

To: All Prospective Bidders

From: Purchasing Department

Date: November 10, 2020

Subject: Inquiries and Responses

RFP/ITB#: 109 – 2020 Food & Beverage

Inquiries and Responses:

1) Can you provide an overview of your catering customer segmentation? (Example: 40% Corporate, 28%, Convention 30%, Wedding; 14%, etc.

Please see a snapshot of the previous year customer segmentation

Trade Shows and Conventions (excluding Corporate Conventions)	66%
Corporate Conventions	29%
Consumer Shows/Public Events	3%
Other Exhibit Hall Events	2%

2) What point of sale system is currently in place at retail and concessions locations?

Micros by Oracle

3) Do you have access to the existing raw data in the POS?

No

4) Can you provide menus with pricing for existing retail locations and concessions stands?

Please visit www.nashvillemusiccitycenter.com/food-beverage for menus.

5) Can you provide sales mix for retail locations and concessions stands? We do not have this level of detail for concessions readily available. Below is the estimated mix for Altaglio:

Food	74%
Non Alcoholic Drinks	18%
Beer	6%
Liquor	1%
Wine	1%



Below is the estimated mix for the Fresh Pick Market:

A La Carte	36%
Specialty Drinks	6%
Grab And Go - Hot	5%
Grab And Go - Cold	8%
Non-Alcoholic Beverage	30%
Snack/ Candy	10%
Pastry	1%
Beer	2%
Non-Food	2%

6) Can you provide historical revenues for Fresh Pick, Al Taglio, Dunkin Donuts, and concessions locations?

	FY19	FY18	FY17
Al Taglio	219,015	242,219	278,898
Fresh Pick Market	987,603	507,373	-
Dunkin Donuts	41,455	42,382	43,776

7) Does the hourly food and beverage staff belong to a union or have any affiliation with local unions?

No.

8) Who are the current diverse suppliers used with the incumbent?

Please see <u>www.nashvillemusiccitycenter.com/rfp-109-2020-food-and-beverage-music-citycenter</u> for listing.

9) Can you share historical information as to how the diverse supplier requirement has been achieved in the past?

Please visit <u>www.nashvillemusiccitycenter.com/cca/dbe-procurement-committee</u> for information.

10) Are any firms on the Sub-Vendor list a current contractor with the incumbent?

Yes.



11) Have any conventions/events that were postponed due to COVID been re-booked for 2021 or beyond?

Yes. There are 40 plus events that have rebooked into the future.

12) Can you provide an events calendar for 2021 and 2022?

Please see <u>www.nashvillemusiccitycenter.com/rfp-109-2020-food-and-beverage-music-city-center for listing.</u>

13) Can you provide an events calendar for the past three years including estimated number of attendees?

Please see <u>www.nashvillemusiccitycenter.com/rfp-109-2020-food-and-beverage-music-city-center</u> for listing.

14) Do the line items for "Catering Sales-Food" and "Catering Sales- Alcohol include the customary Service Charge or Admin Fee applied to catering invoices?

No, services charges are represented in the Supplemental Catering Fee.

15) What is the "Supplemental Catering Fee"?

This is the customary service charge for catering services.

- 16) What is included in "Other" Revenue line item?

 Other revenues consist of mainly subcontractor fees and other miscellaneous surcharges.
- 17) Are there any subcontractor revenues included in the sales figures provided? If so, how much, in which line items, and are they gross or net (after sub payouts)?

 Subcontractor revenues largely make up the "Other revenues" category and are represented as a net amount.
- 18) Can you provide a breakout of off-site catering revenues and a list of such events for the past three years?

There have not been any off-site catering revenues.



19) Can you outline the details of the current service charge pool including which positions are eligible?

A service charge of 23% is added to your bill for the catering service. 39% of the total amount of this service charge is a "house" or "administrative" charge which is used to defray part of the cost of providing the service and other house expenses. 61% of the total amount of this service charge is distributed to the employees providing the service as a gratuity.

Banquet Servers, Banquet Captains, Banquet Runners, Bartenders, Bar Captains, and Bar Runners are our gratuity employees.

20) How much of the administrative fee is paid out in the Service Charge pool?

The 23% service charge is applied to the P&L as Other Income from which on the expense side the 61% of it (14%) is paid out in gratuity and the remaining 9% is retained against P&L expense.

21) Are administrative charge dollars that are paid out to employees, also included in the revenues?

Yes

22) Although noted in the RFP that capital is not required in this bid, will you accept a capital investment built into a proposal?

No.

23) Are any major renovations to the building planned in the near future?

No.

24) Are any discounts offered to specific/local groups for food and beverage?

