

**PORT OF OAKLAND
530 WATER STREET, OAKLAND, CA**

**AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE
(ACDBE) FY 2006-2008 OVERALL THREE YEAR GOALS REPORT TO THE
FEDERAL AVIATION ADMINISTRATION**

The Port of Oakland (the "Port") is pleased to submit this report outlining the Port's overall ACDBE goal and the method of calculating the goal (the "Goals and Methodology Report") in car rental airport concessions. This Goals and Methodology Report should be read in conjunction with the Port's "Airport Concession Disadvantaged Business Enterprise Program" (the "Program").

The Port has completed its initial review process for our three year Airport Concession Disadvantaged Business Enterprise (ACDBE) goals applicable to FY 2006-2008 concession opportunities. An ACDBE is a concession that is a for-profit small business concern, is at least 51% owned by one or more individuals who are both socially and economically disadvantaged as described in 49 CFR Part 23 and is certified by the "California Unified Certification Program" (CUCP) according to its most updated Memorandum of Agreement. The Port has revised the ACDBE goal-setting methodology in compliance with the U.S. Department of Transportation regulations 49 CFR Part 23, issued March 22, 2005, and effective April 21, 2005 ("ACDBE Regulations").

The Port of Oakland has an overall ACDBE goal of 8.5 percent (%) applicable to car rental concession contracting opportunities at the Oakland International Airport as it relates to the purchase of vehicles and goods and services.

The Regulations require a two step process for goal setting. This process intends to provide the maximum flexibility for grant recipients while ensuring that goals are based on availability of ready, willing and able ACDBEs in each recipient's relevant market.

**I. PROJECTED CONCESSION OPPORTUNITIES CAR RENTAL
CONCESSIONS**

The Port of Oakland's FFY 2006-2008 car rental concession contracting opportunities is estimated to total **\$97,127,635** in gross receipts, as shown in Chart 1 by U.S. Census Bureau's North American Industry Classification System (NAICS) codes. The third column shows the percentage each type of concession opportunity represents of the entire car rental concession program.

**CHART 1
TOTAL CONCESSIONS OPPORTUNITIES BY AREAS OF
CONCESSION OPPOTUNITIES**

II. GOAL METHODOLOGY - CAR RENTAL CONCESSIONS

<u>CONCESSION RENTAL CAR OPPORTUNITY</u>	<u>TOTAL ESTIMATED GROSS RECEIPTS OF CONTRACT/TOTAL VALUE OF RENTAL CAR</u>			<u>PERCENTAGE OF TOTAL GROSS RECEIPTS</u>
	FFY06	FFY07	FFY08	FFY06-08
441110 Automobile Dealers	1,091,801	1,124,555	1,158,292	4.0
323110 Printing	1,829,509	1,829,509	N/A	4.0
424720 Petroleum and Petroleum Merchant Wholesalers (except bulk)	1,371,997	1,411,960	1,413,248	4.5
441110 New Car Dealers	18,871,465	27,916,849	26,343,615	75.5
811121 Automotive body, paint, interior, repair and maintenance	5,867,081	5,909,257	256,277	12.0
332510 Hardware Manufacturing	114,893	114,904	390	0.0
339950 Sign Manufacturing	100,972	100,972	13	0.0
561612 Security Guards and Patrol Sources	150,038	150,038	N/A	0.0
TOTAL	\$29,397,756	\$38,558,044	\$29,171,835	100.0%
TOTAL 3 YEARS GROSS RECEIPTS			\$97,127,635	

Step One: Determining the Base Figure of ACDBE Availability (23.51(c)) :

In establishing its base figure for the relative availability of ACDBEs in the Port's market area (which area is determined to be Alameda and Contra Costa counties), the Port of Oakland has used the following data:

1. North American Industry Classification System (NAICS) codes
 - 441110 – Automobile Dealers
 - 323110 – Printing
 - 424720 – Petroleum and Petroleum Merchant Wholesalers
 - 441110 – New Car Dealers
 - 811121 – Automotive Body, Paint, Interior, Repair and Maintenance
 - 332510 – Hardware Manufacturing
 - 339950 – Sign Manufacturing
 - 561612 – Security Guards and Patrol Source

Chart 2 below shows the ACDBE availability (from the CUCP database) for each concession opportunity type and availability weighted by the percentage that each concession opportunity represents of the entire concession program. From these, a total weighted availability is calculated.

As noted in the Active Participants List (as identified by the census categories) for Rental Car Concession Opportunities, 43 entities expressed interest in participating in the automobile dealers concession opportunities. Of the 43 entities, 3 were specifically identified as ACDBEs. Therefore the ACDBEs willing and able to propose on concession contracts account for approximately **7%** of the automobile dealers concession entities.

