

PROPOSED ACDBE OVERALL CONCESSION GOALS

Federal Fiscal Years 2024 - 2026

Clark County Department of Aviation

Airport Sponsor: Clark County, Nevada

Goal Period: FY 2024 – FY 2026

From: October 1, 2023
Thru: September 30, 2026

Total ACDBE Goal for Terminal Concessions:	17.2%
Race-Conscious ACDBE Goal:	15.5%
Race-Neutral ACDBE Goal:	1.7%
ACDBE Goal for Car Rental Concessions:	1.7% (Race-Neutral)

Section 23.45: Separate Overall Goal Calculation for Concessions Other Than Car Rentals

Amount of Goal

The Clark County Department of Aviation's ("CCDOA") overall goal for concessions other than car rental during the period beginning October 1, 2020 and ending September 30, 2023 is 17.2% of the total gross receipts for concessions at Harry Reid International Airport.

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.

The calculation for determining the overall goal for the three-year period is as follows:

Federal Fiscal Years 2024 – 2026

Total estimated gross receipts for all concessions excluding car rentals = \$1,641,744,014
Estimated ACDBE gross receipts as adjusted = \$282,379,970
 $\$282,379,970 / \$1,641,744,014 = 17.2\%$

Methodology used to Calculate Overall Goal

Overall goals have been determined by consolidating the total estimated gross revenues and estimated ACDBE gross revenues for continuing and anticipated new concession agreements that will become effective during the goal period. Goals for each new concession are determined through an analysis of the opportunity, potential for ACDBE participation and the relative availability of ACDBE firms who are ready, willing and able to perform under the agreement.

In accordance with 49 CFR part 23.51(c) ACDBE goals for specific opportunities are determined as follows:

Step 1: 23.51(c)

The CCDOA determines the base figure for the relative availability of ACDBEs for the specific opportunity. The base figure may be calculated in a number of ways, depending upon what is most appropriate for the specific opportunity.

Examples are as follows:

Option 1: Ready, willing, and able ACDBEs in the appropriate trade in the determined market area ÷ All ready, willing and able companies in the appropriate trade in the determined market area.

The data source or demonstrable evidence used to derive the numerator may be either the DBE directory (23.51(c)(1)) or an active participant list (23.51(c)(2)).

If the CCDOA uses ACDBE directories, which directories and which NAICS codes were used will be identified. The CCDOA may also augment available ACDBEs with firms in local MBE/WBE directories or trade association lists. If the CCDOA uses these sources to augment the numerator, the sources used and the number of firms added to the numerator will be identified.

If the CCDOA uses an Active Participant List, where the information was obtained will be identified. Such information may come from past experience with firms that have run concessions or sought concession contracts or leases, knowledge about the universe of firms in certain concession services that tend to be interested in participating, and attendance lists from informational and outreach meetings about upcoming concession opportunities.

Option 2: Disparity Study – A Disparity Study for CCDOA Concessions was published in July 2010, more than seven years ago, using data from ten years ago. We have elected not to use the Disparity Study as it is out of date. There are no other relevant disparity studies from The CCDOA's geographic area at this time. In the future, The CCDOA may elect to utilize a disparity study should one become available.

Option 3: Goal of another sponsor – The CCDOA may use the goal of another airport or DOT sponsor in the same, or substantially similar market if their overall goal is in compliance with 49 CFR parts 23. Should the CCDOA elect to do so, the CCDOA will include information as to why our airport concession opportunity has the same or substantially similar market.

Option 4: Alternative Methods – The CCDOA may elect to use other methods to determine the base figure, however it must be based on demonstrable evidence of local market conditions and be designed arrive at a goal that is rationally related to the relative availability of ACDBEs in the market area.

Step 2: 23.51(d)

After calculating a base figure of the relative availability of ACDBEs, the CCDOA will examine evidence to determine what adjustment, if any, is needed to the base figure in order to arrive at the overall goal.

