

**City of Hayward, California  
Hayward Executive Airport**

**REQUEST FOR PROPOSALS (“RFP”) for  
General Aviation Aeronautical Facilities**



**TIMELINE: REVISED DATES**

Issue RFP	February 17, 2016
Optional Pre-Proposal Conference and Site Visit	March 17, 2016
Deadline to Submit Questions	<b>April 29, 2016</b>
RFP Addendum/Final Answers Posted	<b>May 6, 2016</b>
Proposal Due Date and Time	<b>May 23, 2016 at 2:00pm PST</b>

Hayward Executive Airport  
20301 Skywest Drive  
Hayward, CA 94541

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<b>Optional Pre-Proposal Conference and Site Visit</b>	<b>March 17, 2016</b>
<b>Deadline to Submit Questions</b>	<b>March 31, 2016</b>
<b>RFP Addendum/Final Answers Posted</b>	<b>April 7, 2016</b>
<b>Proposal Due Date and Time</b>	<b>April 22, 2016 at 2:00pm PST</b>



**Hayward Executive Airport  
20301 Skywest Drive  
Hayward, CA 94541**

HAYWARD EXECUTIVE AIRPORT

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## INTRODUCTION

A unique opportunity is now taking shape at Hayward Executive Airport in the vibrant San Francisco Bay Area. A 19.8 acre parcel with direct airfield access is being offered for lease, in whole or in part, for the development of aviation facilities. This is an ideal opportunity for aviation organizations planning to expand or relocate.

Hayward Executive Airport was originally a military airfield constructed during WWII, and this particular 19.8 acre site was part of the main operations area. A focal point is the 23,200 square foot masonry hangar with a thirty foot high door. This hangar has a storied history with significant ramp presence, and if retained by the developers, it will accommodate almost any aircraft in the general aviation fleet. After renovation it could easily become a signature location for a corporate flight department, professional flight training organization, government flight operation, aircraft manufacturer or a host of other aviation uses. In addition, a new entrance road to the site is now under construction.

Hayward Executive is one of the country's premier general aviation airports. It's in a prime location with easy access to San Francisco, Oakland, San Jose and Silicon Valley. The airport has 426 based aircraft, including 62 turbine aircraft, there were over 120,000 aircraft operations in 2014, and it's just one of 82 FAA-designated "national" general aviation airports.

Known for its beauty and Mediterranean-style climate, the San Francisco Bay Area is a financial center and home of the technology industry in the United States. Population and job growth in the area continue to outperform national trends. There is a large and thriving aviation community and thousands of general aviation aircraft including an estimated 225 jets and turboprops.

The City of Hayward is strategically positioned for success in the epicenter of this dynamic area with more than 400 biotech, biomed and life science companies. The Brookings Institution calls these advanced industries one of the new engines of the American economy.

This RFP will provide further background information and outline the application procedure for potential respondents. We urge you to take a close look at this opportunity.

### Part 1. OPPORTUNITY

**A. Summary:** The City of Hayward, California ("City") seeks proposals from qualified and responsible firms for the development and operation of aeronautical facilities serving general aviation activities at Hayward Executive Airport. For the purpose of this RFP, "general aviation" shall mean any aeronautical activity other than scheduled commercial passenger or cargo service operated under Part 121 of the Federal Aviation Regulations or large scale military operations. Aeronautical activities include commercial and non-commercial uses. For the purpose of this RFP, a commercial facility includes either a Fixed Base Operator (FBO) or a Specialized Aviation Services Operator (SASO) as defined in Sections 2-6.63 and 2-6.66 of the Hayward Executive Airport Minimum Standards. A non-commercial facility is defined in Section 2-6.66 (I) of the Minimum Standards, essentially the storage of aircraft for use by a private corporation, government agency, or other entity.

The selected Respondent will be authorized and required to design, develop, finance, construct, and operate aeronautical facilities serving general aviation on a site approximately 19.8 acres in

size located on the south side of Hayward Executive Airport, consistent with the adopted Airport Master Plan. The Airport Master Plan is available for review at the Airport Administration Offices, 20301 Skywest Dr., Hayward, CA during normal business hours. The site is depicted on **EXHIBIT A – Aerial Photograph** and **EXHIBIT B – Site Map** that are attached to this RFP. This site was formerly occupied by the California Air National Guard (CANG). This portion of the airport is identified in the City’s Economic Development Strategic Plan as an “Opportunity Site” - an industrial parcel of greater than five acres that is in proximity to major arterials with good potential for development.

The site includes one hangar of masonry construction that is not currently in operation with approximately 23,300 square feet of floor space and a hangar door that is approximately 30 feet in height. It also includes fifteen smaller buildings that were used for a variety of functions such as mess hall, barracks, and parts storage. Two of the buildings are currently being utilized. It is anticipated that proponents will opt to demolish most of the smaller buildings due to their age to make way for new development. While the City would prefer that the large hangar remain and be renovated, Proponents may wish to remove it and the City will take such requests under advisement. The underground storage tanks used for aviation fuel on the site have been removed. Subject to approval by the Federal Aviation Administration (FAA) and the City, a portion of the site immediately adjacent to West Winton Ave. may be dedicated to non-aeronautical retail use.



Respondents are not required to utilize the entire 19.8 acre site, however, additional consideration will be given to proposals that utilize the greatest portion of the 19.8 acre site and maximize revenue for the City. Phased development is acceptable provided that construction deadlines are incorporated as part of the negotiated ground lease, and that rent is paid on all leased property, including significantly reduced rent on property that is intended for later use. Each respondent must meet all of the requirements stated in the Minimum Standards, including but not limited to, the type and size of the facilities offered, personnel on duty, and services provided. The Minimum Standards may be found at [www.haywardairport.org](http://www.haywardairport.org).

Respondents may propose the preferred location on the 19.8 acre site for their facilities under this RFP, however, the City reserves the right to determine the location that best meets its needs. The selected Respondent will be required to construct all components of the

aeronautical facilities, including but not limited to aircraft parking ramps, hangars, offices, taxiway connections, and other facilities and infrastructure necessary for the Respondent's operations. In addition, a minimum of 2,000 sq. ft. of office space must be made available for use by Tuskegee Airmen, Inc., including limited, convenient vehicle parking space on the Landside of the airport, for construction of a museum honoring the Tuskegee Airmen. The preferred location of the museum is in the existing large hangar, should it be retained by the Proponent.

