



Jackson Municipal Airport Authority FY 2025 - FY 2027

Airport Concessions Disadvantaged Business Enterprise (ACDBE) Stakeholder Meeting

October 4, 2024



With assistance from
Ken Weeden & Associates, Inc.



JACKSON MUNICIPAL AIRPORT AUTHORITY

Welcome, Introductions, and Purpose

- **Veronica Christmas**, Director of Disadvantaged Business Enterprise Programs, Jackson Municipal Airport Authority

Overview of ACDBE program

- **Kenneth Weeden**, President, Ken Weeden & Associates, Inc. (KWA)

Review of FFY 2025-2027 ACDBE goal & methodology

- **Wilfred Nixon**, Sr. Vice President, KWA

Questions/Discussion



Ken Weeden & Assoc. Team

Kenneth Weeden, President, Ken Weeden & Assoc.

Wilfred Nixon, Sr. Vice President, Ken Weeden & Associates, Inc.

Stephania Pierre, Contract Compliance, Ken Weeden & Associates

KWA, Inc. is a national DBE/ACDBE program consultant firm for airports, transit agencies, and highway departments, for 35 years; based in Wilmington NC, with branch offices in Raleigh NC, and Atlanta, GA.



ACDBE PROGRAM: OVERVIEW



WHAT IS A CONCESSION?

A **for-profit small business** offering goods and services for sale to the **traveling** public at the airport or **on** airport property

Includes *management contracts and subcontracts, web-based services, advertising businesses*

Concessions could be contracts, leases, subleases, permits



ACDBE Program – PURPOSE

The ACDBE program is designed to:

- “**Give** business opportunities to certain ***small business concerns*** that operate at airports and, that are owned and controlled by socially and economically disadvantaged individuals”
- “...to **help them**...become self-sufficient, and able to compete with non-disadvantaged firms”

DBE / ACDBE

Expenditures vs Revenues

- The **DBE program** focuses primarily on opportunities generated from **expenditures** by the airport; i.e., the purchase of goods and services, construction, etc.
- The **Airport Concessions DBE** program focuses primarily on opportunities created from **revenues generated by entities doing business at the airport**

WHAT ARE THE *OBJECTIVES* OF THE ACDBE *PROGRAM*?

To create a level playing field on which ACDBEs can compete fairly for opportunities for concessions.

To ensure the ACDBE program is narrowly tailored in accordance with applicable law.

To ensure that only firms that fully meet eligibility standards are permitted to participate as ACDBEs.

To help remove barriers to the participation of ACDBEs in opportunities for concessions at airports.

What is an ACDBE?

ACDBE – Airport Concessions Disadvantaged Business Enterprise, 49 CFR, Part 23.

ACDBE - must be at least 51% owned and controlled by one or more presumed socially and economically disadvantaged individuals

Owner(s) must **control** the firm's management and daily operations

Must share in the risks and profits commensurate with their ownership interest

Business located ***on an Airport*** engaged in sales of consumer goods and/or services

ACDBE certification is *required* to participate

Must go through a certification process

- Application
- Personal net worth statement
- Site visit

Certifying agencies in Mississippi

- Mississippi Department of Transportation,
- Jackson Municipal Airport Authority (In partnership with MS DOT)

What businesses can apply to be an ACDBE?

Owned by Presumed “Socially” Disadvantaged Groups”

- Black Americans
- Hispanic Americans
- Native Americans/Alaska Natives
- Asian-Pacific Americans
- Subcontinent Asian Americans
- Women
- Any other group classified as disadvantaged by the SBA in the future

“Economically Disadvantaged”

Be a **“Small” Business Concern**, according to SBA size criteria, approved by FAA; presently:

- **\$56.42 million** for most non-car rentals and
- **\$75.23 million** for car rentals
- Banks and financial institutions - **\$1 billion in assets**
- Pay telephones – **1,500 employees**
- Automobile dealers – **350 employees**

ACDBE must also meet the **Personal Net Worth (PNW)** criteria, not counting exclusions, that does **not exceed** \$2,047,000 million (The Department will adjust the PNW cap by May 9, 2027, by multiplying \$1,600,000 by the growth in total household net worth since 2019)

ACDBE certification application

Out-of-state ACDBEs must be certified in the firm's jurisdiction of original certification (JOC) before being certified in Mississippi.

The JOC is the State in which the firm maintains its principal place of business at the time of application unless and until the firm loses certification in that jurisdiction.