In accordance with 23.51(d), any adjustment will be designed to reflect as accurately as possible the ACDBE participation the CCDOA would expect in the absence of discrimination. In addition, the CCDOA will document the basis on which it adjusted the base figure using the specific data.

Current Concession Contracts

The following is a summary of Harry Reid International Airport concession contracts included in the three-year goal.

Food/Beverage. The Food/Beverage concessions at Harry Reid International Airport are operated under a master agreement that expires in November 2038. The current ACDBE goal for the contract is 27.5%. The goal will be maintained throughout this three-year goal period.

Gift/News. The Gift/News concessions are operated by Hudson Las Vegas JV under an agreement that will expire in July 2038. The current ACDBE goal for the contract is 20.0% and the ACDBE participation is currently 27% through a joint venture arrangement. The goal will be maintained throughout this three-year goal period.

Duty/Free. The Duty Free concession are operated by Dufry and will not expire until 2035. There is currently no ACDBE goal for this concession and it will continue without an ACDBE goal throughout this three-year goal period.

Specialty Retail. There are approximately 35 individual specialty retail concession agreements operating at the airport. With the exception of the Hudson Specialty Retail agreement which contains a 20% ACDBE goal, most of the agreements are individual locations or small packages that do not include an ACDBE goal. In accordance with 49 CFR part 26.51(e)(1), as referenced by 49 CFR part 23.25(e)(1)(iv), an ACDBE goal was not set for these concessions because the nature and size of the contracts does not provide opportunities for subcontracting. It should be noted that although these agreements do not contain an ACDBE goal, some of these concessions are directly operated by ACDBE firms as opportunities of this size provide a significant opportunity for race neutral participation. As contracts for individual locations expire, they will be solicited individually with certain locations identified as small business set-asides. The identified small business locations for each group of locations solicited will represent approximately 18.6% of gross revenues as that availability is calculated in Attachment 1.

Advertising – Advertising concessions at the airport are operated under 3 separate agreements. The largest agreement is for in-terminal advertising and does not expire until December 2032. Two other smaller contracts expire 2033. We have not set an ACDBE goal for the advertising agreements as the contract was originally operated by an ACDBE resulting in 100% race neutral participation and the business was sold to a non-ACDBE. We anticipate that these contracts will continue throughout the three-year goal period without an ACDBE goal, however we will pursue opportunities to include purchases of goods/services from ACDBE firms for this contract.

Lounge. There are 3 airport lounges at the Airport operated under three separate contracts. A goal analysis was conducted prior to leasing the lounges. There was no ACDBE goal set as there were no subleasing opportunities in these contracts.

Passenger Services. Passenger service contracts consist primarily of small personal service concessions such as event tickets, shoeshine, health and medical services, and ATM machines. ACDBE goals have not been set for these concessions as the type and nature of the services do not provide for subcontracting opportunities or there are no ACDBE firms listed in the specific

trades. While we will conduct a goal analysis whenever one of the opportunities becomes available, we anticipate that these concessions will continue throughout the three-year period without an ACDBE goal. It should be noted that these concessions generate less than 0.2% of the total airport non-car rental concession gross.

Foreign Currency Exchange. The airport currently does not have a foreign currency concession but is planning to solicit for this concession in the near future, either through an RFP process or direct negotiation as a result of the fact that there are few companies left in the industry after Traveler pulled out of the US market during the Covid-19 pandemic.

Luggage Carts. The luggage cart concession is currently operated by Smarte Carte and will expire in 2024. A goal analysis was performed for this concession prior to the solicitation and resulted in no ACDBE contract goal for this concession as there are no ACDBE firms listed for this trade. We anticipate that there will be no ACDBE goal in this concession during this three-year goal period.

Ground Transportation. Ground transportation concessions are operated under 4 separate agreements that will expire in 2027. There is currently no ACDBE goal in these contracts. We anticipate that the agreements will continue throughout the three-year period without an ACDBE goal. However, we will conduct a goal analysis as the opportunity approaches and set a goal if the analysis demonstrates availability.

