

**TRI CITIES AIRPORT AUTHORITY**  
**REQUEST FOR PROPOSALS**  
**FOOD/BEVERAGE AND GIFT SHOP CONCESSIONS OPERATOR**  
**at**  
**TRI-CITIES AIRPORT**

The Tri-Cities Airport Authority (the "Authority" or "TCAA") is soliciting competitive sealed proposals from qualified firms to manage, operate, maintain and promote the restaurant/bar and gift shop operations located within the terminal building at the Tri-Cities Airport. Sealed proposals will be received up to the hour of 2:00 PM on June 7, 2019, at TCAA, 2525 Highway 75, Suite 301, Blountville, Tennessee 37617. A **mandatory** pre-proposal meeting is scheduled for May 8, 2019, at 2:00pm, in Room 302, on the mezzanine level, in the terminal building. The agreement will be for a term of five (5) years, commencing on July 1, 2019, and includes an option to renew for one (1) additional five (5) year period, if agreeable to both parties.

**OBJECTIVE/BACKGROUND**

The Authority operates and manages a commercial service airport which is open to the public and is located on the premises known as the Tri-Cities Airport, 2525 Highway 75, Blountville, Tennessee 37617. There is space available and located within the airport terminal building that the Authority desires to engage a firm who is qualified and capable of managing, promoting, maintaining and operating a pre and post security restaurant, bar, vending machines, and gift shop. During the effective period of this proposed contract, the selected operator must have all necessary licensing to serve food and beverages, including alcohol, in the restaurant/bar facility and must be able to secure vending machines capable of serving snacks and beverages in the pre security area. The selected operator must be able to sell snacks, newspapers, magazines, books, novelty items, clothing and other items pertaining to the operation of a gift shop. The Authority's top priority for the concessions management company is to provide the highest level of customer service to include a deep understanding of the airport customer's needs and preferences as well as a professional, friendly team of employees on site to meet those needs.

**CONTACT INFORMATION**

For more information or an alternate format of this RFP, please contact Mr. Rene Weber at [rweber@triflight.com](mailto:rweber@triflight.com) or by fax to (423) 325-6060.

## SCHEDULE

Outlined below is a tentative schedule of events for this RFP process.

ACTIVITY	DATE
Issue RFP	01/ 2019
Mandatory Pre-Proposal Meeting at 2:00 p.m. eastern standard time	May 8, 2019
Submittal of Written Questions Due at 6:00 p.m. eastern standard time	May 17, 2019
Issue Addendum	May 24, 2019
Bids Due at 2:00 p.m. eastern standard time	June 7, 2019
Evaluation of Bids Begins	June 8, 2019
Contract Award Recommendation to TRI Board of Commissioners	June 27, 2019
Commencement of Contract	July 1, 2019

## AIRPORT INFORMATION

The Tri-Cities Airport located in northeast Tennessee is operated by the Tri-Cities Airport Authority and governed by a twelve member board of commissioners. TRI is a non-hub commercial service airport that services approximately 200,000 enplaned passengers, 200,000 deplaned passengers, and their accompanying meeters/greeters on an annual basis. The Airport is served by three airlines: American Airlines, Delta, and Allegiant Air providing service to four non-stop destinations including Atlanta, Charlotte, Orlando/Sanford, and Tampa/St. Pete. The airport also hosts three on-site car rental agencies, the Federal Aviation Administration, the Transportation Security Administration, Customs and Border Protection, fixed-base operator, and multiple corporate aviation departments.

Concession hours of operation are one hour prior to the first scheduled departure until 30 minutes after the last scheduled departure or as flight schedules dictate demand.

