

DALLAS/FORT WORTH INTERNATIONAL AIRPORT Overall Goal Calculation for Car Rentals, FY2015 - 2017

Amount of Goal

DFW Airport's overall goal for car rentals during the period beginning October 1, 2014 and ending September 30, 2017 is the following: **3.75%** of the total anticipated expenditures for goods and services of car rental operations at DFW Airport.

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

DFW Airport has determined that its market area is national for car rental concessions and corporate expenditures and Dallas and Tarrant County for local purchases of goods and services required to sustain on-going business operations.

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 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)

§ 23.51 (c)(4) states as follows:

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.

Pursuant to this, DFW Airport has elected to utilize **3.75%** as the base goal, which is the base goal set by Houston Intercontinental Airport (Houston) for car rental. The rationale for using Houston Intercontinental Airport's car rental goal as a base figure is as follows:

- 1) Houston is a large HUB Airport like DFW Airport.
- 2) Houston has multiple car rental firms operating on its property comparable to DFW Airport.
- 3) Both Houston and DFW have a consolidated rental car facility that serves as the base of operations for the rental car firms.

- 4) Houston is in relatively close geographical proximity to DFW Airport; therefore it would share some similar requirements for rental car operations.
- 5) The relevant market areas for car rentals are comparable due to the nature of the car rental business, the geographical proximity of both airports, similar types of operations and customers served, and a common pool of ACDBEs, certified by the TUCP, that can provide goods and services. Both the Houston Metropolitan area and the Dallas/Fort Worth Metropolitan area reflect comparable firms that can supply goods and services to rental car firms. Some of those firms also seek to do business in both the Houston and Dallas/Fort Worth market.

Step 2: 23.51(d)

After calculating a base figure of the relative availability of ACDBEs, we considered evidence to determine what adjustment was needed to the base figure in order to arrive at the overall goal and determined that an adjustment is not necessary.

The car rental contracts were awarded in 1998 for a 25 year term. Therefore, the contracts will not expire until 2023. The contracts require the car rental companies to comply with federal requirements regarding ACDBE requirements. We are planning to implement more stringent reporting requirements in the coming year and may adjust the goal in the future depending upon the results.

Consultation with Stakeholders (23.43)

Stakeholders will be consulted for comment during the month of August 2014. Consultations include the dissemination of a written notice to area minority chambers and advocacy organizations as well as a formal briefing. A public notice was advertised in the local newspaper to ensure any individual or organization, which could be expected to have information concerning the availability of disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and DFW Airport's efforts to increase participation of ACDBEs, receives the opportunity to provide comments. A summary of relevant information from these stakeholders will be provided.

Breakout of Estimated Race-Neutral & Race Conscious Participation

Section 23.51

DFW Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. DFW Airport uses the following race-neutral means to increase 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 presolicitation 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.*

We estimate that, in meeting our overall goal of **3.75%**, we will obtain **3.75%** through race-conscious measures.

The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious ACDBE participation:

Car rental contracts have been in place since 1998. We have achieved minimal participation, 0% to 1%, utilizing race-neutral measures. Given this, we do not believe that race neutral measures can achieve any portion of the goal and we propose to implement race-conscious measure in the coming year.

In order to ensure that our ACDBE program will be narrowly tailored to overcome the effects of discrimination, we will adjust the estimated breakout of race-neutral and race-conscious participation as needed and we will track and report race-neutral and race-conscious participation separately.