



O'HARE
INTERNATIONAL AIRPORT — ✈️

JAMIE L. RHEE, COMMISSIONER

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O'HARE INTERNATIONAL AIRPORT CONCESSIONS RFP PRE-PROPOSAL MEETING

AUGUST 11, 2020

AGENDA

I. WELCOME AND INTRODUCTION

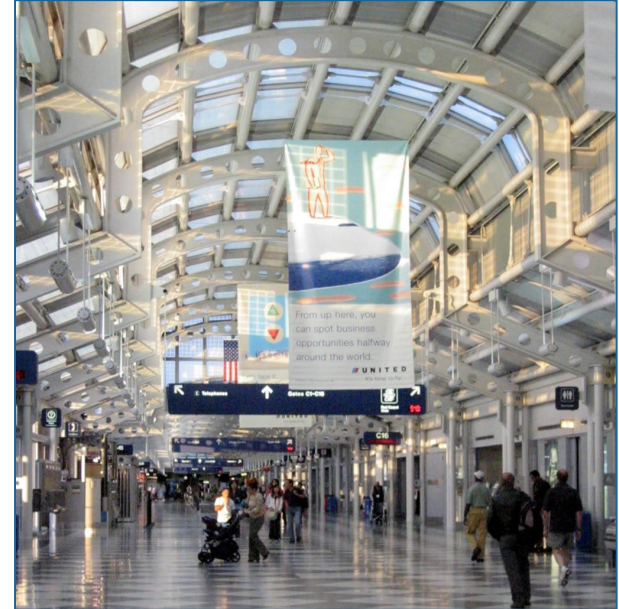
- **Amber Ritter**, Chief Commercial Officer / Managing Deputy Commissioner
- **Castalia Serna**, Deputy Commissioner - Concessions & Customer Service - CDA
- **Glen Ryniewski**, Assistant Commissioner of Concessions and Customer Service – CDA
- **Joseph Crump**, Managing Director – Unison Consulting Group
- **Michael Fetchko**, Director of Planning – Unison Consulting Group

II. PREPROPOSAL MEETING RULES AND PROCEDURES

III. REQUEST FOR PROPOSAL (RFP) OVERVIEW

- **Michael Fetchko**, Director of Planning, Unison Consulting Group

IV. QUESTIONS AND ANSWERS



Welcome

Amber Ritter, Chief Commercial Officer / Managing Deputy
Commissioner

Castalia Serna, Deputy Commissioner - Concessions &
Customer Service

PRESENTATION RULES AND PROCEDURES

1. Everyone, except the presenter, will be on mute the entire presentation.
2. The Presentation is for **discussion purposes only** – only written questions submitted via email and answers posted in the Data Room are official.
3. You may submit questions for discussion purposes only during this presentation using Zoom Chat on your computer.
4. Questions asked during this presentation must be resubmitted via email for an official response.
5. This presentation will be posted in the Data Room.
6. List of participants will be posted in the Data Room.
7. Participants are encouraged to check the Data Room regularly.
8. It is the participants responsibility to make sure they are using the latest information.

REQUEST FOR PROPOSAL SCHEDULE

✓ RFP Issued	July 30, 2020
✓ Preproposal Meeting	August 11, 2020
Questions Deadline*	August 17, 2020 – 5:00 pm <u>Central Time</u>
Proposal Due Date	September 4, 2020 – 4:00 pm <u>Central Time</u>

Chicago Department of Aviation
Bid & Bond Room, 1st Floor
10510 E. Zemke Road
Chicago, Ill. 60666

PROGRAM GOALS

With the issuance of this RFP, the Chicago Department of Aviation (CDA) desires to initiate contact-less concession opportunities, with the goals of:

- Provide quality mobile and electronic self-ordering and delivery options to passengers;
- Provide innovative automated retail, services and food and beverage concepts with broad customer appeal;
- Promote low-contact and self-service concessions to address challenges related to the new airport environment;
- Expand business opportunities for airport concessions disadvantaged business enterprises (“ACDBE”s); and,
- Optimize concession revenues to the Airport.

