### COMMONWEALTH OF KENTUCKY

#### FINANCE AND ADMINISTRATION CABINET



**Request For Proposals (RFP)** 

Project Name: CAPITAL CITY AIRPORT HANGAR BUILDING

Transportation Cabinet

Proposal Number: 100318

IMPORTANT: PROPOSALS MUST BE RECEIVED BY October 3, 2018 @ 2:30 p.m.

#### **Buyer:**

Nancy Brownlee, Division of Real Properties
Department for Facilities and Support Services
Bush Building, 3rd Floor, 403 Wapping Street, Frankfort, Kentucky 40601-2607

Nancy.brownlee@ky.gov
502-782-0358

#### I. INTRODUCTION

The Commonwealth of Kentucky desires to lease out one (1) parcel of land, comprising of approximately 68' X 68' (see below), for the construction and operation of a private hangar structure at the Capital City Airport, Frankfort, Kentucky (Capital City Airport). The Commonwealth has determined that perhaps the most feasible and responsible means for constructing and operating certain hangar facilities at the Capital City Airport project area is by and with private participation. The desired objective is a lease agreement with a private lessee, who will finance, construct, maintain, manage, operate, and furnish a first class, high quality private hangar structure (hereinafter "hangar"), at the lessee's sole expense.

Based on the detailed requirements, plans and specifications, terms and conditions set forth in the Request for Proposals (RFP) document, the Commonwealth herewith solicits proposals from prospective Successful Offerors who can demonstrate the necessary capability to successfully finance, construct, maintain, operate, furnish, and manage a private hangar, at optimum potential, for a maximum twenty (20) year period (see calculation of lease term – Section V (B).

#### II. LOCATION - EXISTING FACILITIES AND BACKGROUND

The land area that encompasses the Capital City Airport is administered by the Kentucky Department of Aviation, Transportation Cabinet. The Capital City Airport consists of 355 acres of land, located on U.S. 60, Frankfort, Kentucky. The airport is a public use airport, which is owned and operated by the Commonwealth of Kentucky. It includes a 5,500' runway with parallel taxiway, with instrument approaches, parking apron, approximately 32,000 gallons of aviation fuel storage capacity (i.e., Jet A and Avgas) and approximately 78,741 square feet of public use hangar storage capacity.

For additional background information on Franklin County, including existing tourism facilities, tourism expenditures and employment, population, transportation, etc., please see <a href="https://en.wikipedia.org/wiki/Franklin County">https://en.wikipedia.org/wiki/Franklin County</a>, Kentucky

#### III. RFP GENERAL PROCEDURAL INFORMATION

#### A. <u>Pre-Bid Conference</u>

Should conditions dictate, a site meeting at the Airport may be scheduled by this office prior to **September 14, 2018**. Should a site visit be scheduled, it is anticipated that representatives from the Department of Aviation, Transportation Cabinet, and the Department for Facilities and Support Services will be in attendance to answer questions from prospective Successful Offerors.

Although a question and answer session may occur at the meeting, participants should understand that the final official answer or position of the Commonwealth of Kentucky on any material points will be one stated in writing and distributed to all Successful Offerors. Successful Offerors will be encouraged to submit written questions prior to any proposed on-site meeting. All inquiries should be directed to the Finance and Administration Cabinet, Department of Real Properties, Attention: Nancy E. Brownlee, Bush Building, 3rd Floor, 403 Wapping Street, Frankfort, Kentucky 40601, (502) 782-0358.

#### B. Proposed Lease Site

The Department of Aviation has designated and surveyed one site for construction of a 60' x 60' with a 4' around private hangar, which would total 68' X 68' of leased land, including improvements (see proposed layout below, identified as Site #1). A Offeror may propose a larger hangar; however, a different parcel may have to be selected/approved by the Commonwealth. The Successful Offeror shall be responsible, in either regard, for all costs associated with surveying the property, developing the lease plat, and filing with the Franklin County Clerk's office.

The Successful Offeror will not be allowed to erect any improvements to the land to include the private hangar structure without <u>prior</u> **written** approval of the Department of Aviation, Transportation Cabinet, Finance and Administration Cabinet, and the Department of Housing, Buildings, and Construction.

#### C. Private Hangar Operation Date

The Successful Offeror shall have completed the hangar construction project and have operational within 120 days from date of execution of the resulting lease agreement. See attached Exhibit A.

#### D. RFP Addenda

This RFP may be supplemented or amended at any time by appropriate addenda which will be mailed to all participants in the RFP process. Addenda may also be necessary after the receipt date and will be sent to all Successful Offerors who have submitted a proposal at that time.

#### E. Successful Offeror Responsibility for Proposal Submittal

All proposals submitted shall be deemed to have been made with the full knowledge of all of the terms, conditions, provisions, specifications, and requirements contained in this RFP and any addendum thereto.

Each Successful Offeror has the responsibility of delivering his/her proposal by the time and the place prescribed in this RFP. Proposals received prior to the closing for receipt of proposals will remain unopened until the time set for opening proposals. Any proposal received after the date and time specified in this RFP may be rejected and returned unopened to the Successful Offeror. No responsibility will attach to an officer of the Commonwealth for the premature opening of a proposal through inadvertence or one not properly addressed and marked. Neither the proposals nor their contents will be made available for public information or inspection until such time as the determination of a Successful Offeror has been made.

All proposals shall be deemed an offer acceptable within a <u>period of one hundred and twenty (120) calendar days</u> after the closing date for receipt of proposals (see proposal guaranty at Paragraph I, <u>infra</u>). All proposals submitted shall be deemed to have been made with full knowledge of all terms, conditions, provisions, specifications, and requirements contained in this RFP and any addenda and enclosures thereto.

Neither the proposals nor their contents shall be made available for public information or public inspection until such time as an award of a lease is made.

#### F. Inquiries

Contact with Commonwealth agents for information specific to bidding procedures and/or regulations, programmatic, technical, or site specifications or location shall be limited to the Department of Real Property, Attention: Nancy E. Brownlee, Division of Real Properties, Bush Building, 3rd Floor, 403 Wapping Street, Frankfort, Kentucky 40601. All inquiries must be submitted no later than twenty (20) days prior to receipt of proposals to allow sufficient time for written responses to be routed.

#### G. No Prior Commitment or Obligation of the Commonwealth

The issuance of this RFP in no way constitutes an expressed or implied commitment by the Commonwealth of Kentucky to award a lease or to pay for the costs incurred in the preparation of a response to this request.

The Commonwealth of Kentucky unconditionally reserves the right to withdraw or cancel this RFP and to reject any and all offers at any time and for any reason without recourse. Receipt of proposal materials by the Commonwealth or submission of a proposal to the Commonwealth confers no rights upon the Successful Offeror nor obligates the Commonwealth in any manner.

No lease resulting from this RFP shall be binding on the Commonwealth until it has been approved by the Secretary, Finance and Administration Cabinet.

Where the Commonwealth may waive minor irregularities or technicalities, such waiver shall in no way modify the RFP requirements or provisions if the Successful Offeror is awarded the lease.

#### H. Issuing Office

This RFP is issued by the Finance and Administration Cabinet, Department for Facilities and Support Services, on behalf of the Kentucky Department of Aviation, Transportation Cabinet, .

#### I. Proposal Guaranty

- 1. Successful Offeror's proposal must be accompanied by a certified or cashier's check, made payable to the "Kentucky State Treasurer", in the amount of Seven Thousand Five Hundred Dollars (\$7,500.00). Upon award of a lease, the certified or cashier's check of the unsuccessful Offerors will be returned immediately. The certified or cashier's check of the Successful Offeror will be returned upon receipt of the performance and payment bonds (Section V. N) enumerated herein.
- In the event a Successful Offeror's proposal is accepted and the Successful Offeror shall fail to execute the lease within ten (10) calendar days after its receipt by the Successful Offeror, the Commonwealth may, at its option, determine that the Successful Offeror has abandoned the project and the amount of the bid security shall be forfeited to the Commonwealth as liquidated damages, and not as a penalty.

#### J. MBE/DBE Participation

CERTIFICATION OF MBE: Any MBE utilized pursuant to this Section shall be certified as an MBE by one of the following: Kentucky Transportation Cabinet or other state Transportation agencies, the Louisville Metro Sewer District, the Kentucky Minority Supplier Development Council or other state Minority Supplier Development Councils, the Kentucky Certification Cooperative, or the Small Business Administration.

OBLIGATION OF THE OFFEROR/CONTRACTOR: Offeror/Contractor shall make a good faith effort to meet the MBE contract goal set by the Commonwealth by including MBE's as subcontractors and/or material suppliers on 10% of the total estimated cost of the Project. The failure to meet the foregoing goal shall not result in disqualification from bidding or being awarded a contract. However, Offerors/Contractors not meeting the MBE goal shall be expected to provide written proof of their good faith efforts. Award of the contract shall be conditioned upon satisfaction of the requirements established by this section. The Offeror/Contractor shall attempt to divide the work in the contract to facilitate use of MBE's (however, there is no requirement that the work be artificially divided or divided in a way that raises the bid price of the Offeror/Contractor).

PROOF REQUIRED: Each Offeror shall furnish written proof in their bid package that they reached the MBE participation goal for this Contract, or of their good faith efforts to meet the MBE participation goal. A copy of each participating MBE's certification shall accompany the required forms. All submissions shall be subject to verification of the Commonwealth.

