

# **THE PORT AUTHORITY OF NY & NJ**

**PROCUREMENT DEPARTMENT  
2 MONTGOMERY STREET, 3<sup>RD</sup> FL.  
JERSEY CITY, NJ 07302**

1/31/2014

## **ADDENDUM # 1**

To prospective Bidder for Bid # 36175 entitled, "Fixed Base Operator (FBO) at LaGuardia Airport:

Due on 2/13/2014, no later than 11:00 AM

### **I. BIDDER'S QUESTIONS AND ANSWERS**

The following information is available in response to questions submitted by prospective Bidders. The responses should not be deemed to answer all questions, which have been submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidders does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein is accurate, complete or timely or that such information accurately represents the conditions that would be encountered during the performance of the Contract. The furnishing of such information by the Port Authority shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever and each Bidder, by submitting its Bid, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever. Accordingly, nothing contained herein and no representation, statement or promise, of the Port Authority, its Commissioners, officers, agents, representatives, or employees, oral or in writing, shall impair or limit the effect of the warranties of the Bidder required by this Bid or Contract and the Bidder agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

Q1: What is the current arrival & departure slot allocation for Private Aircraft/General Aviation and how many slots per hour are allowed?

A1: For unscheduled flights (general aviation, public aircraft, military, charter, ferry, and positioning flights), 3 reservations are available per hour from 6:00 a.m. through 9:59 p.m. (EST) Monday through Friday and from 12:00 noon through 9:59 p.m. Sunday. Helicopter operations are excluded from the reservation requirement. The FAA ATC System Command Center's Airport Reservation Office assigns reservations. Reservations are assigned on a "first-come, first-

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served” basis and are good for 30-minutes. See Federal Register Vo. 77, No. 100, dated May 23, 2012, Docket No. FAA-2008-25755.

Q2: Is each slot an arrival and departure or a combination of both?

A2: Each reservation is for either one arrival or one departure.

Q3: Can slots be banked?

A3: No. Unused slots may be reallocated by the FAA. Reservations cannot be bought, sold or leased. If ATC determines that air traffic, weather, and capacity conditions are favorable and significant delay is not likely, the FAA can accommodate additional reservations over a specific period.

Q4: Is a landing report available covering the past three years?

A4: The number of landings over the past five years handled by the current Operator is included in Attachment A in the Bid documents.

Q5: Beginning in what year were slots assigned?

A5: What are now referred to as “slots,” were instituted by the federal government on April 27, 1969 in an amendment to CFR 14 Part 93, Amendment 93-13 that created High Density Traffic Airports, later (Oct. 1970) to become Part 93 Subpart K. The so-called “Slot Rule” has undergone a number of revisions since that time. See A1 above for the most recent iteration.

Q6: Please clarify if the Airport has allowed aircraft parking outside of the north beach club (“Five Towers”) in the past contract period, in the past two years of the contract period, and if emergency use of other areas will be allowed in the new contract period. Or does the Port Authority require a drop and go or refuse slots?

A6: The area north of TWY E/Parking Lot 10E may be used by the Operator for aircraft parking between the hours of 8:00 a.m. through 10:00 p.m. after prior coordination with Airport Operations. The ramp area adjacent to Bldg. 30 (south of the Delta Shuttle ramp) may be used from time-to-time for short-term parking and drop-and-go operations. The Port Authority does not refuse slots. The Port Authority requires the Operator to manage all requests for unscheduled flight operations. Should parking capacity become problematic, the Port Authority expects the Operator to coordinate with Port Authority Airport Operations to determine if additional capacity can be made available. If no additional capacity is available, the Operator should communicate such to the FAA Slot Reservation Office and aircraft operators.

Q7: Is there a need to erect and maintain a structure to minimize jet/prop blast and, if so, is the successful respondent responsible for the cost associated with this work?

A7: The Operator is responsible to ensure operations for which it has responsibility are conducted in a safe manner and is liable for any injury or damages incurred by such operations.

