

# REQUEST FOR PROPOSALS

## Fixed Based Services at the Freeport-Albertus Airport Freeport, Illinois



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## **SECTION I: BACKGROUND AND GENERAL INFORMATION**

### **A. Purpose**

The City of Freeport ("City"), as owner and operator of the City of Freeport-Albertus Airport ("Airport"), is issuing this Request for Proposal ("RFP") for qualified parties ("Responders") interested in providing Fixed Base Services at The Freeport-Albertus Airport. This RFP document provides background and general information for Responders and is to be used as a guideline to develop a proposal by Responders. The successful Responder selected by the City is at times referred to herein as the "FBO".

### **B. Airport Location**

The Airport is located in northwestern Illinois and is approximately five miles southeast of the City of Freeport's center. Freeport is located 28 miles west of Rockford, IL and 65 miles southeast of Dubuque, IA, directly south of US-20. The Airport is located within Stephenson County.

The Airport is situated on approximately 432 acres of land, and the surrounding land is currently used primarily for agricultural purposes. The Airport elevation is 859 feet MSL.

### **C. Area Demographics**

The population of Freeport is 25,638 and the population of Stephenson County is 47,711.

Freeport is home to several large manufacturers including Tri-Star Metals, Snak King, Honeywell, and Titan Tire Company, as well as a number of mid-size manufacturers. Several insurance firms have significant offices in Freeport, including MetLife. The largest employer is The Freeport Health Network.

### **D. Airport**

The Airport has been in operation since 1945. It is a public use facility and is categorized as a general aviation facility.

The Airport sees approximately 25,000 annual operations. There are 65 based aircraft.

There are 58 t-hangars, three 4,000 square foot corporate hangars and one 10,000 square foot hangar.

There is presently a three-runway system in place at the Airport. Runway 6/24, the primary runway, is 5,504 feet long by 100 feet wide, and is constructed of bituminous concrete. It has a full ILS and MALSR. The other two runways, Runway 13/31 and 18/36, are both turf and do not have any lighting or navigational approach aides. Runway 13/31 is 2,285 feet long by 150 feet wide, and Runway 18/36 is 2,496 feet long by 150 feet wide.

### **E. Airport Development**

The FBO will be responsible in promoting the economic development of the Airport and work with the City Community & Economic Director and Deputy City Manager to promote and bring new business to the Airport.

### **F. Fuel Sales**

The City owns one 10,000-gallon underground fuel storage tank which-holds 100LL. Jet A Fuel is dispensed to aircraft via leased fuel truck and the 100LL is dispensed by self-service fuel pump. Fuel Flow Fee charge will be \$0.10/gallon.

The FBO will have access to two City owned hangars for their use in providing any of the required services included in Section II below. One hangar is 8,000 square feet and heated, and the other is 2,440 square feet. The FBO can also use up to three t-hangars when available, on an as needed basis, with the City's approval.

The City will provide the following equipment for use by the FBO. The FBO will be responsible for routine maintenance and repair of the equipment.

- a. For snow plowing:
  - One tandem axle plow truck with 12' front wing and 7' side wing.
  - One, one-ton truck with plow and tommy lift mounted to the back of the truck.
  - One truck mounted snow blower.
  - One 60" snow bucket mounted on a John Deere utility tractor.
- b. For grass mowing:
  - One John Deere utility tractor with wing mowers.
  - One International farm tractor with 3-point mount 6' mower and wing mowers.
- c. Other miscellaneous equipment

## SECTION II: FIXED BASE SERVICES (FBO)

### **A. Required Services**

The FBO must be able to provide the following minimum services:

1. Commercial aircraft fueling (100LL & Jet A) and oil dispensing. Jet A must be available via fuel truck. 100LL is available via self-service (with a card reader) for both local/based and transient customers. Jet A fuel must be offered within one year of entering into a contract with the City to operate as the FBO at the Airport.
2. Aircraft storage (tie-down and hangar facilities).
3. Aircraft ramp services (towing, parking guidance, etc.)
4. Maintenance, repair and servicing of aircraft.
5. Maintenance of airfield (mowing, snow removal).
6. Maintenance and minor repair (interior and exterior) of airfield buildings owned by the City.
7. Management and subleasing of space in hangars and tie-downs.
8. Operation of the fuel farm for the storage, handling and delivery of aviation fuel products.
9. Public facilities available for pilots and passengers (i.e. flight planning amenities, pilot lounge, passenger waiting area, courtesy car, etc.).
10. Emergency service to disabled general aviation aircraft (i.e. towing/transporting disabled aircraft).
11. Employment of the appropriate number of properly trained and/or certified personnel to provide satisfactory FBO services.
12. Maintenance and servicing of courtesy car.
13. Minimum hours of operation – attended year-round:
  - a. Monday-Friday (0800-1800)
  - b. Saturday (0800-1700)
  - c. Sunday (0800-1200)
14. Maintain a log of all visitors including the name, aircraft number, make and model of aircraft.

