



County of Sacramento

April 18, 2018

POSTED ON SMF WEBSITE

To: Prospective Proposers

From: Jennifer Simkins
Airport Economic Development Specialist
Sacramento County Department of Airports

Subject: **Addendum #1 – Commercial Development and Operating Agreement
Request For Proposals
Sacramento International Airport**

Addendum #1 to the Commercial Development and Operating Agreement Request for Proposals (RFP) at Sacramento International Airport (Airport) includes:

- Question submittal deadline
- Correction to RFP Section J

The Pre-Proposal Meeting sign-in sheet and the PowerPoint presentation are currently posted on the Airport website with the RFP.

1. All questions regarding the RFP are to be submitted to our offices no later than:

Thursday, April 19, 2018 by 5:00 p.m.

2. Correction to RFP Section J:

- a. Proposal Submittals **Section J** should be revised to have 13 items. **Sections K-N** in the original RFP should have been numbered 10 – 13.
- b. The corrected RFP is attached to this Addendum.



DEPARTMENT OF AIRPORTS

REQUEST FOR PROPOSALS

**Development and Operation of Hotel, Travel Center, and
Commercial Mixed Use Development**

Interstate 5 Corridor at Sacramento International Airport

Mandatory Pre-Proposal Meeting

April 18, 2018

10:00 A.M. to 12:00 P.M.

Proposals Due:

Wednesday, May 23, 2018

2:00 P.M. Pacific Time

April 5, 2018

TO: Commercial Developers

FROM: Sacramento County Department of Airports

SUBJECT: **Request for Proposals**

Sacramento County Department of Airports

**Development and Operation of Hotel, Travel Center, and Mixed Use
Development along the Interstate 5 Corridor at Sacramento
International Airport**

Sacramento County Department of Airports (Department) is issuing this Request for Proposals (RFP) to allow firms to submit their qualifications and proposals to develop and operate hotel(s), travel center, and commercial mixed use development along the Interstate 5 corridor at the Sacramento International Airport (SMF or Airport). Based on qualifications and experience, the successful Proposer(s) will be responsible for determining the highest and best use of the land through conceptual design and a comprehensive plan to develop all or portions of the Site(s) identified in this RFP.

The Department will consider proposals for the development for all or part of the SMF Amenities District and up to 30 acres of development in the SMF South District. The Amenities District is approximately 98 acres located at the "front door" of the Airport, situated at the main entrance and is intended for retail, office, food and beverage, and hospitality. The SMF South District is located within approximately 295 acres conveniently located along the south side of Interstate 5 allowing for high visibility and access for a travel center.

Following receipt of the proposals, a Selection Team will review the proposals, conduct Proposer interviews (if necessary) and select the development team(s) to enter into the Agreement(s) (Agreement) with the County. The approval of the selected Proposer(s) will be subject to the execution of the Agreement(s) and approval by the Sacramento County Board of Supervisors (BOS). A timeline for this entire process is provided herein and may be subject to change.

The Department reserves the right in its sole and absolute discretion to choose or reject any or all proposals either on the basis of evaluation of the factors listed in the RFP or for other reasons deemed appropriate. All costs associated with submitting a proposal shall be borne solely by the Proposer(s) and will not be reimbursed by the Department.

All responses to this RFP shall be considered valid for six (6) months following the last day for submitting a proposal.

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Attachment 3	Addenda Acknowledgement Form
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A. Airport and Area Information

The Department is responsible for planning, developing, operating and maintaining the County's four airports: Sacramento International Airport (SMF), Executive Airport, Mather Airport and Franklin Field. SMF offers more than 162 daily nonstop flights on 11 domestic and international carriers to 35 destinations. The regional economic impact of the Sacramento County Airport System is more than \$4 billion annually. For more information, visit <http://www.smf.aero>

Consisting of approximately 6,000 acres of land, SMF is strategically located at the confluence of major transportation and commerce corridors that feed into one of the most prosperous mega regions in the county. This makes development at SMF positioned to attract businesses in a wide variety of markets. Within fifteen minutes of SMF, visitors will discover aviation and aerospace developments as well as logistical and warehouse resources. Being the State capitol, Sacramento is also home to a heavy concentration of governmental establishments and land uses.

Airport Passenger Data:

The Airport, which is classified as a medium air traffic hub by the Federal Aviation Administration (FAA), is the primary commercial airport facility serving Sacramento County and six (6) neighboring counties (Sacramento Area). Passengers from an eleven (11) county outlying area provide a secondary air service area.

- 30,000 Average Daily Passengers through SMF
- 3,000 On-site Employees
- 10,900,000 passengers in 2017
- 94% origin-destination passengers
- 48% business travelers
- 52% leisure travelers

Airport Transportation Data:

- 16,000 Northbound Ramp Volume to Airport (2015 ADT)
- 4,700 Southbound Ramp Volume to Airport (2015 ADT)
- 79,700 Interstate 5 at Airport Boulevard Traffic Count (2015 AAD)
- 43,178 On-Call Van Service Trips
- 116,867 Taxi Service Trips
- 523,293 TNC Trips

Industries:

- Amazon Distribution Center located adjacent to Airport
- FedEx Air Cargo at Airport
- United Parcel Service Hub located in West Sacramento
- The Port of Sacramento deep-water shipping located in West Sacramento
- Healthcare: UC Davis Healthcare, Sutter Health, Kaiser Permanente, Dignity Health
- Technology: Apple (Elk Grove); Intel (Folsom); Hewlett Packard (Roseville)
- Blue Diamond Almond Growers (Downtown Sacramento)

Community:

- Sacramento is a Northern California Megaregion with a competitive marketplace of 12.2 million people, with a regional GDP that is the highest of any US Megaregion.
- Direct access to a system of universities anchored by the top UC Schools gives the Sacramento region a powerful workforce, including 318,000 students currently enrolled at 4-year universities including California State University Sacramento, University of San Francisco Sacramento Campus, University of Phoenix, and University of California. Additionally, about 75,000 students are enrolled in the Los Rios Community Colleges.
- Several neighborhoods in the Sacramento Area offer a wide variety of housing options within 34 miles of the Airport, including: Natomas (5 miles), Downtown/Midtown (11 miles), Land Park area (14 miles), Pocket area (18 miles), Carmichael (20 miles), Elk Grove (21 miles), Rancho Cordova (24 miles), Roseville (24 miles) and Folsom (34 miles). There are numerous low income housing apartment complexes offering affordable housing options within 15 miles of the Airport.