The declared purpose of this RFP are to: (1) solicit proposals from qualified firms or individuals to develop general aviation facilities at the airport; (2) evaluate and rank the qualifications and proposals pursuant to the criteria set forth in this RFP; (3) determine the responsive and responsible Respondents providing the greatest benefit to the City; and (4) make a recommendation to the Hayward City Council for award of a ground lease.

**B. Background:** The City of Hayward is located in Alameda County and is part of the "Bay Area" which includes the major metropolitan areas of San Francisco, Oakland, and San Jose. Based on 2014 data the City has a population of 149,342 and it is home to a significant number of manufacturing and high tech companies.

The City operates under a council-manager form of government. The City Council has seven members including the Mayor. The Council Airport Committee (CAC) is composed of three City Council members and provides oversight of Hayward Executive Airport. Within the City government the airport falls under the Department of Public Works. The Airport Manager oversees daily operations and reports to the Director of Public Works. Additional information about the City of Hayward can be found online at [www.hayward-ca.gov](http://www.hayward-ca.gov).

Hayward Executive Airport (ICAO identifier KHWD) is located approximately two miles northwest of Hayward's central business district, one mile from Interstate 880, and three miles from the San Mateo Bridge. The airport is 543 acres in size and is currently home to 426 aircraft, including 32 corporate jets and a total of 62 turbine aircraft. The airport is designated by the Federal Aviation Administration (FAA) as a General Aviation Reliever Airport in the National Plan of Integrated Airport Systems (NPIAS). In 2012 the FAA completed the ASSET study of 2,952 U.S. general aviation airports, and KHWD was identified as one of just 84 "national" general aviation airports, the highest category. This designation is based on criteria including the number of based jets, the number of aircraft operations conducted under Instrument Flight Rules (IFR), and the number of interstate and international departures. The annual number of aircraft operations at KHWD for the past five years are listed below:

<u>Year</u>	<u>Operations</u>
2015	120,191
2014	112,726
2013	100,138
2012	83,275
2011	89,799

The airport's airfield consists of two parallel runways, including one primary 5,694 x 150-foot runway, and one 3,107 x 75-foot secondary runway. The Airport Reference Code (ARC) is currently C-II, and a transition to D-II is anticipated in the future. The published aircraft load bearing capacity is 75,000 pounds, limited primarily by the connecting taxiways. Aircraft with MGTOW in excess of 75,000 pounds can and do operate at the airport with prior approval. The

largest based jet is currently a Gulfstream V. The airport has multiple non-precision instrument approaches, including VOR, Localizer, and RNAV GPS approaches. The airport has an FAA Level 6 air traffic control tower. A fire station is located on airport property and ARFF service is provided with two dedicated vehicles by the Hayward Fire Department.

There are currently 44 commercial tenants at the airport providing a host of aeronautical services, including two fixed base operators, APP Jet Center and Meridian Aviation. APP Jet Center has been in operation at KHWD since 2007, and in addition to an existing facility, they have announced plans for the construction of a 20,000 sq. ft. hangar and 2,000 sq. ft. office area to break ground in February 2016. Construction is underway for Phase 1 of Meridian Aviation's new FBO facility consisting of a 30,000 sq. ft. hangar and a 6,000 sq. ft. office area. Completion of Phase 1 is scheduled for July 2016. Approximately 1.4 million gallons of jet fuel and 184,000 gallons of avgas were sold in CY 2015.

The City of Hayward enacted an airport noise ordinance in 1992. As a result, no aircraft may takeoff, land, or operate at the airport if it generates a Single Event Noise Exposure Level (SENEL) in excess of certain values. The City electronically monitors aircraft noise in the vicinity of the airport, and failure to comply with the ordinance may subject the violator to certain progressive enforcement provisions, up to and including monetary fines. Pilots are requested to comply with published noise abatement procedures to reduce noise in nearby residential areas to the extent possible. A fulltime noise analyst is on staff.

Airport-related documents and information referenced in this RFP may be found at [www.haywardairport.org](http://www.haywardairport.org). In addition to reviewing these materials, Respondents are encouraged to conduct additional research and data collection including, but not limited to the following subjects:

- Pertinent regulations, ordinances, orders, advisory circulars, and requirements regarding the development and operation of general aviation facilities on airports.
- Pertinent information about KHWD provided by the FAA, Caltrans, and the City.
- Site conditions, including environmental, zoning, line-of-sight, and other constraints.
- Existing utilities, including electrical service and storm and sanitary sewer infrastructure.
- Height limitations under FAR Part 77 and the application of restrictions related to TERPS procedures.
- The sufficiency of fire protection methods in aircraft hangars and office areas, in compliance with NFPA 409 and applicable state and city regulations.
- Market research and analysis for general aviation operations at the airport.

It is the responsibility of the Respondent to ensure its proposal is compliant with all applicable regulations and the proposed facility is suitable for the intended use.

## C. Disclosure

Hayward Executive Airport was originally constructed in 1941 by the U.S. Army for military use during WWII. The airport property was transferred to the City in 1947 and renamed Hayward Municipal Airport. From 1946 until 1980 the 19.8 acre CANG site was retained and used by various military aviation units, and in 2012 the Air National Guard conveyed a contingent release of the property to the City.

As the result of pollution from leaking underground fuel storage tanks and certain aircraft maintenance practices, various phases of environmental investigation and restoration of the site have been underway since 1991. In November 2008, a Record of Decision (ROD) was issued regarding efforts by the Air Force and the Air National Guard to mitigate the remaining environmental concerns. As described in the ROD, the National Guard Bureau has sought to meet or exceed conditions that allow for UU/UE, unrestricted use. According to a report issued in December 2014 by the National Guard Bureau, soils with TPH impacts have been excavated to concentrations below residential remedial goals. This report and other materials are available for review during normal business hours in the office of the Airport Manager, 20301 Skywest Drive, Hayward, CA. On December 4, 2014 a "No Further Action Letter" was issued by the California Department of Toxic Substances Control (DTSC).

Neither the City nor the Respondent(s) shall have any responsibility or obligation regarding the cost of environmental clean-up for the CANG site through conveyance of development rights or associated long term commercial aviation site lease. Respondents shall be liable for all clean-up costs for pollution events caused by their negligence during the term of their lease.

