

# Jackson Municipal Airport Authority (JMAA) Jackson-Medgar Wiley Evers International Airport

# REQUEST FOR PROPOSALS (RFP) For FOOD AND BEVERAGE CONCESSIONS JMAA PROJECT NUMBER XXX-XX (Draft 6/2/2016)

Date	RFP Schedule
June 29, 2016	RFP Issued by JMAA
July 14, 2016	Pre-Proposal Conference to be held at 1:30 p.m. (Central Time) at Jackson-Medgar Wiley Evers International Airport in the Main Terminal Building
August 14, 2016	Last date to submit questions to JMAA, due no later than 5:00 p.m. (Central Time)
September 30, 2016	Proposals due no later than 3:00 p.m. (Central Time)
November 2016	Respondent Presentations (if applicable)
December 2016	JMAA Board Action
January 2017	Commencement of Term of Concessions

JMAA reserves the right to amend or extend the schedule for the RFP at its sole discretion.

<u>RFP Contact Information</u> Karen Hatten, Procurement Specialist Jackson Municipal Airport Authority 100 International Drive, Suite 300 (39208) Post Office Box 98109 Jackson, Mississippi 39298-8109 Telephone No.: (601) 939-5631, ext. 210 Facsimile No.: (601) 939-3713 E-Mail: <u>khatton@jmaa.com</u>

## JACKSON MUNICIPAL AIRPORT AUTHORITY REQUEST FOR PROPOSALS FOOD AND BEVERAGE CONCESSIONS

## TABLE OF CONTENTS

## <u>Page</u>

SECTION 1:	Request for Proposals	1
SECTION 2:	General Information for Respondents	3
SECTION 3:	Proposal Requirements	9
SECTION 4:	Concession Description and Requirements1	3
SECTION 5:	Award of Agreement1	7

## Forms (to be completed by Respondent)

Appendix A	Proposal Acknowledgment
	References
	.Projected Gross Sales, Rental Revenues and MAG; and Pro Forma
Appendix D	Capital Investment by Concept/Location
Appendix E	Certification Regarding Gratuities
Appendix F	ACDBE Letter of Intent
Appendix G	ACDBE Utilization Plan and Commitment
Appendix H	ACDBE Good Faith Efforts Procedure and Documentation
Appendix I	ACDBE Joint Venture Information Documentation

#### Exhibits

Exhibit A	Proposal Checklist
Exhibit B	
Exhibit C	Summary of Passenger Market Survey
Exhibit D	Terminal Diagram Showing Concession Locations
	Historical Passenger Enplanements
Exhibit F	Concessions Gross Sales CY 2015
Exhibit G	Form of Lease and Concession Agreement
	Tenant Design Standards

#### JACKSON MUNICIPAL AIRPORT AUTHORITY REQUEST FOR PROPOSALS FOOD AND BEVERAGE CONCESSIONS

#### SECTION 1: REQUEST FOR PROPOSALS

1.1. The Jackson Municipal Airport Authority ("JMAA") is issuing this Request for Proposals ("RFP") seeking proposals (each, a "Proposal") from qualified respondents (each, a "Respondent") for the development and operation of the Food and Beverage Concessions (the "Concessions") at Jackson-Medgar Wiley Evers International Airport ("JAN" or "Airport").

1.2. The Respondent selected by JMAA to develop and operate the Concessions (the "Concessionaire") will be required to enter into the form of Lease and Concession Agreement (the "Agreement") with JMAA substantially in the form attached hereto as **Exhibit G** with only such modifications as may be requested in the Proposal selected by JMAA and accepted in JMAA's award. Each Respondent should carefully review the form of Agreement prior to submitting its Proposal.

1.3. JMAA's objective is to create a passenger friendly airport through, among other things, a food and beverage program that meets the expectations of JAN's traveling public and enhances each customer's experience.

1.3.1. JAN's terminal facilities consist of a Main Terminal on the pre-secure side, which includes the ticketing and baggage claim areas and two concourses, the East Concourse and West Concourse. Together these terminal facilities are referred to as the "Terminal". In calendar year 2015, JAN enplaned 495,075 passengers.

1.3.2. Currently, Host International (HMSHost) operates the food and beverage concessions in three (3) areas of the Terminal in the amount of 8,940 square feet. The largest area located pre-security consists of 7,022 square feet and includes two concepts, Starbucks and On-Stage Restaurant. The area on the East Concourse consists of 1,768 square feet and is a full service restaurant, Sports Hall Café. The area at the end of the West Concourse occupies 150 square feet and is a Sam Adams bar/kiosk unit.

1.3.3. As part of the new food and beverage program, JMAA is making available two (2) food and beverage areas on the post-secure side of the Terminal: one on the West Concourse in the amount of approximately 2,268 square feet, and the second on the East Concourse in the amount of approximately 3,000 square feet. Together, the areas occupy approximately 5,268 square feet of available space (not including approximately \_\_\_\_\_\_ square feet of prep/storage space in select areas of the Terminal to be determined at a later date).

JMAA has provided a description of the types of food and beverage services expected for the new Concessions based on an analysis of customer preferences at JAN, food and beverage services provided at other airports similar in size to JAN, and at airports with a similar passenger mix to that at JAN. The description of the types of food and beverage services expected for the new Concessions can be found in **SECTION 4: Concession Description and Requirements**.

1.3.4. The Concessionaire will have the non-exclusive right to sell approved menu items consistent with the concept for each space. In keeping with JMAA's desire to make JAN a

"passenger friendly" facility, JMAA will require the Concessionaire to institute a "street pricing plus 10%" policy to ensure prices at JAN are no more than 10% over the same prices at the Concessionaire's other locations or at similar facilities in the Jackson area. Under the street pricing plus 10% policy, prices charged by the Concessionaire to the public at JAN must not exceed the average price plus 10% of comparable items (size and quality) sold at Concessionaire's other facilities within a 25-mile radius of JAN or, if the operator does not have comparable facilities within a 25-mile radius of JAN, then at three (3) other comparable facilities selected by JMAA.

