firm must include in its gross receipts its proportionate share of joint venture receipts, unless the proportionate share already is accounted for in receipts reflecting transactions between the firm and its joint ventures (e.g., subcontracts from a joint venture entity to joint venture partners).

### **C. Personal Net Worth Limits**

The personal net worth standard used in determining eligibility for purposes of Part 23 is posted online on the Departmental Office of Civil Rights' webpage, available at <https://www.transportation.gov/DBEPNW>. Any individual who has a PNW exceeding this amount is not a socially and economically disadvantaged individual for purposes of this part, even if the individual is a member of a group otherwise presumed to be disadvantaged.

## **V. GOALS AND COUNTING**

### **A. Overall Goals**

The County will establish two separate overall ACDBE goals: one for car rentals and another for all other concessions that are not car rentals. The overall goals will cover a three-year period, and the County will review the goals annually to make sure the goals continue to fit the County's circumstances. The County will report any significant overall goal adjustments to the FAA.

If the average annual concession revenues for car rentals over the preceding three (3) years do not exceed \$200,000, the County is not required to develop and submit an overall goal for car rentals. Likewise, if the average annual concession revenues for concessions other than car rentals over the preceding three (3) years do not exceed \$200,000, the County is not required to develop and submit an overall goal for concessions other than car rentals. The County understands that "revenue" means total revenue generated by concessions, not the revenue received by the Department from concessions agreements.

The County's overall goals will provide for participation by all certified ACDBEs and will not be subdivided into group-specific goals.

### **B. Consultation in Goal Setting**

The County consults with stakeholders before submitting the overall goals to the FAA. Stakeholders include, but are not limited to, 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 County's efforts to increase participation of ACDBEs.

When submitting overall goals to the FAA, the County will identify the stakeholders that were consulted with and provide a summary of the information obtained from the stakeholders.

The requirements of Section 23.43 do not apply if no new concession opportunities will become available during the goal period. However, the County will take appropriate outreach steps to encourage available ACDBEs to participate as concessionaires whenever there is a concession opportunity.

### **C. Submission of Overall Goals**

Overall goals will be submitted to the FAA for approval. The overall goals meeting the requirements of Subpart D of Part 23 are due based on a schedule established by the FAA and posted on the FAA's website.

The goals must be submitted every three years based on the published schedule.

If a new concession opportunity arises at a time that falls between the normal submission dates above and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, the Department will submit an appropriate adjustment to our overall goal to FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity.

The County will establish overall goals in accordance with the two-step process specified in Section 23.51 of Part 23. After determining the total gross receipts for the concession activity, the first step is to determine the relative availability of ACDBEs in the market area, "base figure". The second step is to examine all relevant evidence reasonably available in the County's jurisdiction to determine if an adjustment to the Step 1 "base figure" is necessary so that the goal reflects as accurately as possible the ACDBE participation the County would expect in the absence of discrimination. Evidence may include, but is not limited to, past participation by ACDBEs, a disparity study, evidence from related fields that affect ACDBE opportunities to form, grow, and compete (such as statistical disparities in ability to get required financing, bonding, insurance; or data on employment, self-employment, education, training and union apprenticeship).

The County will also include a projection of the portions of the overall goal expected to be met through race-neutral measures.

If the FAA determines that the County's goals have not been correctly calculated or the justification is inadequate, the FAA may, after consulting with the County, adjust the overall goal. In such a case, the adjusted goal shall be binding on the County.

### **D. Counting ACDBE Participation for Car Rental Goals**

The County will count ACDBE participation toward overall goals other than car rental as provided in Section 23.53 of Part 23.

