



DULUTH AIRPORT AUTHORITY

**DULUTH INTERNATIONAL AIRPORT
SKY HARBOR AIRPORT**

REQUEST FOR PROPOSALS

**Non-Exclusive
Vending Concession**

January 2018

**DULUTH AIRPORT AUTHORITY
DULUTH INTERNATIONAL AIRPORT/SKY HARBOR AIRPORT
VENDING CONCESSION
REQUEST FOR PROPOSALS**

SECTION ONE - SOLICITATION OF PROPOSALS:

The Duluth Airport Authority (hereinafter “DAA”) is soliciting proposals from all interested and qualified parties (hereinafter “Proposer(s)”) to operate, manage, and maintain a non-exclusive Vending Concession at the Duluth International Airport located at 4701 Grinden Drive Duluth, MN 55811 and the Sky Harbor Airport located at 5000 Minnesota Ave Duluth, MN 55802 (hereinafter jointly referred to as “Airport”). The operation and management by the successful Proposer(s) shall include providing quality products, strong customer service and shall be competently managed by a local manager. The vending will be located in the public and secured areas of the Terminal at Duluth International Airport and the public areas of Hangar 1 at Sky Harbor Airport.

- 1.1. Sealed proposals are due in the DAA administrative offices located at the Duluth International Airport addressed to Jana Kayser no later than **Monday February 5th 2018 2:00pm local time**. Late proposals shall not be considered and will be returned unopened. Proposers are solely responsible for ensuring that proposals are submitted by the date and time indicated. Proposals shall be good for ninety (90) days after Proposal opening.
- 1.2. Pre-proposal Meeting – A non-mandatory pre-proposal meeting is scheduled for **Thursday January 18, 2018 at 11:30 am local time at the Duluth International Airport in the third floor conference room**. If Proposer cannot attend this meeting, alternative arrangements for a tour may be made prior to January 19, 2018. All questions and clarification requests received in writing prior to this tour or resulting from the tour will be due no later than January 22, 2018 by 2:00 PM local time. Responses will be provided electronically to all attendees, parties who requested to receive an RFP from the DAA or parties which officially declared (in writing) their intention to submit a proposal on or before January 29, 2018 at 3:00 PM local time. Questions and responses will be transmitted electronically so those submitting questions should include an e-mail address with their questions. The DAA will notify the selected concessionaire no later than Tuesday February, 20th 2:00 PM local time.

SECTION TWO – INSTRUCTIONS:

- 2.1. **Three (3) original and a copy on a USB Flash Drive** of the proposal must be submitted in a sealed envelope/package clearly marked with Proposer’s name and the words “PROPOSAL VENDING - DO NOT OPEN”. Proposals shall be submitted to:

Jana Kayser
Duluth Airport Authority
Third Floor Administrative Offices
4701 Grinden Drive
Duluth, MN 55811
- 2.2. Proposals must be submitted in such a manner as to make them complete and free of ambiguity, without alterations or erasures. In the event of a discrepancy between the dollar amount written and that given in figures on any portion of a proposal, the amount in writing will be considered the proposal.
- 2.3. Each proposal must be typewritten or legible and must include all required information on a

standard 8 ½" x 11" page format, and accompanied by a cover letter on Proposer's letterhead.

