

REQUEST FOR PROPOSALS

SEPTEMBER 1993



COTTONWOOD AIRPORT - FIXED BASED OPERATOR



PUBLIC NOTICE

THE CITY OF COTTONWOOD IS REQUESTING PROPOSALS BE SUBMITTED FOR FIXED BASED OPERATOR SERVICES AT THE COTTONWOOD MUNICIPAL AIRPORT. REQUEST FOR PROPOSAL PACKETS CAN BE OBTAINED AT THE COTTONWOOD COMMUNITY DEVELOPMENT DEPARTMENT, 821 NORTH MAIN STREET, COTTONWOOD, AZ 86326. PROPOSALS MUST FOLLOW THE OUTLINE PRESENTED IN THE RFP PACKET. PROPOSALS SHALL BE SUBMITTED TO THE CITY CLERK, CITY OF COTTONWOOD, 827 NORTH MAIN STREET, COTTONWOOD, AZ 86326. PROPOSALS MUST BE SUBMITTED BY OCTOBER 7, 1993 AT 5:00 P.M. NO LATE PROPOSALS WILL BE ACCEPTED.

PUBLISH V.I. SEPT. 17, 1993  
PUBLISH AZ REPUBLIC SEPT. 16, 1993

## BACKGROUND INTRODUCTION

The City of Cottonwood is the owner of the Cottonwood Municipal Airport. The City of Cottonwood currently has an operations agreement with Cottonwood Airpark Inc., a private corporation, to operate, maintain and control the airport. By mutual agreement with Cottonwood Airpark Inc., the City is seeking proposals to provide fixed based operations of the Cottonwood Airport, in accordance with this request for proposals, and upon acceptance of a proposal, terminate the current agreement with Cottonwood Airpark Inc. A copy of said agreement for termination with Cottonwood Airpark Inc. is included herein as Attachment "A".

This request for proposal outlines the services required to be performed by anyone responding to the request. The request also provides any respondent an opportunity to propose other services beyond those minimum services required herein.

## OBJECTIVE

The objective for this request for proposals is to seek proposals from private persons, companies, partnerships, or corporations for daily operations of the Cottonwood Airport as herein after set forth.

## SCOPE OF REQUIRED SERVICES

- 1) The operator will be required to rent a portion of the cottonwood airport terminal in accordance with the Airport Terminal Lease Agreement included herein as Attachment "B".
- 2) To inspect the airport facilities daily, with written documentation thereof on a form mutually agreed upon, and to take immediate steps to correct any condition that would effect the safety of the aircraft or persons using the airport, and notify the appropriate parties when necessary.
  - A) This includes a daily inspection of the airport beacon, runway lighting system, lighted wind cone, and approach lighting (PAPI).
- 3) Provide maintenance for airport facilities owned by the operator, and to replace and repair, at its expense, any equipment owned by the operator.
- 4) To inspect and operate appropriately all capital equipment owned by the City of Cottonwood such as base radio, wind speed indicator, wind direction indicator, wind socks. The city will be responsible for the repair and replacement of these items as necessary.

- 5) The operator is responsible to replace all bulbs involved in the runway lighting system and beacon.
- 6) Maintenance of the fuel pumps and fuel delivery system is the responsibility of the operator. The city will provide annual tank testing and leak detection in accordance with ADEQ requirements.
- 7) Operator shall carry liability including hangar keepers and product liability insurance protecting the City with such companies as approved by the City in an amount not less than Ten Million Dollars.
- 8) To enforce all City, County, State, and Federal or other governmental regulations affecting the use and operation of the airport in cooperation with the city.
- 9) To maintain records of all business associated with any agreements with the city and establish appropriate accounting systems, which shall be available for inspection by the city at reasonable times.
- 10) Maintain tie down equipment.
- 11) Operator shall be responsible for keeping adequate supplies of aviation fuel in a type and amount as may be specified from time to time by the city. The operator shall be responsible for providing and maintaining fuel truck, at its expense, to eliminate the need for aircraft to taxi to the existing fuel farm facilities. The operator is solely and strictly responsible for the maintenance of fuel quality and cleanliness.
- 12) Operator will man the unicom radio station and provide fuel service during all business hours being a minimum of 8:00 A.M. to 5:00 P.M., six days per week. Operator shall strictly follow the rules of operation as required by the FAA, State, City or other appropriate regulatory agency.
- 13) Actively participate in airport association meetings and seminars.
- 14) Cooperate and participate with the city in all airport advance planning and grant application processes.
- 15) Serve as the community's representative for the Airport, perform public relations as appropriate, staff the Municipal Airport phone line. Work closely with pilots and airport user associations.