Total Passengers	
2018	410,147
2017	392,689
2016	414,493
2015	436,182
2014	431,519

<b>Gross Receipts for Concessions</b>	
2018	900,044
2017	885,421
2016	880,432
2015	723,691
2014	750,719

### **MINIMUM OPERATING TERMS AND CONDITIONS**

1. The successful firm will be required to sign a Lease and Operating Agreement cancelable by either party upon 120 days notice.
2. The firm shall remain open for service to the public seven (7) days per week. The Airport Executive Director or designated representative may require extension of operating hours to meet anticipated demand. Any change in the minimum hours or days of operation by operator is prohibited without the prior written approval of the Airport Executive Director or designated representative.
3. The operator agrees to provide catering services to airport tenants.
4. The operator agrees to compensate the Authority for the use of the premises, facilities, concession rights and privileges.
5. The operator will be required to execute prompt performance of all the terms and agreements contained in the Lease.
6. The operator is expected to pay all utilities supplied to and used in the leased premises with the exception of electrical, water and sewer services, unless otherwise detailed in the proposal.
7. The operator will provide all interior building maintenance and custodial services, unless otherwise detailed in the proposal or Lease.
8. The operator is responsible for any and all licensing or permits connected with providing all goods and services pertaining to the operation of a restaurant/bar and gift shop.
9. The operator shall maintain insurance requirements as specified.

### **WRITTEN AGREEMENT**

The selected firm shall be required to enter into a written Lease and Operating Agreement with the Authority on a form approved by TCAA's legal representative. The selected proposer will be required to comply with all the requirements of the Lease and Operating Agreement, which will be prepared in accordance with the successful proposal. Signature on the included Experience Record Form (Page 10) shall serve as an acknowledgment that the proposer is willing to enter into the agreement if awarded the contract.

### **INSURANCE**

Each bidder will be required to maintain minimum insurance requirements as detailed in the *Insurance Requirements* provision attached as Exhibit C.

## PREPARATION OF PROPOSALS

By submitting a bid, the Proposer acknowledges the mandatory pre-proposal site visit and the opportunity to become familiar with: (1) the pre and post-security restaurant/bar/gift shop and vending areas; (2) the local conditions affecting the food and beverage and gift shop operations; and (3) the contract documents, including Advertisement for Request for Proposals, Experience Record, General Requirements, and any other contract documents that may be included in the proposal. The Proposer hereby proposes to furnish all the labor, equipment (other than that expressly identified in the Lease), inventory, supplies, products, and services necessary to operate the food and beverage and gift shop concessions at the designated sites (Exhibit A), in accordance with the said contract documents, for the sums and terms set forth in the proposal.

Failure to read the Request for Proposal and these instructions will be at the Proposer's own risk.

Corrections and/or modifications received after the closing time specified will not be accepted.

A company representative authorized to bind the firm contractually must sign the proposal. Signature on the included Experience Record form will indicate the firm's agreement to be governed by the Tri-Cities Airport Authority and its Minimum Standards and to comply with all Terms and Conditions set forth in this solicitation unless specific written exception is noted. The Proposer must sign their proposal correctly and in ink. If an individual submits the proposal, his/her name, office and Post Office address must be provided. If offered by a corporation, the person signing the proposal must give the name of the State of origin and the business address of the President, Secretary and Treasurer. Anyone signing a proposal as agent must file legal evidence of their authority to do so, and that their signature is binding upon the firm or partnership.

Proposers must complete and return the entire Request for Proposal packet. Once all proposals have been received, opened and recorded, oral interviews may be conducted with firms who submit proposals determined to be reasonably susceptible of being selected for award. However, proposals may be accepted without such discussions, at the Authority's option.

Proposals will not be opened publicly.

All costs related to the preparation of the proposals and any related activities are the sole responsibility of the proposer. The Authority assumes no liability for any costs incurred by proposers throughout the entire selection process.

All proposals, including attachments, supplementary materials, addenda, etc. shall become the property of the Authority and will not be returned.