2.4. Each proposal must be bound and organized into the sections outlined below:

Cover Letter

Form A – General Information Questionnaire

Form B – Qualification Statements

Form C – References

Form D – Non Collusion Affidavit

Form E – Insurance

Form F – Signature Page

Form G – Equipment, Products and Pricing

Exhibit A – Vending Concession Area at Duluth International Airport

Exhibit B – Vending Concession Area at Sky Harbor Airport

- 2.5. Additional data, exhibits, renderings, and explanations may be included should Proposer deem them important to the evaluation of its proposal by the DAA.
- 2.6. It is the intention of the DAA to accept proposals in the manner described in this document, and after review and coordinating discussions with the successful Proposer, to recommend to the DAA Board to award an Agreement to the Proposer(s) that best serves the requirements set forth in this document.
- 2.7. The selection of the proposal(s) will be by electronic Notice of Award, specifically indicating selection. Unsuccessful proposers will also be notified electronically of the award.
- 2.8. At any time after the receipt of proposals, DAA may give oral or written notice to any Proposer to furnish additional information, either in writing and/or in a verbal presentation, to representatives of DAA relating to its qualifications to perform the obligations imposed by the project including, but not limited to, information which may be required to supplement that which is required herein to be submitted with the proposal. Additional requested information shall be furnished within the time frame specified by the DAA. DAA reserves the right to consider such additional information obtained from Proposer. The giving of the aforesaid notice to Proposer shall not be construed as an acceptance of said Proposer's proposal.
- 2.9. DAA may obtain and consider additional information obtained from sources other than Proposer in its evaluation and selection process.
- 2.10. Proposals may be withdrawn until the proposal due date and time specified in Section 1.1, at which time the proposal shall be deemed irrevocable by Proposer.
- 2.11. It is the intent of DAA to fully evaluate all conforming proposals received by the deadline and to select or reject any or all proposal(s) at its sole discretion. If a proposal does not comply with the conditions specified herein, it may be rejected without further consideration. These restrictions are not intended to impede proposal preparation; rather, they will provide uniformity in the responses to this Request for Proposals (hereinafter "RFP").
- 2.12. Comments or questions in accordance with this RFP should be directed in writing to:

Jana Kayser
jkayser@duluthairport.com
218-625-7775
4701 Grinden Drive
Duluth, MN 55811

SECTION THREE - SCOPE:

3.1 Term

DAA desires to enter into a **three (3) year concession agreement commencing on April 1, 2018 with two (2) additional one (1) year options** to be exercised at the discretion of the Authority. DAA desires to enter into an agreement with the successful Proposer that offers the most comprehensive offerings for the tenants and visitors to the Terminals. Proposer shall outline an implementation and operational program on how it intends to prepare for and operate the concession if awarded the contract.

3.2 Premises and DAA-Provided Equipment

The concession footprint included in this RFP is identified on Exhibit A and Exhibit B (hereinafter "Premises"). The successful Proposer(s) will have the right to offer vending products as approved by DAA on the Premises. The Premises will be provided to Proposers "as is where is". Any modifications to the Premises will be at the sole cost of the successful Proposer(s) and will require the prior written approval of the DAA's Executive Director (hereinafter "Executive Director"). All equipment required to operate the concession will be the sole responsibility and cost of the Proposer and the Proposer will have sole responsibility for the maintenance and upkeep of the equipment.

3.5 Operations/Management Plan

Each Proposer must submit complete responses addressing all the following information with regard to how the operations will be managed and operated:

- a. Mode of Operation- Provide a comprehensive description of the planned mode of operation and use of the Premises with emphasis on the type and means of product and services to be provided.
- b. Stocking Plan- Provide a stocking plan to include the frequency. Proposer will be escorted to secure airport areas by an airport official and products will be inspected prior to entry into secured areas.
- c. Equipment & Product Plan- Provide an outline of what food and beverages will be provided as well as what equipment will be used. It is the desire of the Authority to provide both Coke and Pepsi products. For food and snacks, it is the desire of the Authority to provide as broad a product offering as possible while eliminating the risk of spoilage. Proposer shall provide a cut sheet and picture of the equipment to be used with specifications and equipment requirements such as water and electricity.
- d. Refunds. A description of the proposed refund process in the event that the equipment does not operate properly.

- e. Start Up Plan. Outline the Proposer’s plan for the Premises and the timing for start-up of the operation. Successful Proposer will be responsible for applying for and obtaining any and all licenses required to commence operations on the proposed schedule.
- f. Each Proposer shall include in the proposal evidence of its competency to operate the services as detailed in the RFP. In order to be considered qualified to provide the services hereunder, each Proposer must meet the following minimum qualifications:
 - i. Must have successfully managed three (3) similar operations for not less than one (1) year each. Proposer must identify three (3) references from similar operations.
 - ii. Must be able to provide proof of the skill, experience, and financial resources necessary to manage a vending operation.

Proposers must have the above minimum qualifications. Proposals submitted by any Proposer that does not have the above minimum qualifications, as determined at the sole discretion of DAA, will be rejected.

