

WILLISTON BASIN INTERNATIONAL AIRPORT FBO SPECIFICATIONS AND REQUIREMENTS JUNE 2018

1. Background

The City of Williston owns and operates the Williston International Airport (“ISN”) as a department of the City. For many years the airport was served by Great Lakes Airlines with prop service to Denver. With the development of the Bakken Shale formation, demand for increased commercial service caused Delta and United to introduce 50 seat regional jets to the market. Since that time, regional jet service has continued and Great Lakes has exited the market operating turboprop aircraft. ISN has a limited runway length and strength, obstructions, and land constraints that have limited the City’s ability to expand commercial air service beyond the 50 seat jet and to provide additional capacity for increased general aviation activity. In order to respond to the increased market need for expanded commercial service and general aviation capacity, the City made a decision to pursue development of a new airport complex located approximately 7 miles north of the current location that will provide runway and development options to meet the expected need for decades to come. The new airport will be the Williston Basin International Airport (“XWA”) and is scheduled to be completed and operational in October 2019.

Willison is the closest commercial service airport to the heaviest oil and natural gas production areas associated with the Bakken Shale formation. The Bakken Shale formation is one of the largest oil and natural gas plays currently in the United States and occupies approximately over 200,000 square miles in North Dakota, Montana, and Canada. Unprecedented growth was experienced when oil peaked at \$140+ per barrel in 2008 and exploration was severely curtailed when oil dipped below \$40 per barrel in 2016. Since that time, oil has rebounded to the \$60-70 per barrel range and thus, exploration has been rising to respond to the increased prices. With the increased investment in exploration, growth of commercial and general aviation and the general growth in the Williston Basin is essential in order to support the energy industry.

All of the contracts in place at ISN will expire with the move to XWA in 2019. Because of that, the City is at a point where it needs to solicit interest and enter into new agreements for ancillary facilities at XWA. The City will be developing the roadways, parking lots, passenger terminal, runways, taxiways, and aircraft apron. The City is seeking third party development of the FBO, fuel farm, and hangars. The XWA Airport Layout Plan (“ALP”) has designated two locations for the development of FBO terminal and hangar facilities. The City is issuing an RFP to seek interest from third party FBO operators to enter into one (1) and up to two (2) land lease and development agreements for FBO development to coincide with the opening in October 2019. If the City determines that only one (1) FBO will be awarded a contract at this time, this does not represent an exclusive arrangement and the successful proposer shall neither expect nor request that the City exclude other entities from establishing an FBO in the future. The timeframe being proposed will allow for adequate time to design and develop the facilities for the opening.

The City will make the selection of whether it will award contracts to develop one or two FBO’s based on the proposals received and the projected pro formas to be included in the submission and determine if there is enough activity at this point to support two profitable operations. If the City awards only one FBO initially, the long term intent is to maintain the ability to provide for future additional FBO development. Any future FBO development would be demand driven and the City would initiate action only if requested.

The following outline provides information on the current operation. With the constraints that have existed, the City believes that the historical activity is only a portion of the potential opportunities that will be associated with XWA where constraints will be eliminated. As part of the development of XWA, the City has also updated the Minimum Standards to reflect the services and the facility requirements that will be necessary in order to meet customer demands. A copy of the revised Minimum Standards is attached for

WILLISTON BASIN INTERNATIONAL AIRPORT FBO SPECIFICATIONS AND REQUIREMENTS JUNE 2018

reference. Finally, the Airport's Development Standards are also attached to provide a framework for development at XWA.

The RFP outlines the framework that the City desires for the new FBO operator(s). Proposers are to provide their vision and projections in their response along with a timeline for design and development; financial projections for revenues and volumes; and a summary of the investment proposed. The City will be responsible for providing the taxiways to the site and the aircraft parking apron to be determined through FAA process and justification. The investment in the FBO and associated facilities will be the responsibility of the proposer(s).

The City intends to award and enter into a land lease and development agreement with the recommended operator(s) no later than the end of August 2018. A sample contract is attached. Proposers need to review the document and outline any exceptions to the terms and conditions that the proposer would like to have considered in their RFP response. The exceptions must be included in the response and will be considered in the evaluation process with the less critical suggestions being ranked higher. Any contractual terms not noted in the RFP response will be considered non-negotiable in the negotiation of the final contract for execution.

