



SACRAMENTO INTERNATIONAL AIRPORT

Food & Beverage Terminals A & B

July 7, 2023

Request for Proposals SMF Food & Beverage 2023

PREPARED BY
Sacramento County Department of Airports

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SECTION 1: INTRODUCTION

DIRECTOR'S WELCOME



Dear Prospective Bidder,

We are excited to invite you to submit a proposal for food and beverage concession opportunities at Sacramento International Airport (SMF). This is a unique chance to be part of creating a vibrant and diverse dining experience for our passengers and visitors for many years to come.

The Sacramento County Department of Airports team is committed to ensuring that the experience at SMF reflects our mission, vision, and values—which starts with the customer and ends with delivering an experience that is uniquely representative of all that makes Northern California so special.

During this process, we are looking for partners to bring innovative, quality food and beverage concepts that will enhance SMF's image and reputation. Together, we also want to meet the needs and preferences of our diverse customer base – which includes travelers as well as the 4,000+ employees who work at SMF.

We understand that requests for proposals (RFPs) are time intensive. Accordingly, we encourage you to review this document carefully, attend the required pre-proposal meeting, and ask questions. Finally, please closely follow the instructions and guidelines in the RFP document to ensure that your proposal is complete and responsive before submitting your proposal package by the October 13, 2023 deadline.

We are excited to receive your proposal and learn more about your food and beverage vision for Sacramento International Airport. Thank you for your time and effort in preparing your proposal.

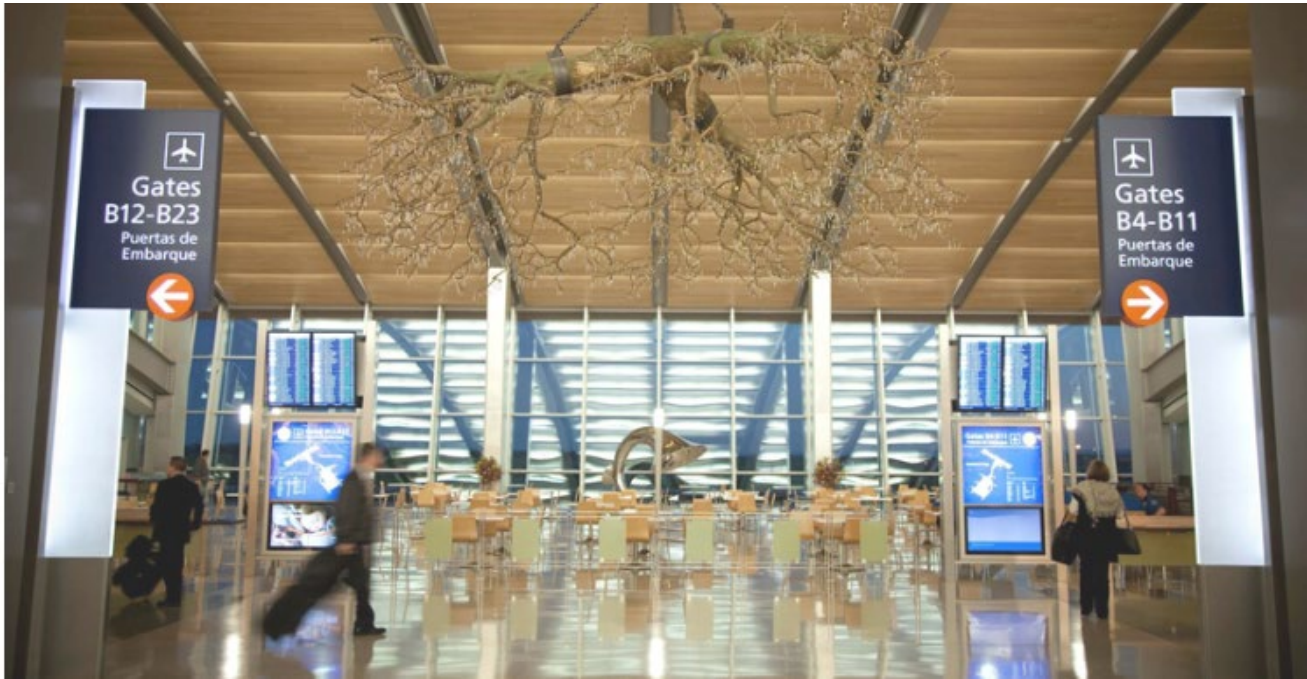
Sincerely,

Cindy Nichol
Director of Airports

**Our
customers
are our top
priority and
everything
we do should
help us in
delivering an
experience
that makes
the
passenger
feel at home.**



PROGRAM INTRODUCTION



The Sacramento County Department of Airports (SCDA, County, or Department) invites qualified food and beverage (F&B) operators to submit proposals for high-quality services at Sacramento International Airport (SMF, the Airport). The goal is to create a program that reflects the region's identity as "America's Farm-to-Fork Capital", meeting customer needs and preferences at different price points, exceeding their expectations by surprising and delighting them with high-quality food and service, offering a variety of choices and options, making them feel valued and appreciated, and resulting in an overall enhanced Airport experience.

The Department also seeks long-term partnerships with operators who share its mission and vision of being "the most loved airport" by "putting people at the center of every trip, every experience, every day".

Ideal operators will offer innovative and diverse concepts that showcase local, regional, national, and international cuisines, while supporting Farm-to-Fork principles utilizing fresh, seasonal, and sustainable ingredients.

Additionally, operators should use technology to improve service, convenience, and efficiency. Examples include remote ordering, dynamic menus, mobile payment, and digital signage. Operators will provide professional and exceptional service to customers, fair wages and benefits to employees, and opportunities for small and disadvantaged businesses.

Operators will also comply with the County’s environmental and sustainability goals, such as reducing waste, energy consumption, and greenhouse gas emissions. This Request for Proposal (RFP) document provides the project details, requirements, criteria, timelines, and guidelines applicable to the preparation of a complete and responsive proposal.

We look forward to your proposals and working with you on this opportunity.

SMF MISSION AND VISION

SMF Mission & Vision

Our Mission:

To put people at the center of every trip, every experience, every day.

Our Vision:

To be the most loved airport.

SMF Values

Start With the Customer

Our passengers are our top priority and everything we do should help us in delivering an experience that makes them feel at home.

Make Something Better Today

We refuse to settle for the way things are and see every day as an opportunity to improve.

Collaborate

We are stronger together. We’re able to accomplish more for our customers and each other through shared goals and mutual support.

Be Transparent

We communicate internally and externally with unwavering candor, honesty, and respect.

Own It

We are a team of doers. We take pride in what we do and we take responsibility for the opportunities placed before us.



PROGRAM GOALS

The Airport is in the heart of Northern California, making it the perfect access point to countless world-class destinations such as Napa Valley, Lake Tahoe, the San Francisco Bay Area, and Yosemite National Park. With the region’s abundance of local produce, more than 50 local breweries, and over 200 wineries; our restaurateurs love showcasing why “America’s Farm-to-Fork Capital” is buzzing with things to taste, see, and savor – and the Airport brings it all close enough to touch.

The Airport’s new Food and Beverage Program is focused on achieving the following goals:

Experience	Choose partners who excel in customer service and share our vision of SMF as a gateway to Northern California and the Sacramento Region’s Farm-to-Fork movement. Provide a variety of dining options that showcase local, regional, and national cuisines and reflect the diversity and preferences of our customers.
Value	Offer menus that cater to different budgets and preferences, providing real value for economy-minded customers as well as elevated experiences for discerning customers. Include options for individuals with specific dietary needs and healthy and sustainable choices at fair prices.
Opportunity	Create a fair and inclusive environment with true opportunity for large, small, and ACDBE concessionaires to participate directly in the concessions program at SMF. Promote a culture that offers quality jobs with fair compensation and benefits for employees. Support local businesses and suppliers that contribute to the economic development of the region.
Innovation	Foster a progressive business environment that embraces new agile business terms, practices, and technologies that enhance flexibility, adaptability, and responsiveness. Implement a data-centric approach to program management that leverages analytics, insights, and feedback to optimize performance, quality, and customer experience.



RFP TIMELINE

Activity	Date	Time
RFP Published	July 7, 2023	
RSVP for Virtual Pre-Proposal Conference Deadline	July 25, 2023	2:00pm PDT
Required Pre-Proposal Conference	July 26, 2023	10:00am PDT
Optional Site Visit	July 27, 2023	10:00am PDT
Deadline for Questions	August 4, 2023	2:00pm PDT
Addenda Responses to Questions Posted	August 11, 2023	
Proposals Due	October 13, 2023	2:00pm PDT
The following events are reference placeholders only		
Selection Committee Evaluation of Proposals	Week of October 23, 2023	
Interview of Finalists (if necessary)	Week of November 6, 2023	
Recommendations to Director	November 20, 2023	
Recommendations to Board of Supervisors	January 23, 2024	
Agreement Signing, Design Review, Permitting & Construction	February 2024 & beyond	

The Department reserves the right to modify, at its sole and absolute discretion, this schedule and any specific time-of-day deadlines, including the selected Proposers' agreement start date.



RFP CONSTRUCTION TIMELINE

The redevelopment of 18+ restaurant locations at SMF will involve a complex and coordinated construction schedule, which will be managed by the Department.

The construction is planned to occur in four phases from early 2024 to early 2026, subject to the completion of individual projects.

The Department's goal is to maintain high customer service levels at the Airport during construction, which is why only a limited number of spaces will be allowed to close for construction at any given time. To further enhance customer service levels, proposers may be allowed to operate temporary sales outlets outside of the construction areas, subject to approval by the Director of Airports.

RFP Context & Construction Timeline			2023	2024	2025	2026
SMF F&B 2024 RFP Solicitation Process						
Initial Permitting						
CA2765	Phase 1	Starbucks**				
CA2233	Phase 1	Nationally branded fast food				
CB2371	Phase 1	Open ended				
CB2268	Phase 1	Mexican / cantina				
CB2360	Phase 1	Locally branded coffee				
CA2238*	Phase 1	Asian, fusion				
CA2275	Phase 1	Fruit, fusion				
CB Kiosk	Phase 1	Fruit, fusion				
CA1057	Phase 2	Starbucks**				
CB2234	Phase 2	Nationally branded fast food				
CB2238	Phase 2	Locally branded full-service				
CA2200*	Phase 2	Soup, salad, sandwich				
CB2401	Phase 3	Soup, salad, sandwich				
CB2374	Phase 3	Asian, fusion				
CA2230*	Phase 3	Locally branded full-service				
CB2377	Phase 3	Pizza, Italian fare				
CB2464	Phase 4	Starbucks**				
CB2476	Phase 4	Full-service sit-down				

*Multiple rooms

**Preferred brand



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SECTION 2: BACKGROUND INFORMATION

REGION INFORMATION



The Greater Sacramento Area has it all.

We have a vibrant capital city; a diverse and dynamic population; a rich and varied history; a thriving and innovative economy; top-tier food, wineries, and breweries; multiple professional sports venues; and a stunning natural environment. The region features parks, rivers, lakes, and miles of bike trails. It is centrally located between the San Francisco Bay Area, the Central Valley, and the Sierra Nevada mountains.

The Greater Sacramento Area is a metropolitan region in Northern California comprised of seven counties (defined as the Sacramento–Roseville Combined Statistical Area by the U.S. Census Bureau) covering approximately 7,287 square miles: **El Dorado**, a gateway to the Sierra Nevada mountains and Lake Tahoe; **Nevada**, home to historic towns preserving the California Gold Rush and known for scenic beauty and outdoor recreation; **Placer**, a scenic area with a storied history and outdoor recreation; **Sacramento**, the state capital and center of the California Gold Rush, its beautiful scenery with parks and waterways, a vibrant cultural hub offering museums, art and music festivals, a Farm-to-Fork movement celebrating local and fresh food at a plethora of well-known local restaurants; **Sutter** and **Yuba** Counties, both dating back to 1850, are known for agricultural production and outdoor recreation; and **Yolo**, a fertile agricultural land and home to the innovative University of California, Davis.

Neighboring counties include Washoe (NV) to the east, Amador and San Joaquin to the south, and Napa, Contra Costa, and Solano to the west, supplying the Greater Sacramento Region access to some of the best destinations on the West Coast.

Source: U.S. Census Bureau, 2021 American Community Survey, 1-Year Estimates



Farm-to-Fork Capital

Sacramento, the capital of California, is also the home of America's Farm-to-Fork movement. This movement celebrates the region's rich agricultural heritage and culinary diversity, which are reflected in the fresh, local, and seasonal food that is available in Sacramento. The region boasts over 1.5 million acres of farms and ranches that grow more than 160 crops, ranging from fruits and vegetables to grains and nuts to dairy and meat. Sacramento's chefs and restaurants use these ingredients to create dishes that showcase their creativity and excellence, resulting in several proud owners of Michelin stars for their Farm-to-Fork cuisine.



Sacramento is also home to a vibrant and diverse beer and wine culture that reflects its history and geography. Even before Prohibition, the region was regarded as a top hops-growing area, and now boasts more than 50 breweries that offer a range of styles and flavors. You can find hoppy IPAs, smooth porters, crisp lagers, fruity sours and more at the many brewpubs and breweries in the city and its suburbs. The region is also home to countless wineries that produce award-winning wines. You can explore the terroir and history of El Dorado, Placer, Yolo, or Sacramento County by sampling their bold reds, refreshing whites, sparkling wines, and dessert wines.

But farm-to-fork is not just about eating and drinking. It's also about learning, exploring, and having fun. That's why Sacramento hosts the annual Farm-to-Fork Festival to celebrate the region's food and agriculture with a variety of activities and attractions. You can enjoy live music, cooking demonstrations, wine and beer tastings, interactive exhibits and more. You can also interact with the farmers, chefs, winemakers, and brewers who create the region's delicious food and drinks. The festival is a fantastic opportunity to learn, explore and have fun with Farm-to-Fork. In addition to the festival, there are other Farm-to-Fork events in Sacramento that you can attend, such as the Tower Bridge Dinner, the Legends of Wine, and the Farm-to-Fork Street Festival.

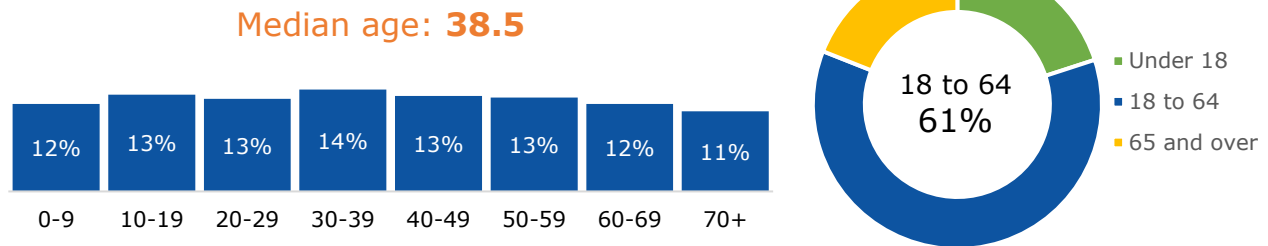
Farm-to-Fork has many benefits and is a great way to enjoy food that is good for you, good for the planet, and good for the local community. By sourcing food locally, you can reduce your carbon footprint, support the local economy and community, and get food that is fresher and more nutritious.



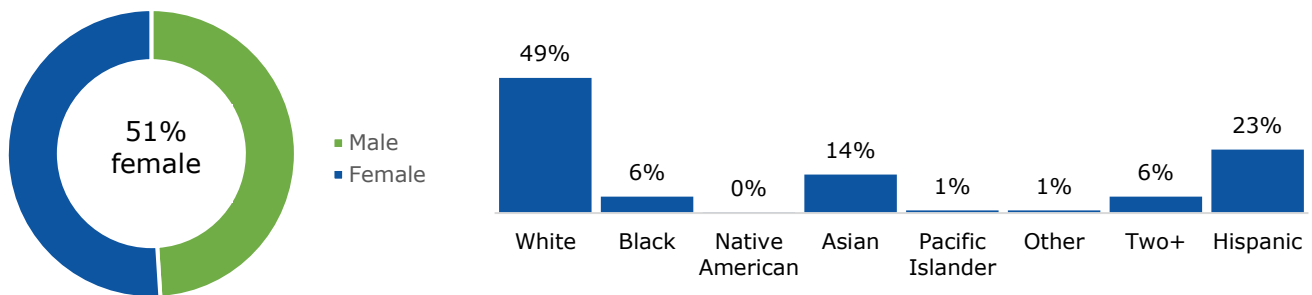
Demographics

The Greater Sacramento Region is home to approximately 2.7 million diverse residents as of 2021 and continues to grow.

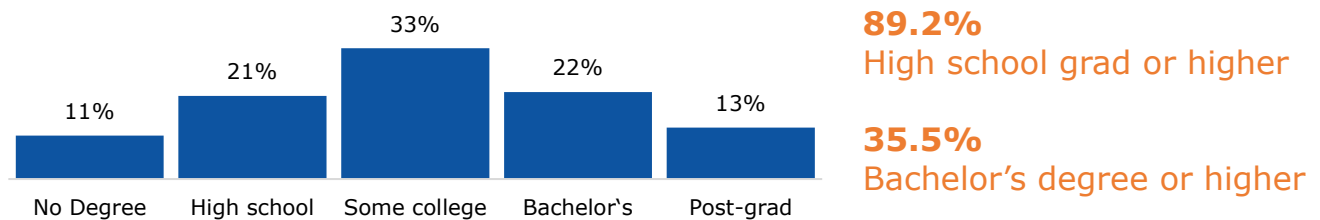
Population by age range



Race and gender



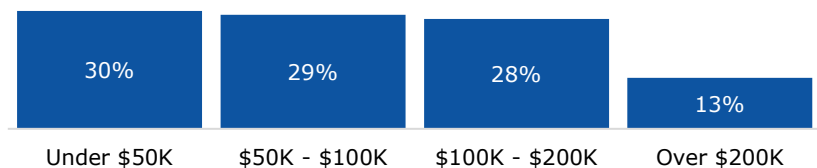
Education



Household income

\$40.2K
Per capita income

\$82.5K
Median household income



Source: U.S. Census Bureau, 2021 American Community Survey, 1-Year Estimates



AIRPORT INFORMATION

Department Overview

The Department is responsible for planning, developing, operating, and maintaining the airports that comprise the Sacramento County Airport System (SCDA):

- Sacramento International Airport (SMF)—Commercial passenger traffic
- Mather Airport (MHR) —Air cargo and general aviation
- Executive Airport (SAC)—General aviation
- Franklin Field (F72) —General aviation and training activities

SCDA is a self-supporting, enterprise fund of the County that is not supported by the County's General Fund. No local tax dollars are used to fund or operate SCDA airports. Airport tenant and user rents, fees, and charges support the operating and capital budgets for the airports.

The Food and Beverage Program contributes to the financial sustainability of SCDA, as it generates revenue from airport tenant and user rents, fees, and charges.

General Information

SMF opened in 1967 with one runway and five carriers. The Airport now occupies nearly 6,000 acres, has two widely spaced parallel runways, and offers more than 140 daily nonstop flights on 13 domestic and international carriers to 41+ destinations. The Airport's economic impact on the area is approximately \$4 billion per year. The Federal Aviation Administration (FAA) ranked the Airport as the 40th busiest airport in the United States based on enplanements in 2019 and 37th in 2021 (2022 data not yet available as of this writing). Approximately 4,000 people are employed at the Airport.

The Airport is served by Interstate 5 and Highway 99, and is located approximately 12 miles from downtown Sacramento – just 15 freeway minutes to the capital of California and the hub of government and commerce within the Greater Sacramento Region. Located adjacent to the Airport is Metro Air Park, consisting of 1,300+ acres of fully entitled and zoned commercial, industrial, manufacturing, distribution, office, and R&D space.

Airport Data

The Airport, which is classified as a medium air traffic hub by the FAA, is the primary commercial airport facility serving Sacramento County and its seven



neighboring counties. SMF also draws passengers from a 15 county outlying area that comprises a secondary air service area. The Airport primarily serves origin-destination passengers. In 2022, an estimated 92% of enplaned passengers were origin-destination passengers. (Source: Airline Data, Inc.)

According to the most recent passenger survey conducted in the 4th quarter of 2018, business travelers account for approximately 49% of the Airport's passenger traffic. The remaining 51% were leisure travelers.

Terminal Facilities and Services

Two airline terminals (Terminal A and Terminal B) provide a total of 31 jet-level boarding gates. Both terminals offer post-security coffee, newsstand, specialty retail, and food and beverage concessions services. Terminal A has pre-security coffee concessions and Terminal B offers pre-security coffee, news, and specialty retail services.

Wi-Fi Internet access is available to the public free of charge throughout both terminals. Language services for non-English speakers, disabled access, accommodations, and services including AIRA (a visual interpretation service for the visually impaired) are provided throughout the terminals.

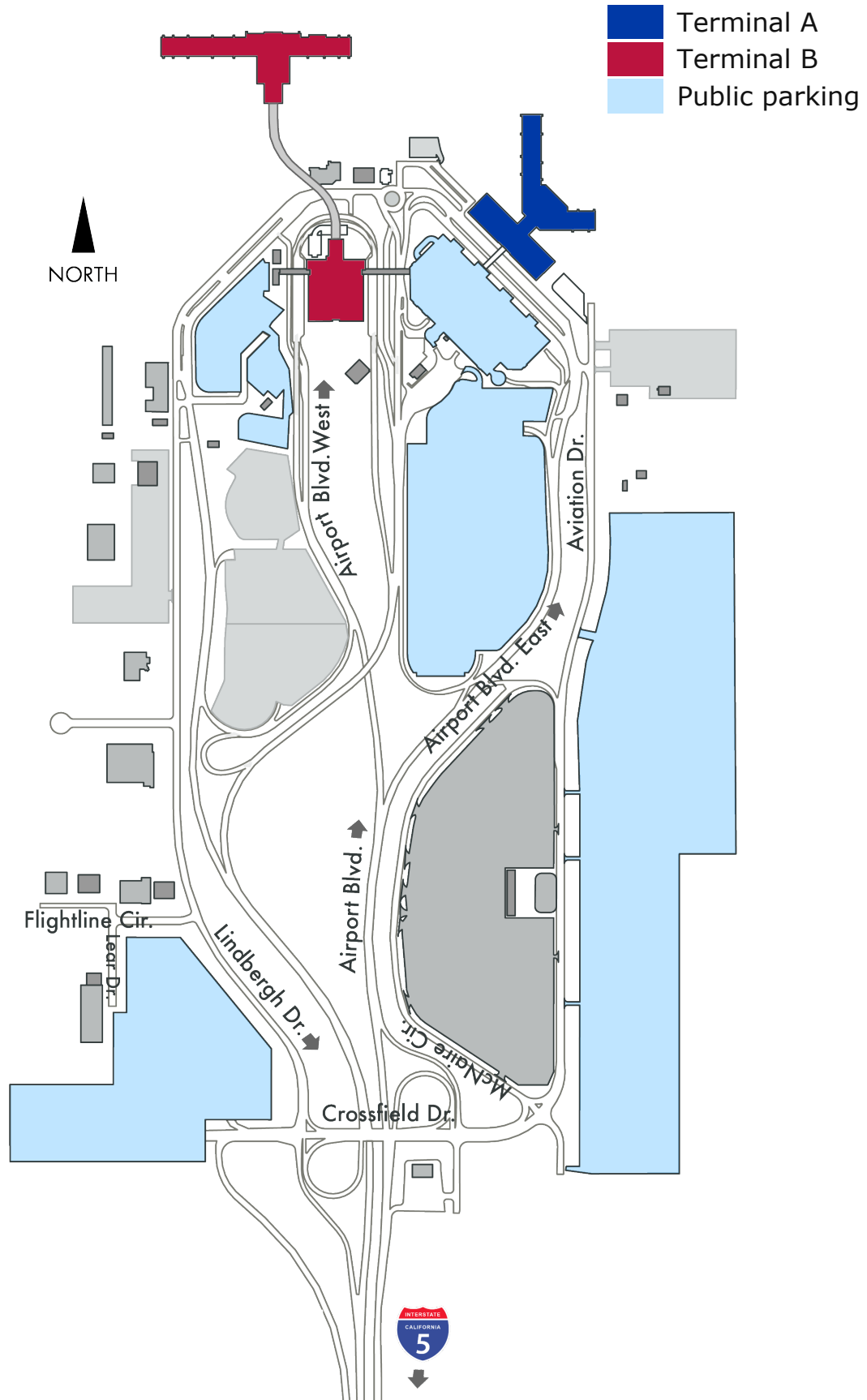
The Airport provides nursing lounges and pet relief areas post-security in both terminals as well as courtesy phones, vending machines, and pre- and post-security ATMs in both terminals. Across the Airport, passengers and visitors can view art collections from internationally renowned artists.

Ground Transportation

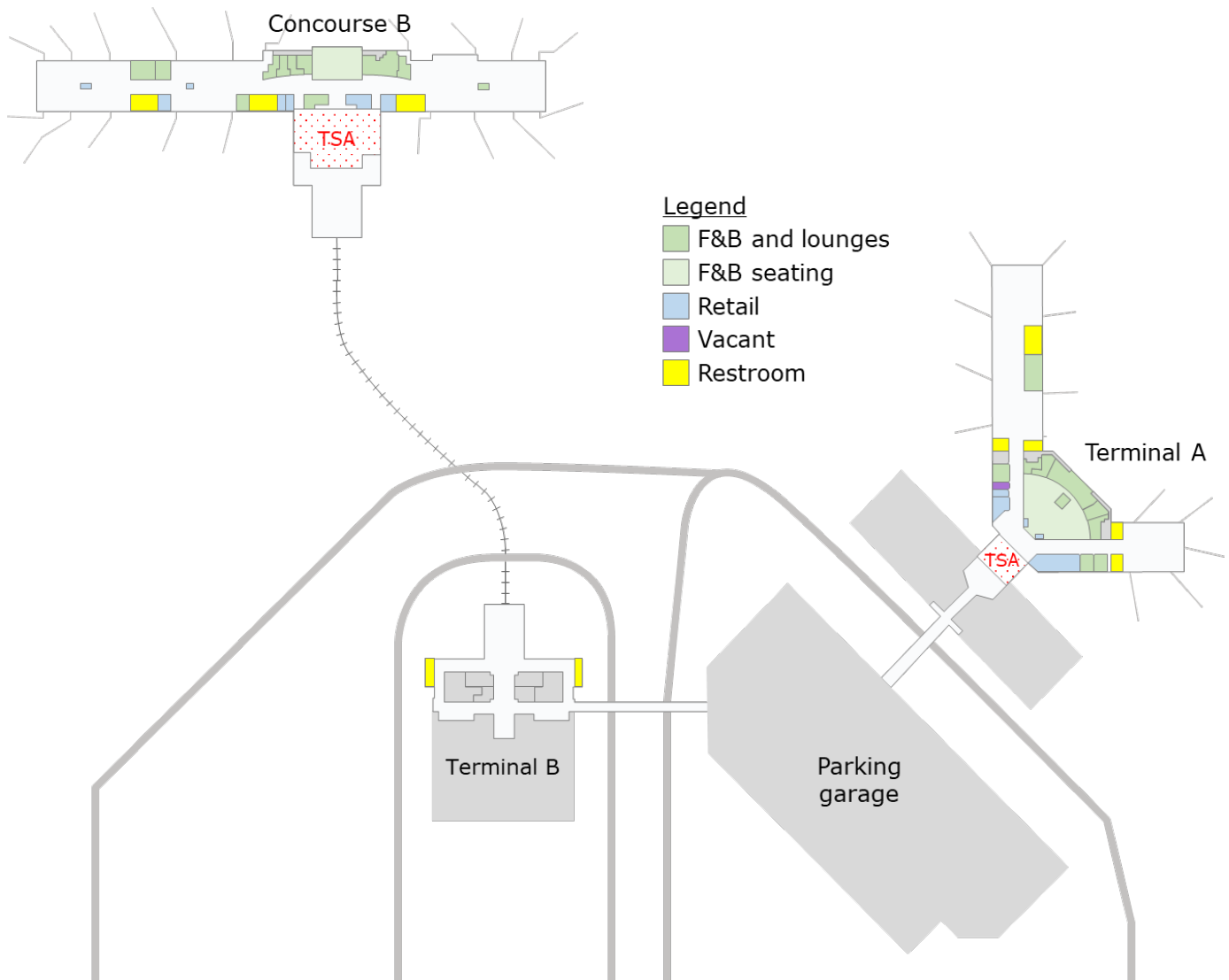
Ground transportation at the Airport includes:

- Taxis: Sacramento Independent Taxi Owners Association (SITOA)
- Rental car companies: There are three on-airport rental car companies operating a total of 12 brands.
- Transportation network carriers: Uber, Lyft and Wingz
- Peer-to-peer car share: Turo
- Inter-terminal shuttle service to various Airport locations such as terminals, parking, and the consolidated rental car facility
- Regional Transit and YoloBus buses provide daily public transit service to and from surrounding communities and the Airport.