3.6 DISCLAIMER

The Proposer affirms that its proposal will in no way be conditioned upon any predetermined level of aviation activity or visitor activity at the Airport, past, present or future. In this regard, Proposer has not relied on any representations of DAA, its officers, employees, agents, or consultants, either orally or in writing, as to the level of business potential at the Airport or of any factors that might bear on such business potential. Proposer’s submission shall be based solely on the Proposer’s own knowledge of the food and beverage operation and its own estimate of the market potential at the Airport for such an operation.

3.7 RENT/CONCESSION COMMISSIONS

Proposer shall remit to the Authority a concession fee of 20% of Gross Revenues. Gross revenue shall be defined as all revenue received from purchases less refunds. The term “Gross Revenues” as used herein shall mean the revenues or sales price of all food, beverages sold or dispensed by the Concessionaire on the Airport excluding State and local sales taxes collected by Concessionaire from its customers.

A written summary of sales by day by machine must be provided monthly.

SECTION FOUR – CERTIFICATIONS AND STATEMENTS:

- 4.1 Proposer, for itself, its personal representatives, successors in interest, and assigns, as a material part of the consideration for the award of a contract, covenants and agrees:
 - 4.1.1 that no person on the grounds of race, color, creed, sex, age, or national origin or handicap shall be excluded from participation, denied the benefits of, or be otherwise subjected to discrimination in the use of its facilities;

- 4.1.2 that, in the construction of any improvements on behalf of Proposer and the furnishing of services, no person shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination on the grounds of race, creed, color, sex, age, national origin, or handicap;
- 4.1.3 that Proposer shall use the Airport facilities in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary, Part 23, Nondiscrimination-Effectuation of Title VI of the Civil Rights Act of 1964, as amended; and that in the event of breach of any of these nondiscrimination covenants, the DAA shall have the right to terminate the Agreement. Proposer assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E ("Subpart E"), to ensure that no person shall, on the grounds of race, creed, color, national origin, or sex, be excluded from participating in any employment activities covered in Subpart E. Proposer assures that no person shall be excluded on these grounds from participating or receiving the services or benefits of any programs or activity covered by the Subpart E. Further, Proposer agrees that it will require that its covered sub-organizations provide assurance to the DAA that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by Subpart E, as to the same effect.
- 4.2 Proposer shall comply with all Federal, State of Minnesota, St. Louis County, City of Duluth, and all other applicable codes, laws, rules, regulations, standards, and ordinances, including but not limited to Occupational Safety and Health Administration (OSHA), the Federal Aviation Administration (FAA), the Transportation Security Administration (TSA), and all DAA rules, regulations, and orders governing the performance of work.
- 4.3 The successful Proposer shall indemnify, save, hold harmless, and defend the DAA and the City, their officials, agents and employees, successors and assigns, individually or collectively, (1) from and against any fines in any way related to or based upon the violation of any federal, state, municipal or DAA laws, statutes, resolutions, or regulations, now in effect or hereafter promulgated, by Proposer, its officials, agents or employees, or successors or assigns, and (2) from and against any and all claims including a claim for contribution or indemnity, demands, causes of action, loss, damage, injury, liability, and costs and expenses of whatsoever kind or nature (including, but not limited to, reasonable attorneys' fees, disbursements, court costs, and expert fees) based upon injury to persons, including death, or damage to property; all arising out of, resulting from, in conjunction with or incident to (1) any act or omission of Proposer, its officials, agents or employees, successors or assigns, (2) Proposer's operation of its business and/or performance of its obligations under this Agreement, or (3) the use and/or occupancy of the vending concession area or of the Airport. On ten (10) days' written notice from the DAA the Proposer shall appear and defend all claims and lawsuits against the DAA and/or the City growing out of any such injury or damage. The provisions of this paragraph shall survive the expiration, termination, or early cancellation of this Agreement.
- 4.4 In submitting a proposal, Proposer declares that the only person or party interested in the proposal as principal are those named in the proposal and that the proposal is made without collusion with any other parties, firms, or corporations. Reasonable grounds for believing that any Proposer has a business or financial interest in more than one proposal in response to this request will cause rejection of all proposals in which such Proposer has interest. If DAA believes, in its sole discretion, that collusion exists among Proposers, none of the participants in such collusion will be considered.