There were 26 entities that expressed interest in participating in the printing concession opportunities. Of the 26 entities, 15 were specifically identified as ACDBEs. Therefore the ACDBEs willing and able to propose on concession contracts account for approximately **57%** of the printing concession entities.

There were 20 entities that expressed interest in participating in the petroleum and petroleum merchant wholesalers concession opportunities. Of the 20 entities, 15 were specifically identified as ACDBEs. Therefore the ACDBEs willing and able to propose on concession contracts account for approximately **75%** of the petroleum and petroleum merchant wholesalers concession entities.

There were 171 entities that expressed interest in participating in the new car dealers concession opportunities. Of the 171 entities, 6 were specifically identified as ACDBEs. Therefore the ACDBEs willing and able to propose on concession contracts account for approximately **4%** of the new car dealers concession entities.

There were 316 entities that expressed interest in participating in the automotive body, paint, interior, repair and maintenance concession opportunities. Of the 316

entities, 6 were specifically identified as ACDBEs. Therefore the ACDBEs willing and able to propose on concession contracts account for approximately **2%** of the automotive body, paint, interior, repair and maintenance concession entities.

There were 6 entities that expressed interest in participating in the hardware manufacturer concession opportunities. Of the 6 entities, 0 were specifically identified as ACDBEs. Therefore the ACDBEs willing and able to propose on concession contracts account for approximately **0%** of the hardware manufacturer concession entities.

There were 43 entities that expressed interest in participating in the sign manufacturing concession opportunities. Of the 43 entities, 1 was specifically identified as ACDBE. Therefore the ACDBE willing and able to propose on concession contracts account for approximately **2%** of the sign manufacturing concession entities.

There were 70 entities that expressed interest in participating in the security guards and patrol sources concession opportunities. Of the 70 entities, 49 were specifically identified as ACDBEs. Therefore the ACDBEs willing and able to propose on concession contracts account for approximately **70%** of the security guards and patrol sources concession entities.

**CHART 2
ACDBE AVAILABILITY BY CONCESSION OPPORTUNITY
AND WEIGHTED AVAILABILITY**

NAICS CODE/ACTIVE PARTICIPANTS LIST (APL)	CONCESSION OPPORTUNITY	CENSUS/ACTIVE PARTICIPANTS LIST	CUCP DATABASE ACDBE	ACDBE AVAILABILITY	PERCENTAGE OF ESTIMATED GROSS RECEIPTS PER RENTAL CAR OPPORTUNITY	WEIGHTED AVAILABILITY
441110	Automobile Dealers	43	3	.069	.04	.002
323110	Printing	26	15	.57	.04	.022
424720	Petroleum and Petroleum merchant Wholesalers (except bulk)	20	15	.75	.045	.033
110	New Car Dealers	171	6	.035	.755	.026
811121	Automotive body, paint, interior, repair & maintenance	316	6	.018	.12	.002
332510	Hardware manufacturer	6	0	.00	0.0	0.0
339950	Sign manufacturing	43	1	.02	0.0	0.0
561612	Security Guards & Patrol Sources	70	49	.70	0.0	0.0
TOTAL WEIGHTED AVAILABILITY						8.5

Based on the data above, the Port of Oakland has calculated a **weighted ACDBE availability of 8.5%** to establish its base figure applicable to car rental concession contracting opportunities.

Step Two: Adjusting the Base Figure

Section 23.51(d) of the Regulations requires that the base ACDBE availability figure calculated in Step One must be adjusted by all relevant evidence within the Port's jurisdiction of the need for adjustment. Factors for adjustment include (i) the volume of work ACDBEs have performed in recent years in the Port's concessions program, (ii) evidence from disparity studies conducted within the Port's jurisdiction and (iii) data on employment, education, training and union apprenticeship programs related to concessions opportunities (Section 23.51(d)(1)).

Adjustment by Past Port Experience

The Port does not have formal historical performance data available with regard to car rental concession contracting opportunities as it relates to the purchase of vehicles and goods and services, therefore an adjustment is not warranted.

As historical and past performance data are not available to calculate a median or average, the Port proposes to utilize the weighted availability base figure as its goal. Therefore, the Port proposes an overall goal of 8.5%.

Other Factors

There has been no disparity study completed within the Port's jurisdiction relevant to car rental concession opportunities as it relates to the purchase of vehicles and goods and services. Nor has there been data on employment or training programs that may be a factor in adjusting the base ACDBE availability.

LIST OF ATTACHMENTS

1. Active Participants List with ACDBEs identified