Lifestyle:

- The Sacramento Area provides employees with an exceptional quality of life and access to the best that California has to offer, including the 32 mile American River Bike Trail running from Old Sacramento to Folsom, the 400 mile Sacramento River (the largest river in California), the recreational Lake Natoma for rowing, kayaking, swimming and is home to the Sacramento State Aquatic Center, more than 40 farmers markets, Farm-To-Fork restaurants and festivals, as well as more than 40 craft beer breweries.
- Sacramento enjoys mild year-round temperatures. Summers are dry with an abundance of sunshine and moderated by a sea breeze known as the “delta breeze” cooling the nights down.
- Award-winning school districts throughout the Sacramento Area.
- Workforce transportation options include a light-rail system, Regional Transit bus system, Amtrak passenger rail service, and Greyhound intercity bus service.

B. Project Purpose and Summary

In an effort to maximize airport revenues and to expand economic benefits for the Sacramento region by encouraging related business developments that are consistent with the Airport’s Master Plan, the Department is issuing this RFP to enter into an Agreement(s) with the selected Proposer(s) for development and operation of commercial development.

Potential Target Uses (but not limited to):

SMF Amenities District	SMF South District
Strip center/retail park	Full service travel center
Restaurants	24-Hour food and beverage services
24-Hour food and beverage services	
Hotel	
Pet hotel	

Other land uses that will accomplish the Project purpose as stated above will be considered. Any proposed development may include an integrated cell phone waiting lot to serve Airport customers.

Note: residential / multi-family uses are not compatible on Airport property and may not be included in proposals.

C. RFP Award Schedule and Due Dates

The anticipated RFP process schedule is shown below. The schedule is subject to change as determined by the Department.

Event	Date
Issue Addenda (if necessary)	Friday, April 27, 2018
Proposals Due	Wednesday, May 23, 2018 By 2:00 p.m. PST
Evaluation of Proposals	Week of May 29-June 1, 2018
Interviews (if necessary)	Week of June 11-15, 2018
BOS approval of selection (anticipated)	Tuesday, July 24, 2018
Finalize and Execute Agreement	August 2018
Design Review & Permit Process	September – December 2018
Phased Construction Begins	Spring 2019

D. Key Development Requirements

- See Section 2.16 of the Draft Agreement for Special Flood Designation A99.
- All construction shall be done in accordance to the County's Standard Construction Specifications which can be found at <http://www.saccountyspeccs.net>.
- The existing utility infrastructure in the vicinity of the site(s) is described in Attachment 1. The selected Proposer is required to install all meters for electricity, water, sewer, gas, storm drainage, required Internet and phone services, and any other utilities required to construct and operate the development in its entirety.
- In an effort to encourage using sustainable measures to help the environment, the Department is interested in exploring opportunities to implement alternative energy sources and methods of conserving energy into the Project construction and operation, and will consider Proposals that utilize solar energy, geothermal or other energy saving components. Proposals should also consider the Department's goals of minimizing waste/increasing diversion from landfills, reducing energy and Greenhouse Gases (GHG), and improving water conservation. In addition, Proposers are encouraged to apply the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) and the Institute for Sustainable Infrastructure's (ISI) Envision rating systems for design and construction of facilities and infrastructure, respectively. While specific strategies are not prescribed, Proposers shall contribute to and demonstrate commitment to the Project Purpose including social, economic and environmental sustainability.

E. Construction of Project

Construction of the Project may begin following the:

1. Execution of the Agreement by all parties; and
2. Contingent upon release and availability of the land; and
3. Approval of Proposer's design, construction drawings and construction schedule by the Department and the County's Building Inspection Division; and
4. Proposer's receipt of all necessary approvals and permits from local, State and federal agencies.

--See the Draft Agreement (Attachment 2) for more specific construction requirements.

F. Taxes

Operator is responsible for sales, occupancy, and other tax levies associated with development and subsequent activity to occur on the project site.

Transient Occupancy Tax

Pursuant to Section 3.08 of the Sacramento County Code, the operator of any proposed hotel is required to collect a Transient Occupancy Tax for each guest room rental transaction for the privilege of occupancy in the current amount of twelve percent (12%) of the room rental rate charged by the hotel operator.

The tax constitutes a debt owed by the transient to the County which is extinguished only by payment to the hotel operator or to the County. The transient shall pay the tax to the hotel operator at the time the rent is paid.

Possessory Interest Tax

The Operator shall pay any and all taxes, assessments, and other charges of whatsoever character that may be levied or charged upon the Operator's interest as herein may be created, improvements, operations or right to use the Leased Premises, including possessory interest taxes assessed by the County Assessor.

G. Mandatory Pre-Proposal Meeting

A mandatory Pre-Proposal Meeting is scheduled for Wednesday, April 18, 2018 at the Airport Terminal B Administration Meeting Room, 4th Floor, a tour of the Site is included. This meeting will be held from 10:00 AM to 12:00 PM, Pacific Time. The purpose of the meeting will be to discuss the requirements and objectives of this RFP. Airport representatives will be available to answer questions.

Proposers are required to submit any questions or requests for clarification in writing prior to the Pre-Proposal Meeting. All questions and requests for clarification shall be submitted to air-development@sacounty.net. Questions are to be received by the Airport no later than April 18, 2018. Please call (916) 874-0911 to make reservations to attend the Pre-Proposal Meeting.

