DENVER INTERNATIONAL AIRPORT CONCESSION CONTRACT

January 18, 2023

PENNY MAY
CHIEF COMMERCIAL OFFICER

PAMELA DECHANT
SENIOR VICE PRESIDENT, CONCESSIONS

AGENDA

- Vision 100
- Procurement Process
- Recommendation
- B East Food & Beverage Marketplace

VISION 100

VISION 100 DEN

100 MILLION ANNUAL PASSENGERS

• SUSTAINABILITY & RESILIENCY • EQUITY, DIVERSITY, INCLUSION & ACCESSIBILITY
• CONTINUOUS STAKEHOLDER INPUT/FEEDBACK • ENHANCING THE CUSTOMER EXPERIENCE

PILLAR 1

POWERING OUR PEOPLE

- Develop Workforce Leadership Strategy
- Establish Center of Equity and Excellence in Aviation
- Implement Career Pathways Program

PILLAR 2

GROWING OUR INFRASTRUCTURE

- Complete Major Infrastructure Projects
- Update Master Plan
- Develop Infrastructure Plan for DEN Real Estate

PILLAR 3

MAINTAINING WHAT WE HAVE

- Complete Concourse Renewal Program
- Update Strategic Asset Management Plan
- Develop Science-based Greenhouse Gas Emissions Target

PILLAR 4

EXPANDING OUR GLOBAL CONNECTIONS

- Identify Air Cargo Opportunities
- Expand to Disconnected Destinations (e.g. Africa)
- Grow Domestic Network

CITY COUNCIL REQUEST

- Approve Food & Beverage Concession Contract | RR 23-0050

PROCUREMENT PROCESS

- B East Food & Beverage Marketplace
- Outreach for the RFP included:
  - Taking Flight at DEN a Virtual Outreach hosted by DEN's Commerce Hub was held on January 13, 2022, with 54 attendees
  - A mandatory pre-proposal meeting for the opportunity was held on January 31, 2022, with 48 attendees. Three bids were submitted.

PROCUREMENT PROCESS CONT.

- Procurement collaboration after submittal of the proposals
  - Contract Services, Finance, the Commerce Hub, and the Division of Small Business Opportunity (DSBO) reviewed the proposals for responsiveness to ensure each proposal met the minimum requirements
  - An independent evaluation panel was convened and approved by the DEN CEO for each opportunity
  - Panel members were trained on DEN's expectations, Concessions Master Plan, procedures and scoring protocol for this solicitation
  - After training, the proposals were turned over to the independent evaluation panel for review

PROCUREMENT EVALUATION

- Proposers were invited to interview virtually for each opportunity, and given 50 minutes during that interview: 3 minutes for a “high level” introduction, 25 minutes power point presentation, 20 minutes for questions and answers and 2 minutes for interview close out
- Proposals were evaluated on the following:
  - Qualifications and experience
  - Concept, menu/product and pricing
  - Design
  - Operation and management
  - Business plan
  - Financial offer

RECOMMENDATIONS

- Expansion & Concourse B opportunity
  - OTG DEN Venture, LLC - Concourse B east subcore 3 expansion food & beverage marketplace

Travel Convenience
F&B Marketplace
Travel Convenience
F&B Marketplace
F&B Marketplace
SBEC
Coffee Kiosk
A
Coffee Kiosk
Quick Serve
1-10
On hold for extensions
F&B Marketplace
Travel Convenience
SBEC
Snack Kiosk
Beauty
1-13
Souvenirs/gifts
1-14
On hold for extensions
B
SBEC
Coffee Kiosk
F&B Marketplace
Travel Convenience
SBEC
Juice Kiosk
F&B Casual Dining w/ Bar
C
On hold for extensions
Quick Serve
1-22
Specialty Retail
1-22
Canceled
Travel Convenience
F&B Marketplace
Travel Convenience
F&B Marketplace
Sunset Hoop
BAR & GRILL
STARBUCKS
Presented at BIZ Committee in 2021/2022
Presenting at BIZ Committee 1/18/2023
In Progress
On Hold / Cancelled

