Request for Proposals

Aviation Fuel and

Fueling Equipment

for the

Hickory Regional Airport

City of Hickory

Hickory, North Carolina

\_\_\_\_\_

Issue Date: September 30, 2024

Proposal Due Date: November 4, 2024

Hickory Regional Airport 3103 9<sup>th</sup> Ave. Dr. NW Hickory, NC 28601

# **Contents**

Section 1: Objective	3
Section 2: Airport	3
Table 1	4
Table 2	5
Section 3: The need for Aviation Fuel Supplier	5
Section 4: Aviation Fuel Specifications	5
Section 5: Minimum Qualifications	6
Section 6: Selection of Successful Proposer	7
Section 7: Pre-Proposal Conference	8
Section 8: Proposal Deadline	8
Section 9: Communication and Clarification	8
Section 10: Acceptance/Rejection of Proposals	8
Section 11: Contracting	9
Section 12: Equal Employment Opportunity/Other Compliance Requirements	9
Section 13: Bid Rigging	10
Section 14: Hold Harmless	10
ADDENDIY A. DDODOSAL FORM	11

## CITY OF HICKORY HICKORY REGIONAL AIRPORT

Request for Proposals for an Aviation Fuel Supplier

## **Section 1: Objective**

The City of Hickory, North Carolina ("City") invites proposals from qualified producers and suppliers of aviation fuels, lubricants and aircraft refueling trucks to be the sole supplier of the City's requirements for aviation fuels and lubricants for the Hickory Regional Airport ("Airport"), located in Catawba County, North Carolina. The City is the owner and operator of the Airport, which it operates through the Department of Aviation ("Department"), headed by the Airport Director. The City will enter into an appropriate agreement ("Fuel Supply Agreement") with the successful proposer.

# **Section 2: Airport**

The Airport is certified by the FAA under 14 CFR Part 139 as an air carrier airport. It presently has no scheduled commercial airline service, but the Airport still maintains its commercial certification and is continuing to pursue commercial service flights. Additionally, the Airport has a federal contract air traffic control tower.

The Airport plays a vital role for in corporate and general aviation services both Catawba and Burke Counties, as well as many more parts of Western North Carolina. There are two aircraft charter businesses operating from the Airport with twelve (12) aircraft that make up their fleet. Both Shurtape and CommScope base their corporate jets on the Airport in addition to Med Center Air with one (1) helicopter and the NC Forest Services with three (3) helicopter and multiple single engine aircraft.

There are 103 aircraft permanently based at the Airport of which 67 are single engine piston, 15 are multi engine piston, 17 are multi engine jet powered aircraft and 4 helicopters.

The Airport's airfield currently has one runway, Runway 6/24 which is 6,401 feet long and 150 feet wide. Future projects include extending Runway 6/24 to 7,000 feet long to accommodate larger jet aircraft. The Airport services numerous large (Airbus A320 and Boeing 737) charter aircraft during college football season, as well as cargo flights throughout the year.

#### Table 1

Hickory Regional Airport Historical Aircraft Operations

Table 1 details the historical commercial and general aviation operations at the Airport for the last three (3) calendar years.

ltinerant			Local							
Calendar Year	Air Carrier	Air Taxi	General Aviation	Military	Total		Civil	Military	Total	Total Operations
2021	126	3,756	15,662	766	20,310		8,470	230	8,700	29,010
2022	64	4,137	16,935	762	21,898		9,693	98	9,791	26,726
2023	41	4,544	19,091	636	24,312		13,393	108	13,501	37,813
Total:	231	12,437	51,688	2,164	66,520		31,556	436	31,992	98,512

Source: Terminal Area Forecast (TAF)

Since January of 2012 all general aviation fueling, and flight line services have been provided at the Airport by the City of Hickory as the sole fixed base operator ("FBO"). The City intends to continue to operate the FBO as a Proprietary Exclusive FBO under FAA regulations for the foreseeable future.

There are currently two fuel farms on the Airport; one on the north ramp, built in the mid 1990's, which will remain and contains two (2) Jet Aviation ("Jet A") tanks, each with a capacity of 12,000 gallons. The other fuel farm is our primary fuel farm located between the ARFF and the terminal building which contains one (1) Jet A tank (12,000 Gallons) and one (1) Avgas 100LL tank (10,000 Gallons). At the same time this fuel farm was added, we also included a 24/7 self-serve 100LL fuel pump.

