Industry Outreach Event
Southwest Florida International Airport (RSW)
March 8, 2022
Opening Comments

Industry Outreach Event

- To prevent background noise, please mute your microphones
- Feedback is encouraged at the end of this presentation
- All attendees are encouraged to provide contact information on the virtual Sign-Up Sheet provided with the meeting invitation
Agenda

Industry Outreach Event

01 Airport Background
   Lee County Port Authority (LCPA)

02 Terminal Expansion and CRDC Development
   Atkins

03 Overview of Concessions Opportunity
   ICF

04 Consolidated Receiving and Distribution Center Operator (CRDC) Overview
   Landrum & Brown (L&B)

05 Airport Procurement Process
   LCPA Procurement

06 ACDBE Certification/Resources
   LCPA DBE Manager

07 Timeline
   LCPA

08 Open Dialogue/Feedback
   All
RSW Background

• Owned and operated by the Lee County Port Authority (LCPA)
  ➢ Does not use local property tax dollars to fund operations or construction
  ➢ Generates revenues from airport users for operating expenses and debt service
  ➢ Capital projects are funded through the use of grants, bonds, passenger facility charges and other internally generated funds

• Governed by the Lee Board of County Commissioners sitting as the Board of Port Commissioners

• The Airports Special Management Committee (ASMC) advises the Board of Port Commissioners on all issues and matters relating to the Lee County Port Authority airports
RSW Background

• Award winning, commercial service, medium-hub airport located in Fort Myers, FL

• Annual Passengers:
  ➢ 10.2M+ passengers in 2019
  ➢ 5.9M+ in 2020
  ➢ 10.3M+ in 2021

• 8 consecutive months of record-breaking traffic in 2021
RSW Background
Monthly Passenger Comparison

Source: LCPA Finance Department
RSW Remains #1 in Passenger Recovery Among Top 50 US Airports
January 2022 performed at 94% of 2020 levels

Note: Does not include US territories.
Source: TSA Daily Reports and Bureau of Transportation Statistics; Ailevon Pacific Aviation Consulting analysis
### RSW is the 24th Busiest US Airport