1.3.5. The successful Respondent will take possession of the concession areas in "as is" condition. All of the facilities for operation of the Concessions will require significant improvements, furniture, fixtures and equipment, each of which will be provided by the Concessionaire. Depending on the location, JMAA will either provide the Concessionaire new shell space, (framed demising walls, concrete slab flooring, unfinished ceiling, and utilities to the space or to a designated distribution point); or existing facilities, comprising of hold room space or existing concession space, requiring demolition and development of new improvements. The Concessionaire will be required to plan, design, refurbish and/or build-out, at its sole cost, the Concession areas and facilities. Design and finish materials for all tenant improvements will require the approval of JMAA in accordance with the terms of the Agreement and the Tenant Design Standards in **Exhibit H**. The standards are intended to assist Respondents in formulating their Proposals and will be used by JMAA in approving the selected Respondent's designs.

1.4 For this solicitation, JMAA has established an ACDBE participation goal of 25% of Concessions gross sales.

- 1.5. JMAA's goals for the Concessions are as follow:
  - Improve the quality and selection of food and beverage with concepts that address passengers' preferences and concession trends, and allow for flexibility in a changing consumer environment.
  - Provide a high level of customer service with competitive pricing.
  - Achieve a balance of local, regional, and national brand name concepts, while also showcasing local and regional businesses and products whenever possible.
  - Provide quality capital improvements, and incorporate a strong "sense of place" from a design standpoint.
  - Provide an environment where both the Concessionaire and JMAA can be financially successful.

#### SECTION 2: GENERAL INFORMATION FOR RESPONDENTS

2.1. <u>Organization of JMAA</u>. JMAA is a public body corporate and politic of the State of Mississippi and a municipal airport authority organized by the City of Jackson, Mississippi, under the Mississippi Airport Authorities Law, Section 61-3-1 <u>et seq</u>., Mississippi Code of 1972, as amended (the "Airport Authorities Law"), and is subject to the limitations on operations set forth in the Airport Authorities Law. In addition, JMAA receives funding from various state and federal agencies including, without limitation, the Federal Aviation Administration, which may impose limitations or restrictions on JMAA's operations.

#### 2.2. <u>Contact Person and Information for Respondents; Selection Committee;</u> <u>Contact with JMAA</u>.

2.2.1. <u>Contact Person and Information for Respondents</u>. Karen Hatton, JMAA's Procurement Specialist, is the contract person (herein referred to as the "Procurement Specialist") for this solicitation. All questions regarding the solicitation should be directed to the Procurement Specialist. Ms. Hatton may be contacted as follows:

Karen Hatten Procurement Specialist Jackson Municipal Airport Authority 100 International Drive, Suite 300 (39208) Post Office Box 98109 Jackson, Mississippi 39298-8109 Telephone No.: (601) 939-5631, ext. 210 Facsimile No.: (601) 939-3713 E-Mail: khatten@jmaa.com

Information for Respondents relating to this RFP is on file and open for public inspection at the offices of JMAA. The information for Respondents contains a copy of the RFP, which includes all supporting documentation (collectively all documentation related to this solicitation is called the "RFP"), and may be obtained from the Procurement Specialist or from JMAA's website at www.jmaa.com/resources/rfprfb-center/.

2.2.2. <u>Selection Committee</u>. JMAA will designate a committee (the "Selection Committee") to oversee the selection process and make recommendations to the Board of Commissioners (the "Board") of JMAA for award of the Concessions. The Selection Committee will rank Proposals and make its recommendation to the Board based on a point scale for the various selection criteria set forth in **SECTION 5: Award of Agreement**.

2.2.3. <u>Contact with JMAA</u>. All contact by Respondents with JMAA must be through JMAA's Procurement Specialist or in response to questions or requests for additional information from the Selection Committee. Any unsolicited contact by a Respondent with any member of the Selection Committee or any other employee, agent or representative of JMAA, including any member of JMAA's Board, shall be grounds for disqualification.

2.3. <u>Pre-Proposal Conference</u>. A pre-proposal conference (the "Pre-Proposal Conference") will be held in the Main Terminal Building at JAN at 1:30 p.m. on July 14, 2016. Attendance at the Pre-Proposal Conference is <u>strongly encouraged</u> for all Respondents. If a Respondent cannot attend, then a representative of Respondent should be in attendance. Respondents are encouraged to submit any questions concerning this RFP, in writing, prior to the Pre-Proposal Conference. JMAA will try to answer all written questions received in advance at the Pre-Proposal Conference. After the meeting, representatives of JMAA will be available to take attendees on a tour of the Terminal and concession locations.

#### 2.4. General Requirements for Proposals.

2.4.1. Proposals must be received at Suite 300, Main Terminal Building, Jackson-Medgar Wiley Evers International Airport, 100 International Drive, Jackson, Mississippi 39208, no later than 3:00 p.m. (Central Time) on Friday, September 30, 2016 (the "Deadline"). JMAA will not consider any Proposals received after the Deadline for any reason whatsoever. Proposals received after the Deadline will be rejected and returned un-opened. Immediately after the Deadline, all timely received Proposals will be opened and recorded as being filed timely. The opening of any Proposal shall not be considered as an acceptance of any Respondent as a responsible, qualified Respondent.

2.4.2. Each Respondent must submit one (1) original and five (5) bound, paper copies of its Proposal, except for material boards, which only one (1) set is required with Respondent's submittal. In addition, each Respondent must submit one (1) copy of its Proposal in digital format. Digital copies of Proposals should be submitted on a DVD or flash drive. JMAA will accept digital copies of the Proposals in Microsoft Word and Excel, and Adobe. Any other formats require the prior approval of JMAA.

