



**REQUEST FOR PROPOSAL ADDENDUM  
CITY OF AUSTIN DEPARTMENT OF AVIATION  
AUSTIN-BERGSTROM INTERNATIONAL AIRPORT**

**DESCRIPTION: ADVERTISING CONCESSION PROGRAM FOR AUSTIN-BERGSTROM  
INTERNATIONAL AIRPORT BARBARA JORDAN PASSENGER TERMINAL  
RFP-8100-ABIA-002 ADDENDUM NO. 2 DATE OF ADDENDUM 9/10/15**

This addendum is to incorporate the following changes, clarifications, questions and answers to the above-referenced Request for Proposal.

- Request for Proposals Offer Sheet revised as follows:  
Submit 1 original, 5 copies, and 1 electronic format CD copy of your response
- Section 0400 Supplemental Purchase Provisions revised as follows:  
2. Insurance, 4. Media Professional Liability Insurance deleted
- Section 0600 Proposal Preparation Instructions and Evaluation Factors revised as follows:  
1. Proposal Format  
E. Financial Proposal should be Part V  
F. Financial Strength and Sustainability should be Part VI  
The subsequent sections in 1. Proposal Format modified accordingly  
4. Evaluation Factors and Award, B. Evaluation Factors  
The maximum points available in the Evaluation Factors from 125 to 135.
- Proposals are due to the City October 8, 2015.

**The following questions were posed by one or more Vendors at the mandatory pre-proposal meeting held on August 24, 2015:**

Question:

Is the delivery address downtown City Hall?

Response:

No, the delivery address is the Department of Aviation and the address is located on the second page of the Offer Sheet.

Question:

Can changes be made to the ACDBE program once submitted?

Response:

No changes can be made to the ACDBE program once submitted.

Question:

If the procurement takes 6 months and a firm loses certification can changes be made?

Response:

If a certified firm on the availability list provided by SMBR is selected to meet the goal should lose certification, SMBR will not find the bidder non-responsive.

Question:

The proposals are due at 2:00 p.m. and the compliance plan is due at 4:00 p.m., is the requirement for the Proposer(s) to provide two separate submittals

Response:

No. The Proposer(s) can submit the compliance plan with the proposal or use the additional two hours to complete the Good Faith Effort requirement per ACDBE program guidelines. Proposer(s) are free to submit the compliance plan with the proposal at 2:00 p.m.

Question:

Should all subcontractors including ACDBE's be listed on the Compliance Plan to include build out construction related scopes of work?

Response:

Yes, we will count the use of certified ACDBE firms for additional scopes of work/service you have identified toward meeting the goal.

Question:

If goals were determined based on the scopes listed in the solicitation, can a vendor meet the established goal by identifying new scopes of work/services? Who do we contact for an availability list?

Response:

If a bidder identifies additional scopes of work/services, contact SMBR for an availability list. Additionally, please visit our website. The availability list provided is not all inclusive.

Question:

Is meeting the minimum established goal the sole requirement to meet the goal? Who should we contact if we exceed the goal?



Response:

No, it is not the sole requirement to meet the goal. You can meet the minimum goal of 7.89%, exceed the goal or demonstrate a good faith effort to meet the goal. Contact SMBR if you can questions regarding meeting the goal.

Question:

Can we expand the availability list to meet the 7.89% goal?

Response:

Yes, you can expand the availability list to meet the 7.89% goal.

Question:

The proposal and compliance plan, as one package, can be submitted to Julie by 2:00 p.m.?

Response:

The proposal and the compliance plan can be submitted to Julie by 2:00pm.

Question:

Total points are 110, but the interview is 25, so it would make the maximum 135?

Response:

The maximum is 135 should interviews be conducted.

Question:

You will provide a summary of all the questions and answers that have been asked here [mandatory pre-proposal meeting]?

Response:

Yes, the meeting is recorded and will capture the questions and answers.

Question:

Is the existing equipment in the airport, all the existing displays, to be removed by the new concessionaire?

Response:

Existing equipment and displays will be removed by the existing concessionaire.

Question:

If the existing concessionaire is the new concessionaire, as well, will they still be required to remove all the displays?

Response:

We're asking that all the equipment be new, state-of-the-art.

Question:

Do the FIDs monitors have to be replaced?



Response:

The FIDS monitors are the airports equipment, and just one of the monitors, currently, is dedicated to advertising.

Question:

How is the space on the video wall allocated?

Response:

The smaller portion on the left is allocated for airport use.

Question:

Are those screens [video wall] airport or are those screen existing concessionaires?

Response:

The existing concessionaires with an airport allocation included.

Question:

The video wall mounts and substructures will be changed out?