Pricing may be negotiated based on the group metrics. Also, please reference page 5 of the RFP

25) Are the outdoor patio areas at Al Taglio and Fresh Pick covered under the current liquor license?

Those areas are covered under the current beer and liquor permits obtained by the incumbent.

26) Beyond pouring rights, are there any other building specific food and beverage partnerships in place?

No.



27) Can you please provide a copy of the Music City Center brand guidelines along with high resolution logos?

Please see <u>www.nashvillemusiccitycenter.com/rfp-109-2020-food-and-beverage-music-citycenter</u> for logo and guidelines.

28) Do you have a preference for the binding of the proposal as a soft-bound book versus a binder? If a binder is preferred, please confirm customization is permitted?

Please see page 13 of RFP. There is not a preference to the type of binding, however, please ensure that tabs are utilized and properly labels.

29) In addition to the required digital submission via WeTransfer, would you accept a supplemental digital site?

No.

30) Are there any sponsorship agreements that affect food and beverage?

No.

31) What level of support does the Music City Center provide to the F&B Contractor with regard to engineering such as electrical and mechanical needs?

MCC installs all temporary electrical needs and is the first call for maintenance and mechanical issues. If outside services are needed, repair cost are typically funded through the repair and maintenance reserve.

32) Is the F&B Contractor responsible for table and chair sets? Who supplies?

MCC provides setup for all seating and tables for attendees. Food and Beverage is responsible for setting equipment to service the event.

33) During the site visit, nearby parks and streets were alluded to as options for catering. Is the expected scope of off-premise catering limited to those areas?

It is not limited to those areas.



34) Can you please provide clarification on the 25% target for the Diversity Business Enterprise (DBE) participation level? Is it 25% of spend or revenue?

DBE percentage is 25% of purchases. For example: If total monthly purchases was \$800,000 the target to is spend \$200,000 of the \$800,000 with DBE vendors.

35) Is the expectation that the F&B Contractor provides the following services or are they City contracted: vent hood cleaning, waste oil removal, and pest control?

These services are MCC contracted and charged back to the F&B repair and maintenance reserve.

36) Can you please provide a floor plan for the current Dunkin Donuts location?

Please see <u>www.nashvillemusiccitycenter.com/rfp-109-2020-food-and-beverage-music-city-center</u> for floorplan.

37) Can you please provide a copy of the existing contract with Centerplate?

Please see <u>www.nashvillemusiccitycenter.com/rfp-109-2020-food-and-beverage-music-citycenter</u> for contract.

38) Do you envision us adding the services we will provide with regard to Exhibit A to the Services Agreement (page 61) as part of our Exceptions response?

No. The sample contract was provided as a reference and the Exhibits are not completed until contract negotiations.

39) Do you envision us adding all our financial terms with contract wording for Exhibit B Compensation and Pricing Exhibit to the Services Agreement (page 62) as part of our Exceptions response?

No. The sample contract was provided as a reference and the Exhibits are not completed until contract negotiations.



40) Can you please share the current staffing model and organizational chart?

Please see <u>www.nashvillemusiccitycenter.com/rfp-109-2020-food-and-beverage-music-city-center</u> for organization chart.

41) If we have a bonus plan as part of our compensation for the General Manager, Executive Chef and Department Heads, do you want us to continue it or eliminate it given the MCC's bonus plan?

This will be the decision of the successful bidder however, if included this will need to be included in your payroll projections.

42) Do any hourly staff participate in the bonus program?

All full-time team members participate in the bonus program.

43) The RFP states that employees in the service charge pool can be less than \$15/hour. Is it up to the F&B Contractor to decide the service charge pool/payout?

Yes, but in consultation and agreement with President and CEO.

44) Is any of the service charge paid out to the banquet staff or other team members?

A service charge of 23% is added to your bill for the catering service. 39% of the total amount of this service charge is a "house" or "administrative" charge which is used to defray part of the cost of providing the service and other house expenses. 61% of the total amount of this service charge is distributed to the employees providing the service as a gratuity.

45) Bonus plan funding should not be included in the direct expenses as outlined in the RFP, does this include sales commissions?

No.

46) Can we confirm that there is not a Collective Bargaining Agreement for the food and beverage employees? If there is a CBA, can we please receive a copy of the agreement and/or be provided with the union they are a part of?

There is not a Collective Bargaining Agreement for F&B team.



47) What is the current POS platform?

Please see question # 2

48) Who owns the POS hardware/Software/Licenses?

MCC owns the hardware and the incumbent owns the software/licenses.

49) Are there any integrations into the POS such as a venue gift cards or employee meal card?

