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STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
AIRPORTS DIVISION  
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HONOLULU, HAWAII 96819-1880

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IN REPLY REFER TO:  
AIR-LD  
14.0280

October 6, 2014

VIA EMAIL: [patricia.wright@faa.gov](mailto:patricia.wright@faa.gov)

Mr. Michael Freilich, AWP-9  
Director, Civil Rights  
Western Pacific Region & DBE Compliance  
Federal Aviation Administration  
Office of Civil Rights  
P.O. Box 92007  
Los Angeles, California 90009-2007

Dear Mr. Freilich:

Subject: Airports Concession Disadvantaged Business Enterprise (ACDBE) Program

Attached for your review and approval are the FY 2015 – 2017 goal proposals and methodology for the following State of Hawaii, large hub airports:

- 1) Honolulu International Airport
- 2) Kahului Airport

If you have any questions regarding the information submitted, please call Ms. Terri Brewer, DBE Program Coordinator, at (808) 838-8703.

Sincerely,

A handwritten signature in black ink, appearing to read "Ross M. Higashi".

ROSS M. HIGASHI  
Deputy Director-Airports

Attachments

bc: AIR-L, -A, -PM, -O, -M – w/attachments  
OCR-D – w/attachments

**HONOLULU INTERNATIONAL AIRPORT**  
**FY 2015 to FY 2017**

**AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE  
(ACDBE) PROGRAM GOAL METHODOLOGY**

The State of Hawaii, Department of Transportation, Airports Division has revised our Airport Concession Disadvantaged Business Enterprise (ACDBE) Program Plan and goal-methodology in compliance with the U.S. Department of Transportation regulations Title 49 Code of Federal Regulations (CFR) Part 23, issued March 22, 2005, and effective April 21, 2005, hereinafter referred to as the "ACDBE Regulation".

The ACDBE Regulation requires separate overall goals for: 1) Concessions, other than Car Rentals (Non Car Rental Concessions) and 2) Car Rental Concessions. The overall goals shall cover a three year period. Goals shall be reviewed annually and any significant adjustments made to the goals shall be reported to FAA prior to the next scheduled submission.

The overall goals are based on existing concession leases and demonstrable evidence of the availability of ready, willing and able ACDBEs relative to all local businesses ready, willing and able to participate in new "concession opportunities" that may occur during this goal period. The goals, as much as possible, are reflective of the level of ACDBE participation, absent the effects of discrimination. The Airports Division intends to meet the overall ACDBE goals, to the maximum extent feasible through race-neutral measures identified in our Program Plan. When race-neutral measures are not sufficient to meet our overall goal, we will utilize race-conscious measures which may include establishing specific contract goals for concessions with subcontracting opportunities.

**NON CAR RENTAL CONCESSIONS**

The overall goal for non car rental concessions shall be expressed as a percentage of total gross receipts. The total gross receipts for Honolulu International Airport during the three (3) year period of Federal Fiscal Year 2015 - 2017 for non car rental concessions are projected to be approximately \$562.5 million. Of this \$562.5 million, the Airports Division is proposing that 12% or approximately \$67.5 million will be generated from ACDBE gross receipts. The two step process is explained below:

**Step 1: Determining a Base Figure for the Overall Goal**

A base figure was derived by utilizing the following data:

1. Concession Opportunities and the Gross Revenues projected for FY 2015 to FY 2017.  
(see Attachment 1)

2. State of Hawaii Unified Certification Program ACDBE Directory, dated September 2, 2014. (There are 15 certified ACDBEs listed in the Directory. Out of the 15, 10 already participate in at least one of the Concessions at a State of Hawaii system airport.)
3. Active Participant List (APT). A list of interested participants was created by looking at companies that had previously purchased bid documents or attended pre-bid meetings for various concessions let out to bid at State of Hawaii airports.
4. Number of firms in the NAICS. This is based on the number of firms listed in the Census Bureau's County Business Pattern (CBP) database for specified types of business.
5. ACDBE Availability based on the APT. This ACDBE availability was determined by dividing the number of certified ACDBEs in the Hawaii UCP by the Interested Participant list.
6. ACDBE Availability based on the NAICS. This ACDBE availability was determined by dividing the number of certified ACDBEs in the Hawaii UCP by the number of firms listed in the NAICS.
7. Average of ACDBEs Available. This figure is the average of the ACDBE availability based on the APT and the ACDBE availability based on the NAICS.
8. Weighted Percentage of Revenue by Concession Opportunity. This percentage was derived by dividing the total gross revenues for each concession opportunity by the total gross revenue projected for all the non-rental car concessions.
9. Weighted Availability. This percentage is derived by multiplying the ACDBE availability by the Weighted Percentage of Revenue by Concession Opportunity.

