

ST. JOSEPH COUNTY AIRPORT AUTHORITY
REQUEST FOR PROPOSALS
MESSAGE CHAIR VENDING

1. GENERAL INFORMATION

1.1 INTRODUCTION

The St. Joseph County Airport Authority (“Authority”) is requesting proposals (“Proposals”) from qualified proposers (“Proposers”) for the non-exclusive right to supply, finance, design, operate, and manage Vended Massage Chair Concession (“VMCC”) at the South Bend International Airport (“Airport”). A minimum of 2 locations (“Locations”) with two (2) vended massage chairs (“Massage Chairs”) at each VMCC location, will be awarded during the process.

The purpose of this Request for Proposals (“RFP”) is to furnish important information to prospective Proposers necessary to submit valid, responsive Proposals. This RFP is not intended to completely define the future contractual relationship between the St Joseph County Airport Authority (“Authority”) and the successful proposer. Proposers should carefully review the attached Exhibit B, entitled Commercial Permit (“Permit”), which the Authority intends to enter into with the Successful Proposer. The execution of a signed Permit will be subject to approval by the St. Joseph County Airport Authority Board.

1.2 NON-MANDATORY SITE TOUR

Each proposer or its authorized representative may attend a non-mandatory pre-proposal site tour. The tour is scheduled for June 13, 2019 at 10:00 (local time). The site tour will include the current pre and post security locations. Cameras are permitted except in areas surrounding the checkpoint. No questions will be addressed during the tour. All questions must be submitted in writing by email via klinn@sbnair.com.

The Authority reserves the right to decline to answer any question received. The Authority will not be responsible for nor be bound by any oral instructions, interpretations or explanations issued by the Authority or its representatives.

1.3 PROPOSAL SUBMITTAL DATE, TIME AND PLACE

Proposals must be received by July 11, 2019 by 1:00 E.S.T. Each proposal must be sealed and addressed to:

St. Joseph County Airport Authority
Attn: Kerianne Linn, A.A.E.
Properties Manager
4477 Progress Drive
South Bend, IN 46628

1.4 AIRPORT DESCRIPTION

A. Physical Aspects

The airport is a 14 CFR Part 139 certified primary service airport located in north central Indiana, approximately 3 miles northwest of the City of South Bend, Indiana. South Bend’s four air carriers

provide non-stop flights to eleven cities: Atlanta, Charlotte, Chicago, Dallas, Detroit, Fort Myers/Punta Gorda, Las Vegas, Minneapolis, Orlando/Sanford, Phoenix/Mesa and Tampa Bay/St. Petersburg with connections world-wide. South Bend Airport's multi-modal terminal serves over one million air, rail and bus passengers each year. According to the 2012 Economic Impact Report from the Aviation Authority of Indiana, the South Bend Airport's total annual economic impact on South Bend and surrounding communities was in excess of \$1.7 billion.

B. Historical Data- Authority statistical data including passenger traffic, can be found at <https://flysbn.com/sbn/media-statistics/>

2. CONCESSION OPPORTUNITY, DESCRIPTION & INFORMATION

2.1 CONCESSION OPPORTUNITY, DESCRIPTION & INFORMATION

The Authority is requesting proposals from qualified proposers for the non-exclusive right to design, finance, purchase, install, manage and operate the VMCC at South Bend International Airport with a minimum of four (4) chairs. The current VMCC locations are illustrated in Exhibit A. However, different or additional locations can be approved by the CEO and Executive Director.

2.2 AIRPORT DEVELOPMENT AND CONSTRUCTION

VMCC Locations may be impacted by construction and activity at the Airport. Massage chairs may be relocated upon request of the Authority. The Authority may identify space for future concession development in locations not part of this Permit. The Authority may at its sole discretion, request a proposal from Proposers to add additional Massage chairs, subject to the Authority's written approval. Permittee will not have exclusive right to lease future concession space.

2.3 TERM OF THE PERMIT

The term of the Permit shall be for three (3) years with two, one (1) year options from the Commencement Date as defined in the Permit. Options shall be by mutual agreement and must be requested in writing 120 days prior to the expiration.

2.4 INSTALLATION PLAN

A Permit between the Authority and our current Massage Chair Permittee will expire August 1, 2019.

The Authority requires that Massage Chairs be installed, 30 days from the execution of a permit. It is expected that the Successful Proposer shall ensure that the installation has little to no impact to the customers. The installation plan is subject to review and approval by the Authority.

2.5 GOALS AND OBJECTIVES

The following goals have been established by this RFP:

- Optimized Revenue: To obtain a financial model and commitment that will optimize revenue to the Airport and the Permittee as defined in the Permit.
- Customer Service: To yield the greatest benefit in customer service to the public consistent with the Authority's goals.

- Quality Design and Capital Investment: To obtain, maintain and provide architecturally compatible, state-of-the-art equipment that remains at the forefront of the industry, with a high-quality image and technology as well as easy to follow instructions for the inexperienced customer. Provide a concession program with no capital investment by the Authority.
- Experience and Qualifications: Proven history of high-level operational performance standards.
- Authority Goals: To maintain, and be consistent with the Minimum Operating Standards, set forth under Section 2.6 that the Authority has determined to be of importance to the community. Compliance with local, state and federal laws.

2.6 MINIMUM OPERATING STANDARDS

Minimum Operating Standards are established for the VMCC as follows:

2.6.1 Hours of Operation

The VMCC shall be continuously and uninterruptedly open for business during normal Airport Operating Hours, 7 days a week, and 365 days a year (366 days in case of a leap year) and provide all services as required by the Permit.

2.6.2 VMCC Concept and Design Standards

All Massage Chairs shall:

- Be new and remain in a “first-class” like new condition
- Be free standing, self-contained cash/credit card operated massage chairs.
- Meet all applicable American with Disabilities Act (ADA) requirements
- Meet the aesthetic standards of the Airport
- Be attractive, functional and resistant to rough usage
- Have the ability to incorporate new features and capabilities
- Provide the customer with a selection of intensity levels of massage and time segments
- Provide shut-off button for customers to discontinue the massage
- Reclined massage chairs should not impede airport traffic
- Provide charging ports for at least one electronic device
- Must have physical a deterrent for non-payment use
- Display written directions necessary to instruct customers in the operation of the massage chair
- Display the cost per transaction, a warning label, and a toll-free customer service number on the chair for obtaining services and/or refunds.
- Permittee shall respond to service calls within twenty-four (24) hours of notification.

