Dallas/Fort Worth International Airport
Pre-Proposal Conference
Solicitation No. 8004975

Concessions Mystery Shopping
&
Price Evaluation Services
Concessions Mystery Shopping & Price Evaluation Services Pre-Proposal Conference
<table>
<thead>
<tr>
<th>Agenda Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Remarks – Zenola Campbell, VP, Concessions</td>
</tr>
<tr>
<td>Business Diversity and Development Department – Bennie Miller, Jr., Business Specialist</td>
</tr>
<tr>
<td>Procurement &amp; Materials Management Department – Matina Garrett, Contract Administrator</td>
</tr>
<tr>
<td>Risk Management Department – Patrice Hall, Claims Manager</td>
</tr>
<tr>
<td>Review Proposal Specifications – Martha Hernandez, AVP, Concessions</td>
</tr>
<tr>
<td>Questions &amp; Answer Session</td>
</tr>
</tbody>
</table>
Opening Remarks

Zenola Campbell
Vice President, Concessions
DFW Airport Strategic Plan

**OUR VISION**
DFW International Airport – Connecting the World

**OUR MISSION**
DFW International Airport will provide our customers outstanding facilities and services, expanding global access and economic benefits to those we serve.

**OUR PRIMARY BUSINESS GOAL**
Grow the core business of domestic and international passenger and cargo airline service.
Customer Experience is the Major Focus this Year

- Terminal D ACI Customer Satisfaction
  - 4.4 (currently 4.27)

- Terminal Cleanliness DFW Survey
  - 4.3 (currently 4.12)
Customer Experience is the Major Focus this Year
Customer Experience is the Major Focus this Year

- ACI Overall Customer Satisfaction
  - International Airport Competitive Set

![Diagram showing airport benchmarking data with various airports listed and a graph representing customer satisfaction scores over different quarters.](image_url)
D/S/M/WBE Business Diversity Programs
Bennie Miller, Jr., BDD Business Specialist
Small Business Enterprise (SBE) Program

- **SBE Program**
  - Construction Services (under $1M)
  - Professional Services
  - Non-Professional Services

- **Small Business Enterprise (SBE)**
  - Business size based on the Small Business Administration (SBA) size standards; or
  - Annual business revenues averaged over three years
  - No personal net worth statement required

- Solicitation Goal: 0% SBE Goal
SBE Certification

• If claiming SBE credit, SBE firms must be certified by an approved certification agency at the time of bid submission.

• SBE certificates must be included with the bid submission for credit.

• State of Texas HUB, MBE, WBE and out of state certificates are not acceptable.

• Certificates must be current and not expired.

• Commodity codes noted on certificate must be relevant bidded services.

- **Affirmative Action Plan** and/or diversity and inclusion policy statement to include goals with respect to hiring staff for the proposed project.

- **Private sector participation.** Firm’s ability to demonstrate D/S/M/WBE on private sector work or on contracts that require no goals.

- **Team selection.** Explain the selection of your team composition including diversity within the team and any opportunities given to team members that may be new to your team and why they were selected.

- **Assurance.** Do you have a dispute resolution/mediation plan in place? If so, what is that process?
Identify commitment to meeting and/or exceeding the SBE goal.

Commitment to SBE Participation Form

The SBE goal for Solicitation/Contract: % __________%.

NOTE: The DBO will only credit SBE participation that is certified by an approved certification entity at the time of bid submission. Certification certificates must be included with bid submission or bid will be deemed non-responsive. Effective 10/1/12, in addition to having a valid certification, SBE must also have a place of business in the airport’s market area at the time of bid submission or bid for credit towards meeting a contract goal.

The undersigned Contractor has satisfied the requirements of the bid submission specifications in the following manner (Please check (+) the appropriate box):

☐ The Contractor is committed to meeting the SBE goal by self-performing as an SBE certified Prime Contractor.

☐ The Contractor is committed to a minimum of ____% SBE utilization on this contract utilizing subcontractor participation.

☐ The Contractor is unable to meet the SBE goal of ____% and is committed to a minimum of ____% SBE utilization on this Contract and submits documentation demonstrating good faith efforts.

☐ The Contractor is unable to meet the SBE goal of ____% and submits documentation demonstrating good faith efforts.

Name of Prime Contractor:

Signature

1 The Airport’s market area is defined as the North Texas Commission service county area of Dallas, Tarrant, Collin, Denton, Ellis, Hunt, Johnson, Kaufman, Parker, Rockwall, and Wise counties.
Does certification match Program goal?

Do the commodity codes cover your proposed scope of work?