- A. Proof that the apparent successful Offeror reached the MBE goal shall consist of the following and shall be made on form MB-2-1 attached hereto, as Exhibit B):
  - 1. The names and addresses of MBE firms that will participate in the contract;
  - 2. A description of the work each named MBE firm will perform; and,
  - 3. The dollar amount of participation by each named MBE firm.
- B. Proof that the apparent successful Offeror made a good faith effort to meet the MBE participation goal may include the following:
  - 1. Advertisement by the Offeror/Contractor of MBE contracting opportunities associated with this contract in at least one of each of the following periodicals: a periodical in

general circulation throughout the Commonwealth, a trade periodical focused on MBE contractors/suppliers in general circulation throughout the Commonwealth, and a minority-focused periodical in general circulation throughout the Commonwealth. The Offeror/Contractor shall include copies of the dated advertisements in his bid package;

- 2. Written notice of MBE opportunities in this contract to at least five pertinent MBE's at least seven days prior to the bid opening date. Copies of the written notice shall be included in the bid package;
- 3. The Offeror/Contractor's response(s) to those MBE's who requested plans, specifications and/or contracting requirements. Copies of said responses shall be included in the bid package;
- 4. Documentation on form MB-2-B of good faith negotiations with at least three MBE's, with no rejection of a qualified MBE without sound reason, including price quotes that are above other subcontractor's price quotes; and,
- 5. Utilization of the Finance and Administration Cabinet's Office of Equal Employment Opportunity and Contract Compliance for referrals and contacts made as a result thereof shall be included in the bid package.

The following are links to Economic Development's and the Transportation Cabinet's directory of certified DBE's:http://www.thinkkentucky.com/SMBD/and http://transportation.ky.gov/obod/Directories.htm

#### IV. PRIVATE HANGAR FACILITY

#### A. <u>Capital City Airport Image</u>

The leased facility and private hangar operation will be perceived by the general public as being an integral part of the Capital City Airport. Successful Offerors will be expected to position this operation as equal or superior to current Airport operations. The Successful Offeror shall be responsible for assuring that the private hangar operation provides enhanced services to the best standards prevailing for similar businesses. The leased property shall be used solely by the Successful Offeror for the specific purpose outlined herein and no other use may be made of the premises without Lessor's prior written consent.

#### B. Facility Development

The facility shall be operated as a private hangar and for no other purpose other than outlined herein, except as may be authorized by the express, prior, written consent of the Department of Aviation, Transportation Cabinet.

 The leasehold contract shall be for not less than an approximate 68' X 68' of land to provide space for the hangar building and minimum building setbacks, along with access to the parcel via vehicle road network. Subject to the rules and regulations governing the use of the airport, as may be established by the Lessor, the Successful Offeror, its employees, suppliers of materials, furnishers of service, business visitors, and invitees shall have the right of ingress and egress to and from the premises leased exclusively to the Successful Offeror.

- The leased space shall be Parcel 1. However, depending on the size of the proposed hangar, the exact location may be adjusted by the Commonwealth.
- Successful Offeror may hangar, adjust, repair, clean and otherwise service its own aircraft, provided it does so with its own employees and equipment.
- Successful Offeror shall not sell, assign, or sublease or in any manner provide hangar space, fuel or fueling facilities to any other airport tenant or user, or to any other aircraft.
- Hangar, office, shop or ramp space shall not be shared or used by anyone other than the Successful Offeror. Successful Offeror shall not exercise any other rights or privileges reserved to Aeronautical Service Operators as defined in these Minimum Standards.
- Any other business activities, subject to the prior written approval of the Department of Aviation, Transportation Cabinet.

NOTE: THE DEPARTMENT OF AVIATION, TRANSPORTATION CABINET, WILL NOT PROVIDE ANY PERSONAL PROPERTY FOR THE OPERATION OF THE PRIVATE HANGAR FACILITY. ALL NECESSARY PERSONAL PROPERTY SHALL BE THE RESPONSIBILITY AND AT THE SOLE EXPENSE OF THE SUCCESSFUL OFFEROR.

#### C. Declaration of Covenants and Restrictions for Buildings and Structures

#### INTRODUCTION

The Commonwealth of Kentucky and the Capital City Airport, in order to impose a common plan of covenants and restrictions for the mutual benefit of the Commonwealth and present and future lessees of building sites at Capital City Airport, further referred to as the "Airport", hereby declares and provides that all building sites and buildings are subject to the following covenants, conditions and restrictions. It shall be understood that all specifications established herein shall be considered minimum standards to be met by all Offerors, contractors, individuals, and developers interested in the construction of an Aircraft Storage Unit (hangar) or any building at the Airport. The Airport reserves the right to update or modify the Covenants as determined necessary.

For the purpose of this section within the RFP document, the Commonwealth shall be the Commonwealth/Airport; the Successful Offeror shall be any individual, group, business, or corporation, which desires to construct an Aircraft Storage Unit or any building at the Airport.

The Successful Offeror agrees to accept the leased premises in its present condition and, without expense to the Commonwealth, will maintain any installations/improvements thereon. Where submittals are to be approved by the Commonwealth, it is understood that those submittals are to be approved by the Commonwealth's representatives.

No occupancy of any building shall be permitted before the building is completed and an occupancy Permit is issued. No building shall be used as a place of residence. No building shall be undertaken without first receiving all applicable building permits.

#### **REQUIREMENTS**

No building or any improvement shall be erected, placed, or altered on any building site at the Airport until the plans for such building or improvement, including site plan, landscape plan, building plans and specifications have been approved by the Commonwealth. Approval or disapproval of such plans shall be with respect to conformity with these restrictions and other applicable ordinances and requirements of the Commonwealth, and with respect to harmony of external design and land use as it effects property within and adjacent to the Airport. Building plans shall be in conformance with all Local and State laws and ordinances, and shall conform to the current Airport Layout Plan. All plans must be approved by the FAA, the Kentucky Airport Zoning Board (KAZB), the Kentucky Transportation Cabinet, Department of Aviation, the Finance and Administration Cabinet, and the Department of Housing, Buildings, and Construction. Additionally, the successful Offeror shall have no more than six months after the Lease Agreement is fully executed to complete construction and begin operation of the hangar facility. Should there be a time delay within that six month period due to delay in delivery to the leased premises of the building package, then the Successful Offeror shall notify the Lessor as soon as Successful Offeror is aware of the possibility of a "stop work" order for prior, written approval by the Lessor of an extension of time to construct and become operational the hangar facility.

#### 1. Setbacks

The Commonwealth will determine setback distances for construction based on FAA regulations, Airport Layout Plan and other airport regulations that may be enacted from time to time. No part or portion of any building shall be erected, constructed, or extended into any setback area. No building construction, equipment or materials shall be staged, placed, or operated in a manner that impedes the movement of aircraft along taxi lanes or taxiways.

#### 2. Height of Buildings

All buildings and structures shall comply with the maximum height regulation(s) identified in the current Airport Layout Plan. (These specifications are based on FAA standards for regulating airspace in the vicinity of runways.) The tallest point of a hangar, including antennas or other attachments, may not exceed the maximum structure elevation specified for a given distance from the runway.

#### 3. Drainage

A drainage plan shall be submitted indicating flow and contours/elevations. Drainage shall not negatively impact adjacent properties and shall flow into the Airport's natural or developed drainage. The elevation of the lot shall not be changed so as to materially affect the surface elevation or grade of the surrounding lots. Drainage from roofs shall not create erosion or affect adjacent properties. Perimeter roof drainage with gutter and downspouts shall be required. Roof drainage and a soil erosion control plan shall be indicated on plan submittal.

#### 4. Parking

The number and location of parking stalls required for the specific intended use shall be submitted with the construction plans. Areas provided for parking shall be surfaced with a minimum of 2-inch bituminous or 4-inch concrete over a finished and compacted 6-inch gravel base.

#### 5. Apron and Pad Standards

Apron and pad thickness shall be indicated on submitted plans. All floors and ramps must be constructed of concrete having a thickness recommended by the architect/engineer developing the plans. A stiff broom finish is required on exterior concrete ramps. All aprons shall provide positive drainage to prevent ponding or standing water. For the purposes of this section, the apron is defined as the area that extends across the entire width of the leased parcel and from the building to the taxiway.

#### 6. Refuse

No storage of waste, refuse, material, or equipment shall be permitted outside the building. Where necessary, dumpsters should be located at the rear of a structure/site and should be enclosed with an opaque wall.

#### 7. Open Sided Structures/Portable Building/Bi-fold Doors

All structures shall be totally enclosed. No open sided structures shall be permitted. No portable buildings shall be permitted. Bi-fold doors are recommended because of their ease of operation during the winter months. Approved swing out, overhead or sliding doors may also be used. All pedestrian doors must be of pre-finished metal construction.

#### 8. Alterations

No alterations to the exterior appearance of any existing building shall be made without first obtaining prior written approval of the Commonwealth.

#### 9. Antennas/Satellite Dishes

All antennas, satellite dishes, and similar equipment, shall be indicated on plan submittals. If any such equipment is to be installed after the initial approval of Successful Offeror's facility, Successful Offeror shall receive the Commonwealth's written approval prior to installation. No equipment shall be allowed that will interfere with existing or future airport operations.

#### 10. Walks

All pedestrian sidewalks in the hangar area shall be constructed of concrete, at least 4-inches thick and 4-feet wide. Bituminous asphalt, dirt, and gravel walks shall be prohibited.

#### 11. Maintenance

All trees and shrubbery must be kept in good appearance at all times. All grass shall be mowed by the Capital City Airport/Lessor. Should the Successful Offeror fail to maintain these areas, the Commonwealth reserves the right to maintain the areas at an additional cost to the Successful Offeror.

#### 12. Utilities

Extension of Utilities to the proposed facilities shall be the financial responsibility of the Successful Offeror. All plan submittals shall include sufficient detailed information on all utility designs and design loads, and work shall not be permitted until approved by the Commonwealth. Submittal shall

indicate above ground utilities such as, but not limited to, condensers and transformers. Sewer, gas, water, electric, and communication utilities shall be located underground. The Successful Offeror shall be responsible to restore all disturbed areas including pavement and grass areas. Upon completion of construction, a plot plan showing the exact location of all Successful Offeror-installed utilities shall be given to the Commonwealth's Representative.

#### 13. Sign Standards

A single sign, which is limited in content to the name, address and occupation of the Successful Offeror or occupant of the premises, may be displayed in the vicinity of a bi-fold door on the front of a hangar building. In the case of a multiple unit building, one such sign is permitted for each unit. At a minimum, each hangar unit must display the building address assigned by the City. The Commonwealth will consider additional signage requests, but freestanding signs will not be allowed.