2.4.3. All six (6) paper copies, one (1) set of material boards, the Proposal Guarantee, and the digital copy of the Proposal must be enclosed in a sealed package or box, the outside of which must be marked with the wording: "Proposal for Food and Beverage Concessions at Jackson-Medgar Wiley Evers International Airport." The outside of the package or box must clearly identify the Respondent.

2.4.4. Respondents must submit Proposals in the format called for in this RFP. Each Proposal should be responsive to the requests for information in this RFP and should be sufficiently detailed and contain all information necessary for complete evaluation thereof by JMAA. All pages of the Proposal except renderings and schematics must be eight and one-half inches by eleven inches ( $8\frac{1}{2}$ " X 11") with margins of at least one inch on all four sides. All text information in the main part of the Proposal must be in an easily read font, size 11 point or larger, and all pages should be numbered. The forms contained in the Appendix section of the RFP, required to be completed and submitted with each Respondent's Proposal, should be included at the end of the Proposal in a separate tabbed section. In addition, any *Acknowledgment and Receipt of Addendum Form(s)* should be included in the last tabbed section of Respondent's Proposal.

2.4.5. Proposals must respond to all requirements of the RFP and be sufficient for the Selection Committee to evaluate the qualifications and experience of the Respondent; the concepts proposed; ACDBE and local business participation; design and layout of the spaces; marketing, management and operations plans; and financial return to JMAA. At a minimum, the information required in **SECTION 3: PROPOSAL REQUIREMENTS** must be presented in the order requested. The information provided in the Proposal must be complete and accurate and the

Proposal must be sworn to (before a notary public) by an officer, partner or member of the Respondent authorized to bind the Respondent.

2.4.6. Each Proposal should be prepared simply and economically, providing a straightforward, concise description of the Respondent's proposal for development and operation of the Concessions.

2.4.7. Each Proposal must be accompanied by a Proposal Guarantee in the amount of \$10,000 in the form of a Proposal Bond conforming to **Exhibit B** or a cashier's or certified check made payable to JMAA or an irrevocable letter of credit. By submission of its Proposal with the required proposal security, the Respondent irrevocably guarantees as follows:

- (1) That Respondent will not withdraw its Proposal for one hundred twenty (120) days after the Deadline; and
- (2) The Respondent, if selected by JMAA, will execute and enter into the Agreement substantially in the form provided in **Exhibit G**.

In the event a Respondent withdraws its Proposal within one hundred twenty (120) days of the Deadline or fails to execute and deliver the Agreement to JMAA within fifteen (15) days after tender by JMAA, the Respondent shall forfeit the Proposal Guarantee to JMAA as liquidated damages. All Proposal Bonds must be secured from an agency of a corporate surety or insurance company, which agency shall have an established and duly licensed place of business in the State of Mississippi, and shall be countersigned by a Mississippi resident agent. JMAA reserves the right to hold the Proposal Guarantee of all Respondents until the Agreement is executed by the Respondent selected by JMAA as Concessionaire.

2.5. <u>Interpretation of RFP</u>. Each Respondent must examine this RFP carefully. All requests to JMAA for interpretation or correction of any ambiguity, inconsistency or error must be in submitted in writing and delivered to JMAA's Procurement Specialist, whose contact information is provided in Section 2.2.1. JMAA will not provide individual responses to any Respondent. JMAA will respond to all questions by Addendum. The deadline for submission of questions to JMAA will be **5:00 p.m. (Central Time) on Monday, August 15, 2016**. Each question must specifically identify this RFP. Only interpretations, clarifications or corrections by Addendum issued by JMAA's Procurement Specialist shall be binding on JMAA and the Respondents.

2.6. <u>Addenda</u>. If it becomes necessary to revise any part of this RFP or to provide additional information to Respondents, JMAA will issue one or more Addenda by posting on JMAA's website (http://jmaa.com/rfprfb-center/). JMA will also endeavor to deliver a copy of each Addendum to all persons on record with JMAA as receiving a copy of the RFP via email. No Addenda will be issued later than five (5) business days prior to the Deadline, except an Addendum withdrawing this RFP or an Addendum postponing the Deadline (which Addendum may be issued at any time up to the Deadline). If JMAA issues any Addendum, the Addendum will be accompanied by an Acknowledgment and Receipt of Addendum Form, which must be completed by the Respondent and submitted with its Proposal. JMAA will not issue any individual responses to questions. Each Respondent is solely responsible for ensuring that it receives and understands all Addenda issued by JMAA.

2.7. <u>Responsibilities of Respondent</u>. Before submitting its Proposal, each Respondent must become familiar with the nature and condition of the areas designated for the Concessions and any conditions that may in any way affect the development and operation of the Concessions and the time, expertise and experience required of the Concessionaire. Each Respondent shall thoroughly examine this RFP and all related documents, including without limitation all appendices and exhibits, and inform itself of any and all conditions and requirements that may in any manner affect the design, development, construction and operation of the Concessions. Failure to do so will not relieve the Respondent of its obligation to accomplish the development and operation of the Concessions if selected.

2.8. <u>Representations of Respondent</u>. Each Respondent shall judge for itself all conditions and circumstances relative to its Proposal. Each Respondent, by submitting a Proposal, represents that (i) it has read and understands this RFP, and (ii) it has inspected and become familiar with the conditions under which it will develop and operate the Concessions. Failure on the part of any Respondent to take such action shall not constitute grounds for declaration by the Respondent that it did not understand any condition with respect to its Proposal or the conditions under which it will develop and operate the Concessions.