### COMPENSATION FOR OPERATOR SERVICES

- 1) In return for the services provided above, the operator shall be entitled to the following revenues:
  - A) The operator will receive all revenues from the sale of aviation fuel less any amount proposed herein by the operator as an "override" to be paid to the city to enhance the proposal. All taxes associated with the sale of fuel will be the responsibility of the operator. City must approve the price charged for fuel.
  - B) The operator will receive all revenues from the rental of the open tie down spaces. Tie down space is currently rented at \$25.00 per month and there are currently 44 open tie down spaces available. Tie down space rent must be approved by the City of Cottonwood. The operator shall be responsible for the collection of tie down rent and all record keeping associated there with.

### CITY RESPONSIBILITIES

- 1) The City shall keep the "Building Restriction Zones" (as defined by the FAA) clean and free of weeds and debris.
- 2) The City shall maintain, repair, and replace as necessary the paved portions of the airstrip, taxiways and tie down parking areas to FAA standards.
- 3) The City will serve as the Airport Manager in coordination with the Operator.
- 4) The City will be responsible for major maintenance, repair, and replacement of facilities and equipment not otherwise covered as responsibility of the operator as part of this R.F.P.
- 5) The City will pay the electric utility bill for the runway and associated lighting at the airport.

### SUBMISSION INSTRUCTIONS

- 1) All proposals shall be submitted in the following format:
  - A) Brief introduction letter identifying the company and your interest in the Cottonwood Airport Fixed Based Operator responsibilities.
  - B) Identification of company personnel who would be involved, their qualifications, and a description of what they would specifically be doing.

- C) A narrative explanation of how your company can meet the required scope of services described herein. This should demonstrate your understanding of the responsibilities.
  - D) A description of any airport related services your company intends to provide beyond those required herein. This should include a brief description of the service along with an explanation of your company's experience and ability to provide such a service.
  - E) A proposal for aircraft fuel sales as to a per gallon "override" you would provide to the City.
  - F) A current financial statement for your company.
- 2) Proposals shall be submitted in a sealed envelope with the following written clearly on the outside of the envelope "Proposal- Cottonwood Airport, Fixed Based Operator".
  - 3) Proposals shall be submitted to the City Clerk, City of Cottonwood, 827 North Main Street, Cottonwood, Arizona 86326, and will be accepted until October 7, 1993 at 5:00 P.M. No late proposals will be accepted.
  - 4) The City of Cottonwood will accept the proposal which is deemed in the best interest of the City of Cottonwood, and the Cottonwood Municipal Airport.
  - 5) The City reserves the right to reject any or all proposals and to waive any formalities therein.

ATTACHMENT "A"

AGREEMENT

THIS AGREEMENT entered into this 7 day of SEPTEMBER, 1993, by and between the CITY OF COTTONWOOD, A Municipal Corporation, hereinafter referred to as "the City"; and COTTONWOOD AIRPARK, INC., an Arizona Corporation, hereinafter referred to as "Operator".

W I T N E S S E T H

THAT WHEREAS, the parties heretofore on the 10th day of March, 1985, entered into an Agreement whereby Operator was to operate the Cottonwood Airport; and

WHEREAS, both parties now deem it advantageous that the City advertise a request for proposals whereby the City can solicit proposals from third parties for the operation of the airport; and

WHEREAS, it is necessary that the agreement of March 10, 1985, remain in full force and effect in accordance with its terms while proposals are solicited for the operation of the airport.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. That the City will advertise for request for proposals to operate the Cottonwood Municipal Airport.

