

**REQUEST FOR PROPOSALS
FOR THE ADVERTISING CONCESSION AT
Sioux Falls Regional Airport
Sioux Falls, South Dakota**

Each Proposer shall submit a proposal that details their qualifications and experience in reference to this RFP.

The proposal must be received in a sealed envelope/package for the management and operation of the advertising concession at the Sioux Falls Regional Airport Authority (SFRAA) located in Sioux Falls, South Dakota. Interested parties shall submit their proposal on approved forms and be willing to enter into a five (5) year non-exclusive agreement with a five (5) year mutual renewal option. The Airport shall receive a percentage of the gross revenue.

A mandatory pre-proposal meeting will be held on June 25th at 10 a.m. The meeting will be held in the Airport Authority Conference room located on the main floor of the passenger terminal at 2801 N. Jaycee Lane, Sioux Falls, South Dakota. Additional information can be found at: <https://sfairport.com/business-opportunities/request-for-proposals>. A virtual option will also be provided for those unable to attend in person.

The proposals will be received in the Airport Administration office of the Sioux Falls Regional Airport Authority (SFRAA) located at N. Jaycee Lane, Sioux Falls, SD., until 2:00 p.m. on August 6, 2024. The Proposer must submit one original plus one (1) electronic copy.

This Request for Proposals shall in no manner be construed as a commitment on the part of the SFRAA to make an award. The SFRAA reserves the right to waive any irregularities, to reject any or all proposals, to solicit new proposals, or to accept any proposal which is deemed to be more advantageous to the traveling public and the SFRAA.

The SFRAA has established an Airport Concession Disadvantaged Business Enterprise (ACDBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 23. Qualified ACDBE firms are encouraged to participate in this airport concession opportunity by responding to the RFP.

Should you have any questions regarding this RFP, please contact Dan Letellier, Executive Director; dan.letellier@sfairport.com; 605-367-7375. Questions are due by 11:00 a.m. on July 3, 2024.

Dan Letellier
Executive Director

I. INFORMATION FOR PROPOSERS

- A. The Sioux Falls Regional Airport Authority of the City of Sioux Falls, South Dakota (SFRAA) seeks competitive proposals from qualified persons or firms interested in performing the advertising display concession who meet or exceed the minimum qualifications. **The contract begins January 1, 2025.**
- B. The SFRAA has established an Airport Concession Disadvantaged Business Enterprise (ACDBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 23. Qualified ACDBE firms are encouraged to participate in this airport concession opportunity by responding to the RFP.
- C. The SFRAA reserves the right to reject any Proposer, which in the SFRAA's opinion does not have adequate qualifications. The SFRAA reserves the right to reject any or all proposals and to advertise for new proposals. The Airport reserves the right to waive minor irregularities and formalities.

More than one proposal from the same Proposer under the same or different names will not be considered. Reasonable grounds for believing that a Proposer is interested in more than one proposal for the same concession will cause the rejection of all proposals for the concession in which the Proposer is interested. One or all proposals will be rejected if there is reason to believe that collusion exists among Proposers, and no participant in such collusion will be considered in future proposals for operation of a concession.

Proposals will not be accepted from any Proposer that is in arrears or default to the SFRAA upon any debt or contract, has defaulted as surety or otherwise upon any obligation to the SFRAA, has failed to perform faithfully any previous contract with the SFRAA, or has refused to enter into a contract with the SFRAA after having been awarded same.

- D. The selected Proposer shall enter into good faith negotiations towards a final concession agreement with the SFRAA within thirty (30) business days of notice of selection. Failure to enter into such good faith negotiations upon selection shall result in forfeiture of Proposer's deposit or bond as liquidated damages. Thereafter, the Airport may award the Agreement to another Proposer.
- E. All proposals shall include the attached Proposal Form, which shall be completed in its entirety.
- F. SFRAA shall furnish:
 - 1. Ordinary heat, air conditioning, electrical and data service.

2. Convenience outlets with dedicated circuits for the purpose of lighting and operating authorized displays and exhibits in all approved locations and any locations approved during the contract term.
3. General facility security.