2.6.3 Pricing

The cost per transaction shall be posted on the Massage Chairs. The Authority requires Permittee provide quality service at prices comparable to no less than two (2) comparable locations within St. Joseph County, Indiana. Designated “Comparable Locations”, shall be mutually selected with the Successful Proposer and Authority.

2.6.4 Design Requirements

- Permittee shall provide Airport Massage Chair signage and a schematic design that adheres to the Airport design standards.

- Massage chairs should not impair structural soundness of the terminal resulting in an overload of utility, HVAC, electrical or any other equipment at the Airport.
- The successful proposers' designs, materials and color selections are required to be reviewed and approved by the Airport.

2.6.5 Voltage of Massage Chairs

Each VMCC location will have access to a power outlet with standard voltage of 120 volts. Voltage may vary by VMCC location and successful proposal must coordinate and confirm voltage with the Airport. Massage chairs should not overload the electrical outlets.

2.6.6 Maintenance, repairs, and condition of the massage chairs

Massage Chairs shall be new and remain clean and in a first class "like new" condition during the entire term of the Permit. Preventive maintenance and routine service of the VMCC shall be performed to keep them in fully operational condition. All necessary and appropriate maintenance, repairs, and replacements of the Massage Chairs must be coordinated with the Airport and completed promptly during approved hours.

2.6.7 Rules and Regulations

Proposer shall fully comply with all Airport, Federal, State and Local Rules, regulations, and laws including, but not limited to: Federal Aviation Administration (FAA), Transportation Security Administration (TSA) and the Authority.

2.6.8 Management

Provide on-call, well-trained, qualified and experienced personnel who must be available during normal business hours by phone and email. Experienced personnel must have the authority to make all the decisions necessary in the day-to-day operations including, without limitation, decisions regarding customer complaints or concerns, and addressing maintenance and cleaning issues.

2.6.9 Customer Service

The Airport values customer service for its passengers. The successful proposer must have a customer service program to address issues and/or complaints

2.6.10 Airport Security Identification Badges

TSA Regulations require all employees to wear an Airport Security Identification Badge for all massage chairs located post security. The Successful Proposer is responsible for sponsoring and assisting employees with the security badge process. Additional information can be found on the Airport's website at <https://flysbn.com/sbn/badging/>

2.6.12 Airport Concession Disadvantaged Business Enterprise (ACDBE) Program

The Authority welcomes all Proposers including ACDBE'S and encourages ACDBE participation as a direct Proposer and/or as part of a Proposer's supply chain. The Federal Aviation Administration (FAA) requirements of 49 CFR 23, apply to this concession Permit. It is the policy of the Authority to practice nondiscrimination based on race, color, sex, or national origin in the award of performance of this contract. The Authority plans to meet its ACDBE participation targets through race-neutral means. The

Authority's ACDBE requirements are set out in the Permit. The ACDBE Plan is located at <https://flysbn.com/sbn/business/>

2.7 COMPENSATION TO THE AIRPORT

2.7.1 Monthly Percentage Fee

For the opportunity to operate the VMCC at the Airport, the Permittee shall pay a monthly Concession Fee, a percentage fee calculated on the VMCC's gross revenues throughout the term of the Permit. A minimum percentage fee of thirty-five (35%) percent if Permittee collects the money from the massage chairs monthly and forty (40%) percent if the Authority is responsible for collecting the money has been established for this RFP. No proposals with less than the minimum percentage fee will be accepted. Proposers shall submit a percentage fee proposal for the initial year and each subsequent year. The proposed percentage fee for any year shall not be less than the minimum percentage fee.

2.7.2 Minimum Annual Guarantee

a minimum annual guarantee ("MAG") is not required, however up to 20 points may be awarded in the review of the Proposals. If a MAG is part of a proposal, it shall be made a part of the permit. Permittee shall pay the greater sum of the MAG per permit year or the percentage of gross receipts. Each monthly payment must consist of a sum equal to one twelfth (1/12) of the MAG or the applicable percentage of the permittee's gross receipts for the previous month, whichever is greater.

8 MINIMUM CAPITAL INVESTMENT REQUIREMENT

For this concession opportunity, a minimum capital investment requirement has not been established. All massage chairs must meet the standards established in Section 2.6 "Minimum Operating Standards."

3 EVALUATION AND AWARD PROCESS

3.1 COMMUNICATIONS REGARDING THIS RFP

3.1.1 Submitting a Question, Objections or Request to Clarify

Proposers may submit questions, requests or clarification, and/or objections as to the structure, content, or distribution of this RFP to Kerianne Linn, A.A.E at klinn@sbnair.com. No phone inquiries will be accepted. Any other contact related to this RFP with Authority personnel or other consultants, or Permittees currently contracted with the Authority prior to the Authority's announcement of the Successful Proposer, is expressly prohibited without the prior consent of the Authority. Any Proposer violating this requirement will be excluded from the selection process.

The Authority shall not be responsible for, nor be bound by, any oral instructions, interpretations, or explanations issued by the Authority or its representatives. Should discrepancies or omissions be found in this RFP or should there be a need to clarify the RFP, requests for clarification and all other questions, may be sent in writing, through the contact listed above no later than June 19, 2019 at 3:00 (local time).

3.1.2 Content of Questions, Objection or Request to Clarify

Questions, requests to clarify and/or objections must be specific as possible and must identify the RFP section number and title at issue. A Proposer submitting an objection must describe the objection as specifically as possible and set for the rationale for the objection.

3.1.3 Authority Issuance of Addenda, Notices, and Answers to Questions

Answers to questions, objections or requests to clarify submitted through email will be considered addenda to the RFP documents. Addenda will be posted to the Authority website at <https://flsbn.com/sbn/business> no later than June 27, 2019.