## **PROPOSAL**

The proposal should include:

- Cover Letter
- Company Name, address, phone, fax, website and other company contact information.
- Resume for the proposed manager and his/her contact information.
- Company profile to include a brief overview of the company's history, including number of years the company has been in operation, location of headquarters, industry experience, location of other operations with an emphasis on airport experience.
- Proposed venues, hours of operation, menus and pricing structure.
- Proposed incorporation of local participation or local flare.
- Management and Operation Plan which includes general operations, human resources and staffing customer service management, and inventory and cash control systems.
- Proposed financial consideration to be given to the Authority. A listing of the equipment to be provided by TCAA is included in Exhibit D. In addition, proposers should present to the Authority a comprehensive proposal (including a minimum annual guarantee for each year of the initial five (5) year term and optional three (3) year extension and percentage of gross revenue for financial consideration which should encompass any or all of the alternatives and calculation methods.
- TCAA is requiring a minimum of seven percent (7%) of revenues annually. The details with respect to the financial consideration will be completed within the final agreement.
- Proposed capital investment.
- Financial projections for TRI.
- Financial information including a balance sheet and income statement prepared by an independent Certified Public Accountant reflecting the most recent annual operating year.
- Provide at a minimum of three (3) Financial References including persons or firms with whom your company has conducted financial transactions during the past three (3) years.
- Proposed transition plan for start-up and temporary operations.
- Provide at a minimum, five (5) operating references, preferably from other airports.
- Provide an ACDBE participation plan.
- Provide a business plan for growth.
- Sample monthly gross revenue report to be provided to the Authority.
- Each proposal must be accompanied by a refundable Certified Check, Cashier's Check or Bid Bond in the amount of \$5,000.00, payable to the Tri-Cities Airport Authority as a guarantee that if the proposal is accepted, the proposer will execute the proposed agreement within thirty (30) days from the date of the award of the contract by the Authority.
- Any other information which the company may deem necessary.

### **MODIFICATION, WITHDRAWAL, DUPLICATIONS**

Modification of proposals already submitted will be permitted, provided such modification is in writing and transmitted to the Airport prior to the proposal Closing Time. Such modification shall not reveal the amounts in the original or revised proposal.

Any proposer may withdraw his/her proposal prior to the Closing Time, but no proposal shall be withdrawn after Closing Time. Negligence or mistake on the part of the Proposer shall not constitute a right to withdraw after Closing Time. Any proposal received after Stated Closing Time will be rejected and returned unopened.

If more than one proposal is offered by one party, all such proposals shall be returned unopened. If duplicate proposals are not discovered until after opening, such duplication shall be cause for immediate rejection of

such proposals. A party who has quoted prices to a proposer is not thereby disqualified from quoting prices to other proposers or from submitting a direct proposal on his/her own behalf.

## EVALUATION CRITERIA AND CONTRACT AWARD

All properly completed proposals will be reviewed by a selection committee who will recommend a successful proposal for final approval of the Board of Commissioners. The selection committee may request a formal presentation prior to accepting any proposal.

The following criteria shall be considered by the selection committee upon the evaluation of proposals. Selection will be based on the best judgment of the selection committee in seeking the highest and best quality of services utilizing the following criteria as a guide:

**Design and Concept** – Proposer must provide an overall design and concept, including the variety and types of food and beverage venues to be developed. Emphasis will be placed on food quality, local flare, variety, menus, and competitive pricing.

**Financial Ability** – Proposer must be capable of providing financing to operate, and manage a high quality concession. Proposers should provide a business financial statement, business plan, and financial references.

**Financial Consideration Paid to Authority** – Proposer should provide a Minimum Monthly Guarantee, a percentage of gross receipts, and/or a base rent (or any combination) payable to the Authority for the first five years of operation.

**Experience** – Proposer should provide evidence of its ability to operate a high quality food and beverage concession in an airport or similar type setting. A listing of at least five operating references is required. Airport experience is preferred.

**Capital Investment** – Each proposer must be willing and able to incorporate a \$75,000 capital investment into the operating facilities during the first five (5) years of operation as part of the contract.

**Management and Operation Plan** – Proposer should provide a plan demonstrating its ability to effectively provide local management that will oversee the daily operations while maintaining a strong working relationship with Proposer's corporate operations.

**Marketing Strategy** – Proposer must prove its ability to market and promote a program to actuate toward local area themes in order obtain maximum patronage from the traveling public.