Based on the factors above, the **Base Figure** or total weighted availability = 14.16%  
(see Attachment 2)

### Step 2: Adjusting the Base Figure

The Hawaii DOT recently received the results of a disparity study conducted by National Economic Research and Associates (NERA), dated October 18, 2010, however, the data has not been fully reviewed to be utilized as part of the goal setting process. Moreover, the disparity study does not apply to concessions. Until then, the following factors, based on the available evidence to the Airports Division and the State of Hawaii, were used to adjust the above base figure:

1. Previous ACDBE accomplishments at Honolulu International Airport.

Federal Fiscal Year	Concession Gross Receipts w/o RAC	ACDBE Gross Receipts	Percentage
2013	\$ 337,436,818.	\$ 24,195,040	7.17%
2012	\$ 169,802,701	\$ 20,221,425	11.91%
2011	\$ 157,302,720.	\$ 17,495,718.	11.12 %
2010	\$ 249,211,070.	\$ 12,158,392.	4.88 %
2009	\$ 134,930,668.	\$ 12,763,764.	9.46 %

Median ACDBE Participation Percentage = 9.46 %

2. Public Participation

To provide for public participation in the proposed goal-setting process, the State of Hawaii, Department of Transportation shall contact ACDBEs, as well as other organizations and agencies, including local minority groups and organizations, to solicit comments on the Airport Division's proposed overall FY 2015 to FY 2017 goals.

Proposal & Analysis

The Airports Division proposes an **overall ACDBE goal of 12 %** (rounded up from 11.81) for Honolulu International Airport for Federal Fiscal Years 2015 to 2017, formulated with the following rationale below:

1. The base figure = 14.16%
2. Median past participation level = 9.46 %
3. An average of the factors above provides us with a realistic and logical method of establishing our overall ACDBE goal. The average of these numerical indicators equates to approximately 11.81% (14.16 + 9.46 / 2).

Breakout of Estimated Race-Neutral and Race-Conscious Participation

Of this 12 % goal, the Airports Division expects to meet 0% of the goal through race neutral means and 12 % of the goal through race conscious means. The 0 % is representative of the median figure of the difference, by which we were unable to meet our goals in the last five (5) years. The difference between our goals and accomplishments are as follows:

Federal Fiscal Year	Goal	Actual ACDBE Participation	Difference
2013	12.00%	7.17%	-4.83%
2012	12.00%	11.91%	-0.09%
2011	12.70%	11.12%	<b>-1.58%</b>
2010	12.70 %	4.88 %	-7.82
2009	12.70 %	9.46 %	-3.24

The Airports Division will continue to utilize race-neutral means of facilitating ACDBE participation as much as possible while attempting to meet our overall ACDBE goal. The following race-neutral means to increase ACDBE participation shall be used:

1. Structuring concession activities so as to encourage and facilitate ACDBE participation;
2. Informing all certified DBEs/ACDBEs in the Hawaii UCP and various minority and women-owned business agencies of Notices to Bidders for new concession opportunities;
3. Providing assistance in overcoming limitations such as inability to obtain bonding of financing;
4. Ensuring that competitors for concession opportunities are informed during pre-bid meetings about how the Airport Division's ACDBE Program will affect the procurement process;
5. Providing technical assistance and other services;
6. Providing services to help ACDBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of long-term development, increase opportunities to participate in various types of work, and achieve eventual self-sufficiency; and
7. Ensuring distribution of the State of Hawaii DBE directory, through print and electronic means, to the widest feasible universe of potential concessionaires and management services.

#### Outreach Efforts

As mentioned above, there are currently 15 certified ACDBEs in the Hawaii State Directory that would most likely be able to participate in our ACDBE program. This number has increased somewhat from previous reports. Although, we have tried to increase the ACDBE pool, we have found that the complexity and paperwork involved with becoming certified have discouraged several companies from submitting applications. Moreover, prior to the recent issuance of the ACDBE joint venture guidance, many prime concessionaires and prospective ACDBEs that were interested in airport concession opportunities, were uncertain as to the type of partnerships to establish which would both meet their business needs and satisfy FAA ACDBE participation requirements.