2. Required Facility Development Associated with Long Term Agreement:

- Minimum Land Leased premises: 100,000 Square Feet (all required facilities will be included in the total footprint).
- Ramp Space: The Ramp will be developed by the City. The FBO will be granted access to 75' of ramp space from the boundary line between the leased premises and the ramp provided as part of the project.
- Terminal Building: 5,000 Square Feet of office waiting, pilot areas, and conference room space
- Aircraft Maintenance: 10,000 Square Feet of hangar, shop, and office (may be a subcontracted SASO)
- Aircraft Storage Hangar Space: 20,000 Square Feet of aircraft storage space capable of accommodating business jets
- Fuel Storage and Dispensing Equipment:
 - Jet A- Minimum of 30,000 Gallons
 - Avgas- Minimum of 12,000 Gallons
- Refueling Trucks: Fleet to be provided by proposer in response. Fleet must be sufficient to handle three (3) larger regional jets and/or narrow body aircraft simultaneously with sufficient fuel for stage lengths up to 1,500 nautical miles.
- Aircraft Rental or Flight Training: 3,500 Square Feet of hangar space including a customer area, administrative area, maintenance area, and aircraft storage. (May be included in total requirement if offered by the successful Proposer)
- Aircraft Charter or Aircraft Maintenance Operator: 3,600 Square Feet of hangar space including customer area, administrative space, and aircraft storage. (May be included in total requirement if offered by the successful Proposer)
- A customs and border patrol general aviation international arrivals processing facility ("IAF") meeting the federal requirements.

3. Required FBO Services:

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

A Fixed Base Operator (FBO) is a commercial operator engaged in the sale of products and services and the renting or subleasing of facilities including, at a minimum, the following activities:

Activities	
Aviation Fueling and Aircraft lubricants ¹	Yes
Ground services, support, and amenities ¹	Yes
Aircraft storage	
Ramp/tie-down	Yes
Hangar	Yes
Aircraft maintenance ²	Yes
Aircraft rental ²	Yes
Flight training ²	Yes
Aircraft charter ²	Yes

4. Scope of Activity

A: Unless otherwise stated in these Minimum Standards, all required products and services shall be provided by FBO’s Employees using the FBO’s aircraft, vehicles, equipment, and resources.

a: Aviation Fuels and Aircraft Lubricants

FBO shall deliver and dispense, upon request, the following aviation fuel and aircraft lubricants into all general aviation aircraft. In addition, FBO shall be able to store, deliver, and dispense, upon request, into all commercial air carrier, government, and military aircraft using the Airport.

Aviation Fuels and Lubricants	
Jet Fuel	Yes
Avgas	Yes
Lubricants	Yes
Response time (minutes) ³	30

1 May only be provided by an authorized FBO.

2 FBO can meet these requirements by arrangement (and through agreement a copy of which must be provided to the Airport Director) with an authorized Operator who meets the Minimum Standards for the Activity and operates at the Airport.

3 From time of customers’ request during required hours of activities, except in circumstances or situations beyond the control of the FBO.

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

B: Ground Services, Support, and Amenities

b: FBO shall provide, upon request, the following passenger, crew, and aircraft ground services, support, and amenities, for general aviation aircraft using the Airport:

Ground Services, Support, and Amenities	
Aircraft marshalling	Yes
Aircraft parking and tie-down (on City ramp)	Yes
Aircraft towing	Yes
Oxygen services ⁴	Yes
Nitrogen service ¹	Yes
Compressed air services	Yes
Lavatory services	Yes
Potable water service	Yes
Aircraft ground power (Direct Current or DC)	Yes
Aircraft preheat	Yes
Aircraft deicing	Yes
Baggage handling and related services	Yes
Concierge services	Yes
Courtesy transportation ⁵	Yes
Ground transportation arrangements ⁶	Yes
Accommodation arrangements	Yes
Aircraft catering arrangements	Yes
Aircraft cleaning/washing service (largest Aircraft) ⁷	Yes

C: Aircraft Storage

FBO shall develop, own, and/or lease facilities for the purpose of subleasing aircraft storage facilities.

D: Aircraft Maintenance

a: FBO shall provide aircraft maintenance in accordance with Section 4 of the Minimum Standards for the following general aviation aircraft:

-
4. Service to be provided by FBO or in compliance with Section 3.2.5.4 of the Minimum Standards.
 5. Utilizing FBO's vehicles for passenger, crew, and baggage, as necessary and/or appropriate.
 6. Crew and passenger transportation arrangements (e.g., limousine, shuttle, rental car, and/or taxi).
 7. General aviation aircraft frequenting the Airport.

