

**REQUEST FOR PROPOSALS**

**TECHNICAL ASSISTANCE FOR THE**

**ASA AIRPORT DEVELOPMENT AND MANAGEMENT PROJECT IN MEXICO**

**Submission Deadline: 4:00 PM**

**LOCAL TIME (MEXICO CITY)**

**APRIL 6, 2011**

**Submission Place:**

**Gilberto Vazquez  
Aeropuertos y Servicios Auxiliares  
Av. 602 No. 161  
Col. Zona Federal Aeropuerto Internacional Ciudad de México  
Delegación Venustiano Carranza  
C.P. 15620, México D.F.  
Mexico  
Phone: (52-55) 5133-2972**

SEALED PROPOSALS SHALL BE CLEARLY MARKED AND RECEIVED PRIOR TO THE TIME AND DATE SPECIFIED ABOVE. PROPOSALS RECEIVED AFTER SAID TIME AND DATE WILL NOT BE ACCEPTED OR CONSIDERED.

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## **Section 1: INTRODUCTION**

The U.S. Trade and Development Agency (“USTDA”) has provided a grant in the amount of US\$395,000 to Aeropuertos y Servicios Auxiliares (“ASA”) (the “Grantee”) of Mexico (the “Host Country”) in accordance with a grant agreement dated August 18, 2010 (the “Grant Agreement”) to fund technical assistance (“Technical Assistance”) for the ASA Airport Development and Management Project (the “Project”). This Technical Assistance will provide ASA with recommendations on optimizing routes, facilities, and equipment deployed at four Mexican airports: Cuernavaca, Puebla, Querétaro, and Toluca. The Grant Agreement is attached at Annex 4 for reference. The Grantee is soliciting technical proposals from qualified U.S. firms to provide expert consulting services to perform the Technical Assistance.

### **1.1 BACKGROUND SUMMARY**

ASA is an independent government agency that manages and operates 18 airports in Mexico, and is a technical assistant for six concessioned airports, one of them being the international airport in Mexico City. The agency was created in 1965 and is the only government agency in Mexico that operates airport facilities, and does so either through a public-private partnership or by working with state government entities.

To support its long-term strategic planning efforts, ASA seeks to address three primary objectives through this Technical Assistance:

- Analyze the core characteristics, competitive advantages, and possible markets for the Cuernavaca, Puebla, Querétaro, and Toluca airports;
- Develop point-to-point routes between the four airports and the United States; and
- Assess security and other equipment needs based on the anticipated increased demand associated with a route expansion program at the four airports.

The Technical Assistance is intended to complement any previous or current planning efforts carried out at these four airports. The Technical Assistance will build on recent USTDA investments in Mexico’s aviation infrastructure in support of the country’s National Infrastructure Program. Under the National Infrastructure Program, the Government of Mexico has committed to increased infrastructure investments in the transportation sector, among others; and an important aspect in this sector is the focus on building new and expanding existing aviation infrastructure.

A background Definitional Mission is provided for reference in Annex 2.

### **1.2 OBJECTIVE**

The objective of the Technical Assistance is to provide recommendations to optimize routes, facilities, and equipment deployed at four Mexican airports: Cuernavaca, Puebla, Querétaro, and Toluca.

The Terms of Reference (“TOR”) for this Technical Assistance are attached as Annex 5.

### **1.3 PROPOSALS TO BE SUBMITTED**

Technical proposals are solicited from interested and qualified U.S. firms. The administrative and technical requirements as detailed throughout the Request for Proposals ("RFP") will apply. Specific proposal format and content requirements are detailed in Section 3.

The amount for the contract has been established by a USTDA grant of US\$395,000. **The USTDA grant of US\$395,000 is a fixed amount. Accordingly, COST will not be a factor in the evaluation and therefore, cost proposals should not be submitted.** Upon detailed evaluation of technical proposals, the Grantee shall select one firm for contract negotiations.