Fuel sales for the last three months were:

2024	Jet A	Avgas 100 LL
June	46,016	8,867
July	45,972	6,722
August	44,854	7,978
Total	136,842	23,567

#### Table 2

Table 2 sets forth the FBO's fuel sales for each of the last two fiscal (2) years.

Historical Fuel Sale

FY	Jet A	Avgas 100 LL	Total
2023	522,265	88,169	610,434
2024	539,378	92,622	632,000

The Airport has one (1) general aviation terminal/administrative building, which is used to provide executive terminal and flight line services to general aviation pilots, owners and passengers as a flight information station and terminal building. The Airport has 12 separate group hangar buildings and 12 Private T-Hangars, with an additional 12 Private T-Hangars currently under construction expected to be completed late 2024, as well as an additional group hangar that's expected to be completed by Summer 2025. All of which are owned by the City and some of which are leased to various aviation tenants. There is an FBO apron of 288,289 square feet and tie down space for 40 aircraft.

### **Section 3: The need for Aviation Fuel Supplier**

In order to provide for a continued reliable supply of aviation fuel at a predictable price, the City wishes to select a Fuel Supplier commencing on February 1, 2025, following the selection of the Fuel Supplier based upon competitive proposals submitted pursuant to this RFP. After evaluation of all proposals the City intends to enter into an agreement by which the selected proposer will serve as the Airport's Fuel Supplier for the term of the new Fuel Supply Agreement.

# **Section 4: Aviation Fuel Specifications**

Proposers must propose to supply to the FBO its requirements of aviation fuel that meets or exceeds the following specifications:

- 1. Jet A Fuel (w/additive): Aviation Kerosene type Jet A fuel supplied shall conform to the current and future ASTM-D-1655 specifications.
- 2. Avgas: Aviation reciprocating engine fuel supplied shall conform to the current and future ASTM-D-910 specifications.
- 3. Supplier will provide a certificate of analysis on all aviation fuel shipments. Supplier will also provide traceability on all shipments back to refinery.

## **Section 5: Minimum Qualifications**

To be considered for selection as the Fuel Supplier, proposers should possess the following Minimum Qualifications:

- 1. Proposer must be a refiner and producer or marketer of both Jet A and Avgas meeting standards established from time to time by the Federal Aviation Administration and by manufacturers of the aircraft routinely operated in the United States.
- 2. Proposer must be able to supply the Airport with its requirements for aviation fuels and lubricants for at least five (5) years.
- 3. Proposer must be a full-service general aviation marketer who provides a complete package of marketing support, including a nationally recognized brand identity.
- 4. Proposer must agree to indemnify the City from loss arising from damage to property and injury to or death of persons arising from a failure of the quality of its products delivered to the Airport.
- 5. Proposer must provide to the FBO two (2) Jet A fuel trucks with a 3,000-gallon capacity each, as well as one (1) Avgas truck with 1,000-gallon capacity.
- 6. Supplier must provide services to do yearly inspection and filter service on both the refuelers and the airports existing 10,000-gallon 100 LL and 12,000-gallon Jet-A above ground fuel tanks.
- 7. Supplier shall reimburse the Airport for credit transmittals by direct deposit to the Airport bank account of records within two (2) days of receipt.
- 8. Proposer must have in place a quality control program that meets or exceeds regulatory and industry standards.
- 9. Proposer must have in place a customer service program that includes:
  - a. A representative that can answer fueling and quality control questions and provide support in a timely manner.
  - b. Experience with FAA regulations required to support the Airport's requirements for FAA certification as a Part 139 Airport.
  - c. A credit card program that utilizes standard Point of Sale (POS) equipment.
  - d. The POS system must be capable of electronically processing the following cards with moneys returned to the Airport electronically:

- Supplier shall accept state and federal government issued credit cards.
- Supplier shall accept other general use credit cards such as, but not limited to Visa, MasterCard and American Express. General use cards are defined as: Recognized name brand cards carried by the general public and used for a variety of purchases other than aviation.
- e. A flexible co-operative advertising program for promotion of the Airport and fuel sales.
- f. National advertising that will support the Airport and the general aviation industry provision and installation of brand identification as approved by the Airport.
- g. An account manager whose total interest and function is aviation related.
- h. Also, the successful proposer shall be required to outlay all startup costs related to the commencement of service to the Airport.
- 10. Proposer must make available online and in-person training for both fueling supervisors and other employees in the safe handling of hazardous materials in accordance with CFR 139.321 at no cost to the Airport.
- 11. Proposer must agree to install an aviation fuel liquid level digital measuring device and associated equipment for North fuel farm at no cost to the Airport.
- 12. Proposer must have an option for a FBO services software for aviation management that provides a comprehensive solution for invoicing, billing and aviation fuel purchasing.