- Q8: Provide clarification of the Public Ramp and Apron Space and Public Aircraft Parking and Storage Space; and Public Landing Space percentage and fixed dollar charges in the context of a Bidder's percent of gross receipt payments. Please confirm that these revenues are excluded from the gross receipt percentage, which will be paid to the Airport.
- A8: Proposers should refer to the Lease Agreement Form, Section 4(c)(3) "Gross Receipts."
- Q9: Provide a list of current Port Authority fees and charges in the categories referenced in Q8 above.
- A9: Proposers should refer to Exhibit Z-3 "Airport Terminal Schedule of Charges" included in the Bid packet.
- Q10: Clarify the Operator's responsibility with regard to HVAC maintenance vs. preventative maintenance and who is responsible for what aspect.
- A10: Proposers should refer to the Lease Agreement Form, Section 15 "Maintenance, Repair and Property Insurance."
- Q11: Are there any known environmental concerns?
- A11: Proposers should refer to the Lease Agreement Form, Section 41 "Condition of Premises and Environmental Obligations."
- Q12: Is there a Phase I environmental report which could be seen?
- A12: Proposers should refer to the Lease Agreement Form, Section 41 "Condition of Premises and Environmental Obligations."
- Q13: There are statements that need to be clarified, "no aircraft maintenance or repairs may be performed on the Airport by the Operator except if expressly authorized by the airport" compared to another statement saying that the "Operator upon request, shall cause to be rendered to aircraft routine and non-routine aircraft repair and maintenance by properly qualified mechanics". If the respondent does need to provide maintenance, are they able to subcontract the aircraft maintenance requirement under the lease?
- A13: The first statement refers to a provision in the Lease Agreement Form, Section 14(p) "Prohibited Acts" where "no aircraft maintenance or repairs may be performed...except if...expressly authorized...by the General Manager of the Airport..." The second statement refers to a provision in the Lease Agreement Form, Section 7(d)(1) "Services by the Operator." The first provision is expressly stating that no aircraft maintenance or repairs can be performed on the Airport except by authorization of the General Manager of LaGuardia Airport. Under the terms of the agreement and according to the second statement, the Operator, as a recognized entity on the airport, may be requested by its customers to perform aircraft maintenance. If so, this maintenance and repair work must be performed by a qualified mechanic at a location authorized by the Port Authority.

Q14a: Are there any capital (financial) commitments in addition to the percentage of gross revenues required?

A14a: Proposers should refer to the Lease Agreement Form, Section 9 “Rentals and Payments.”

Q14b: Is the successful Bidder required to make any capital investment commitments in the Premises?

A14b: No.

Q15: What is the cost of employee parking for which the successful respondent will be responsible (per person)?

A15: Employee parking is available for \$50 per month per vehicle through the LaGuardia Parking Sales Office. The Operator and/or its employees are responsible for purchasing the parking permits.

Q16: What is the amount of the security deposit which the successful respondent will have to provide?

A16: Proposers should refer to Part II-Contract Specific Information for Bidders, Paragraph 12 “Security Requirement.” Generally, the security deposit will be based on all monthly sources of payments that the Operator would be making to the Port Authority from all fixed rate agreements with a minimum of 2-6 months security deposit, and variable percentage fees with 3 months security deposit. The only acceptable form of security deposit would be a Letter of Credit.

Q17: What have the historical collection figures from associated airport fees for Public Ramp and Apron Space and Public Aircraft Parking and Storage Space been for the last 3 years?

A17: The information available for total fees collected is the following:

Aircraft Parking and Storage

2011 – \$46,676.84

2012 – \$47,151.45

2013 – \$46,163.82

Public Landing Space

2011 – \$1,592,228.78

2012 – \$1,572,745.94

2013 – \$1,570,972.24

Q18: Is there a specific format that the Port Authority would like the Proof of Specific Bidder Prerequisites submitted?

A18: No specific format.

Q19: Is there any current union now being represented at the facility which is being placed out for bid?

A19: The Port Authority does not require the Operator to operate under any particular union agreement. Proposers should refer to Part I-Standard Information for Bidders, Paragraph 9 “Union Jurisdiction.”

