

Attachment 5

Section 23.45: Overall Goal Calculation for Car Rentals

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

The City of Redmond - Redmond Municipal Airport's overall goal for car rental concessions during the period beginning October 1, 2024 and ending September 30, 2027 is 0.32% of the total goods and services purchased by car rental concessionaires.

Name of Recipient: City of Redmond

Goal Period: FY2025-2026-2027 – October 1, 2024, through September 30, 2027

Overall Three-Year Goal:

0.32% to be accomplished through 0.00% RC and 0.32% RN

The City of Redmond has determined that its market area is the State of Oregon.

Methodology used to Calculate Overall Goal:

The City of Redmond-Redmond Municipal Airport in conducting this goal-setting process is evaluating the extent, if any, to which the firms in the market area have suffered discrimination or its effects in connection with concession opportunities and related business opportunities.

Goal Based on Goods and Services Purchases - 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 goods and services from ACDBEs. There are no ACDBE rental car companies in the market area. The City of Redmond-Redmond Municipal Airport has therefore structured the goal entirely in terms of the purchase of goods and services.

Market Area for Car Rental Concessionaires

The market area is the geographical area in which the substantial majority of firms seeking to do concessions business with the airport are located, and in which the firms receiving the substantial majority of concessions-related revenues are located.

There is very little opportunity to purchase goods and services from ACDBEs locally. Some goods and services are purchased from nationwide sources. None of the car

rental companies is DBE or ACDBE. However, they have purchased goods and utilized services from ACDBEs, such as insurance, locksmith, and auto-detailing in the past.

The City of Redmond-Redmond Municipal Airport has determined that its market area for car rental goods and services is as follows:

Type of Concession	NAICS Code(s)	City/County	State	Nationwide
New Vehicles	441110			XX
Locksmith Services	561622	Statewide	OR	
Insurance Services	524210			XX
Promotional Products	323111	Deschutes County	OR	
Auto Supplies	423120			XX
Towing Services	488410	Deschutes County	OR	
Car Wash & Detailing	811192	Deschutes County	OR	
Auto Repair-Collision	811111	Deschutes County	OR	
Glass Repair Services	811122	Deschutes County	OR	
Car Wash Supplies	423850	Statewide	OR	
Oil Change Services	811191	Deschutes County	OR	
Office Supplies	424120	Statewide	OR	
Tires	423130			XX
Automobile Parts	441310			XX
Infant/Child Car Seats	424330			XX
Card Processing Svcs	522320			XX

Base of Car Rental Goal

To calculate the base of the goal, the City of Redmond-Redmond Municipal Airport considered the previous 3 years of car rental concessionaires' expenditures (or purchases of goods and services) and the projected potential car rental expenditures three years into the future, including upcoming new opportunities.

Expenditures for Previous 3 Years - Car Rental Concessions

Fiscal Year	Car Rental Expenditures/Purchases	% Growth
2021	\$9,783,519.47	-11%
2022	\$8,730,115.98	-46%
2023	\$4,703,853.74	2%*

(*) Estimated.

Despite the FY21 to FY23 negative growth, the City of Redmond estimates expenditures will increase by 3% over the next three (3) years due to inflation and increased passenger traffic as shown below:

Prior year (2023): \$4,703,853.74 + 3% growth (\$141,115.61) growth = \$4,844,969.35 (2024 projected)

(2025) \$4,844,969.35 + 3% (\$145,349.08) = \$4,990,318.43

(2026) \$4,990,318.43 + 3% (\$149,709.55) = \$5,140,027.98

(2027) \$5,140,027.98 + 3% (\$154,200.84) = \$5,294,228.82

Therefore, \$4,990,318.43 + \$5,140,027.98 + \$5,294,228.82 = **\$15,424,575.23** is the recipient's base of the goal for car rental concessions overall expenditures in the next three (3) years.

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 City of Redmond 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. (23.45(i)).

Methodology used to Calculate Overall Goal

Goods and Services

We can meet the percentage goal by including the purchase from ACDBEs of goods and services used in businesses conducted 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.