Vending. The vending concessions are operated under two separate contracts, one for specialty retail and one for snacks/drinks. The contracts do not expire until 2027, after this goal period. The current agreements do not contain an ACDBE goal and will continue without a goal for the three-year goal period.

Gaming. The Gaming Concession is operated by Michael J. Gaughan. The agreement expires in September 2028. There is currently no ACDBE participation in this agreement and it is anticipated that the agreement will continue with an ACDBE goal for the duration of the three-year period.

Cumulative Estimated Gross Revenues and ACDBE Gross Revenues for Each Year in the Three-Year Goal Period and the Total Three-Year period

Based on the above description of each non-rental car concession at the airport, we have estimated gross revenues for each concession for each year and weighted and consolidated the data to develop the overall three-year goal. The projections used in the preparation of these ACDBE concession goals, including concession revenue forecasts, represent the best efforts to develop a current assessment, based on data available at the time this report was compiled.

Table 1 below provides the estimated gross revenues for each year of the three-year goal period.

TABLE 1 Estimated Gross Revenues FFY 2024 - 2026				
Concession	Projected 2024	Projected 2025	Projected 2026	Total Projected 2024-2026
Food/Beverage	\$235,907,335	\$242,984,555	\$250,274,092	\$729,165,983
News/Gift/Specialty	\$87,605,922	\$90,234,099	\$92,941,122	\$270,781,144
Duty Free	\$13,254,327	\$13,651,957	\$14,061,515	\$40,967,799
Specialty Retail Continuing	\$40,767,388	\$41,990,410	\$43,250,122	\$126,007,920
Specialty Retail New	\$13,396,399	\$13,798,291	\$14,212,239	\$41,406,929
Advertising	\$32,095,209	\$33,058,065	\$34,049,807	\$99,203,081
Airport Lounge	\$6,235,839	\$6,422,914	\$6,615,602	\$19,274,355
Passenger Services	\$361,039	\$371,870	\$383,026	\$1,115,936
Foreign Currency Exchange	\$5,000,000	\$5,150,000	\$5,304,500	\$15,454,500
Luggage Cart	\$1,065,437	\$1,097,400	\$1,130,322	\$3,293,158
Ground Transportation	\$21,290,597	\$21,929,315	\$22,587,195	\$65,807,107
Specialty Retail Vending	\$4,443,894	\$4,577,211	\$4,714,527	\$13,735,633
Snack/Drink Vending	\$1,209,446	\$1,245,730	\$1,283,101	\$3,738,277
Gaming	\$68,521,205	\$70,576,841	\$72,694,146	\$211,792,192
Total Projected Gross Revenues	\$531,154,037	\$547,088,658	\$563,501,318	\$1,641,744,013

Table 2 below provides the ACDBE goal for each concession and estimated gross revenues and ACDBE gross revenues for each year of the three-year goal period.

TABLE 2 Estimated Gross Revenues and ACDBE Gross Revenues FFY 2024 - 2026			
Concession	Estimated Gross Revenue	ACDBE % Goal	ACDBE Goal \$
Food/Beverage	\$729,165,983	27.5%	\$200,520,645
News/Gift/Specialty	\$270,781,144	20.0%	\$54,156,229
Duty Free	\$40,967,799	0.0%	\$0
Specialty Retail Continuing	\$126,007,920	*0.0%	\$0
Specialty Retail New	\$41,406,929	**18.6%	\$7,701,689
Advertising	\$99,203,081	0.0%	\$0

TABLE 2			
Estimated Gross Revenues and ACDBE Gross Revenues			
FFY 2024 - 2026			
Concession	Estimated Gross Revenue	ACDBE % Goal	ACDBE Goal \$
Airport Lounge	\$19,274,355	0.0%	\$0
Passenger Services	\$1,115,936	0.0%	\$0
Foreign Currency Exchange	\$15,454,500	0.0%	\$0
Luggage Cart	\$3,293,158	0.0%	\$0
Ground Transportation	\$65,807,107	0.0%	\$0
Specialty Retail Vending	\$13,735,633	0.0%	\$0
Snack/Drink Vending	\$3,738,277	0.0%	\$0
Gaming	\$211,792,192	0.0%	\$0
Total Concessions Projected Gross Revenues	\$1,641,744,014	16.0%	\$262,378,563

*Excluding specialty retail package operated under a joint venture which is included in News/Gift/Specialty

**Race neutral through a small business solicitation

As shown above, the base goal for ACDBE participation for FFY 2024 – 2026 is 16.0%.

