

**BRAINERD LAKES REGIONAL AIRPORT COMMISSION  
REQUEST FOR PROPOSAL – FIXED BASE OPERATOR SERVICES  
BRAINERD LAKES REGIONAL AIRPORT  
BRAINERD, MINNESOTA**

**SECTION I: BACKGROUND AND GENERAL INFORMATION**

**A. Purpose**

The Brainerd Lakes Regional Airport Commission (“Commission”), owner of the Brainerd Lakes Regional Airport (“Airport”), is issuing this Request For Proposal (“RFP”) for qualified parties (“Responders”, “Respondents”) interested in providing Fixed Base Operator (“FBO”) services at the Brainerd Lakes Regional Airport. 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 Brainerd Lakes Regional Airport is located in central Minnesota, and is approximately three miles northeast of the City of Brainerd’s downtown district. The Brainerd Lakes Region is located 120 miles north of the Minneapolis/St. Paul Metropolitan Area.

The Airport is situated on approximately 2,597 acres of land, and the surrounding land includes the pristine lakes and rivers that this area is known for. The Airport elevation is 1,232 feet MSL.

**C. Area Demographics**

The Brainerd Lakes Area, centrally located in the heart of Minnesota, is a vibrant region with a diverse economic base, high quality educational systems, and unparalleled natural beauty and recreational opportunities. Brainerd, the county seat of Crow Wing County, can be found along the banks of the Mississippi River, in the heart of Minnesota about two hours north of the Twin Cities, and nestled among more than 500 area lakes. Brainerd and Baxter cities serve as the region’s hub for many governmental, health care, and retail services. The region is home to nearly 100,000 year-round residents and thousands more seasonal residents and visitors. Health care, information technology, construction, and hospitality lead the list of large industry sectors.

Within a 30-minute drive of Brainerd/Baxter, you’ll find nearly two dozen distinctive communities with specialty retail stores, restaurants, recreational trails, attractions, lakes and rivers, and so much more.

Today the Brainerd Lakes Area is a premier vacation destination, in large part due to the abundant lakes and rivers, recreational opportunities, and the overall natural beauty of the region.

**D. Airport**

Brainerd Lakes Regional Airport has been in operation since 1948. It is a public use facility, and is categorized as a non-hub commercial service facility. The City of Brainerd and Crow Wing

County jointly own and operate the Airport and both parties established an Airport Commission to act in an advisory role to the Commission Council regarding the Airport.

The Airport sees approximately 37,900 annual operations. There are 80 based aircraft.

The Airport maintains two runways over 6,500 feet both with precision instrument approaches.

**E. Airport Development**

Since both runways are somewhat new, the Commission is developing an Airport Master Plan that will provide guidance for the next twenty years. Development of the Airport is focused on the increased circulation for transitioning aircraft from the main ramps to the runways. Hangar development is scheduled to grow along a new Taxiway D towards Runway 16/34.

**F. Fuel Sales**

The Commission owns an above-ground tank farm with two Jet-A fuel tanks and is installing one tank capable of holding two other fuel products. Currently, the inventory will be 100LL Aviation Gasoline.

Fuel sale records (in gallons) from the past three years are below:

	2015	2016	2017 YTD
Annual Fuel Flowage (Gallons)	482,120.64	442,297.88	261,064.70
AvGas - GA	66,030.54	56,742.09	36,675.40
Jet A - GA	280,062.10	250,827.00	149,922.30
Jet A - Airline	136,028.00	129,253.00	74,467.00

**SECTION II: FIXED BASE OPERATOR SERVICES**

**A. Required Services**

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

- (a) Sale and into-plane delivery of recognized brands of aviation fuels, lubricants, and other related aviation petroleum products
- (b) Parking, storage, and tie-down of transient and based aircraft within and to the reasonable capacity of the Leased Premises
- (c) Ramp assistance
- (d) Light maintenance
- (e) Such minor repair and cabin services as may be performed efficiently on Lessee’s ramp.

- (f) The operation of a Federal Aviation Administration approved flight school  
  
Lessee shall make all such services available twenty-four (24) hours a day, seven (7) days a week and may charge a fair and reasonable charge for such services.

**B. Optional Services**

- (a) Major Airframe and Engine Maintenance, including an adequate inventory to properly and efficiently perform such services;
- (b) Aircraft Rental and/or Lease;
- (c) Aircraft Charter and Air Taxi;
- (d) Aircraft Sales;
- (e) Propeller, Instrument, and Avionics Sales and Service;
- (f) Specialized Commercial Flying Services which shall comprise:
  - (i) Sightseeing Flights
  - ii) Aerial Photography or Survey, Firefighting, Power Line and Pipe Line Patrol, and Traffic Reporting
  - iii) Aerial Ambulance Service
  - iv) Air freight (Excluding hazardous materials and explosives);
- (g) De-icing of general aviation and commercial aircraft;
- (h) Ground handling for passenger and cargo aircraft;
- (i) Into-plane fueling services for commercial carriers and cargo aircraft; and
- (j) Other aeronautical services demanded or requested by aircraft owners and operators from fixed base operators. In the performance of such services, Lessee shall be governed by the "Schedule of Minimum Standards For Commercial Aeronautical Activities" as adopted by the Commission on September 7, 2017, and Lessee agrees to faithfully comply with said Minimum Standards as they now exist or as the same may be hereafter amended, modified, or otherwise changed by said Commission.

