

Pre-Response Meeting

Aviation Revenue Contract Solicitations (RCS)

AVN RCS 24-0207

Terminal 4 Lobby Retail Concession
At Phoenix Sky Harbor International Airport



Wednesday, July 31, 2024
11:00 A.M.
via WebEx





✈️ **Contracts and Services Division**

Michael Hughes, Deputy Aviation Director

Sarah Moratto, Small Business Engagement Manager

Annie Sleeper, Contracts Specialist II*Lead

✈️ **Business and Properties Division**

Richard Graham, Deputy Aviation Director

Prasan De Silva, Senior Business Manager

Corrine Harbaugh, Business Manager – Terminal Concessions

Timothy Spahr, Project Manager – Retail Concessions

✈️ **Facilities and Services Division**

Jennifer Maples, Asset Management and Sustainability Programs Administrator

✈️ **Equal Opportunity Department**

Jana Evans, Equal Opportunity Specialist



Roxann M. Favors, C.M.
Assistant Aviation Director



Michael D. Hughes
Deputy Aviation Director



Welcome & Housekeeping

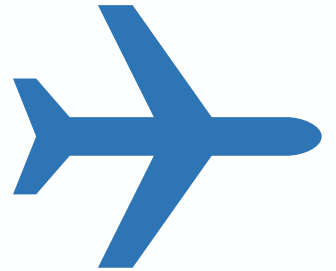
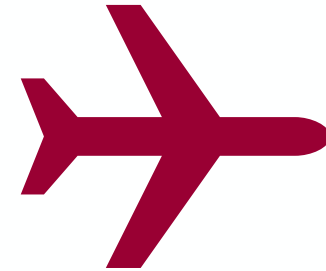
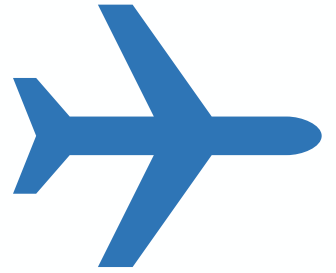
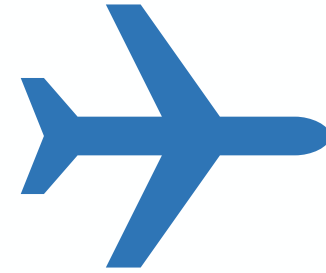


- ✈ Your Device is Automatically Muted
- ✈ Use the “Chat” Function to Submit Your Questions during the Meeting.
- ✈ Questions will be answered at designated times.
- ✈ Presentation will be available at:
<https://solicitations.phoenix.gov/Solicitations/Details/1837>



Agenda

- ✈ Introductions
- ✈ Solicitation Transparency Policy
- ✈ RCS Process Overview
- ✈ Sustainability Program
- ✈ Scope Overview
- ✈ Small Business Engagement and Outreach Requirements
- ✈ Questions





Solicitation Transparency Policy

OFFERORS THAT VIOLATE THIS POLICY WILL BE DISQUALIFIED!

All communication **must** be directed to the Procurement Officer.

Effective

Date/Time Solicitation is issued.
July 15, 2024

Discussion & Requests

Only discuss matters of this RCS with the
Procurement Officer.

Phoenix City Code

Chapter 43, Section 43-36

Public Meeting

Discussion may occur with City staff in a Public
Meeting, requested through Procurement Officer

Policy Ends

City Council approves Contract award.
Projected March 2025.



RCS Overview: Questions and Answers

Written Questions ONLY

- ✈ Written answers supersede verbal answers.
- ✈ All questions and responses will be published via an addendum.

Q&A and Addendums Available at:

<https://solicitations.phoenix.gov/Solicitations/Details/1837>





Questions Deadline

- ➔ Wednesday, August 8, 2024
- ➔ 5:00 P.M. local Arizona time.
- ➔ Email: avn.solicitations@phoenix.gov
- ➔ Include the RCS Number and Title in the email



Answers Posted:

- ➔ <https://solicitations.phoenix.gov/Solicitations/Details/1837>



RCS Overview: Solicitation Deadline

DEADLINE

**Monday, September 23, 2024
by 3:00 P.M.
Local Arizona Time***

LATE RESPONSES WILL BE DISQUALIFIED

*All Dates and Time are Subject to Change



RCS Overview: Submittal Location



Physical Submittal

Aviation Headquarters
2485 East Buckeye Road
Phoenix, AZ 85034

Monday – Friday, 8:00 a.m. to 5:00 p.m.