### **1.4 CONTRACT FUNDED BY USTDA**

In accordance with the terms and conditions of the Grant Agreement, USTDA has provided a grant in the amount of US\$395,000 to the Grantee. The funding provided under the Grant Agreement shall be used to fund the costs of the contract between the Grantee and the U.S. firm selected by the Grantee to perform the TOR. The contract must include certain USTDA Mandatory Contract Clauses relating to nationality, taxes, payment, reporting, and other matters. The USTDA nationality requirements and the USTDA Mandatory Contract Clauses are attached at Annexes 3 and 4, respectively, for reference.

## **Section 2: INSTRUCTIONS TO OFFERORS**

### **2.1 PROJECT TITLE**

The Project is called the "ASA Airport Development and Management Project."

### **2.2 DEFINITIONS**

Please note the following definitions of terms as used in this RFP.

The term "Request for Proposals" means this solicitation of a formal technical proposal, including qualifications statement.

The term "Offeror" means the U.S. firm, including any and all subcontractors, which responds to the RFP and submits a formal proposal and which may or may not be successful in being awarded this procurement.

### **2.3 DEFINITIONAL MISSION REPORT**

USTDA sponsored a Definitional Mission to address technical, financial, sociopolitical, environmental, and other aspects of the proposed Project. A copy of the report is attached at Annex 2 for background information only. Please note that the TOR referenced in the report are included in this RFP as Annex 5.

### **2.4 EXAMINATION OF DOCUMENTS**

Offerors should carefully examine this RFP. It will be assumed that Offerors have done such inspection and that through examinations, inquiries, and investigation they have become familiarized with local conditions and the nature of problems to be solved during the execution of the Technical Assistance.

Offerors shall address all items as specified in this RFP. Failure to adhere to this format may disqualify an Offeror from further consideration.

Submission of a proposal shall constitute evidence that the Offeror has made all the above mentioned examinations and investigations, and is free of any uncertainty with respect to conditions which would affect the execution and completion of the Technical Assistance.

## **2.5 PROJECT FUNDING SOURCE**

The Technical Assistance will be funded under a grant from USTDA. The total amount of the grant is not to exceed US\$395,000.

## **2.6 RESPONSIBILITY FOR COSTS**

Offeror shall be fully responsible for all costs incurred in the development and submission of the proposal. Neither USTDA nor the Grantee assumes any obligation as a result of the issuance of this RFP, the preparation or submission of a proposal by an Offeror, the evaluation of proposals, final selection, or negotiation of a contract.

## **2.7 TAXES**

Offerors should submit proposals that note that in accordance with the USTDA Mandatory Contract Clauses, USTDA grant funds shall not be used to pay any taxes, tariffs, duties, fees, or other levies imposed under laws in effect in the Host Country.

## **2.8 CONFIDENTIALITY**

The Grantee will preserve the confidentiality of any business proprietary or confidential information submitted by the Offeror, which is clearly designated as such by the Offeror, to the extent permitted by the laws of the Host Country.

## **2.9 ECONOMY OF PROPOSALS**

Proposal documents should be prepared simply and economically, providing a comprehensive yet concise description of the Offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

## **2.10 OFFEROR CERTIFICATIONS**

The Offeror shall certify (a) that its proposal is genuine and is not made in the interest of, or on behalf of, any undisclosed person, firm, or corporation, and is not submitted in conformity with, and agreement of, any undisclosed group, association, organization, or corporation; (b) that it has not directly or indirectly induced or solicited any other Offeror to put in a false proposal; (c) that it has not solicited or induced any other person, firm, or corporation to refrain from submitting a proposal; and (d) that it has not sought by collusion to obtain for itself any advantage over any other Offeror or over the Grantee or USTDA or any employee thereof.

## **2.11 CONDITIONS REQUIRED FOR PARTICIPATION**

Only U.S. firms are eligible to participate in this tender. However, U.S. firms may utilize subcontractors from the Host Country for up to 20 percent of the amount of the USTDA grant for specific services from the TOR identified in the subcontract. USTDA's nationality requirements, including definitions, are detailed in Annex 3.