## D. Aircraft Rescue and Fire Fighting (ARFF) User Fee Assessment

The Hayward Fire Department (HFD) maintains and operates a fire station on airport property. They also operate and maintain two dedicated Aircraft Rescue and Fire Fighting (ARFF) vehicles for the benefit of based and transient airport users. HWD is not a Part 139 airport. Upon approval of the HFD, the foam capability of the ARFF vehicles may be substituted as an alternative means of fire protection for hangar contents, eliminating the necessity of an installed foam fire suppression system in approved hangars.

To help financially support the use of this ARFF equipment, a user fee of Five Dollars (\$5.00) per square foot of new hangar space is assessed to developers. This fee shall be remitted before a building permit may be issued.

## Part 2. OPTIONAL PRE-PROPOSAL CONFERENCE

An optional Pre-Proposal Conference and Site Visit are scheduled for March 17, 2016 at the Airport Administrative Offices located at 20301 Skywest Drive, Hayward, CA. The conference will start promptly at 1:30pm PST and is anticipated to last approximately one hour. It will be followed by a tour of the site on the south side of the Airport, which is expected to take forty-five minutes.

The purpose of the conference will be to discuss the requirements and objectives of this RFP and respond to questions. **IT IS HIGHLY RECOMMENDED THAT POTENTIAL RESPONDENTS ATTEND THE PRE-PROPOSAL CONFERENCE.** A sign-in sheet will record attendance. It is the Respondent's responsibility to ensure that the Respondent's attendance is recorded at the Pre-Proposal Conference.

Questions asked at the conference must be submitted in writing, and cards will be provided for this purpose. After the Pre-Proposal Conference, questions will be accepted if received in writing **on or prior to March 31, 2016 at 5:00pm at 20301 Skywest Drive, Hayward, CA 94541 or electronically at douglas.mcneeley@hayward-ca.gov.** The City reserves the right to decline to answer or respond to any questions received, and will post responses and addendums to the RFP as necessary.

### **Part 3. PROPOSAL CONTENT AND FORMAT REQUIREMENTS**

#### **A. General Requirements**

Non-Responsive or Late Proposals: Proposals not submitted in the manner described herein may be considered non-responsive and subject to rejection. Late proposals shall be rejected and returned to the Respondent. This deadline is absolute and proposals received after the due date and time shall not be considered. Respondents must select a method of delivery that ensures proposals will be delivered to the correct location by the due date and time.

Page Limit: Proposals shall not exceed fifty (50) single-sided pages, including front and back covers, section dividers, table of contents, cover letter, required appendices and exhibits, resumes, plans and renderings. Proposals shall be prepared in a concise manner that clearly responds without embellishment to the information requested in this RFP.

Format: Proposals must be typewritten (minimum size font is 11 point for narrative text) on white 8 ½ "x 11" paper, in portrait format and must be unbound. Plans, tables or exhibits may be submitted in landscape format using up to 11" x 17" paper.

#### **Submission of Proposals via Sealed Package:**

Respondents must submit their proposals in a sealed package as described below:

1. Number of Proposals: Respondent shall submit seven (7) unbound original proposals and one (1) electronically formatted copy of the unbound Proposal's entire content on a USB memory stick/ thumb drive, which is compatible with the Microsoft operating system.
2. Address: Respondents shall submit proposals to the following address:

Doug McNeeley, Airport Manager  
Hayward Executive Airport  
20301 Skywest Drive  
Hayward, CA 94541

3. Packaging and Identification: Respondent shall submit its Proposal in a sealed package and shall write or type the following identification information on the outermost portion of the sealed package:

General Aviation RFP  
Hayward Executive Airport  
Attn: Doug McNeeley, Airport Manager

**PROPOSALS ARE DUE NO LATER THAN APRIL 22, 2016 AT 2:00pm P.D.T. PROPOSALS RECEIVED AFTER THAT DATE AND TIME WILL BE DISQUALIFIED WITHOUT EXCEPTION.**

**B. Inquiries and Communication**

If discrepancies or omissions are found by any Respondent, or there is doubt as to the true meaning of any part of this RFP, a written request for clarification or interpretation shall be submitted before the deadlines stated in this RFP. Questions submitted after this time will not be considered. Any clarification, interpretation, or change to the RFP will be by written addendum signed by an authorized representative of the City. The City shall not be responsible for any explanation, clarification, interpretation, or approval given in any manner except by written addendum. A copy of each addendum will be posted on the airport's website. Any addenda so issued are to be considered a part of the RFP document.

**THE CITY, IT'S OFFICERS, AGENTS, AND EMPLOYEES WILL NOT BE RESPONSIBLE FOR ANY ORAL INSTRUCTION, MODIFICATION, OR CLARIFICATION RELATED TO THIS RFP. RESPONDENTS SHALL NOT BE ENTITLED TO RELY UPON ORAL COMMUNICATIONS.**

**Part 4. PROPOSAL**

All Respondents are required to follow the format and process specified below. Respondents shall provide detailed evidence of their competency, capability, and expertise to develop and operate the proposed general aviation facility and conduct operations and services in an airport environment. The content of this Proposal must be clear, concise, and complete. If proposing multiple facilities, whether located contiguously or non-contiguously, separate proposal documentation for each facility is required. Proposals that do not follow the specified format outlined below, or fail to provide the required documentation, may receive lower scores, or if found to be non-responsive, be disqualified. In the event of any conflict between any of the submitted Proposal documents, resolution thereof shall be in the City's sole discretion. The City reserves the right to request clarification from any Respondent as to the intent of a Proposal. Each section of the Proposal shall be organized to correlate with the following sections:

**A. Cover Letter:** Not to exceed two (2) pages and to include the following information:

1. Name, title, telephone, and email address of the personnel responsible for the primary communication with the City regarding Respondent's Proposal;
2. A brief statement indicating Respondent's clear understanding of this RFP and a statement as to whether Respondent and/or Respondent's partners, subcontractor(s), joint venture associates, or any other individual or entity of Respondent's team has any potential conflicts that may arise in the performance of the services requested in this RFP, performing the work, or operating the general aviation services facility contemplated within this RFP.
3. Specify whether the proposal is a commercial or a non-commercial facility.
4. A brief summary of the proposal, including the services intended to be offered and the facilities proposed to be developed. Include a description of the Respondent's

brand (if commercial) or company (if corporate) and how association with that brand would benefit the Airport and its users.