- 4.5 DAA is soliciting competitive proposals pursuant to a determination that such a process best serves the interests of the DAA. DAA reserves the right to accept or reject any or all proposals; to waive any formality of the proposal form; to modify or amend, with the consent of Proposer, any proposal prior to acceptance; to negotiate with the selected Proposer; to waive irregularities and nonconformities; and to make an award not based solely on the proposal most lucrative to DAA; all as DAA in its sole judgment may deem to be in the DAA's best interest. If selected Proposer refuses to enter into an Agreement with DAA, DAA reserves the right to accept the proposal of any other qualified Proposer without re-advertising.
- 4.6 TENNESSEN WARNING.** Persons who supply data about themselves in response to this RFP are entitled to know the following information under the Minnesota Government Data Practices Act:
- 4.5.1 the information requested will be used to evaluate the Proposer's qualifications;
 - 4.5.2 the Proposer is not legally required to supply this information;
 - 4.5.3 failure to supply information may result in a determination by DAA that the proposal is non-responsive; and
 - 4.5.4 the public may be authorized to access information that is not classified by law as private, confidential, or non-public data
- 4.7 This document shall in no manner be construed as a commitment on the part of DAA to award a contract, to pay any cost incurred in the preparation of proposals to this request, or to procure or contract for any services.
- 4.8 Nothing indicated verbally by DAA, its officers, employees, agents or consultants, will contradict or override anything in this document. If a Proposer feels they have been told anything that is inconsistent with the information contained in this document, it will not be considered valid unless and until confirmation is received in writing from DAA. Should there be any doubt as to the meaning or content of these proposal documents, Proposer shall at once notify DAA in writing.
- 4.9 Corrections, changes or clarifications, if required, will be made in written addenda to all parties who attended any pre-proposal meeting (as applicable), requested to receive an RFP from the DAA, and/or otherwise officially declared (in writing) their intention to submit a proposal, as appropriate. The DAA will not be responsible for any other instructions, interpretations, or explanations. Any written addenda to the proposal documents issued by DAA prior to the proposal acceptance deadline will be considered a part of these documents.
- 4.10 The submission of a proposal shall be considered evidence that Proposer has: (1) investigated all conditions related to the requested service herein described; (2) ascertained that the Premises and all conditions are as specified; and (3) has reviewed all RFP documents. No claim for adjustment of the provisions of the RFP or any subsequent Agreement to be awarded shall be honored on the grounds that Proposers were not fully informed of existing conditions.
- 4.11 Proposer shall maintain compliance with all regulatory measures (i.e. Airport Rules and Regulations, City of Duluth, State of Minnesota, and Federal programs, laws etc.).

SECTION FIVE – EVALUATION CRITERIA:

Proposals will be evaluated based upon criteria formulated around the most important features of the service, of which quality, capabilities, service offerings, customer experience, and references may be overriding factors in the issuance of a contract or award. The proposal evaluation criteria should be viewed as standards which measure how well a Proposer's approach meets the desired requirements and needs of the users. A selection committee will review the Proposals and make a recommendation to the DAA on the best overall proposal. The selection committee will consider the following factors and their coinciding weight:

BUSINESS QUALIFICATIONS AND PRICING	50%	Proposer's successful experience providing food and beverage programs at similar venues and proposed pricing.
PRODUCTS AND EQUIPMENT PROPOSED	50%	Proposer's proposed plan of products to offer, equipment planned to use in operation, and operations/stocking plan.

MANDATORY PROPOSAL DOCUMENTS AND REQUIRED FORMS

Proposals must be made in accordance with the conditions described above and include the following information and documents (*Forms A – G, Exhibits A&B*) to be considered a valid proposal for review. Statements must be complete, accurate, in the requested form and must be signed (before a Notary), by an authorized officer of Proposer.

If all information requested by the following forms/questionnaires cannot be adequately answered using the space provided, use additional sheets of paper. Be sure to provide adequate reference to the location of additional pages if other than immediately adjacent to the location of the question.

