

**LISTING OF PROPOSERS**

**FOR: REQUEST FOR PROPOSALS FOR FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL**

RFP No. 12300507  
RFP Opening: 01/17/2023

**PROPOSERS**

(In alphabetical order)

**TOTAL PROPOSAL AMOUNT**

1. SSP America  
20408 Bashan Drive, Suite 300  
Ashburn, VA 20147

Schedule no. 1: \$5,786,290.00  
Schedule no. 2: \$0.00

2. Hudson Group  
One Meadowlands Plaza East  
Rutherford, NJ 07073

Schedule no. 1: \$6,696,546.00  
Schedule no. 2: \$2,806,244.00

Each proposer has agreed to allow the City one hundred twenty (120) days from date proposals were opened to accept or reject their proposal.

**DEPARTMENT CONCLUSIONS AND RECOMMENDATION:**

Award a contract in the amount of \$5,786,290 for Food & Beverage Concessions to SSP America and \$2,806,244 to Hudson Group for News & Convenience Concessions in accordance with the Selection Committee recommendation.

Reject all proposals. Reason:

Remarks:

Department Head Approval



Henry Thompson, A.A.E., C.A.E., IAP

Title Director of Aviation

Date March 10, 2023

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Approve Dept. Recommendation

Approve GSD/Purchasing Recommendation

Disapprove

Disapprove

See Attachment

GENERAL SERVICES DEPARTMENT

CITY MANAGER

*msperal*  
Purchasing Manager      03/13/2023  
Date

*[Signature]* 3/21/23  
City Manager or Designee      Date

*Brian Barr*      Mar 13, 2023  
Brian Barr (Mar 13, 2023 10:08 PDT)  
General Services Director      Date

## **RFP COMMITTEE REPORT**

### **REPORT FROM EVALUATION COMMITTEE REQUEST FOR PROPOSALS FOR FOOD & BEVERAGE AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL RFP No. 12300507**

#### **COMMITTEE MEMBERS:**

MELISSA GARZA-PERRY – Airports Properties Manager, City of Fresno,  
Airports Department  
MICHAEL VASQUEZ- Airports Properties Supervisor, City of Fresno, Airports  
Department  
MARCOS AYALA - Airports Properties Specialist II, City of Fresno, Airports  
Department  
NICHOLAS CONLEY - Airports Properties Specialist II, City of Fresno, Airports  
Department  
SEVAN GHAZARIANS – Airports Operations Officer Supervisor, City of Fresno, Airports  
Department  
RICHARD MADRIGAL, Airports Projects Supervisor, City of Fresno, Airports Department  
ROXANN FAVORS, Assistant Aviation Director/Chief Revenue Officer, Phoenix Sky  
Harbor International Airport  
ANGELA HOURIGAN, Manager, Properties and Commercial Development, Sacramento  
County Department of Airports

#### **FACILITATOR:**

TAMRA TORRENCE - Senior Procurement Specialist, General Services Department

#### **BACKGROUND**

The City of Fresno, Airports Department (hereinafter "Airport") is soliciting proposals to manage and operate Food & Beverage and News & Convenience Concessions at Fresno Yosemite International Airport. This RFP is to provide Food & Beverage and News & Convenience concessions to incoming and outgoing passengers at Fresno Yosemite International Airport's (FAT) terminal building. This RFP is for two separate concession agreements. Each agreement will have a term of fifteen (15) years. These agreements will be awarded to the Proposer(s) deemed to be the best value for the City of Fresno, Airports Department.

The selection committee determined that interviews were needed to clarify proposed concepts for Food & Beverage and News & Convenience concessions within FAT's terminal. It was determined that not all concepts presented would fit and would require negotiations in order to make a sound business judgement and obtain the best concept for FAT's passengers.