5. A brief description of the Respondent's target market(s) and the marketing and sales strategy (including the promotional methods and mix) utilized to reach the target markets. At a minimum, describe the specific services and brands to be offered to the target market. If Respondent is a non-commercial operator this requirement does not apply.
6. Identification of how Respondent's operation at the Airport will contribute to the growth of general aviation at the Airport and in the region as a whole.
7. A statement of Respondent's mission, vision and values.

### **B. Envisioned Operations and Facilities:**

The Proposal must describe the Respondent's plan for its envisioned facilities and operations for conducting and/or providing the proposed services. This plan should, at a minimum, include the Respondent's planned operational components of the new general aviation facility at the Airport and address each of the following areas:

1. Respondent shall state the nature and extent of the proposed endeavor that would be implemented if granted the right to develop and operate a general aviation service facility at the Airport.
2. Describe the components of the proposed general aviation service facility's operations and services at the Airport. Respondent should specify the permitted uses Respondent would seek the City to grant.
3. The response shall present a technical approach in sufficient detail to demonstrate that Respondent understands of the nature of developing and operating the proposed general aviation service facility at this Airport, and has considered the information provided in this RFP in the development of its proposal.
5. Respondent shall describe in brief detail what Quality Assurance/Quality Control measures will be utilized during the design, construction and operation of the proposed facility.
6. Provide any other information that Respondent deems relevant.

### **C. Demonstrated Experience:**

Respondent shall elaborate on its experience and qualifications to design, finance, construct, operate, maintain and repair the proposed general aviation service facility. Respondent's Proposal shall specifically address and include the following information:

1. A list of all general aviation service facilities currently being operated by Respondent and a brief description of each facility. Include relevant calendar year activity levels, such as fuel volumes and aircraft operations, handled at each facility.

2. Identify and explain Respondent's experience (including specific examples) working with airport operators and proprietors on compliance with airport regulations and operational activities (e.g., cooperation with airport emergency plans; disaster exercise and events; disabled aircraft recovery; fueling standards; landing and fuel flowage fee collections; accommodating major events within the region, etc.).
3. Respondent shall identify and discuss its experience designing, financing, constructing and operating general aviation service facilities similar to the proposed facilities. Ideally, Respondent will identify and discuss, in detail, at least one successfully developed project similar to the one contemplated by Respondent within this RFP. The ideal project would have required Respondent to design, finance, construct and operate the facility. Additionally, such ideal developments would have also required Respondent to construct its project in compliance with Minimum Standards.
4. Provide any other information that Respondent deems relevant.

#### **D. Project Organization and Key Personnel:**

Respondent shall describe the envisioned project organization team with reporting authorities contemplated to: 1) to complete design, financing and construction of the new general aviation service facility; and 2) operate the newly constructed general aviation service facility once it is in operation.

Identify and give a profile of the individuals who would serve as the key members of Respondent's organization. For each identified individual, provide their resume as "**Appendix A**" to the Proposal. Also include a profile of the support staff member(s).

Include a summary of the reasons why the key members are highly qualified to develop and operate this general aviation service facility. Pay particular attention to providing the highest level of detail in the resume and description of work experience. Ideally, the general aviation services facility manager should have a minimum of ten (10) years of experience that will include both hands-on expertise and progressive project management experience with operating facilities similar to the proposed general aviation service facility. Other key members identified in the Proposal must have relevant experience operating a facility similar to the proposed facility. Minimum experience requirements do not apply to non-commercial operators.

Where sub-consultants, contractors, partners or similar outside parties are needed for a particular aspect of the project, Respondents shall submit the names and experience of each project team member and indicate the roles and responsibilities of each.

Respondents are invited to describe any particular aspects of its organization that by way of background, experience, unique qualifications or other factors, set its company (team, etc.) apart from the competition.

Provide any other information that Respondent deems relevant.

## **E. References:**

In addition to the required letters of reference outlined below, Respondent is advised and hereby consents that the City may request information from Respondent's clients, government agencies, or any other available sources while examining Respondent's experience and qualifications to design, finance, construct and operate the proposed general aviation facility.

### *1. Airport Related References*

Respondents that are submitting proposals for commercial operations shall include one letter of reference from an airport operator with knowledge of your organization's ability to design, construct, and operate a general aviation service facility. The letters of reference must include a description of the construction project and the subsequent services provided at that Airport. The letter must also include the contact name, title, address, phone, and email for the individual at the airport that can elaborate on its experience working with Respondent. Please attach the letters of reference as "**Appendix B**" to the Proposal. Airport-related references are not required for non-commercial operators.

### *2. Financial Related References*

Respondent shall include two (2) letters of reference from two separate financial institutions with knowledge of Respondent's debt payment history and ability to finance the development of facilities similar to the one Respondent contemplates as part of this RFP. The letters of reference must include a description of the development project(s) with which the financial institution is familiar. The letters must also include the contact name, title, address, phone, and email for the individual at the financial institution that can elaborate on its experience working with Respondent. Please attach the letters of reference as "**Appendix C**" to the Proposal.

## **F. Financial Proposal:**

1. Rent Proposal: Respondents shall submit a rent proposal over the life of the ground lease. The minimum acceptable initial rent shall be \$0.32 per square foot, per year, subject to periodic increases as stated in the Policy Establishing Periodic Adjustments to Land Value.
2. Term: Include the proposed lease term, including the development period. The maximum lease term is 50 years, but the term is dependent on the Respondent's level of investment and the benefit of the project to the Airport and the community.

## **G. Financial Qualifications Information:**

To ensure each Respondent's financial capability, the City requires the information outlined below.

Respondent Financial Information:

1. Respondent's audited financial statements for the past three (3) years, including balance sheets, income statements, and notes to financial statements. Additionally, the most recent unaudited quarterly financial statement must be included. Please

attach the required **Audited Financial Statements as “Appendix D”** to the Proposal.

2. Respondent’s Dun and Bradstreet rating, if applicable.
3. Any other information that Respondent deems relevant to its financial qualifications.

Respondent financial information (items 1 through 3 above) are not required to be submitted by non-commercial Respondents.