Check expiration date! Not valid if expired.
Contact Us

- Bennie Miller, Business Diversity Specialist
- bmiller@dfwairport.com
Procurement & Materials Mgmt. Department
Solicitation Process Highlights

- DFW Airport’s Procurement Process Managed In Accordance With Texas Government Code, Chapter 252 and Code 2254.
  - Solicitation Document Includes:
    - Proposal Instructions and Requirements
    - Evaluation Criteria
    - Specifications / Scope of Work
    - General/Special Contract Provisions (Terms, Insurance, Bonding, Etc.)
    - Proposal Response Forms
Procurement & Materials Mgmt Department
Solicitation Process Highlights (cont)

- Solicitation Advertised Two Consecutive Sundays In Local Papers
  - *Dallas Morning News* Legal Notice Section
  - *Commercial Recorder* (Fort Worth Market)

- Solicitation Notice Posted On DFW Airport Website (www.dfwairport.com/Business Opportunities/Solicitations)

- Proposals Received On The Date And Time Specified In The Solicitation. *Late Proposals Not Accepted*
  - Proposals will not be Publicly Opened And Read Aloud; Documentation Verified
Procurement & Materials Mgmt Department
Solicitation Process Highlights (cont)

- Proposals Evaluated By A Cross-Functional Team Of Board Representatives Based On The Following:
  - See the Evaluation Criteria section (pgs. 18-20) of the Solicitation

- Evaluation Team Recommends Contract Award(s) To Vice President, PMM
  - Board Approval Is Requested At The Next Regular Board Of Directors Meeting, Which Occurs First Thursday Of Each Month at 8:30 A.M.
Procurement & Materials Mgmt Department
Solicitation Process Highlights (cont)

- After Contract Administrator Receives Requested Information, A Limited Notice To Proceed (LNTP) Letter Is Issued by VP, PMM to begin mobilization activities.

- Once the Contract is executed, the Full Notice to Proceed (NTP), along with the Executed Contract is issued.
Procurement & Materials Mgmt Department
Solicitation Process Highlights (cont)

- Follow All Proposal Preparation Instructions
  - Double Check To Make Sure All Forms Are Correctly Completed
  - Make Sure All Required Documentation Is Submitted
  - Respond To What The Proposal Requests

- Extend All Unit Prices, Double-check All Figures
  - Do Not Place Limitations Or Otherwise “Condition” The Proposal
Procurement & Materials Mgmt. Department
Solicitation Process Highlights (cont.)

Proposal Response Forms:
Proposal/Bid Pricing Form
- Ensure completeness; review figures

Insurance Review Verification
- Verify with your carrier that your policy complies with the insurance coverage required

Organizational Summary Information
- Complete Items 1 – 4; item 5 is optional

Work Force Composition Form
- Equal Employment Opportunity (EEO) report can substitute
Procurement & Materials Mgmt. Department
Solicitation Process Highlights (cont.)

Proposal Response Forms:

SBE Forms
- Commitment to SBE Participation
- Schedule of Subcontractors
- Intent to Perform/Contract as a Subcontractor
- Good Faith Effort (GFE) Criteria
- Request for Approval of Change to Original Schedule of Subcontractors

The proposing firm can write “N/A” on those documents if there is no SBE participation proposed.
Procurement & Materials Mgmt. Department
Solicitation Process Highlights (cont.)

Proposal Response Forms:

Insurance Affidavit
- Ensures the firm has the necessary insurance coverage or can obtain the coverage.

Business Disclosure Form
- Entity ownership form; percentage of each owner must be disclosed.
- Failure to properly complete and submit this form with the proposal may cause the proposal to be considered non-responsive.

Proposal Endorsement Form
- Ensure the proposal submitter is authorized to obligate the firm to a binding agreement with the Airport.
Procurement & Materials Mgmt Department
Solicitation Process Highlights (cont)

- Late Means Late
  - Find Out In Advance Exactly Where Documents Must Be Delivered And Make Sure Documents Arrive Well In Advance Of The Due Date/Time
    - “Mail” Or “Fed Ex” Delays, Or “Traffic Accidents On I-635” Are Not Valid Excuses - You Will Be Disqualified

- If You Don’t Understand, Or It Does Not Make Sense, Submit Written Questions To The Contract Administrator
  - Deadline for questions: Wednesday, March 4, 2015 at 4:00 PM (Central Time)
Risk Management Department
Pre-Bid Conference

- Patrice Hall, Claims Manager
Risk Management Department
Standard Insurance Coverage

- Workers’ Compensation
  - Statutory Limits
  - Employer’s Liability - $500,000 Per Accident

- Commercial General Liability (CGL)
  - Minimum Required Limits
    - $1,000,000 Per Occurrence
    - $2,000,000 Aggregate
Risk Management Department
Standard Insurance Coverage

- Business Automobile Liability
  - $500,000 Combined Single Limit
  - All Owned, Hired And Non-owned Vehicles

- Excess/Umbrella Liability
  - $5,000,000
Risk Management Department
Additional Insurance Requirements

- **Additional Insured Endorsement**
  - Provision Refers To The Board Of Directors Of The DFW International Airport Board, The Board’s Officers, Directors, Agents And Employees, Its’ Designated And/Or Authorized Representatives And The Cities Of Dallas, Texas And Fort Worth, Texas

- **Waiver Of Subrogation**
  - Insurers Shall Have No Right Of Recovery Or Subrogation Against The Board Or Other Parties Listed Above

- **Indemnification And Hold Harmless**
  - Contractor Covets And Agrees To Fully Indemnify And Hold Harmless The Parties Listed Above

- **A.M. Best Rating**
  - Authorized By The Texas State Board Of Insurance
  - Minimum Rating Of “A-” “VII”
Risk Management Department
Coverage Notification

