

**REQUEST FOR PROPOSAL
CITY OF YANKTON**

Chan Gurney Municipal Airport Aircraft Maintenance Services

The City of Yankton would like to enter into an agreement with a private operator that would provide aircraft maintenance services at the Chan Gurney Municipal Airport. At a minimum, the selected operator will be required to demonstrate they can provide the following:

Must have minimum Airframe and Powerplant (A&P) certifications.

1. Needs the capability of performing oil changes, tire changes, tire repairs and battery replacement.
2. Will have regular 8:00 AM to 5:00 PM business day hours and be “on – call” with the ability to have qualified staff at Chan Gurney Airport, performing repairs within 2 hours of being contacted.
3. Be able to do annual inspections on piston style airplanes, Inspection Authorization (IA).
4. Possess and have on site, updated equipment capable of providing the required services.

Additionally, preference will be given to an operator having the ability to repair and program modern aviation electronics.

Operators should submit a proposal providing details about how they meet the above criteria along with any other information they feel demonstrates their ability to operate a successful aviation maintenance business at the airport.

Upon the City’s selection of an operator with the best proposal, the City, with consultation from legal counsel will develop / negotiate a lease agreement that will include but not be limited to the following:

- The City’s provision of the maintenance hangar at no charge to the operator.
- The possibility of the City’s provision of office space in the Terminal Building (lease rates TBD).
- Assurances of the operator’s ability to obtain appropriate insurance and statements holding the City harmless.
- Statements including the length of the lease and exclusivity for maintenance operations at the airport.

Said negotiations shall terminate at any time the City feels that the process is not in the best interest of operations at Chan Gurney Municipal Airport.

The deadline for submitting proposals is 5:00 P.M. on February 24, 2022.

There may be interviews with selected operators after proposals are submitted.

Please submit your proposal to:

The City of Yankton
Attn: Mike Roinstad, Airport Supervisor
416 Walnut St.
P.O. Box 176
Yankton, SD 57078

About Chan Gurney Airport, Yankton, South Dakota General Overview

Currently there are 37 planes based at Chan Gurney Municipal Airport. This includes 2 that are owned by an aerial spraying operation. Crop Dusters LLC sprays an average of 5,000 acres in Yankton County. The airport averages 3,800 operations and sells an average of 60,000 gallons of aviation fuel a year. There is 24-hour self-serve pay at the pump for both 100LL for piston driven planes and Jet A for turbo props, jets, and helicopters. A 3,000-gallon Jet A fuel truck also provides full service fueling for turbo props, jets, and helicopters.

Chan Gurney Municipal Airport has two runways; one that is concrete and is 6,095 feet long by 100 feet wide, the other is asphalt and is 3,380 feet long by 60 feet wide. These runways can accommodate a variety of aircraft from single piston general aviation to business class jets.

There were two large projects completed in 2020. The apron expansion project provides more space for aircraft to park and give them enough room to maneuver around other aircraft. The second project was a complete reconstruction of the crosswind runway. The new asphalt surface along with updated lighting will provide many years of service to the flying community.

Combined, these projects represent a \$3.7 million investment of which, 97 percent came from the Federal Aviation Administration and State Division of Aeronautics.

The airport sees a variety of business activity; KPI's parent company, Aztec, fly in from Chattanooga, TN regularly. Others include L&M Radiator, Polaris, Wildcat, Shur-Co., Truxedo, Hy-Vee, BNSF, TransCanada, Avera, Sanford, military helicopters, the State of South Dakota. There are also charter operations that bring in business officials from the banking industry, law firms, doctors, cattle buyers, hay buyers, hunters, fishermen, and private individuals coming to Yankton to visit family or attend special events.

Currently there are 21 privately owned hangars at the airport. Since 2012, ten hangars have been built and the demand for more is growing. Yankton has space available for one hangar in its current configuration. An Airport Layout Plan (ALP) was completed in 2014. The ALP was created to provide design options for future growth of both private and business related hangars.