Top 40 US airports ranked by TSA Throughput for Jan/Feb 2022

<table>
<thead>
<tr>
<th>Rank</th>
<th>Airport</th>
<th>TSA Throughput</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Miami</td>
<td>1,800,065</td>
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<tr>
<td>2</td>
<td>Los Angeles</td>
<td>1,777,623</td>
</tr>
<tr>
<td>3</td>
<td>Orlando</td>
<td>1,738,392</td>
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<tr>
<td>4</td>
<td>New York J F Kennedy</td>
<td>1,484,884</td>
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<tr>
<td>5</td>
<td>Atlanta</td>
<td>1,462,010</td>
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<tr>
<td>6</td>
<td>Las Vegas</td>
<td>1,389,115</td>
</tr>
<tr>
<td>7</td>
<td>Chicago O'Hare</td>
<td>1,386,423</td>
</tr>
<tr>
<td>8</td>
<td>Denver</td>
<td>1,307,496</td>
</tr>
<tr>
<td>9</td>
<td>Dallas/Fort Worth</td>
<td>1,258,998</td>
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<tr>
<td>10</td>
<td>New York Newark</td>
<td>1,227,732</td>
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<tr>
<td>11</td>
<td>Fort Lauderdale</td>
<td>1,211,580</td>
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<tr>
<td>12</td>
<td>Phoenix</td>
<td>1,191,053</td>
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<tr>
<td>13</td>
<td>Houston Intercontinental</td>
<td>1,015,458</td>
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<td>14</td>
<td>San Francisco</td>
<td>909,288</td>
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<tr>
<td>15</td>
<td>Seattle/Tacoma</td>
<td>878,935</td>
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<tr>
<td>16</td>
<td>Boston</td>
<td>839,782</td>
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<td>17</td>
<td>Tampa</td>
<td>792,053</td>
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<tr>
<td>18</td>
<td>New York La Guardia</td>
<td>719,782</td>
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<td>19</td>
<td>Minneapolis</td>
<td>716,969</td>
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<td>20</td>
<td>Detroit</td>
<td>651,766</td>
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<td>21</td>
<td>Salt Lake City</td>
<td>634,314</td>
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<td>22</td>
<td>San Diego</td>
<td>593,096</td>
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<td>23</td>
<td>Philadelphia</td>
<td>587,416</td>
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<tr>
<td>24</td>
<td>Fort Myers</td>
<td>562,321</td>
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<tr>
<td>25</td>
<td>Charlotte</td>
<td>493,901</td>
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<td>26</td>
<td>Honolulu</td>
<td>479,214</td>
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<td>27</td>
<td>Baltimore</td>
<td>474,978</td>
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<td>28</td>
<td>Austin</td>
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<td>29</td>
<td>Nashville</td>
<td>457,845</td>
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<td>30</td>
<td>Washington, DC National</td>
<td>455,827</td>
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<tr>
<td>31</td>
<td>Washington Dulles</td>
<td>436,840</td>
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<tr>
<td>32</td>
<td>San Juan</td>
<td>423,781</td>
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<td>33</td>
<td>Portland</td>
<td>421,395</td>
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<td>34</td>
<td>New Orleans</td>
<td>347,901</td>
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<tr>
<td>35</td>
<td>Sacramento</td>
<td>341,743</td>
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<tr>
<td>36</td>
<td>Raleigh-Durham</td>
<td>340,477</td>
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<tr>
<td>37</td>
<td>Dallas Love</td>
<td>327,943</td>
</tr>
<tr>
<td>38</td>
<td>Chicago Midway</td>
<td>320,050</td>
</tr>
<tr>
<td>39</td>
<td>St. Louis</td>
<td>317,696</td>
</tr>
<tr>
<td>40</td>
<td>Santa Ana</td>
<td>315,975</td>
</tr>
</tbody>
</table>

Sources: TSA Daily Reports; Ailevon Pacific Aviation Consulting analysis
Current Outlook

Service provided by 14 air carriers to 60 nonstop destinations

AIR CANADA
Alaska
American Airlines
Southwest
avelo
spirit
DELTA
Sun Country Airlines
Eurowings
discover
UNITED
WESTJET
Breeze
RSW Passenger Traffic by Airline
Year End 2021

Sources: LCPA Monthly Statistics and TSA Daily Reports and Bureau of Transportation Statistics; Ailevon Pacific Aviation
Airport vs. Street

• Operations
  ➢ Airport is open 24/7, 365 days per year
    ▪ Most concessions operate at least 16 hours per day, 365 days per year
    ▪ Concessionaires must extend hours to accommodate flight delays and cancellations
  ➢ Passenger traffic varies throughout the day, year and by terminal location
    ▪ Concessionaires must be prepared for peak hours and must stay open during slower hours
  ➢ Security and operating requirements
    ▪ Employees must be badged
    ▪ Deliveries must be scheduled and screened
    ▪ Follow airport rules and regulations, operating procedures and Concessions Handbook
    ▪ Requirements may become stricter at any time and changes could result in higher-operating costs
Airport vs. Street

• Employee Requirements
  ➢ Employees must be badged
  ➢ 10-year background check, FBI fingerprint check
  ➢ Employee parking requires a shuttle to the terminal

• Construction
  ➢ Build out of concession units requires high-capital investment
    ▪ Average build-out costs per square foot are three to four times higher
    ▪ Minimum Capital Investment: F&B - $700/SF; Retail - $350/SF

• Support Areas
  ➢ Limited storage, support spaces and office spaces available
  ➢ Store design should reflect limited available storage space
Airport vs. Street