At the Pre-Proposal Meeting, the Department representatives will attempt to answer all written questions received in advance. Any clarifications or changes in the RFP requirements or Agreement that result from the Pre-Proposal Meeting will be made by written Addendum to this RFP. Included in the Addendum will be all questions and answers submitted prior to, and during the Pre-Proposal Meeting. The Addendum will also include a list of meeting attendees. The County is not responsible for any explanation, clarification, interpretation or approval made or given in any manner except by written Addendum. Each Addendum will be posted at www.sacramento.aero. Any Addenda so issued are to be considered a part of this RFP document. Therefore, receipt of all Addenda issued during this RFP must be acknowledged on the Addenda Acknowledgement Form (Attachment 3) and included with your Proposal. Any Proposer failing to sign the Addenda Acknowledgement Form and submit with Proposal will be deemed non-responsive and will be disqualified from the Proposal process.

H. Proposal Requirements

Written Proposals must clearly define the proposed development and operation, services offered, financial terms and other elements requested below. Format, organization and content are all important in order for the selection committee to conduct an accurate and complete review of the Proposal. Be sure to include all information requested in this RFP. Include any other information to clarify any unique differences of your Proposal.

The RFP evaluation process will include a specific focused review of each Proposal. Each Proposal will be evaluated in addition to and/or against the other Proposals received. Please prepare your written proposal in the order requested. Refrain from including excessive brochures, attachments and materials outside of the requirements of the RFP.

The following section describes the minimum required information that must be submitted with each Proposal. Incomplete Proposals will be rejected. The Proposal requirements in this section are not meant to limit creativity in the presentation of a Proposal, rather to list the minimum elements that must be included in the Proposal. It is the Proposer's responsibility to incorporate all pertinent information to effectively present a Proposal for the design, construction and operation of a commercial development and to communicate the Proposer's qualifications.

I. Minimum Requirements

Proposers must:

1. Submit a complete and timely proposal.
2. Include a non-expiring Proposal Deposit with the original Proposal of Ten Thousand Dollars and 00/100 (\$10,000.00).
3. Clearly demonstrate how Proposer meets or exceeds the minimum qualifications of three (3) years of commercial development project experience, including design, construction and operation experience within the last ten (10) years. Size and scope of experience must be equal to or greater than the Project proposed.
4. Attend the Pre-Proposal Meeting
Date: April 18, 2018
Time: 10:00 AM Pacific Time
Location: Sacramento International Airport
Terminal B – Administration Conference Room, 4th floor
6900 Airport Boulevard
Sacramento, CA 95837
5. Submit full and complete answers in response to questions in this RFP, numbered consecutively, with all requested information attached (requirements detailed on pages 7-14 of this RFP). Use additional forms and renderings to provide as much

information as necessary to effectively communicate the proposed development and operation and the Proposer's qualifications.

6. Provide written clarification or additional information within two (2) business days to any written request for such information by the Department during the Proposal review and evaluation process.

J. Proposal Submittals

Responses to this RFP must be submitted as follows:

- One (1) original marked "ORIGINAL" and four (4) copies of the Proposal must be submitted, plus one electronic copy on a flash drive.
- Titled "Commercial Development Proposal"
- Delivered to:
Sacramento County Department of Airports
6900 Airport Boulevard
Sacramento, CA 95837
Attention: Jennifer Simkins
- Proposal due date is May 23, 2018, by 2:00 PM, Pacific Time. Late proposals will not be accepted.

The Proposal submittal shall be securely bound and consist of the following documents in the sequence shown below. In order to have a Proposal considered by the Department, the Proposer must submit a complete Proposal. Please insert a set of tabs to identify each part of the Proposal to facilitate quick reference. Proposals must be typed or printed in a font no smaller than 11 point, on 8.5" by 11" paper. The Proposal shall not exceed forty (40) pages.

1. Cover Letter

The cover letter shall identify the Proposer and state other general information which the Proposer desires to include regarding the Proposer's business organization. Please include the point of contact and contact information (including e-mail address) on the cover letter.

2. Proposal Deposit

All Proposers are required to provide a non-expiring Proposal Deposit in the amount of \$10,000. Enclose the Proposal Deposit with the original Proposal marked "ORIGINAL".

The Proposal Deposit shall be provided in immediately available funds, in the form of a certified check, a cashier's check, or a proposal bond in such form and substance

acceptable to the County. Checks must be made payable to the "County of Sacramento". The Proposal Deposit must not expire.

No Proposal will be reviewed unless accompanied by a Proposal Deposit.

The Proposal Deposit will be held by the Department until the selection process is complete. If you are notified that you have been unsuccessful or disqualified, your Proposal Deposit will be returned to you. If you are selected to design, develop and operate the Project at the Airport, your Proposal Deposit will be held as a security/performance deposit until the signing of the Agreement, the construction of the development, and the substitution of the Proposal Deposit with any Surety Bond/Performance Security that may be required, as noted in the attached Draft Agreement. No interest will be paid to Proposer on the Proposal Deposit.

Should a Selected Proposer fail to timely execute the Agreement, or refuse to enter into an Agreement with the County, or fail to construct the Project, the entire sum of the Proposal Deposit submitted by the Selected Proposer shall be immediately payable to the County, not as a penalty, but as liquidated damages. If the County and the Selected Proposer enter into and execute an Agreement, but the Selected Proposer subsequently is considered in default and subject to such penalties as provided in the Agreement, the Selected Proposer may be required to, but not necessarily limited to, forfeit all bonds, security deposits and other funds on deposit with the Department.

3. Executive Summary

The executive summary will list important features of the Proposal and must include a statement certifying that the Proposer meets or exceeds the minimum requirements of this RFP and has the ability to carry out all of the required elements of the proposed Project throughout the entire term of the Agreement. Included in this summary shall be a statement indicating that the Proposer has reviewed the local, State and federal agency requirements and considered these requirements in developing the timeline submitted in the proposal.

4. Executed Addenda Acknowledgement Form (Attachment 3)

Enclose a signed original Addenda Acknowledgement Form with the original Proposal. Proposer must include documentation of the requisite signature authority for the person or persons signing on behalf of Proposer.

5. Proposer's Qualifications Statement (Attachment 4)

Describe the Proposer's specific experience with the design, construction, and operation of a project similar in size and scope to the proposed Project. Proposer's Qualifications Statement must include a representative list of its locations, the length of time for each phase of the development for each project, sub-contractor(s) involved and their experience,

and the gross revenues for the operation at each location over three (3) years within the last ten (10) years. Provide a valid and current reference contact familiar with the Proposer's performance for each location.