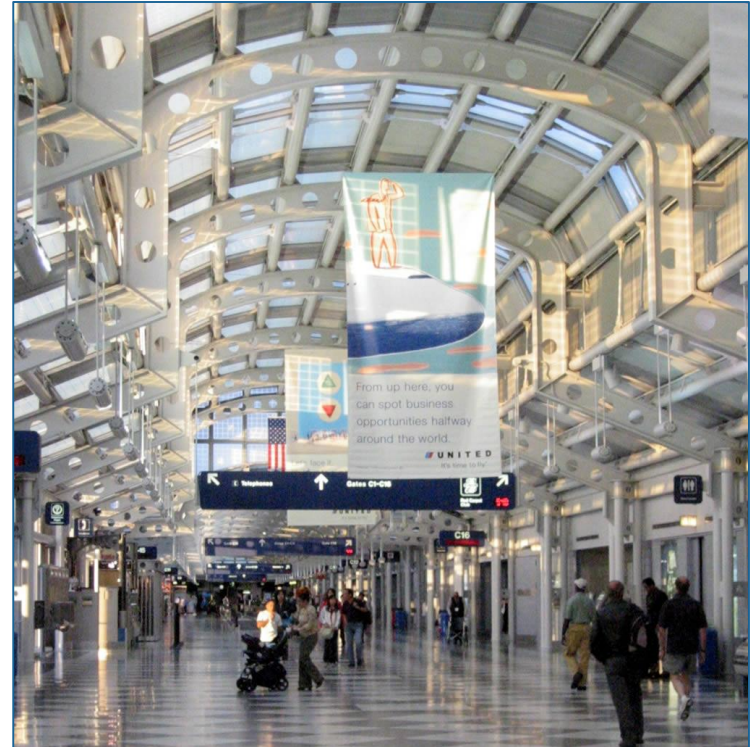


Request for Proposal Overview

“To provide alternative mobile Electronic Self-Ordering and Deliver Service
Automated Self-Checkout Micro Marts
Automated Retail, Services and Food Concessions”

REQUEST FOR PROPOSAL OVERVIEW

- Three Packages
 - Package 1** - Alternative Mobile Electronic Self-Ordering and Delivery Service
 - Package 2** - Automated Self-Checkout Micro Marts
 - Package 3** - Automated Retail, Services and Food
- Can propose on 1, 2 or all 3 packages.
- Can propose only once but can be part of another proposal.
- CDA may conduct interviews.
- Anticipated completion this year/early 2021.



Package 1

Alternative Mobile Electronic Self-Ordering and Delivery Service

PACKAGE 1 – ALTERNATIVE MOBILE ELECTRONIC SELF-ORDERING AND DELIVERY SERVICE

- The City's Goal is to enhance customer service by providing passengers and employees the ability to order, purchase, pay and receive (either through self-pickup or delivery) food, beverages, and or retail items directly through the use of an E-commerce Electronic platform such as a mobile app or similar system.
- O'Hare Terminals 1, 2, & 3 and Future T5
- Food & Beverage and Retail
- Airport branded
- E-Commerce platform or App
- Android and IOS compatible
- Inclusion of self-ordering kiosks may be considered
- Pick-up and delivery to gate or designated areas
- Term - 3 years with 2, 1-year options

