

City of San Antonio

ADDENDUM IV

SUBJECT: Request for Proposals (RFP) for Concessions and Catering for the Alamodome (RFP 015-026)
Scheduled to Open: **September 18, 2015**; Date of Issue: **July 31, 2015**

FROM: Denise D. Gallegos, CPM, CPPB
Procurement Administrator

DATE: **August 27, 2015**

THIS NOTICE SHALL SERVE AS ADDENDUM NO. IV TO THE ABOVE REFERENCED REQUEST FOR PROPOSALS

THE ABOVE MENTIONED REQUEST FOR PROPOSALS IS HEREBY AMENDED AS FOLLOWS:

1. **Delete:** RFP Section 004 Scope of Service, Investment & Compensation to City, pg. 4, 1st paragraph, 2nd sentence.

Replace with: "The selected Respondent will provide the City with a minimum \$1,600,000 one-time cash payment for the rights to this agreement."

2. **Delete:** RFP Section 004 Scope of Service, pg. 5, 1st paragraph.

Replace with: "Selected Respondent is responsible for providing the required capital investment detailed in the RFP at the proposed amount detailed in their proposal. If the selected Respondent's actual cost to provide the capital investment is *less* than the amount they proposed, the difference between the actual cost and the amount proposed is payable to the City by the selected Respondent. If the selected Respondent's actual cost to provide the capital investment is *greater* than the amount they proposed, the selected Respondent is still required to provide all of the capital investment, regardless of cost. At City's option, any difference payable to the City shall be in-kind, in cash, or used for other mutually beneficial purposes, including additional or replacement equipment or renovations."

3. **Delete** RFP Exhibit 9 Investment and Operating Costs, pg. 47.

Replace with: Revised RFP Exhibit 9- Investment and Operating Costs.

4. **Replace:** RFP Attachment D Compensation and Investment, pgs. 194-195.

Replace with: Revised RFP Attachment D Compensation and Investment.

**QUESTIONS SUBMITTED IN ACCORDANCE WITH SECTION 011, RESTRICTIONS ON
COMMUNICATION:**

Question 1: RFP Exhibit 9 Investment and Operating Costs, pg. 47, states “Selected Respondent will be responsible for the total monetary value proposed. If the total monetary value is less than the total actual equipment costs, then the Selected Respondent shall pay City the difference.” Shouldn’t this read that “if the total monetary value is “more” than the total actual equipment costs”? If the monetary value is less than total actual equipment costs, then we would have to pay for that equipment in full and just spend more money for the investment, not turn money over to the City. How would the equipment be bought then?

Response: See revised Exhibit 9, page 47.

Question 2: RFP Section 004 Scope of Service, Item 4, pg. 4, and RFP Exhibit 14 Draft Agreement, pg. 150, lists under events and areas “exempted” from exclusivity “Additional events at City Director’s discretion, approximately three events annually”. Can you provide more clarity on the types of events that may be exempted from the exclusivity and ensure that these would not include any scheduled or potential “Mega Events”, such as the NCAA Final Four, NCAA football Bowl games, the Super Bowl, etc.? Are these concessions rights, catering rights, or both? Would there be any financial consideration given to the F&B operator for release of these rights?

Response: In the past, these have included functions sponsored by restaurants, private company parties, and community or religious events. These events do not include “Major Events” as utilized in the RFP. These typically are catering-only events, but the City reserves the right to include events with concessions sales as well. There will be no financial consideration provided to the selected Respondent since the City is disclosing this in advance to respondents.

Question 3: Can you please provide the following in Microsoft Excel format: RFP Exhibit 12 Historic Sales and Commissions (pgs. 69-98); RFP Attachment B Projected Sales (pgs. 191-192); RFP Attachment C Management Staffing (pg. 193); RFP Attachment D Compensation and Investment (pgs. 194-195)?

Response: Most of the RFP exhibits and attachments have been individually uploaded to the City of San Antonio’s website at <http://www.sanantonio.gov/purchasing/biddingcontract/opportunities.aspx> and then clicking on “Concessions & Catering for Alamodome RFP 15-026”. All of the documents requested have been uploaded in Microsoft Excel format, except for Revised RFP Attachment D Compensation and Investment, which is in Microsoft Word format.

Question 4: Can you provide the current concessionaire’s SBEDA-certified subcontractors?

Response: The S/MWBE subcontractors for the current concessionaire at present are:

- Denea's-Renea's Healthy Catering, LLC
- Texas Finest
- Chin Gow Inc., DBA L M R Concessions
- Gamez, T.P.S. LLC, DBA Texas Personnel Service
- D&D Kettle Corn

Question 5: Why are sno-cone concessions excluded as part of the RFP?

Response: No concessions food items are excluded from the rights of this RFP. Per RFP Section 004 Scope of Service, Service Rights, pg. 4, Feld Entertainment events are excluded from the exclusive service rights under the contract, because Feld Entertainment has the right to be the only provider of certain concessions food items

during these events, including sno-cones. Feld Entertainment events currently are only Monster Jam and Disney on Ice.

Question 6: For RFP Exhibit 1 SBEDA Ordinance Compliance Provisions, Section E SBEDA Program Compliance – Affirmative Procurement Initiatives, pg. 22, of the 13% M/WBE, how is this calculated – gross sales or total purchases? Example: If there is an M/WBE subcontractor selling lemonade, this would be part of our concessions sales versus purchasing product from an M/WBE supplier to produce food, this would be part of our purchases.

