

AIRPORT AUTHORITY OF THE CITY OF LINCOLN, NEBRASKA

REQUEST FOR PROPOSALS (RFP)

FOR

MUNICIPAL ADVISOR

Proposals Due before 2:00 p.m. April 10, 2020

REQUEST FOR PROPOSALS

I. INTRODUCTION

The Airport Authority of the City of Lincoln, Nebraska (the “**Authority**”) invites qualified firms to submit a proposal for the provision of municipal financial advisory services to the Authority. The Authority is seeking to retain a Municipal Advisor, as that phrase is defined by Section 15B of the Securities Exchange Act, (a) to provide comprehensive and prudent recommendations regarding the issuance of one or more debt obligations and the investment of the proceeds thereof and (b) to assist the Authority with the management of its existing indebtedness, investments, and finances.

All Proposals will be time-stamped upon receipt and any Proposals received after the time specified above will be returned unopened. In bold lettering, mark the sealed envelope with the following words: “**Municipal Advisory Services.**” Faxed or emailed copies will not be accepted. All complete Proposals become the property of the Authority and must be provided without cost to the Authority. Except as otherwise provided for herein, Proposals which are incomplete or which are not in conformance with the law, may be rejected as nonresponsive.

Right to Reject - The Authority reserves the right to accept or reject any or all Proposals, negotiate with any Proposer, alter the scope of work, award multiple Contracts to more than one Proposer, to waive any informalities and irregularities in the submission process, to extend the date for submittal of Proposals, to request additional information from any or all Proposers, to supplement, amend or otherwise modify the RFP prior to the closing date and time, to cancel this request with or without the substitution of another RFP, to re-solicit or cancel the procurement process, and to select a Proposal that is considered to be in the best interest of the Authority.

Proposals Not Returned - Proposals shall not be returned unless a written request to withdraw is received prior to 2:00 PM, CDT, on April 10, 2020. Any Proposal will be deemed to be valid for a period of up to 90 days following the closing date of the RFP. Timely Proposals received shall be subject to applicable laws and regulations governing public disclosure. Providing a Proposal indicates acceptance by the Proposer of the conditions contained in this RFP, and the intent to enter into a Contract with the Authority. Proposals will not be opened publicly.

Proprietary Information - Information that is considered by a Proposer to be proprietary may still be subject to release as a component of a public records request subject to review by Airport Authority Counsel. Proprietary information should be clearly marked as “confidential” or “proprietary” on each page on which such information appears. Proposers should not expect the Authority to seek confidentiality protection for any claimed privileged or proprietary information in the written Proposal just because the material is marked “confidential” or “proprietary.” Any information that the Proposer believes to be exempt from disclosure under the Public Records Act (Neb. Rev. Stat. 84-712 et seq.) must be capable of being separated or redacted from the Proposal, and should be clearly and specifically marked.

Authority Not Obligated - This RFP does not obligate the Authority to enter into a Contract or pay any costs incurred in the preparation of a Proposal pursuant to this RFP or incurred in subsequent negotiations. It is the intention of the Authority to negotiate a Contract with the

Proposer it deems most beneficial to the Authority. During the Proposal evaluation process, the Authority may request additional information or clarification from Proposers.

Certification of No Fee Paid - By making a submission pursuant to this RFP, the Proposer certifies that no fee or commission, or any other thing of value, has been paid or agreed to be paid to any employee, agent, representative, or elected or appointed official of the Authority in order to procure the Contract described in this RFP. The Proposer also certifies that the financial information in its Proposal has been arrived at independently and without consultation, communication, or agreement with the Authority, or other Proposers, to restrict competition as to any matter relating to this RFP.

Proposers' Duties to Review RFP - Proposers shall thoroughly examine and become familiar with this RFP, the Proposal forms, and all related documents comprising this RFP and any written Addendum thereto. Each Proposer shall judge for itself all conditions and circumstances within this solicitation having relationship to its respective Response.

Providing a Proposal constitutes an acknowledgment that the Proposer has thoroughly examined and is familiar with this RFP and all Addendums which may be issued. The failure or neglect of a Proposer to receive or examine any RFP documents or Addendum shall in no way relieve Proposer from any obligation with respect to the Proposal or the obligations that result from submitting a successful Proposal. No claim based upon lack of knowledge or understanding of this RFP or its contents shall be allowed. The provisions and terms of the Contract may be revised or adjusted by the Authority prior to final execution.

Equal Employment Opportunity – The Authority is an Equal Employment Opportunity (EEO) organization, which does not discriminate on the basis of race, religion, color, sex, age, marital status, national origin, or disability. The successful Proposer will be required to comply with all federal, state, and local laws and regulations.