All hangar sign plans shall be submitted to the Commonwealth for review and written approval prior to construction or installation.

#### 14. Building Plans

The drawings furnished to the Commonwealth are to indicate the intent of the Successful Offeror as to the type of building construction desired, the dimensions shown on floor plan drawings and the height dimension shown on the drawings shall not be changed without the prior written approval of the Commonwealth. Drawings shall include an architectural view of all four sides of building. The Commonwealth must review a complete set of plans and specifications before approval is granted. The submittal must bear the seal of a Professional Engineer and/or Architect, registered in the State of Kentucky, thereby certifying that the structural design of the building meets all the requirements of the current Kentucky Commercial Building Code.

Combinations of architectural design treatments, additional landscaping, and trees should be provided.

#### 15. Framing

All framing shall be of metal.

#### 16. Exterior Materials and Finishes

All exterior surfaces must be pre-finished aluminum, steel or CMU (concrete block). No painted wood or other materials may be used.

All exterior materials and colors must be submitted to the Commonwealth for written approval before construction starts. A standard color will be identified and registered with the Commonwealth. No galvanized metal shall be used on any exterior surface.

<u>Wood</u>-No wood or wood composite siding or roofing shall be allowed. Exceptions to this rule may be granted by the Commonwealth, based on aesthetics or airport operational requirements. Requests for exceptions to this requirement must be made in writing at the time of initial plan approval.

<u>Steel</u> - The minimum gauge of steel used for roofing or siding shall be twenty-six (26) and shall be factory finished in a color pre-approved by the Commonwealth and warranted by the manufactured as to color fastness for a minimum of twenty (20) years.

The Commonwealth shall approve building colors. All building colors shall be consistent with the Airport Terminal Building. Color sample(s) shall be provided by Offerors with hangar plan submittals.

#### 17. Roofs

Roofs shall be metal. Side and rear finished overhangs shall be a minimum of 12" and front finished overhangs shall be a minimum of 24". Perimeter roof drainage with gutter and downspouts shall be required.

#### 18. Lighting

Exterior lighting, if present, shall be located on building and shall illuminate the building exterior sufficient for safety and security. Cut-off type fixtures shall be used to prevent disturbance of airport operations. All lighting shall be high-pressure sodium and shall not create a vision hazard to aircraft movement or persons on foot. Light fixtures that face a taxi lane shall not exceed 0.5 foot-candles at the edge of the taxi lane. Successful Offeror's plan submittal shall include exterior lighting information including location. All other lighting shall conform to Local and State ordinances.

#### 19. Mechanicals and Equipment

All mechanical, HVAC, and like systems shall be screened from all street, driveway, and pedestrian level views. Roof lines shall be designed to screen such equipment located atop buildings, and an opaque wall or fence of masonry, brick, split-faced block, rock, etc. shall provide adequate screening for ground based equipment.

#### 20. Compliance with Building Codes

The building codes and restrictions for buildings and structures at the Airport shall run with the land and be binding to all parties and all persons on Airport property.

Those procedures and processes shall describe the enforcement of the building codes and restrictions contained herein in the lease agreement between Successful Offeror and the Commonwealth.

All buildings constructed, erected, or placed upon any lot within the borders of the Airport shall conform to all government zoning and use requirements.

All Building and structures shall comply with all current federal, state and local requirements.

All Plans must be approved by the FAA, the Kentucky Airport Zoning Board (KAZB), the Kentucky Transportation Cabinet, Department of Aviation, the Finance and Administration Cabinet, and the Department of Housing, Buildings, and Construction.

#### 21. Invalidation

Invalidation of any one of these covenants, codes, or restrictions contained within this document, by judgment or court order, shall in no way affect any other provisions herein, which shall remain in full force and effect.

#### 22. Variances

The Commonwealth shall consider and may grant a variance to these covenants, conditions and restrictions. Request for variance must include a full explanation why these codes or requirements cannot be fully met.

#### **FEES AND PERMITS**

Successful Offeror will be required to obtain all necessary state, county, and local fees and permits at their own expense as required federal, state, county, and local codes and ordinances. Prior to construction, successful Offeror shall acquire Federal Aviation Administration form 7460-1 "Notice of Proposed Construction or Alteration" and Kentucky Department of Aviation form TC 56-50 "Application for Permit to Construct or Alter a Structure". These forms are to be completed by the Successful Offeror to the referenced agencies.

These specifications are intended as a guide for the development of plans and specifications for Buildings on Capital City Airport in Frankfort, KY. All plans and specifications shall comply with all federal, state and local specifications.

The Successful Offeror must arrange for a final inspection by the Commonwealth's representative prior to occupying the facility on the Airport.

#### D. Uses of the Premises

The leased property shall be used solely by the Successful Offeror for the specific purpose outlined herein and no other use may be made of the premises without Lessor's prior written consent.

The Successful Offeror shall not store or sell fuel, shall not block a taxiway, and shall not park any aircraft upon the leased premises in such a location as to interfere with Airport restriction. Maintenance and operation of aircraft other than that owned or operated by the Successful Offeror is prohibited except as herein after described in Section H under Terms and Conditions. Aircraft ramp and service equipment may be stored on the premises, but only in a manner and in such locations as approved, in writing, by the Commonwealth. All aircraft and equipment repairs except minor repairs shall be performed inside a structure and not on the aircraft apron. The Commonwealth shall be the sole judge of what constitutes minor repair. The Successful Offeror covenants that it shall not use or permit the premises to be used for any other purposes without the prior written approval of the Commonwealth.

Aeronautical facility use: subject to the terms and conditions herein, the Successful Offeror shall be permitted to use, in common with others, existing and future aeronautical facilities at the airport, as they may exist or be modified, augmented, or deleted from time to time. These facilities shall include, but not be limited to the landing areas, their extensions and additions, roadways, aprons,

and any air navigation facilities or other conveniences for the flying, landing, and taking off or aircraft. Nothing herein shall prohibit the Commonwealth from modifying, augmenting, or deleting any such facilities.

Storage of flammable fluids: Successful Offeror agrees that the storage of all other gasoline or flammable fluids shall be in a locker labeled "FLAMMABLE", approved by or in a manner acceptable to the Fire Marshall. The Fire Marshall may, at his discretion, prohibit or impose restrictions on the storage of said materials if, in the Marshal's opinion, the storage is determined a safety hazard. The disposal of any hazardous chemicals or fluids on the airport premises is strictly prohibited. The Successful Offeror further agrees not to transport or cause to be transported onto airport premises, gasoline or other flammable fluids for the purpose of self-fueling aircraft. The Successful Offeror further agrees that fueling of aircraft on airport premises shall only be done at Commonwealth-approved location(s).

#### E. Fuel and Petroleum Sales

The Successful Offeror **shall not** sell or resell fuel and/or any petroleum products. The Capital City Airport *may* offer to the Successful Offeror special rates for purchase of fuel from the Airport facility.

#### F. Security

In addition to the Department of Aviation, Transportation Cabinet flight line attendants, the Successful Offeror shall provide security for its operation on the entire leased premises. The Department of Aviation, Transportation Cabinet, shall work with the Successful Offeror to provide a key code to the front security gate.

Successful Offeror shall conduct a self-audit of its keys or other access media to the leased premises on an annual basis. Successful Offeror shall provide Commonwealth with a copy of said audit. Successful Offeror shall replace or re-key the locks or other controls to its leased premises whenever lost or stolen keys or other access media exceed 5% of the total keys or other access media issued for the locking device in question.

#### G. Utilities

It shall be the responsibility of the Successful Offeror to provide and pay for all utilities for the operation of the private hangar facility. This responsibility includes, but is not limited to, obtaining all (IF ANY) necessary easements and rights-of-way from the various private, local, state, and federal government agencies involved. All expenses and costs resulting from the granting and installation of such easements and rights-of-way will be borne by the successful Offeror. The Successful Offeror shall coordinate work with the Frankfort Plant Board for the extension of all utilities under their jurisdiction. Columbia Gas has authority over the natural gas service. Payment of all utilities for operation of the private hangar will be the responsibility of the successful Offeror and will be placed in the name of the successful Offeror.

The successful Offeror shall be responsible for obtaining all necessary regulatory agency approvals (federal, state and local). It shall also be the successful Offeror's responsibility to ensure adequate water service for the entire private hangar facility domestic use and necessary fire and safety usage.

#### H. Maintenance Responsibilities

Successful Offeror shall be responsible for following maintenance duties:

- 1. The successful Offeror, at its sole expense, shall pick up and provide for a complete and proper arrangement for the adequate handling and disposal, away from the Airport, of all trash, garbage, and other refuse caused as a result of the construction of the hangar and operation of its business. Successful Offeror shall provide and use suitable covered metal receptacles for all such garbage, trash, and other refuse. Piling of boxes, cartons, barrels, pallets, debris, or similar items in an unattractive or unsafe manner, on or about the Leased Premises, shall not be permitted.
- 2. The Successful Offeror shall be responsible, at its own expense, for repair and maintenance of all existing facilities (to include utilities, janitorial services, and supplies); painting, and daily restroom cleaning (once a day cleaning will not satisfy this requirement, cleanliness shall be accomplished by frequent monitoring as the customer load dictates on any given day); providing all supplies, cleanup after flooding, all utilities, etc. This maintenance responsibility includes tree and shrub trimming, snow removal in and around private sidewalks, landscaping and/or parking lots. Transportation, Department of Aviation, shall be responsible for snow removal and mowing grass to include the concrete ramp and taxiway leading into and adjoining the proposed private hangar(s) site.
- 3. Successful Offeror, at its sole expense, shall be responsible for all rebuilding, restoration and replacement of Commonwealth property necessitated by casualty resulting from the negligence or intentional act of the Successful Offeror, its agents or employees.
- 4. The Successful Offeror shall assume responsibility for all existing facilities, including any labor, equipment, and supplies, at the time a lease is finalized.
- 5. In addition to the aforementioned maintenance responsibilities of the Successful Offeror and during the original lease term or any renewal thereof, the Successful Offeror shall:
  - (a) Keep any and all existing and proposed buildings, structures, and other improvements, both interior and exterior, located on the leased premises (see Exhibit C for description of leased premises), and all equipment and personal property within said buildings and structures in good repair, and not suffer or permit any waste to be committed or anything to be done on the leased premises that would constitute a nuisance.

