REQUEST FOR PROPOSALS

LEASE & OPERATION OF FOOD, BEVERAGE, AND GIFT CONCESSIONS AT THE HELENA REGIONAL AIRPORT

ISSUED BY:

HELENA REGIONAL AIRPORT AUTHORITY 2850 MERCER LOOP HELENA, MONTANA 59602

PROPOSALS DUE: Friday August 19, 2022, 2:00 p.m.

The Helena Regional Airport Authority requests proposals from parties interested in entering a concession agreement to operate the Airport food, beverage, and gift concessions in the Airport Terminal at 2850 Mercer Loop, Helena, Montana.

Background

The Helena Regional Airport Authority owns and operates the Helena Regional Airport. HRAA is governed by a Board of seven Commissioners. The Airport complex is 1,400 acres in size and has a diverse mix of aviation activities including commercial air service, general and corporate aviation, a flight school, flying club, 23 based military aircraft, a large USFS air tanker base, an air ambulance company, and numerous private aircraft. The Airport also has a large presence of non-aeronautical activities which provide 48% of the Airport's revenue, including facilities leased to Boeing, Pioneer Aerostructures, the US Forest Service, the Department of Homeland Security, FAA, and numerous others. The Montana National Guard Army Aviation Support Facility is located within a half-mile of the Airport Terminal. The airport also owns and operates a regional fire training center and world class driver training/motorsports track. This facility brings hundreds of users to the community each year. On a typical day over 2,000 people work on the airport campus.

Commercial passenger services are provided by connections to three major hub airports:

Alaska Airlines – Seattle

Delta Air Lines – Salt Lake City

United Airlines – Denver

Restaurant/Bar/Snack Bar/Gift Shop Facilities, Utilities & Services

The "public-side" restaurant and bar facilities, along with a separate room that may be utilized as a gift shop, meeting room or office, consist of 2,510 square feet, including a full commercial kitchen, located on the main floor of the Terminal outside of the "secured area" where passengers wait to board their flights. The second restaurant and bar location is inside the secured area near the airline boarding gates and consists of a walk-up style food and beverage service and adjacent food court.

Airport-owned equipment, furniture and fixtures included within the leased facilities include:

Equipment

- (2) Refrigerated Back Bar Cabinets
- (1) Refrigerated Display Case / Countertop Style
- (1) Bottle Display
- (1) Chemical Storage Cabinet
- (2) Garbage Cans

(1)	Glasswasher
(1)	Knox Box
(1)	Salad/Sandwich Prep Refrigerator
(1)	Hand Sink
(1)	Refrigerated Work Top
(1)	Microwave/Convection/Impingement Oven
(1)	Wall Shelves
(3)	Wire Shelves
(1)	Soiled Dish Table
(1)	Pre-Rinse Faucet
(1)	Dishwasher (under counter)
(1)	Reach-In Freezer (Upstairs)
(1)	Reach-In Refrigerator (Upstairs)
(1)	Hobart Slicer
(1)	Rencillio Two Head Coffee Maker
(1)	Espresso Machine
(2)	Coffee Grinders
(1)	Dual Coffee Pot Warmers
(1)	Hobart Dishwasher
(1)	Beverage Air 54" Upright Freezer
(1)	Grill Top / Oven
(1)	Fryer
(1)	Ice Cuber with Bin

- (2) Ice Chest Bins
- (1) Stainless Steel Prep Table / Cooler

Furniture:

Chairs:

- (20) High Top Chairs
- (54) Regular Table Chairs

Tables:

- (2) 2X6 Tall Tables
- (2) 2X4 Tables
- (8) 3X3 Square Tables
- (2) 3X3 Tall Tables
- (3) 2X6 Tables
- (1) 2X2 Stainless Steel Table