CURRENT COMMERCIAL PROGRAM

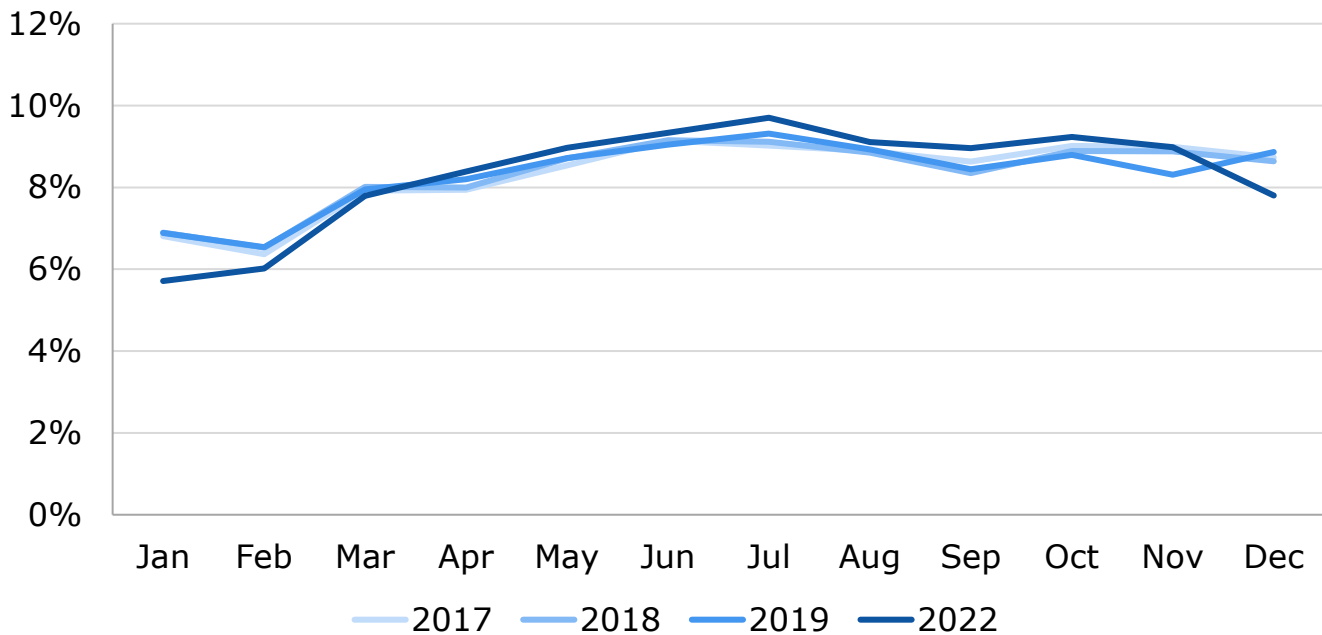


Simplified commercial layout.

The current commercial program at the Airport covers 46,410 square feet, with 54% of the space located in Terminal B. The food and beverage (F&B) units have a combined total of 34,852 square feet making up three quarters of the total commercial space at the Airport.



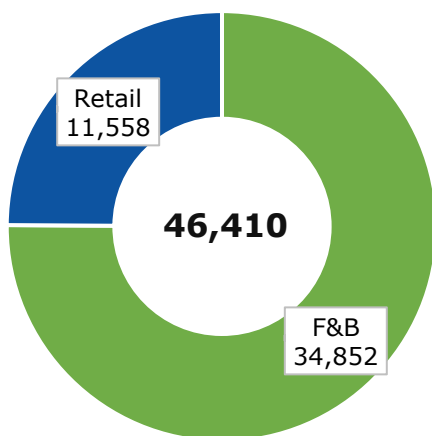
Airport passenger seasonality



Source: Sacramento County Department of Airports

The Airport does not have pronounced seasonal peaks, with an average pre-Covid-19 pandemic delta of 2.7 percentage points between the highest peak summer month and the lowest off-peak winter month. The current 2023 passenger volumes indicate a return to the pre-pandemic profile.

Current commercial space



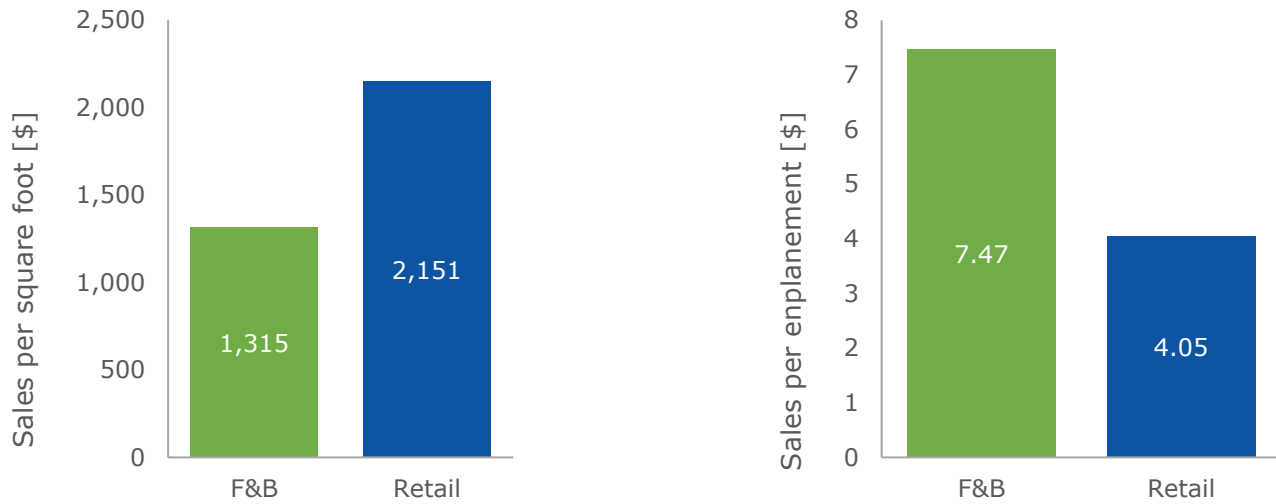
F&B is the largest part of the commercial portfolio at the Airport and is vital to meeting SMF's mission to *"put people at the center of every trip, every experience, every day."*

We work closely with our partners to ensure that we can support them in reaching their goals while achieving ours.

Source: Sacramento County Department of Airports (2022 data)



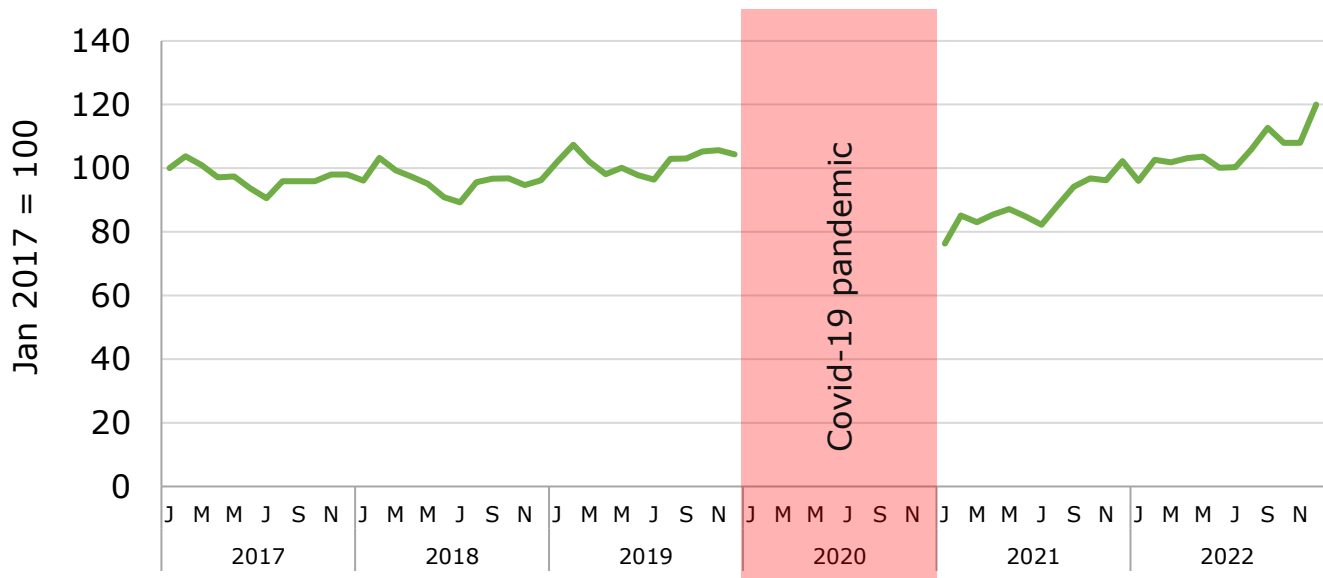
Financial data for January-December 2022



Source: Sacramento County Department of Airports (2022 data)

F&B outperformed retail concessions in sales per enplanement (SPE) in 2022 by 84% but has maintained a comfortable trading density of \$1,315 per square foot, indicating headroom for further growth in this category.

F&B SPE growth indexed against January 2017

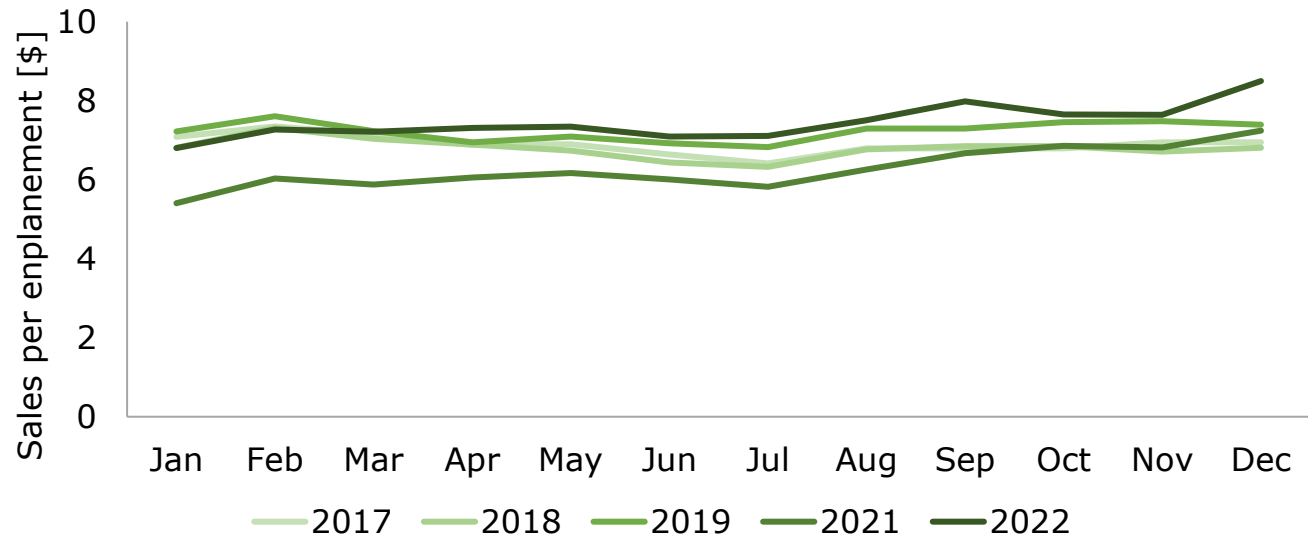


Source: Sacramento County Department of Airports

F&B sales per enplanement fell during the global Covid-19 pandemic but has grown at a compound annual growth rate (CAGR) of 17.5%.



Monthly F&B sales per enplanement



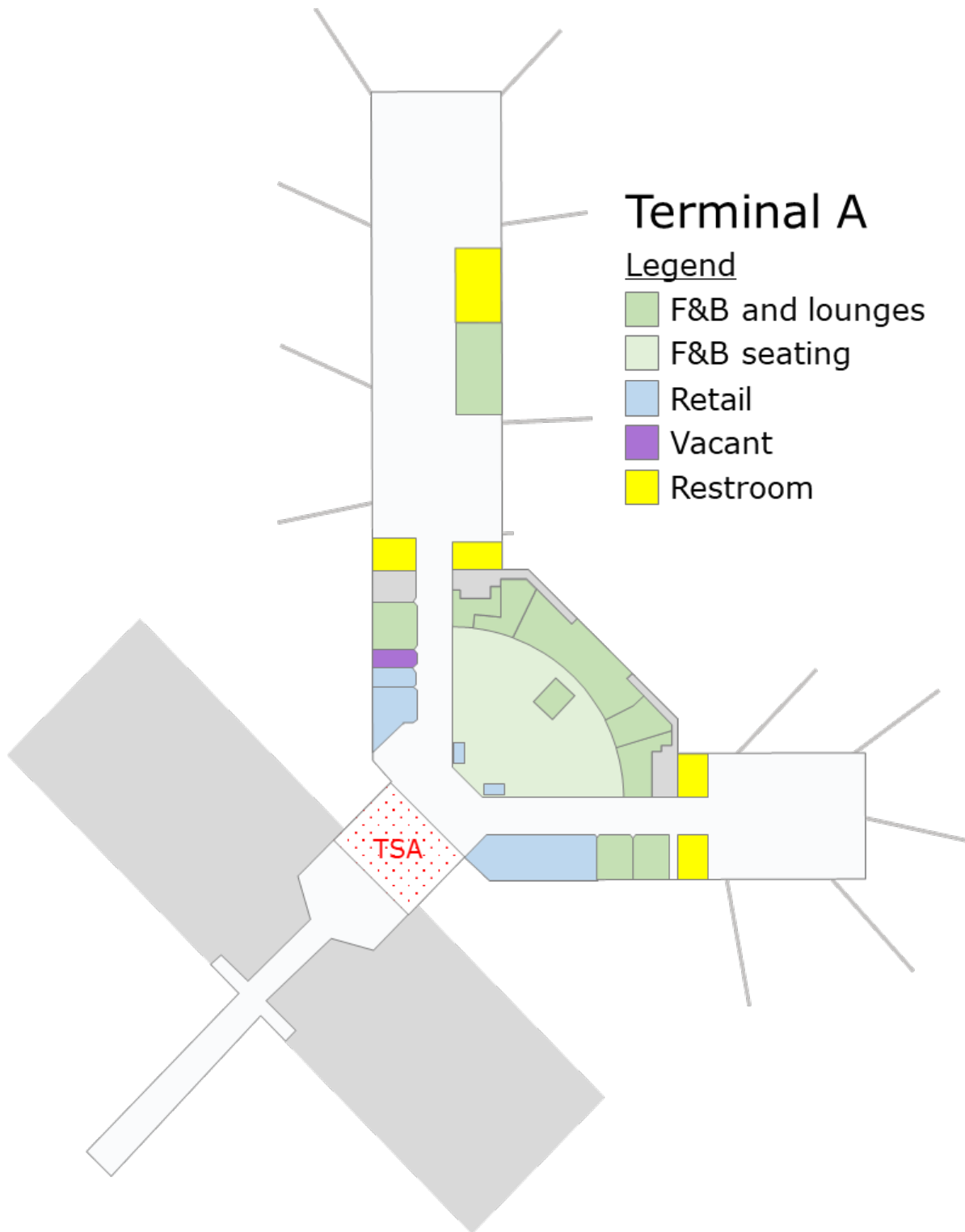
Source: Sacramento County Department of Airports

Monthly F&B SPE figures only fluctuate slightly throughout the year, giving concessions the ability to manage their units efficiently and with a degree of certainty that only an airport can provide.

Additional performance data can be found in Appendix 1.



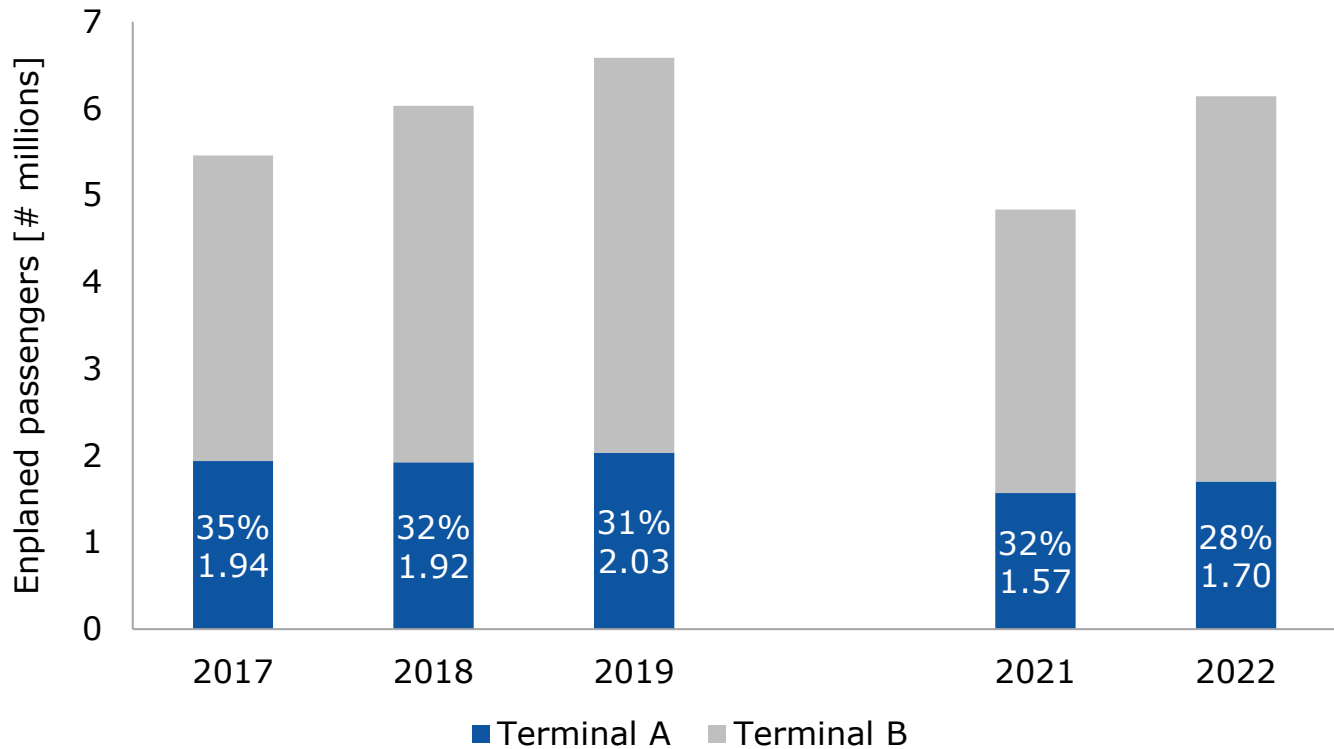
TERMINAL A



Simplified commercial layout



Passenger enplanements

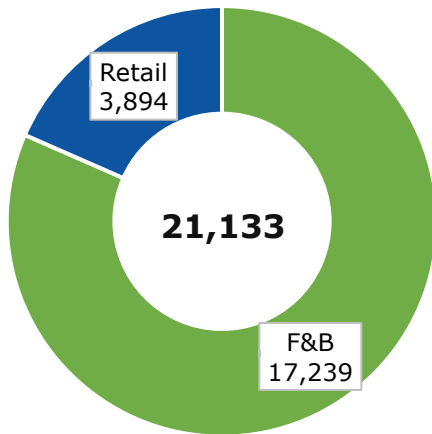


Source: Sacramento County Department of Airports

Terminal A accounts for around 30% of the total enplanements at the Airport and averaged two million passengers per annum (mppa) before the Covid-19 pandemic. Passenger volumes in 2022 were still down versus the two mppa achieved in 2019, but the Airport has recovered strongly since, with 2022 volumes 8.5% higher than the preceding year.



Current commercial space: Terminal A

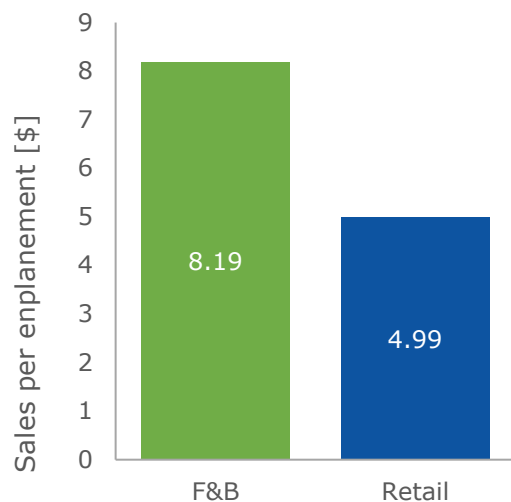
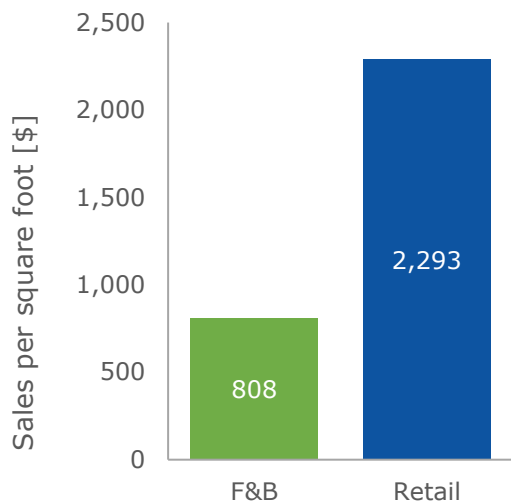


F&B occupies 82% of the available commercial space in Terminal A.

This F&B RFP accounts for 13,411 square feet, or 78%, of the total F&B space in the terminal.

Source: Sacramento County Department of Airports (2022 data)

Financial data for January-December 2022: Terminal A

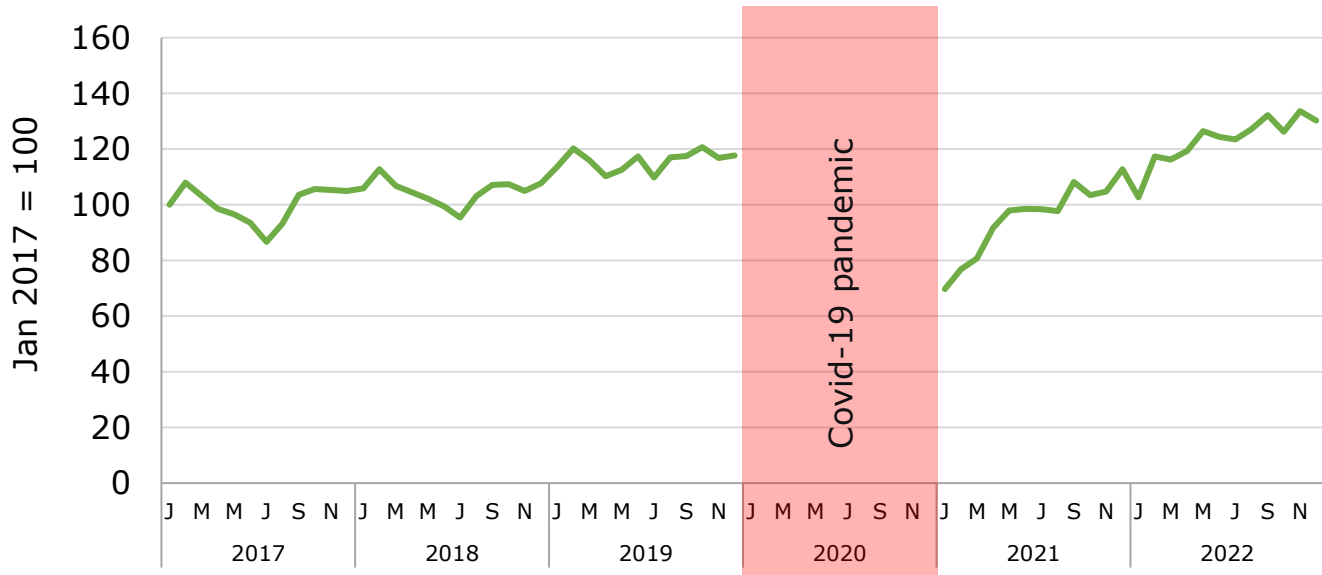


Source: Sacramento County Department of Airports (2022 data)

F&B SPE in Terminal A exceeded that of retail in 2022, with a comfortable trading density of only \$808 per square foot.



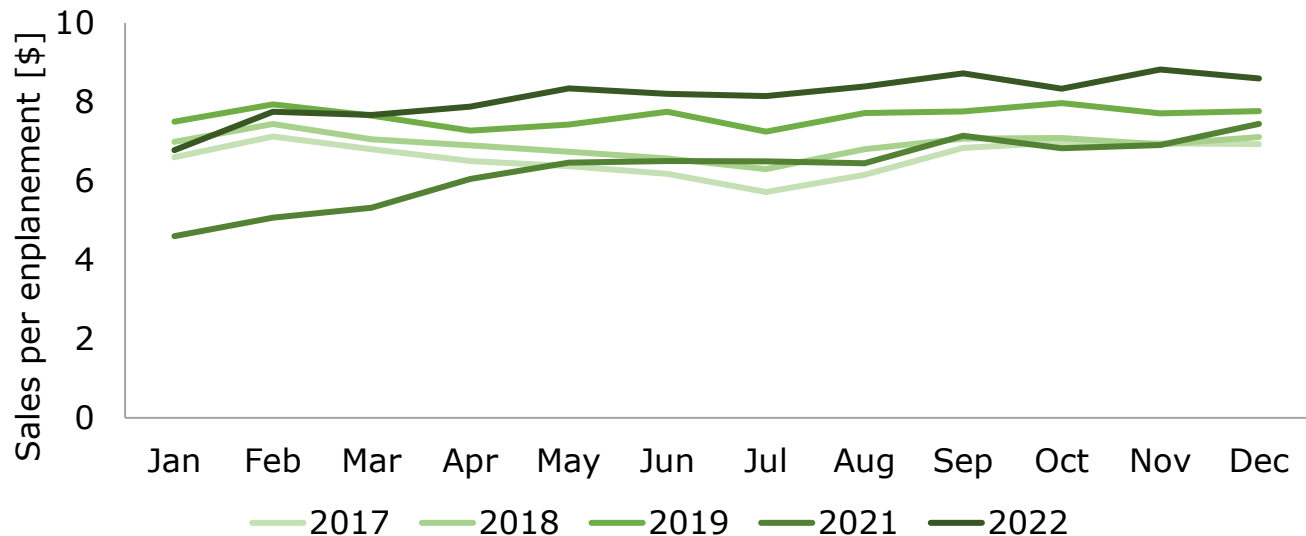
SPE growth indexed against January 2017: Terminal A



Source: Sacramento County Department of Airports

Despite a significant downturn in SPE as a result of the Covid-19 pandemic, the 2017-2022 CAGR for Terminal A is 4.5% (and 26.1% for 2021-2022) and 2022 finished 25% higher than the SPE achieved in 2017.