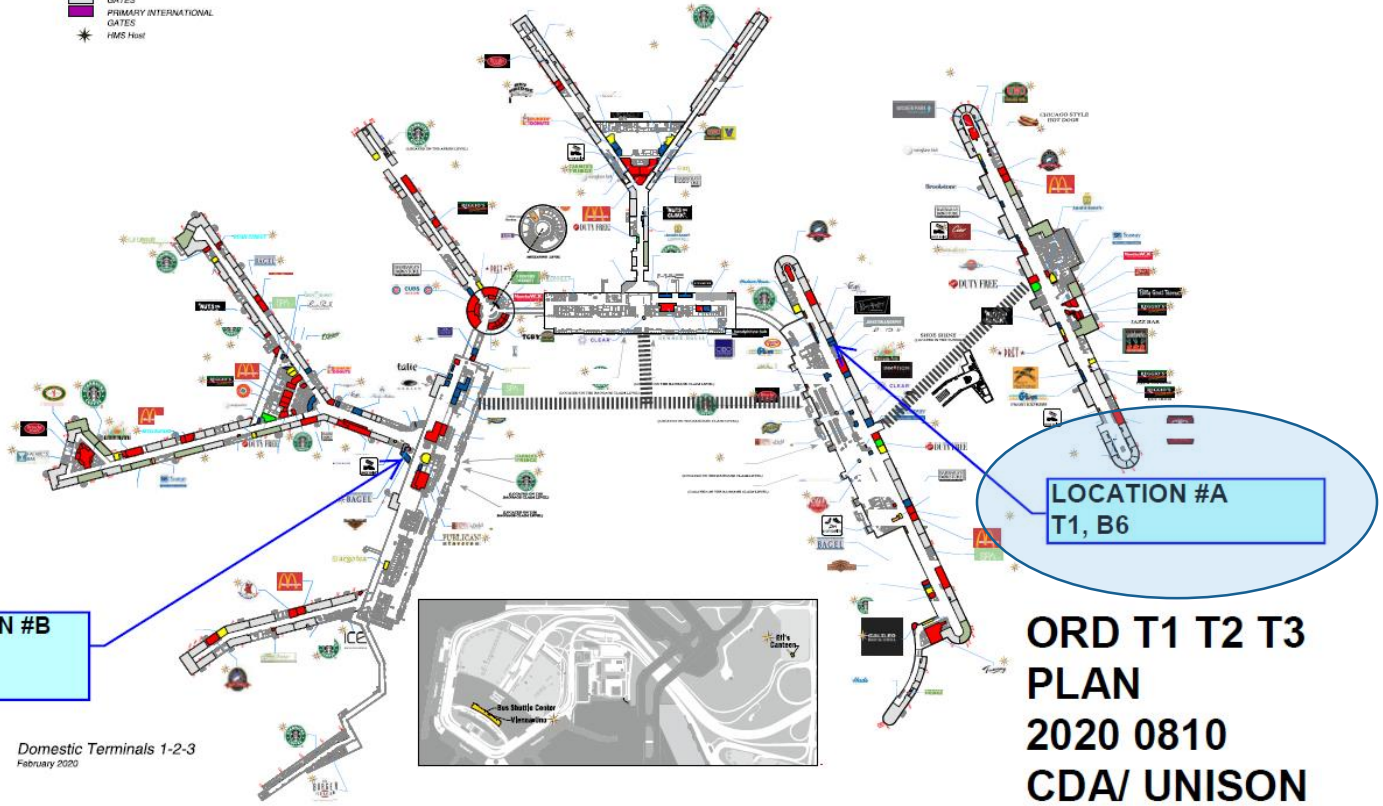
Package 2

Automated Self-Checkout Micro Marts

PACKAGE 2 – AUTOMATED SELF-CHECKOUT MICRO MARTS

- To provide state-of-the-art, personal shopping, self-serve, touch free and automated self-check out micro market concessions providing limited to no personal contact.
- Two (2) vacant locations- Terminal 1 and Terminal 3
- Food & Beverage and Retail
- “Walk Out” or “Just Walk Out” technology
- May include complimentary vending but must be a minor component of facility
- Term - 7 years with 3, 1-year options

- LEGEND**
- FOOD & BEVERAGE
 - NEWS & GIFTS
 - SPECIALTY RETAIL
 - DUTY FREE
 - SERVICES
 - GATES
 - PRIMARY INTERNATIONAL GATES
 - GATES
 - HMS Host



