

**Little Rock Municipal Airport Commission
Airport Concessions Disadvantaged Business Enterprise
Program
2022-2024 Adjusted Goal**



**BILL AND HILLARY
CLINTON
NATIONAL AIRPORT
— LITTLE ROCK —**

Kim Hubbard, Business Diversity Program Coordinator

Adjusted Goal as of June 2023

ACDBE Non-Car Rental Goal

Section 23.45: Overall Goal Calculation for Concessions (Non-Car Rental Concessions)

Little Rock Municipal Airport Commission's (LRMAC) overall goal for concessions other than car rental during the period beginning October 1, 2022, and ending September 30, 2024, is 21% of the total gross receipts for concessions at Bill and Hilary Clinton National 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 concession opportunities anticipated during this goal period are ATM Concessions, Pay Telephone Concession, Gift, Novelty and Souvenirs Concessions, and Advertising Concessions with estimated gross receipts revenue of \$21,882,790. If a new concession opportunity arises prior to the end of this goal period and the estimated average of annual gross revenues is anticipated to be \$200,000 or greater, LRMAC will submit an appropriate adjustment to the overall goal.

LRMAC has determined that the market area for non-car rental concessions is Arkansas, Louisiana, and South Carolina. This is the geographical area in which the substantial majority of firms that seek to do concessions business with the airport are located and where the firms receive a substantial majority of concessions-related revenues are located.

Fiscal Year	Concessions (non-car rental)
FY19	10,341,328
FY20	5,775,193
FY21	5,766,269
Total	\$21,882,790

Methodology used to Calculate Overall Goal

Goods and Services:

LRMAC will meet the percentage goal by including the purchase from ACDBEs of goods and services used in businesses conducted at the airport. 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:

LRMAC will meet the percentage goal by including any business operated through a management contract or subcontract with an ACDBE. 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. While LRMAC realizes that this appears to go against the normal rules and rationale for goal-setting, Staff understands that this method is nevertheless required by statute.

Step 1:

LRMAC determined the base figure for the relative availability of ACDBEs other than car rentals. The base figure was calculated as follows:

NAICS	Description	All Firms	DBE Firms
453220	Gift, Novelty, and Souvenir Stores	43	5
541810	Advertising Agencies	39	12
541850	Display Advertising	7	2
722210	Full-Service Restaurant	0	1
541219	Other Accounting Services	92	5
		181	25

The data source or demonstrable evidence used to derive the numerator was the Arkansas Highway Department DBE directory. The data source or demonstrable evidence used to derive the denominator was the US Census Bureau Data at www.census.gov/epcd/cbp/view/cpdview.html.

Base Figure	Total ACDBE (Numerator)	25
	Total Firms (Denominator)	181
		0.1381

Step 2. Analysis: Adjustment to Step 1 base figure to make it more precise.

After calculating a base figure of the relative availability of ACDBEs, evidence was examined to determine what adjustment (if any) was needed to the base figure in order to arrive at the overall goal.

The data used to determine the adjustment to the base figure was the median of historical ACDBE accomplishments, which ranged from 26% to 28% as follows:

Fiscal Year	ACDBE (non-car rental) Accomplishments
FY 19	28%
FY 20	26%
FY 21	28%

Arranging this historical data from low to high, the median is 28%.

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 21%. We feel this adjusted goal figure will accurately reflect ACDBE participation that can be achieved for the type of project work being awarded during FY22-24.

Step 2: Adjustments		
CNA 2019 Accomplishments		0.2758
CNA 2020 Accomplishments		0.2563
CNA 2021 Accomplishments		0.2751
Part A:		Part B:
CNA Median	0.2751	Step One Base Figure
		Step Two Median

$$0.4132/2 = 0.2066$$

2022-2024 Overall Adjusted Goal 21%

Breakout of Estimated Race-Neutral & Race-Conscious Participation

The recipient will meet the maximum feasible portion of its overall goal by using RN means of facilitating 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 the 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*

LRMAC estimates that, in meeting our overall goal of 21%, we will obtain 2% from race-neutral participation and 19% through race-conscious measures.

The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious ACDBE participation: Summarize how the estimate was derived.

This may include:

1. The extent that you've exceeded your ACDBE goals in the past
2. Extent of your race-neutral business assistance efforts
3. Information obtained through consultation with stakeholders

If LRMAC projects that race-neutral measures, standing alone, are not sufficient to meet an overall goal, we will use the following race-conscious measures to meet the overall goal:

1. We will establish concession-specific goals for particular concession opportunities
2. Negotiate with potential concessionaires to include ACDBE participation through direct ownership arrangements or measures in the operation of the concession
3. 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 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.

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

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ACDBE Car Rental Goal

Section 23.45: Overall Goal Calculation for Car Rentals

Amount of Goal

Little Rock Municipal Airport Commission's overall goal for car rentals during the period beginning October 1, 2022, and ending September 30, 2024, is **2%**.