2. That the Operator agrees that the Operation Agreement dated March 10, 1985, between the City and Operator shall remain in full force and effect during the time the City advertises for requests for proposals as aforesaid.

3. It is mutually agreed by the parties that should a request for proposal for operation of the airport be submitted to the City which is acceptable to the City and a contract for

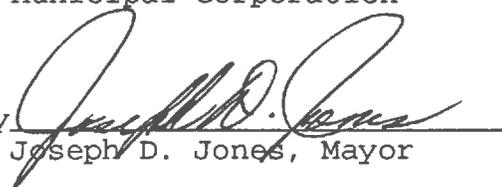
operation of the airport entered into between the City and a third party, that the Operation Agreement of March 10, 1985, between the City of Cottonwood and the Cottonwood Airpark, Inc. shall immediately be terminated and neither party shall be under further obligation to the other by reason thereof, subject only to Operator's right to remove any personal property or inventory from the premises within a reasonable period of time.

4. Should no request for proposal be received by the City for operation of the airport which is acceptable to the City, the Agreement of March 10, 1985, between the parties shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

CITY OF COTTONWOOD,  
A Municipal Corporation

By

A handwritten signature in cursive script, appearing to read "Joseph D. Jones", written over a horizontal line.

Joseph D. Jones, Mayor

ATTEST:

Marianne J. Kistner

Marianne J. Kistner  
City Clerk

APPROVED AS TO FORM:

[Signature]  
Mangum, Wall, Stoops & Warden  
City Attorneys

COTTONWOOD AIRPARK, INC.

By [Signature]  
Its [Signature]

STATE OF ARIZONA        )  
                                  :    ss.  
COUNTY OF Yavapai     )

The foregoing instrument was acknowledged before me this  
10<sup>th</sup> day of SEPTEMBER, 1993, by JACK SEITZ as  
the VICE PRESIDENT of COTTONWOOD AIRPARK, INC., for and on behalf  
of said corporation.

Marianne J. Kistner  
Notary Public

My Commission Expires:  
My Commission Expires Sept 25, 1995

## ATTACHMENT "B"

AMENDMENT TO OPERATING AGREEMENT  
DATED MARCH 10, 1985  
BETWEEN THE CITY OF COTTONWOOD  
AND  
COTTONWOOD AIRPARK, INC.

COMES NOW the CITY OF COTTONWOOD, a municipal corporation, and COTTONWOOD AIRPARK, INC., an Arizona corporation, and agree that the operating agreement with an effective date of the 10th day of March, 1985, by between the CITY OF COTTONWOOD and COTTONWOOD AIRPARK, INC. be amended as hereinafter set forth.

WITNESSETH

THAT WHEREAS, the parties hereto entered into an operating agreement for the Cottonwood Municipal Airport on the 10th day of March, 1985, and

WHEREAS, at the time of said agreement, the City of Cottonwood was legally designated as a "Town", and

WHEREAS, the City of Cottonwood is now a "City",

NOW, THEREFORE, it is agreed by the parties that the operating agreement of March 10, 1985, be amended to substitute the word "City" for the word "Town", wherever the word "Town" appears in said operating agreement.

It is further understood and agreed by the parties hereto that the operating agreement of March 10, 1985, be amended to provide for the operation and maintenance of a terminal building to be constructed upon the airport property. That said amendment shall be accomplished through the insertion of the following language:

2. AIRPORT TERMINAL BUILDING.

THE "CITY" SHALL PROVIDE, UPON COMPLETION OF CONSTRUCTION, AN AIRPORT TERMINAL BUILDING FOR THE "OPERATOR'S" USE, UNDER THE FOLLOWING CONDITIONS:

- a. THE CITY WILL MAKE AVAILABLE APPROXIMATELY 20% OF THE AIRPORT TERMINAL BUILDING TO THE OPERATOR FOR AIRPORT OFFICE, VENDING AREA, AND AIRPORT OPERATIONAL RELATED USES. THE REMAINING 80% OF THE AIRPORT TERMINAL BUILDING SHALL REMAIN AVAILABLE TO THE CITY FOR USE FOR PUBLIC PURPOSES ASSOCIATED WITH THE AIRPORT OPERATION.
- b. THE "OPERATOR" SHALL BE RESPONSIBLE FOR SUPERVISION OF MAINTENANCE OF THE INTERIOR OF THE BUILDING AND FOR 20% OF OPERATIONAL AND MAINTENANCE COSTS (INCLUDING NORMAL JANITORIAL SUPPLIES) ASSOCIATED WITH THE INTERIOR OF THE BUILDING, INCLUDING UTILITY COSTS. THE "CITY" SHALL BE RESPONSIBLE FOR 80% OF OPERATIONAL AND MAINTENANCE COSTS ASSOCIATED WITH THE INTERIOR OF THE BUILDING. THE "CITY" AGREES TO PAY FOR EQUIPMENT REPLACEMENT COSTS FOR SUCH ITEMS AS AIR CONDITIONING, HEATER, HOT WATER HEATER, ETC.
- c. THE "CITY" AGREES TO MAINTAIN THE EXTERIOR OF THE AIRPORT TERMINAL BUILDING INCLUDING LANDSCAPING AND PARKING AREAS.
- d. THE "OPERATOR" SHALL PAY THE "CITY" THE AMOUNT OF \$2,911.20 AS ANNUAL REIMBURSEMENT IN ADVANCE ON THE FIRST DAY OF EACH CALENDAR YEAR, WITH THE FIRST YEAR OF OCCUPANCY BEING PRORATED ACCORDINGLY (EXACT AMOUNT TO BE DETERMINED AT FINAL ACCEPTANCE OF NEW AIRPORT TERMINAL BUILDING CONSTRUCTION), AS REIMBURSEMENT FOR ITS USE OF 20% OF THE TERMINAL BUILDING FOR THE

AIRPORT OFFICE AND AIRPORT OPERATION RELATED USES. AFTER 10 YEARS THIS MONTHLY USE FEE WILL BE RENEGOTIATED.

e. HOLD HARMLESS - "OPERATOR" SHALL INDEMNIFY, PROTECT AND SAVE HARMLESS THE "CITY" FROM ANY UNINSURED CLAIM AND LIABILITY INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN DEFENDING ANY CLAIM OR LIABILITY FOR DEATH AND INJURY TO PERSONS OR DAMAGE TO PROPERTY CAUSED DIRECTLY AND SOLELY BY;

1. ANY DANGEROUS, HAZARDOUS OR UNSAFE CONDITION OF THE AIRPORT TERMINAL BUILDING, WHICH MAY EXIST BY REASON OF ANY ACT, OMISSION OR NEGLECT OF OR BY ANY USE OR OCCUPATION OF AIRPORT PROPERTY BY "OPERATOR", ITS AGENTS, EMPLOYEES, LICENSEES, PERMITEES OR INVITEES;

2. ANY OPERATION CONDUCTED UPON OR ANY USE OR OCCUPATION OF THE AIRPORT TERMINAL BUILDING BY "OPERATOR", ITS AGENTS, EMPLOYEES, LICENSEES, PERMITEES OR INVITEES PURSUANT TO THE PROVISIONS OF THIS AGREEMENT, OR OTHERWISE;

3. ANY ACT, OMISSION OR NEGLIGENCE OF "OPERATOR", ITS AGENTS, EMPLOYEES, LICENSEES, PERMITEES OR INVITEES;

4. ANY FAILURE OF "OPERATOR", ITS AGENTS, EMPLOYEES, LICENSEES, PERMITEES OR INVITEES TO COMPLY WITH ANY APPLICABLE FEDERAL, STATE OR MUNICIPAL LAW, ORDINANCE, RULE OR REGULATION NOW IN FORCE OR WHICH MAY HEREAFTER BE IN FORCE, INCLUDING BUT NOT LIMITED TO THE USE AND DISPOSAL OF ALL WASTE MATERIAL OR BY-PRODUCTS AND/OR OTHER REGULATED OR HAZARDOUS MATERIAL AND SUBSTANCE ("HAZARDOUS MATERIAL) USE OR STORED IN THE AIRPORT TERMINAL BUILDING.

f. LIABILITY INSURANCE.

