

OFFICIAL NOTICE NO. 6862

INVITATION TO SUBMIT PROPOSALS FOR THE
OPERATION OF A FIXED BASE OPERATOR FACILITY
AT GENERAL MITCHELL INTERNATIONAL AIRPORT
MILWAUKEE COUNTY, WISCONSIN

1. INVITATION

Milwaukee County (hereinafter referred to as "County") requests proposals from persons or firms ready, willing, and able to develop, manage, and operate a full-service, nonexclusive, fixed base operation which will provide support services as defined in this document for aeronautical users of General Mitchell International Airport (GMIA).

County seeks competitive proposals from prospective proposers interested in developing and managing a fixed base operation, stating the minimum amount of investment in GMIA and describing how the investment will enhance GMIA.

The public bidding statutes and ordinance are not applicable to the award of a fixed base operator agreement. County reserves the right, in its sole discretion, to reject any Proposer, which, in the County's opinion, does not possess adequate qualifications or financial resources. County reserves the right, in its sole discretion, to reject any or all proposals and advertise for new proposals or to waive minor irregularities and formalities and to negotiate with any party relative to its proposal before acceptance.

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

2. TERM OF THE AGREEMENT

The selected Proposer will be granted an initial twenty (20) year lease agreement with a negotiated option to extend the lease commensurate with the level of investment placed into the facility.

3. SCOPE OF REQUIRED FACILITIES AND OPERATIONS

During the term of the Agreement, Proposer will be required and obligated to perform the following aeronautical services: (1) the sale and into-plane delivery of aviation fuels and oils; (2) the parking, storage, and tie-down of transient and based aircraft within and to the reasonable capacity of the Leased Premises; (3) ramp assistance; (4) light maintenance; and (5) such minor repair and cabin services as may be performed efficiently on Lessee's premises. Lessee shall make all such services available twenty-four (24) hours a day, seven (7) days a week and may charge a fair and reasonable charge for such services.

During the term of the Agreement, Proposer will be granted the nonexclusive right to perform commercial aeronautical services at the Airport including but not limited to:

- (a) Major Airframe and Engine Maintenance, including an adequate inventory to properly and efficiently perform such services.
- (b) The operation of a Federal Aviation Administration-approved flight school.
- (c) Aircraft Rental and/or Lease.
- (d) Aircraft Charter and Air Taxi.
- (e) Aircraft Sales.
- (f) Propeller, Instrument, and Avionics Sales and Service.
- (g) Specialized Commercial Flying Services which shall comprise:
 - (i) Sightseeing Flights;
 - (ii) Aerial Photography or Survey, Firefighting, Power Line and Pipe Line Patrol, and Traffic Reporting;
 - (iii) Aerial Ambulance Service;
 - (iv) Air freight (excluding hazardous materials and explosives).
- (h) De-icing of general aviation and commercial aircraft.
- (i) Ground handling for passenger and cargo aircraft.
- (j) Into-plane fueling services for commercial carriers and cargo aircraft.
- (k) Other aeronautical services demanded or requested by aircraft owners and operators from fixed base operators.

In the performance of such services, Proposer shall be governed by the "Schedule of Minimum Standards for

Commercial Aeronautical Activities on Milwaukee County's Airports" as adopted by County's Board of Supervisors on July 12, 1966, under File No. 66-578, and as amended October 2003, March 2010, and April 2013. Proposer will agree to faithfully comply with said Minimum Standards as they now exist or as the same may be hereafter amended, modified, or otherwise changed by said Board.

4. LEASE REQUIREMENTS OF AVAILABLE LAND

Proposer shall submit a proposal that includes the use and rental of two (2) parcels:

Parcel 1 is an area along Howell Avenue located within the Northwest Hangar Area and General Aviation Support Area of General Mitchell International Airport. The parcel has both landside and airside access. The airport constructed a concrete aircraft ramp in 2009. This improved parcel is owned by Milwaukee County. Parcel 1 contains a parking area of 42,435 s.f. and a leased square footage of 168,532 s.f.