6. Business Organization (Attachment 5)

Describe the Proposer's business organization by completing the applicable Business Entity Forms.

7. Development Plan/Financing Plans

Proposals must include the following:

a. Development & Operating Management Team Experience

Describe the experience, credentials and qualifications of key team members in developing and operating commercial center(s). Provide examples of three (3) completed project(s) within the last ten (10) years.

b. Development Schedule

Provide a conceptual master plan for the Site including access roads and parking. Include a detailed schedule/timeline depicting commencement and completion of the development of the Project, opening activities and ongoing operation of the Project. Highlight major construction milestones and activities. Selected Proposer will be held liable for any delays in the proposed opening date of the Project. Include any phased development plans.

c. Proposed Facility Build-Out Investment

Provide the estimated level of capital investment to develop the Site. List the proposed facility build-out investment in real property improvements.

Not less than 85% of the Proposed Facility Build-Out Investment must be expended on construction "hard costs" of materials, direct labor, equipment, finishes, signage, lighting, HVAC, and other construction costs exclusive of "soft costs" of design, engineering, construction supervision, permitting, specialist consultants, overheads, corporate construction administration, and other fees.

d. Financial Plan and Proposer's Capability

Provide a Project Cost Analysis Form (refer to Attachment 6) to detail the proposed financial plan including funding types and sources. The preferred financing plan should be based on Proposer's cost estimates for the Project.

Each proposal should include a detailed description of sources of funds for the Project. The proposed approach to financing should include the following items:

- (1) Private Equity – describe the amounts, sources, and timing of private equity to be secured for the Project. Determine the required rate of return for equity investors in this deal.
- (2) Private Lending – describe the amounts, sources, and timing of the private construction and permanent loans to be secured for the Project. Determine the required rate of return for short-term and long-term lenders in this deal.
- (3) Public Incentives – describe the amounts, and timing of public incentives requested, if any, that will be required to close a potential gap in funding.
- (4) Other Types of Public Participation – identify and explain other proposed types of public participation. Specify the type and amount of public participation.
- (5) Ownership – describe the proposed ownership entity for the Project assuming that the Department does not intend to participate in the ownership in an amount greater than the present land value of the sites proposed for development.
- (6) Lease –Proposers should include proposed terms for a land lease for the Project as instructed in Section K of this RFP.
- (7) Proposer must clearly demonstrate its capacity to undertake, execute, complete and operate the planned Project. Proposers must submit information regarding how the development will be financed and supported.
- (8) Letters of reference from financial institutions confirming Proposer’s ability to secure financing for the Project must be submitted with the Proposal.

8. Facility Design and Quality of Improvements

Proposers shall submit the following preliminary plans in sufficient detail to facilitate evaluation of the quality and design of the Project.

A preliminary architectural rendering of the proposed Project, indicating:

- The overall design

- Proposed uses
- Phasing for the ultimate development

9. Operating Plan & Conceptual Submittal:

Proposer is required to provide a narrative detailing the proposed operating and management plan, as well as provide visual renderings describing the Proposer's proposed Development. The narrative and renderings must include the "brand" of each facility, physical attributes, amenities, level of proposed services, information technology services, and any additional information necessary to fully describe the proposed facility, including, at a minimum, the following:

Hotel:

- Provide a detailed proposal of Proposer's concept for the Hotel.
- Identify the specific location of proposed Hotel in the SMF Amenities and/or South Districts.
- Identify any design or construction features that the Proposer represents will set the facility apart as an iconic Hotel.
- Provide the general color scheme, fixtures, casework, furniture and décor and the image sign and graphic elements.
- Submit a maximum of twenty-five (25) different color sketches depicting the proposed facility. Sketches may be 11" X 17" but must be folded to 8½" x 11" when submitted and should include:
 - The overall design of the Hotel.
 - The typical guest room sizes with listing of standard features.
 - The lobby area, meeting rooms, and key common area amenities.
 - A site plan, including:
 - typical floor plans of major areas,
 - floors with total number of guest rooms per floor,
 - room floor plans,
 - meeting facilities,
 - concessions areas,
 - exterior elevation,
 - parking facilities and access roadways,
 - pedestrian/patron flow within the facility.
- Provide the expected timing and value for Hotel mid-term refurbishments.

- Provide the hotel brand you are proposing for this Site and the relationship between the developer and operator.

Travel Plaza:

- Provide a detailed proposal of Proposer’s concept for the Travel Plaza.
- Identify the specific location proposed within the SMF Amenities and/or South District
- Provide the fuel/plaza brand you are proposing for this Site.
- Identify the types of fuel (e.g., gasoline, diesel, compressed natural gas) to be dispensed at the facility.
- Describe the food services to be provided at the facility.
- Describe any other amenities (e.g., car wash with zero discharge recycling system) that may be offered at the facility.
- Submit a maximum of ten (10) different color sketches depicting the proposed facility. Sketches may be 11” X 17” but must be folded to 8½” x 11” when submitted.
- Provide the expected timing and value for Travel Plaza mid-term refurbishments.
- Describe any proposed development(s) that include an integrated cell phone waiting lot to serve Airport customers, if proposed.

Mixed-Use Commercial Development:

- Provide a detailed proposal of Proposer’s concept for the Mixed-Use Commercial Development.
- Identify the specific location proposed within the SMF Amenities and/or South District
- Identify any other facilities the Proposer intends propose to construct and operate within the Mixed-Use Development.
- Submit a maximum of ten (10) different color sketches depicting the proposed facilities. Sketches may be 11” X 17” but must be folded to 8½” x 11” when submitted.
- Provide any brands you are proposing for this Site and the relationship between the developer and operator(s).

10. Proposed Rental Structure

As detailed in the Agreement, for the privilege of operating at the Airport, the Project Operator is required to pay fair market value throughout the Term of the Agreement. The Department may also consider alternative rental structures from that detailed in the Agreement.