Monthly F&B sales per enplanement: Terminal A

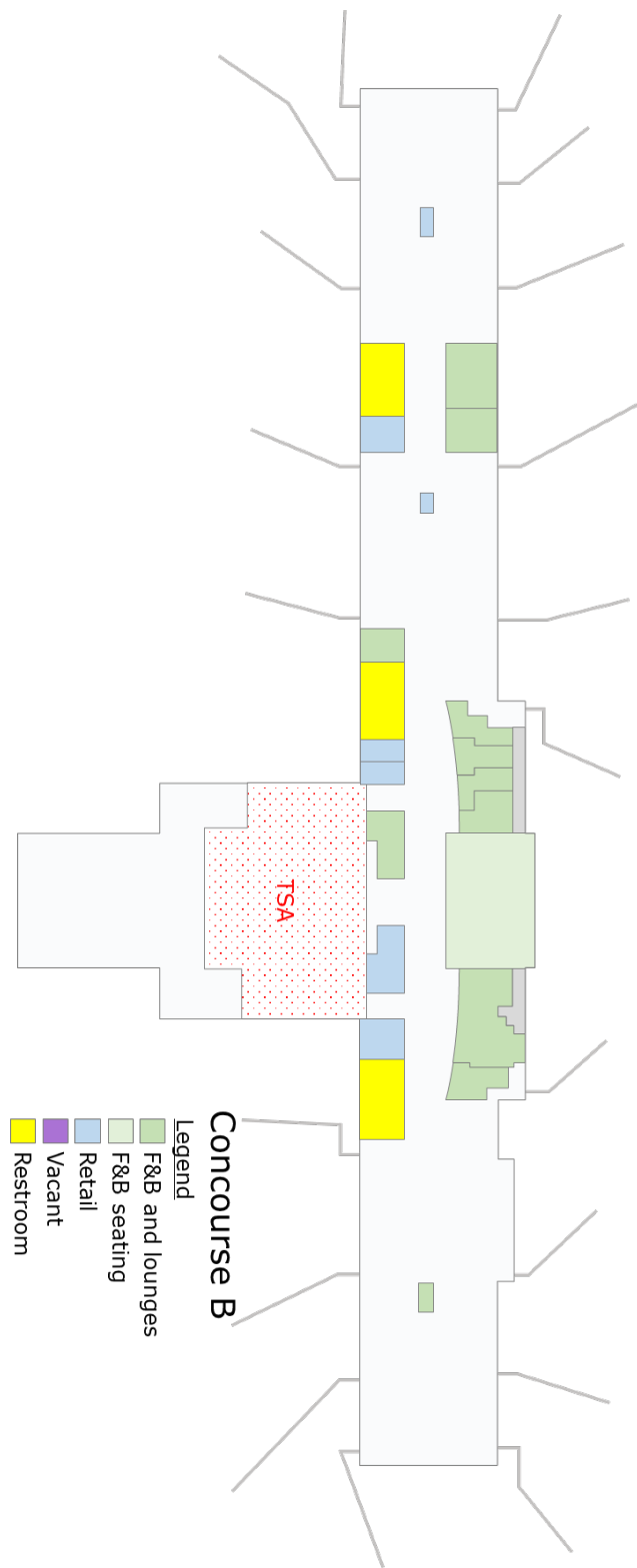


Source: Sacramento County Department of Airports

Terminal A's monthly F&B SPE figures have returned to pre-pandemic levels of monthly consistency, with 2022 outperforming 2019 in all but the first two months of the year.



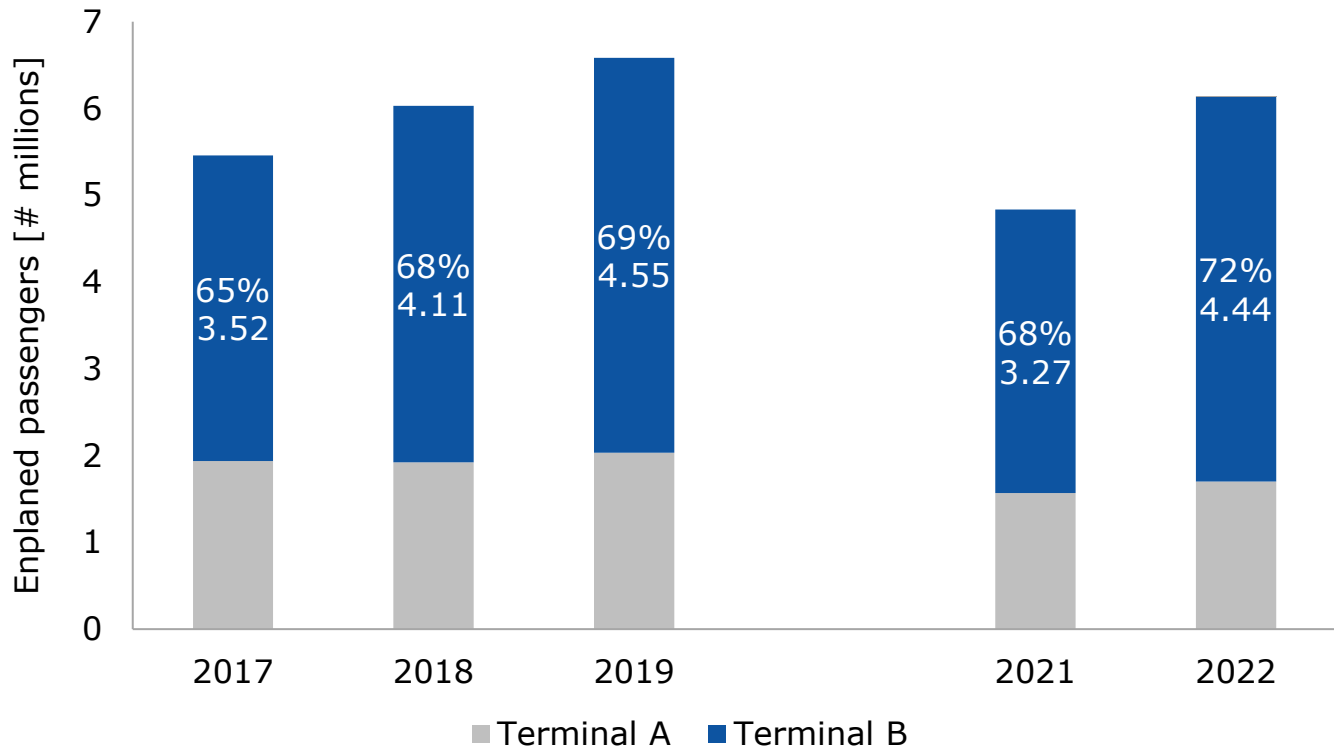
TERMINAL B



Simplified commercial layout.



Passenger enplanements



Source: Sacramento County Department of Airports

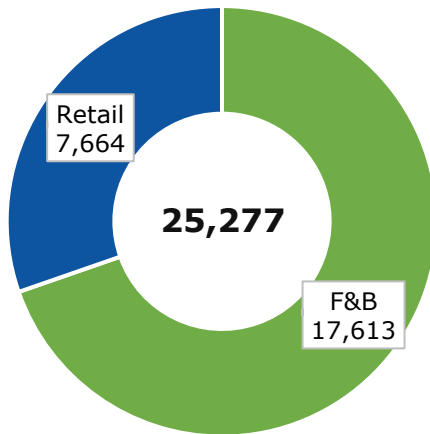
Terminal B is the busier of the two terminals at the Airport, with the terminal accounting for over two thirds of total enplanements. As with Terminal A, enplanements in 2022 did not reach pre-pandemic levels, but passenger volumes have grown strongly, and our current expectation is that we will exceed 2019 passenger volumes by 2024.



Current commercial space: Terminal B

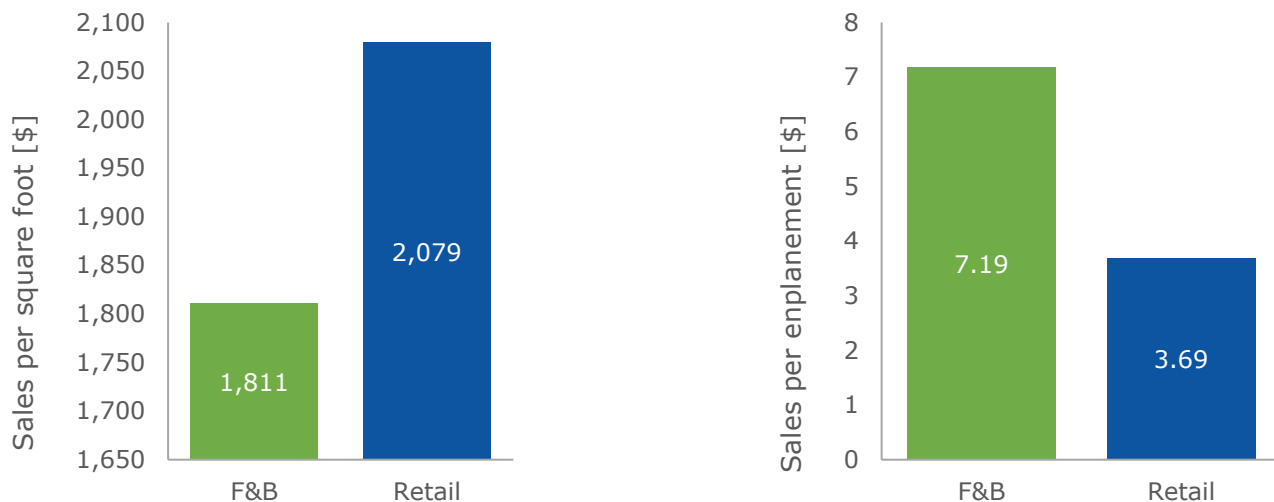
F&B occupies 70% of the available commercial space in Terminal B.

A total of 79% (13,929 square feet) of the F&B space in Terminal B is available under this RFP.



Source: Sacramento County Department of Airports (2022 data)

Financial data for January-December 2022: Terminal B

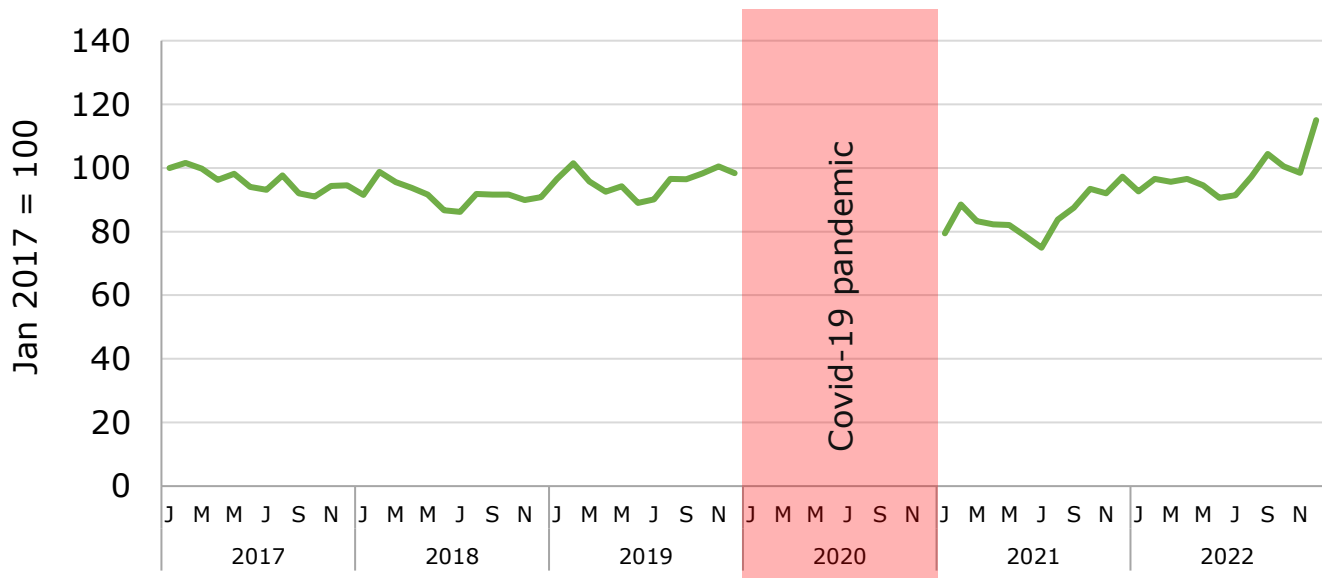


Source: Sacramento County Department of Airports (2022 data)

F&B SPE in Terminal B was a dollar lower than was achieved in Terminal A in 2022, with the terminal F&B space trading at \$673 more per square foot than the average F&B space in Terminal A.



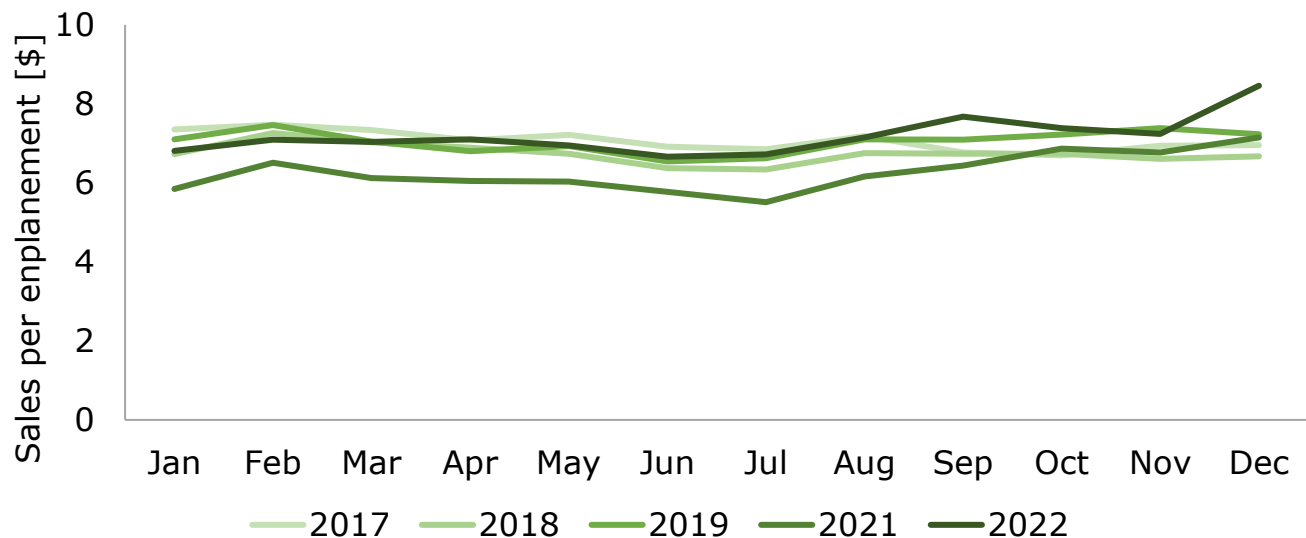
SPE growth indexed against January 2017: Terminal B



Source: Sacramento County Department of Airports

Prior to the pandemic, F&B revenue growth in Terminal B was flat, but resurgent growth following Covid-19 impact has resulted in 2022 SPE finishing 14.5% higher than 2017.

Monthly F&B sales per enplanement: Terminal B



Source: Sacramento County Department of Airports

Monthly SPE in 2021 had not yet recovered to pre-pandemic levels in Terminal B, but SPE for 2022 has recovered notably.



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SECTION 3: AIRLINE AND PASSENGER INFORMATION

AIRLINES AND SERVICE

SMF averaged 144 departing flights per day, enabling 6.14 million passengers to reach their destination in 2022. Total 2022 enplanements equated to 93% of 2019 enplanements.

Major Carriers and Market Share

The following table lists airlines and the terminals they operate from at the Airport. The location of the airlines at the Airport is subject to change at any time prior to award of concession agreements, and at any time during the agreement terms.

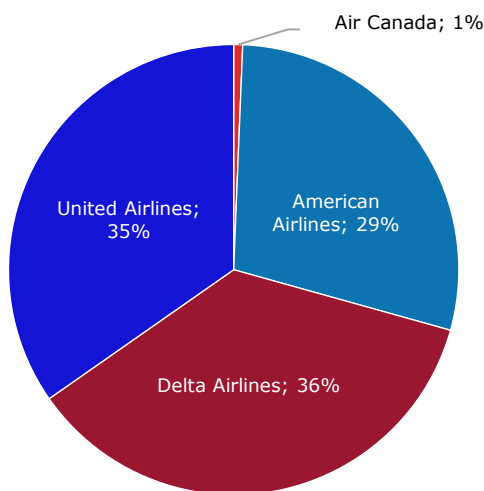
Terminal A

Airline	Domestic/International
American Airlines	Domestic/International
Air Canada	International
Delta Airlines	Domestic
United Airlines	Domestic

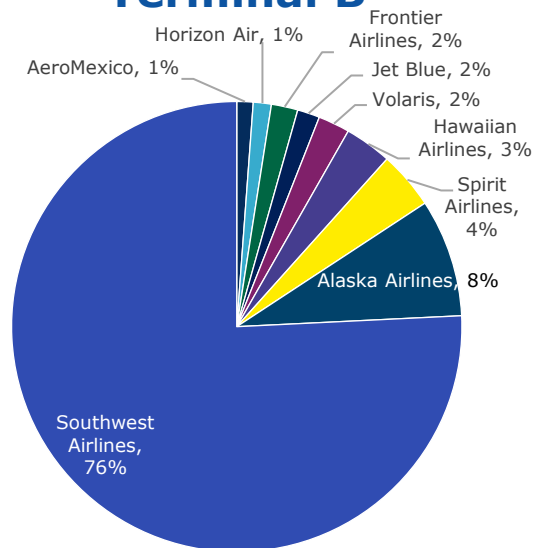
Terminal B

Airline	Domestic/International
AeroMexico	International
Alaska Airlines	Domestic/International
Frontier	Domestic
Hawaiian Airlines	Domestic
Horizon Air	Domestic
Jet Blue	Domestic/International
Southwest	Domestic/International
Spirit	Domestic
Volaris	International

Terminal A



Terminal B

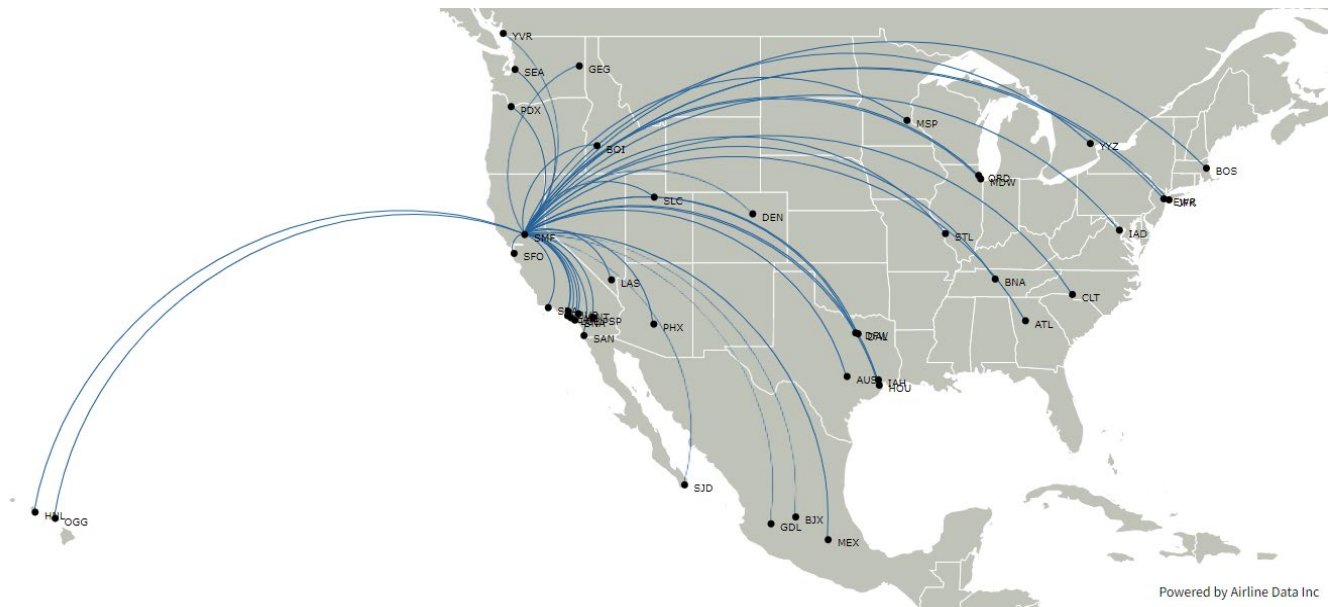


Sources: 2022 calendar year airline reported enplanements; Sacramento County Department of Airports



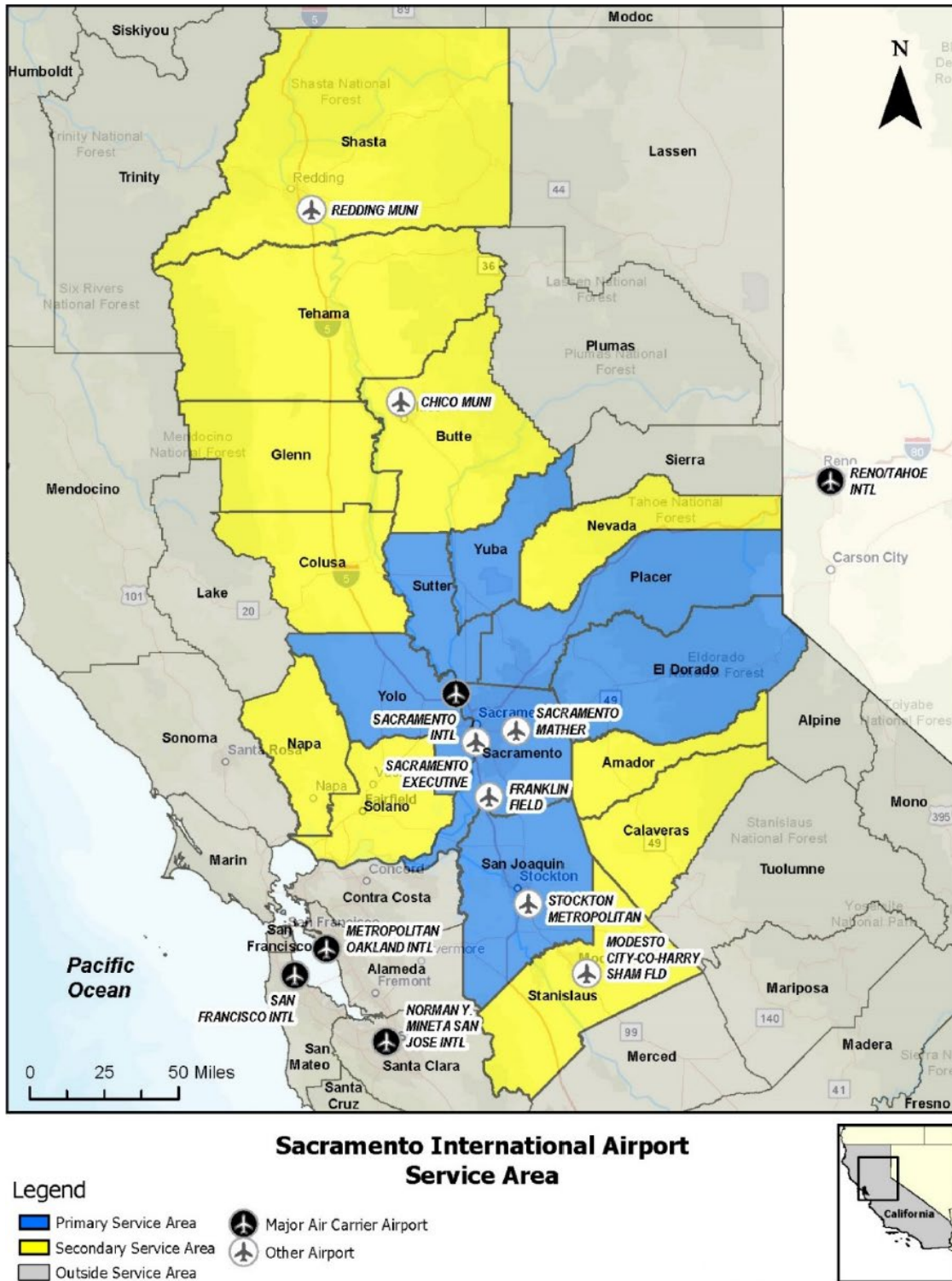
Airline Service

41 Nonstop Destinations: Atlanta, Austin, Boise, Boston, Burbank, Cancun, Charlotte, Chicago, Dallas, Denver, Guadalajara (MX), Honolulu, Houston, Kailua-Kona, Kona, Las Vegas, Leon (MX), Long Beach, Los Angeles, Los Cabos (MX), Maui, Mexico City (MX) Minneapolis, Nashville, Newark, New York, Ontario, Orange County, Orlando, Palm Springs, Phoenix, Portland, Salt Lake City, San Diego, San Francisco, Santa Barbara, Seattle, Spokane, St. Louis, Toronto (ON), Vancouver (BC), and Washington D.C.



Sources: Airline Data, Inc.; Sacramento County Department of Airports

Catchment Area



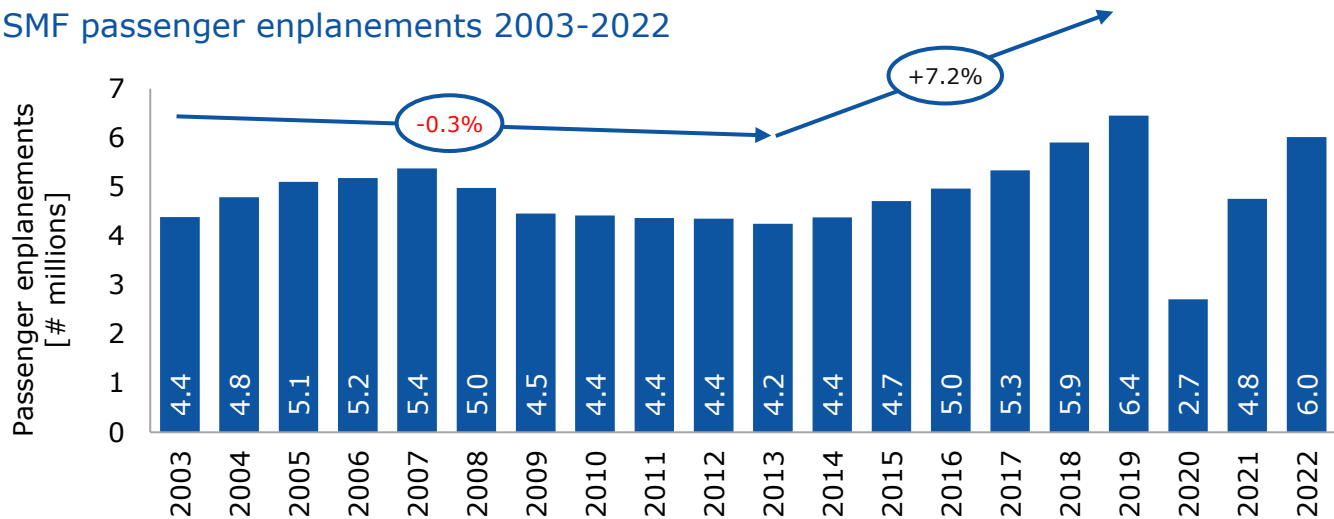
Source: Source: SMF Aviation Demand Forecast, 2013; RS&H, 2019



PASSENGER ENPLANEMENTS

Historical enplanement

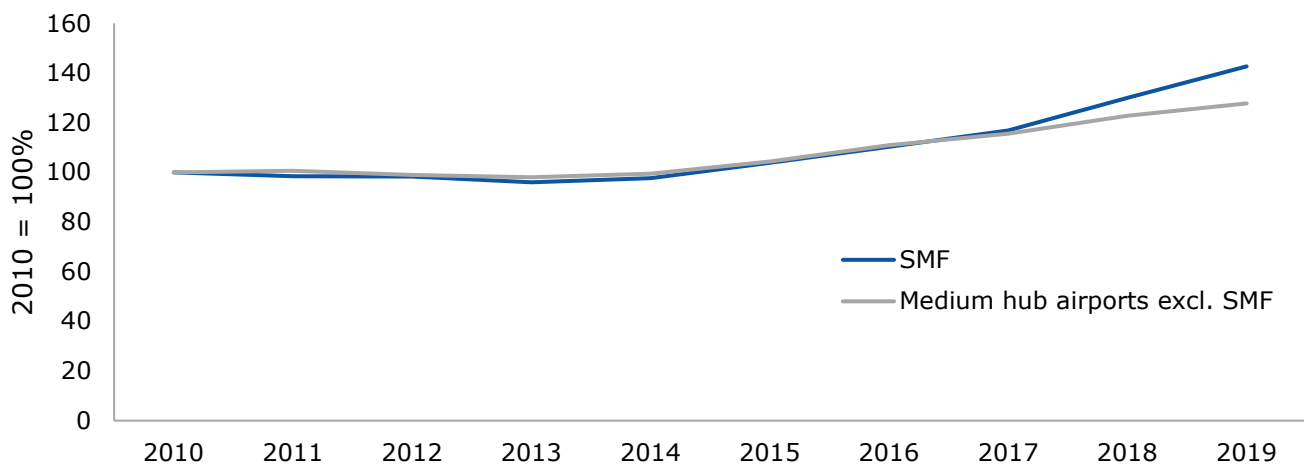
SMF passenger enplanements 2003-2022



Source: Bureau of Transportation Statistics, United States Department of Transportation

For the 10-year period from 2003, the Airport's passenger growth was flat overall, impacted by the global financial crisis of 2007-08. Passenger growth returned strongly thereafter, with the period before the 2020 Covid-19 pandemic seeing a compound annual growth rate (CAGR) of 7.2% from 2013-2019.