Disadvantaged Business Enterprise (DBE) Eligibility – DBE firms are encouraged to submit a Proposal. Any subcontractor that intends to participate as a DBE must meet the experience and economic guidelines as set forth in 49 CFR Parts 23 and 26 and should submit their DBE Plan and the DBE firms that will participate in this service.

Prohibition Against Lobbying – No Proposer shall lobby, either on an individual or collective basis, the Authority, the hereinafter-described Board, its officers, agents, employees, or outside advisors regarding this RFP or its written Proposal. No Proposer, nor anyone on behalf of a Proposer, shall contact the Authority, its officers, agents, employees, or outside advisors to arrange meetings, visits, or presentations to influence the outcome of the selection process. Violation of this provision, by or on behalf of a Proposer, intentionally or unintentionally, will result in disqualification of the Proposer and/or rejection of a written Proposal.

Questions, Inquiries and Contact with Authority Staff – The Authority is committed to providing all interested parties with accurate and consistent information in order to ensure that no Proposer obtains an undue competitive advantage. To this end, from the date of this RFP through award of the Contract, the Authority contact is: Jennifer Ekeler, Director of Administration & Finance.

All questions from Proposers must be submitted electronically, to j.ekeler@lincolnairport.com by March 27, 2020. It will be the sole responsibility of the Proposer to ensure questions are submitted in a timely manner. Answers to questions will be posted on the Authority's website by April 3, 2020.

If it becomes necessary to revise any part of this RFP, an Addendum to the RFP will be provided electronically by posting the same to all Proposers. All Addendums issued during the time of bidding will be incorporated into any resulting Contract. It shall be the Proposer's responsibility to monitor the Addendums that may be issued under and as a part of this RFP. Copies of this RFP, and any Addendum issued shall be available for viewing at the following link: <https://www.lincolnairport.com/business-information/current-rfq-rfp-rsoi/>.

Any Addendums so issued are to be considered a part of this RFP document. Therefore, receipt of all Addendums issued during this RFP must be acknowledged on the Signature Page included with your Proposal.

Disclaimer – It is the responsibility of each Proposer to investigate and be satisfied as to the facts and conditions prior to submitting a Proposal. The Authority makes no representation or warranties and accepts no responsibility for the accuracy or completeness of any information supplied. Proposers are responsible for obtaining their own independent financial, legal, accounting, and technical advice on all Proposal matters. Any failure to become fully knowledgeable shall be at the Proposer's sole risk. The Authority assumes no responsibility for any interpretations made by Proposers on the basis of information provided in this RFP or through any other source.

II. BACKGROUND

The Authority is a body politic and corporate duly organized and existing under the Constitution and the laws of the State of Nebraska, including the Cities Airport Authorities Act, Sections 3-501 et seq., Reissue Revised Statutes of Nebraska, as amended, with the authority for operating and maintaining an airport and related facilities serving the City of Lincoln, Nebraska (the "City") and its inhabitants and others within its service area. Financial information regarding the Authority is available on the Authority's website (www.lincolnairport.com) and on the MSRB Electronic Municipal Market Access (EMMA) website.

The City owns the Airport but the Authority maintains and operates the Airport. A five-member Airport Board (the "Board") governs the Authority. The electors of the City elect the Board. Members of the Board must be residents of the City. The Mayor fills, by appointment, any vacancy on the Board with the approval of the City Council, to serve the unexpired portion of the term. Once elected, Board members serve six-year terms.

The affairs of the Authority are administered by a professional management staff which consists of an Executive Director and 3 departmental directors.

The Airport presently encompasses an area of approximately 5,500 acres and is located approximately five miles northwest of downtown Lincoln. Interstate Highways 80 and 180 and U.S. Highway 34 border the Airport. The City began operating the Airport facilities prior to World War II. During World War II, the facilities were turned over to the United States government and

developed and operated as the Lincoln Air Base. After the war, the Airport was reopened for civil aviation, but was reactivated as an Air Force Base in 1952 and was used by the Air Force, as well as for civil aviation purposes, until 1966, when the Air Force deactivated its facilities and operations and the United States government conveyed its interest to the City.

The Airport, classified by the Federal Aviation Administration (“FAA”) as a non-hub airport, is the principal air carrier airport serving the City and Lancaster County, Nebraska and surrounding communities in close proximity to the City. Most Airport passengers begin or end their air travel in the City rather than connecting for flights to other communities. The economy of the Airport’s air trade area is growing and diversifying in a manner that will likely increase the local demand for air transportation services at the Airport. The closest airports are in Omaha, Nebraska, 55 miles northeast of the City; Grand Island, Nebraska, 100 miles west; Sioux City, Iowa, 145 miles northeast and Kansas City, Missouri, 185 miles southeast.

The Airport is served by two commercial carriers: Delta and United. The Airport handles approximately 11 flights per day to four airline hub airports.