# **Section 6: Selection of Successful Proposer**

The Fuel Supplier will be selected by the City based upon the City's evaluation of the qualifications of the proposer, the price basis for the supply of aviation fuels and other petroleum products, the equipment and services to be provided to the City by the proposer, the contract terms offered by the proposer and any capital investments in the general aviation facilities of the Airport or other incentives to the City offered by the proposer.

The City will select, in its sole and absolute discretion, the proposer with which the City wishes to perfect a Fuel Supply Agreement. Under the Fuel Supply Agreement, the Fuel Supplier will agree to provide the FBO with the Airport's requirements for aviation fuel and lubricants and provide other services and do other things in accordance with the Fuel Supplier's proposal, as it may be modified through negotiations with the City and incorporated into the Fuel Supply Agreement. The Fuel Supply Agreement may vary significantly from the contract terms offered by the proposer. It is possible that the City and the selected proposer may agree upon modifications and addendums to the contract terms offered by proposer and in such cases such agreements will be incorporated into the Fuel Supply Agreement. If the City and the selected proposer cannot agree

on contract terms or if the selected proposer fails to promptly execute the Fuel Supply Agreement eventually tendered to it by the City following post-proposal negotiations, the City may abandon its discussions with the selected proposer and select another proposer as the Fuel Supplier.

## **Section 7: Pre-Proposal Conference**

The Airport will not hold a pre-proposal conference. Any questions or inquires concerning this RFP should be submitted to the Airport's Finance Coordinator, Amy Jackson by e-mail to ajackson@hickorync.gov at least one (1) week prior to the Proposal Due Date (November 4, 2024).

### **Section 8: Proposal Deadline**

All proposals submitted shall be complete, prepared in the format of the Proposal Form supplied herein as "Appendix A: Proposal Form".

Proposals must be received by the Aviation Director no later than 5:00 P.M. on November 4, 2024 ("Proposal Due Date"). Proposals may be mailed to or personally delivered to:

City of Hickory Attn: Chad Hunsucker, Airport Director 3103 9<sup>th</sup> Avenue Drive, NW Hickory, NC 28601

Alternatively, proposals may be sent via email to <a href="mailto:ajackson@hickorync.gov">ajackson@hickorync.gov</a>.

Costs for developing proposals in response to this RFP are entirely the obligation of the proposer and shall not be charged in any manner to the City.

#### **Section 9: Communication and Clarification**

The Airport has imposed a no-contact policy during the selection process. The no-contact policy is intended to prohibit any proposer from engaging in any direct or indirect lobbying of any Airport employee who may be involved in the RFP process. The no-contact policy is effective between the date the RFP is issued and the date of execution of any agreement resulting from this RFP. Questions submitted in writing for clarifications of the information contained in the RFP are not prohibited by the policy.

Required responses will be in writing and made part of this RFP as an addendum. The City will not make and will not be bound by any oral representations regarding this matter.

# **Section 10: Acceptance/Rejection of Proposals**

It is understood that all proposals and other information submitted by proposers pursuant to this RFP will become part of the public record concerning this matter and be subject to the public disclosure laws of North Carolina. The City reserves the right to reject any proposer that, in the City's opinion, does not have adequate qualifications. The City reserves the right, at any time, to reject any or all proposals and to advertise for new proposals. The City also reserves the right to waive minor irregularities and formalities in proposals.

### **Section 11: Contracting**

Any contract or agreement developed pursuant to this RFP shall be construed and enforced in accordance with the laws of the State of North Carolina. Any controversy or claim arising as a result of contracting shall be settled by action initiated in the appropriate division of the General Court of Justice in Catawba County, North Carolina.

### **Section 12: Equal Employment Opportunity/Other Compliance Requirements**

The City does not discriminate in the administration of any of its programs or activities. The Fuel Supplier will be required to assure that no person shall be denied employment or fair treatment, or in any way discriminated against, on the grounds of or because of the basis of race, sex, religion, age, national origin, or disability.

