

Raleigh-Durham International Airport

Food & Beverage Operator Solicitation



June 16, 2021

**Proposals are due to the Authority Administrative Offices no later than
3:00 p.m. ET on August 27, 2021**

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- Appendix 1 - Sample Operator Agreement
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SECTION I – NOTICE TO PROPOSERS

Food & Beverage Operator Agreement Solicitation Raleigh-Durham International Airport

The Raleigh-Durham Airport Authority (the “Authority”) is issuing a two-pronged solicitation which includes a Request for Qualifications (RFQ) and a Request for Proposals (RFP).

The Authority is seeking experienced and qualified food and beverage operators from which to create a qualified operator pool that is expected to be in place for approximately a three (3)-year period. Operators in this pool will be eligible for future food and beverage operator opportunities. This will be accomplished via the RFQ process.

The Authority is also seeking proposals from operators for the first operator opportunity, which is comprised of three (3) units in Terminal 2 at the Raleigh-Durham International Airport (the “Airport”). The term of this contract will be ten (10) years. This will be accomplished via the RFP process.

All RFQ Proposals must be received no later than 3:00 PM ET on Friday, August 27, 2021, at the Administrative Offices of the Authority. Shipping packages should be sealed and marked on the outside “Food & Beverage Operator RFQ Solicitation,” and have the name and address of the Proposer printed on the package. Proposals received after the time stated above will be returned unopened. The Authority, in its sole discretion, reserves the right to extend the response date for Proposals.

All RFP Proposals must be received no later than 3:00 PM ET on Friday, August 27, 2021, at the Administrative Offices of the Authority. Shipping packages should be sealed and marked on the outside “Food & Beverage Operator RFP Solicitation,” and have the name and address of the Proposer printed on the package. Proposals received after the time stated above will be returned unopened. The Authority, in its sole discretion, reserves the right to extend the response date for Proposals.

A mandatory Pre-Proposal Conference and networking will be held on June 25, 2021, beginning at 1:00 PM ET. At this meeting, we will discuss the Operator pool concept as well as the larger Operator model. The event will also serve as a networking opportunity for those who choose to attend in person.

There will also be a second, mandatory Pre-Proposal Conference and site tour held on July 13, 2021, beginning at 9:00 AM ET. This meeting will focus on the content of the RFQ and RFP as well as holding a tour of Terminals 1 and 2.

SECTION II - SOLICITATION GENERAL INFORMATION

A. Operator Agreement Overview

The Authority intends to enter into an Operator Agreement for the management and operation of concession units at the Raleigh-Durham International Airport.

Under an Operator Agreement, the Authority will construct improvements to concession units, and the Operator will operate, direct, manage, and supervise the units. Authority responsibilities will include the initial capital investment to design, permit, and build-out each unit. Operator responsibilities will include, but are not limited to:

- Hiring, training, supervising staff
- Creating menus
- Opening, cleaning, stocking units
- Collecting revenue
- Paying operating expenses
- Obtaining and maintaining licenses and permits (for example, liquor licenses)
- Obtaining and maintaining brand license, franchise, etc. agreements

The sample Operator Agreement is attached to this Solicitation as Appendix 1.

B. Operator Pool Opportunity

The Authority is seeking to create a pool of qualified food and beverage operators (“Qualified Operators”) for current and future concession opportunities.

C. Current Operator Opportunity

The Authority is seeking proposals from Qualified Operators to manage and operate, on behalf of the Authority, three (3) post-security food and beverage concession units in Terminal 2.

D. Solicitation Summary

The Authority extends two (2) independent opportunities to food and beverage operators as two (2) independent Solicitations:

Request for Qualifications (RFQ) – The Authority is seeking proposals to create a pool of qualified Proposers referred to as Qualified Operators. Operators that wish to become Qualified Operators, and as a result eligible for current and future operator agreement opportunities, must submit a proposal to the RFQ detailed in this solicitation.

Request for Proposals (RFP) – The Authority is seeking proposals from Qualified Operators to manage and operate three units in Terminal 2. Operators that wish to manage and operate the three (3) units identified in this Solicitation must submit a Proposal to the RFP detailed in this solicitation. Only Proposers selected to participate in the pool of Qualified Operators will be eligible to submit an RFP response.

E. Definitions

The following definitions apply to this Solicitation:

Addendum - Written or graphic instrument issued prior to Proposal opening, which clarifies, corrects or changes the Solicitation or the Operator Agreement documents.

Airport Concessions Disadvantaged Business Enterprise (“ACDBE) – A concession operator that has been certified by the Authority as an airport concessions disadvantaged business enterprise as defined in 49 CFR Part 23.

Authority - The Raleigh-Durham Airport Authority, a municipal corporation, created by the General Assembly of North Carolina, and existing under and by virtue of Chapter 168 of the Public-Local Laws of 1939, as amended. The Authority enters into agreements for services to be provided at the Airport.

Compliance Pricing - Terminal food and retail concessions are required to charge uniform prices. The Concessions Pricing Compliance Instructions set forth in Exhibit D ensures that guests experience a high level of guest service and satisfaction when shopping or dining at the Airport; ensures that guests pay reasonable prices when shopping or dining at the Airport; and ensures that the prices charged for food and beverages, products and services are comparable to similar, non-Airport retail stores and restaurants in the Research Triangle Region, which includes Wake, Durham and Orange Counties. Reasonable prices shall mean prices charged for food and beverages, products and services at Airport shops and restaurants that are no more than 15% higher than the average prices charged by comparable, similar non-Airport retail vendors within the Research Triangle Region that offer similar type and quality products.

Concessionaire - Airport tenant whose business is non-airline related and who sells goods or services for profit.

Deadline - The deadline to submit RFQ and RFP proposals

Notice of Award - The written notice by the Authority to the Selected Proposer stating that, upon compliance with the conditions stated therein, the Proposer shall be offered the Operator Agreement Opportunity.

Notice of Commencement - A written notice by the Authority to the Proposer establishing the date on which the Term of the Agreement will begin, and Proposer shall start to perform its obligations under the Agreement. This is considered the Date of Beneficial Occupancy as defined in the sample Operator Agreement

Operator Agreement (“Agreement”) - Refers to the document set forth in Appendix 1, which serves as the basis for the final agreement between a food and beverage operator and the Authority, and which governs the services to be provided by the food and beverage

operator. Portions of the Agreement may incorporate language and commitments directly from a food and beverage operator's respective Proposal.

Product Exclusive Rights Agreement - A direct marketing and beverage product distribution agreement between the Authority and a beverage supplier that grants exclusive rights pertaining to the sale of the beverage supplier's products.

Pre-Proposal Conference - An online or in person meeting for the purpose of presenting the solicitation, reviewing the economic model, conducting tours and receiving Proposers' questions.

Proposal - The documents submitted by each Proposer pursuant to the terms of this Solicitation.

Proposal Expiration Date - Proposals must remain in effect until an Operator Agreement is executed with the Selected Proposer or one hundred eighty (180) days after the Deadline for Proposal submission, whichever comes first.

Proposer - The individual, company, or joint venture submitting a response to this Solicitation that incorporates all the elements of a valid Proposal for the Request for Qualifications, the Request for Proposals, or both.

Raleigh Durham International Airport ("Airport" or "RDU") - The medium hub, commercial airport located in Wake County, North Carolina serving central and eastern North Carolina, northern South Carolina and southern Virginia.

Qualified Operator - A food and beverage operator that has been selected through the RFQ process and is therefore eligible to propose for and enter into an Operator Agreement with the Authority.

Selected Proposer - The individual or company that provided the RFP Proposal determined by the evaluation process to best fulfill the Authority's goals and objectives.

Solicitation - The Request for Qualifications and Request for Proposals, collectively.

Tenant Design Standards ("TDS") - Design standards as set forth in the Authority's Terminal 2, Tenant Design Standards manual. Should the TDS be updated during the Term, facilities constructed after such update will adhere to the revised requirements.

Term - The period under which the Agreement is effective.

Terminal 1 - The easterly of two (2) commercial air carrier passenger terminals located at RDU.

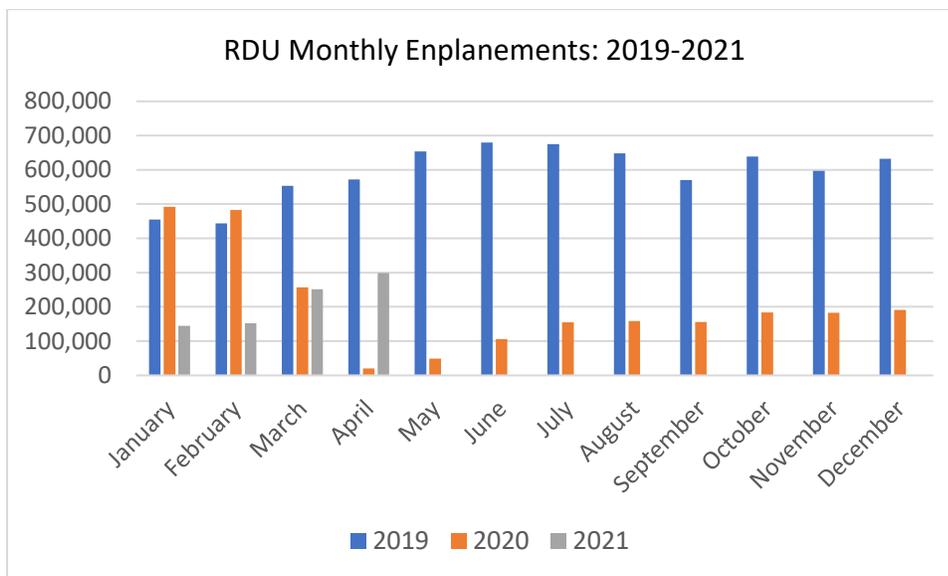
Terminal 2 - The westerly of two (2) commercial air carrier passenger terminals located at RDU.

F. Airport Overview

The Raleigh-Durham Airport Authority (“Authority”) owns and operates the Raleigh-Durham International Airport (“Airport” or “RDU”). The Raleigh-Durham Airport Authority is a municipal corporation created by the General Assembly of North Carolina. There are two (2) air carrier passenger terminals at RDU, Terminals 1 and 2.

In 2019, more than 14.2 million passengers traveled through RDU. That translates to about 39,000 travelers every day connecting to the people and places that matter most: for business, vacation, or both.

RDU traffic responded to COVID-19 related travel demand declines beginning in March of 2020, reaching its lowest levels a month later. Since that time, RDU has seen a steady trend towards traffic recovery, with April 2021 enplanements 52% of 2019 levels, and May 2021 forecasted to be 60% of 2019 volumes.



Prior to the pandemic, ten (10) airlines served 62 nonstop destinations, including international cities such as London, Paris, Montreal, and Toronto, with approximately 400 daily flights. At the peak of the pandemic’s impacts to RDU’s network (May 2020), RDU maintained 25 non-stop routes from nine (9) carriers, with 45 daily departures. Following a steady recovery of service, current schedules indicate that RDU will serve 45 non-stop destinations in July of 2021 with an average of 139 daily flights provided by 10 passenger air carriers, including Sun Country Airlines who entered the RDU market for the first time in May of 2021. When Air Canada service returns, which has been placed on hiatus due to government travel restrictions, RDU expects service from a total of 11 separate passenger airlines.

For more information regarding the Airport's passenger traffic, visit <https://www.rdu.com/airport-authority/statistics/>.

Terminal 1 is the easterly most passenger terminal. It consists of approximately 153,025 square feet of space and provides nine (9) aircraft gates. Southwest Airlines exclusively operates from Terminal 1.

Terminal 2 is the westerly most passenger terminal. It consists of approximately 920,000 square feet of space and has thirty-six (36) aircraft gates. The dominant airlines operating from Terminal 2 are American, Delta, and United.

Figure 1 below shows the locations of each Terminal

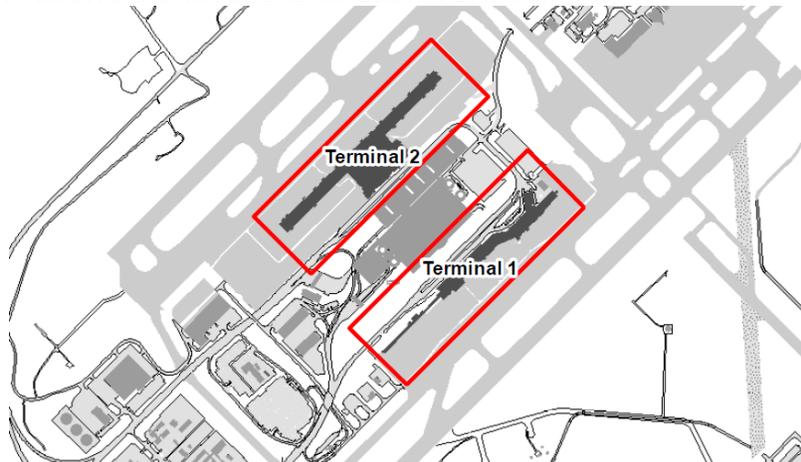


Figure 1

G. Concession Program General Information

RDU Concession Program Goals

- Create and maintain a program that is reflective of the Authority's defined overall Vision, Mission and Core Values.
- Offer food and beverage, specialty retail concepts and products that originate in and/or are familiar to the Triangle region and North Carolina.
- Develop a well-balanced and reimagined Concessions Program that is world-class, innovative, engaging, consistently "fresh" and broadly appealing to our guests.
- Elevate the guest experience through innovative concepts and offerings.
- Increase revenue by promoting a competitive concessionaire environment.
- Facilitate and encourage ACDBE participation.
- Create and maintain an overall concessions program experience where our guests always feel welcome, cared for and appreciated.
- Use technology and innovation to enhance operational efficiency and the overall guest experience.
- Maintain flexibility in the program to allow for changes in passenger preferences and market trends.