## **SIGNIFICANT EVENTS**

Workshop Presentation to Council – March 24, 2022  
Community Outreach – April 26 – May 3, 2022  
Bid Release – October 5, 2022  
Pre-Bid Onsite Meeting – November 15, 2022  
Bid Opening - January 17, 2023  
Committee Meeting – February 22, 2023  
Bidder Interviews – February 23, 2023  
Final Committee Evaluation- February 23, 2023

## **EVALUATION FOR SELECTION PROCESS AND EVALUATION CRITERIA**

The following Evaluation Criteria was established to accomplish the goals and objectives of this RFP and to enhance the passenger experience at FAT. The selection process will include a detailed evaluation of how well the Proposals meet the goals, objectives and RFP requirements set forth herein. The sections and total eligible points will reflect:

### **1. Minimum Qualifications [Pass/Fail]**

- A. At least three (3) years of continuous experience in the last five (5) years owning and/or operating a News/Convenience store with gross sales above \$500,000 annually and at least three (3) years of continuous experience in the last five (5) years owning and/or operating multi-unit Food & Beverage concepts with gross sales above \$1M annually. If a Proposer is submitting a proposal on either the News/Convenience package or the Food & Beverage package, they must meet the Minimum Qualifications for that particular package.
- B. Meet the ACDBE requirements to satisfy the FAA guidelines.
- C. A signed Letter of Authorization from the Brands/Concepts being proposed for EVERY location.
- D. For local Brands/Concepts that have been licensed, a letter from the business entity affirming that they were afforded the opportunity to join the Proposing Entity as a Joint Venture Partner or Sub-tenant of the Proposing Entity.
- E. Submit a Proposal Guaranty or Proposal Bond.
- F. Standard Minimum Qualifications:
  1. Registered to do business in the State of California;
  2. Obtained (or ability to obtain) an ABC License from the California Department of Alcoholic Beverage Control (as applicable);
  3. Obtained (or ability to obtain) a City of Fresno Business License & Tax Certificate;
  4. Obtained (or ability to obtain) a Fresno County Environmental Health Department Permit;

5. Registered with the Airport as a Supplier;
  6. Ability to obtain insurance coverage and limits, as required;
  7. Not listed on the California Convicted Vendor List and;
  8. Not listed on the California Scrutinized List of Prohibited Companies.
- G. Meet ADA Compliance Guidelines.

Accessibility Requirements: Supplier warrants that it complies with California and federal disabilities laws and regulations; and the Services will conform to the accessibility requirements of WCAG 2.0AA. Supplier agrees to promptly respond to and resolve any complaint regarding accessibility of its Services. The City may require proposer to comply with these accessibility requirements if they are awarded an agreement.

## **2. Concept and Design [20 points]**

Proposers shall include, as a part of their Tab 3 submittal, the following items for each space included in the proposal, which will then be evaluated as set forth below:

Storefront renderings; interior renderings; floor plan renderings. For Food & Beverage locations, menus with pricing shall also be included. Menus should reflect three-day part service, include examples of value meals to be offered, and include pricing current as of the proposal submittal due date.

### **A. The Spirit of the San Joaquin Valley (Sense of Place):**

1. Reflective of the airport region, through its environment, culture, diversity, and historical attributes, which travelers recognize and appreciate;
2. Reflective of the flavor of the San Joaquin Valley region through iconic businesses and/or products;
3. Identifying opportunities for the sourcing and/or sale of manufactured or agricultural products with strong ties to the San Joaquin Valley region.

### **B. Brands and Concepts**

1. Proposed concepts appeal to passengers;
2. Provides a wide variety of merchandise and price points, including a value meal option at each location of Food & Beverage;
3. Strong presence of local brands and concepts within proposed Food & Beverage program; and
4. Capital investment by location.

C. Interior and exterior design with renderings and floor plan layouts, specifically showing the integration of local brands, concepts and design influences.

D. Use of emerging and innovative technology.

E. On-going methodologies for staying current with market trends.

### **3. Financial Plan [10 points]**

- A. Financial Compensation Proposal:
  - 1. Pro Forma Development
    - a. Key Assumptions
- B. Capital Investment Plan:
  - 1. Capital Capacity
  - 2. Sources of funding
- C. Financial Capability:
  - 1. Fund continuing operations
  - 2. Net worth to successfully perform the proposal
  - 3. Historical Financial Information

### **4. Management Experience [35 points]**

- A. Company Background & Experience.
- B. Employee Development and Advancement Opportunities:
  - 1. Employee Retention Plan;
  - 2. Training programs;
  - 3. Employee recruitment plan (including hiring from existing labor pool as further detailed in the Special Conditions section, #4 under Employee Retention);
  - 4. Employee standards and expectations.
- C. ACDBE Plan:
  - 1. Development of ACDBE partners;
  - 2. Management of ACDBE partnerships.
- D. Outreach Plan:
  - 1. Description of outreach efforts to include Local concepts and brands.
  - 2. Description of teaming opportunities explored with Local Businesses.