3.2 PUBLIC NATURE OF PROPOSALS

All correspondence with the Authority, including responses to this RFP, will become the exclusive property of the Authority and will become Public Record. All documents sent to the Authority will be subject to disclosure if requested by a member of the public. There are a very limited number of narrow exceptions to this disclosure requirement.

The Authority will not disclose any part of any Proposal before it announces a recommendation for award, on the grounds that there is a substantial public interest in not disclosing Proposals during the evaluation process. After the announcement of a recommended award all Proposals received in response to this RFP will be subject to public disclosure.

Proprietary data or information will be used by the Airport Authority solely for the purpose of evaluating the qualifications of the respondent. If a response includes any propriety data or information the respondent does not want disclosed to the public, such data or information must be clearly and specifically identified on each page where it occurs by the respondent. The disposition of all confidential information will be governed by the laws under which the Airport Authority operates, including FOIA exemption classifications as per IC 5-14-3-4.

DO NOT MARK YOUR ENTIRE PROPOSAL AS "CONFIDENTIAL"

3.3 GENERAL SELECTION POLICIES/REQUIREMENTS

3.3.1 Submittal Acknowledgement

Each Proposer responding to the RFP acknowledges and agrees that the preparation of all materials for submittal to the Authority and all presentations, related costs and travel expenses are at the Proposers sole expense and the Authority shall not, under any circumstances, be responsible for any cost or expense incurred by the Proposer. In addition, each Proposer acknowledges and agrees that all materials submitted to the Authority will remain the property of the Authority.

3.3.2 Consequences of Submission of Proposal

Proposals, including all drawings, plans, photos and narrative material shall become the property of the Authority upon receipt. The Authority shall have the right to copy, reproduce, publicize or otherwise dispose of each Proposal in any way that the Authority selects. The Authority shall be free to use as its own, without payment of any kind of liability therefore, any idea, scheme, concept, technique, suggestion, layout or plan received in its Proposal process.

Submission of a Proposal shall not constitute a bid or continuing offer, and therefore, the party submitting a Proposal shall not be contractually responsible to the Authority until notification of acceptance by the Authority.

Airport staff will make a recommendation to the CEO and Executive Director as applicable, regarding the selection of a Proposer based upon the evaluation of the submittals. Should the successful Proposer fail

to execute the Permit within thirty (30) days of receiving the Permit for signature, the Successful Proposer, shall be deemed non-responsive. Authority staff will recommend another Proposer or rejection of all Proposals. A Permit shall not be binding or valid with the Authority unless and until it is properly executed by the Authority and the Successful Proposer.

3.3.3 Execution of Proposal Concession Permit

The Permit, contained in the RFP as Exhibit B, should be carefully and completely reviewed by all potential Proposers. Proposers should submit any questions or objections regarding the terms and conditions of the Permit by email within the time period provided for questions under this RFP. By submitting a Proposal, each Proposer agrees to execute the Authority's Permit in substantially the same form attached to this RFP, as revised to incorporate the pertinent criteria contained in the Successful Proposer's submittal. The Authority reserves the right to negotiate any and all items of the Permit, including term, design, services provided, and compensation to the Airport.

The Permit establishes requirements that the Successful Proposer shall have to comply with including, but limited to:

- Insurance
- ACDBE Requirements

3.3.4 Incomplete Proposals

Incomplete and/or unsigned Proposals will not be considered. However, if a Proposal is incomplete and if it appears that the omission can be corrected promptly, the affected Proposer may be contacted and offered the opportunity to complete the statements and provide the required information within a prescribed period, which will not be extended. If a Proposer does not respond within the time stated, the Proposal shall be considered non-responsive and eliminated from further consideration. The Authority is not obligated to offer the opportunity to correct the incomplete Proposals.

3.3.5 Rejection of Proposals

Proposal submissions that are not current and/or inaccurate in the prescribed format defined shall be considered non-responsive and eliminated from further consideration. The Authority reserves the right to waive minor irregularities in the Proposal submittal and/or to reject any or all Proposal submittals.

3.3.6 Non-Conforming Qualifications

Proposals shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from or to a submittal may be sufficient grounds for non-acceptance of the submittal, at the sole discretion of the Authority.

3.3.7 Consideration of Information Outside the Submission

During the RFP process, the Authority may contact references listed or any other persons known to contract with the Proposer. The Proposer acknowledges and agrees that the Authority has the right to make any inquiry or investigation it deems appropriate to substantiate or supplement information contained in the submittee Proposal and authorized the release to the Authority of any and all information sought in such inquiry or investigation.

3.3.8 Selection Process Termination

The Authority reserves the right to terminate the selection process, at any time, without making an award to any or all Proposers that submit a Proposal. The Authority shall not be obligated to respond to any Proposals submitted, nor be legally bound in any manner by the submission of any Proposal.

3.3.9 Grounds for Disqualification

Generally, the grounds for disqualification include:

- Contact regarding this RFP with any Airport official or employee or evaluation team member other than the Contact listed from the time of issuance of this RFP until the end of the protest period.
- Evidence of collusion, directly or indirectly, among Proposers regarding the amount, terms, or conditions of their Proposal.
- Influencing any Authority staff member or evaluation team member throughout the RFP process, including the development of specifications.
- Evidence of submitting incorrect information in the response to a request or misrepresenting or failing to disclose material facts during the evaluation process.
- Offering gifts or souvenirs, even in minimal value, to the Authority officers or employees.
- Existence of any lawsuit, unresolved contractual claim or dispute between Proposer and the Authority.
- Evidence of Proposer's inability to successfully complete the responsibilities and obligations of the Proposal.
- Proposers default under any Authority Permit or lease agreement, resulting in termination of such Permit or lease agreement.

