

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**.

**All fields must be completed.*
Incomplete request forms will be returned to sender which may cause a delay in processing.*

Date of Request: 10/23/2013

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. Title: *Quiz-DIA, LLC d/b/a Quiznos (PLANE-201311283) – New Concession Agreement*

3. Requesting Agency: Department of Aviation

4. Contact Person: *(With actual knowledge of proposed ordinance/resolution.)*

- Name: Amy Raaz
- Phone: (303) 342-2201
- Email: Amy.Raaz@flydenver.com

5. Contact Person: *(With actual knowledge of proposed ordinance/resolution who will present the item at Mayor Council and who will be available for first and second reading, if necessary.)*

- Name: John Ackerman
- Phone: (303) 342-2568
- Email: John.Ackerman@flydenver.com

6. **General description of proposed ordinance including contract scope of work if applicable:** This Concession Agreement comes within the special circumstances for term, described in Executive Order 8B in that this contract requires a concessionaire to make significant capital investment to meet the city's needs. It also comes within special for competitive process, the justification for which is described in 6b. below. This new concession agreement with Quiz-DIA, LLC will provide food and beverage concept to the traveling public and employees at DIA on Concourse A. The term for this opportunity is seven (7) years in order for the concessionaire to amortize the investment. The agreement contains an annual MAG of \$718,442.00 or a percentage of compensation of 15% for food and 18% for alcohol, whichever is greater, and requires a capital investment of \$1,751,625.00 with a mid-term refurbishment of \$350,325.00. Quiz-DIA, LLC d/b/a Quiznos is a joint venture partnership between LEI Companies (a certified ACDBE company with 6.67% interest in the joint venture).

***Please complete the following fields: (Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field.)*

- a. **Contract Control Number:** PLANE-201311283
- b. **Duration:** 7 Years
- c. **Location:** DIA
- d. **Affected Council District:** 11
- e. **Benefits:** DIA worked with its concessionaires to design the Premium Value Concession Program (PVCP). The program is a competitive, merit-based program that rewards excellence resulting in better customer service and higher revenue to DIA. Concessionaires who are in the top third of their defined categories obtain the opportunity to execute a new agreement at the end of their current one and are not required to go through an RFP process (the "Benefit"). Quiz-DIA, LLC has been determined to receive the Benefit of a new concession agreement during Phase 1 of PVCP.

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Date: _____

f. Costs:

<i>Current Contract Amount (A)</i>	<i>Additional Funds (B)</i>	<i>Total Contract Amount (A+B)</i>
\$718,442.00 Annual MAG		\$718,442.00 Annual MAG
<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
7 Years		7 Years

g. Date Goals Assigned: 11/28/2012

h. Goals: 40% ACDBE / 6.67% Participation

7. Is there any controversy surrounding this ordinance? (Groups or individuals who may have concerns about it?) Please explain.

None

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Key Contract Terms

Vendor/Contractor Name: Quiz-DIA, LLC d/b/a Quiznos

Contract control number: PLANE-201311283

City's contract manager: John Ackerman

Was this contractor selected by competitive process? Was it the low bid? Yes / No

Term/Duration of contract/project: 7 Year Concession Agreement

Renewal terms: No

Purpose: This concession agreement grants concessionaire the right to use the facilities at DIA to provide the traveling public and employees of the airport with food, retail, or services. This is a revenue contract.

Scope of services to be provided with performance bench marks: None

Cost/value: \$718,442.00 Annual MAG or percentage compensation, whichever is greater

Source of funds: Revenue Agreement

Benefit: Provides concession services to the traveling public and employees at DIA.

Termination provision for City and for contractor: No

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): 40% ACDBE Goal
Who are the subcontractors to this contract? Quiz-DIA, LLC's minority participation is 6.67% (joint venture with LEI Companies (a certified ACDBE company).

Location: DIA

Affected Council District: District 11

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