### **5. Operations Plan [25 points]**

- A. Phasing and Temporary Program from current program to new program without interruption of services to passengers at existing locations.
- B. Staffing Plan:
  - 1. Staffing levels and schedules;
  - 2. On-site general manager, regional manager, and other key management/culinary staff experience;
  - 3. Support to the operations from corporate headquarters.
- C. Logistics & Maintenance Plan:
  - 1. Store standards such as cleanliness of the location and orderly display of merchandise;
  - 2. Facility maintenance, repair, and on-going upkeep;

3. Merchandise replenishment and inventory logistics and control;
4. Concept specific quality assurance procedures and product or service guarantees.

D. Disaster Minimization Plan.

**6. Customer Service & Marketing Plan [10 points]**

A. Customer Service Plan:

1. Customer service standards and training;
2. Customer service assurance procedures and guarantees.

B. Customer Communication and Product Offer:

1. Staying current with market trends for products or services;
2. Achieving sales growth through marketing and promotion.

C. Sustainability Plan:

1. Environmental/Recycling Plan;
2. Ties to the Community.

**EVALUATION DETERMINATION**

The Committee selected a two-step evaluation and interview process to ensure the Proposers were provided with an opportunity for a full and open competition.

**COMMITTEE NOTES**

**Food & Beverage (F&B)**

**SSP** – SSP is presenting as a new Concessionaire to FAT. They have experience at airports such as Oakland, LAX, Sacramento, and San Jose in the state of California to name a few. SSP provided an overall thorough proposal and program that followed the RFP request of local environment and flavor. SSP showed a strong community outreach program as part of their ACDBE presence, not only on the concessionaire side, but on the trades side as well for the work that will take place in the terminal to complete the proposed locations. SSP presented a strong employee retention program to engage and keep as many of the current employees in place during a transfer of concessionaires and further giving them the first opportunity to join the SSP team at FAT. SSP has a strong ACDBE program that will allow the Airport to exceed its proposed ACDBE goal of 13%, at their 30% ACDBE participation in the grab and go programs at FAT. The Woman-Owned ACDBE operator, TNT Concessions LLC, is owned and operated by Nikki Shaw and Terri Frierson. Together Nikki and Terri bring 25+ years of DBE/ACDBE experience to the table. At FAT they will handle the Baby Duck, Peet's Coffee and Ike's Sandwiches locations. Additionally, the bid documents provided by SSP provided key capital investment amounts to the FAT Terminal. The proposed concepts were within what was requested as a part of the RFP. While some of the concepts i.e., Mad Duck, Baby Duck, Peets Coffee, Ike's Sandwiches will be brought in as a part of the bid, not all concepts presented will be incorporated into the terminal, it is a good starting point for discussion.

**HUDSON** – Hudson, who is now teamed up with HMS Host, as the parent company submitted a combined Food & Beverage (F&B) and News & Convenience (N&C) bid.

HMS Host is the current concessionaire in the FAT terminal and has been operating as the sole F&B concessionaire for 20+ years. The bid presented as the one company, all under Hudson. Hudson showed strong community outreach with the brands that they want to bring into the airport, but no distinct direction. The ACDBE program was presented at 13% and was all carried through the News & Convenience program. The ACDBE operator, Martinez-Niebla, LLC, is owned and operated by Ruben Marinez, Trisha Sanchez, and Tony Sanchez. Mr. Martinez is the son-in-law to Cesar Chavez. Together, Martinez-Niebla LLC, bring 20+ years of DBE/ACDBE experience to the table. At FAT they will handle the Hudson News/Brookstone location. Nothing presented on the F&B side with ACDBE. Bid documents showed strong capital investment into the terminal, but the concepts lacked the depth needed for the airport to showcase the community. The concept of Fresno Street Eats has potential, but lacked the follow through on how the concept would succeed or the type of food it would carry. While Starbucks is a staple that most people appreciate, it cannot be used to carry an entire F&B program. The Plum Market concept is confusing for the passenger and does not provide the sit-down service that passengers are looking for at FAT. Nothing beyond the current terminal was presented.