LOCATION #B
T3, K1

LOCATION #A
T1, B6

Domestic Terminals 1-2-3
February 2020

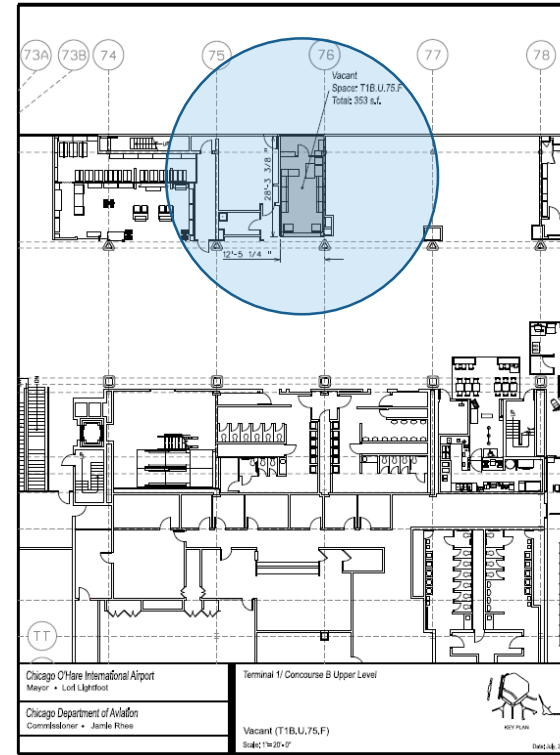
ORD T1 T2 T3
PLAN
2020 0810
CDA/ UNISON

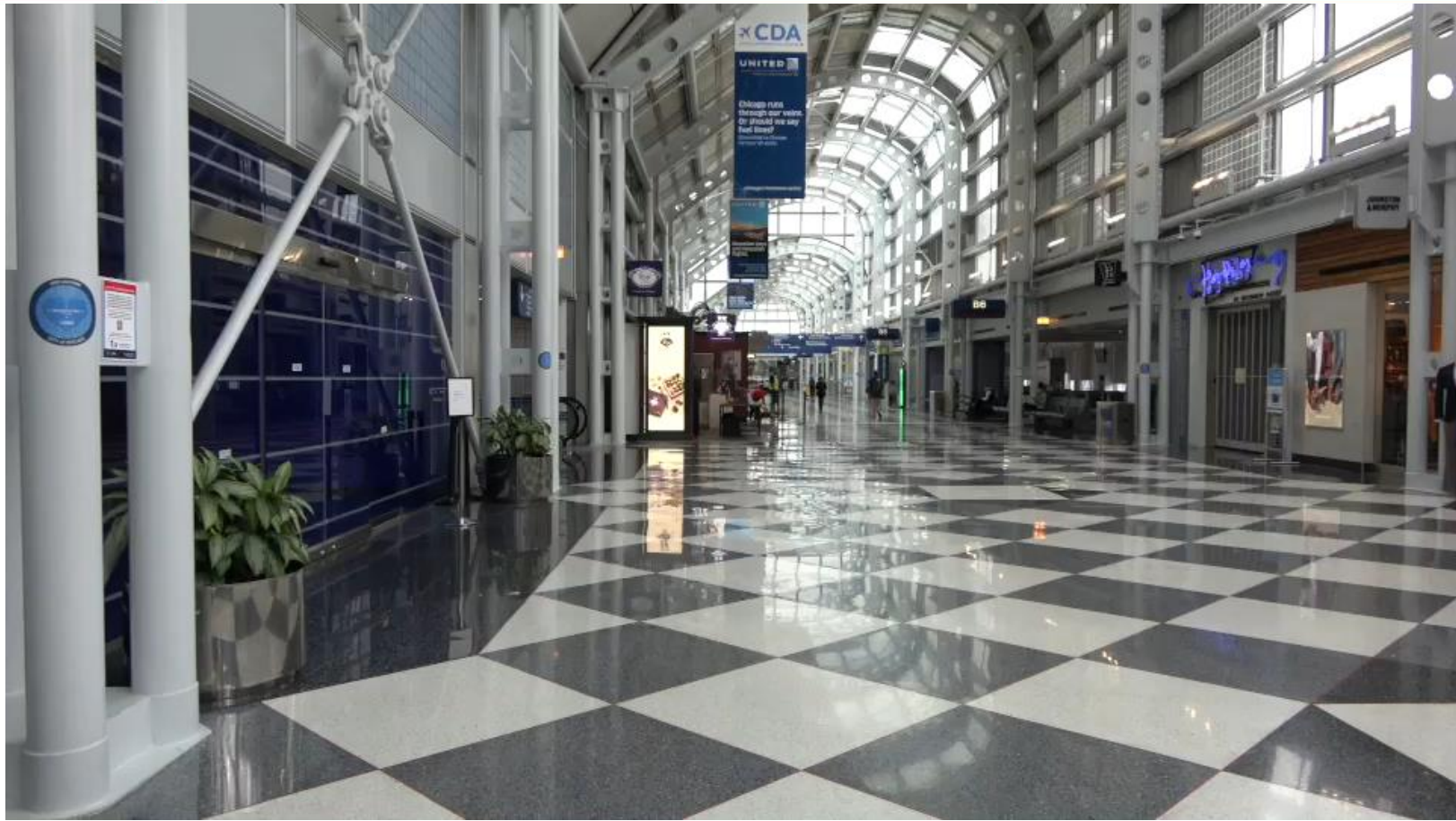
PACKAGE 2 – AUTOMATED SELF-CHECKOUT MICRO MARTS

Location Space A – 1 of 2

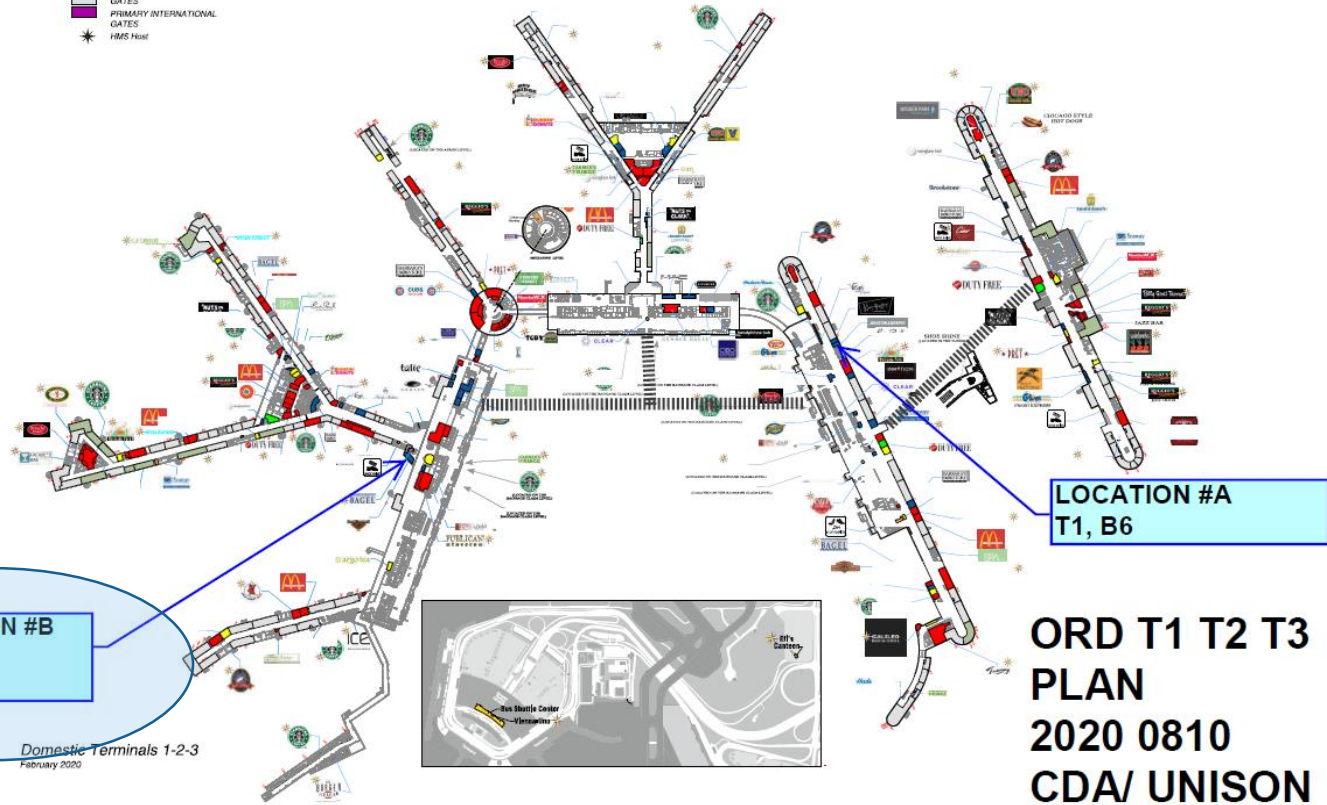


Vacant
Terminal 1, Concourse B