BY SUBMITTING A PROPOSAL IN RESPONSE TO THIS REQUEST FOR PROPOSALS, PROPOSER AUTHORIZES THE DULUTH AIRPORT AUTHORITY TO MAKE ANY INQUIRIES NECESSARY TO DETERMINE THE VALIDITY AND ACCURACY OF THE INFORMATION PROVIDED. PROPOSER FURTHER REPRESENTS AND WARRANTS ALL INFORMATION PROVIDED IS TRUE AND COMPLETE. FAILURE TO PROVIDE THE REQUESTED INFORMATION, INCOMPLETE INFORMATION, MISSTATEMENTS, OR INACCURATE INFORMATION MAY RESULT IN THE REJECTION OF THE PROPOSAL.

FORM A
GENERAL INFORMATION QUESTIONNAIRE

NAME OF FIRM:

(EXACTLY AS IT WOULD APPEAR ON AGREEMENT)

PRINCIPAL OFFICE ADDRESS:

PRIMARY CONTACT

NAME:

POSITION:

TELEPHONE:

FAX:

EMAIL:

ALTERNATE CONTACT

CONTACT NAME:

POSITION:

TELEPHONE:

FAX:

EMAIL:

FORM B
QUALIFICATION STATEMENTS

EXPERIENCE

Proposer has operated vending concessions at the following locations:

LOCATION #1

DATES: _____

LOCATION: _____

CONTACT'S NAME: _____

CONTACT'S PHONE: _____

LOCATION #2

DATES: _____

LOCATION: _____

CONTACT'S NAME: _____

CONTACT'S PHONE: _____

LOCATION #3

DATES: _____

LOCATION: _____

CONTACT'S NAME: _____

CONTACT'S PHONE: _____

Proposer's Operating Name

Proposer has operated under its current name since _____, a period of _____ years, and Proposer (if such be the case) formerly operated under the name _____.

Proposer has provided similar services as requested in this RFP for _____ years.

Current Litigation*

The Proposer ☐ **is** ☐ **is not** currently involved in litigation. (If the answer is in the affirmative, please identify the business location and give such information as is required to explain the circumstances.)

(Use additional sheet(s) to explain circumstances if necessary.)

**FORM C
REFERENCES**

Proposer submits the following list of persons or firms with whom Proposer has conducted business with during the past three years substantially related to its vending concession business operations, and who may be contacted by the Duluth Airport Authority. If firms are used, give the name of the firm and/or person whom we may contact. **Attach letters of reference from each of the entities/firms listed below.**

Business Reference #1

NAME: _____
TITLE: _____
FIRM: _____
ADDRESS: _____

PHONE & FAX NUMBER: **Ph** _____ **Fax** _____

Business Reference #2

NAME: _____
TITLE: _____
FIRM: _____
ADDRESS: _____

PHONE & FAX NUMBER: **Ph** _____ **Fax** _____

Business Reference #3

NAME: _____
TITLE: _____
FIRM: _____
ADDRESS: _____

PHONE & FAX NUMBER: **Ph** _____ **Fax** _____

FORM D
NON-COLLUSION AFFIDAVIT

DULUTH AIRPORT AUTHORITY
DULUTH INTERNATIONAL AIRPORT
SKY HARBOR AIRPORT
REQUEST FOR PROPOSALS –VENDING CONCESSION
DULUTH, MINNESOTA

NON-COLLUSION AFFIDAVIT

State of _____)

) : SS

County of _____)

The undersigned Proposer or agent, being duly sworn, on oath says that he/she has not, nor has any other member, representative, or agent of the firm, company, corporation, or partnership represented by him/her, entered into any combination, collusion or agreement with any person relative to the price to be proposed by anyone at such letting, nor to prevent any person from submitting a proposal, and that this proposal is made without reference to any other proposal and without any agreement, understanding or combination with any other person in reference to such proposals in any way or manner what so ever.

PROPOSER OR AGENT

For _____
FIRM OR CORPORATION

SUBSCRIBED AND SWORN TO BEFORE ME THIS _ DAY OF _____
_____, 2018.