2.9. <u>Withdrawal of Proposal</u>. A Respondent may withdraw its Proposal without prejudice prior to the Deadline by communicating the withdrawal in writing to JMAA, whereupon the Proposal will be returned unopened.

2.10. <u>Applicable Laws</u>. By submission of a Proposal, each Respondent represents and covenants that it is knowledgeable of and has fully complied with and, if selected and upon execution of the Agreement, will fully comply with all federal, state and local laws, ordinances, rules and regulations that in any manner affect the development and operation of the Concessions.

2.11. <u>Investigations</u>. JMAA reserves the right to make such investigations as it deems necessary to establish the competency or financial stability of any Respondent or feasibility of any Proposal. If, upon investigation, evidence of the Respondent's competency or financial stability or feasibility of the Respondent's Proposal is not satisfactory in JMAA's sole judgment, JMAA reserves the right to reject the Proposal of such Respondent.

2.12. <u>Rejection of Proposals</u>. JMAA reserves the right, in its sole discretion, to: (i) reject any and all Proposals for any reason, any time before execution of an Agreement with selected Respondent by JMAA to operate the Concessions, and (ii) waive any and all informalities and irregularities in the selection process. Without limiting the foregoing, JMAA specifically reserves the right to reject a Proposal if the Respondent fails to furnish the information required by this RFP or if the Proposal is in any way incomplete or irregular.

2.13. <u>Costs of Proposals</u>. Each Respondent will bear all costs and expenses of preparing and submitting its Proposal. Under no circumstances will JMAA be liable for any costs or expenses of any Respondent in preparing and submitting its Proposal.

2.14. <u>Ownership and Disclosure of Proposal Contents</u>. All materials submitted in response to this RFP will be the property of JMAA and will be returned at JMAA's sole discretion. JMAA has the right to use any and all ideas or concepts presented in any

Proposal. Selection or rejection of a Proposal will not affect this right. In addition, each Respondent should be aware that some or all of its Proposal (as well as the Agreement) may be subject to public inspection and/or reproduction under the Mississippi Public Records Law, Section 25-61-1 <u>et seq</u>., Mississippi Code of 1972, as amended. The Mississippi Public Records Law is available online at the Mississippi Secretary of State's website at <u>www.sos.state.ms.us</u>.

2.15. <u>Nondiscrimination</u>. JMAA in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 200d-4) and the Regulations, hereby notifies all Respondents to this RFP that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit Proposals in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

By submitting a Proposal, each Respondent agrees that it understands that JMAA is an equal opportunity employer. It is the policy of JMAA to comply with all applicable portions of Title VI of the Civil Rights Act of 1964, as amended; Executive Order 11246, as amended and as supplemented by the Department of Labor Regulations (41 CFR Part 60), and 49 CFR Part 21, as amended, which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, or disability. The Agreement will require that the selected Respondent (and all subcontractors) represent and warrant to JMAA that it (and they) will comply with all applicable provisions of Title VI of the Civil Rights Act of 1964, as amended; Executive Order 11246, as amended and as supplemented by the Department of Labor Regulations (41 CFR Part 60), and 49 CFR Part 21, as amended, and all other laws, rules and regulations prohibiting discrimination.

2.16. <u>Fair Labor Standards Act</u>. All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR Part 201, the Federal Fair Labor Standards (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. The Concessionaire has full responsibility to monitor compliance to the referenced statute or regulation. The Concessionaire must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

2.17. ACDBE Participation. It is JMAA's policy that airport concession disadvantaged business enterprises ("ACDBEs"), as such term is used in 49 CFR Parts 23 and 26, have maximum meaningful and practical opportunity to participate in the development and operation of the Concessions. Each Respondent must take all necessary and appropriate steps to ensure that ACDBEs have maximum meaningful and practical opportunity to compete for and perform any portion of the development and operation of the Concessions and shall not discriminate on the basis of race, color, age, national origin or sex when forming teams or identifying and entering agreements with contractors, service providers, subcontractors and suppliers in connection with preparation of a Proposal or in the development or operation of the Concessions. Respondents composed of more than one party are encouraged to include ACDBEs on their teams, and Respondents are expected to solicit bids from available ACDBE and DBE contractors, subcontractors, service providers and/or suppliers. Respondents shall maintain records showing (i) specific efforts to identify and include ACDBEs and DBEs as part of team and/or as contractors, subcontractors, service providers and suppliers and (ii) all agreements with contractors, service providers and subcontracts/supply awards to

ACDBEs and DBEs. A Respondent's commitment to meaningful participation by ACDBEs is a material criterion by which JMAA will evaluate the Proposals. In evaluating the Proposals and determining which Respondent to select to develop and operate the Concessions, JMAA expressly reserves the right to favorably evaluate Proposals which include ACDBEs as Respondents and subcontractors and/or DBEs as contractors, service providers, or suppliers. In furtherance of the foregoing, JMAA has established a goal of twenty-five percent (25%) of gross sales for ACDBE participation in the development and operation of the Concessions.

2.18. <u>Local Participation</u>. If possible, JMAA encourages Respondents to include local business enterprises, meaning business enterprises with principal offices and operations in the Jackson, Mississippi metropolitan area, in the development and operation of the Concessions.

2.19. <u>No Warranty of Information Provided by JMAA</u>. JMAA makes no representations, warranties or guarantees that the information contained in this RFP is accurate, complete or timely, or that such information accurately represents the conditions that may or will be encountered by the Concessionaire in the development and operation of the Concessions. The furnishing of information by JMAA shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever, and each Respondent, by submitting a Proposal, expressly agrees that it shall not hold JMAA liable or responsible in any manner whatsoever for information provided by or through JMAA.

2.20. <u>Inspection of Premises</u>. Any inspection of the Terminal at JAN must be coordinated through the Project Manager for JMAA.