The Authority reserves the right to reject any and all proposals and to waive any informality in the RFP process to the extent permitted by applicable law, and to accept any proposals, which in its sole discretion, is in the best interest of the Airport, if permitted by applicable law. Any omission, inaccuracy, or misstatement may be cause for rejection of a proposal. The Authority further reserves the right to modify or incorporate additional steps in the evaluation process in the interest of having a thorough and comprehensive body of information in order to make a recommendation.

Any form submitted which is incomplete, conditional, obscure, or which contains additions not called for, or irregularities of any kind, may be cause for rejection of the bid. In the event of a default of any of the successful bidders or his/her refusal to enter into an agreement with TCAA, TCAA reserves the right to accept the bid of the next qualified bidder.

The Authority will select the proposal that, in the Authority's sole judgment, is deemed the best most advantageous for the public and for the Authority. The decision of the Airport's selection committee shall be final and conclusive, subject to successful negotiation and execution of a Lease and Operating Agreement, and subject to approval by the Authority's Board of Commissioners. Following Authority approval, the successful firm shall receive a written Notice of Award.

### **OMISSIONS**

Should the Authority omit anything from this Request for Proposals which is necessary for a clear understanding of the work, or should it appear that various instructions are in conflict, then the proposer shall seek clarification by submitting the item(s) in writing before \_\_\_\_\_ 2019 5:00pm eastern standard time. Submissions should be directed to [rweber@triflight.com](mailto:rweber@triflight.com) or faxed to 423-325-6060. No telephone calls will be accepted.

### **REJECTION OF PROPOSALS**

No proposal shall be accepted from, or contract awarded to, any person, firm or corporation that is in arrears to the Authority, upon debt or contract or that is a defaulter, as surety or otherwise, upon any obligation to the Authority, or that may be deemed irresponsible or unreliable by the Authority.

Proposers will be required to submit satisfactory evidence that they have the necessary financial resources to perform and complete the work outlined in this RFP.

### **VERBAL AGREEMENTS**

No verbal agreements or conversation with any officer, agent or employee of the Authority either before or after execution of the Lease and Operating Agreement shall affect or modify any of the terms, or obligations contained in any of the documents comprising this Contract.

### **ASSIGNMENT**

The Operator shall not assign or sublet the Lease and Operating Agreement, or any right, privilege or interest thereunder, including the sale or transfer of stock in any corporation, directly or indirectly, without the written permission of the Authority.

## **EQUAL OPPORTUNITY**

The Authority is an Equal Opportunity Employer. Proposers are required to certify that the firm does not discriminate against any employee or applicant for employment on the grounds of race, color, national origin or sex. The Proposer shall submit a completed and signed Certificate of Non-Discrimination with the Bid Document. See Exhibit B.

Minority and Woman Owned Businesses are encouraged to submit proposals.

The Authority will make every effort to ensure that all proposers are treated fairly and equally throughout the entire advertisement, evaluation and selection process. The procedures established herein are designed to give all parties reasonable access to the same basic information.

## **DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION**

This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23, Subpart F pertaining to the participation of Disadvantaged Business Enterprises ("DBEs") in Airport contracting opportunities. The Company agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement covered by 49 CFR Part 23, Subpart F.

The Authority is required to submit to the FAA a DBE Concession Plan every three years. The DBE goal for companies providing concessions for FY 2019 has been established at 1.00%.

Bidders shall submit, in the format required and accepted by the Authority, a DBE Assurance Statement (Attachment F) identifying the amount of DBE participation that each bidder expects to obtain for the first year of the agreement. Along with the Assurance Statement, each bidder is required to submit a signed DBE Letter of Intent (Attachment G) for each subcontractor specifying the estimated dollar value to be paid to the subcontractor and counted toward the overall DBE goal.

In the event that a bidder is unable to obtain the current DBE goal, bidder must make good faith efforts as defined by the applicable regulation to meet the goal. Such efforts must be documented and submitted to TCAA with the bid submission.