Financing Plan:

4. Estimated investment required to accomplish Respondent’s envisioned general aviation service facility at the Airport.
6. Identify if any parts of the development project will be leased to another party, and how Respondent intends to maintain responsibility for all of the operations within its leasehold area in compliance with its lease agreement and the Minimum Standards. Note: any sublease of all or any part of the development project will be subject to negotiation with the City.
7. Financing Plan: Respondent shall elaborate in detail its plan to finance the proposed Project. All sources with specific amounts of capital must be identified. If third party financing is contemplated (whether it be individuals, banks, or other institutions), a letter from each third party indicating their commitment of funds to the specific levels identified with the Proposal is preferred.
8. Respondent shall provide audited financial statements for the past three (3) years, including balance sheets, income statements, and notes to financial statements from any non-institutional third party being relied upon for financing as part of the Respondent’s Proposal as **“Appendix E”**.
9. Describe any lender protections, collateral, or other obligations that are required to secure financing for the facility development and operation.

Financial Projections:

10. Respondent shall attach to the proposal a detailed **Financial Pro Forma “Appendix F”** for the first five (5) years of operations. The required financial pro forma must include, at a minimum, projections of revenues by category, operating expenses by category, payments to the Airport, capital expenditures, financing costs (principal and interest), and return on equity. Assumptions for each projection should be disclosed, including traffic and operating assumptions, fuel sales and other revenue sources used to calculate the financial estimates.
11. The City may, at its discretion, direct the Respondent to provide additional documentation and/or answer questions about its financial capability and/or financial projections, for itself and/or any proposed sub-lessee. The City may conduct its own research of the Respondent’s financial condition.

## H. Management Plan:

Provide a **Management Plan** as “**Appendix G**” to the proposal including, at a minimum, the information required below. The Management Plan must not exceed 15 pages.

1. Complete and detailed description of the scope of operations setting forth each business activity, the scope of such activity, and identification between activities to be provided initially and those to be provided in the future with a detailed timeline for any proposed future development.
2. The management structure and schedule for operating personnel, including the breakdown between management and operating level employees. Identify any third party staffing that will be a part of the operation to provide the proposed products and services and maintain the proposed vehicles, equipment, aircraft and facilities, and the exact nature of the third party relationship.
3. Hours of operation identified by service.
4. A description of the Respondent’s service philosophy and how it will be implemented at the Airport. Include a description of how a high level of customer service standards will be provided.
5. A description of the training programs that will be utilized by the Respondent.
6. A description of the processes that will be utilized to evaluate the level and quality of products, services and facilities that will be provided as well as the manner in which complaints and disputes will be resolved.
7. An overview of the system(s) that will be utilized to manage the Respondent’s resources including management information, access control, and accounting systems.
8. If an FBO is proposed, include a detailed description of planned fueling operations, including plans for the delivery of fuel to tenant and itinerant aircraft. This plan should include delivery of both Jet A and 100LL fuel.
9. A description of the level, quality and manner in which the proposed products and services will be provided and the proposed vehicles, equipment, aircraft, and facilities will be maintained.
10. In order to strengthen the Proposal, it is recommended that Respondents identify any relationships with corporate aircraft fractional ownership programs or charter companies and any existing contracts with fractional networks to provide FBO services.
11. If proposing to offer air taxi or charter services at the Airport, include an overview of the number and type of aircraft to be provided for rent, charter or otherwise used in the charter fleet.

12. If applicable, identify any existing corporate relationships with third parties (rental car, aircraft maintenance, catering, restaurant, fuel suppliers, etc.) for the provision of FBO and customer services.
13. If applicable, a description of (and cost estimate for) the proposed vehicles, ground service equipment (“GSE”), aircraft that will be deployed (if applicable), and materials inventories that will be maintained to provide the proposed products and services.
14. A description of the Respondent’s emergency response plan, including specific individuals responsible for overseeing emergency response and points of contacts for the Airport.
15. A description of the policies and procedures that will be utilized by the Respondent for safety, emergency procedures, incident/accident prevention and reporting, environmental protection, and security.
16. A listing of all applicable licenses, permits and operating certificates possessed by the Respondent or its key employees to be based at the Airport and a description of Respondent’s process to make copies of all such applicable licenses, permits and operating certificates available for inspection, if so requested by the Airport.
17. Any additional information within its Management Plan Respondent deems critical to the successful operation of its proposed general aviation services facility. Respondent should include and describe any services or management techniques it will implement and maintain that is a distinguishing characteristic of Respondent’s management approach when compared to industry standards and/or competitors.

## **I. Business Plan**

Include, at a minimum, the information outlined below. The business plan must not exceed 15 pages. This submittal should provide a clear understanding of how the Respondent intends to attract and retain customers to their operation at this particular Airport. At a minimum include:

1. A detailed marketing plan and budget that outlines the pricing strategy, marketing and sales strategy, and target market positioning (including the promotional methods and mix) that will be used to attract and retain customers. Of particular interest is how based aircraft and tenants not already at HWD will be attracted and retained.
3. A breakout of the percentage of product and service sales anticipated. If an FBO is proposed, include the breakout between based and transient aircraft owners/operators.
4. A description of promotional and incentive programs to attract customers to Respondent firm’s facilities and how you will strive to build customer loyalty.
5. A description of Respondent’s customer service approach and how the Respondent’s firm monitors the quality and continually improves services to its customers. How will this approach be specifically applied to the proposed operation?

6. There are existing general aviation service operators at the Airport. Discuss: a) how their presence will affect Respondent's marketing strategy, and b) what Respondent anticipates the impact will be from its marketing plan and operations on the existing general aviation service operators. Specify the extent to which, if any, Respondent will be relying on attracting clients from existing general aviation service operators at the Airport.
7. Evidence of support for the proposed operation from potential customers.
8. Pricing policy for services offered demonstrating how pricing will incentivize customers to utilize Respondent's business. For FBO proposals, specifically address how fuel pricing will be set and how the proposed pricing strategy will result in competitive fuel prices at the Airport.
9. If applicable, the outreach plans to attract sub lessees (SASOs) to provide a range of services to the public.

#### **J. Development Project/Envisioned Facilities:**

Provide a **Development Plan** as "**Appendix H**" to the proposal. Respondent must describe in detail its envisioned improvement projects. Respondent must identify the phasing and timeline of development of each component throughout the term of the Lease.

Respondent shall ensure that the proposed facilities meet the requirements of the Minimum Standards. The City desires that the future general aviation service facility is a world class facility. Respondent is encouraged to be creative and incorporate exterior characteristics indicative of the Hayward area and that of the Airport.