- **Pre-Contract Execution**
  - Prior To The Execution Of The Contract, YOU Shall Have YOUR Insurance Agent(s), Broker(s), Or Insurer(s) Enter YOUR Policy Information Into www.ins-cert.Com, And Link YOUR Policy Data To The Board. YOU Shall Cause YOUR Insurance Data To Be Kept Current On **ins-cert.com** For The Period Of Time YOU Are Liable For YOUR Product Or Work, But Not Less Than The Warranty Period Of Our Contract. YOU Further Agree To Cause YOUR Insurance Agent(s), Broker(s) Or Insurer(s) To Properly Register, Use And Pay The Fees For Using Ins-cert.Com, (Your Agent Will Be Charged $3 To Enter Your Policy Data, And 25¢ When The Board Verifies Your Coverage On-line, Which Is Less Than The Cost Of Issuing Certificates, So There Should Be No Effect On Your Cost Of Insurance Or Service).
  - **Paper, Faxed Or E-mailed Certificates Not Acceptable**
Risk Management Department
Contractor Responsibility

- Should this contract require the use of subcontractors, it will be the sole responsibility of the general contractor to either require subcontractors to provide and maintain the insurance coverage required herein or provide said insurance coverage for the subcontractor by designating the subcontractor as an additional insured either by a blanket additional insured endorsement, or by specific endorsement. The contractor shall verify that such subcontractors are in compliance with all contractual insurance requirements. The prime contractor assumes all liability for those subcontractors who do not meet the insurance requirements. Access to the air operations area will not be granted without verification of insurance coverage as required herein through Ins-cert.com.
Review of Proposal Specifications

Martha Hernandez, Assistant Vice President, Concessions

- Scope Of Work
Goal for Mystery Shop and Pricing Evaluation
To provide the best customer experience in the world

- Customer Experience is more than just customer service
  - Facilities/Cleanliness
  - Pricing/Value
  - Quality and variety of product and services
  - One-on-one interaction with the customer

- Measurements
  - Airports Council International (ACI) Customer Service Survey
  - DFW Passenger Survey

- Re-aligned all our compliance programs to help affect the scores of the ACI and DFW Passenger Survey
Scope
Mystery Shop Process Overview

- Mystery Shops
  - Anonymous
  - Number of locations fluctuates due to construction and customer activity
    - Approximately 3,960 Mystery Shops per year, 18 per locations per year
  - Specific times, days, limits on number of shops
  - Proprietary system, must use or interface – PREFER TO INTEGRATE SYSTEMS
  - Provide immediate feedback for low-scoring shops
  - Capture the names of the employees that the shopper conducted business with
  - Purchase an item, meal or service and submit receipt
  - Accuracy of shops
  - Analytical reporting
  - Monthly face-to-face meetings
Scope
Market Basket/Pricing Evaluation Process Overview

- Concessionaire submits an annual price comparison survey
  - Enter 220 price submittals into our proprietary system
- Randomly verify pricing submittals per DFW staff using DFW’s proprietary system or interface
  - A minimum of 220 Pricing Evaluations per year, at least 1 per location per year
  - DFW staff may request special pricing verifications
Scope
Additional Expectations

- What makes for a great customer experience for the different types of services and difference between international and domestic passengers
- Training and development of shoppers
- Robust data analysis
- Unbiased auditing, inspection of locations
- Accuracy and consistency of evaluations
- Innovation – how can you make the process and analysis even greater?
- Partnership and collaboration with DFW team
- Respond to all requirements of RFP
Minimum Qualifications
Mystery Shops & Pricing Evaluation/Market Basket

- Experienced Contractor
  - Developed evaluations, recruitment, training, performing mystery shops, etc.
  - Experience with food and beverage, retail, services, brands, major shopping center, airport, etc.
- Local Supervisor
- Belong to Mystery Shopping Providers Association (MSPA) or other equivalent associations (mystery shop only)
- Non-English speaking field evaluators fluent in Spanish and Chinese (mystery shop only)
- Training and evaluation of shoppers and evaluators
- Quality control process to ensure accurate and complete evaluation of all locations
Minimum Qualifications
Mystery Shops & Pricing Evaluation/Market Basket

- Understanding that the mystery shop and pricing evaluation company may:
  - Use their system and integrate to the Board’s proprietary system or
  - Use the Board’s automated proprietary system
- Understanding that system integration must be completed within 30 days from the contract award

“Fast is fine, But accuracy is everything”. Wyatt Earp
Evaluation Criteria

- Technical/Compliance with the Scope of Work (10 Points)
  - Include any plans for technological innovations
- Management / Implementation of Scope of Work (60 Points)
  - Customer Experience and Process Explanation
  - Experience
  - Quality Control and Data Integrity
  - Innovation and Value Adds
  - Process Explanation of both scopes of work
- Price (10 Points)
- Diversity & Inclusion Initiatives (20 Points)

NOTE: Mystery Shop criteria is weighted heavier than Pricing Evaluation
Pre-Proposal Conference for Sol. No. 8004975
Question and Answer Opportunity