### **B. Optional Services**

The FBO may provide the following optional aeronautical services:

1. Flight Training.
2. Aircraft Rental.
3. Air Taxi/Charter.
4. Aircraft Sales.
5. Avionics Repair.
6. Specialized maintenance (upholstery, etc.).
7. Any other type of aeronautical service not listed.

The FBO may provide the following optional customer services:

1. Snack bar.
2. Miscellaneous retail (pilot supplies, promotional clothing, etc.)
3. Any other type of service not listed.

**C. Revenues**

The FBO shall propose revenue streams or customer services within their business plan which may include, but not be limited to:

1. Fuel sales subject to a flowage fee.
2. Flight training and aircraft rental fees.
3. Aircraft maintenance fees.

## SECTION III: SCOPE / QUALIFICATIONS

### **A. Minimum Qualifications**

To be eligible for consideration for the RFP, the Responder must meet the following minimum qualifications:

1. A minimum of five (5) years prior experience in the FBO business or an aviation commercial enterprise, or substantial equivalent.
2. Financial capability to operate as the FBO and provide the services required herein

### **B. Term of Agreement**

The City proposes a five (5) year agreement.

### **C. General Obligations**

The successful Responder will be responsible for complying with all terms and conditions contained within the negotiated agreement (see **Appendix A** for sample agreement) with the City, in addition to the Airport Rules and Regulations; all other Local, State and/or Federal laws, regulations and rules which may apply; and all applicable Federal Aviation Regulations (FARs).

The successful Responder must be an active legal entity, licensed to do business in the State of Illinois, within thirty (30) days of approval of the agreement by the City.

The successful Responder will maintain the following – all runways, taxiways, taxi lanes, ramps and any associated lighting/navigation aids owned by the City; parking lots and perimeter roads; on-site storm water facilities; and the equipment list provided in Section I, Part G. The City will provide the financial means for such maintenance and improvements.

### **D. Insurance**

Prior to the commencement of FBO operations, the successful respondent will obtain, carry and maintain at all times during the term of the agreement, at its sole cost and expense, all policies of insurance described below. All such policies of insurance shall show on their face that the FBO is a named insured and that the City is named as an additional insured. Such insurance shall include coverage against liability for death, bodily injury or property damage arising out of the acts or omissions of or on behalf of the FBO, its employees, agents, representatives, subcontractors or assigns, or involving any owned, non-owned, leased or hired vehicle in connection with any of the obligations or activities of the FBO, or of any of the equipment, and shall be in the following categories and amounts:

1. Comprehensive General Liability
  - a. \$5,000,000.00 each occurrence
2. Completed Operations/Products Liability
  - a. \$5,000,000.00 each occurrence
3. Hangar keeper's Liability
  - a. \$500,000.00 each aircraft
  - b. \$2,000,000.00 each loss

4. Premises Medical Payments
  - a. \$3,000.00 each person
  - b. \$15,000.00 each accident

All policies must include the City, its officers, agents, employees and volunteers as “Additional Insured” under its policies and must be endorsed to the applicable policy.

The insurance coverage and limits are set at the sole discretion of the City and are subject to change or revision as the need arises.

#### **SECTION IV: PROPOSAL CONTENTS**

All proposals shall contain the following items at a minimum:

##### **A. General Information**

1. Names and qualifications of corporate/company officers.
2. Company address/location(s) and other appropriate contact information.
3. Brief history of the company.
4. A full description of the Responder’s entity (corporation, partnership, etc.) and identification of all persons or parties who are owners, shareholders, members, officers in such entity, including a disclosure of all persons or entities having a beneficial interest in the proposal.
5. A statement signed by an authorized representative committing to provide the services described within the written proposal.
6. Proposed exceptions or suggested modifications to the sample agreement provided in **Appendix A**.

##### **B. Financial Fitness**

1. The Responder must be able to provide sufficient proof supporting the Responder’s financial ability to fulfill the obligations contained in the agreement. Financial statements including, but not limited to, audited balance sheets and income statements for the past two (2) years must be provided. Annual contribution to the City’s economic base (i.e. projected annual sales/income) must also be provided.

