## CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY ADDENDUM #5 RENTAL CAR RFP AUGUST 2017 RESPONSE TO CLARIFICATION QUESTIONS SEPTEMBER 21, 2017

- Please confirm Enterprise Leasing Co of Norfolk/Richmond, LLC is considered an incumbent concessionaire for purposes of this RFP.
   A. Yes
- Addendum No. 2, Question and Answer #21 Appendix A. Should Offerors put the annual 12-month amount or the prorated 8-month MAG amount for Year 1? If the 12 month MAG, please add language to the RFP and agreement that states the Year 1 MAG shall be prorated accordingly.
  - A. The partial MAG for year one only has been adjusted to \$153,333 to reflect the 8 month period. The wording in Appendix A under the First Year (11/1/17-6/30/18) states that the amount listed will be for an 8 month period.
- 3. Addendum No. 2, Question and Answer #15. Please clarify how offerors are to complete Appendix/Exhibit I Offeror's Statement of Intent to Dual Brand, as this appears to be more of a cover page rather than a form to complete. Can we submit our intent as a narrative?
  - A. Appendix/Exhibit I is intended to allow Proposers the opportunity to submit their intent to dual brand either as a narrative or in a form provided by the Proposer.
- 4. Addendum No. 2, Question and Answer #9. Again, we request that Offerors bid a MAG for year 1 only, and that the MAGs for years 2-5 be set at 85% of the previous year's payment to the Authority or the Year 1 Minimum MAG. Bidding based on a total 5-year MAG opens the door to back end loading, whereas bidding a Year 1 Minimum MAG encourages a competitive MAG at Year 1.
  - A. The Authority respectfully reiterates its intent to base this criteria on a combined 5-year MAG bid. We feel the selection and allocation of spaces creates a more competitive overall bidding process when combined bids are considered for these processes.
- Addendum No. 2, Question and Answer #26 & #29 (See also Article 2.B-D of Appendix G).
   Please clarify that "total minimum guarantee"/"total bid share"/"percentage bid share" means
   the Offeror's total 5-year MAG bid as a proportion of all Offerors' total 5-year MAGs bid.
   A. This is confirmed.
- 6. If the Authority will not change to bidding a Year 1 Minimum MAG only, we request that selection of the counters, R/R location, and location of service facility bays and parking spaces and the first year allocation of the R/R and service facility parking spaces be based on <u>first year MAG bid</u> rather than total (5-year) bid share.
  - A. As stated in the agreement in Appendix G, the initial allocation for locations and spaces will be based on the total bid share. There will be annual reallocations of R/R parking spaces and QTA spaces based on the market share for the previous year. This does not apply to counters or service facility bays.

7. Addendum No. 2, Question and Answer #19. As we will be required to use the Authority's performance bond form, our surety has requested the addition of annual language or a cancellation clause to the bond form. Recommended language is below:

Annual Language
Notwithstanding the provisions of the Contract, the term of the bond shall
apply from until
, and may be extended by the Surety by
Continuation Certificate. The liability of the Surety under this bond and all
continuation certificates issued in connection therewith shall not be cumulative
and shall in no event exceed the amount as set forth in this bond or in any
additions, riders, or endorsements properly issued by the Surety as
supplements thereto.
Cancellation Clause
It being further understood that this bond may be canceled by the Surety by its
mailing written notice of such cancellation to the
stating
when, not less than thirty (30) days thereafter, such cancellation shall be
effective. In no event shall Surety be liable for any payment due and payable
after the effective date of cancellation.

- A. It is fine to add the above language as recommended.
- 8. Are there any improvements planned to enhance the R/R lot and/or Service Facility during the term? As discussed in the pre-bid meeting, we recommended that there be improvements to the service facility area and are happy to provide suggestions for details of those improvements. Please also confirm that any expenditures for said improvements will be covered by CFCs.
  - A. There are planned improvements to the R/R lot and to the QTA along with the creation of additional vehicle parking areas. All items will be discussed when finalizing the Memorandum of Understanding as part of the negotiated agreement.
- 9. Please provide the materials presented at the pre-bid meeting regarding the breakdown and accounting of CFCs.
  - A. Attached to this addendum.
- 10. Section 4(e). Please confirm Enterprise Leasing Co of Norfolk/ Richmond, LLC, which currently operates a concession at the Airport, is exempt from the proposal bond requirement and need not complete Appendix D.
  - A. This is confirmed.
- 11. Section 9 (see also Appendix B). Section 9 of the RFP lists several criteria that are subsequently waived for incumbents on Appendix B. Do you still want incumbents to provide this information?
  - A. Incumbents are not required to provide information noted in Section 9 if waived in Appendix B.
- 12. Addendum No. 2, Question and Answer #65 (see also Appendix C). This question relates to Appendix C, which lists a space for "other" entity types to fill in their info. Please confirm that an LLC may fill in the "Other only" section rather than complete under "Corporation".

