

FAIRBANKS INTERNATIONAL AIRPORT
IN-TERMINAL RENTAL CAR CONCESSION AGREEMENT ADA-90950
PRE-BID QUESTIONS

TO ALL POTENTIAL BIDDERS:

The Fairbanks International Airport (Airport) amends the Invitation to Bid documents for the In-Terminal Rental Car Concession Agreement ADA-90950, as stated in the attached **Addendum No. 2**.

September 14th, 2023 was the deadline for any and all comments regarding the In-Terminal Rental Car Concession ITB ADA-90950. **Completed bids are due October 12th, 2023.**

Following is the State's response to the questions posed at the pre-bid conference and in written comments:

- Question 10: **Page 30**, Article XI. MAINTENANCE, CONSTRUCTION, AND OWNERSHIP, Section A. MAINTENANCE, Subsection 2.: Concessionaire is responsible for structural repairs of any kind. Request removal of the word "Structural".

Response 10: The State is amenable to removing the word "structural" from the Agreement and changes will be reflected in Addendum 2.

- Question 11: **Page 31-32**, Article XI. MAINTENANCE, CONSTRUCTION, AND OWNERSHIP, Section E. ABANDONED PROPERTY: Would be amenable to the State having a "Right to Tow" and charging the tow fee and a recovery fee to the concessionaire. Requests to exclude "Rental Vehicles" from Abandoned Property.

Response 11: The State is amenable to modifying the Agreement and changes will be reflected in Addendum 2 as follows:

Abandoned Property: Title to all property except motor vehicles abandoned by the Concessionaire on the Premises automatically vests in the State unless the property is contaminated with any Hazardous Substance or rejected by the department by a written notice to the Concessionaire or the property's automatic vesting would violate a statute or regulation.

Motor vehicles that have not been removed from the premises within 90-days of the termination of the concession agreement will be treated as abandoned vehicles pursuant to Alaska Statute 28.11 "Abandoned Vehicles".

- Question 15: **Page 9**, Article III. RIGHTS GRANTED, OBLIGATIONS, RESERVATIONS, AND PROHIBITIONS, Section C. PROHIBITIONS, Subsection 7.: Agreement language prohibits vehicles longer than 20' in ready-return spaces. Will the Airport be able to accommodate vehicles up to 22' in length?

Response 15: The State is amenable to removing this prohibition from the Agreement and the change will be reflected in Addendum 2.

- Question 24: **Page 2**, Article I. DEFINITIONS, Section 10. CUSTOMER: The definition of a customer, for the purposes of requiring concessionaire to pay concession fees, should be tied directly to whether the customer used the Airport in the last 24 hours. Request modification of the definition of customer to read, "a purchaser or renter of goods or services of any kind from the Concessionaire at the Airport or at a location operated by Concessionaire, or its affiliates, within 10 miles of the Airport, if the customer has used the Airport within the last 24 hours.

Response 24: The State is amenable to modifying the Agreement and changes will be reflected in Addendum 2 as follows:

A purchaser or renter of goods or services of any kind from the Concessionaire at the Airport or at a location operated by Concessionaire, or its affiliates, within 10 miles of the Airport, if the person picks up or drops off the vehicle at the Airport or has used the Airport within the 24 hours prior to or within 24 hours after the end of the car rental period. In any audit or dispute with respect to whether a person is a customer the burden of proof shall be on the Concessionaire.

- Question 26: **Page 11**, Article IV. PREMISES AND READY-RETURN SPACES, Section B. READY-RETURN SPACES, Subsection 2. c.: Will the Airport delete the last sentence of this paragraph or include reasonable parameters which must be met before any unscheduled reallocation occurs?

Response 26: The State is amenable to modifying the Agreement and changes will be reflected in Addendum 2 as follows:

If the State, at its sole discretion, determines that circumstances have materially changed such that a re-allocation of spaces is necessary for the efficient use of spaces the State may choose to re-allocate spaces more than mid-term and will notify each Concessionaire three months prior to its decision.

