





Request for Proposal

For the feasibility study and business case for an aircraft painting facility at the Sault Ste Marie Airport July 2016





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Information and Instructions

Closing Date and Time

Proposals must be received by the Project Manager or designate before 12:00 PM Eastern time on Friday, August 19th, 2016. Sault Ste. Marie Economic Development Corporation (SSMEDC) will not accept submission of any proposals after the closing date and time and any received will be returned to the vendor unopened.

Proposal Submission

Responses to this Request For Proposal (RFP) need to be concise with a detailed cost summary, scope of work, timelines, and the supporting attachments, credentials of team members, examples of previous work, etc. are required to be received in electronic format (docx or pdf) with no single email being over 4 MB. Optionally, four paper copies of the complete package may be submitted in lieu of the electronic documentation to:

Sault Ste. Marie Economic Development Corporation

c/o John Febbraro Director Business Development 99 Foster Drive, Level 1 Sault Ste. Marie, ON P6A 5X6 705-759-2546 j.febbraro@ssmedc.ca

Proposal Contents

Proposals must include the following components, each in appropriate detail:

- A description of the vendor's firm along with any other firms which will be taking part in the work on behalf of the primary vendor;
- A detailed list of credentials and experience for individuals who will be working on the project.
- A description of the vendor's experience in similar projects along with the expertise of any other firms that will
 be involved as part of the vendor's team. Respondents should include references that outline previous projects
 of a similar nature that have been completed by vendor. This will include the client names and contact
 information including telephone numbers. The SSMEDC reserves the right to contact these references;
- An indication the vendor understands the project scope and requirements, including how each of the specific requirements will be performed;
- A proposed timetable for completing the project. Other key events and major project deliverables should be identified on the project timetable;
- A breakdown of all project costs, excluding taxes;
- An estimated schedule of delivery;
- Vendors may include any additional information regarding their firm and/or services that may prove beneficial to the evaluation of the proposal. This information would be provided in the form of appendices;

Pricing and Additional Work

The Vendor will provide a Guaranteed Maximum Price (excluding taxes) for all project work, and shall abide by the price stated. No further payments beyond the contract amount will be made for any additional services required to provide a satisfactory deliverable. If additional requirements are requested by SSMEDC beyond the scope of work described in this RFP, the cost of these services would be negotiated between SSMEDC and the company that has been selected to perform the work. Any additional work will only be undertaken based on a request in writing from the SSMEDC. Maximum allowable budget for this project is \$25,000 including taxes.

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Invoicing

SSMEDC will work with the vendor to determine a payment schedule acceptable to both parties.

SSMEDC's Internal Use of the Proposal

SSMEDC may reproduce the vendor's proposal and any supporting documentation for internal use.

Errors and Omissions

The information contained within this RFP is supplied solely as a guideline for responding vendors. The information is not necessarily comprehensive or exhaustive and nothing in the RFP is intended to relieve vendors from forming their own opinions and conclusions with respect to the matters addressed in the RFP. Should a vendor feel that there are errors, omissions or discrepancies in any of the proposal documents or should the vendor be in doubt as to the meaning of any part of such documents, the vendor should notify the Project Manager without delay.

Addenda

If required, addenda will be posted on SSMEDC website <u>www.sault-canada.com</u> It is the vendor's responsibility to ensure all addenda has been read and noted.

Vendor Expense

Any expenses incurred by the vendor in the preparation of the proposal submission are entirely the responsibility of the vendor and will not be charged to SSMEDC.

Acceptance or Rejection of Proposal

SSMEDC reserves the right to reject any or all proposals and to waive formalities as the interest of SSMEDC may require without stating reasons.

Notwithstanding and without restricting the generality of the statement immediately above, SSMEDC will not be required to award and accept a proposal:

- When only one (1) proposal has been received as a result of the current Request for Proposals;
- Based on price (i.e. lowest price);
- Where the lowest quotation by a vendor substantially exceeds the estimated cost of the project;
- When all proposals received fail to comply with the specifications or proposal terms and conditions;
- Where a change in the scope of work or specifications is required; and/or
- Where the proposal documents do not state a definite work schedule and a submitted proposal is based on an unreasonable work schedule.

Responsibility for Damages

The successful vendor will indemnify and save harmless SSMEDC against all claims, demands, loss, cost, damages, actions, suits or other proceedings by whomsoever made, brought or executed by, or attributed to any such damages, injury or infringement as a result of activities under this proposal.