##### **C. Business Plan**

1. *Operations Plan:* Attach a description of the Responder’s scope of operations, setting forth each business activity proposed in accordance with Section II and III of this RFP, and the means to be employed to operate as the FBO in order to provide high quality service to general aviation patrons and the general public. Include proposed fees and charges for providing the services listed in Section II and III.
2. *Management Structure and Operating Personnel Schedule:* Attach a description of the Responder’s proposed management hierarchy and operating personnel schedule and salary structure of each. Proposed job titles and descriptions should be included.

3. *Marketing Program*: Attach a description of the marketing program Responder would propose to use in attracting new general aviation activity to the Airport.
4. *Other*: Include a description of any alternative revenue streams or additional customers services not included in this RFP that the Responder proposes (which would be subject to negotiations with the City).

**D. References**

Provide contact information for three individuals that have had experience with the Responder’s company.

**E. Other Information**

1. Responder may provide other relevant information to support their qualifications to provide the services described herein.
2. Responder should describe anticipated capital investment to be made in the Airport facility upon execution of the lease, if any.

**SECTION V: PROPOSAL SUBMITTAL**

**A. Submittal Package**

Respondents shall submit 2 copies of its proposal.

**Delivery**

Proposals must be submitted to the Office of the City Clerk, 314 W. Stephenson St., Freeport, IL 61032 in a sealed envelope marked on the outside with “Proposal for Airport FBO.” Proposals will be received until **May 29, 2018 at 10:00 A.M.** **Any proposed submitted after the due date will not be considered**

**B. Schedule**

Issue Request for Proposal .....	May 3, 2018
Airport Site Visit.....	May 16, 2018
Last day for questions by Responders.....	May 21, 2018
Proposals Due.....	May 29, 2018
Selection of Optional Shortlist.....	May 30, 2018
Interviews.....	June 12, 2018
Final Selection.....	June 13, 2018
City Council Approval.....	To Be Determined
Lease Negotiation Deadline.....	To Be Determined

**C. Site Visit**

Any Responders wishing to conduct a site visit of the Airport must meet Randy Bukas at the FBO office at the Airport on May 16, 2018 at 10:00 A.M. Please contact Randy Bukas at [financedirector@cityoffreeport.org](mailto:financedirector@cityoffreeport.org) or by calling 815-297-1300 if you plan to attend the site visit.



**D. Questions**

All questions must be submitted in writing to Randy Bukas at [financedirector@cityoffreeport.org](mailto:financedirector@cityoffreeport.org) by May 21, 2018 at 3:00 P.M. An addendum to this RFP will then be issued to all parties with responses to all questions that have been received. Questions must be received via e-mail.

**E. City Reservations**

The City reserves the right to:

1. Modify or otherwise vary the terms and conditions of the RFP at any time, including but not limited to, deadlines for submission, schedules and proposal requirements.
2. Shortlist more than one firm and have those firms complete a presentation to the Selection Committee and City Council.
3. Reject or refuse any or all proposals, or to cancel and withdraw this RFP at any time.
4. Negotiate with any or all Respondents in order to obtain terms most beneficial to the City.

**SECTION VIII: APPENDIX A**

Sample Agreement – FBO

**SAMPLE FORM FROM IDOT**

**FIXED BASE FBO'S AGREEMENT**

THIS AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018 between The **City of Freeport**, an Illinois municipal corporation, hereinafter referred to as The City, and \_\_\_\_\_ hereinafter referred to as the Fixed Base Operator(FBO);

WITNESSETH:

WHEREAS, City is a home-rule municipal corporation organized and existing under and by virtue of the laws of the State of Illinois and has heretofore acquired a public airport in Freeport, Illinois, and known as Freeport Albertus Airport upon which City has constructed certain facilities, including, but not limited to runways, taxiways, multiple 'T' hangars together with other facilities shown by plans and specifications in the files at its offices, together with water drainage, sanitary, heating and electrical facilities; and

WHEREAS, the FBO and City, through its City Council, with said City Council being the official governing body of the City, have agreed in respect to the management of the aforesaid operation as hereinafter specified.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, it is agreed by and between the parties hereto as follows:

1. The term of this Agreement shall be for a period of 60 consecutive months, commencing on \_\_\_\_\_, and ending \_\_\_\_\_, and month to month thereafter. Subject to the provisions of Section 18 below regarding termination for defaults, this Agreement may otherwise be terminated by either party upon giving thirty (30) days' prior written notice to the other party.