2.21. <u>Gifts and Gratuities</u>. No Respondent may, under any circumstances, offer or agree to offer any gift or gratuity, regardless of its value or form, to any Commissioner, employee, or representative of JMAA. Any evidence of such an offer of a gift or gratuity will be cause for immediate disqualification of the Respondent's Proposal or, if the Agreement has been executed with such Respondent, immediate termination of the Agreement. Each Respondent must complete, execute and submit a **Jackson Municipal Airport Authority Certification Regarding Gratuities** with its Proposal. Failure to execute and submit the Certification attached as **Appendix E** to this RFP will be grounds for rejection of the Respondent's Proposal without review or consideration by JMAA.

2.22. <u>City of Jackson Business Privilege License</u>. The Concessionaire will be required to be qualified to do business in the State of Mississippi and to remain in good standing with the State of Mississippi throughout the term of the Agreement, obtain and maintain a City of Jackson Business Privilege License throughout the term of the Agreement.

2.23. <u>Proposal to be Executed</u>. Each Respondent must sign its Proposal. If the Proposal is submitted by an individual, the Proposal must indicate the name and business street address of the individual. If the Proposal is made by a partnership, limited liability company or other business entity (excluding a corporation), the Proposal must indicate the name and business street address of each member of the partnership, limited liability company or other business entity. If the Proposal is made by a corporation, the Proposal must indicate the name and business address of the principal officer of the corporation, the corporation's state of incorporation and the corporation's street address. In all cases, the

Proposal must include the name, telephone number, street address and email address for the Respondent's contact person concerning the Proposal.

2.24. <u>Presentations</u>. JMAA may request one or more Respondents to make presentations regarding its or their Proposal to the Selection Committee. All such presentations will be made at times to be scheduled in November 2016.

2.25. <u>Selection of Concessionaire</u>. JMAA contemplates that selection of a Respondent as Concessionaire will be made at the meeting of JMAA's Board in December 2016. JMAA may enter into preliminary negotiations with Respondent prior to selection by the Board.

#### SECTION 3: PROPOSAL REQUIREMENTS

Each Proposal should address, at a minimum, the following requirements:

3.1. <u>Respondent Information</u>. Provide all pertinent background information on the Respondent including:

- (1) The legal name of the Respondent, any business aliases, and the Respondent's organizational structure. The Respondent should include the state of organization, whether qualified to do business in the State of Mississippi.
- (2) The names of all officers, directors, partners, principals, key employees and owners of 10% or more of the ownership interests of the Respondent. If the Respondent is a joint venture (regardless of the form of organization), the Respondent must provide all required information for each joint venturer.
- (3) A list of all proposed subcontractors including: name and address; a description of the work to be performed by the subcontractor; and references for each including company name, a contact name, telephone number and email address.
- (4) The following financial information:
  - (i) Proposal Guarantee in the amount of \$10,000 in the form of a Proposal Bond conforming to **Exhibit B** or a cashier's or certified check made payable to JMAA or an irrevocable letter of credit.
  - (ii) Bank's Letter of Commitment for Performance Guarantee Respondent must provide a letter from its bank communicating the bank's commitment to provide Respondent, if successful, with a Letter of Credit in an amount equal to six (6) months' proposed MAG.
  - (iii) Copies of the Respondent's most recent audited financial statements or majority partner(s) of Respondent, if Respondent is a newly formed entity, including income statements, balance sheets, cash flow statements, and accompanying notes, for the past two years. If audited financial statements are not available, than all financial statements shall be certified by the Respondent's Controller, Chief Financial Officer, or senior officer of the Respondent.<sup>1</sup>

3.2. <u>Executive Summary</u>. Executive summary of important features of the Proposal which should include a statement of the Respondent's qualifications to develop and operate the Concessions and the proposed concept(s) for each location.

<sup>&</sup>lt;sup>1</sup>JMAA will use reasonable efforts to protect any confidential financial information to the fullest extent allowed by the Mississippi Public Records Law, Section 25-61-1 <u>et seq</u>., Mississippi Code of 1972, as amended. Each Respondent must mark any financial information it desires to keep confidential as such. JMAA offers no assurance that any such information will not be disclosed.

3.3. <u>Proposal Exceptions</u>. Each Respondent must include in its Proposal any exceptions it may have to the requirements of this RFP or the Agreement. All exceptions should be clearly noted and described in a section of the Proposal labeled "Exceptions." In setting forth its exceptions, the Respondent should identify the provision to which exception is taken, the nature of the Respondent's proposed deviation, an explanation and a proposed, substitute provision. JMAA will be under no obligation to accept any exceptions.

3.4. <u>Concept Plan and Menus</u>. Each Respondent must submit relevant information in sufficient detail to clearly define its proposed concepts and/or themes and to allow it to be distinguished from other Respondents. In particular, each Respondent should clearly describe how its concept and/or theme will satisfy JMAA's goals for the Concessions. The reasons for choosing specific national, local/regional, and/or proprietary concepts should be discussed. In addition, each Respondent should identify its customer targeting strategy and techniques to promote the concept and the menu focus. As part of the concept plan for each location, Respondent should submit a proposed menu and prices for each menu item. The menu must be specific as to initial pricing. In addition, a To Go menu for each concept, as applicable, and prices should be provided.

3.5. <u>Experience and Qualifications</u>. Each Respondent or majority partner of Respondent and any subtenants, must provide a detailed company history highlighting the Respondent's operating experience and qualifications to provide food and beverage services. The history should include a listing of both on- and off-airport facilities, types and names of concepts and associated square feet, gross sales attributable to each facility and concept, as well as the duration of operation of each (contract dates: beginning and expiration).

