



REQUEST FOR PROPOSAL (RFP)

FIXED BASE OPERATOR (FBO) SERVICE

Niagara District Airport (Listed as ST. CATHARINES/NIAGARA DISTRICT in the Canada Flight Supplement)

www.niagaradistrictairport.ca

TABLE OF CONTENTS

SECTION I: BACKGROUND AND GENERAL INFORMATION

SECTION II: FIXED BASE OPERATOR SERVICE

SECTION III: LEASEHOLD

SECTION IV: SCOPE

SECTION V: PROPOSAL CONTENTS

SECTION VI: PROPOSAL SUBMITTAL

SECTION VII: SELECTION CRITEREIA

SECTION I: BACKGROUND AND GENERAL INFORMATION

A. Purpose

The Niagara District Airport (NDA) is issuing this Request for Proposal (“RFP”) for qualified parties (“Responders”, “Respondents”) interested in providing Fixed Base Operator (“FBO”) services at the Niagara District Airport (“Airport”). The Respondent would lease a ± 12,600 square foot FBO Hangar (constructed in 1995) Consideration will also be given to any respondent wanting to buy the existing hangar. This RFP document provides background and general information for Responders and is to be used as a guideline to develop a proposal.

B. Airport Location

The Niagara District Airport is located in the heart of the world famous Niagara Region, ideally positioned for both business and tourists. In addition to the famous Niagara Falls, the region offers historic Niagara-on-the-Lake and its popular Shaw Festival Theatre, an abundance of local wineries with restaurants offering tours and tastings, fine dining, many outstanding golf courses, including the 36-hole Legends course, and Casino Niagara and the new Fallsview Casino Resort.

The airport is also only a short drive away from the Canadian Warplane Heritage Museum at Hamilton, the excitement of Toronto, and the major league sports attractions of Buffalo, NY.

The Airport coordinates are: Latitude (N) 43° 11 30” Longitude (W) 79° 10 18”

C. Area Demographics

Niagara-on-the-Lake (2006 population 14,587) is a Canadian town located in Southern Ontario where the Niagara River meets Lake Ontario in the Niagara Region of the southern part of the province of Ontario. It is located across the Niagara River from Youngstown, New York, USA. It is also the only town in Canada that has a Lord Mayor.

The town is home to the Shaw Festival, a series of theatrical productions featuring the works of George Bernard Shaw, amongst others. The festival operates three theatres in the centre of town: the Festival, Royal George, and Court House theatres.

The surrounding region enjoys a comparatively mild climate thanks to the adjoining lakes, and excellent soil for fruit production, for which it has become one of Canada's centres.

NOTL has grown into a major viticulture region. Visitors flock to dozens of nearby wineries, including those making the world's largest volumes of ice wine. The town is also known for its gardens, art galleries, antique shops, and golf courses. There are many hotels, inns, bed and breakfasts, and spas in the area.

St. Catharines (2006 population 131,989; metropolitan population 390,317) is the largest city in Canada's Niagara Region and the sixth largest urban area in Ontario, Canada, with 97.11 square kilometres (37.5 sq mi) of land. It lies in Southern Ontario 51 kilometres (32 mi) south of Toronto across Lake Ontario, and is 19 kilometres (12 mi) inland from the international boundary with the United States along the Niagara River. It is the northern entrance of the Welland Canal.

St. Catharines is situated in an excellent area for commerce and trade since it is conveniently located between the Greater Toronto Area (GTA) and the Fort Erie- US Border. Manufacturing is the city's dominant industry, as noted by the heraldic motto, "Industry and Liberality". General Motors of Canada, Ltd., the Canadian subsidiary of General Motors, operates in St. Catharines.

St. Catharines is attracting those increasingly involved in the arts and knowledge-based economies, including digital and interactive media businesses. Proof can be seen in the success of nGen, the Niagara Interactive Media Generator. Established in 2009, nGen is a partnership of the City, Brock University, Silicon Knights, the Niagara Enterprise Agency and Interactive Ontario. A number of projects are already in full swing, including software development partnerships with Microsoft, and interactive media tenants, such as FourGrounds Media and Furi, have been secured, helping to build co-operation in the industry.

Brock University is a comprehensive university located in St. Catharines with an enrolment of over 17,000 full-time students.

