



Legislation Text

File #: 22-0734, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 6-14-2022

**Requesting Agency: Denver International Airport
Division:**

**Subject Matter Expert Name: Carolina Flores
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Phone Number:**

Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A resolution approving a proposed Agreement between the City and County of Denver and GrabAtYourGate JV, LLC to provide food delivery service from participating airport concessionaires at Denver International Airport.

Approves a revenue agreement with GrabAtYourGate JV, LLC for \$80,000 and three years, with two one-year options to extend, to provide food delivery service from participating airport concessionaires to visitors and staff at Denver International Airport in Council District 11 (202159255). The last regularly scheduled Council meeting within the 30-day review period is on 7-25-22. The Committee approved filing this item at its meeting on 6-22-22.

Affected Council District(s) or citywide? 11

Contract Control Number: 202159255

Vendor/Contractor Name (including any "DBA"): GrabAtYourGate JV LLC

Type and Scope of services to be performed:

The selected vendor will launch a food and beverage gate delivery program. The program will

allow for customers to use a dedicated application or web portal to order food and beverage items from participating DEN concessionaires, for delivery to passengers at a location of their choosing. The vendor must be able to manage all aspects of the operation, from providing the technology needed to each participating concessionaire, managing the online order process, to final delivery to the customer. Participation by concessionaire is optional.

DEN Concessions Food Delivery Services with GrabAtYourGate JV LLC will operate DEN's "Eats Delivered" program, where customers are able to order and pay through participating airport concessions through an app or web-based ordering. The order is then processed by the concessionaire, and an employee with the selected vendor will then pick up the order and deliver it to the customer or employee location within the DEN campus. This service introduces a touchless option for customers to place food and item orders, as well as provides additional options extended beyond the departing concourse. A proof-of-concept pilot initiative was completed with AtYourGate over a 12-month period from 2020-2021 and found that this service was highly successful. During the pilot, DEN was the busiest airport in the AtYourGate network nationwide. The selected vendor would collect a delivery fee from the customer directly (\$3.99 for DEN employees and \$4.99 for customers) then DEN in turn also receives a small revenue percentage of the delivery fee. It is imperative for DEN to enter an agreement with a single vendor who will own the process from beginning to end; a single vendor who will provide order and payment services, as well as employ their own staff to be stationed at DEN who will complete the final delivery of goods sold. This single-vendor approach allows for complete ownership of the program and a single point of reference for all services. In order to satisfy this request, Grab and AtYourGate formed a joint venture LLC to serve as a single vendor, with Grab providing technology and AtYourGate providing staff for the delivery model.

Location (if applicable): DEN

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment? New

Was this contractor selected by competitive process or sole source?

Informal Competitive Procurement: This procurement is subject to Memorandum No. 8B and will be procured through an informal competitive process.

This procurement method was chosen because through an industry outreach for the pilot program, DEN learned that there are only up to three vendors that may be able to provide the full list of services required.

For New contracts

Term of initial contract: Date of Execution (DOE) plus 3 years plus two 1-year options to extend.

Options for Renewal:

How many renewals (i.e. up to 2 renewals)? 2

Term of any renewals (i.e. 1 year each): 1

Cost of initial contract term: \$80,000 revenue

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)