Indexed passenger growth at medium hub airports

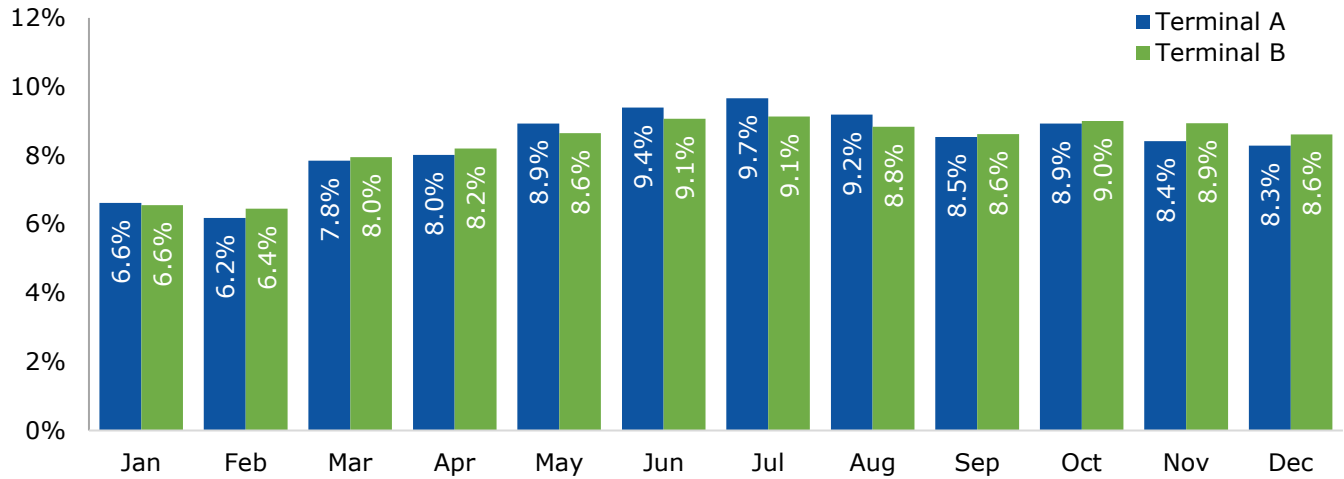


Source: Federal Aviation Administration (FAA), Terminal Area Forecast (TAF), 2022

Prior to the Covid-19 pandemic, SMF recorded strong growth, with a CAGR of +4.3% from 2010 to 2019. The Airport's growth followed the market trend until 2017, whereupon SMF's growth was double that of the average medium hub airports (5.1% vs. 10.5% CAGR 2017-2019).



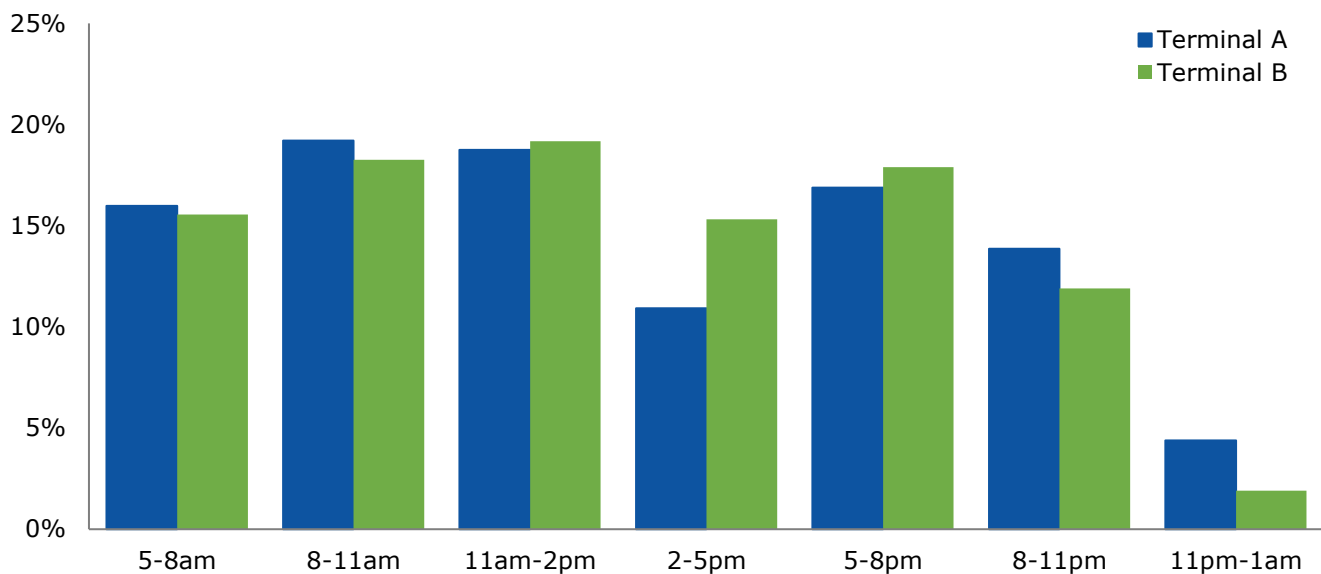
Average monthly passenger share



Source: Sacramento County Department of Airports, 2017-2019 and 2022

There were only small differences in the average monthly passenger share (2017-2019 and 2022) between Terminals A and B, with July the busiest month for both.

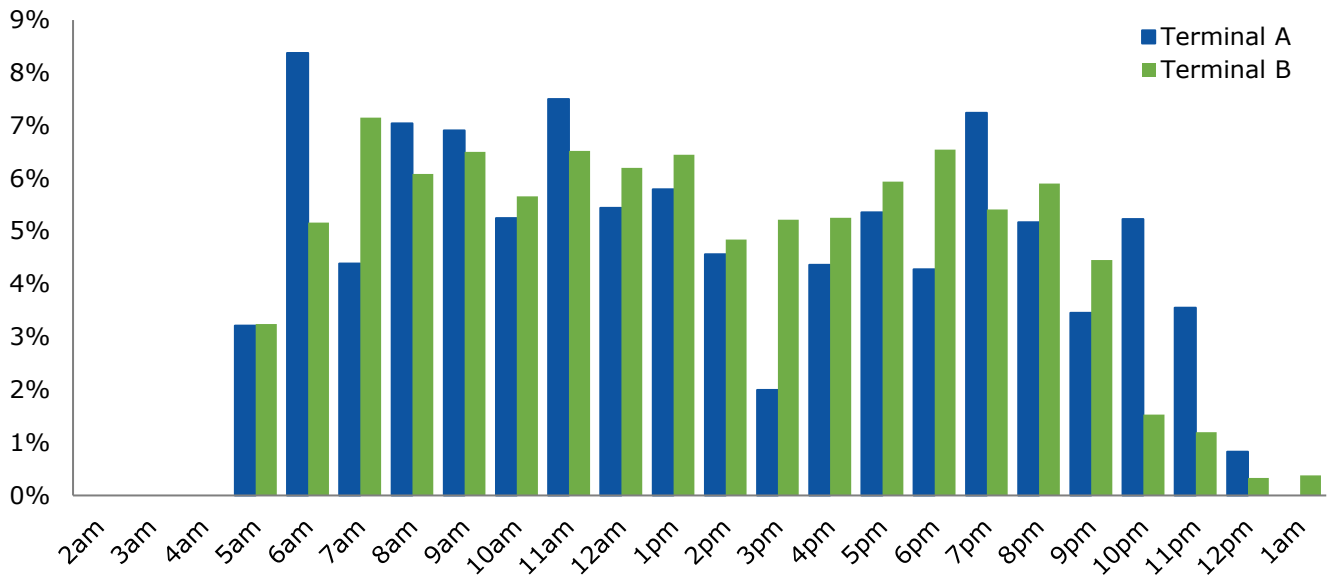
Average daypart share, departing seat capacity



Source: Sacramento County Department of Airports, 2022

An aggregated view of the departing seat capacity shows a similar pattern between Terminals A and B, with both terminals seeing over 50% of their capacity departing before 2pm.





Source: Sacramento County Department of Airports, 2022

Looking at the seat capacity in more detail shows that Terminal A had a more pronounced morning peak, with the highest seat capacity occurring between 6am-7am. Terminal B has a more consistent capacity between 7am-10pm, while Terminal A decreases noticeably in the early afternoon. This daily variation signifies that a strong offer will be required for all dayparts, and proposers should consider carefully how their concept will respond to the different mealtimes.

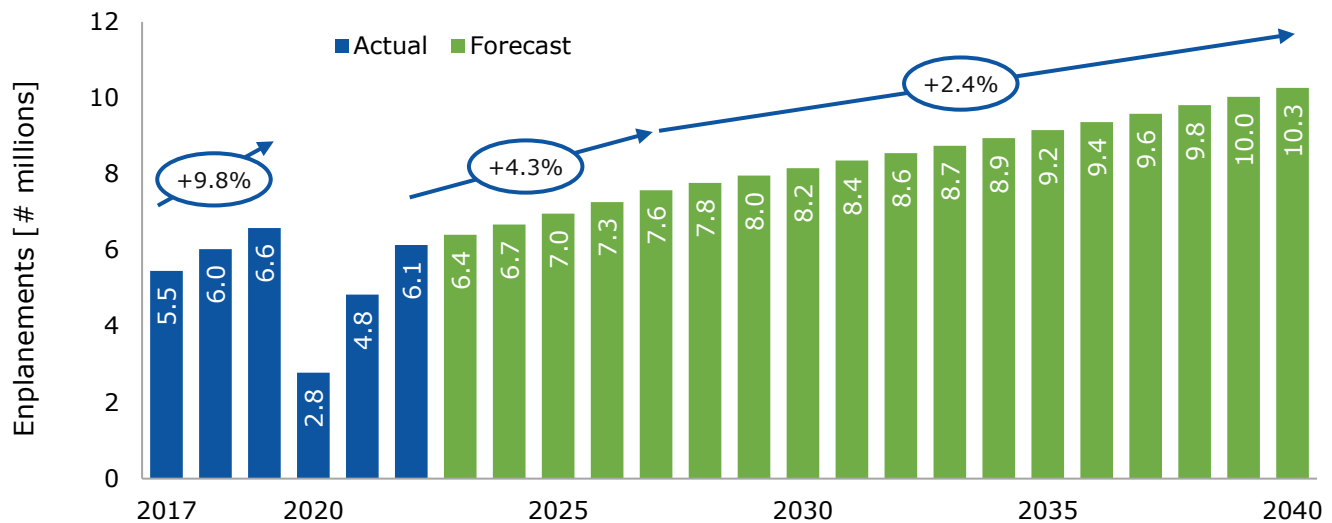
Historical monthly passenger data can be found in Appendix 2.

Forecast Enplanements

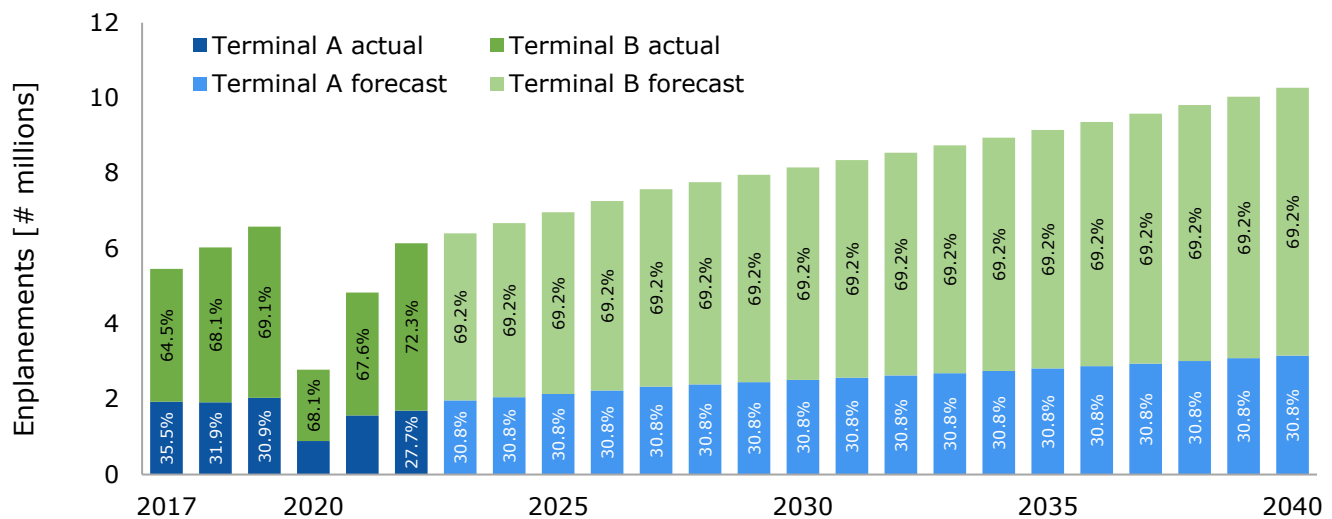
The Airport saw strong passenger growth in the lead up to the Covid-19 pandemic, with a 2017-2019 CAGR of 9.8%. Recovery at the Airport is forecast to continue strongly to 2027, with a forecasted CAGR of 4.3% from 2022 to 2027, and the Airport is expected to exceed the 2019 enplanements by 2024.

From 2027 to 2040, the forecasted CAGR of 2.4%, taken from the FAA Terminal Area Forecast, has been assumed.

Passenger enplanement forecast



Sources: Sacramento County Department of Airports, Federal Aviation Administration (FAA), Terminal Area Forecast (TAF), 2022

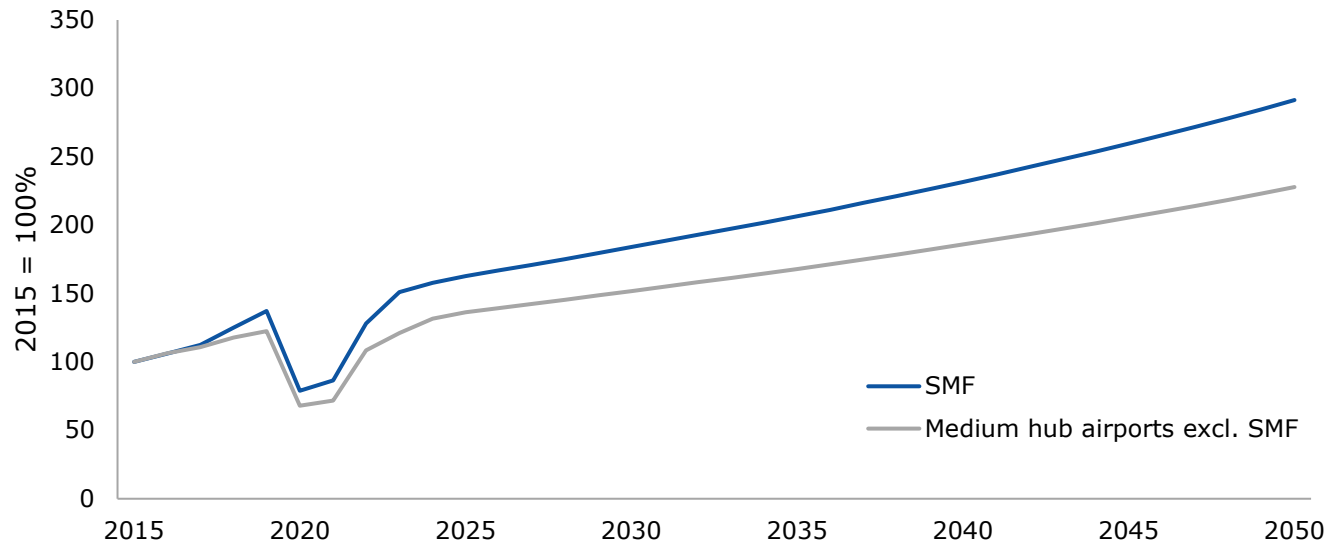


Sources: Sacramento County Department of Airports, Federal Aviation Administration (FAA), Terminal Area Forecast (TAF), 2022



Terminal B is forecast to continue to process over two-thirds of the passenger enplanements, but with the strong growth expected, Terminal A is forecast to reach 80% of the 2019 Terminal B enplanements by 2035, indicating a good opportunity for concessions in this terminal.

Indexed passenger growth at medium hub airports



Source: Federal Aviation Administration (FAA), Terminal Area Forecast (TAF), 2022

Compared to other medium hub airports, SMF has a strong indexed growth from 2015, with a forecast 2015-2050 CAGR of 3.1% vs. 2.4% for its peer group.

Forecast passenger data can be found in Appendix 3.



PASSENGER F&B REQUIREMENTS

In advance of releasing this RFP the Airport carried out three (3) quantitative surveys to gain a better understanding of the views and preferences of various stakeholders regarding food and beverage.

The survey participants included Airport employees, passengers within the terminal, the general public, and a targeted survey group. With over 3,000 responses collected, the surveys revealed the preferred food and beverage selections from passengers and visitors at the Airport. The responses received helped shape the framework for this food and beverage program at SMF.

When asked to rate the most important characteristics of food and beverage options, the survey revealed the following:

- Variety
- Value for price paid
- Options at a range of prices
- Local / regional focused
- Farm-to-Fork sourcing
- Unique to Sacramento

Respondents wanted a wide range of food options at the airport, with the most desirable food options listed below:

- Sandwiches, Soups, and Salads
- Mexican
- Burger / chicken and fry combos
- Pizza / Italian
- Asian (Chinese, Japanese, Korean, Vietnamese)
- BBQ
- Greek

When asked about the most desirable establishment types, respondents wanted a mix, from quick food-on-the-go to a more casual dining experience.

- Local / regional fast food
- Local sit-down
- Fast casual
- Bakery / pastry
- Cocktail / Beer / Wine bar
- National fast food





SECTION 4: CONCESSION REQUIREMENTS

BUSINESS TERMS

A. Minimum Annual Guarantee (MAG)

SCDA will no longer use MAG in new concession agreements. MAG **will not** be accepted as part of any proposal submitted pursuant to this RFP.

B. Term

Proposers may submit a term proposal for each individual package with justification showing why the proposed term is reasonable for the package and/or concept. Proposers must submit a term proposal as a part of the Agreement Term and Percent Rent Offer Form (Attachment J). SCDA expects a term within a range of 8 to 15 years, with a succinct narrative backed up by the pro-forma (Attachment I) document justifying why the proposed term is appropriate for the package and concepts.

C. Percentage Rent

The selected proposer will pay a percentage of monthly Gross Sales as its primary Rent. Proposers must submit a Percentage Rent proposal as a part of the Agreement Term and Percent Rent Offer Form (Attachment J). Allowing proposers to include a Percentage Rent proposal ensures that operators have flexibility to propose packages or concepts that may only work with alternative rate structures. SCDA expects to receive rates within the ranges shown below for all concepts if no reasonable justification for an alternative rate schedule is provided. All alcohol sales will be calculated at 18%. Employee meals will not incur a percentage rent fee.

Rate Categories	Proposed Rate	Rent Rate Schedule & Bid Range									
		9%	10%	11%	12%	13%	14%	15%	16%	17%	18%
Coffee	11%	← 11% →									
Full-Service	12%	← 12% →									
Quick-Serve	13%	← 13% →									
Retail	16%	← 16% →									
Alcohol	18%	← 18% →									



Rate Categories Defined:

Coffee: This category includes any unit that primarily sells coffee or tea, or coffee-based beverages, such as espresso, latte, cappuccino, or tea-based beverages and carries a brand name that customers recognize as being a primarily coffee and or tea company. The unit may also offer other beverages and food items, such as pastries, parfaits, sandwiches, or salads. The unit should have a recognizable coffee brand name or logo.

Full-Service: Includes any unit that offers table service to customers, where customers order from a menu and are served by wait staff. The unit may also have a bar area where customers can order alcoholic or non-alcoholic drinks. Only food items will be charged at the Full-Service rate. All alcohol sales will be charged at the alcohol sales rate.

Quick Serve: Includes any food concept unit that does not fall under the coffee or full-service categories. The unit may offer counter service, self-service, or delivery service to customers, where customers order and pay at a cashier or a kiosk and either pick up their food or have it delivered to their location. All alcohol sales will be charged at the alcohol sales rate.

Retail Sales: Includes retail item sales within any unit and includes packaged and pre-packaged food items sold in a to-go format.

Alcohol Sales: Includes alcoholic beverage sales within any unit.

D. Participation in Airport-wide Programs

If implemented by the SCDA, the selected proposer will be required to participate in any relevant airport-wide systems, applications, or programs, including, but not limited to, loyalty programs or mobile ordering systems for food and beverage purchases. SCDA expects to implement an ongoing customer service review program that may require concessionaire inclusion of a QR code or similar on customer receipts, or placement of survey information at the customer service stations. Cooperation with such programs is required.

E. Hours of Operation

To support SMF's Mission *"To put people at the center of every trip, every experience, every day"*, concession operations must be open to the public seven (7) days a week. Hours may vary with flight schedules and passenger demand, but the hours of operation for concessions must cover all departures and arrivals at the Airport. This requires units to open when the security screening checkpoint opens and remain open through the last scheduled departure, with the flexibility to serve delayed flights.



F. Support Space

Support space is available to lease in Terminal A and Terminal B by the selected proposer. The Director of Airports shall have the authority to assign support space to selected proposers for office and/or storage uses directly related to operations. The support space is located on the ground level of the airside concourses, on an as-available basis.

Support space will be leased in as-is condition. As further described in the concession's agreement, the selected proposer will be responsible for constructing, at its expense, storage, office space, and other desired tenant improvements, including any reduction in pre-established size of space, in its leased support space to meet its needs. Any such tenant improvements are subject to SCDA's prior written approval and shall be completed in accordance with the Agreement.

Support space will be available at the then-current rent rate at the time of Agreement award. The rate at RFP issuance is \$46.32 per square foot per year (\$3.86 per square foot per month) and is subject to an annual adjustment by the County based upon percentage increases in the Consumer Price Index (CPI) as detailed in the Agreement. While the selected proposer is not obligated to rent support space, the County may, at its sole discretion, require the leasing of support space if the selected proposer is unable to keep its equipment, goods, and supplies within the leased premises.

G. General Requirements

The selected proposer shall have a non-exclusive right to install appropriate improvements in accordance with the Agreement (Appendix 6). The selected proposer will be required to plan, design, build-out, maintain, manage, staff and stock, at its sole cost, in accordance with the Agreement. Design, furnishings, fixtures, equipment, and finish materials for all tenant improvements must be approved by the County through an established review and approval process prior to construction and installation. All products and services provided and/or sold must receive the County's prior written approval.

H. Common Area Maintenance (CAM) Fee

The Airport's common area maintenance fees will be used by the SCDA for the maintenance of common seating and back of house concession, break, and locker areas of Terminal A, Terminal B, and Concourse A, and Concourse B. Selected proposers will pay a monthly CAM fee in the amount of 0.3% of Gross Revenues. The percentage may be adjusted annually at SCDA's discretion based on cost recovery calculations but shall in no event be more than 0.6% of annual Gross Revenues.



I. Merchant Association Program (MAP) Fee

The Airport's Merchant Association Program is comprised of concessionaires and Airport staff. MAP fees will be used by the merchant association to promote and advertise concessions at the Airport. Selected proposers will pay a monthly MAP fee in the amount of 0.3% of Gross Revenues. The percentage may be adjusted annually at SCDA's discretion based on cost recovery calculations but shall in no event be more than 0.6% of annual Gross Revenues.

J. Trash Collection Fee

The selected proposer shall dispose of all garbage, food waste, solid waste, recyclables, and other refuse in containers designated by the County in assigned common areas. The selected proposer shall not place or leave or permit to be placed or left, in any part of the common areas, garbage, food waste, solid waste, recyclables, and other refuse unless otherwise authorized by the County to do so.

The selected proposer will be required to adhere to the standards and procedures set forth in the SCDA's Waste Management Policy (Appendix 7).

The County may, at any time, institute a waste disposal program and may thereafter require the selected proposer to pay a trash removal fee to be determined by the County based on cost recovery calculations.

Selected proposers will be required to purchase and maintain their own Waste removal compactor bins.

K. No Tenant Improvements Allowance

County funds for tenant improvements are not available for the concession program.

L. Sales Reporting

Selected proposers will be required to provide detailed weekly, monthly, and annual sales and number of transactions reports throughout the term of the Agreement. SCDA requires that the selected proposer utilize a computerized reporting system designed to generate timely sales, transactions, and rent reports. Selected proposers shall cooperate fully with the implementation of sales, transactions, and rent reporting requirements as more fully described in the Agreement.

M. Airport Food and Beverage Pricing Policy

SCDA will require the use of one of the two pricing structures for concessions agreements awarded under this RFP. The selected proposer must opt into



either Street Pricing or Fair Market Pricing for each unit, as more particularly described below:

Option 1: Fair Market Pricing Policy

SCDA's Food and Beverage Program aims to provide a variety of high-quality, diverse, and sustainable options for customers at reasonable prices. SCDA recognizes that different types of food and beverage products have different costs, profit margins, and customer demand, and that airport concessions customers may benefit from menus crafted specifically for the airport environment.

A fair market menu should be priced in a way that passengers on a budget can find items that provide them value at a price they can afford, while also providing a majority of items that most passengers would consider fair for an airport environment. A fair market menu should include a highly compelling employee meal plan with prices at or below street prices and may include special discounted meal packages for employees. Additionally, a successful menu would include elevated items for passengers looking for a special experience — i.e., items with a special environmental focus or which have been locally sourced. Finally, a significant focus of a fair market pricing approach is to keep the program interesting with limited time and seasonal items. The fair market pricing plan is meant to build a partnership between SCDA and the concessionaire to build a fair pricing environment that customers are excited about and Airport badged employees value, while removing the individual item pricing review requirements of the Street Pricing Policy.

Under the Fair Market Pricing Policy, SCDA will allow concessionaires to set their own prices consistent with the following guidelines:

Required:

Affordability: Concessionaires should offer affordable items that are priced at or below street pricing to attract and satisfy family travelers and budget-conscious customers. These items should provide value, variety, and convenience, such as value meals, smaller sizes, special deals, daily specials, or happy hour offers. Some value items may be offered through short term offers, but affordable and value focused items should at all times be available to customers. It is important that value items be of high quality and attractive to customers opting for these options.

Employees: Concessionaires are expected to acknowledge and reward Airport badged employees with a generous discount program that offers them food and beverage products at or below street prices. This



program will help employees save money, boost their morale, and increase their loyalty to remaining employed at the Airport. SCDA will support this program by not charging percentage rent for Airport employee meals.

Optional:

Diverse: Concessionaires should offer a balanced mix of food and beverage products that cater to different customer segments, preferences, and needs. This includes providing options for common dietary restrictions, such as vegetarian, vegan, kosher, halal, or gluten-free, as well as options for health-conscious diets and various cultural backgrounds.

Elevated: Concessionaires should offer elevated items that appeal to passengers who seek a unique and special travel experience, whether it is through exceptional quality, variety, or service (premium items), or through local sourcing or environmental and social responsibility (sustainable items). These items may have higher prices within reasonable limits and still provide perceived value to customers.

Creative: Concessionaires should adjust their offerings and prices based on seasonality, availability, and demand. They should also consider creating special limited time offers and promotions, create special dining packages, or offer drink and food pairings.

The concessionaire will be required to submit to SCDA, on an annual basis, a written review of pricing and menu items describing how the pricing and menu serve customers looking for affordability, customers looking for an elevated experience, and Airport employees. The written review should consider customer feedback and overall customer satisfaction ratings. SCDA may conduct additional market research and benchmarking to compare the prices and quality of food and beverage products at the Airport with those at comparable airports and local markets. SCDA may also conduct customer satisfaction surveys to measure the impact of the pricing policy on the overall Airport experience. If said survey concludes that any prices being charged by the concessionaire at the Airport are not in compliance with this Policy, or that any service or commodities being offered by Concessionaire are of too low quality, the Director of Airports shall then have the right to require price adjustments or improvement in quality of the concessionaire's service. Upon receipt of written notice from the Director of Airports, the concessionaire shall thereafter charge the appropriate prices or improve quality as directed by the Director of Airports.



This policy is intended to promote a fair, competitive, and sustainable food and beverage program at the Airport that benefits concessionaires, customers, and employees.

Option 2: Street Pricing Policy

For those units that are unable to adopt the Fair Market Pricing Policy due to franchise limitations or other reasons acceptable to the Director of Airports, SCDA will use a traditional Street Pricing Policy. The intent of this policy is to maintain consistency in the quality of merchandise and services for concessions offered at the Airport.

Under the Street Pricing Policy, concessionaires are also expected to acknowledge and reward Airport employees with a generous discount program that offers them food and beverage products at or below street prices. This program will help employees save money, boost their morale, and increase their loyalty to remaining employed at the Airport. SCDA will support this program by not charging percentage rent for employee meals.