2. City does hereby give and grant unto the FBO exclusive rights of use and occupancy of facilities, equipment and improvements commonly known as the administration and the maintenance hangar in and upon said airport and non-exclusive rights to use common areas of said airport including runways, taxiways, aprons, roadways, flood lights, landing lights, signals and other conveniences for the take-off, flying and landing of aircraft.

3. City and the FBO specifically agree further as follows:

(a) City reserves for its own use and without charge, rebate, or reduction in payments hereinafter provided to be made by the FBO, the right and privilege to use or occupy that

non-exclusive area which is granted in Paragraph 2 hereof, as may be needed at any time hereafter, in the sole discretion of The City, for storage purposes, said space to be selected at the option of and in the sole discretion of City.

(b) That any right herein granted to install, operate, maintain, repair or store shall be subject to approval at all times of the City. Notwithstanding the foregoing, in the interests of safety and convenience of all concerned, this paragraph shall not apply to any equipment absolutely necessary for the conduct of the FBO's business.

(c) That included in the rights herein granted, are rights of ingress to and egress from the premises, which rights shall extend to the FBOs, employees, passengers, guests, invitees and patrons of the FBO.

(d) That the rights herein granted, the same shall include the right of the FBO, in common with others authorized so to do, to use common areas of said Airport, including runways, taxiways, aprons, roadways, flood lights, landing lights, signals and other conveniences for the take-off, flying and landing of aircraft of the FBO.

4. The FBO, at his own expense, shall use and occupy (in common with others) the aprons, space, facilities, taxiway, runways, etc. as set forth in Paragraph 2 hereof, in accordance with the limitations placed upon such use and occupancy herein for the following purposes, and only for the following purposes:

(a) Operation and conduct of a primary flight school, which school shall include courses for the attaining of private, commercial and instructor's certificates, and if benefits are now or in the future extended to veterans by The Veterans Administration of The United States for such purpose, a flight school in compliance with and in connection with such benefits and said Veterans Administration.

(b) Operation of the maintenance hangar as a service shop for repairs and service to aircraft for the convenience of said Airport and its patrons.

(c) Conduct of private plane operations, which shall include the servicing, storing and repairing as hereinafter set forth.

(d) Conduct of the sale of aircraft, aircraft accessories, aircraft parts, and products used in connection with the servicing, sale or handling of aircraft.

(e) Conduct of charter service.

(f) Custom Crop spraying, crop seeding, insect control program, aerial farm survey program, and aerial commercial advertising programs of all types.

(g) Conduct of such other activities as may be mutually agreed upon by the City and the FBO.

5. The consideration to be paid by the FBO to the City for the rights and privileges herein conferred, and as rental, shall be as follows:

(a) The FBO will independently purchase and provide all required fuel at the Airport to include Jet A. The FBO will pay for either the purchasing or lease of a truck that is required for Jet A. The City will collect a \$0.10 per gallon fuel surcharge from the FBO for both 100LL and Jet A fuel.

(b) The FBO shall pay the entire cost of heating the maintenance hangar. City shall pay the cost of heating and cooling in the administration building and electrical cost of maintenance hangar. The FBO will do all janitorial for the administration building.

(c) The FBO shall pay The City (rate) per square foot for square feet office space per month and the FBO shall pay City (rate) per square foot for \_ square feet of maintenance hangar space per month. All payments shall be made on a monthly basis.

(d) In the event the FBO fails to pay City for any of the charges in paragraph 5(b), then and in that event, a financing charge computed upon a periodic rate of 1 1/2% per month will be charged upon the unpaid outstanding balance of amounts previously due but unpaid and said outstanding balance shall be computed by adding to any previous balance, the current purchases less credits for payments made within the billing period. The financing charge made herein is the equivalent of an ANNUAL PERCENTAGE RATE of 18% per annum. The FBO agrees to pay reasonable attorney fees and costs incurred by City for enforcing any of the rights or amounts provided for in this Agreement.

(e) The FBO agrees to use his best efforts to promote and advertise for the use of the airport and its facilities. City agrees to pay the FBO the sum of \$\_\_\_\_\_ /month payable quarterly to be used towards advertising.

6. City and the FBO agree that there is now in existence on said Airport an administration building, maintenance hangar and multiple 'T' hangars and have agreed that all lands,

buildings or facilities not described in Paragraph 2 are expressly excluded from this contract and reserved wholly and exclusively for the use of the City. The FBO further agrees that all buildings not described in Paragraph 2 are hereby reserved exclusively to the City and shall be in City exclusive control for such purposes, including rental, as City determines to be fit and proper.