Response: RFP Exhibit 1 SBEDA Ordinance Compliance Provisions, Section E SBEDA Program Compliance – Affirmative Procurement Initiatives, pg. 22, requires the selected Respondent to subcontract 13% of the prime contract value to certified SBE firms and 10% of the prime contract value to certified M/WBE firms. For this solicitation, the terms “overall contract value” and “prime contract value” are both net revenue, which is defined as Gross Receipts less Commissions paid to City.

Question 7: RFP Section 004 Scope of Service, pg. 4, states “up to 20% of the possible 100 evaluation points will be awarded to eligible M/WBE joint ventures” however, when reading the detail of the “Local Preference Program” and the “Veteran-Owned Small Business Preference Program” both are tied directly to the M/WBE Joint Venture, making the actual weight of the Joint Venture possibly up to 35%. Is this accurate or are the Local Preference Program and the Veteran-Owned Small Business Preference Program points available through the subcontracting portion?

Response: The evaluation points identified in RFP Section 012 Evaluation Criteria, pgs. 13-14, for the M/WBE Joint Venture Program, Local Preference Program (LPP), and Veteran-Owned Small Business (VOSB) Preference Program are independent of each other. It is possible for a respondent to earn the maximum 35 points for all three programs, but a respondent can earn points in any of the programs as well. The SBE and M/WBE Subcontracting Programs are separate requirements of the selected Respondent.

Question 8: RFP Attachment A, Part Two, Experience, Background, Qualifications, Question 1, pg. 188, requests references on our proposed candidates from their current client. As this is a proposal, once selected, would it be acceptable to request and supply references from the candidate’s current client?

Response: Respondents may choose to submit client references for the proposed Food and Beverage Managers and other management positions at any oral presentations required by City. At a minimum, client references will be required to be submitted with your RFP response.

Question 9: In RFP Exhibit 12 Historic Sales and Commissions, pgs. 68-98, please clarify what revenue is included in the “27.5% Subcontracted” commission category. Is the 27.5% going to the City and what amount of this revenue is paid by the subcontractors to the current concessionaire.

Response: Subcontracted Concessions Sales include all other Concessions Sales, except for Concessionaire’s Concessions Sales. This includes some licensed and non-licensed concessions, SBEDA-subcontracted concessions, non-profit concessions, some in-seat hawking, and some portable concessions. The City receives 27.5% Commission on Gross Receipts for these Subcontracted Concessions Sales. The financial arrangements between the current concessionaire and their subcontractors are not relevant to this solicitation.

Question 10: On RFP Attachment G, Subcontractor/Supplier Utilization Plan, pg. 198, can you clarify “Enter Respondent’s (Prime) proposed contract participation level. Leave blank for revenue generating contracts.”? How do you define participation level, both in dollar amount and %? Is it Gross Sales or Gross Purchases? What do you mean by “leave blank for revenue generating contracts”?

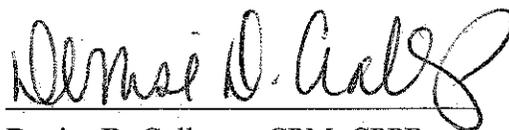
Response: See Response to Question 6 of this Addendum IV. This is a revenue generating contract; therefore, respondents are only required to complete “% Level of Participation”, not the “Participation Dollar Amount”, in addition to the other information required.

Question 11: For RFP Attachment G, Subcontractor/Supplier Utilization Plan, pg. 198, if a subcontractor runs some of the concessions, should the Gross Sales generated be accounted for on this form, even if the subcontractor directly collects these sales from patrons/customers and pays the prime contractor a commission (which is then shared with City under Subcontractor Sales Commission), or should the Gross Sales less the Commission be accounted for on this form? The form states that “Total Sub Participation” is the “Total amount prime will pay to certified and non-certified subcontractors/suppliers” and “Total Certified Sub Participation” is the “Total amount prime will pay to certified subcontractors/suppliers per the eligibility requirements stated above”. In the example above, the prime contractor would not pay the subcontractor, the subcontractor actually pays the prime contractor a commission. How would a prime contractor account for subcontracting such work to an SBE or M/WBE subcontractor?

Response: See Responses to Questions 6 and 10 of this Addendum IV. In such a scenario, the Gross Sales less Commissions paid to City would be reported for this subcontractor.

Question 12: For RFP Attachment G, Subcontractor/Supplier Utilization Plan, pg. 198, for suppliers, are all purchases from third party suppliers supposed to be deducted from the participation dollar amount, whether they are certified or non-certified, and list each supplier on the form?

Response: See Responses to Questions 6, 10 and 11 of this Addendum IV. Each subcontractor/supplier and their “% Level of Participation” are to be listed on the form. Also, “Total Sub Participation – % Level of Participation” (i.e. all subcontractor utilization) and “Total Certified Sub Participation – % Level of Participation” (i.e. only SBEDA-certified subcontractor utilization) are to be completed on the form. No deductions from overall contract value, or prime contract value, (i.e. net revenue) should be taken.



Denise D. Gallegos, CPM, CPPB
Procurement Administrator
Finance Department – Purchasing Division