Port of Seattle

REQUEST FOR QUALIFICATIONS RFQ 2025-RCF





RENTAL CAR CONCESSIONS AT SEATTLE-TACOMA INTERNATIONAL AIRPORT

ADDENDUM #3

Change to Section III (E) 2:

Section III(E)(2) is deleted in its entirety and replaced with the following (changes *emphasized*):

2. In order to be considered for this RFQ, a written Statement of Qualifications (or Submittal) must be received no later than 1400 hours, Pacific Standard Time, December 30, 2025. Please include the RFQ number (RFQ 2025 RCF) with your documents.

Send to (by USPS):

Port of Seattle

Attn: Av Business Development

PO Box 68727

Seattle, WA 98158

Hand deliver to:

Port of Seattle

Attn: *Av Business Development* 17801 International Blvd S., Room

A6012M

Seattle, WA 98158

Responses received after the prescribed date and time shall be considered "non-responsive."

Change to Section III (L):

Section III(L) is deleted in its entirety and replaced with the following (changes *emphasized*):

L. SCHEDULE

Deadline for submittal of written question Deadline for submittal of qualifications Qualified companies will be notified

DEADLINE

December 9, 2025 *December 30, 2025* January 2026

Port reserves the right to change any of the above dates, as it deems necessary in the Port's best interest.

Questions received through 12/7/2025:

- 1. Section IV(B)(4): Please reduce the involuntarily terminated agreement list to three (3) years.
 - a. <u>Port Response:</u> The involuntarily termination agreement list timeframe is reduced to those agreements involuntarily terminated since <u>January 1, 2020</u>.
- 2. I must reiterate the concern with the timeline for this RFQ that was raised by another company in Addendum #1. As that concern noted, it is standard for airports of any size (much less one as large as SEA) to provide at least two weeks between the date questions are answered to the date that submissions are due. Given that the Port will be releasing answers to the questions within two days of their receipt, this means that there will only be 7-9 days between the release of answers and the due date for submissions. However, the fact that the port is requiring submissions by mail/in person means that we will really only have 3-5 days to complete our submissions. Because we are in the middle of the holiday season when key decision makers are traveling, such a timeline is (with all due respect) entirely unreasonable. As such, we respectfully reiterate the request that the Port extend the deadline so that prospective concessionaires have at least fourteen business days from the date that final answers are released to complete and submit their qualifications to the Port..
 - a. <u>Port Response:</u> While the Port believes the timeframe outlined in the RFQ is reasonable for the information we are requesting, we understand the concerns raised by the prospective respondents. As such, the deadline to respond is changed to the date and time identified in this Addendum #3 above.
- 3. It is unclear from the RFQ document how many concessions will be awarded as part of the RFB. Can the port please clarify?

- a. <u>Port Response:</u> The exact number of concessions is variable based on any brand consolidations with existing operators that may take place. However, for the non-small operators, we will not be allocating more blocks than the current number of blocks. We will be allocating up to three small operators within the small operator areas.
- 4. Does the Port currently have any agreements with off-airport operators or peer-to-peer providers?.
 - a. <u>Port Response:</u> The Port currently has no active off-airport agreements in place. The Port is currently working on agreements for new off-airport and peer-to-peer operators. The Port also has an agreement for FBO rental cars for passengers exclusively not travelling through SEA terminal and concourses and without space directly leased from the Port.
- 5. Why is the space in the CSB that is currently allocated to Sixt described as "TBD" in Exhibit 4?
 - a. <u>Port Response:</u> The labeling of Sixt's space at the south end of the CSB as TBD was a naming error in the file.
- 6. Article II, Section A of the RFQ says that "the initial MAG shall be determined as described below in Section C." However, Section C does not mention the MAG. As such, can the port please clarify how the initial MAG will be calculated??
 - a. <u>Port Response:</u> The reference to Section C was in error. The initial MAG determination will be set out in the next step of this process, which will be the Request for Bids.
- 7. Can the port please clarify how the market share brackets work??
 - a. <u>Port Response:</u> Market Share Brackets will be used to identify which respondents can submit a bid for certain blocks in the next step of this process. As an example, those with market shares at a "D" block would not be able to submit a bid for an "A" block allocation but would be limited to those identified as "D" block spaces.
- 8. When the Port says it will not permit any operator to exchange space with another operator, is it talking about during the term of the new concession agreement or is it saying that all space will be grandfathered during the RFP?