3.3.10 Acceptance or Rejection of Proposals

The Permit may be awarded to the Proposer whose Proposal most closely satisfies the needs of the Authority and is deemed to be most advantageous to the Authority. The Authority reserves the right without limitation to:

- Enter into negotiations with one or more Proposers
- Accept a Proposal in-full or in-part, or to reject all proposals
- Accept or reject any item or group(s) of items from Proposals
- Waive any informality or irregularity in any Proposal
- For any reason, decide not to award an Permit as a result of this RFP or cancel the RFP
- Enter into a Permit with another Proposer in the event the originally successful Proposer defaults or fails to execute a Permit with the Authority. Should the Authority, in its sole discretion, determine that a secondary award is required, award will be to the second highest ranked Proposer.
- Execute a Permit with one or more Proposers based solely on the Proposals submitted and any approved additions.
- Execute a Permit with one or more parties at any time during the term of any Permit(s) awarded as a result of the RFP.
- Verify any information provided during the RFP process. The Authority may contact references listed or any other persons known to have contracted with the Proposer.

- Withdraw the award recommendation and select the next highest ranked Proposer for award, should the Successful Proposer(s) fail to provide post award documents as required.
- A Permit shall not be binding or valid with the Authority unless and until it is executed by authorized representatives of the Authority and of the Successful Proposer.

3.3.11 Non-Discrimination/Non-Preferential Treatment The Permittee for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination, (3) that the Permittee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-Discrimination in Federally –assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 and as said regulations may be amended.

The Permittee agrees to furnish service on a fair, equal, and not unjustly discriminatory basis to all users thereof and to charge fair, reasonable, and not unjustly discriminatory prices for each unit of service, provided that the Permittee may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of prices reductions to volume purchasers.

3.4 EVALUATION CRITERIA

A preliminary review of the basic responsiveness of the Proposals will be conducted to ensure all requirements of this RFP have been met. Inaccurate, incomplete or nonresponsive statements may be cause for rejection of a Proposal. An Evaluation Panel established by the Authority will evaluate the Proposals based on the criteria below. The evaluation panel may consist of members from within and/or outside the Authority. The content of each area of the Proposal requirements will be subject to evaluation. Proposals will be scored on a 100 point scale with maximum points allocated between the Proposal requirements as follows:

Evaluation Criteria		Points
	Submittal Requirements	Pass/Fail
	Minimum Qualifications (Section 4.2.4)	Pass/Fail
Qualifications & Experience	Experience developing, managing, and operating a successful vended massage chair business. General experience of the company and its management team	10 Points
Provide MAG		20 Points
Revenue	The proposed Concession Fee to maximize revenue to the Airport (minimum 35% if the Authority collects funds, 40% if permittee does)	30 Points
Customer Service, Management and Operational Plan	Concessions proposed day-to day operations and ability to effectively provide the highest level of customer service commensurate with other vended massage chair services at locations within St. Joseph County. Include response time, maintenance and repair schedules; plan for collection of money	20 Points
Products and Services	Services and fee structure to the customer	10 points
Installation Plan	Installation timeline that has little to no impact to the customers and provide for an expedited installation period. Ability to coordinate with the Authority of the installation of the Massage Chairs	10 points
Total Points Possible		100 Points

3.5 Short List Selection Process

The evaluation Panel shall evaluate the Proposals that have met the minimum qualifications. Using the Evaluation Criteria, each member of the Evaluation Panel will independently evaluate and score the Proposals. The Authority reserves the right to interview Proposers that make a short list of final candidates. However, an interview is not anticipated.

3.6 PROTESTING THE AWARD RECOMMENDATION

If a Proposer that has not be selected wishes to dispute the award recommendation (“Protest”), the Protest must be submitted in writing to the contact listed below no later than five (5) calendar days after the announcement of the Successful Proposer, detailing the grounds, factual basis and providing all supporting information. Protests will not be considered for dispute of qualification requirements and specifications, which must be addressed in accordance with Section 3.1. Failure to submit a timely written Protest to the contact listed below will bar consideration on the Protest. The address for submitting Protest:

St. Joseph County Airport Authority
Attention: Michael Daigle, A.A.E.
CEO and Executive Director
4477 Progress Drive
South Bend, IN 46628

4 PROPOSAL FORMATTING GUIDELINES

All Proposers are required to follow the format and process specified below.

4.1 Submitting a Proposal Proposals must be submitted and addressed to the attention of

St. Joseph County Airport Authority
Attn: Kerianne Linn A.A.E.
Properties Manager
4477 Progress Drive
South Bend, IN 46628

And labeled Vended Massage Chair Concession. Proposers must respond to this RFP by the due date and time as stated in this RFP in order for the Proposal to be considered. Proposals submitted after the due date and time will be returned unopened.

Proposers must carefully examine the requirements, specifications, and conditions expressed in this RFP and become fully informed as to the quality and character of services required. No Proposer will be allowed to modify or correct the content of the Proposal at any time after deadline, except in direct response to a request from the Authority for clarification, provided that no modification or correction will result in substantive amendment to the Proposal.

4.1.2 Tabbed Submittal Required

The Proposal must be a single, complete package that properly and fully responds to all requirements of this RFP. It must be divided into sections using the Tab identifiers designated in Section 4.2 Include a Table of Contents.

4.1.3 Formatting and Page Limit

Each Proposer’s submission must have page numbers and must not exceed thirty (30) pages in a 12-point font. This page limit does not include exhibits and/or any supplemental information provided. Items determined as exhibit and supplemental are identified in Section 4.2 and on the form provided. Please be environmentally conscious and print double-sided, to the maximum extent practical.

4.1.4 Number of Copies

Each Proposer must submit a total of three (3) hard copies. One (1) original clearly marked "Original" and two (2) of copies of their proposal, along with copy of the proposal on a USB drive.

4.1.5 Facsimile/Electronic Copies Prohibited

Proposals submitted by fax or email will not be accepted under any circumstances.

4.2 SPECIFIC SUBMITTAL REQUIREMENTS

Proposers must submit a complete Proposal organized to include and correlate with the sections below and each section must be clearly labeled/identified. Proposals should be prepared in compliance with the following instructions to ensure an adequate response to the RFP and to expedite the complete and fair evaluation of all Proposals.