No.

50) Do you have a total count/inventory of POS terminals?

There are 40 terminals

- 51) What is the current timekeeping system and who owns it?

 The current timekeeping systems in Attendance on Demand. The incumbent owns the current timekeeping system.
- 52) Does the Contractor have to procure the physical telephone handsets?

MCC provides the handsets.

53) Who owns and operates the physical data ports and network switches that the Contractor POS/DMB/Operations will utilize?

Music City Center IT department

54) Will the Contractor be able to have multiple VLANs for our POS/DMB/Operations?

Yes, this is possible. Contractor will need to work with Music City Center's IT department to identify how many VLANs are required.

55) Does the Contractor have the ability to have multiple hidden dedicated SSIDs for Wi-Fi?



Yes, this is possible. Contractor will need to work with Music City Center's IT department on wireless requirements

56) What are the internet data speed options?

Music City Center has 2 x 1Gb Internet circuits

57) Is there a network/server rack available to install Contractor equipment?

Yes, Music City Center's IT department will designate rack space for contractors network/server equipment.

58) Can you please share a copy of the referenced IT Security Guidelines (Metro. Government of Nashville and Davidson Counties, IT Systems Security Procedures) mentioned on page 24?

Please see <u>www.nashvillemusiccitycenter.com/rfp-109-2020-food-and-beverage-music-citycenter</u> for guidelines.

59) What is the current platform for client billing and invoicing?

The incumbent uses their own system to create BEOs, detailed billing reports, and invoices. Those reports are provided to MCC when necessary to invoice contracted clients.

60) Can you please provide more detail on what is included in the Supplemental Catering Fee (included in total Revenue)?

Please see question # 15

61) Can you please provide more detail or high-level commentary on what is included in the Other Revenue line?

Please see question # 16

62) Can you please provide detail on historic event count/mix and/or attendance for the past three years?



Please see question # 5

63) Can you please share the food/retail/beverage sales by revenue center (catering, concessions, etc.)?

See reference pages 7-8 of RFP

64) Is there currently a service charge or administrative fee on catering sales? If so, what is the rate?

Yes. 23%

65) Where does service charge fall within the revenue break-out?

Supplemental Catering Fee

66) Are the three exterior retail locations all included in the retail location sales denoted on page 8? If so, can we see revenue for each location? If the revenue for the Dunkin Donuts is captured in that line, is that the commission received (if so, what is that percentage?) or topline sales?

	FY19	FY18	FY17
Al Taglio	219,015	242,219	278,898
Fresh Pick Market	987,603	507,373	-
Dunkin Donuts	41,455	42,382	43,776

Dunkin revenue is a lease payment received by the F&B contractor.

67) Is the Pick store part of the current F&B contract?

Yes.

68) Can you describe how the tip pool is distributed?

See question # 19

69) Can you describe how the current fee structure works?

Please see current contract for specific details but in summary:
Management fee is 2% of Gross Receipts (Gross Receipts exclude labor revenue)
Marketing Reserve contribution is 1% of Gross Receipts
Repair & Maintenance Reserve contribution is 3.5% of Gross Receipts



Incentive Mgt fee is 7.5% of the net operating profit.

70) Are their food cost and labor cost percentage limitations in order for the provider to hit the MCC target cost structures?

No, but the percentages are monitored monthly.

71) Are there Food cost and labor cost incentive numbers that trigger bonus or accelerated management fees?

No

72) Can we see the current contract?

Please see <u>www.nashvillemusiccitycenter.com/rfp-109-2020-food-and-beverage-music-city-center for contract.</u>

73) What is the management fee structure, monthly payment, food and labor cost parameters, and incentive clauses?

Please reference contract and question # 69

74) How are sales conducted, does MCC handle catering sales or does provider engage with customers?

The incumbent provides catering sales staff that engage directly with customers but report to and are directed by the MCC Vice President of Sales and Marketing.

75) Can we see the current menus?

Please visit www.nashvillemusiccitycenter.com/food-beverage for menus.

76) Is the RFP requesting a management fee proposal or a commission proposal or both?

Management Fee. Please reference page 20 of the RFP

77) What operational cost are handled by MCC?

Repair and Maintenance expenses are funded through the F&B Repair and Maintenance Reserve. Select general office expenses are charged back to the incumbent on a monthly basis.

78) Are there any shared employees between MCC and provider?



No, however please note the catering sales team reports to the Vice President of Sales and Marketing at the MCC.

79) Do you typically contract food services out to vendors or handle things in-house?

Food services has been contracted since the inception of the Music City Center. However, please reference page 4 of the RFP.