(T1B.U.75.F)





- LEGEND**
- FOOD & BEVERAGE
 - NEWS & GIFTS
 - SPECIALTY RETAIL
 - DUTY FREE
 - SERVICES
 - GATES
 - PRIMARY INTERNATIONAL GATES
 - HMS Host

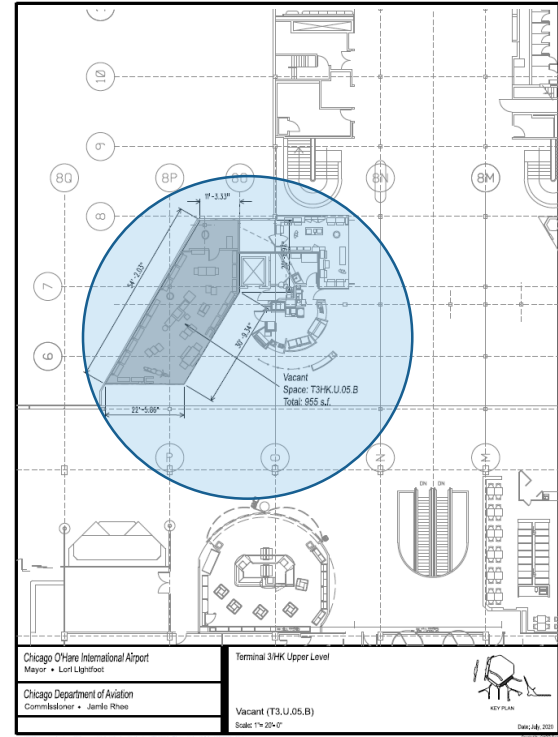


PACKAGE 2 – AUTOMATED SELF-CHECKOUT MICRO MARTS

Location Space B – 2 of 2



Vacant
Terminal 3, HK Main, Concourse K1
(T3HK.U.05.B)





