

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



With Assistance From



September 2024

METHODOLOGY for Establishing the FY 2025 – FY 2027 Airport Concession Disadvantaged Business Enterprise (ACDBE) Goal for:

St. Pete-Clearwater International Airport, Clearwater, FL (49 CFR Part 23)

In fulfillment of the requirements of 49 CFR Part 23, the St. Petersburg-Clearwater International Airport has developed a proposed Overall Goal for FY 2025 – FY 2027 for Car Rentals Concessions.

General Information:

Airport Sponsor: **Pinellas County**

Airport: **St. Petersburg-Clearwater International Airport**

DBELO: **Yvette M. Ahle**
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St. Petersburg-Clearwater International Airport
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I. Amount of Goal

The Airport's overall car rental goal for the period beginning October 1, 2024 and ending September 30, 2027 is the following:

Overall Goal:	<u>3.00%</u>
Race-Neutral:	<u>3.00%</u>
Race-Conscious:	<u>0.00%</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 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
Avis	Car Rental	October 1, 2021	September 30, 2026
Budget	Car Rental	October 1, 2021	September 30, 2026
Dollar	Car Rental	October 1, 2021	September 30, 2026
Thrifty	Car Rental	October 1, 2021	September 30, 2026
Alamo	Car Rental	October 1, 2021	September 30, 2026
Enterprise	Car Rental	October 1, 2021	September 30, 2026
National	Car Rental	October 1, 2021	September 30, 2026

Source: Airport; compiled by KWA

A. Projected Concessions Expenditures: October 1, 2024 - September 30, 2027

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 3.0% a year over the next 3-years compared with FY 2023 expenditures of **\$33,032,275**. The projected expenditures over the goal period is **\$105,162,443**.

Table 2: Projected Expenditures

Report Period	Projected Revenue
FY 2025	\$34,023,243
FY 2026	\$35,043,941
FY 2027	\$36,095,259
Total	\$105,162,443

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 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 is proposing to use the state of Florida as its market area for most concessions and Nationwide for the remainder. Concessions that are bold in Table 3 have a Nationwide market area.

II. Methodology used to Calculate Overall Goal

A. Goods and Services

The Airport 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 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 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 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 Code	ACDBEs	All Firms	Total
Commercial Printing	323111	10	1,022	
Car Seat Manufacturing	336360	4	425	
Motor Vehicle Supplies	423120	2	952	
Auto Parts - Motor Vehicle Supplies and New Parts Merchant Wholesalers	423120	2	952	
Tire and Tube Merchant Wholesalers	423130	22	2,554	
Service Establishment Equipment and Supplies Merchant Wholesalers	423850	20	365	
Stationery and Office Supplies Merchant Wholesalers	424120	8	196	
Other Chemical and Allied Products Merchant Wholesalers	424690	8	577	
Stations and Terminals)	424720	8	127	
New Car Dealers	441110	5	22,057	
Tire Dealers	441320	0	20,702	
Gas stations	447190	0	412	
Auto transport	484230	13	680	
Towing	488410	7	637	
Insurance	524210	229	135,706	
Legal Services	541110	9	17,262	
Accounting	541211	27	4,711	
Background Checks	541612	63	764	
Building Security (Security Systems Services (except Locksmiths)	561621	15	686	
Locksmiths/Keys	561622	3	461	
Janitorial	561720	174	6,549	
Drug Testing (All Other Miscellaneous Ambulatory Health Care Services)	621999	6	842	
Auto Repair	811111	4	5,092	
Auto Body Repair	811121	9	2,042	
Automotive Glass Replacement Shops	811122	0	563	
Car Washes	811192	17	1,659	
Total		665	227,995	0.29%

Sources:

1. Florida UCP DBE Directory, August 2024.
2. US Census Bureau, 2022 County Business Patterns.
3. FAA Matchmaker System, August 2024

The Step 1 base goal for car rental ACDBEs is **0.29%**.

D. Step 2: 23.51(d)

After calculating a base figure of the relative availability of ACDBEs, the Airport 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 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: St. Petersburg-Clearwater International Airport
ACDBE Accomplishments for FY 2021-FY 2023**

Report Period	ACDBE Goal	ACDBE % Achieved	Achieved Over/Under
FY 2021	1.00%	3.71%	2.71%
FY 2022	1.00%	9.94%	8.94%
FY 2023	1.00%	5.71%	4.71%
Median	1.00%	5.71%	4.71%

Source: Uniform Report of ACDBE Participation, St. Petersburg-Clearwater International Airport

The median ACDBE accomplishment for the reporting periods as shown above is **5.71%**, compared to the Step 1 DBE base figure for the airport of **0.29%**.

E. Adjustment of the Step 1 Base Figure

In order to reflect as accurately as possible ACDBE capacity, the Airport will adjust the Step 1 DBE base figure of 0.29% by averaging it with the ACDBE participation noted in Table 4 above (**5.71%**), for a final adjusted overall goal of **3.00%**.

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 a virtual stakeholder meeting on September 13, 2024 via a 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 will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Airport uses the race-neutral measures listed below to increase ACDBE participation. The Airport 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 proposes a race-conscious goal of **0.00%** and a race-neutral goal of **3.00%, for a total of 3.00%**. The reason for this projected split is that the historical information on ACDBE participation showed that the median amount by which the goals were over-achieved was 4.71%.

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

Resource Documents:

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

Appendix B: St. Pete-Clearwater International Airport – Web Conference September 13, 2024

Summary of Meeting: Wilfred Nixon, of Ken Weeden & Associates, gave a PowerPoint presentation that covered and explained the following:

- Background, purpose, and goal requirements of the FAA-ACDBE program.
- Overview of the ACDBE goal methodology and basic requirements, such as use of most refined data, identification of a normal market area, and employment of a two-step process in establishing the overall 3-year DBE goals.
- Calculation of the base-figure goal (step 1), and adjusted goal (step 2), through “weighting” and consideration of indicators of “capacity”.

Stakeholder Meeting Attendee List

Name	Company/Organization
Yvette Aehle	St. Pete-Clearwater International Airport
Christopher McKinney	St. Pete-Clearwater International Airport
Alex Cardetti	Perez of Florida, Inc
Karnardo Garnett	Legacy Concessions, LLC
Wanda Gilbert	WFG Solutions-WANDA’S INC
Villard Houston	V. H. JR & ASSOCIATES INC
Nelson Mendez	Rico Foods Company DBA Mr. Cappuncino
Arielle Richardson	4R Services
Albert Rodriguez	Ambient Technologies, Inc.
Wilfred Nixon	Ken Weeden & Associates
Stephania Pierre	Ken Weeden & Associates

Questions/Comments:

1. **Where are opportunities made available?**
<https://www.pinellascounty.org/purchase/>
2. **Can I get a list of Contacts for current concessionaires?**
Yes, please contact: Christopher McKinney cmckinney@pinellascounty.org
3. **Will the presentation be made available?**
Yes, please contact: Christopher McKinney cmckinney@pinellascounty.org