- 1. <u>Operating Parameters:</u> The Airport Authority requires the operation of both the public side and the secure side restaurant and bar spaces during certain minimum hours specified below. The Authority also requires that the successful concessionaire provide on-site catering services within specified areas of the terminal. In addition, the concessionaire may at its option provide gift sales, gaming, and off-site catering services.
- 2. <u>Limits and Conditions, Utilities and Services:</u> The Airport provides basic utility infrastructure electricity, heat, water, sewage, and refuse collection. A monthly utility fee will be assessed in the amount of 1% of the concessionaire's gross revenues for the month. The concessionaire will be responsible for all routine maintenance and cleaning of the leased space and all equipment, furniture, and fixtures. The concessionaire schedules the quarterly exhaust hood system cleaning with a certified professional and is responsible to pay for that cleaning as part of the agreement terms. Concessionaire is also responsible for costs and installation of new signage, including large signage panels on Washington Street and Custer Avenue Intersections and signage internal to the terminal.
- 3. <u>Term of Agreement:</u> The term of the agreement is five (5) years. The concession agreement or contract will include language providing the concessionaire an option to renew the agreement for an additional period of five (5) years subject to a specified rent adjustment for the renewal term.
- 4. Liquor/Gaming License: The Helena Regional Airport will lease its all-beverage liquor license with catering endorsement to the concessionaire during the term of the agreement, provided the concessionaire is granted and maintains approval by the Montana Liquor Control Division to operate under the License. The Airport's liquor license also includes the ability to cater off-site within a limited area of approximately 100 miles from the Airport location. Concessionaire may also operate a limited number of gaming machines in the leased facilities, subject to approval of the Montana Liquor Control Division, Airport Authority, and compliance with all applicable legal and regulatory requirements including payment to the Airport Authority of a specified share of revenue generated or other payment as negotiated by the parties and permitted by Montana Law. The scope of gaming activity and the number and location of gaming machines will be always subject to the approval of the Airport Authority. Concessionaire is responsible for license application and for compliance with all applicable liquor and gaming laws and regulations.
- 5. Catering: The concessionaire may utilize the restaurant space for preparation of on-site and off-site catering. Concession fees will apply to all on-site catering and all off-site catering prepared at or using the Airport facility or equipment. A 6,700 square foot room located on the second floor of the terminal building and the approximately 300 square foot Sleeping Giant Room on the first floor may be used for on-site catered events that are pre-approved by the Airport Director. Use of these rooms will be subject to availability and a separate, additional fee will apply to such use. Parking for on-site events will also require pre-coordination to ensure that airline passenger operations are not hindered. Parking for on-site events will be subject to parking fees for the Airport's long-term parking area. Certain types of events, including political events, gun shows

allowing sale or display of weapons, and other types of events, are not approved uses of the event space. The liquor license also includes a catering endorsement, which may be used for off-site catering events within a limited area, subject to liquor license requirements and restrictions.

- 6. Rent/Fee Structure: The concessionaire must pay the Helena Regional Airport monthly rent of 10% of concessionaire's gross revenues for all sales occurring on the secure side of the terminal (including food, beverage, alcohol and gift sales), and 5% of gross revenues for all sales occurring outside the secured area, including on site and off site catering (including food, beverage, alcohol and gift sales), in addition to the utility fee of 1% of gross revenues and any applicable fee for gaming activities. The contract specifically defines "gross revenues."
- 7. Hours of Operation: At a minimum, the secure side space must be open 7 days a week including every holiday at least 90 minutes prior to all flight departures and continuing during flight delays to ensure the public has access to food and beverage services. The secure side space must also be open during flight diversions, but sales generated during flight diversions will not be included in gross revenues for rent calculations. The public side restaurant and bar must be open at least from 11:00 a.m. 3:00 p.m. 7 days a week. The Airport Authority encourages proposals that also serve the Airport staff, Airport area workers and the greater Helena community as a destination restaurant.
- 8. **Sole Operation:** To help ensure the success of the concessionaire's operations, the Airport will not permit another restaurant facility to locate and operate *within the Airport Terminal*. The Airport Authority has other commercial leasable property, and it may enter into agreements with other restaurant and beverage related businesses, but not inside the terminal building.
- 9. <u>Sublease Restrictions:</u> The Airport will not permit the concessionaire to sublease the restaurant facility without prior written approval of the Authority.
- 10. <u>Operations and Maintenance:</u> It is the responsibility of the Concessionaire to make any improvements at its sole cost and expense, subject to the prior approval of the Airport, and to operate and maintain the facilities in compliance with all relevant federal, state, and local codes, rules, and regulations.
- 11. CHRC Background Checks: Any individuals who work within the secured area are required to undergo a Criminal History Records Check and Security Threat Assessment evaluation prior to being allowed access to the secured area. Application for such clearance can be made in the Helena Regional Airport Administration office. This process, along with loss of or failure to return security badges, is subject to fees as specified in the contract.
- 12. **Security Deposit:** The Concessionaire will be required to deposit a refundable security deposit, in the amount of \$2,000 at the time the agreement is entered into.