3.6. <u>Marketing and Promotions Plan</u>. Each Proposal must include a marketing and promotions plan containing information relating to the marketing and promotional activities for the proposed concepts. The marketing and promotional plan should include all forms of advertisement and promotional programs the Respondent plans to implement at JAN. In addition, each Respondent should include information on any customer services that will be provided, including:

- (1) Speed of service, including use of technology to provide excellent customer service;
- (2) Customer service policies and quality assurance procedures; and
- (3) Customer guarantees, exchange, or refund policies.

3.7. <u>Design and Quality of Capital Improvements</u>. Each Proposal must include preliminary plans in sufficient detail to facilitate evaluation by JMAA of the quality and design of capital improvements for the proposed facilities. Preliminary plans should include architectural renderings and layouts (to scale) of the proposed facilities in 11"x17" format indicating:

- (1) The overall design concept for each space;
- (2) The unit space layout for each concept, including the size and location of seating areas, kitchen/prep space, bar area, To Go counters, back of house space, etc.;

- (3) General color scheme;
- (4) Fixtures, seating, lighting, casework and equipment;
- (5) Signage and any other graphic elements, including examples, and
- (6) Materials boards, no larger than 20"x30", that show the types of material that will be used for flooring, wall and ceiling coverings, casework including bar, seating, etc.

Respondents are directed to the Tenant Design Standards attached to this RFP as **Exhibit H** for guidance on improvements.

3.8. <u>Management and Operations Plan</u>. Each Proposal must include a management and operations plan outlining the manner and method in which the Concessionaire will manage and operate the Concessions in order to meet JMAA's goals. The management and operations plan should include, at a minimum, the following:

- (1) An organizational chart specific to operations at JAN noting decision making responsibilities;
- (2) Daily staffing plan for a typical week;
- (3) Staffing plan to handle emergency situations such as flight delays, diversions, etc. that require additional staff and/or longer operating hours;
- (4) The resume of the General Manager, or if the Respondent has not selected a General Manager, a list of the qualifications and level of experience that will be required of the General Manager; and
- (5) Labor and training practices including:
  - (i) An employee handbook or operations procedures handbook, if any;
  - (ii) A description of recruiting techniques and sources of management and non-management labor;
  - (iii) A description of expected employee motivational programs or incentives Respondent has in place to retain employees;
  - (iv) A description of any customer service training program or any training program unique to the concept; and
  - (v) A description of any training programs the Respondent has in place for persons with learning or other disabilities.

3.9. <u>Airport Concessions Disadvantaged Business Enterprise (ACDBE) Plan</u>. Respondents must describe how it intends to meet JMAA's ACDBE goals including providing the names and addresses of ACDBE participants certified by JMAA, the City of Jackson, Mississippi, or the State of Mississippi.<sup>2</sup> Any Respondent not submitting a plan meeting JMAA's ACDBE goals must submit a detailed explanation of the good faith efforts (as such term is used in 49 CFR Parts 23 and 26) made to obtain ACDBE participation which would satisfy the goal. Methods of meeting JMAA's goals include, but are not limited to, the following:

- (1) The Respondent being a certified ACDBE.
- (2) A joint venture agreement with at least one certified ACDBE as a joint venturer and meeting the requirements of 49 CFR Parts 23 and 26.
- (3) A sublease (at JAN) to a certified ACDBE.
- (4) Use of suppliers, manufacturers, contractors or related purchasing activities in accordance with 49 CFR Parts 23 and 26.

In addition, the forms included in **Appendices F, G, H and I** must be submitted with each Respondent's Proposal.

3.10. <u>Affirmative Action Policy</u>. Respondents must describe its Affirmative Action policy, if it has one, and provide specific details regarding the composition of the Respondent's workforce.

3.11. <u>Financial Projections</u>. Respondents must provide projected gross sales, rental revenues and MAG; and a pro forma financial statement on the forms provided in **Appendix C**.

3.12. <u>Capital Investment</u>. Respondents must state the amount of proposed capital investment for each concept using the form provided in **Appendix D**.

3.13. <u>Staging Plan</u>. Respondents must submit a transition and staging plan addressing Concession services during the time of transition and tenant build-out. The transition and staging plan must provide an acceptable level of customer service during the refurbishment of existing units and build-out of new units, The transition program plan may include temporary use of carts. The transition program plan must show proposed location, hours of operation, menu and price list. The transition and staging plan must be approved by JMAA before redevelopment of the existing facilities may begin.

3.14. <u>Insurance</u>. Respondents shall affirm that if selected to enter into an Agreement with JMAA, it has the capability to meet the insurance requirements as defined in the sample Agreement attached as **Exhibit G** prior to execution of an Agreement with JMAA.

3.15. <u>Other</u>. Other materials or issues the Respondent may wish to address or present pertaining to development and operation of the Concessions.

<sup>&</sup>lt;sup>2</sup>JMAA reserves the right to require certification by JMAA of any proposed ADBE subcontractor or supplier certified as a DBE by any entity other than JMAA.

## SECTION 4: CONCESSION DESCRIPTION AND REQUIREMENTS

quickly.

4.1. <u>Hours of Operation</u>. JAN is open every day of the year as are its concessions. JAN is busy during hours before and after traditional dining hours. Therefore, all concession facilities must be open and operated seven days a week, 365 days a year (unless otherwise agreed to by JMAA in writing). Concessions on each concourse shall be open one and one-half  $(1-\frac{1}{2})$  hours before the first flight departs from each concourse until the last flight of the day departs from each concourse.