- Advantages
  - Market generally has above average income
  - Travelers often have time on their hands
    - Shopping and dining are entertainment
  - A proven market that wants to shop/dine
  - Exposure/advertisement for products or additional locations
Airport Leasing

- RSW has Multiple Concessionaires who operate multiple concession locations

- **Join a Team** or **Make a Team**
  - Single response
  - Joint venture
    - Participation financially and operationally by two or more parties
    - With larger operator
    - Multiple smaller firms working together

- **Sublease**
  - Master concessionaire/developer and one or more subtenants
- License Agreement
- Franchise Agreement
Other Ways to be Involved

- Supplier of merchandise
- Supplier of food products
- Supplier of services
- Store design
- Store construction

- How to get in touch
  ➢ Sign-up Sheet
Terminal Expansion and CRDC Development

Darin Larson
RSW Terminal Expansion

Existing Terminal Footprint
Departures Level Floor Plan

Planned Terminal Footprint
Departures Level Floor Plan
RSW Terminal Expansion
Connectivity between concourses
RSW Terminal Expansion

EXISTING LAYOUT

PROPOSED LAYOUT
RSW Terminal Expansion
RSW Terminal Expansion
RSW Terminal Expansion
RSW Terminal Expansion
RSW Terminal Expansion
RSW Terminal Expansion

2nd Floor
RSW Terminal Expansion
RSW Terminal Expansion
RSW Terminal Expansion
RSW Terminal Expansion
RSW Terminal Expansion

Remote Loading Dock
RSW Terminal Expansion

NTP for Construction: October 2021
RSW Terminal Expansion
Overview of Concessions Opportunities

Stephen Freibrun
# Existing Concession Program

## Departures Level

### Existing TSA Security Checkpoints

### Concession Program

<table>
<thead>
<tr>
<th>Current Operator</th>
<th>Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>HMSHost</td>
<td>21,971 SF</td>
</tr>
<tr>
<td>Paradies Lagardère</td>
<td>17,654 SF</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>39,625 SF</strong></td>
</tr>
</tbody>
</table>

**Legend**
- Food & Beverage/HMSHost
- Convenience Retail/Paradies Lagardère
- Specialty Retail/Paradies Lagardère
- Existing TSA Security Checkpoints
New Concession Program Goals

- Include national and local/regional brands
- Increase concession revenues
- Attract airport-experienced concessionaires
- Offer greater flexibility on space utilization via few LCPA-managed prime contracts
- Introduce least disruptive transition approach during Terminal Expansion
**Recommended approach was to create three packages**

**Key Concessions Business Terms for the New 62,400 SF Program**

<table>
<thead>
<tr>
<th>Package:</th>
<th>HMSHost (Primary F&amp;B Operator)</th>
<th>Paradies Lagardere (Primary Retail Operator)</th>
<th>“New Hybrid” Operator (F&amp;B and Retail)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New termination date</td>
<td></td>
<td>December 31, 2035</td>
<td></td>
</tr>
<tr>
<td>Number of units</td>
<td>13</td>
<td>19</td>
<td>5</td>
</tr>
<tr>
<td>Space add-on (SF)</td>
<td>+5,080</td>
<td>+2,900</td>
<td>NEW</td>
</tr>
<tr>
<td>Total square footage</td>
<td>27,050</td>
<td>20,550</td>
<td>14,800</td>
</tr>
<tr>
<td>Changes to percentage rents</td>
<td>Coffee: Increases from 12% (Starbucks)/15% (Dunkin) to 16%</td>
<td>Alcohol: 15% to 18%</td>
<td></td>
</tr>
</tbody>
</table>
Key Concession Business Terms

Term 10 years
Number of units 5
Total square footage 14,800
ACDBE goal 17%
Min Capital Investment $700/SF for F&B; $350/SF for retail
Mid-Term Refurbishment $70/SF for F&B; $35/SF for retail
Concession Fee TBD
Rent for support areas $40/SF/year subject to CPI
Building Service Fee 0.60/SF/month subject to CPI
CRDC Fees TBD
Marketing Fee Not to exceed 0.5% of gross receipts