The concession opportunities anticipated during this period are: general operational needs required for rental car agencies to operate during the year (i.e. insurance, automotive maintenance and repair, windshield repair, office supplies, fuel, office equipment, uniforms, safety equipment, etc.).

LRMAC has determined that its market area is national for car rental concessions and corporate expenditures and the state of Arkansas. For local purchases of goods and services required to sustain ongoing business operations.

Methodology used to Calculate Overall Goal

Goods and Services

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

Fiscal Year	Concessions (car rental)
FY18	34,686,164
FY19	34,696,164
FY20	28,219,363
Total	97,601,691

LRMAC determined the base figure for the relative availability of car rental ACDBEs. The data source or demonstrable evidence used to derive the numerator was the Arkansas Highway Department DBE directory. The data source or demonstrable evidence used to derive the denominator was: US Census Bureau Data at www.census.gov/epcd/cbp/view/cpdview.html.

Rental Car NAICS codes

236220	Commercial and Institutional Building Construction	52	343
238110	Concrete Maintenance	12	148
238210	Electrical	40	619
238220	Plumbing, Heating, and Air-Conditioning Contractors	28	956
238220	HVAC Maintenance	1	0
238220	Plumbing	8	0
323111	Printing	4	126
323111	Signs	0	0
323111	Signage (Install only)	0	0
333911	Fuel Maintenance	0	4
334220	GPS	0	4
334290	Alarm System Central Monitoring	0	4
337125	Car seats, infant (except metal), manufacturing	0	0
339113	Surgical Appliance and Supplies Manufacturing (Personal protective equipment)	0	18
423110	Automobile Parts and Repairs	0	89
423130	Tires	0	29
423140	Motor Vehicle Parts (Used) Merchant Wholesalers	0	23
423840	Chemical Cleaners	0	88
423850	Car Wash Maintenance and Equipment	0	0
423850	Car Wash Supplies	0	0
423850	Janitorial Equipment & Supplies	3	35
423850	Car Wash Maintenance	0	0
424120	Office Supplies	3	35
424720	Fuel/Oil/Energy - Motor Oil	0	23
425120	Uniforms	0	385
441110	New Car Dealers	0	270
441310	Automotive Parts and Accessories Stores	0	499
441320	Tire Dealers	0	271
454310	Fuel Dealers	1	94
484230	Auto Transport	0	146
488410	Motor Vehicle Towing	2	109
492210	Local Messengers and Local Delivery	0	24
524210	Insurance	1	1513
531390	Management Company	2	76
541110	Legal Services	0	1399
541890	Sign Repair	2	61
561491	Asset Recovery	0	2
561510	Travel Services	1	46
561621	Security Systems Services (except Locksmiths)	1	70

561622	Locksmith Services	0	32
561710	Pest Control	1	155
621999	Drug Testing	0	28
811121	Automobile Body Work	0	325
811122	Automotive Glass Replacement Shops	0	59
811191	Automotive Oil Change and Lubrication Shops	0	96
811192	Automotive Detailing	1	0
811192	Car Seat Cleaning	0	0
811192	Car Washes	1	136
812331	Uniforms	0	6
		164	8346

Total Firms	(Denominator)	8346
DBE Firms	(Numerator)	164
	Goal	2%

Step 2. Analysis: Adjustment to Step 1 base figure to make it more precise.

After calculating a base figure of the relative availability of ACDBEs, evidence was examined to determine what adjustment (if any) was needed to the base figure in order to arrive at the overall goal. The data used to determine the adjustment to the base figure was the median of historical ACDBE accomplishments, which ranged from 0% to 0% as follows:

Fiscal Year	ACDBE (Car Rental) Accomplishments
FY 18	0%
FY 19	0%
FY 20	0%

Arranging this historical data from low to high, the median is 0%.

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%. We feel this adjusted goal figure will accurately reflect ACDBE participation that can be achieved for the type of project work being awarded during FY22-24.

Step 2: Adjustments

CNA 2018 Accomplishments	0.0000
CNA 2019 Accomplishments	0.0000
CNA 2020 Accomplishments	0.0000

2022-2024 Overall Adjusted Goal 2%

Breakout of Estimated Race-Neutral & Race Conscious Participation

LRMAC will meet the maximum feasible portion of its overall goal by using RN means of facilitating 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 the 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*

LRMAC estimated that, in meeting our overall goal of 2%, we will obtain 1% from race-neutral participation and 1% through race-conscious measures.

Consultation with Stakeholders

LRMAC will consult with Little Rock's Chamber of Commerce, and Airport Minority Business Council, without limiting consultation to these persons or groups, to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the Airport Authority's efforts to establish a level playing field for the participation of ACDBEs

Following the consultation, we will publish a notice on our website www.clintonairport.com. The advertisement will included the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours.