

**AIRPORT MANAGEMENT
CONSULTING SERVICES**



REQUEST FOR QUALIFICATIONS ("RFQ")

RFQ NO. AP 41-14

QUALIFICATIONS DUE: April 23, 2014 @4:00PM

**REQUEST FOR STATEMENT OF QUALIFICATIONS
AIRPORT MANAGEMENT CONSULTING SERVICES
FOR OKALOOSA COUNTY AIRPORTS SYSTEM**

The Okaloosa County Board of County Commissioners under the provisions of Section 287.055, Florida Statutes and County policy, requests Statements of Qualifications from professional firms to provide airport management consulting services for the Okaloosa County Airports System. It is the intent of the Board to enter into contract negotiations with one or more firms.

Guidelines detailing form and content requirements for the Statements of Qualifications are available by contacting Zan Fedorak, Purchasing Manager, 602-C North Pearl Street, Crestview, Florida 32536, (850) 689-5960, or they may be downloaded from our website at www.co.okaloosa.fl.us (County Dept., Purchasing, Section Navigation, Solicitations and then Current).

Statements of Qualifications must be delivered to the Okaloosa County Purchasing Department at the address below no later than 4:00 p.m. April 23, 2014, in order to be considered.

All Statements of Qualifications must be in sealed envelopes reflecting on the outside thereof "Statements of Qualifications for Airport Management Consulting Services for Okaloosa County Airports System".

All Statements should be addressed as follows:

Okaloosa County Purchasing Department
Attn: Zan Fedorak
602-C North Pearl Street
Crestview, FL 32536

Zan Fedorak
Purchasing Manager

(signed)

**GUIDELINES FOR STATEMENTS OF QUALIFICATIONS
AIRPORT MANAGEMENT CONSULTING SERVICES
FOR OKALOOSA COUNTY AIRPORTS SYSTEM**

The purpose of this Request For Qualifications ("RFQ") is to provide interested consultants with guidelines and information to assist them to develop their Statements of Qualifications for submittal to the County.

Okaloosa County plans to retain an airport management consultant to provide financial and business consulting services for Northwest Florida Regional Airport, Bob Sikes Airport, and Destin Ft. Walton Beach Airport, which together comprise the Okaloosa County Airports System, for the project entitled "AIRPORT MANAGEMENT CONSULTING SERVICES FOR OKALOOSA COUNTY AIRPORTS SYSTEM" ("Airports System"). **Attachment A** to these Guidelines for Statements of Qualifications provide certain background, facility and financial information on the Okaloosa County Airports System which should be helpful to interested consultants in formulating their Statements of Qualifications response to this RFQ.

The scope of professional services for the Airports System under the proposed engagement includes, but is not limited to, the following, which are further addressed in the attached Sample Agreement:

1. Prepare or provide support for the development of financial and business related reports, analyses and forecasts including, but not limited to:
 - a. Financial models to project cash flows, bond sizing and debt service, debt service coverage, rates and charges impacts, and financial planning scenarios (*pro formas*)
 - b. Profit and loss reports for parking and other Airports System undertakings
 - c. Industry-related regulatory compliance and litigation support
 - d. Other financial and/or business-related ad hoc reports, presentations, analyses and forecasts as requested

2. Provide Rates and Charges analyses and support (modeling, methodologies and optimization) including, but not limited to:
 - a. Analyses of Airlines' Rates and Charges
 - b. Industry standards and practices related to Rates and Charges
 - c. Preparation and support for the annual Airlines' Rates and Charges (budget, review and true-up)
 - d. Production of Rates and Charges documents or presentations for review, meetings and distribution

3. Provide air traffic reports, analyses and forecasts for aviation and the industry including, but not limited to:
 - a. Historic air traffic reports
 - b. Forecasting air traffic
 - c. Analyses of air traffic trends
 - d. Other air traffic ad hoc reports, presentations, analyses and forecasts as requested

4. Perform or provide support for bond feasibility services and debt service analyses including, but not limited to:
 - a. Report of the Airport Consultant
 - b. Report of the Rate Consultant
 - c. Debt service analysis
 - d. Due diligence and continuing disclosure
 - e. Other bond offering documents, ad hoc reports, presentations, analyses and forecasting as requested (Does not include reports and analyses typically prepared by a financial advisor consultant. The consultant selected to provide airport management consulting services under this RFQ will not be eligible to serve as a financial advisor for the Airports System during the term of the proposed Agreement.)

5. Provide Passenger Facility Charge (PFC), Airport Improvement Program (AIP) and Customer Facility Charge (CFC) support, analyses and forecasting including, but not limited to:
 - a. Preparation of documents for PFC, AIP and CFC applications, amendments, and other reporting
 - b. Analyses of PFC, AIP and CFC programs
 - c. Regulatory reporting and documentation
 - d. Presentation support related to the PFC, AIP and CFC programs
 - e. AIP Innovative Financing Project Proposals and Grants

6. Provide services and expertise to assist the County to maintain its Joint-Use Airport status at Eglin Air Force Base and designation in the Military Airports Program ("MAP").
 - a. Northwest Florida Regional Airport is currently designated as a participant in the Military Airports Program through Fiscal Year 2016 with approximately \$12 million being identified in its ACIP for the MAP Program. Consultant will assist County in developing funding requests during the period of its designation.
 - b. Provide services to assist the County in obtaining a new, long-term Joint-Use Agreement and a new, long-term capitalized Lease with the United States Air Force. (The County plans to pay for the new capitalized Lease with the USAF through MAP and PFC funds.)
 - c. Provide assistance with future MAP applications for redesignation.

Consultants submitting qualifications must demonstrate experience and expertise in providing consulting services to joint-use airports and experience in processing applications and developing capital plans for designation in the Military Airports Program. This experience should include experience negotiating provisions of joint-use agreements and leases with the military proprietor of the airport. This experience and expertise may be provided by subcontract if not available within consultant's professional staff and expertise.

7. Provide services to plan/negotiate and/or bid and assist with documents for the following types of airport agreements:
 - a. Airline Use and Lease Agreements
 - b. Car Rental Concession and Service Facility Agreements
 - c. Parking Management Contracts

- d. Into-Plane Fuel Service Agreements
 - e. Cargo and Hangar Leases (both ground leases under which the tenant develops the facility and space leases for County-constructed facilities)
 - f. Food/Beverage/Retail and other Concession Agreements
 - g. Hotel, Auto Fueling and Convenience Store, and other third-party developed concessions
8. Provide analyses, services and support to assist the County benchmark and evaluate its operating and financial performance against industry standards.
9. Provide analyses, services and support to assist the County with the following tasks at Bob Sikes Airport and Destin-Ft. Walton Beach Airport, the County's two (2) general aviation airports:
- a. Assist with the development of FBO standards and agreements
 - b. Develop land rental and lease policies and procedures
 - c. Recommend fee structures, including land rentals, hangar rentals, fuel flowage fees, FBO fees, etc.
 - d. Develop recommendations and policies to assure that the County's general aviation facilities are self-sustaining
 - e. Assist in developing strategies to fund these airports' capital needs, including developing FDOT and AIP grant applications and accessing favorable short-term and long-term capital borrowing.

The term of the Agreement will be for three (3) years. The County reserves the right to renew the Agreement for two (2) additional one-year periods. Renewal of the Agreement shall be recommended by the Airports Department to the Board of County Commissioners. Renewal shall be at the discretion of the Board of County Commissioners.

The Board of County Commissioners reserves the right to accept or reject any or all Statements of Qualifications or to waive any informality existing in any submission, or to accept the submission which best serves the interest and intent of the proposed engagement and is from the most responsive and responsible firms.

An original and five (5) copies of the Statement of Qualifications must be submitted. All copies must be signed by a company official with the power to bind the company. All submittals must be completely responsive to the Request For Qualifications guidelines in order to be considered.

The content of the Statement of Qualifications of the successful firms will become a basis for contract negotiations.

The selected consultant shall be required to assume responsibility for all services offered in his/her Statement of Qualifications. The selected consultant will be the sole point of contact for contractual matters including payments of any charges resulting from the Agreement.

Payment schedule and basis for payment will be negotiated, but will be based upon documented work completed.

Statements of Qualifications **MUST** be submitted in the format described below:

1. **Letter of Interest**

A Letter of Interest must be submitted, including information on location of the firm's office that will be the lead office for this Agreement.

2. **Business Credentials**

Provide a synopsis of the consultant's qualifications, to include specific capabilities of the firm, brief history of the firm (1 page) and financial status (1 page), past performance relating to completing airport engagements within budget and on schedule and experience in managing multiple tasks simultaneously. Also provide a schedule of fees by professional and technical classification.

3. **Registration**

State the State of Florida licensing/registration qualifications of the consultant's personnel and business office. Provide copies of same.

4. **Specific Accomplishments**

Provide a listing of completed projects and engagements at other small hub airports with a description of the work performed by the consultant representative of the type of work and services proposed under this Request for Qualifications. Include experience relative to the specified scope of services contained in these guidelines at airports within the last five (5) years. The list should include only projects that had significant input from individuals who will be assigned to work on County projects.

5. **Project Management Organization**

Describe the organizational structure that will be used to manage projects for the County. The consultant must identify key personnel to be assigned to projects, and provide a resume of their qualifications, education, and experience. Include a description of quality management principles and practices employed.

6. **References**

List five (5) references representative of related past experience at small hub airports to include, as a minimum, a contact person, company name, phone number and a brief description of the project or engagement.

7. **Additional Information and Comments**

The contents under this heading are left to the discretion of the consultant. Material must be pertinent to this Request for Statements of Qualifications, but not be otherwise requested in the submittal guidelines.

8. Conflict of Interest Disclosure Form

The award hereunder is subject to the provisions of Chapter 112, Florida Statutes. All respondents must disclose with their proposals the name of any officer, director, or agent who is also a public officer or an employee of the Okaloosa Board of County Commissioners, or any of its agencies.

All respondents must disclose the name of any County officer or employee who owns, directly or indirectly, an interest of five percent (5%) or more in the firm or any of its branches.

Furthermore, the official, prior to or at the time of submission of its Statements of Qualifications, must file a statement with the Clerk of Circuit Court of Okaloosa County, if he is an officer or employee of the County, disclosing his/her or spouse's or child's interest and the nature of the intended business.

NOTE: For respondent's convenience, this certification form is enclosed and is made a part of the package.

9. Identical Tie Submissions

Preference shall be given to businesses with drug-free workplace programs. Whenever two or more Statements of Qualifications that are equal with respect to price, quality and service are received by the County for the procurement of services, a submission received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process (see attached certification form). Established procedures for processing tie submissions will be followed if none of the tied vendors have a drug-free workplace program.

NOTE: For respondent's convenience, this certification form is enclosed and is made a part of the package.

10. Indemnification and Hold Harmless Requirements for Agreement

The Agreement to be entered into by the Consultant shall include the following provisions:

"To the fullest extent permitted by law, Consultant shall indemnify and hold harmless County, its officers and employees from liabilities, damages, losses, and costs including but not limited to reasonable attorney fees, to the extent caused by the negligence, recklessness, or intentional wrongful conduct of the Consultant and other persons employed or utilized by the Consultant in the performance of this Agreement."

11. Forms to be Executed and Returned with Statement of Qualifications

The following enclosed forms are to be executed and returned with each respondent's Statement of Qualifica

- a. INDEMNIFICATION AND HOLD HARMLESS
- b. CONFLICT OF INTEREST DISCLOSURE FORM

- c. DRUG FREE WORKPLACE CERTIFICATION
- d. NO CONTACT CLAUSE

Opening of Statements of Qualifications

Opening of Statements of Qualifications shall be public on the date and time specified on the submission form. It is the respondent's responsibility to assure that his/her Statement of Qualifications is delivered at the proper time and place. Offers by telegram, facsimile, or telephone are not acceptable. **NOTE: Crestview is "not a next day guaranteed delivery location"** by delivery services.

The Board of County Commissioners of Okaloosa County in its absolute discretion may reject any Statement of Qualifications of a respondent that has failed, in the opinion of the Board, to complete or perform an Okaloosa County contracted project in a timely and acceptable fashion, and has directed the Okaloosa County Purchasing Manager to emphasize this condition to potential respondents to this Request for Statements of Qualifications.

Evaluation/Selection of Statements of Qualifications

A Selection Review Committee will evaluate all Statements of Qualifications received and:

1. Prepare an alphabetical listing of those consultants determined to be interested and available. Evaluate the Statements of Qualifications meeting minimum submission criteria based upon qualifications submitted and conduct discussions with those firms deemed to be the most highly qualified to provide the services required. Each of the firms will be required to execute the Truth-In-Negotiation certificate as defined in Florida Statutes 287.055. Selection as best qualified will be based on the following considerations:
 - a. Responsiveness of the submittal clearly stating an understanding of the work to be performed for the County
 - b. Firm's reputation and competence, including technical education and training of personnel, experience in airport financial and business consulting services, availability of adequate personnel, equipment and facilities, and the extent of repeat business of the firm
 - c. Current workload
 - d. Financial responsibility
 - e. Past record of professional accomplishments of the firm and professional to be assigned to the engagement
 - f. Previous experience with the Okaloosa County Airports System
 - g. Familiarity with and understanding of the proposed services to be undertaken
 - h. Qualifications of personnel assigned to the engagement

- i. Experience in providing management consulting services to airports similar in size and requiring services similar in scope to those herein proposed
 - j. Firm's Fee Schedule
 - k. Firm's capability to meet schedules
 - l. Willingness to meet time and budget requirements
 - m. Demonstrated expertise and experience
 - n. Geographic location of the firm
 - o. Women and minority participation
2. After review of all Statements of Qualifications received, proceedings will be as follows:
 - a. The selection committee will review all written documents submitted.
 - b. The committee's ranking of prospective firms shall be based on the firm's capabilities, ability, adequacy of personnel, past record, recent experience, current workload, schedule of fees and location of the firm and individuals assigned to the engagement.
 - c. The committee may request oral presentations from the firms when establishing the recommended priority or short list.
 3. Negotiations between the selection committee and the priority listed consultants (the firms ranked highest on the Board approved short list) will proceed as follows:
 - a. Negotiations will be held with the first firm on the priority list.
 - b. If no tentative Agreement can be reached with the first selection, then negotiations will commence with the second selected firm on the short list.
 - c. If no tentative Agreement can be reached with the second selected firm, then negotiations will commence with the third listed firm.
 - d. If no tentative Agreement is reached with the third firm, then the committee shall return to the Board to report such and recommend that a new short list be established from among the other Statements of Qualifications submitted. If for any reason said procedure is not feasible, the committee shall seek direction from the Board as to how to proceed further.
 - e. Okaloosa County reserves the right to negotiate agreements with one or more firms for these services.

4. Presentation of the tentative Agreement by the selection committee to the Board for approval. The Executive Summary shall inform the Board as to the terms, conditions, and costs associated with the Agreement.
5. Upon approval of the Agreement by the Board, execution of a formal written Agreement prior to commencement of the work will be required.
6. Direct contact one-on-one with the Committee members is not allowed. Selection will be on the basis of professional qualifications and experience.
7. Any questions regarding this RFQ should be directed to Zan Fedorak, Okaloosa County Purchasing Manager, in writing. Any changes made by the County to this RFQ shall be in writing in the form of an addendum and furnished to all proposers. Verbal information obtained otherwise will not be considered in the award. **Respondents must understand that they are not allowed to contact the Review Committee members for information. Respondents must execute the enclosed No Contact Clause form.**

NOTE: Crestview, Florida is "**not a next day guaranteed delivery location**" by delivery services.

Public Entity Crime Information: A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, for **CATEGORY TWO** for a period of 36 months from the date of being placed on the convicted vendor list.

The engagement of certain professional services, including those required by this Request for Qualifications, is exempt from the provisions of the Administrative Procedure Act, Chapter 120, Florida Statutes, as amended, and therefore are not to be subject to the appeal process therein described at any time during or after the solicitation period.

Right to Waive and Reject

- a. The Board, in its absolute discretion, may reject any Statements of Qualifications of any firm that has failed, in the opinion of the Board, to complete or perform an Okaloosa County contracted project in a timely fashion or has failed in any other way, in the opinion of the Board, to perform a prior contract in a satisfactory manner, and has directed the Okaloosa County Purchasing Manager to emphasize this condition to potential respondents to this Request for Qualifications.
- b. There is no obligation on the part of the County to award to the lowest price firm submitting, and the County reserves the right to award the proposed Agreement to the firm submitting a responsive Statements of Qualifications with a resulting negotiated Agreement which is most advantageous and in the best interest of Okaloosa County, and to reject any and all submissions or to waive any irregularity or technicality in any

Statement of Qualifications received. Okaloosa County shall be the sole judge of each submittal and the resulting negotiated Agreement that is in its best interest and its decision shall be final.

- c. The Board of County Commissioners reserves the right to waive any informalities or reject any and all Statements of Qualifications, in whole or part, to utilize any applicable state contracts in lieu of or in addition to Statements of Qualifications submitted and to accept the submission that in its judgment will best serve the interest of the County.
- d. The Board of County Commissioners specifically reserves the right to reject any conditional submissions or proposals.

Disqualification of Submitting Firms

Any of the following reasons may be considered as sufficient for the disqualification of a submitting firm and the rejection of its Statement of Qualifications:

- a. More than one submittal for the same work from an individual, firm or corporation under the same or different name.
- b. Evidence that the firm submitting the statement has a financial interest in the firm of another submitting firm for the same work.
- c. Evidence of collusion among firms submitting Statements of Qualifications. Participants in such collusion will receive no recognition for any future work of the County until such participant shall have been reinstated as a qualified firm.
- d. Uncompleted work that in the judgment of the County might hinder or prevent the prompt completion of additional work if awarded.
- e. Default under a previous contract or agreement.
- f. The Board, in its absolute discretion, may reject any Statements of Qualifications from any firm that has failed, in the opinion of the Board, to complete or perform an Okaloosa County contracted project in a timely fashion or has failed in any other way, in the opinion of the Board, to perform a prior contract in a satisfactory manner, and has directed the Okaloosa County Purchasing Manager to emphasize this condition to potential firms responding to this Request for Qualifications.

Discrimination

An entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid on a contract to provide goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not award or perform work as a contractor, supplier, subcontractor, or consultant under contract with any public entity, and may not transact business with any public entity.

Regulations and Ordinances

The submitting firm is required to be familiar with all Federal, state and local laws, ordinances, code rules and regulations that may in any way affect the work. Ignorance on the part of the submitting firm shall in no way relieve it from responsibility.

Disadvantaged Business Enterprises

Okaloosa County has adopted policies that assure and encourage full participation of DBE's in the provision of goods and services. In addition, Federal participation in projects requires certain participation goals to which the County expects its consultants to adhere.

Prohibition Against Contingent Fees

Florida Statute 287.6.a. requires the following statement, duly signed and notarized, be included in each submittal:

"The respondent warrants that he or she has not employed or retained any company or person, other than a bona fide employee working solely for the respondent to solicit or secure this agreement and that he or she has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the respondent, any fee, commission or percentage, gift or other consideration contingent upon or resulting from award or making of this agreement."

INDEMNIFICATION AND HOLD HARMLESS

To the fullest extent permitted by law, Contractor (Consultant) shall indemnify and hold harmless County, its officers and employees from liabilities, damages, losses, and costs including but not limited to reasonable attorney fees, to the extent caused by the negligence, recklessness, or intentional wrongful conduct of the Contractor (Consultant) and other persons employed or utilized by the Contractor (Consultant) in the performance of this Agreement.

Company Name

Authorized Signature - Manual

Physical Address

Authorized Signature - Typed

Mailing Address

Title

Phone Number

FAX Number

Cellular Number

After-Hours Number(s)

DATE

(REVISED: February 2014)

CONFLICT OF INTEREST DISCLOSURE FORM

For purposes of determining any possible conflict of interest, all bidders/proposers, must disclose if any Okaloosa Board of County Commissioner, employee(s), elected officials(s), of if any of its agencies is also an owner, corporate officer, agency, employee, etc., of their business.

Indicate either "yes" (a county employee, elected official, or agency is also associated with your business), or "no". If yes, give person(s) name(s) and position(s) with your business.

YES _____

NO _____

NAME(S)

POSITION(S)

FIRM NAME: _____

BY (PRINTED): _____

BY (SIGNATURE): _____

TITLE: _____

ADDRESS: _____

PHONE NO.: _____

DRUG-FREE WORKPLACE CERTIFICATION

THE BELOW SIGNED BIDDER/PROPOSER/RESPONDENT CERTIFIES that it has implemented a drug-free workplace program. In order to have a drug-free workplace program, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under quote a copy of the statement specified in subsection 1.
4. In the statement specified in subsection 1, notify the employees that, as a condition of working on the commodities or contractual services that are under quote, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or *nolo contendere* to, any violation of Chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in, drug abuse assistance or rehabilitation program if such is available in employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I certify that this firm complies fully with the above requirements.

DATE: _____ SIGNATURE: _____

COMPANY: _____ NAME: _____

(Typed or Printed)

ADDRESS: _____ TITLE: _____

PHONE NO.: _____

**ATTACHMENT A - BACKGROUND INFORMATION
GUIDELINES FOR STATEMENTS OF QUALIFICATIONS
AIRPORT MANAGEMENT CONSULTING SERVICES
OKALOOSA COUNTY AIRPORTS SYSTEM**

The following sections of this **Attachment A** provide background information on the airports within the Okaloosa County Airports System.

Northwest Florida Regional Airport

The Northwest Florida Regional Airport ("Airport") is located approximately six miles northwest of the City of Fort Walton Beach, Florida, in Okaloosa County, Florida, on approximately 130 acres of land on Eglin Air Force Base. Eglin Air Force Base is the largest Air Force base in the world, covering 724 square miles of land and approximately 123,000 square miles of water ranges in the Gulf of Mexico. The base is under the direction of the Air Material Command and the 96th Test Wing. The 96th Test Wing is responsible for planning, development, direction, and testing and evaluation of U.S. and allied air armament, navigation/guidance systems, and command and control systems for all air-delivered weapons. Eglin houses over fifty associate units of the Air Force, including specialized schools, operations and tactical wings, laboratories and research units. The Airport is located on the western side of the military airfield. The County has leased the property on which the Airport sits from the Department of the Air Force for many years. The current lease (the "Lease") was executed on July 30, 2007 and ends on July 16, 2038. The rent payable under the Lease is based on a base rate of \$318,000 per year for the first year of the term, escalated at 3% per year. The Lease may be terminated by the Air Force at any time during any national emergency. The Lease may also be terminated or suspended 30 days after a determination by the Secretary of the Air Force that paramount military necessity at Eglin Air Force Base requires such suspension or termination.

The Lease provides that all construction or alterations to the Airport must be approved by the Air Force and the County's operation of the Airport is subject to the priority and primacy of the Air Force's mission at Eglin Air Force Base, in the judgment of the Base Commander.

The Airport is one of 22 joint-use airports in the country. The Airport's civil aviation operations share the military runways at Eglin Air Force Base and use Eglin's air traffic control facilities to coordinate aircraft operations. Pursuant to a 30-year Joint-Use Agreement ("JUA") expiring in 2031, the Air Force permits scheduled commercial aircraft to use the flying facilities at Eglin Air Force Base for not more than 84 operations (including landings and takeoffs) per day, under the control of the Air Force control tower, and subject to priority for military takeoffs and landings. This JUA is subject to suspension or termination on a similar basis to the Lease, described above. The County pays an annual amount based on operations to reimburse the Air Force for its share of the cost of operating and maintaining the flying facilities. The County plans to submit a formal proposal to the Air Force for a new 50-year Lease and a new 50-year Joint-Use Agreement.

Service Area

The area primarily served by the Airport (the "Air Trade Area") is Okaloosa County and a portion of its two adjoining Florida counties, Santa Rosa County and Walton County. The Air Trade Area is located in the panhandle of Florida along the shores of the Gulf of Mexico. The City of Fort Walton Beach is the largest city within the Air Trade Area and is located approximately 151 miles west of Tallahassee and 41 miles east of Pensacola.

Passengers originating from adjacent Escambia, Holmes, and Washington counties in Florida, as well as Southern Alabama, may constitute a secondary service area, but most passengers using the Airport originate in the Air Trade Area.

There is no connecting or hub activity at the Airport, and all passengers are "origin and destination passengers".

The nearest competing airports are Pensacola International Airport, 50 miles to the west, and Northwest Florida Beaches International Airport, 58 miles to the east. Set forth on the following page is the historical regional share of enplanements for the Northwest Florida Regional Airport, the Pensacola International Airport, and the Panama City's Northwest Florida Beaches International Airport.

REGIONAL SHARES OF ENPLANEMENTS

Calendar Year	<u>Northwest Florida Regional</u>		<u>Pensacola International</u>		<u>Northwest Florida Beaches International⁽¹⁾</u>		Regional Totals
	<u>Regional Enplanements</u>	<u>Share</u>	<u>Regional Enplanements</u>	<u>Share</u>	<u>Regional Enplanements</u>	<u>Share</u>	
2003	355,367	28.83%	690,095	55.99%	187,066	15.18%	1,232,528
2004	388,958	29.33	741,311	55.91	195,688	14.76	1,325,957
2005	407,053	28.70	821,477	57.91	189,938	13.39	1,418,468
2006	370,558	27.26	812,121	59.74	176,640	12.99	1,359,319
2007	411,116	28.93	840,483	59.14	169,660	11.94	1,421,259
2008	391,027	29.28	776,440	58.15	167,877	12.57	1,335,344
2009	386,724	31.22	696,412	56.22	155,557	12.56	1,238,693
2010	370,534	25.77	742,301	51.62	325,203	22.61	1,438,038
2011	447,242	27.05	772,997	46.75	403,081	26.19	1,653,320
2012	385,428	23.02	759,215	48.77	439,183	28.21	1,556,826
2013	<u>370,261</u>	<u>24.12%</u>	<u>756,553</u>	<u>49.29%</u>	<u>408,037</u>	<u>26.58%</u>	<u>1,534,851</u>
Weighted Average		23.94%		55.02%		17.04%	100.0%
Compounded Annual Growth Rate		0.10%		1.07%		9.95%	

⁽¹⁾ Formerly Panama City-Bay County International Airport. A new airport was constructed west of Panama City in 2010.

Source: Okaloosa County Airports Department

Airfield Facilities

The airfield facilities at the Airport (the "Airfield") consist of two precision instrument runways, Runway 12/30 and Runway 1/19, together with associated taxiways, aircraft parking aprons and an Air Force air traffic control tower. Runway 12/30 is 12,005 feet long and runway 1/19 is 10,012 feet long and both are equipped with high intensity runway edge lighting with sequenced flashers located on each end of the runways. Both runways are available to the County based on the Joint Use Agreement. With the exception of the civilian aircraft Taxiways D-1 and D-2 and the terminal apron, all airside facilities are maintained by the Air Force. Taxiways D-1 and D-2 are parallel taxiways providing access from the terminal aircraft parking apron to Runway 12/30 and its northern parallel taxiway. Both taxiways are equipped with medium intensity taxiway edge lighting. The dual taxiway system provides for the ability to operate simultaneous arriving and departing operations without undue aircraft hindrance or delay.

Terminal Facilities

Following the completion of the Airport's 1998 master plan and based on recommendations therein, the County began the planning, design, and construction of a new terminal facility. At that time, the age and condition of the Airport's existing 38,000 square foot terminal building, and the increasing passenger levels accommodate by the Airport, dictated the need for a larger, more modern facility. The new two-story terminal facility, including a pier concourse with three second level and three ground level gates, with an area of approximately 110,000 square feet, opened in November 2004. In 2011, the concourse area was expanded to include two additional upper level gates. The first floor area was developed to lease to the Transportation Security Authority (TSA). The new areas brought the terminal to just over 119,000 square feet. The terminal includes five gates with passenger loading bridges on the upper-level of the east side of the concourse and three regional jet gate areas on the lower west side. The County plans to install new, modern, ground level passenger loading bridges at these gates. In addition to areas for airlines, the terminal includes areas for five rental car operators, lower level space for the Transportation Security Administration (TSA), food/beverage and gift operations, passenger support facilities and the Airport's administration and maintenance departments.

Support Facilities

Rental Car Areas. There are currently six rental car companies operating from five counters on-site at the Airport. One of the six companies offers dual branding. The companies currently lease rental car counter and office space totaling approximately 750 square feet in the passenger terminal to support their on-Airport operations. The on-site manager and other staff generally share these offices.

The rental car companies occupy a consolidated service facility located east of the passenger terminal building. The County opened new rental car service facilities, including office/storage areas, vehicle maintenance areas, a five-bay consolidated car wash building, a consolidated fueling facility, and vehicle storage areas for each rental car operator in 2009.

The Airport's primary ready/return area is located on the east side of the terminal building, and contains a total of 439 parking spaces. Additional parking next to each company's maintenance area is provided for storing overflow rental vehicles. On an annual basis, rental car operators are allocated ready/return spaces in these areas based on their market share at the Airport.

Public/Employee Parking. Existing public and employee parking facilities at the Airport comprise a total of approximately 2,374 vehicle parking spaces. Existing parking facilities and their respective capacities are summarized as follows:

Long Term	795 total spaces including 16 reserved for handicap use
Short Term	207 total spaces including 6 reserved for handicap use
Employee Lot	542 spaces including 12 reserved for handicap use
Reserved	47 spaces including 2 reserved for handicap use
Credit Card Express	783 spaces including 15 reserved for handicap use

Fuel Facility. In 2009, a new fuel storage facility was constructed east of the new cargo/maintenance building. It consists of four 20,000 gallon above ground storage tanks for Jet A aviation fuel. In addition, there are two 25,000 gallon above ground tanks for unleaded gasoline through which the Airport stores and sells fuel to the rental car companies. Lastly, a 1,000 gallon above ground tank supplies diesel fuel. Aviation fuel is purchased by the airlines and stored for uploading into planes by an independent vendor at a charge paid to the vendor. That vendor pays a fuel flowage fee to the Airport based on the gallons uplifted to the commercial aircraft.

Support Facilities. Major Airport support facilities include the Baldwin Building, located east of the terminal building, which houses key components of the Airport's electrical and communications infrastructure, and a 12,000 square foot combination cargo and maintenance building. The Airport maintenance department, responsible for maintaining County-owned buildings, grounds, and apron areas, currently utilizes 4,000 square feet in the 12,000 square foot cargo maintenance building.

Other Airports

In addition to the Airport, the County also owns and operates two general aviation facilities, Bob Sikes Airport and Destin/Ft. Walton Beach Airport.

Bob Sikes Airport. Bob Sikes Airport is located northeast of the City of Crestview and is approximately 18 miles north of the Airport. It is a public-use airport accommodating general aviation, air taxi and some military operations. Runway 17/35 at Bob Sikes Airport has a length of 8,005 feet, width of 150 feet, and has precision instrument approach capabilities. Both the runway and taxiway have been resurfaced and upgraded within the last 2 years. Approximately 50 aircraft are based at Bob Sikes Airport and a full service fixed base operator (FBO), Emerald Coast Aviation, supports local and transient operators. The Bob Sikes Airport location is home to several major defense-related companies, including L3 Communications and BAE Systems.

Destin/Ft. Walton Beach Airport. Destin/Ft. Walton Beach Airport is located approximately 6 miles southeast of the Airport. The public use general aviation airport has a 5,000-foot runway and is supported by non-precision instrument approaches. Approximately 75 aircraft are based at Destin/Ft. Walton Beach Airport, and the airport's two FBOs, Regal Aviation and Destin Jet, provide fueling and aircraft parking services to local and itinerant aircraft. Southern Airways Express has recently begun commercial charter service from Destin to four cities in the southeast: Memphis, New Orleans, Birmingham and Oxford, Mississippi.

Airline Market Share

For the Fiscal Year 2013, Delta Air Lines and its regional affiliates had the largest share of the Airport's origination and destination ("O&D") passengers, accounting for nearly 51.5 percent of O&D passengers with service to Atlanta. American Airlines had the second-largest market share, with just under a quarter of the market at 22.0 percent, with service to Dallas/Ft. Worth. US Airways had the third largest share at 15.4 percent with daily flights to Charlotte. Fourth place went to United, which had merged with Continental and continued service to Houston, with 11.1 percent. Prior to its bankruptcy declaration, Delta had approximately 70% of the Airport's market share for Fiscal Years 2002-2005, but after merging with Northwest, it stopped service to Memphis. The Airport experienced a significant but temporary increase in enplanements in 2011 when Vision Airlines experimented with less than daily service to as many as 20 different cities. This overextended service effort proved to be unworkable and Vision withdrew from the market in March 2012.

Enplanements 2008 - 2013

Set forth below is a table showing Historical Enplaned Passengers by Airline for Fiscal Years 2008-2013.

Historical Enplaned Passengers by Airline

Airline	FY 2008 Enplaned Passengers	Share (%)	FY 2009 Enplaned Passengers	Share (%)	FY 2010 Enplaned Passengers	Share (%)	FY 2011 Enplaned Passengers	Share (%)	FY 2012 Enplaned Passengers	Share (%)	FY 2013 Enplaned Passengers	Share (%)
Delta	205,211	51.3	189,831	49.1	204,530	55.4	207,182	46.2	202,360	52.5	192,996	51.5
Northwest	82,515	20.6	59,619	15.4	7,666	2.1	0	0.0	0	0.0	0	0
American	83,164	20.8	74,587	19.3	71,283	19.3	76,989	17.2	79,782	20.7	82,221	22.0
United/ Continental	15,764	3.9	25,734	6.7	37,161	10.1	38,973	8.7	40,113	10.4	41,388	11.1
US Airways	13,036	3.3	36,550	9.5	48,590	13.2	50,507	11.3	60,035	15.6	57,826	15.4
Vision							75,219	16.8	2,875	0.7	0	0
Airport Total	399,690	100.0	386,321	100.0	369,230	100.0	448,870	100.0	385,165	100.0	374,431	100

Source: Okaloosa County Airports Department

Aircraft Operations

Set forth below is a table showing Commercial Operations at the Airport for Fiscal Years 2008-2013.

Commercial Operations

<u>Fiscal Year</u>	<u>Airport Operations</u>
2008	16,062
2009	15,018
2010	18,692
2011	20,502
2012	15,724
2013	15,642

<u>Compounded Annual Growth Rate</u>	
2008 - 2013	1.0%

Source: Okaloosa County Airport Department

Landed Weight

The table set forth on the next page presents the historical share of landed weight by commercial airlines at the Airport between Fiscal Year 2008 and Fiscal Year 2013. As shown, Delta carriers and Northwest had a combined 42 to 66 percent share of Airport landed weight between Fiscal Year 2008 and Fiscal Year 2012. This percentage fell over the period as the merged Delta cut direct flights to Memphis.

Landed Weight⁽¹⁾⁽²⁾

<u>Airline</u>	<u>FY 2008 Landed Weight (1,000 lbs)</u>	<u>Share (%)</u>	<u>FY 2009 Landed Weight (1,000 lbs)</u>	<u>Share (%)</u>	<u>FY 2010 Landed Weight (1,000 lbs)</u>	<u>Share (%)</u>	<u>FY 2011 Landed Weight (1,000 lbs)</u>	<u>Share (%)</u>	<u>FY 2012 Landed Weight (1,000 lbs)</u>	<u>Share (%)</u>	<u>FY 2013 Landed Weight (1,000 lbs)</u>	<u>Share (%)</u>
Delta	179,642	42.1	207,066	43.6	241,044	42.7	236,845	41.9	230,281	52.9	235,636	53.6
Northwest	102,821	4.1	80,629	17.0	12,080	2.1	0	0.0	0	0.00	0	0
American	80,356	18.8	90,318	9.0	86,947	15.4	82,236	14.6	82,596	19.0	87,008	19.8
United/ Continental	64,180	15.0	47,962	10.1	41,061	7.3	38,492	6.8	41,154	9.4	42,432	9.7
US Airways			49,062	10.3	73,652	13.0	64,567	11.4	76,542	17.6	74,340	16.9
Vision							142,941	25.3	5,084	1.2	0	0
Airport Total	426,999	100.0	475,037	100.0	454,784	100.0	565,081	100.0	435,657	100.0	439,416	100

⁽¹⁾ Weight in 1,000 pound units.

⁽²⁾ Columns may not add to totals shown because of rounding.

Source: Okaloosa County Airports Department

Passenger Facility Charge ("PFC")

The County is currently collecting PFCs at the rate of \$4.50 per passenger for each eligible flight segment flown from the Airport. The County is currently authorized to impose and use up to \$47,609,515 in PFCs through the projected expiration date of July 1, 2031. As of June 30, 2013, the County had collected PFCs in the amount of approximately \$18,343,391, which included interest earnings of \$1,317,373. The County is now in the process of preparing a new PFC application to be filed with the FAA. If this application is approved, the number of PFC-eligible projects and approved collections will be increased and a new project expiration date will be calculated. The PFCs are pledged to secure the Series 2003 and 2014 Refunding Bonds, but are not pledged to secure the Series 2007 Bonds, which are secured by Customer Facility Charges. Set forth below is a table showing historical PFC Revenues received by the County through Fiscal Year 2013.

Historical PFC Revenues

<u>Fiscal Year</u>	<u>Amount</u>
2007	\$1,501,007
2008	1,533,959
2009	1,525,101
2010	1,466,902
2011	1,496,214
2012	1,543,113
2013	1,482,268

Since 2003, PFC Revenues have been sufficient to pay debt service associated with the County's Series 2003 Bonds. These Bonds and a commercial paper loan were refunded in January 2014 ("2014 Refunding Bonds"). The 2014 Refunding Bonds in the amount of \$8,920,000 will mature on October 1, 2028. Approximately 96.3 percent of the annual debt service on these bonds will be paid for with PFCs.

Customer Facility Charges

An Airport Customer Facility Charge ("CFC") is imposed pursuant to Ordinance No. 04-64 of the County, enacted October 19, 2004, as amended by Ordinance No. 07-21 of the County, enacted May 1, 2007 and Ordinance No. 10-16 of the County enacted November 16, 2010 (collectively, the "CFC Ordinance"). Under the terms of the CFC Ordinance, a CFC is a charge of \$3.75 per Rental Car Transaction Day is levied on all rental car tenant of a passenger vehicle. Each Rental Car Operator is obligated under the CFC Ordinance to collect and remit to the County all CFCs imposed on its customers pursuant to the CFC Ordinance, whether or not they are actually collected from its customers.

Set forth below is a table showing historical CFCs received by the County. CFC revenues have been sufficient since 2007 to pay annual debt service associated with the Series 2007 Bonds which were issued in the amount of \$9,980,000 to construct Consolidated Rental Car Facilities. The average annual debt service on these Bonds which mature on October 1, 2030 is approximately \$888,000.

<u>Fiscal Year</u>	<u>CFC Revenue</u>
2006	\$ 781,260
2007	1,025,781
2008	1,282,388
2009	1,175,375
2010	1,072,591
2011	1,485,337
2012	1,495,728
2013	1,595,294

The Airline Agreements

The County has executed Signatory Airlines' Operating Agreements and Terminal Building Leases ("Airline Agreements") with Delta Air Lines, American Airlines, United Airlines and US Airways, each of which operates as a signatory carrier at the Airport. The provisions of the Airline Agreements commenced (other than with respect to airlines that began service after such date) October 1, 2010 and, unless terminated sooner, expired on September 30, 2013. Each of the Airlines have extended their agreements for three (3) years through September 30, 2016.

Pursuant to the terms of the Airline Agreement, the County calculates airline terminal rentals under a compensatory approach with revenue sharing credits under which the airlines pay for their specific use of the terminal area. The calculation of landing fees is determined based on a residual approach with revenue sharing credits. Non-Signatory Airlines (of which there are currently none) are required to pay certain non-signatory rates. Amounts due under the Airline Agreements compose a substantial part of the Net Revenues. The Airline Agreements impose a terminal rental rate for airlines' preferential holdroom, office, counter and support space, per passenger common use charges for outbound and inbound baggage space, and a landing fee rate per enplaned passenger, a security charge and loading bridge charge. The terminal rate calculation combines direct and indirect operation and maintenance expenses and debt service and other requirements attributable to the airfield cost center with certain credits.

Bond Rating

Standard and Poor's, in its most recent rating (April 13, 2012) reaffirmed its "BBB+" rating on Okaloosa County, Florida's Airport revenue bonds with a stable outlook. Noting that the 2003 and 2007 bonds are secured by Airport revenues and pledged with PFCs and CFCs respectively, it also viewed that "...VPS (is) a small-hub airport with good financial metrics that are offset by volatile enplanements due to a slow economy and, more recently, an airline's (Vision) decision to stop serving the airport." Credit strengths noted included: a good financial risk profile, moderate debt burden, and a low airline cost structure.

HISTORICAL OPERATING RESULTS

The following tables of Historical Operating Results of the Airport are derived from the audited financial statements of the County for the fiscal years ended 2008 through 2012, inclusive. Fiscal Year 2013 audited financial statements are not yet available.

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
OPERATING REVENUES					
Charges for Services	\$7,605,726	\$8,202,533	\$8,656,082	\$9,451,744	\$9,208,230
Miscellaneous	<u>860</u>	<u>908</u>	<u>101,441</u>	<u>2,393</u>	<u>802</u>
TOTAL OPERATING REVENUES	\$7,606,586	\$8,203,441	\$8,757,523	\$9,454,137	\$9,209,032
OPERATING EXPENSES					
Personal Services	1,309,867	1,336,415	1,425,680	1,395,918	1,840,328
Contractual Services	1,376,796	1,644,117	1,608,640	1,920,115	2,118,909
Supplies	305,203	381,504	565,966	797,664	828,649
Utilities	729,604	827,692	785,564	876,743	808,259
Other Operating Expenses	1,411,235	1,484,741	1,651,014	2,903,169	2,459,902
Depreciation	<u>2,272,496</u>	<u>2,806,403</u>	<u>3,182,841</u>	<u>3,320,226</u>	<u>3,524,789</u>
TOTAL OPERATING EXPENSES	\$7,405,201	\$8,480,872	\$9,219,705	\$11,213,835	\$11,580,836
OPERATING INCOME (LOSS)	201,385	(277,431)	(462,182)	(1,759,698)	(2,371,804)
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenues	347,780	367,054	267,673	47,941	9,553
Investment Income	432,527	353,769	361,149	148,620	293,061
Other Non-Operating Income	95,785	30,276	5,500	15,210	12,000
Interest Expense	(826,860)	(776,553)	(1,199,270)	(1,172,013)	(1,208,154)
Other Debt Service Costs	(130,989)	(166,581)	(152,531)	(141,510)	(133,120)
PFC/CFC	2,741,829	2,553,688	2,539,493	3,217,536	2,910,080
Gain/Loss on Disposal of Fixed Assets	<u>608</u>	<u>(380,398)</u>	<u>(1,800)</u>	<u>558</u>	<u>(4,617)</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	\$2,660,680	\$1,981,255	\$1,820,214	\$2,116,342	\$1,878,803
INCOME (LOSS) BEFORE OPERATING TRANSFERS	<u>2,862,065</u>	<u>1,703,824</u>	<u>1,358,032</u>	<u>356,644</u>	<u>(493,001)</u>
Capital Contributions ⁽¹⁾	8,500,606	2,476,460	4,513,934	12,217,146	8,916,994
Operating Transfers In					100,000
Operating Transfers Out	(1,067,100)	(1,013,427)	(1,119,595)	(1,039,095)	(460,785)
NET INCOME (LOSS)	\$10,295,571	\$3,166,857	\$4,552,371	\$11,534,695	\$8,063,208

⁽¹⁾Represent grant funds received by the County.

Source: Okaloosa County, Florida audited financial statements (2008-2012)

SAMPLE AGREEMENT

FOR

AIRPORT MANAGEMENT CONSULTING SERVICES

BETWEEN

OKALOOSA COUNTY BOARD OF COMMISSIONERS

AND

(Consultant's Name)

AGREEMENT FOR
AIRPORT MANAGEMENT CONSULTING SERVICES

between the

OKALOOSA COUNTY BOARD OF COUNTY COMMISSIONERS

and

This Agreement for Airport Management Consulting Services ("Agreement") is made and entered into as of the _____ day of _____, 2014 by and between the **Okaloosa County Board of Commissioners**, a political subdivision existing under and by virtue of the laws of the State of Florida, with a business address at 101 East James Lee Boulevard, Crestview, Florida 32536 ("COUNTY"), and _____, a [state] corporation with a business address at [address, city, state, zip] ("CONSULTANT").

WITNESSETH:

WHEREAS, the COUNTY desires to employ the services of the CONSULTANT to provide professional airport management consulting services for the Okaloosa County Airports System; and

WHEREAS, the CONSULTANT has stated that it is qualified, willing and able to perform the said services required on the terms and conditions hereinafter set forth; and

WHEREAS, the COUNTY has given public notice of the professional airport management consulting services to be considered and provided pursuant to this Agreement; and

WHEREAS, the selection of the CONSULTANT has been made in accordance with the provisions of the Competitive Negotiation Act, Section 287.055, Florida Statutes, and County policy; and

NOW, THEREFORE, in consideration of the mutual premises and covenants herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 - SERVICES

The CONSULTANT'S obligation under this Agreement is to provide airport management consulting services for the COUNTY for the Okaloosa County Airports System in accordance with the provisions of Article 1 and other terms of this Agreement.

Services of the CONSULTANT shall be under the general direction of the COUNTY Airports Director or his or her designee, who shall act as the COUNTY'S representative during the performance of this Agreement.

The COUNTY will authorize the CONSULTANT to proceed on a Task Order/Scope of Services basis that will be negotiated for each project. Said Task Order/Scope of Services shall be in such format as is established by COUNTY. Each Task Order/Scope of Services will be consecutively numbered and be of sufficient detail to assure a complete project. The COUNTY makes no guarantee as to the amount or type of projects that will be assigned. Projects will be assigned at the sole discretion of the COUNTY. No work will commence until a fully executed Task Order is received by the CONSULTANT. The scope of services assigned under any Task Order may include but is not limited to any of the services delineated on **Exhibit A** attached to this Agreement.

ARTICLE 2 - SCHEDULE

Term of Agreement. This Agreement will become effective upon execution by the COUNTY and will expire three (3) years from the date of execution. This Agreement may be renewed for two (2) additional one-year periods upon signed agreement by both parties prior to the expiration of the term then in effect.

The CONSULTANT shall commence services upon approval of the Task Order/Scope of Services and complete all services as provided by the Task Order/Scope of Services and prior to the initial termination date or any extension of renewal hereof.

ARTICLE 3 - CHANGES

COUNTY may make or approve changes within the Task Order/ Scope of Services. If such changes affect CONSULTANT'S cost of or time for performance of the Services, an adjustment may be negotiated and will be made through an amendment to the affected Task Order/Scope of Services.