[Civil Rights \(ms.gov\)](http://ms.gov)

To apply for ACDBE Certification

JMAA: <https://jmaa.dbesystem.com/>



MDOT: <https://mdot.ms.gov/documents/Civil%20Rights/Programs/DBE/DBE%20Certification%20Application.pdf>



Overview of ACDBE Program Administration

What is the Airport Responsible for?

- ACDBE certifications *[Discussed Above]*
- Goal setting
- Monitoring and Enforcement
- Reporting requirements

ACDBE goal setting required

ACDBE goal covers a three-year period

Goal setting is a two-step process

- *Base figure*

- *Adjustment factor*

Process more important than *product*

Separate goal for car rental concessions and non-car rental concessions

Monitoring and Enforcement

Airports must ensure that work committed to ACDBEs at award is performed by ACDBEs

Must track progress of ACDBE participation

Monthly or quarterly reports required from concessionaires;
Airport submits **ANNUAL** reports to the FAA

Airport must certify that it monitored concession agreements

JMAA - Goal Methodology

FY 2025 – FY 2027 Non-Car Rental ACDBE
Goal Methodology

FY 2025 – FY 2027 Car-Rental ACDBE
Goal Methodology

FY 2025 – FY 2027
Non-Car Rental ACDBE
Goal Methodology:

Jackson Municipal Airport



Calculating the Base Goal

Step 1: Jackson Municipal Airport Authority

Non-Car Rental Goal

1. List the current Concessionaires, and group by type.

Concession Type	Lease start	Lease end
Advertising	07/01/2000	09/30/2024
Baggage Cart	10/1/2023	12/31/2028
Banking (ATMs)	01/01/2023	12/31/2026
Food & Beverage	09/01/2022	08/30/2032
Retail	09/1/2017	08/31/2027

Calculating the Base

Non-Car Rental Goal

2. Based on prior years' gross receipts, project potential concession revenue three (3) years into the future.

Also, project a growth rate to determine the “Base” of the goal

FY 2025 – FY 2027

Projected Gross Receipts

Fiscal Year	Gross Receipts
FY 2025	\$5,699,660
FY 2026	\$5,870,649
FY 2027	\$6,046,769
Total	\$17,617,078

The Concession revenue opportunity for the 3 years is based on the gross receipts for FY 2023. FY 2023 gross receipts at Jackson-Medgar Wiley Evers International Airport was **\$5,533,650**. FY 2025 through FY 2027 gross receipts are expected to increase by 3% each year.

Calculating the Base Goal

3. The Normal Market Area (NMA) For Non-Car Rental concessions is the state of Mississippi

- Geographical area where most of the current concessionaires are located
- Interested Vendor lists

Market Area
State of Mississippi

Calculating the Base Goal Relative Availability

4. Estimate the number of potential concessionaires, in the market area, compared to the number of ACDBE concessionaires.

This Information came from:

- ❖ **US Census Bureau County Business Patterns**
- ❖ **DBE Directories**

Calculating the Base Goal

NAICS	Concession Type	Potential ACDBE Firms	All Firms	Availability	FY 25-27 Projected Gross receipts	ACDBE Dollars
453220	News and Gifts	0	178	0.0%	\$8,428,560	\$0
522110	ATM	0	162	0.0%	\$12,413	\$0
541850	Advertising	21	73	28.8%	\$640,291	\$184,193
722511/ 722513	Food/Beverage			25.0%	\$8,548,227	\$2,137,057
812990	Baggage Cart			0.00%	\$1,426	\$0
Total					\$17,630,918	\$2,321,250
Step 1						13.17%

Concessions that are shaded do not have opportunities. Their projected participation was used as availability.

Adjust the Goal – Step 2

- Evidence from Disparity Studies
- Historic Accomplishment – current capacity of ACDBEs at the airport
- Interested Vendors

Year	Goal	Accomplishment	Over/Under
FY 2021	24.05%	29.88%	5.83%
FY 2022	24.05%	25.00%	.95%
FY 2023	24.25%	53.47%	29.22%
Median	24.05%	29.88%	5.83%

Adjust the Goal – Step 2

The Airport will adjust the base figure using past participation by ACDBEs indicated in Table 4. The Airport adjusted the Step 1 ACDBE base figure of 13.18% by averaging it with the median ACDBE accomplishment of 29.88% which results in an adjusted overall goal of **21.53%**.