#### I. Advertising

In order to promote both the Kentucky Department of Aviation, Transportation Cabinet, and the Successful Offeror's operations in a more efficient manner, the parties hereto agree that any advertisement or promotional material, whether in print form or through the media, shall be submitted to the Kentucky Department of Aviation, Transportation Cabinet, for written approval <u>prior</u> to the publication or broadcast of such material. Any rejection of said material by the Department shall be accompanied by a written explanation for said rejection.

#### J. Signage

Successful Offeror shall not erect, maintain, or display upon the outside of any improvements on the Leased Premises any billboards or advertising signs; provided, however, that Successful Offeror may, at its sole expense, maintain on the outside of said buildings, its own name(s) and services on signs, the size, location, and design of which shall be subject to prior written approval by the Department of Aviation, Transportation Cabinet.

#### K. Warranty of Suitability

The Commonwealth makes no guaranty or warranty, either expressed or implied, with respect to the property. The Successful Offeror is expected to have examined the property and to have formed his/her own conclusions as to its suitability of the property for the stated purposes.

#### L. Reservation of Rights

In acknowledgement by the Successful Offeror that the need may arise from time to time for the Commonwealth to change or alter the presently proposed development and expansion of the airport, and its facilities, to accommodate changes in law or for any other reason for which the Commonwealth determines, within its absolute discretion, to be necessary or convenient to accomplish the purposes its purposes, and the Commonwealth RESERVES unto itself all other rights in and to the property herein leased. Any other uses made by the Commonwealth of the herein leased property shall not unreasonably interfere with those rights granted unto the Successful Offeror.

In further acknowledgement of the foregoing, the parties hereto agree that the Commonwealth RESERVES the right to relocate the herein Successful Offeror from his present site to another site as similarly situated as possible to the first site, but all of the costs of moving the Successful Offeror and of reconstructing the site improvements comparable to those of the first site shall be paid totally by the Commonwealth.

#### M. <u>Commonwealth's Rights</u>

Aerial approaches: the Commonwealth has the right to take any action it considers necessary to protect the aerial approaches and transition surfaces of the Airport against obstruction, together with the right to prevent the Successful Offeror or sublessee(s) from erecting or permitting to be erected any building or other structure on the airport, which, in the opinion of the Commonwealth would limit the usefulness of the airport or constitute a hazard to aircraft.

Airport Development or Change of Use: the Commonwealth has the following rights:

- To develop or improve the landing areas and other portions of the Airport as it sees fit in Commonwealth's exclusive discretion, regardless of the desires or views of the Successful Offeror, and without interference or hindrance. If the development of the Airport requires the land covered under this lease, the Commonwealth shall have the right to either:
  - (a) substitute another parcel of land for the Leased Premises, and relocate Successful Offeror's improvement(s) to that new parcel at no cost to

- the Successful Offeror, or
- (b) acquire Successful Offeror's hangar at its fair market value, as established by KRS Chapters 45A and 56, and terminate this agreement. In the event of a substitution or relocation or hangar purchase and agreement termination as permitted by this section, the Commonwealth shall have no liability to the Successful Offeror for any loss, expense, damage or cost of any nature, except as defined herein.
- 2. To change the use of the lands within the Airport to other uses. If Commonwealth eliminates the Airport, the Commonwealth shall have the obligation to purchase Successful Offeror's hangar at its fair market value, as established KRS Chapters 45A and 56, and terminate the agreement.

#### V. <u>TERMS AND CONDITIONS</u>

#### A. General

The lease between the Commonwealth of Kentucky and the Successful Offeror shall consist of: (1) the RFP (and any addenda thereto), and (2) the Successful Offeror's proposal submitted in response to the RFP. In the event of a conflict in language between the documents referenced above, the provisions and requirements set forth and/or referenced in the RFP shall govern. All written addenda and supplements shall take precedence over the documents they modify.

In the event that an issue is addressed in one document that is not addressed in the other document, no conflict in language shall be deemed to occur. However, the Commonwealth reserves the right to clarify any lease relationship, in writing, with the concurrence of the Successful Offeror, and such written clarification shall govern in case of conflict with the applicable requirements stated in the RFP or the Successful Offeror's proposal. In all other matters not affected by the written clarification, if any, the RFP shall govern.

The Successful Offeror shall be responsible for assuring that the private hangar operations, authorized by the resulting lease, provides services to the best standards prevailing for similar businesses. The leased property shall be used solely by the Successful Offeror for the specific purpose outlined herein and no other use may be made of the premises without Lessor's prior written consent.

No modification or change of any provision in the lease shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by the Successful Offeror and the Department of Aviation, Transportation Cabinet, and incorporated as a written amendment to the lease and processed through and approved by the Finance and Administration Cabinet prior to the effective date of such modification or change. Memoranda of Understanding and correspondence shall not be construed as amendments to the lease.

The lease shall be construed and interpreted according to the laws of the Commonwealth of Kentucky. Any legal proceedings against the Commonwealth regarding this RFP or any resultant lease shall be brought in Commonwealth of Kentucky administrative or judicial forums. Venue will be in Franklin County, Commonwealth of Kentucky.

#### B. Lease Agreement

The lease agreement will commence on the date the lease is fully executed between the Successful Offeror and the Commonwealth or the date the Successful Offeror is granted written permission to begin operation of the private hangar, whichever date is earlier. The length of the lease will be for a period of twenty (20) years, this lease shall be extended upon written mutual consent for two (2) additional five (5) year periods at the same terms and conditions as are contained herein.

All the provisions of said lease agreement and contract shall be binding upon all parties. The Successful Offeror shall abide by all rules and regulations, which may be promulgated by the Federal Aviation Administration, the Capital City Airport, and federal and state laws in connection with the use of the premises.

#### C. Rates and Prices

The Successful Offeror shall not be permitted to charge for entrance or admission to the hangar areas, including that portion, if any, outside of the project boundaries

#### D. Records and Reports

The Successful Offeror is required to keep complete and accurate financial records, pursuant to 200 KAR 5:314, and any and all other applicable laws or regulations, of all transactions relating to the private hangar facilities and to maintain such additional records as the Commonwealth deems necessary to adequately reflect the operations conducted on the leased premises. The financial records will be subject to inspection or audit by designated representatives of the Commonwealth at all times during regular business hours and shall be made available at a convenient location for that purpose.

#### E. Taxes

The Successful Offeror shall be responsible for paying all state, federal, and local, including but not limited to, ad valorem taxes assessed against the private hangar development and the operations conducted on the leased premises.

#### F. <u>Liens Against the Leased Premises</u>

Nothing in this agreement shall in any way be deemed or construed as constituting an order or request by the Commonwealth, expressed or implied, to any contractor, sub-contractor, supplier, material-man, or laborer for the performance of any labor or the furnishing of any materials for the maintenance of any improvements on, alterations to, or other improvements of the leased premises; nor as giving the Successful Offeror any right, power, or authority to grant for or permit the rendering of any services or furnishings of any materials that would give rise to the filing of any mechanic's liens against the Commonwealth's property or the Successful Offeror's leasehold interest therein.

Furthermore, the Successful Offeror shall not suffer or permit any mechanic's or material-man lien to be filed against the Commonwealth's property or the Successful Offeror's leasehold interest in the leased premises by reason of work, labor, services, or materials supplied to or claimed to be

supplied to the Successful Offeror. If a mechanic's or material-man's lien shall be filed against the leased premises or the Successful Offeror's leasehold interest at any time, the Successful Offeror shall cause the same to be discharged within thirty (30) days after the notice of filing thereof by payment, deposit, bond, an Order of a Court of competent jurisdiction or otherwise. If the Successful Offeror, in good faith, disputes the validity or correctness of any such lien, then it may refrain from paying or causing the same to be discharged of record, but it shall diligently proceed to initiate and conduct appropriate proceedings to determine the correctness or validity of such lien. The Successful Offeror shall not be deemed to be in default under this agreement while such proceedings or litigation are being conducted in good faith by it. However, if the Successful Offeror fails to cause any such lien to be discharged within the period aforesaid, or fails to contest the same as provided above, then the Successful Offeror shall be deemed to be in default of this lease which shall be a basis for termination of said lease.

#### G. <u>Subleasing, Assignments, or Mortgages of Successful Offeror's Interest</u>

During the course of the lease agreement, the Successful Offeror shall not voluntarily, involuntarily, or by operation of law assign, sublet, mortgage, or transfer the lease agreement or any interest created therein to any other person, partnership, corporation, or other entity without first notifying and obtaining the prior written consent of the Department of Aviation, Transportation Cabinet. Any attempt to assign, sublet, mortgage, or transfer the lease agreement or any interest created therein without such consent shall be void. If an assignment, sublet, mortgage, or transfer of this agreement is made with the consent of the Commonwealth, the Successful Offeror shall not be relieved from payment of all rent (revenues) according to the terms of the lease or from the performance of all other terms, covenants, and conditions of the lease. If consent is once given by the Department of Aviation, Transportation Cabinet, to any such assignment, mortgage, or subletting, such consent shall not operate as a waiver of the necessity for obtaining the Department of Aviation, Transportation Cabinet, ' consent to any subsequent assignment, mortgage, or subletting. Furthermore, any change in the Successful Offeror's business status (i.e., partnership, corporation) should be reported to the Commonwealth immediately.

No assignment, subletting, transfer, or mortgage of Successful Offeror's interest in the property shall be effective or binding against the Commonwealth until such time as the assignee and the Commonwealth execute an amendment to this agreement reflecting such transfer.