The concession marketing program, which is funded by concessionaire contributions, supports promotions through advertising, media placements, special events,

promotional events, brochures, videos and catalogs, mystery shops, and guest service training, as examples. The contribution rate, currently one-half of one percent or 0.005% of gross sales, is subject to change each program year.

H. Warehouse and Deliveries

RDU utilizes a remote warehouse and product delivery service. The respective food and retail warehouse and delivery operators receive, store, and deliver all products and merchandise to concessionaires operating in the terminals. Deliveries are brought either directly to the concession units or to in-terminal storage units leased by individual concessionaires. Use of the warehouse and delivery services is a critical requirement of the concession program that ensures efficient and safe concessions product warehousing and delivery. At the time of this Solicitation, remote warehouse services and delivery operations are contracted out to a third-party operator. The Selected Proposer will need to contract directly with this service provider. No concessionaires operating at the Airport may have goods directly delivered to tenant spaces. Authority staff will provide additional detail.

I. Product Exclusive Rights

The Authority has entered into a contract with Pepsi Bottling Ventures, LLC (“PBV”) which grants PBV exclusive rights pertaining to the sale of all non-alcoholic beverages, that are used in the Operator’s menu or merchandise list, as applicable. The Operator must comply with any and all exclusive rights agreement language as defined in the sample Operator Agreement.

J. Sustainability

The Authority is committed to conserving natural resources, reducing pollution, and ensuring a healthy and sustainable future for the residents of and visitors to the Research Triangle Region and users of the Airport. In this effort, Proposers are encouraged to incorporate voluntary sustainability elements into their operations to the greatest extent possible. Proposers are encouraged to explore and articulate sustainable efforts in their proposal.

K. Airport Environment

To operate successfully in an airport environment, the selected Proposer must meet and adjust to challenges that generally do not exist in a non-airport, downtown, or shopping center environment. Some of the challenges are listed below:

- Airport concessions must be open 365 days per year, without exception.
- Airport guests are primarily airline passengers traveling with carry-on luggage and in some cases baggage carts and strollers.
- Patrons have a limited amount of time to spend in stores and must be served quickly. This constraint must be taken into consideration when determining staffing levels and product or menu offerings.
- The Selected Proposer must ensure that staffing levels respond to the peaks and fluctuations in daily passenger traffic. In some instances, twenty-four (24) hour per day operations will be required.

- Airport concessions must be prepared to extend hours, including overnight hours, or open early due to delays, cancelled flights, or other irregular operations.
- All staff must pass a background check and be badged prior to working at the airport.
- Employee parking is charged monthly to the Operator and is billed on a per-employee basis.

SECTION III – INSTRUCTIONS TO PROPOSERS

It is essential that the information and requirements of this Solicitation are carefully reviewed and adhered to in preparation and submission of Proposals to both the RFQ and RFP documents. All Proposers must submit written Proposals in accordance with the instructions contained in this Solicitation.

Failure to comply with the instructions of the Solicitation may be cause for rejection of Proposer's Proposal. Substantial deviations from the requirements of this Solicitation, including material alterations to the Operator Agreement; concepts, and/or performance requirements of the Solicitation, may be grounds for rejection of the submittal at the sole discretion of the Authority.

The RFQ and RFP packages shall be packaged and submitted independently. For each package (regardless of whether submitting an RFQ response only or RFQ and RFP responses) the following instructions apply:

A. Number of Proposals

- Proposers shall provide:
 - One (1) original bound hard copy of the Proposal
 - The original must be clearly designated as such and must contain all original Proposal forms and original signatures where applicable.
 - One (1) bound hard copy of the Proposal
 - The copy must be clearly designated as such and must contain a copy of all executed Proposal forms
 - One (1) USB thumb drive containing electronic files of the Proposal which are organized as follows:
 - One (1) file folder containing the entire Proposal (including completed forms) in searchable .pdf format, with content separated by tab order as defined in Sections VI and VII of this document. This Proposal shall be located in a file folder labeled "Entire Proposal"
 - One (1) file folder containing individual searchable .pdf files for the content of each tabbed section of the Proposal (including completed forms) as defined in Sections VI and VII of this document. Each tabbed .pdf shall be entitled to match the corresponding name of each specific reference tab
 - One (1) electronic copy of the required Pro Forma in Excel format (.xlsx). This file shall be located in a file folder labeled "Pro Forma"
- Note:
 - Each Proposal shall be prepared and submitted with all required documents executed by an authorized official of Proposer. Each Proposal shall be enclosed in a sealed envelope or package and mailed, or hand delivered so as to be received no later than

Deadline at the address shown below. Each package shall be labeled as indicated in Section III.B below

B. Address

Proposals and modifications thereof shall be submitted in sealed envelopes or packages:

- Addressed as specified below;
- Displaying the due date and time specified above for receipt;
- Displaying the name, address, and phone number of the Proposer.

The RFQ Proposal envelope must be clearly marked as follows:

Terminal 2 Food & Beverage Operator RFQ Raleigh-Durham International Airport Attn: Diane Harris (If USPS AND FEDEX) Raleigh-Durham Airport Authority 1000 Trade Drive PO Box 80001 RDU Airport, NC 27623 (If UPS) Raleigh-Durham Airport Authority 1000 Trade Drive Morrisville, NC 27560 Phone: (919) 840-7194 From: (Company Name) _____ (Address) _____ (Phone) _____

The RFP Proposal envelope must be clearly marked as follows:

Terminal 2 Food & Beverage Operator RFP

Raleigh-Durham International Airport

Attn: Diane Harris

(If USPS AND FEDEX)

Raleigh-Durham Airport Authority

1000 Trade Drive PO Box 80001

RDU Airport, NC 27623

(If UPS)

Raleigh-Durham Airport Authority

1000 Trade Drive

Morrisville, NC 27560

Phone: (919) 840-7194

From:

(Company Name) _____

(Address) _____

(Phone) _____

C. Irregularities, Late Submissions, Modifications, and Proposal Withdrawals

1. A Proposal will be considered irregular and may be rejected if it is improperly executed, contains omissions or alterations of form, additions not called for or otherwise specifically allowed, conditions, limitations, or unauthorized alternate Proposals, fails to include any other certificates, statements, affidavits, or information required to be included with the Proposal, or contains other irregularities of any kind. Notwithstanding the foregoing, the Authority reserves the right, in its sole discretion, to waive any informalities or irregularities in a Proposal, except that the Authority:
 - Will not consider any Proposal that does not conform in all material respects to the terms of this Request for Proposals, including a commitment by the Proposer to execute the Operator Agreement in the form attached hereto; and/or
 - Will not waive the requirement that a Proposal, complete in all material respects, be received by the Authority by the time and date specified for receipt thereof unless one (1) of the criterion listed in Paragraph 2, below, is met.

2. Any Proposal received at the Administrative Office of the Authority after the exact time specified for receipt will not be considered unless it:

- Was sent by registered or certified mail not later than five (5) calendar days before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th); or
 - Was sent by overnight express delivery service (i.e. FedEx, UPS, Airborne Express, U.S. Postal Service Express Mail, or other similar guaranteed delivery service) in time to have arrived prior to the date and time specified for receipt of offers.
3. Any modification or withdrawal of a Proposal, including a response to a request for "best and final" offer, is subject to the same conditions as in Paragraph 2 above.
 4. The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark on the wrapper or on the original receipt from the U.S. or Canadian Postal Service. If neither postmark shows a legible date, the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, Proposers should request the postal clerks to place a hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.
 5. The only acceptable evidence to establish the time of receipt at the Administrative Offices of the Authority is the time/date stamp on the Proposal wrapper or other documentary evidence of receipt maintained by the Authority.
 6. Proposals may be withdrawn in person by a Proposer or its authorized representative if:
 - Done before the exact time set for receipt of Proposals;
 - The identity of the person requesting withdrawal is established; and
 - That person signs a receipt for the Proposal.

D. Public Records and Proprietary Data

Under the laws of the State of North Carolina, any Proposal will be considered a public record and, except as noted below, will be available for inspection and copying by any person after the award and execution of the Operator Agreement. Prior to award and execution of the Operator Agreement, all Proposals will remain confidential and no portion of the Proposal will be disclosed outside the Authority; provided, however, general, non-proprietary, information about a Proposal that is included in reports to the Authority Board, or any committee thereof, may be disclosed. The Authority will make reasonable efforts to protect any information marked "Confidential," provided that such information is clearly marked and meets the criteria for information exempt from public disclosure under the North Carolina General Statutes, Chapter 132, Public Records.

Proposals that include confidential business information of the Proposer, such as commercial or financial information, that Proposer does not want disclosed outside the Authority must be marked on the title page with a legend that states:

“This response includes data that shall not be disclosed outside the Raleigh-Durham Airport Authority without the permission of [insert firm’s name] and shall not be duplicated, used, or disclosed – in whole or in part – for any purpose other than to evaluate this response to the extent nondisclosure is allowed by applicable law, include North Carolina’s public records laws. This restriction does not limit the Authority’s right to use information contained in this data if it can be obtained from another source without restriction. The data subject to this restriction are contained in pages **[insert numbers or other identification of pages]**.”

Proposers shall mark only those pages containing restricted data with the following legend:

“Use or disclosure of data contained on this page is subject to the restriction on the title page of this Proposal.”

A blanket restriction applicable to the entire Proposal is not acceptable. Moreover, the inclusion of this provision regarding the restriction on disclosure and use of data should not be construed to protect against the Authority’s disclosure of concepts or information that has already been made public. In addition, the Authority may, after discussion with the Proposer, determine that some or all of the information encompassed by the restriction is not appropriately included within the restriction and that such information may be released outside the Authority.

Proposals and copies of Proposals (including the electronic copy or any duplicates made) shall not be returned to unsuccessful Proposers. The Authority shall have no liability for inadvertent or mandated disclosure of information submitted with a Proposal. Any proprietary or otherwise sensitive information contained in or with any Proposal is subject to potential disclosure.

E. Proposal Costs

Any costs or expenses incurred in responding to this Solicitation, including, but not limited to, the development of a Proposal, the development of best and final offers, or the preparation and execution of an oral interview/presentation with/to the Authority, shall be borne entirely by the Proposer. Upon receipt by the Authority, submitted Proposals, including all attachments to the Proposals, shall become the property of the Authority.

F. Communications with the Authority Prohibited

From the date this Solicitation is issued until the date the Operator Agreement is awarded and executed, Proposer, or anyone representing Proposer, shall not communicate with any Authority employee, representative, or Board member, other than the persons who are designated in this Solicitation to receive communications regarding the Solicitation, the Operator Agreement, or related issues. The exception to this communication prohibition is communication with Authority staff during the Pre-Proposal Conference offered in association with this Solicitation and any interviews conducted as a part of this Solicitation process. All forms of communication (outside of the Pre-Proposal Conference and interviews) are prohibited, including, but not limited to: verbal, written, and electronic forms of communication.

The Authority designated point of contact for this solicitation is listed in the table below. Proposers may also communicate with the Authority Director of Small Business Programs regarding the ACDBE program or compliance issues:

<p>Diane Harris Business Manager Raleigh-Durham Airport Authority Phone: (919) 840-7194 Fax: (919) 840-0178 E-mail: diane.harris@rdu.com</p> <p>Thiané Carter Director of Small Business Programs Raleigh-Durham Airport Authority Phone: (919) 840-7712 E-mail: thiane.carter@rdu.com</p>
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G. Noncompliance

If a Proposer's Proposal is in material non-compliance with the requirements of this Solicitation, it may be considered non-responsive by the Authority and may be rejected without further consideration.