Niagara Falls is a Canadian city on the Niagara River in the Golden Horseshoe region of Southern Ontario. The municipality was incorporated on June 12, 1903. Across the Niagara River is Niagara Falls, New York. In 2006, the population of Niagara Falls was 82,184.

The city is dominated by the Niagara Falls, a world famous set of two large waterfalls on the Niagara River and benefits from the fact that both falls, the American and Horseshoe, can be best seen from the Canadian side of the river, thus presenting the city one of the major tourist attractions of the world. The natural spectacle brings in millions of tourists yearly.

Now opened the Scotiabank Convention Centre is located in the heart of the Fallsview Tourist District. Located only a few short steps away from the Embassy Suites by Hilton Niagara Falls Hotel and only 500 yards from the brink of the Canadian Horseshoe Falls and hosts approx. 500 events each year which in turns leads to approx. half a million Corporate and public visitors.

D. Airport History

Officially opened on September 13, 1929 on the eastern edge of the City of St. Catharines (adjacent to the Welland Canal), the Niagara District Airport was relocated 3 miles northeast in 1935 to its present location. From the beginning, the St. Catharines Flying Club was intimately involved in the activities on the field and remains so to this day.

With the outbreak of World War II, the airport was deeded to the Federal Government and under the soon-to-be-formed British Commonwealth Air Training Plan; the Number 9 Elementary Flight Training School was established in the fall of 1940.

Some 1,848 pilots graduated under this plan, which was terminated on January 15, 1944. The airport then became the home to the Number 4 Wireless Training Unit of the Royal Canadian Air Force, and operated in this capacity until August 15, 1945.

In 1959, the Niagara District Airport Commission was formed and is presently comprised of members from three financially supporting municipalities with a mandate to oversee the maintenance and operation of the airport.

E. Airport Inventory

The Airport was certified September 13, 1996 as a General Aviation Airport – to be used for public purposes (MF 123.25). The ICAO identifier is “CYSN”. The Airport is served by three runways, Runway 06/24 (5,000 feet long) and Runway 01/19 (2500 feet long) and 11/29 (2000 feet long). Runway 06/24 is 100 feet wide and both 01/19 and 11/29 are 75 feet wide. The Airport currently has a RNAV (GPS) non precision approach for runway 24 and a NDB for runway 06. Runways 06/24 have PAPI’s and in the near future Runways 06/24 will have the localizer performance with vertical guidance (LPV) approach system.

The Airport property currently encompasses 329 acres.

The Airport has 10 hangars which are privately owned and 1 hangar (Approx. 12,000 sq. ft. of which 1800 sq. ft. is devoted to offices) which is presently owned by the NDA; three (3) tie-downs with plans to install approx.10 more in the near future; two (2) above ground fuel tanks – Jet Fuel (45000 litres) and 100LL (22700 litres); two (2) aviation refuelling trucks (1987 International 12,200 litres/Jet-A & 1993 Chevy 2500 series, 2500 litres/100LL); one (1) Dodge Grand Caravan 2007 (courtesy van) vehicle.

G. Airport Development

Under the Infrastructure Stimulus Fund (ISF) the NDA Airport has a total of 11.6 million dollars of improvements since 2010 including:

1. Runway 06/24 rehabilitation
2. New parallel Taxiway “C”
3. Apron extension
4. Airfield lighting – DCLED
5. New terminal
6. New domestic water system
7. Additional parking lot
8. Improved groundside lighting

9. New road to SW Aviation area (Hangar Line Road)
10. Perimeter Fence with access controlled gates

H. Airport Statistics

Stats Canada and NAV CANADA show historical operations averaging 33,000 movements within the last 5 years, split evenly between local and itinerant operations. The number of aircraft currently based at the Airport is approx.75 aircraft

I. Projected Aviation Fuel Sales, 2011

100 LL (AVGAS) – 160,000 litres
JET-A – 190,000 litres

SECTION II: FIXED BASE OPERATOR SERVICES

A. Required Services

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

1. Aircraft fuelling (AVGAS & JET A) and oil dispensing.
2. Aircraft storage (tie-down and hangar facilities).
3. Aircraft ramp services (towing, parking guidance, etc).
4. Maintenance, repair and servicing of aircraft.
5. Management and subleasing of space in FBO hangar & tie-downs.
6. Operation of the fuel farm for the storage, handling and delivery of aviation fuel products.
7. Public facilities available for pilots and passengers (i.e. flight planning amenities, pilot lounge, passenger waiting area, courtesy car, etc.).
8. Emergency service to disabled general aviation aircraft (i.e. towing/transporting disabled aircraft).
9. Employment of the appropriate number of properly trained and/or certified personnel to provide satisfactory FBO service.
10. Minimum hours of operation: 12 hours per day, 7 days a week. After hours, on- call service.