Outreach in the form of training workshops will continue to be scheduled to provide technical assistance on certification to prospective ACDBEs, and to disseminate information regarding the ACDBE joint venture guidance. Further, we will broaden our outreach efforts by participating in small business fairs to market the ACDBE Program and to solicit potential ACDBEs that may be able to participate in concession activities at Hawaii airports.

## CAR RENTAL CONCESSIONS

The overall goal for car rental concessions shall be expressed as a percentage of total gross receipts. The total gross receipts for Honolulu International Airport during the three (3) year period of Federal Fiscal Year 2015 - 2017 for car rental concessions are projected to be approximately \$ 358.4 million. Historically, the car rental companies at Hawaii State Airports have not been able to obtain DBE participation through subleasing methods nor through the purchases of goods and services. Therefore, of this \$ 358.4 million, the Airports Division, unfortunately, anticipates that the ACDBE gross receipts of the total car rental concession dollars will be 0%.

In accordance with 49 CFR Part 23, the two step process is explained below:

### Step 1: Determining a Base Figure for the Overall Goal

A base figure was derived by utilizing the following data:

1. Gross Revenues projected during FFY 2015 to FFY 2017 are as follows:

FFY 2015	\$ 128,584,100
FFY 2016	\$ 119,565,900
FFY 2017	<u>\$ 110,250,600</u>
Total:	\$ 358,400,600

2. Concession Opportunities. Honolulu International Airport is planning to build a consolidated car rental facility. On 6/25/13, a meeting was held at HNL and OGG regarding the future consolidated rental car facilities; therefore, we do not anticipate any of the car rental concessions going out to bid in the near future. We do not foresee any concession opportunities during the period of FFY2015 to FFY2017.

Based on the factors above, the **BASE FIGURE** is 0.

### Step 2: Adjusting the Base Figure

The Hawaii DOT contracted National Economic Research Associates, Inc. (NERA) to conduct a disparity study; however we are still reviewing the results of the study. The following factors, based on the available evidence to the Airports Division and the State of Hawaii, were reviewed to possibly adjust the above base figure:

1. Previous ACDBE accomplishments at Honolulu International Airport for Car Rental Concessions, for the last (5) years, is zero.
2. There are no ACDBE car rental companies listed in the current State of Hawaii Unified Certification Program ACDBE Directory.
3. To provide for public participation in the proposed goal-setting process, the State of Hawaii, Department of Transportation shall contact ACDBEs, as well as other

organizations and agencies, including local minority groups and organizations, to solicit comments on the Airport Division's proposed overall FFY 2015 to FFY 2017 goals.

Proposal & Analysis

The Airports Division proposes an **overall ACDBE participation level of 0%** for Honolulu International Airport for Federal Fiscal Years 2015 to 2017.

The Airports Division will continue to utilize race-neutral means of facilitating ACDBE participation as much as possible while attempting to obtain ACDBE participation. The race-neutral efforts listed above in the non-car rental concession methodology shall be used.