- a. <u>Port Response:</u> The limitation identified in Section II(C)(6) is referencing the initial allocation after the results of the bids. This limitation is designed to ensure the fair competition of this process. Reasonable swaps that the Port determines are in the best interest of the operation of the facility may be permitted.
- 9. Can the Port please provide us with a copy of the new lease agreement? If not, when will it provide that?
 - a. <u>Port Response:</u> The underlying lease agreement is provided as an exhibit to the RFQ. The Port expects to work with the operators at SEA to amend and restate the underlying lease agreement in the near future. The new concession agreement will generally resemble the concession agreement, as amended, also provided in the RFQ, but the final concession agreement for the June 2027-May 2042 term is subject to some change through discussions with the successful bidders.
- 10. How should an incumbent respondent that operates more than one concession/occupies more than one block under the current agreement indicate that they wish to continue to do so under the new agreement in their response to the RFQ?.
 - a. Port Response: A respondent's subsidiaries desiring to continue operating under a separate agreement as a different legal entity will need to submit their own response to the RFQ. For example, Parent Company A operates Brand X and Brand Y under two separate wholly owned subsidiaries at SEA with two lease and concession agreements. Brand X and Brand Y would both need to respond to the RFQ as those entities. If Parent Company A desires to consolidate into one operation, either Brand X or Brand Y may submit a RFQ response listing that it will operate as both Brand X and Brand Y within the same allocated space.
- 11. We would like clarification on how the MAG will be adjusted each Agreement Year. The 3rd sentence in Section II.A states "For each subsequent Agreement Year, the MAG shall be an amount equal to eighty-five percent (85%) of the total amount paid or payable for the previous Agreement Year whichever is greater". We believe language is missing here. The current agreement sets a 'floor' that the MAG can never go lower than. Each year we compare 85% the prior year's payments to the MAG Floor (1st year's MAG) and set the new Agreement Year MAG at the greater of

the two. We want to be clear that the comparison should not be to the prior year's MAG but rather the 1st year's MAG as in our current agreement. Comparing the prior year payments to the prior year's MAG would create a scenario wherein the MAG can go up every year but can never go down even after years of declining revenue. Our Bid amount should represent the minimum MAG for the duration of the contract as it does in today's contract. QUESTION: Please confirm that the intent is to adjust the MAG each year to "an amount that is 85% of the total amount paid or payable for the previous Agreement Year, OR the amount of the 1st Agreement Year MAG, whichever is greater". (red language has been inserted into the existing sentence provided in the RFQ).

- a. <u>Port Response:</u> For the establishment of MAG, please see answer to question #6 in this Addendum. The current concession agreement was amended to remove the floor from MAG as a result of the COVID-19 pandemic. For information on any changes to the new concession agreement, please see answer to question #9 of this Addendum.
- 12. We would appreciate clarification on how the costs associated with preparing the ConRAC for commencing this new contract will be paid for. We suggest that CFCs be used to reconstitute the "Premises" for each block of space, meaning that the CFCs would pay for moving walls in the CSB and moving barriers in the ConRAC between operator spaces as well as any other cost that is related to providing the 'blocks' as outlined in the eventual RFB. QUESTION: please confirm that it is the intent of the airport to use CFC funds only to reconstitute the "blocks" of Premises assigned to each RAC and that CFCs will not be used to pay to relocate a specific concessionaire or pay for any concessionaire's costs to remodel or otherwise improve/remediate their Premises?
 - a. <u>Port Response:</u> Please see the response to Question 13 in Addendum #1. CFCs will be used for base-building work.
- 13. If SEA elects to expressly include peer-to-peer ("P2P") car rental operators in the upcoming rental car RFQ/RFP process, SEA can ensure similarly situated rental car providers are operating on a level playing field with regard to access, fee and reporting requirements. Question: Will SEA be including P2P car rental operators in this rental car RFQ/RFP process? If not, will SEA be using a different approach to contract with these P2P entities to ensure all rental car companies operating at SEA have similar access, fee and reporting requirements?.