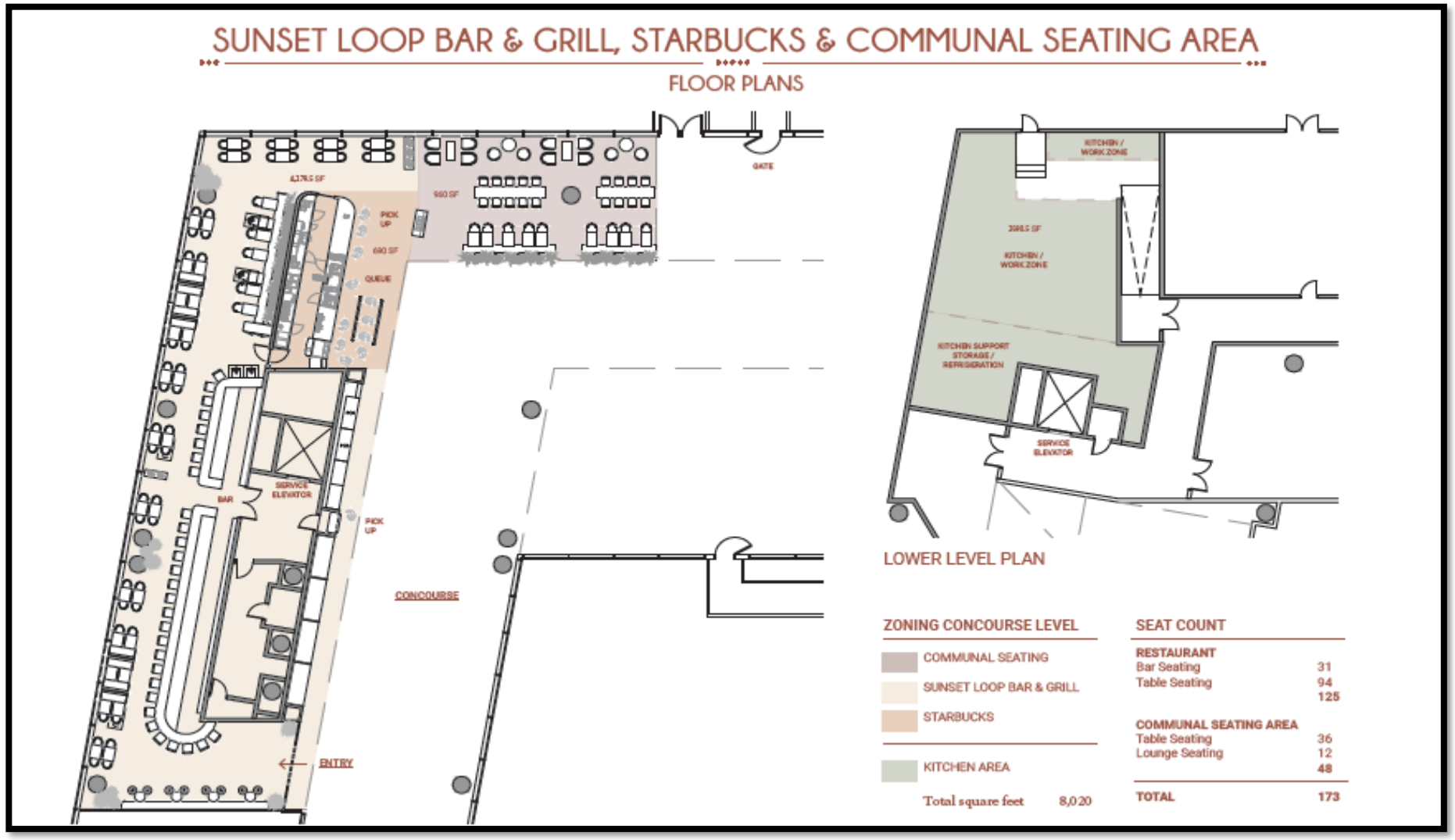
B EAST F&B MARKETPLACE

- Procurement collaboration after submittal of the proposals
- OTG DEN Venture, LLC will provide food and beverage services for 10 years
- The location has multiple offerings within one space, to include two separate concepts with a common seating area:
  - Sunset Loop Bar & Grill, dining and full-service bar
  - Starbucks, specialty coffee
- OTG DEN Venture, LLC is a joint venture between OTG , Inc (69.2 percent Owner), Doc 1 Solutions, Keith Montoya (30.8 percent Airport Concessions Disadvantaged Business Enterprise Owner (ACDBE))
- OTG DEN Venture, LLC has committed to a 30.8% percent ACDBE and 25 percent Minority/Woman Owned Business Enterprise (M/WBE) goal
- OTG DEN Venture, LLC is new concessionaire at DEN

B EAST F&B MARKETPLACE

- $1,466,250 per year rent to the airport or;
  - 15% of gross receipts per year until $12,500,000 then;
  - 16% of gross receipts per year $12,500,001 - $15,000,000:
  - 17% of gross receipts per year for anything above $15,000,001
- This contract opportunity is a 10-year term
- 30.8 percent ACDBE goal for B East Expansion F&B Marketplace
  - Doc 1 Solutions, LLC 30.8 percent ACDBE
- 25 percent M/WBE goal for B East Expansion F&B Marketplace
  - Classique, LLC

B EAST F&B MARKETPLACE



B EAST F&B MARKETPLACE

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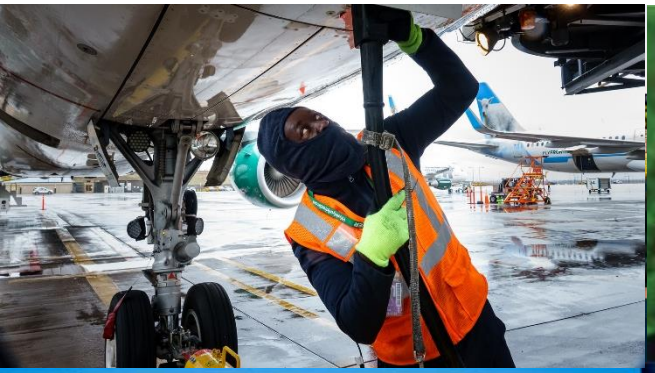
Q&A