4.2.1 TAB 1: Cover Letter

a. Include the following in the Cover Letter (Page Limit: 2 Pages)

- Name, title, telephone, and email address of the person(s) responsible for the primary communication with the Airport regarding this Proposal.
 - A brief statement indicating Proposer's clear understanding of and commitment to develop, design, fund, operate and manage the VMCC as specified in this RFP.
- b. The names of current chair locations, experience and qualifications
- c. Business and financial references

4.2.2 Tab 2: Executive Summary (Page Limit: 2 Pages)

Each Proposer shall provide detailed documentation of its competency, capability and expertise to develop, operate and maintain the VMCC. Describe in detail, the proposed design, signage, amenities, finishes, and aesthetics. Briefly describe how your company plans to make the transition timeline including the length of time to purchase and install the Massage Chairs.

4.2.3 Tab 3: Company Organization and Key Personnel

a. Proposer shall describe the project organization team with reporting authorities contemplated to operate the VMCC. Proposer shall identify and give a profile of the individuals that would serve as the key members of Proposer's organization. Where sub-consultants, contractors, sub-contractors, partners, sub Permittees or similar outside parties are intended to be used, Proposers shall submit the names and experience of each member and indicate his or her roles and responsibilities.

b. Describe any aspects of the organization which, by way of background, experience, unique qualifications, or other basis, sets the company (team, etc.) apart from the competition.

4.2.4 Tab 4: Minimum Qualifications and Summary of Experience

Minimum qualifications have been established for this RFP. Proposals will be screened to ensure Proposers meet the minimum qualifications stated below. Proposals that do not meet the minimum qualifications will not be evaluated. The minimum qualifications are as follows:

- a. Total Number of years the Proposer has owned or managed said vending massage chair business(es)
- b. Provide information sufficient to show that such business (es) specializes in vended massage chairs. Acceptable forms may include, but not limited to, sales reports, narrative

description, layout maps, and accompanying photos or any other information that will indicate company specializing in the proposed businesses.

4.2.5 Tab 5: Financial Ability

a. Provide an understanding of Proposer's overall financial capacity to underwrite the capital investment for the VMCC, capital available for the operations and reinvestment during the term of the Permit, and ability to meet concession payment obligations to Authority. (Page limit: 2)

b. Supplemental but not required: Provide Proposers audited financial statements for the past three (3) years, including balance sheets and income statements and notes to the financial statements. If audited financial statements for the past three (3) years.

c. References: Provide Name, address, phone and email for a minimum of 3 business and financial references.

4.2.6 Tab 6: Revenue for the VMCC (Biddable Item)

Using the form provided in Exhibit C, complete the Proposal bid form for the VMCC. As stated in Section 2.7, a minimum percentage fee of either thirty-five (35%) percent or forty (40%) percent has been established for this RFP. The Proposer must bid no less than the minimum percentage fee for year 1 and for each year thereafter.

4.2.7 Tab 7: Operation Plan

- A narrative on establishing and implementing quality operating standards and controls;
- A proposed maintenance plan and schedule;
- Operational procedures for the replacement and/or refurbishment of a defective massage chair;
- Speed of service guidelines;
- Customer service program to manage customer service requests; including addressing customer service issues and/or complaints;
- A description of how Proposer shall comply with the minimum operating standards as set forth in section 2.6;
- A description of how and why the operational plan will meet or exceed the Airport's expectations with respect to customer service;
- Plan for chair replacement due to wear and tear and general use;
- Identification of who will collect the money from the chairs each month

4.2.8 Tab 8: Installation Plan

Submit a proposed installation plan for the installation of the Massage Chairs that includes in detail:

- A proposed coordination plan with the Airport for the installation of the new Massage Chairs
- How the installation will have minimal impact to customers
- Time Frame to begin installation