	Calendar Year			Percent Variance	
	2018	2017	2016	2018 / 2017	2017 / 2016
Enplaned passengers	145,702	154,393	162,118	-5.63%	-4.77%
Aircraft operations					
Air carrier	7,057	8,898	8,698	-20.69%	2.30%
Air taxi	6,557	5,428	4,583	20.80%	18.44%
General aviation	35,518	36,193	37,055	-1.87%	-2.33%
Military	11,843	10,481	11,750	12.99%	-10.80%
Total operations	60,975	61,000	62,086	-0.04%	-1.75%

The runway and taxiway system at the Airport provide for safe and efficient movement for all types of aircraft. The principal air carrier runway (18/36) is 12,900 feet long and has all weather instrumentation. It has the capacity to handle all commercial jet aircraft presently in use, including Boeing 747s. The crosswind runway (14/32) is 8,600 feet long. The general aviation runway (17/35) is 5,800 feet long and is used for corporate, private and instructional purposes.

The Nebraska Air National Guard operates from a base adjacent to and surrounded by the Airport and utilizes the Airport landing area under a joint-use agreement. The term of the agreement is for 10 years subject to periodic renewal.

The Authority negotiates with the airlines on an annual basis to establish the landing fees. Landing fees for contract carriers are currently set at \$2.40 per 1,000 pounds of gross certified landing weight. In lieu of a landing fee for the fixed-base operators and for general aviation purposes, the Authority adds 6 cents per gallon of fuel sold (flowage fee). The combined landing fee and flowage fee has averaged 3-4% of total Airport operating revenue for the past few years.

The current Airport terminal complex opened for operation in 1974 and includes a two-level terminal building, aircraft parking apron, connecting taxiways, access road and vehicle parking. The terminal provides five ticketing and two baggage claim areas on the ground level with concession operations located on the second level. The terminal provides for airline operations

and maintenance space at ground level and boarding through all-weather, covered jet bridges at the second level. In total, there are four gates, two of which are configured to accommodate wide-body aircraft. There are two apron parking positions available per jet bridge. The FAA traffic control tower is located in the terminal complex. Airport terminal parking includes approximately 700 spaces of surface parking and a 540-car parking garage, connected to the terminal by an enclosed walkway to the second level.

Scheduled airlines operate at the Airport under annual operating and lease agreements. The Authority adjusts rates and charges for airline operations annually.

General Aviation Area - The Authority provides an area for general aviation users and other aircraft-related industries on the east side of the Airport complex. The Authority's Harry J. Amen General Aviation Building, located in the general aviation area, is leased in part to the FAA, which maintains accident investigation, testing and licensing headquarters, as well as the Nebraska Department of Aeronautics and Duncan Aviation. There are two principal fixed-based operators serving the airport: Duncan Aviation and Silverhawk Aviation. Services provided include aircraft charters, avionics and engine repair and maintenance, aircraft painting, aircraft interior renovation, and aircraft fueling. Two other entities operate in the General Aviation Area. Hill Aero operates an aircraft painting and interiors business. Performance Aircraft provides flight instruction and aircraft sales.

General Aviation activity saw an increase in operational activity in the past couple of years as both Silverhawk and Performance built large new hangars. Duncan Aviation has indicated to the Authority that they will likely consider expansion within the next 5 years.

The Airport has 165 aircraft storage hangars available for general aviation use and 5 private corporate hangars. The airport continues to see 90% - 95% occupancy in these individual storage hangars.

Planning discussions have begun on an expansion of the General Aviation Area to the north within the next five years to be able to accommodate continued demand.

LNK Enterprise Park - LNK Enterprise Park, formerly known as Lincoln Air Park West, is a vital component of the Airport.

Upon recommendation from the Industrial Park Board, the Authority renamed Lincoln Air Park West as LNK Enterprise Park. Part of the former U.S. Air Force Base, this industrial complex covers approximately 1,400 acres. The industrial complex has buildings varying in size from 1,000 square feet to 173,000 square feet. Currently, the Authority has under lease approximately 97% of the 2,200,000 square feet available. The leases are generally on a net-net basis, with the lessee responsible for the costs of utility service, maintenance and repairs. Lease rental rates are established by the Authority, taking into consideration the estimated value of the leased property, the desire of the Authority to obtain the best return possible on the property value, local market conditions, and the rental rate for similar types of property in the City and surrounding area.

The outstanding leases vary in length from month-to-month to 30 years and include a diverse base of users. The Authority also leases to other governmental agencies, on a year-to-year basis, and this income amounts to approximately \$650,000 (approximately 9%) per year of the industrial complex income, which totaled approximately \$8,410,579 in 2019, and \$7,986,967 in 2018.