Parcel 2 is an area with access along Layton Avenue located within the Northwest Hangar Area and General Aviation Support Area of General Mitchell International Airport. The parcel has both landside and airside access. Parcel 2 contains a leased square footage of 281,908 s.f.

The parcel contains a hangar and associated improvements that are owned by Skyway Airlines, Inc., and is being offered for sale or lease through Dufek Realty. Contact information for Dufek Realty is as follows:

Mr. Bob Dufek
414-961-0496 (office)
414-333-2974 (cell)
bobdufek@att.net

Specifications associated with the associated hangar can be found at the following web address:

<http://www.dufekrealty.com/PDFs/401ELayton.pdf>

A layout of the parcels is included as an exhibit to the attached Draft Informational Agreement.

The following schedule of rentals are applicable for the following areas leased under the agreement (fixed rentals

will be adjusted in the final agreement by a percentage increase based upon the most current Consumer Price Index [All Urban Consumers] and will be subject to adjustment July 1 of each subsequent year of the Agreement.):

- (a) Sixteen and 51/100 Cents (16.51¢) per square foot per annum of unimproved land leased.
- (b) Eleven and 03/100 Cents (11.03¢) per square foot per annum of improved land leased.
- (c) In addition to the above mentioned rents, the successful Proposer shall make payments associated with the local share of the Parcel 1 concrete ramp reconstruction completed in 2009 for the purpose of leasing the ramp to a long-term fixed base operation. Therefore, an additional payment of One Thousand Four Hundred Eighty-Four and 90/100 (\$1,484.90) per month for the recovery of the airport's local investment in the concrete ramp located on Parcel 1 will be required beginning on the commencement date of the agreement and ending Twenty (20) years thereafter.
- (d) Seven Cents (\$0.07) per gallon for all aviation gasoline and turbine fuels delivered to fixed base operator's fuel tanks on GMIA and Six Cents (\$0.06) per gallon for aviation oils delivered to fixed base operator's storage tanks on GMIA. These flowage fees are subject to adjustment at any time by the Milwaukee County Board of Supervisors, and the fixed base operator shall be required to pay such adjusted fees as established by the County Board.
- (e) Seventy-five percent (75%) of any landing fees collected if and when such fees are imposed by County.

5. RIGHT OF ACCESS TO FUEL PIPELINE

All fixed based operators in compliance with County's Schedule of Minimum Standards shall have the opportunity to access the fuel pipeline of Equilon Enterprises for the purpose of purchasing Jet A fuel. AvGas equipment required by the Minimum Standards shall be placed within the leased premises noted above.

6. INVESTMENT REQUIRED

County is requiring that the selected Proposer make a financial investment in year one (1) and year ten (10) of the agreement that will provide appropriate customer facilities and enhance GMIA. The proposed enhancement shall include the construction of new facilities in year one (1) and an update to the facilities in year (10) of the agreement.

The cost of all leasehold improvements shall be amortized on a straight-line basis over a twenty (20) year period, or the remaining portion of the twenty (20) year term. A certified cost statement(s) shall be submitted to the Airport Director, accompanied by the original or duplicate paid invoices for inclusion in the amortization schedules.

Title to any and all fixed improvements installed by selected Proposer shall remain vested in selected Proposer during the term of the agreement to be awarded. At the expiration or termination of the agreement to be awarded, title to all fixed improvements shall vest in the County.

County is further requiring that the selected Proposer secure a lease commitment or the purchase commitment of the Skyway Airlines, Inc. facilities located on Parcel 2 described above.

7. INVESTMENT BUYOUT PROVISIONS

At agreement expiration or, if the agreement to be awarded is terminated for reasons beyond the control of the selected Proposer, County agrees that, as a condition precedent to obtaining a successor fixed base operator, the successor fixed base operator shall be required to purchase from the selected Proposer the leasehold interest in the unamortized investment in the fixed improvements constructed or installed under this agreement. In any case, all investments made by the Proposer shall be fully amortized at the end of the 20-year term, unless other terms and conditions have been approved by the County.