Response:

Correct.

Question:

Section 500, page 15 #9, states the City reserves the right to accept or reject any item or group of items of a proposal. Does that mean a proposal that is submitted to you or does that mean that any of the criteria can be accepted or rejected depending on the proposal we submit?

Response:

The City reserves the right to accept or reject a portion of a proposal. Everything is subject to approval by the City; a proposal may not be accepted in its entirety.

Question:

Can you advise at this point of what the current operator is paying in a mag and a split?

Response:

55% for static and 45% for digital.

Question:

To the airport?

Response:

To the airport.

Question:



What is the current operator's MAG?

Response:

I'll answer that question through the addendum.

Question:

There already has been one addendum issued, correct?

Response:

Yes.

Question:

Can we submit a request to see the actual sales that generated that revenue so that we can compare the mag to the residual of the percentage that you're either getting or not getting?

Response:

I will have to get back to you and speak to staff on that.

Question:

Can you speak to the terminal concourse and apron expansion project and how that will affect the advertising concession? Will we be given new opportunities in the new area?

Response:

Yes, should there be opportunities available. The expansion is not going to come online until 2018. As advertising locations are identified within the new development of those areas, the concessionaire will have the opportunity to use those spaces.

Question:

Is the terminal concourse going to extend out to one end?

Response:

The east end is going to mirror the west end with 6-10 additional gates.

Question:

Section 400, the supplemental requests immediate professional liability insurance which doesn't apply to what an advertising concessionaire does; it's more for insurance for creative purposes. Is this something the Airport would reconsider?

Response:

The City's Risk Management staff will have to make the determination.

**The following questions were submitted in writing by respondents August 27, 2015.**

Question:

Would ABIA please provide the Advertising Concession Monthly Revenue Reports for the past twelve months which show advertiser names, contract amounts, locations and length of contracts?



Response:

Our current contracted vendor, Clear Channel Airports, has identified the information requested as proprietary.

Question:

Would ABIA please provide airport maps in digital vector format so that proposed display locations can be more clearly presented?

Response:

Airport maps can be provided in PDF format.

Question:

Section 5.1, Policy, states that Advertising venues may not be used for the advertising of alcoholic beverages; however, Tito's is currently advertised on the video walls. Is this a new limitation that was not included in the existing contract? And if so, why is it being imposed now?

Response:

The Department of Aviation considers and approved the Tito's content currently displayed on the video walls as a welcome message provided by a local company. There is not a new limitation included in the existing contract.

Question:

Please clarify which digital equipment remains the property of the airport and which digital equipment will be removed by the incumbent Concessionaire, e.g., FIDS, Video Walls, Bag Decks.

Response:

The FIDs are digital equipment of the airport. The video walls and bag deck digital equipment will be removed by the current concessionaire.

Question:

Will ALL EXISTING EQUIPMENT (except the digital displays per your answer to the preceding question) have to be removed at the end of the term of the existing contract? In other words, if the incumbent concessionaire retains the contract, will they be required to remove existing equipment and replace it with new screens, frames, displays, mounts, concepts, etc., just as any of the other proposer would be required to?

Response:

All existing equipment will be removed at the end of the term of the existing contract.

Question:

Does ABIA prefer that sales be handled out of state and not by a local General Manager?

Response:

The City's preference for handling sales is stated in Section 0600 Proposal Preparation Instructions and Evaluation Factors D. Part IV – Prior Experience:

Proposers must have an established sales organization with proven ability to sell and service local, regional, national, and international accounts.



Question:

Will ABIA allow a 1 year interim period from the term commencement date during which time the successful proposer will pay only a percentage of sales to ABIA to allow time for the transition and give the new concessionaire adequate time to have the displays designed, approved, fabricated and installed? If a 1 year interim period is not allowed, what will be the length of the interim term?

Response:

ABIA will not allow a one year interim period from the term commencement date but will consider a four month period from the term commencement date to allow the successful proposer to transition their program.

Question:

Page 8 of the RFP says up to 25 points may also be awarded after interviews, thus establishing 125 points as the maximum available; however, the total points prior to any interviews is 110. Wouldn't the highest total maximum points after interviews thus be 135?

Response:

Yes, the correction to the total evaluation points will be included in Addendum No. 2

Question:

Will ABIA consider extending the term to 10 years, which would allow the Concessionaire to maximize capital improvements and create a state-of-the-art advertising program?

Response:

ABIA will not consider extending the term to 10 years. The Advertising Concession Agreement term is 5 years.

Question:

Will ABIA provide prospective concessionaires with Clear Channel billing statements for the last 5 years showing computations that calculate percentage residual payments to ABIA.