Current Activity; Future Bond Issues – Proposers should be aware that the Authority has just completed a refunding of \$7,755,000 of its outstanding Taxable and Tax-Exempt Debt. The Authority also is in the process of developing plans for a significant expansion of the Terminal and the improvement of certain Airport access roads, with an anticipated cost of \$30,000,000 to be funded, in whole or in part, by the issuance of its bonds.

III. SCOPE OF SERVICES

The Municipal Advisor will be responsible for developing financing plans for debt issuances including recommended size, structure, and specific terms and conditions. The Municipal Advisor is expected to be knowledgeable of the Authority's financial operations, demographic and economic factors, and long-term capital program requirements. The Municipal Advisor must have experience with debt issuances for political subdivisions in the State of Nebraska, including municipal airport authorities such as the Authority. Services may include, but are not limited to:

- Provide as-needed financial advice regarding market conditions and trends, financial products, credit and credit analysis, and third-party alternative financing;
- Present information to rating agencies on behalf of the Authority, as needed;
- Create a plan to be fiscally responsible on behalf of the Authority and its funding opportunities, including ideas on how the Authority should approach financing issues such as bond structures and credit rating strategies
- Compile proposals for additional services needed to facilitate a bond refinancing or issuance, including the preparation of an underwriter and/or lender RFP, and participate in evaluation of proposals received in response thereto;
- Attend meetings of the Authority and its staff on an as-needed basis and make presentations to the Board if requested;
- Coordinate and participate in all aspects of the bond issuance process, from creating and maintaining a schedule, preparing or reviewing offering documents, reports and resolutions, conducting independent analysis of financing alternatives, coordinating all aspects of competitive sales, monitoring performance of underwriting teams, to post-issuance analysis and all tasks during the process;
- Coordinate with bond counsel and other participants on the timing and process of the bond issuance;
- Advise and/or manage such matters as bond registration, printing, investment of proceeds and other matters related to the settlement and delivery of bonds and notes;
- Conduct ongoing analysis of the feasibility and opportunities to refinance and restructure the Authority's existing debt to reduce costs or to otherwise implement its financial objectives;
- Assist with the evaluation of proposed tenants and projects for LNK Enterprise Park;
- Assist with determining tax levy requests and annual budgeting, as needed; and
- Provide other financial services as requested.

The Municipal Advisor will be responsible for documenting each task in a memorandum to the Authority.

IV. STATEMENT OF QUALIFICATIONS CONTENT

Each Proposal shall contain a Statement of Qualifications, which must include responses to the following items:

1. Commitment to Municipal Industry. Please indicate your firm's commitment to the municipal industry and demonstrate your firm's performance in Nebraska (not to exceed three pages).

2. Compliance.

a) Provide a statement of assurance and representation that your firm is not currently under investigation for or in violation of any related regulatory rules and/or laws, or if so, an explanation as to why the violation does not have a material adverse effect on your ability to perform the proposed services for the Authority;

b) Disclose any potential conflicts of interest; and

c) Discuss your firm's familiarity with GFOA's Best Practices relating the selling of bonds and the selection of finance professionals.

3. Insurance. Provide the amounts and types of insurance carried, including the deductible amount, to cover errors and omissions, improper judgments, or negligence.

4. Experience.

a) Describe your firm's advisory experience in Nebraska, including a list of all bond issues for which assigned key personnel have served as financial advisor over the past three years, noting which personnel performed the services and a list of all services performed on each issue; e.g., financial advisor, etc. If Nebraska experience is limited, please provide the same information for advisory work performed outside of the State of Nebraska for issuers of a similar size.

b) Provide relevant experience of the firm with financings of issuers comparable to the Authority and financings of similar size, types, and structures to those that the Authority has or may be involved in.

c) Indicate your firm's understanding of the Authority's financial situation.

5. Personnel. The firm should provide short professional resumes of the individuals being proposed for key roles in the advisory team, including certifications and relevant Nebraska experience. Said resumes should be attached as an appendix (which will not count against the page limit). In addition, provide the following information:

a) Identify the individual (Day-to-Day Contact) who will have the primary responsibility for the firm's relationship with the Authority. Provide a brief summary of the Day-to-Day Contact's relevant experience, specifying whether such experience was obtained while employed at another financial institution. This individual must be registered with the SEC and MSRB.

b) Identify a second individual (Back-Up Day-to-Day Contact) who will also have responsibility for the firm's relationship with the Authority. Provide a brief summary of the Back-Up Day-to-Day Contact's relevant experience, specifying whether such experience was obtained while employed at another financial institution.

6. Description of Services. Provide a description of services that the Proposer has the qualifications and experience to provide in the following areas:

- a) Competitive and negotiated sales;
- b) Refundings;
- c) Bond rating reviews;
- d) Investment of bond proceeds; and
- e) Other financial advisory services.

7. Clients. Provide a list of current municipal clients, including a contact person with phone and email contact information for each.