RCS Overview: Submittal Location



Electronic Submittal
Submit Offers via email to:
avn.solicitations@phoenix.gov

File size limitation of 150 mb.

NOTE: The Response Guarantee and Notarized Affidavit, regardless of response submission method, must be received at Aviation Headquarters located at 2485 E. Buckeye by the solicitation deadline.



RCS Overview: Minimum Qualifications



Respondent must demonstrate it meets the Minimum Qualifications.

Failure to meet the minimum qualifications will result in a non-responsive Response.

Refer to AVN RCS 24-0207, Section 2.4 for specific details.

1. Three or more continuous years of ownership or executive management of a Retail business operation in an airport.
2. Gross sales of \$2.5M for one of the last five years.
3. Submittal of concession Sustainability Program.

Respondents who do not meet the minimum qualifications are encouraged to joint venture partner or sublease with more established firm(s).



RCS Overview: Response Guarantee

- ✈ Each Response MUST be accompanied by a Response Guarantee.
- ✈ Each Respondent's Response Guarantee must be submitted in a sealed envelope.
- ✈ Each Response Guarantee MUST be received at Aviation Headquarters by deadline.

Response Guarantee Amount:
\$10,000.00





Respondents to submit a response to the following:

Do you currently have an agreement in place that would prohibit a labor organization from engaging in a strike, picketing or conducting other economic actions at the proposed concession(s) operation?

If yes, please list the labor organization(s) and the date the agreement was executed.

The information provided in response to this RCS question will not be considered as part of the panel deliberations or scoring criteria.



RCS Overview: Delivery of Response



***Refer to AVN RCS 24-0207 for specifics and all requirements and deadlines.**

Responses must include the following:

- ✈ Original Response with an authorized original signature on the Affidavit.
- ✈ Response Guarantee
- ✈ Conflict of Interest and Solicitation Transparency Disclosure Form.
- ✈ Letter of Declaration
- ✈ Small Business Outreach Requirements.
- ✈ Sustainability Program
- ✈ Completed Forms and Exhibits required in the RCS.
- ✈ Respondent shall provide a statement regarding “Agreement with Labor Organizations”.



RCS Overview: Delivery of Response



***Refer to AVN RCS 24-0207 for specifics details.**

Each Respondent must submit the following information in their Response:

Tab 1: General Information

Tab 2: Proposed Concept and Merchandise Plan for the Concession Space

Tab 3: Design and Quality of Tenant Improvements for the Concession Space

Tab 4: Management, Marketing, Operations and Technology Plans

Tab 5: Experience and Qualifications of Respondents and Partners (If Any)

Tab 6: Proposed Business Plan



RCS Overview: Evaluation Criteria

***Refer to AVN RCS 24-0207 for specific details**

Only those Respondents submitting responsive and responsible Responses that meet the minimum qualifications will have their Responses evaluated.

1. Proposed Concept and Merchandise Plan for the Concession Space	0-275 Points
2. Design and Quality of Tenant Improvements for the Concession Space	0-250 Points
3. Management, Marketing, Operations, and Technology Plans	0-200 Points
4. Experience and Qualification of Respondent and Partners (if any)	0-175 Points
5. Proposed Business Plan	0-100 Points

Total Points Available

1000 Points



Award Recommendation

- ✈️ Projected December 2024
- ✈️ <https://solicitations.phoenix.gov/Solicitations/Details/1837>



Protest Period:

- ✈️ Within seven (7) days after Award Recommendation posting.
- ✈️ See Section 7.9 – Protest Policy of RCS