H. Authority Reservations and Stipulations

1. The Authority reserves the right to reject any Proposal that does not provide the information requested in this Solicitation. The Authority will consider the quality of the Proposal during evaluation as it is indicative of the capabilities of the Proposer.
2. The Authority may accept a Proposal that in the Authority's sole judgment best meets the Solicitation requirements. As an example, this may not be the Proposal that includes the highest projected revenues to the Authority. The Authority further reserves the right to reject any and all Proposals, to waive irregularities and technicalities in the Proposals, to re-advertise, to postpone the Proposal submittal due date, to withdraw this Solicitation or to proceed to provide the service otherwise when it judges it to be in the best interest of the Authority.
3. By submission of its Proposal, the Proposer agrees to be legally bound thereby if the Authority accepts the submitted Proposal. The Authority shall not be obligated to respond to any Proposal submitted, nor shall it be legally bound in any manner whatsoever by the receipt of a Proposal.
4. The Authority reserves the right to modify and/or amend this Solicitation and/or Operator Agreement without limitations.
5. The Proposal of any Proposer (or any member of a partnership, joint venture or other business arrangement submitting the Proposal) may be rejected if the Proposer is in

default or arrearage under any previous or existing agreement with the Authority, or if there are any unresolved monetary claims by the Authority against the Proposer.

6. Any and all agreements arising out of Proposals submitted hereunder (including any negotiations that follow) shall not be binding on the Authority, its officers, employees, or agents unless and until it is accepted and approved by the Authority, and then duly executed by the Authority in accordance with all applicable laws.
7. The Authority may, in its sole discretion, require the submittal of best and final offers by all Proposers, or by those Proposers judged to be within a competitive range.
8. All Proposals received by the Authority must remain in effect for 180 calendar days from the date of receipt.

SECTION IV - SOLICITATION PROCESS

A. Solicitation Schedule

This Solicitation will follow the schedule shown below. The Authority reserves the right to modify the Solicitation schedule at its sole discretion.

<u>Date(s)</u>	<u>Activity/Event</u>
June 16, 2021	Solicitation Issued
June 25, 2021	Pre-Proposal Conference #1 and Networking Session
July 13, 2021	Pre-Proposal Conference #2 and Optional Unit Tour
July 20, 2021	Final Date for Submission of Questions
July 27, 2021	Latest Date for Final Responses to Questions Issued
July 27, 2021	Optional Joint Venture/Partnership Review due to Small Business Office
August 27, 2021	RFQ/RFP Proposal(s) Due Date(s)
September 13 – September 17, 2021	Proposer RFP Interviews (if necessary)
September 24, 2021	Final Selection for Operator Opportunity
October 21, 2021	Board Meeting Recommendation

Note: All Dates Listed are Subject to Change

B. Pre-Proposal Conferences and Tours

The Authority has scheduled two (2) mandatory Pre-Proposal Conferences, both of which will be held both virtually and in-person. There is no requirement to attend in person, but at least one (1) representative from any bidding entity must attend each meeting to submit a Proposal.

- **Pre-Proposal Conference #1:** June 25, 2021, at 1:00pm. ET.
The primary purpose of this meeting will be to present and discuss the Operator Pool and model as it relates to this opportunity. The conference will also include an in-person networking session with interested Operators, suppliers and vendors.
- **Pre-Proposal Conference #2:** July 13, 2021, at 9:00am ET.
The primary purpose of this meeting is to walk through the solicitation itself to clarify key aspects of the RFQ and RFP solicitation documents, including the deliverables required of all Proposers. The Authority plans to offer in-person tours on this day as well. Each Proposer will be required to register in advance and will be limited to one (1) attendee.

Both conferences will be held virtually as well as in-person at the Authority Maintenance Facility Building. This is located at:

RDU Maintenance Facility Building
200 Haleys Branch Rd
Cary, NC 27513

Those interested in attending in person or virtually can do so by registering for each event by following this link:

<https://www.eventbrite.com/e/159847611509>

Please note that attendance, either virtually or in-person is required of each conference event in order to submit RFQ or RFP responses for this opportunity.

C. Questions and Responses

The Authority encourages all potential Proposers to review the Solicitation prior to the Pre-Proposal Conference. Proposers that have questions concerning the Solicitation and/or Operator Agreement may submit these questions electronically no later than July 20, 2021, at 5:00 PM ET. The Authority will respond to all submitted written questions in writing, which shall be posted as an addendum to the Solicitation on the Authority's website.

Responses to questions posed during the Pre-Proposal Conference and tours are not official until they are confirmed in the written addendum.

D. Changes to the Solicitation

Any changes in the requirements of this Solicitation or any of the attachments or exhibits thereto shall be made by addendum to the Solicitation. Questions will be answered in writing in an addendum. All addenda will be posted on the Authority's website. Proposers shall not rely upon any oral instructions given by the Authority. If there is a conflict between oral statements or responses made by the Authority and written statements or responses, the

written statements or responses shall control. All addenda must be acknowledged by the Proposer in its Proposal.

SECTION V – ACDBE Participation

Proposers are required to achieve the Airport Concessions Disadvantaged Business Enterprise (“ACDBE”) goal established for this Concession Opportunity, which is 29.3 percent (29.3%). Alternatively, Proposer must demonstrate that it has made sufficient good faith efforts to meet the goal. This goal is a key element of the Authority’s concession program, and Proposer shall take all necessary and reasonable steps to comply with the requirements of the Raleigh-Durham Airport Authority ACDBE Plan and US Department of Transportation regulations 49 CFR Parts 23 and 26 (www.tinyurl.com/acdberules). By submitting a Proposal, Proposer commits to making good faith efforts to achieve the ACDBE goal. Agreements between a Proposer and an ACDBE or non-ACDBE firm in which the ACDBE or non-ACDBE firm promises NOT to provide Proposals to other Proposers are prohibited.

ACDBE participation may be achieved through direct ownership of an Operator entity, the purchase of goods and services, joint ventures, partnerships, or other legal arrangements meeting the eligibility standards in 49 CFR Parts 23 and 26. In the event that the Proposer qualifies as an ACDBE, the goal shall be deemed met. Each ACDBE included in the Proposal must be certified as an ACDBE firm by the Authority and must be identified by name, address, ACDBE category, type of work, and dollar amount of proposed participation. All certification applications must be submitted prior to the submittal of the Proposal. ACDBE firms must be certified by the Authority at the time of contract award. If a Proposer will be unable to achieve the ACDBE goal stated herein, the Proposer will be required to provide documentation in its Proposal demonstrating that all necessary and reasonable steps (good faith effort) were taken in attempting to do so. The requirements of this paragraph are not intended to force the Proposer to change its business structure. A Proposal that fails to adequately address the foregoing requirements will be considered non-responsive and will be rejected.

For more information regarding how to qualify as an ACDBE, what constitutes a joint venture, certification procedures or how to achieve ACDBE participation, please see Exhibit C – ACDBE Program.

SECTION VI – REQUEST FOR QUALIFICATIONS

Proposal to qualify for the Pool of Qualified Operators

A. Goals and Objectives

The Authority seeks multiple high-quality food and beverage service operators interested in entering into an Operator Agreement with the Authority to manage and operate concession units.

The Authority seeks operators with experience in the simultaneous operation and management of a multi-unit food and beverage businesses in fast-paced, high-volume facilities.

The Authority seeks operators that will enhance the guest experience, creatively reflect the region by use of décor and menu selections, incorporation of locally sourced ingredients, flavors, and tastes, and, potentially, activation of local or regional brands or concepts familiar to Triangle region and North Carolina guests.

B. Pool Term

The Authority expects to issue requests for proposals to the Qualified Operator Pool for a diverse variety of food and beverage units in Terminals 1 and 2 over the next three (3) years. During this period, the Authority anticipates releasing an additional one (1) to three (3) packages in Terminal 2 and one (1) or two (2) packages in Terminal 1.

C. Proposer Minimum Qualifications

To be selected to the Qualified Operator pool, Proposers must demonstrate how they meet the following minimum qualifications:

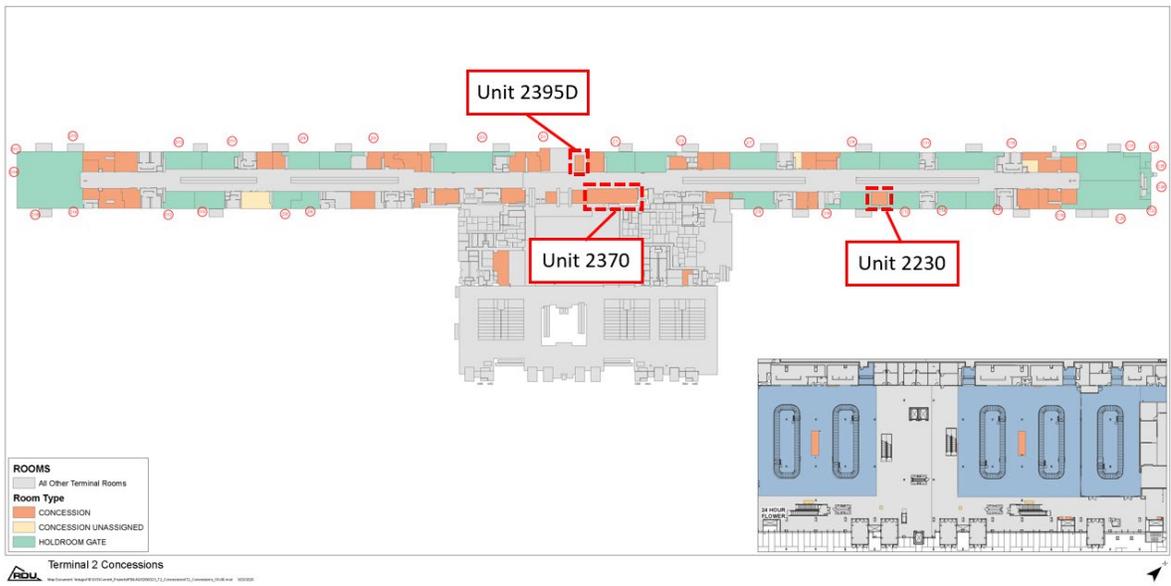
- Demonstrate a minimum of three (3) years of continuous experience in the simultaneous operation and management of a multi-unit, multi-concept food and beverage business in fast-paced, high-volume facilities (which may include but is not limited to an airport, transportation facility, shopping center, business district, free-standing restaurant, or academic campus) within the last five (5) years.
- Demonstrate how it will achieve the Airport Concessions Disadvantaged Business Enterprise (“ACDBE”) goal established for the Operator Agreement. Alternately, demonstrate that it has made sufficient good faith efforts to meet the goal.
- Demonstrate overall financial strength and capability to fund start-up costs ranging between \$150,000 and \$300,000.
- Demonstrate strength and depth of executive management team.

SECTION VII - REQUEST FOR PROPOSALS

Proposal to manage and operate three (3) food and beverage units in Terminal 2

A. Opportunity

The Authority is seeking Proposals from Qualified Operators desiring to manage and operate, on behalf of the Authority, three (3) post-security food and beverage concession units in Terminal 2. The three (3) units were previously operated under a traditional airport concession lease agreement, enjoyed consistently high sales, and have excellent visibility; these units (hereinafter referred to as the “Concession Units”) are depicted in red on the following floorplan and individually defined in Exhibit A:



The Concession Units are further described in the following table:

Unit	Size (SF)	Previous Concept Description	2018 CY Gross Sales	2019 CY Gross Sales	2020 CY Gross Sales
2370	2,663	Casual dining with bar – local seafood brand	\$5,347,619	\$5,954,185	\$2,008,131
2230	762	Grab and go, no bar – proprietary coffee and snacks	\$1,700,934	\$1,902,578	\$281,461 (Closed Permanently March 2020)
2395D	493	Coffee kiosk, no bar – national coffee brand	\$2,460,896	\$2,518,410	\$1,502,791

The Authority expects Proposers to propose the three (3) concepts that best suit this opportunity. The Authority reserves the right to negotiate alternative concepts, menus, designs, etc. with the Selected Proposer. Concept types the Authority anticipates matching program and guest needs are described in the following narratives.

Unit 2370 Concept Information: Dine-In Restaurant with Bar

Location: Terminal 2: Concourse C (Room 2370)

Approximate size: 2,663 Square Feet

While the Authority is very open-minded as it relates to the specific menu offerings for this unit, it is important to consider that this is a traditionally-high volume space that will require menu items that allow for reasonable serving times to achieve a comfortable level of customer turnover relative to typical domestic dwell time. Silverware, glassware and ceramic dishware should be used for dine-in customers, the washing of which needs to be factored into any proposed layout. The menu ideally features strong local flavors and ingredients reflective of the region. A full bar offering is desired. In some respects, this space represents a more traditional in-line food and beverage space. A robust grab-and-go program and made-to-order/takeaway menu is encouraged and should be thoughtfully included in any proposed layout.

As one of the first food offerings that is available on Concourse C, it is important that the space is inviting. The space should give the customer primary option for dining-in based on easy accessibility into the space, and it should also take advantage of the open patio area for dining. Queuing of the patrons is important, as it should not deter people from wanting to either dine-in or place an order to grab and go. Multiple spaces for waiting should be considered. The architectural language is to be sensitive to the existing contextual cues provided by the architecture of the terminal and adjacent stores. However, it should create its own sense of place, such that returning patrons of the terminal immediately identify with its design.

Utilities:

The space will receive all necessary electric, HVAC (including hood exhaust air), potable water and sanitary services for utilities.