When an ACDBE is decertified because one or more of its disadvantaged owners exceed the PNW cap or the firm exceeds the business size standards of Part 23 during the performance of a contract or other agreement, the firm's participation may continue to be counted toward ACDBE goals for the remainder of the term of the contract or other agreement. However, the County will verify that the firm in all other respects remains an eligible ACDBE. To accomplish this verification, the County will require the firm to provide, annually on December 1, a Declaration of Eligibility, affirming that



there have been no changes in the firm's circumstances affecting its ability to meet ownership or control requirements of Subpart of Part 23 or any other material changes, other than changes regarding the firm's business size or the owner's personal net worth. The County will not count the concessionaire's participation toward ACDBE goals beyond the termination date for the concession agreement in effect at the time of the decertification (*e.g.*, in a case where the agreement is renewed or extended, or an option for continued participation beyond the current term of the agreement is exercised).

Firms are required to inform the County in writing of any change in circumstances affecting their ability to meet ownership or control requirements of Subpart C of Part 23 or any material change. Reporting must be made as provided in Part 26, Subpart E, Section 26.83 (i).

### **E. Counting ACDBE Participation for Concessions Other than Car Rentals**

The County will count ACDBE participation toward overall goals other than car rental as provided in 49 CFR Section 23.55.

When an ACDBE is decertified because one or more of its disadvantaged owners exceed the PNW cap or the firm exceeds the business size standards of Part 23 during the performance of a contract or other agreement, the firm's participation may continue to be counted toward ACDBE goals for the remainder of the term of the contract or other agreement. However, the County will verify that the firm in all other respects remains an eligible ACDBE. To accomplish this verification, the County will require the firm to provide, annually on December 1, a Declaration of Eligibility, affirming that there have been no changes in the firm's circumstances affecting its ability to meet ownership or control requirements of Subpart C of Part 23 or any other material changes, other than changes regarding the firm's business size or the owner's personal net worth. The County will not count the former ACDBE's participation toward ACDBE goals beyond the termination date for the agreement in effect at the time of the decertification (*e.g.*, in a case where the agreement is renewed or extended, or an option for continued participation beyond the current term of the agreement is exercised).

Firms are required to inform the County in writing of any change in circumstances affecting their ability to meet ownership or control requirements of Subpart C of Part or any material change. Reporting must be made as provided in Part 26, Subpart E, Section 26.83 (i).

### **F. Goal Shortfall Accountability**

If the awards and commitments on the Uniform Report of ACDBE Participation at the end of any fiscal year are less than the overall goal applicable to that fiscal year, the County will:

1. Analyze in detail the reasons for the difference between the overall goal and the awards and commitments in that fiscal year;
2. Establish specific steps and milestones to correct the problems that have identified in the analysis to enable the County to fully meet the goal for the new fiscal year;
3. As an airport not meeting the criteria of Part 23, Section 23.57, the County will retain analysis and corrective actions in our records for three years and make it available to the FAA, on request, for their review.

The FAA may impose conditions as part of its approval of the County's analysis and corrective actions, including modifications to the County's overall goal methodology.

The County may be regarded as being in noncompliance with this part, and therefore subject to the remedies in Section 23.11 of Part 23 and other applicable regulations, for failing to implement our ACDBE program in good faith if any of the following things occur:

1. The County does not submit the analysis and corrective actions to FAA in a timely manner as required under paragraph (b)(3) of Section 23.57 of Part 23;
2. FAA disapproves the analysis or corrective actions; or
3. The County does not fully implement:
  - a) The corrective actions to which we have committed, or
  - b) Conditions that FAA has imposed following review of our analysis and corrective actions.
  - c) If information coming to the attention of FAA demonstrates that current trends make it unlikely that we, as an airport, will achieve ACDBE awards and commitments that would be necessary to allow us to meet our overall goal at the end of the fiscal year, FAA may require us to make further good faith efforts, such as modifying goals for the remainder of the fiscal year.

### **G. Quotas or Set-asides**

The County will not use quotas or set-asides as a means of obtaining ACDBE participation.

## **VI. OTHER PROVISIONS**

### **A. Existing Agreements**

If permitted by the existing agreement, the County will use any means authorized by Part 23 to obtain a modified amount of ACDBE participation in the renewed or amended agreement.

### **B. Privately-Owned or Leased Terminal Buildings**

The Airport does not have any terminal buildings that are privately-owned or leased.