Sustainability Program

Facilities and Services Division

 **PHX DVT EYR**





Future Friendly

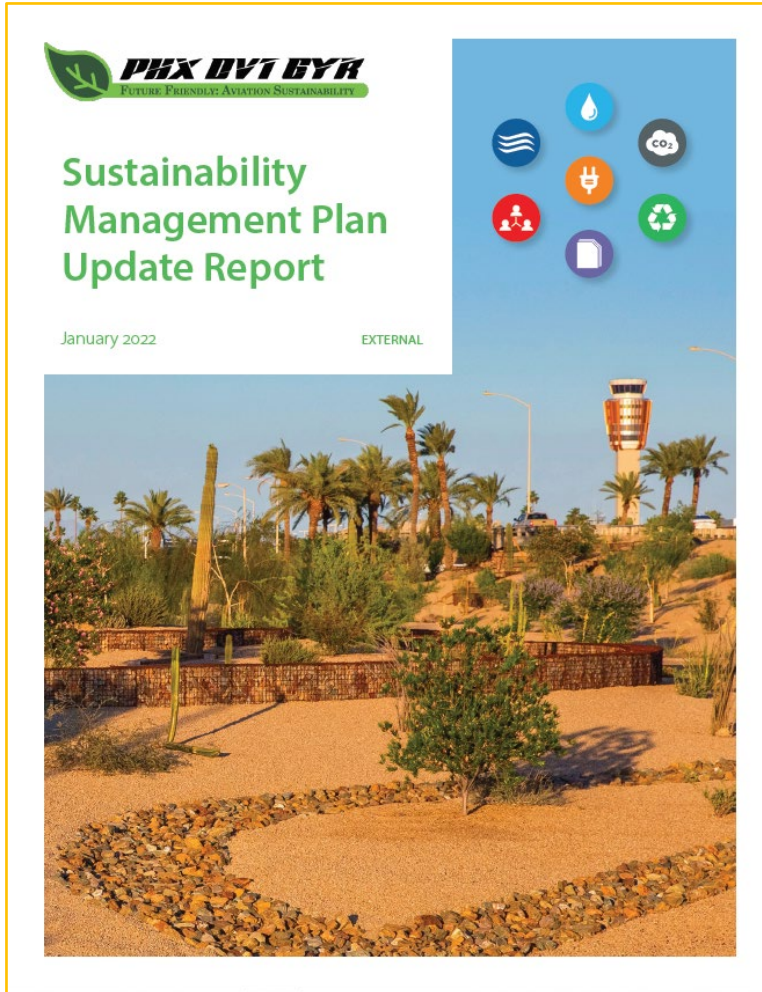
"...development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

~ Dr. Gro Harlem Brundtland





Sustainability at PHX



Air Quality



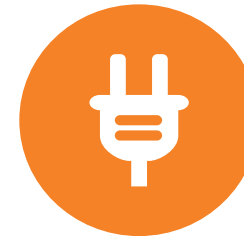
Outreach



Water



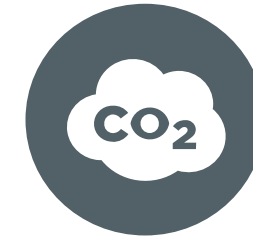
Energy



Policies/Contracts



Carbon Emissions



Waste/Recycling





Sustainability Program Requirements



Sustainability Program for the proposed concessions:

- Separate package/file
- Consistent with the Aviation Department's Sustainability Management Plan*
- Approach to incorporating sustainability practices into the concession's operations
 - Sustainability history, vision, commitment, and approach to:
 - Applying it to this development and operation
 - Incorporation through the operation of the concession
 - Ensuring the program assists Aviation in meeting its sustainability goals

* Aviation Department's Sustainability Focus document at:
<https://www.skyharbor.com/about/Sustainability>.



SUSTAINABLE BUSINESS PARTNERS

Acknowledging that Aviation's Business Partners play an important role within the airport and the community at large, we encourage Business Partners to integrate sustainability into their operations in support of a Future Friendly approach.

Suggested sustainable practices are highlighted that align with Aviation's Sustainability Focus, further defined within our Sustainability Management Plan. We encourage Business Partners to pursue opportunities that help to achieve our shared sustainability goals.