Proposer must provide a summary of proposed lease terms for the entire Term of the Agreement including lease type, term, rent and other special conditions. Estimate the

revenue to the Department after the completion of this Project, as well as the projected revenue share structure proposed.

11. Financial Projections (Attachment 7)

The Proposer shall provide a Pro-Forma Operating Statement for each facility within the proposed Project. The Pro-Forma shall include the Proposer's projected gross revenues and expenses during the first five (5) years of the Term. The Pro-Forma shall be evaluated by the selection committee in terms of reasonableness, demonstrated understanding of the industry, viability of the proposed Project, and ability to fund continuing operations from cash flow generated by the business.

Include proposed rental rates and projected occupancy rates for hotel and show cash flow from rents and other sources.

Please submit in writing the underlying assumptions and any additional documentation supporting revenue projections for the Project. Such information should not exceed one (1) 8.5" by 11" type-written page.

12. Financial Background Information

Include the following historical financial information for the Proposer. If Proposer is a joint venture, partnership or LLC, then the following information must be submitted for each separate entity in the joint venture, partnership or LLC:

1. Proposer must attach audited financial statements for the past two years if available. If audited financial statements are not available, then all financial statements shall be certified by the Proposer's Controller, or Officer of the Company. Financial Statements shall include, at a minimum: balance sheet and income statements prepared in accordance with generally accepted accounting principles, reflecting the current financial condition of Proposer. Also include an interim balance sheet and income statement of any significant financial events occurring subsequent to the closing date of the most recent financial statements.
2. Describe ownership of the Proposer.
3. At least three (3) business and two (2) financial references.
4. Detail any changes in financial position for the past two (2) years.
5. Provide current Dun & Bradstreet or Standard and Poor's Summary, if available. If a summary is unavailable, state the reason.

13. Proposal Checklist (Attachment 8)

The Proposer shall include the Proposal Checklist as the first page of the Proposal. The Proposal shall include tabs and page numbers as indicated on the Proposal Checklist.

K. Evaluation Criteria

1. No Late Proposals

Any Proposal received after the Proposal due date will be considered late and will not be considered by the Department.

2. No Changes to Proposal

Except as specifically provided in this RFP, during the evaluation period changes may not be made by the Proposer.

3. Evaluation of Proposal

- a. Proposals failing to meet Minimum Qualifications, including completeness, format and content of the Proposal, will be rejected without further evaluation and Proposer will be so informed in writing.
- b. Each Proposal accepted by the Department will be evaluated by a selection committee designated by the Department.
- c. Each Proposal will be evaluated to determine how well it meets the evaluation criteria outlined in this RFP.
- d. The Department reserves the right to request additional information from Proposers to clarify the meaning of any portion of the written Proposal and Proposers shall provide the requested information within two (2) days of receiving the request from the County.
- e. Finalists may be required to make a presentation to the selection committee to explain the design, construction and operational aspects of the Proposal and to respond to questions which might arise before and/or during the presentation.

L. Evaluation Factors

The Department and a selection committee will evaluate proposals to determine which Proposer offers the best overall development plan, services and amenities for guests and passengers at the Airport. The evaluation factors listed below are not in any particular order of importance and are not of equal value or decision weights. The maximum point values are indicated for each factor below.

1. Demonstrated experience of Proposer and associated contractors

(20 max. points)

- a. Commercial development experience and demonstrated on-time project success
- b. Commercial facility operation and management experience

c. References

**2. Development Plan, Facility Design and Quality of Improvements
(25 max. points)**

- a. Level and quality of the facility design and improvements
- b. Proposed development schedule
- c. Amount of initial proposed investment per facility within the proposed Project

**3. Investment Structure/Financing Plan
(20 max. points)**

- a. Demonstrated experience/ability of Proposer to successfully carry out Project
- b. Funding structure, including funding source(s)

**4. Proposed Rent and Revenue Share Paid to County
(20 max. points)**

- a. Proposed rent and revenue share structure

**5. Development Operating Plan
(15 max. points)**

- a. Services and amenities
- b. Operation plan(s) and operator relationship to developer

M. Disclaimers

1. The County reserves the right in its sole and absolute discretion to choose to reject any or all Proposals which are in response to this RFP either on the basis of an evaluation of the factors listed in the preceding sections of this RFP or for other reasons deemed necessary.

2. Without limiting any of the foregoing statements and provisions of the preceding paragraphs, selection of a Lessee either from among the Proposers responding to this RFP, or otherwise, as herein set forth will be made solely at the Sacramento County Board of Supervisors' discretion regardless of the data submitted by any Proposer. The selection committee will evaluate the criteria listed, and such other factors as it considers appropriate, and will act with respect to its discussions, negotiations, and determinations as to whether or not to recommend a Lessee in accordance with its judgment and in its sole discretion in its determination of its interests and regardless of whether any Proposer or any other interested person regards the County's determination as unreasonable, unfair, arbitrary, discriminatory or capricious.

3. Neither the expression of a Proposer's interest, nor the submission of a Proposer's qualifications and any other information, nor the acceptance thereof by County staff or the selection committee, nor any correspondence, discussions, meetings or other communications between Proposer and County or the selection committee, nor a determination that a Proposer is qualified hereunder shall impose any obligation to include Proposer in any such further procedures which may be utilized prior to the final selection of a developer/operator, shall be construed or interpreted by Proposer to impose any obligations whatsoever to select Proposer as the developer/operator, to discuss any proposal which the Proposer may submit, to enter into negotiations with Proposer, or shall entitle Proposer to any compensation or reimbursement for any costs or expenses incurred by Proposer in connection with the expression of Proposer's interest and the submission of Proposer's qualifications hereunder.

4. Neither the furnishing of this RFP to Proposer, the submission of any materials, documents, or other information by the Proposer, nor the acceptance thereof by County staff or selection committee, nor any correspondence, discussions, meetings or other communications between Proposer and County staff or selection committee, nor anything stated by County staff or selection committee in or at any such correspondence, discussions, meetings or other communications shall be construed or interpreted by Proposer to mean that the County has made a determination that Proposer is qualified to be an operator or shall be deemed to impose any obligations whatsoever to approve Proposer or to compensate or reimburse Proposer for any costs or expenses incurred in responding to the RFP.