- 13. <u>Disadvantaged Business Enterprise:</u> The concessionaire may be required to meet established goals for doing business with certified DBE's when purchasing supplies and support services, even if concessionaire is not a certified DBE.
- **14.** <u>Concession Agreement:</u> The Concession Agreement, which includes the contract terms, requirements, and conditions, is included as a part of this RFP. By submitting a proposal, proposer agrees that if it the successful proposer, it will enter into the Concession Agreement in the form attached to this RFP.

Response Elements

The response to the RFP must include the following information:

- Include a general business plan for operations and describe any plans for advertising or promoting operation to the public
- Describe any improvements planned by the concessionaire including remodeling, additional equipment, furnishings, etc.
- Name, address and telephone number, and email address of the respondent(s)
- Complete resume of respondent as well as all principal personnel who would be involved in the management and operation of the restaurant/bar/gift shop/snack bar facilities
- Financial statement of the respondent indicating sufficient resources available for the successful promotion, management, and operation of the facility
- Names, addresses and phone numbers of at least three (3) references with direct knowledge of the experience of the respondent and principals involved in the management of the restaurant/bar/gift/catering operation
- Every proposal must state affirmatively that the proposer has received and reviewed the Concession Agreement attached to this RFP as Appendix A and that the proposer will execute the agreement in such form if selected by the Authority
- Every proposal must be signed in the name of the proposer by an authorized individual and the title of such individual must be stated

Evaluation Criteria

Criteria for evaluation of responses to the Request for Proposals will include:

- Quality and Concept of Business Plan
- Quality and Level of Service to Anticipated Customers
- Experience of Owner and Operator
- Financial Capability
- References
- Innovative Ideas or Plans to Promote the Use of the Restaurant and other facilities

The Helena Regional Airport Authority will select the proposer whose proposal is determined to be in the Authority's best interests, based upon consideration of all relevant considerations and information.

The Helena Regional Airport reserves the right to reject all proposals and make no award. The Airport Authority may request additional information from proposers to clarify proposals or assist in selecting the successful proposer.

Proposals will be reviewed by the Restaurant Committee of the Helena Regional Airport Authority, who will make a recommendation to the Airport Authority. The Airport Authority will make the final selection at a public meeting of the Airport Authority.

Response Submission & Timetable

<u>PRE-PROPOSAL SITE INSPECTION WALK THROUGH</u>—A site tour / walkthrough will be available to any interested parties on <u>Wednesday August 10 at 10:00 a.m.</u> This will be the only opportunity to view the site so please attend this event if you are interested in seeing the space prior to submitting a response to this RFP.

Ten (10) hard copies of the RFP response must be submitted; <u>electronic copies will not be</u> <u>accepted</u>.

Submittals must be received **no later than 2:00 p.m. on Friday August 19, 2022** at the Helena Regional Airport Administration Office, 2850 Mercer Loop, Helena, MT 59602. *Regardless of cause, the Airport Authority will not accept late proposals. Such proposals will automatically be disqualified from consideration.* The Airport Authority's obligation to purchase, use or accept any service(s) is subject to final execution of contract documents.

Any one or more proposers may be asked to interview with the Restaurant Committee at a time to be determined.

Public Information

Subject to the exceptions noted below, all information received in response to this RFP, including copyrighted material, is public information. Proposals will be made available for public viewing shortly after the proposal due date and time. The exceptions to public disclosure of such information are: (1) bona fide trade secrets meeting the requirements of the Uniform Trade Secrets Act, Title 30, chapter 14, part 4, MCA, that have been properly marked, separated, and documented as such; (2) matters involving individual privacy as determined by the Airport Authority; and (3) other information deemed confidential under Montana law. Proposers must clearly identify any information contained in the proposal that the proposer deems to be trade secrets, matters of individual privacy, or otherwise protected from disclosure.

Questions and Additional Information

Any questions concerning this RFP should be addressed to Jeff Wadekamper, Airport Director, at 406-442-2821, or by email at jwadekamper@helenaairport.com.