Exhibit A

** = 2 massage chairs

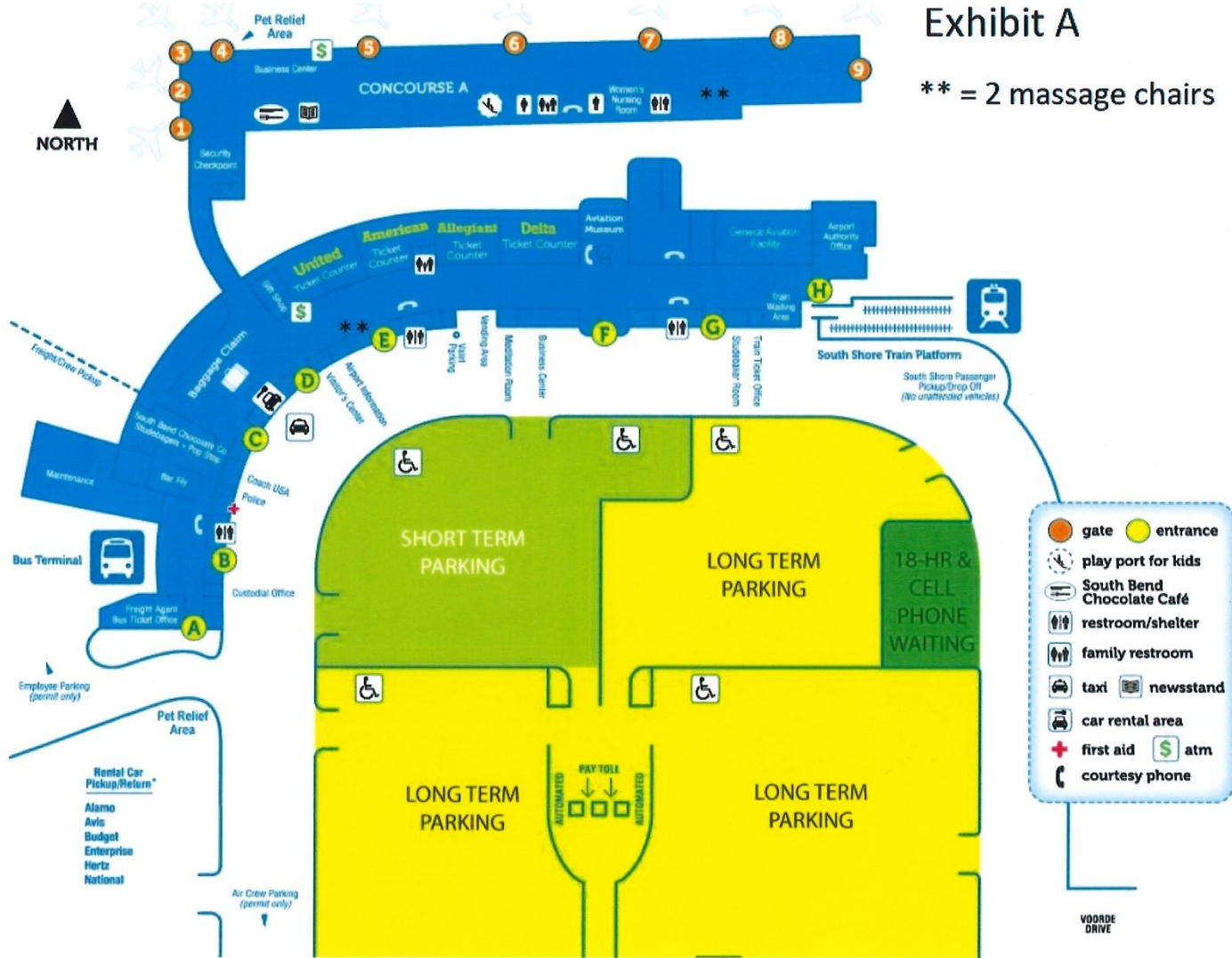


EXHIBIT B

ST. JOSEPH COUNTY AIRPORT AUTHORITY

COMMERCIAL PERMIT

WHEREAS, the St. Joseph County Airport Authority (hereinafter called "Authority") owns and operates the South Bend International Airport (hereinafter called "Airport") and defined as the Airport Terminal owned by the St. Joseph County Airport Authority and _____ (hereinafter called "Permittee") wishes to conduct certain commercial activities on said Airport and;

WHEREAS, Authority prohibits engaging in any business or commercial activity of any nature whatsoever on the Airport except with the approval of the CEO and Executive Director and under such terms and conditions as may be set forth in a permit or contract covering such activity; and

WHEREAS, Permittee does not have a permit with the Authority for Permit of specific property at the Airport, nor does Permittee have any other contract or agreement with the Authority covering this commercial enterprise; NOW THEREFORE:

1. BUSINESS TO BE CONDUCTED

The Permittee will conduct the following business and no other, unless prior written approval is obtained from the Authority's CEO and Executive Director: Massage Chair Service. Throughout the term, Permittee shall to the satisfaction of Authority, perform the services as set forth in the RFP dated _____ (Exhibit A). Permittee agrees that (either Permittee or Authority) will be responsible to collect all monies from each massage chair a minimum of one (1) time per month.

2. PERMIT FEE

(MINIMUM GUARANTEE LANGUAGE WILL BE MODIFIED IF NECESSARY)

Permittee agrees to pay the Authority an operating fee each month of the Permit which shall be the greater of \$ _____ annually, Hereinafter referred to as the minimum annual operating fee, or _____% of the gross receipts of Permittee, whichever is greater (Minimum 35% or Minimum 40%) of gross revenue, obtain from the permitted activities and services performed by Permittee at the Airport. The term "gross revenue" shall mean the total amount of the dollar value of all sales and all revenues of every kind and character derived from or payable on account of all business transactions or Permittee and services provided by Permittee authorized hereunder whether for cash or credit regardless of collections of charges for which credit is given. Gross Revenue shall not include sales taxes imposed by State law.

Permittee shall provide to the CEO and Executive Director a statement of monthly gross revenue, together with appropriate payment, on or before the fifteenth of the month following the month in which the gross revenue was generated. Payments shall be mailed or hand-carried to the Office of the CEO and Executive Director at 4477 Progress Drive, South Bend, IN 46628. All payments unpaid for ten (10) days after the date due shall bear interest at the rate of eighteen (18%) percent per annum from the date.

If Permittee shall knowingly furnish any false statement of the amount of its gross receipts, this shall constitute a default entitling the Authority, at its option, to declare this permit terminated. Any such report shall understate the gross receipts for the reported period by as much as ten (10%) of the true

amount thereof shall be conclusively deemed to have been knowingly and falsely furnished by Permittee. The Permittee shall maintain, books and records reflecting its operations hereunder in accordance with generally accepted accounting principles. Such books and records, together with any other documentation necessary for verification of Permittee's compliance with the terms of this Permit, shall be made available to the Authority on request for inspection and audit.

3. TERM

This permit shall be for a three (3) year term from the 1st of the month following the date that this permit is executed by the CEO and Executive Director. Upon mutual agreement, this Permit may be renewed for an additional two – One (1) year options. No option however, is effective unless reduced in writing from Permittee one hundred and twenty (120) days' prior to the end of the term. The option must be approved by the CEO and Executive Director and by executed by a duly authorized Representative of each party. Permittee must be in full compliance with all terms and conditions of the permit before an option will be executed.

4. INDEMNIFICATION

Permittee agrees to indemnify, defend and hold harmless Airport Authority, its officers, directors, agents and employees, from and against any and all claims, actions, damages, liabilities, and judgments, and losses, costs, fines, penalties, and expenses paid or payable to a third party (including, but not limited to, reasonable attorney's fees, court costs and litigation expenses), with respect to any third party claim arising out of or related to: (a) Permittee's performance or exercise of this Agreement and rights granted under this Agreement; (b) an intentional act or a negligent act or omission of any of Permittee's officers and employees related to this Agreement; or (c) any breach or default by Permittee of any of its obligations under this Agreement. Notwithstanding the foregoing, Permittee shall have no obligation under this Section for claims arising out of or related to (d) any negligent act or omission of Airport Authority or its officers, directors, agents, and employees, or (e) any allegation related to the Airport Authority's authority to enter this Agreement or Airport Authority's enforcement of this Agreement. Any indemnification and hold harmless obligations of Permittee under this Agreement shall survive any expiration or termination of this Agreement. The forgoing indemnification obligation is contingent upon Airport Authority providing Permittee with (i) prompt written notice of any potential claim subject to indemnification hereunder, (ii) sole control over the defense and settlement of each such claim (provided that Permittee will not settle or compromise any claim without written consent of Airport Authority, which consent shall not be unreasonably withheld, conditioned or delayed), and (iii) reasonable cooperation, at Permittee's expense, in the defense and settlement of a claim.