Protection of Work and Property

The successful vendor will provide continuous and adequate protection of all work from damage and will protect SSMEDC's property from injury or damage arising from or in connection with this work. The successful vendor will make good any such damage or injury.

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Cancellation

SSMEDC reserves the right to immediately terminate the contract for sufficient cause, including but not limited to such items as non-performance, late deliveries, inferior quality etc.

If the vendor should neglect to execute the work properly or fail to perform any provision of this award, SSMEDC after three (3) days written notice to the vendor, may without prejudice to any other remedy in existence, make good such deficiencies and may deduct the cost thereof from any payment then and thereafter due to the vendor. Continued failure of the vendor execute the work properly will result in the termination of the contract following written notice.

Either party may terminate the contract by giving the other party thirty (30) days written notice, giving reasons acceptable to the other and subject to approval by both parties involved in the contract.

Failure to maintain the required documentation during the term of this contract may result in suspension of the work activities and/or cancellation of the contract.

Confidentiality Understanding

The successful vendor and its employees/associates may have access to information confidential to SSMEDC. This information may include, but is not limited to, terms of the agreement, business methods and systems, contractual terms, pricing, personal information etc. subject to disclosure by law, the successful vendor agrees that it and its employees/associates who have access to this information will not either during the term of the agreement or at any time thereafter reveal to any third party any of this confidential information or use in any way, whether on the successful vendor's behalf or on behalf of any third party, any such information. The obligations of this section survive the expiration or termination of this agreement indefinitely.

Freedom of Information

The content of the proposal and all documentation of information submitted shall be held in confidence by SSMEDC subject only to the provision of freedom of information and privacy legislation, including without limitation the Municipal Freedom of Information and Protection of Privacy Act. All written proposals received by SSMEDC become a public record, once a proposal is accepted by SSMEDC and a contract is signed, all information contained in it is available to the public including personal information.

Any personal information required in the proposal is received under the authority of SSMEDC. This information will be an integral component of the quote submission.

Sub-Consultants

The use of appropriate and credible sub-consultants by the vendor to perform portions of the project is permitted.

Ownership

The information, reports, documentation, plans, etc. that are a product of this award by the successful vendor, will become the exclusive property of SSMEDC. However, intellectual property, such as specific tools, templates, processes, etc. that the vendor has provided as part of the deliverables for this project remains the property of the vendor and the vendor is free to use any of such material in other contexts and with future clients.

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Feasibility Study and Business Case for an aircraft painting facility at the Sault Ste Marie Airport – Scope of Work

The Sault Ste. Marie Economic Development Corporation in partnership with the Sault Ste. Marie Airport Development Corporation is issuing this Request for Proposal for the Feasibility Study and Business Case for an aircraft painting facility at the Sault Ste Marie Airport.

The Sault Ste. Marie Airport Development Corporation is a private, independent, not-for-profit corporation that owns and operates the Sault Ste. Marie Airport (CYAM). The Corporation took control of the airport from Transport Canada through the National Airports Policy in 1998. Of the 23 Regional, Local, or Small airports in Ontario that have been transferred from the Federal Government, YAM is the only airport that is not directly affiliated with a municipality. The Airport provides most or its own services, including emergency response and firefighting, water supply, sanitary sewage treatment, snow removal, vegetation control, and facility maintenance and repair. We have industrial capacity in all or our utilities. All business decisions are carried out by the Board of Directors free of political influence, and with an entrepreneurial philosophy.

Site amenities includes

- 24/7 aircraft access
- On-site customs available
- Two 6000' X 200' run ways
- Among the 30 busiest airports in Canada
- Full perimeter security fence
- 24 hour security
- 3 scheduled airlines with daily service
- 75' wide taxiways and spacious apron
- Main runway and associated taxiways refurbished in 2001
- Airport assisted feasibility study, marketing, and promotion
- 1700 acres of land and hangar space available for lease or build to suit
- Utilities (sewage, water; power; natural gas)
- 16KM from city centre
- Competitive Airport usage fees
- FFTX Level 6 CL-415 simulator (only one of its kind in the world) to train flight and ground crews located on properly.