- Q20: Does the current refrigeration equipment in the FBO line room stay with the facility or does the successful respondent need to provide?  
A20: Proposers should refer to the Lease Agreement Form, Section 13 “Sales and Services.”
- Q21: Does the Port Authority have updated exhibits for Areas A, B, and C?  
A21: Updated exhibits for Areas A, B and C are attached.
- Q22: Are you able to provide a current and 2013 employee head count by department and wage scale?  
A22: No, the Port Authority does not have this information available. The Operator is responsible for determining its staffing levels. Proposers should refer to the Lease Agreement Form, Section 47 “Personnel.”
- Q23: Does the FBO have sole discretion on fuel and handling fee pricing?  
A23: Proposers should refer to the Lease Agreement Form, Section 7(3) “Services by the Operator” for provisions related to fuel pricing and to Section 13 “Sales and Services” for provisions related to all other fees.
- Q24: Does the current FBO provide services to the airlines and, if so, are these agreements assignable or would they terminate in the event of an FBO change?  
A24: All current agreements held by the current FBO would terminate.
- Q25: Referring to Section 4 “Rentals and Payments,” subsection (f)(3)(i) “Sublease Payments,” disclose the existence of any subleases, if any, particularly on the second floor where space is being utilized by other parties. Confirm whether there are additional monies due to the Port Authority in connection with that space, or any other, in addition to standard rent.  
A25: There are three entities that sublease space from the current Operator: 1) government; 2) civic; and 3) private. If a new Operator is selected, they would not be obligated to continue subleasing space to these entities. No additional monies are due to the Port Authority under a sublease arrangement.
- Q26: Does Section 7 “Services by the Operator,” imply an exclusive right to provide those services at the Airport for General Aviation aircraft?  
A26: Yes.
- Q27: Does the FBO buy its own inventory of fuel and Allied Aviation manage the inventory? If so, are there fees paid by the FBO for services rendered by Allied or is it a direct sale of fuel from Allied to the FBO? If so, at what cost?  
A27: Proposers should refer to the Lease Agreement Form Section 7(f) “Services by the Operator,” for information related to fueling.
- Q28: Provide a copy of the existing Sheltair/Allied Aviation agreement.  
A28: A copy of Exhibit Y, “Facilities Lease and Agreement and Consent to Facilities Agreement” is included in the Bid packet and will be attached to the Lease Agreement entered into by the successful Bidder and the Port Authority.

- Q29: Provide the current list of services and applicable rates and charges.  
 A29: Bidders should contact the current FBO directly for a list of services and charges.
- Q30: Provide a breakdown of what comprises “All Other Sales” listed on Attachment A.  
 A30: “All Other Sales” could include, for example, the Operator’s handling fee and ground support service sales.
- Q31: Confirm that on Attachment A, “D. Fees Collected on Gross Receipts” payments represents payments made to the Port Authority tied directly to “C. Gross Receipts.”  
 A31: Correct.
- Q32: Confirm that on Attachment A, “D. Fees Collected on Gross Receipts” are independent of percentage and fixed dollar charges from Section 43 of the Lease Agreement.  
 A32: Correct. Proposers should refer to the Lease Agreement Form, Section 4(c)(3) “Gross Receipts.”
- Q33: The Lease states that the FBO is responsible for maintaining its fueling trucks and other automotive equipment. Does the Port Authority provide space to maintain these vehicles or is the FBO required to find space on its own?  
 A33: The Operator is responsible for either finding space on its own or contracting with a third-party provider that provides vehicle maintenance.

This communication should be initialed by you and annexed to your Bid upon submission.

In case any Bidder fails to conform to these instructions, its Bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ  
 Kathy Leslie Whelan, Assistant Director  
 Commodities & Services Division