5. The County may consult all personal, business and financial references familiar with Proposer's prior operations and construction or management of prior projects. Submission of Proposer's response to the RFP shall constitute permission for the County to make such inquiries and authorization to third parties to respond thereto and Proposer shall take all actions necessary to facilitate County making such authorizations to third parties.

6. Any information given to County staff or the selection committee in any correspondence, discussion, meeting or other communications between the Proposer and County staff before, with or after the submission of Proposer's response to this RFP, either orally or in writing, will not be or be deemed to have been, given in confidence and may be used or disclosed to others for any purpose at any time without obligation or compensation and without liability by the County of any kind whatsoever. The foregoing applies to any information, whether or not given at the invitation of the County or selection committee. Any statement which is inconsistent with the foregoing provisions of this paragraph whether made as a part of, or in connection with, any information received from Proposer or otherwise made at any time in any fashion, and whether made orally or in writing, shall be deemed null and void and of no force or effect. Neither

the County, nor any officer, agent nor employee thereof shall be liable to Proposer as a result of any statements made.

7. Proposers are not to rely on oral instructions or clarifications to this RFP. Any request for clarification of any of the contents of this RFP shall be made in writing. The County will respond to all such requests in writing and issued via an addendum.

8. The County reserves the right to waive minor irregularities.

9. Collusion is prohibited. More than one Proposal for the Design, Construction and Operation from any individual, company, corporation, partnership or other entity under the same or different names will not be considered. Reasonable grounds for believing that any Proposer has a business or financial interest in more than one Proposal will cause rejection of all Proposals in which such Proposer has such interest. If there is reason to believe that collusion exists among Proposers, none of the participants in such collusion will be considered.

Please note:

Any contact, initiated by any Proposer, between the Proposer, its agent(s), employee(s) or others on the Proposer's behalf, and the County and/or Department staff which could influence the Agreement award process, outside of the process as provided in this RFP, may result in rejection or disqualification of the Proposer's response.

N. Conditions

FAA General Contract Provisions for Solicitations

The Proposer shall, at all times during the term of the Agreement, comply with the provisions, of the "FAA General Contract Provisions for Solicitations" (FAA Contract Provisions) and any subsequent revisions, updates or amendments hereto. A copy of the current FAA Contract Provisions is provided as Attachment 9 to this RFP and incorporated herein.

Disadvantaged Business Enterprise (DBE)

The County encourages all businesses, including those owned and controlled by one (1) or more socially and economically disadvantaged individuals that can provide the desired product or service, to submit a Proposal. If you are currently certified as a DBE, please include a copy of your DBE certification letter along with your Proposal. This information will be used for DBE utilization tracking purposes only.

If you are a business owned and controlled by one or more socially and economically disadvantaged individuals and you are not currently certified as a DBE firm, but you wish to receive information on how to become certified, please contact the State of California,

Department of Transportation, Civil Rights Program at either (916) 324-1700 or (866) 810-6346. You may also visit their website at <http://www.dot.ca.gov/hq/bep/index.htm>.

Department's Right to Negotiate Agreements

The Department reserves the right to negotiate Agreements with companies outside of the RFP process, even if such companies did not participate in this RFP process.

Americans with Disabilities Act

The Department is required by the Americans with Disabilities Act to make all of its public meetings accessible to persons with disabilities.

California Public Records Act

Notwithstanding any other claim of confidentiality or assertion that information is proprietary in an entity's submission, any entity submitting their Proposal acknowledges that Sacramento County is subject to the disclosure requirements of the California Public Records Act (Government Code Section 6251, et seq) (CPRA) and that any documents provided to the County will ultimately be considered public records, as defined in Government Code Section 6252 subject to disclosure under the CPRA, provided, however, that County shall give written notice to the entity at the address included in its submission of any request for the disclosure of such records, together with a copy of the CPRA request. If the entity does not consent to such disclosure, then the entity shall have five (5) days from the date it receives such notice to enter into an agreement with the County, satisfactory to the County Counsel, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by County in any legal action to compel the disclosure of such information under the CPRA. The entity shall have sole responsibility for providing the defense against disclosure of such documents. The parties understand and agree that any failure by the entity to respond to the notice provided by County and / or to enter into an agreement with County shall constitute a complete waiver by the entity of any rights regarding the nondisclosure of such documents and such information shall be disclosed by County pursuant to applicable procedures required by the CPRA.

Without regard to the foregoing, it is the County's policy that responses submitted by Proposer(s) are public records once a recommendation from the selection committee has been made to the County Board of Supervisors.

No Confidential or Proprietary Information

All information given to the Department or the Selection Committee in any correspondence, discussion, meeting or other communication before, with or after submission of a Proposal, either orally or in writing, will not be deemed to have been given in confidence and may be used or disclosed to others for any purpose at any time without obligation or compensation and without liability by the Department of any kind whatsoever. Under the laws of the State of California and the federal Freedom of Information Act, a Proposal submitted may be considered

a public record after the selection of a Proposer(s) and execution of the Agreement and, will be available for inspection and copying by any person after award of the Agreement. Evaluation scoring forms used by the Selection Committee are likewise considered public information subject to the California Public Records Act (California Government Code Sections 6250 through 6276.48) and the federal Freedom of Information Act, and will be available upon request after execution of an Agreement for services pursuant to this RFP.

ATTACHMENT 1

Development Site & Utilities

[Utilities attached as separate link at

https://sacramento.aero/scas/opportunities/bids_and_requests]

ATTACHMENT 2

Draft Commercial Development and Operating Agreement

Draft Agreement included in the initial RFP release.
Draft Operating Agreement to be included in the Addenda
issued on April 27, 2018

ATTACHMENT 3

Addenda Acknowledgement Form

Proposer acknowledges receipt of the following Addenda to the Request for Proposals:

Addendum Number	Signature	Date
1.		
2.		
3.		
4.		
5.		

