



Doing Business with McCarran

Clark County Department of Aviation
February 10, 2009

Presentation Overview



- About McCarran International Airport
- The DBE Process
- Doing Business at McCarran
 - Purchasing
 - Construction
 - Concessions
 - *Hudson News*
 - *HMS Host*
- Questions & Answers



About McCarran

L A S V E G A S M C C A R R A N I N T E R N A T I O N A L A I R P O R T

About McCarran



- Owner & Operator:
Clark County, Nevada, through the policy direction of the Board of County Commissioners and the authority of the County Manager
- Managed by Clark County Department of Aviation through the management of the Director and Deputy Director of Aviation
- Airport System:
 - McCarran Airport
 - Henderson Executive Airport
 - North Las Vegas Airport
 - Overton/Perkins Field
 - Jean Sport Aviation Center
- Financing the Airport:
 - Self-supporting business enterprise
 - No local tax revenues
 - Revenues: Airline fees and charges, Passenger Facility Charges (PFCs), federal grants, concessions
- 2008 Statistics
 - Seventh-busiest airport in United States
 - Second-busiest Origin & Destination airport
 - 44.1 million passengers
 - Average of 120,000 passengers a day
 - Daily aircraft operations – 1,582

Operating Requirements



- Airport Security
 - McCarran continues to operate under HSAS Threat Level Orange
 - Expect the unexpected
 - To ensure the integrity of the Airport Security Program, the Department is dependent upon its staff, TSA, Metro, airlines, tenants, and all individuals who work at the airport
- Tenant Security Responsibilities
 - Comply with all security rules and procedures
 - Department of Aviation
 - Transportation Security Administration
 - Comply with all badging and auditing requirements
 - Ensure each employee undergoes a criminal history records check (CHRC), security threat assessment and security training class prior to receiving a badge
 - Maintain records of all badges issued to tenant's employees
 - Adhere to vehicle decal and registration requirements
- Airport Tenant Improvement Process
 - Construction Project
 - Estimated Investment

Regulations



- Federal
 - Federal Aviation Administration
 - Transportation Security Administration
- State
 - Nevada Revised Statutes
- Local
 - County ordinances



The Disadvantaged Business Enterprise Program

Overview



- The U.S. Department of Transportation Disadvantaged Business Enterprise (DBE) program is a federally mandated program implemented through Code of Federal Regulations 49, Parts 23 and 26 which provide strict requirements for the establishment and implementation of participation by minority and women-owned businesses in projects funded, in whole or in part, with federal funds and in airport concessions.

DBE Regulations



- The DBE regulations:
 - Require state and local transportation agencies that receive federal financial assistance to establish a formal DBE program to implement the regulations.
 - Require Airports to establish a formal DBE and ACDBE program, as applicable.
 - Involves three major operating administrations:
 - Federal Aviation Administration
 - Federal Highway Administration
 - Federal Transit Administration

Program Objectives



- DOT's stated objectives for the DBE Program are:
 - To ensure nondiscrimination in the award and administration of DOT-assisted contracts
 - To create a level playing field on which DBEs can compete fairly
 - To ensure that the Department's DBE program is narrowly tailored in accordance with applicable law
 - To ensure that only firms that fully meet the eligibility standards are permitted to participate as DBEs
 - To help remove barriers to the participation of DBEs
 - To assist the development of firms that can compete successfully in the marketplace outside the DBE program
 - To provide appropriate flexibility to recipients of federal financial assistance in establishing and providing opportunities for DBEs

Airport DBE Program



- In accordance with U.S. Department of Transportation CFR 49, Parts 23 and 26, the Department of Aviation has established a
 - Disadvantaged Business Enterprise (DBE) Program; and
 - Airport Concession Disadvantaged Business Enterprise (ACDBE) Program.
- The program, launched in the late 80s, is designed to promote equal contracting opportunities in construction, professional services, and airport concessions.

Certification



- To be certified as a DBE, a firm must be a small business owned and controlled by socially and economically disadvantaged individuals.
 - Firms which are 51% owned by minorities or women are considered to be **socially** disadvantaged.
 - Disadvantaged owners must not have a personal net worth of more than \$750,000 (excluding equity in a primary residence and the value of the applicant business).
- McCarran is part of the Nevada Unified Certification Program, and is one of three certifying agencies of the Unified Certification Program. Under the U.S. DOT regulations, all states are required to perform certifications through a UCP.

