

# Walla Walla Regional Airport Walla Walla, Washington

## FY 2023-2025

### Overall Goal for the Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program



Attachment 5

Section 23.45: Overall Goal Calculation for Car Rentals

**Amount of Goal** *(submit if average annual gross receipts exceed \$200,000)*

**Name of Recipient:** Walla Walla Regional Airport (ALW)

**Goal Period:** FY 2023-2025 – October 1, 2022 through September 30, 2025

**Overall Three-Year Goal:**

1.0%, to be accomplished through 0% RC and 100% RN

**ACDBE CAR RENTAL GOAL METHODOLOGY**

**Market Area**

The Port of Walla Walla has determined its market area as NATIONWIDE for car rental operators. The ACDBE goal will be based on goods and services. The certifications of ACDBE, DBE, MBE, WMBE and WBE were used, as these could potentially all be eligible for ACDBE certification. 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 the geographical area in which the firms receive a substantial majority of concessions related revenues are located.

**Base of Car Rental Goal**

To calculate the base of the goal, the Port of Walla Walla considered the previous 3 years of gross concession receipts and the projected potential concession review (gross receipts) three years into the future including upcoming new opportunities.

The Walla Walla Regional Airport currently has one (1) car rental: Avis-Budget. The gross revenues generated by car rental agencies at the Walla Walla Regional Airport over the past three fiscal years are shown in Table 1 below. Note, Hertz gross revenues are included in FY 19 and FY 20, but they vacated in December 2020.

**Table 1  
Gross Receipts (Revenue) for Previous 3 Years - Car Rental Concessions**

<b>Fiscal Year</b>	<b>Concessions Revenue</b>
2019	\$560,158
2020	\$338,237
2021	\$491,093
<b>Total</b>	<b>\$1,389,488</b>
<b>Average</b>	<b>\$463,162</b>

The Walla Walla Regional Airport estimates that revenues to existing car rental concessions will grow by 1% over the next three years. The increase is projected due to Avis-Budget getting some of the previous Hertz customers and travel demand increasing post-pandemic. However, Walla Walla Regional Airport has been experiencing commercial air service schedule fluctuations with our air-carrier that may affect enplanements.  $\$1,389,488 \times 1.01\% = \$1,403,382$ , which is the base of the goal or  $\$467,794$  annual average.

The Walla Walla Regional Airport expects no new car rental prime concession opportunities during this goal period.

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 Sponsor will submit to the FAA 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))

**Methodology used to Calculate Overall Goal**

Goods and Services

We will calculate the ACDBE goal by determining the available firms to provide goods and services at the airport. The number of firms providing goods and services from ACDBEs may be added to the numerator, and the number of firms providing goods and services from all firms (ACDBEs and non-ACDBEs) may be added to the denominator.

**Step 1: 23.51(c)**

The methodology used to determine a base figure of ACDBE car rental participation is to obtain the number of ready, willing and able ACDBE firms that provide goods and services to the car rental agencies and dividing that number by the total number of ready, willing, and able firms in the market area. In some instances, the search for the firms was done in the Walla Walla region. In other instances, it was state-wide. The services believed to be most likely local are noted by an asterisk.

Numerator: Ready, willing, and able car rental ACDBEs in the market area

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

Type of Goods/Services Offered	NAICS	Total ACDBE's	Total All Firms
New Car Dealers	441110	0	448
Automotive Supplies	423120	3	243
Office Supplies	424120	6	66

Cleaning Supplies	423850	11	69
Insurance	524210	11	2662
Locksmith	561622	3	89
Drug Testing	621999	11	65
Automotive Body, Paint, and Interior Repairs	811121	5	700
Automotive Glass Replacement	811122	1	198
Automotive Oil Change	811191	0	209
Automotive Detailing Services	811192	6	399
Roadside Assistance	488410	2	289
<b>TOTAL</b>		59	5437
<b>BASE CALC</b>		59/5437=.0108=1.0%	

The data source or demonstrable evidence used to derive the **numerator** was:

The certification agency for the State of Washington is the Office of Minority and Women Business Enterprises (OMWBE). Certification authority is delegated to OMWBE through an agreement with the State of Washington. OMWBE provides staff to conduct ACDBE certification, recertification, decertification, appeals, challenges, investigations of third-party allegations, and public awareness activities pertaining to certification programs. Firms certified as ACDBE, DBE, MBE, WMBE, and WBE were used, as any of these could be certified as an ACDBE, even if they are not currently.