Due to unusual circumstances (delayed flights, weather, etc.) JMAA reserves the right to direct select locations to remain open beyond their normal operating hours. Each Respondent must include a plan for handling such emergency situations in its Proposal. The Concessionaire will be required to establish reasonable procedures for adjusting opening and closing times based on daily flight schedules, and incorporating those schedules into shift schedules for staff, as well as for receiving and disseminating schedule changes, information on weather or maintenance delays or other flight information which will require adjustments in operations. JMAA's objective is to provide exemplary customer service while maintaining good overall concessionaire profitability.

4.2. <u>Airport Environment</u>. Respondents should note that the airport environment will present the Concessionaire a unique set of challenges which do not exist outside JAN. Among other considerations, the Concessionaire will need to take into account the following:

4.2.1. The typical JAN customer has a limited amount of time and must be served

4.2.2. Passenger activity on each concourse can fluctuate both hourly and seasonally. Each Respondent's operational plan must be flexible enough to provide additional staffing and extended hours to accommodate additional business and customer service requirements.

4.2.3. Deliveries to the Concessions must be made according to the Delivery and Service Vendor Plan described in **Exhibit** \_\_\_\_ of the Agreement.

4.2.4. Customers will primarily be departing airline passengers, many traveling with carry-on luggage. The physical facilities for the Concessions must be inviting and accommodating to such travelers.

4.3. <u>Concession Areas</u>. There are two areas designated for food and beverage services on the East Concourse and West Concourse and are shown on **Exhibit D**. The area on the East Concourse consists of approximately 2,268 square feet. Of the 2,268 square feet, 1,768 square feet is currently operated as a full service restaurant/bar (including a To Go counter) called the Sports Hall Café. The remaining 500 square feet is adjacent hold room space that will be added to the food and beverage program. The Concessionaire will be expected to redevelop the entire space for food and beverage services. The area on the West Concourse designated for food and beverage consists of approximately 3,000 square feet. This will be new space added to the food and beverage program. It will require JMAA to in-fill the area between two hold rooms plus take vacant

hold room space. The Concessionaire will be provided shell space and will be required to develop the 3,000 square feet for food and beverage services.

The two Food and Beverage concession areas, on the East and West Concourses, are expected to be developed as casual dining restaurants with a bar area. The restaurants are expected to offer full service dining, which means customers will be able to order and have their meals served at their table. Both concession areas must provide breakfast, lunch and dinner menu items, and breakfast must be served until 10:30 a.m. or later. Alcoholic beverages must include a full complement of mixed drinks, wine, and beer. The menu items for both concession areas are expected to include a variety of freshly made sandwiches, salads, appetizers, entrees, desserts, sodas, juices, freshly brewed coffee, etc. Menus are expected to include popular items such hamburgers, French fries, eggs and omelets made to order, etc. In addition, the menu is expected to include items for customers that are health conscious and for families traveling with children. A passenger market survey was conducted in August 2015 and the results of the survey are provided in **Exhibit C**. Respondents are expected to address passenger preferences for food and beverage when developing their concept plans.

Both concession areas will be required to have a "To Go" counter at the front of the unit. The "To Go" counter is intended to accommodate passengers who would like a meal, but do not have the time to dine-in. The "To Go" menu should have at least 50% of the food items on the in-house dining menu. Operators will be encouraged to provide environmentally friendly packaging that is easy to dispose of and can be easily carried on-board flights.

Both concession areas should have an open design that allows for patio-type seating and conveys a comfortable and enticing atmosphere. The spaces should also provide for a bar/lounge area that have state-of-the-art flat screen televisions featuring a variety of news channels, sports events, and special programming all day. In addition, the seating areas should have electrical outlets for customers to charge their mobile devices.

The concession area on the West Concourse will be required to allocate no less than 500 square feet to a national brand coffee concept. The concept must sell a variety of freshly brewed coffees and teas including: lattes, cappuccinos, espressos, black tea, herbal tea, as well as decaffeinated and iced coffees and teas. Hot chocolate and milk should also be offered to customers. In addition, the unit will be expected to sell a variety of food items including pre-packaged sandwiches and salads, packaged snack foods, baked goods, fruits, bottled water, and other types of non-alcoholic beverages.

Retail merchandise may be sold by the operator if it is directly related to the concept, e.g. logo wear. However, no more than 5% of the concession area may be used for the sale of the related retail merchandise.

Additional space will be available to the Concessionaire for support space. The space consists of \_\_\_\_\_\_ square feet and is shown on **Exhibit D**.

4.4. <u>Build-Out Start and Facility Open Dates</u>. The Concessionaire will take possession of the concession areas in "as is" condition. JMAA anticipates the Concessionaire being able to start its build-out of the Concession Areas on May 3, 2017, when the existing food and beverage contract expires. JMAA expects the facilities to open no later than September 1, 2017.

As used above, the term "Build-Out Start Date" means the date JMAA will allow the Concessionaire to commence to build-out its tenant improvements. The Build-Out Start Date and Facility Open Date may vary per unit, and JMAA may change the proposed Build-Out Start Dates and Facility Open Dates (at its sole discretion). As used above, the term "Facility Open Date" means the date on which each particular unit must be completely built out and officially open for business. The Facility Open Date shall not be later than September 1, 2017, which is the first day of the Operating Term of the Agreement.

4.5. <u>Term of Lease</u>. The Pre-Occupancy period will begin upon execution of the Agreement and continue until May 2, 2017. During the Pre-Occupancy period, Concessionaire will develop detailed design drawings and construction documents for the Concessions. The Interim Term will commence on May 3, 2017 and continue until August 31, 2017. During the Interim Term, Concessionaire will build-out the facilities and operate from temporary units. The Operating Term will commence on September 1, 2017 and extend 10 years. On September 1, 2017, all construction is expected to be completed and the new Concessions operational. On September 1, 2017 MAG begins.