#### H. Hold Harmless

The Successful Offeror shall indemnify and hold harmless the Commonwealth from any and all claims, demands, damages, actions, costs (including attorney fees), and charges which the Commonwealth or the Successful Offeror may have to pay by reason of injury to any person or property or loss of life or property resulting from or in any way connected with the character, condition, or use of the leased premises or any means of ingress thereto, or egress therefrom, or resulting from the Successful Offeror's operations on the leased premises, unless such injury or loss arises directly from the negligence of the Commonwealth, any of their departments or agencies, or officers or employees while acting within the scope of their employment.

The Successful Offeror shall, at its own expense, assume defense of such claims and actions for damages arising out of such injuries or losses which may be brought against the Commonwealth by third person; and shall pay such judgments that may be rendered in such actions, unless such claims or actions for damages and/or judgments arise directly from the negligence of the

Commonwealth, any of its departments or agencies, or any of its officers, agents, or employees while acting within the scope of their employment.

#### I. <u>Attorney's Fees</u>

In the event that either party deems it necessary to take legal action to enforce any provision of the lease, and in the event the Commonwealth prevails, the Successful Offeror agrees to pay all expenses of such action, including attorney's fees and costs at all states of litigation as set by the court or hearing officer.

#### J. Notices

After lease award, all notices under this lease shall be either mailed by registered or certified mail addressed or hand-delivered to the receiving party. The customary receipt shall be conclusive evidence of such service.

#### K. Offer of Gratuities

By submission of a proposal, the Successful Offeror certifies that no member or delegate of Congress, nor any elected or appointed official or employee of the Commonwealth of Kentucky has or will benefit financially or materially from this procurement. Any lease arising from this procurement may be terminated by the Commonwealth if it is determined that gratuities of any kind were either offered to or received by any of the aforementioned officials or employees from the Successful Offeror, its agent, or employees.

#### L. Conflict of Interest

No official or employee of the Commonwealth, and no other public official of the Commonwealth of Kentucky or the federal government who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the project shall, prior to the completion of the project, voluntarily acquire any personal interest, direct or indirect, in the lease or proposed lease. The Successful Offeror covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Successful Offeror further covenants that in the performance of the lease no person having any such known interests shall be employed. By entering into the lease agreement, the Successful Offeror covenants that it is not in violation of KRS Chapter 11A (Executive Branch Code of Ethics).

#### M. <u>Maintenance of Commonwealth's Property</u>

In addition to IV. Private Hangar Facility Subsection H (Maintenance) above, the Successful Offeror shall be responsible for the proper care and custody of any Commonwealth property furnished for Successful Offeror's use in connection with the performance of the lease. This responsibility includes the repair and/or replacement due to loss, damage, or negligence, normal wear and tear expected.

The Successful Offeror shall do those acts necessary to (1) maintain the property in a reasonably attractive, clean, efficient, and safe condition; (2) prolong the useful life of the property, and (3) cause the property to be in conformity with all federal, state, and local regulatory standards. All

damage or destruction by accident, fire, flood, hail, wind, or other casualty, not resulting from the negligence of the Successful Offeror shall be excepted from the provisions of this section, except that all new construction pursuant to this Agreement shall become the sole responsibility of the Successful Offeror for its repair and replacement.

The Commonwealth and the Successful Offeror shall annually inspect the property together by July 30 of each year to determine (1) whether the Successful Offeror is in conformity with the provisions of this section, and (2) to specify what act or acts are necessary to conform with the provisions of this section. As soon thereafter as practicable, the Commonwealth shall provide to the Successful Offeror a written inspection report detailing the findings and recommendations pertaining to The Successful Offeror shall have thirty (30) days following receipt of the Commonwealth's report to either (1) complete the maintenance recommendations made by the Commonwealth or (2) present a written plan, for approval by the Commonwealth, which details the actions to be taken in order to correct any maintenance deficiencies including an anticipated completion date. In the event the Successful Offeror fails either to (1) complete the maintenance recommendations made by the Commonwealth within thirty (30) days, or (2) submit a reasonable plan within thirty (30) days together with a projected date of completion by which to accomplish those maintenance recommendations made by the Commonwealth, and to complete such plan of maintenance as agreed, unless good cause be shown for delay, then the Commonwealth may enter upon the property and do that which is necessary to maintain or repair the property. The Successful Offeror shall indemnify and hold harmless the Commonwealth from all costs and expenses of any such maintenance accomplished by the Commonwealth.

In order to insure that the Successful Offeror shall be sufficiently liquid to indemnify the Commonwealth against all those costs and expenses that may incur to maintain and repair the property the following described escrow deposit account shall be created.

Throughout the term of this Agreement, the Successful Offeror shall deposit in a Kentucky bank on the 10th business day of each month, a sum of money equal to TWO AND ONE-HALF PERCENT (2-1/2%) of the gross sales of the total private hangar operation realized for the preceding one month for the purpose of providing to the Successful Offeror a working maintenance account.

The Successful Offeror may withdraw from the escrow account at any time that funds are available, on the condition that the Commissioner, Department of Aviation, or his designee, countersigns the check or other instrument to withdraw proceeds from the aforesaid account. The Successful Offeror shall be deemed by the resulting agreement to be authorized to draw from the above account as needed for the purpose of maintenance throughout the year, with the prior written approval of the Commissioner, Department of Aviation, or his designee.

As to the operation of the escrow deposit account, the parties hereto agree:

- (a) That the account shall be an interest bearing account and that the amounts either deposited in or accruing upon said account shall be considered a cost or an expense of maintaining the leasehold;
- (b) That the account shall be maintained jointly in the names of the Commonwealth of Kentucky, Commissioner, Department of Aviation, Transportation Cabinet, or his designate, and Successful Offeror;

- (c) That no monies may be withdrawn from said escrow deposit account unless both parties shall have executed the instrument of withdrawal;
- (d) Fund money shall not be utilized to pay salaries, or to maintain, repair, or replace items owned by the Successful Offeror;
- (e) That said escrow deposit account, and the requirement for same, shall exist during the entirety of the term of the agreement and any extensions thereof;
- (f) That it is the intention of the parties that distributions shall be made from the escrow deposit account for:
  - (1) Reimbursement to the Successful Offeror for all costs and expenses it shall have incurred to maintain or repair the components of the facility at the failure of the Successful Offeror to perform such necessary maintenance or repair;
  - (2) After the above described disbursements shall have been made, then for reimbursement to the Successful Offeror for those amounts still remaining in the escrow deposit account in excess of \$10,000.00 during the term of the resulting lease; and,
- (g) At the expiration of the term of the lease and any extensions thereto, and after the fulfillment of the requirements of this section, the entirety of the contents of the account shall be returned to the Successful Offeror.

#### N. Construction Bonds

Offeror shall execute a surety bond or bonds in favor of the Commonwealth in the amount of one hundred percent (100%) of the designated amount of any future capital improvement projects, as security for the faithful performance of the construction required and the payment of all persons who have and fulfill subcontracts which are directly with the Offeror. The Offeror shall, before beginning the construction/development of facilities, require of any subcontractor employed by the Offeror to construct said facilities, a surety bond or bonds in form satisfactory to the Commonwealth. These bonds shall protect the subleased premises against the imposition of mechanics and materialsman's liens and guarantee performance of the construction subcontract. All bonds shall be executed by a surety company authorized to do business in the Commonwealth.

#### O. <u>Construction/Development (Plan Approval)</u>

- All construction/development plans will be submitted to and must have <u>prior</u> approval of the Finance and Administration Cabinet, Department for Facilities and Support Services; and the Department of Aviation before construction/development is commenced. Such approval will not be unreasonably withheld. Such approval is not intended to verify constructability or conformance with any applicable codes, but rather is intended to ensure that the design meets the Offeror's intent and program requirements. The drawings and the specifications shall be stamped with the registration seal of the professional involved in the design.
- 2. When required by state law, construction/development plan approval must be obtained from the Department of Housing, Building and Construction. All fees shall be the responsibility of

the Offeror. This regulatory agency will review drawings for plumbing, fire marshal compliance, ADA accessibility and Kentucky Building code regulations. Proof of this approval must be provided to the Department for Facilities and Support Services and the Department of Aviation before commencement of construction and operation. Upon completion, copies of all permits and certificates shall be submitted to the Department for Facilities and Support Services and the Department of Aviation, along with "as built" plans.

3. The Department for Facilities and Support Services and the Department of Aviation may also make compliance inspections to ensure that the facility is being constructed, operated, maintained, and furnished in a manner that provides a safe and healthy environment for the public. This inspection will also ensure that preventative maintenance is being performed that will extend the life and usability of the facilities to its maximum potential. Inspection reports will be prepared with a definite deadline for correction of any stated deficiencies. Maintenance is an important aspect of the sublease and failure to comply by the Offeror with any maintenance provision shall be grounds for termination of the sublease by reason of default.

#### P. Protection of Work, Property, Employees, and Public

The Successful Offeror shall continuously maintain adequate protection of all his/her work from damage and shall protect the Commonwealth's property from injury or loss arising in connection with this lease. Successful Offeror shall make good any such damage, injury, or loss. Successful Offeror shall adequately protect adjacent property as provided by law and the lease documents.

The Successful Offeror shall take all necessary precautions for the safety of employees on the work site and shall comply with all applicable provisions of the Kentucky Worker's Compensation laws and all federal, state, and municipal safety laws and building codes to prevent accidents or injury to persons on, about, or adjacent to the premises where the work is being performed.