HONOLULU INTERNATIONAL AIRPORT  
FY 2015 to FY2017

NON CAR RENTAL CONCESSIONS

Goal Period:	FY 2015 (10/01/14 to 9/30/15)	FY 2016 (10/01/15 to 9/30/16)	FY 2017 (10/01/16 to 9/30/17)	FY 2015 - FY 2017	Percentage of Est. Gross Receipts per Concession Opportunity	
Business Type	Estimated Gross Receipts	Estimated DBE Gross Receipts	Estimated Gross Receipts	Estimated DBE Gross Receipts	Estimated Gross Receipts	
Advertising	\$ 230,669	\$ -	\$ 220,000	\$ -	\$ 650,669	0.12%
Bookstore	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Restaurant & Snack Bar	\$ 61,431,900	\$ 6,143,200	\$ 62,660,487	\$ 6,266,000	\$ 63,913,697	33.42%
Retail	\$ 54,221,400	\$ 8,675,400	\$ 55,305,800	\$ 8,848,900	\$ 56,411,900	29.50%
In-Bond (Duty Free)	\$ 36,235,300	\$ 6,041,700	\$ 36,960,000	\$ 6,193,150	\$ 37,700,000	19.71%
Florist	\$ 2,452,600	\$ 245,260	\$ 2,511,800	\$ 251,180	\$ 2,743,200	1.37%
Foreign Exchange & Business Center	\$ 8,376,400	\$ 2,331,700	\$ 8,543,900	\$ 2,378,300	\$ 8,714,800	4.56%
Luggage Cart	\$ 882,800	\$ -	\$ 900,500	\$ -	\$ 918,500	0.48%
Automobile Parking	\$ 19,086,400	\$ -	\$ 19,468,100	\$ -	\$ 19,857,500	10.38%
Barber Shop	\$ 4,000	\$ -	\$ 4,000	\$ -	\$ 4,000	0.00%
Photo Machine	\$ 14,000	\$ -	\$ 14,000	\$ -	\$ 14,000	0.01%
Lei Stands	\$ 831,000	\$ -	\$ 846,000	\$ -	\$ 865,000	0.45%
ATM	\$ 16,800	\$ -	\$ 16,800	\$ -	\$ 16,800	0.01%
	\$ 183,783,269	\$ 23,437,260	\$ 187,451,387	\$ 23,937,530	\$ 191,359,397	100.00%
	<u>12.75%</u>		<u>12.77%</u>		<u>12.76%</u>	
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HONOLULU INTERNATIONAL AIRPORT  
 FY 2015 to FY2017

CONCESSION OPPORTUNITY	ACDBE UCP DIRECTORY	ACTIVE PARTICIPANT LIST	NUMBER OF FIRMS IN NAICS	ACDBE AVAILABILITY BASED ON APT	ACDBE AVAILABILITY BASED ON NAICS	AVERAGE OF ACDBES AVAILABLE	WEIGHTED PERCENTAGE OF REVENUES BY CONCESSION OPPORTUNITY	WEIGHTED AVAILABILITY	
Advertising	1	na	4	0.00%	25.00%	12.50%	0.12%	0.02%	
Restaurant & Snack Bar	4	7	1213	57.14%	0.33%	28.74%	33.42%	9.60%	
Retail	3	13	289	23.08%	1.04%	12.06%	29.50%	3.56%	
In-Bond (Duty Free)	0	9	115	0.00%	0.00%	0.00%	19.71%	0.00%	
Florist	1	10	74	10.00%	1.35%	5.68%	1.37%	0.08%	
Foreign Exchange & Business Center	0	19	9	0.00%	0.00%	0.00%	4.56%	0.00%	
Luggage Cart	0	na	na	0.00%	0.00%	0.00%	0.48%	0.00%	
Automobile Parking	1	6	170	16.67%	0.59%	8.63%	10.38%	0.90%	
Barber Shop	0	1	30	0.00%	0.00%	0.00%	0.00%	0.00%	
Photo Machine	0	na	70	0.00%	0.00%	0.00%	0.01%	0.00%	
Lei Stands	1	12	74	8.33%	1.35%	4.84%	0.45%	0.02%	
ATMs	0	4	227	0.00%	0.00%	0.00%	0.01%	0.00%	
<b>TOTAL WEIGHTED AVAILABILITY</b>									<b>14.16%</b>

**KAHULUI AIRPORT**  
**FY 2015 to FY 2017**

**AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE  
(ACDBE) PROGRAM GOAL METHODOLOGY**

The State of Hawaii, Department of Transportation, Airports Division has revised our Airport Concession Disadvantaged Business Enterprise (ACDBE) Program Plan and goal-methodology in compliance with the U.S. Department of Transportation regulations Title 49 Code of Federal Regulations (CFR) Part 23, issued March 22, 2005, and effective April 21, 2005, hereinafter referred to as the "ACDBE Regulation".

The ACDBE Regulation requires separate overall goals for: 1) Concessions, other than Car Rentals (Non Car Rental Concessions) and 2) Car Rental Concessions. The overall goals shall cover a three year period. Goals shall be reviewed annually and any significant adjustments made to the goals shall be reported to FAA prior to the next scheduled submission.

