



Grand Junction Regional Airport

---

Airport Consulting Service for Development of  
Airport Airline Use and Lease Agreement

Request for Proposals

Issued: September 8, 2017

Proposals Due: September 29, 2017

## INTRODUCTION

Grand Junction Regional Airport Authority (Airport or Authority) is seeking proposals from qualified firms with a thorough knowledge of, and experience in, the preparation of agreements for facilities leased by signatory airlines, as well as providing analytical insights, current industry best practices and economic analysis, to deliver critical support to the Authority.

## BACKGROUND & PURPOSE OF RFP

The Airport is served by Delta Air Lines, United Airlines, American Airlines, Allegiant Airlines, and Key Lime Air. We do not have current have agreements with any of the airlines listed and have been operating on a month to month basis.

The Airport's current facilities include a 76,000 square foot terminal building, six passenger boarding gates which include two boarding bridges and budgeted to add a third tunnel and bridge in 2017. The Airport is located on approximately 2,800 acres with a primary runway of 10,500 feet long and crosswind runway of 5,500 feet long.

The Authority has a cost per enplaned passenger of approximately \$7.96 for 2015 and a landing fee of \$1.70 per 1,000 pounds. The Authority's operations are not funded by property taxes and rely on aeronautical revenue (landing fees, terminal rent, etc.) and non-aeronautical revenue (parking, rental cars, etc.). The landing fee and terminal rental rates have not increased since 2014.

While it is our intention to have a fee structure that is attractive to airlines doing business here, it is desired to arrive at a fee structure that balances the financial needs of the Authority while still meeting the cost expectations of the airlines.

The Authority currently does not use cost centers that provide the detail necessary to support rate structure development and will need assistance in establishing those as well.

## PROPOSAL DUE DATE & TIME

All proposals must be received at the address below no later than local time 3:00 p.m. September 29, 2017. All proposals must be addressed to:

Grand Junction Regional Airport Authority  
Attn: Ty Minnick  
2828 Walker Field Drive  
Grand Junction, CO 81506

All proposals must be submitted in a sealed envelope clearly marked with RFP Airport Consulting Services. All submittals shall include one (1) complete, original proposal marked "ORIGINAL"; ten (10) complete copies of the original proposal; and other related documentation required by this RFP as well as one (1) electronic copy (CD, DVD, USB drive, etc.). Any RFP submittal not received by the deadline may not be considered.

CONTRACT OBLIGATIONS

Although the Authority anticipates that any Respondent submitting a proposal will provide the major portion of the services as requested, subcontracting by the Respondent is acceptable in performing the requirements of this RFP. The Respondent is responsible for the performance of any obligations that may result from this RFP and shall not be relieved by the non-performance of any subcontractor. Any Respondent’s proposal must identify all subcontractors and outline the contractual relationship between the Respondent and each subcontractor.

For each portion of the proposed products and services to be provided by a subcontractor, the technical proposal must include the identification of the functions to be provided by the subcontractor and the subcontractor’s related qualifications and experience. The inclusion of MBE/WBE/DBE-certified subcontractors as part of the consulting team is highly encouraged. No goals have been set for this project.

The combined qualifications and experience of the Respondent and any or all subcontractors will be considered in the Authority’s evaluation. The Respondent must furnish information to the Authority as to the amount of the subcontract, the qualifications of the subcontractor for guaranteeing performance, and any other data that may be required by the Authority. All subcontracts held by the Respondent must be made available upon request for inspection and examination by appropriate Authority officials and such relationships must meet with the approval of the Authority.

CONTRACT DOCUMENT

Any or all portions of this RFP and normally any or all portions of the Respondent’s response will be incorporated by reference as part of the final contract.

TIMELINE OF PROPOSAL PROCESS

The following timeline is intended to illustrate the anticipated time line for the RFP.

<u>ACTIVITY</u>	<u>ANTICIPATED COMPLETION DATE</u>
RFP posted online	September 8, 2017
Written questions due	September 18, 2017 12:00 p.m. local time
Proposals due	September 29, 2017 3:00 p.m. local time
Anticipated Contract Execution	October 17, 2017

## QUESTIONS

All RFP questions must be submitted in writing no later than local time 12:00 p.m. on September 18, 2017. Questions must be emailed to [tminnick@gairport.com](mailto:tminnick@gairport.com). Please be sure to put "Airport Consulting Service" in the subject line. Any question submitted after this date will not be answered.