### **C. Revenues**

The successful proposing FBO shall propose revenue streams or customer services within their business plan which may include, but not be limited to:

1. Fuel sales subject to a flowage fee
2. Flight training and aircraft rental fees
3. Aircraft maintenance fees

### **SECTION III: SCOPE / QUALIFICATIONS**

#### **A. Minimum Qualifications**

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

1. A minimum of five (5) years prior experience in the FBO business or an aviation commercial enterprise, or substantial equivalent.
2. Financial capability to operate the FBO

#### **B. Term of Agreement**

The Commission proposes an initial ten (10) year agreement. Consideration will be given to requests for additional renewal options in five (5) year increments commensurate with an investment into leasehold improvements.

#### **C. General Obligations**

The successful Responder will be responsible for complying with terms and conditions contained within an agreement negotiated with the Airport Director, in addition to any Airport rules and regulations; all other local, state and/or federal rules which may apply; and all applicable Federal Aviation Regulations (FARs).

The successful Responder must be an active legal entity, licensed to do business in the State of Minnesota, within thirty (30) days of approval of the agreement by the Commission.

The successful Responder will initially maintain the following leasehold areas:

GA SPACE/PARKING AND EQUIPMENT AREA

Parking by permit area, fuel equipment area: 1,020 sq. ft.

Office space: 616 sq. ft.

Counter space: 136 sq. ft.

Classroom space: 335 sq. ft.

Multiple Plane Storage Hangar: 100,000 sq. ft.

Simulator room: 207.5 sq. ft.

Commission will be designing a new General Aviation Arrival/Departure Facility over the winter of 2017 and 2018 for construction during the fall of 2018. The successful Responder will manage the activities within the General Aviation Arrival/Departure Facility.

#### **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 described below. All such policies of insurance shall show on their face that the FBO is a named insured and that the Commission is named as an additional insured. Such insurance shall include coverage against liability for death, bodily injury or property damage arising out of the acts or omissions of or on behalf of the FBO or involving any owned, non-owned, leased or hired vehicle in connection with any of the obligations or activities of the FBO of the equipment, and shall be in the following categories and amounts:

Comprehensive general liability insurance protecting Commission against any and all liability arising by reason of Lessee's conduct incident to the use of the premises, or resulting from any accident occurring on or about the roads, driveways or other public places, including runways and taxiways, used by Lessee at the Airport caused by or arising out of any wrongful act or omission of Lessee in the minimum amount of \$1,000,000.00, combined single limit.

Passenger liability insurance in the minimum amount of \$1,000,000.00, combined single limit.

Hangar keeper's liability insurance in the minimum amount of \$1,000,000.00, combined single limit.

Product liability insurance in the minimum amount of \$1,000,000.00, combined single limit.

Workers' compensation as required by Minnesota workers' compensation laws.

Any personal property or contents owned by the Lessee and used or stored in the Commission's building shall be the responsibility of the Lessee and the Commission assumes no responsibility or liability for any loss.

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

#### **SECTION IV: 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. A statement signed by an authorized representative committing to provide the services described within the written proposal

##### **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. Corporate tax returns for the past two (2) years must be provided
2. Annual contribution to the Commission's economic base (projected annual sales/income)

##### **C. Business Plan**

1. *Operations Plan:* Attach a description of the Respondent's scope of operations, setting forth each business activity proposed in accordance with Section II and III of this RFP, and the means 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. *Management Structure and Operating Personnel Schedule:* Attach a description of the Respondent's proposed management hierarchy and operating personnel schedule. Proposed job titles and descriptions should be included
3. *Marketing Program:* Attach a description of the marketing program Respondent would propose to use in attracting new general aviation activity to the FBO
4. *Other:* Include a description of any alternative revenue streams or additional customers services not included in this RFP that the Responder proposes (and will be negotiated with the Commission)

##### **D. References**

Provide contact information for three individuals that have had experience with the Responder's company.

**E. Other Information**

1. Respondent may provide other relevant information to support their qualifications to provide the services described herein
2. Respondent should describe anticipated capital investment to be made in the FBO facility upon execution of the lease, if any

**SECTION V: PROPOSAL SUBMITTAL**

**A. Submittal Package**

Respondents shall submit six (6) copies of its proposal. In addition to the submitted proposals, a copy of the proposal shall be emailed to the office of the Airport Director (stevenwright@brainerdairport.com) in a simple word processing format capable of being read by software for the blind.

**B. Delivery**

Proposals must be submitted to the Brainerd Lakes Regional Airport, 16384 Airport Road Ste 5, Brainerd, MN 56401 in a sealed envelope marked on the outside with "Proposal for Airport FBO." Proposals will be received until **October 13, 2017 at 10:00am.**

**C. Schedule**

Issue Request for Proposal	September 11, 2017
Proposals Due	October 13, 2017
Deadline for Questions	September 22, 2017
Commission Selection	November 2, 2017
Lease Negotiation Deadline	December 13, 2017

**D. Site Visit**

Any Responders wishing to see the Airport must schedule a site visit with Steven Wright, Airport Director at the Airport Administration office prior to September 22, 2017. Please contact Steven Wright at stevenwright@brainerdairport.com if you plan to visit the Airport.

**E. Questions**

All questions must be submitted in writing to Steven Wright, A.A.E. at stevenwright@brainerdairport.com by September 22, 2017 at 3:00 p.m. An addendum to this RFP will then be issued to all parties with responses to all questions that have been received. Questions will not be accepted in person, via telephone, via fax or via mail.

## **F. Commission Reservations**

The Commission 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. Shortlist more than one firm and have those firms complete a presentation to the Selection Committee and Commission.
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 Commission.