



# **RAPID CITY REGIONAL AIRPORT**

## **REQUEST FOR PROPOSALS (RFP)**

### **FOR**

## **Consultant Services for General Aviation Rates & Charges Methodology Development and Negotiation Assistance**

Sealed proposals will be accepted until 2:00 PM MT, December 11, 2018, by the Rapid City Regional Airport (Airport), 4550 Terminal Road, Suite 102, Rapid City, SD 57703, to perform consultation services associated with the methodology development of General Aviation (GA) rates and charges and assistance with key airport tenant negotiation.

RFP documents may be obtained from Toni Broom, Deputy Airport Director for Finance & Administration, by accessing the Airport website at <https://www.rapairport.com/about-the-airport/news>. Sealed Proposals shall be submitted to the above address and are to be marked: **“Consulting Services for General Aviation Rates & Charges.”**

The Rapid City Regional Airport is an Equal Employment Opportunity (EEO) organization which does not discriminate against any prospective Consultant on the basis of race, religion, color, sex, age, national origin, sexual orientation, or presence of any sensory, mental, or physical disability in the consideration of contract award. Successful Consultant will be required to comply with all EEO, federal, state, and local laws and regulations.

Since the Rapid City Regional Airport is a nonhub primary airport, it is required to have a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the US Department of Transportation 49 CFR Part 26. All DBE firms and small businesses qualifying under this solicitation are encouraged to submit Proposals. Additional information on the DBE program is available upon request.

Publication Dates:    November 14, 2018  
                                  November 24, 2018  
                                  December 1, 2018



## **INTRODUCTION**

The Rapid City Regional Airport (Airport) is seeking proposals from qualified Consultants to provide assistance in the development of the methodology for GA rates and charges and further assist by representing the Airport in key lease negotiations and/or renegotiations. In June, 2017, the Airport hired Delta Airport Consults, Inc. to study the existing charges on the GA side of the airport. The recommendation provided in the study was as follows:

“It is important that the Rapid City Regional Airport carefully consider each element of its overall general aviation revenue strategy. This pricing strategy must consider the revenue potential across a range of various sources: land leases, hangar and building rentals, fuel flowage fees and landing fees.” A copy of this document can be provided upon request.

The Airport also has recently completed development of a rates and charges methodology for our current air carriers and successfully renegotiated three of four leases. The overall plan for GA rates and charge shall be complimentary to the air carrier agreement.

The Airport reserves the right to accept or reject any or all Proposals, negotiate with any Proposer, alter the scope of work, award multiple contracts to more than one Proposer, to waive any informalities and irregularities in the Proposal submission process, to extend the date for submittal of responses, to request additional information from any or all Proposers, to supplement, amend or otherwise modify the RFP prior to the closing date and time, to cancel this request with or without the substitution of another RFP, to re-solicit or cancel the procurement process, and to accept a Proposal which is considered to be in the best interest of the Airport.

Sealed Proposals shall be submitted by 2:00 PM, MT, December 11, 2018, and delivered to:

Rapid City Regional Airport  
Attn: Toni Broom  
4550 Terminal Road, Suite 102  
Rapid City, SD 57703

All Proposals will be time-stamped upon receipt and any submittals received after the time specified above will be returned unopened. In bold lettering, mark the sealed envelope with the following words: “**Consulting Services for General Aviation Rates & Charges,**” together with Consultant’s name and return address. Faxed or emailed copies will not be accepted. All responsive Proposals become the property of the Airport and must be provided without cost to the Airport. Except as otherwise provided for herein, submittals which are incomplete or which are not in conformance with the law, may be rejected as non-responsive.

Submittals shall not be returned unless a written request to withdraw is received prior to 2:00 pm MT on December 11, 2018. Any Proposal submitted will be deemed to be valid for a period of up to 90 days following the closing date of the RFP. Timely Proposals received shall be subject to applicable laws and regulations governing public disclosure. Submission of a Proposal indicates acceptance by the Proposer of the conditions contained in this RFP, and the intent to enter a Contract with the Airport.