*All terms subject to change and will be as stated in any issued RFP and Sample Contract
New concession program will have 57% more program square footage, adding 22,800 SF
Proposed Tenant Concession Layout
More space moved to airside, refreshed brands and greater choices for RSW Passengers

Expected Concession Concepts – Hybrid Package

- Preferred concept ideas in the new hybrid package take into consideration HMSHost and Paradies’ planned concession mix

<table>
<thead>
<tr>
<th>Space ID</th>
<th>Subtype</th>
<th>Preferred Concept</th>
<th>Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>MT.02</td>
<td>F&amp;B Table Service</td>
<td>Italian</td>
<td>2,562</td>
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<tr>
<td>MT.09</td>
<td>Specialty Retail</td>
<td>Sunglasses</td>
<td>674</td>
</tr>
<tr>
<td>MT.10</td>
<td>Specialty Retail</td>
<td>Electronics</td>
<td>648</td>
</tr>
<tr>
<td>MT.12</td>
<td>Specialty Retail</td>
<td>Convenience</td>
<td>960</td>
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<tr>
<td></td>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>4,844</strong></td>
</tr>
</tbody>
</table>

Legend
- Food
- Convenience Retail
- Specialty Retail

RFP Opportunity
Three F&B units will be located in the east foodhall area with ample seating spaces

Expected Concession Concepts – Hybrid Package (East Marché Area)

- F&B concepts located in the East Marché area will complement existing F&B options nearby at the throat of Terminal B

<table>
<thead>
<tr>
<th>Space ID</th>
<th>Subtype</th>
<th>Preferred Concept</th>
<th>Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>MT.15A</td>
<td>F&amp;B Walkaway</td>
<td>Smoothie/Juice</td>
<td>~375</td>
</tr>
<tr>
<td>MT.15B</td>
<td>F&amp;B Counter Service</td>
<td>Pizza Action Station</td>
<td>~800</td>
</tr>
<tr>
<td>MT.15C</td>
<td>F&amp;B Counter Service</td>
<td>Asian/Noodles</td>
<td>~800</td>
</tr>
<tr>
<td>MT.15D</td>
<td>F&amp;B Seating/Circulation</td>
<td>Foodhall</td>
<td>~7,954</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>9,929</strong></td>
</tr>
</tbody>
</table>
Concessions Program Procurement Schedule and Expected Space Availability

Key Dates * | Key Concession Program Milestones
---|---
May 2022 | RFP Issuance
Sept 2022 | Proposal Due Date
April/May 2023 | ASMC Contract Approval
May/June 2023 | Joint Board Meeting Contract Approval
May 2024 ** | First Hybrid Package Spaces Available for Fit & Finish (approx.)

* Key dates are subject to change
** Unit MT.02 (Italian) will be available May 2025
Overview

Consolidated Receiving & Distribution Center (CRDC) Operator Overview

Clint Laaser
CRDC Overview

• Consolidated Receiving Distribution Center (CRDC)

• Purpose
  ➢ Throughput facility that enhances logistics, security and consolidation of receivables at an airport.
Benefits of the CRDC

Safety / Security

Operations

Financial

Environmental
CRDC Overview
Timeline

May 2022

CRDC Operator RFP Solicitation
(5/5/2022)

November 2022

CRDC Operator Award

Operator NTP to Go-Live

April 2023

CRDC Operational

CRDC Building Completion
January 2023

Existing Load Dock Demo
May 2023
CRDC Overview

Scope of Services

• What’s included?
  ➢ Receives all material from vendors
  ➢ Screens all materials
  ➢ Terminal node deliveries to concessionaires
  ➢ Internode delivery transfers
  ➢ Large material returns (e.g., pallets) and recycling (cardboard)
  ➢ Airline and third-party clubs recommended (future – 2024)
  ➢ Food donation program recommended
  ➢ Parcels for all terminal tenants
  ➢ Used cooking oil/grease
CRDC Overview