#### Q. <u>Title to Improvements and Additions and Removal of Equipment and Supplies Upon</u> Expiration or Termination of Agreement

- 1. It is understood and agreed by the parties that as a part of the consideration given by the successful Offeror for the privilege of utilizing the property, all improvements and/or additions to the property, shall become the sole property of the Commonwealth whether by expiration of the agreement term or by reason of default as provided for in the resulting agreement.
- 2. Upon the expiration or termination of the resulting agreement, all of the successful Offeror's equipment and inventory, excluding fixtures belonging to the successful Offeror, shall be removed from the premises at its expense prior to such expiration or termination.
- 3. Failure to comply with this provision indicates lack of interest on the part of the successful Offeror in such property, and consequently, the aforementioned articles shall be deemed abandoned by the successful Offeror and shall automatically become the property of the Commonwealth to dispose of as it determines to be in the interest of the Commonwealth.

#### R. Insurance

**Liability Insurance.** The Successful Offeror will be required to obtain, from a reputable insurance company authorized to do business in the Commonwealth, and obtain and keep in force, at Successful Offeror's own expense, a commercial general liability insurance policy providing

minimum combined single limits coverage of \$1,000,000.00 per occurrence, and having an aggregate annual limit of not less than \$1,000,000.00, with an umbrella of \$5,000,000.00 per occurrence and an annual aggregate limit of \$5,000,000.00; and a commercial property insurance policy covering all private hangar facilities, including losses from theft and vandalism, owned by Successful Offeror, for their full replacement costs, and premises contents and business inventory coverage for their full insurable costs. Said insurance shall name the Commonwealth as additional insured and shall also provide that said policy shall not be subject to cancellation, termination, or change without at least thirty (30) days prior written notice to the Commonwealth. Successful Offeror must furnish a copy of its insurance policy to the Department of Aviation, Transportation Cabinet, prior to commencement of operations, and on an annual basis thereafter for the full term of the lease and any renewals thereof.

After award of the lease, the minimum liability amounts of required coverage established under this Section may be subject to modification by the Commonwealth upon sixty (60) days notice to the Successful Offeror.

Casualty Insurance. During the term of the leasing arrangement, the Successful Offeror shall maintain, at the Successful Offeror's total expense, fire and extended coverage insurance, including theft and vandalism, covering the private hangar development in an amount equal to its full replacement cost value. Successful Offeror shall also carry and maintain during the term of the lease, at Successful Offeror's sole cost and expense, fire and extended coverage insuring all contents and inventories in the premises to the extent of their full insurable value.

#### S. Employment Practices

The Successful Offeror shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age (except as provided by law), marital status, political affiliation, or disability. The Successful Offeror must take affirmative action to ensure that employees, as well as applicants for employment, are treated without discrimination because of their race, color, religion, sex, national origin, age (except as provided by law), marital status, political affiliation, or disability. Such action shall include, but is not limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation and selection for training including apprenticeship. The Successful Offeror agrees to post in conspicuous place available to employees and applicants for employment, notices setting forth the provisions of this clause.

The Successful Offeror shall, in all solicitations or advertisements for employees placed by or on behalf of the Successful Offeror, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, age (except as provided by law), marital status, political affiliation, or disability, except where it relates to a bona fide occupational qualification.

The Successful Offeror shall comply with the non-discrimination clause contained in Federal Executive Order 11246, as amended by Federal Executive Order 11375, relative to equal employment opportunity for all persons without regard to race, color, religion, sex, or national origin, and the implementing rules and regulations prescribed by the Secretary of labor and with title 41, Code of Federal Regulations, Chapter 60. The Successful Offeror shall comply with related Commonwealth laws and regulations.

The Successful Offeror shall comply with regulations issued by the Secretary of Labor of the United States in Title 20, Code of Federal Regulations, part 741, pursuant to the provisions of Executive Order 11785 and the Federal Rehabilitation Act of 1973. The Successful Offeror shall comply with the Civil Rights Act of 1964 and any amendments thereto, and the rules and regulations thereunder, and Section 504 of Title V of the Vocational Rehabilitation Act of 1973, as amended and the Kentucky Civil Rights Act.

#### T. Permits and Licenses

The Successful Offeror shall procure all necessary permits, licenses, and certificates which are required by state and local laws, and abide by all applicable laws, regulations, and ordinances of all federal, state, and local governments. Plans for electric, fire code, housing, etc. must be reviewed by the Department of Housing, Buildings and Construction, the Department of Aviation, Transportation Cabinet, , and the Finance and Administration Cabinet prior to construction of the private hangar.

The Successful Offeror shall conform to operational standards of the Department of Aviation, Transportation Cabinet, and to all bona fide rules, procedures pertaining to same as may be promulgated by the Department of Aviation, Transportation Cabinet.

#### U. Right of Entry

The right is hereby reserved to the Commonwealth of Kentucky, its officers, agents, and employees to enter upon the leased premises at reasonable times to inspect the premises, operation, and equipment, or for any purposes in connection with work necessary to the benefit of the Commonwealth.

#### V. Termination of Lease

The lease agreement resulting from the RFP shall be subject to the following termination provisions:

**Termination for Default.** If at any time during the period in which the proposed lease agreement is in effect, the Successful Offeror, in the opinion of the Commonwealth, defaults on <u>any</u> obligation incurred hereunder, including, but not limited to, the payment of rental due the Commonwealth or the failure to maintain standards of service required or in any manner fails to provide adequate service to the public, then the agreement shall be subject to termination by the Commonwealth, with no right of recourse remaining in the Successful Offeror. All rights and benefits herein conferred shall be deemed forfeited, and the Successful Offeror shall quietly surrender possession of the demised premises to the Commonwealth; <u>provided, however</u>, that before any termination shall occur under this section, the Successful Offeror shall be given written notice and be allowed thirty (30) days from receipt of notice in which to cure such default or non-compliance. If said default or non-compliance is cured within the above time period, then the agreement shall remain in full force and effect. In the event of termination for default, the Successful Offeror shall be responsible for paying to the Commonwealth any monetary sum due, up to and including the date of termination.

If, in a 12 month period, the successful Offeror has been notified three times or more by the Commonwealth that it is in default on its monetary obligation to be paid to the Commonwealth, then the Commonwealth may, at its sole option, declare the Lease in immediate default and the 30 day cure provision shall not apply.

The various rights, options, elections, powers, and remedies contained in the lease shall be construed as cumulative and not one of them shall be exclusive of any of the others, or of any other legal or equitable remedy which either party might otherwise have in the event of breach or default in the terms hereof, and the exercise of one right or remedy by such party shall not impair its right to any other right or remedy until all obligations upon the other party have been fully performed.

#### W. Procedure on Termination

Upon delivery by certified mail to the Successful Offeror of Notice of Termination specifying the nature of the termination, the extent to which performance of service under the agreement is terminated and the date upon which such termination becomes effective, the Successful Offeror shall stop service under the agreement on the date indicated and to the extent specified in the Notice of Termination. Then, and in any of such cases, immediately or at any time thereafter, at its option, the Commonwealth shall have the right to immediately reenter and take possession of the properties, and, as the Commonwealth elects, either:

- (1) Declare this lease to be terminated, in which event this lease, all rights of the Successful Offeror, and all duties of the Commonwealth shall immediately cease and terminate and the Commonwealth may possess and enjoy the properties as though this lease had never been made, without prejudice, however, to any and all rights of action against the Successful Offeror the Commonwealth may have for rent, damages, or breach of covenant, in respect to which the concessionaire shall remain and continue liable notwithstanding such termination; or,
- Relet the properties, or any part thereof, for such term or terms and on such conditions as the Commonwealth determines for and on behalf of the Successful Offeror, for the highest rental reasonably obtainable in the judgment of the Commonwealth, which reletting shall not be considered as a surrender or acceptance back of the properties or a termination of this lease, and recover from the Successful Offeror any deficiency between the amount of rent, additional rent and all other charges payable under this lease, plus any expenses incurred by the Commonwealth in connection with repairs, or alterations the Commonwealth deems necessary or appropriate to make in connection with such reletting, all costs incurred in actually reletting the properties, and sums expended for reasonable attorney's fees; but the Commonwealth shall be under no duty to relet the properties.

#### X. Force Majeure

The Successful Offeror shall not be liable to the Commonwealth if failure to perform the agreement arises out of causes beyond the control and without the fault or negligence of the Successful Offeror. Such causes may include, but are not restricted to, acts of God, fire, quarantine restrictions, strikes, and freight embargoes. In all cases, the failure to perform must be beyond the control and without fault or negligence of the Successful Offeror. The Successful Offeror shall take all possible steps to recover from such occurrences.

#### Y. Conflict of Law and Choice of Law Provision

It is agreed by the parties hereto that all questions as to the execution, validity, interpretation, construction, and performance of the resulting lease agreement shall be governed by the laws of the Commonwealth of Kentucky. Furthermore, the parties hereto agree that any legal action which is brought on the basis of said agreement shall be filed with the Franklin County Circuit Court of the Commonwealth of Kentucky.

Further, the Successful Offeror agrees to maintain its current level of assets, as defined in above paragraph and as will be described in the resulting lease, as will be existing as of the effective date of the resulting agreement and, shall thereafter, not remove said assets from the private hangar operation, nor allow the current level of assets to diminish, without prior written approval from the Commonwealth.

#### Z. Waiver

The waiver by the Commonwealth of, or failure of the Commonwealth to take action with respect to any breach of any term, covenant, or condition herein contained or contained in the resulting Lease, shall not be deemed to be a waiver of the same or any other term, covenant, or condition contained herein.

#### AA. Disclosure of Financial Information

The Successful Offeror certifies that by entering into this Lease resulting from this solicitation with the Commonwealth of Kentucky and that by holding and performing this Agreement, the Successful Offeror will not be violating either any conflict of interest statute (KRS 45A.330 - 45A.340, 164.390), or KRS Chapter 11A, the Executive Branch Code of Ethics, or any other applicable statute or principle by the performance of this Agreement, nor will he realize any unlawful benefit or gain directly or indirectly from it. Non-compliance may result in termination of the resulting Lease Agreement.