Step 2 – Adjustments

The ACDBE regulation provides for a Step 2 adjustment of the developed base goal for a variety of factors, including the current capacity of ACDBEs to perform work in the concession program, as measured by the volume of work ACDBEs have performed in recent years. Table 3 below provides the ACDBE achievement for the most recent five-year period to provide for an adjustment of the base goal as follows:

TABLE 3			
ACDBE Participation Past History			
Year	Total Gross Revenues	ACDBE Gross Revenues	ACDBE %
2022	\$564,262,620	\$103,095,203	18.3%
2021	\$330,089,522	\$63,461,411	19.2%
2020	\$266,707,531	\$50,335,715	18.9%
2019	\$476,043,984	\$85,020,648	17.9%
2018	\$440,222,522	\$77,529,399	17.6%

Adjusting the base goal for the adjusted past history results in the following:

$$\begin{aligned} \text{Base goal of } 16.0\% + \text{Median adjusted ACDBE Participation (2018-2022) of } 18.3\% &= 34.3\% \\ 34.3\% \div 2 &= 17.2\% \end{aligned}$$

There is no other relevant data to support an adjustment to the base goal. Therefore, the proposed overall ACDBE goal for the three-year period commencing October 1, 2023 and ending September 30, 2026 is 17.2%.

Proposed Overall Three Year Goal for FFY 2024-2026 = 17.2%

RACE-NEUTRAL/ RACE-CONSCIOUS GOAL

Non-car rental ACDBE goals totaling 15.5% as set forth in this document were set as race conscious goals prior to the solicitation for each contract. The balance of the goal, 1.7%, will be race-neutral. For concession opportunities, not the subject of an agreement in force as of the date of this document for which a goal is established, the CCDOA will meet the maximum feasible portion of each contract goal by using race-neutral means of facilitating ACDBE participation as determined at the time the concession specific goal is established. The CCDOA may use the following race-neutral measures to facilitate ACDBE participation.

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. Providing technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing;
5. Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process;
6. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation; and
7. Establishing a business development program (see 49 CFR Part 26.35); technical assistance program or taking other steps to foster ACDBE participation in concessions.

New Opportunities

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, the CCDOA will submit an appropriate adjustment to the overall goal. This will be submitted to FAA for approval prior to executing the new concession agreement. (23.45(i)).

The CCDOA determines the market area for each concession opportunity separately since the market area may vary depending upon the size and nature of the specific opportunity. For

example, the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and the geographical area in which the firms receive a substantial majority of concessions related revenues are located may be national for large contracts and local or regional for smaller contracts. The market area is defined for each concession opportunity as it arises and as the CCDOA undertakes the goal-setting process.

Goods and Services

The CCDOA can meet the percentage goal by including the purchase from ACDBEs of goods and services used in businesses conducted at the Airport. The CCDOA, 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 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.

Management Contract or Subcontract

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

Joint Venture Agreements

We can also meet the percentage goal by including any business operated through a joint venture agreement that includes a certified ACDBE as one of the participants. The FAA has issued guidance for counting ACDBE participation in joint venture agreements. The Clark County Department of Aviation will count such participation in strict accordance with the Guidance. The Guidance is included in the ACDBE Program as Attachment 7.