V. FIRM OVERVIEW

Each Proposal shall contain a Firm Overview, which must include the following items:

1. A brief description of the structure of the firm, including the number of nationwide municipal finance employees as well as those based in Nebraska. Identify the location of your firm's offices in Nebraska. Distinguish clearly between brokerage offices and offices with municipal banking personnel.

2. A general description of the firm's current financial condition, and identification of any conditions (e.g., bankruptcy, pending litigation, planned office closures, impending merger) that may impede the firm's ability to perform the services contemplated by the Proposal.

3. Specification of the firm's capital position (Total Capital, Equity Capital, Net Capital and Excess Net Capital) as of December 31, 2019. As of December 31, 2019, what was the firm's legal underwriting capacity? Please provide one example of how your firm committed capital on behalf of municipal clients in the past year.

4. Answers to the following questions and, if the response is affirmative, provide details and explanation in an appendix:

a) Within the past 24 months, has the firm and/or any of its employees been the subject of any investigation (other than a routine audit) relating to the municipal industry by the SEC, NASD, NYSE, or any other State or Federal organization that oversees, regulates, licenses or is otherwise responsible for the municipal industry?

b) Within the past 24 months, has the firm and/or any of its employees been involved in any litigation, arbitration, disciplinary or other actions arising from the firm's underwriting, management, derivatives, or municipal securities activities?

c) Is there any compensation arrangement or relationship between the firm and any other non-affiliated firm(s) or individuals that may be associated with or impact the firm's possible engagement in the Authority's financing program? Is the firm receiving/paying any payment or consideration of any kind for securing the Authority's work?

5. References: Each Proposer shall provide a minimum of three (3) references for work similar to the services being solicited in this RFP. Furnish the name, title, address, telephone number, and e-mail address of the person(s) at the client organization who is most knowledgeable about the work performed. References may also be supplied from other work not cited in this section as related experience

VI. FEES

Each Proposer shall submit a proposed fee structure for the services to be provided to the Authority. The fee structure may be (a) hourly, with hourly rates for the personnel to be assigned to this project, (b) a monthly retainer, with any exceptions for work outside the retainer being specifically described and the cost/hourly rate for such excluded services set forth, (c) a fixed fee or sliding scale per bond, or (d) some combination thereof.

VII. SUBMISSION PROCESS

Proposals shall be limited to **a maximum of 15 pages (no smaller than 12 point font shall be used)**, excluding appendices. The clarity, content, and completeness of the firm's Proposal are considered in assessing the Proposer's capabilities. One (1) signed original and six (6) hard copies, together with one (1) electronic copy of your Proposal must be submitted to the Authority no later than 3:00 p.m. February 29, 2020. Written responses must be submitted in a sealed envelope clearly marked "Municipal Advisory Services" on the outside of the envelope or box and addressed to: Jennifer Ekeler, Director of Administration and Finance, Lincoln Airport Authority, P.O. Box 80407, Lincoln, Nebraska 68501.

To be complete a Proposal must include:

- Cover letter
- Company name, address, phone, fax, website, and other company contact information
- Statement of Qualifications as described above
- Firm Overview as described above

- Proposed fee structure
- Signature page on the form attached hereto as Attachment B

The due date and time for the Proposal are fixed and extensions will not be granted. Any Proposal received after the deadline shown will not be considered. The Authority is under no obligation to return documents.

VIII. SELECTION PROCESS AND PROPOSAL EVALUATION

Proposals will be evaluated by an Evaluation Committee consisting of David Haring, (Executive Director), Jennifer Ekeler (Director of Finance and Administration), Steve Likes (Bond Counsel and Nick Cusick (Board Chairman). - The Evaluation Committee will use a combination of the criteria summarized below, not necessarily the lowest price:

1. Qualifications, capabilities, background, and prior experience of the firm in providing professional municipal financial advisory services.
2. Experience, organization, technical skills and financial stability to successfully accomplish the expected Scope of Services, as set forth in Section III hereof.
3. Pricing/fees.

IX. TERMS

Award of Contract; Sample Contract – Award of any Contract arising from any Proposal in response to this RFP will require approval by the Board. Standard terms and conditions shall govern any Contract awarded. The term of the Contract will be for a period of three (3) years from the date of Board approval. However, the Contract may be cancelled at the discretion of the Authority at any time with thirty (30) days' advance written notice. A sample contract is attached hereto as Attachment B.

ATTACHMENT A

SIGNATURE PAGE

The following signature page shall be utilized by each Proposer and appended to the end of its submittal:

“The undersigned Proposer, having examined the Request for Proposal and related documents and having full knowledge of the condition under which the work described herein must be performed, hereby proposes that she/he will fulfill the obligations contained herein in accordance with all instructions, terms, conditions, and specifications set forth in the Request for Proposal; and that she/he will furnish all required products/services and pay all incidental costs in strict conformity with these documents.”