8. SERVICES PROHIBITED

- (a) Operation of an aircraft salvage yard, or the storage and resale of aircraft parts and supplies not normally needed for a standard inventory.
- (b) Scheduled air passenger transportation of any sort.

9. SERVICES AND FACILITIES TO BE PROVIDED BY COUNTY

- (a) Runway and taxiway system.
- (b) Airport maintenance as specified on Exhibit B of the Informational Draft Agreement for a Fixed Base Operation.

10. OTHER REQUIREMENTS AND PROVISIONS APPLICABLE TO FIXED BASE OPERATOR

The following is a partial listing of the fixed base operator's obligations under the more detailed provisions of the attached Informational Draft Agreement, which is subject to further change, revision and/or negotiation:

- (a) The operation and maintenance of its fixed base operations within its leased premises.
- (b) Maintenance and repair of the premises.
- (c) Employment of trained personnel.
- (d) Payment of all utility bills and meter charges for the utility services used by it.
- (e) Payment all of taxes assessed against fixed base operator's furnishings, equipment, and supplies.
- (f) Obtain and payment for all permits, licenses, or other authorizations required by authority of law in connection with the operation of its business at GMIA.
- (g) Compliance with all applicable federal, state, and local laws, regulations, and ordinances, including the rules and regulations governing the use and operation of GMIA, including the County's Minimum Standards for Commercial Aeronautical Activities on Milwaukee County's Airports for commercial operations as they

exist or as they are amended from time to time.

11. INSURANCE REQUIREMENTS

Provide insurance covering all operations under the fixed base operator agreement with minimum limits as follows:

Comprehensive General Liability	
Bodily injury & Property Damage (Including Personal Injury, Fire, Legal & Contractual & Products/Completed Operations)	\$25,000,000 per Occurrence \$25,000,000 General Aggregate
Aircraft Liability	
Each Occurrence	\$5,000,000
Hangar Keepers' Liability	
Each Aircraft	\$25,000,000
Each Loss	\$25,000,000
Owned Aircraft	
Each Occurrence (Where Applicable)	\$25,000,000.00
Automobile Liability	
All Autos and/or Non-Owned Bodily Injury and Property Damage Insured/Under-insured per Wisconsin Statutes Owned Aircraft	\$1,000,000.00 per Accident
Workers Compensation (WI)	
Or Proof of All States Coverage Employers Liability Environmental Impairment	per Wisconsin Statutes
Liability Insurance	
Each Occurrence	\$3,000,000

12. RECEIPT AND EVALUATION OF PROPOSALS

Award of the agreement will be based on information supplied by Proposer in response to the attached Qualification and Business Information Questionnaire and the Investment Proposal. A selection committee will review the information submitted, using the following criteria:

- (a) Experience and Qualifications: Proposer's ability to provide a quality fixed base operation.

Weight - 20%

- (b) Financial Capability: Proposer's ability to provide financing to operate and manage a quality fixed base operation.

Weight - 20%

- (c) Capital Development Plan for the New FBO Facility

Weight - 20%

- (d) Business and Management Plan

Weight - 20%

- (e) Listing of services to be provided

Weight - 20%

Proposer is advised that any action of the authoritative County agency in awarding a contract does not of itself create a contract. Any proposal made in response to this invitation is made with the understanding that no contract exists until execution, approval, and delivery of a formal contract or other form of official acceptance has taken place.

13. QUALIFICATION REQUIREMENTS

During the past five (5) years, qualified Proposer must have been engaged in the operation and management of a commercial aeronautical operation on an airport. Proposer must present evidence that it is qualified and has the necessary facilities, equipment, experience and financial resources to fulfill the requirements of the specifications of this invitation. In order to provide County with the necessary information, the selected Proposer must submit the information required in the attached Qualification Forms. Proposals will not be accepted from entities already operating under a Based Operator agreement as of the date of this Official Notice.