AIR QUALITY

Reduce impacts on local air quality and climate

- Encourage low or zero emission commute options
- Transition vehicles and equipment to low or zero emission alternatives, prioritizing electrification
- Optimize vehicle and equipment use or deliveries to reduce the need for fuel
- Replace refrigerants with less potent alternatives



POLICIES & CONTRACTS

Incorporate sustainability into business practices

- Maintain a current sustainability plan with goals and actions to achieve the goals
- Implement policy for environmentally-preferred purchasing
- Support local businesses through use of goods/services
- Purchase materials with recycled content or sourced from sustainable materials
- Purchase low or non-toxic cleaning products



ENERGY

Minimize energy consumption

- Monitor and control energy use
- Utilize energy efficient appliances and equipment
- Turn off, use standby mode or automatic timers for equipment not in use
- Utilize efficient lighting (e.g., LED) with sensors or other practices to turn off lighting when not in use
- Set thermostats to prioritize energy efficiency and comfort



WASTE & RECYCLING

Reduce sources of waste and improve material reuse and recycling

- Reduce sources of waste generation
- Eliminate or minimize one-time use products such as water bottles or serveware
- Pursue opportunities to reuse materials
- Collect eligible recycling and organic materials
- Co-locate and clearly label recycling, organics and landfill collection bins



OUTREACH

Support employees, passengers and community

- Establish a team to guide sustainability efforts internally
- Inform and train employees on sustainable practices
- Promote historical or culture resources of the region
- Inform customers of your sustainability efforts
- Maintain a program to enhance employee wellness



WATER

Minimize water consumption and protect water quality

- Monitor and control water use
- Post signage to encourage water conservation and leak reporting
- Use low flow or water efficient fixtures and equipment
- Utilize environmentally friendly detergents
- Educate employees on water conservation





Scope Overview

Business and Properties Division





RCS Scope Overview – Terminal 4 Lobby

City's Desired Outcome from the Procurement

Increase the customer service to and convenience for the Airport passengers and visitors.

Optimize gross sales and rental revenues over the term of the Lease.

Emphasize local culture in the design of the facility and merchandise offerings.

Overall Scope

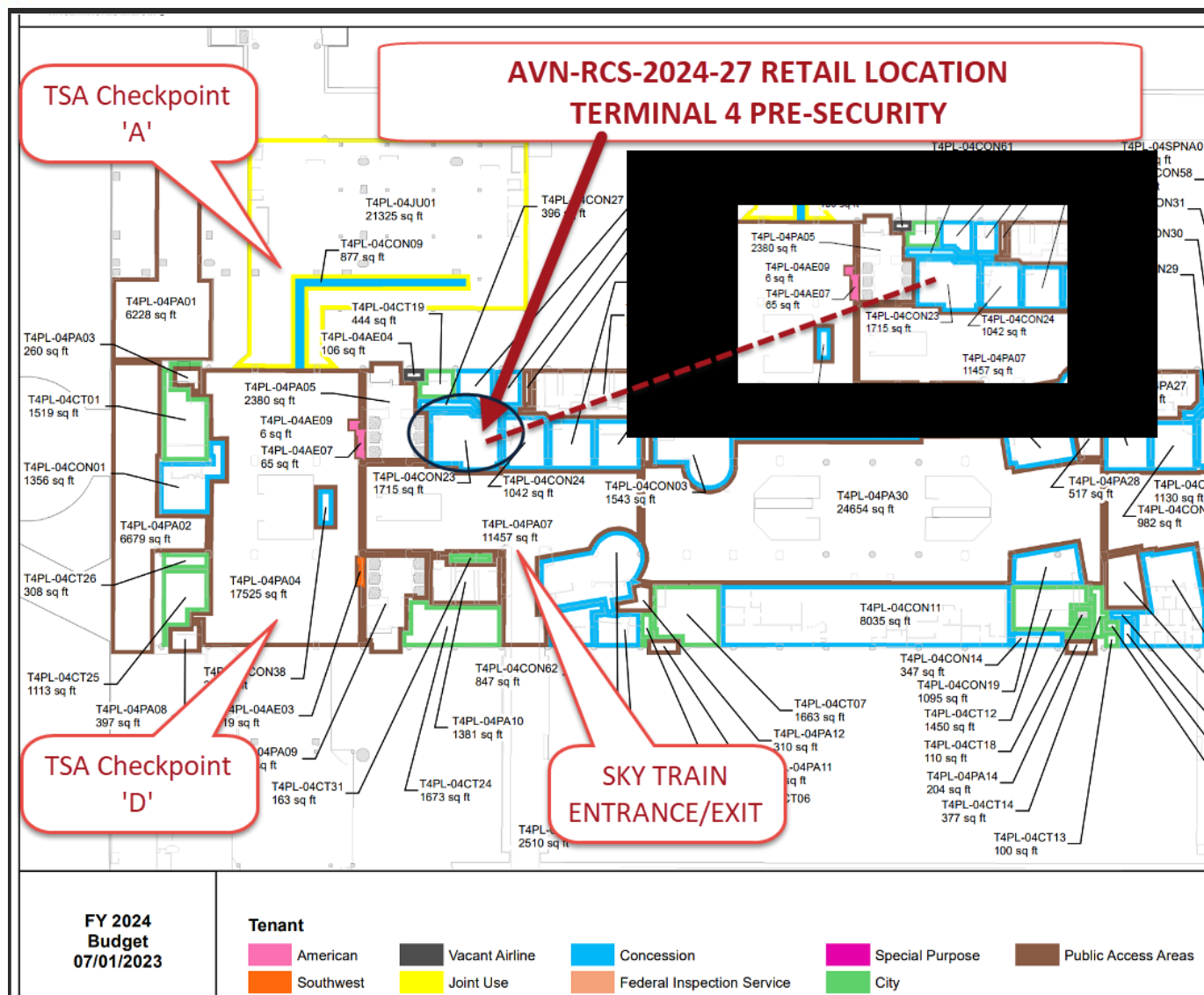
To design, operate, and manage a Terminal 4 Pre-Security Retail Space:

News and Convenience - 1,715 SF





RCS Scope Overview – Terminal 4 Lobby



The store location borders a specialty retail outfitter.

TSA Checkpoints 'A' and 'D' are steps away from the primary entrances to four (4) concourses serving American Airlines and Southwest Airlines.

The last News and Convenience store on the passenger journey from the West Sky Train Exit to TSA Checkpoints 'A' and 'D.'



RCS Scope Overview – Terminal 4 Lobby

News and Convenience

The pre-security location will offer essential merchandise a passenger can purchase quickly and efficiently with touchless and contactless check-out capabilities. This includes reading materials, sundries, pre-packaged snacks, bottled/canned beverages, high tech accessories, souvenirs, gifts, and other miscellaneous merchandise.





Retail Space Hours and Expectations

This retail location is open seven (7) days a week.

Hours of Operation are from 5:00 am to 11:00 pm.

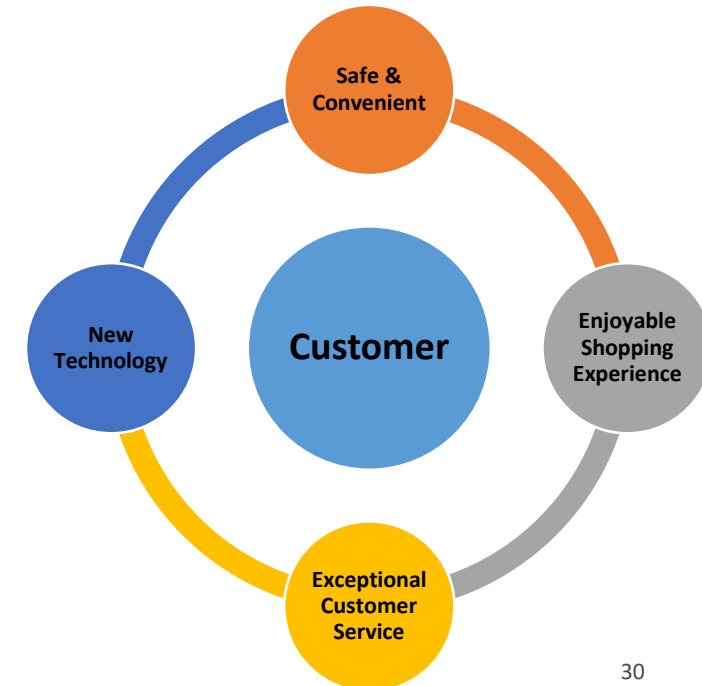
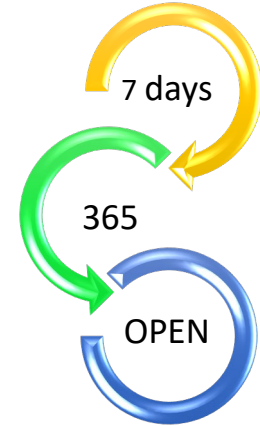
Hours of Operation must be posted in a clearly visible manner.