Submitting Firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Authorized Representative (print): _____

Authorized Signature: _____

Date: _____ Email: _____ Phone #: _____

EXCEPTIONS/DEVIATIONS to this Request for Proposal shall be taken below. If adequate space is not provided for exceptions/deviations, please use a separate sheet of paper. If your company has no exceptions/deviations, please write “No Exceptions” in the space below.

FIRM PRICING - Offered prices shall remain firm for a minimum of 90 days after the due date of this solicitation unless indicated otherwise. Accepted prices shall remain firm for the duration of the Agreement.

Addenda Number: _____ Date: _____ Addenda Number: _____ Date: _____

Addenda Number: _____ Date: _____ Addenda Number: _____ Date: _____

**ATTACHMENT B
SAMPLE CONTRACT**

CONTRACT FOR CONSULTING SERVICES
(Municipal Advisor Services)

THIS CONTRACT is made and entered into on this _____ day of _____ , 20____, by and between the Airport Authority of the City of Lincoln, Nebraska, a body politic and corporate, (the “Authority), and _____ a _____ corporation, with its headquarters at _____(the “Consultant”).

RECITALS

I.

The Authority has issued a Request for Proposals dated _____, for the provision of Municipal Advisor services to the Authority from a qualified firm.

II.

In response to such Request, Consultant has submitted a proposal to the Authority, and the Authority and Consultant are agreeable to entering into this contract for consulting services to be provided by Consultant.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

ARTICLE 1.

SERVICES

1.1 **Employment of Consultant.** Authority hereby engages Consultant to provide Municipal Advisor services as described above for the Authority.

1.2 **Scope of Services.** The Consultant shall do, perform, and carry out in a satisfactory and proper manner the following services:

1.3 Responsibility of the Consultant; Professional Quality.

(a) The Consultant shall be responsible for the professional quality of the tasks to be performed (which shall be consistent with other consultants providing similar services), technical accuracy, and for coordination of all services provided by the Consultant under this Contract. The Consultant takes responsibility for the validity, professional quality, and technical accuracy only of data developed by the Consultant.

(b) The Consultant shall be responsible for developing a full understanding of the needs and requirements of the Authority to as described in the Request for Proposals so as to be able to satisfactorily provide the services contemplated hereunder.

1.4 Responsibility of the Authority; Cooperation. The Authority shall cooperate with the Consultant by making a diligent effort to provide everything reasonably necessary for the Consultant to be able to provide its services.

1.5 Submittals. All deliverables shall be provided to the Authority by Consultant in such format and with a reasonable number of copies as directed by the Authority, and shall also provide the same in electronic format as directed by the Authority.

ARTICLE 2.

TERM

2.1 Term of Contract. The term of this Contract shall three years commencing on _____ and ending on _____.

2.2 Termination for Convenience. The Authority may terminate this Contract upon delivery of written notice of such termination to Consultant, to be effective thirty (30) days after delivery. In the event of any termination under this subparagraph, the Consultant will

cease work and provide documentation of work completed to date of termination. Upon termination, the Consultant will be entitled to all fees accrued prior to termination.

2.3 Termination for Cause. In the event either party hereto breaches any of the provisions of this Contract, the non-breaching party, at its option, may give the breaching party written notice of such breach and shall allow the breaching party ten business days to cure such breach. In the event such breach is not cured within the time allowed, this Contract may be terminated by the non-breaching party by giving written notice of termination to the breaching party, effective upon delivery.

If the Consultant is the breaching party, the Authority shall not be obligated to make any further payments to the Consultant and may recover damages, if any, arising out of such breach. If the Authority is the breaching party, the Consultant shall be entitled to compensation for all services performed up to and including the date of termination of this Contract based upon a reasonable approximation of the percentage of additional work performed after the last installment payment, together with expenses incurred to the date of termination.

ARTICLE 3.

COMPENSATION

3.1 Compensation. In consideration of the services to be performed by Consultant under this Contract, the Authority will pay Consultant _____.

3.2 Reimbursable Expenses. In addition to the compensation set forth in 3.1 above, Authority shall pay Consultant reasonable costs and expenses incurred in providing the consulting services on behalf of the Authority. Such costs and expenses shall include travel

expenses, photo copying, long distance telephone charges, postage and delivery charges, and similar expenses.

3.4 Payments. Consultant shall provide a monthly invoice to the Authority for all work performed in the previous month in accordance with the fee specified in 3.1 above together with all reimbursable expenses incurred by Consultant.

Provided that the invoice is received not later than the 5th day of the month, Authority shall make payment to Consultant not later than the 25th day of the same month. If the invoice is received by the Authority after the statement date fixed above, payment shall be made by the Authority not later than thirty (30) days after the Authority receives the invoice.