The FBO further agrees as part of the consideration for this contract that it and its employees shall and will assist all patrons of the said Airport, whether its customers or not, such assistance to include the handling of the aircraft, tying down of aircraft, and all other incidentals common to the tying down. The FBO shall be entitled to make such additional charges for certain of such services as shall be reasonable.

(a) All monthly hangar rentals will be billed from City Hall with City collecting all fees.

(b) All overnight hangar storage for 'T' hangars shall be collected by the FBO and turned in to the City on the first day of each month. The FBO cannot sublet 'T' hangars for extended periods of time (i.e. more than seven (7) days) without express written consent of City.

(c) The FBO shall rent hangars for City and notify the City of a cancellation or new rental within twenty-four (24) hours. The FBO, on a form furnished by the City, must certify all rentals.

(d) The FBO will furnish service necessary for the storage of all planes for which he may charge a reasonable fee.

(e) The FBO will provide all service and equipment for tie downs. The FBO agrees to keep tie down ropes in serviceable and adequate condition. All tie down fees belong to the FBO.

(f) The FBO agrees to make the maintenance hangar, ramp and apron area available to the Freeport Airport Pilots Association to conduct its annual Fly-In Breakfast.

(g) The FBO's name shall be put at the top of the aircraft hangar waiting list and shall be given the opportunity to select the first hangar that becomes available after xxxx, 2018. In the event they choose not to take the hangar that becomes available, they shall have one (1) other opportunity to take the next hangar that becomes available. Should they refuse to take one (1) of the first two- (2) hangars that become available, then their name shall be placed at the bottom of the waiting list.

7. The City and the FBO further agree that this contract, and in particular, all provisions,

stipulations and agreements contained in Paragraphs 5 and 6 hereof, are conditioned upon and limited by the following provisions:

(a) Gross charges made by the FBO to its customers shall include not only gross cash receipts but also all charges placed on the books of the FBO as accounts receivable, whether as open account, contract, note or otherwise, minus bad debts. Computation thereof shall be made at the end of the Lessee's fiscal year.

(b) The FBO shall at all times keep a uniform set of books, in which shall be recorded, a full, complete and accurate record of all transactions of the FBO, including all receipts, charges, open accounts, contracts, notes, expenses and disbursements. The FBO shall deposit all receipts in a bank of its choice and all disbursements shall be made by check. A certified public accountant annual audit may be made at the City's request at the end of each year during the term of this contract except the last year when the audit shall be through the final day of business. A copy of the audit shall be furnished to City. Cost of the annual audit shall be borne by the FBO, and City shall pay for any additional audits. Any monthly settlement, for which provision is hereinafter made, shall be subject to corrections upon the making of such audit.

(c) Settlements with reference to the provisions of Paragraph 5 and 6 hereof shall be made between the City and the FBO, and each shall pay the other that which is owed for each month during the terms hereof, said settlements to be made not later than the last day of the month following that in which the business or transactions are performed.

(d) The FBO will put forth every effort consistent with good business practice to service all aircraft, promote sales, student instructions, charter business, agricultural aviation, aerial advertising, aerial photography or any other aviation service that would benefit the FBO, Airport or City.

(e) The FBO agrees to supply any equipment that the business at the Airport will warrant, in order to provide adequate service to Airport patrons.

(f) The FBO agrees to pay City as and for consideration for the operational privilege, 5% of any amount over and above \$50,000.00 of net profit. That "net profit" is defined as gross income less operating expenses less federal and state income taxes. The percent of net profit for the operational privilege shall be due and payable on the last day of each month the net profit described above exceeds \$50,000.00.

8. The FBO agrees that any buildings erected in the future, proposed to be erected, as

well as buildings already erected on the Airport premises, are and shall remain the property of the City, and upon termination of this contract, the FBO shall surrender said buildings used by it in good condition, reasonable wear and tear excepted. The FBO further agrees that upon the termination of this contract at any time and for any reason, the FBO shall have and will fully settle and pay all accounts owing by it to the City before removing any property solely owned by it from said premises, but upon the settlement of said accounts, then the FBO shall have the right to freely remove all aircraft, tools, equipment and trade fixtures from the buildings and from property of City which aircraft, tools, equipment and trade fixtures are solely owned by the FBO.