### **News & Convenience (N&C)**

**HUDSON** - Hudson presents as the current concessionaire for N&C at the FAT terminal and has been operating as the sole N&C concessionaire for 20+ years. Hudson showed strong community outreach with the brands that they want to bring into the airport, but no distinct direction. The ACDBE program was presented at 13% and was all carried through the News & Convenience program. The ACDBE operator, Martinez-Niebla, LLC, is owned and operated by Ruben Marinez, Trisha Sanchez, and Tony Sanchez. Mr. Martinez is the son-in-law to Cbesar Chavez. Together, Martinez-Niebla LLC, bring 20+ years of DBE/ACDBE experience to the table. At FAT they will handle the Hudson News/Brookstone location. The individual local brands presented in the F&B submittal can be carried in the N&C locations. While most of the concepts presented remain unchanged as they currently exist, Hudson is bringing in the Brookstone brand, a lifestyle and technology concept, in the post-screening area, and Einstein Brothers Bagels in the prescreening area to provide both coffee and grab and go options to meeters and greeters at the terminal. Hudson is a trusted brand in travel essentials and will work with the F&B concessionaire to allow for an integrated design in all locations in the terminal.

### **SUMMARY RECOMMENDATION**

Based upon the bid documents, bidder interviews, and reference checks, the Committee recommends: (1) the Food & Beverage Concessions Agreement to SSP; and (2) the News & Convenience Concessions Agreement to Hudson. The Committee feels SSP provided the best program for F&B at FAT and that Hudson provided the best program for N&C at FAT. The bid documents and interviews show that these recommendations are the best fit for FAT and the City.

RFP 12300507  
Committee Ranking

	Angela Hourgain	Michael Vasquez	Richard Madrigal	Marcos Ayala	Nicholas Conley	Roxann Favors	Sevan Ghazanians	Melissa Garza-Perry	Total	Average	RANK
<b>SSP (F&amp;B)</b>											
MQ's (P/F)	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass			
Concept & Design (20)	20	19	20	18	18	17	18	18			
Financial Plan (10)	8	8	10	8	10	10	9	10			
Management Experience (35)	35	31	35	33	33	30	32	33			
Operations Plan (25)	25	19	25	24	24	20	23	22			
Customer Service & Mktng (10)	10	9	10	7	9	7	8	10			
<b>Total</b>	<b>100</b>	<b>86</b>	<b>100</b>	<b>90</b>	<b>92</b>	<b>84</b>	<b>90</b>	<b>93</b>	<b>735</b>	<b>91.875</b>	<b>1</b>
<b>Hudson (F&amp;B and N&amp;C)</b>											
MQ's (P/F)	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Pass			
Concept & Design (20)	10	15	8	12	15	10	0	10			
Financial Plan (10)	10	7	8	6	8	10	0	9			
Management Experience (35)	25	26	25	30	29	25	0	20			
Operations Plan (25)	20	17	15	20	20	15	0	20			
Customer Service & Mktng (10)	8	8	6	6	8	8	0	7			
<b>Total</b>	<b>73</b>	<b>73</b>	<b>62</b>	<b>74</b>	<b>80</b>	<b>68</b>	<b>0</b>	<b>66</b>	<b>496</b>	<b>62</b>	<b>2</b>
<b>Hudson (N&amp;C)</b>											
MQ's (P/F)	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass			
Concept & Design (20)	18	16	15	15	17	17	17	16			
Financial Plan (10)	10	8	8	7	8	10	8	9			
Management Experience (35)	35	30	25	33	30	25	30	30			
Operations Plan (25)	25	20	25	24	24	18	22	19			
Customer Service & Mktng (10)	10	9	8	7	9	8	8	10			
<b>Total</b>	<b>98</b>	<b>83</b>	<b>81</b>	<b>86</b>	<b>88</b>	<b>78</b>	<b>85</b>	<b>84</b>	<b>683</b>	<b>85.375</b>	<b>1</b>

**Food & Beverage Pick:** SSP  
**News & Convenience Pick:** Hudson Group

There will be two separate concessionaires operating at FAT for Food & Beverage and News & Convenience.