The overall goal is 21.53%.



Feedback on the market area?

Barriers to ACDBE participation?

Opportunities for ACDBE participation?

ACDBE GOAL

Car Rental Concessions



ACDBE GOAL – Car Rental

FFY 2025-2027 ACDBE Goal = 2.41%

How goal was calculated

- Examine previous purchases of goods and services
- Determine market area
- Determine the relative availability of ACDBEs by services offered
- Consider evidence to determine whether or not to adjust the base figure

CAR RENTAL CONCESSIONS

Calculating the Base Goal – Step 1

Much of the process for Car Rental goals is the same as for the Non-Car Rental Goal

Can also consider related ACDBEs, i.e. car dealers, auto service companies

Calculating the Base Goal – Step 1

Car Rentals: 3-Year Projected Expenditures

Report Period	Expenditures
FY 2025	\$10,081,953
FY 2026	\$10,384,412
FY 2027	\$10,695,944
Total	\$31,162,039

ACDBE opportunity for the 3 years will be the total expenditures on goods/services by car rental operations at the Airport during the goal period. The projected dollar value of goods/services expenditures will increase by 3.0% a year over the next 3 years compared with FY 2023 expenditures of **\$9,788,304**. The projected expenditures over the goal period is **\$31,162,309**.

Calculating the Base Goal

Step 1

The Normal Market Area (NMA) for Car Rental concessions is the state of Mississippi

- ❖ Geographical area where most of the current concessionaires are located
- ❖ Interested Vendor lists

Calculating the Base Goal

Step 1

Concession Type	NAICS Code	ACDBEs	All Firms	Total
Commercial Printing	323111	5	80	
Car Seat Manufacturing	336360	4	425	
Motor Vehicle Supplies	423120	3	78	
Auto Parts - Motor Vehicle Supplies and New Parts Merchant Wholesalers	423120	3	78	
Tire and Tube Merchant Wholesalers	423130	22	2,554	
Service Establishment Equipment and Supplies Merchant Wholesalers	423850	11	33	
Stationery and Office Supplies Merchant Wholesalers	424120	5	32	
Other Chemical and Allied Products Merchant Wholesalers	424690	11	61	
Stations and Terminals)	424720	6	33	
New Car Dealers	441110	5	22,057	
Tire Dealers	441320	0	20,702	
Gas stations	447190	0	132	
Auto transport	484230	9	179	
Towing	488410	2	94	
Insurance	524210	229	135,706	
Legal Services	541110	7	1,299	
Accounting	541211	4	363	
Background Checks	541612	18	21	
Building Security (Security Systems Services (except Locksmiths)	561621	9	80	
Locksmiths/Keys	561622	1	28	
Janitorial	561720	1	358	
Drug Testing (All Other Miscellaneous Ambulatory Health Care Services)	621999	1	62	
Auto Repair	811111	1	512	
Auto Body Repair	811121	1	311	
Automotive Glass Replacement Shops	811122	0	104	
Car Washes	811192	1	111	
Total		359	185,493	0.19%

Adjust the Goal - Step 2

- Evidence from Disparity Studies
- Historic Accomplishment – current capacity of ACDBEs at the airport
- Interested Vendors

Report Period	ACDBE Goal	ACDBE % Achieved	Achieved Over/Under
FY 2021	2.50%	3.51%	1.01%
FY 2022	2.50%	4.62%	2.12%
FY 2023	2.50%	6.42%	3.92%
Median		4.62%	2.12%

Adjust the Goal – Step 2

The Base Goal (Step 1) is 0.19%

The Historic Median Achievement is 4.62%

Then average the two $(0.19+4.62)/2 =$

The adjusted goal is 2.41%.

Feedback on the market area?

Barriers to ACDBE participation?

Opportunities for ACDBE
participation?

CONTACT & RESOURCES:

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Mississippi Unified Certification Program

List of Certified DBE Firms:
https://mdot.ms.gov/bidsystem_data/bidder_spdf/DBE%20Listing.pdf

JMAA Vendor Registration:

<https://jmaa.dbesystem.com/>

A Guidebook for Increasing Diverse and Small Business Participation in Airport Business Opportunities:

<https://jmaa.com/download/a-guidebook-for-increasing-diverse-and-small-business-participation-in-airport-business-opportunities-acrp-report-126/?wpdmdl=1080&refresh=66ff110f4cf5a1727992079>

Questions/Comments



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