The overall goals are based on existing concession leases and demonstrable evidence of the availability of ready, willing and able ACDBEs relative to all local businesses ready, willing and able to participate in new "concession opportunities" that may occur during this goal period. The goals, as much as possible, are reflective of the level of ACDBE participation, absent the effects of discrimination. The Airports Division intends to meet the overall ACDBE goals, to the maximum extent feasible, through race-neutral measures identified in our Program Plan. When race-neutral measures are not sufficient to meet our overall goal, we will utilize race-conscious measures which may include establishing specific contract goals for concessions with subcontracting opportunities.

**NON CAR RENTAL CONCESSIONS**

The overall goal for non car rental concessions shall be expressed as a percentage of total gross receipts. The total gross receipts for Kahului Airport during the three (3) year period of Federal Fiscal Year 2015 - 2017 for non car rental concessions are projected to be approximately \$95.7 million. Of this \$95.7 million, the Airports Division is proposing that 24% or \$22.9 million will be generated from ACDBE gross receipts. The two step process is explained below:

**Step 1: Determining a Base Figure for the Overall Goal**

A base figure was derived by utilizing the following data:

1. Concession Opportunities and the Gross Revenues projected during FY 2015 to FY 2017. (see Attachment 1)

2. State of Hawaii Unified Certification Program ACDBE Directory, dated September 2, 2014. (There are 15 certified ACDBEs listed in the Directory. Out of the 15, 10 already participate in at least one of the Concessions at a State of Hawaii system airport.)
3. Active Participant List (APT). A list of interested participants was created by looking at companies that had previously purchased bid documents or attended pre-bid meetings for various concessions let out to bid at State of Hawaii airports.
4. Number of firms in the NAICS. This is based on the number of firms listed in the Census Bureau's County Business Pattern (CBP) database for specified types of business.
5. ACDBE Availability based on the APT. This ACDBE availability was determined by dividing the number of certified ACDBEs in the Hawaii UCP by the number of firms in the Active Participant list.
6. ACDBE Availability based on the NAICS. This ACDBE availability was determined by dividing the number of certified ACDBEs in the Hawaii UCP by the number of firms listed in the NAICS.
7. Average of ACDBEs Available. This figure is the average of the ACDBE availability based on the APT and the ACDBE availability based on the NAICS.
8. Weighted Percentage of Revenue by Concession Opportunity. This percentage was derived by dividing the total gross revenues for each concession opportunity by the total gross revenue projected for all the non-rental car concessions.
9. Weighted Availability. This percentage is derived by multiplying the ACDBE availability by the Weighted Percentage of Revenue by Concession Opportunity.

Based on the factors above, the **BASE FIGURE** or total weighted availability = **35.80%**.  
(see Attachment 2)

### Step 2: Adjusting the Base Figure

The Hawaii DOT received the results of a disparity study conducted by National Economic Research and Associates (NERA), dated October 18, 2010; however, the data has not been fully reviewed to be utilized as part of the goal setting process. Moreover, the disparity study does not apply to concessions. Until then, the following factors, based on the available evidence to the Airports Division and the State of Hawaii, were used to adjust the above base figure:

1. Previous ACDBE accomplishments at Kahului Airport.

Federal Fiscal Year	Concession Gross Receipts w/o RAC	ACDBE Gross Receipts	Percentage
2013	\$ 30,569,166	\$ 3,249,022	10.63%
2012	\$ 24,809,645	\$ 3,246,255	<b>13.08%</b>
2011	\$ 22,619,947.	\$ 3,008,050.	13.30 %
2010	\$ 21,514,938.	\$ 2,757,170.	12.82 %
2009	\$ 20,485,403.	\$ 2,522,106.	12.31 %

Median ACDBE Participation Percentage = 13.08 %

2. Public Participation

To provide for public participation in the proposed goal-setting process, the State of Hawaii, Department of Transportation shall contact ACDBEs, as well as other organizations and agencies, including local minority groups and organizations, to solicit comments on the Airport Division's proposed overall FY 2015 to FY 2017 goals.

Proposal & Analysis

The Airports Division proposes an **overall ACDBE goal of 24%** (rounded down from 24.44) for Kahului Airport for Federal Fiscal Years 2015 to 2017, formulated with the following rationale below:

1. The base figure = 35.80 %
2. Median past participation level = 13.08 %
3. An average of the factors above provides us with a realistic and logical method of establishing our overall ACDBE goal. The average of these numerical indicators equates to approximately 24.44%  $(35.80 + 13.08 / 2)$ .