The Authority shall have the right to withhold payment on any invoice if Authority in good faith disputes Consultant's rights to payment of an invoiced amount, including, but not limited to, Consultant's failure to perform the invoiced work in a satisfactory manner. If the Authority withholds payment to the Consultant for any reason, it shall provide written notification to the Consultant together with an explanation of its reason for withholding payment within thirty (30) days of the date of the invoice. The parties shall thereafter promptly meet to attempt to resolve the dispute.

ARTICLE 4.

CHANGES TO THE SCOPE OF SERVICES

4.1 Authority and Consultant may, by written agreement, make changes in the services to be provided by Consultant to the Authority under this Contract. If such changes cause an increase or decrease in the Consultant's cost or time required for the performance of any services under this Contract, the parties shall within such writing agree to such increase or decrease and this Contract shall be modified accordingly.

ARTICLE 5.

OWNERSHIP OF DOCUMENTS; CONFIDENTIALITY

5.1 All documents of any kind or any nature, and in any form, whether hard copy or electronic, including, but not limited to, applications, resumes, assessment results, and any other documents or other materials developed, prepared, created or otherwise obtained by Consultant in the course of performing services under this Contract shall be and at all times remain the property of the Authority.

5.2 All services provided, including reports, opinions and information, to be furnished under this Contract, and any information provided by the Authority to the Consultant, other than matters of public record, shall be considered confidential and shall not be divulged, in whole or in part, to any person, other than to duly authorized representatives of the Authority, without prior approval of the Authority.

ARTICLE 6.

SUSPENSION OF THE WORK

6.1 The Authority may order the Consultant, in writing, to suspend all or any part of the work for such period of time as it may determine to be appropriate for the convenience of the Authority.

6.2 If the performance of all or any part of the work is, for any unreasonable period of time, suspended or delayed by an act of the Authority in the administration of this Contract, or by its failure to act within the time specified in this Contract (or if no time is specified, within a reasonable time), or by a delay caused by reasons beyond Consultant's control, an adjustment shall be made for any increase in cost of performance of this Contract necessarily caused by such unreasonable suspension or delay, and the Contract modified in writing

accordingly. However, no adjustment shall be made under this clause for any suspension or delay to the extent (a) that performance would have been suspended or delayed due to the fault or negligence of the Consultant, or (b) for which an equitable adjustment is provided for or excluded under any other provision of this Contract.

ARTICLE 7.

RECORDKEEPING AND FINANCE CONTROLS

7.1 Consultant shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management, using accounting and control systems in accordance with generally accepted accounting principles. During the performance of the work and for a period of three (3) years after termination of this Contract, the Authority and Authority's accountants shall be afforded access, from time to time, upon reasonable notice, to Consultant's records, books, correspondence, receipts, subcontracts, purchase orders, vouchers, memoranda, and other data relating to the services provided under this Contract and payment therefore, all of which Consultant shall preserve for a period of three (3) years after termination of this Contract.

ARTICLE 8.

ASSIGNMENT; INTEREST OF CONSULTANT

8.1 The Consultant shall not assign any interest in this Contract or delegate any of its duties hereunder or otherwise transfer any interest in the same without the prior written consent of the Authority; provided, however, that claims for money due or to become due to the Consultant from the Authority under this Contract may be assigned to a bank, trust company or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Authority.

8.2 The Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with performance of services required to be performed under this Contract. The Consultant further covenants that, in the performance of this Contract, no person having any such interest shall be employed by Consultant.

ARTICLE 9.

INDEMNIFICATION AND INSURANCE

9.1 Consultant agrees to indemnify, defend, and hold the Authority and its officers, and employees harmless from and against any and all claims, demands, causes of action, damages, losses, and expenses (including reasonable attorneys' fees and costs) of whatsoever nature, character, or description, which all or may be asserted against the Authority by any person or entity and to the extent that they arise out of or result from the negligent or willful acts or omissions of the Consultant in the performance of services under this Contract. The other provisions of this Contract notwithstanding, in the event of any claim within the purview of the indemnification provisions of this Contract, each indemnitee shall control its defense, and at the time of claim resolution the indemnitor will provide reimbursement for any defense costs caused by any negligence or other fault by or attributable to the indemnitor.

9.3 Insurance. The Consultant shall not commence work under this Contract until the Consultant has obtained all insurance required under this Contract and such insurance, and such insurance company has been approved by the Authority.

Required Insurance Limits. Consultant shall, at a minimum, maintain the following insurance during the term of the Contract:

Commercial General Liability. The Consultant shall take out, and maintain during the life of this Contract, Commercial General Liability Protection that shall protect the Consultant performing work covered by this Contract from claims for damages

for bodily injury, including accidental death, as well as from claims for property damages, which may arise from operations under this Contract.