The facility is located at:

Sault Ste. Marie Airport

Address: 475 Airport Rd, Sault Ste. Marie, ON P6A 5K6 Code: YAM Elevation: 192 m Phone: (705) 779-3031

Existing partners on site include:

- J D Aero Maintenance
- Ministry of Natural Resources- Fire Management & Flight Training Centre
- Sault College Aviation Technology
- Eagle Feather Aviation Inc.
- Soo Aviation Flight Training

Existing Airlines on site include:

- Air Canada Express
- Porter Airlines
- Bearskin Airlines

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Sunwing Airlines

Existing Opportunity

Potential estimated local and area demand to paint 8-10 aircraft/year as a start.

This on-site paint shop will assist in the stimulation and attraction of related aviation businesses to the airport.

The report should include analysis on following sections or areas of concentration

- Opportunity Introduction
- PEST analysis of the opportunity
- SWOT analysis of the opportunity
- Market Analysis
- Competitive analysis
- Future Trends in Aircraft Painting
- Required Infrastructure, equipment, and building
- Detailed Capital Cost Analysis
- Marketing Strategy
- Sales Strategy
- Sales Forecast
- Start Up Funding
- Personnel Plan
- Break Even Analysis
- Projected Profit and Loss
- Projected Cash Flow
- Projected Balance Sheet

Overall Project Objective

The primary objective of this project is to create a document that can be used to promote the development of an aircraft painting facility on the grounds of the Sault Ste. Marie Airport and to add facts and certainty about the opportunity to attract investment.

The project goals are to ensure the SSMEDC:

- Maintains a competitive selection process with respect to suppliers and vendors
- Acquires product in a timeframe which meets or exceeds scheduling requirements
- Acquires a durable product with workmanship guarantee

Regular consultation with the contracted agency will be required to ensure pertinent goals are met.

Project Timeline

The SSMEDC is anticipating the first draft of the report by October 15th, 2016 and the final draft by December 1st, 2016. The successful proponent will be able to completely produce the deliverables by this time.

Project Objectives

- 1. Provide the SSMEDC with a proposal outlining options that fulfill usage requirements
- 2. Provide accurate and valid consultation services to the SSMEDC in an effort to attract investment.
- 3. Perform the required work on site or at vendor location.
- 4. Order for labor, materials, transportation, and logistics does not exceed the agreed upon price.

Project Assumptions

1. The Vendor will have access to the appropriate people, resources, files and information;

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- 2. Will have access to the space as required and as available;
- 3. All welds and repairs will be performed by properly certified individuals;
- Work will be accompanied by a warranty specified by the vendor;

Parties

The parties to be involved in the project and acceptance of the Report are the Selection Committee or designate and the project lead. Point of contact during the project will be the Project Manager.

Proposal Selection Process

- A consultant selection committee may be comprised of Executive Committee designate, SSMEDC CEO, Project
 Manager, Director of Business Development, and Airport senior managers, The Sault Ste. Marie Economic
 Development Corporation has the right to negotiate with the proponents who presented the most attractive
 proposal.
- The Sault Ste. Marie Economic Development Corporation shall have the final authority on all matters regarding the Request for Proposal.

Selection Criteria

While the following are the selection criteria that will guide SSMEDC's evaluation of the vendor proposals, SSMEDC may not limit it to these criteria, and may also take into account additional considerations. The sequencing of the criteria does not suggest or imply their relative weighting. The criteria include:

- Vendor's demonstrated knowledge, experience, and successes with like studies;
- Vendor's demonstrated knowledge, experience and successes overall and particularly in relation to similar projects. This will include the qualifications of individuals assigned to the project and their availability;
- Vendor's project management experience in supervising any subcontractors and delivering a seamless product to the client;
- Client references for relevant projects. Provide references from different organizations with current contact information:
- Quality of proposal. This includes the level of detail and quality/thoroughness of recommendations and providing a clear project plan that identifies critical milestones;
- Ability to stay within project budget and meet project completion target date;
- Any features of advantages uniquely proposed by the vendor with SSMEDC has not identified in the project deliverables or description;
- Evidence of local content in support of small business in Sault Ste. Marie;
- Warrantee or guarantee of workmanship;
- Itemized quote response with complete cost breakdown for described scope of work.
- Proposals will be evaluated according to the following breakdown:
 - o 30% Meets identified quality requirements and workmanship quarantee
 - 20% Pricing and payment schedule
 - 20% Timing and delivery schedule
 - 15% Firm experience and qualifications
 - 10% Value added services
 - 5% Balance of selection criteria.

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Upon ranking of the RFP, firms may be contacted by phone or email if clarification is needed and to explore any gaps in information.

Proponents are advised that explicit agreement should be provided indicating that the quoted price is good for sixty (30) days.