Current Status of DBE Program



- The Airport's DBE total revenue percentage in concessions is **19.1 percent**, which exceeds the FAA's aspirational goal of 10 percent;
- Some concessionaires have been able to compete as prime contractors and expand their operations into other airports;
- Cobblestone, one of our certified DBE contractors, has successfully competed and been awarded construction contracts;
- The DBE program has enabled the department to expand its overall diversity outreach activities;
- In the latest report to the state legislature showing dollars spent with minority businesses in Southern Nevada by private and public entities, the airport ranked the highest, with 27.93 percent or \$45.5 million (encompasses purchasing, construction, and professional services).

Current Status of ACDBE Program



- Food & Beverage Master Concessionaire
 - HMSHost, the master concessionaire for food and beverage, has voluntarily committed to a goal of 27.5 percent participation, which should be obtained by the time the concession plan is complete.
- News & Gift Concessionaire
 - By mutual agreement Hudson has a goal of 20 percent participation.
- Specialty Retail Concessionaires
 - Local Concessionaires



How Do I Apply?



- Application Process
 - www.mccarran.com/doingbusiness/DisadvantagedBusinessProgram.html
- Process
 - 45 to 90 days
- Contact
 - Dolores Leyva
 - DoloresL@mccarran.com
 - (702) 261-5126
- Brochure “Opportunity Through Partnership”
- McCarran’s Website



Opportunities through Purchasing

Purchasing



- Purchasing staff responsible for procurement of commodities, general services, consulting and professional services
- Construction division responsible for construction and architectural/engineering consulting services
- Business Division responsible for aviation and concessions services
- All purchase orders are processed by Purchasing staff
- Responsible for making purchases for the entire airport system
- Pre-bid meetings and bid openings usually held at the Department of Aviation Administrative Building

Bid Information



- Available on Clark County Fax-On-Demand (702) 455-5428
 - Document 201 – Purchasing bid opportunities
 - Document 202 – Construction bid opportunities
- Bid documents will also be available soon at www.mccarran.com/doingbusiness
 - Click on About the Airport, Doing Business, Purchasing
- Governed by same laws as Clark County purchasing
- Advertised in Legal Notices section of the Las Vegas Review Journal

Bid Process



- Bids advertised
- Pre-bid conference
 - Any questions regarding bid, discuss with buyer
- Addendum issued if required
- Bid opening
- Notice of intent to award
- Approval by District Attorney's office or Board of Clark County Commissioners
- Require purchase order number
 - Do **NOT** Perform work without a purchase order
- Documentation of work performed
- Submit to user division
 - User verifies, forwards to Accounts Payable
 - Check Cut
- Entire payment process typically 30 days or less

Sample of Commodities Purchased



- Aerial Inspections/Photography
- Air Compressor Equipment/Maintenance
- Air Traffic Control Services
- Alarm Systems
- Asbestos Abatement/Removal
- Asphalt Concrete/Emulsified Liquid/Sealant
- A/V Media Equipment and Repairs
- Auto Tools and Equipment
- Badging Supplies
- Barrier Posts & Accessories
- Batteries
- Bicycles – Equipment/Service/Supplies
- Boiler Equipment, Parts & Maintenance
- Building Materials
- Building – Modular
- Cameras – Surveillance
- Communication
- Computer Equipment
- Construction Equipment
- Electrical Supplies
- Fencing
- Fingerprint Equipment/Supplies
- Hazardous Materials
- HVAC
- Janitorial Supplies
- Motors
- Maintenance
- Printing Equipment
- Promotional Items
- Roofing Materials
- Runway Lights
- Safety Equipment/Supplies
- Traffic Supplies
- Uniforms

Business Utilization Directory



- Created by Clark County Purchasing/
Business Development Division
- Listing of local small/minority/woman-
owned/physically challenged suppliers
- Call (702) 455-4432 for more information

Current Opportunities



- Bid 09-601355
 - Miscellaneous Roadway Supplies and Services
 - Due February 17, 2009
- RFP 09-001
 - Landscaping Services and Maintenance
 - Due March 21, 2009
- RFP 09-002
 - GEN2 Radio Frequency Identification Tags
 - Due March 6, 2009

Upcoming Events



- Upcoming Events
 - National Reservation Economic Summit
March 11, 2009
Las Vegas Hilton
 - Supplier Opportunity Fair
March 25, 2009
Location TBD