ARTICLE 4 - PAYMENTS TO CONSULTANT

The COUNTY shall pay the CONSULTANT for services satisfactorily performed at the amount indicated in each Task Order/Scope of Services attached to this Agreement, which includes all direct charges, indirect charges and reimbursable expenses, if any. The CONSULTANT will base its charges on the Schedule of Fees attached as **Exhibit B** or alternatively pursuant to any lump sum fee established under any Task Order. The CONSULTANT will bill the COUNTY monthly as work progresses. COUNTY shall give notice of invoiced sums which it may reasonably dispute or contest. Invoices will, at minimum, be numbered sequentially and specify the time period for charges, the work performed, the amount requested for that invoice and a total amount paid to date and budget remaining.

Invoices received from the CONSULTANT pursuant to this Agreement will be reviewed and approved by the Airports Director or his/her designee, indicating the services have been rendered in conformity with the Agreement, then will be sent to the Purchasing Manager, Contracts and Grants Manager, and/or to the County Manager, in conformance with the County Purchasing Policy, for approval. They then will be sent to the Finance Department for payment. The invoice must reference the Task Order/Scope of Services number, the current purchase order number (if any), specify the time period the invoice covers, and provide a narrative describing the work performed.

In order for both parties herein to close their books and records, the CONSULTANT shall clearly state "Final Invoice" on the CONSULTANT'S final/last task order invoice to the COUNTY. This shall indicate that contracted services have been performed and all charges and costs have been invoiced to the COUNTY. This invoice shall close the Task Order to future billings and future charges shall be waived

by CONSULTANT. CONSULTANT shall deliver to the COUNTY for approval and acceptance, and before being eligible for final payment of any amounts due, all documents and materials required by the respective Task Order.

The compensation for Services to be defined in each Task Order/Scope of Services for each assignment to this Agreement will be based on either a lump sum amount or on time and materials NOT TO EXCEED basis based on the CONSULTANT'S Schedule of Fees, included as **Exhibit B**, for the actual time worked on the task. CONSULTANT also will be compensated for subcontracts and outside services incurred for the task, no mark up for these services will be allowed.

ARTICLE 5 - MODIFICATIONS TO AGREEMENT

The COUNTY reserves the right to make changes in the work, including alterations, reductions therein or additions thereto. Upon receipt by the CONSULTANT of the County's notification of a contemplated change, the CONSULTANT shall (1) if requested by the COUNTY, provide an estimate for the increase or decrease in cost due to the contemplated change, (2) notify the COUNTY of any estimated change in the completion date, and (3) advise the COUNTY in writing if the contemplated change shall affect the CONSULTANT's ability to meet the completion dates or schedules established by this Agreement or the original Task Order/Scope of Services.

If the COUNTY so instructs in writing, the CONSULTANT shall suspend work on that portion of the work affected by the contemplated change, pending the COUNTY's decision to proceed with the change.

If the COUNTY elects to make the change, the COUNTY shall issue an amendment or change order to the involved Task Order and the CONSULTANT shall not commence work on any such change until such written amendment or change to the Task Order has been issued and signed by each of the parties.

ARTICLE 6 - DISPUTES

If a dispute or complaint arises concerning this Agreement, CONSULTANT and COUNTY agree that they will use their best efforts to negotiate a resolution of the dispute, if no mutually satisfactory resolution can be reached then the dispute or complaint will be submitted to a mutually agreeable neutral mediator, as a condition precedent to litigation or other remedies provided by law. The cost of the mediator shall be apportioned equally between the parties.

ARTICLE 7 - EXCUSABLE DELAYS

COUNTY may order the CONSULTANT to suspend, delay, or interrupt all or any part of the CONSULTANT's services under any Task Order/Scope of Services for such period of time as COUNTY may determine to be appropriate for the convenience of the COUNTY.

If the performance of all or any part of the CONSULTANT's services is suspended, delayed, or interrupted for the convenience of COUNTY, the Task Order/Scope of Services will be modified in writing accordingly.

The CONSULTANT shall not be considered in default by reason of any failure in performance if such failure arises out of causes reasonably beyond the CONSULTANT'S control and without its fault or negligence. Such causes may include, but are not limited to: Acts of God, the COUNTY's omissive or commissive failures; natural and public health emergencies, labor disputes; freight embargoes; and severe

weather conditions. If the failure to perform is caused by the failure of the CONSULTANT'S subcontractor(s) and is without the fault or negligence of either of them, the CONSULTANT shall not be deemed to be in default.

Upon the CONSULTANT'S request, the COUNTY shall consider the facts and extent of any failure to perform the work and, if the CONSULTANT'S failure to perform was without its fault or negligence, any affected provision of this Agreement shall be revised accordingly; subject to the COUNTY'S right to change, terminate, or stop any or all of the work at any time.

In the event delays to the Task Order/Scope of Services work is encountered for any reason, the parties agree to undertake reasonable steps to mitigate the effect of such delays.

ARTICLE 8 - TERMINATION OF AGREEMENT

This Agreement may be terminated by the CONSULTANT on 30 calendar days prior written notice to the COUNTY in the event of substantial failure by the COUNTY to perform in accordance with the terms hereof through no fault of the CONSULTANT. It may also be terminated by the COUNTY, with or without cause, immediately upon written notice to the CONSULTANT.

In the event that this Agreement is terminated by either the COUNTY or the CONSULTANT, the CONSULTANT shall be compensated for all services satisfactorily performed to the date of termination. Such compensation shall be based on the arrangement set forth in each Task Order/Scope of Services, unless otherwise agreed.

After receipt of a termination notice and except as otherwise directed by the COUNTY the CONSULTANT shall:

- a. Stop work on the date and to the extent specified.
- b. Terminate and settle all orders and subcontracts relating to the performance of the terminated work.
- c. Transfer all work in process, completed work, and other material related to the terminated work to the COUNTY.
- d. Continue and complete all parts of the work that have not been terminated.

ARTICLE 9 - PERSONNEL

All of the services required herein under shall be performed by the CONSULTANT or under its supervision, and all personnel engaged in performing the services shall be fully qualified and, if required, authorized or permitted under state and local law to perform such services.

The standard of care applicable to CONSULTANT'S services will be the degree of skill and diligence normally employed by professional consultants performing the same or similar services at the time said services are performed. CONSULTANT will re-perform any services not meeting this standard without additional compensation. CONSULTANT represents that it has or will secure at its own expense all necessary personnel and equipment required to perform the services required by Task Orders/Scope of Services to this Agreement. Such personnel shall not be employees of, or have a contractual relationship with the COUNTY. CONSULTANT shall be solely responsible for adequate management and supervision of its employees, agents, and its subcontractors, the means, methods and techniques of

performing its services and the technical accuracy and adequacy of reports of analysis and other deliverables required under the Task Order/Scope of Services and this Agreement.

CONSULTANT warrants that it will perform its services in accordance with and comply with all applicable Federal, State and local laws, ordinances, and regulations applicable at the time said services are performed.

ARTICLE 10 - SUBCONTRACTING

CONSULTANT warrants that it will not subcontract any portion of the services to be performed under this Agreement or any Task Order/Scope of Service(s) without the prior written consent of COUNTY, which consent may be withheld at COUNTY's sole discretion. CONSULTANT warrants that it will bind all approved, subcontractors to the provisions of this Agreement that apply to CONSULTANT. However, neither this Agreement, nor any subcontracts will create any contractual relationship between any subcontractor and COUNTY, nor shall COUNTY have any liability to any subcontractor. The CONSULTANT shall be solely responsible for the satisfactory performance of services subcontracted by the CONSULTANT.

The COUNTY reserves the right to inspect all facilities of any subcontractor in order to make a determination as to the capability of the subcontractor to perform properly under this Agreement.

If a subcontractor fails to perform or make progress, as required by this Agreement, and it is necessary to replace the subcontractor to complete the work in a timely fashion, the CONSULTANT shall promptly do so, subject to acceptance of the new subcontractor by the COUNTY.

The CONSULTANT is encouraged to seek minority and women business enterprises for participation in subcontracting opportunities.

ARTICLE 11 - FEDERAL AND STATE TAX

The COUNTY is exempt from payment of Florida State Sales and Use Taxes. The COUNTY will sign an exemption certificate submitted by the CONSULTANT. The CONSULTANT shall not be exempted from paying sales tax to its suppliers for materials used to fulfill contractual obligations with the COUNTY, nor is the CONSULTANT authorized to use the COUNTY's tax exemption number in securing such materials.

The CONSULTANT shall be responsible for payment of his/her own FICA and Social Security benefits with respect to this Agreement.

ARTICLE 12 - AVAILABILITY OF FUNDS

The obligations of the COUNTY under this Agreement are subject to the availability of funds lawfully appropriated for its purpose by the State of Florida and the Board of County Commissioners of Okaloosa County.

ARTICLE 13 - INSURANCE

The CONSULTANT shall not commence any work in connection with this Agreement until he has obtained all required insurance and such insurance has been approved by the Okaloosa County Risk Management office.

All insurance policies shall be with insurers licensed to do business in the State of Florida, and any insuring company is required to have a minimum rating of A, Class X in the Best Key Rating Guide published by AM Best & Co., Inc.

The COUNTY shall retain the right to reject all insurance contracts that do not meet the requirements of this Agreement. Further, the COUNTY reserves the right to change these insurance requirements with 60-day notice to the CONSULTANT.

The insurance definition of Insured or Additional Insured shall include CONSULTANT, each subcontractor, and any associated or subsidiary companies of the CONSULTANT, which are involved, and which is part of this Agreement.

The COUNTY reserves the right at any time to require the CONSULTANT to provide certified copies of any insurance policies to document the insurance coverage specified in this Agreement.

The designation of CONSULTANT shall include any associated or subsidiary company which is involved and is a part of the Agreement and such, if any associated or subsidiary company involved in the project or Task Order must be named in the Worker's Compensation coverage.