The City operating budget for the airport in 2021 was \$343,748.

Capital expenditures above operating costs that are funded 100 percent by the City vary based on equipment needs. The 2021 Capital budget in this category is \$182,000.

There are other facility projects that are part of the Federal Funding Grant Ratio capital budget category and those vary substantially based on the Federal Aviation Administration approved projects that occur at the facility.

Publishing Dates: February 3rd and February 10th, 2022

**REQUEST FOR PROPOSAL
CITY OF YANKTON**

Chan Gurney Municipal Airport Aircraft Maintenance Services

The City of Yankton, South Dakota, as owner and operator of Chan Gurney Municipal Airport, is soliciting proposals from interested persons or businesses to provide Airframe and/or Power Plant Repair services through a Specialized Aircraft Service Operators (SASO) agreement. To maintain flexibility, the City will consider proposals for any one, or a combination of, proposals that will meet the goal of increasing aviation mechanical related services to the flying public.

Information packets containing the Request for Proposal may be obtained at Chan Gurney Municipal Airport located at 700 E. 31st Street, Yankton, SD, 57078. Packets may also be obtained by calling 605-668-5211 or by email at mroinstad@cityofyankton.org. Specific questions regarding this request may be directed to Mike Roinstad at 605-661-9223.

All responses to this request shall be delivered to Mike Roinstad, Airport Supervisor, City of Yankton, 700 E. 31st Street, Yankton, SD, 57078 on or before February 24th, 2022. All submittals must be clearly marked “Airframe Repair Service” on the outside of the package. The City of Yankton reserves the right to cancel this request or reject any and all submitted proposals.

The full Request for Proposal and Qualifications is located at:
<http://www.cityofyankton.org/how-do-i/bid-rfp-posts-list>

Mike Roinstad
Airport Supervisor
City of Yankton, South Dakota

CHAN GURNEY AIRPORT MAINTANENCE HANGAR LEASE AGREEMENT

THIS LEASE AGREEMENT made and entered into this _____ day of _____, 2022 by and between the City of Yankton, South Dakota, a municipal corporation ("LESSOR") and _____ ("LESSEE").

WITNESSETH:

WHEREAS, the City of Yankton is the owner of the Chan Gurney Airport and the City deems it proper to enter into a lease with the Lessee and the Lessee desires to lease a portion of the airport property under the terms and conditions set forth herein.

NOW, THEREFORE, it is agreed between the Lessor and the Lessee herein as follows:

1. **REAL PROPERTY, INGRESS & RELOCATION.** The Lessee shall be privileged to use floor space located within the Maintenance Hangar for the limited purpose of airframe and/or power plant repair on the "real property" hereinafter described: A 50ft deep X 70ft wide located on Airport, identified as building location 700 E 31st No. 30.

This lease does not grant to Lessee any license or right to use any part of the airport premises other than the Maintenance Hangar identified above. However, the Lessee, as a part of the usual and ordinary manner of operating the Maintenance Hangar, shall have right of ingress and egress therefrom.

2. **TERM, RENEWAL & TERMINATION.** The term of this lease shall be eighteen (18) months beginning on the first day of _____, 2022 and shall end on the last of said month.

If no subsequent lease is signed by the parties, then this lease shall automatically renew for an additional month (regardless of whether the month is 28, 29, 30 or 31 days long) and the terms of that lease shall be those identified herein.

If either party desires to terminate this lease, then that party shall give written notice, via certified mail, to the other at least thirty (30) days prior to date upon which the lease term shall end.

3. **RENT.** Lessee shall occupy the Maintenance Hangar rent free. If the City desires to increase the rent, then it shall provide at least thirty (30) days prior written notice to the Lessee of the new rent amount.

4. **HANGAR & EQUIPMENT OWNERSHIP.** The Maintenance Hangar shall remain the property of the City. The Lessee's tools and equipment shall remain the property of the Lessee.