Provide exceptional customer service; On-site Manager.

Sustainable space design and practices.

Use of new technology to enhance customer experience.

Routine cleaning and sanitation of the retail space.





Rent & Lease Term

Contract Term:

10 Years

Minimum Annual Guarantee (MAG) or Percentage Rent

The first full Lease Year will be MAG in the amount of two hundred and fifty thousand dollars (\$250,000.00) or greater.

Throughout the term of the lease, MAG or Percentage Rent from gross sales, whichever is greater.

Percentage Rents range from 12% to 16%.





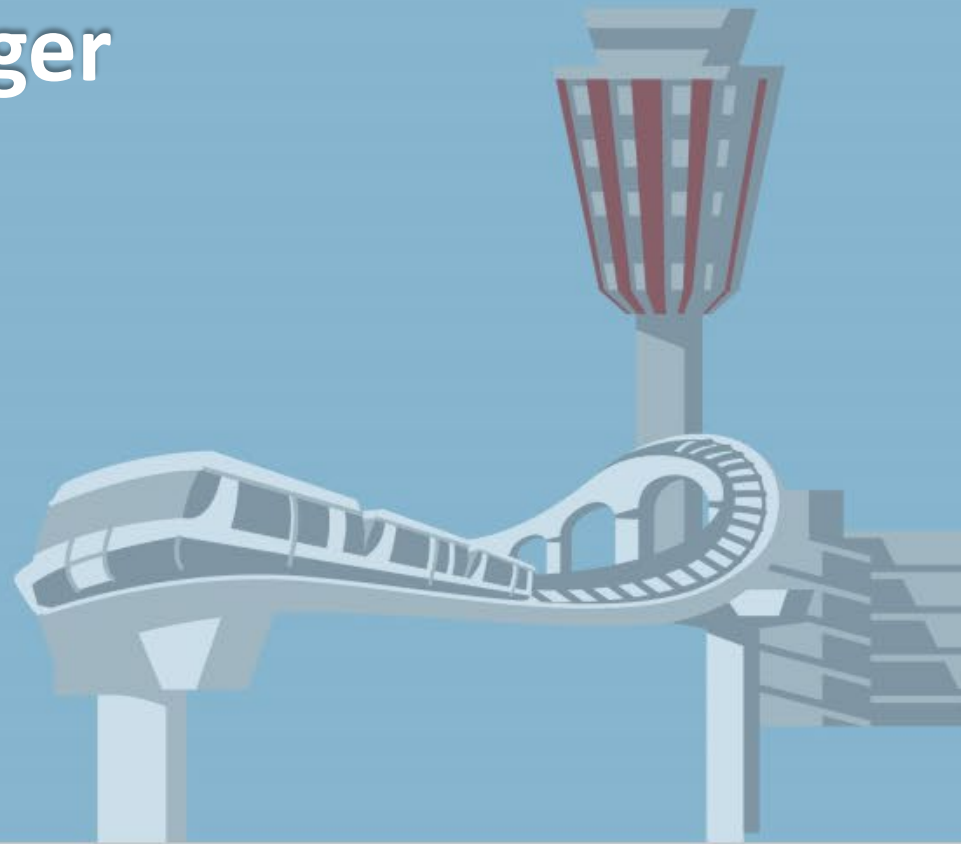
Small Business Outreach

Sarah Moratto

Small Business Engagement Manager

Sarah.Moratto@phoenix.gov

602-273-2024



Small Business Outreach Requirements

Equal Opportunity Department
Jana Evans





Small Business Outreach Requirements

As recipients of U.S. Department of Transportation (DOT) funding, airports are required to establish Airport Concession Disadvantaged Business Enterprise (ACDBE) programs in accordance with regulations of the DOT, 49 Code of Federal Regulations (CFR), Parts 23 and 26.

The purpose is to provide ACDBEs and small businesses maximum opportunity to participate in the performance of the airport concession contracts.