Response:

Yes, billing statements from February 2011 – July 2015 that show residual payment amounts due to ABIA are attached.

Question:

Will ABIA provide prospective concessionaires with the Ad mix (approximate % number of National / Regional / Local Ads)

Response:

Our current contracted vendor, Clear Channel Airports, has identified the information requested as proprietary.

Question:

Will ABIA provide prospective concessionaires with the Ad mix (approximate % dollar volume of National / Regional / Local Ads)



Response:

Our current contracted vendor, Clear Channel Airports, has identified the information requested as proprietary.

Question:

Page #25, of the ACDBE Packet, is Total Base Bid dollar amount the same as Minimum Guarantee?  
Do we fill Minimum Guarantee into this section?

Response:

Total base bid in the Airport Concession Disadvantaged Business Enterprise (ACDBE) Program's Compliance Plan Summary, Section III, Page 25 is the prime contractor's proposed cost and the prime contractor's proposed cost to implement ACDBE and non-certified firms in the project.

Question:

In Section 0600 Part IV Prior Experience: Several different ways to qualify with past experience are listed. Does our experience qualify us to bid on this project and would the airport delete the number of years required in Statement #3?

Response:

Please refer to Section 0600 Proposer Preparation Instruction and Evaluation Factors, Section D Part IV Prior Experience under #3 which states the following:

Must have installed, leased and managed digital and hi-tech advertising displays as part of a commercial advertising program in at least one (1) airport of similar size and market to the Airport **within the last three (3) years.**

To clarify, the requirement is for experience within the last three years.

For additional understanding of the required experience, please refer to the same document Section 4 Evaluation Factors and Award, B. Evaluation Factors:

3) Experience and Qualifications of Firm 20

- Demonstrated Related Experience and Capability
- Airport Advertising Sales Track Record
- Quality of experience and qualifications of designated site manager
- Quality of References

Question:

In Section 0500 - Scope of work, Page 6: Do the annual advertising gross sales listed include the total sales advertising revenues generated from the concessionaire or just the airport's portion of the revenue?

Response:

The annual advertising gross sales listed are the airport's portion of the revenue.



Question:

In Section 0500, 10.3 – In lieu of submitting a check or money order for \$25,000, would a proposal bond be acceptable for the deposit?

Response:

A proposal bond is acceptable in lieu of submitting a check or money order for \$25,000.

Question:

Would the airport share the monthly franchise reports listing all advertisers and rates from January – July of 2015?

Response:

Our current contracted vendor, Clear Channel Airports, has identified the information requested as proprietary.

Question:

The term of the agreement in the RFP is for 5 years. Would the Airport consider a 5 year initial term with a 5 year mutual extension based upon performance and/or additional capital investment?

Response:

The Airport will not consider a 5 year initial term with a 5-year mutual extension based upon performance and/or capital investment. The contract shall be in effect for a term of 60 months.

Question:

As discussed in the pre-proposal meeting, please confirm that the use of ACDBE certified firms in the build-out of the successful proposer's new advertising program (e.g., demolition, installation, electrical and other program construction services) will be counted towards achieving the project's stated ACDBE participation goal.

Response:

Yes, as long as the certified firm is ACDBE certified for the scope(s) of work or services identified; it can be counted toward meeting the ACDBE goal for this RFP.

Question:

In regards to Section 0500 Page 16, would a performance bond be acceptable as a proposal guarantee in lieu of a cashier's check?

Response:

A performance bond is acceptable as a proposal guarantee in lieu of a cashier's check.

Question:

Within Section No. 0600 Proposal Preparation Instructions, would the City please confirm if "E. Financial Proposal" and "F. Financial Strength and Sustainability" are to be Part V. If so, Part V – "Personnel" would need to be modified to Part VI and so forth.

Response:

E. Financial Proposal should be Part V

F. Financial Strength and Sustainability should be Part VI

The subsequent sections in 1. Proposal Format modified accordingly



Question:

Would it be acceptable to submit the required two year annual financial statements in an accompanying electronic format such as a CD or USB drive?

Response:

CD is acceptable electronic format to submit the required annual financial statements.

Question:

Will a draft Concession Agreement be provided prior to proposal submittal due date?

Response:

A draft Concession Agreement will not be provided prior to the proposal submittal due date.

Question:

Under the RFP Section 2 “Insurance”, would the Commission consider making the following changes? Remove the provision in section 2.B.2.c “Medical Expense coverage with a limit of \$10,000 any one person.”

Response:

The provision will not be removed as \$10,000 is the standard ABIA requirement for Medical Expense coverage.

Question:

Remove from section 2.B.4. the second to last sentence “Additionally, the coverage should cover patent infringement liability.”