Information that is considered by a Consultant to be proprietary is still subject to release as a component of an open records request subject to review by the City Attorney. Proprietary information should be clearly marked as “confidential” or “proprietary” on each page which the information appears. Consultants should not expect the Airport to seek confidentiality protection for any claimed privileged or proprietary information in the written Proposal just because the material is marked “confidential” or “proprietary.” For any essential information that the Consultant reasonably believes can be defended as being exempt from disclosure under the Open Records Act, the information must be capable of being separated or redacted from the Proposal, and should be clearly and specifically marked.

This RFP does not obligate the Airport to enter into a Contract or pay any costs incurred in the preparation of a Proposal pursuant to this RFP or incurred in subsequent negotiations. It is the intention of the Airport to negotiate a contract with the Consultant it deems most qualified. During the Proposal evaluation process, the Airport may request additional information or clarification from submitting Proposers.

By submittal of a Proposal pursuant to this RFP, the Proposer certifies that no fee or commission, or any other thing of value, has been paid or agreed to be paid to any employee, agent, representative or official of the Airport in order to procure the contract described in this RFP. The Proposer also certifies that the qualification information in its Proposal has been arrived at independently and without consultation, communication or agreement with the Airport, or other firms, not restricting competition as to any matter relating to this RFP.

Proposers shall assume full responsibility to review and evaluate the entirety of this RFP, the appendices hereto and any Addendum which may be issued, and to become fully informed of the detailed instructions and requirements of this RFP and the future Contract expectations. Proposers shall thoroughly examine and become familiar with this RFP, the Proposal forms, and all related documents comprising this RFP and any written Addendum thereto. Each Proposer shall judge for itself all conditions and circumstances within this solicitation having relationship to its respective Proposal.

Submission of a Proposal shall constitute an acknowledgment that the Proposer has thoroughly examined and is familiar with this RFP and Addendum which may be issued. The failure or neglect of a Proposer to receive or examine any RFP documents or Addendum shall in no way relieve Proposer from any obligation with respect to the Proposal or the obligations that result from submitting a successful Proposal. No claim based upon lack of knowledge or understanding of this RFP or its contents shall be allowed. The provisions and terms of the Contract may be revised or adjusted by the Airport prior to final execution.

**Equal Employment Opportunity** – Rapid City Regional Airport is an Equal Employment Opportunity (EEO) organization, which does not discriminate on the basis of race, religion, color, sex, age, marital status, national origin, sexual orientation, or the presence of any sensory, mental or physical disability in consideration of a contract award. The successful Proposer will be required to comply with all federal, state, and local laws and regulations.



**Disadvantaged Business Enterprise (DBE) Eligibility** – DBE firms are encouraged to submit a Proposal. Consultants who propose to participate as a DBE must meet the experience and economic guidelines as set forth in 49 CFR Part 23 and 26 and should submit their DBE Plan and the DBE companies that will participate in this service. DBEs must be SD State certified DBEs.

**Prohibition Against Lobbying** – The Proposer shall not lobby, either on an individual or collective basis, the Airport (its associated City employees, or outside advisors) or any federal, state, or local elected or public officials or staff regarding this RFP or its written Proposal. Proposers, the Proposer’s acquaintances, friends, family, outside advisors, agents, or other representatives shall not contact the Airport (its associated City employees, or outside advisors) or any federal, state, or local elected or public officials or Airport staff to arrange meetings, visits, or presentations to influence the outcome of the selection process. Violation of this provision, by or on behalf of a Proposer, intentionally or unintentionally, will result in disqualification of the Proposer and/or rejection of a written Proposal.

**Questions, Inquiries and Contact with Airport Staff** – The Airport is committed to providing all interested parties with accurate and consistent information in order to ensure that no Consultant obtains an undue competitive advantage. To this end, from the date of this RFP through award of contract, the Airport contact is Toni Broom, Deputy Airport Director for Finance & Administration.

All questions from Proposers must be submitted in writing, electronically, to [toni.broom@rcgov.org](mailto:toni.broom@rcgov.org) by December 4, 2018. It will be the sole responsibility of the Proposer to ensure questions are submitted in a timely manner. Answers to questions, other clarifications and/or addenda will be posted on the Airport’s website. The Airport’s web site ([www.rapairport.com](http://www.rapairport.com)) contains additional information which is available to assist Consultants in responding to this RFP.