The Street Pricing Policy is comprised of the following elements:

A. Establishing Comparable Locations and Pricing

Concessionaires will be responsible for establishing comparable locations for the purpose of instituting a pricing structure, subject to the Director of Airports' approval, for their locations under the following guidelines:

1. Franchised Stores

- a) If a concessionaire owns or operates one or more stores or franchises bearing the same name within the Sacramento Metropolitan Area, one of the units, as agreed by both the Director of Airports and the concessionaire, shall be designated as the comparable location.
- b) Franchised store prices at the Airport shall be no more than fifteen percent higher for the same product offered at the SCDA-approved comparable location. Concessionaires shall submit pricing from only one store from the Sacramento Metropolitan Area for pricing its comparable products once a year or upon request to adjust pricing.

2. Non-Franchised Stores

- a) If a concessionaire does not own or operate the same store or franchise elsewhere in the Sacramento Metropolitan Area, or if there are items sold by concessionaire at the Airport that are not sold at any off-Airport comparable locations, the concessionaire and the Department shall mutually agree to



and identify up to three stores within the Sacramento Metropolitan Area similar in concept, size, and quality to concessionaire's Airport location, which three locations shall be considered comparable for the purposes of implementing this policy.

- b) If the concessionaire's concept or store is unique enough that there are no comparable locations Sacramento Metropolitan Area, then the concessionaire and Director of Airports will agree on a methodology for establishing pricing for its merchandise or services.
- c) Non-franchise store prices offered at the Airport shall be no more than fifteen percent higher for the same quality product found at the Department-approved off-Airport comparable locations, unless otherwise specified in section 2.b above. Concessionaires will need to provide a price justification for any product that is different in size or quality for purposes of establishing a reasonable comparable price.

3. Protection from Competition

In selecting comparable stores for the purposes of this Street Pricing Policy, stores that are partially or fully protected from competition, such as hotels or sports arenas and locations that operate using an off-price or discount pricing structures, shall not be considered as comparable locations.

4. Rights of Director of Airports

Notwithstanding the above, in the event that the Department and concessionaire are unable to agree on a comparable location or pricing, the Director of Airports shall have the right to select comparable stores for the purpose of establishing prices for the concessionaire's location(s).

5. Product and Price Submittal

Concessionaires shall be required to submit complete product and price lists to the Director of Airports for approval at least 60 days prior to their initial store opening. Such product and price lists shall detail all products and services available for sale and the proposed prices. Differences in size or quality of a product or service shall, all other things being equal, be considered by the Director of Airports during their review.



B. Implementing the Street Pricing Policy by Category**1. Pre-Marked or Pre-Printed Price**

Subject to reviews and modification by the Director of Airports, where prices are pre-printed on the item by the distributor or manufacturer, the price charged for the item shall not exceed the pre-printed price. This includes, but is not limited to, newspapers, magazines, greeting cards, hard and soft cover books, candies, souvenirs, sundries, or any holiday merchandise.

2. Unmarked Good or Services

Subject to reviews and modification by the Director of Airports, concessionaires shall not charge more than fifteen percent of the approved off-Airport comparable price for any merchandise or services offered at any location(s) at the Airport. Concessionaires must use like products of like quality for establishing reasonable pricing.

3. Display of Pricing

Concessionaires will be required to prominently display pricing for all merchandise and services offered at any location(s) at the Airport.

C. Price Adjustments and New Products/Services**1. Written Approvals**

Throughout the Agreement's term, concessionaires must obtain the Department's written approval prior to adjusting prices, offering new products, or services. Any request for price adjustments or new product and service offerings must be submitted to the Director of Airports fourteen business days prior to implementation. Price adjustments shall be based on rising prices for the same items at the comparable facilities in the Sacramento Metropolitan Area.

2. Price Adjustments

Concessionaires will be allowed to submit pricing adjustments no more than two times per year unless otherwise requested by concessionaire due to market conditions.

D. Exorbitant Prices, Inadequate Quality

1. At any time during the Agreement's term, the Director of Airports may, at their option, survey prices, rates, and charges and the quality of services and commodities then in effect at comparable stores in the Sacramento Metropolitan Area. If said survey concludes that any prices being charged by the concessionaire at the Airport are not in compliance with this Street Pricing Policy, or that any service or commodities being



offered by concessionaire are of too low quality, the Director of Airports shall then have the right to require compliance with the Pricing Policy or improvement in quality of the concessionaire's service. Upon receipt of written notice from the Director of Airports, the concessionaire shall thereafter charge the appropriate prices or improve quality as directed by the Director of Airports.

2. Failure by the concessionaire to promptly correct, rectify, or modify its prices or quality schedule upon receipt of such written notice from the Director of Airports shall constitute a material default under the Agreement and may be cause for cancellation of the agreement for cause.

N. Delivery Information

Selected proposers will be responsible for delivery of their products and supplies. There is one dock area airside at Terminal A and Terminal B for receiving and subsequent distribution of goods to storage areas and concession locations at the Airport. SCDA, from time to time, may issue terminal delivery procedures that best allow for the safe movement of delivery vehicles at the Airport. SCDA may issue schedules of acceptable delivery times, locations, and points of access, and vehicle size restrictions by written notice. Currently, there are no restrictions on vehicle size, and large 18 wheel vehicles are allowed to deliver airside.

Concessionaires often operate electric golf carts for delivery escorts from the Airport delivery gate to the terminal dock area. Please be aware that the Airport central warehouse is not currently available for concession deliveries.

Requirements for security screening of employees and goods are established by the Department of Homeland Security and may be changed from time to time. Concessionaires shall be responsible for complying with existing and future requirements as well as any costs associated with such compliance, including, without limitation, future funding of a centralized receiving program.

The Airport operates under the security direction of the Transportation Security Administration (TSA). TSA has in the past issued operational bulletins and restrictions upon notice that can impact concession operations. The County is obligated to comply with these restrictions. SCDA will communicate new restrictions and TSA-mandated procedures with concessionaires as necessary and will work to ensure concession operations are minimally impacted.



SCDA plans to develop a Centralized Receiving and Distribution Center (CRDC) that will serve as a single point of entry for all vehicles and persons that need to access the Airport's secured areas. The CRDC will help the Airport comply with federal regulations contained in 49 CFR §1542 that require screening and inspection of vehicles and persons entering secured areas. The CRDC will also improve the efficiency of the delivery and distribution process for concessionaire goods and supplies by reducing the number of vehicles and persons within the secured areas. The CRDC will enhance the security and operational performance of the Airport. **The CRDC will be funded by a user fee charged to concessionaires to cover the CRDC's operation costs. The user fee will be determined by SCDA in consultation with the concessionaires and other stakeholders.**

O. ACDBE Status

SCDA encourages all businesses, including those owned and controlled by one or more socially and economically disadvantaged individuals that can provide the desired product or service, to submit a Proposal. If you are currently certified as an Airport Concessions Disadvantaged Business Enterprise (ACDBE), please include a copy of your ACDBE certification letter along with your Proposal. Certification may happen at any time prior to award of an agreement; however, ACDBE status will not be considered in evaluating and scoring proposals. This information will be used for ACDBE utilization tracking purposes only.

If you are a business owned and controlled by one or more socially and economically disadvantaged individuals and you are not currently certified as an ACDBE firm, but you wish to receive information on how to become certified, please contact the State of California, Department of Transportation, Civil Rights Program at either (916) 324-1700 or (866) 810-6346. You may also visit their website at <http://www.dot.ca.gov/hq/bep/index.htm>



CAPITAL INVESTMENT

The selected proposers must follow the standards in the SCDA's *Tenant Design Manual, Concourses A & B* for material quality and concept designs. Selected proposers should be aware that the Airport is subject to high pedestrian traffic and intense daily use from passengers with luggage, which causes additional wear on concession spaces. To ensure that the concession spaces are attractive, functional, and durable, SCDA requires the use of high-quality material and finishes that can withstand the continual use and wear by customers. Additionally, the concession spaces must comply with all applicable requirements of the Americans with Disabilities Act.

Selected proposers will be responsible for providing all capital investment for the spaces in their proposed package, including furniture, fixtures, and equipment.

Selected proposers should be aware that construction of all tenant improvements will occur in areas that are subject to tight security restrictions within a busy working airport. Proposers are encouraged to seek experienced professional advice regarding the costs and challenges of constructing tenant improvements at the Airport, and to familiarize themselves with applicable building and permitting requirements of the County. The County will not be responsible for costs that exceed the Proposed Facility Build-out Investment per square foot, as shown on Attachment L.

Proposers must invest a minimum amount per square foot in building out the unit. The minimum build-out investment is defined as either \$700 per square foot or 80% of the committed investment per square foot as set forth in Attachment L, whichever is greater. For landside units, the minimum investment is defined as either \$500 per square foot or 80% of the committed investment per square foot as set forth in Attachment L, whichever is greater.

Selected proposers will be required to document their construction costs and submit the final documentation to SCDA within the time frame and in the format described in the Agreement.

Notwithstanding the minimum capital investment requirements set forth in this section, SCDA may, at its sole discretion, approve a reduction in the committed investment per square foot for a selected proposer, if all of the following conditions are met:

- SCDA requests or requires a change in the concept design for the concession space that is consistent with the SCDA's *Tenant Design Manual, Concourses A & B* and the SCDA's overall vision and goals.



- The change in the concept design is approved by SCDA through the design review process and meets all applicable codes, standards, requirements, and regulations.
- The change in the concept design results in a lower total planned capital investment for the concession space than the original concept design, due to changes in layout, materials, finishes, equipment, or other factors.
- The revised total planned capital investment for the concession space meets the minimum build-out investment requirement per square foot as defined in this section.

SCDA reserves the right to reject any request for a reduction in the committed investment per square foot, or to impose additional terms and conditions regarding any revised investment requirements approved by SCDA, as appropriate. Any reduction in the committed investment must be set forth in writing and signed by both parties.

To ensure the committed investment is made, in the event that actual concession build-out costs are less than eighty percent of the planned or revised total capital investment, the selected proposer agrees to pay the County one hundred and twenty-five percent of the difference between the original committed investment per square foot and the revised committed investment per square foot.



MID-TERM REFURBISHMENT

A mid-term refurbishment is a firm commitment to reinvest in the concessionaire's facilities and replace worn and damaged finishes and is required by the Agreement.

Refurbishment is not the same as ordinary or deferred maintenance, which is an ongoing requirement, but instead constitutes an additional capital investment by concessionaire to renew and replace worn surfaces. For concepts/units with a proposed term of under 12 years, one mid-term refurbishment will be required and should be completed within years four through six of the opening date of the concession unit, or as otherwise negotiated with SCDA. For concepts/units with a term of 12 or more years, a second mid-term refurbishment will be required and may include rebranding, as negotiated with SCDA.

OTHER REQUIREMENTS

Handling and Disposal of Waste

The selected proposer will be required to maintain its leased premises in a neat, clean, and sanitary condition at all times. The selected proposer will be responsible for removing all garbage, food waste, solid waste, recyclables and other refuse from their leased premises using covered, leak-proof receptacles and conveyances and delivering such waste materials to the proper containers as identified by SCDA. SCDA reserves the right to require any selected proposer to provide, purchase, maintain and replace waste and recycling disposal containers at the selected proposer's expense at locations designated by the SCDA. If such containers are shared with other Airport users, the costs shall be equitably pro-rated and subject to the approval of the SCDA.

No Storage in Common Areas

The selected proposer will be prohibited from storing its inventory, equipment, disposables, etc. in common use areas, unless otherwise approved in writing in advance by the Director of Airports.



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SECTION 5: OPERATING COSTS

UTILITIES, TAXES, AND INSURANCE

Utilities

The selected proposer, at its expense, must install individual utility meters where required by the SCDA. The selected proposer will be responsible for all utility costs (e.g., water, electricity, and communications) associated with its leased premises.

Taxes

Any and all fees and charges of whatever character that may be levied, assessed, or charged by any governmental entity, including the County, shall be paid directly and in a timely manner by the selected proposer.

Minimum Insurance Requirements

The selected Proposer must maintain, throughout the term of the Agreement, insurance of the types and in the amounts prescribed in the Agreement. General liability shall be on an occurrence basis (as opposed to claims made basis). Minimum limits and structures shall be:

Insurance type	Minimum limit
General Aggregate	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage	\$100,000 (or replacement value of portion of building you lease, whichever is greater)
Liquor Liability	\$1,000,000
Automobile Liability	\$1,000,000 for landside vehicles; \$5,000,000 for airside vehicles
Workers' Compensation Statutory requirements of the State of California.	
Employer's Liability	\$1,000,000



Additional information regarding insurance requirements is provided in the draft Agreement (Appendix 6)

AIRPORT ID BADGING

All onsite Airport employees, whether they work pre- or post-security, are required to wear an Airport ID badge. The current cost to obtain an ID badge from SCDA is \$42.00 per employee per annum. This rate is subject to change.

Airport badging is administered by the Airport Badging Office and requires submittal of fingerprinting and background clearance. The process takes on average two to four weeks. Obtaining an ID badge is a requirement for working onsite. ID badge training is administered by the Airport Badging Office and details requirements on utilizing an ID badge. Security infractions or misuse of the ID badge can result in revocation of the ID badge. This would result in the employee not being able to be onsite at the Airport.

STAFF PARKING

Staff parking is available for all onsite Airport employees for use while they are on duty at the Airport. The cost for staff parking is \$15 per employee per month in employee parking lots. This rate is subject to change.



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SECTION 6: LEASING OPPORTUNITIES

PACKAGE OVERVIEW

SCDA has defined 18 spaces, identified by their unit numbers in the table below, across eight separate packages.

A proposer can win a maximum of eight of the defined units across multiple packages. Proposers cannot win individual units in packages that have more than one unit. If a proposer combines units to create a single branded offer, the individual spaces of the combined unit will still count towards the maximum eight units that can be awarded to a single proposer.

Package	Concourse	Unit	Current Concept	New Concept Theme	Square Feet	Package Total Space
1	B	CB2238	Esquire Grill	Locally branded full-service	4,590	10,749
	A	CA2233	Squeeze Burger	Nationally branded fast food	1,294	
	B	CB2234	Peet's Coffee and Tea	Nationally branded fast food	1,070	
	A	CA1057	Starbucks	Starbucks**	800	
	A	CA2765	Vacant	Starbucks**	1,818	
	B	CB2464	Starbucks	Starbucks**	1,177	
2	B	CB2360	New space	Locally branded coffee	340	2,596
	B	CB2268	Urban Crave Express	Mexican / cantina	1,156	
	B	CB2371	Mango Taco	Open ended	1,100	
3	A	CA2200*	Peet's Coffee and Tea	Soup, salad, sandwich	1,906	3,125
	B	CB2401	Vino Volo	Soup, salad, sandwich	1,219	
4	A	CA2238*	Vacant	Asian, fusion	1,376	2,356
	B	CB2374	Burgers and Brew	Asian, fusion	980	
5	A	CA2275	Vacant	Fruit, fusion	548	698
	B	CB Kiosk	Vacant	Fruit, fusion	150	

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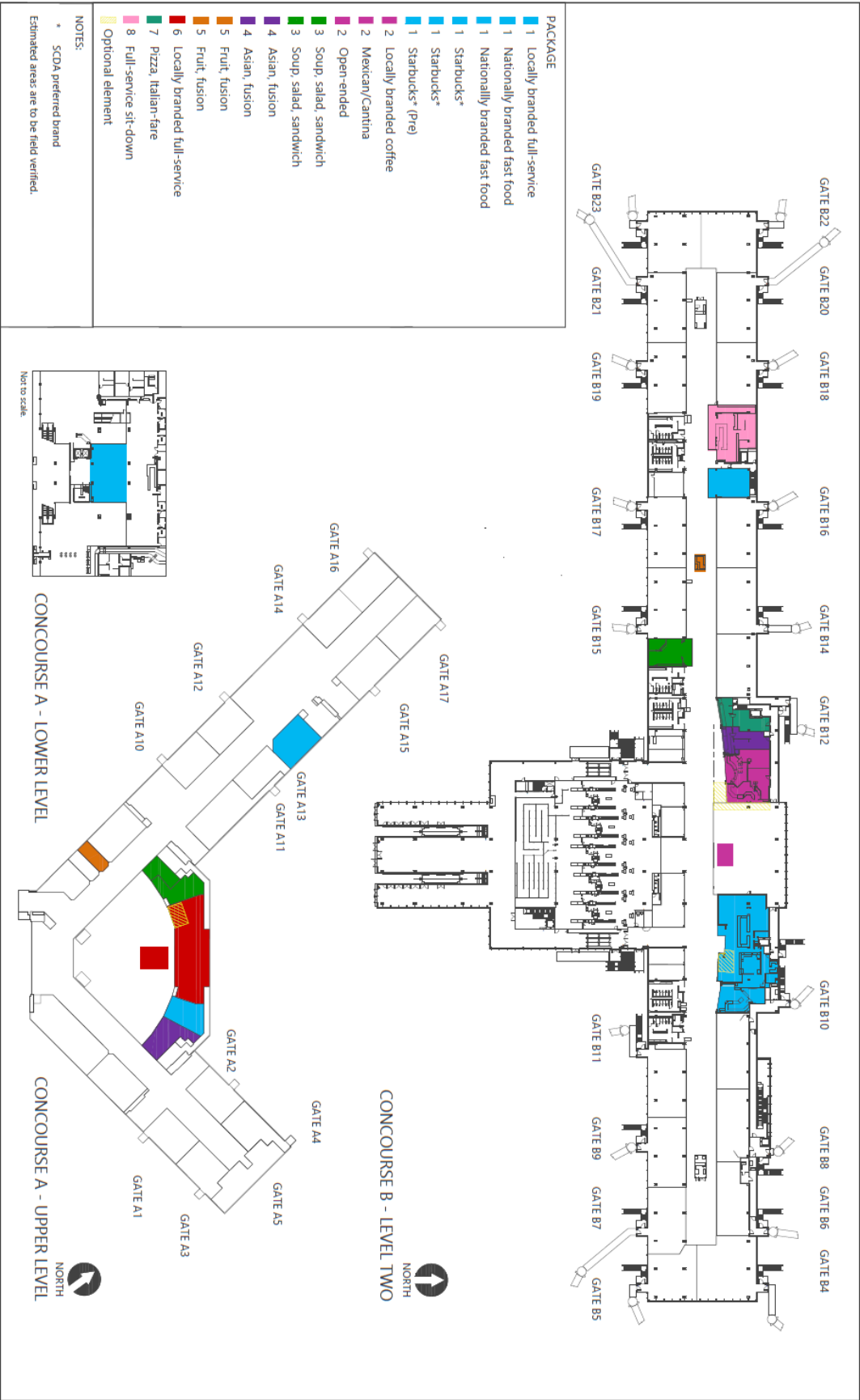
Package	Concourse	Unit	Current Concept	New Concept Theme	Square Feet	Package Total Space
6	A	CA2230*	Iron Horse Tavern	Locally branded full-service	5,113	5,113
7	B	CB2377	Famous Famiglia	Pizza, Italian fare	1,003	1,003
8	B	CB2476	Cafeteria 15L	Full-service sit-down	2,434	2,434

*Multiple rooms mapped within space

**SCDA strongly prefers a Starbucks store for this unit. See package details below regarding inclusion of alternative international coffee chains in the proposal.

All square feet totals are approximate, refer to as-built diagrams for exact totals.





PACKAGE DETAILS

This section provides details for the F&B leasing opportunities available at the Airport; the SCDA's concept, branding, and buildout requests and preferences for each unit; and current buildout information relevant to the SCDA's requested and/or preferred concepts. Additionally, customer service and technology expectations and requests are outlined and applicable to all units.

SCDA requires all concession employees who interact with customers to deliver excellent service that is friendly, fast, and efficient. Employees must be familiar with the brand, standards, values, policies, practices, and products of the concept where they are employed. Employees must maintain excellent customer service and professionalism when encountering periods of high demand and customers who are confused, flustered, or in a hurry due to the airport environment.

SCDA expects that all concepts will utilize technology to enhance the customer experience and operational efficiency of the unit. This may include, but is not limited to, mobile order and payment options, digital menu boards, tabletop tablets and self-service kiosks, and contactless payment options. Where the streetside equivalent concept utilizes a smartphone app, loyalty or rewards program, etc., the Airport concept should too. Additionally, proposers should utilize technology to enhance food safety, monitor food temperature, track inventory, reduce waste, and monitor concept performance.

SCDA requires that all food and beverage locations provide breakfast, lunch, and dinner menu items. Unless specified, coffee may be sold at all food and beverage concepts, and alcohol may also be sold at all food and beverage concepts with the proper licenses. Proposers are encouraged to utilize fresh, local ingredients where they can showcase Sacramento's Farm-to-Fork culture tying restaurants to local farms and suppliers and market this accordingly. Additionally, where a brand or streetside concept has non-food merchandise for sale, operators are encouraged to stock, promote, and sell this merchandise. Support space is in the lower levels of each terminal and concourse and is leasable by square foot at the annual market rate (see draft Agreement in Appendix 6). Note that some concessions units have storage within, but it may not be adequate for operations.

SCDA seeks local, regional, and national brands for specific units throughout the Packaging section. For purposes of this RFP, a "local brand" is defined as a restaurant that originated and is primarily operating in the Sacramento Metropolitan Area. A "regional brand" is defined as a brand that does not fall within the Local brand definition but does not have locations throughout the West Coast, Midwest and East Coast of America. A "national brand" is widely known and recognized, and maintains multiple locations, throughout the continental United States.



Parity of Concept

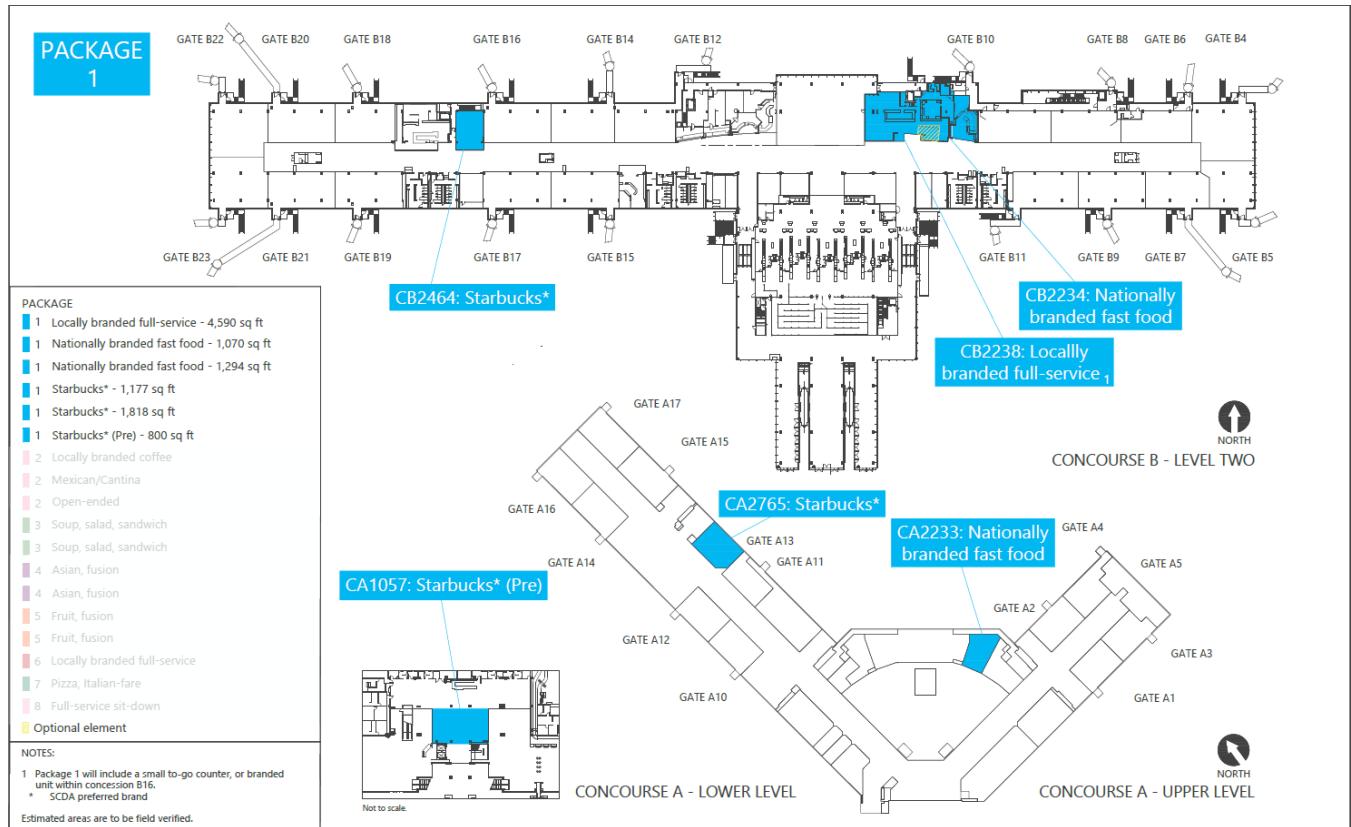
Proposers of national brand concepts must ensure parity of quality with the national brand standards. The Airport menu should also align with the national brand menu in terms of items, look, and feel. However, SCDA acknowledges that some items may not be viable at the Airport due to operational constraints such as space, operational limitations, or other factors. The proposers should justify any omissions and/or provide alternative options in their proposals.



Package #1 (Six units)

Package	Concourse	Unit	Current or Previous Concept	New Concept Theme	Square Feet	Package Total Space
1	B	CB2238	Esquire Grill	Locally branded full-service	4,590	10,749
	A	CA2233	Squeeze Burger	Nationally branded fast food	1,294	
	B	CB2234	Peet's Coffee	Nationally branded fast food	1,070	
	A	CA1057	Starbucks	Starbucks*	800	
	A	CA2765	La Taqueria	Starbucks*	1,818	
	B	CB2464	Starbucks	Starbucks*	1,177	

*Starbucks is SCDA's preferred brand for the unit.



Package	Concourse	Unit	Concept and Branding	Square Feet
1	B	CB2238	Locally branded full-service	4,590

Concept and Branding: Locally branded full-service, sit-down, with full bar. The proposer should offer a concept that reflects traditional American fare with a Farm-to-Fork focus. The restaurant should have a bright and inviting atmosphere and a strong local reputation. Additionally, the proposer should include a quick-service option that either offers a simplified version of the main menu for take-out customers or features a distinct brand and concept that complements the full-service restaurant.

Buildout: The proposer should design a buildout that takes advantage of window views. The buildout should include a full-service bar and a secondary quick-serve concept serviced by the kitchen. The buildout may alter the footprint within some limitations shown in Appendix 9.

Menu, Merchandise, and Pricing: The proposer should offer a traditional American fare menu that features local, seasonal, and sustainable ingredients. The menu should account for common dietary restrictions and include healthy options. The menu should have a broad range of pricing options from economical to experiential. The proposer may also offer merchandise that showcases the concept and the Farm-to-Fork culture. The menu shall be well thought out for each daypart and include a robust breakfast menu, lunch menu, and dinner menu. Menus at this location may also include specialty bar items, late night menus, seasonal and happy hour options, daily specials, or any other creative menu offerings that add to the passenger and customer experience. This unit provides an opportunity to celebrate Sacramento as the Farm-to-Fork capital with special menu items and ingredients that are sourced locally and branded to receive recognition for the local connection.

Special Focus Areas: Bar location, patio seating, and secondary quick-service concept opportunities.

Package	Concourse	Unit	Concept and Branding	Square Feet
1	B	CB2234	Nationally branded fast food	1,070
	A	CA2233	Nationally branded fast food	1,294

Concept and Branding: Nationally branded fast food quick-serve restaurants in both terminals. The proposer should offer concepts that meet this description that



will provide customers with a budget-friendly food option and the consistency of its streetside establishment.

A. CB2234 Buildout:

This unit does not have hood equipment; however, the unit shares a wall with unit CB2238 which has Type 1 hoods and vents. SCDA anticipates that CB2234 will need to add a Type 1 hood connection to the CB2238 roof venting system. Additionally, CB2234 does not have rear back of house access to employee hallways. Currently all restocking and service procedures are handled through the front of the unit.

Special Focus Areas: The redesign of this unit should include back of house access to the employee service hallway.

B. CA2233 Buildout:

This unit currently has Type 1 hood equipment.

Special Focus Areas: Proposer will need to manage line queuing due to unit location during high-traffic periods.

Menu, Merchandise, and Pricing: This unit will offer a variety of fast-food options with fresh, quality ingredients that are customizable to customer preferences, such as burgers, chicken, fries, salads, wraps, kid's meals, and drinks. Additionally, this unit will offer dessert options that complement the main menu items, such as milkshakes, ice cream, cookies, brownies, etc. The menu should be consistent with its street side menu for customer familiarity and consistent branding. The unit may also sell branded merchandise to promote the national brand identity and loyalty.

Package	Concourse	Unit	Concept and Branding (Preferred)	Square Feet
1	B	CA1057	Starbucks*	800
	A	CA2765	Starbucks*	1,818
	A	CB2464	Starbucks*	1,177

*Starbucks is SCDA's preferred brand for the unit.