## **2.12 LANGUAGE OF PROPOSAL**

All proposal documents shall be prepared and submitted in English and Spanish.

## **2.13 PROPOSAL SUBMISSION REQUIREMENTS**

The Cover Letter in the proposal must be addressed to:

**Gilberto Vazquez**  
**Aeropuertos y Servicios Auxiliares**  
**Av. 602 No. 161**  
**Col. Zona Federal Aeropuerto Internacional Ciudad de México**  
**Delegación Venustiano Carranza**  
**C.P. 15620, México D.F.**  
**Mexico**  
**Phone: (52-55) 5133-2972**

**An original in English, an original in Spanish, one (1) copy in English, and three (3) copies in Spanish of your proposal must be received at the above address no later than 4:00 PM on April 6, 2011.**

Proposals may be either sent by mail, overnight courier, or hand-delivered. Whether the proposal is sent by mail, courier, or hand-delivered, the Offeror shall be responsible for actual delivery of the proposal to the above address before the deadline. Any proposal received after the deadline will be returned unopened. The Grantee will promptly notify any Offeror if its proposal was received late.

Upon timely receipt, all proposals become the property of the Grantee.

## **2.14 PACKAGING**

Each proposal must be sealed to ensure confidentiality of the information. The proposals should be individually wrapped and sealed, and labeled for content including "original" or "copy number x"; the original in English, the original in Spanish, one (1) copy in English, and three (3) copies in Spanish should be collectively wrapped and sealed, and clearly marked for content. Neither USTDA nor the Grantee will be responsible for premature opening of proposals not properly wrapped, sealed, and labeled.

## **2.15 AUTHORIZED SIGNATURE**

The proposal must contain the signature of a duly authorized officer or agent of the Offeror empowered with the right to bind the Offeror.

## **2.16 EFFECTIVE PERIOD OF PROPOSAL**

The proposal shall be binding upon the Offeror for ninety (90) days after the proposal due date, and Offeror may withdraw or modify this proposal at any time prior to the due date upon written request, signed in the same manner and by the same person who signed the original proposal.

## **2.17 EXCEPTIONS**

All Offerors agree by their response to this RFP announcement to abide by the procedures set forth herein. No exceptions shall be permitted.

## **2.18 OFFEROR QUALIFICATIONS**

As provided in Section 3, Offerors shall submit evidence that they have relevant past experience and have previously delivered advisory, technical assistance and/or other services similar to those required in the TOR, as applicable.

## **2.19 RIGHT TO REJECT PROPOSALS**

The Grantee reserves the right to reject any and all proposals.

## **2.20 PRIME CONTRACTOR RESPONSIBILITY**

Offerors have the option of subcontracting parts of the services they propose. The Offeror's proposal must include a description of any anticipated subcontracting arrangements, including the name, address, and qualifications of any subcontractors. USTDA nationality provisions apply to the use of subcontractors and are set forth in detail in Annex 3. The successful Offeror shall cause appropriate provisions of its contract, including all of the applicable USTDA Mandatory Contract Clauses, to be inserted in any subcontract funded or partially funded by USTDA grant funds.

## **2.21 AWARD**

The Grantee shall make an award resulting from this RFP to the best qualified Offeror, on the basis of the evaluation factors set forth herein. The Grantee reserves the right to reject any and all proposals received and, in all cases, the Grantee will be the judge as to whether a proposal has or has not satisfactorily met the requirements of this RFP.

## **2.22 COMPLETE SERVICES**

The successful Offeror shall be required to (a) provide local transportation, office space and secretarial support required to perform the TOR if such support is not provided by the Grantee; (b) provide and perform all necessary labor, supervision and services; and (c) in accordance with best technical and business practice, and in accordance with the requirements, stipulations, provisions and conditions of this RFP and the resultant contract, execute and complete the TOR to the satisfaction of the Grantee and USTDA.