### **C. Long-Term Exclusive Agreements**

The County will not enter into a long-term and exclusive agreements for concessions without prior approval of the FAA Regional Civil Rights Office. The County understands that a "long-term" agreement is one having a term of longer than 10 years, including any combination of base term and options or holdovers to extend the agreement, if the effect is a term of more than 10 years. The County understands that an "exclusive" agreement is one having a type of business activity that is conducted solely by a single business entity on the entire airport, irrespective of ACDBE participation.

The County may enter into a long-term, exclusive concession agreement only under the following conditions:

1. Special local circumstances exist that make it important to enter such agreement; and
2. FAA approves the County's plan for meeting the standards of paragraph (c) of Section 23.75 of Part 23.

To obtain FAA approval of a long-term exclusive concession agreement, the County will submit the information listed below to the FAA. The items in paragraphs (1) through (3) below will be submitted at least 60 days before the solicitation is released, and items in paragraphs (4) through (7) will be submitted at least 45 days before contract award:

1. A description of the special local circumstances that warrant a long-term, exclusive agreement; and
2. A copy of the solicitation; and
3. ACDBE contract goal analysis developed in accordance with this part; and
4. Documentation that ACDBE participants are certified in the appropriate NAICS code in order for the participation to count towards ACDBE goals; and
5. A general description of the type of business or businesses to be operated by the ACDBE, including location and concept of the ACDBE operation; and

6. Information on the investment required on the part of the ACDBE and any unusual management or financial arrangements between the prime concessionaire and ACDBE, if applicable; and
7. Final long-term exclusive concession agreement, subleasing or other agreements; and
  - a) In order to obtain FAA approval of a long-term exclusive concession agreement that has been awarded through direct negotiations, the County will submit the items in paragraphs (1) and (3) through (7) of this section at least 45 days before contract award; and
  - b) In order to obtain FAA approval of an exclusive concession agreement that becomes long-term as a result of a holdover tenancy, the County will submit to the responsible FAA regional office a holdover plan for FAA approval at least 60 days prior to the expiration of the current lease term. The holdover plan shall include the following information:
    - c) A description of the special local circumstances that warrant the holdover; and
    - d) Anticipated date for renewal or re-bidding of the agreement; and
    - e) The method to be applied for renewal or re-bidding of the agreement; and
    - f) Submission of all items required under (3), (4), (6), and (7) of this section for the agreement in holdover status or an explanation as to why the item is not available or cannot be submitted.

#### **D. Preemption of Local Requirements**

In the event that a State or local law, regulation, or policy differs from the requirements stated in this document, the County will, as a condition of remaining eligible to receive Federal financial assistance from the DOT, take such steps as may be necessary to comply with the requirements of Part 23. However, nothing in Part 23 preempts any State or local law, regulation, or policy enacted by the governing body of the County or the authority of any State or local government or recipient to adopt or enforce any law, regulation, or policy relating to ACDBEs, as long as the law, regulation, or policy does not conflict with Part 23.

#### **E. Geographic Preferences**

The County will not use a local geographic preference. For purposes of this section, a local geographic preference is any requirement that gives a concessionaire located in one place (e.g., our local area) an advantage over concessionaires from other places in obtaining business as, or with, a concession at our airport(s).

## **ATTACHMENTS**

Attachment 1	Organizational Chart
Attachment 2	Small Business Element of the County's ACDBE Program
Attachment 3	Active Participants Collection Form
Attachment 4	Monitoring and Enforcement Mechanisms
Attachment 5	Overall Goal for Concessions other than Car Rentals
Attachment 6	Overall Goals for Car Rentals

Attachment 1

**Organizational Chart**



## Attachment 2

### **Small Business Element of the County's ACDBE Program**

Commencing October 7, 2024, the County's ACDBE program will include a Small Business Element to provide for the structuring of concession opportunities to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of concession opportunities that may preclude small business participation in solicitations.