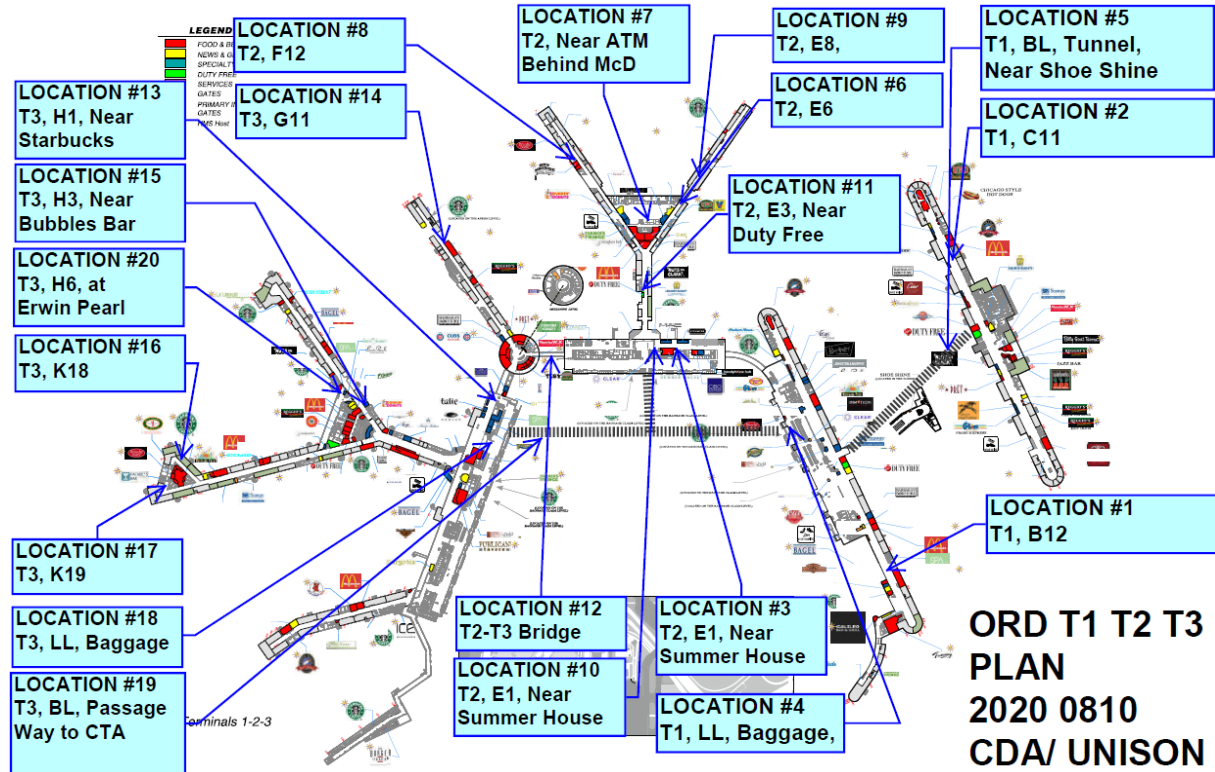
Package 3

Automated Retail, Services and Food

PACKAGE 3 – AUTOMATED RETAIL, SERVICES AND FOOD

- To provide automated retail, services and food facilities or kiosks taking advantage of the latest technology offering customers the ability to purchase branded items or provide interactive services.
- Terminals 1, 2 & 3
- Food & Beverage, Services and Retail
- Services – i.e. medical, banking, hospitality, tourism, etc.
- Retail – i.e. electronics, drugs & sundries, cosmetics, PPE, etc.
- Roughly 20 locations identified
- Objective is to congregate units together
- May propose on all or some locations.
- Term - 5 years with 2, 1-year options