Response:

Media Professional Liability Insurance is not required.

Question:

Add “as its interests may appear” to the second sentence of section 2.B.5.

Response:

The City of Austin Risk Management office advises the language addition is not necessary.

Question:

Please provide either a photograph or detailed explanation of the locations highlighted.





Response:

The highlighted locations were approved for vertical flags and parking arms. The yellow arrows in the center are additional vertical flag locations. The yellow arrow at the top, the two arrows to the left, and two arrows to the right are parking arm locations.

Question:

According to the City's Advertising Policy (0500 Scope of Work, Pages 12 & 13), alcoholic beverages are expressly prohibited from advertising on City venues. Please explain how this advertisement for Tito's Vodka conforms to City policy. Will alcoholic beverages be allowed to advertise in the new advertising concession?



Response:

The Department of Aviation considers and approved the Tito's content currently displayed on the video walls as a welcome message provided by a local company. Advertising alcoholic beverages will not be allowed in the new advertising concession.

Question:

0400 Supplemental Purchase Provisions requires the winning proposer to have Media Professional Liability Insurance. Can this provision be removed?

Response:

The provision requiring Media Professional Liability Insurance will be removed.



Question:

Will the airport please provide the following information?

- a. What is the historic monthly contracted billing amount for Dell Computers?
- b. What is the current monthly billing amount for Dell Computers?
- c. When is the current agreement set to expire?

Have there been proposals and/or promises to Dell Computers concerning new or existing advertising displays or opportunities?

Response:

Our current contracted vendor, Clear Channel Airports, has identified the information requested as proprietary.

Question:

Please confirm that the winning proposer (whether the incumbent or not) will have to install 100% new equipment in all designated locations.

Response:

Successful Proposer is required to install 100% new equipment.

Question:

Are manned exhibit booths, such as credit card application sign-up kiosks, allowed in the advertising concession program? If so, what locations? Have there been any credit card booths in the past?

Response:

Manned exhibit booths may be considered on a case-by-case basis and contingent upon appropriate space available. Locations may be proposed. There have been credit card booths in the past.

Question:

Currently a local TV station KVUE is being broadcast on some FIDS and in some hold rooms. Is this part of the advertising concession? Is there a separate agreement with them and ABIA?

Response:

The FIDs content is part of the advertising concession. The TVs in the hold rooms are Airport property.

Question:

Boingo is advertising the airport WiFi in some locations. Are these paid advertisements or free promotion by the airport?

Response:

Boingo signage in the terminal is provided by the Airport.

Question:

Please confirm that the 2 new baggage carousels will be similar in design, concept and size as the existing baggage carousels. Also please confirm that the digital opportunities will be the same as what is present on the existing carousels.



Response:

The 2 new baggage carousels will be similar in design and concept as the existing baggage carousels. Carousel 6 is similar in size and carousel 7 is larger. Two 70" monitors for the Flight Information Display System (FIDs) will be installed to display airline baggage information. The ceiling is lower in the new area and additional space above the FIDs monitors is not the same as the space above the monitors on the existing baggage carousels.

Question:

0400 Supplemental Purchase Provisions requires the winning proposer to have Media Professional Liability Insurance. We request that this requirement be removed as it serves no purpose within this concession.

Response:

Media Professional Liability Insurance is not required.

Question:

Please provide a copy of the past three years' monthly advertising report that outlines the advertising contracts held, the rates and the term.

Response:

Our current contracted vendor, Clear Channel Airports, has identified the information requested as proprietary.

Question:

Do any advertisers, sponsors or suppliers for the airport hold exclusive contracts that prohibit its competitors from advertising at AUS?

Response:

Advertisers, sponsors or suppliers for the airport do not have exclusive advertising contracts at AUS.

Question:

Please advise the current MAG and the percentage splits for this concession.

Response:

The current MAG is \$1,299,970. The percentage splits are 55% of static displays and 45% of digital displays.

Question:

Please confirm that any meaningful ACDBE participation, whether during the construction and build-out phase or during the term of the contract, will be counted towards the ACDBE goal.

Response:

Yes, the certified firm is ACDBE certified for the scope(s) of work or services identified; it can be counted toward meeting the ACDBE goal for this RFP.

Question:

Please consider extending the submittal date in order to allow the Airport time to provide answers to the submitted questions, and provide the Proposers time to incorporate the answers into the proposal response.



Response:

The Department of Aviation will extend the proposal submittal date to October 8, 2015.

Question:

If a future advertiser is interested in a manned booth (non credit card) will AUS be open to considering something on a case-by-case basis?

Response:

Manned exhibit booths may be considered on a case-by-case basis and contingent upon appropriate space available.

All other terms and conditions remain the same.