ATTACHMENT 4
Qualifications Statement

The proposer has Design, Development and/or Operating experience at the following locations:

Project Name and Location: _____

Dates: _____ To _____

Contact's Name: _____

Phone number and E-mail address: _____

Operation annual gross revenues for last 3 years (if applicable)

Project Name and Location: _____

Dates: _____ To _____

Contact's Name: _____

Phone number and E-mail address: _____

Operation annual gross revenues for last 3 years (if applicable)

(use additional sheets for other locations)

The proposer has operated under its current name since _____,

a period of _____ years and _____ months,

and the proposer (if such be the case) formerly operated under the name:

ATTACHMENT 5
Business Organization

Fill in the following information **exactly** as it is to appear on the Agreement; if operating under a fictitious name, so indicate.

Name of Firm: _____

Business Purpose _____

of Proposer: _____

Principal Office Address: _____

Telephone #: _____

E-Mail: _____

Please check the box that describes your business entity and complete the applicable form below.

- Individual Corporation Limited Liability
 Partnership Joint Venture Business Association or Joint Venture
 Other (explain) _____

ATTACHMENT 5 (continued)

Partnership Statement

If your business is operating as a partnership, please provide the following information.

Date of Organization: _____

Type of Partnership: _____ General _____ Limited

Business Purpose of Partnership: _____

Is Partnership Agreement recorded: _____ Yes _____ No

Recorded: _____

Date Book Page County State

Has the Partnership done business in California? _____ Yes _____ No

If so, when? _____

Please provide the following information for each General Partner (attach additional pages, if necessary).

General Partner's Name and Address	% of Ownership

ATTACHMENT 5 (continued)

Corporation Statement

If your business is operating as a corporation, please answer the following questions:

When incorporated? _____

Where incorporated? _____

Is the corporation authorized to do business in California?

____ Yes ____ No

If yes, as of what date? _____

Is the corporation held: ____ Publicly? ____ Privately?

Please supply the following information for each and every Director (attach additional pages, if necessary).

Director Name & Address	Principal Business Affiliation (Other than Proposer's directorship)

Please supply the following information for each officer (attach additional pages, if necessary).

Officer Name	Position

Please attach a certified copy of the relevant portion of the bylaws or resolution of the Board of Directors of the corporation showing the signature authority of the Officer signing the proposal and other contracts on behalf of the corporation.

ATTACHMENT 5 (continued)

Joint Venture Statement

If your business is operating as a joint venture, please provide the following information.

Is Joint Venture Agreement recorded? Yes No

Recorded: _____
Date Book Page County State

Purpose of Joint Venture: _____

Has Joint Venture done business in California? Yes No

When? _____

Provide the name and address of each member of the Joint Venture and percentage of ownership of each (attach additional pages, if necessary).

Joint Venture Member Name & Address	% Of Ownership

Please attach the signature authority document showing the signatories are authorized to execute the proposal and bind the joint venture.

ATTACHMENT 6

Project Cost Analysis Form

Submit one page for the proposed Development Project.

COST CATEGORY	AMOUNT
Planning and Development (design, construction, inspection, etc.)	
Furniture, Fixtures and Equipment	
Opening Inventory of products	
Working Capital	
Miscellaneous Opening Expenses (deposits, licenses, badging, etc.)	
Pre-Opening Payroll & Training Expenses	
Reserve/Contingency	
Other (please list):	
Total Estimated Project Cost	\$

ATTACHMENT 6 (continued)
Project Cost Analysis Form

Sources of Funding	Amount
Total Funds Available	\$

Attachment 7

Financial Projections – Pro-Forma

The Proposer shall provide a Pro-Forma Operating Statement (on next page) for each facility within the proposed Project.

UNIT PRO FORMA

Provide one pro forma for each Project

Proposer _____

GROSS REVENUES (SALES)	Year 1		Year 2		Year 3		Year 4		Year 5	
		% of sales		% of sales		% of sales		% of sales		% of sales
Sales (by category):										
Hotel Room Rentals		%		%		%		%		%
Food and Beverage		%		%		%		%		%
Meeting/Conference		%		%		%		%		%
Other		%		%		%		%		%
Total Gross Revenues	\$ -	100%	\$ -	100%	\$ -	100%	\$ -	100%	\$ -	100%
OPERATING EXPENSES		% of sales		% of sales		% of sales		% of sales		% of sales
Payroll		%		%		%		%		%
Payroll taxes and employee benefits		%		%		%		%		%
Percentage rent		%		%		%		%		%
Franchise or license fees		%		%		%		%		%
Repairs and Maintenance		%		%		%		%		%
Marketing		%		%		%		%		%
Utilities		%		%		%		%		%
Insurance		%		%		%		%		%
Credit card fees		%		%		%		%		%
Licenses and permits		%		%		%		%		%
Administrative & General		%		%		%		%		%
Other operating expenses (please list):		%		%		%		%		%
		%		%		%		%		%
		%		%		%		%		%
		%		%		%		%		%
		%		%		%		%		%
		%		%		%		%		%
Total Operating Expenses	\$ -	%	\$ -	%	\$ -	%	\$ -	%	\$ -	%
EBITDA		% of sales		% of sales		% of sales		% of sales		% of sales
Earnings before Interest, Taxes, Depreciation and Amortization	\$ -	%	\$ -	%	\$ -	%	\$ -	%	\$ -	%
Interest, Depreciation, & Amortization Expenses		%		%		%		%		%
NET PROFIT OR LOSS BEFORE TAXES		%		%		%		%		%

Attachment 8

Proposal Checklist (Section J.13)

RFP Reference	RFP Requirement	Page Number	County Use Only
Section J.1	Cover Letter with Contact Information	8	
Section J.2	Proposal Deposit	8-9	
Section J.3	Executive Summary	9	
Section J.4	Executed Addenda Acknowledgement Form (Attachment 3)	9	
Section J.5	Proposer's Qualifications Statement (Attachment 4)	9-10	
Section J.6	Business Organization (Attachment 5)	10	
Section J.7a	Development & Operation Management Team Experience	10	
Section J.7b	Development Schedule	10	
Section J.7c	Proposed Facility Build-out Investment	10	
Section J.7d	Financial Plan and Proposer's Capability <ul style="list-style-type: none">• Project Cost Analysis (Attachment 6)	10-11	