- A. Addendum 2, Answer to Question 22 instructs LLCs to complete the information in the Corporation section.
- 13. Article 2.C-D. Language states that new entrants shall be allocated no fewer than 15 ready/return spaces and 25 QTA spaces. Please confirm this minimum allocation is per concession, not per brand.
  - A. New entrants will be allocated no fewer than 15 ready/return spaces and 25 QTA spaces per concession.
- 14. Article 9.F. During the pre-bid meeting, potential relocations were discussed. Please keep us informed of the timeline of such relocations. In the event Concessionaires are required to relocate, please confirm that selection and allocation of spaces will be consistent with the terms of this RFP (i.e. location of spaces selected in order of total bid share; and number of spaces allocated by percentage bid share in Year 1 or by market share if the relocation occurs in Years 2-5).
  - A. The Authority will make every effort to keep successful Proposers aware of all critical timelines as related to relocations. The selection and allocation of spaces will be strictly awarded pursuant to the terms of this RFP.
- 15. With respect to the Request for Proposal, additional comments and questions, we submit only the following: we request that CHO limit the list of terminated locations in the past 5 years to "involuntary terminations" only. There have been consolidations of brands, and market decisions that have lead us to close certain small locations, which could make the list onerous.
  - A. Approved
- 16. The following was included in Addendum 2:
  - Q25. ACDBE Participation. Please clarify what is to be submitted by the following, "Each Offeror must specify the form and amount of ACDBE participation to which it is prepared to commit." May we submit this in narrative form as allowed in the last bid?
  - A25. A narrative is fine.

**Question to the airport:** Would you please clarify what is expected from us as a Car Rental company as a response to this provision so that our response is deemed compliant. What is to be included in the "narrative" that has been reference.

A. Whatever form the rental car company chooses to use, the information should include what ACDBE firms will be used and an estimated amount of annual expenditures made to that company.....basically similar to the information that has been given to us every year when we ask for ACDBE participation. Companies should document what efforts their company uses to attempt to find ACDBE's as support for good faith efforts.

Rental Car Facility Budget FY 17							
CFC Rate per days of Rental	3.60	3.60	3,60	3.60	3.60	3.60	
Revenue	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	
CFC Revenue	513,526	513,526	521,372	543,277	587,074	628,875	
Expenses							
Land Lease	51,912	51,912	51,912	53.460	53.460	53 460	
Insurance Expense	4,180	4,180	2,758	4,636		4,604	
Utility Disposal	1,470	1,470	1,544	1,638		3,098	
Grounds Mtn	6,495	6,495	7,445	10,195		5,200	
HVAC Pariement Evnence	1,451	1,451	1,451	3,391	2,253	13,029	
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Piedmont Prevent. Maint.	11,952	11.952	2,246	17,927	12 996	17 392	
Admin Fee	15,000	15,000	15.000	15,000		17.352	
Miscellaneous Exp	336	336	27	396		1.112	
Other Maintenance Exp	2,642	2,642	3,881	423	0	0	
Debt Service	194,356	194,356	194,356	194,356	194,356	181,197	
	289,794	289,794	290,873	301,422	294,049	302,566	
Net Income Before Coverage	223,732	223,732	230,499	241,856	293,025	326,309	
Coverage	48,589	48,589	48,589	48,589	48,589	45,299	
Net Income After Coverage	175,143	175,143	181,910	193,267	244,436	281,010	1,250,908
Cash Balances on 8/17/17			Current Balance of Debt Service	f Debt Service			
CFC General Fund	1,327,830						
CFC Revenue Fund	200,313		Debt retired	11/2020	TOTAL Cash	2,346,580	
	1,528,143				Less Debt Bal	(554,000)	
			Price of Foster Property	operty		1,792,580	
QTA Maintenance Fund	818,437		i	2			
			Less RC Cash				
			Cash Need	\$ 217,420			