Scope of Services

• What’s not included?
  ➢ Goods bound for aircraft (e.g., cargo)
  ➢ Aircraft or GSE maintenance equipment/parts
  ➢ Deliveries to hangars
  ➢ Trash removal, landfill, compost material recovery streams
  ➢ Construction materials deliveries, including concession equipment
CRDC Overview
Location Overview
CRDC Overview

Building Overview
CRDC Overview
Five Main Program Components

- Administration
- Inbound Delivery Area
- Security / Screening
- Outbound Distribution
- Support Spaces
CRDC Overview

Building SF: 15,185 SF
Future Expansion
Additional 4,135 SF
CRDC Delivery Process & Nodes

• Products from CRDC delivered to the terminal nodes
  ➢ Airside box truck vehicles by the Operator
  ➢ Timed delivery of all goods by the Operator
  ➢ Smaller van utilized for “hot shots” as needed by the Operator

• Concessionaire will meet the Operator at the terminal nodes and move the deliveries to their storage

• Nodes have been reviewed for Operator vehicle parking stalls, truck maneuvering and any conflicts with adjacent aircraft parking positions

• Future Concourse nodes can be accommodated
CRDC Delivery Nodes
Airport Procurement Process

LCPA Procurement
Get Registered
Step One – Flylcpa.com – About LCPA
Get Registered
Step Two – FlyLCPA.com – Purchasing & Vendor Info
Get Registered

Step Three – Flylcpa.com/Purchasing

Purchasing & Vendor Information

Thank you for your interest in doing business with the Lee County Port Authority (LCPA). The Purchasing Office utilizes a variety of procurement methods to acquire commodities and services necessary to the operation and support of Southwest Florida International Airport (RSW) and Page Field (PAF), both located in Fort Myers, Florida.

The first step in seeking business opportunities with LCPA is to register as a vendor. Registration is completed through a simple online process. Click here and follow each step. Once registered, you will automatically be notified of opportunities to provide commodities and/or services to the Port Authority based on the current needs.

The Port Authority utilizes Ion Wave, a third-party electronic bidding system. Ion Wave can be accessed 24 hours a day, seven days a week. Electronic bidding saves valuable resources, such as your time and money. Please register by clicking the link above to be notified of opportunities and then you will be able to submit your bids, proposals or replies electronically.

Please check out How to Do Business with the Lee County Port Authority (PDF) for information about the procurement methods used, the DBE Manager and the evaluation and award process.

Procurement staff is available to assist you with any questions you may have. Please email purchasingoffice@flylcpa.com or call 239-590-4050.

The LCPA Procurement Team looks forward to working with you!

Additional Information:

Vendor Opportunity: 10th Annual Reverse Trade Show and Conference
Gulf Coast Association of Governmental Purchasing Officers (GCGAPO)
April 25, 2022

Current and Upcoming Projects

Electronic Bidding and Vendor Registration

Purchasing Manual
Terms & Conditions
LCPA Tax Exempt Certificate
IonWave

Step Four – LCPA Vendor Registration

• Welcome Packet
• Online Registration
• Search Solicitations
• Receive Commodity Notifications

flylcpa.ionwave.net/Login.aspx
ACDBE Certification/Resources

LCPA DBE Manager
Topics

- ACDBE RSW Program
- Participation
- Certification
- Resources
- Contract Goal
- Substitution
Airport Concession Disadvantaged Business Enterprise Program

• What is an ACDBE?