5. INSURANCE

5.1 INSURANCE. The Authority's insurance is for the sole benefit of the Authority. Permittee will obtain and maintain insurance to meet their obligations and liabilities under this agreement including negligently caused fires. Permittee shall have their insurance policies endorsed to provide Authority 15 days' notice of cancellation. Lack of endorsement automatically obligates Permittee to notify the Authority within the same timeframe.

The following insurance coverage, limits and endorsements are the minimums required and shall not be construed as a restriction or limitation on the obligations of the Permittee for full payment of damages and indemnification of liabilities incurred, related to or arising out of this Permit.

Permittee will name the Authority as an Additional Insured on the Commercial General Liability Policy and all other policies where Additional Insured status is allowed. Additional Insured coverage shall

include Bodily Injury, Property Damage, Personal Injury, Advertising Injury and all other coverage's afforded an insured under the Permittee's policies. The limit of liability shall be unlimited for defense and up to the limits afforded the insured for coverage's provided, but in no case less than policy limits.

Permittee's insurance is to be on a primary and non-contributing basis. Coverages will be provided on occurrence forms, claims made forms are not acceptable. Umbrella is to encompass all liability coverages including Liquor Liability. Permittee will provide, prior to occupancy and thereafter on an annual basis at the renewal of each policy year, a Certificate of Liability Insurance on ACORD Form 25 (or equivalent) and if needed, Additional Remarks Schedule on ACORD Form 101 (or equivalent) as verification that the minimum insurance requirements have been met. The Acord Forms must indicate that the insurance provided by the Permittee includes Waiver of Subrogation and Additional Insured Status in favor of the Authority for all applicable insurance policies and that the policies have been modified by the Permittee's insurance company with the required endorsements.

Commercial General Liability (or equivalent) providing the following minimum coverages, endorsements and provisions:

Each Occurrence - Products \$1,000,000

Each Occurrence- Other than Products \$1,000,000

Each Occurrence Personal & Advertising Injury \$1,000,000

Each Occurrence Damage to Property Rented to You Limit \$ 100,000

The following endorsements and provisions (or their equivalent) must be added to the insurance policy and shown on the Certificate of Insurance:

1. ISO Form CG 20 01 – Primary and Non-Contributory – Other Insurance Condition (or equivalent)
2. ISO Form CG 20 10 – Additional Insured – Owners, Lessees or Contractors – Scheduled Person or Organization (or equivalent) - Naming the Authority its directors, officers, employees, agents, affiliates, and assigns) as Additional Insured(s).

All of the above-described policies of insurance shall be issued by a company that is acceptable to the Authority and is licensed to do business in the State of Indiana. The insurance coverages and minimum limits shall be reviewed on a periodic basis and modified at the sole discretion of the Authority.

6. ENVIRONMENTAL COMPLIANCE

6.1 Permittee shall handle, use, store and dispose of petroleum products, and all other materials (including but not limited to hazardous materials) owned or used by Permittee on the Airport in accordance with all applicable federal, state, local and Authority statutes, regulations, rules and ordinances and industry best management practices. No waste or disposable materials shall be released on the ground or in the storm sewer. Should such materials be spilled or escape from storage or in any way contaminate the Airport or property adjacent to the Airport through activities of the Permittee, the Permittee shall be responsible for the cleanup, containment and otherwise abatement of such contamination at Permittee's sole cost and expense. Further, Permittee shall notify the Authority and appropriate governmental agency of such occurrence immediately. Should the Permittee fail to do so, the Authority may take any reasonable and appropriate action in the Permittee's stead. The costs of such remedial action by the Authority plus fifteen (15%) percent shall be reimbursed by the Permittee to the Authority.

6.2 Permittee shall supervise the handling, usage, storage and disposal of all substances and materials, including substances and materials that by their nature are or can become a hazard, contaminant or pollutant, that are owned or used by Permittee, Permittee's customers, suppliers, contractors on the Authority premises in accordance with all applicable federal, state, local and Authority statutes, regulations, rules and ordinances.

Should any substance (solid, liquid, or gas) be spilled or escape, intentionally or by accident, from storage or containment or in any way contaminate or pollute the Premises, including air, ground and/or water on, under or adjacent to the premises, and arise out of Permittees operations, occupancy, hostile fire or otherwise, the Permittee shall be responsible for the cleanup, containment and otherwise abatement of such contamination at Permittee's sole cost and expense. Further, Permittee shall notify the Authority and the appropriate governmental agency of such occurrence immediately. Should Permittee fail to do so, the Authority may take any reasonable and appropriate action in Permittee's stead. The cost of such remedial action by the Authority plus fifteen (15%) percent shall be reimbursed by the Permittee to the Authority.

6.3 All types of waste, disposables, fumes, vapors, liquids, dust, by-products and recyclables from operations shall be properly handled and shall be properly disposed. No such items shall be released from the premises outside of normally accepted practices; stored on the ground outside of the building unless completely enclosed in a proper waste container; nor allowed to enter the storm sewer. Properly labeled storage containers and accepted forms of containment shall be used throughout the premises at all times.

6.4 The terms contaminants and pollutants shall take their meaning from any applicable federal, state, local and Authority statute, regulation, rule and ordinance.

6.5 Permittee shall conduct their business and maintain the Premises in full compliance with all federal, state and local applicable governmental statutes, rules, regulations and ordinances and with all applicable transportation laws. Permittee shall not, without prior written consent of the Authority, introduce fill material to or make any improvements to the Airport Premises.