## **2.23 INVOICING AND PAYMENT**

Deliverables under the contract shall be delivered on a schedule to be agreed upon in a contract with the Grantee. The Contractor may submit invoices to the designated Grantee Project Director in accordance with a schedule to be negotiated and included in the contract. After the Grantee's approval of each invoice, the Grantee will forward the invoice to USTDA. If all of the requirements of USTDA's Mandatory Contract Clauses are met, USTDA shall make its respective disbursement of the grant funds directly to the U.S. firm in the United States. All payments by USTDA under the Grant Agreement will be made in U.S. currency. Detailed provisions with respect to invoicing and disbursement of grant funds are set forth in the USTDA Mandatory Contract Clauses attached in Annex 4.

### **Section 3: PROPOSAL FORMAT AND CONTENT**

To expedite proposal review and evaluation, and to assure that each proposal receives the same orderly review, all proposals must follow the format described in this section.

Proposal sections and pages shall be appropriately numbered and the proposal shall include a Table of Contents. Offerors are encouraged to submit concise and clear responses to the RFP. Proposals shall contain all elements of information requested without exception. Instructions regarding the required scope and content are given in this section. The Grantee reserves the right to include any part of the selected proposal in the final contract.

The proposal shall consist of a technical proposal only. A cost proposal is NOT required because the amount for the contract has been established by a USTDA grant of US\$395,000, which is a fixed amount.

Offerors shall submit one (1) original in English, one (1) original in Spanish, one (1) copy in English, and three (3) copies in Spanish of the proposal. Proposals received by fax cannot be accepted.

Each proposal must include the following:

- Transmittal Letter,
- Cover/Title Page,
- Table of Contents,
- Executive Summary,
- Company Information,
- Organizational Structure, Management Plan, and Key Personnel,
- Technical Approach and Work Plan, and
- Experience and Qualifications.

Detailed requirements and directions for the preparation of the proposal are presented below.

#### **3.1 EXECUTIVE SUMMARY**

An Executive Summary should be prepared describing the major elements of the proposal, including any conclusions, assumptions, and general recommendations the Offeror desires to make. Offerors are requested to make every effort to limit the length of the Executive Summary to no more than five (5) pages.

## **3.2 COMPANY INFORMATION**

For convenience, the information required in this Section 3.2 may be submitted in the form attached in Annex 6 hereto.

### **3.2.1 Company Profile**

Provide the information listed below relative to the Offeror's firm. If the Offeror is proposing to subcontract some of the proposed work to another firm(s), the information below must be provided for each subcontractor.

1. Name of firm and business address (street address only), including telephone and fax numbers.
2. Year established (include predecessor companies and year(s) established, if appropriate).
3. Type of ownership (e.g. public, private or closely held).
4. If private or closely held company, provide list of shareholders and the percentage of their ownership.
5. List of directors and principal officers (President, Chief Executive Officer, Vice-President(s), Secretary, and Treasurer; provide full names including first, middle and last). Please place an asterisk (\*) next to the names of those principal officers who will be involved in the Technical Assistance.
6. If Offeror is a subsidiary, indicate if Offeror is a wholly-owned or partially-owned subsidiary. Provide the information requested in items 1 through 5 above for the Offeror's parent(s).
7. Project Manager's name, address, telephone number, e-mail address, and fax number.

### **3.2.2 Offeror's Authorized Negotiator**

Provide name, title, address, telephone number, e-mail address, and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

### **3.2.3 Negotiation Prerequisites**

1. Discuss any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Technical Assistance as proposed and reflect such impact within the project schedule.
2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

### 3.2.4 Offeror's Representations

If any of the following representations cannot be made, or if there are exceptions, the Offeror must provide an explanation.