**\*\*\*\*\*The remainder of this page intentionally left blank\*\*\*\*\***

**EXPERIENCE RECORD FORM**

PROPOSER \_\_\_\_\_

**I. Background Qualifications and Experience**

I (we) list below the restaurant, bar, vending, gift shops or businesses of a similar type which I (we) have directly operated in the past:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

A. Year(s) Business Operated \_\_\_\_\_

B. Location of Business \_\_\_\_\_

C. Description of Operation \_\_\_\_\_

**II. Financial ability of the proposer to comply with and perform contract:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**III. Proposer's past performance of other contracts with the Authority:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**IV. References**

Provide five references relevant to the businesses listed above:

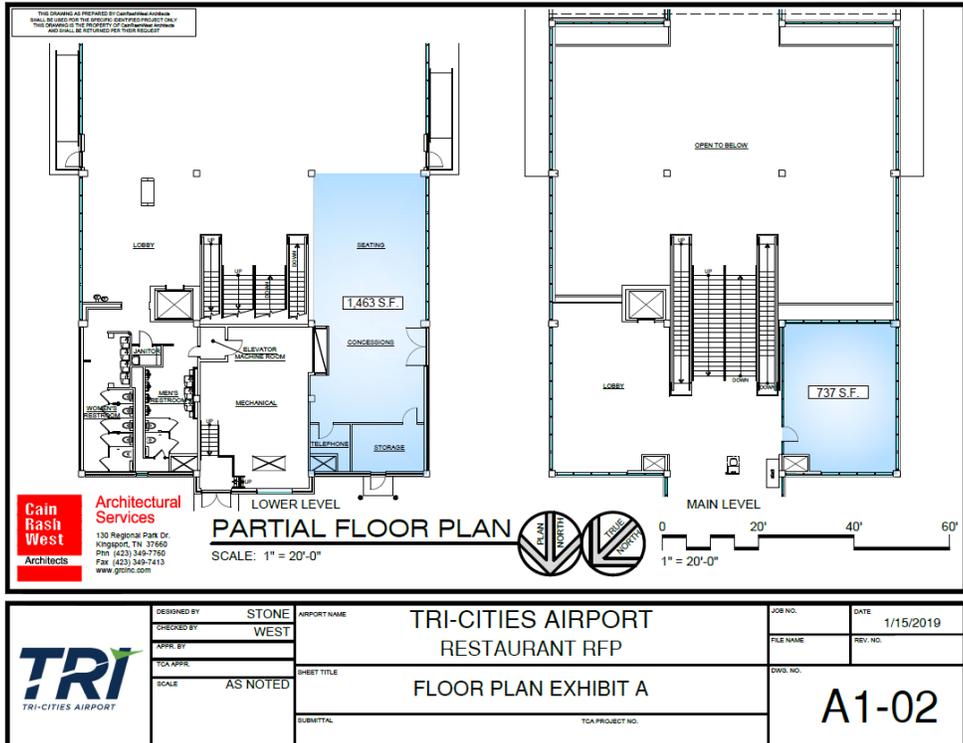
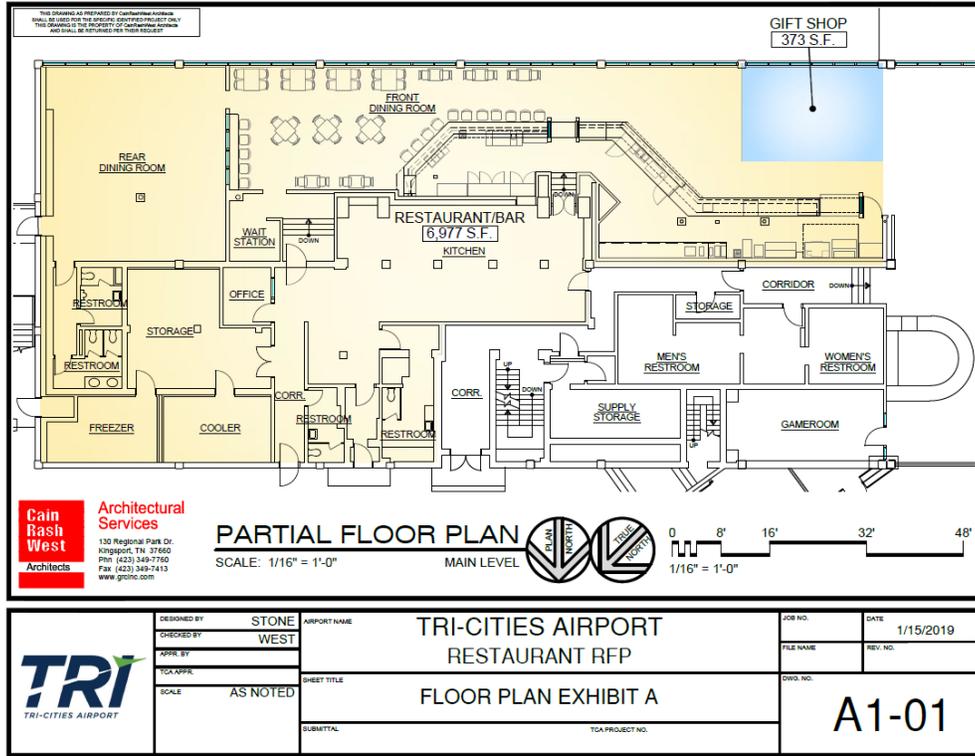
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Proposer's Signature**