Small Business Outreach Reminders



- No Race- or Gender-Conscious Goals
- Race- and gender-neutral measures to achieve ACDBE and small business participation
- City of Phoenix utilizes a national market for small business participation
- Respondents must conduct outreach to ACDBEs and small businesses!
- For Outreach Requirements details, refer to the solicitation
 - RCS 24-0207 T4 Lobby Retail



Small Business Directories



Arizona Small Business Directories

Arizona Transportation Business Portal
(AZ UTRACS) <https://utracs.azdot.gov/search>



ACDBE (City of Phoenix) Certified Firms:
<https://phoenix.diversitycompliance.com>

Respondents' outreach efforts are not restricted to companies registered with the City



For
RCS 24-0207
T4 Lobby Retail

The following Outreach Requirements apply



At the Time of RCS Submittal – ALL Respondents MUST as a Matter of Responsiveness:

- **Complete and Submit Forms EO1-200,EO2-200 & EO3-200**

EO1-200 - Statement of Outreach Commitment

EO2-200 - Small Business Outreach Efforts & Participants List

EO2-200 - All supporting documentation

EO3-200 - Small Business Utilization Commitment



ANNUAL Post Award Submittal – Each Lessee MUST submit

- Annual submittal of Small Business Participation Plan (SBPP) and supporting documentation (due on the anniversary of contract execution)



SMALL BUSINESS OUTREACH REQUIREMENTS



- All Respondents **MUST** fulfill the outreach requirements.
 - Failure to provide documentation of required outreach efforts = **Rejected Response.**
 - Outreach efforts to small businesses must be demonstrated by submitting required documentation.
- If a Respondent is a small business, the Respondent **MUST** conduct outreach to other small businesses.
- If a Respondent is a joint venture (JV), the Respondent **MUST** conduct outreach efforts to small businesses that are not already a partner of the JV

REMEMBER: You must complete outreach requirements even if you are an ACDBE or small business

You cannot outreach to yourself!





Small Business Outreach Efforts Documentation



City of Phoenix

Airport Concession Disadvantaged Business Enterprise (ACDBE) Program

FORM EO1 - 200 - STATEMENT OF OUTREACH COMMITMENT

Solicitation Number: <input type="text"/>	Solicitation Title: <input type="text"/>
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On behalf of the Respondent, I certify under penalty of perjury that the following information is true and correct.

If selected as the Successful Respondent, the Successful Respondent will:

- 1) Fulfill all required small business outreach requirements and shall submit all required outreach efforts documentation for contracting opportunities within 30 days, **or** by a date determined by the City;
- 2) Conduct all required small business outreach and will submit all supporting documentation; and
- 3) Comply with the Race- and Gender-Neutral post-award requirements stated in the ACDBE Lease Clause.

Company Name:

Company Mailing Address:

Representative Name:

Title:

Email Address:

Phone Number:

Signature: Date:



Small Business Outreach Requirements



1. Identify opportunities and scopes of work for small business participation.
2. Conduct outreach for small business participation.
3. Evaluate small business proposals for participation.
4. Tell each small business that responded to the outreach efforts of their selection decision whether they were selected or not.



DOCUMENT!!! DOCUMENT!!! DOCUMENT!!!



Small Business Outreach Efforts Documentation

Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program Form EO2 - 200 - SMALL BUSINESS OUTREACH EFFORTS AND PARTICIPANTS LIST

Name of Company (Respondent):		Solicitation #:	Solicitation Name:		
Contact Person:		Phone #:	Email:		

Respondents must conduct outreach efforts and submit supporting documentation of those efforts, as described in the 49 CFR Part 23, in accordance with the detailed instructions in the Lease Clauses. Respondents should make copies of this form as needed. Sections A, B, and C must be completed for all businesses which include ALL PARTICIPANTS.

Sections D, E, and F are required to be completed for all ACDBEs and small businesses. Supporting documentation is required for columns D and F.