5. **BUSINESS HOURS.** The City shall maintain regular business hours of 08:00 (Local) to 17:00 (Local), Monday through Friday, excluding any of the ten (10) federally recognized holidays which may fall within that period.

6. **USE.** The Maintenance Hangar shall be used solely for the purpose of Lessee for airframe and/or power plant repair. No other commercial use is permitted in the Maintenance Hangar. The Lessee shall not store gasoline or other combustible material on the premises except in the tank of any housed aircraft.

The Lessee agrees to comply with all Federal (including U. S. Environmental Protection Agency and The Federal Aviation Administration), State and Municipal laws, rules, statutes, ordinances and regulations that are applicable to the operation of the airport, as they exist today or are amended hereafter.

Lessee has previously walked through the Hangar. Lessee takes and accepts the Hangar in its "as is" condition.

The Lessee agrees to allow the City of Yankton access to the Maintenance Hangar for use as overnight storage of transient aircraft when maintenance is not being done and space allows.

The City of Yankton agrees to provide office space, rent free, located in the terminal building; address of 700 E 31st Street Suite 3, to be use for customer service, billing, computer use and/or other items needed for business purposes.

7. **SUB-LET AND ASSIGNMENT.** Lessee shall not assign or sub-let the Maintenance Hangar without prior written approval from the City. No assignment shall release Lessee of any of his/her obligations under this Lease or be construed or taken as a waiver of any of the City's rights hereunder. Neither this Lease nor any interest therein, shall pass to any trustees or receiver in bankruptcy, or any assignee for the benefits of creditors, or by operation of law.

8. **NON-DISCRIMINATION.** The City, in the rental of the Hangar, shall not on the grounds of race, color, or national origin discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part XV of the Federal Aviation Regulations. Lessee further agrees to comply with any requirement made to enforce the foregoing covenant which may be demanded of the City by the United States.

9. **LIABILITY INSURANCE.** At all times during the term of this lease, and during any extension or renewal term thereof, the Lessee shall be obligated to carry and to pay for liability insurance in the minimum amount of One Million Dollars (\$1,000,000.00), for any personal injury or property damage for which the Lessee might become liable due to the possession, construction, operation and maintenance of the aircraft hangar. A certificate of insurance certifying that said insurance is in full force and effect shall be filed with the City Finance Office on January 1st of each year.

10. **LIABILITY/CITY.** Lessee shall indemnify and hold City harmless against all liabilities, obligations, damages, penalties, claims, costs, expenses, and losses, including attorneys fees, paid or as a result of or in connection with Lessee's use or occupancy of the Maintenance Hangar, during the term of the lease as a result (a) of any breach by Lessee, Lessee's agent, contractors, employees, customers, invitees, licensees, of any covenant or condition of this lease required to be performed by the Lessee hereunder or (b) of any accident that may occur in or about the Maintenance Hangar caused by Lessee's failure to comply with any governmental authority, or the carelessness, negligence or improper conduct of the Lessee, Lessee's agent, contractors, employees, customers, invitees or licensees. City is hereby subrogated to all rights of Lessee against any other parties in connection with any such injury or damage. If any claim is initiated against Lessee or City due to Lessee's actions associated in any manner with this leasehold, Lessee shall give prompt notice to City.

11. **INSPECTION & CANCELLATION.** . The Lessee agrees that the City of Yankton may cause the "real property" and hangar to be inspected for the purpose of identifying violations of Federal, State, and Municipal laws. This provision is not subject to arbitration.

If the Lessor identifies violations thereof, then the Lessor shall give written notice, return receipt requested, to the Lessee who shall be permitted thirty (30) days from the date of said notice in which to correct the law violations. In the event Lessee shall fail to correct the law violations noted therein within thirty (30) days after the receipt of the written notice, then the Lessor shall have authority to cancel and forfeit this lease. In such case, the Lessee shall be given sixty (60) days after the expiration of the original thirty (30) days to remove his property from the "Real Property" or to forfeit same. Lessee agrees that in the event he fails to remove his property from the "Real Property" within said period, then the Lessee's

personal property shall be forfeited to the City of Yankton and Lessee shall lose all right, title and interest therein.