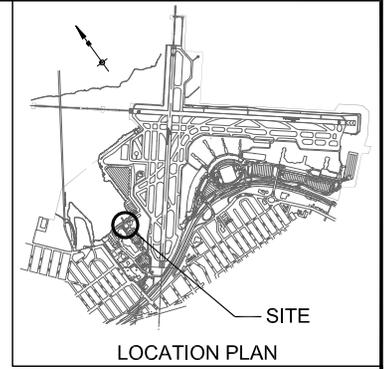
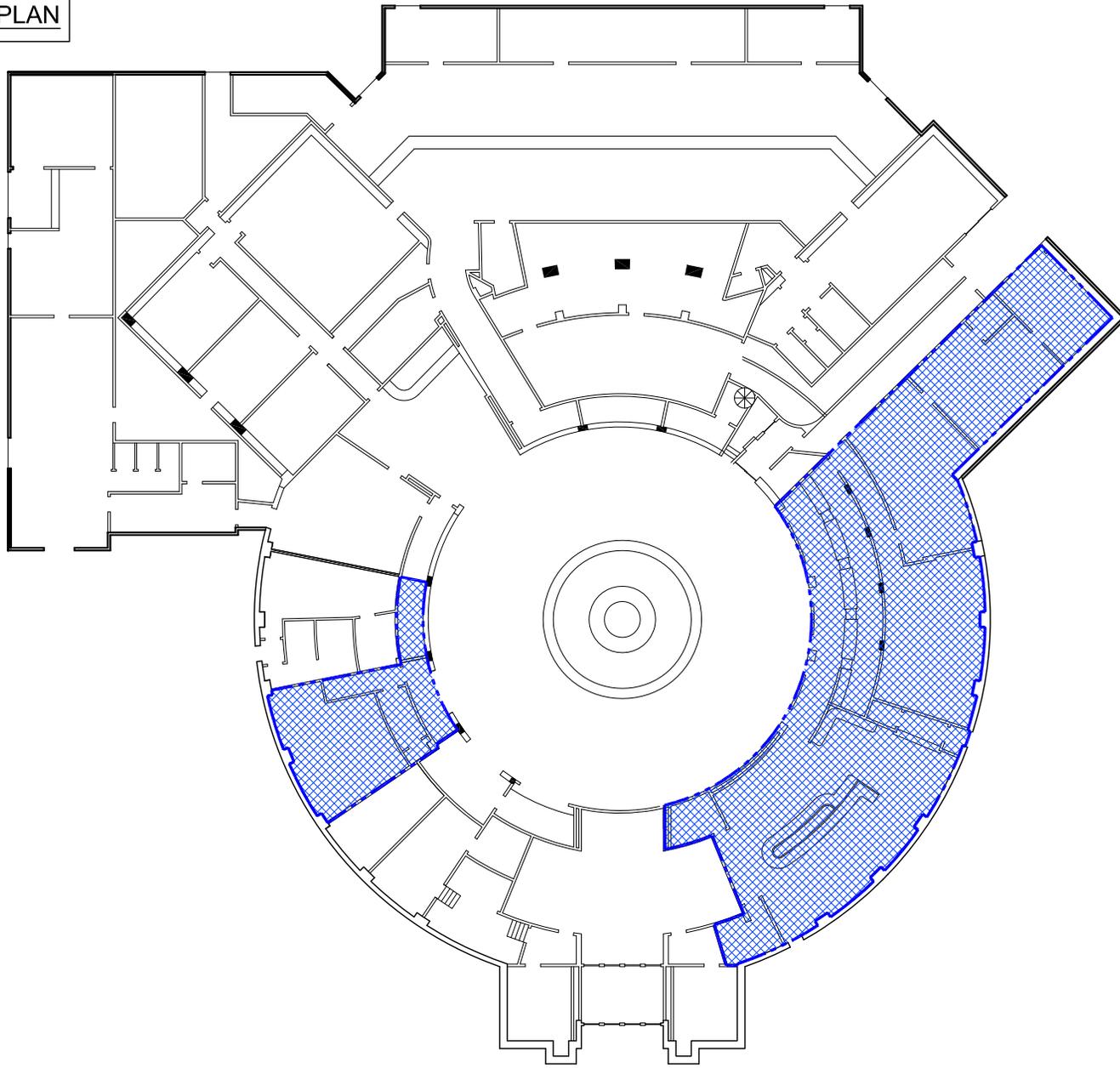
BIDDER'S FIRM NAME: \_\_\_\_\_

INITIALED: \_\_\_\_\_

DATE: \_\_\_\_\_

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Mr. Richard A. Grehl, WHO CAN BE REACHED AT (201) 395-3441 or at rgrehl@panynj.gov.