- a. <u>Port Response:</u> Peer-to-Peer (P2P) operators are not rental car operators under current Wahington state law and as such, P2P operators are not specifically invited to participate in this process. The Port is actively working on an operating agreement for the P2P class of operators.
- 14. QUESTION: what are the requirements for a small operator to 'qualify' under this RFQ?.
 - a. <u>Port Response:</u> A small operator must have less than 2% of the market share for the Seattle Airport market and must submit a complete response to the RFQ and be deemed financially viable by the Port.
- 15. QUESTION: will the small operator be required to show it has revenue in the Seattle area before allowing them to become a Concessionaire.
 - a. <u>Port Response:</u> Small Operator new entrants will need to show revenue consistent with the answer to question #12 in Addendum #1.
- 16. QUESTION: Please confirm that if a small operator is not deemed to be 'qualified' during the RFQ process that the small operator will not be permitted to become a concessionaire until the Term of this Agreement expires.
 - a. Port Response: Please refer to question #16 in Addendum #1.
- 17. QUESTION: Please confirm that there will be no additional on-site rental car concessionaires permitted to operate at SEA beyond those confirmed to be 'qualified' during this RFQ process, except for the purposes of REPLACING a concessionaire that terminates or departs mid-term during the agreement?
 - a. <u>Port Response:</u> Please refer to question #16 in Addendum #1 regarding new entrants during the term of the concession agreement. Additionally, the Port may enter into an agreement for FBO rental cars for passengers exclusively not travelling through SEA terminal and concourses and without space directly leased from the Port.
- 18. QUESTION: please confirm that the Qualification process (this RFQ) will determine the final number of rental car concessions during the Term of this agreement?
 - a. <u>Port Response:</u> Please refer to question #16 in Addendum #1. Additional entrants may be permitted pursuant to the Lease Agreement.

- 19. A concessionaire should not be permitted to increase their number of brands operating at SEA during the agreement Term unless the concessionaire is replacing a brand that stopped operating at SEA. QUESTION: Please confirm that the only brands that a concessionaire is permitted to operate during the Term, are the brands specifically listed in the concessionaire's Qualification and Bid submissions.
 - a. Port Response: Please refer to Section II(F) of the RFQ.
- 20. The Port is requiring numerous submission items that make a 12-page limit unattainable. Our D&B report is 40 pages, our financial information is 6 pages, and the Letter of Interest and Respondent Certification form adds 2 pages. In addition, we must provide staffing, training, hiring, development, complaint procedures, and more. QUESTION: Will the Port please either eliminate some of the requirements or remove the page limit?
 - a. <u>Port Response:</u> Financial information, including the Dun & Bradstreet summary, are not included in the 12-page limit. Additionally, the Respondent Certification (Section V of the RFQ) will not be counted towards the page limit. A respondent's Letter of interest does count towards the page limit.
- 21. We would like to understand how the North Parcel will be allocated and how the Rent on the North Parcel will work. QUESTION: If a company requests a portion of the North Parcel, will that be INCLUDED in their ConRAC allocation or ConRAC Block?
 - a. <u>Port Response:</u> Those respondents that have requested North Parcel space as part of this RFQ, will receive an approximate allocation of space based on the number of vehicles the lot is intended to hold. If the allocated space exceeds the number of vehicles the respondent included in the RFQ, the space would be capped to their stated maximum. The remainder of the space would be adjusted accordingly.
- 22. QUESTION: Please confirm that if a company does not request a portion of the North Parcel, that the space the company receives in the ConRAC will reflect a space allocation that reflects its current marketshare.
 - a. <u>Port Response</u>: Space is allocated based on market share and each space type (e.g. R/R, QTA stacking, Fuel pumps, etc) are handled individually using the market share. Space in the facility would not increase if a respondent does not receive North Parcel space.

- 23. QUESTION: Will there be a separate charge for the North Parcel that is above and beyond the rent the industry pays for the ConRAC?
 - a. <u>Port Response:</u> Those with space in the North Parcel will receive a specific line-item on their land rent invoices for the leased space at the North Parcel in addition to their land rent for space within the main RCF itself.
- 24. QUESTION: What will the rent be for the North Parcel?
 - a. <u>Port Response:</u> The rent is based on the operator's square footage of exclusive use space in the North Parcel and the land rent rate for the rental car facility, which is subject to annual increases and will be reappraised in 2027, pursuant to the Lease Agreement.
- 25. QUESTION: In our response to the RFQ, is the airport asking the proposer to indicate the number of stalls we might want or the amount of square footage we want or something else?
 - a. <u>Port Response:</u> We are asking for the maximum number of vehicles a respondent would be willing to lease in the North Parcel. The North Parcel is divided into lanes of varying sizes.