The Supplier, for itself, its personal representatives, successors in interest, and assigns as part of the consideration hereof, does hereby covenant and agree:

- a. that no person on the grounds of race, color, creed, sex, age or national origin or handicap shall be excluded from participation, denied the benefits of or be otherwise subjected to discrimination in the use of its facilities.
- b. that, in the construction of any improvements on behalf of Supplier and the furnishing of services, no person shall be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination on the grounds of race, creed, color, sex, age, national origin or handicap; and
- c. that Supplier shall use the Airport facilities in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination-Effectuation of Title VI of the Civil Rights Act of 1964, as amended; and that in the event of breach of any of these nondiscrimination covenants, the City shall have the right to terminate this Agreement.

The Supplier assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, age, handicap or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Supplier assures that no person shall be excluded on these grounds from participating or receiving the services or benefits of any programs or activity covered by the

Hickory Regional Airport September 30, 2024 Request for Proposals Aviation Fuel Supplier Subpart. Further, Supplier agrees that it will require that its covered sub-organization provide assurance to the Municipality that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E as to the same effect.

### **Section 13: Bid Rigging**

The proposer affirms that he/she is not barred from bidding on this contract as a result of a violation of North Carolina General Statute Chapter 133, Article 3, having to do with bribery/bid rigging/bid rotating.

#### **Section 14: Hold Harmless**

Upon receipt of this RFP through the award of a contract, the Supplier shall indemnify, keep and hold harmless the City and any agents, officials or employees of the City against all suits or claims that may be based on all alleged death or injury to persons or damages to property that might occur, or that might have been alleged to have occurred in the course of the performance of this proposal and subsequent award of contract by the Supplier or their employees, and shall at their own expense defend any and all such actions and shall at their own expense pay all charges of attorneys and all costs and other expenses arising there from or incurred in connection therewith and if any judgment shall be rendered against the City in such action the Supplier shall, at their own expense, satisfy and discharge the same.

#### APPENDIX A: PROPOSAL FORM

# PROPOSAL TO SUPPLY AVIATION FUEL AT THE HICKORY REGIONAL AIRPORT

The undersigned ("Proposer") hereby proposes to the City of Hickory, North Carolina ("City") that Proposer be selected by the City to serve as fuel supplier ("Fuel Supplier") of the City's requirements for aviation fuel for resale at the Hickory Regional Airport "Airport" through the City operated FBO commencing on February 1, 2025. This proposal has been prepared and is being submitted pursuant to the City's Request for Proposals dated September 30, 2024 ("RFP").

If selected as the Fuel Supplier, and awarded a Fuel Supply Agreement which is executed by Proposer and City, Proposer will supply the City's requirements for aviation fuels and lubricants and provide other services as described in this Proposal and the Fuel Supplier Agreement ("Agreement"), to be made between Proposer and the City as more particularly described below:

- 1. The City, as owner and operator of the Airport, will purchase from the Fuel Supplier and the Fuel Supplier shall provide and sell to the City the City's requirements for aviation fuels and lubricants (collectively the "Product") at the Airport. The City shall purchase the Product for resale to aircraft owners and operators at the Airport by the FBO.
- 2. The Product shall include the following types of fuels:
  - a. Aviation Turbine Fuel Jet A (w/additive pre-blended)
  - b. Aviation Gasoline, 100 Octane, Low Lead (Avgas 100LL) or future replacement
  - c. Other (if any).

The Product delivered to the Airport shall comply with the following specification:

(Here describe the current specification required by the FAA and aircraft manufacturers for Jet A and Avgas and aviation lubricants)

or such other specification that may be established by applicable governmental regulation or industry standard in the future. We will supply with each load of product a certificate of the specification of the product and will warrant that each load meets or exceeds the specifications and quality control requirements applicable to the product.

3. Prices for Product will be established as follows:

(Here describe the methodology for pricing aviation fuels and lubricants. The methodology may be a guaranteed price, a base price established upon a given date and to be increased and decreased thereafter according to an index, a margin against a pre-defined spot price or any other methodology that allows the City to compare future cost of Product to be obtained from Proposer

Hickory Regional Airport September 30, 2024 Request for Proposals Aviation Fuel Supplier in comparison to the pricing methodology of other proposers pursuant to this RFP; and to enable the City to verify future pricing with this Proposal if Proposer is selected as the Fuel Supplier.

Include a quote of the price of both Jet A (w/additive) and Avgas that your proposed pricing methodology would produce for: October 28,2024.