Concept and Branding: Starbucks Coffee Company

A. CA1057

Pre-Security Coffee and Retail Focus: This location offers a convenient option for travelers and employees who want to enjoy coffee products before security. Starbucks is SCDA's preferred brand for this location, but an alternative, internationally branded coffee shop, committed to ethically



sourcing and roasting the highest quality arabica coffee in the world, may be proposed. The proposer should provide an internationally branded coffee kiosk that follows the standards and best practices of the brand. The proposer may also propose to integrate a retail component that offers a variety of products, such as snacks, books, magazines, souvenirs, travel essentials, and local items. The retail component is optional and should only be proposed if it can be seamlessly incorporated with the coffee kiosk without compromising the efficiency and attractiveness of the space.

B. CA2765

Hybrid Retail and Coffee Focus: This location offers a unique opportunity to combine a coffee concept with a news and gift retail experience within the available space. Starbucks is SCDA's preferred brand for this location, but an alternative, internationally branded coffee shop, committed to ethically sourcing and roasting the highest quality arabica coffee in the world, may be proposed. The proposer should provide a coffee concept that follows the standards and best practices of the brand as well as provide a news and gift retail concept that offers a variety of products, such as books, magazines, snacks, souvenirs, travel essentials, and local items.

Special Focus Areas: The proposer should explain how it will integrate the two concepts seamlessly using innovative design and layout solutions that maximize customer flow and revenue generation.

C. CB2464

This unit is located at the busy west end of the concourse between a full-service restaurant and airline gates. The location experiences heavy demand due to its location and brand. In its current layout this unit underserves passengers who often experience wait times of 20 minutes or more during peak periods.

SCDA's desired brand for this location is Starbucks Coffee, but an alternative, internationally branded coffee shop, committed to ethically sourcing and roasting the highest quality arabica coffee in the world, may be proposed.

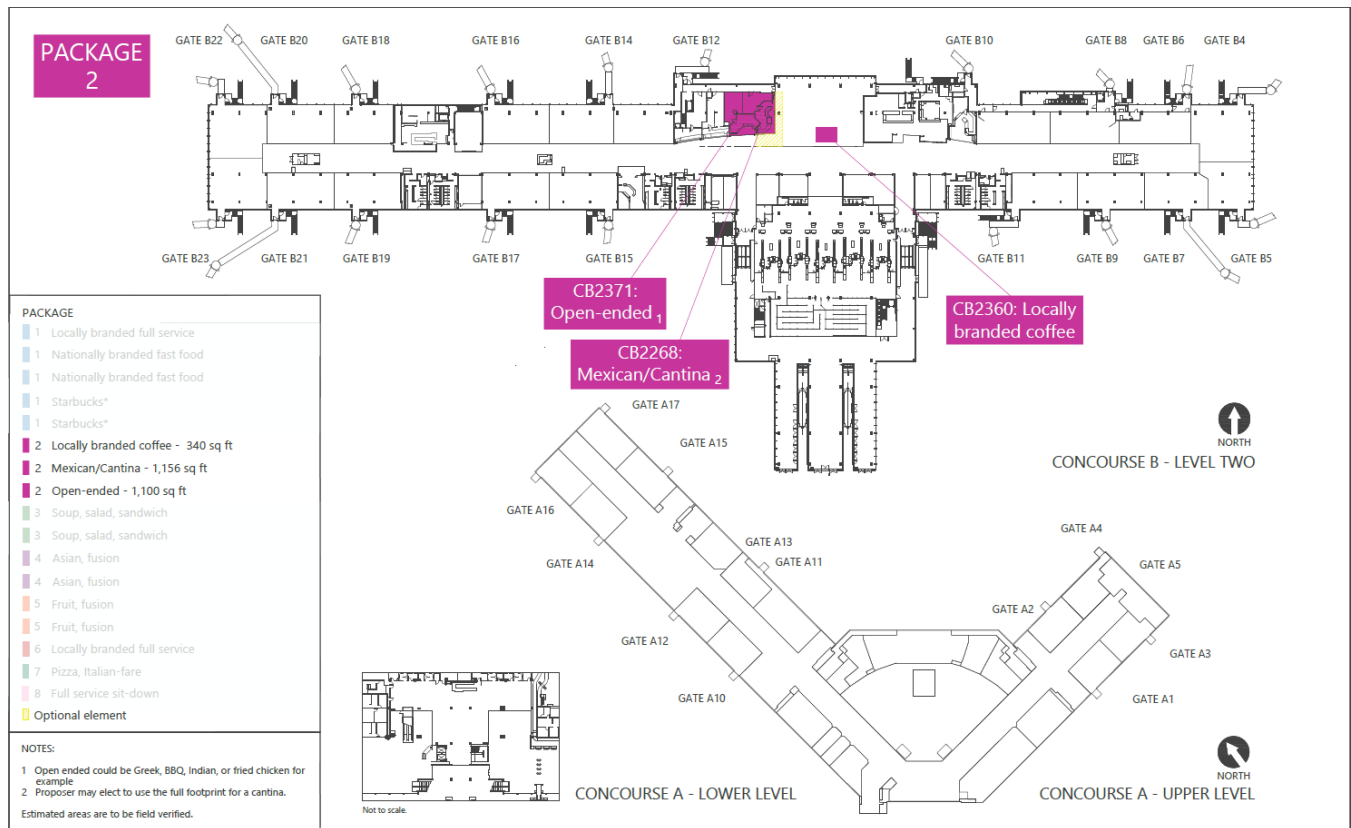
Special Focus Areas: Order and wait times, efficient mobile order and pay, design space for maximum service and queuing. The proposer should develop an operation plan enabling this location to serve 120 or more orders per hour. Line queue management and separate mobile order and pay waiting areas should be a special consideration for this unit.

-- End of Package #1 --



Package #2 (Three units)

Package	Concourse	Unit	Current or Previous Concept	New Concept Theme	Square Feet	Package Total Space
2	B	CB2360	New Space	Locally branded coffee	340	2,596
	B	CB2268	Urban Crave	Mexican / cantina	1,156	
	B	CB2371	Mango Taco	Open ended	1,100	



Package	Concourse	Unit	Concept and Branding	Square Feet
2	B	CB2360	Locally branded coffee	340

Concept and Branding: Locally branded coffee kiosk and quick bites.

Buildout: The kiosk should have a stylish and welcoming design that reflects the local coffee culture and brand identity. The kiosk should have a low profile that does not obstruct the view from TSA to the food court windows. The customer service area should be oriented to queue customers to the side behind the flight information displays (FID) as shown in Appendix 9. The coffee kiosk should have



visible signage, menus, and displays that showcase the products and services offered and be located to the right, or to the left such that views from TSA to the food court windows are largely unobstructed. The main storage for this location will be either in the back of house areas of CB2360 and CB2268 or in a storage area on the first floor.

Menu, Merchandise, and Pricing: The coffee kiosk should offer high-quality coffee and tea beverages made with beans from locally branded roasters who follow ethical and sustainable practices. The kiosk should have various brewing options, such as espresso, pour-over, cold brew, and nitro. The kiosk should also cater to different preferences and needs by providing dairy and non-dairy milks, flavored syrups and toppings, and gluten-free and vegan choices. The kiosk should serve fresh pastries and snacks from local bakeries or suppliers such as croissants, muffins, cookies, granola bars, and fruit. The kiosk may also offer hot food items that can be prepared without ventilation, such as sandwiches, wraps, salads, or soups. Other drink options including tea, boba or similar may also be served at this location. SCDA encourages creativity and innovation in the menu design to maximize the potential of this prime location. The proposer may also offer merchandise that showcases the concept. Hot food items can be cooked in the CB2360 or CB2268 space and delivered to the kiosk as needed.

Special Focus Areas: Queuing, hot food preparation requirements, customer experience in proposed kiosk location.

Package	Concourse	Unit	Concept and Branding	Square Feet
2	B	CB2268	Locally branded Mexican / Cantina	1,156

Concept and Branding: A locally or regionally branded restaurant concept that showcases the diverse and delicious flavors and cultures with a Southwestern or Mexican theme. The concept should include strong branding and be well-recognized and received with a modern design. The concept may include a bar space serving traditional Southwestern or Mexican alcoholic drinks and snacks, as well as less regionally specific alcoholic drinks.

Buildout: Existing unit has Type 1 hood and venting systems. Ideally this unit will include both counter takeout as well as sit-down opportunities and may include a bar. The footprint of the location may be expanded beyond the existing unit boundary as shown in Appendix 9 for the purpose of including a branded sit-down dining experience. Any sit-down opportunity could be either full service or to-go counter service. The proposer may propose multiple separate concepts for CB2268 and CB2371 or may expand the Locally branded Mexican / Cantina concept and



utilize the footprint of both CB2268 and CB2371. It is worth noting that individually these units may produce upwards of \$3,000,000 in annual sales. A combined single concept would need to be compelling with annual sales close to \$6,000,000 or more. The unit size data listed for unit CB2268 does not include any optional patio seating or queueing space as depicted in Appendix 9. The proposer may also offer merchandise that showcases the concept.

Menu, Merchandise, and Pricing: The concept should offer a variety of traditional dishes, as well as modern interpretations of tacos, burritos, salads, bowls, and wraps, prepared with high-quality ingredients and house-made sauces. A well thought out breakfast menu is critical for this concept.

Package	Concourse	Unit	Concept and Branding	Square Feet
2	B	CB2371	Open-ended	1,100

Concept and Branding: Open-ended and dependent upon proposer offering one or multiple unit operations. If multiple concepts are proposed for this space, SCDA will seek brand and/or concept combinations that offer a unique experience.

Buildout: See notes for unit **CB2268**. Existing unit has a Type 1 hood system and venting. The unit size information listed here does not include any patio or queueing space as depicted in Appendix 9.

Menu, Merchandise, and Pricing: Proposers are invited to suggest multiple concepts within this space, as long as they demonstrate innovation and originality. Combined gross revenue of any proposed offering within this space is expected to meet or exceed \$3,000,000 per year as one of the most highly visible dining locations within Concourse B. Additionally, the concept(s) will be evaluated based on how well they align with the SMF F&B program goals and how much they enrich the passengers' journey. Examples of potential concepts include ethnic cuisines such as Greek or Southern BBQ, or other novel offerings. The proposer may also offer merchandise that showcases the concept.

Special Focus Area: Consider expanding the footprint to offer patio seating for an elevated experience or managing queueing.

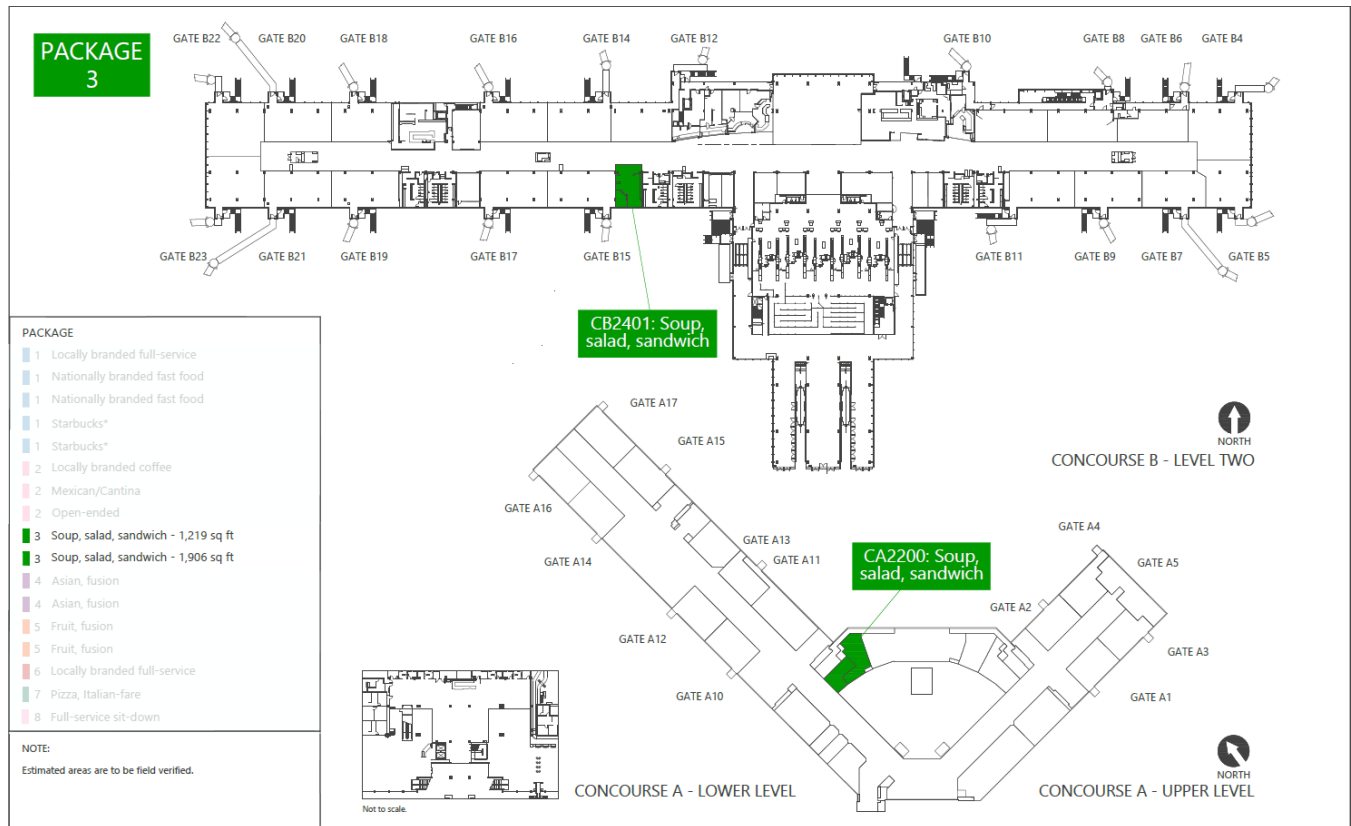
-- End of Package #2 --



Package #3 (Two units)

Package	Concourse	Unit	Current or Previous Concept	New Concept Theme	Square Feet	Package Total Space
3	A	CA2200*	Freshii	Soup, salad, sandwich	1,906	3,125
	B	CB2401	Vino Volo	Soup, salad, sandwich	1,219	

*Multiple rooms mapped within space



Package	Concourse	Unit	Concept and Branding	Square Feet
3	A	CA2200*	Soup, salad, sandwich	1,906
	B	CB2401	Soup, salad, sandwich	1,219

Concept and Branding: Soup, salad, sandwich, sides, pastries, and more from a local, regional, or national brand.

Buildout: The proposed location in Concourse A consists of units CA2200, CA2222, and the back of house area 2223, with a combined total area of approximately 1,896 existing built square feet and additional optional patio space.



This spacious layout offers the proposer a chance to reimagine how this space can deliver an elevated customer experience. For instance, there may be an opportunity to create a small patio area or a dedicated mobile order and pay pickup area. SCDA encourages creativity and innovation in designing a new concept footprint that reflects a cohesive brand identity. The unit size information listed here does not include any patio or queueing space as depicted in Appendix 9.

CB2401 is a straightforward unit, and SCDA has no specific requests for the buildout.

Menu, Merchandise, and Pricing: For these locations, SCDA requires concepts that provide soup, salad, and sandwich menu items. The concepts should include a compelling breakfast menu. The breakfast menu should include items such as sandwiches, wraps, bowls, pastries, and beverages that are suitable for the morning. The lunch and dinner menu should include a variety of soup, salad, and sandwich combinations that are freshly made and customizable. The proposer may also offer merchandise that showcases the concept.

The concept should appeal to a wide range of customers, including children and those with dietary restrictions and preferences, and adhere to the SCDA's pricing policies as described in [Section 4:Concession requirements](#), under point [M](#) on page [47](#).

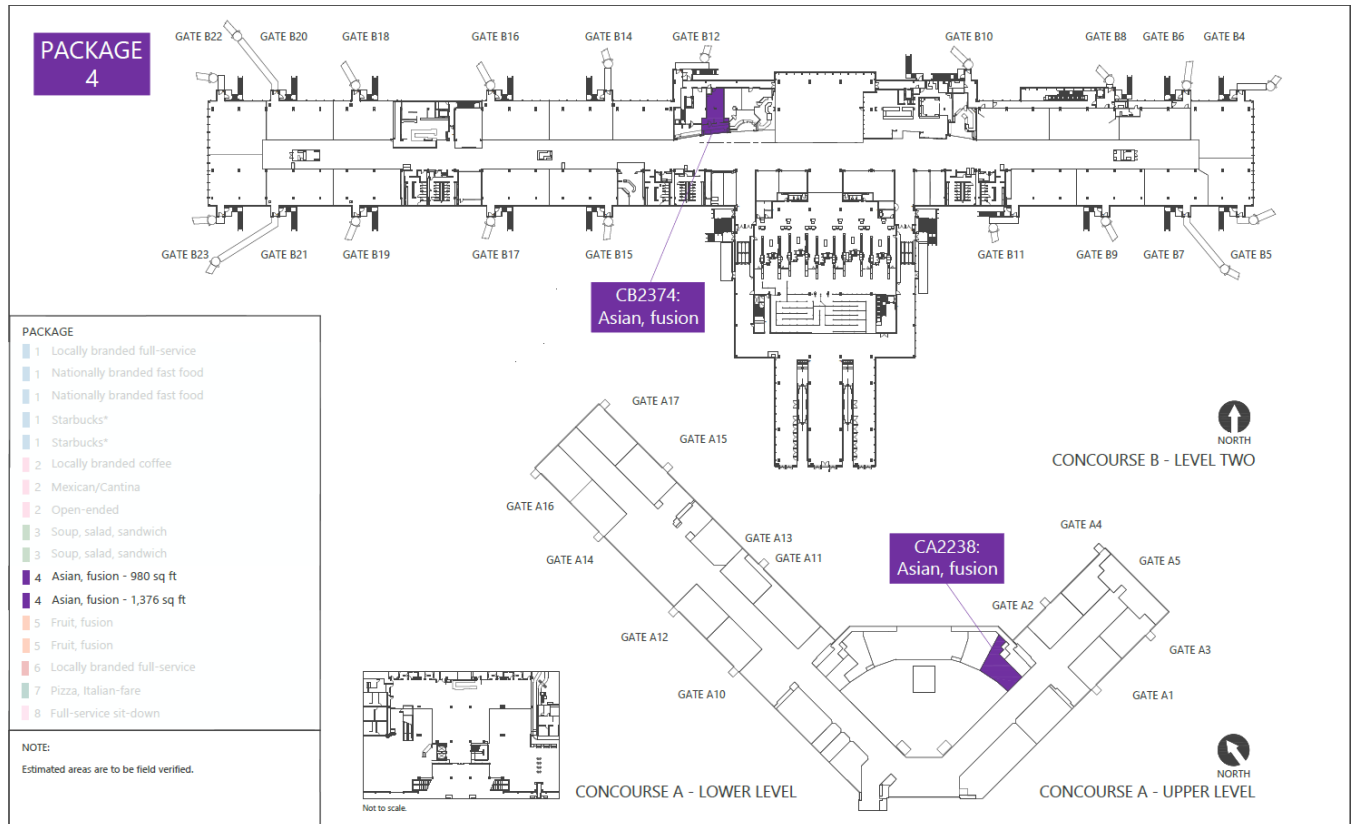
-- End of Package #3 --



Package #4 (Two units)

Package	Concourse	Unit	Current or Previous Concept	New Concept Theme	Square Feet	Package Total Space
4	A	CA2238*	Paesanos	Asian, fusion	1,376	2,356
	B	CB2374	Burgers & Brew	Asian, fusion	980	

*Multiple rooms mapped within space



Package	Concourse	Unit	Concept and Branding	Square Feet
4	A	CA2238/39	Asian, Fusion	1,376
	B	CB2374	Asian, Fusion	980

Concept and Branding: Asian (Japanese, Chinese, Vietnamese, Korean, Thai, Filipino, Indian, etc.) or more broadly, Asian-Fusion to provide greater variety. SCDA prefers a reputable local, regional, or national brand to provide quality menu items and a unique experience to customers. Asian cuisine offers a wide range of flavors and dishes from different regions and cultures. Proposers may choose to focus on one type of Asian cuisine (e.g., Thai) or to blend multiple types into one



cohesive brand (e.g., Asian-Fusion). Asian-Fusion cuisine combines the ingredients and preparation methods of different Asian cultures or other cuisines to create new and non-traditional dishes.

Buildout: The Concourse A location currently includes the mapped rooms CA2238 and CA2239. CA2238 has a food court-facing wall that may be opened to expand customer facing space which could be utilized for customer seating, a bar, or a separate unique concept entirely. CB2374 is a straightforward concept turnover. SCDA does not have a specific buildout request for this location. Both units currently have Type 1 hoods and roof vent systems installed. The design should be unique and modern as well as inviting to customers. The unit size information listed here does not include any patio or queueing space as depicted in Appendix 9. The Appendix 9 map depicts additional space that may be built for the purpose of creating a branded sit-down environment, to better manage queuing, or for mobile order and pay and pickup areas.

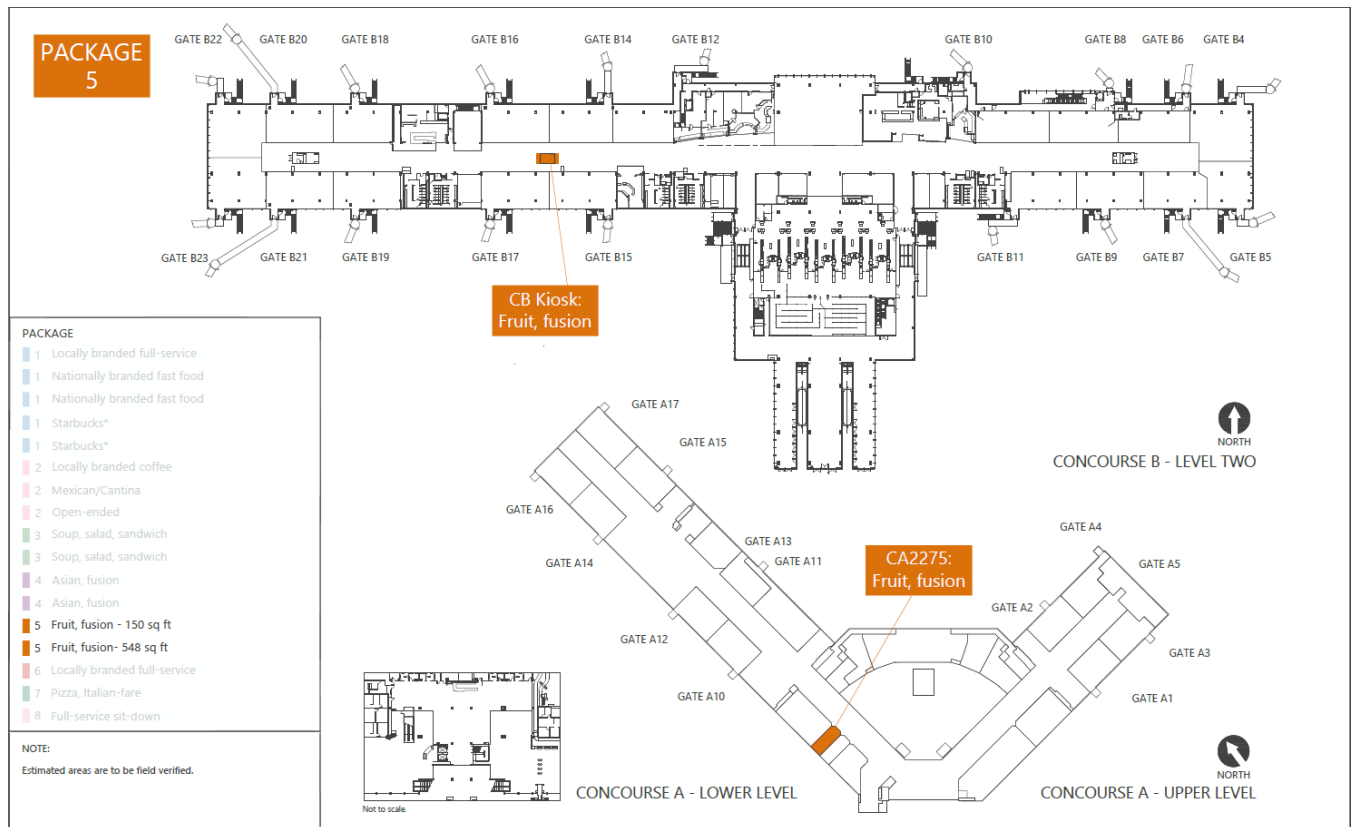
Menu, Merchandise, and Pricing: The menu should be developed for all three dayparts and feature a variety of dishes that are tasty, healthy, and authentic to their origins or fusion style. As both Concourse A and B have a significant morning throughput, a creative and well-thought-out breakfast menu will be an important part of a successful Asian concept. The concept should attract a broad customer base, including those who have special dietary needs or preferences, such as vegetarian, vegan, gluten-free, or halal options. The proposer may also offer merchandise that showcases the concept.

-- End of Package #4 --



Package #5 (Two units)

Package	Concourse	Unit	Current or Previous Concept	New Concept Theme	Square Feet	Package Total Space
5	A	CA2275	Erwin Pearl	Fruit, fusion	548	698
	B	CB Kiosk	Erwin Pearl	Fruit, fusion	150	



Package	Concourse	Unit	Concept and Branding	Square Feet
5	A	CA2275	Fruit, fusion	548
	B	CB Kiosk	Fruit, fusion	150

Concept and Branding: Concepts that feature fresh and frozen fruits, juices, acai, and other fresh ingredients in the form of drinks or bowls and offer other snacks that are refreshing and nutritious. Proposers may choose to focus on one type of fruit or fruit-based product (e.g., smoothies, acai bowls) or to blend multiple types into one cohesive brand (e.g., Fruit-Fusion). Fruit-Fusion concepts combine the flavors and benefits of different fruits or other ingredients to create new menu items.



Buildout: CA2275 in Terminal A is an inline unit nestled between a lounge and retail units adjacent to the food court seating area. At 548 square feet this unit is ideal for providing a large counter service area and may include a small seating area should customers prefer sitting-in.

The CB Kiosk was previously a 150 square foot rectangular jewelry kiosk. This fruit, fusion kiosk will be located centrally in the concourse walkway and will have great customer visibility. The construction of this unit should be mostly open such that passengers can see down the concourse past the unit. The menu board should be facing the north or south and be unobtrusive to visibility down the concourse. The proposer should carefully consider queue management such that passengers line up down the concourse to the east without blocking passenger flow past the kiosk. Power connections were built for the jewelry kiosk but were covered up after that kiosk was removed. Water and drain lines may be needed.

In both buildouts, the design should be modern, vibrant, and distinctive.

Menu, Merchandise, and Pricing: SCDA requests proposals for concepts that offer any combination of fruit bowls, acai, fruit juices, fruit/vegetable smoothies, plant-based goods, combo packs, prepackaged grab and go items, and other fruit and vegetable-based meals. Any other fresh foods prepared at this location will need to be smokeless and must not require venting. The menu should cater to customers who want lighter and healthier meal options as well as include items for children. The proposer may also offer merchandise that showcases the concept.

Special Focus Areas: The Concourse B kiosk will need to be designed and constructed to minimize the obstruction of east to west concourse views and minimize customer queuing impacts on passengers walking past the unit.