All questions submitted in accordance with the requirements stated above will be answered in writing and posted to the Airport's website at [www.gairport.com](http://www.gairport.com). The firm shall acknowledge receipt of any addendums that may be necessary in the Proposal.

## SCOPE

The Authority desires a contractor to provide airport consulting services to focus on the renewal of airline use and lease agreements. The Authority seeks the following items to be addressed related to this matter:

- Provide information on current airport industry practices related to airline use agreements and provide analysis to support recommended business agreement strategies to align with the Authority's strategic plan.
- Assist in the development of cost centers aligned with the recommended methodology chosen for establishing rates and charges.
- Conduct a strategic discussion with senior management to outline the various options that have been considered in trying to arrive at a balance between legacy and ultra-low cost airlines.
- Discuss the impacts on each type of carrier to arrive at a model that can be executed with an analysis by airline for each alternative to be considered.
- Develop a rate schedule and CPE analysis for each.
- Conduct airline negotiation meetings in order to create the final airline use and lease agreement.
- Draft the use and lease agreement upon the selection of the model by the Authority.
- Revise lease agreement resulting from negotiations with the airlines with an update to the model and analysis done in the selection phase.
- Conduct follow up negotiations and discuss remaining issues with airlines
- Finalize lease for review and execution

## PROPOSED PROJECT TIMELINE AND FEES

Proposed Timeline: 6-8 months

Fee Structure: Fixed fee should be presented for project scope, excluding agreement negotiation, which should be estimated based on time and materials.

## RFP SUBMISSION REQUIREMENTS

1. Qualified firms, individuals, or teams must demonstrate knowledge and experience in projects similar to that requested in this RFP.
2. Proposals must include the overview of the proposed method or approach for providing the requested products and services.
3. Proposals must list at least three (3) airports, within the last three (3) years where similar tasks were completed, what the scope was at each airport and include the airport contact references for each of the three.

Proposals must provide the name of the program manager who will serve as the primary contact to the Authority, any other personnel who may provide assistance during the project, and what their roles will be in completing the tasks. Include resumes and past relevant work experience for each member of the team.

1. Proposals must include fixed and hourly fees to perform the tasks as detailed in this RFP.
2. If you or your firm has a standard set of terms or conditions or standard contract please submit them with your proposal. All terms and conditions will be subject to negotiation upon selection of the consultant.
3. Transmittal Letter addressing the following:
  - a. Summary of ability and desire to supply the required products and services - The transmittal letter must briefly summarize the Respondent's ability to supply the requested products and services that meet the application requirements defined in this RFP. The letter must also contain a statement indicating the Respondent's willingness to provide the requested products and services subject to the terms and conditions set forth in the RFP.
  - b. Proposal Life - A statement must be included that indicates the length of time during which the Authority may rely on all proposal commitments. The Authority requires that this period of time not be less than 180 days from the due date for submission of proposals. Any proposal accepted by the Authority for the purpose of contract negotiations must remain committed through the contract negotiation period.
  - c. Signature of Authorized Representative - Respondent personnel signing the Transmittal Letter of the proposal must be legally authorized by the organization to commit the organization contractually.

The Authority reserves the right to reject any or all proposals and further to waive any informalities in the statements for the purpose of accepting the firm most advantageous to the Authority. Selection of the consultant will not constitute a legally binding agreement until the terms of the agreement have been negotiated and fully executed in writing by the Authority.

## PROPOSAL EVALUATION PROCEDURE

The Authority has selected a group of personnel to act as the proposal evaluation team. All evaluation personnel will use the evaluation criteria stated below.

- Quality of the Transmittal Letter (10 points)
- Technical Proposal (25 points)
- Project Team Composition, Experience and Availability (25 points)
- Price of Requested Services (25 points)
- References (15 points)

Based on the results of this evaluation, the qualifying proposal determined to be the most advantageous for the Airport Consulting Services RFP, taking into account all of the evaluation factors, may be selected by the Authority for further action, such as contract negotiations. If, however, Authority decides that no proposal is sufficiently advantageous to the Authority, the Authority may take whatever further action that is deemed necessary to fulfill its needs. If, for any reason, a proposal is selected and it is not possible to finalize a contract with the Respondent, the Authority may begin contract preparation with the next qualified Respondent or determine that no such alternate proposal exists.