MY COMMISSION EXPIRES: _____

- FORM MUST BE SIGNED AND NOTARIZED -

FORM E
INSURANCE

CERTIFICATE OF INSURANCE

INSURANCE

Contractor shall provide Public Liability and Automobile Liability Insurance with limits not less than \$1,500,000 Single Limit, and twice the limits provided when a claim arises out of the release or threatened release of a hazardous substance; shall be with a company approved by the City of Duluth and DAA; and shall provide for the following; Liability for Premises, Operations, Completed Operations, Independent Contractors, and Contractual Liability.

“City of Duluth” and the “Duluth Airport Authority” shall be named as Additional Insureds under the Public Liability, Excess/Umbrella Liability,* and Automobile Liability, or as an alternate, Contractor may provide Owners-Contractors Protective policy, naming itself and the City of Duluth and DAA. Contractor shall also provide evidence of Statutory Minnesota Worker’s Compensation Insurance. Contractor to provide Certificate of Insurance evidencing such coverage with 30-days notice of cancellation, non-renewal or material change provisions included. The City of Duluth or Duluth Airport Authority do not represent or guarantee that these types or limits of coverage are adequate to protect the Contractor’s interests and liabilities.

If a certificate of insurance is provided, the form of the certificate shall contain an unconditional requirement that the insurer must notify the City of Duluth and DAA without fail not less than 30 days prior to any cancellation, non-renewal or modification of the policy or coverage’s evidenced by said certificate and shall further provide that failure to give such notice to the City of Duluth and DAA will render any such change or changes in said policy or coverages ineffective as against the City of Duluth and DAA.

The use of an “Accord” form as a certificate of insurance shall be accompanied by two forms – 1) ISO Additional Insured Endorsement (CG 2010 pre 2004); and 2) Notice of Cancellation Endorsement (IL 7002) or equivalent, as approved by the Duluth City Attorney’s Office. (See attached examples of Endorsements).

**An umbrella policy with a “following form” provision is acceptable if written verification is provided that the underlying policy names the City of Duluth and Duluth Airport Authority as additional insureds.*
Complete the following insurance company information:

Firm Name: _____

Address: _____

Agent: _____

Phone No: _____

Email: _____

PROPOSER OR AGENT

For _____
FIRM OR CORPORATION

**PROOF OF
INSURANCE MUST
BE PROVIDED
PRIOR TO
CONTRACT
EXECUTION**

FORM F
SIGNATURE PAGE

Each individual executing this proposal on behalf of a corporation or business represents and warrants that he/she has been authorized to do so by the Board of Directors or other concerned parties who have an interest in the business.

Each individual executing this proposal certifies with their signature below that the information contained in the proposal is true and accurate to the best of their knowledge and acknowledges that the Duluth Airport Authority reserves the right to reject any proposal found to contain fraudulent information.

No proposal shall be accepted which has not been signed in the appropriate space(s) below.

DAA is soliciting competitive proposals pursuant to a determination that such a process best serves the interests of the DAA. DAA reserves the right to accept or reject any or all proposals; to waive any formality of the proposal form; to negotiate with the selected Proposer; to modify or amend, with the consent of Proposer, any proposal prior to acceptance; to waive irregularities and nonconformities, and to make an award not based solely on the proposal most lucrative to DAA, all as the DAA in its sole judgment may deem to be in the DAA's best interest. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final proposals. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Proposers. If successful Proposer refuses to enter into the Agreement, the right is reserved to accept the proposal of any other qualified Proposer without re-advertising.

I affirm that I have read and understand all the provisions set forth in this RFP invitation. I, the undersigned, guarantee our proposal meets or exceeds specifications contained in the RFP document. Our firm will comply with all provisions and conditions as specified. All requested information has been submitted as requested.

BUSINESS OR CORPORATION NAME

BY: _____

TITLE: _____

DATE: _____

SUBSCRIBED AND SWORN TO BEFORE ME THIS ____ DAY OF _____, 2018.