14. NO PROPOSAL FROM DEFAULTED OR EXISTING OPERATORS

Proposals will not be accepted from any Proposer that is in arrears or is in default to the County upon any debt or contract or that is or was a defaulter as surety or otherwise, upon any obligation to County or has failed to perform faithfully any previous contract with County or has refused to enter into an agreement with the County after having been awarded same. Proposals will not be accepted from existing fixed based operators who are currently a party to a fixed base operator agreement with County.

15. FILING PROPOSAL DOCUMENTS

Proposer must submit five (5) copies of the proposal documents for evaluation purposes.

Proposals must be submitted before 1:00 p.m. on September 19, 2013 in a sealed envelope clearly marked on the outside as follows:

OFFICIAL NOTICE NO. 6862
PROPOSAL FOR THE OPERATION OF A FIXED BASE OPERATOR
FACILITY AT GENERAL MITCHELL INTERNATIONAL AIRPORT

County Clerk
County of Milwaukee
Room 105, Courthouse
901 N. Ninth Street
Milwaukee, WI 53233

Submission of a proposal shall constitute a valid offer which may be accepted by the County for a period of one hundred twenty (120) days following the date specified for submission of proposals. County reserves the right, at its sole discretion, to enter into negotiations with any proposer. Proposers may withdraw previously submitted proposals up to the filing deadline, without penalty. Withdrawal of a proposal after the filing deadline will result in forfeiture of the proposal guaranty.

16. FORMS TO BE COMPLETED AND ACCOMPANY PROPOSAL

- (a) Qualification and Business Information Questionnaire (attached)
- (b) Investment Proposal (attached)
- (c) Cashier's Check, Certified Check, or Bid Bond in the amount of Ten Thousand Dollars (\$10,000.00)

17. PROPOSAL GUARANTY

Each proposal must be accompanied by a Cashier's Check, Certified Check, or Bid Bond payable without condition to Milwaukee County in the amount of Ten Thousand Dollars (\$10,000.00). The proposal guaranty may be held by Milwaukee County for a period no longer than one hundred twenty (120) days after September 19, 2013, after which the proposal security will be returned to all Proposers, except the successful Proposer, which security will be held until an agreement has been executed. Proposer understands that it shall forfeit the Proposal Guaranty if Proposer fails or refuses to execute an agreement has within one hundred twenty (120) days after September 19, 2013.

18. EXPENSES

All expenses incurred by Proposer in preparing its response to the invitation and in seeking award of this contract shall be borne solely by Proposer.

19. CONFLICT IN LANGUAGE

This Invitation to Submit Proposal contains a summary of some of the more important provisions of the attached Informational Draft Agreement. It is not intended to be all inclusive. County reserves the right, at its sole discretion, to add terms or to remove terms from the Informational Draft Agreement. For further details see the attached Informational Draft Agreement. In the event of any discrepancy between this Information to Proposers and the Informational Draft Agreement, the terms of the Agreement shall prevail. In the event of any inconsistencies between the Informational Draft Agreement and any Final Agreement drafted by the County and signed by the parties, the terms of the Final Agreement shall prevail.

20. SUCCESSFUL PROPOSER'S REFUSAL TO ENTER INTO AGREEMENT

In the event of a default of the successful Proposer or its refusal to enter into an agreement, County reserves the right, in its sole discretion, to accept the proposal of any other Proposer and make an award of contract to such Proposer, or to negotiate for the modification of any proposal with the Proposer or to reject all proposals.

21. INFORMATION

Any questions or comments regarding this invitation may be addressed in writing to:

Steven A. Wright, A.A.E.
Airport Properties Manager
General Mitchell International Airport
5300 S. Howell Ave.
Milwaukee, WI 53207-6189
swright@mitchellairport.com
FAX: 414-747-4525

Responses to questions or comments will be distributed to all interested parties in the form of an addendum to the proposal document.