It shall be the Proposer’s responsibility to monitor the Addendums that may be issued under and as a part of this RFP. Copies of this RFP, and any Addendum issued, are available for viewing at the following link: [www.rapairport.com/about-the-airport-/news](http://www.rapairport.com/about-the-airport-/news). Any Addendums so issued are to be considered a part of this RFP document. Therefore, receipt of all Addendums issued during this RFP must be acknowledged on the Signature Page included with your Proposal.

**Insurance** – The Proposer shall, during the whole of the term and during such other time as the Proposer occupies the premises, take out and maintain insurance, in such form and with such companies as the Airport may reasonably approve. Insurance coverage and endorsements will be addressed in the Contract with evidence of insurance provided to the Airport upon execution of the Contract.

**Disclaimer** – It is the responsibility of each Proposer to investigate and be satisfied as to the facts and conditions prior to submitting a Proposal. The Airport makes no representation or warranties and accepts no responsibility for the accuracy or completeness of any information supplied. Proposers are responsible for obtaining their own independent financial, legal, accounting, and technical advice on all proposal matters. Any failure to become fully knowledgeable shall be at



the Proposer’s sole risk. The Airport assumes no responsibility for any interpretations made by Proposers on the basis of information provided in this RFP or through any other source.

**AIRPORT INFORMATION**

The Rapid City Regional Airport is owned by the City of Rapid City and governed by a semi-autonomous board. The Airport is a vital transportation hub for the region with both commercial and general aviation activities. It provides over 300 jobs and contributes approximately \$180 million to the local economy. It is the second largest airport in the State of South Dakota with nonstop flights to eleven (11) major U.S. airports (some seasonally). Rapid City Regional Airport is the gateway to Mount Rushmore, the Black Hills and Western South Dakota.

**PASSENGER STATISTICS AND AIRLINE INFORMATION**

Passenger traffic statistics include both enplaning and deplaning passengers:

<u>Calendar Year</u>	<u>Enplaned Passengers</u>	<u>Deplaned Passengers</u>	<u>Total Passengers</u>
2013	263,246	272,412	535,658
2014	270,100	272,152	542,252
2015	270,608	275,894	546,502
2016	279,558	281,544	561,102
2017	295,215	300,721	595,936

The Airport is currently served by the following airlines and their partners\*:

- Allegiant Air: Las Vegas, Mesa/Phoenix
- American Airlines: Charlotte, Chicago, Dallas/Ft. Worth
- Delta Airlines: Atlanta, Minneapolis/St. Paul, Salt Lake City
- United Airlines: Chicago, Denver, Houston, New York/Newark

\*Some destinations are seasonal

**SCOPE OF SERVICES**

**Development of an General Aviation Rates & Charges Methodology and Negotiation Assistance for Implementation of New Methodology**

- a. Develop a methodology for the General Aviation rates and charges.
  - a. Review the 2017 Rates & Charges Analysis and the Airline Rates & Charges.
  - b. Determine the best way to set the rates and charges, i.e. facility value, comparable airport rates, etc.
  - c. Develop a methodology that will complement the newly approval Airline Rates & Charges.
  - d. Produce a document to support the methodology and assists with future escalations.
  - e. Represent the Airport in key lease agreement negotiations (up to three negotiations).



- f. Develop the final document to support the methodology that applies a plan to keep rates current into the future.
- g. Make recommendations on the existing General Aviation standard lease agreement for future implementation.

**RFP TIMELINE**

November 13, 2018	RFP Released
December 4, 2018	Final Date for Written Questions
December 6, 2018	Answers to Q&A Published on Website
<b>December 11, 2018</b>	<b>RFP Submittals Due</b>
December 14, 2018	Finalist Interviews (if needed)
December 20, 2018	Contract Award

**PROPOSALS REQUIREMENTS**

The Airport requires that Proposals are limited to ten double sided, 8 ½ X 11 pages, including the cover letter with a brief description of the firm or individual, as well as the name and contact information of the principal. Proposers must include an email address for the primary point of contact for this RFP in the cover letter. Font size shall not be any smaller than Arial 12 point or equivalent.