Step 1: 23.51(c)

The Step 1 was calculated as follows:

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

NAICS	Type of Concession	Total ACDBE's	All Firms in Market Area	% of ACDBE Firms that may be available
441110	New Vehicles	0	21,622	0.00%
561622	Locksmith	0	58	0.00%
524210	Insurance	1	135,939	0.00%
323111	Promotional Products	0	15	0.00%
423120	Auto Supplies	0	12,416	0.00%
488410	Towing Services	0	9	0.00%
811192	Car Wash & Detailing	0	19	0.00%
811111	Auto Repair-Collision	0	78	0.00%
811122	Glass Repair Services	0	10	0.00%
423850	Car Wash Supplies	0	51	0.00%
811191	Oil Change Services	0	7	0.00%
424120	Office Supplies	1	43	0.02%
423130	Tires	0	2,581	0.00%
441310	Automobile Parts	0	38,281	0.00%
424330	Infant/Child Car Seats	0	6,665	0.00%
522320	Card Processing Svcs	1	5,172	0.00%
Total		3	222,966	0.00%

For the base figure:

$$\frac{\text{The total number of ACDBE's}}{\text{Total market area businesses}} = \frac{3}{222,966} = 0.00\%$$

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

Business Oregon, Certification Office for Business Inclusion and Diversity (COBID)

<https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp?XID=6787&TN=oregon4biz>

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

The U.S. Census Bureau:

<https://data.census.gov/cedsci/table?q=United%20States%20Business%20and%20Economy&g=0400000US41&n=72%3A722515&tid=ECNBASIC2017.EC1700BASIC&hidePreview=true>

When we divided the numerator by the denominator, we arrived at the Step 1 base figure for our overall goal for non-car rental concessions of 0.00 %.

Step 2: 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.

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 0.32%. Therefore, our overall goal for non-car rental concessions is 0.32%

The data used to determine the adjustment to the base figure was as follows:

Past Participation

Data used to determine the adjustment to the base figure was the median of historical ACDBE accomplishments.

<i>FY</i>	<i>RC</i>	<i>RN</i>	<i>Total Achievement</i>
19	0.00%	0.64%	0.64%
20	0.00%	0.68%	0.68%
21	0.00%	0.68%	0.68%
22	0.00%	0.56%	0.56%
23	0.00%	0.56%	0.56%

Arranging this historical data from low to high, 0.56%, 0.56%, 0.64%, 0.68% and 0.68%, the median is 0.64% which is the figure we will use to make our Step 2 adjustment.

To arrive at an overall goal, we added our Step 1 base figure with our Step 2 adjustment figure and then averaged the total arriving at an overall goal of 0.32%. (Step 1 figure of 0.00% plus Step 2 figure of 0.64% = 0.64%, divided by 2 = 0.32%).

During the consultation with local concessionaires and COBID, additional areas of potential ACDBE participation were identified and car rental companies were encouraged to commit efforts to increase opportunities and participations.

PUBLIC PARTICIPATION

Consultation: Section 23.43.

Prior to submitting this goal to the FAA, the Redmond Municipal Airport consulted with the following stakeholders online via Zoom on Wednesday, August 12, 2024 at 1:30 p.m. PDT.

Interested Community Organizations/Groups:

1. City of Redmond – Redmond Municipal Airport Business Coordinator/DBELO & ACDBELO
2. City of Redmond – Redmond Municipal Airport Customer Service and Administrative Supervisor
3. Airport Concessionaires: Aviano Inc., Avis Budget Car Rental, LLC., West One Automotive Group, Inc. dba Hertz Car Rental, and Enterprise Mobility dba Enterprise-Rent-A-Car and Alamo Rent A Car and National Car Rental
4. Oregon COBID (Certification Office for Business Inclusion and Diversity) Compliance Specialist and Small Business Certification Specialist
5. Oregon Department of Transportation

The consultation meeting was intended to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs and/or ACDBEs, and the Redmond Municipal Airport's efforts to establish a level playing field for the participation of DBEs and/or ACDBEs. The meeting notes is attached to this submission package.

Following the consultation, the proposed overall goal was published on August 18, 2024 on the Bend Bulletin and on the Redmond Municipal Airport's website (www.flyrdm.com), informing the public that the proposed goal and its rationale are available for review and comments during normal business hours at the airport administration office for 30 days following the date of the notice.

No comments have been received.

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

The City of Redmond will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The City of Redmond 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. *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*

We estimate that, in meeting our overall goal of 0.32%, we will obtain 0.32% from race-neutral participation and 0.00% 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.