6.6 Permittee agrees to indemnify, defend and hold harmless the Authority, its directors, officers, employees, agents and each of their successors and assigns from and against all claims, actions, penalties, costs, liabilities, losses and expenses (including reasonable attorney's and expert witness fees) arising at any time during or after the Term resulting or allegedly resulting from the release of hazardous substance at the Permitted Premises during the Term, or the handling of any hazardous substance incident to its transportation in commerce.

6.7 Permittee shall comply with all Storm Water Prevention Plan, Spill Prevention Control Counter Measures, and all other Authority requirements as amended from time to time.

7. GENERAL PROVISIONS

7.1 Authority grants Permittee the right, in common with others, to use all appropriate roadways, terminal area and other space as is necessary to conduct its operations, provided that the CEO and Executive Director, in writing, may make reasonable rules as to exact location, times, and methods of conducting the business or commercial activity, based upon safety and convenience to the public. This permit does not cover any space Permitted for exclusive use of another nor does this permit cover the right to use areas reserved for administrative, parking, or storage areas on or about the Airport or any other space in which access to the general public is denied, unless specific authorization is obtained from the CEO and Executive Director, in writing. Permittee shall not be entitled to construct or install

equipment, improvements, or facilities in or on the airport without prior written approval of the CEO and Executive Director.

7.2 The Permittee, by accepting this permit, expressly agrees for itself, its successors and assignments that it will not make any use of the Airport or this Permit which might in any way interfere with the normal operation of the Airport or constitute a hazard of any kind. In the event this covenant is breached, the Authority reserves the right to abate said practice of interference at the expense of Permittee.

7.3 Permittee shall comply with all federal and state regulations and Authority ordinances, codes and regulations applicable to Permittee's operations under this Permit. Permittee shall pay, on or before their respective due dates, to the appropriate collecting authority, all Federal, State and local taxes and fees, which are now or may hereafter be levied upon Permittee, its operations hereunder or its property used in connection therewith and shall maintain in force all federal, state and local licenses and permits required for the operation of the business conducted by Permittee.

7.4 Permittee shall not assign this permit to any other or transfer any rights hereunder without the consent of the Authority's CEO and Executive Director in writing, except to a corporation with which the Permittee may merge or consolidate or which may succeed to its business or assets.

7.5 It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right.

7.6 The invalidity of any provision of this permit shall not affect the other provisions of this permit and any court shall construe the remainder to achieve the intent of the parties as they are manifested hereby. This permit shall be interpreted in accordance with the laws of the State of Indiana. Venue for all purposes is agreed and established to be in St. Joseph County Indiana.

7.7 If Authority or Permittee brings suit to enforce any obligations under this commercial permit and Authority prevails in said suit, the Authority shall be entitled to recover from Permittee its reasonable attorney's fees (not to exceed the attorney fees actually incurred by the Authority in the prosecution or defense of such action).

7.8 Whenever any notice is required by this Permit to be made, given or transmitted to the parties, such notice served by Certified or Registered Mail with return receipt, addressed to:

CEO and Executive Director
St. Joseph County Airport Authority
4477 Progress Drive
South Bend, Indiana 46628-5594

and notices, consents and approvals to Permittee addressed to:

7.10 Permittee shall, at its sole expense, observe and comply with the statutes, rules and regulations of all governmental authorities applicable to the conduct of Permittee's business and in addition, those rules, ordinances, and regulations of the Authority. Any penalties, costs, and remedial actions levied as a result of the Permittee's breach of any of the above shall be the responsibility of the Permittee.

7.11 The Permittee for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of

race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination, (3) that the Permittee shall use the Permitted Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-Discrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 and as said Regulations may be amended.

Violation of this Article shall be deemed a material breach of this Permit.

7.12 Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationship, between the parties hereto. It is understood and agreed that neither the method of computation of payment hereunder, nor any other provision contained herein, nor any acts of the parties hereto creates a relationship other than the relationship of Authority and Permittee.

7.13 AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) PARTICIPATION. The requirements of 49 CFR 23, regulations of the U.S. Department of Transportation, applies to this Permit. It is the policy of the Authority to practice nondiscrimination based on race, color, sex or national origin in the award or performance of this permit. An ACDBE concession specific goal of .09% annual as defined herein has been established. This goal may be adjusted from time to time per Federal Aviation Regulations. Permittee will be required to submit a yearly report regarding ACDBE use and status.

8. CANCELLATION

8.1 This Permit may be cancelled by Permittee or Authority upon ninety (90) days written notice to Authority. Upon Cancellation, all sums due Authority shall be paid immediately.

8.2 Notwithstanding any provision to the contrary contained in Section 3 of this permit, this Permit may be immediately cancelled by Authority should Permittee, no later than five (5) days following receipt of written notice from Authority, fail to keep, perform or observe any term, covenant or condition set forth in this Permit. Notwithstanding such termination, Permittee shall remain liable to Authority for all arrearages of fees and charges payable hereunder and for any preceding breach(es) of any term, covenant or condition herein contained.

8.3 During all equipment removal all applicable portions of this permit will remain in effect to include insurance and indemnifications. Permittee will be given 30 days after date of notice to remove all equipment, unless other arrangements are approved in writing by the Authority.

ST. JOSEPH COUNTY AIRPORT AUTHORITY DISTRICT

By: _____

PERMITTEE

By: _____

EXHIBIT "C"

PROPOSAL BID FORM

This form must be completed in full and submitted as part of the Proposal. Indicate none where applicable.

PROPOSER INFORMATION

Company Name: _____

Contact Person and Title: _____

Email Address: _____

Phone Number: _____

Address: _____

MINIMUM PERCENTAGE FEE

The proposer must bid no less than the minimum percentage fee for year one and for each subsequent year.

Percentage Fee for Each Year	Amount in words	Amount in numbers
% Fee for Year 1		
% Fee for Year 2		
% Fee for Year 3		
% Fee for Option Year 1		
% Fee for Option Year 2		

MINIMUM ANNUAL GUARANTEE

Proposer is not required to provide a Minimum Annual Guarantee ("MAG"). The MAG must be for the term of the Permit and not by individual year.

MAG Amount in words	Amount in numbers
	\$

Signature: _____

Name (Printed or typed) _____

Title: _____

Date: _____