Respondent shall submit the following for its envisioned Project:

##### Facility Plans:

Respondents shall submit (7) complete sets of Conceptual Development Facility Plans, fully depicting the Respondent's proposed development. The submittal shall include but is not limited to the following:

1. Narrative fully describing the Respondents' development plan.
2. A rendering depicting architectural exterior, color scheme and signage.
3. Site Plans clearly depicting structures, parking, aircraft ramp parking and operations areas, and landscaping at a scale of (1) inch equals fifty (50) feet, and clearly identifying the desired location and footprint of proposed facilities.

The details of the Respondent's renderings and drawings should be based on the Respondents desire to fully depict its proposed development and be in sufficient detail to allow the City to determine compatibility with City objectives for the overall aesthetic character and quality of the improvements.

Respondent shall state if the proposed location is a requirement of the proposal, or if the City may locate the proposed facilities at another location in order to derive the most benefit to the City.

Project Budget:

The proposal must identify the capital investment to be made to implement the proposed concept, including detailed itemized cost estimates, as well as time frames for the investment. Such capital costs shall be itemized into at least the following major components of construction:

1. Infrastructure and utilities
2. Movement area site work
3. Non-Movement area site work
4. Landside site work
5. Security Systems
6. Buildings and foundations
7. Furniture, Fixtures, & Finishes
8. Landscaping

The budgets shall be in sufficient detail to allow each project component detail to be identified and a probable component cost to be derived.

Development Schedule:

Identify the time for completing the first and successive phases of development, including receiving the Certificate of Occupancy. Also include timelines for:

1. Design and construction document preparation
2. Reviews and permits
3. Bidding and construction contracts
4. Construction period
5. Inspections and occupancy
6. Construction closeout
7. Activation and Start Up of Operations

## **K. Benefits to the Surrounding Commercial and Residential Community:**

Include as “**Appendix I**” **Community Benefit** to the proposal with information how the proposal will result in benefits to the surrounding commercial and residential community. Appendix K must not exceed 10 pages. At a minimum, discuss how your proposed operation will benefit the surrounding commercial and residential community in terms of:

1. Estimated local taxes to be generated
2. Local employment, including Low and Moderate income Job Creation
3. Environmental Benefits
4. Economic Impact to the Community/Local Economy
5. Commitment to Community Improvement and Service

## **Part 5. EVALUATION PROCESS**

This RFP process is being undertaken to enable the City to select and recommend to the City Council a Respondent or combination of Respondents, whose proposal(s) best meet(s) the City’s goals and objectives in providing the services described in this RFP. The evaluation process will consist of two parts:

1. Determination of Qualified and Responsible Respondents and Responsive Proposals (using pass/fail criteria to determine responsiveness of Proposals)
2. Evaluation of Responsive Proposals (using rating criteria)

The City reserves the right to reject a Respondent or Respondents as not responsible, based upon a review of Respondent’s experience and financial qualifications as set forth in Respondent’s Proposal. The City reserves the right to make an investigation of information submitted, and to request additional information with regard to Respondent’s experience and financial qualifications. The City further reserves the right to reject any and all proposals and to withdraw this RFP.

**Evaluation Panel:** An evaluation panel (“Panel”) established by the City will evaluate the Proposals in accordance with the Evaluation Criteria outlined below. The evaluation panel will score the proposals in accordance with the scoring phase criteria outlined below and then develop a ranked list of the proposals.

## **Part 6. EVALUATION CRITERIA**

The content of each area of the Proposal will be subject to evaluation. Information gained through a Respondent’s submittal to this RFP will be assessed against the following evaluation criteria:

### Pass/Fail Phase:

As part of the proposal evaluation process, the City will screen all proposals to ensure compliance with the Minimum Standards and for completeness with requirements contained in the RFP. Proposals not meeting the minimum criteria will be disqualified from further consideration and will be so notified in writing.

The minimum criteria for Proposals are as follows:

- Completeness of Proposal
- Conformance with the Airport Minimum Standards
- Conformance with Specific Requirements Set Out in this RFP, including references and minimum ground rent
- Documentation of Minimum Experience of Respondent

### Review Phase

The evaluation panel will review and then rank in order qualifying proposals using the criteria outlined below. There are separate criteria for commercial operators and non-commercial operators.

#### *Review Phase Criteria – Commercial Operators:*

- Revenue to the Airport
- Experience of the Developer with Similar Projects
- Experience of the Management Team
- Quality of Proposed Facilities
- Business Plan
- Community Benefits

#### *Review Phase Criteria – Non-Commercial Operators:*

- Revenue to the Airport
- Quality of Proposed Facilities
- Community Benefits

*Interview* –The City may invite Respondents to interview with the evaluation panel if it is necessary to clarify information provided in their proposals. The City recommends that personnel who have primary responsibility for performing the services and work that are the subject of this Request for Proposal participate in the interview process.

### Selection of Proposals for Recommendation to the City Council for Award

The proposal with the highest overall ranking by the committee will be recommended to City Council to negotiate and execute a ground lease with the City. If lease negotiations cannot be successfully completed within three months from the date of original Council approval, then

negotiations will be undertaken with the second-ranked Respondent. This process will continue until a lease is negotiated and executed.

Should the process outlined above prove to be impractical due to unforeseen complexities, the City reserves the right to suspend the process after selection of the first proposal to allow Respondents to modify and resubmit their proposals accounting for the selection of the number one proposal. Respondents will be notified in writing and provided information related to the selected Proposal in order to adjust their own Proposals. Respondents, other than the first selected Respondent, may elect to withdraw their proposal from consideration after notification that the City has elected to implement this alternative process. The recommendation to City Council for the award of Ground Lease and Operating Agreements will be made once this process has been concluded. Proposers are cautioned that exercise of this alternative process is at the sole discretion of the City. Therefore, Proposers should not assume that there would be an additional opportunity to amend their Proposals after the original submission.

## **Part 7. GENERAL CONDITIONS**

### **A. Consequences of Submission of Proposal:**

The City shall not be responsible in any manner for the costs associated with the preparation and/or submission of proposals. Proposals, including all drawings, plans, photos and narrative material shall become the property of the City upon receipt. The City shall have the right to copy, reproduce, or otherwise dispose of each proposal in any way that the City selects. The City shall therefore be free to use as its own, without payment or any kind of liability, any idea, scheme, concept, technique, suggestion, layout or plan received in its proposal process.