G. Airport Concession Information:

1. Listed below is historical passenger traffic and gross advertising revenue at the Sioux Falls Regional Airport (FSD).

<u>Year</u>	<u>Total Passengers</u>	<u>\$ Gross Revenue</u>
2023	1,338,514	\$142,095
2022*	1,227,761	\$133,870
2019	1,165,599	\$138,450
2018	1,066,314	\$146,919
2017	1,082,461	\$143,138

**Covid impacted years of 2020 & 2021 excluded.*

2. Layout of facility with current display information. [terminal map attached](#)

G. Proposal Evaluation:

All properly completed proposals will be reviewed by a selection committee composed of SFRAA Board members and management staff. The Executive Director will negotiate with the selected Proposer.

The following weighted criteria shall be considered by the selection committee, in accordance with the corresponding weights, in evaluating the proposals:

1. **Qualifications and Experience** -- Proposer's successful experience providing comprehensive advertising services at five (5) airports of similar size. (total traffic between 500,000 and 1,500,000 passengers) or similar commercial advertising display experience if no airport experience has been accomplished. **20%**
2. **Financial Capabilities** -- Capability of providing financing to operate and manage a high-quality advertising program including the capability to procure, replace and upgrade all of the existing display advertising equipment and infrastructure. **15%**

3. **Marketing Strategy** -- demonstrated ability of Proposer to market and promote airport advertising programs with plan to obtain maximum participation from local, regional and national advertisers – inclusive of; a qualified national sales network, revenue analysis, marketing tools and personnel to run a first-class advertising program. **15%**
 4. **Innovation, Design and Concepts** -- Proposer's plan for creating a state-of-the-art advertising program and passenger experience through the creative use of advertising locations in a manner that is aesthetically balanced with facility décor and inclusive of a mid-term refurbishment investment. Proposer must have experience designing and installing themed elements that reflect the nature and culture of the region as well as compliance with the Americans With Disabilities Act (ADA). **25%**
 5. **Management Plan** – Proposer's ability to effectively provide management to oversee operation of a quality airport advertising concession on a daily basis, as well as management of a national sales organization to place advertising from regional and national accounts. Include reporting methods, quality control and personnel responsible. **15%**
 6. **Projected sales and revenues** – Projected financial return to the Airport based on an established minimum 35% revenue share fee including a minimum annual guarantee and the Proposer's proven performance and ability to maximize airport advertising revenues at other peer airports of similar passenger traffic to the Sioux Falls Regional Airport. **10%**
- H. Proposers must also outline ability to solicit and secure naming sponsorships for identified locations in the terminal including: Business Lounge, Play Area, Pet Relief and Nursing Pod. In addition to the revenue share fee identified above, proposers will provide proposed fee and payment structure to secure these sponsorship opportunities.
- I. Proposers must submit a Proposal Guarantee in the form of a bid Bond, Certified Check or Cashier's Check in the amount of \$10,000, which will be held by the SFRAA until the contract is executed with the successful Proposer. Please include the Proposal Guarantee with the required Proposal Form in the proposal.
- J. Any questions or comments regarding this request for proposal must be submitted in writing to:
- Dan Letellier; Executive Director
2801 N. Jaycee Lane
Sioux Falls, SD 57104
Email: Dan.Letellier@sairport.com

Responses shall be distributed to all interested parties in the form of an addendum to the proposal document. Please acknowledge and include any and

all addendum in the proposal with the required Proposal Form.

K. The following schedule has been established for this selection process

Scheduled Item	Scheduled Date
RFP Released	June 12, 2024
Mandatory Pre-proposal Meeting	June 25, 2024-10 am
Deadline for Submittal of Written Questions	July 3, 2024
Responses to Questions	July 10, 2024
Proposal Due	August 6, 2024 – 2pm
Award Recommendation	August 20, 2024

II. PROPOSAL LAYOUT

PROPOSAL FORMAT AND INSTRUCTIONS

The proposal must include all of the following items and documents organized and tabulated in the requested order. Proposals are to be prepared in such a way as to provide a straightforward, concise statement of capabilities to satisfy the requirements of this RFP. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements and on completeness and clarity of content.

One original (marked "Original") and one (1) electronic copy of the proposal shall be submitted on or before the Proposal Due Date and time.

Proposals shall be organized and tabulated in the following order. Required proposal forms, where necessary, are attached to this RFP.

Tab 1. Qualifications and Experience

Airport-Specific, In-Terminal Advertising Experience

The SFRAA prefers proposers have airport advertising program experience. Proposer must attach a description of activities to show its operation of similar airport advertising programs at no fewer than five (5) airport entities, generating gross receipts of at least \$200,000 OR no fewer than five (5) years of similar commercial advertising display experience outside of the airport environment. Airport advertising program experience is preferred.