Consultation with Stakeholders (23.43)

Approximately 97.5% of concession gross revenues will be generated over the three-year goal period by continuing contracts. Established goals will be continued for these contracts. We will conduct stakeholder meetings for each concession opportunity during the goal setting process for the specific opportunity. We will invite the current concessionaires, ACDBEs listed in the NUCP DBE Directory for the appropriate trades, and members of the trade and minority/women business organizations (see list in Attachment 6 of the ACDBE Program). A summary of the information provided by the stakeholders will be documented for each contract opportunity. In addition, comments were solicited from the organizations listed and stakeholders participating in the concessions at the airport. No comments have been received as of the date of submission.

Overall Goal Calculation for Car Rentals (23.45)
FFY 2024-2026

Amount of Goal

The Clark County Department of Aviation (“CCDOA”) overall goal for ACDBE participation in car rental concessions at Harry Reid International Airport during the period beginning October 1, 2020 and ending September 30, 2023 is 1.7%.

Background

Harry Reid International Airport currently has thirteen (13) different car rental operations owned by six (6) different companies based in its consolidated car rental facility at the airport. Gross receipts generated by car rental firms at the airport were approximately \$300 million in 2022. Purchases for FFY 2022 were approximately \$62.9 million and are estimated at approximately \$206.1 million for this three-year goal period. The projection used in the preparation of the car rental ACDBE concession goal, including purchasing forecasts, represent best efforts to develop a current assessment, based on data available at the time this report was compiled.

In accordance with the regulation regarding ACDBE participation in Airport Concessions, we have conducted research to determine an appropriate ACDBE goal for car rental concessions at the airport. The methodology for setting the goals is included in this report.

49 CFR Part 23 provides the following guidance for establishing concession goals:

§ 23.51(a) Your objective in setting a goal is to estimate the percentage of the base calculated under §§23.47–23.49 that would be performed by ACDBEs in the absence of discrimination and its effects.

(1) This percentage is the estimated ACDBE participation that would occur if there were a “level playing field” for firms to work as concessionaires for your airport.

(2) In conducting this goal setting process, you are determining the extent, if any, to which the firms in your market area have suffered discrimination or its effects in connection with concession opportunities or related business opportunities.

(3) You must complete the goal-setting process separately for each of the two overall goals identified in §23.41 of this part.

(b) (1) Each overall concessions goal must be based on demonstrable evidence of the availability of ready, willing and able ACDBEs relative to all businesses ready, willing and able to participate in your ACDBE program (hereafter, the “relative availability of ACDBEs”).

(2) You cannot simply rely on the 10 percent national aspirational goal, your previous overall goal, or past ACDBE participation rates in your program without reference to the relative availability of ACDBEs in your market.

(3) Your market area is defined by the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and the geographical area in which the firms which receive the substantial

majority of concessions-related revenues are located. Your market area may be different for different types of concessions.

Counting Participation in Car Rentals

The regulation provides for counting ACDBE participation for car rentals as follows:

§ 23.53 How do car rental companies count ACDBE participation toward their goals?

- (a) As a car rental company, you may, in meeting the goal the airport has set for you, include purchases or leases of vehicles from any vendor that is a certified ACDBE.
- (b) As a car rental company, if you choose to meet the goal the airport has set for you by including purchases or leases of vehicles from an ACDBE vendor, you must also submit to the recipient documentation of the good faith efforts you have made to obtain ACDBE participation from other ACDBE providers of goods and services.
- (c) While this part does not require you to obtain ACDBE participation through direct ownership arrangements, you may count such participation toward the goal the airport has set for you.
- (d) The following special rules apply to counting participation related to car rental operations:
 - (1) Count the entire amount of the cost charged by an ACDBE for repairing vehicles, provided that it is reasonable and not excessive as compared with fees customarily allowed for similar services.
 - (2) Count the entire amount of the fee or commission charged by a ACDBE to manage a car rental concession under an agreement with the concessionaire toward ACDBE goals, provided that it is reasonable and not excessive as compared with fees customarily allowed for similar services.
 - (3) Do not count any portion of a fee paid by a manufacturer to a car dealership for reimbursement of work performed under the manufacturer's warranty.
- (e) For other goods and services, count participation toward ACDBE goals as provided in part 26, §26.55 and §23.55 of this part. In the event of any conflict between these two sections, §23.55 controls.
- (f) If you have a national or regional contract, count a pro-rated share of the amount of that contract toward the goals of each airport covered by the contract. Use the proportion of your applicable gross receipts as the basis for making this pro-rated assignment of ACDBE participation.