Proposer shall submit five printed copies and one electronic copy of the proposal on either a compact disk or flash drive together in a sealed package to:

Toni Broom  
 Rapid City Regional Airport  
 4550 Terminal Road, #102  
 Rapid City, SD 57703

**PROPOSAL CONTENTS**

RFP responses must be completed and prepared in a form that provides an insightful, straightforward and concise overview of the capabilities of your firm. Additional facts and information other than those listed below may be included if it will help to highlight your firm’s qualifications and experience. All materials submitted in response to this RFP shall become the property of the Airport and shall be considered a part of the public record of the Airport except for any proprietary financial information that should be clearly marked as confidential.

- **Cover Letter** – Cover letter should include a brief description of the firm or individual, as well as the name, email and contact information of the principal. It should also acknowledge that the Proposer will comply with all the terms and conditions set forth in the Request for Proposals, unless otherwise agreed by the Airport.
- **Executive Summary** – Executive Summary should contain an outline of your general approach to the provision of services in addition to a brief summary of your qualifications to engage in a professional service relationship with the Airport. It



should clearly communicate why you believe your firm would be the best qualified Consultant for the Airport.

- **Qualifications & Key Personnel** – List all personnel to be involved in the process along with their role and prior experience. Describe in detail all qualifications and experience.
- **Project Plan** – Describe methodology, tasks, timeline, and key dates.
- **References** – Provide contact information of three current or previous clients.
- **Fee for Services** – Provide a fee for the Scope of Services outlined in this RFP. Identify all costs including expenses to be charged for performing the services necessary to accomplish the objectives of the Contract. Submit a fully detailed budget including staff costs, hourly rates for all proposed team members, any expenses necessary to accomplish the tasks and to produce the deliverables under the Contract.

## **QUALIFICATIONS**

The following minimum qualifications are required:

- Five or more years of experience working with airport leases and rates and charges.
- Proven track record in working collaboratively with airports and tenants.
- Familiarity of, and compliance with, all local, state and federal laws and regulations pertaining to said work.
- Sufficient resources to complete the work.
- Excellent interpersonal and communications skills.

## **SELECTION CRITERIA**

Airport staff will evaluate each Proposal and will determine the best. The Airport reserves the right to select a Consultant based solely on the Proposals, however may conduct interviews. Interviews are at the sole discretion and option of the Airport and may not be afforded to any or all Consultants. Proposals will be evaluated in accordance with the following Selection Criteria:

- **Firm Qualifications and Scope of Work (35 Points)** – Experience in rates and charges consulting and negotiations. Established relationships with airports, aviation governmental agencies, and other industry contacts.
- **Management (25 Points)** – Experience of the individual selected as primary manager of the contracted work; rationale for his/her selection. Plans for managing the project. Quality control plan and methodology to ensure compliance with, and achievement of, scope of work/services tasks.
- **Capability & Quality (20 Points)** – Demonstrated capability to perform all of the anticipated services on time, along with recent experience on comparable airport projects. Satisfactory quality of completed projects previously undertaken.
- **Price (20 Points)** – The price will be evaluated on the proposed cost of performing the work as provided in the pricing proposal of each proposing firm.



**ATTACHMENT A**

**SIGNATURE PAGE AND ADDENDA ACKNOWLEDGMENT**

*To be returned with Proposal*

Consultant Name: \_\_\_\_\_

The undersigned Proposer, having examined these documents and having full knowledge of the condition under which the work described herein must be performed, hereby proposes that she/he will fulfill the obligations contained herein in accordance with all instructions, terms, conditions, and specifications set forth; and that she/he will furnish all required products/services and pay all incidental costs in strict conformity with these documents, for the stated prices as payment in full.

Submitting Firm: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Authorized Representative (print): \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_ Email: \_\_\_\_\_

Phone #: \_\_\_\_\_

**FIRM PRICING** - Offered prices shall remain firm for a minimum of 90 days after the due date of this solicitation unless indicated otherwise. Accepted prices shall remain firm for the duration of the Agreement.

**ADDENDA** – <https://www.rapairport.com/about-the-airport/news>. It is Proposer’s responsibility to check for issuance of any addenda at the above website. The authorized representative hereby acknowledges receipt of the following addenda:

Addenda Number: \_\_\_\_\_ Date: \_\_\_\_\_

Addenda Number: \_\_\_\_\_ Date: \_\_\_\_\_