22. PROJECTED TIMETABLE FOR SELECTION AND AWARD

09/3/13	Advertise for proposals
09/19/13 @ 1:00 p.m.	Proposals due
09/27/13	Complete evaluation and interviews
10/23/13	Recommend approval of selected proposer to Transportation & Public Works Committee
11/07/13	County Board approval
Winter/Spring 2014	Complete contract negotiations
Spring 2014	Agreement executed, construction of facilities, term begins

23. PROTEST AND APPEAL

Written protests or appeals must be received no later than three (3) working days after Proposer's receipt of the written notification of the status of the agreement award. Protest and appeal reviews will be conducted in accordance with Milwaukee County General Ordinances Chapter 110.

24. CONTRACTOR CONDUCT

If there is a Request for Proposal (RFP) or an Invitation to Submit a Proposal (ISP) associated with this Lease, during the time that the RFP or ISP is in process, i.e. from the date an RFP is issued by Milwaukee County to the date Contractor is selected and a contract is executed, if applicable, no gratuities of any kind may or will be accepted by any County employee or official from the Proposer's or Lessee's employees, agents or representatives including contributions, meals, gifts or trips, except as provided for as reference site visitations and/or during oral presentations and finalist evaluations. Violation of these conditions will constitute immediate disqualification and termination of this Lease.

25. CODE OF ETHICS

Lessee hereby attests that it is familiar with Milwaukee County's Code of Ethics which states, in part:

No person may offer to give to any County Officer or employee or his/her immediate family, and no County Officer or his/her immediate family may solicit or receive anything of value pursuant to an understanding that such officers or employees vote, official action or judgment would be influenced thereby.

During the period of this Lease, Lessee shall not hire, retain or use for compensation any member, officer, or employee of the County or any person who, to the knowledge of Contractor, has a conflict of interest.

26. GENERAL DESCRIPTION OF AIRPORT AND MILWAUKEE REGION

General Mitchell International Airport is a facility of approximately 2,119 acres located in the cities of Milwaukee and Oak Creek; County of Milwaukee; State of Wisconsin; approximately eight (8) miles south of downtown Milwaukee and thirteen (13) miles south-southeast of Lawrence J. Timmerman Airport. It is a commercial service, medium-hub airport with a configuration and facilities map as shown on Exhibit B. GMIA was opened in 1920 and has been owned and operated by Milwaukee County since October 29, 1926.

According to 2010 census information, the population of the Milwaukee Standard Metropolitan Statistical Area (SMSA), which includes the counties of Milwaukee, Ozaukee, Washington, and Waukesha, was 1,555,908. This was a 8.60% increase from the 2000 census data.

Aside from General Mitchell International Airport and Lawrence J. Timmerman Airport, there are no other publicly owned airports within Milwaukee County. Several publicly owned airports exist in counties adjacent to Milwaukee County. General Mitchell International Airport is located within the southern portion of the county among an established and growing commercial and industrial area close to railroad, water port, and interstate access.

At last count, there were approximately 150 aircraft based on Milwaukee County's airports, an estimated 63 of which are at GMIA. According to fuel flowage statistics furnished by the present fixed base operator and other operators, general aviation fuel receipts in 2012 at GMIA were 2,121,039.00 gallons for Jet A fuel and 40,737.00 gallons for 100LL fuel. Airline fuel receipts totaled 61,788,261 gallons for 2012 with a five year-average of 75,673,683 gallons per year.

Airport operations recorded by the 24-hour-per-day FAA Control Tower in 2012 were 133,366 and were reported in the following categories:

Air Carrier Large (over 110 seats)	66,566
Air Carrier Small	50,078
GA/Civil	14,951
Military	1,771

In the same year, Lawrence J. Timmerman Airport recorded 30,832 operations. Other historical data can be found at:

<http://www.mitchellairport.com/airport-information/facts-and-stats>