Unit 2230 Concept Information: Open-Air Tapas and/or Wine Bar with Morning Coffee

Location: Terminal 2: Concourse C (Room 2230)

Approximate size: 983 Square Feet

This is perhaps the unit featuring the most aesthetic potential of the three units in the package. The potential wine/tapas bar concept is envisioned to visually blur the lines between the seating areas for Gates C10 and C12 by creating an inviting seating area that encourages customers to sit, sip and take in the activity of the terminal.

The leasehold will extend from its current footprint towards the glazed exterior of the building which will create an excellent opportunity for natural light into the space and direct views toward aircraft activity. As an open-air space with full access to the gate hold, the Authority encourages creative proposals to create a uniquely engaging light food offer and bar menu concept. The authority encourages Proposers' thoughts as to how this concept can uniquely engage and excite customers, drawing the eye from afar.

The unit is intended to serve coffee and pastries in the morning and potentially tapas-style or smaller-bite options for lunch and dinner. The space can be assumed to receive adequate power, potable water and sanitary services as part of the redevelopment effort. As with the other units in this package, a strong grab-and-go program is preferred for the unit, perhaps featuring to-go versions of the lighter tapas-style menu offerings. This space is intended to fill a niche between a more formal dine-in restaurant and quick-service unit, featuring a bar menu. Alcoholic beverage offerings may not necessarily be limited to wine or beer, though a full bar menu is not a requirement. Silverware, glassware and ceramic dishware should be used for dine-in customers, the washing of which needs to be factored into any proposed layout. This unit is also viewed as needing to offer a strong grab-and-go component of the menu to further drive sales.

Utilities:

Due to utility limitations, (the inability to create a formal kitchen), or facilitating the exhausting of air, it will be important to determine what can be provided with minimal infrastructure. Field verification of existing infrastructure elements will be critical to the success of the space.

Unit 2395D Concept Information: Coffee/Pastry

Location: Terminal 2: Central nexus of the concourse between Concourses C and D. (Room 2395D)

Approximate size: 1,214 Square Feet

The coffee/pastry unit is a focal point of the RDU Marketplace program and must primarily be able to effectively handle a traditionally robust early-morning demand in Terminal 2. The concept ideally offers a full-service coffee and tea menu which can be local, regional or national brand or concept. The beverage offerings envisioned include, but are not limited to, custom-made specialty coffee drinks, drip coffees, a selection of hot and cold teas and blended cold and iced drinks such as smoothies and freshly squeezed juices. To complement the beverage menu, this unit should offer an array of pastries or other popular morning options and hot and/or cold sandwiches, light salads and other lighter fare that is portable and easy to bring onto a flight and complete a compelling all-day menu. A strong grab-and-go component of the menu is seen as key to further drive sales.

Currently, the Authority envisions this unit being a free-standing kiosk that runs parallel to the large wall of glazing between the La Farm Bakery & Cafe and Root & Branch stores. The design of the kiosk and its supporting elements should be visually appealing, while at the same time, be considerate of the existing contextual elements of the interior architecture of the terminal and the adjacent stores. The kiosk will serve as a landmark for customers exiting the Security Checkpoint, as well as those navigating their way either to Concourse C or D. Any proposed concept should consider a queuing plan to ensure that the adjacent Root & Branch unit is not impacted by these operations. Additionally, it is preferred that some dedicated seating is considered within the leasehold.

Utilities:

The kiosk can only rely on access to power, potable water and sanitary. No conditioned or exhausted air services will be available.

The Authority will be responsible for the project design and build-out costs for the units. Currently, the Authority intends to design, build, and open the units concurrently. The Authority reserves the right to phase all or any portion of development and unit opening based on market forces.

It is the goal of the Authority to select the Proposer that best meets the requirements of this RFP to provide excellent quality food and exceptional guest service to the passengers at the Airport during the Term of the Operator Agreement to be awarded. These units represent an important element in the redevelopment of the concessions program at Terminal 2.

B. Goals and Objectives

The Authority seeks a high-quality food service operator who can enhance the guest experience, creatively reflect the region by use of décor and menu selections, and incorporate locally sourced ingredients, flavors, and tastes of the region. Additionally, the Authority seeks an operator that will maximize revenue generation. The ideal Proposer is a

partnership-oriented operator with a proven track record of excellent service and product quality. The selected operator must have a proven food service management background as verified by strong recommendations and referrals from past and current business partners.

The selected Proposer will be vital during all stages of the design, permitting and construction process. As a representative of or liaison to a brand or brands, actively participating in the design process will be important to ensure that units are functional, efficient, attractive and representative of the chosen concepts and brands.

For the Concession Units, the Authority desires to receive Proposed Concepts that are reminiscent, reflective of, originate in, and/or are familiar to the Triangle region and the state of North Carolina. A restaurant Concept is defined as the overall idea or theme that defines the restaurant, including menu design, service style, dining room décor, overall guest experience/atmosphere, involvement of a specific chef/restaurateur, style of food, use of ingredients from North Carolina and/or signature elements that create the atmosphere of the restaurant. The Authority will have final approval over all brands, concepts, and designs.

Each of the Concession Units must provide the following guest service elements:

- Menu items addressing all day parts (including breakfast, lunch, and dinner).
- Most food should be available “to go” in convenient, environmentally friendly packaging.
- Menu offerings shall be of high quality and offer good value to the guests.
- Portion sizes should be reflective of price and consistent with similar, non-Airport locations.
- Menus should include selections specifically oriented to and priced for children.
- Menus should include items to address dietary restrictions, which may include but are not limited to gluten-free, vegetarian, and vegan options.
- Grab & Go selections including pre-packaged sandwiches, salads and wraps, both hold and cold selections.
- Follow all current health and safety protocols.

C. Operator Agreement Scope of Services

The Selected Proposer shall enter into an Operator Agreement to manage and operate the Concession Units offered in accordance with the terms and detailed descriptions set forth in this RFP and in Appendix 1, the sample Operator Agreement. The Authority will be responsible for the project design and build-out costs for the units. The Authority and Selected Proposer may receive a monthly Management Fee and may share monthly net revenue.

D. Operator Agreement Terms

The following list represents a summary of terms, for full detail please refer to Appendix 1, the sample Operating Agreement.

- Term: Ten (10) years
- ACDBE Goal: 29.3%

- Payment Security: Equal to three (3) months of the average Authority Management Fee and re-calculated each year
- Authority to make initial capital investment in the design, permitting, and construction of the Concessions Units and mid-term investment; such investments will be amortized using operating revenues. The Authority will have a higher net revenue share until the Authority's capital investment costs are recovered.
- Operator to provide initial operating capital; such investment will be amortized by operating revenues.
- Authority to receive monthly Management Fee.
- Operator to receive monthly Management Fee.
- Authority to receive monthly Net Revenue share.
- Operator to receive monthly Net Revenue share.

Note: For additional detail refer to the sample Operator Agreement

E. Operator Agreement Proposal Guarantee (RFPs Only)

A Proposal Guarantee of \$10,000 in the form of a cashier's check shall be required for all RFP Proposals and shall be a guarantee that the Proposal will not be withdrawn prior to the Proposal expiration date, except as provided herein, and that, if the Proposer is selected, Proposer shall within fifteen (15) calendar days of written notice of such selection:

- Execute and deliver to the Authority an Operator Agreement in substantially the form included herein subject only to minor changes agreed to by the Authority and the Selected Proposer; and
- Provide the proof of insurance required under the Operator Agreement.

The Proposal Guarantee shall be placed in an envelope labeled as "Proposal Guarantee". The envelope shall be included in the inside cover of the one (1) original RFP response document.

The Selected Proposer shall comply with the insurance and indemnification requirements specified in the sample Operator Agreement (Appendix 1) and submit evidence of insurance at the time the executed Operator Agreement is delivered to the Authority. In the event Proposer fails to meet these requirements, Proposer shall forfeit its Proposal Guarantee.

The Proposal Guarantee will be returned without interest to the unsuccessful Proposers following execution of an Operator Agreement by the Authority and the Selected Proposer. The Proposal Guarantee of the Selected Proposer shall not be released until after the Operator Agreement has been fully executed and the Operator Agreement Payment Security has been received by the Authority.

F. Proposer Minimum Qualifications

To be selected for the Operator Agreement, Proposer must achieve the Airport Concessions Disadvantaged Business Enterprise ("ACDBE") goal established for this Operator

Agreement. Alternately, Proposer must demonstrate that it has made sufficient good faith efforts to meet the goal.

G. RFP Evaluation Criteria

The evaluation criteria listed below. Prior to beginning the evaluation, each Proposer's adherence to the Authority communications restriction requirements of the RFP will be considered on a pass/fail basis. Any Proposer that does not pass will have its Proposal deemed non-conforming and dropped from further consideration. Proposers that pass will have their Proposals evaluated based on the submittal requirements listed above and the following criteria:

- 1. Experience and Qualifications** – The depth and strength of Proposer's management and operating experience with simultaneous multi-unit operations in fast-paced, high-volume facilities. Demonstrated history of performance of contracts and related obligations under current and past agreements (including business references).
- 2. Concepts** - The quality of proposed concepts, including brands and quality and pricing of menu. The ability to create a sense of place unique to the Triangle Region through the design of the space and the menu for each offering. The appeal of proposed concepts to guests at this time and over the term of the Agreement. The level of participation and support from the brand.
- 3. Financial Qualification** – Demonstrated financial strength of Proposer. Evidence that Proposer has financial capability and wherewithal to carry out the requirements of the agreement.
- 4. Financial Proposal** - Proposer's Pro Forma, proposed Management Fee to the Authority, proposed Management Fee to the Proposer, and proposed net revenue split, including the reasonableness of the projections based on the proposed Concession Units. The cost of fees associated with proposed brands must be included in the Pro Forma.
- 5. Management and Operations Plan** - The quality of the staffing plan, including reasonableness and effectiveness of proposed positions, organizational structure, onboarding plan, staff training plan, staff incentivization plan, cost and effectiveness of proposed schedules, experience of the proposed on-site general manager (if including a candidate with Proposal), use of technology to increase guest experience and operational efficiency and reduce expense, cash handling procedures, cleaning and maintenance plan, reporting plan, customer service plan (compelling demonstration that Proposer will delight each and every guest), and inventory plan (including quality and cost of goods).

Section VIII – SOLICITATION SUBMITTAL REQUIREMENTS

(RFQ and RFP Responses)

Specific forms and instructions are included in this Solicitation in Appendix 2 for all RFQ responses and Appendix 3 for all RFP responses. Proposal Forms must be completed and provided as a part of each Proposer's submittal in order to have a Proposal considered. Proposers may be asked to revise, clarify, and/or provide additional information during the

Proposal review process. These requests will require immediate action and may require Proposers responding to these requests in writing within a timely manner.

A. Proposal Text Format

Each Proposal shall be typewritten using a 12-point font on a single-sided, standard 8½” x 11” format paper, bound in a three-ring binder, and accompanied by a cover letter on the Proposer’s letterhead. Drawings, renderings and other design documents printed in an 11” x 17” format may be included in the Proposal and must be bound within the Proposal and Z-folded to fit within the bound document. Proposers must organize their Proposals so that they address each of the elements stated in this section in the same order as they are listed. Proposers shall mark each page with the appropriate page number and include a set of labeled tabs to identify each part of the Proposal. Additionally, Proposers are required to provide a reproducible electronic version of the Proposal and all attachments on a memory stick in pdf format. The electronic copy of the Proposal must have all sections combined into a single electronic file that is a word-searchable pdf file, and must have each of the tabbed sections noted in the pdf file. Proposers must also provide the completed Pro Forma template, without altering base information, in MS Excel format.

B. Guarantees, Representations and Certifications

Each Proposer shall complete and submit the representations and certifications required in Appendix 2 and Appendix 3 of this Solicitation. Proposers must acknowledge receipt of any addendum to this Solicitation.

C. Submittal Sections

Each Proposal shall include complete and detailed written responses to the following items in the order in which they are listed below. A set of tabs to identify each part of the Proposal shall be inserted to facilitate quick reference. Each section of the Proposal shall be ordered and clearly labeled as set forth below.

D. Request for Qualifications (RFQ) Submittals

Tab 1 - Cover Letter and Executive Summary

This section provides Proposer an opportunity to introduce their organization.

1. Proposer shall submit a cover letter summarizing Proposer’s experience, qualifications, interest in this opportunity, and any other information Proposer desires as an introduction to the Proposer.
2. Include the legal name of the Proposer as it would appear in the Operator Agreement.
3. Include a statement indicating that Proposer shall execute the Operator Agreement in substantially the same form as that included with this Solicitation.
4. Include a statement indicating that Proposer meets the minimum qualifications as provided in Tab 2 of the RFQ Solicitation.

Tab 2 - Company Background, Experience, and Qualifications

This section provides Proposer an opportunity to indicate how its background and experience meet or exceed the minimum qualifications.