9. The FBO shall be permitted to purchase and use a fuel truck to dispense Jet A fuel to aircraft upon request; The total weight of said vehicle shall not exceed, in the aggregate, more than 12,500 pounds. Said vehicle must be parked on a concrete pad or moved daily from different site to different site for parking when temperatures exceed fifty degrees (50°) so as to avoid any injury due to the weight of the vehicle to the airport apron at the FBO and City facilities.

10. It is agreed between the FBO and City that FBO shall maintain accurate records of the gallons of aviation grade auto fuel dispensed from the fuel truck and to submit such records to the City by the 10th day of each month for the prior month's usage.

11. The FBO agrees to indemnify and hold harmless City from any and all liability occasioned by the disbursement of Jet A fuel from the FBO's truck, including but not limited to Environmental Protection Agency violations, fines, attorney fees, cleanup cost and any other damages of any kind caused by the disbursement of fuel from the FBO's tank truck. Should damages result from the disbursement of fuel from the FBO's truck, including but not limited to damages to the airport apron or aircraft in which fuel is being dispensed, then, at City option, this Agreement may be terminated and the dispensing of aviation grade auto fuel and jet fuel shall cease, irrespective of any other term or condition of this Agreement.

12. The FBO agrees to comply with any and all State, Federal, County, or local regulations regarding the disbursement of fuel, including but not limited to those required under the Federal Environment Protection Agency. This Agreement shall not require City to make any capital improvements to Airport in order to allow the FBO to come in compliance with any regulations provided for under The Environmental Protection Agency, or other similar agencies for the disbursement of fuel from the FBO's truck.



13. As part of the consideration for this contract, City and the FBO further specifically agree as follows:

(a) That City or its authorized representatives, servants and employees shall have sole and general control and supervision of all activities of the public or other persons on said Airport, consistent with the reasonable rules and regulations of said Airport and the reasonable conduct of the business of the FBO.

(b) City or its authorized representatives, servants and employees shall have the sole authority to make all Airport flying rules and regulations, and requirements applicable to the use of said Airport by private, commercial or public aircraft flying, taking off or being in or about said Airport for any purpose with approval by Federal Aviation Administration, and any other agency of the Federal Government, the State of Illinois or any other public agency with proper jurisdiction.

(c) That the FBO will, if required of it as such the FBO, will maintain such flight records of operations of said Airport and such other data as may be required by the Federal Aviation Administration, and any other agency of the Federal Government, the State of Illinois or any other public agency with proper jurisdiction.

(d) The FBO and City, and their respective authorized agents, representatives, servants and employees, shall act at all times under the rules and regulations of the Federal Government, the Federal Aviation Administration, the Division of Aeronautics of the State of Illinois, and the rules and regulations of City, or the rules and regulations of any other proper authority having jurisdiction now or hereafter over conduct of operations at said Airport.

(e) The FBO shall not erect or place any signs or advertising matter at any place on said Airport or the buildings thereon without the consent of City.

(f) That the FBO shall and will keep the premises occupied or used by it in a safe, sanitary and clean condition and shall dispose of all debris and other waste matter which may accumulate, and shall provide metal containers, with proper covers, for any waste within any building on said Airport used by it.

(g) That all repairs to roofs, drains, gutters, pavements, sewers, pipes and electrical conduits appurtenant to any buildings on said Airport, including heating equipment, shall be repaired and maintained by City, it being understood that the FBO shall use all reasonable care in its use of said buildings described in Paragraph 2 hereof, except that where any said repairs have been necessitated by the negligence of the FBO, his employees or servants, then and in that case, the

FBO shall be responsible therefore.

(h) That any repairs, improvements, alterations, or fixtures, other than those of a removable nature made or installed by the FBO in any building under this Agreement, shall, from the date of such installation or making thereof be the property of City unless otherwise provided by agreement prior to said installation.

(i) That City shall furnish all equipment for mowing, snow removal and any major improvements that are necessary for the operation of the Airport. The FBO shall furnish the labor.

(j) That any decision, determination or act of the City Council in the field of legislative action made in good faith and upon information then submitted to the City Council in respect to the sufficiency of any operation by any person upon said Airport, or in respect to any rule or regulation it may adopt in respect to the use of said Airport by the FBO or any other person, shall be binding upon the FBO at all times.

(k) That there is reserved to the City, its authorized agents, representatives, servants or employees the right to enter upon any premises occupied by the FBO at any time for the purpose of making an inspection of the same if such is deemed expedient so that the covenants and conditions of this Agreement may be fully performed.

