

**West Yellowstone Airport  
Federal Fiscal Year 2020 – 2022  
ACDBE Car Rental Goal Methodology**

The Montana Department of Transportation (MDT), in accordance with United States Department of Transportation (USDOT) guidelines, determines MDT’s Airport Concessionaire Disadvantaged Business Enterprise (ACDBE) Goal for the West Yellowstone Airport on a staggered three-year schedule.

The West Yellowstone Airport recently became a Primary airport. Gross receipts from car rentals exceeded \$200,000 whereas concessions other than car rentals did not meet the \$200,000 threshold. Therefore, this is the first ACDBE goal submission for West Yellowstone Airport and contains the goal methodology for car rentals only.

MDT calculated the ACDBE car rental goal using the criteria set forth in 49 CFR Part 23. For Federal Fiscal Year 2020 – 2022, MDT has established a proposed overall ACDBE goal of 0.2% to be accomplished through race-neutral means.

As identified in Table 1, three firms currently operate car rentals out of the West Yellowstone Airport; two of which are large, nationwide firms.

**Table 1 – West Yellowstone Airport Car Rental Firms**

<b>Company</b>	<b>Location</b>
Avis Car Rental	Nationwide
Big Sky Car Rentals	West Yellowstone, MT
Budget Car Rental	Nationwide

**Base of Car Rental Goal**

Shown in Table 2, MDT reviewed the previous three years of gross receipts to calculate the base of the car rental goal.

**Table 2 – 2017-2019 Car Rental Gross Receipts – West Yellowstone Airport**

<b>Fiscal Year</b>	<b>Car Rental Concession Revenues</b>
2017	\$1,307,281.00
2018	\$1,383,279.00
2019	\$1,693,894.60
Total	\$4,384,454.60
Average	\$1,461,484.87

Enplanements increased to the point which West Yellowstone Airport is now a Primary airport. The increased enplanements led to increased rental car revenues (over 20% from 2018 to 2019). It is difficult to predict what rental car revenues will be in FY 2020 as Yellowstone National Park has been closed to the public due to the COVID-19 virus and it is unknown when that will be lifted. Assuming operations will

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resume but may not be at the same levels reached in 2019, MDT chose to use the average of the 3 prior years. Therefore, the base of the car rental goal is \$1,461,484.87.

**Methodology used to Calculate Overall Goal**

**Market Area**

The market area is where the majority of firms seeking to work with the car rental concessions at the airport are located. The West Yellowstone Airport is in the southwestern part of Montana and is less than 10 miles to both the Idaho and Wyoming borders. Therefore, we set the market area as Montana, Idaho, and Wyoming.

**Step 1: Determine a base figure for the relative availability of ACDBEs.**

In accordance with 49 CFR 23.51(c)(1), MDT used DBE Directories and Census Bureau data to set the base figure. MDT chose to set the goal based on purchases of goods and services as there were no certified DBEs under NAICS code 532111 for Car Rental Agencies. Since West Yellowstone Airport does not have a prior history of purchases from car rental agencies, we reviewed car rental ACDBE goals from other Montana airports (Missoula International Airport and Billings Logan International Airport) to determine which NAICS codes are used most in Montana. Going forward, MDT will require car rental companies to submit purchases of goods and services on a quarterly basis. If the purchases indicate a significant difference to the NAICS codes used to calculate the goal, MDT will submit a revised goal to Federal Aviation Administration (FAA). Table 3 indicates the NAICS codes used and the number of ACDBE firms and total firms for the market area.

**Table 3 – ACDBE<sup>a</sup> and Total Firm<sup>b</sup> Availability by NAICS Code**

<b>NAICS Code</b>	<b>NAICS Code Description</b>	<b># of ACDBE firms</b>	<b># of Total Firms</b>
323111	Printing	2	175
423120	Auto Parts	1	142
423850	Janitorial Supplies	1	46
424120	Office Supplies	0	44
424720	Fuel	0	29
441110	New Car Dealers	0	338
488410	Roadside Assistance and Towing	0	156
524210	Insurance	0	1914
561320	Temporary Employment Services	4	289
811111	Auto Repair	0	1133

<sup>a</sup> DBE Firms by NAICS code were obtained from Montana, Idaho, and Wyoming Department of Transportation DBE Directories in April 2020.

<sup>b</sup> Total Firms by NAICS code for Montana, Idaho, and Wyoming were obtained from 2017 County Business Pattern Census Data in April 2020 at data.census.gov

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811122	Windshield Repair	0	144
<b>Totals</b>		<b>8</b>	<b>4410</b>

To derive the base figure for relative availability of ACDBE's in the market area, we divided the # of ACDBE firms by # of total firms and converted to a percentage as shown below:

$$8 \text{ ACDBE firms} / 4410 \text{ Total Firms} \times 100 = 0.2\%$$

The base figure for relative availability of ACDBE firms is 0.2%.

**Step 2: Adjust the base figure using factors relevant to MDT's marketplace.**

MDT examined all the evidence available in its jurisdiction to determine if an adjustment to the base figure was needed to arrive at the overall goal. Past participation figures are not available since this is the first time an ACDBE goal is being set. The 2009 MDT Disparity Study did not include any findings related to the ACDBE program and/or car rental concessions. Consultations with women- and minority-owned businesses did not provide information to indicate an adjustment was necessary. Therefore, MDT determined that an adjustment to the base figure calculated in Step 1 is not warranted.

**Race Conscious / Race Neutral Evaluation**

The overall ACDBE Car Rental goal for the West Yellowstone Airport is 0.2%. MDT projects to obtain any ACDBE participation through race neutral means. MDT will continue to monitor participation of minority- and women-owned firms with the car rental firms. MDT will also continue outreach to identify firms that may be eligible to be ACDBE certified that can provide goods and services to the car rental companies.

**Submission and Public Notice**

On July 14, 2020, MDT published its proposed DBE goal and methodology (2020-2022) for airport concessionaire rental car contracts at West Yellowstone Airport using FAA funds. MDT posted the information on MDT's website and sent the information to interested parties, including transit providers and MDT's certified DBE firms.

The proposed Goal Methodology is available for review on MDT's website and at MDT's Headquarters Building, Office of Civil Rights, 2701 Prospect Avenue, Room 201, Helena, Montana.

MDT will hold a virtual public hearing on July 21, 2020 concerning the proposed overall ACDBE goal. MDT is seeking public comments about its proposed overall three-year ACDBE goal. Comments can be provided in the following ways:

- Verbal testimony: at virtual public hearing
- Email: [mdtcrform@mt.gov](mailto:mdtcrform@mt.gov)
- Mail: MDT Office of Civil Rights, PO Box 201001, Helena, MT 59620

MDT will review all comments and make any necessary adjustments to the goal and submit to FAA by August 1, 2020.