(A) Small Business Name and Contact Information	(B) Business Status	(C) Scope(s) of Work Solicited	(D) Solicitation Method	(E) Selection Decision	(F) Communication Final Selection Outcome
Name: _____ Address: _____ City, State, Zip: _____ # of Employees: _____ Phone Number: _____ Email or Fax: _____ Age of Business: _____ Range of Annual Gross Receipts: > \$10 milli Gender of Majority Owner: _____ Race of Majority Owner: _____	<input type="checkbox"/> ACDBE <input type="checkbox"/> SBC - Small Business Concern <input type="checkbox"/> SBE - City of Phoenix Certified	NAICS Codes and Scope(s) of Work: _____ _____ _____ _____ _____ _____	E-mail Blast <input type="checkbox"/> Phone Call <input type="checkbox"/> In Person <input type="checkbox"/> Newspaper <input type="checkbox"/> Website <input type="checkbox"/> Trade Listing <input type="checkbox"/> Outreach Event <input type="checkbox"/> Other: <input type="checkbox"/>	<input type="checkbox"/> Firm was selected <input type="checkbox"/> Firm was not selected Provide explanation of why firm NOT selected: _____ E	Date Firm was Notified: _____ Method used to Communicate Selection: <input type="checkbox"/> Email <input type="checkbox"/> Phone <input type="checkbox"/> Fax <input type="checkbox"/> Letter <input type="checkbox"/> In Person
Name: _____ Address: _____ City, State, Zip: _____ # of Employees: _____ Phone Number: _____ Email or Fax: _____ Age of Business: _____ Range of Annual Gross Receipts: > \$10 millio Gender of Majority Owner: _____ Race of Majority Owner: _____	<input type="checkbox"/> ACDBE <input type="checkbox"/> SBC - Small Business Concern <input type="checkbox"/> SBE - City of Phoenix Certified	NAICS Codes and Scope(s) of Work: _____ _____ _____ _____ _____ _____	E-mail <input type="checkbox"/> Phone Call In- <input type="checkbox"/> Person <input type="checkbox"/> Newspaper <input type="checkbox"/> Website Trade <input type="checkbox"/> Listing <input type="checkbox"/> Outreach Event <input type="checkbox"/> Other: <input type="checkbox"/>	<input type="checkbox"/> Firm was selected <input type="checkbox"/> Firm was not selected Provide explanation of why firm NOT selected: _____ E	Date Firm was Notified: _____ Method used to Communicate Selection: <input type="checkbox"/> Email <input type="checkbox"/> Phone <input type="checkbox"/> Fax <input type="checkbox"/> Letter <input type="checkbox"/> In Person

*Firms must be notified of final selection outcome prior to submittal of columns E&F of this form.



Small Business Outreach Efforts Documentation



City of Phoenix

Airport Concession Disadvantaged Business Enterprise (ACDBE) Program

FORM EO3 - 200 - SMALL BUSINESS UTILIZATION COMMITMENT

Solicitation Number: <input type="text"/>	Solicitation Title: <input type="text"/>
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On behalf of the Successful Respondent, I certify under the penalty of perjury that the information submitted herein is true and correct:

1. The firms indicated as "Selected" in Form EO2 - 200 - Small Business Outreach Efforts, will participate in this contract;
2. The Successful Respondent will comply with the Race- and Gender-Neutral post-award compliance requirements as stated in the ACDBE lease clause;
3. Successful Respondent understands and agrees that any and all changes or substitutions to subcontracts with ACDBE's and small businesses **must** be authorized by the Phoenix EOD Compliance Specialist prior to implementation; and
4. The following statement is true and correct:

The proposed total participation on this lease will be:

Participation as Partners as a percentage of this leases value:

ACDBE: %, Small Business %

Participation as suppliers of goods and services as a percentage of the operating expenses or cost of goods sold associated with this lease:

ACDBE: %, Small Business %

Company Name:

Company Mailing Address:

Representative Name:

Title:

Email Address:

Phone Number:

Signature: Date:



ACDBE Program Requirements

- Comply with Airport ACDBE Program Plan and 49 CFR Parts 23 and 26.
- Track and report **all ACDBE and small business participation** that occurs as a result of:
 - *Contracts or subcontracts*
 - *Procurements*
 - *Purchase orders*
 - *Goods/services*
 - *Any other arrangements involving sub-tier participation*
 - **NOTE:** Supporting documentation **MUST** be submitted Immediately after contract effective date.
- Revenue and Expense data must be entered **monthly** into the City of Phoenix Certification & Compliance System at:

www.phoenix.diversitycompliance.com





REMEMBER:

DOCUMENT

DOCUMENT

DOCUMENT

Questions?

Jana Evans

Compliance Specialist

Equal Opportunity Department

Email: jana.evans@phoenix.gov





**Thank You for
Attending!**