If you propose to make capital investment in the Airport or to provide a financial incentive to the City as a part of your proposal under Article 12 below, also describe the alternative price proposal you would make, if any, in lieu of such investment or financial incentive).

4. We commit to deliver at the price determined according to the methodology described in Section III above (the "Stated Price"), the Airport's requirements of Product subject to the following limitation:

(Here describe the limitation, if any, on the amount of Product Fuel Supplier shall be obligated to supply to the Airport at the Stated Price).

- 5. We will not impose retail/wholesale credit card related discount/rebate programs that require the Airport's participation or funding.
- 6. We have and will keep in place during the term of the Agreement the following Product Quality Control Program:

(Here describe, in detail, your quality control and assurance program. Include complete description of any documented past failure of your product to perform according to specifications and itemize any instances of aircraft damage or personal injury that have been established as proximately caused by the failure of your product to meet specifications).

#### 7. Credit Card Program:

(Here describe your credit card program. Include as much detail as necessary for the City to fully understand the operations of same and how it compares with other credit card programs operated by other aviation fuel suppliers).

#### 8. Refuelers:

We will supply to the Airport self-propelled fuel storage and delivery vehicles ("refuelers") as follows:

(Here describe the type and specification of refuelers you propose to provide to the City for the purpose of transferring fuel from the fuel storage area of the Airport into planes at the Airport. Be specific as to the type, size, specification, manufacturer, age, condition and number of such refuelers. In particular describe the equipment to be installed on the refuelers that permits wireless transfer of the delivery ticket information to the Airport's FBO accounting system and the hardware/software the Airport will require to interface with such system/equipment.

If you propose to be compensated for the use of such refuelers, state the basis and amount of such compensation and the disposition to be made of the refuelers at the end of the Agreement).

Include your proposal regarding the responsibility for the maintenance and repair of the refuelers and your undertaking to supply emergency temporary loaner replacement vehicles to avoid an inability by the FBO to sell and deliver aviation fuel due to a refueler being out of service. Also describe in detail the compensations, if any, you will expect to receive from the City for such maintenance and repair and temporary loaner refuelers.

#### 9. Advertising and Promotions:

(Here explain method or plan for Airport advertising in relation to national and international programs. Explain aviation directory support available from Proposer. Set forth sales aids items provided by or available from Proposer and the cost, if any, to the City for such sales aids. Explain co-op program, if applicable, and funds available to the Airport).

#### 10. Industry Involvement and Commitment:

(Here set forth trade show participation by supplier and describe how the FBO and the Airport will benefit from activity. Describe all memberships in industry organizations like NBAA, NATA, and NCAA, including active participation on committees if any. Set forth a list demonstrating involvement with FBOs nationwide and examples of Proposer's customers similar to the Airport).

#### 11. Training:

(Here describe the training program you propose to conduct at the Airport including the curriculum, the number of employees to be trained, the periodic re-training and the cost, if any. The training should include the following areas at the minimum: ground servicing, safety, refueling piston aircraft, refueling turbo prop aircraft, refueling jet aircraft, towing, fuel farm operation, quality control, customer service, CFR 139 requirements and fire safety. The City expects its Fuel Supplier to provide recurring quality control and basic fuel farm operation training to on a regular basis and to accommodate new employees).

#### 12. Investment by Supplier:

- a. Fueling facilities investment.

  (Describe the investment, if any, in the fuel farm, the refuelers or other fueling related facilities or equipment you are willing to make and under what conditions).
- b. Airport facilities investment.

  (Describe other investments, if any, you are willing to make in facilities at the Airport and under what conditions).
- c. Other investment.

(Describe any other investment or incentive you propose to provide to FBO if you become the Fuel Supplier).

### 13. Specimen Contract:

A draft contract will be provided at the pre-proposal conference that we would be willing to execute with the City if we are selected as the Fuel Supplier. We understand that the City will be under no obligations to accept the form or substance of the specimen contract.

#### 14. Qualifications; References:

(Here describe your company or organization; your qualifications to be selected as Fuel Supplier; and up to ten (10) other airports at which you are the exclusive provider of aviation fuel. Please include contact information for the references).

ACKNOWLEDGMENT OF PROPOSAL	
The undersigned, being the	(here give the complete business name of
Proposer), with full authority to bind the Pr Hickory this the day of, 2024	oposer, do hereby make this proposal to the City of 4.
Name of Proposer	(SEAL)
Typed Name	
Title	
Name of Witness	
Typed Name	