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ADDENDUM #1

8/30/2022

REQUESTS FOR PROPOSALS
For
NON-EXCLUSIVE FOOD, BEVERAGE, AND
RETAIL CONCESSIONS

BISHOP INTERNATIONAL AIRPORT

G3425 W Bristol Road

Flint MI 48507

To: **All Potential Proposers**

From: Bishop International Airport Authority

Date: August 30, 2022

RE: Addendum #1 to Bishop International Airport Authority Request for Proposals for Non-Exclusive Food, Beverage, and Retail Concessions

Questions were submitted and clarifications requested. All comments and questions were reviewed and considered. They are summarized below. If a question or clarification was requested and resulted in no change to the RFP, it is because the Airport Authority did not believe it was in its best interest to make the change.

Only addendum can change the RFP document. If applicable, text to be deleted within a particular Section is ~~crossed-out~~. Text to be added is shown in ***bold italics***. No explanations or interpretations made orally will be considered binding. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered. Only that portion of the affected section is shown, all other portions remain unchanged.

*****ALL PROPOSERS ARE ADVISED THAT RECEIPT OF THIS ADDENDUM MUST BE DULY
ACKNOWLEDGED ON THE ACKNOWLEDGEMENT OF ADDENDA FORM*****

QUESTIONS/COMMENTS RECEIVED

Question 1. Is it possible to push the proposal deadline back two days to Wednesday? With a deadline on Monday at 10am, we cannot comfortably assume that FedEx will have the proposal there over the weekend.

Proposals will be accepted and may be submitted prior to the 10:00am September 26th deadline. Staff will begin reviewing proposals promptly on Monday, September 26th after the 10:00am deadline in preparation for updates to the Airport Authority Board Committees on Tuesday, September 27th and potential interviews with proposers in the weeks to follow.

Question 2. Is all the equipment listed on "Landside Restaurant Authority Owned Equipment List" in workable order?

As far as the Authority has been made aware, there currently is no equipment that is not in workable order.

Question 3. If there is any equipment that is not operational, will the Authority pay to have such equipment repaired or replaced?

If there is Authority Owned Equipment that is not operational, the Authority will replace such equipment as appropriate.

Question 4. The Hours of Operation are different in the Sample Concession Agreement than the Request for Proposal. Can we have flexibility for hours of operation, especially for the landside restaurant and coffee shop?

The Sample Concession Agreement with the RFP was included only as a sample. To provide a quality service to visitors of Bishop International Airport, the hours of operations identified in the RFP are those desired for visitors to obtain food service. If it is anticipated that different hours of operation or flexible hours would be more beneficial at particular locations, please include this information with the submitted proposal.

Question 5. The Monthly base fee is only 8% and reconciled at year-end in the Sample Concession Agreement. Is this correct?

The Sample Concession Agreement with the RFP was included only as a sample. Page 3 of the Sample Concession Agreement references 10% of gross revenues. Additionally, the Key Business Terms on Page 7 of the RFP should be referenced for minimum percentage rent rate. Typically, there is no year-end reconciliation needed as concessionaires usually pay only a percentage of revenue received without a required Minimum Annual Guarantee.

Question 6. The Term in the Sample Concession Agreement states that it starts 11/1/2022 and ends 11/30/2032. For the post-security areas, this is only a nine-year term. Currently, based on start date of 12/1/2023 and expiration date of 11/1/2023 for the airside area, the RFP is actually a 9-year contract. Can this be extended to a full 10-year contract?

It would be acceptable for the 10-year term to begin on 12/1/2023. This potentially would result in a longer than 10-year term for other locations within the Terminal Concessions Agreement that would take effect this year.

Question 7. Can we see a revenue history for the current and past concessions covered in this RFP?

See below for a historical review of revenue. Landside includes strictly the landside space and was closed in March 2020. The Airside includes both the bar and grill.

BISHOP INTERNATIONAL AIRPORT AUTHORITY			
RESTAURANT CONCESSIONS			
2012 THROUGH JULY 2022			
	LANDSIDE	AIRSIDE	TOTAL
2012	\$ 270,905.85	\$ 903,899.95	\$ 1,174,805.80
2013	249,305.52	928,494.25	1,177,799.77
2014	258,618.27	1,080,493.84	1,339,112.11
2015	217,854.44	1,046,523.51	1,264,377.95
2016	199,011.38	1,053,379.91	1,252,391.29
2017	202,571.55	1,102,075.26	1,304,646.81
2018	199,287.21	1,102,162.82	1,301,450.03
2019	175,718.52	996,786.72	1,172,505.24
2020	51,822.08	667,309.96	719,132.04
2021	-	1,061,960.70	1,061,960.70
2022	-	937,755.84	937,755.84

*****End of Addendum No. 1*****

Sincerely,

Christopher Yeates, A.A.E.

Christopher Yeates, A.A.E.
Chief Operating Officer
Bishop International Airport