1. Offeror is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of \_\_\_\_\_. The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Technical Assistance. The Offeror is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued within one month of the date of its proposal by the State of \_\_\_\_\_.
2. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
3. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
5. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee. USTDA retains the right to request an updated certificate of good standing from the selected Offeror.

### **3.3 ORGANIZATIONAL STRUCTURE, MANAGEMENT, AND KEY PERSONNEL**

Describe the Offeror's proposed project organizational structure. Discuss how the project will be managed including the principal and key staff assignments for this Technical Assistance. Identify the Project Manager who will be the individual responsible for this project. The Project Manager shall have the responsibility and authority to act on behalf of the Offeror in all matters related to the Technical Assistance.

Provide a listing of personnel (including subcontractors) to be engaged in the project, including both U.S. and local subcontractors, with the following information for key staff: position in the project; pertinent experience, curriculum vitae; other relevant information. If subcontractors are to be used, the Offeror shall describe the organizational relationship, if any, between the Offeror and the subcontractor.

A manpower schedule and the level of effort for the project period, by activities and tasks, as detailed under the Technical Approach and Work Plan shall be submitted. A statement confirming the availability of the proposed Project Manager and key staff over the duration of the project must be included in the proposal.

### **3.4 TECHNICAL APPROACH AND WORK PLAN**

Describe in detail the proposed Technical Approach and Work Plan (the "Work Plan"). Discuss the Offeror's methodology for completing the project requirements. Include a brief narrative of the Offeror's methodology for completing the tasks within each activity series. Begin with the information gathering phase and continue through delivery and approval of all required reports.

Prepare a detailed schedule of performance that describes all activities and tasks within the Work Plan, including periodic reporting or review points, incremental delivery dates, and other project milestones.

Based on the Work Plan, and previous project experience, describe any support that the Offeror will require from the Grantee. Detail the amount of staff time required by the Grantee or other participating agencies and any work space or facilities needed to complete the Technical Assistance.

### **3.5 SECTION 5: EXPERIENCE AND QUALIFICATIONS**

Provide a discussion of the Offeror's experience and qualifications that are relevant to the objectives and TOR for the Technical Assistance. If a subcontractor(s) is being used, similar information must be provided for the prime and each subcontractor firm proposed for the project. The Offeror shall provide information with respect to relevant experience and qualifications of key staff proposed. The Offeror shall include letters of commitment from the individuals proposed confirming their availability for contract performance.

As many as possible but not more than six (6) relevant and verifiable project references must be provided for the Offeror and any subcontractor, including the following information:

- Project name,
- Name and address of client (indicate if joint venture),
- Client contact person (name/ position/ current phone and fax numbers),
- Period of Contract,
- Description of services provided,
- Dollar amount of Contract, and
- Status and comments.

Offerors are strongly encouraged to include in their experience summary primarily those projects that are similar to or larger in scope than the Technical Assistance as described in this RFP.

#### **Section 4: AWARD CRITERIA**

Individual proposals will be initially evaluated by a Procurement Selection Task Force of representatives from the Grantee. The Task Force will then conduct a final evaluation and completion of ranking of qualified Offerors. The Grantee will notify USTDA of the best qualified Offeror, and upon receipt of USTDA's no-objection letter, the Grantee shall promptly notify all Offerors of the award and negotiate a contract with the best qualified Offeror. If a satisfactory contract cannot be negotiated with the best qualified Offeror, negotiations will be formally terminated. Negotiations may then be undertaken with the second-most qualified Offeror and so forth.

The selection of the Contractor will be based on the following criteria and their corresponding assigned weights:

1. Experience of proposed personnel in the following areas (60%):
  - Route analysis and selection (particularly in the North American region) and knowledge of the U.S. and Mexican markets (20%)
  - Market analysis, business planning, marketing, promotion, and public relations for airports (15%)
  - Airport planning, including relevant experience with ICAO, FAA, and TSA regulations (15%)
  - Airport operations, including relevant projects in the area of security (10%)
2. Adequacy, soundness, and thoroughness of the proposed Technical Approach and Work Plan (25%)
3. Experience and familiarity with the aviation sector in Mexico, including experience in working with local authorities and familiarity with local regulations (10%)
4. Experience and ability to work in the Spanish language (5%)

Proposals that do not include all requested information may be considered non-responsive.