An award shall not be binding or valid with the City unless and until it is approved by City Council and a ground lease is properly executed by the City and the Respondent. The City reserves the right to revise or postpone any of the Proposal and Award Schedule dates contained in this RFP.

### **B. Acceptance/Rejection of Proposal:**

An award may be made to the Respondent(s) whose proposal most closely satisfies the needs of the City and is deemed to be most advantageous to the City. The City reserves the right to reject any and all proposals or portions thereof received in response to this RFP and thereafter reissue the RFP. The City also reserves the right to waive any informality or irregularity in any proposal. Additionally, the City may, for any reason, decide not to award a Lease Agreement as a result of this RFP.

The City may reject any proposal if:

1. Any of the RFP forms are left blank or are materially altered.
2. Any document or item necessary to the proposal is incomplete, improperly executed, indefinite, misleading, ambiguous, or has been omitted.

3. Irregularities of any kind exist that tend to make the proposal incomplete, indefinite, misleading, or ambiguous.
4. Exceptions or modifications are made by the Respondent to the terms of this RFP and/or any terms or conditions of the Agreement without prior concurrence of the City.

#### **C. Examination of Proposal Materials:**

The submission of a proposal shall be deemed a representation and certification by the Respondent, that it has investigated all relevant conditions, facts, circumstances, procedures, requirements and aspects associated with this RFP, that Respondent has read and understood the RFP. Each Respondent is responsible for thorough review of the RFP to ensure compliance with every requirement.

Upon submittal of a proposal, it will be presumed that the Respondent has read and is familiar with all the RFP requirements. Therefore, after receipt of a proposal by the City, no request for modification of the proposal and no claim for adjustment of any provisions of the RFP shall be honored, regardless of any claim by a Respondent that it was not fully informed as to any fact or condition. Prior to the submission due date, proposals may be withdrawn by the Respondent.

#### **D. Nondiscrimination:**

The successful Respondent agrees that there shall be no discrimination against, or segregation of, any person, on account of race, sex, color, age, religion, sexual orientation, actual or perceived gender identity, disability, ethnicity, national origin, marital status, or family status, in connection with or related to the performance of Hayward contracts..

#### **E. Prohibition of Gifts:**

City officials are subject to several legal and policy limitations regarding receipt of gifts from persons, firms or corporations either engaged in business with the City or proposing to do business with the City. The offering of any illegal gift shall be grounds to disqualify a Respondent. To avoid even the appearance of impropriety, Respondents should not offer any gifts or souvenirs, even of minimal value, to City officers or employees.

#### **F. Objections to This RFP:**

Any objections as to the structure, content or distribution of this RFP or the terms of the Agreement must be submitted in writing to the procurement contact *prior to the submission deadline for Questions and Answers*. Objections must be as specific as possible and identify the RFP section number and title, as well as a description and rationale for the objection.

Any clarification or interpretation or change to the Agreement will be by written addendum signed by an authorized representative of the City.

### **G. Protest Procedure:**

If an unsuccessful Respondent wishes to dispute the award recommendation, the Protest must be submitted in writing to the City no later than ten (10) calendar days after announcement of the successful Respondent, detailing the grounds, factual basis and providing all supporting information. Protests will not be considered for disputes of proposal requirements and specifications. Failure to submit a timely written Protest to the City will bar consideration of the Protest.

The address for submitting protests:

Morad Fakhrai, Public Works Director  
City of Hayward  
777 "B" Street  
Hayward, CA 94541

### **H. Insurance Requirements:**

Prior to commencing any work or operations, the selected Respondent shall at its sole cost and expense and for the full term of the Agreement(s) and all extensions thereof, obtain and maintain insurance against claims for injuries to persons or damages to property which may arise from or in connection with the activities of the selected Respondent meeting at least the minimum insurance requirements set forth by the City. City shall not be obligated to take out insurance on selected Respondent's property. The selected Respondent shall provide City with certificates of insurance or copies of all policies and endorsements.

### **I. Public Records:**

All correspondence with the City including Proposals submitted in response to this RFP will become the exclusive property of the City and will become public records under the California Public Records Act (Cal. Government Code section 6250 et seq.) The Proposal and all documents that you send to the City will be subject to disclosure if requested by a member of the public. There are a very limited number of narrow exceptions to this disclosure requirement.

Therefore, any proposal which contains language purporting to render all or significant portions of their proposal "Confidential", "Trade Secret" or "Proprietary", or fails to provide the exemption information required as described below will be considered a public record in its entirety subject to the procedures in the Section.

Do not mark your entire Proposal as "confidential".

The City will not disclose any part of any Proposal before it announces a recommendation for award(s), on the ground that there is a substantial public interest in not disclosing Proposals during the evaluation process. After the announcement of a recommended award(s), all Proposals received in response to this RFP will be subject to public disclosure. If you believe that there are portion(s) of your Proposal that are exempt from disclosure under the Public Records Act, you must mark it as such and state the specific provision in the Public Records Act which provides the exemption as well as the factual basis for claiming the exemption. For example, if you submit trade secret information, you must plainly mark the information as "Trade Secret" and refer to the appropriate section of the Public Records Act that provides the exemption as well as the factual basis for claiming the exemption.

Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the City may not be in a position to establish that the information that a Respondent submits is a trade secret. If a request is made for information marked “Confidential”, “Trade Secret” or “Proprietary”, the City will provide Respondents who submitted the information with reasonable notice to seek protection from disclosure by a court of competent jurisdiction.

#### **J. Respondent Guarantees:**

The selected Respondent shall guarantee the following:

1. Start of construction on leasehold area must take place no later than 12 months from lease execution. Otherwise, default will have occurred on the part of the Respondent, and Respondent’s deposit will be forfeit to the City.
2. A Certificate of Occupancy for all improvements of the first phase included in Respondent’s proposal must be received within three years of execution of the lease agreement. Otherwise, default will have occurred on the part of the Respondent, and Respondent’s deposit as well as any improvements made up that point, will be forfeit to the City.

#### **K. Development Considerations:**

All future development is subject to all applicable regulatory requirements for development of leased Airport property.

Although the physical characteristics of the property allow a certain amount of flexibility, it is the responsibility of each Respondent to determine the current specific federal, state and local development requirements, standards and/or restrictions for any proposed facility and use of these sites, including but not limited to building height and setback that fully meet FAA criteria, site coverage, local and state building and fire codes, landscaping, auto access and parking, ADA access, fencing, and airport security.