Sales Experience

Proposer must describe their sales force with demonstrated experience selling across all forms of airport advertising media locally, regionally, and nationally. Also demonstrate that the sales organization has a marketing team to support and meet revenue projections. Proposer shall specify the number of its employees dedicated to airport advertising sales, service, and administration.

Product Experience

Proposer must include a detailed description of how it can meet the Airport's desire for coordinated services that will enhance the facility's overall aesthetic appearance, image, and marketing value. Proposer must have demonstrated experience with digital networks, iconic assets, large format static, themed elements and experiential displays.

Tab 2. Financial Capabilities

a.) Proposer shall attach two (2) most recent year's audited financial statements inclusive of balance sheets and income statements as prepared by an independent Certified Public Accountant for the two most recent fiscal

years for proposer, its constituent partners, joint ventures or parent corporation(s) (electronic copies, thumb drive or link, are acceptable).

b.) If proposer is a subsidiary of a parent company, or if any assets are pledged to another company, proposer must furnish financial statements for both the parent company and subsidiary.

Tab 3. Marketing Strategy

Attach a description of the marketing and promotional strategies for use in operations, with emphasis on measures designed to obtain maximum participation. Also attach a description of how promotional and marketing personnel will be employed to promote the Airport. Use attachments as may be desirable or appropriate.

Tab 4. Innovation and Concepts

Respondent's ability to design and implement advertising displays which make creative use of available locations and are aesthetically balanced with the Airport decor. Good blend of new technology and traditional (static) platforms

Tab 5. Management Plan

Attach a description of the management structure to be used in the operation of these services. Charts, diagrams, and descriptive materials as desirable or appropriate may be used to expand or clarify.

Tab 6. Expected Sales and Revenue

The proposer shall complete the following schedule of projected gross sales for the proposed advertising program based on documented 2023 revenue performance at other airports of similar passenger activity (500,000 to 1,500,000 passenger enplanements and deplanements). If proposer does not have any airport advertising concession agreements for airports within this passenger traffic range, proposer must otherwise document projected revenues based on past performance at other airports or other non-airport commercial advertising display programs and substantiate how projections for the Sioux Falls Regional Airport are realistic and believable. (Proposers with no commercial airport advertising experience must provide a form to illustrate their financial performance at their contracted advertising locations)

	PEER AIRPORT (500K-1.5M 2019 TOTAL TRAFFIC)	2023 TOTAL TRAFFIC (Enplane&Deplane)	PROPOSER'S 2023 ANNUAL GROSS SALES (\$)
1)			
2)			
3)			
4)			
5)			

Tab 7. Required Proposal Documents

Include the following information in the proposal:

- a.) Completed Proposal Form
- b.) Proposal Guarantee
- c.) Any and all Addendum to RFP

III. PROPOSAL FORM

Statements contained herein must be complete and accurate. Omission, inaccuracy, or misstatement shall be cause for rejection of a proposal.

A. GENERAL

1. Name of Proposer exactly as it is to appear on the prospective agreement:

2. Address of Proposer for purposes of notice or other communication relating to the proposal (If Proposer is not a person, provide the name of an individual who can answer for Proposer):

3. Telephone No: _____

4. Email Address:

5. Proposer intends to operate the advertising program as a:

Sole Proprietorship (); Partnership (); Joint Venture (); Corporation ();
Limited

Liability Company (); or _____. Proposer is a franchise or
licensee operator: Yes () No ()

Explain:

B. CORPORATION STATEMENT

If a corporation, answer the following:

1. When incorporated? _____
2. Where incorporated? _____
3. Is the corporation authorized to do business in the state of South Dakota?
Yes () No ()

If so, as of what date? _____
4. The corporation is held: Publicly () Privately ()
5. Is the sole proprietor, partnership, limited liability company or joint venture authorized to do business in the state of South Dakota? Yes () No ()

If yes, as of what date? _____

C. BACKGROUND OF PROPOSER

1. State the number of years engaged in the airport advertising business:

2. List all relevant airport advertising experience for five (5) comparable airports:

	<u>Airport Name</u>	<u>Location</u>	<u>Dates of Operation</u>
1)	_____	_____	_____
2)	_____	_____	_____
3)	_____	_____	_____
4)	_____	_____	_____
5)	_____	_____	_____
3. Surety Information

Has Proposer or any of its constituent partners, members or joint venturers ever had a surety bond or other contract security canceled or forfeited?
Yes () No ()

If yes, state name of bonding company or financial company, the date, amount of bond and reason for such cancellation or forfeiture.