PACKAGE 3 – AUTOMATED RETAIL, SERVICES AND FOOD



PACKAGE 3 - LOCATION 01



Location Photo



AREA: 108 SF (4'-0" X 27'-0")
Quadplex Outlet

Location Plan

Chicago O'Hare International Airport
Mayor Lori Lightfoot

Chicago Department of Aviation
Commissioner Jamie Rhoe

Unison Retail Management



AUTOMATED RETAIL

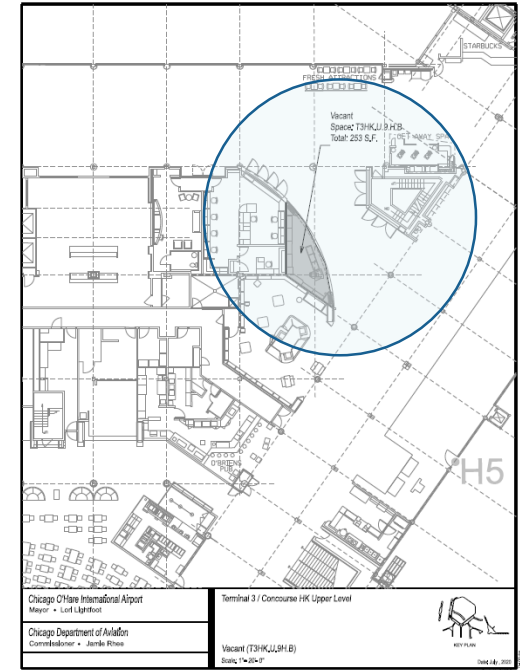
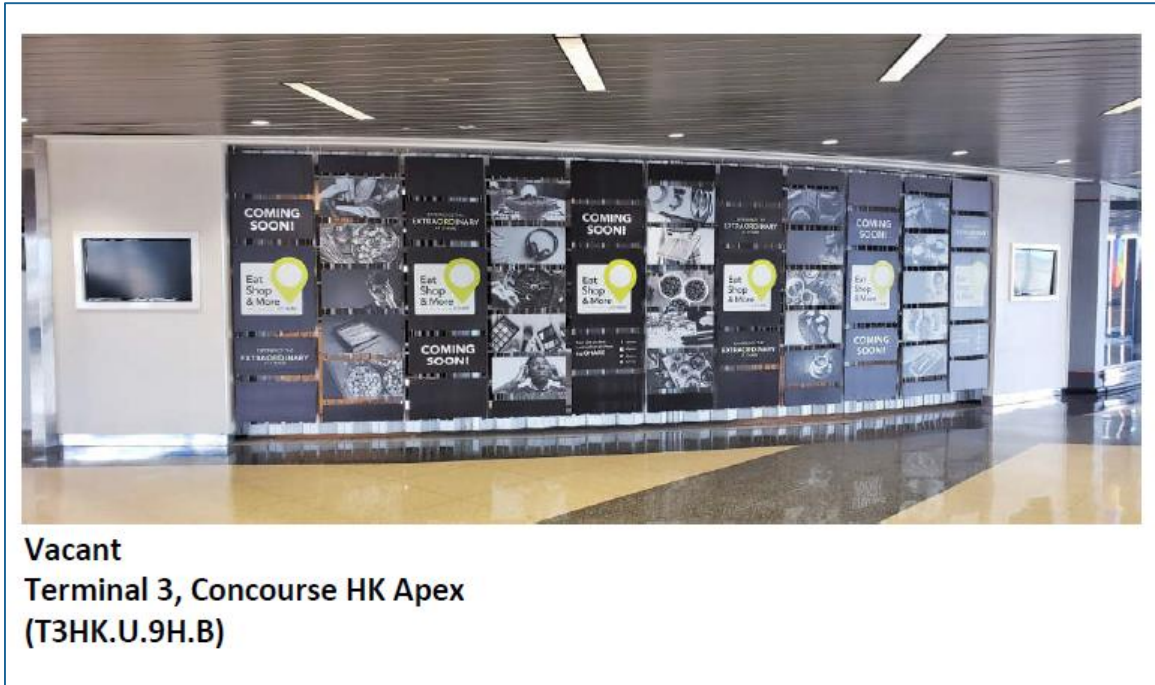
ORD, T1, near B12

LOCATION 01

CHICAGO DEPARTMENT OF AVIATION

PACKAGE 3 – AUTOMATED RETAIL, SERVICES AND FOOD

Location 20, Terminal 3



PACKAGE #3 - SPACES 1 - 20



PACKAGES 2 & 3 PHOTOS, LAYOUTS AND VIDEOS

- All location video tours will be sent to each participant as a link.
- Link will be made available to all attendees.
- Videos include
 - Package 2 – 2 locations
 - Package 3 – 20 locations

Package 2 - Space A

<https://youtu.be/qV9Orks12cY>

Package 2 - Space B

<https://youtu.be/aCSKytvTiq4>

Package 3- All Locations 1-20

<https://youtu.be/QZTwmDhL7dY>

Proposal Requirements

PROPOSAL REQUIREMENTS

Read the RFP carefully and follow all RFP requirements and addendums – respondent is solely responsible.

- Submission (*2 hard copies & 7 USB flash drives*) – *Admin. Bldg. Bid and Bond Room 1st floor*
- Signed Cover/Transmittal Letter (*acknowledgement of receipt of all addendum must be included*)
- Experience and Qualifications
- Management and Operations
- Development Plan
- ACDBE Plan (*32% of Gross Revenues Goal*)
- References (*minimum of 3*)
- Outstanding Claims & Litigations (*COVID-19 related claims require written explanation*)
- Exceptions

PROPOSAL REQUIREMENTS CONT...

