Memorandum

MIAMI-DADE COUNTY

Date: October 14, 2015

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Direct Leases (Bid Waivers) at Miami International Airport

---

This memorandum is in response to a request by Commissioner Dennis C. Moss at the July 9, 2015 Trade and Tourism Committee meeting for a list of all contracts at Miami International Airport (MIA) that were secured through the bid waiver process.

Pursuant to Resolution R-1587-72 regarding waiver of the competitive bidding process, the concessions listed below were awarded using the bid waiver process:

	Company	**Retail Name/Category**	**Date of award**
1	Areas USA LLC	dba Books and Books	03/04/2008
2	Newslink of South Florida, LLC	Newslink Explorer	02/02/2010
		Booklink Café	
		Xpress Spa	
		Inmotion	
		Air Essentials **(two locations)**: Air Essentials Prive Gourmet	
3	Airball Sports II, LLC	dba Miami Heat Store	12/19/2011
4	Marlins Airport Retail Operator LLC	dba Miami Marlins	06/17/2014
5	305 Pizza Miami LLC	dba 305 Pizza	10/07/2014
6	Perry Ellis International	Perry Ellis Menswear	10/06/2015
7	Bongos Cuban Café	Estefan Express Kitchen	10/06/2015

All of the above agreements except for Newslink of South Florida, LLC were secured through the bid waiver process to achieve the "local" culture of Miami in the concessions program pursuant to O-95-138, which adopted the Retail Concessions Master Plan for MIA with the goal to present a local and regional identity to the traveling public.

Newslink of South Florida, LLC and 305 Pizza Miami LLC were different from the other companies referenced above, as both concessionaires submitted proposals as part of an original competitive selection process.

The Miami-Dade Aviation Department (MDAD) Request for Proposals (RFP) MDAD- 04-09 offered six (6) retail packages.

Newslink of South Florida, LLC submitted proposals for Packages 2 and 3 of RFP No. MDAD-04-09; however, they were limited to only one (1) package. They selected Package 2, thus leaving package 3 without a Prime Concessionaire to build out the North Terminal Locations. Newslink of South Florida, LLC requested that they also be awarded Package 3 and agreed to pay the Minimum Annual Guarantee (MAG) as originally proposed in RFP No. MDAD-04-09.

305 Pizza LLC was awarded the pizza concession as part of RFP No. 05-11; however, due to concerns over odor and heat migration, the proposal was rejected. The Board of County Commissioners (Board) requested that the Aviation Department locate a new site that would provide general venting. A suitable site was found and 305 Pizza LLC was awarded a new contract under the same terms that were approved under RFP No. 05-11.

As for land leases on Aviation property, for more than 35 years MDAD has competitively bid land for farming purposes at its General Aviation Airports. The practice of leasing land not needed for aviation-related purposes reduces ground keeping maintenance, provides additional revenues to the Department, and contributes to the agribusiness in the South Florida area. Aside from land leased for farming purposes, no land leases are competitively bid unless there is interest from more than one (1) party. If a site has been vacant for months, it is established that there is no demand for it. In these cases, when a potential tenant approaches staff, MDAD enters into negotiations for the property, as the Federal Aviation Administration allows airports to enter into direct negotiations for aviation land leases.

Ticket counter space, airline back-office space, non-terminal cargo warehouse space, and maintenance facility leases are not put out for bid.

If you have further questions regarding this information, please contact Miami-Dade Aviation Department Director Emilio T. González at (305) 876-7077.

Pursuant to Ordinance 14-65, this memorandum will be placed on the next available Committee meeting agenda.

c: Abigail Price-Williams, County Attorney
Jack Osterholt, Deputy Mayor, Office of the Mayor
Emilio González, Director, Aviation Department
Charles Anderson, Commission Auditor
Eugene Love, Agenda Coordinator