Breakout of Estimated Race-Neutral and Race-Conscious Participation

Of this 24% goal, the Airports Division expects to meet 0 % of the goal through race neutral means and 24% of the goal through race conscious means. The 0% (rounded up from -5.7%) is representative of the median figure of the difference, by which we were unable to meet our goals in the last five (5) years. The difference between our goals and accomplishments are as follows:

Federal Fiscal Year	Goal	Actual ACDBE Participation	Difference
2013	22 %	10.63 %	-11.37
2012	12 %	13.08 %	1.08
2011	19 %	13.30 %	<b>-5.7</b>
2010	19 %	12.82 %	-6.18
2009	19 %	12.31 %	-6.69

Based on the figures above, we feel that race conscious measures are needed to meet our proposed goal. The Airports Division will continue to utilize race-neutral means, in addition to race conscious methods, as part of our ACDBE Program Plan. The following race-neutral means to increase ACDBE participation shall be used:

1. Structuring concession activities so as to encourage and facilitate ACDBE participation;
2. Informing all certified DBEs/ACDBEs in the Hawaii UCP and various minority and women-owned business agencies of Notices to Bidders for new concession opportunities;
3. Providing assistance in overcoming limitations such as inability to obtain bonding of financing;
4. Ensuring that competitors for concession opportunities are informed during pre-bid meetings about how the Airport Division's ACDBE Program will affect the procurement process;
5. Providing technical assistance and other services;
6. Providing services to help ACDBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of long-term development, increase opportunities to participate in various types of work, and achieve eventual self-sufficiency; and
7. Ensuring distribution of the State of Hawaii DBE directory, through print and electronic means, to the widest feasible universe of potential concessionaires and management services.

#### Outreach Efforts

As mentioned above, there are currently 15 certified ACDBEs in the Hawaii State Directory that would most likely be able to participate in our ACDBE program. This number has increased somewhat from previous reports. Although, we have tried to increase the ACDBE pool, we have found that the complexity and paperwork involved with becoming certified have discouraged several companies from submitting applications. Moreover, prior to the recent issuance of the ACDBE joint venture guidance, many prime concessionaires and prospective ACDBEs that were interested in airport concession opportunities, were uncertain as to the type of partnerships to establish which would both meet their business needs and satisfy FAA ACDBE participation requirements.

Outreach in the form of training workshops shall be scheduled to provide technical assistance on certification to prospective ACDBEs, and to disseminate information regarding the ACDBE joint venture guidance.

## CAR RENTAL CONCESSIONS

The overall goal for car rental concessions shall be expressed as a percentage of total gross receipts. The total gross receipts for Kahului Airport during the three (3) year period of Federal Fiscal Year 2015 - 2017 for car rental concessions are projected to be approximately \$ 681.4 million. Historically, the car rental companies at Hawaii State Airports have not been able to obtain DBE participation through subleasing methods nor through the purchases of goods and services. Therefore, of this \$ 681.4 million, the Airports Division, unfortunately, anticipates that the ACDBE gross receipts of the total car rental concession dollars will be 0%.

In accordance with 49 CFR Part 23, the two step process is explained below:

### Step 1: Determining a Base Figure for the Overall Goal

A base figure was derived by utilizing the following data:

1. Gross Revenues projected during FFY 2015 to FFY 2017 are as follows:

FFY 2015	\$ 213,632,600
FFY 2016	\$ 231,616,600
FFY 2017	<u>\$ 236,250,000</u>
Total:	\$ 681,499,200

2. Concession Opportunities. The existing car rental concession contracts expired on May 31, 2014. On 6/25/13, a meeting was held at HNL and OGG regarding the future consolidated rental car facilities; therefore, we do not anticipate any of the car rental concessions going out to bid in the near future. We do not foresee any concession opportunities during the period of FFY2015 to FFY2017.

Based on the factors above, the **BASE FIGURE** is 0.

### Step 2: Adjusting the Base Figure

The Hawaii DOT contracted National Economic Research Associates, Inc. (NERA) to conduct a disparity study; however we are still reviewing the results of the data. The following factors, based on the available evidence to the Airports Division and the State of Hawaii, were reviewed to possibly adjust the above base figure:

1. Previous ACDBE accomplishments at Kahului Airport for Car Rental Concessions, for the last (5) years, is zero.
2. There are no ACDBE car rental companies listed in the current State of Hawaii Unified Certification Program ACDBE Directory.