The Successful Offeror, as defined in KRS 45A.030 (7), agrees that the Department of Aviation, Transportation Cabinet, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records or other evidence which are directly pertinent to this Lease for the purpose of financial audit or program review. Furthermore, any books, documents, papers, records or other evidence provided to the Department of Aviation, Transportation Cabinet, , the Finance and Administration Cabinet, the Auditor of Public Accounts, or the Legislative Research Commission which are directly pertinent to the contract shall be subject to public disclosure pursuant to 200 KAR 5:314 regardless of the proprietary nature of the information, unless specific information is identified and exempted and agreed to by the Secretary of the Finance and Administration Cabinet as meeting the provisions of KRS 61.878(1)(c) prior to the execution of the Sublicense. The Secretary of the Finance and Administration Cabinet shall not restrict the public release of any information which would otherwise be subject to public release if a state government agency was providing the service.

#### BB. Premises Destroyed by Fire

a. If the demised premises shall, without the fault of the Lessee, (see paragraph below), be destroyed by fire or other casualty, or damaged as to become wholly or partially untenable, the

Lessor may, by written notice delivered to the Lessee within thirty (30) days after such destruction or damage, elect to rebuild or repair the premises within a reasonable time after election, returning the premises to a structurally sound and tenantable condition. For that purpose, the Lessor may enter the premises, and operations shall cease during the time the premises are untenantable. If the Lessor does not elect as aforesaid to rebuild or repair, then the Lease Agreement shall become void and the Lease term created shall end. On such delivery and surrender of the premises being made, or on the recovery of the premises by the Lessor, the Lessee's obligation to expend funds for capital improvements shall cease. After application of any insurance proceeds to removal of all damaged or destroyed structure(s) and debris has been removed and the structure(s) have been restored and the premises have been restored to its original condition, the Lease Agreement, shall upon agreement of the parties, be deemed terminated, and the Lessee shall be released from further obligation or liability hereunder.

b. Lessee shall be responsible to the Lessor for all damages to the leased premises caused by fire or other casualty, causing loss, which is the result of the Lessee's negligent use of the premises or willful conduct.

#### VI. PROPOSAL

#### A. Evaluation of Proposals

The Commonwealth will conduct a comprehensive evaluation of proposals received in response to the RFP. This evaluation will be conducted by a committee, which may be comprised of representatives from the Department of Aviation, Transportation Cabinet, the Finance and Administration Cabinet, and other resource agencies' representatives, as appropriate. Items to be given specific attention during the evaluation process are as follows:

- The Successful Offeror's construction and operational plan.
- Financial background of Successful Offeror including, but not limited to, the Successful Offeror's ability to provide financial backing for the proposed operation private hangar facility.
- Private background and experience.
- Revenue payable to the Commonwealth.

The above criteria are explained in more detail in the following segments of this Proposal section of the RFP.

The Successful Offeror's proposal documents will become a part of any final lease agreement. All items listed <u>must be thoroughly addressed</u> in your written proposal.

Please include six (6) complete copies of proposal document and all attachments.

#### B. Point Scoring of Proposals

The evaluation of proposals will involve the point scoring of each proposal into four (4) areas. A maximum of one hundred (100) points will be available for each proposal as follows:

•	Private hangar construction and operational/business plan	40 Points
•	Financial background of Successful Offeror and proposed method of financing project	30 Points
•	Business and/or Aviation experience and background Rental payable to the Commonwealth	20 Points 10 Points

The proposal receiving the highest point total will be awarded the lease contract.

#### C. <u>Submission of Proposal</u>

It will be the duty of each Successful Offeror to see that his proposal is delivered by the time and at the place prescribed in this RFP. Proposals received prior to the closing of receipt of proposals will be securely kept, unopened, until the time set for opening proposals. The officer whose duty it is to open them shall decide when the specified time has arrived, and no proposal received thereafter will be considered. No responsibility will attach to an officer for the premature opening of a proposal through inadvertence or one not properly addressed and marked. Telegraphic proposals will not be considered, but modifications by telegraph of proposals already submitted will be considered, if received prior to the time set for opening the proposals. There will not be a public bid opening.

Neither the proposals nor their contents shall be made available for public information or inspection until such time as an award of a lease is made.

#### D. Withdrawal of Proposal

Proposals may be withdrawn on written or telegraphic requests received from the Successful Offeror prior to the time fixed for opening. Proposals may not be withdrawn for a period of one hundred and twenty (120) calendar days after the closing date for receipt of proposals. Negligence on the part of the Successful Offeror in preparing his proposal confers no right to withdraw his proposal after it has been opened.

#### E. <u>Proposal Subject to These Terms</u>

All proposals submitted shall be deemed to have been made with full knowledge of all terms, conditions, and requirements contained in this RFP and enclosures thereto.

#### F. The Successful Offeror's proposals shall include the following sections:

**Transmittal Letter.** The transmittal letter shall be in the form of a standard business letter and shall be signed by an individual authorized to legally bind the Successful Offeror. This signed letter will legally bind the Successful Offeror. It shall include:

- 1. A statement indicating if the Successful Offeror is a corporation, sole proprietorship, or partnership or other legal entity.
- A statement that the Successful Offeror is registered to do business in Kentucky or will obtain a Kentucky business license, as well as any other documents required by law and the regulations of the Commonwealth of Kentucky prior to commencement of work.
- 3. A statement identifying all addenda to the RFP issued by the Commonwealth and received by the Successful Offeror. If no addenda have been received, a statement to that effect should be included.
- 4. A statement that the Successful Offeror's proposal meets all requirements, provisions, specifications, terms, and conditions set forth in the RFP, or in the alternative, an explanation of any deviation from such terms and conditions, specifications, requirements, or provisions. The Commonwealth reserves the right to reject any proposal containing such deviations or as to require modifications before acceptance.
- 5. Attach to the transmittal letter evidence from the Kentucky Secretary of State that the Successful Offeror is in good standing and duly authorized to transact business in Kentucky. Should the Successful Offeror's proposal include the use of subcontractors and supplies, the Successful Offeror should attach to the transmittal letter evidence that the primary Successful Offeror has verified from each of its proposed subcontractors and suppliers that each is a viable, ongoing business entity, and is capable of performing its obligations to the prime contractor and its subs, and that each has supplied (or will supply prior to acceptance of the contract) evidence of "good standing" with the Kentucky Secretary of State.
- 5. A statement that the Successful Offeror's proposal shall remain valid for one hundred and twenty (120) days after the closing date for the receipt of proposals.

#### **Hangar Operation.**

- 1. A general narrative description of the proposed private hangar operation, including a time schedule, operation date, list of personal property inventory to be included in the hangar structure(s). The Successful Offeror must also indicate the services to be offered, proposed area lighting, proposed area security, landscaping, proposed promotional plans, signage, preventative maintenance schedule, emergency procedures for fire and accidents, and any other information pertinent to the proposed operation of the existing private hangar facilities.
- 2. Successful Offeror shall provide comprehensive and detailed specification material relative to all construction/building materials, equipment, furnishings, etc. for the existing private hangar that will enable the Commonwealth to determine the quality of these items.
- 3. Describe management structure/organization proposed for the private hangar; identify management personnel by name, if selected, titles; and show how management staff will interact with each other in managing the facilities. Additionally, the Successful Offeror is to indicate the number of staff and categories of work to be utilized in operation and maintenance of the facilities.

Financial Background of Successful Offeror and Proposed Method of Financing Project. The Successful Offeror shall provide:

- 1. An audited financial statement for each of the last three (3) years must be provided for the applicable legal entity submitting a proposal. This statement should, at a minimum, list all assets and liabilities and be certified by a registered Certified Public Accountant (CPA) who is not an officer of the company or individual submitting the proposal. Successful Offeror should also include a statement of changes in financial position of the business entity within the last three (3) years. If the Successful Offeror is a new entity incorporated for the purposes of operation of this private hangar facility, then Successful Offeror must provide individual income tax records for each of the last three (3) years.
- 2. A current (unaudited) financial statement.
- 3. Bank references for the company shall be provided, including name, address, and current telephone number of the given financial institution. This should include a signed authorization for release of financial information from each bank listed.
- 4. A description of the proposed financing plan, including, but not limited to, source of credit, terms of credit, and repayment schedule. Source of credit will identify credit for construction, as well as long-term financing of the structure.

**Corporate/Business Background and Experience.** The private background and experience section shall include from the Successful Offeror details of the background of the company, date established, ownership (public company, partnership, subsidiary, etc.), company resources, details of company experience relevant to the proposed development. List (if any) current or past private hangar facilities managed by the company. (Note: If the proposal is submitted by an individual, the same type of information will be required.)

Should the proposal be submitted by a corporation or business venture formed solely for the purpose of responding to this RFP, the above information shall be submitted for each individual within the said corporation, business venture, or partnership.

## NOTE: THIS SECTION MUST BE FILLED OUT AND RETURNED WITH THE PROPOSAL PACKAGE

**Revenue Payable to the Commonwealth.** Successful Offerors are to indicate (on line below) the annual rental Successful Offeror will pay to the Commonwealth for the term of the corresponding lease. Rental payable to the Commonwealth shall be made monthly and shall be due on or before the close of business ten (10) working days after the end of the preceding month.

SUCCESSFUL OF	FEROR FILL IN BLANK AND RETURN:
	d at Capital City Airport, I propose to pay the Commonwealth of Kentucky er year as land lease fee.
	Successful Offeror's Signature
	Successful Offeror's Name - Printed

## VII. AUTHENTICATION OF BID AND AFFIDAVIT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST (PLEASE RETURN WITH THE PROPOSAL PACKAGE)

I hereby swear (or affirm) under the penalty for false swearing as provided by KRS 523.040:

- 1. That I am the Successful Offeror (if the Successful Offeror is in individual), a partner (if the Successful Offeror is a partnership) or an officer or employee of the bidding corporation having authority to sign on its behalf (if the Successful Offeror is a corporation);
- 2. That the attached bid (or bids) covering Kentucky Division of Real Properties Invitation No. 100318 has been arrived at by the Successful Offeror independently and have been submitted without collusion with, and without any agreement, understanding or planned common course of action with any other lessee of materials, supplies, equipment or services described in the Invitation to Bid, designed to limit independent bidding or competition;
- 3. That the contents of the bid or bids have not been communicated by the Successful Offeror or its employees or agents to any person not an employee or agent of the Successful Offeror or its surety on any bond furnished with the bid or bids and will not be communicated to any such person prior to the official opening of the bid or bids;
- 4. That the Successful Offeror is legally entitled to enter into contracts with the Commonwealth of Kentucky and is not in violation of any prohibited conflict of interest, including those prohibited by the provisions of KRS 45A.330 to 45A.340, 45A.990, 45A.164.390 or KRS 11A.040 of the Executive Branch Code of Ethics; and,
- 5. That I have fully informed myself regarding the accuracy of the statements made above.