12. **BREACH**. Other than the inspection procedure noted above, if a party believes that the other has breached this lease, then the party alleging the breach shall provide written notice, via certified mail, to the other in which it identifies the alleged breach of the terms hereof and notice of the reasonable time in which the breach shall be cured. Failure to cure during said reasonable period shall constitute a breach of this lease. Thereafter, the party alleging the breach may then request arbitration.

13. **ARBITRATION**. Except as herein provided, all disputes arising under the terms of the Agreement and not settled between the parties hereto shall be subjected to arbitration as provided by SDCL 21-25A. However, the parties reject the second sentence of SDCL 21-25A-14 and agree that any hearing by arbitrators requires the presence of all arbitrators. In addition, each party shall choose one arbitrator of its choice and those chosen arbitrators shall choose a third arbitrator.

14. **RELATIONSHIP OF PARTIES**. Nothing contained herein shall be deemed or construed by anyone as creating the relationship of principal and agent, employee and employer, of partnership or of joint venture between the parties hereto.

15. **NON-WAIVER**. No delay or omission of the right to exercise any power by either party shall impair any such right or power, or shall be construed as a waiver of any default or as acquiescence therein. One or more waivers of any covenant, term or condition of this Lease by either party shall not be construed by the other party, or a court, as a waiver of a subsequent breach of the same covenant, term or condition. The party requiring consent or approval shall not be deemed to waive or render unnecessary consent to approval of any subsequent similar act.

16. **HEADINGS**. The headings of the several sections contained herein are for convenience only and do not define, limit or construe the contents of such articles.

17. **BINDING EFFECT**. The covenants, agreements and obligations herein contained, except as herein otherwise specifically provided, shall extend, bind and inure to the benefit of the parties hereto and their respective personal representatives, heirs, successors and assigns.

18. **FORCE MAJURE**. Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, wars, insurrections and/or any other cause beyond the reasonable control of the party

whose performance is affected. The provisions of this shall not operate to excuse Lessee from prompt payment of rent, percentage rent, additional rent or other monetary payments required by the terms of this Lease.

19. **ACCEPTANCE OF PAYMENT**. No Payment by Lessee, or receipt by City, of a lesser amount than the amount then due under this Lease shall be deemed to be other than on account of the earliest portion thereof due. Nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction.

20. **SEVERABILITY**. If any portion of this agreement is found to be unenforceable, then the remainder shall remain in full force and effect.

21. **GOVERNING LAW & CHOICE OF VENUE**. The laws of the State of South Dakota and the City of Yankton shall govern the validity, performance and enforcement of this Lease. Furthermore, the parties agree that the venue for filing any action shall be Yankton County.

22. **INTEGRATION**. This agreement contains the entire understandings between and among the parties, both written and oral, and supersedes any prior understandings and agreements among them, both written and oral, respecting the subject matter of this agreement.

23. **AMENDMENT**. This lease agreement shall not be modified without a written agreement between the parties thereof, other than the automatically renewable term noted above. Any other agreements varying the terms herein which are not in writing are null and void.

24. **ABANDONMENT**. If any time during the term of the lease the Lessee abandons the premises, then the City may, at its option, enter the Maintenance Hangar by any means, without being liable for prosecution or civil damages, and re-let the premises for the whole or any part of the then unexpired term. Thereafter, the City may receive and collect all rent payable by virtue of such re-letting. And, at City's option, it may hold the Tenant liable for any difference between the rent that would have been payable under this lease during the balance of the unexpired term if this lease had continued and the net rent for such period realized by City by means of such re-letting.

IN TESTIMONY WHEREOF, both parties have hereunto set their hands the day and year first above written.

CITY
CITY OF YANKTON, SOUTH DAKOTA
A Municipal Corporation

By: Stephanie Moser, Mayor

LESSEE

By:

1/12/22