(l) That City will give permission for the FBO to store its planes, or planes for sale in unoccupied hangar space if not rented or used for related storage. When transit craft request space that the FBO is using, the FBO shall place its planes or sale planes in the tie down area. The FBO's use of hangar space is on a daily basis only.

(m) The FBO shall perform the following duties daily:

- (i) Wind up gas pump hose;
- (ii) Close apron gate;
- (iii) Raise and lower American flag;
- (iv) Report light outages for runway, apron, or beacon;
- (v) Check hangar doors for security;
- (vi) Maintain public restrooms in a sanitary manner; and
- (vii) Check the runways and taxiways for debris.

(n) The FBO shall participate in and be a member of storm water pollution

control committee for City.

(o) The FBO shall report any NOTAMS to appropriate authorities.

14. The FBO shall and will be liable for every claim and demand of whatsoever nature made on behalf of or by any person, persons, firms, partnership, corporation, or otherwise for any act or omission on the part of the FBO, his agents, servants and/or employees related to this contract, and from all loss and damage for reasons of such actions or omissions, this to include any operations by the FBO upon the Airport, and including but not being limited to, conduct of charter service, conduct of flight schools, custom crop spraying, crop seeding, insect control programs, aerial farm survey programs and commercial advertising programs of all types. The FBO shall maintain public liability insurance to fully protect the City against any loss, property damage or injury to person or property due to any operations carried on by the FBO in the conduct of its business as a fixed-base FBO. The FBO shall also carry adequate Workmen's Compensation Insurance and Occupational Disease Insurance.

The FBO shall obtain and maintain during the term of this contract suitable insurance coverage pertaining to its activity under this contract and provide the following:

(a) To name the City on policies as an additional insured.

(b) To require insurance company to provide the City, with fifteen (15) days minimum notice, in writing prior to cancellation or discontinuance of any insurance coverage.

(c) The insurance company shall provide the City with a certificate of insurance.

(d) All the FBOs contracting for taxi service, rentals and/or other related air service shall comply with FAR 135, Part 298, Sub-section 42 C.A.B. Economic Regulations.

(e) All the FBOs contracting for any type of operating privileges shall provide the following coverage:

(i) Workmen's Compensation;

(ii) Unemployment Insurance;

(iii) Other types of coverage that could be mandated by the State of Illinois;  
and

(iv) General liability policy of not less than \$5,000,000.00, to cover all aspects of the FBO's intended business including but not limited to property damage, bodily injury, negligence, environmental liabilities and all other aspects of the intended use and operation of the FBO.

15. City shall maintain insurance coverage upon buildings and property owned by it and

located at said Airport, insuring said buildings and property against loss by fire, wind and other hazards. City shall further maintain insurance protecting third persons against damage by fire or other casualty to aircraft and other personal property of third persons, stored, placed or otherwise lawfully located in any building or area on said public Airport within the control, use, occupancy or possession of City, whereby City is protected from liability to third persons for negligence by City, its servants, agents or employees.

16. In the event of destruction of any of the facilities herein mentioned or in the event of substantial changes in the extent or character of aviation activities provided herein, which shall cause substantial injury or undue hardship upon either party by reason of any of the provisions of this contract which either party would not have made had they known such changes would have occurred during the term of this contract, then such party, so injured may request a renegotiation of the rights, privileges and obligations under this contract, but not of the term provided in this contract.

17. The FBO shall not and will not at any time during the term of this contract assign, or transfer this Agreement or any interest therein, without the written consent of City.

18. The FBO and City further agree that in case of failure on the part of the FBO to comply fully with settlement and payment of all accounts at regular accounting periods, or the FBO's failure to diligently and faithfully perform the terms of the contract to the end that such operations shall be operated efficiently and properly, at the sole subjective judgment of City, such failure shall constitute grounds for the cancellation and termination of this Agreement by City at its option and shall give the right to re-enter and take possession of premises described in Paragraph 2 hereof; provided however, that before so canceling or terminating the contract, City shall give written notice to the FBO specifying particulars in which the FBO has failed to comply with the term of this Agreement and shall extend to the FBO a reasonable time, but not less than fifteen (15) days, in which to correct the objections made and assigned as ground for cancellation and termination of this contract.

19. City and the FBO further agrees that all terms and provisions of this contract are subject and subordinate to the following agreements:

(a) During any time of war or national emergency, City shall have the right to allow the use and possession of the landing area or any buildings or any part thereof of said Airport to the United States Government for military or naval use, and, if such agreement is executed, the provisions of this contract, insofar as they are inconsistent with the provisions of said agreement to

the United States Government, shall be suspended.