4. During the past five (5) years, has Proposer (which for the purpose of this inquiry includes any direct or indirect parent business entities of Proposer, or any current or past officers, directors, members or owners of ten percent (10%) of more of Proposer or of any direct or indirect parent business entities of Proposer) been convicted of any crime relating in any way to the solicitation or operation of a public concession anywhere? Yes () No ()

If Yes, give details:

D. PROPOSER'S DECLARATION

PROPOSER ACKNOWLEDGES, AGREES AND WARRANTS:

- a. That Proposer has carefully read and fully understands this RFP.
- b. That Proposer has the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted.
- c. That all Proposer information required by this RFP must be submitted with the proposal and is attached hereto.

- d. That this proposal may be withdrawn by requesting such withdrawal in writing at any time prior to Noon local time, on the date that the proposal is due but may not be withdrawn for a period of 120 days after such date.
- e. That all information contained in the proposal is true and correct to the best of Proposer's knowledge.
- f. That Proposer did not, in any way, collude, conspire, or agree, directly or indirectly, with any person, firm, corporation or other Proposer in regard to the amount, terms or conditions of this proposal.
- g. That Proposer did not receive unauthorized information from, nor initiate improper contact with, any member of the Airport administration, governing body, legal counsel, or relevant Airport consultant regarding this Request for Proposals.
- h. That no officer or employee of the Airport or member of its governing body has a financial interest, direct or indirect, in the proposal of Proposer or in any contract to be negotiated by Proposer with the Airport.
- i. That the Airport reserves the right to reject any and all proposals and to negotiate fees, terms and provisions which will bring the best level of overall performance of these services to the Airport.
- j. That by submission of this proposal, the Proposer acknowledges that the Airport has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by Proposer, and Proposer hereby grants the Airport permission to make said inquiries, and to provide any and all requested documentation in a timely manner.

8. Proposer's Execution

No Proposal shall be accepted which has not been signed in ink in the appropriate space below:

- a. If Proposer is a SOLE PROPRIETOR:

Sign: _____

Doing Business As: _____

By: _____

Name

- b. If Proposer is a PARTNERSHIP or JOINT VENTURE, at least two (2) Partners or each of the Joint Venturers must sign here. If a LIMITED PARTNERSHIP, one signature must be of the general partner:

Sign: _____
Partnership or Joint Venturer Name

By: _____
(General) Partner or Joint Venturer

By: _____
Partner or Joint Venturer

If Proposer is a LIMITED LIABILITY COMPANY, the duly authorized manager(s) or member(s) must sign as follows:

By: _____
Name

Title

If Proposer is a CORPORATION, the duly authorized officer(s) must sign as follows:

The undersigned certified that they are authorized to sign and attest this Proposal Form on behalf of the below named Corporation, and that they are authorized to execute same for and on behalf of said Corporation.

Corporate Name

By: _____
Name

Title (President or Vice President)