All policies shall be written so that the COUNTY will be notified of cancellation or restrictive amendments at least thirty (30) days prior to the effective date of such cancellation or amendment. Such notice shall be given directly to the COUNTY Representative.

All insurance contracts, except the Worker's Compensation and Professional Liability, shall list Okaloosa County as an Additional Insured. CONSULTANT shall provide the COUNTY current certificates of Insurance for all policies at least ten (10) days before commencing work.

Worker's Compensation Insurance:

The CONSULTANT shall secure and maintain during the life of this Agreement Worker's Compensation insurance for all employees employed including supervision, administration and management personnel. In case any work is sublet with the approval of the COUNTY, the CONSULTANT shall require each of its subcontractors to provide Worker's Compensation insurance to all employees. Evidence of such insurance shall be furnished the COUNTY not less than ten (10) days prior to the commencement of any and all subcontracted work.

Such insurance shall comply with the Florida Worker's Compensation Law.

Coverage shall include a waiver or subrogation clause in favor of Okaloosa County. Also, this endorsement must be indicated on all Certificates of Insurance.

Business Automobile and Commercial Liability Insurance:

The CONSULTANT shall maintain Business Automobile Liability insurance coverage throughout the life of this Agreement. The insurance shall include Owned, Non-Owned & Hired motor vehicle coverage.

The CONSULTANT shall carry Commercial Liability Insurance against all other Bodily Injury, Property Damage and Personal and Advertising Injury exposures. This coverage shall also include:

- a. On and off Premises Operational Liability
- b. Personal Injury Liability
- c. Independent Contractor Liability

The CONSULTANT shall carry Professional Liability against errors and omissions in the performance of this agreement.

All liability insurance (except Professional Liability), shall be written on an occurrence basis and shall not be written on a claim-made basis. If the insurance is issued with an aggregate limit of liability, the aggregate limit of liability shall apply only to the locations included in this Agreement. If, as a result of any claims or other reasons, the available limits of insurance reduce to less than those stated in the LIMITS OF LIABILITY, the CONSULTANT shall notify the County Representative in writing. The CONSULTANT shall purchase additional liability insurance to maintain the requirements established in this Agreement. Umbrella or Excess Liability insurance can be purchased to meet the Limits of Liability specified in this Agreement.

Limits of Liability:

The insurance required shall be written for not less than the following limits unless law requires higher amounts:

<u>COVERAGE</u>	<u>LIMIT</u>
1. Worker's Compensation	
a. State	Statutory
b. Employer's Liability	\$1 million each accident
2. Business Automobile	\$1 million each occurrence (Combined Single Limit)
3. Commercial Liability	\$1 million each occurrence (Combined Single Limit)
4. Professional Liability	\$1 million each occurrence (Combined Single Limit)
5. Personal and Advertising Injury	\$250,000

Notice of Claims or Litigation:

The CONSULTANT agrees to report any incident or claim that results from performance of this Agreement. With ten (10) days of the CONSULTANT'S knowledge, the County Representative shall receive written notice describing the incident or claim. In the event such incident or claim involves injury or property damage to a third party, verbal notification shall be give the same day the CONSULTANT becomes aware of the incident or claim. A detailed written report is to be made within ten (10) days.

Indemnification and Hold Harmless:

To the fullest extent permitted by law, CONSULTANT shall indemnify and hold harmless the COUNTY, its officers and employees from liabilities, damages, losses, and cost including but not limited to reasonable attorney fees, to the extent caused by the negligence, recklessness, or intentional wrongful conduct of the CONSULTANT and other persons employed or utilized by the CONSULTANT in the performance of this Agreement.

Certificate of Insurance:

All insurance shall include the interest of all entities named in and its respective agents, consultants, servants and employees of each and all other interests as may be reasonably required by Okaloosa County as Additional Insured. The coverage afforded the Additional Insured under this policy shall be primary insurance. If the Additional Insureds have other insurance that is applicable to the loss, such other insurance shall be on an excess or contingent basis. The amount of the company's liability under this policy shall not be reduced by the existence of such other insurance.

Certificates of insurance, in duplicate, indicating the job site and evidencing all required coverage must be submitted to and approved by Okaloosa County prior to the commencement of any work.

The certificate holder(s) shall be as follows:

Okaloosa County
602-C North Pearl Street
Crestview, Florida 32536

All policies and the Certificates of Insurance shall expressly require 30 days written notice to Okaloosa County at the address set out above, or the cancellations or material alterations of such policies.

All certificates shall be subject to Okaloosa County's approval of adequacy of protection and the satisfactory character of the Insurer.

The Certificates of Insurance shall disclose any and all deductibles or self-insured retentions (SIRs). Deductibles or SIRs in excess of \$10,000 will not be accepted unless specifically approved in writing by Okaloosa County. All deductibles or SIRs, whether approved by Okaloosa County or not, shall be the CONSULTANT's full responsibility. In particular, the CONSULTANT shall afford full coverage as specified herein to entities listed as Additional Insureds.

In no way will the entities listed as Additional Insureds be responsible for, pay for, be damaged by, or limited to coverage required by this schedule due to the existence of a deductible or SIR. Specific written approval from Okaloosa County will only be provided upon demonstration that the CONSULTANT has the financial capability and funds necessary to cover the responsibilities incurred as a result of the deductible or SIR.

In the event of failure of the CONSULTANT to furnish and maintain said insurance and to furnish satisfactory evidence thereof, Okaloosa County shall have the right (but not the obligation) to take out and maintain insurance on the project. All costs for the coverage will be paid by CONSULTANT upon presentation of a bill.

General Terms:

Any type of insurance or increase of limits of liability not described above which the CONSULTANT required for its own protection or on account of statute shall be its own responsibility and at its own expense.

The carrying of the insurance described shall in no way be interpreted as relieving the CONSULTANT of any responsibility under this Agreement.

Should the CONSULTANT engage a subcontractor or sub-subcontractor, the same conditions will apply under this Agreement to each subcontractor and sub-subcontractor.

The CONSULTANT hereby waives all rights of subrogation against Okaloosa County and its consultants and other indemnities of the CONSULTANT under all the foregoing policies of insurance.

Umbrella Insurance:

The CONSULTANT shall have the right to meet the liability insurance requirements with the purchase of an umbrella insurance policy. In all instances, the combination of primary and umbrella liability coverage must equal or exceed the minimum liability insurance limits stated in this Agreement.

ARTICLE 14 - SUCCESSORS AND ASSIGNS

This Agreement is binding upon, and inures to the benefit of, the parties hereto and their respective successors, legal representatives and permitted assigns.

Neither the COUNTY nor the CONSULTANT shall assign, sublet, convey or transfer its interest in this Agreement without the prior written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the COUNTY which may be a party hereto, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the COUNTY and the CONSULTANT.

ARTICLE 15 - INDEPENDENT CONSULTANT RELATIONSHIP

The CONSULTANT is, and shall be, in the performance of all work, services and activities under this Agreement, is an independent contractor and is not an employee, agent, or servant of the COUNTY. All persons engaged in any of the work or services performed pursuant to this Agreement shall at all times, and in all places, be subject to the CONSULTANT'S sole direction, supervision and control. The CONSULTANT shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the CONSULTANT's relationship and the relationship of its employees to the COUNTY shall be that of an independent contractor and not as employees or agents of the COUNTY. The CONSULTANT shall be solely responsible for withholding of all taxes, social security and insurance payments for its employees or agents.

The CONSULTANT does not have the power or authority to bind the COUNTY in any promise, agreement or representation.

ARTICLE 16 - INTERPRETATION

This Agreement shall be governed by, and construed in accordance with the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement shall be held in Okaloosa County, Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

ARTICLE 17 - UNIFORM COMMERCIAL CODE

The Uniform Commercial Code as may be in effect from time to time in Florida shall prevail as the basis for determining the rights and obligations of the CONSULTANT and the COUNTY hereunder.

ARTICLE 18 - CONFLICT OF INTEREST

The CONSULTANT represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder, as provided for by applicable law. The CONSULTANT further represents that no person having any interest shall be employed for said performance.

The award under this Agreement to County's Request of Statements of Qualifications ("RFQ") is subject to provisions of Chapter 112, Florida Statutes. All respondents to COUNTY'S RFQ were required to disclose with their submission the name of any officer, director, or agent who is also a public officer or an employee of the Okaloosa Board of County Commissioners, or any of its agencies.

Furthermore, all respondents had to disclose the name of any County officer or employee who owns, directly or indirectly, an interest of five percent (5%) or more in the firm or any of its branches.

Furthermore, the official, prior to or at the time of its submission, must file a statement with the Clerk of Circuit Court of Okaloosa County if he is an officer or an employee of the County, disclosing his or spouses or child's interest and the nature of the intended business. This certification form is attached and made a part of this Agreement.

The CONSULTANT shall promptly notify the COUNTY in writing by certified mail of all potential conflicts of interest for any prospective business association, interest or other circumstance which may influence or appear to influence the CONSULTANT'S judgment or quality of services being provided hereunder. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that the CONSULTANT may undertake and request an opinion of the COUNTY as to whether the association, interest or circumstance would, in the opinion of the COUNTY, constitute a conflict of interest if entered into by the CONSULTANT. The COUNTY agrees to notify the CONSULTANT of its opinion by certified mail within 30 days of receipt of notification by the CONSULTANT. If, in the opinion of the COUNTY, the prospective business association, interest or circumstance would not constitute a conflict of interest by the CONSULTANT, the COUNTY shall so state in the notification and the CONSULTANT may, at his/her option, enter into said association, interest or circumstance and it shall be deemed not a conflict of interest with respect to services provided to the COUNTY by the CONSULTANT under the terms of this Agreement.