#### **L. Respondents’ Representation of Due Diligence:**

The submission of a Proposal shall be deemed a representation and certification by the Respondent that it has investigated all relevant conditions, facts, circumstances, procedural requirements and aspects associated with this RFP, and that it has read, understands, and accepts the RFP as written.

#### **M. Indemnity and Cost:**

The Respondent agrees to defend, indemnify, and hold harmless the City and its City Council, officers, officials, directors, employees, agents, and volunteers for any claims of copyright, patent or trademark infringement arising out of, caused directly or indirectly by the acts or omissions of the Respondent in relation to this RFP.

Each party responding to this RFP shall bear all of its own costs and expenses, direct and indirect, associated with or related to any action taken in response to this RFP, and the City shall not be responsible in any manner for such costs and expenses.

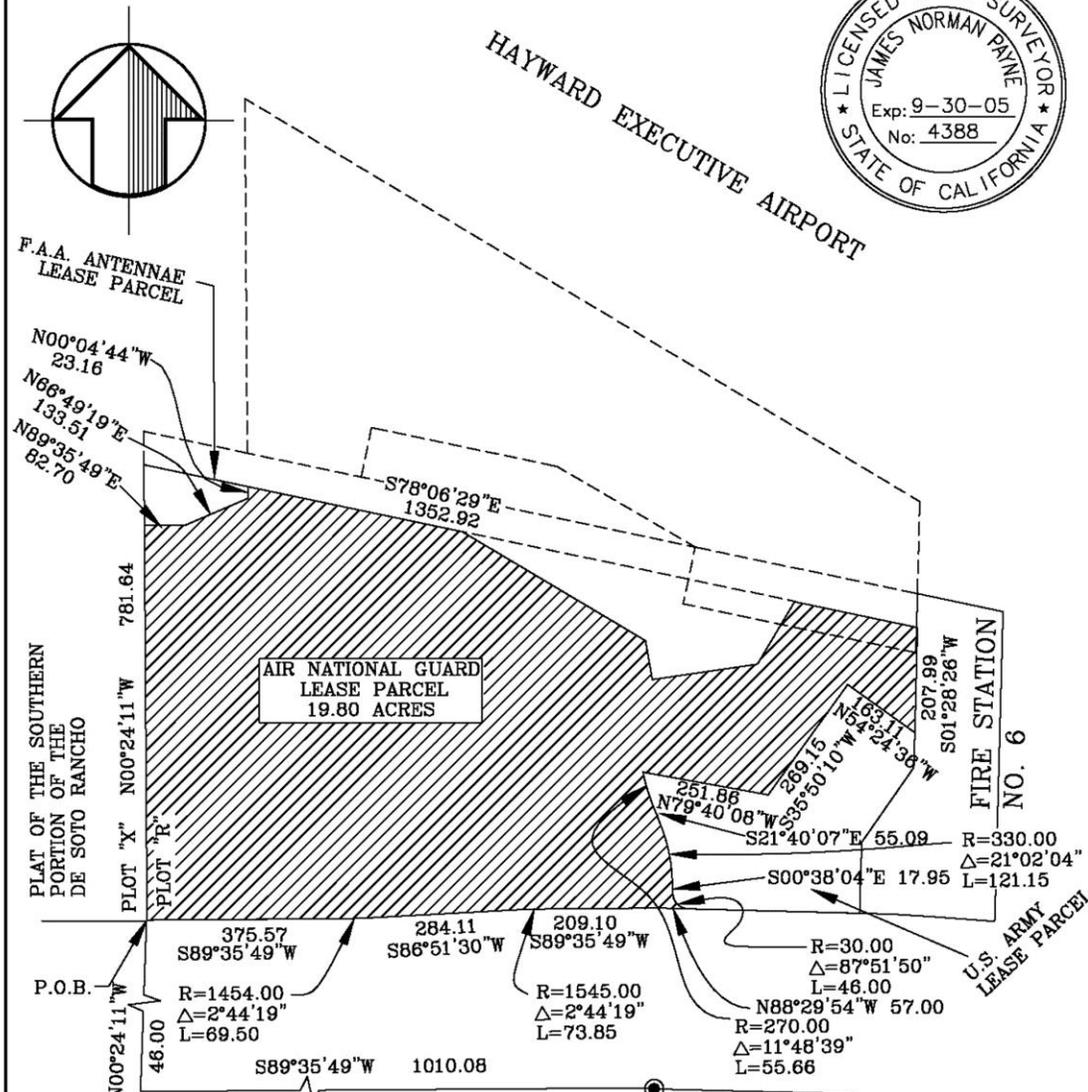
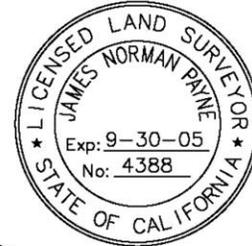
**N. Real Estate Brokers/Agents:**

The Respondent shall be solely responsible for payment of any and all broker fees, commissions or other compensation for real estate professionals that Respondent engages as part of this RFP process. The City will not participate in payment of such fees. Respondent must disclose to City any real estate brokers/agents it has engaged to represent the principal as part of this RFP process. Further, Respondent must provide a copy of all representation agreements to the City.



**NOTE:**  
 BEARINGS AND COORDINATES SHOWN ARE  
 BASED ON THE CALIFORNIA COORDINATE SYSTEM  
 ZONE 3, 1927. DISTANCES SHOWN ARE GROUND  
 DISTANCES. TO OBTAIN GRID DISTANCE MULTIPLY  
 GROUND DISTANCE BY SCALE FACTOR OF 0.99993.

NORMAN PAYNE  
 L.S. 4388  
 LICENSE EXPIRES 9-30-05



**NOTES: WEST WINTON AVENUE**

= AREA OF AIR NATIONAL GUARD LEASE PARCEL  
 AREA=932096 Sq.Ft. (21.40 Acres)

----- = FORMER LEASE LINE

CITY OF HAYWARD ENGINEERING DIVISION				AIR NATIONAL GUARD LEASE PARCEL HAYWARD EXECUTIVE AIRPORT	DWG. NO. 03024	
REV	DATE	BY	CITY ENGINEER		DIR. PUBLIC WORKS	FILED
						SHT. 1 of 1