B. Optional Aeronautical Services

The successful proposing FBO may provide the following optional aeronautical services:

1. Scheduled Service
2. Aircraft Rental.
2. Air Taxi/Charter.
3. Aircraft Sales.

4. Avionics Repair.
5. Aerial Surveying/Photography.
6. Specialized maintenance (upholstery, etc.).
7. De-icing of Aircraft
8. Flight training
8. Any other type of aeronautical service not listed as may be acceptable to NDAC

C. Optional Customer Services

1. Snack bar/Restaurant/Diner.
2. Miscellaneous retail (pilot supplies, promotional clothing, etc.).
3. Any other type of service not listed as may be acceptable to NDAC

SECTION III: LEASEHOLD

A. Leasehold Facilities

1. FBO Hangar

The Fixed Based Operator Hangar is located in the centre of the Airport. The front of the building faces North and is situated next to a $\pm 271,548$ sq/ft aircraft ramp. The building contains ± 1800 sq/ft of interior space for FBO offices, pilot lounge, flight planning and other amenities. The Hangar is $\pm 12,000$ sq/ft and has five (2) bay doors that open laterally. The West section of the Hangar provides space that has historically been used to support a full maintenance operation. The FBO will be responsible for providing all exterior/interior structural maintenance and all the utilities associated with the hangar.

2. Fuel Farm

The Niagara District Airport has a fuel farm consisting of one (1) 45,000 litres, double walled, fuel tank, currently configured for Jet A Fuel and one (1) 22,700 litres, doubled walled, fuel tank for 100 LL AVGAS. The FBO will be responsible for the daily operation of the farm, including maintaining the operational components on the fuel system (i.e. filters, hoses, etc.). The FBO will maintain the fuel farm premises, any required certificates and major components on the system, such as the tanks and be accepted on an as is basis.

Revenue Generating Activities

All revenue or fees generated by the FBO in connection with any activities of the FBO at the Airport may be subject to the prior written approval of the Niagara District Airport.

C. Rent Escalation

All rent will be subject to an annual rent escalation, tied to the Ontario Consumer Price Index as published by Statistics Canada.

D. Leasehold Adjustment

The Niagara District Airport reserves the right to adjust the area leased by the tenants. In such instances, if rent is based on the area being leased, the rent will be adjusted in direct proportion to the area adjustment. The Niagara District Airport shall provide the FBO with 180 days advance notice of its intent to adjust the area leased by the FBO.

SECTION IV: SCOPE

A. Minimum Qualifications

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

1. A minimum of five (3) years prior experience in the FBO business and/or aviation commercial enterprise
2. Financial capability to operate the FBO
3. (Optional) Financial capability to construct additional building space to the FBO.

B. Term of Agreement

The Niagara District Airport proposes an initial five (5) year agreement. However, consideration will be given to requests for additional renewal options in five (5) year increments to provide for an appropriate amortization period of the cost of the improvements contingent upon and commensurate with the respondent's desire and ability to construct the additional building and/or hangar. The amortization period will not exceed twenty (20) years in total.

C. General Obligations

The successful Responder will be responsible for complying with all terms and conditions contained within the negotiated agreement with the Niagara District Airport as well as premises purchase or lease agreement that will be entered into, in addition to the Airport Rules and Regulations as per Transport Canada and the Niagara District Airport; all other Local, Provincial and/or Federal rules which may apply, including all applicable Canadian Aviation Regulations (CARs).

The successful Responder must be an active legal entity, licensed to do business in the Province of Ontario, within thirty (30) days of approval of the agreement by the Niagara District Airport.

