

Addendum 2

February 22, 2019

Master Food, Beverage, and Retail RFP

The following questions have been received following the pre-proposal meeting on February 14, 2018. After each question is a response addressing the issue raised.

The opening date for this RFP remains March 7, 2019 at 3:00 P.M.

1. The airport supplied combined sales for the last three years. Can the airport supply sales by category by month for the last three years? Response: The current reporting template by the operator is summarized below. No further detail is reported.

<u>Category</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Non-alcohol	\$1,783,718	\$1,343,052	\$1,744,907
Alcohol	\$167,549	\$252,612	\$267,721
Other	\$0	\$902,975	\$931,365
Total	\$1,951,267	\$2,498,639	\$2,943,993

- 2. How many airport employees work at the airport? Response: The number of ID badges currently issued by the County is 599. In addition, there are some employees that do not require badging. It is estimated that there are a total of approximately 750 employees utilizing the County's airport facilities.
- 3. Are there demographics available for military, vacationers, male, female, children, household income, etc. Response: This is not information that is kept by the airport. Any available data would be available through either https://www.emeraldcoastfl.com or https://www.emeraldcoastfl.com
- 4. What is Florida Sales Tax on rent based on? Response: Fixed costs (security fees, environmental fees, utilities, etc.) as well as concessions income due to the airport (based on the percentage of gross revenues schedule proposed are taxed as rent. The current commercial rental sales tax rate in Okaloosa County is 6.2% (5.7% state rate and 0.5% county discretionary).

- 5. What is the current amount of real estate taxes, if any, passed to concessionaires? Response: No real estate taxes are currently passed through to the concessionaire.
- 6. Since response to questions will be answered by February 28, 2019 does not give the respondent ample time to complete the proposal. Would the Airport Authority consider granting an extension of two weeks? Response: Due to the contract termination date and the approval process that the County must follow for the award of the new contract, the current schedule will remain.
- 7. Are either of the current operators prices in compliance with market pricing? Response: The existing contracts will be enforced consistently with the terms of their agreements and the new Master Concession contract will be enforced consistently with its terms and conditions through the County's compliance officer.
- 8. There was discussion at the pre-proposal meeting about a future Concourse C. Will that be included in the RFP. Response: No, the Concourse C will not be included in the RFP. At the time that the Concourse is being constructed, the County will be soliciting interest from the current operator and the successful Master Concessionaire operator resulting from this RFP. The following provision is added to the RFP specification.

ADD TO RFP:

XXIV FUTURE CONCESSION OPPORTUNITIES

In the event the County has a need to provide additional food, beverage, and/or retail concession opportunities from the commencement date through the termination date of the Agreement, the County reserves the right to negotiate with the successful Respondent to rights to provide such concession under the terms and conditions of the Master Concession Agreement. The County reserves the right to offer the opportunity to other concession operators under contract at the Airport or to solicit interest through an RFP process of mutually satisfactory terms and conditions cannot be agreed to by the parties.

The following language shall be added to the Sample Contract included in the RFP solicitation package.

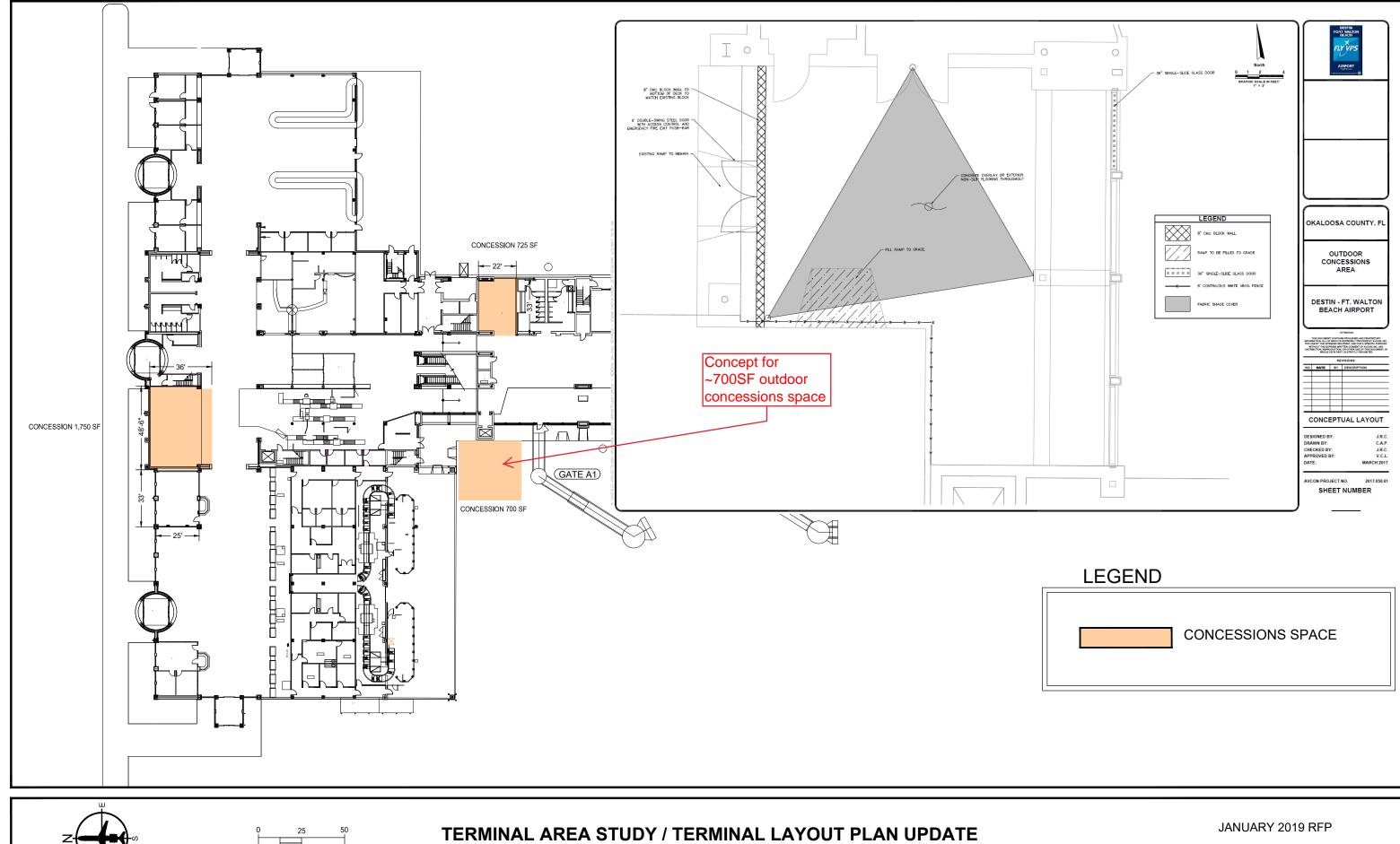
ADD TO SAMPLE CONTRACT:

Section 3.4 Future Concession Opportunities: Provided Contractor is in compliance with the terms and conditions of this Agreement, the County reserves the right to negotiate with the Contractor the right to add additional concessions at the Airport. If mutually agreeable terms are not agreed to by the parties, at the sole discretion of the Airports Director, the County will have the right to negotiate with other concessionaires operating at the Airport or to solicit a new provider through an RFP process.

9. For the space described as "1. The landside retail space with limited snacks across from the checkpoint"- is the adjacent café space (currently a Euro Café) included? Or alternatively, will the new space only have the retail square footage? Response: The space includes the all of the space in the Euro Café as well as the retail space.

- 10. For the new space described as "3. The upper level space in concourse B at the top of the escalator back toward the overlook space above the escalator (new space being dedicated to the concession space", please provide:
 - a. the dimensions of the area and total intended square footage when completed Response: There is not a defined square footage that is being mandated to be used. It is being identified as "available" space for potential Respondents to include in their proposal if they so choose. The Respondent should lay out the space to meet the proposed need. The only restriction is that access must be maintained to the back door of the administrative offices and the doors on the east must be left unencumbered.
 - b. expectations around what concepts/brands you'd like to consider for that area Response: That is totally up to the Respondent. Respondent should propose what they think is the most effective use of the space that would drive the greatest revenue and customer satisfaction.
- 11. With the planned opening of Terminal C in 2021, please confirm that the lease related to the spaces included in this RFP will offer a first right of refusal for concession space(s) that will become available in the new Terminal upon its future completion. Response: Please see response to Question 8. The successful Respondent will have an opportunity to propose on any new concession along with other qualifying existing Contractors. If a mutually agreeable solution cannot be arrived at with the qualified incumbent Contractor, the County reserves the right to issue an RFP for an alternative provider.
- 12. What is the airports ADCBR participation goal on this contract? Response: The recommended ACDBE participation goal is 0.95%.
- 13. Estimated Square footage of the proposed outdoor space? Response: The attached schematic drawing identifies the potential space. Based on this concept, approximately 700SF. Note: This space is optional, and it is up to the Respondent to determine if this is a desired investment.
- 14. Will the airport secure the space to meet TSA standards? Response: All improvements will be the responsibility of the Contractor.
- 15. Will the airport provide water to the space? Response: No, the County will not provide water. The successful Respondent will need to run water to the site if required.
- 16. Are drains available for waste water? Response: No drains are currently available.

- 17. Will the airport provide electrical to the space? Response: No. The space is available as an option for the successful Respondent and if the successful Respondent desires to use the space, all improvements will be the responsibility of the successful Respondent.
- 18. Can the outdoors be non-smoking or is it a requirement that smoking be allowed? Response: It is anticipated that this would be a seating area where smoking is allowed. Airport management will make final determination after appropriate research is performed regarding codifications and regulations.
- 19. Is the 1% supplement applied on just the amount of the sales increase of the year over year number or the total sales number? Response: Yes, the 1% would be applied only to the incremental sales year over year.
- 20. Please provide LODs for all spaces (including the outside patio smoking area and updated LOD for the B4/B6 space showing where the columns will be located specifically.) Response: The potential area for the outside seating is approximately 700SF. After reviewing the layout of the Gate B5/B6 footprint for the concession space will remain "as is" as identified in the exhibits.
- 21. Can proposers include optional concepts and space plans? Response: Respondents are encouraged to identify concepts for the spaces identified in the RFP and in the exhibits that will provide the best customer experience, the greatest options, and that will maximize revenue opportunities. All proposed options, however, must be in the spaces identified. If the respondent wants to augment the space with amenities (ex: a bar with plug ins and seating along the railing where customers can wait, that is acceptable.
- 22. Form "Company Data" requests the Respondent's License #. Please clarify what specific "license #" and to what licensing agency the form is referring? Response: If no licenses are required for the concepts proposed, just respond with "NA".
- 23. The RFP suggests that proposal responses should be "unbound". Our intention was to place our response in a 3-righ binder, is that acceptable? Response: Three ring binders are acceptable.



SPACE UTILIZATION - FIRST FLOOR

EXHIBIT RFP AP 31-19