\_\_\_\_\_  
Name Date

\_\_\_\_\_  
Title

LEASEHOLD AREA(S)



**CERTIFICATE OF NON-DISCRIMINATION**

By Submission of Proposal to operate the food and beverage and gift shop concession at Tri-Cities Airport, Blountville, Tennessee, the Proposer certifies that he/she does not discriminate against any employee or applicant for employment on the grounds of race, color, national origin or sex; and does not and will not maintain or provide for his/her employees any segregated facilities at any of his establishments, and, further, that he/she does not and will not permit his/her employees to perform their services at any location, under his/her contract where segregated facilities are maintained. He/she further agrees that he/she will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts and that he/she will forward a notice of this requirement to such proposed sub-contractors.

\_\_\_\_\_  
Business Name

\_\_\_\_\_  
(Signature) (Date)

\_\_\_\_\_  
(Printed or Typed Name and Title of Individual Signing for Proposer)

## **INSURANCE REQUIREMENTS**

General Liability coverage (which includes Premises and Property Damage) of at least \$1,000,000.00 combined single limit (CSL).

Operator shall furnish TCAA with a certificate or certificates from Operator’s insurance carrier, executed on TCAA’s standard form, showing such insurance to be in full force and effect, with said certificate or certificates to contain a provision that written notice of cancellation or any material change in said policy by the insurer shall be delivered to TCAA at least thirty (30) days in advance of the effective date thereof. In the event that Operator shall at any time fail to furnish TCAA with the certificate or certificates required, TCAA, upon written notice to Operator of its intention to do so, shall have the right to secure the required insurance, at the cost and expense of Operator, and Operator hereby agrees to reimburse TCAA promptly for the cost thereof plus Ten Percent (10%) for expenses of administration. All such insurance policies shall be maintained with an insurance company satisfactory to TCAA and shall include TCAA, the Airport’s Owners, and TCAA’s officers, agents and employees as additional named insureds, as their interests may result from this Agreement.

Operator shall, upon request, furnish to TCAA adequate evidence of provision for Workers’ Compensation Insurance, Social Security and Unemployment Compensation, to the extent such provisions are applicable to Operator’s operations hereunder.