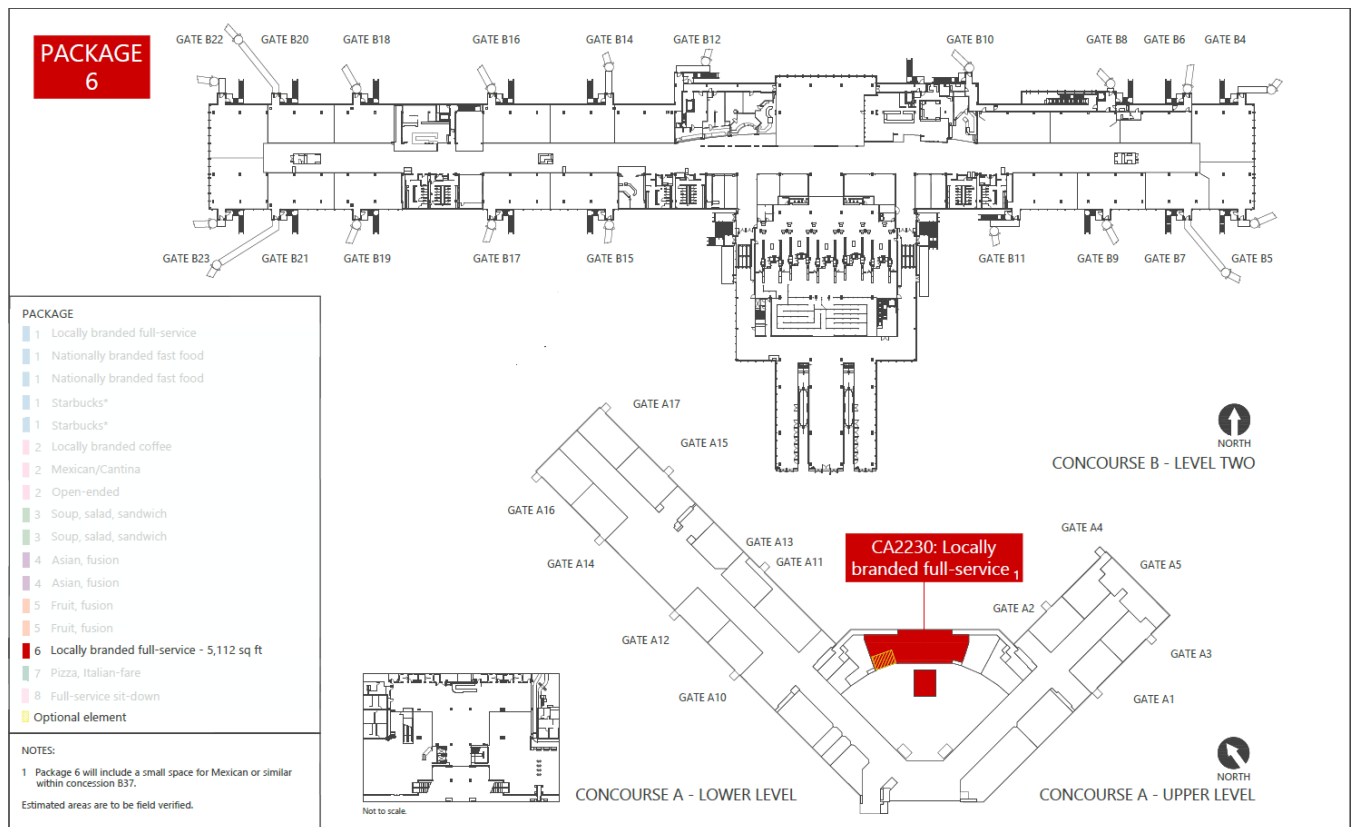
-- End of Package #5 --



Package #6 (Single unit)

Package	Concourse	Unit	Current or Previous Concept	New Concept Theme	Square Feet	Package Total Space
6	A	CA2230*	Iron Horse	Locally branded full-service	5,113	5,113

*Multiple rooms mapped within space



Package	Concourse	Unit	Concept and Branding	Square Feet
6	A	CA2230*	Locally branded full-service, sit-down	5,113

Concept and Branding: Local full-service, sit-down restaurant with full bar and optional to-go or additional concepts. The proposer should offer a concept that features traditional American fare with a Farm-to-Fork focus. The restaurant should have a bright and inviting atmosphere and a strong, local reputation. Additionally, the proposer may include a quick-service option that either offers a simplified version of the main menu for take-out customers or feature a different brand and concept that complements the main one. For example, a Mexican food offering may be an opportunity in Concourse A that would not otherwise be met through the existing packaging plan. Proposers may offer one or more additional

brands, concepts, or a to-go ordering kiosk space as long as the full-service, sit-down restaurant and bar remains the primary use of restaurant space and the focus and highlight of the unit.

Buildout: Existing concept is a large full-service, sit-down restaurant with a bar located in the food court area. This restaurant is the only full-service, sit-down location with a full kitchen in the terminal. The unit has a Type 1 hood and vent system, large storage areas, window views, and a large footprint. The proposer should design a buildout that showcases the window views, and an inviting open-air bar concept taking advantage of the prime terminal location. The buildout should offer an expanded full-service bar and a convenient secondary quick-serve option. The unit size information listed here does not include any available added bar space as depicted in Appendix 9. The expanded bar space in Appendix 9 is depicted as a rectangle. Other shapes, sizes and bar layouts may be proposed, however, recognize that such alterations from the shape in Appendix 9 will only be approved within design review.

Menu, Merchandise, and Pricing: The proposer should offer a traditional American fare menu that features local, seasonal, and sustainable ingredients. The menu should account for common dietary restrictions and include healthy options. The menu should have a broad range of pricing options from economical to experiential. The proposer may also offer merchandise that showcases the concept and the Farm-to-Fork culture. The menu should be well thought out for each daypart and include a robust breakfast menu, lunch menu, and dinner menu. Menus at this location may also include specialty bar items, late night menus, seasonal and happy hour options, daily specials, or any other creative menu offerings that add to the passenger and customer experience. This unit provides an opportunity to celebrate Sacramento as the Farm-to-Fork capital with special menu items and ingredients that are sourced locally and branded to receive recognition for the local connection. The proposer may also offer merchandise that showcases the concept.

Special Focus Areas: Bar and patio area expansion, and secondary QSR concept opportunities, highlighting window views.

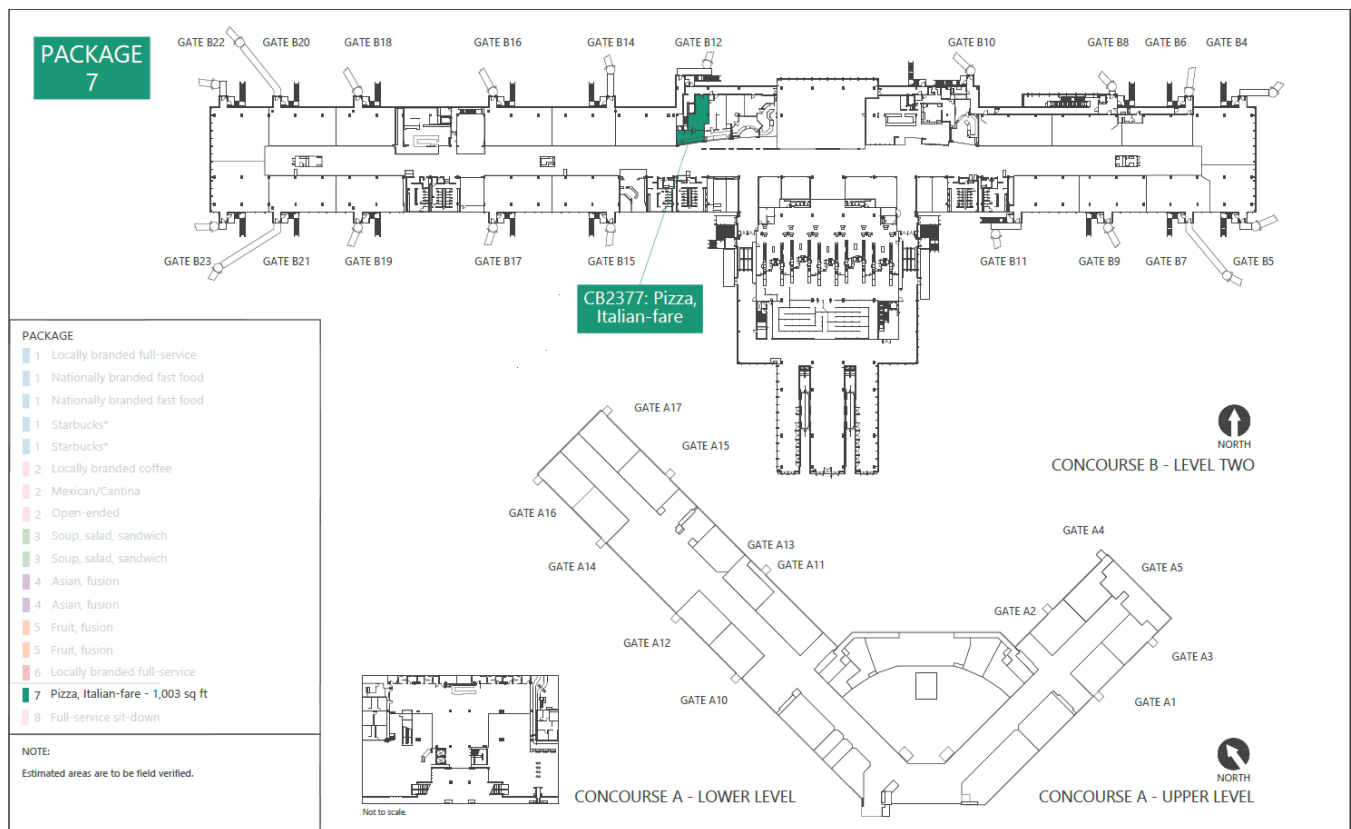
-- End of Package #6 --



Package #7 (Single unit)

Package	Concourse	Unit	Current or Previous Concept	New Concept Theme	Square Feet	Package Total Space
7	B	CB2377	Famous Famiglia	Pizza, Italian fare	1,003	1,003

Package	Concourse	Unit	Concept and Branding	Square Feet
7	B	CB2377	Pizza, Italian fare	1,003



Concept and Branding: Pizza and Italian fare from a local, regional, or national brand. Branding should be modern, creative, and reflect a fun atmosphere.

Buildout: CB2377 is an inline, quick service restaurant unit in Terminal B just west of the food court alongside three other food and beverage concepts. This unit is highly visible to foot traffic due to its location near the food court and placement near airline gates. The existing concept primarily serves pizza and Italian fare as well as common breakfast items. It is currently equipped with a Type 1 hood vent system and is counter-serve only. The new design should be bright, modern, and inviting.



Menu, Merchandise, and Pricing: SCDA requests proposers to provide menu items that include pizza, Italian fare, salads, beverages, and breakfast foods that are familiar to all customers. Fast, fresh, and customizable should be a focus. Menu prices at the current location are affordable for customers at all income levels. SCDA expects that proposers will offer comparable menu items and pricing to capture the business of customers at all income levels and adhere to the SCDA's pricing policies as described in [Section 4 M](#) on page [47](#). The proposer may also offer merchandise that showcases the concept.

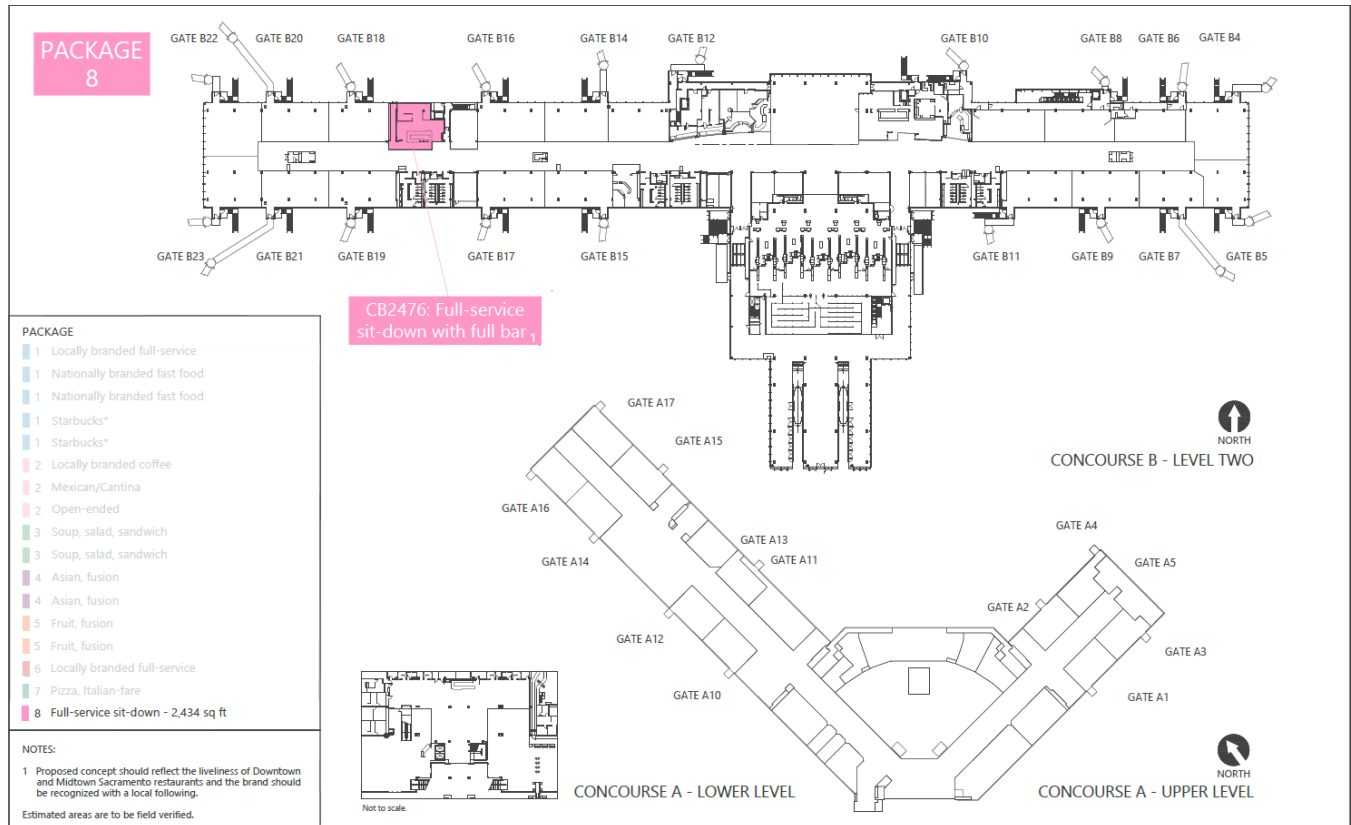
Special Focus Areas: Ticket time, customer service, and line queuing are areas that proposers should address thoroughly. Alternative menu considerations are offering individually built pizzas, salads, Italian-style sub sandwiches, breakfast calzones, etc., while maintaining high quality products and consistent speed and service levels.

-- End Package #7 (Single unit) --



Package #8 (Single unit)

Package	Concourse	Unit	Current or Previous Concept	New Concept Theme	Square Feet	Package Total Space
8	B	CB2476	Cafeteria 15L	Full-service sit-down	2,434	2,434



Package	Concourse	Unit	Concept and Branding	Square Feet
8	B	CB2476	Locally branded full-service, sit-down	2,434

Concept and Branding: Full-service, sit-down restaurant and bar offering a fun dining experience for travelers. The proposed concept should reflect a lively and exciting brand identity to draw customers in. The restaurant should provide a wide range of menu options using fresh, high-quality ingredients, and a variety of beverages including alcoholic and non-alcoholic drinks.

Buildout: CB2476 at the west end of Concourse B between Starbucks and Southwest's gates in a high-traffic area. The current unit is a full-service, sit-down restaurant and bar with inside seating, bar, and patio seating. The kitchen has a Type 1 hood and sidewall venting. The wall on the west side of the unit currently

blocks views from inside the restaurant out to the airline gates. The new design of this unit may benefit from opening the restaurant views out to the airline gates either by removing portions of the wall or replacing wall surfaces with glass where possible.

Menu, Merchandise, and Pricing: Good eats, local beer and wine, craft drinks, and a fun atmosphere can make this unit a destination within the Airport for travelers to kick off their trip. While SCDA has not established guidelines on menu items for this concept, proposers should plan to include bar bites, creative appetizers, brunch, as well as the traditional daypart meals of breakfast, lunch, and dinner. Merchandise sales including, but not limited to, branded shirts or hats, to-go mixers and spirits, gift sets, etc. are permissible so long as they promote the proposed concept and comply with the requirements of this RFP. Menu prices should be consistent with the brand, offer a “something for everyone” price range, and adhere to SCDA’s pricing policies as described in Section 4. M.

Special Focus Areas: Bar, patio seating, external wall, promotional and seasonal events. Existing concept has a closed off wall on the west end of the unit that SCDA encourages be opened for a more open and inviting customer experience. Proposer should use creativity to reimagine existing concept to maximize the limited square footage and develop a fun and inviting design.

-- End of Package #8 (Single unit) --



RFP PROGRAM REQUIREMENTS

A. **Airport Concession Disadvantaged Business Enterprise Program (ACDBE)**

SCDA welcomes proposals from all businesses, including those owned and controlled by socially and economically disadvantaged individuals who can provide the desired product or service. If you are an Airport Concession Disadvantaged Business Enterprise (ACDBE) certified by the State of California, please include a copy of your certification letter with your proposal. This will help SCDA track its ACDBE participation.

The County does not discriminate based on race, color, sex, or national origin in the award or performance of this agreement. The requirements of 49 CFR Part 23 apply to this RFP. Airport businesses must make efforts to meet ACDBE goals by exploring all available options for direct ownership arrangements with ACDBEs. Joint ventures and other partnership arrangements with ACDBEs are acceptable if they comply with FAA guidance.

B. **ACDBE Goal**

SMF has an ACDBE race and gender-neutral goal of fifteen percent (15%) of total annual gross receipts. The proposer may submit Attachment H (Airport Concession Disadvantaged Business Enterprise (ACDBE) Utilization Plan), if appropriate.

C. **Small Business Goal**

SCDA's RFP has a Small Business goal of 30% for food and beverage operators. If you think you may qualify as a Small Business, please ensure that this is indicated on Attachment B (Business Organization Summary) by selecting the appropriate checkbox under the *Small Business* section to self-certify.

The FAA is committed to providing maximum opportunities for small businesses in its own solicitations and in airport concessions programs and the County Board of Supervisors approved Resolution No. 2021-0522, which created a small business tenant lease category based on the \$56,420,000 revenue cap defined by the U.S. Department of Transportation and the FAA in 49 CFR part 23.33(a).

The small business application and certification process will help SCDA track its success in attracting and retaining Small Businesses and may lead to special leasing opportunities within SCDA.



D. Temporary Facilities

Proposers should consider the impact of construction during the interim term. As units are closed for construction, SCDA will permit the reasonable use of carts and temporary kiosks to sell products that do not interfere with passenger flow or airline operations. All temporary facilities shall be subject to approval by the Director of Airports.

E. Mandatory Pre-Proposal Conference

Proposers and/or their representatives are required to attend the virtual Mandatory Pre-Proposal Conference. If a proposer fails to attend the virtual Pre-Proposal Conference, any proposal submitted by that proposer will be rejected by SCDA. All proposers must register for the Pre-Proposal Conference by July 25, 2023, at 2:00 pm PDT and designate a single point of contact. Only authorized representative of potential proposers may register on that proposer's behalf.

Please register for the virtual Pre-Proposal Conference through the OpenGov RFP website. SCDA will keep a record of all parties who attend the Pre-Proposal Conference, which will be posted at <http://sacramento.aero/smf>.

The virtual Pre-Proposal Conference will be held on July 26, 2023, from 10:00am to 12:00 pm. Meeting links will be sent to all proposers who have registered for the meeting.

The meeting will:

- Provide general information regarding SCDA RFP goals and specific RFP details and timelines.
- Provide an overview of the OpenGov procurement system utilized by this RFP, site location, and usage guidelines.
- Provide information on how to submit formal requests for information and clarification regarding this RFP and its attachments.
- Provide an opportunity to ask general questions.

An in-person Airport tour opportunity will also be available after the virtual Pre-Proposal Conference. Email DaherR@saccounty.gov to book an in-person Airport tour.

F. Submittal of Questions/Requests for Clarification

Following the virtual Mandatory Pre-Proposal Conference, SCDA will receive and respond to questions or comments relating to provisions of the RFP and its attachments that are submitted in writing and received by SCDA on or before the deadline specified on the RFP timeline. All questions must be submitted on the OpenGov RFP website for formal review and response. Oral



questions, either in person or via recorded voicemail message, will not be accepted.

SCDA will respond to all relevant questions submitted by the applicable deadline via addendum to the RFP which will be posted to the OpenGov RFP website and emailed to all prospective proposers on record as having attended the virtual Mandatory Pre-Proposal Conference.

SCDA is not responsible for any explanation, clarification, interpretation or approval made or given in any manner except by written Addendum.

It is the proposers' responsibility to review all addenda available on the OpenGov website. SCDA's failure to send such addenda via email to the respective Proposers' points of contact shall neither constitute a failure on the County's part to notify nor serve as the basis for any protests challenging selections made under this RFP.

Addenda issued by SCDA shall be considered a part of this RFP document and receipt of all Addenda issued must be acknowledged on the Addenda Acknowledgement Form (Attachment A) and included with your proposal. Any proposer failing to sign the Addenda Acknowledgement Form may be deemed non-responsive and disqualified from further consideration.

G. Confidentiality of Records

Under the laws of the State of California (State), the proposal submitted will be considered a public record after the selection of a proposer and execution of the Agreement and, except as noted below, will be available for inspection and copying by any person following award. Any proprietary or otherwise sensitive information contained in the proposal is subject to potential disclosure.

Consequently, information deemed "confidential" by the proposer may be submitted in a separate sealed envelope, with each page marked "Confidential Information". SCDA will take reasonable efforts to protect any information marked as "Confidential Information" provided that such information meets the criteria of information exempt from public disclosure under the California Public Records Act. It is understood, however, that the County shall have no liability for disclosure of such information.

EFFECTIVE PERIOD OF PROPOSALS

All proposals received shall remain valid for one hundred and eighty calendar days after the proposal due date and may be extended upon mutual agreement by the County and the relevant proposer.



WITHDRAWAL OF PROPOSAL

No proposal may be withdrawn without forfeiture of the Proposal deposit after it has been submitted to SCDA unless the proposer so requests in writing and such request is received by the Department before the proposal due date.

CONE OF SILENCE

Once the RFP is issued, proposers and their representatives, agents, and affiliates (including prospective subtenants, joint venture partners, and their agents and representatives) are prohibited from contacting any County employee, Selection Committee member, or other County representatives to discuss or ask questions about the contents of this RFP, the attached draft Agreement, the selection process; or to otherwise encourage or seek a specific result in connection with this RFP. All questions shall be submitted in writing as described above. Inappropriate contacts may result in the proposer's rejection or disqualification.

Notwithstanding the above, SCDA's representative may initiate communications with a proposer to obtain additional information or clarification needed for SCDA to properly and accurately evaluate a proposal submitted in response to this RFP.



SUBMISSION REQUIREMENTS

A. Submit a Complete Proposal

Proposers shall submit completed proposals as required by this RFP, including all completed mandatory forms as noted on Attachment M, by the proposal due date and time specified on the RFP timeline (Appendix 8).

Proposals received after the specified time and date will be deemed non-responsive and automatically rejected from consideration.

Any proposals that exceed the page limit stipulated in Attachment M will be deemed non-responsive and rejected from consideration.

B. Proposal Deposit

Proposers must provide an original proposal deposit in immediately available funds, in the form of a certified check, a cashier's check, or a proposal bond that meets the County's requirements. The proposal deposit amounts for each package are listed below and must be received by the proposal submittal due date. Proposers who submit proposals for multiple packages must provide deposits for each package. Proposal deposits that are received after the proposal submittal due date will not be accepted and will be returned.

Proposal bonds may be submitted along with the proposal on OpenGov. Alternatively, certified checks, cashier's checks, and proposal bonds may be mailed to the address below and must be received within five business days of the proposal due date:

Attn: Renata Daher
6900 Airport Boulevard
Sacramento, CA 95837-1109

The deposit amount required for each package is listed below:

Package	Deposit required [\$]
Package 1	30,000
Package 2	15,000
Package 3	10,000
Package 4	10,000
Package 5	10,000
Package 6	5,000
Package 7	5,000
Package 8	5,000



All proposers who do not withdraw from the procurement process, except as specified in the [Withdrawal of Proposal](#) section above, will have their proposal deposit returned promptly following the Board of Supervisors' award of concession agreements to successful proposers. No other materials or documents will be returned under any circumstances. A proposer who withdraws their proposal after the proposal due date shall forfeit their proposal deposit.

C. Proposal Format

The proposal must be submitted digitally through the OpenGov portal in a PDF format, with the exception of the pro forma document which should be submitted as a Microsoft® Excel® document.

Any proposal received after the scheduled proposal due date and time will not be considered and will be deemed non-responsive. SCDA reserves the right to postpone or cancel the scheduled proposal due date and notice of such extension or cancellation shall be sent via addendum.

D. Exceptions, Deviations, and Alternatives

Proposers may not, after exhausting protest avenues, take exception or make deviations to any requirement of the RFP unless SCDA specifically approves the deviation. If alternatives are proposed or exceptions to the draft Agreement are requested, the proposer must clearly identify such alternatives or exceptions in the proposal. SCDA expressly reserves the right, in its sole and absolute discretion, to consider such alternatives or exceptions and to award Agreements pursuant to this RFP based thereon if determined to be in the County's best interests.



Submission Checklist

The proposal must not exceed the page limit indicated in the table below. Images, renders, plans, and menus do not count towards the page limit or to the size restriction. All other pages should be a standard 8.5 x 11 inches, with a font size no smaller than 11 points. Please use a standard font, such as Times New Roman, Ariel, Calibri, or similar. Proposal shall be formatted as outlined below.

Proposal		Maximum page limit
1.	Proposer Evaluation	
1.1.	Experience and Qualifications	12 pages
1.2.	Financial Capability	2 pages
1.3.	Environmental Sustainability	5 pages (any internal policy documents can be attached as an appendix and will not count towards the page limit.)
2.	Business Terms	
2.1.	Proposed Term	1 page per brand
2.2.	Proposed Percentage Rent	1 page per brand
2.3.	Total Concession Rent Value	1 page per brand
3.	Concept Evaluation	
3.1.	Customer Service	8 pages per brand
3.2.	Concept Type and Branding	12 pages per brand excluding renders, plans, and images
3.3.	Buildout Design, Timeline & Technology Use	6 pages per brand, excluding renders, plans, and images
3.4.	Menu & Pricing Policy	3 pages per brand, excluding sample menus
3.5.	Management and Operations	16 pages per brand



Attachments to Proposal		Return with Proposal?
1.	Executed addenda acknowledgement form (Attachment A)	Yes
2.	Pro-forma operating statement(s) with supporting assumptions (Attachment I)	Yes
3.	Project cost analysis form (Attachment K)	Yes
4.	Facility build-out investment proposal form (Attachment L)	Yes
5.	Business terms offer and percentage rent offer (Attachment J)	Yes
6.	Financial statements and/or balance sheet and income statements	Yes
7.	Business and financial references (Attachment C)	Yes
8.	Business organization statement (Attachment B)	Yes
9.	Proposal deposit	Yes
10.	Declaration of non-collusion (Attachment D)	Yes
11.	Airport Concession Disadvantaged Business Enterprise joint venture information form (Attachment G)	Only required if an ACDBE proposer
12.	Airport Concession Disadvantaged Business Enterprise Utilization Plan (Attachment H)	Only required if an ACDBE proposer
13.	Worker retention information form (Attachment D)	Yes
14.	Labor peace policy (Attachment F)	Yes



EVALUATION CRITERIA

Evaluation Criteria

All proposals meeting the minimum qualification requirements of this RFP will be reviewed, evaluated, and ranked to determine the highest scoring proposal. A Selection Committee comprised of representatives from various airport and industry stakeholders, as determined by SCDA will use the evaluation criteria listed below in evaluating proposals, weighted according to the number of points assigned to each evaluation factor. Evaluation criteria will be established for each package. Proposals will be ranked from highest to lowest based on the total point scores received from the Selection Committee.

The County reserves the right to award a particular location or concessions unit to a lower scoring proposal if, in the County's determination, the lower scoring proposal meets the SCDA's stated objectives. Evaluation scores or ranks do not create any right or expectation to an Agreement with the County regardless of any score or ranking given to any proposer. SCDA may consult all personal, business, and financial references familiar with a proposer's prior operations and construction or management of prior projects. Submission of a proposal in response to this RFP shall constitute permission for SCDA to make such inquiries and authorization to third parties to respond thereto.

A. Minimum Qualifications (Pass / Fail)

Proposers shall comply with the following minimum requirements to be considered under this the RFP:

1. Submit a complete Proposal.
2. Attend the virtual Mandatory Pre-Proposal Conference.
3. Possess three or more years of continuous experience within the last five years in the ownership, management, or operation of food and beverage concepts.
4. Be financially capable of performing the obligations set forth in the Agreement, in the sole and absolute determination of the County.
5. If a joint venture, partnership, or limited liability company (LLC) submits a proposal, the entity holding a controlling interest in the joint venture, partnership, or LLC (for example, majority voting rights in company decisions) must meet these Minimum Qualifications in order to be considered for award of an Agreement. If no single entity holds a controlling interest, then each entity in a group of entities comprising a controlling interest must meet all of these Minimum Qualifications for the joint venture, partnership, or LLC to be considered for award of an Agreement.