Coverage Limits Shall Be:

Each Occurrence	1,000,000.00
Medical Expenses	10,000.00

Automobile Insurance. The Consultant shall take out and maintain, during the life of this Contract, comprehensive automobile liability insurance for any vehicles engaged in operations within the terms of this Contract.

Coverage Limits Shall Be:

Combined Single Limit	1,000,000.00
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Workers Compensation Insurance. The Consultant shall take out and maintain during the life of this Contract, and before any work is commenced, Workers Compensation and Employers Liability insurance for all of the Consultant’s employees employed at the site of the Project. The policy will be endorsed to include a waiver of subrogation in favor of the Authority.

Coverage Limits for Employers Liability Insurance Shall Be:

Each Accident	1,000,000.00
Disease-EA Employee	1,000,000.00
Disease-Policy Limit	1,000,000.00

Workers compensation coverage limits will be statutory.

Special Provisions.

Authority shall be included as additional insured on Consultant's General Liability Policy. This shall be noted in the Special Provisions section of the certificate of insurance.

All insurance coverage shall be maintained until one (1) year after completion of the Work.

All insurance will be primary and not contributory.

Proof of Carrying Insurance.

The Consultant shall furnish the Authority with satisfactory proof of coverage of the insurance required in a reliable company with an A.M. Best Rating of A-VII or better before commencing any work. Such proof shall consist of certificates

executed by the respective insurance company's representative and filed with the Authority. Upon request of the Authority, the Consultant shall submit the original insurance policies for inspection and approval of the Authority before work is commenced. Said policies shall not thereafter be cancelled or permitted to expire without notice being provided at least 30 days in advance to the Authority and consented to by the Authority.

If Consultant shall at any time fail to insure or keep insured as aforesaid, or if any insurance policies required hereunder cannot be obtained for any reason, Authority may require Consultant to cease any and all operations until coverage is obtained. If such insurance coverage is not obtained within a reasonable period of time, to be determined solely by Authority, Authority may terminate this Contract.

ARTICLE 10.

NOTICE

10.1 All notices, demands, or other communications required by this Contract to be delivered to either party by the other shall be in writing and shall be deemed to have been fully given if personally delivered or sent by Certified Mail or by a nationally recognized, overnight delivery service addressed as follows:

To Authority: Jennifer Ekeler, Director of Finance and Administration
Airport Authority of the City of Lincoln
P. O. Box 80407
Lincoln, Nebraska 68501
j.ekeler@lincolnairport.com
(402) 458-2404

To Consultant:

ARTICLE 11.

MISCELLANEOUS PROVISIONS

11.1 Governing Law; Choice of Law; Choice of Forum. This Contract shall be governed by the laws of the State of Nebraska. Authority and Consultant agree, pursuant to the Model Uniform Choice of Forum Act as adopted by the State of Nebraska, that any and all suits for the construction, interpretation, validity, or enforcement of this Contract shall be

instituted and maintained only in a state court of competent jurisdiction in Lancaster County, State of Nebraska, and that venue is appropriate in Lancaster County.

11.2 Equal Opportunity. In the performance of this Contract, Consultant and its contractors or subcontractors shall not discriminate against any employee, or applicant for employment, on the basis of race, color, religion, sex, disability, marital status, national origin or age.

11.3 Compliance with Laws. Consultant shall ensure that all contractors and subcontractors perform their respective services in accordance with all applicable laws and regulations enacted and promulgated by the United States, the State of Nebraska, or any political subdivision thereof which govern the conduct of the contractors or subcontractors during the performance of their obligations under this Contract, and they shall be deemed to be included in this Contract as though written out in full in this Contract.

11.4 Amendments. This Contract shall not be amended or modified except by written amendment executed by both parties hereto.

11.5 E-Verify. All contractors performing work hereunder shall be required to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

11.6 Entire Agreement. This Contract forms the entire agreement between the Authority and Consultant and by incorporation herein are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in this Contract.

11.7 Independent Contractor. Consultant is and shall be for all purposes in the performance of the Work contemplated hereunder an independent contractor and neither it nor any of its officers, agents, or employees shall, for any reason, be deemed employees of the Authority. Authority is interested only in the results of the Work with the means and methods of completing the same being left to the discretion of the Consultant.

11.8 Time. Time is of the essence of this Contract.

11.9 Binding and Obligatory. This Contract shall be binding and obligatory upon the parties, their successors and assigns.

IN WITNESS WHEREOF, this Contract has been executed as of the day and year first written above.

ATTEST:

AIRPORT AUTHORITY OF THE
CITY OF LINCOLN, NEBRASKA

By: _____
Secretary

By: _____
Chairman

Consultant,
a _____ Corporation

By: _____
President

Consultant's Taxpayer I.D. Number is:

A completed W-9 shall be provided
upon request.