Example to paragraph (f): Car Rental Company X signs a regional contract with an ACDBE car dealer to supply cars to all five airports in a state. The five airports each account for 20 percent of X's gross receipts in the state. Twenty percent of the value of the cars purchased through the ACDBE car dealer would count toward the goal of each airport.

Market Area

The Car Rental Concessions at Harry Reid International Airport are currently operated by six (6) different companies. Based on the types of goods/services purchased by the firms (e.g., auto repair, insurance, fuel, etc.), we have determined that the market area for the purchase of goods and services is the state of Nevada for purchases of goods/services that must be provided on-site and national for other purchases as shown on Table 1.

Goal-Setting Step I

The regulation provides the following examples of potential approaches for accomplishing Step 1, determining the base figure, as follows:

23.51(c) Step 1. You must begin your goal setting process by determining a base figure for the relative availability of ACDBEs. The following are examples of approaches that you may take toward determining a base figure. These examples are provided as a starting point for your goal setting process. Any percentage figure derived from one of these examples should be considered a basis from which you begin when examining the evidence available to you. These examples are not intended as an exhaustive list. Other methods or combinations of methods to determine a base figure may be used, subject to approval by the FAA.

(1) Use DBE Directories and Census Bureau Data. Determine the number of ready, willing and able ACDBEs in your market area from your ACDBE directory. Using the Census Bureau's County Business Pattern (CBP) data base, determine the number of all ready, willing and able businesses available in your market area that perform work in the same NAICS codes. Divide the number of ACDBEs by the number of all businesses to derive a base figure for the relative availability of ACDBEs in your market area.

2) Use an Active Participants List. Determine the number of ACDBEs that have participated or attempted to participate in your airport concessions program in previous years. Determine the number of all businesses that have participated or attempted to participate in your airport concession program in previous years. Divide the number of ACDBEs who have participated or attempted to participate by the number for all businesses to derive a base figure for the relative availability of ACDBEs in your market area.

(3) Use data from a disparity study. Use a percentage figure derived from data in a valid, applicable disparity study.

(4) Use the goal of another recipient. If another airport or other DOT recipient in the same, or substantially similar, market has set an overall goal in compliance with this rule, you may use that goal as a base figure for your goal.

(5) Alternative methods. (i) You may use other methods to determine a base figure for your overall goal. Any methodology you choose must be based on

demonstrable evidence of local market conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of ACDBEs in your market area.

We have used the DBE Directories and Census Bureau Data method for determining availability. The most recent available census bureau data is for 2021. The NAICS codes for the various trades typically utilized by car rental concessions was determined through a survey of car rental concessionaires and research and are shown on the chart below. The most recent available census bureau data is for 2021.

Table 1 – U.S. Census / Nevada Unified Certification Program Directory				
Description	NAICS	2021 Census	NV UCP Directory	DBE/ACDBE %
Towing	488410	94	0	0.0%
Security	561621	68	3	4.4%
Keys/Locks	561622	50	0	0.0%
Janitorial Services	561720	759	12	1.6%
Auto Repair	811111	669	2	0.3%
Auto Body Repair	811121	250	0	0.0%
Windshield Repair	811122	80	0	0.0%
Total Local		1,970	17	0.9%
Description	NAICS	2021 Census	DBe-Connect Directory	DBE/ACDBE %
Auto Parts	423120	12,416	69	0.6%
Tires	423130	2,581	27	1.0%
Computer Support/Materials	423430	7,182	266	3.7%
Cleaning Supplies	423850	4,487	274	6.1%
Fuel/Oil/Energy	424720	2,607	170	6.5%
Car Dealerships	441110	21,622	5	0.0%
Auto Transport	484230	11,798	544	4.6%
Insurance	524210	135,939	242	0.2%
Asset Recovery	561491	725	5	0.7%
Human Resource Consulting	541612	8,664	1236	14.3%
Uniforms	812331	830	15	1.8%
Total National		208,851	2,853	1.4%
Total		210,565	2,857	1.4%