Attest: _____
Name

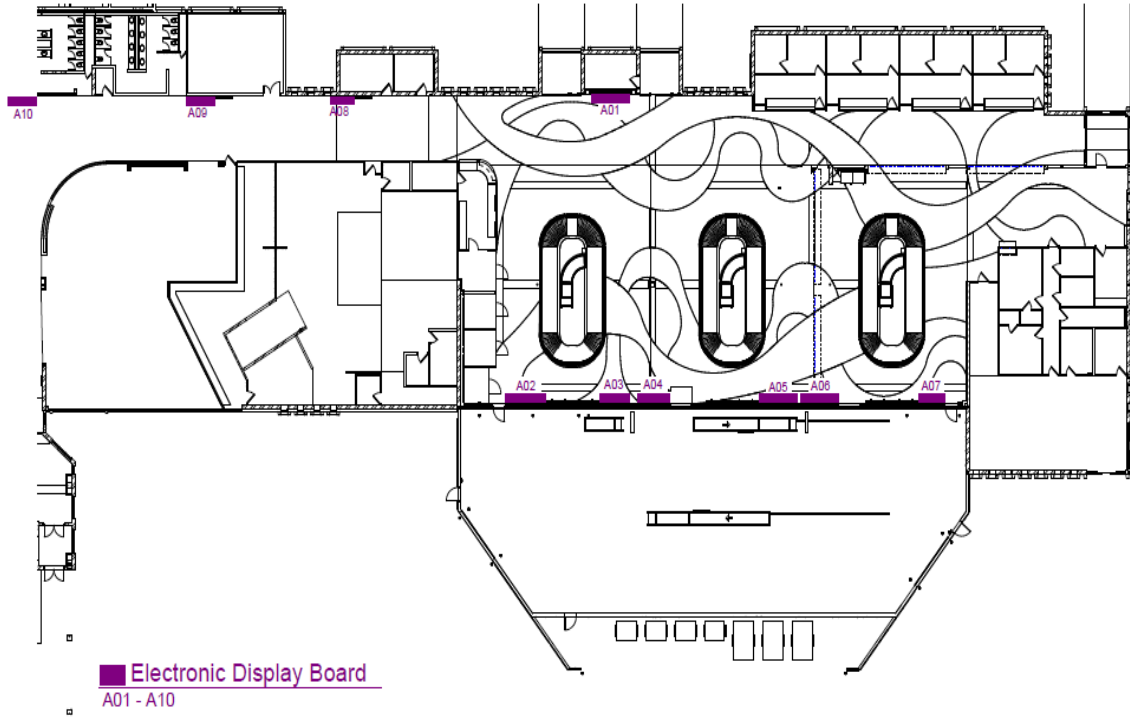
Title

Dated: _____

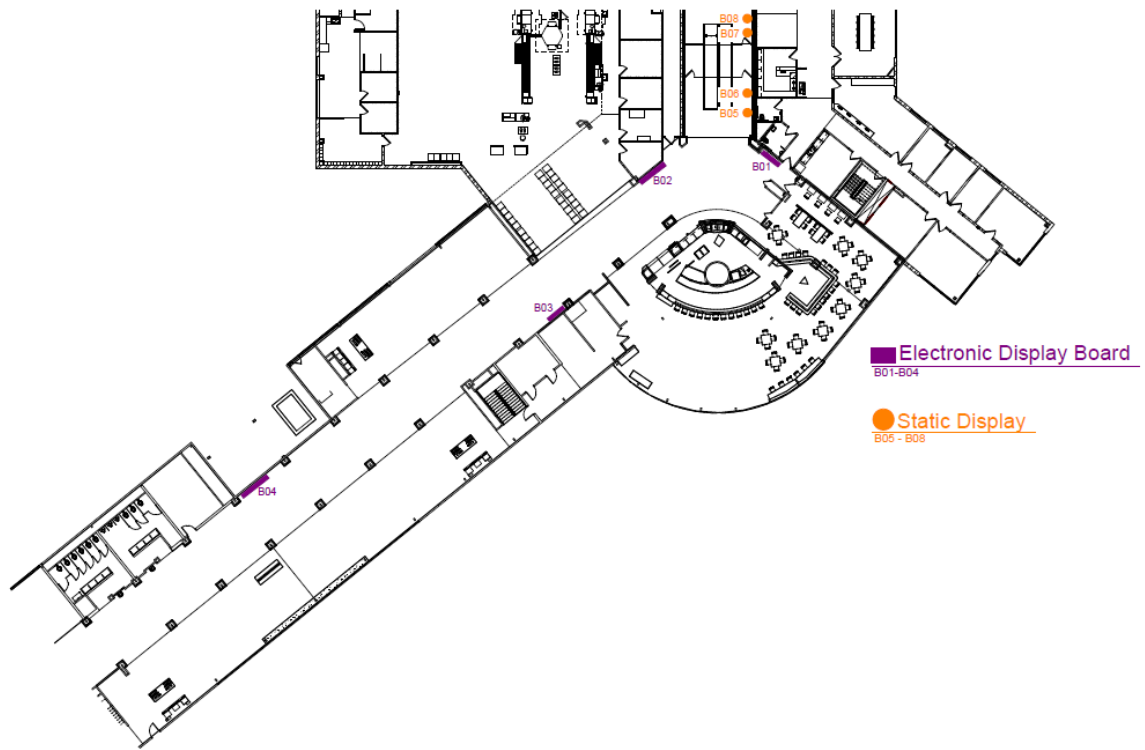
Terminal and Concourse Advertising Locations

FSD REGIONAL AIRPORT
ADVERTISING LAYOUT

BAGGAGE CLAIM



FSD REGIONAL AIRPORT
ADVERTISING LAYOUT
GATES 1, 2, & 3



FSD REGIONAL AIRPORT
ADVERTISING LAYOUT
GATES 4, 5, & 6/7