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

Customers Served	
Fixed wing: Piston (single-engine and multi-engine)	Yes
Fixed wing: Turboprop	Yes
Fixed wing: Turbojet	Line Only
Part 145 Repair Station	No

b: FBO shall be able to provide aircraft line maintenance for all commercial air carrier aircraft utilizing the Airport.

c: FBO shall be able to provide wheel, brake, and battery service.

Note: FBO can meet these requirements by arrangement and through agreement with an authorized Operator who meets the minimum standards for Aircraft Maintenance Operator and operates at the Airport.

E: Aircraft Rental

FBO shall provide aircraft rental in accordance with Section 6 of the Minimum Standards.

Note: FBO can meet these requirements by arrangement and through agreement with an authorized operator who meets the Minimum Standards for aircraft rental operator and operates at the Airport.

F: Flight Training

FBO shall provide flight training in accordance with Section 6 of these Minimum Standards.

Note: FBO can meet these requirements by arrangement and through agreement with an authorized operator who meets the minimum standards for flight training operator and operates at the Airport.

G: Aircraft Charter

FBO shall provide aircraft charter in accordance with Section 7 of these Minimum Standards.

Note: FBO can meet these requirements by arrangement and through agreement with an authorized operator who meets the Minimum Standards for aircraft charter operator and operates at the Airport.

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

5. Historical Activity and Facts on New Airport at XWA

As mentioned in the introduction, the new Airport at XWA will have a significant improvement over the existing ISN airport with regard to capacity. Outlined below are some historical levels of fuel usage that were experienced at ISN. The airport is currently limited to commercial 50 seat jets and smaller business jets due to runway length, obstructions, weight capacity on the runway, and limited passenger processing facilities in the terminal. XWA will eliminate all of those constraints that have restricted the growth potential for the Airport.

FBO services at the current Airport at ISN are provided by Signature Flight Support and the contract terminates with the move to the new Airport at XWA. Signature is the only FBO at ISN. Outlined below are key metrics for the operation at ISN as a historical perspective:

<u>Category</u>	<u>2017</u>	<u>2016</u>
Jet A fuel gallons sold	264,587	568,677
100LL fuel gallons sold	27,742.56	29,807.36
Jet A fuel gallons stored and dispensed for commercial airlines	989,946	1,090,708
Based aircraft	50	50
Apron parking positions	20	20
Jet A fuel storage capacity	39,000	39,000
100LL fuel storage capacity	10,000	10,000
Number of Jet A fuel trucks and capacity each	3 – 5,000; 5,000; 3,000	3 – 5,000; 5,000; 3,000
Number of 100LL fuel trucks and capacity each	2 – 750 each	2 – 750 each
Enplanements	68,685	68,021

ISN is currently served by United Airlines and Delta Air Lines through their regional partners operating 50 seat CRJ 200 aircraft. Frequency has migrated to 3 frequencies between ISN-DEN per day and 2 frequencies between ISN-MSP. SkyWest is the current operator of all of the flights for Delta and SkyWest and Trans States Airlines split United operations. Load factors have been near capacity and have been impacted by weight restrictions due to the Airport constraints. Airport management has approached both carriers about the opening of the new Airport at XWA with the intent to increase the aircraft gauge from the 50 seat aircraft to 76 seat regional jets as well as the addition of additional frequency to support demand. Early indications are positive that both requests will be granted with the opening of XWA. In addition, Airport management is pursuing additional service not currently available in Williston once the constraints associated with the current airport are eliminated.

The new terminal at XWA will have four (4) gates and will have approximately 103,000 square feet (see attached Exhibit). The terminal will offer the typical amenities for a non-hub airport including rental cars, pay parking, and food and beverage service post security. With the rise in the Bakken production, it is anticipated that demand will continue to increase. The remainder of the Airport will be funded by the project to include the roadway system, the terminal, the aircraft parking apron, taxiways, runways, perimeter roadways, and the general aviation aircraft parking apron. The sites available for general aviation development, including the FBO, will have utility corridors adjacent to the respective sites and the footprints will be graded to near construction elevation and compacted.

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

6. Base Business Terms

A) Lease Term: Base Term twenty (20) years with one (1) twenty (20) year option term. Facilities revert to the City upon completion of the Lease.

B) Land Rent: Operator shall pay to the City a land rent of \$0.35 per square foot for the FBO site for years 1-5 commencing upon the opening of the Airport (XWA). Land rent will be escalate every five (5) years through the Lease Term and Option Term (if exercised) at the rate seven percent (7%) every five (5) years.