Include a statement containing the full legal name of Proposer and its address(es), the names and addresses of all principal owners of the Proposer (whether an individual or

business entity), their respective percentages of ownership or interest in the Proposer, and whether the Proposer is a corporation, partnership, sole proprietorship or other type of entity. If the Proposer is a corporation, declare its date and state of incorporation.

1. Include a brief history of Proposer and general description of services provided.
2. Indicate how Proposer meets or exceeds RFQ Minimum Standards.
3. Describe current operations as they exist today. If currently operating locations are too numerous to list, identify no more than five (5) of the most relevant and comparable operations to potential future airport units to be proposed. Provide the following information for each of the comparable units:
 - a. Name, address, email, and telephone number of landlord and/or property manager;
 - b. Name, address, email, and telephone number of three business references (use Business References Form in Appendix 2);
 - c. Contract commencement and expiration dates;
 - d. Number of unit(s) operated, area (square feet) of each unit, brand of each unit, description of the facility in which each unit is located (i.e. airport, train station, stand-alone facility, etc.);
 - e. Annual sales generated at each unit during fiscal years 2018 - 2020;
 - f. For airport locations, annual sales per enplanement generated at each unit during 2018 - 2020;
 - g. Percentage fees; MAG Fees (or minimum concession fees) paid (if applicable), or other similar rent / concession fees or revenue shares;
 - h. Include two (2) photos for each unit that showcase your unit design and features;
 - i. Number of full-time employees and number of part-time employees for each unit;
 - j. Airport Concession Disadvantaged Business Enterprise (ACDBE) participation percentage (if applicable) for each unit; and
 - k. Joint venture partner(s), if applicable.

Tab 3 – Financial Qualification

This section provides Proposer an opportunity to indicate how it meets or exceeds the minimum qualifications.

All Proposers must provide the following financial information:

1. Proposers and/or its principals shall meet one (1) of the following financial records submittal requirements in accordance with Proposer's legal structure:
 - a. Partnerships/Individuals: Balance sheet and income statements for the last three (3) fiscal years prepared in accordance with generally accepted accounting principles (GAAP), reflecting the current financial condition of the partners or individuals submitting the Proposal, also including an interim balance sheet and income statement of any significant financial events occurring subsequent to the closing date of the most recent financial statements. The three (3) most recent completed IRS tax returns.
 - b. Public Corporations: Previous three (3) years' annual report for the proposing entity.
 - c. Private Corporations: Previous three (3)-years' CPA-prepared and reviewed financial statements.

- d. Proposer shall submit historical financial information for any joint venture, ACDBE or affiliate entities.
 - e. DUNS number of all Proposers.
2. In addition, Proposers shall provide the following information:
- a. A statement declaring whether Proposer has declared bankruptcy in the last ten (10) calendar years, filed a petition in any bankruptcy court, filed for protection from creditors in bankruptcy court, or had involuntary proceedings filed in bankruptcy court and the status of each occurrence.
 - b. Names, addresses, and telephone numbers of at least three (3) credit references, including at least one (1) banking reference (use Financial References Form in Appendix 2).
3. Proposer must demonstrate a net worth enough to sustain the business operations required to be performed and maintained pursuant to Operator Agreement requirements.
4. Provide the name, location, and date of any of the Proposer's accounts that have been terminated either voluntarily or involuntarily within the past five (5) years.
5. List any judgments or lawsuits currently pending against the Proposer or any lawsuit filed against or judgment offered against Proposer within the last ten (10) years. Also list any lawsuits filed by Proposer in the last ten (10) years
6. List all health code violations, alcohol violations, and any other food and beverage licensing violations against Proposer within the last five (5) years.

Tab 4 – ACDBE Participation

This section provides Proposer an opportunity to indicate how it will meet or exceed the ACDBE goal of this Operator Agreement opportunity, or, alternatively, that it has made sufficient good faith efforts to meet the goal.

1. Describe Proposer's efforts to satisfy the ACDBE goal for the Operator Agreement.
2. Note the status of all firms, including Proposer if applicable, represented in the Proposal that may be seeking ACDBE status or may be ACDBE certified at the time of submission of the Proposal. (Note: All certification applications must be submitted prior to the submittal of the Proposal. ACDBE firms must be certified by the Authority at the time of award.)
3. Proposers should complete and return the ACDBE Participation Forms included in Appendix 2 of this RFP. (Note: the Optional Joint Venture Application Review materials are due on July 27, 2021, which is prior to the Proposal Due Date. The rest of the ACDBE Participation Forms are due with the Proposal.)

Note: If a Proposer was unable to achieve the ACDBE goal stated for the Operator Agreement, Proposer shall provide documentation that demonstrates the good faith effort undertaken by Proposer to do so.

Tab 5 - Management Team Experience and Qualifications

This section provides Proposer an opportunity to indicate how the experience and qualifications of Proposer's management team meets or exceeds the minimum qualifications.

1. Describe key management position titles and responsibilities (i.e. CEO, COO, Business Development Manager, etc.).
 - a. Provide resumes for individuals in each key management position described.

Tab 6 - RFQ Forms

This section provides Proposer an opportunity to complete additional mandatory forms.

Proposer must complete and include the following (all of which are posted online with this Solicitation):

1. ACDBE Participation Forms
2. Solicitation / Addenda Acknowledgement Form
3. Administrative Information Form
4. Proposal Declaration Form
5. Business References Form
6. Financial References Form

E. Request for Proposals (RFP) Submittals

Tab 1 - Cover Letter and Executive Summary

This section provides Proposer an opportunity to introduce their organization.

1. Proposer shall submit a cover letter summarizing Proposer's experience, qualifications, interest in this opportunity, and any other information Proposer desires as an introduction to the Proposer.
2. Include the legal name of the Proposer as it would appear in the Operator Agreement.
3. Include a statement indicating that Proposer shall execute the Operator Agreement in substantially the same form as that included with this Solicitation.

Tab 2 - Company Background, Experience, and Qualifications

This section provides Proposer an opportunity to indicate how its background and experience render it the best match for this Operator Agreement opportunity.

Include a statement containing the full legal name of Proposer and its address(es), the names and addresses of all principal owners of the Proposer (whether an individual or business entity), their respective percentages of ownership or interest in the Proposer, and whether the Proposer is a corporation, partnership, sole proprietorship or other type of entity. If the Proposer is a corporation, declare its date and state of incorporation.

1. Include a brief history of Proposer and general description of services provided.
2. Describe current operations as they exist today. If currently operating locations are too numerous to list, identify no more than five (5) of the most relevant and comparable units to those being proposed. Provide the following information for each of the comparable units:

- a. Name, address, email, and telephone number of landlord and/or property manager;
- b. Name, address, email, and telephone number of three business references (use Business References Form in Appendix 3);
- c. Contract commencement and expiration dates;
- d. Number of unit(s) operated, area (square feet) of each unit, brand of each unit, description of the facility in which each unit is located (i.e. airport, train station, stand-alone facility, etc.);
- e. Annual sales generated at each unit during fiscal years 2018 - 2020;
- f. For airport locations, annual sales per enplanement generated at each unit during 2018 - 2020;
- g. Percentage fees; MAG Fees (or minimum concession fees) paid (if applicable),
- h. or other similar rent / concession fees or revenue shares;
- i. Include two (2) photos for each unit that showcase your unit design and features;
- j. Number of full-time employees and number of part-time employees for each unit;
- k. Airport Concession Disadvantaged Business Enterprise (ACDBE) participation percentage (if applicable) for each unit; and
- l. Joint venture partner(s), if applicable.

Tab 3 – Financial Qualification

This section provides Proposer an opportunity to indicate how it is financially capable of meeting the requirements of this Operator Agreement opportunity.

All Proposers must provide the following financial information:

1. Proposers and/or its principals shall meet one (1) of the following financial records submittal requirements in accordance with Proposer's legal structure:
 - a. Partnerships/Individuals: Balance sheet and income statements for the last two (2) fiscal years prepared in accordance with generally accepted accounting principles (GAAP), reflecting the current financial condition of the partners or individuals submitting the Proposal, also including an interim balance sheet and income statement of any significant financial events occurring subsequent to the closing date of the most recent financial statements. The three (3) most recent completed IRS tax returns.
 - b. Public Corporations: Previous three (3) years' annual report for the proposing entity.
 - c. Private Corporations: Previous three (3)-years' CPA-prepared and reviewed financial statements.
 - d. Proposer shall submit historical financial information for any joint venture, ACDBE or affiliate entities.
 - e. DUNS number of all Proposers.
2. In addition, Proposers shall provide the following information:

- a. A statement declaring whether Proposer has ever declared bankruptcy in the last ten (10) years, filed a petition in any bankruptcy court, filed for protection from creditors in bankruptcy court, or had involuntary proceedings filed in bankruptcy court and the status of each occurrence.
 - b. Names, addresses, and telephone numbers of at least three (3) credit references, including at least one (1) banking reference (use Financial References Form in Appendix 3).
3. Proposer must demonstrate a net worth sufficient to sustain the business operations required to be performed and maintained pursuant to Operator Agreement requirements.
 4. Provide the name, location, and date of any of the Proposer's accounts that have been terminated either voluntarily or involuntarily within the past five (5) years.
 5. List any judgments or lawsuits currently pending against the Proposer or any lawsuit filed against or judgment offered against Proposer within the last ten (10) years. Also list any lawsuits filed by Proposer in the last ten (10) years.
 6. List all health code violations, alcohol violations, and any other food and beverage licensing violations against Proposer within the last five (5) years

Tab 4 – Concepts and Brands

This section provides Proposer an opportunity to indicate what singular concept is envisioned for each leasehold and how the proposed concepts will drive revenues, attract and resonate with guests, align with RFP and concession program goals, and create a sense of place. Proposer should clearly articulate why it believes the proposed concepts are right for this opportunity, in this environment, both currently and over the term of the Agreement. The Authority encourages Proposers to use this section to creatively articulate the potential concepts through the use of drawings, renderings, photos and other visual means.

Proposer should indicate how each concept fits into the overall Concession Program and whether it will enjoy synergies between any of the proposed units (if so, explain how they benefit Proposer and / or Authority).

Proposer should submit relevant information in enough detail to clearly define the proposed concept and menu for each unit. Proposer should:

1. Describe the concept and brand proposed for each unit
2. Describe how the concept / brand aligns with expectations and desires of airport guests
3. Describe how the concept / brand represents the Triangle / state of North Carolina if applicable
4. Include images of similar concept / brand locations that serve as inspiration for the proposed unit
5. Include brand standards for each concept / brand
6. A design narrative that articulates how the concept will engage and delight the customer, function efficiently and remain relevant in the Airport concessions program

throughout the concept's lifespan. This also is the Proposer's means of expressing any key design elements that are unique or compelling, distinguishing it from other concepts and brands. Exhibit A provides more detail of the leaseholds and a narrative of how the Authority broadly envisions the design of the units to help provide additional context of the opportunity.

7. Provide a basic floorplan for each concept which clearly articulates at least:
 - a. Front of house and back of house delineation
 - b. Kitchen layout
 - c. Proposed seating layout (if applicable)
 - d. Approach to queuing (if applicable)
8. Provide elevations and/or renderings that generally capture the aesthetic intent for each concept
9. Provide a general list of kitchen equipment required for each unit (refrigerators, espresso machines, fryers, etc.) and the average cost of each piece of equipment
10. Include CAPEX costs for construction of similar-type units the Proposer has completed
11. Include a signed letter from the brand indicating Proposer has been granted the right to operate such brand
12. Indicate the level of participation from the brand (menu development, unit design, staff training, daily management, etc.)
13. Indicate the costs associated with individual brands (franchise fee, license fee, marketing fee, etc.)
14. Include a draft menu for each brand / concept. The draft menu must be substantially the same as the final opening day menu, must include proposed pricing, and must include the following:
 - a. Items from all three (3) day parts
 - b. Items for children
 - c. Items that satisfy a variety of dietary restrictions
 - d. Non-alcoholic and alcoholic beverages
15. Provide a list of three (3) comparable restaurants, for each proposed concept / brand, within the Triangle Region (includes Wake, Durham and Orange Counties) that are similar to the proposed RDU concession in terms of concept and quality, and which Proposer proposes for pricing policy comparisons.

Tab 5 - Management and Operations Plan

This section provides Proposer an opportunity to indicate how its Management and Operations Plan aligns with RFP goals and the overall Concessions Program Goals and demonstrate why Proposer is the best match for this Operator Agreement opportunity.