ARTICLE 19 - ARREARS

The CONSULTANT shall not pledge the COUNTY'S credit or make it a guarantor of payment or surety for any contract, debt, obligation, judgment, lien, or any form of indebtedness.

ARTICLE 20 - NOTICES

Written notices may be delivered in person or by certified mail, or by facsimile, or by courier. All notices shall be effective upon the date of receipt by the party. Notices shall be delivered or sent to the designated representative of the other party at the address given on the last page of this Agreement or as otherwise set forth in this Agreement. An address may only be changed by written notice.

ARTICLE 21 - CONTINGENT FEES

The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the CONSULTANT, a commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement.

ARTICLE 22 - NONDISCRIMINATION

The CONSULTANT warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, physical handicap, sex, age, national origin or other status protected by law.

ARTICLE 23 - ENTIRE AGREEMENT

This Agreement, including any Task Orders/Scope of Services, Schedules, Attachments and Exhibits is the entire Agreement between COUNTY and the CONSULTANT. Any prior or contemporaneous agreements, promises, negotiations or representations not expressly stated herein are of no force and effect. Any changes to this Agreement shall be in writing and signed by COUNTY and CONSULTANT.

In the event of a conflict between the terms of the above documents and the terms of this Agreement, the terms of this Agreement shall prevail.

ARTICLE 24 - AMENDMENT

None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superceded or otherwise altered, except by a written instrument executed by the parties hereto.

ARTICLE 25 - ENFORCEMENT COSTS

If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provision, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees, court costs and all expenses even if not taxable as court costs (including, without limitation, all such fees, costs and expenses incident to appeals), incurred in that action or proceeding, in addition to any other relief to which such parties may be entitled.

ARTICLE 26 - AUTHORITY TO PRACTICE

The CONSULTANT hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business, and that it will at all times conduct its business activities in a reputable manner.

ARTICLE 27 - WAIVERS AND SEVERABILITY

A waiver or breach of any term, condition, or covenant by a party shall not constitute a waiver or breach of any other term, condition or covenant. If any court of competent jurisdiction declares a provision of this Agreement invalid, illegal, or otherwise unenforceable, the remaining provisions of the Agreement shall remain in full force and effect. Limitations of liability, indemnities, and other express representations shall survive termination of this Agreement for any cause.

ARTICLE 28 - CONSULTANT'S REPRESENTATIVE

CONSULTANT shall designate in writing a person to act as CONSULTANT's representative with respect to the services to be rendered under this Agreement and each Task Order/Scope of Services. Such person shall have complete authority to receive instructions and information from COUNTY and interpret and define CONSULTANT's policies, specifications, and reports.

ARTICLE 29 - RETENTION OF RECORDS

CONSULTANT shall retain complete and accurate analytical and financial records of all work performed pursuant to this Agreement for the longer of (1) the period of two years following completion of services under a Task Order; or (2) the minimum period specified in the Contract between COUNTY. This record retention period may, upon notice to the CONSULTANT by COUNTY, be automatically extended during the course of any administrative or judicial action involving the COUNTY regarding matters to which the records are relevant.

ARTICLE 30 - NO THIRD PARTY BENEFICIARY RIGHTS

Nothing in this Agreement shall be interpreted or construed to give any rights or benefits to anyone other than the CONSULTANT, and COUNTY. Therefore, there are no third party beneficiaries of this Agreement.

ARTICLE 31 - PUBLIC ENTITY CRIME INFORMATION

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform works as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

ARTICLE 32 - EXEMPTION

The engagement of certain professional services, including those required by the Request for Statements of Qualifications under which this Agreement was awarded, is exempt from the provisions of the Administrative Procedure Act, Chapter 120, Florida Statutes, as amended, and therefore are not to be subject to the appeal process therein described at any time during the solicitation of selection period.

ARTICLE 33 - REPRESENTATIVES

The authorized representative of the COUNTY, unless otherwise stated in the Task Order, shall be:

Sunil Harman, A.A.E., IAP
Airports Director
Okaloosa County Airports
1701 State Road 85 N
Eglin AFB, FL 32542
Telephone: 850.651.7160
E-Mail: sharman@co.okaloosa.fl.us

The authorized representative for CONSULTANT shall be:

Telephone: _____

E-Mail: _____

This Agreement is a valid and authorized undertaking of COUNTY and CONSULTANT. The representatives of COUNTY and CONSULTANT who have signed below have been authorized to do so.

IN WITNESS WHEREOF, the Board of County Commissioners of Okaloosa County, Florida has made and executed this Agreement on behalf of the COUNTY and CONSULTANT has hereunto set his/her hand as of the day and year first above written.

ATTEST:
DON HOWARD, CLERK

OKALOOSA COUNTY BOARD OF
COUNTY COMMISSIONERS

BY: _____
Deputy Clerk

BY: _____
Chairman

WITNESS:

CONSULTANT:

SIGNATURE

COMPANY NAME

NAME (TYPE OR PRINT)

NAME (TYPE OR PRINT)

TITLE

SIGNATURE

EXHIBIT A
AGREEMENT FOR MANAGEMENT CONSULTING SERVICES
SCOPE OF SERVICES

The scope of professional services for the Airports System under the proposed engagement includes, but is not limited to, the following:

1. Prepare or provide support for the development of financial and business related reports, analyses and forecasts including, but not limited to:
 - a. Financial models to project cash flows, bond sizing and debt service, debt service coverage, rates and charges impacts, and financial planning scenarios (*pro formas*)
 - b. Profit and loss reports for parking and other Airports System undertakings
 - c. Industry-related regulatory compliance and litigation support
 - d. Other financial and/or business-related ad hoc reports, presentations, analyses and forecasts as requested

2. Provide Rates and Charges analyses and support (modeling, methodologies and optimization) including, but not limited to:
 - a. Analyses of Airlines' Rates and Charges
 - b. Industry standards and practices related to Rates and Charges
 - c. Preparation and support for the annual Airlines' Rates and Charges (budget, review and true-up)
 - d. Production of Rates and Charges documents or presentations for review, meetings and distribution

3. Provide air traffic reports, analyses and forecasts for aviation and the industry including, but not limited to:
 - a. Historic air traffic reports
 - b. Forecasting air traffic
 - c. Analyses of air traffic trends
 - d. Other air traffic ad hoc reports, presentations, analyses and forecasts as requested

4. Perform or provide support for bond feasibility services and debt service analyses including, but not limited to:
 - a. Report of the Airport Consultant
 - b. Report of the Rate Consultant
 - c. Debt service analysis
 - d. Due diligence and continuing disclosure
 - e. Other bond offering documents, ad hoc reports, presentations, analyses and forecasting as requested (Does not include reports and analyses typically prepared by a financial advisor consultant.)

5. Provide Passenger Facility Charge (PFC), Airport Improvement Program (AIP) and Customer Facility Charge (CFC) support, analyses and forecasting including, but not limited to:
 - a. Preparation of documents for PFC, AIP and CFC applications, amendments, and other reporting
 - b. Analyses of PFC, AIP and CFC programs
 - c. Regulatory reporting and documentation
 - d. Presentation support related to the PFC, AIP and CFC programs
 - e. Proposals and analyses of Innovative Financing concepts for AIP grant funding consideration

6. Provide services and expertise to assist the County to maintain its Joint-Use Airport status at Eglin Air Force Base and designation in the Military Airports Program ("MAP").
 - a. Northwest Florida Regional Airport is currently designated as a participant in the Military Airports Program through Fiscal Year 2016 with approximately \$12 million being identified in its ACIP for the MAP Program. Consultant will assist County in developing funding requests during the period of its designation.
 - b. Provide services to assist the County in obtaining a new, long-term Joint-Use Agreement and a new, long-term capitalized Lease with the United States Air Force. (The County plans to pay for the new capitalized Lease with the USAF through MAP and PFC funds.)
 - c. Provide assistance with future MAP applications for redesignation.

Consultants submitting qualifications must demonstrate experience and expertise in providing consulting services to joint-use airports and experience in processing applications and developing capital plans for designation in the Military Airports Program. This experience should include experience negotiating provisions of joint-use agreements and leases with the military proprietor of the airport. This experience and expertise may be provided by subcontract if not available within consultant's professional staff and expertise.

7. Provide services to plan/negotiate and/or bid and assist with documents for the following types of airport agreements:
 - a. Airline Use and Lease Agreements
 - b. Car Rental Concession and Service Facility Agreements
 - c. Parking Management Contracts
 - d. Into-Plane Fuel Service Agreements
 - e. Cargo and Hangar Leases (both ground leases under which the tenant develops the facility and space leases for County-constructed facilities)
 - f. Food/Beverage/Retail and other Concession Agreements
 - g. Hotel, Auto Fueling and Convenience Store, and other third-party developed concessions

8. Provide analyses services and support to assist the County benchmark and evaluate its operating and financial performance against industry standards.

9. Provide analyses, services and support to assist the County with the following tasks at Bob Sikes Airport and Destin-Ft. Walton Beach Airport, the County's two (2) general aviation airports:
 - a. Assist with the development of FBO standards and agreements
 - b. Develop land rental and lease policies and procedures
 - c. Recommend fee structures, including land rentals, hangar rentals, fuel flowage fees, FBO fees, etc.
 - d. Develop recommendations and policies to assure that the County's general aviation facilities are self-sustaining
 - e. Assist in developing strategies to fund these airports' capital needs, including developing FDOT and AIP grant applications and accessing favorable short-term and long-term capital borrowing.