Included as part of the Small Business Element are the following strategies:

1. Establish a race-neutral small business set-aside for certain concession opportunities. Such a strategy includes the rationale for selecting small business set-aside concession opportunities which may include consideration of size and availability of small businesses to operate the concession. Every effort will be made to set-aside a direct leasing or subcontracting opportunity of each solicitation for a small business.
  - a) The rationale for selecting small business set-aside concession opportunities will consider the following:
    - i. Contract Size
      1. Assess the total potential revenue of the concession opportunity. Smaller contracts should be prioritized for set-asides, as they are more manageable for small businesses.
      2. Develop a tiered approach where contracts are categorized based on size, ensuring that smaller opportunities are exclusively set aside.
    - ii. Operational Needs
      1. Evaluate the operational requirements of each concession. Identify opportunities that align with the capabilities and resources typically available to small businesses.
      2. Consider factors such as staffing, inventory management, and marketing requirements, ensuring that these are within the reach of small business operators.
    - iii. Availability of Small Businesses
      1. Establish partnerships with local chambers of commerce or business development organizations to enhance outreach and support for small businesses.



2. Consider the concession opportunities available through all concession models.
3. Allow subleasing opportunities of a size that small businesses, including ACDBEs, can reasonably operate.
4. Identify alternative concession contracting approaches to facilitate the ability of small businesses, including ACDBEs, to compete for and obtain direct leasing opportunities.

The County's objective is to provide meaningful Airport Concession opportunities to small businesses. For purposes of this program, a "small business" is defined as a for-profit business that does not exceed the size standards of 49 CFR § 23.33. In general, a business will be considered a small business if the gross receipts of the applicant firm and its affiliates, calculated in accordance with 13 CFR § 121.104 and averaged over the firm's previous five (5) fiscal years, do not exceed \$56,420,000.

Small businesses will be required to self-certify and annually review such self-certification concerning their eligibility to participate in the Small Business Element of the County's ACDBE Program and compliance with their agreement(s) with the County.

The County provides the following assurances:

1. The Small Business Element is authorized under California State law.
2. Certified ACDBEs that meet the size criteria set forth in 49 C.F.R. § 23.33 are presumptively eligible to participate in the Small Business Element of the County's ACDBE Program.
3. There are no geographic preferences or limitations imposed on any concession opportunities included in the Small Business Element (i.e., the Small Business Element is open to all small businesses regardless of location).
4. There are no limits on the number of concessions opportunities awarded to firms participating in the Small Business Element, but every effort will be made to avoid creating barriers to the use of new, emerging, or untried businesses.
5. The County takes aggressive steps to encourage those minority and women owned firms that are eligible for ACDBE certification to become certified.
6. The County will not use any other State, local or other program, in which eligibility requires satisfaction of race/gender or other criteria in addition to business size, to comply with the requirements of this part.

7. The County will submit an annual report on small business participation obtained through the use of the Small Business Element of its ACDBE Program. This report will be submitted in a format acceptable to the FAA based on a schedule established and posted to the agency's website, available at [https://www.faa.gov/about/office org/headquarters offices/acr/bus e nt program](https://www.faa.gov/about/office_org/headquarters_offices/acr/bus_e nt_program).
8. The County will actively implement the Small Business Element of its ACDBE Program to foster small business participation.

### Attachment 3

## Active Participants Collection Form

The County is required to collect information from all firms that have participated or attempted to participate in airport concession activities and submitted proposals or initial responses to negotiated procurements. The information is collected and entered into USDOT's designated system. The data must be collected from all firms who sought to participate in the opportunity (successfully or not).

**Firm Name:** \_\_\_\_\_

**Firm Address:** \_\_\_\_\_ **City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**Firms Status:** \_\_\_\_\_ ACDBE \_\_\_\_\_ non-ACDBE

**Race and Gender for the firm's majority owner:**

- \_\_\_ Black American
- \_\_\_ Hispanic American
- \_\_\_ Native American
- \_\_\_ Asian American
- \_\_\_ Subcontinent Asian American
- \_\_\_ Other

**NAICS code(s)** applicable to the concession contract in which the firm is seeking to perform: \_\_\_\_\_

**Age of Firm:** \_\_\_\_\_ Years \_\_\_\_\_ Months

**Annual Gross Receipts:**

- a.  Less than \$500,000
- b.  \$500,000 to \$1,000,000
- c.  \$1,000,000 to \$2,000,000
- d.  \$2,000,000 to \$5,000,000
- e.  Over \$5,000,000

## Attachment 4

### **Monitoring and Enforcement Mechanisms**

The County has several remedies available to enforce the ACDBE requirements contained in its contracts, including, but not limited to, the following:

1. Breach of contract action, pursuant to the terms of the contract; and
2. Breach of contract action, pursuant to all applicable state laws; and
3. All other available legal remedies.