Outline in sufficient detail the manner in which Proposer would operate the Concession Units. Indicate how Proposer will partner with the Authority to help design and operate compelling concessions units that enhance the guest experience while simultaneously increasing gross sales and effectively managing costs of goods sold and direct operating expenses. Include the following:

1. Staffing plan

- a. An organization chart that illustrates the reporting relationships of the Airport team, and if applicable, relationship to corporate management
 - b. A list of positions, for each unit, and the number of employees required in each
 - c. Position starting pay scale
 - d. Employee benefits plan
 - e. Staff Training plan
 - f. Employee Development
 - g. Performance standard / policy and progressive discipline policy
 - h. Retention plan
 - i. Incentivization plan
 - j. Schedules
 - i. Pre-open hiring and training schedule
 - ii. Schedule for all units, all shifts, for first three (3) months of operations
 - k. Staff onboarding plan
2. On-site general manager
 - a. Qualification and experience summary
 - b. Resume
 - c. Three (3) professional references
 - i. Name
 - ii. Title
 - iii. Company
 - iv. Telephone number
 - v. Email address
 - vi. Professional relationship with General Manager
- NOTE – Proposers are encouraged, but not required, to propose a candidate for the General Manager position. If Proposer does not propose a candidate for the General Manager, and is selected for award of the Operator Agreement, Proposer must submit and gain Authority approval of a General Manager candidate prior to executing the Operator Agreement.
3. Inventory plan – Operational Logistics
 - a. Sourcing goods
 - i. Goods quality
 - ii. Goods cost (economies of scale, purchasing incentives, etc.)
 - b. Use of the Commissary / Deliveries (supply chain)
 - c. Shrink minimizing
 4. Guest experience plan
 - a. Approach to guest experience
 - b. Guest dispute resolution practices
 - c. Guest survey practices
 - d. Secret shopper practices
 5. Technology plan
 - a. Description of Point of Sales system
 - i. Mobile device ordering
 - ii. Kiosk ordering
 - iii. Payment options including contactless options
 - b. Other innovative technological activations to increase efficiency / improve the guest experience
 - c. Approach to exceeding Payment Card Industry (PCI) Data Security Standards

6. Cash handling procedures
7. Cleaning and Maintenance Plan
 - a. Unit and equipment cleaning schedule
 - b. Preventive maintenance schedule
 - c. Unscheduled maintenance plan
8. Reporting plan
 - a. Real-time data sharing with the Authority
 - b. Weekly, monthly, annual profit and loss statements
 - c. Other data / information sharing that will benefit the Authority
9. Sustainability plan
 - a. Environmental philosophy
 - b. Commitment to Authority's composting and recycling initiatives
 - c. Measures to reduce carbon footprint

Tab 6 - Financial Projections and Proposed Fees

This section provides Proposer an opportunity to detail forecast gross sales, expenses, and profits for existing operations. This section further provides Proposer an opportunity to propose Management Fees and the net revenue share (net revenue split between the Operator and Authority).

1. Operator will remit monthly Management Fee and monthly Net Revenue Share to the Authority each month.
 - a. Proposer must propose Operator Management Fee, which shall not exceed five percent (5%), and the Authority Management Fee, which shall not be less than fifteen percent (15%). Proposer shall complete and return a Fees Proposal Form provided in Appendix 3 of this RFP.
 - b. Net Revenue Share shall not be less than eighty-five percent (85%) to the Authority and shall not exceed fifteen (15%) to the Operator until the Authority initial investment is repaid, as described in the Sample Operator Agreement. Proposer must propose the net revenue share to take effect after the Authority initial investment is repaid. The net revenue share shall not exceed thirty percent (30%) to the Operator (and be no less than seventy percent (70%) to the Authority). Proposer shall complete and return a Fees Proposal Form provided in Appendix 3 of this RFP.
2. Proposer must complete a Pro Forma to provide financial projections that clearly show the anticipated gross sales and expenses for the Concession Units. Proposer must use the Pro Forma template (provided in Appendix 3 of this RFP) and return it in the Proposal in MS Excel (in the digital submission) and .PDF (in both digital and physical submissions) format.
 - a. Proposer must detail all assumptions used in the Pro Forma.
3. Proposer must indicate total anticipated initial operating costs (to be provided by Operator and reimbursed over time from operating revenue), as described in the Sample Operating Agreement. The reimbursement for initial operating costs shall not exceed \$300,000. Operating costs up to \$150,000 may be reimbursed on a straight-line basis over 12 months dependent upon Gross Sales. Operating costs up to \$300,000 will be reimbursed on a straight-line basis over 24 months

dependent upon Gross Sales. Proposer shall complete and return a Fees Proposal Form provided in Appendix 3 of this RFP.

Tab 7 – Added Value Proposal

This section provides Proposer an opportunity to propose any added value elements that may enhance or strengthen the proposal.

Tab 8 – ACDBE Participation

This section provides Proposer an opportunity to indicate how it will meet or exceed the ACDBE goal of this Operator Agreement opportunity, or, alternatively, that it has made sufficient good faith efforts to meet the goal.

1. Describe Proposer's efforts to satisfy the ACDBE goal for the Operator Agreement.
2. Note the status of all firms, including Proposer if applicable, represented in the Proposal that may be seeking ACDBE status or may be ACDBE certified at the time of submission of the Proposal. (Note: All certification applications must be submitted prior to the submittal of the Proposal. ACDBE firms must be certified by the Authority at the time of award.)
3. Proposers should complete and return the ACDBE Participation Forms included in Appendix 3 of this RFP (note: the optional Joint Venture Application Review materials are due on July 27, 2021, which is prior to the Proposal Due Date. The rest of the ACDBE Participation Forms are due with the Proposal).

Note: If a Proposer was unable to achieve the ACDBE goal stated for the Operator Agreement, Proposer shall provide documentation that demonstrates the good faith effort undertaken by Proposer to do so.

Tab 9 – Exceptions to the Operator Agreement

This section provides Proposer an opportunity to request exceptions to the terms of the Sample Operator Agreement.

Proposer must commit to execute the Operator Agreement in substantially the same form as that included with the RFP. Proposer must use the Operator Agreement Commitment Form (included in Appendix 3 of this RFP).

1. Proposer may include a list of exceptions to the terms of the Operator Agreement, if any. All exceptions shall be clearly stated on the Operator Agreement Commitment Form. The only provisions of the Operator Agreement that the Authority will consider negotiating are those specifically identified as Exceptions in the Proposal. Any exception to the Agreement terms and conditions not noted in the Proposal cannot be raised later.
2. If the Authority and the Proposer cannot agree to Operator Agreement terms based upon the exceptions, the Authority reserves the right, in its sole discretion, to reject the Proposal.

Tab 10 – RFP Forms

This section provides Proposer an opportunity to complete additional mandatory forms.

Proposer must complete and include the following (all of which are posted online with this Solicitation):

1. ACDBE Participation Forms
2. Pro Forma
3. Fees Proposal Form
4. Operator Agreement Commitment Form
5. Solicitation / Addenda Acknowledgement Form
6. Administrative Information Form
7. Proposal Declaration Form
8. Business References Form
9. Financial References Form

SECTION IX – AWARD PROCESS

A. Evaluation of RFQ Proposal

The Authority will review all proposals submitted for the RFQ that comply with the stated requirements. During this process, questions and/or requests for clarification or provision of supplemental information may be directed to Proposer. Based on evaluation of the submittals, the Authority may select a limited number of Proposers for further consideration. The Authority reserves the right to ask the Proposer clarifying questions. The Authority will notify Proposers in writing of whether they were selected into the Pool of Qualified Operators.

B. Evaluation of RFP Proposal

The Authority will review proposals submitted for the RFP by Qualified Operators that comply with the stated requirements. During this process, questions and/or requests for clarification or provision of supplemental information may be directed to Proposer. Based on evaluation of the submittals, the Authority may select a limited number of Proposers for further consideration and conduct interviews with these Proposers. The Authority reserves the right to ask the Proposer clarifying questions and may request a “best and final” offer from each finalist and or any other modifications to the proposal. A final Proposal rating will be made thereafter.

C. Contract Award and Execution of Agreement

After completion of the RFP evaluation process and acceptance of a Proposal as it may have been modified as discussed herein during the Solicitation process, the Authority will notify the Selected Proposer of acceptance. The Selected Proposer shall fully execute and deliver to the Authority a signed Operator Agreement in substantially the form attached to this Solicitation within ten (10) business days after receipt of a letter of award, unless this time frame is extended in the sole discretion of the Authority.

The Operator Agreement must be executed by the Selected Proposer before it is presented to the Authority Board for approval.

The Selected Proposer shall, at the same time, provide the proof of insurance required under the Operator Agreement. The agreement shall be substantially in the form of the Operator Agreement in this Solicitation, subject to modifications made by the Authority during the

Solicitation process. Should the Selected Proposer fail to execute and deliver the Operator Agreement within fifteen days, the Authority may cancel the contract award.

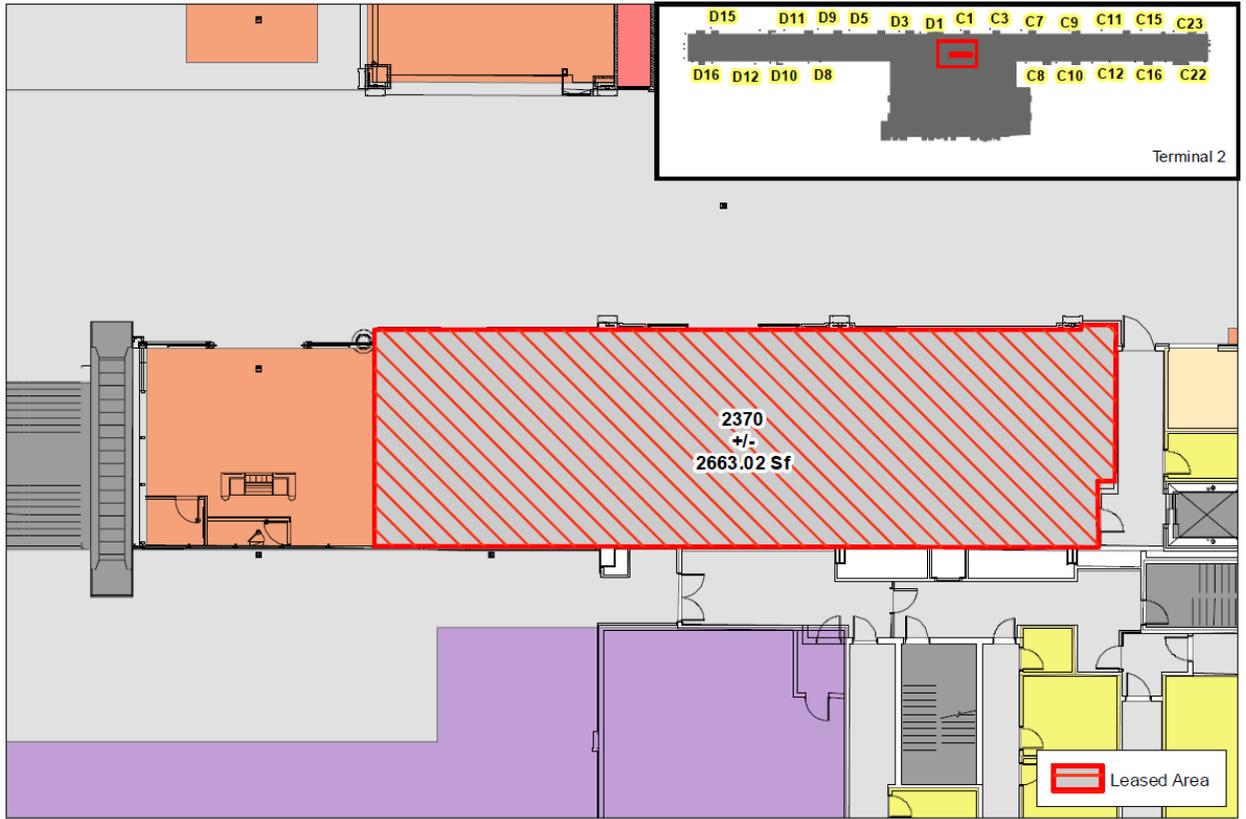
If, for any reason, a satisfactory agreement cannot be negotiated with the Selected Proposer, then discussions with that Proposer will be terminated and initiated with the first alternate. If a satisfactory agreement cannot be negotiated with the first alternate, then discussions with that firm will be terminated and initiated with the second alternate.

D. Authority Approval

After the Authority has received a partially executed Operator Agreement from Proposer, the Operator Agreement will be presented to the Authority Board for consideration at its scheduled Board meeting. The Authority Board may approve or reject the Operator Agreement. No Operator Agreement is binding on the Authority without Authority Board approval.