3. To provide for public participation in the proposed goal-setting process, the State of Hawaii, Department of Transportation shall contact ACDBEs, as well as other organizations and agencies, including local minority groups and organizations, to solicit comments on the Airport Division's proposed overall FFY 2015 to FFY 2017 goals.

#### Proposal & Analysis

The Airports Division proposes an **overall ACDBE participation level of 0%** for Kahului Airport for Federal Fiscal Years 2015 to 2017.

The Airports Division will continue to utilize race-neutral means of facilitating ACDBE participation as much as possible while attempting to obtain ACDBE participation. The race-neutral efforts listed above in the non-car rental concession methodology shall be used.

KAHULUI AIRPORT  
FY 2015 to FY 2017

NON CAR RENTAL CONCESSIONS

Goal Period:	FY 2015 (10/01/14 to 9/30/15)		FY 2016 (10/01/15 to 9/30/16)		FY 2017 (10/01/16 to 9/30/17)		FY 2015 - FY 2017	Percentage of Est. Gross Receipts per Concession Opportunity
Business Type	Estimated Gross Receipts	Estimated DBE Gross Receipts	Estimated Gross Receipts	Estimated DBE Gross Receipts	Estimated Gross Receipts	Estimated DBE Gross Receipts	Estimated Gross Receipts	
Advertising	\$ 27,050		\$ 27,600		\$ 28,100		\$ 82,750	0.09%
Retail	\$ 9,000,000	\$ 1,350,000	\$ 9,180,000	\$ 1,377,000	\$ 9,364,000	\$ 1,405,000	\$ 27,544,000	28.77%
Restaurant and Lounge	\$ 18,267,000	\$ 1,826,700	\$ 18,650,000	\$ 1,865,000	\$ 19,100,000	\$ 1,910,000	\$ 56,017,000	58.51%
Automobile Parking	\$ 3,637,450		\$ 3,710,200		\$ 3,784,400		\$ 11,132,050	11.63%
Luggage Cart	\$ 280,000		\$ 266,000		\$ 253,000		\$ 799,000	0.83%
Photo Machine	\$ 13,500		\$ 12,800		\$ 12,200		\$ 38,500	0.04%
ATMS	\$ 3,840		\$ 3,840		\$ 3,840		\$ 11,520	0.01%
Internet Access	\$ 42,000	\$ 42,000	\$ 39,900	\$ 39,900	\$ 35,000	\$ 35,000	\$ 116,900	0.12%
	\$ 31,270,840	\$ 3,218,700	\$ 31,890,340	\$ 3,281,900	\$ 32,580,540	\$ 3,350,000	\$ 95,741,720	100.00%
		10.29%		10.29%		10.28%		

KAHULUI AIRPORT  
FY 2015 to FY 2017

CONCESSION OPPORTUNITY	ACDBE UCP DIRECTORY	ACTIVE PARTICIPANT LIST	NUMBER OF FIRMS IN NAICS	ACDBE AVAILABILITY BASED ON APT	ACDBE AVAILABILITY BASED ON NAICS	AVERAGE of ACDBES AVAILABLE	WEIGHTED PERCENTAGE OF REVENUES BY CONCESSION OPPORTUNITY	WEIGHTED AVAILABILITY
Advertising	1	NA	4	0.00%	25.00%	12.50%	0.09%	0.01%
Retail	3	13	289	23.08%	1.04%	12.06%	28.77%	3.47%
Restaurant and Lounge	4	4	1213	100.00%	0.33%	50.16%	58.51%	29.35%
Automobile Parking	1	2	170	50.00%	0.59%	25.29%	11.63%	2.94%
Luggage Cart	0	na	na	0.00%	0.00%	0.00%	0.83%	0.00%
Photo Machine	0	na	70	0.00%	0.00%	0.00%	0.04%	0.00%
ATMs	0	na	227	0.00%	0.00%	0.00%	0.01%	0.00%
Internet Access	1	2	8	50.00%	12.50%	31.25%	0.12%	0.04%
<b>TOTAL WEIGHTED AVAILABILITY</b>								<b>35.80%</b>