The Niagara District Airport will maintain all public and common areas on the Airport, including all runways, taxiways, ramps and any associated lighting/navigation aids owned by the Niagara District Airport; public space within the terminal building; parking lots and perimeter roads.

D. Insurance

Prior to the commencement of FBO operations, the successful respondent will carry and maintain at its sole cost and expense all policies of insurance that will be appropriate to the type/services within the FBO and in agreement with the Niagara District Airport Commission.

Aviation General Liability

Environmental Insurance

Property Insurance

Automobile and Non-Owned Automobile

Any and all other insurance coverage may be required under the Niagara District Airport minimum standards and requirements for the conduct of all activities at the Niagara District Airport.

All policies must include the Niagara District Airport, its commission, its officers, agents, employees and volunteers and Town of Niagara-on-the-Lake, City of Niagara Falls, City of St. Catharines as “Additional Insured’s” under its policies and must be endorsed to the applicable policy.

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

SECTION V: PROPOSAL CONTENTS

A successful proposal should contain the following items at a minimum:

A. General Information

1. Names and qualifications of corporate/company officers/owners.
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 parties including a disclosure of all persons or entities having a beneficial interest in the proposal.
5. Documentation reflecting that the organization is active and in good standing.

B. Financial Fitness

1. The Respondent must be able to provide sufficient proof supporting the Responder's financial ability to fulfill the obligations contained in the agreement and construction of the hangar (if applicable). Financial statements including, but not limited to, audited balance sheets and income statements for the past two (2) years must be provided.
2. Annual contribution to the Region's economic base (projected annual sales/income).

C. Business Plan

1. Operations Plan. Attach a complete and detailed narrative description of the Respondent's scope of operations, setting forth each business activity proposed in accordance with Section II of this RFP, and the means and methods to be employed to operate 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.
2. Customer Service Plan. Attach a complete and detailed narrative description of the Respondent's customer service plan that includes the ability to meet the needs/requests of customers as well as a means of resolving outstanding issues.
3. Management Structure and Operating Personnel Schedule. Attach a complete description of the Respondent's proposed management hierarchy and operating personnel schedule and salary structure of each. Proposed job titles and descriptions should be included.
4. Marketing Program. Attach a complete description of the marketing program Respondent plans to use in attracting new general aviation activity to the FBO.
5. Mobile Equipment. Attach a complete description of the mobile equipment Respondent plans to use and the investment therefore.

D. Physical Requirements

This section should describe other physical needs above and beyond the leasehold space described in Section III. Examples of other needs may include vehicular parking space requirements; refuse disposal needs, exterior signage requirements or any other extraordinary need that cannot be met within the described leasehold.

E. Acceptance of Lease Agreement, Specification And Other Requirements

In this section, list any exceptions taken to the Lease Agreement specifications, or other requirements listed in this RFP. You must reference the RFP section where exception is taken, a description of the exception, and the proposed alternative, if any. The Lease Agreement and all terms, conditions, specifications and other requirements of this RFP shall be deemed accepted by the Respondent unless accepted to in accordance with this Item E.



SECTION VI: PROPOSAL SUBMITTAL

A. Submittal Package

Respondents shall submit one (1) unbound and ten (10) bound copies of its proposal.

B. Delivery

Proposals shall be delivered in hand or by mail marked:

Proposal for FBO at Niagara District Airport
Niagara on the Lake
Attn: Airport Manager
P.O. Box 640
Virgil
Ontario, L0S 1T0

In addition this RFP may be sent via email, and it will also be posted on the Niagara District Airport website at:
www.niagaradistrictairport.ca

C. Schedule

- Issue Request for Proposal Monday, December 5, 2011
- Last day for questions by Respondents on Friday, January 13, 2012
- Proposals due on 1:00 P.M., Friday, January 27, 2012
- Short List Selection of preferred proposal (s) by Thursday, February 16, 2012
- Negotiate agreements by Friday, March 9, 2012
- Presentation to NDA Commission Thursday, March 15, 2012
- Select winning RFP byFriday, March 23, 2012
- FBO Service in Place NLTTuesday, May 1, 2012

D. Deadline

Proposals must be submitted to the Niagara District Airport, Attn: Airport Manager, P.O. Box 640, Virgil, Ontario, L0S 1T0 NLT 1:00 p.m., local time, Friday, January 27, 2012. Proposals received after the specified time and date will NOT be considered. The Niagara District Airport will not be responsible for failure of Canada Post, private courier, or any other delivery means to deliver a proposal to the appointed place at the specified time in order to be considered. All submitted proposals will be considered the property of the Niagara District Airport.