Exhibit A – Concession Layout Plans

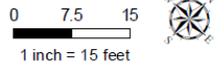
Unit 2370 – Existing 42nd Street Oyster Bar



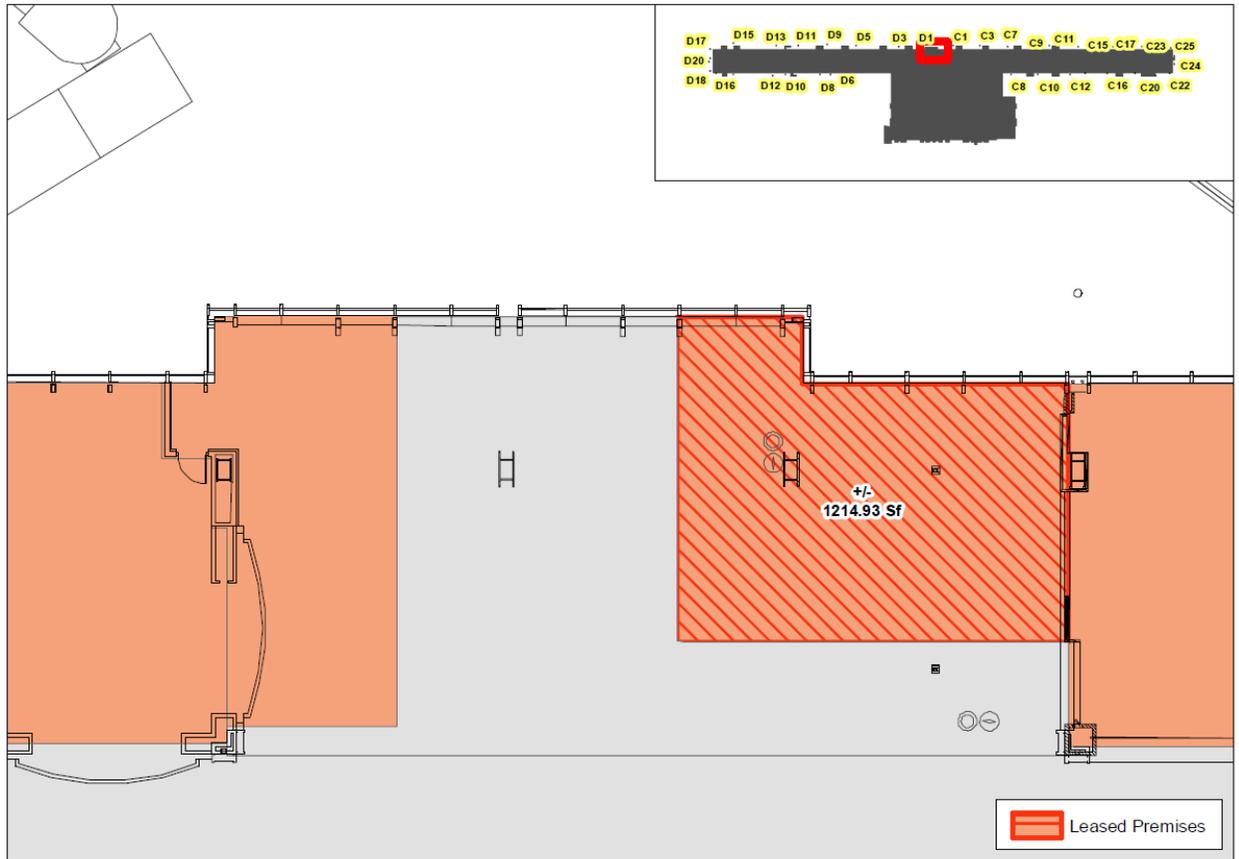
Terminal 2 - Room 2370
C Concourse
Raleigh-Durham International Airport



Map Document: \\rdugis1\GIS\Current_Projects\FB&A\2020\1114_42nd_St_LOD\Location.mxd 11/14/2020



Unit 2395 – Existing Starbucks Marketplace

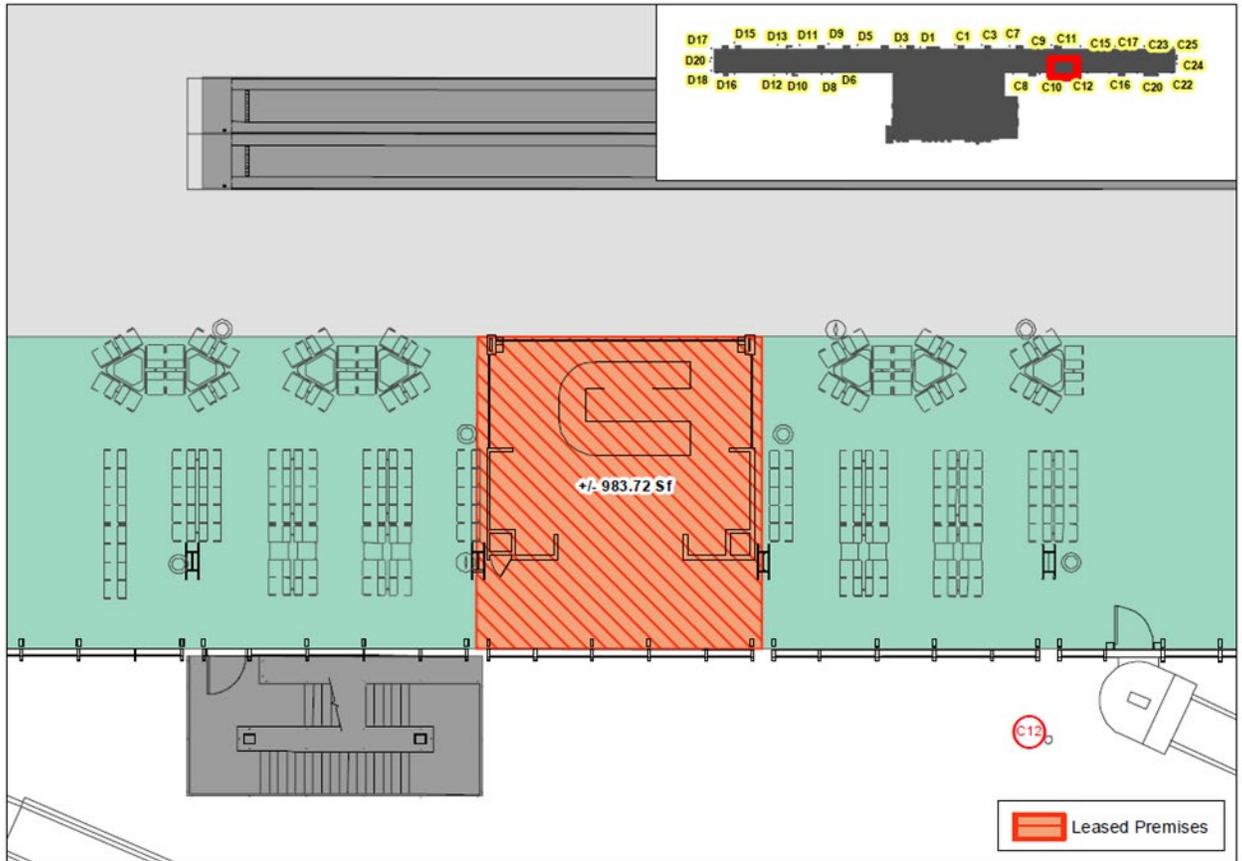


Terminal 2: Level 2: Room 2395D

Map Document: \\gis-app01e\GIS_Files\Current_Projects\FB&AI\2021\0316_LODs_for_T2_Conc_RFP\Terminal_2.mxd 3/17/2021



Unit 2230 – Existing Camden Food Co.



Terminal 2: Level 2: Room 2230

Map Document: \\gis-app01\GIS_Files\Current_Projects\FB&A\2021\0316_LODs_for_T2_Conc_RFP\Terminal_2.mxd 3/17/2021



Exhibit B – Statistical Information

The reports in this section are provided as a convenience to the Proposer without any warranty whatsoever by the Authority. The Proposer shall make its own conclusions and interpretations from the data supplied by the Authority and from information available from other sources. Proposers are encouraged to conduct their own research and/or surveys to determine if its proposed menus and program are compatible with the RDU marketplace.

Passenger Traffic Information

Historic enplanement, deplanement, and total passenger volume can be accessed on the Authority website here: <https://www.rdu.com/airport-authority/statistics/>

Airline Gate Assignments

Air Carrier Gate Assignments Raleigh-Durham International Airport updated May 14, 2021				
Terminal 1				
Terminal 1	Effective August 5, 2020	Effective August 21, 2020	Effective October 1, 2020	Effective May 14, 2021
Southwest Airlines	A5, A6, A7, A8	A5, A6, A7, A8	A5, A6, A7, A8	A5, A6, A7, A8*
Terminal 2				
Air Canada	C12	C12	C12	C12*
Alaska Airlines	C7 or as assigned	C7 or as assigned	C7 or as assigned	C7 or as assigned
Allegiant Airlines	C7 or as assigned	C7 or as assigned	C7 or as assigned	C7 or as assigned
American Airlines	C11, C15, C16, C17, C18, C21, C22, C23, C25	C11, C15, C16, C17, C18, C21, C22, C23, C25	C11, C15, C16, C17, C18, C21, C22, C23, C25	C11, C15, C16, C17, C18, C21, C22, C23, C25*
Charter Air Carriers	As Assigned	As Assigned	As Assigned	As Assigned
Delta Air Lines	C1, C3, D1, D3, D5, D6, D8, D9, D10, D11, D13	C1, C3, D1, D3, D5,	C1, C3, D1, D3, D5, D6	C1, C3, D1, D3, D5, D6*
Frontier Airlines	D14	D14	D14	D14*
JetBlue Airways	C10	C10	C10	C10*
Spirit Airlines	C9	C9	C9	C9*
Sun Country	--	--	--	(D9, D11 or D13; as assigned)
United	D15, D17, D18, D19, D20	D15, D17, D18, D19, D20	D15, D17, D18, D19, D20	D15, D17, D18, D19, D20*

*preferential gate(s)

Please note that gate assignments are subject to change

Historical Concession Sales

The Shops of RDU Food & Beverage and Retail Concession Stats			
Raleigh-Durham International Airport			
CY 2019 Food & Beverage Gross Sales		CY 2020 Food & Beverage Gross Sales	
Terminal 1	Gross Sales	Terminal 1	Gross Sales
ACC American Café - Alcohol	1,539,758.46	ACC American Café - Alcohol	463,101.91
ACC American Café - Food	1,531,881.52	ACC American Café - Food	333,558.48
Char-Grill - Alcohol	18,110.99	Char-Grill - Alcohol	13,661.08
Char-Grill - Food	1,153,329.45	Char-Grill - Food	584,013.16
La Tapenade - Alcohol	74,868.94	La Tapenade - Alcohol	15,284.86
La Tapenade - Food	1,156,316.22	La Tapenade - Food	409,430.60
Salsarita's - Alcohol	29,448.92	Salsarita's - Alcohol	15,739.94
Salsarita's - Food	814,751.63	Salsarita's - Food	292,203.79
Uptown Club/Catering Food	25,023.99	Uptown Club/Catering Food	
Starbucks Concourse	1,557,720.47	Starbucks Concourse	70,742.17
Starbucks Pre-Security	407,230.80	Starbucks Pre-Security	367,589.86
Terminal 1 F&B Total	8,308,441.39	Terminal 1 F&B Total	2,565,325.85
Terminal 2	Sales	Terminal 2	Sales
42nd Street Oyster Bar - Alcohol	1,768,758.40	42nd Street Oyster Bar - Alcohol	804,750.24
42nd Street Oyster Bar - Food	4,185,426.72	42nd Street Oyster Bar - Food	1,203,381.24
AW/KFC Express	1,068,997.01	AW/KFC Express	7,332.87
Brookwood Farms	1,320,587.28	Bond Brothers Alcohol	252,381.58
Bruegger's Bagels	2,089,900.18	Bond Brothers Food	235,763.66
BurgerFI Alcohol (Opened Sept 2019)	84,276.04	Brookwood Farms	4,530.97
BurgerFI Food (Opened Sept 2019)	811,883.67	Bruegger's Bagels- Areas	674,173.43
California Pizza Kitchen	1,659,506.01	Bruegger's Bagels- Host	15,419.17
Camden food co.	1,902,578.69	Bruegger's Bagels- Uptown	285,848.63
Carolina Ale House - Alcohol	1,520,650.01	BurgerFI Alcohol	95,039.78
Carolina Ale House - Food	1,663,290.32	BurgerFI Food	729,113.16
Carolina Vintages - Alcohol	905,897.26	Cantina Grill Alcohol	212,030.60
Carolina Vintages - Food	784,751.34	Cantina Grill Food	215,352.41
Five Guys - Alcohol (Closed 2/6/19)	1,529.69	California Pizza Kitchen Alcohol- Areas	13,132.83
Five Guys - Food (Closed 2/6/19)	208,045.29	California Pizza Kitchen Food- Areas	314,679.85
Flavours	1,663,474.62	California Pizza Kitchen Host	7,805.24
Gordon Bierch - Food	1,477,280.30	Camden food co.	281,461.26
Gordon Biersch - Alcohol	1,514,217.79	Carolina Ale House - Alcohol	8,137.29
Host/JQ RDU Catering - Food	7,679.01	Carolina Ale House - Food	11,309.35
Jason's Deli - Alcohol	5,451.55	Carolina Vintages - Alcohol	2,298.51
Jason's Deli - Food	2,046,255.95	Carolina Vintages - Food	1,969.54
Jet Box Alcohol - Temp	19,956.10	Deli & Co	159,640.93
Jet Box Food - Temp	47,409.43	Flavours	6,514.50
Panopolis - Alcohol (closed 10/31/2019)	35,496.36	Gordon Bierch - Food	5,605.29
Panopolis - Food (closed 10/31/2019)	255,204.65	Gordon Biersch - Alcohol	6,523.51
Popeyes	2,226,152.43	Host/JQ RDU Catering - Food	
Starbucks Marketplace	2,518,410.57	Jason's Deli - Alcohol	1,095.21
Starbucks Pre Security	1,978,346.69	Jason's Deli - Food	323,598.32
Starbucks Conc D	2,049,242.44	Jet Box Alcohol - Temp	0.00
Whisky River Alcohol	1,949,116.14	Jet Box Food - Temp	0.00
Whisky River FB	1,539,969.99	Popeyes	928,071.68
JetPlane Coffee (pop-up Nov-Dec 19)	1,352.75	Raleigh Taproom Alcohol- Areas	222,382.87
Two Roosters (pop-up Dec 19)	1,183.70	Raleigh Taproom Food- Areas	222,453.61
Terminal 2 F&B Total	39,312,278.38	Raleigh Taproom Alcohol- Uptown	116,459.66
		Raleigh Taproom Food- Uptown	77,688.51
F&B Total	47,620,719.77	Rush Bowls	126,225.91
		Starbucks Marketplace	1,502,790.99
		Starbucks Pre Security	373,293.72
		Starbucks Conc D	355,539.20
		Whisky River Alcohol	447,831.31
		Whisky River FB	317,953.83
		Wow Bao	120,020.05
		Terminal 2 F&B Total	10,689,600.71
		F&B Total	13,254,926.56