- Question 28: **Page 15**, Article V. FEES AND PAYMENTS, Section D. WAIVER OF MINIMUM GUARANTEE, Subsection 1. a. and b.: Requiring a 30-day impact is not unreasonable but requiring the Concessionaires to pay full financial obligations during that 30-day period is

not reasonable. Request Airport to modify these paragraphs to indicate the waiver will be retroactive, back to the day the situation began.

Response 28: The 30-day provision for minimum guarantee waiver is standard in FAI's contracts and the State declines to amend this provision for rental car concessions.

- Question 29: **Page 20**, Article VII. BOOKS, RECORDS, AUDITS, AND REPORTS, Section D. CONCESSION UNDERPAYMENTS AND OVERPAYMENTS, Subsection 1. c.: Request the Airport modify this section to provide a reasonable and fair threshold for determining if a Concessionaire is required to pay for an airport audit. We believe a 5% discrepancy is more reasonable.

Response 29: The State is amenable to changing from \$5000 to 5% and the change will be reflected in Addendum 2.

- Question 30: **Page 21**, Article VII. BOOKS, RECORDS, AUDITS, AND REPORTS, Section E, Subsection 3.: Request the Airport remove the requirement this report be produced by an independent certified public accountant and instead require the report be certified by a financial officer of the Concessionaire.

Response 30: The State declines to amend this provision of the Agreement.

- Question 32: **Page 33-34**, Article XIV. STATE-DIRECTED RELOCATION, Section B. CONCESSIONAIRE RESPONSIBILITIES: In the event the State decides to move rental car counters, the Concessionaire will experience significant moving costs. These costs should be born by the Airport, as the decision to relocate was made for the benefit of the Airport. Request the Airport include language that indicates the State will be responsible for reimbursing each Concessionaire for their cost to relocate to a new counter.

Response 32: The State declines to amend this provision of the Agreement.

- Question 34: **Page 8**, Article III. RIGHTS GRANTED, OBLIGATIONS, RESERVATIONS, AND PROHIBITIONS, Section B. RESERVATIONS, Subsection 5.: Indicates Concessionaire can only operate the indicated brand from each bid. In the event a bid was not successful there should be no reason why 3 brands could not operate out of one counter. Request this being allowed.

Response 34: The State declines to amend this provision of the Agreement. Concessionaires may bid on each counter with multiple brands or bid each counter with a single brand. The State will not permit bidders to change bids or counters to uses not

included in the bids after bids are awarded without approvals as set forth in the Agreement.

- Question 35: **Page 29**, Article X. SERVICE AND OPERATION, Section Q. HAZARDOUS SUBSTANCES, Subsection 3.: Will the Airport please make the following modifications to this section? Our obligation should be to adhere to State requirements.

If the Concessionaire, its agents, contractors, employees, guests, sub-concessionaires, or Customers spill fuel, or if the presence of Hazardous Substances on the Airport arising from or connected with the Concessionaire's operations on the Airport results in the contamination of Airport property, the Concessionaire shall ~~immediately~~ notify the Sate and all applicable local, state, and federal agencies with jurisdiction, ~~in accordance with State spill reporting requirements~~, and promptly take all actions, at the Concessionaire's sole expense, necessary to remediate the contamination and restore the area.

Response 35: The State is amenable to modifying the Agreement and changes will be reflected in Addendum 2 as follows:

If the Concessionaire, its agents, contractors, employees, guests, sub-concessionaires, or Customers spill fuel, or if the presence of Hazardous Substances on the Airport arising from or connected with the Concessionaire's operations on the Airport results in the contamination of Airport property, the Concessionaire shall ~~immediately~~ notify the Sate and all applicable local, state, and federal agencies with jurisdiction, ~~in accordance with State~~ and Airport provided ~~spill reporting requirements~~, and promptly take all actions, at the Concessionaire's sole expense, necessary to remediate the contamination and restore the area.