E. Finalist

Finalists may be selected from the qualified proposals and shall be notified by mail. The finalists may be required to submit additional details.

F. Niagara District Airport Reservations

The Niagara District Airport 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. Waive irregularities in the proposals.
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 Niagara District Airport.
5. Accept the proposal(s), which, in the Niagara District Airports sole and absolute discretion, best serves the interests of the Niagara District Airport.

G. Niagara District Airport Contact Information

Those Respondents and parties interested in submitting a proposal may contact Len O Connor, Airport Manager, P.O. Box 640, Virgil, Ontario, L0S 1T0, or by telephone (905) 684-7447 Extension 11, or by email to loconnor@niagaradistrictairport.ca.

H. Collusion

More than one proposal from the same Respondent under the same or different names will not be considered. Reasonable grounds for believing that a Respondent is submitting on more than one proposal will cause the rejection of all proposals in which the Respondent is involved. Those proposals will be rejected if there is reason for believing that collusion exists among Respondents, and no participant in such collusion will be considered in any future proposals for the operation of a FBO for the next six months following the date of the Proposal submission.

I. Disclaimer

The estimate of Tenant Space is believed to be reliable; however, Respondents should rely on their own experts for counsel in this regard. All proposals submitted to the Niagara District Airport are subject to public disclosure under the Freedom of Information Act.

J. Binding Offer

A Respondent's submittal shall remain valid for a period of 120 days following the Proposal deadline and will be considered to a binding offer to perform the required services, assuming all terms are satisfactorily negotiated. The submission of a Proposal shall be taken as prima facie evidence that the Respondent has familiarized itself with the contents of this RFP.

K. Requests For Interpretation or Clarification

No interpretation or clarification of the RFP will be made by a Respondent orally. If discrepancies or omissions are found by any prospective Respondent or there is doubt as to the true meaning of any part of the RFP, a written request for clarification or interpretation must be submitted in writing, addressed to the Airport Manager, P.O. Box 640, Virgil, Ontario, L0S 1T0. Fax and e-mail request for interpretations will be accepted for this project. The fax number is (905) 684-2433 and the email address is loconnor@niagaradistrictairport.ca. It is the responsibility of the Respondent to verify the Niagara District Airport received the fax and email requests. To be given consideration, such requests must be received by Friday, January 13, 2012. All such interpretations and any supplemental instructions will be in the form of a written addendum which, if issued, will be posted to the NDA Airport web site www.niagaradistrictairport.ca. It is the responsibility of the Respondent to check the website for any updates. Failure of the Respondent to check the website for updates for any such addendum or interpretations shall not relieve said Respondent from any obligation contained therein.

L. Request For Tour Of The Airport Facilities

Any Respondent interested in scheduling a tour of the airport may do so by contacting Mr. Len O Connor, Airport Manager at (905) 684-7447, Ext 11, The tours will only be conducted during normal business hours and the Niagara District Airport will require a minimum of a seventy-two (72) hour notice to schedule a tour.

M. References

In addition to the information above the Respondent must provide with their proposal three (3) references (as a minimum).

SECTION VII: SELECTION CRITEREIA

A. Selection Criteria



At a minimum, a proposal should include all those items as specified in Section V of this RFP. Proposals will be evaluated based on the following criteria, ranking in order of importance:

1. Respondent's ability to provide the services as listed in Section IIA of this RFP.
 - a. Prior FBO/Aviation experience
 - b. Fullness of resources to operate the FBO
 - c. Financial Fitness
 - d. Business Plan

2. Overall economic return to the Niagara District Airport
 - a. Rents and Fees
 - b. Employment generation
 - c. Fuel royalties to the Niagara Airport Commission

3. Respondent's desire and ability to provide any of the optional services as listed in Section IIB and IIC of this RFP.

B. Evaluation Committee

The Niagara Airport Commission will evaluate each proposal based on the criteria above.