**FOOD SERVICE EQUIPMENT**  
**Owned by Tri-Cities Airport Authority**

Equipment	Make/Mfg	Location
1 door ice machine	Ice-O-Matic	Kitchen
2 shelf SS table		"
4-compartment sink		"
2 shelf prep table		"
Prep table and sink w/2 shelves		"
4 shelf wire rack		"
SS prep tables (2)		"
4 shelf wire rack with wheels		"
oven	Cleveland	"
Plastic cart 2 shelf (2)	Rubbermaid	"
Trash Can 32 gal (2)		"
Trash Can 50 gal		"
Tilt kettle - chicken fryer		"
Tilt kettle table	green	"
6 filter hood over oven		"
3 door reach in with sand top		"
Flat top grill	Vulcan	"
Dishwasher	"	"
toaster		"
small prep table	Savory	"
microwave (2)		
True Freezer (3 door)	TRUE	"
4 drawer filing cabinet		Office
2 drawer filing cabinet		"
metal desk		"
2-part desk		"
bread warmer		Kitchen
SS prep table		"
cereal rack		"
muffin rack		"
table for mixer	Delfield	"
2 vat fryer		"
6 door reach in cooler/freezer	Frymaster	"
2 shelf wire rack (soft drinks)	Traulsen	"
4 shelf unit with wheels		"
4 shelf wire rack		"
wire racks (5)	Hatco	dry stock
wire rack with wheels		dry stock
wire rack shelf w/wheels (5)		WI cooler
shelf w/wheels		"
wire racks		Freezer
rubber mats (3)	Rubbermaid	"
Bar tap dispenser		Bar
All in One Station	Glastender	"
3-compartment sink	Glastender	"
Hand wash sink w/guards	Glastender	"
Combo Merchandiser	Structural Con	Counter

NON COLLUSION AFFIDAVIT

STATE OF \_\_\_\_\_

County of \_\_\_\_\_

\* \_\_\_\_\_

of lawful age, being first duly sworn, on oath says, that (s)he is the agent authorized by the Proposer to submit the attached proposal. Affiant further says that: (1) the proposal filed herewith is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization, or corporation; (2) that such proposal is genuine and not collusive or a sham; (3) that said Proposer has not, directly or indirectly, induced or solicited any other Proposer to put in a false or sham proposal, and has not, directly or indirectly, colluded, conspired, connived or agreed with any Proposer or anyone else to put in a sham proposal, or that anyone else shall refrain from proposing; (4) that said Proposer has not in any manner, directly or indirectly, sought by Agreement, communication or conference with anyone to fix the proposal price of said Proposer or any other Proposer, or to fix any overhead, profit, or cost element of such proposal price of said Proposer or of any other Proposer, or to secure any advantage against the Tri-Cities Airport Authority (TCAA) or anyone interested in providing these services; (5) that the Proposer has not been a party to any collusion with any official of the TCAA or any employees of the TCAA concerning exchange of money or other things of value for special consideration in submitting a sealed proposal; (6) that all statements contained in such proposal are true; (7) and that the Proposer has not, directly or indirectly, submitted its proposal price or any breakdown thereof or the contents thereof, or divulged information or data relative thereto to other parties.

\_\_\_\_\_  
Firm Name

By: \_\_\_\_\_  
Signature and Title\*

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

\*Owner, General Partner, LLC Manager, or Officer of the Corporation, Company Name and State

DBE ASSURANCE STATEMENT  
*(Must be completed and printed on company letterhead)*

**Disadvantaged Business Enterprise (DBE) Program Participation Form**

The \_\_\_\_\_ (Company), having submitted a bid for the referenced airport contract, advises that, contingent upon award of the contract to our company as Provider, we plan on Disadvantaged Business Enterprise (DBE) participation as follows:

DBE Subcontractors:

- 1) Name:  
Work to be performed:  
Dollar value:
- 2) Name:  
Work to be performed:  
Dollar value:
- 3) Name:  
Work to be performed:  
Dollar value
- 4) Name:  
Work to be performed:  
Dollar value
- 5) Name:  
Work to be performed:  
Dollar value

For this Contract, the total bid amount is \$\_\_\_\_\_. The DBE goal is 1.25% for FY 2019. The total dollar value of DBE participation listed above is \$\_\_\_\_\_, which is \_\_\_\_\_ % of the total bid amount. **A current updated copy of the DBE's UCA certificate must be submitted at the time of the bid.** The above-listed DBE(s) must be certified through UCA or the Tennessee State Uniform Certification Program. If you, the prime bidder, are certified as a DBE, the work you actually perform will be counted toward the DBE goal.

Sincerely,

**DRAFT CONCESSION AGREEMENT**

The Agreement document will be available to participants of the  
Mandatory Pre-Proposal Meeting at May 8, 2019.