FAIRBANKS INTERNATIONAL AIRPORT
IN-TERMINAL RENTAL CAR CONCESSION AGREEMENT ADA-90950
INVITATION TO BID
ADDENDUM NO. 2

September 19th, 2023

The Fairbanks International Airport (Airport) amends the Invitation to Bid (ITB) documents for the In-Terminal Rental Car Concession Agreement ADA-90950, as follows:

The ADA-90950 In-Terminal Rental Car Concession Sample Agreement is amended as follows:

- Page 2: Article I. DEFINITIONS, Section 10. CUSTOMER: The definition of “customer” now reads, “A purchaser or renter of goods or services of any kind from the Concessionaire at the Airport or at a location operated by Concessionaire, or its affiliates, within 10 miles of the Airport, if the person picks up or drops off the vehicle at the Airport or has used the Airport within the 24 hours prior to or within 24 hours after the end of the car rental period. In any audit or dispute with respect to whether a person is a customer the burden of proof shall be on the Concessionaire.”
- Page 9: Article III. RIGHTS GRANTED, OBLIGATIONS, RESERVATIONS, AND PROHIBITIONS, Section C. PROHIBITIONS, Subsection 7.: Subsection 7 speaking to prohibition on vehicles longer than 20’ in ready-return spaces is removed in its entirety from the Agreement.
- Page 11: Article IV. PREMISES AND READY-RETURN SPACES, Section B. READY-RETURN SPACES, Subsection 2. c.: Subsection 2. c. now reads, “**If the State, at its sole discretion, determines that circumstances have materially changed such that a re-allocation of spaces is necessary for the efficient use of spaces** the State may choose to re-allocate spaces more than mid-term and will notify each Concessionaire three months prior to its decision.”
- Page 20: Article VII. BOOKS, RECORDS, AUDITS, AND REPORTS, Section D. CONCESSION UNDERPAYMENTS AND OVERPAYMENTS, Subsection 1. c.: Subsection 1. c. now reads, “If the underpayment is more than 5% in any fiscal year, all audit costs that the State incurs, including salary and benefit costs of the auditor.”
- Page 29: Article X. SERVICE AND OPERATION, Section Q. HAZARDOUS SUBSTANCES, Subsection 3.: Subsection 3 now reads, “If the Concessionaire, its agents,

contractors, employees, guests, sub-concessionaires, or Customers spill fuel, or if the presence of Hazardous Substances on the Airport arising from or connected with the Concessionaire's operations on the Airport results in the contamination of Airport property, the Concessionaire shall ~~immediately~~ notify the State and all applicable local, state, and federal agencies with jurisdiction, ~~in accordance with State and Airport provided~~ spill reporting requirements, and promptly take all actions, at the Concessionaire's sole expense, necessary to remediate the contamination and restore the area.

Page 30: Article XI. MAINTENANCE, CONSTRUCTION, AND OWNERSHIP, Section A. MAINTENANCE, Subsection 2.: Subsection 2 now reads, "At its own expense, the Concessionaire will maintain the Premises and make necessary repairs including, but not limited to, doors, entrances, signs, floor coverings, interior walls, ceiling, counters, and cupboards. The Concessionaire will repair and paint the walls, at its own expense, periodically as determined by the State."

Page 31-32: Article XI. MAINTENANCE, CONSTRUCTION, AND OWNERSHIP, Section E. ABANDONED PROPERTY: Subsection E now reads,

"Abandoned Property: Title to all property except motor vehicles abandoned by the Concessionaire on the Premises automatically vests in the State unless the property is contaminated with any Hazardous Substance or rejected by the department by a written notice to the Concessionaire or the property's automatic vesting would violate a statute or regulation.

Motor vehicles that have not been removed from the premises within 90-days of the termination of the concession agreement will be treated as abandoned vehicles pursuant to Alaska Statute 28.11 "Abandoned Vehicles".

***NOTE – PAGE NUMBERS AND EXHIBIT IDENTIFIES CHANGE THROUGHOUT.**

ALL OTHER TERMS, PROVISIONS, AND COVENANTS REMAIN UNCHANGED.