In addition, the federal government has several enforcement mechanisms that may be applied to firms participating in the ACDBE program, including, but not limited to, the following:

1. Suspension or debarment proceedings pursuant to 49 CFR Part 23 and 2 CFR Parts 180 and 1200; and
2. Enforcement action pursuant to 49 CFR Part 31; and
3. Prosecution pursuant to 18 USC 1001.

The County will implement various mechanisms to monitor program participants to ensure compliance with 49 CFR Part 23, including, but not limited to the following: Conduct site visits to determine ACDBE participation in Joint Venture is as described in Article 1 of the agreement.

1. Verify ACDBE certification status annually.
2. Review revenue reports on a monthly basis.
3. Review agreement terms and conditions for compliance.

The County will include the following provisions into concessions agreements and management contracts:

#### ACDBE Participation and Monitoring and Site Enforcement

The County will implement various mechanisms to monitor program participants to ensure compliance with 49 CFR Part 23, including, but not limited to the following:

1. Conduct site visits to determine ACDBE participation in Joint Venture is as described in Article 1 of the agreement.
2. Verify ACDBE certification status annually.
3. Review revenue reports on a monthly basis.
4. Review agreement terms and conditions for compliance.

The County has several remedies available to enforce the ACDBE requirements, including, but not limited to the following:

1. Breach of contract action, pursuant to the terms of the contract;  
and
2. Breach of contract action, pursuant to all applicable state laws;  
and
3. All other available legal remedies.

In addition, the federal government has several enforcement mechanisms that may be applied to firms participating in the ACDBE program, including, but not limited to, the following:

1. Suspension or debarment proceedings pursuant to 49 CFR Part 23 and 2 CFR Parts 180 and 1200; and
2. Enforcement action pursuant to 49 CFR Part 31; and
3. Prosecution pursuant to 18 USC 1001.

## Written Certification of Monitoring Efforts

**ACDBE Firm Name:** \_\_\_\_\_

**Contract Type:** \_\_\_\_\_

**ACDBE Responsibilities:** \_\_\_\_\_

---

---

---

**Site Visits and observations/documents reviewed:** \_\_\_\_\_

---

---

---

---

**Site Visits and observations/documents reviewed:** \_\_\_\_\_

---

---

---

---

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Attachment 5

## Overall Goal Calculation for Non-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 2024-26 (10/1/2023 through 9/30/2026)**

Overall Three-Year Goal: **15%, to be accomplished through 15% 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.

The concession opportunities anticipated during this goal period for this market area are: Food and Beverage (F&B), Retail, Advertising, Taxi Services, and Vending.

**Base of the goal**

To calculate the base of the goal, the Airport considered the most recent previous 3 years of gross concession receipts and the projected potential concession revenue (gross receipts) three years into the future including upcoming new opportunities.

Year	Non-Car Rental Concessions Gross Receipts
2020	\$45,627,146
2021	\$46,035,809
2022	\$73,341,882

The Airport estimates that revenues from existing concessions will grow by an average of 4% each year over the next three years due to increased passenger traffic and terminal expansions.



<b>Year</b>	<b>Annual Growth / Reduction Estimate</b>	<b>Annual Gross Receipts Estimate</b>
2024	4%	\$76,275,557
2025	4%	\$79,326,580
2026	4%	\$82,377,602
Three-Year Total Gross Receipts		\$237,979,739
Average Annual Growth Rate		4%

\$73,275,557 + \$79,326,580 + \$82,377,602 = **\$237,979,739** which is the recipient's base of goal for non-car rental concessions.