Section J.8	<p>Facility Design and Quality of Improvements</p> <ul style="list-style-type: none"> • Materials and general color scheme • Plans (site plan, first floor plan, typical floor plan and elevation plan) • Regional comparable for hotel quality • Minimum Requirements for hotel (quantity, guest rooms, meeting center, internet capabilities) 	11-12	
Section J.9	<p>Operating Plan & Conceptual Submittal</p> <ul style="list-style-type: none"> • Hotel Operator • Operational Plan • Parking Requirements • Minimum Requirements (brand and services) • Travel Plaza Management/Brand • Mixed-Use Operators 	12-13	
Section J.10	Proposed Rental Structure	13	
Section J.11	<p>Financial Projections</p> <ul style="list-style-type: none"> • Pro-forma - including rental rates & occupancy rates (Attachment 7) 	14	
Section J.12	<p>Financial Background Information</p> <ul style="list-style-type: none"> • Financial Statements • Business and Financial References • Dun & Bradstreet or Standard and Poor's Summary 	14	

ATTACHMENT 9

FAA GENERAL CONTRACT PROVISIONS FOR SOLICITATIONS

NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION to

ENSURE EQUAL EMPLOYMENT OPPORTUNITY

1. The Offeror's or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.

2. The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Timetables

Goals for minority participation for each trade: 16.1%

Goals for female participation in each trade: 6.9%

These goals are applicable to all of the Contractor's construction work (whether or not it is Federal or federally assisted) performed in the covered area. If the Contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the Contractor also is subject to the goals for both its federally involved and non-federally involved construction.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a) and its efforts to meet the goals. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the Contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

3. The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs (OFCCP) within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the subcontract is to be performed.

4. As used in this notice and in the contract resulting from this solicitation, the “covered area” is Sacramento County.

BUY AMERICAN PREFERENCE

The Contractor agrees to comply with 49 USC § 50101, which provides that Federal funds may not be obligated unless all steel and manufactured goods used in AIP funded projects are produced in the United States, unless the Federal Aviation Administration has issued a waiver for the product; the product is listed as an Excepted Article, Material Or Supply in Federal Acquisition Regulation subpart 25.108; or is included in the FAA Nationwide Buy American Waivers Issued list.

The bidder must complete and submit the Buy America certification included herein with their bid or offer. The County will reject as nonresponsive any bid or offer that does not include a completed Certificate of Buy American Compliance.

GENERAL CIVIL RIGHTS PROVISIONS

49 USC § 47123; FAA Order 1400.11; U.S. Department of Transportation Order DOT 1050.2, Standard Title VI Assurances and Nondiscrimination Provisions, effective April 24, 2013.: Title VI of the Civil Rights Act of 1964, as amended, (Title VI) prohibits discrimination on the grounds of race, color, or national origin under any program or activity receiving Federal financial assistance. The Contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision binds the Contractor and subtier contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

TITLE VI SOLICITATION NOTICE

The Sacramento County Department of Airports, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

DAVIS-BACON REQUIREMENTS

The Davis-Bacon Act ensures that laborers and mechanics employed under the contract receive pay no less than the locally prevailing wages and fringe benefits as determined by the Department of Labor. 2 CFR § 200, Appendix II(D); 29 CFR Part 5.

CERTIFICATION OF BIDDER REGARDING DEBARMENT

By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

DISADVANTAGED BUSINESS ENTERPRISE

The requirements of 49 CFR part 26 apply to this contract. It is the policy of the County to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. The Owner encourages participation by all firms qualifying under this solicitation regardless of business size or ownership.

TRADE RESTRICTION CERTIFICATION

By submission of an offer, the Offeror certifies that with respect to this solicitation and any resultant contract, the Offeror –

1. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (USTR);
2. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the USTR; and
3. has not entered into any subcontract for any product to be used on the Federal project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18 USC Section 1001.

The Offeror/Contractor must provide immediate written notice to the Owner if the Offeror/Contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Contractor must require subcontractors provide immediate written notice to the Contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to an Offeror or subcontractor:

1. who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR or

2. whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such USTR list or

who incorporates in the public works project any product of a foreign country on such USTR list.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

The Offeror agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in all lower tier subcontracts. The Contractor may rely on the certification of a prospective subcontractor that it is not a firm from a foreign country included on the list of countries that discriminate against U.S. firms as published by USTR, unless the Offeror has knowledge that the certification is erroneous. This certification is a material representation of fact upon which reliance was placed when making an award. If it is later determined that the Contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration (FAA) may direct through the Owner cancellation of the contract or subcontract for default at no cost to the Owner or the FAA.

CERTIFICATION REGARDING LOBBYING

The Bidder or Offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

PROCUREMENT OF RECOVERED MATERIALS

Contractor and subcontractor agree to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, and the regulatory provisions of 40 CFR Part 247. In the performance of this contract and to the extent practicable, the Contractor and subcontractors are to use products containing the highest percentage of recovered materials for items designated by the Environmental Protection Agency (EPA) under 40 CFR Part 247 whenever:

1. The contract requires procurement of \$10,000 or more of a designated item during the fiscal year; or
2. The Contractor has procured \$10,000 or more of a designated item using Federal funding during the previous fiscal year.

The list of EPA-designated items is available at www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products. Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the Contractor can demonstrate the item is:

- a) Not reasonably available within a timeframe providing for compliance with the contract performance schedule;
- b) Fails to meet reasonable contract performance requirements; or
- c) Is only available at an unreasonable price.

ASSURANCES REQUIRED BY THE FAA

The Contractor agrees that, if awarded a contract resulting from this solicitation, it shall, at all times during the term of the contract, comply with the provisions of the "Airport Sponsor Assurances" (Assurances) and any subsequent revisions, updates or amendments hereto. A copy of the current Assurances is provided as Exhibit E to the Agreement, attached hereto and incorporated herein by this reference.