For information on the certification process, including the application process, visit <https://omwbe.wa.gov>.

The data source or demonstrable evidence used to derive the **denominator** was:

The American Fact Finder search tool on the census website was used, <https://data.census.gov> for searching for firms in the State of Washington.

When we divided the numerator by the denominator we arrived at the Step 1 base figure for our overall goal for car rental concessions of: **1.0%**.

**Step 2: EXAMINATION OF CRITERIA FOR ADJUSTMENT TO BASE FIGURE 23.51(d)**

After calculating a base figure of the relative availability of ACDBEs, we examined evidence to determine what adjustment was needed to the Step 1 base figure in order to arrive at the overall goal. This figure may be adjusted based on local supporting evidence, such as historic participation, disparity study information, and local availability of ACDBE firms.

In order to reflect as accurately as possible, the ACDBE participation we would expect in the absence of discrimination we have adjusted our base figure by 0 %. Our overall goal for car rental concessions is **1.0%**

**Past Participation**

The goal and participation results for 2019, 2020 and 2021 for car rentals are:

FY	ACDBE Goals			Actual Participation		
	RC	RN	Total	RC	RN	Total
19	0	1.000%	1.000%	0	0.85%	0.85%
20	0	1.000%	1.000%	0	0.81%	0.81%
21	0	1.000%	1.000%	0	0.85%	0.85%
Avg.			1.000%			0.84%

**Disparity Study**

There are no applicable disparity studies for the local market area or recent legal case information available to show any evidence of barriers to entry or competitiveness of ACDBEs.

## PUBLIC PARTICIPATION

### **Consultation:** Section 23.43.

In accordance with 49 CFR Part 23 requirements, the Port of Walla Walla solicited public input on this proposed ACDBE goal after the final draft was completed. This solicitation included:

1. The proposed ACDBE goal was forwarded to the car rental concessionaires.
2. A notice of the proposed goal was published on the airport's website and the goal was available for inspection for 30-days following the date of the notice. Written comments were also accepted for 45 days after the date of publication.

### **Public Notice**

The Port of Walla Walla hereby announces in FY 2023 - FY 2025 Airport Concessions Disadvantaged Business Enterprise (ACDBE) Race-Neutral goal of 1.0%. The proposed goal and rationale are available for inspection on the Walla Walla Regional Airport's website at [www.wallawallaairport.com](http://www.wallawallaairport.com) for 30-days from the date of this publication.

Comments on the overall goal will be accepted for 45-days from the date of this publication and may be sent to: Jennifer Skoglund, Airport Manager, 310 A Street, Walla Walla, WA 99362.

### **Public Notice Responses**

The Port of Walla Walla published the legal notice and ACDBE Goal 2023-2025 in the Port's newspaper of record, Walla Walla Union Bulletin, and on the Airport's website at [www.wallawallaairport.com](http://www.wallawallaairport.com). No comments were received.

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

The Port of Walla Walla will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Port of Walla Walla uses the following race-neutral measures.

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

1. Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23;
2. Notifying ACDBEs of concession opportunities and encouraging them to compete, when appropriate;
3. When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs;
4. Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process; and
5. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation.

We estimate that, in meeting our overall goal of 1.0%, we will obtain 100% from race-neutral participation and 0% through race-conscious measures.

In order to ensure that our ACDBE program will be narrowly tailored to overcome the effects of discrimination, if we use concession specific goals we will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and we will track and report race-neutral and race conscious participation separately. For reporting purposes, race-neutral ACDBE participation includes, but is not necessarily limited to, the following: ACDBE participation through a prime contract that an ACDBE obtains through customary competitive procurement procedures; ACDBE participation through a subcontract on a prime contract that does not carry ACDBE goal; ACDBE participation on a prime contract exceeding a concession specific goal; and ACDBE participation through a subcontract from a prime contractor that did not consider a firm's ACDBE status in making the award.

We will maintain data separately on ACDBE achievements in those contracts with and without concession specific goals, respectively.