Price will not be a factor in Contractor selection.

**ANNEX 1**

**FEDBIZOPPS ANNOUNCEMENT**

Gilberto Vazquez, Aeropuertos y Servicios Auxiliares, Av. 602 No. 161, Col. Zona Federal Aeropuerto Internacional Ciudad de México, Delegación Venustiano Carranza, C.P. 15620, México D.F., Mexico, Phone + (52-55) 5133-2972

B – Mexico: ASA Airport Development and Management Project Technical Assistance

POC: Nina Patel, USTDA, 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901, Tel: (703) 875-4357, Fax: (703) 875-4009. ASA Airport Development and Management Project Technical Assistance, Mexico.

The Grantee (Aeropuertos y Servicios Auxiliares, "ASA") invites submission of qualifications and proposal data (collectively referred to as the "Proposal") from interested U.S. firms that are qualified on the basis of experience and capability to conduct Technical Assistance for the ASA Airport Development and Management Project.

The objective of the ASA Airport Development and Management Project Technical Assistance is to provide recommendations to optimize routes, facilities, and equipment deployed at four Mexican airports: Cuernavaca, Puebla, Querétaro, and Toluca. The Technical Assistance is intended to complement any previous or current planning efforts carried out at these four airports. The Technical Assistance will build on recent USTDA investments in Mexico's airport infrastructure in support of the country's National Infrastructure Program. Under the National Infrastructure Program, the Government of Mexico has committed to increased infrastructure investments in the transportation sector, among others; and an important aspect in this sector is the focus on building new and expanding existing airport infrastructure.

The Terms of Reference ("TOR") for the Technical Assistance include the following tasks: 1) Kick-off Meeting and Project Start-up; 2) Strengths, Weaknesses, Opportunities, and Threats Analysis; 3) Route Analysis and Selection; 4) Market Development Assessment; 5) Airport Security Program; 6) Airport Equipage Program; 7) Developmental Impact Assessment; 8) Environmental Impact Assessment; and 9) Final Report.

The U.S. firm selected will be paid in U.S. dollars from a \$395,000 grant to the Grantee from the U.S. Trade and Development Agency ("USTDA").

A detailed Request for Proposals ("RFP"), which includes requirements for the Proposal, the Terms of Reference, and a background definitional mission report are available from USTDA, at 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901. To request the RFP in PDF format, please go to:

<https://www.ustda.gov/businessops/rfpform.asp>.

Requests for a mailed hardcopy version of the RFP may also be faxed to the IRC, USTDA at 703-875-4009. In the fax, please include your firm's name, contact person,

address, and telephone number. Some firms have found that RFP materials sent by U.S. mail do not reach them in time for preparation of an adequate response. Firms that want USTDA to use an overnight delivery service should include the name of the delivery service and your firm's account number in the request for the RFP. Firms that want to send a courier to USTDA to retrieve the RFP should allow one hour after faxing the request to USTDA before scheduling a pick-up. Please note that no telephone requests for the RFP will be honored. Please check your internal fax verification receipt. Because of the large number of RFP requests, USTDA cannot respond to requests for fax verification. Requests for RFPs received before 4:00 PM will be mailed the same day. Requests received after 4:00 PM will be mailed the following day. Please check with your courier and/or mail room before calling USTDA.

Only U.S. firms and individuals may bid on this USTDA financed activity. Interested firms, their subcontractors and employees of all participants must qualify under USTDA's nationality requirements as of the due date for submission of qualifications and proposals and, if selected to carry out the USTDA-financed activity, must continue to meet such requirements throughout the duration of the USTDA-financed activity. All goods and services to be provided by the selected firm shall have their nationality, source and origin in the U.S. or host country. The U.S. firm may use subcontractors from the host country for up to 20 percent of the USTDA grant amount. Details of USTDA's nationality requirements and mandatory contract clauses are also included in the RFP.