MARINE TERMINAL  
GROUND FLOOR PLAN

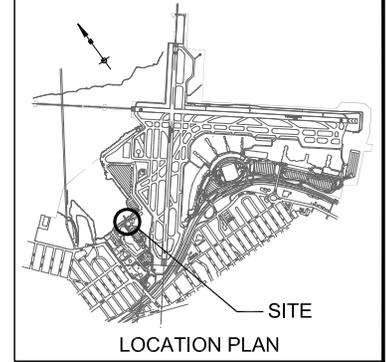
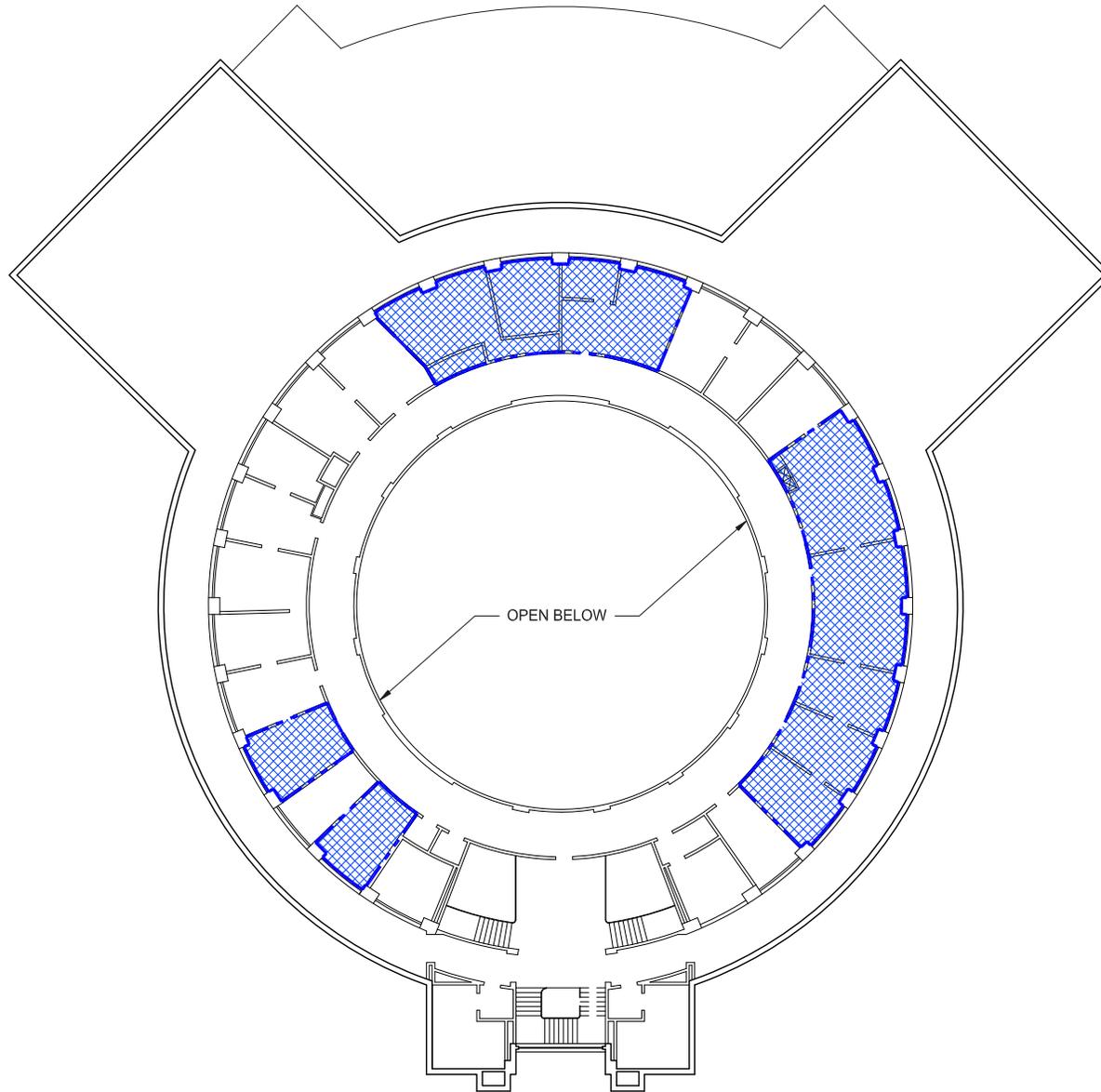


INITIALED:  
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FOR THE PORT AUTHORITY  
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FOR LESSEE

EXHIBIT A

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY  
**LAGUARDIA AIRPORT**  
01 - 24 - 14 ( MARINE TERMINAL ) LGA14 - 001