- Financial Statements
- Proposal Forms A thru O
- Rental Proposal
 - Minimum Annual Guarantee (MAG) – NOT biddable set in 2nd year
 - Rental Percentage – biddable
 - Package 1 rent as percent of proposer's gross revenue
 - May propose sales and rent tiers
 - Can suggest alternative rental structure in Exceptions Section
 - Marketing Fee = 0.5%
 - Employee discount = 10%
 - Honor existing and future employee discounts
 - Specific to proposer's service or concession

AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)

CDA has established a goal of 32% for each package in the RFP

The ACDBE must be a for-profit business, certified in the state of Illinois, that:

- Is at least 51% owned by a socially and economically disadvantaged individual(s).
- The management and daily operations of the firm are controlled by the socially and economically disadvantaged individual(s) who own it.
- Goal may be fulfilled by:
 - direct ownership
 - joint venture partnership or sub-contracts with ACDBEs
 - purchase of goods and services from ACDBEs

ACDBE section of proposal is pass/fail. Respondent must either satisfy the goal or show good faith efforts why it cannot be satisfied.

REGULATORY REQUIREMENTS

Proposers should ensure compliance with all federal, state and City regulatory requirements listed in the RFP and City web site including, but not limited to:

- Minimum Wage - Executive Order
- City and Project Area Resident Construction Workers
- Labor Peace Agreement
- Multi-Project Labor Agreement
- Sexual Harassment Policy

MINIMUM WAGE

- **Minimum Wage Requirement** - In September 2014, Mayor Rahm Emanuel signed an executive order that requires all holders of City concessions leases and subleases executed after October 1, 2014, to pay their employees performing work on City property a minimum wage of \$13.00 per hour; this hourly wage increases annually every on July 1st, in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor. The rate as of July 1, 2020 is \$14.15.
- The Chicago minimum wage increases annually on July 1. Updates to the Chicago minimum wage will be posted to the website of the Department of Business Affairs and Consumer Protection. If the Contractor is required by Executive Order 2014-1 or any other law (e.g., the Prevailing Wage Act) to pay a higher rate, above the generally applicable Chicago minimum wage, that higher rate will apply.

RESIDENCY

- **Residency Requirement** - City and Project Area Resident Construction Workers- Municipal code section 2-92-330 requires a minimum of 50% of the total work hours must be performed by actual residents of the City of Chicago, and 7.5% of the total work hours (which may be included in the 50%) must be performed by project area residents: residents of neighborhoods surrounding the Airport.

LABOR PEACE

Labor Peace Agreement (“LPA”) - Effective January 21, 2015, a Labor Peace Agreement (LPA) Ordinance was passed. A LPA is a written agreement between a concessionaire and a labor organization seeking to represent a concessionaire’s employees. Municipal Code of Chicago section 10-36-210.

- The LPA extends to the concessionaire and to all of its subcontracts, sublicenses or similar agreements.
- The LPA applies to any concessionaire that employs more than 50 employees at the airports under all of its concession contracts or in aggregate at all of its global operations, employs more than 500 employees.
- The LPA excludes small businesses.
- An employee is any person employed by the concessionaire full or part time.

ADDITIONAL REQUIREMENTS

SEXUAL HARASSMENT

In accordance with Section 2-92-612 of the Chicago Municipal Code, the City's Policy Prohibiting Sexual Harassment requires all Proposers to attest by affidavit (in the form of the "Sexual Harassment Policy Affidavit" (in the Data Room as Proposal Form M) that Proposer has a written policy prohibiting sexual harassment which includes, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment; and (iii) the legal recourse available for victims of sexual harassment

MULTI PROJECT LABOR

The City has entered into the Multi-Project Labor Agreement ("PLA") with various trades regarding projects involving construction, demolition, maintenance, rehabilitation, and/or renovation work.

All proposers must be familiar with the requirements of the PLA and its applicability, and shall comply, and shall insure that all of its subcontractors, subtenants and sublicensees comply, in all respects with the PLA.

Evaluation Criteria

EVALUATION CRITERIA

100 points = maximum number of points a proposal can receive

**Experience &
Qualifications**

15 points

**Concept Plan
& Services**

30 points

**Facility/System
Design**

25 points

**Management &
Operations
Plan**

20 points

Compensation

10 points

Addendums

ADDENDUMS

- Will be posted in Data Room – check regularly!
- Include, but not limited to:
 - Answer to Questions
 - Clarifications
 - Interpretations
 - Changes
 - Additional Information

Questions & Answers

QUESTIONS & ANSWERS

Questions - including those asked today, must be submitted via email to:

ORDRFP2020@cityofchicago.org

Data Room - Web alerts will be sent to all registered parties at FlyChicago.com when questions, answers and other transaction data becomes available. Check the data room often at:

<https://www.flychicago.com/rfp2020/>

Data Room - access can also be found under Opportunities via:

<https://www.flychicago.com/business/home/pages/default.aspx>