Opportunities through Construction

Projects Under \$100,000



- Project Coordinators get three (3) quotes from eligible contractors
- Contractors are selected based on the following:
 - Past experience with the airport and similar projects
 - Type of project (signage, electrical, interior remodel, etc.)
- <http://nevadadbe.com/>

Projects More than \$100,000



- Public Bid per NRS
- Contractors are required to declare their efforts in reaching out to DBEs for sub bid
- Advertised in the following places:
 - Review Journal
 - Bid Depositories
 - Department of Aviation “Doing Business” Web site
www.mccarran.com/doingbusiness
 - Clark County Fax on Demand
(702) 455-5428

Terminal 3



- Most of the major contracts have been bid and are currently under construction
- Major general contractors:
 - McCarthy
 - Perini
 - Las Vegas Paving
 - Penta
 - Bombardier
- Projects yet to be bid:
 - center bore
 - ramp
 - taxi shade structure
 - ticketing counter
- Terminal 3 tenants will contract directly with contractors for tenant improvement construction

Heliport



- Currently in design
- First Construction Manager At Risk (CMAR) project for DOA
- Scope is primarily earthwork, utilities, and paving
- One CMAR for the entire project
- CMAR on board mid-2009
- Sub bids will be solicited late 2009, early 2010
- Heliport tenants will contract directly with general contractors for tenant buildings

Ivanpah Airport



- Ultimate commercial airport design for 30 million - 35 million annual passengers
- Phase 1 development for 18 million - 20 million annual passengers [subject of EIS]
- Intended to serve domestic and international airlines
- Supplement capacity available at LAS – Still in design process



Opportunities through Concessions

Concession Components



- Gaming
- Advertising (indoor & outdoor)
- Transportation (limousines, shuttle buses)
- Rental cars
- Passenger services (ATMs, shoeshine, vending)
- Specialty retail
- News & Gift (master concessionaire)
 - National mix
 - Local opportunities
 - RFP Process
- Food & Beverage (master concessionaire)

RFP Process



- Local selections made through a competitive Request For Proposal (RFP) process
- RFP advertised in local papers, invitations sent to those on interest list
- Pick up and sign for RFP
- Release of RFP
- Pre-Proposal meeting
- Deadlines for written questions
- Deadlines for response to questions
- Deadline for submission of RFP
- Anticipated date for approval by BOCC

RFP Evaluation



- All RFPs evaluated by a team of reviewers
- Evaluate financial proposal, concept and merchandise, experience, financial capability
- Score and rank proposals
- Send recommendations to Clark County Board of Commissioners
- Board makes selection
- Begin contract negotiations

After the RFP



- Agreement is drafted based on the proposal submitted
- Agreement is signed by the new tenant and sent to the Board of Clark County Commissioners two times
 - First, to advertise the Agreement
 - Second, to award the Agreement
- BOCC approves the Director to sign and execute the Agreement
- The tenant forwards design and merchandise layout plans to the Department of Aviation for review
 - Plans are subject to the Airport's Project Concept Approval Process

Lease Agreements



- Contractual agreement that sets forth all the terms and conditions of the lease
 - Assigned Areas
 - Use Clause
 - Rent
 - Redetermination of Rent
 - Method of Payment and Reports
 - County to Provide
 - Company to Provide and Maintain
 - Hours of Operations
 - Control of Personnel
 - Insurance
 - Airport Personnel Identification

Concession Opportunities



- Esplanade (Level 2 before security checkpoint)
- Terminal 3
- www.mccarran.com/doingbusiness



Opportunities through Hudson News



Opportunities through HMS Host

Outreach Efforts



- National Organization of Women Business Owners
- Latin Chamber of Commerce
- Vendor Fairs
 - National Procurement Association Fair
 - Clark County Government Center
 - Minority Business Opportunity Day
- Carter-Burgess “Meet the Primes” Workshop
- AMAC – AAAE Economic Forum
- SBA
- Construction College

Contact Information



- Purchasing
 - Marnell Airport Center
1845 E. Russell Rd
(702) 261-5013
<http://www.mccarran.com/doingbusiness/Purchasing.html>
- Construction
 - Marnell Airport Center
1845 E. Russell Rd
(702) 261-5030
<http://www.mccarran.com/doingbusiness/main.html>
- Concessions
 - McCarran International Airport
Business & Development Offices, 5th Floor
(702) 261-3443
<http://www.mccarran.com/doingbusiness/main.html>

Resources



- Fax-On Demand (702) 455-5424
- Business Utilization Directory
Call (702) 455-4432 for more information
- Doing Business Web Site





Questions & Answers