Exhibit C – ACDBE Program

ACDBE Certification

An Airport Concessions Disadvantaged Business Enterprise (ACDBE), as defined by 49 CFR Part 23, is a business concern that meets criteria in the following categories:

A. Ownership – A firm seeking ACDBE certification must be a for-profit small business in which a U.S. citizen (or resident alien) owns at least a 51% interest (or in the case of any publicly owned business, at least 51% of the stock is owned by one (1) or more socially and economically disadvantaged individuals). Socially disadvantaged individuals include:

- Women;
- Black Americans,
- Hispanic Americans, regardless of race;
- Native Americans;
- Asian-Pacific Americans,
- Asian-Indian Americans.

Individuals who are not in a presumptive group must prove social disadvantage to the Authority.

B. Personal Net Worth – The disadvantaged individual must have a personal net-worth (PNW) of less than \$1,320,000. Items excluded from a person's net worth calculation include an individual's ownership interest in the applicant firm, and his or her equity in their primary residence; additional exemptions are listed in 49 CFR Part 23.

C. Control - The socially and economically disadvantaged applicants(s) must have an overall understanding of, and managerial and technical competence and experience directly related to, the type of business in which the firm is seeking certification. The socially and economically DBE owner(s) must possess the power to direct or cause the direction to the management and policies of the firm and to make day-to-day, as well as long-term decisions on matters of management, policy and operations. The firm must not be tied to another firm in such a way as to compromise its independence and control

D. Size - Applicant firms must meet the small business size standards established by the U.S. Small Business Administration. Depending upon the nature of work performed, a firm (including its affiliates) must not have average annual gross receipts over the firm's previous three (3) fiscal years in excess of \$52,470,000 with some exceptions. Applicable size standards can be found in 49 CFR Part §23.33 or [here](#).

The Authority may conduct post award compliance reviews of the ACDBE participation under the contract. Concessionaires that are awarded contracts pursuant to this Solicitation shall keep all records as necessary to enable the Authority to determine compliance with the ACDBE obligations. Records to be kept by the Contractor will include, but are not limited to, information on the type of goods and/or services provided by the ACDBE firm(s), the dollars spent with each ACDBE firm and the ACDBE certification status of the firms.

Certification Process:

Firms seeking to participate in concession opportunities as an ACDBE must be certified by the Raleigh-Durham Airport Authority's Small Business Program Office. The ACDBE Program

application forms are available for download from the North Carolina Department of Transportation website at:
<https://connect.ncdot.gov/business/SmallBusiness/Pages/default.aspx> (utilize the “DBE” application).

Submit all ACDBE applications and supporting documents for certification to:

Small Business Program Office
Raleigh-Durham Airport Authority
PO Box 80001
RDU Airport, NC 27623

The application should clearly identify the “Airport Concession” as the opportunity for which the ACDBE certification is being sought. The concessionaire shall ensure that ACDBE applications are submitted in a timely manner (at least 4 weeks before the deadline for proposal award). The applicant ACDBE shall include a statement of the goods and services that it plans to provide. Once certified by the Authority, ACDBE firms will be required to submit an annual “No Change Affidavit” as required under 49 CFR Part 23.

The Authority’s Small Business Program Office will assist interested Proposers in identifying current Authority-certified ACDBE firms and other minority firms upon request. Direct all questions about ACDBE certification should be to Thiané Carter at (919) 840-7712 or via email at thiane.carter@rdu.com.

Acceptable ACDBE Participation

Proposers should reference 49 CFR Part 23.55 to demonstrate acceptable ACDBE participation. ACDBE Participation is reviewed based on the total dollar amount of the gross receipts earned by the ACDBE for its portion of work in the proposed concession. Options for meeting this commitment are:

- A. 100% ACDBE participation:** For this option, the Proposer is solely owned and operated as a certified ACDBE firm. ACDBE participation represents the total dollar value of gross receipts under a concession agreement or management contract or subcontract. Include ACDBE certification letter in proposal.
- B. Joint Venture or Partnership Agreement:** For this option, a Proposer enters into a joint venture or partnership agreement with a certified ACDBE partner, in which the ACDBE partner has financial risk and reward commensurate with the ACDBE participation goal for this Concession Opportunity. For example, if the ACDBE goal is 29.3%, then the ACDBE concessionaire’s risk in terms of investment in the operation and anticipated upside (reward) must be no less than 29.3%.

The Authority interprets 49 CFR Part 23.55 strictly as it relates to joint ventures. Neither the revenues generated by the joint venture nor the ownership interest of an ACDBE partner will count towards the ACDBE goal established in this Solicitation. 49 CFR Part 23.55(d) provides that when an ACDBE performs as a participant in a joint venture, the Authority must “count a portion of the gross receipts equal to the distinct, clearly defined portion of

the work of the concession that the ACDBE performs with its own forces toward the ACDBE goals.” The Authority has determined that in order for the ACDBE’s role to be “distinct” and “clearly defined”, the Proposer must contract for specific management or other services with ACDBE firm(s). If the parties entered into a management agreement, 49 CFR Part 23 would permit the “entire amount of fees or commissions charged by an ACDBE for bona fide services to count towards ACDBE participation”. The fees or commissions must be based on market rates (“reasonable and not excessive as compared with fees customarily allowed for similar services”).

If the Proposer plans to participate in a joint venture or partnership with a certified ACDBE firm, the Proposer must submit a joint venture application (see Appendix 2) for approval by August 30, 2019 prior to the proposal due date stated in the Solicitation for evaluation. For purposes of ACDBE participation, joint venture entities are not certified as ACDBEs.

- C. Percentage of Goods/Services towards Vendor Purchases:** For this option, the Proposer designates a percentage of the gross sales that will be committed to the purchase of goods and services from ACDBE or DBE certified vendors. ACDBE participation for goods and services will be counted according to regulations 49 CFR Part 23.55.

Good Faith Efforts

All Proposers shall be required to take all steps reasonably necessary in accordance with the Authority’s ACDBE Plan and 49 CFR Part 23 and 26 to ensure that minority firms and ACDBEs have the maximum opportunity to participate in contracts and subcontracts. Failure to make a good faith effort and to adequately document such efforts to the Authority will be grounds for disqualifying a bid as non-responsive. Proposers shall not discriminate on the basis of race, color, national origin or gender in the selection of suppliers and subcontractors and in the performance of this contract. In order to comply with the proposal requirements of Part 23 a Proposer shall either meet the specific ACDBE goal for this Concession Opportunity, or in the alternative demonstrate that the Proposer has made sufficient good faith efforts to meet the goal in accordance with the good faith effort provisions of Part 23 and Part 26.

- A.** If a Proposer is unable to meet all or any part of the ACDBE participation goal, the Proposer must submit documentation of good faith efforts. The good faith effort documentation must be submitted with the proposal, under separate cover titled “Good Faith Efforts”.
- B.** Good faith efforts of a Proposer shall be evaluated by the Authority to determine whether the efforts to obtain ACDBE participation were those that a firm aggressively seeking partners or subcontractors would take in the normal course of doing business; whether the steps taken had a reasonable probability of success; and whether there were qualified ACDBEs available and willing to participate in a reasonable manner.
- C.** The Small Business Program Office will review the good faith effort documentation and determine whether a Proposer has made a good faith effort to achieve the ACDBE goal.
- D.** The following examples are possible efforts demonstrating good faith; however, this is not inclusive or exhaustive:
 - a.** Attend any informational meetings that are scheduled by the Authority regarding ACDBEs;
 - b.** Advertise in major circulation newspapers, trade association newsletters and minority and/or women-oriented media concerning the ACDBE participation opportunities;

- c. Provide written notice to ACDBEs regarding the concession contract being solicited, in sufficient time to allow ACDBEs to participate;
- d. Follow-up initial solicitations of interested ACDBEs to determine their level of interest in the opportunity; Provide interested ACDBEs with adequate information about the RFP, the certification process and other elements of the opportunity;
- e. Negotiate in good faith with interested ACDBEs and not reject ACDBEs as unqualified without sound reasons, based upon thorough investigation of their capabilities; and,
- f. Make efforts to assist interested ACDBEs in obtaining financing or insurance (if applicable).

Compliance and Assurances

All Proposers are hereby notified that failure to carry out the obligations of the ACDBE Plan and 49 CFR Part 23 and 26 regulations will constitute a breach of good faith in dealing with the Authority, and the Authority will take any and all actions permitted by law to ensure compliance by all concessionaires employed by it. Any Proposer who fails to meet or exceed the goals and fails to provide satisfactory evidence of its good faith effort to include ACDBEs in its proposal will be deemed to have submitted an incomplete or non-responsive bid and its bid will be rejected.

Agreements between a Proposer and an ACDBE in which the ACDBE promises not to provide proposals to other Proposers are prohibited. Following the opening of the proposals, no change shall be made in any of the ACDBE firms proposed to be engaged by the Proposer without the prior written consent and approval of the Small Business Program Officer and the Business Development Office. Proposers shall make a satisfactory good faith effort to replace any ACDBE that is unable to perform successfully with another ACDBE. All substitutions shall be coordinated with and approved by the Small Business Program Office and the Authority's Business Development Office prior to being made.

Exhibit D – Concessionaire Pricing Compliance Instructions

The latest version of these instructions can be found on the Authority's website by following this link:

<http://www.rdu.com/wp-content/uploads/2020/12/Concessionaire-Pricing-Compliance-Instructions-2020v1.pdf>

Appendix 1 – Sample Operator Agreement

The sample Operator Agreement is posted along with the RFP document and all supporting forms at the following link:

<http://www.rdu.com/wp-content/uploads/2021/06/Airport-Food-and-Beverage-Program-Operator-Agreement-.pdf>

Appendix 2 – Request for Qualifications Proposal Forms

Proposal forms have been developed for certain sections of this solicitation that must be incorporated into Proposer's submittal. Proposal forms shall be executed in the name of the business proposing to perform the contract, if awarded. Where specified, forms shall bear the signature of an officer authorized to sign for the Proposer, the printed or typewritten name of the signing officer and office held. Evidence of the authority of the signer must be attached to the submitted Proposal.

Where a form is provided, specific information must be entered into the form and / or inserted with the form in the correct section of the Proposal. Proposers are encouraged to enter the information directly into the form where applicable. Proposal forms may also be copied and filled in by typewriter.

Proposers may not alter the base text of any document issued with this Solicitation.

Proposal Form List:

1. ACDBE Participation Forms
2. Solicitation / Addenda Acknowledgement Form
3. Administrative Information Form
4. Proposal Declaration Form
5. Business References Form
6. Financial References Form

Appendix 3 – Request for Proposals Proposal Forms

Proposal forms have been developed for certain sections of this solicitation that must be incorporated into Proposer's submittal. Proposal forms shall be executed in the name of the business proposing to perform the contract, if awarded. Where specified, forms shall bear the signature of an officer authorized to sign for the Proposer, the printed or typewritten name of the signing officer and office held. Evidence of the authority of the signer must be attached to the submitted Proposal.

Where a form is provided, specific information must be entered into the form and / or inserted with the form in the correct section of the Proposal. Proposers are encouraged to enter the information directly into the form where applicable. Proposal forms may also be copied and filled in by typewriter

Proposers may not alter the base text of any document issued with this RFP.

Proposal Form List:

1. ACDBE Participation Forms
2. Pro Forma
3. Fees Proposal Form
4. Operator Agreement Commitment Form
5. Solicitation / Addenda Acknowledgement Form
6. Administrative Information Form
7. Proposal Declaration Form
8. Business References Form
9. Financial References Form