➢ Firm is 51% or more owned and controlled by one or more members of the presumed socially and economically disadvantaged groups

➢ Firm owners are U.S. Citizens or lawfully admitted permanent residents

➢ Firm does not exceed $52.47 million average gross receipts over the preceding three years

➢ Personal Net Worth of the socially-economically disadvantaged owner(s) not to exceed $1.32 million
Airport Concession Disadvantaged Business Enterprise Program

• The ACDBE Program
  ➢ Federally-mandated
    ▪ To ensure nondiscrimination in the award and administration of opportunities for concessions by airports receiving DOT financial assistance;
    ▪ To create a level playing field on which ACDBEs can compete fairly for opportunities for concessions;
    ▪ To ensure that the department's ACDBE program is narrowly tailored in accordance with applicable law;
    ▪ To ensure that only firms that fully meet this part's eligibility standards are permitted to participate as ACDBEs;
    ▪ To help remove barriers to the participation of ACDBEs in opportunities for concessions at airports receiving DOT financial assistance; and
    ▪ To provide appropriate flexibility to airports receiving DOT financial assistance in establishing and providing opportunities for ACDBEs.
RSW ACDBE Program

• ACDBE Participation Types
   Joint Venture Partnership
    – An association of an ACDBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which the parties combine their property, capital, efforts, skills and knowledge, and in which the ACDBE is responsible for a distinct, clearly defined portion of the work of the contract and whose shares in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest. Joint venture entities are not certified as ACDBEs.

   Management Contracts

   Subleases

   Goods & Services
ACDBE Contract Goal

- ACDBE Goals are set by each airport
  - Based on the number of operators who are “ready, willing and able” to operate an airport concession
  - Availability of certified ACDBE vendors/suppliers

- ACDBE goal for this contract is **17%**
- Local W/MBE certifications cannot be counted toward the contract goal, nor does it automatically qualify you as an ACDBE.
ACDBE Goal Contract Requirements

• ACDBE Goal Counting

  ➢ Count the total dollar value of gross receipts an ACDBE earns under a concession agreement and/or the total dollar value of a management contract or subcontract with an ACDBE toward the goal.

  ➢ Goods & Services

  ➢ Do not count Build-Out
Resources

• LCPA DBE/ACDBE Directory
  ➢ http://www.flylcpa.com/dbe or www.flylcpa.dbesystem.com

• Florida Department of Transportation Unified Certification Directory
# FAA Matchmaker System

[https://faa.dbesystem.com/](https://faa.dbesystem.com/)

<table>
<thead>
<tr>
<th>National Certified Directory</th>
<th>DBE &amp; ACDBE Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Search our database of certified DBE and ACDBE firms</td>
<td>DBE &amp; ACDBE Links</td>
</tr>
<tr>
<td>Search Certified Directory</td>
<td>Airport Goals</td>
</tr>
<tr>
<td></td>
<td>FAA Training</td>
</tr>
</tbody>
</table>

**Airport Opportunities**
ACDBE Certifications

- Firms must be certified prior to RFP due date
- Firms must be certified first in their home state
- No cost to apply for certification
Flylcpa.dbesystem.com

Airport Diversity Management System

Powered by: B2Gnow
Acceptable Certifications

- ACDBEs
  - Firms Certified under the Florida Unified Certification Program (FUCP)
    - RSW
    - TPA
    - JAX
    - MIA
    - FLL
  - [https://flylcpa.dbesystem.com](https://flylcpa.dbesystem.com)
Substitutions

• **Replacements** – If the Prime deems it necessary to replace an ACDBE partner/vendor, the Prime shall make an acceptable good faith effort to use another ACDBE vendor/partner.

• **Substitutions must be coordinated with and approved by the Port Authority at the Authority’s sole discretion.**
  
  – Substitution Form, Available through the Prime or LCPA DBE Office
Timeline

- CRDC Operator RFP Solicitation: 05/2022
- CRDC Operator Award: 11/2022
- Operator NTP to Go-Live: 04/2023
- CRDC Operational: 06/2023
- CRDC Building Completion: 01/2023
- New Concessionaire RFP Solicitation
- New Concessionaire Award
Industry Feedback

Please share today or email to: Concessions@flylcpa.com

Please provide comments no later than March 31, 2022