1. "OPERATOR" AGREES TO PROVIDE, PAY FOR AND MAINTAIN DURING THE TERM OF THIS AGREEMENT, LIABILITY INSURANCE IN THE AMOUNT OF \$1,000,000.00 FOR EACH OCCURRENCE AND \$1,000,000.00 AGGREGATE, ALL OF WHICH POLICIES OF INSURANCE SHALL NAME THE "CITY" AS ADDITIONAL INSURED. "OPERATOR" AGREES TO FURNISH THE "CITY" WITH CERTIFICATES OF INSURANCE OR OTHER EVIDENCE THAT SUCH INSURANCE IS IN EFFECT PRIOR TO COMMENCEMENT OF THE TERMS OF THIS AGREEMENT. "OPERATOR" SHALL FURTHER PROCURE AN ENDORSEMENT ON THIS COVERAGE REQUIRING THE INSURER TO GIVE THE "CITY" AT LEAST THIRTY DAYS WRITTEN NOTICE PRIOR TO ALTERATION, AMENDING, CANCELING OR IN ANY MANNER AFFECTING THE COVERAGE. "OPERATOR" SHALL PROVIDE THE "CITY" WITH A CERTIFICATE OF INSURANCE EVIDENCING THIS COVERAGE.

2. NO USE SHALL BE MADE OF THE AIRPORT TERMINAL BUILDING, NOR ACTS DONE, WHICH WILL INCREASE THE EXISTING RATE OF INSURANCE UPON THE SITE WHERE THE AIRPORT TERMINAL BUILDING EXISTS, OR CAUSE THE CANCELLATION OF ANY INSURANCE POLICY COVERING THE AIRPORT TERMINAL BUILDING.

3. "OPERATOR" SHALL NEITHER SELL, NOR PERMIT TO BE KEPT, USED, OR SOLD, IN OR ABOUT THE AIRPORT TERMINAL BUILDING AND SURROUNDING PARKING AREAS, ANY ARTICLES WHICH ARE PROHIBITED BY THE STANDARD FORM OF FIRE INSURANCE POLICIES FOR BUILDINGS LIKE THE AIRPORT TERMINAL BUILDING.

4. THE CITY WILL PROCURE AT ITS EXPENSE FIRE, CASUALTY AND ANY OTHER INSURANCE IT DEEMS NECESSARY TO PROTECT ITS INTEREST IN THE AIRPORT TERMINAL BUILDING.

That a copy of the amended operating agreement incorporating the changes herein agreed upon by the parties is attached hereto as Exhibit "A" and made a part hereof by reference.

That the operating agreement of March 10, 1985, except as herein amended, is ratified and confirmed by the parties and upon execution of this agreement by the parties hereto, the parties will execute an amended operating agreement in the form as attached hereto as Exhibit "A".

That this amendment shall not operate to alter in any manner any rights, liabilities or obligations of the parties hereto under the operating agreement of March 10, 1985, except as herein specifically provided.

It is further understood and agreed by the parties hereto that in view of the fact that the terminal building which is the subject of this amended operating agreement is being constructed in part with funds administered by the Arizona Department of Transportation Aeronautics Division, that this agreement and the amendment to the operating agreement are subject to the approval of said entity as well as conditions which may be imposed by the State of Arizona.

IN WITNESS WHEREOF, the parties have hereunto set their hands this \_\_\_\_ day of \_\_\_\_\_, 1992.

ATTEST:

CITY OF COTTONWOOD,  
a municipal corporation

\_\_\_\_\_  
Manager/Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

COTTONWOOD AIRPARK, INC.

By *John W. Wall*  
Mangum, Wall, Stoops & Warden

By \_\_\_\_\_  
Its \_\_\_\_\_

APPROVAL:

STATE OF ARIZONA

By \_\_\_\_\_  
Arizona Department of Transportation  
Aeronautics Division