6. Proposers submitting a proposal to operate a licensed or franchised facility must independently meet these Minimum Qualifications and may not rely on the qualifications of the licensor/franchisor. Additionally, proposers who are proposing to operate a licensed or franchised facility must provide a letter from the licensor/franchisor granting the rights to operate the license/franchise at the Airport or stating that the terms of a license/franchise agreement have been agreed upon pending award of the concession space. Licensors/franchisors may propose directly; however, their licensees/franchisees will be considered subtenants and the licensor/franchisor must meet these Minimum Qualifications to be considered for award of an Agreement. Upon such award, any proposer submitting a licensed or franchised facility must provide the County with an executed copy of the license or franchise agreement.

B. Proposer Evaluation (30 Points)
Experience and Qualifications

SCDA seeks proposers with proven track records who can operate a high-traffic food and beverage service location while maintaining excellent quality and service.

History: Provide a narrative of the business including its origin, major milestones, accomplishments, and geographical locations. If the proposing company is a newly formed entity, provide this history for all members of this entity.

Experience: Describe how proposer has successfully operated in locations with high levels of pedestrian traffic, such as malls, downtown commercial districts, sports venues, college campuses, airports, convention centers, amusement parks, and similar settings. If applicable, provide the number of streetside locations, number of airport locations, how long each location has been operating, and estimated number of full- and part-time employees.

Legal: Explain any judgments, liens, lawsuits, or pending judgments against proposer or proposer's businesses in the last 10 years. If the proposing company is a newly formed entity, provide this information for all members of this entity.

Bankruptcy: Explain if proposer's business or any of its members have ever declared bankruptcy, filed a petition in any bankruptcy court, filed for protection from creditors in bankruptcy court, been



named as a defendant in any legal proceedings, or had involuntary proceedings filed in bankruptcy court. For each situation, please also indicate the status and outcome of the lawsuit/legal proceedings.

Lease History: Provide details about any leases or locations that the proposer has abandoned, given up, ended, or transferred to another person or entity before their applicable expiry date in the past three years. Explain any contract awards that the proposer has forfeited, canceled, or passed on to another party within this same period.

Financial Capability

SCDA seeks proposers that have a demonstrated history of financial responsibility and a commitment to investing in a facility that meets or exceeds the SCDA's requirements. The proposer must show its capability to build out and operate the facility successfully. The Selection Committee will evaluate proposers based on their financial statements, investment plans, and revenue forecasts.

Financial Investment: Provide the proposed initial investment for each concept in today's dollars including total investment amount and dollars per square foot as well as for mid-term refurbishments, rebranding, or renovations including a detailed timeline for each concept if applicable.

Financial Statements: Proposers must attach audited financial statements for the past three years if available. If audited financial statements are not available, then all financial statements shall be certified by the proposer's Controller, or financial officer of the company.

Balance Sheet and Income Statements: Provide the last three fiscal years prepared in accordance with generally accepted accounting principles (GAAP) reflecting the current financial condition of the proposer. Also include an interim balance sheet and income statement of any significant financial events occurring subsequent to the closing date of the most recent financial statements.

Ownership: Describe ownership of the proposer. Owners of closely held corporations must submit a personal financial statement current within three months from the date of submittal.

References: At least three business and two financial references.



Changes: Detail any changes in financial position for the past two years.

Summary: Provide current Dun & Bradstreet or S&P Global Ratings Summary, if available. If a summary is unavailable, state the reason.

Environmental Sustainability

SCDA recognizes the importance of environmental sustainability and strives to manage the Airport in a way that minimizes its negative effects on the natural surroundings. SCDA aims to reduce the Airport's ecological footprint by implementing green practices and policies to reduce energy use, reduce waste, promote sustainability, and protect and conserve the environment. See details of SCDA environmental focus here: [SCDA > Sustainability \(sacramento.aero\)](http://sacramento.aero)

SCDA seeks operators that are committed to environmental sustainability and environmental conservation. Describe in detail the proposer's corporate environmental sustainability plan and how it aligns with SCDA's goals.

Environmental Sustainability: Describe proposer's current environmental sustainability programs at existing locations. Include the use of sustainable building materials, use of eco-friendly cleaning products, use of energy-efficient equipment, sustainable packaging and utensils, certifications, etc.

Environmental Sustainability Training: Explain existing training and engagement programs the proposer has implemented and/or any that it will implement at the Airport as well as any progress or goal tracking methods.

C. Business Terms (20 Points)

Proposed Term

As noted above, SCDA will accept term proposal offers between eight and fifteen years. The proposed term must be reasonable and promote a sustainable business operation for the duration of the Agreement. Proposers must provide a detailed narrative on why the term is appropriate for the package. Proposals and their term justification narratives will be compared against each other to validate what is reasonable. Justification could describe estimated buildout costs, description of specialized décor or unique building products requirements, mid-term refurbishments details, concept changes, licensing fee structures, labor considerations, or other reasonable and sensible justifications. Proposers proposing on multiple packages should propose terms specific to each package, or, if proposing one term length for



all packages, include a detailed narrative explaining the advantages to SCDA of selecting said term proposal over other term proposals that may cater more specifically to individual package(s).

Proposed Percentage Rent

Percentage Rent proposals must be reasonable and sustainable for the duration of the Agreement. Provide a detailed narrative on why the proposed rent rates are appropriate for the proposed concepts/package. Proposals and their rate justification narratives will be evaluated and compared against each other to validate what is reasonable. Provide proposed Percentage Rent for each category of sales and for each concept or unit bid on.

Proposing a higher Percentage Rent amount will not necessarily be awarded higher grading points unless the amount is justified, sustainable for the length of term, and supported by the proposer's financial projections in the pro-forma. Similarly, proposing a lower Percentage Rent amount will not necessarily be awarded lower grading points unless the amount is unjustified by the proposers' financial projections in the pro-forma. Lower Percentage Rent proposals should clearly show specific cost constraints of a concept that make a lower rate justified for the concept and vice versa for higher rent proposals.

Total Concession Rent Value

Concession Rent Value is the total amount of rent that the proposer expects to pay to the Airport over the term of the Agreement. It is calculated by multiplying the proposed Percentage Rent rates by the projected gross sales for each category and concept, and then adding up the results. Proposals will be evaluated and compared based on their Concession Rent Value, as well as their alignment with the Airport's goals and vision for the concessions program.

A higher Concession Rent Value will be viewed favorably, as it indicates a strong commitment to the Airport and a confidence in the market potential of the concepts. However, the Airport will also consider other factors, such as employee compensation, quality of service, and financial viability, to ensure that the proposals are realistic and sustainable. A lower Concession Rent Value will not necessarily be viewed unfavorably, as long as it is justified by the proposer's financial projections and business plan. A lower Concession Rent Value may reflect a more conservative approach to sales forecasting, or a higher investment in employee wages and benefits, or other operational costs that enhance the customer experience. The Airport reserves the right to negotiate the final Concession Rent Value with the selected proposer(s) based on their proposals and performance.



D. Concept(s) Evaluation (50 Points)

Customer Service

SCDA places customer service excellence as a top priority, and with its partners strives to make every traveler's journey enjoyable and hassle-free.

Customer Service Policy: Provide existing operations customer service policy.

Customer Feedback: Explain how the proposer handles customer feedback of all forms.

Customer Service Plan: Provide details on proposed customer service plan at the Airport and how this will enable the concessions operator to provide excellent customer service.

Third Party Ratings: Provide a summary and details of any third-party ratings and reviews or other customer service metrics for the proposed concepts that are no older than three years from the date of RFP issuance. Only include ratings, rankings, or reviews for units that are operated by the proposer or by a joint venture operator of the proposer, if applicable. If the proposer has not operated the proposed concept before, they may provide customer service ratings and reviews of a similar concept that they or their joint venture partner have operated.

Concept Type and Branding

The Selection Committee will assess how well each proposed concept within each package meets SCDA's concept and branding requests and stated preferences. Any proposed substitutions to the preferred brands indicated by SCDA will require justification supporting the alternative brand and benefits for the customer. For the concepts and brands that the County has requested based on geographical criteria (i.e., local, regional, national), or for the Special Focus Areas that SCDA has specified in section 6 (Leasing Opportunities), proposers should clearly demonstrate how they will fulfil or exceed the SCDA's requests. The proposer may propose different concepts than those requested by SCDA, but the alternative concept will be evaluated based on how well they cover key food and beverage categories, how they compare to the other proposals and concepts received, and how they align with SCDA's overall Food and Beverage Program goals.

Concept: Provide the name of concept being proposed, establishment type, cuisine type, and the rationale for its placement at the Airport.



Branding: Explain how the brand aligns with SCDA’s requests and stated preferences, the brand’s geographical reach, and its public perception.

Ownership: Provide the type of ownership for each concept being proposed (i.e., franchise, licensed, corporate, direct ownership, etc.).

Feasibility: Explain why each proposed concept will be successful at the Airport. If the proposed concept differs from what SCDA requests, thoroughly explain the rationale for the change.

Special Focus Areas: Explain in detail how the proposer will address these areas if applicable.

Projected timeline

Provide a detailed plan for the development and launch of the concept from the point at which SCDA has approved the project start and initiated the site handover as shown in the [Design process flow](#) in [Section 7: Design and construction](#). Describe the essential milestones, their interdependencies, and the allocated resources anticipated for each stage of the project. Additionally, include a contingency strategy to address potential delays during the project execution.

Buildout Design

The County is requesting that proposers place the customer experience at the center of design for each concept focusing on aesthetics, efficiency, service speed, and line queuing where applicable. Explain how each concept’s design aligns with SCDA’s requests and stated preferences in [Section 6: Leasing opportunities](#) and how it fits into the Airport environment. Explain how the design will optimize the use of space and minimize the waste of materials and energy and be aesthetically appealing. Responses will be evaluated based on the proposed design of the buildout, the innovation demonstrated, and the potential to offer a unique and memorable experience for the customer.

Technology Use

Provide proposed use of technology such as mobile order and pay platforms, self-service kiosks, food and beverage delivery, and any other technology to enhance customer service. Explain how proposers will track customer satisfaction as it relates to the service, quality, value, and menu items provided by the establishment. Proposers should discuss how their physical menus tie to digital app-based ordering if available, and how the proposer’s technology stack will enable adaptability to changing customer preferences,



seasonal or specialty promotional items, and other short term rotating product offerings. The proposer should discuss how any technology their organization has recently adopted, are working to integrate in the short term, and how they have organized their business to adopt new technologies as they may be introduced in the future.

Menu

Responses will be evaluated on how well the proposed concepts and menus meet the needs and preferences of a diverse customer base with differing budgets, tastes, dietary requirements, and ultimately offer the best value and quality for customers' money. Menus should have food options for families with children as well as customers who are willing to spend more on higher-end meals. Provide menus for each proposed concept with estimated prices in today's "street" price from an off-airport location or equivalent if available. Provide a proposed airport specific menu for SMF. Explain each concept's offerings, how they fit into the SCDA's Food and Beverage Program requirements, and how they will meet customer dietary needs and requests. If the menu offers Farm-to-Fork items, show how locally sourced goods will be highlighted. Menus may highlight exciting and crave-able items. Menus should clarify items built around special dietary restrictions or where substitutions may be made to meet special dietary restrictions.

Pricing Policy

Proposers must indicate, for each unit or concept, whether they will adhere to the Street Pricing Policy or the Fair Market Pricing Policy and provide a detailed explanation of why the pricing method was chosen for each concept and how this method will benefit customers, the proposer, and the Airport. Pricing plans will be evaluated by how well they adhere to the selected pricing policies. Additionally, the pricing plans will be evaluated based on how well they, along with the menu items offered at that pricing, support travelers at different price points, on the employee discount program, and generally how well the proposer has adopted the goals and vision of the SCDA's Food and Beverage Program.

Management and Operations

The County requires food and beverage concessions operators at the Airport to provide "5-star" customer service, operate efficiently, and cultivate a positive and supportive culture. SCDA aims to create an inclusive environment for all customers, respecting their diverse backgrounds and potential Americans with Disabilities Act (ADA) related needs. SCDA expects concessionaires to adhere to exemplary standards of build-out that comply with local regulations, but that also incorporate innovative and thoughtful



elements that go beyond what the regulations require. Concessionaires should offer customers an experience that makes them feel comfortable and welcome.

The Selection Committee will assess how well the responses to the following topics align with SCDA's standards and expectations, as described in this RFP.

Proposed Staffing: Describe the staffing structure of each concept proposed, including the estimated number and roles of employees in management, supervisory, front of house, and back of house positions. Indicate which managers will be onsite at the Airport and which will be offsite. Provide details on the level of experience of the management team for each concept.

Labor and Training Practices: Describe recruiting techniques and labor sources for management and non-management employees, hiring or retention incentives (if available), details on employee training programs, and how employee callouts, turnover, and potential labor shortages will be handled. Please also provide the employee handbook for the proposing company or individual concept and describe the employee uniform or dress code.

Operations Plan: Describe in detail the procedures to ensure continuous, high-quality, and highly efficient operations. Explain how menu items will be prepared and served in a short period of time, catering to the time-conscious customer. Provide detailed plans of any operational audits that will be implemented as well plans to evaluate productivity including line queuing and ordering, tickets per hour, and methods to remedy underperformance should it be necessary.

Maintenance Plan: SCDA places a high value on proper and continued maintenance of the leased premises as well as concessionaire property including furniture, fixtures, and equipment. Provide details for ongoing physical maintenance, repair, and replacement relating to utility components, equipment, furniture, fixtures, flooring, walls, ceilings, etc. Describe all routine cleaning and maintenance that will occur daily, weekly, monthly, quarterly, and annually.



Selection Process

A. No Late Proposals

Any proposal received after 2:00 p.m. Pacific Daylight Time on the proposal due date will be considered late and will not be evaluated by the Selection Committee. There is no appeal from a disqualification due to a late submittal.

B. No Changes to Proposal

Except as specifically provided in this RFP, no changes to the proposal may be made by the proposer during the evaluation period.

C. Evaluation of Proposals

1. More than one proposal for the space, as defined and described in [Section 6: Leasing opportunities](#) page 63, from any individual, company, corporation, partnership, or other entity under the same or different names will not be considered. If SCDA has reasonable grounds for believing that any proposer has a business or financial interest in more than one proposal for the space, SCDA will reject all proposals in which that proposer has such interest. If there is reason to believe that collusion exists among proposers, none of the participants in such collusion will be considered under this RFP.
2. SCDA reserves the right to request additional information from proposers to clarify the meaning of any portion of their written proposals.
3. Finalists may be required to make a presentation to the Selection Committee to further explain the concept, design, and business aspects of their proposal and to respond to questions which might arise before and/or during the presentation.
4. Proposers must provide written clarification or additional information within three business days to any written request for such information by SCDA during the proposal review and evaluation process.
5. Evaluation criteria point values are not definitive, but indicative. The award of any specific unit or package will depend on the Selection Committee's holistic assessment of a proposal, and how that proposal, in comparison with other proposals, will contribute to the best customer service experience at the Airport.
6. Notwithstanding processes described herein, the Selection Committee has the discretion to use any method to score the proposals consistent with the evaluation criteria above and determine the final proposed



awardees, such as short-listing finalists, ranking proposals, requesting best and final offers, communicating conditional offers based on other proposers' acceptance of other conditional offers, or any other method deemed necessary or advantageous to the County. The final proposed awardee list will be presented to the County Board of Supervisors for final approval and Agreement award.

D. County's Right to Negotiate Agreements

The County reserves the right to negotiate agreements with other concessions providers outside of this RFP, even if such providers did not participate in the RFP process.

E. County's Reservation of Rights

1. The County reserves the right to withdraw, modify, suspend, or cancel this RFP, in whole or in part, at any time and without prior notice. The County makes no representations that any agreements will be awarded to any proposer responding to this RFP. The County reserves the right to cancel award of an agreement without liability to the proposer at any time before the agreement has been approved by the County Board of Supervisors and fully executed by all parties.
2. The County reserves the right to reject any and all proposals submitted in response to this RFP. Submittals containing omissions, erasures, alterations, conditions, or additions not called for may be rejected.
3. The County reserves the right, in its sole and absolute discretion, to waive minor irregularities or informalities in any proposal or in the procedures described in this RFP, and to be the sole judge of the responsibility of any proposer and of the suitability of the materials and/or services proposed to be rendered or provided.
4. The County reserves the right, in its sole and absolute discretion, to make all final determinations relating to this RFP.



Award of Agreement

A. Execution of Agreement

1. After selection by the County of successful proposer(s) and following approval by the County Board of Supervisors, SCDA will provide letters of award to the selected proposer(s). Director of Airports shall negotiate the final Agreement(s) with the selected proposer(s) and deliver Agreements to selected proposer(s) for execution. Selected proposer(s) shall deliver to the County a signed agreement within 20 days after receipt of a final negotiated agreement. Should the selected proposer(s) fail to sign and deliver the agreement within 20 business days to Director of Airports, the agreement award may be canceled by the Director of Airports, and the Proposal deposit will be retained by the County as liquidated damages.
2. By executing an Agreement with the County, the proposer represents that it has carefully examined and is familiar with the sites at which any portion of the Agreement is to be performed and with the RFP, including all performance requirements. The proposer further represents and acknowledges that, prior to executing the Agreement, it has made such examinations and investigations as necessary and is satisfied as to the operating conditions at the Airport.
3. No information derived from inspection of County records or reports will in any way relieve the proposer from properly performing its obligations under the Agreement. Available County reports are provided as a convenience to the proposer without any warranty whatsoever by the County.

See the Draft Agreement Appendix 6 for more specific construction requirements.



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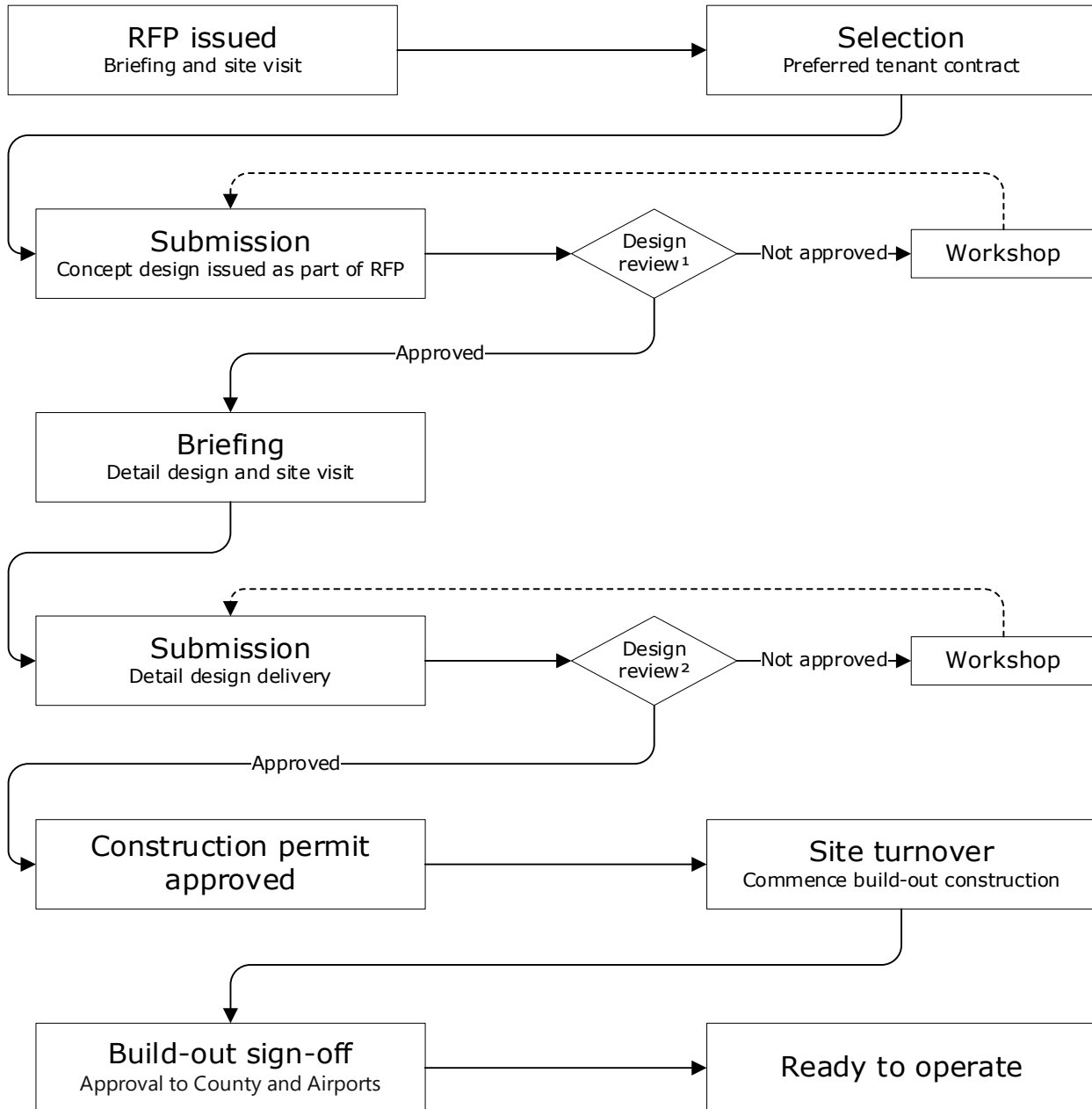




SECTION 7: DESIGN AND CONSTRUCTION

DESIGN PROCESS FLOW

Overview of the design process



¹ Design review process done by SCDA

² Design review process done by SCDA and other County departments



DESIGN AND CONSTRUCTION

The selected proposer shall be responsible for remodeling and finishing the assigned spaces in accordance with the Tenant Design Manual, Concourses A & B, attached as Appendix 4.

Design Review

Following execution of an Agreement by all parties, the selected proposer shall promptly submit plans for design review to SCDA and the Sacramento County Building Permits and Inspections Office. The design review process is to ensure that plans conform to the Tenant Design Manual, Concourses A & B and are in accordance with the proposal accepted by SCDA. Upon request by the County, the selected proposer shall implement any design modifications requested to bring the plans into compliance with the Tenant Design Manual, Concourses A & B and any and all local, State and federal requirements. Modified designs and layouts shall be resubmitted until approved by the County.

Construction Permit Approval

Following design review and approval by the County, the selected proposer shall begin preparing the construction document drawings. Construction permits are issued by the County's Community Services Agency, Community Development Department.

Turnover Date

It is the intention of the County to make the assigned food and beverage concession space available to selected proposer for construction as expeditiously as possible upon approval by the County Board of Supervisors of the Agreement and upon expiration of the current agreements.

Condition of the Space at Turnover Date

The selected proposer will, at its sole expense, be responsible for the design, demolition and removal of interior fixtures and finishes, construction of new concept, and equipping the leased premises in accordance with the Tenant Design Manual, Concourses A & B.



Commencement and Completion of Construction

Construction of the concession location may begin following the:

1. Execution of the Agreement by all parties.
2. Confirmation of the release and availability of the space.
3. Approval of selected proposer's design, construction drawings and construction schedule by SCDA and the County's Building Permits and Inspection Division.
4. Receipt by selected proposer of all necessary approvals and permits from local, State, and federal agencies; and
5. County's issuance of the Notice to Proceed.

The selected proposer shall complete construction as expeditiously as possible and within the timeline identified in its proposal.

Coordination of Construction Activities

During construction, the selected proposer will be required to coordinate its activities with SCDA so that its work does not interfere with or cause a delay in any airline operations or other activities at the Airport.

Construction Drawings

Within 90 days after filing a Notice of Completion, which is due within 10 days after construction completion, the selected proposer shall furnish to the County one complete set of electronic AutoCAD format Record Drawings and one complete set of either .pdf, .dwf, or .tif files showing the "as-constructed" improvements. Record Drawings shall be dated and stamped by the engineer or architect of record. The selected proposer's failure to submit construction drawings as required herein and in the Agreement will result in financial penalties as detailed in the Agreement.





SECTION 8: DISCLAIMERS

Disclaimers

- A. The County's selection of an operator or operators either from among the proposers responding to this RFP, or otherwise, shall be solely at the County's discretion. The Selection Committee will evaluate proposals based on the criteria listed in this RFP and such other factors as it considers appropriate, and will act, with respect to its discussions, negotiations, and determinations relating to such selection, in accordance with its judgment and in its sole discretion, regardless of whether any proposer or other interested person regards the County's determination as unreasonable, unfair, arbitrary, discriminatory, or capricious.
- B. Neither the expression of a proposer's interest, nor proposer's submission of its qualifications and any other information, nor the acceptance thereof by County staff or the Selection Committee, nor any correspondence, discussions, meetings or other communications between proposer and County or the Selection Committee, nor a determination that a proposer is qualified hereunder shall: (i) impose any obligation on the County to include proposer in any such further procedures which may be utilized prior to County's final selection of an operator or operators under this RFP; (ii) be construed or interpreted by proposer to impose any obligations whatsoever on the County to select proposer as the operator, to discuss any proposal which the proposer may submit, or to enter into negotiations with proposer; or (iii) entitle proposer to any compensation or reimbursement for any costs or expenses incurred by proposer in connection with this RFP.
- C. The cost of developing a proposal in response to this RFP is entirely the responsibility of the proposer and cannot be charged to the County or included in the cost elements of any agreements awarded pursuant to this RFP.
- D. Proposer acknowledges and agrees that neither the County nor any person on behalf of County has made any claims, representations, or warranties, express or implied, regarding the business venture proposed by proposer at the Airport, including any statements relating to the potential success or profitability of such enterprise.

The County explicitly states that operating any business anywhere involves the risk of business failure, including the operation of a business at an airport. The County will not guarantee the success or profitability of any activity at the Airport. Proposers and their representatives, agents, and affiliates (including prospective subtenants and joint venture partners, and the agents and representatives of any subtenants or joint venture partners)



represents and warrants that all interested parties have made independent investigations into all aspects of the business venture, including its potential for success and failure.

Proposer has independently decided that it wishes to pursue this opportunity, and to accept an agreement for the proposed concession development and management opportunity should the same be tendered in response to its proposal. Proposer and its representatives, agents, and affiliates (including prospective subtenants and joint venture partners, and the agents and representatives of any subtenants or joint venture partners) agree, through the acceptance of an agreement resulting from this RFP, and affirmatively assert that it will not seek for the County to remedy any business success or failure issues that are not a result of the direct action or inaction of the County, including, but not limited to: (i) initiation or cessation of air service by any airline or to any destination; (ii) a shifting of passengers to or from any part of the terminal or Airport; (iii) a substantial change in operations at the Airport due to any Force Majeure cause, as such terms are defined in the Agreement; and/or (iv) a substantial economic slowdown either in the Sacramento area or nationwide.

- E. The County may consult all personal, business, and financial references familiar with proposer's prior operations and construction or management of prior projects. Submission of proposer's response to the RFP shall constitute permission for the County to make such inquiries and authorization to third parties to respond thereto.
- F. The County 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.
- G. Statistical information contained in this RFP shall be used for informational purposes only. The County is not responsible for any inaccuracies or interpretations of the statistical information provided during the RFP process. The County makes no representations as to the number of future enplanements and/or amount of future revenues at the Airport.
- H. All proposals and supplementary material will become the property of the County upon receipt, and no materials will be returned to Proposers. Proposers are advised that all information included in proposals may be made available to the public in accordance with appropriate policies, statutes, ordinances and/or regulations including, but not limited to, the California Public Records Act and the Freedom of Information Act.



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SECTION 9: LIST OF ATTACHMENTS

Attachments to this RFP

Attachments

Attachment A	Addenda Acknowledgement Form
Attachment B	Business Organization Summary
Attachment C	References Form
Attachment D	Declaration of Non-Collusion
Attachment E	Worker Retention Policy Form
Attachment F	Labor Peace Policy Form
Attachment G	ACDBE Joint Venture Information Form
Attachment H	Airport Concession Disadvantaged Business Enterprise (ACDBE) Utilization Plan
Attachment I	Pro-Forma Operating Statement
Attachment J	Agreement Term and Percent Rent Offer
Attachment K	Project Cost Analysis Form
Attachment L	Facility Build-out Investment Proposal Form
Attachment M	Submission Checklist and Page Limits

Appendices

Appendix 1	Existing Concession Sales
Appendix 2	Monthly Enplanements
Appendix 3	Forecast Enplanements
Appendix 4	Tenant Design Manual, Concourses A & B
Appendix 5	Pricing Policies
Appendix 6	Food & Beverage Concessions Agreement
Appendix 7	Waste Management Policy
Appendix 8	RFP timeline
Appendix 9	Lease Outline Drawings



THANK YOU

Sacramento County Department of Airports



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Director of Airports



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**Deputy Director,
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Andrew Durkee

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Renata Daher

**Senior Airport Economic
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Michael Gladwill

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