C) Fuel Flowage Fee: The operator shall pay to the City a fuel flowage fee for each gallon of aircraft fuel sold or dispensed if being stored by the FBO. The fuel flowage fee will be set by the City Council and is subject to change follow notice. The fuel flowage fee for the opening of XWA will be \$0.09 per gallon for Jet A and \$0.07 per gallon for 100LL..

D) Concession Fees: Operator shall pay to the City a concession fee of two percent (2%) on gross revenues (less taxes) for all sales of goods and services by the FBO and its subcontractors and/or subtenants. Concession fees will not be applicable to hangar rentals.

E) Aircraft Parking Apron: The City is funding and developing the aircraft parking apron for outdoor storage of aircraft. The City will be providing to the Operator included in the Lease seventy five feet (75') of aircraft parking apron from the north edge of the apron abutting the FBO development site. For aircraft parking in the balance of the apron, the City may assess a parking rate, subject to change following notice. Operator shall remit to the City seventy five percent (75%) of all parking fees generated for use of the City's apron on a monthly basis. Waiver of parking fees will not be allowed without the prior written consent of the Airport Director.

7. Evaluation

The City will establish an evaluation committee to review and score the proposals received and to decide whether one or two FBO development contracts will be awarded. The following will be the criteria used:

<u>Criteria</u>	<u>Points</u>
Meets minimum service and development requirements	30
Dollar value of investment	20
Meets timelines for opening	20
Investment in equipment, refuelers, and equipment	15
Other- conformance to specifications and sample contract	15
Total	100

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

7. Schedule

The following schedule will be followed in the RFP process:

June 29, 2018	RFP available for distribution
<u>July 19, 2018 2:00PM CDT</u>	<u>Mandatory Pre-Bid (meet at ISN conference room)</u>
July 26, 2018 4:00PM CDT	Submission of all requests for clarification and questions electronically.
July 31, 2018 4:00PM CDT	Responses will be distributed electronically
<u>August 14, 2018 1:00PM CDT</u>	<u>Proposals Due</u>
August 21, 2018	Recommendation submitted to Commission for award

8. Sample Contract

Attached is a sample contract that has been developed for execution with the successful Proposer(s). Proposers shall review the sample contract thoroughly prior to the submission of clarifications and questions outlined above (July 26th). Proposers shall outline in detail the issue and the proposed alternative language for each item in the clarification and question submission any identifying exceptions that the Proposer would like to be considered by the City for incorporation into the final Agreement. The City reserves the right to accept, reject, or modify any of the requested changes at the sole discretion of the City. The City will issue a revised Agreement by the response date for responses to clarifications and questions outline above (July31st). The resulting contract will be considered the final draft that will be used for execution. Execution of the contract will be expected within ten (10) working days following award by the Commission. Failure to execute the contract in that timeframe will result in the City withdrawing its award and to the highest ranked Proposer and awarding the contract to the next highest ranked Proposer.

9. Contact Information and General Conditions of RFP

A) Once the RFP is issued, written and verbal communications regarding this RFP with any City staff, elected officials, or Airport personnel is strictly prohibited and may result in rejection of proposals. All communications may be sent via e-mail to:

**John DeCoster
Trillion Aviation
E-mail; jdecoster@trillionav.com
Phone: (763) 234-1725**

Responses to any inquiries will be made electronically via e-mail and will be distributed to all end the mandatory Pre-Bid conference.

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

B) Proposers shall submit five (5) hard copies and one electronic PDF of their proposal with one signed original on or before August 14, 2018 at 1:00PM CDT. Submission shall be in a sealed envelope and addressed to:

**Anthony Dudas, C.M.
Airport Director
City of Williston
Sloulin Field International Airport
402 Airport Rd.
Williston, ND 58801**

C) Interested proposers shall indicate to John DeCoster prior to July 19th who will be representing the company at the pre-bid conference.

D) The pre-bid conference is mandatory. If an interested proposer does not have a representative at the meeting, the potential Proposer will not be considered responsive if a proposal is submitted and it will be returned unopened.

E) The City reserves the ability to waive irregularities in any submission if it is deemed in the interest of the City and does not materially impact the substance of the proposal.

F) Proposers must be in good standing with the City and shall not be delinquent in payments to the City nor have defaulted on any City contract in the past ten (10) years in order to be determined eligible.