MARINE TERMINAL  
SECOND FLOOR PLAN

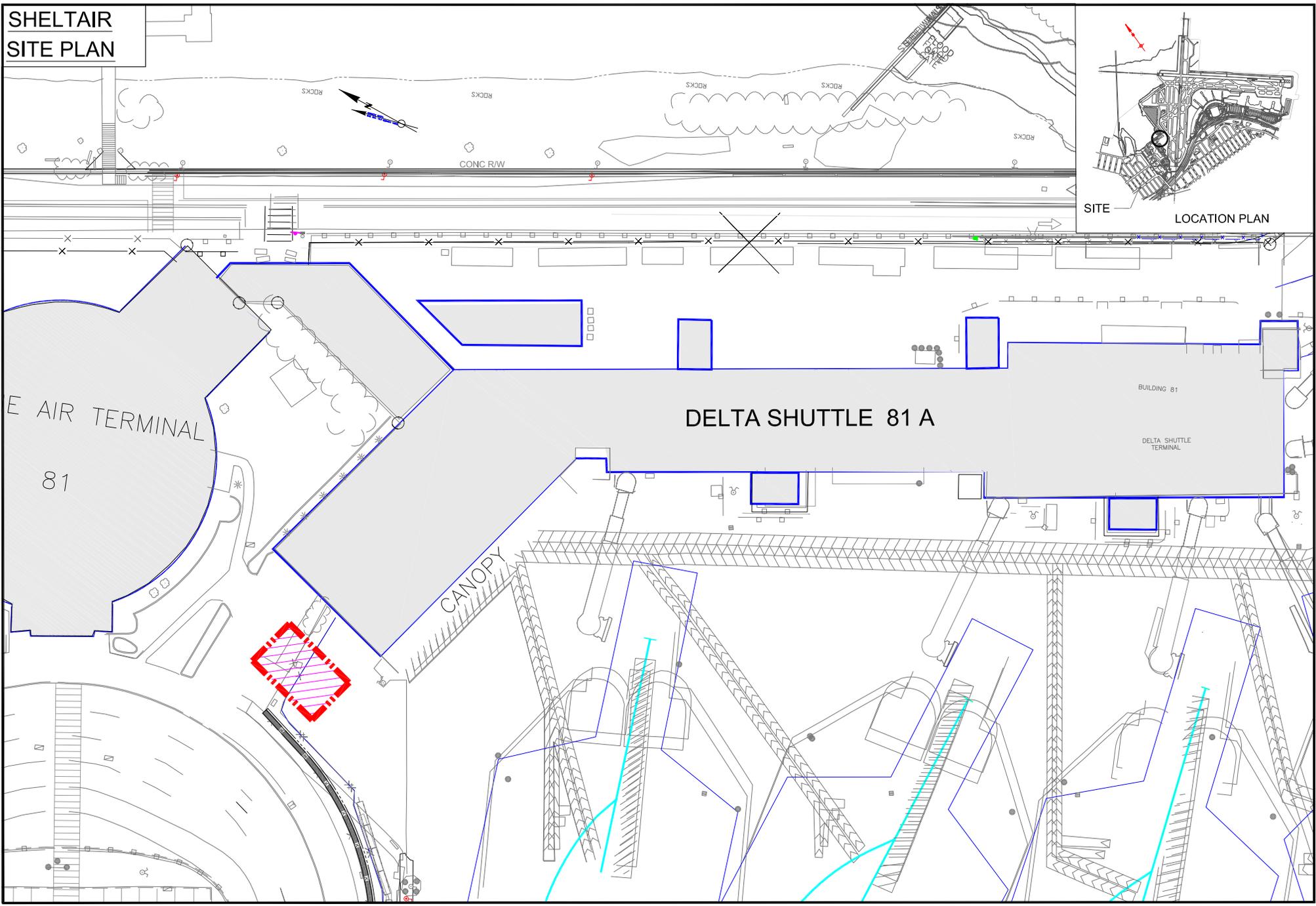


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FOR LESSEE

EXHIBIT B

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY  
**LAGUARDIA AIRPORT**  
01 - 24 - 14 ( MARINE TERMINAL ) LGA14 - 002

**SHELTAIR  
SITE PLAN**



INITIALED:  
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FOR THE PORT AUTHORITY  
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FOR LESSEE

**EXHIBIT C**

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY  
**LAGUARDIA AIRPORT**  
01 - 28 - 14 ( Bldg 81 A ) LGA09-011