The following are not included in the total gross receipts for concessions: (a) the gross receipts of car rental operations, (b) the dollar amount of a management contract or subcontract with a non-ACDBE, (c) the gross receipts of business activities to which a management contract or subcontract with a non-ACDBE pertains, and (d) any portion of a firm's estimated gross receipts that will not be generated from a concession.

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.

**Methodology used to Calculate Overall Goal**

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

The Airport, and the businesses at the airport, shall make good faith efforts to explore all available options to achieve, to the maximum extent practicable, compliance with the goal through direct ownership arrangements, including joint ventures and franchises.

The Airport will include goods and services purchases from ACDBEs toward meeting the goal.

**Step 1 - Actual Relative Availability of ACDBEs - §23.51 (c)**

We determined the base figure for the relative availability of non-car rental ACDBEs. The base figure was calculated as follows:

**Numerator:** Ready, willing, and able non-car rental ACDBEs for each upcoming opportunity in the market area.

**Denominator:** All ready, willing, and able non-car rental concession firms for each upcoming opportunity 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](http://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
Advertising	541810	89	2,320	3.8%
Average Advertising ACDBE Availability				4%
Automated Vending	454210	2	223	.90%
Average Automated Vending ACDBE Availability				1%
Taxi Services	485310	1	167	0.6%
Average Taxi Services ACDBE Availability				1%
F&B – Food Service Contractors	722310	27	2,504	1.1%
F&B – Snack & Nonalcoholic Beverage	722515	22	11,707	0.2%
F&B – Mobile Food Service	722330	9	883	1.0%
F&B – Drinking Places (Alcoholic Bev)	722410	9	3,166	0.3%
F&B – Full-Service Restaurants	722511	23	31,036	0.1%
F&B – Limited-Service Restaurants	722513	40	31,771	0.1%
Average F&B ACDBE Availability				1%

Retail – Gift, Novelty, & Souvenirs	459420	1	2,042	.05%
Retail – Hobby, Toy, & Games	451120	1	819	0.1%
Retail – Book Retailers & News Dealers	459210	3	601	0.5%
Retail – Baked Good Retailers	445291	3	366	0.8%
Retail – Confectionery & Nut	445292	3	561	0.5%
Retail – Clothing & Clothing Accessories	458110	4	3,830	0.1%
Retail – Luggage & Leather Goods	448320	5	160	3.1%
Average Retail ACDBE Availability				1%
<b>Total Average ACDBE Availability</b>				<b>2%</b>

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

**Step 2 Adjustment**

From Step 1, base figure averaged with historical median:

**(2% + 8%)/2 = 5%**

Median Past Participation (MPP) 6%, 6%, **8%**, 11%, 13%

Year	Goal	Achieved	MPP	% Variance
FY 2018	4%	6%		2%
FY 2019	4%	13%		9%
FY 2020	5%	8%	<b>8%</b>	3%
FY 2021	5%	11%		6%
FY 2022	5%	6%		1%
Average Percentage Variance				<b>4%</b>

The Airport has consistently met and exceeded its prior ACDBE goals through RN means. Therefore, the Airport will further adjust its figure by adding the average percentage variance of RN participation achieved over the established goals during the last five federal fiscal years.

**The adjusted base figure 5% + 4% = 9%**

The Airport is committed to increasing non-car rental ACDBE participation and is confident in the ability to achieve a higher goal than 9%. As such, the Airport proposes an overall three-year goal of **15%** for FFYs 2024-2026. The Airport believes this is an attainable goal based on the achievements of other airports in Northern California that have reached similar or higher levels of non-car rental ACDBE participation. The Airport hopes that by setting this ambitious goal, it will encourage more diversity and inclusion in its operations and benefit the local community.

### **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 15%, it will obtain 100% from RN participation and 0% through RC measures. The County of Sacramento is race and gender neutral.

Attachment 6

## **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](http://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%
<b>Total Average ACDBE Availability</b>				<b>2%</b>

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.