MY COMMISSION EXPIRES: _____

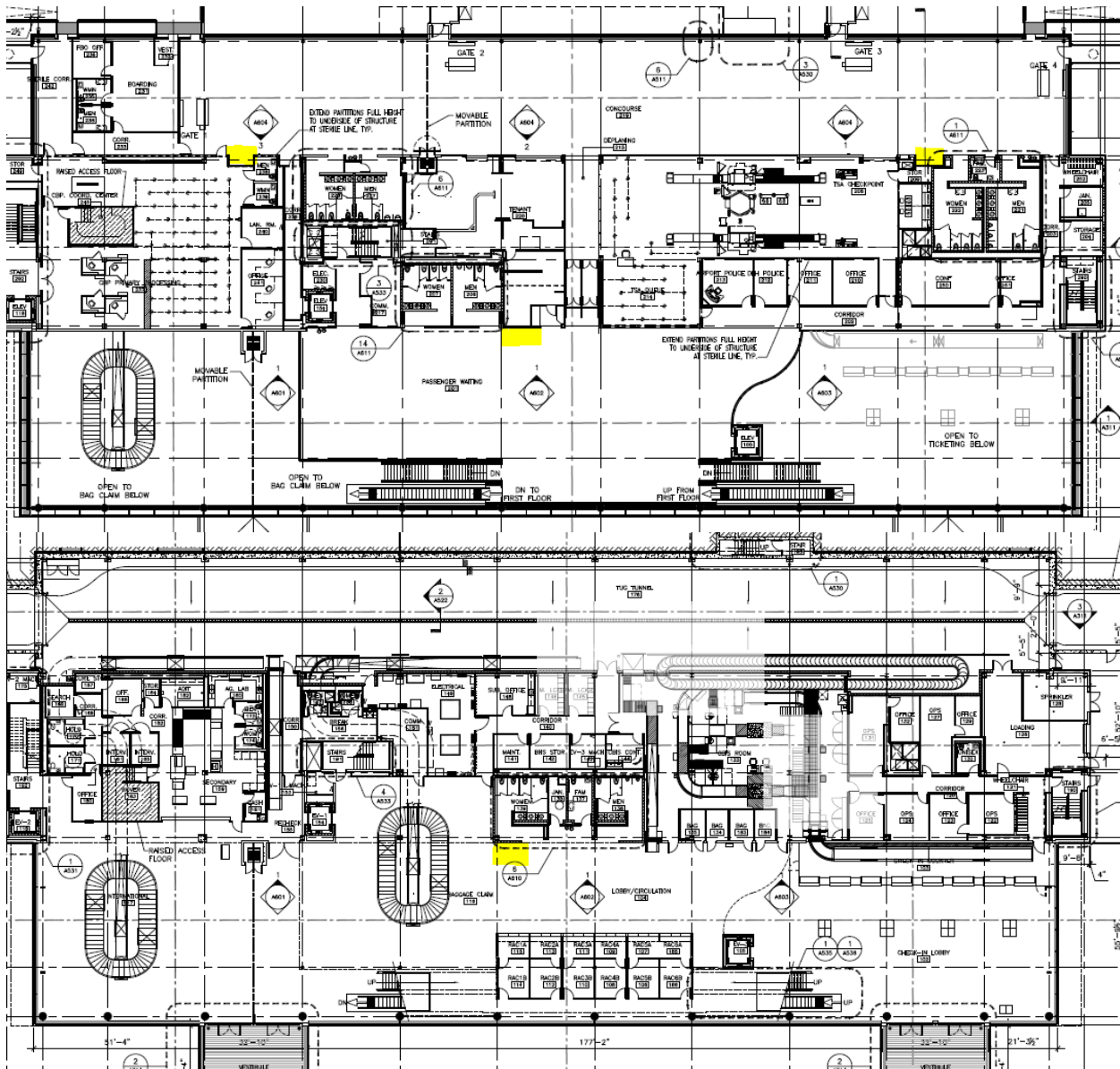
- FORM MUST BE SIGNED AND NOTARIZED -

FORM G
Equipment, Products and Pricing List

Exhibit A

Vending Concession Area @ Duluth International Airport

1st Floor, 2nd Floor



Vending Concession Area @ Sky Harbor Airport