(b) This contract is and shall be subordinate to the provisions of any existing or future agreements between the City and the United States of America relative to the operation or maintenance of said Airport, the execution of which has been, or may be required as a condition precedent to the expenditure of Federal funds for the developments of said Airport.

(c) City specifically reserves the right to further develop or improve landing areas, buildings or any facilities of said Airport as it sees fit, regardless of the desires or views of the FBO and without interference or hindrance, and further reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, including the right to prevent the FBO from erecting any building or other structure upon the airport or within the obstruction limits of said Airport establishment by the Federal Aviation Administration or the Division of Aeronautics of the State of Illinois which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

(d) City reserves the right, but shall not be obligated to the FBO, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of said Airport, together with the right to direct and control all activities of the FBO in such regard.

(e) The FBO of the Airport agrees to conduct its operations and to operate any premises or buildings used by it on said public Airport for the use and benefit of the public and to make available all airport facilities and service to the public without unjust discrimination, and upon reasonable terms and conditions; and to refrain from imposing or levying excessive, discriminatory, or otherwise unreasonable charges or fees for any of the FBO's facilities, services or products for sale or for any airport service. The FBO further agrees that no charge shall be made by him for any service offered by him in excess of any fee or charge or schedule of fees or charges posted on the premises occupied and used by him. The FBO shall grant no favor, privilege or discriminatory right to any patron, customer, or other person serviced by him in the furnishing of any service or products, which are not extended to other members of the public. The FBO shall have such access to the service apron, runway, and landing area on said Airport as may be accorded to any other person or the public, subject to the rules and regulations of the City, and provided, as aforesaid, that any such access or use by the FBO shall be non-exclusive and that nothing contained in this paragraph shall be deemed to confer or give to the FBO any rights incident to the carriage of passenger, cargo or freight by air

as a public carrier, or any rights or privileges reserved by law, by agreement or otherwise, for military, naval or other aircraft of the United States, the State of Illinois, or the City.

(f) The use and occupancy by the FBO of the building, facilities and area of said Airport described in Paragraph 2 hereof under this Agreement shall be subordinate to any program or undertaking by the City for the development, expansion, extension or improvement of said Airport. This Agreement shall not be construed to grant to the FBO an exclusive right for the use of the landing area or navigation facility of said Airport upon which Federal Funds have been, are to be, will be or may be expended contrary to Title 49, U.S.C., Subtitle VII, as amended, in such a way as to inhibit the City from receiving funds or financial aid or other assistance from the Federal Aviation Administration or its successor for the development, expansion, extension and improvement of said Airport. Any provision of this Agreement found to be in conflict with said Title 49, U.S.C., Subtitle VII, as amended, or to inhibit the receipts of funds, financial aid, or assistance from the Federal Aviation Administration shall be and become inoperative upon the execution hereafter of any agreement between the City and the Federal Aviation Administration or any other Agency of the Federal Government or agency of the State of Illinois for the release or expenditure of Federal funds or the giving of other financial aid or assistance by the Federal Aviation Administration for the further development, expansion, extension or improvement of said Airport.

(g) The FBO for himself, his 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, color, or national origin 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, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the FBO shall use the 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, Nondiscrimination 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.

(h) The FBO agrees to furnish services 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 or service provided, that the FBO may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

(i) City reserves the right to access the leased buildings for maintenance and repair of Airport equipment and facilities.

20. It is specifically agreed between City and the FBO that if any provision of this Agreement or the application of any provisions hereof to any situation, person or circumstance is held to be invalid, such provision, as to such situation, person or circumstance, shall be deemed to be exorcised from this Agreement, and the invalidity thereof as to such situation, person or circumstance shall not affect any of the other provisions of this Agreement or the application of such provision to situations, persons or circumstances other than those to which it is invalid. This Agreement shall be applied and shall be effective in every situation and circumstance and to every person insofar as its validity extends.

21. The provisions of Ordinance No. xxxx-xx are hereby made a part of this Agreement by reference and the provisions thereof shall be binding on the parties to this Agreement.

22. The provisions and requirements of the RFP, a copy of which is attached hereto as Exhibit A, including, but not limited to, the scope of services to be provided by the FBO, are hereby incorporated herein as terms and conditions of this Agreement.

\_\_\_\_\_  
BY: \_\_\_\_\_  
(Title)

\_\_\_\_\_  
BY: \_\_\_\_\_  
(Title)