G) The City reserves the right to award one or two FBO contracts at the sole discretion of the City. The City reserves the right to conduct interviews with the Proposers prior to the award of the contract. The costs for preparing for the interview and the travel costs, if any, will be the sole responsibility of the Proposer.

10. Submission Package

Proposers shall submit the following information in their proposal:

- a. A cover letter acknowledging the authority of the signing party to bind the company to the terms and conditions being proposed.
- b. References of similar FBO's that the Proposer operates including contact information.
- c. A letter from the lending institution stating that the Proposer is approved for funding the proposed improvements.
- d. A statement for the Proposer that the Proposer is in compliance with any contracts that it has with the City of Williston or that it has not defaulted in any past contracts for a period of ten (10) years with the City of Williston.

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

- e. A projected pro forma for the first year of operations to include revenue by category and the assumptions used in the development of the projections. Fuel sales shall include gallons sold and dispensed.
- f. The Proposal Form attached with the requested information. Proposer shall include any cut sheets or other educational information that will provide the City as much detail as possible. If available, Proposer should include renderings or schematics for buildings.
- g. A detailed master schedule for design and development of the facilities broken down by improvement.
- h. A projected organizational chart and staffing plan for all the required services.
- i. A summary of any additional optional services, if any, to be provided by the Proposer.
- j. A detailed outline of any exceptions to the sample contract that the Proposer would like the City to consider with a recommended action. The City reserves the right to reject, accept, or modify any recommended changes.

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

Proposal Form

The undersigned is authorized to commit the company for the following response for request for Proposals to design, develop, and fund FBO facilities for the Williston Basin International Airport. Proposals will be valid for up to ninety days following the due date.

1. Name of Proposing Entity:

2. Authorized Representative:

Name: _____

Title: _____

Phone: _____

E-mail Address: _____

Signature: _____

3. Type of Entity:

LLC _____

Corporation _____

Partnership _____

Sole Proprietor _____

Other _____

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

Names of Officers or Partners Owning more than twenty five percent (25%):

4. Proposed Building and Hangar Development Square Footage:

<u>Facility</u>	<u>Required SF</u>	<u>Proposed SF</u>	<u>Investment</u>	<u>Proposed Start and Completion Dates</u>
Arrivals/departures building	5,000			
Maintenance hangar*	10,000			
Aircraft storage hangar*	20,000			
Flight instruction hangar*	3,500			
Charter flight hangar*	3,500			
Other (outline below if applicable)	0			

*Explain below if included in base required facilities or if another combination of facilities is being proposed.

Other:

Proposers shall describe and include with their submission a separate detailed description for each of the facilities being proposed with a cost estimate (including hard and soft costs), by facility for the level of investment proposed for each. The description should include structural (i.e. steel framing, wood framing, etc.), exterior finish, utilities included, roofing material, parking lot surface and quantity, and landscaping description. Proposers should follow the Development Guidelines attached.

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

5. Fueling Facilities, Refuelers, and Other Equipment

Provide below what is being proposed for fueling facilities, refueling trucks, and other equipment*:

<u>Improvement/Equipment</u>	<u>Required Capacity</u>	<u>Proposed Capacity</u>	<u>Investment</u>	<u>Proposed Start and Completion Dates</u>
Fuel Farm- Jet A storage				
Fuel Farm- 100LL storage				
Jet A refueling truck				
Jet A refueling truck				
Jet A refueling truck				
100LL Refueling truck				
100LL Refueling truck				
Aircraft tug				
Aircraft tug				
Tow bar				
Tow bar				
Lav truck				
Portable GPU(quantity)				
Belt loaders				
De-icing truck(s)				
Air stairs				
Potable water cart				
Air start				
Other- _____				
Other: _____				
Other: _____				
Other: _____				

*Proposers shall provide cut sheets and/or detailed descriptions of each item including age, capacity, brand, etc.

The City will be developing the area for fuel farm installation. The area will be graded and compacted and will have a development standard for placement of aviation fuel tanks. The City will make available at its expense unleaded and diesel fuel for purchase inside the fence. FBO will not be responsible for managing the unleaded and diesel fuel functions.

**WILLISTON BASIN INTERNATIONAL AIRPORT
FBO SPECIFICATIONS AND REQUIREMENTS
JUNE 2018**

Proposers shall provide any additional information that the Proposer deems important in the award of the development rights.

Proposers shall identify in their proposals how the improvements are to be funded. If being funded by a lending institution, Proposers must include in their proposal a statement from the lender that the Proposer qualifies for the level of funding proposed.