#### NOTICE

- 1. Any agreement or collusion among Successful Offerors or prospective Successful Offerors which restrains, tends to restrain or is reasonably calculated to restrain competition by agreement to bid at a fixed price, or to refrain from bidding, or otherwise, is prohibited.
- 2. Any person who violates any provisions of KRS 45A.325 shall be guilty of a felony and shall be punished by a fine not less than five thousand dollars (\$5,000), nor more than ten thousand dollars (\$10,000), imprisonment for not less than one (1) year, nor more than five (5) years, or both such fine and imprisonment. Any firm, corporation or association which violates any of the provisions of KRS 45A.325 shall, upon conviction, be fined not less than ten thousand dollars (\$10,000), nor more than twenty thousand dollars (\$20,000).

#### **IMPORTANT - SIGNATURE REQUIRED BELOW**

This proposal cannot be considered valid unless the Successful Offeror signs it and prints or types his name, firm address, telephone number, and date in the spaces provided. Proposals signed by an agent are to be accompanied by evidence of his authority unless such evidence has been previously furnished to the agency representative.

#### SUCCESSFUL OFFEROR/OFFEROR

SIGNED BY:			
FIRM:			
ADDRESS:			
CITY	STATE	ZIP CODE	
AREA CODE:		TELEPHONE:	
DATE:			

#### IMPORTANT - THIS SECTION MUST BE READ, FILLED OUT, AND RETURNED WITH THE PROPOSAL PACKAGE:

## VIII. STATEMENT OF FINAL DETERMINATION OF VIOLATIONS PURSUANT TO KRS 45A.485

Pursuant to KRS 45A.485, the Successful Offeror shall reveal to the Commonwealth, prior to the award of a contract, any final determination of a violation by the Successful Offeror within the previous five (5) year period of the provisions of KRS Chapters 136, 139, 141, 337, 338, 341, and 342.

For the purpose of complying with the provisions of KRS 45A.485, please list any final determination(s) of violation(s) of KRS Chapters 136, 139, 141, 337, 338, 341, and 342, which have been rendered against the Successful Offeror within the five (5) years preceding the award of this contract. Please include the date of the determination and the state agency issuing the determination. (Please use extra sheets if necessary.)

KRS Violation	<u>Date</u>	State Agency
---------------	-------------	--------------

The Successful Offeror is further notified that KRS 45A.485 requires that for the duration of this contract, the Successful Offeror shall be in continuous compliance with the provisions of KRS Chapters 136, 139, 141, 337, 338, 341, and 342, which apply to the Successful Offeror's operations. KRS 45A.485 further provides that the Successful Offeror's failure to reveal a final determination of a violation of KRS Chapters 136, 139, 141, 337, 338, 341, and 342, or failure to comply with the above-cited statutes for the duration of the contract, shall be grounds for the Commonwealth's cancellation of the contract, and the Successful Offeror's disqualification from eligibility to bid or submit proposals to the Commonwealth for a period of two (2) years.

# ANNUAL AFFIDAVIT FOR OFFERORS, OFFERORS AND CONTRACTORS Affidavit Effective Date: Affidavit Expiration Date: Maximum Length One-Year

## REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS RFP#100318 PAGE 1 OF 2

#### FOR BIDS AND CONTRACTS IN GENERAL:

- I. Each bidder or offeror swears and affirms under penalty of perjury, that to the best of their knowledge:
  - a. In accordance with KRS 45A.110 and KRS 45A.115, neither the bidder or offeror as defined in KRS45A.070(6), nor the entity which he/she represents, has knowingly violated any provisions of the campaign finance laws of the Commonwealth of Kentucky; and the award of a contract to the bidder or offeror or the entity which he/she represents will not violate any provisions of the campaign finance laws of the Commonwealth.
  - b. The bidder or offeror swears and affirms under penalty of perjury that, to the extent required by Kentucky law, the entity bidding, and all subcontractors therein, are aware of the requirements and penalties outlined in KRS 45A.485; have properly disclosed all information required by this statute; and will continue to comply with such requirements for the duration of any contract awarded.
  - c. The bidder or offeror swears and affirms under penalty of perjury that, to the extent required by Kentucky law, the entity bidding, and its affiliates, are duly registered with the Kentucky Department of Revenue to collect and remit the sales and use tax imposed by KRS Chapter 139, and will remain registered for the duration of any contract awarded.
  - d. The bidder or offeror swears and affirms under penalty of perjury that the entity bidding is not delinquent on any state taxes or fees owed to the Commonwealth of Kentucky and will remain in good standing for the duration of any contract awarded.
  - e. The bidder or offeror swears and affirms that the entity bidding, and all subcontractors therein, have not violated any of the prohibitions set forth in KRS 11A.236 during the previous ten (10) years, and further pledge to abide by the restrictions set forth in such statute for the duration of the contract awarded.

## FOR "NON-BID" CONTRACTS (I.E. SOLE-SOURCE; NOT-PRACTICAL OR FEASIBLE TO BID; OR EMERGENCY CONTRACTS, ETC):

- II. Each contractor further swears and affirms under penalty of perjury, that to the best of their knowledge:
  - a. In accordance with KRS 121.056, and if this is a non-bid contract, neither the contractor, nor any member of his/her immediate family having an interest of 10% or more in any business entity involved in the performance of any contract awarded, have contributed more than the amount specified in KRS 121.150 to the campaign of the gubernatorial slate elected in the election last preceding the date of contract award.

## ANNUAL AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS RFP#100318 REQUIRED AFFIDAVIT FOR OFFERORS, OFFERORS AND CONTRACTORS PAGE 2 OF 2

b. In accordance with KRS 121.330(1) and (2), and if this is a non-bid contract, neither the contractor, nor officers or employees of the contractor or any entity affiliated with the contractor, nor the spouses of officers or employees of the contractor or any entity affiliated with the contractor, have knowingly contributed more than \$5,000 in aggregate to the campaign of a candidate elected in the election last preceding the date of contract award that has jurisdiction over this contract award.

c. In accordance with KRS 121.330(3) and (4), and if this is a non-bid contract, to the best of his/her knowledge, neither the contractor, nor any member of his/her immediate family, his/her employer, or his/her employees, or any entity affiliated with any of these entities or individuals, have directly solicited contributions in excess of \$30,000 in the aggregate for the campaign of a candidate elected in the election last preceding the date of contract award that has jurisdiction over this contract.

As a duly authorized representative for the bidder, offeror, or contractor, I have fully informed myself regarding the accuracy of all statements made in this affidavit, and acknowledge that the Commonwealth is reasonably relying upon these statements, in making a decision for contract award and any failure to accurately disclose such information may result in contract termination, repayment of funds and other available remedies under law. If the bidder, offeror, or contractor becomes non-compliant with any statements during the affidavit effective period, I will notify the Finance and Administration Cabinet, Office of Procurement Services immediately. I understand that the Commonwealth retains the right to request an updated affidavit at any time.

Signature	Printed Name
Title	Date
Company Name:	
Address:	
Commonwealth of Kentucky Vendor Code (if I	known):
Subscribed and sworn to before me by	
	Affiant) (Title)
of thisday of,20	
(Company Name)	
Notary Public	
[seal of notary] My commission expires:	

#### **TABLE OF CONTENTS**

INTRODUCTION	2
LOCATION - EXISTING FACILITIES AND BACKGROUND	2
RFP GENERAL PROCEDURAL INFORMATION	2
Pre-Bid Conference	
Proposed Lease Site	3
Private hangar Operation Date	
RFP Addenda	3
Successful Offeror Responsibility for Proposal Submittal	3
No Prior Commitment or Obligation of the Commonwealth	
Issuing Office	
Proposal Guaranty	
MBE/DBE Participation	
MBE/BBE Fallopation	
PRIVATE HANGAR FACILITY DEVELOPMENT	6
Capital City Airport	
Facility Development	
Declaration of Covenants & Restrictions for Buildings and Structures	
Use of the Premises	12
Fuel and Petroleum Sales	
Staffing	
Security	
Utilities	13
Maintenance Responsibilities	14
Advertising	14
Signage	15
Warranty of Suitability	
Commonwealth Rights	15
TERMS AND CONDITIONS	
General	
Lease Agreement	
Rates and Prices	
Records and Reports	
Taxes	
Liens Against the Leased Premises	17
Sub-Subleasing, Assignments, or Mortgages of Successful Offeror's Interest	
Hold Harmless	
Attorney's Fees	
Notices	10

Office of Gratuities	19
Conflict of Interest	
Maintenance of Commonwealth's Property	
Construction Bond	21
Construction/Development (Plan Approval)	
Protection of Work, Property, Employees, and	
Removal of Improvements Upon Expiration or	
Insurance	
	22
•	23
Employment Practices	
Permits and Licenses	
Right of Entry	
Termination of Lease	
	24
Procedure on Termination	
Force Majeure	25
Conflict of Law and Choice of Law Provision	
Waiver	
Disclosure of Financial information	
Premises Destroyed by Fire	
PROPOSAL	27
Evaluation of Proposals	27
Point Scoring of Proposals	
Submission of Proposal	
Withdrawal of Proposal	28
Proposal Subject to These Terms	
Successful Offeror's Proposal Shall Include	
	28
	29
Financial Background of Successful O	
9	30
	Experience 30
	th31