Weighting the above availability by utilization by trade results in the following:

Table 2 – U.S. Census / Nevada Unified Certification Program Directory				
Description	NAICS	DBE/ACDBE %	Weighting	DBE/ACDBE Weighted %
Towing	488410	0.0%	0.1%	0.0%
Security	561621	4.4%	8.4%	0.4%
Keys/Locks	561622	0.0%	1.9%	0.0%
Janitorial Services	561720	1.6%	1.0%	0.0%
Auto Repair	811111	0.3%	0.1%	0.0%
Auto Body Repair	811121	0.0%	1.1%	0.0%
Windshield Repair	811122	0.0%	0.2%	0.0%
Total Local				0.4%
Auto Parts	423120	0.6%	0.4%	0.0%
Tires	423130	1.0%	0.2%	0.0%
Computer Support/Materials	423430	3.7%	0.5%	0.0%
Cleaning Supplies	423850	6.1%	1.0%	0.1%
Fuel/Oil/Energy	424720	6.5%	1.5%	0.1%
Car Dealerships	441110	0.0%	80.0%	0.0%
Auto Transport	484230	4.6%	0.2%	0.0%
Insurance	524210	0.2%	1.6%	0.0%
Asset Recovery	561491	0.7%	0.1%	0.0%
Human Resource Consulting	541612	14.3%	1.5%	0.2%
Uniforms	812331	1.8%	0.2%	0.0%
Total National				0.4%
Total			100.0%	0.8%

We therefore propose the base goal at 0.8%.

Step 2 - Examine the data to determine what adjustment, if any, is needed to the Base Figure

The ACDBE regulation provides for a Step 2 adjustment of the developed base goal for a variety of factors, including the current capacity of ACDBEs to perform work in a concession program, as measured by the volume of work ACDBEs have performed in recent years. We have reviewed the ACDBE achievement for the most recent five-year period for car rental purchases to provide for an adjustment of the base goal as follows. A significant portion of past participation for 2018 and 2019 was achieved through the purchase of vehicles from Ford of Santa Monica (“SM Ford”). SM Ford was sold in FFY 2019 and is no longer a certified ACDBE. We have calculated the accomplishment for each of the years excluding SM Ford as follows.

Table 2 – Past History of ACDBE Participation				
Year	Total Purchases	ACDBE Purchases	ACDBE %	ACDBE % w/o Car Purchases (SM Ford)
2022	\$62,921,980	\$3,166,572	5.0%	5.0%
2021	\$46,391,113	\$1,191,629	2.6%	2.6%
2020	\$52,371,769	\$867,666	1.7%	1.7%

Base goal of 0.8% + Median ACDBE Participation (2020-2022) of 2.6% = 3.4%
 $3.4\% \div 2 = 1.7\%$

There is no other relevant data to support an adjustment to the base goal. Therefore, the proposed overall ACDBE goal for the three-year period commencing **October 1, 2023 and ending September 30, 2026 is 1.7%**.

Proposed Overall Three-Year Goal for Car Rental for FFY 2024-2026 = 1.7%

Race-Neutral/Race-Conscious Recommendation

Harry Reid International Airport has not completed an Availability and Disparity Study for rental cars. We do not have sufficient evidence of discrimination to establish a race-conscious goal. Therefore, the goal is proposed as a race neutral goal.

Consultation with Stakeholders (23.43)

Comments were solicited from the organizations listed and stakeholders participating in the concessions at the airport via email and follow-up calls. In addition, the airport held an outreach for potential car rental suppliers on August 29, 2023. No comments have been received as of the date of submission.