4.6. <u>Minimum Annual Guarantee (MAG), Percentage Rent and Other Fees</u>. During the Interim Term, the Concessionaire will pay percentage rent on all food and beverage units in service, whether they are permanent or temporary units. During the Operating Term, the Concessionaire will pay the greater of the MAG or Percentage Rent to JMAA.

Respondents are required to propose the first year's MAG, which must not be less than \$100,000 (One Hundred Thousand Dollars). In subsequent years, the MAG shall be the greater of (i) 85% of the rent payable during the previous year, or (ii) 100% of the first year's MAG.

Percentage Rent will be based on the following percentages applied to the sales generatedfrom the corresponding category:Food and Non-Alcoholic BeveragesAlcoholic Beverages9.0%Approved Complementary Merchandise14.0%

4.7. <u>Utility Surcharge</u>. The Concessionaire will pay JMAA a monthly utility surcharge in lieu of separate metering of utilities.

4.8. <u>Demolition For Terminal Redevelopment</u>. JMAA may see passenger growth or may desire to have more efficient facilities that require a significant re-definition of the configuration of the Terminal. If a Terminal redevelopment project necessitates the demolition of a portion of the Concessionaire's and its subtenant's (if applicable) facilities, as determined by JMAA, JMAA has the option of paying the Concessionaire's and its subtenant (if applicable) the unamortized amount of the Concessionaire's and its subtenants (if applicable) initial capital investment (depreciated straight-line over the term of the Agreement) and canceling the remaining term of the Agreement.

4.9. <u>Minimum Initial Required Capital Investment</u>. The Concessionaire will be required to make an initial minimum capital investment of \$225 per square foot of Concession area. "Capital Investment" is defined as expenditures for the following items:

- (1) Directly contracted construction costs;
- (2) Design, engineering and construction management costs (not to exceed 25% of the contracted construction costs); and
- (3) Furniture, fixture, and equipment costs.

JMAA will require receipts or other evidence of payment of all expenditures. If the approved total receipted amount is below the \$225 per square foot minimum, the Concessionaire must pay JMAA the difference between the amount expended and \$225 per square foot within 60 days of receipt of a certificate of occupancy. The initial capital investment must be made by Concessionaire no later than ninety (90) days following the date of execution of the Agreement.

4.10. <u>National and Local/Regional Brands Expectations</u>. JMAA desires for JAN to offer a mix of food and beverage concepts that have national and local/regional recognition to the traveling public. JMAA will view more favorably Proposals that utilize national and local/regional brands.

4.11. <u>Minimum Experience</u>. In order to be considered, a Respondent must have three (3) years or more of continuous experience within the last ten (10) years in the ownership, management or operations of two (2) or more food and beverage service facilities.

#### **SECTION 5: AWARD OF AGREEMENT**

5.1. <u>Selection Criteria and Evaluation of Proposals</u>. All Proposals will be reviewed based upon the evaluation criteria in this section. Respondents must have the necessary experience, organization and financial capability to fulfill the conditions of the Agreement entered into to provide food and beverage services at JAN. JMAA reserves the sole right to determine the sufficiency of the experience and qualifications of all Respondents and to select the Respondent with which it desires to enter into a final Agreement.

JMAA will review Proposals with a Selection Committee that will be chosen by JMAA. JMAA reserves the right to develop a short list of candidates to be interviewed before a Respondent is selected. The evaluation criteria in this section will be used as the basis for the short list process. Short-listed Respondents will be forwarded for final evaluation/scoring on an equal basis.

The Selection Committee will provide JMAA's Board with its recommendations. JMAA's Board may accept or reject the recommendation of the panel.

JMAA will not be bound to award the Agreement to the Respondent offering the highest MAG rent. Specific evaluation criteria have been established to assist JMAA in determining which Respondent will provide the best food and beverage concession at JAN. The criteria and maximum number of points that could be awarded each criterion follows:

- 1. Proposed food and beverage concepts, menus, and operators for each concession space: 0-30 points
- 2. Experience and qualifications of the Respondent and any proposed partners, including subtenants: 0-25 points
- 3. Demonstrated ability to achieve ACDBE and local participation in the development and operation of the Concessions: 0-15 points
- 4. Design and quality of capital improvements: 0-10 points
- 5. Management, operations and marketing plans: 0-10 points
- 6. Financial return to JMAA: 0-10 points

5.2. <u>Basis of Award</u>. JMAA will make the award to the Respondent who in JMAA's sole judgment is determined to be the best qualified and responsible Respondent and whose Proposal, in JMAA's sole judgment, is deemed the most desirable and advantageous to JMAA. An award will not be made until the financial responsibility, operational ability, and standards of the successful Respondent have been investigated and found by JMAA, in JMAA's sole discretion, to provide adequate assurance of the Respondent's ability to fulfill the terms of the Agreement. JMAA reserves the right to waive any formality or irregularity in any Proposal, letter of credit or surety bond, to reject any and all Proposals or to negotiate for the modification of any Proposal with its Respondent. Submission of a Proposal shall obligate the Respondent to enter into an Agreement with JMAA in accordance with the accepted Proposal and this RFP. It is specifically understood that JMAA may accept any Proposal in its entirety without negotiation, and the Respondent shall be obligated to enter into an Agreement with JMAA reflecting that Proposal.

Based on the Proposals received, JMAA will initiate negotiations with the Respondent ranked first on the list. If such negotiations fail to produce an Agreement, in form and content, satisfactory to JMAA, within a reasonable period of time, then JMAA may reject the Respondent. In that event, JMAA will follow the same process with the other Respondents, in the order of their ranking, until a Respondent agrees to and enters into an Agreement satisfactory to JMAA.

5.3. <u>Time of Award</u>. It is the intent of JMAA to make an award or rejection of Proposals within one hundred twenty (120) days following the receipt of Proposals, or as soon as reasonably practicable thereafter.