Interested U.S. firms should submit their Proposal in English and Spanish directly to the Grantee by 4:00 PM (local time in Mexico City, Mexico), April 6, 2011, at the above address. Evaluation criteria for the Proposal are included in the RFP. Price will not be a factor in contractor selection, and therefore, cost proposals should NOT be submitted. The Grantee reserves the right to reject any and/or all Proposals. The Grantee also reserves the right to contract with the selected firm for subsequent work related to the project. The Grantee is not bound to pay for any costs associated with the preparation and submission of Proposals.

**ANNEX 2**

**BACKGROUND DEFINITIONAL MISSION REPORT**

PUBLIC VERSION

# Final Report

## Airport Development and Management Projects in Mexico

USTDA Project No. 20095100007

Presented by: **KED Group**



This report was funded by the U.S. Trade and Development Agency (USTDA), an agency of the U.S. Government. The opinions, findings, conclusions, or recommendations expressed in this document are those of the author(s) and do not necessarily represent the official position or policies of USTDA. USTDA makes no representation about, nor does it accept responsibility for, the accuracy or completeness of the information contained in this report.

**Mailing and Delivery Address:** 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901  
**Phone:** 703-875-4357 • **Fax:** 703-875-4009 • **Web site:** [www.ustda.gov](http://www.ustda.gov) • **email:** [info@ustda.gov](mailto:info@ustda.gov)



## **The U.S. Trade and Development Agency**

The U.S. Trade and Development Agency (USTDA) advances economic development and U.S. commercial interests in developing and middle income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment.

USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. Operating at the nexus of foreign policy and commerce, USTDA is uniquely positioned to work with U.S. firms and host countries in achieving the agency's trade and development goals. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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## **EXECUTIVE SUMMARY**

In August 2009, the U.S. Trade and Development Agency (USTDA) awarded a Definitional Mission (DM) to Mexico, Airport Development and Management Projects in Mexico to the KED Group, LLC (KED). Subsequent to the award, Ms. Grace Kalil and Mr. Pablo Riofrio from the KED Team traveled to Mexico to assess various projects that had been proposed by Aeropuertos y Servicios Auxiliares (ASA), including a route development program for the metropolitan system airports.

While in-country, the KED Team conducted numerous meetings with ASA representatives, as well as a site visits to airports in Puebla, Cuernavaca, Toluca, Tamuin, and Querétaro. Particular attention was placed during the site visit to observe the infrastructure and operational procedures of each facility, as well as discussing the progress made by the Puebla and Querétaro airports based on the recently-funded USTDA master plans. KED also conducted meetings with other stakeholders including financial institutions, commercial banks, environmental authorities - Secretary of Environment and Natural Resources (SEMARNAT) and the Environmental Protection Agency (PROFEPA) - the General Directorate of Civil Aviation (DGAC), as well as a briefing and debriefing meeting with Embassy personnel.

The due diligence process indicated that representatives from the four metropolitan system airports agreed on the need to assess potential demand, expand service routes and create a focused marketing effort to promote these airports. While most of the airports visited had an adequate level of infrastructure (particularly Toluca and Querétaro), representatives from all airports agreed that they need a strategy to entice the entrance of new carriers, encourage airlines to open new routes, and expand services to areas within Mexico and overseas (particularly the U.S. and Canada) which are not being served, even though demand has been identified. As a result, ASA has requested funding for a route technical assistance that would allow the airports to identify, target and market certain profitable routes to the United States.

In addition, airport and ASA representatives both expressed the need to differentiate the role of each airport within the national and metropolitan airport systems. While all four airports included in the proposed technical assistance (Toluca, Puebla, Querétaro and Cuernavaca) are part of the metropolitan airport system, each of them has specific infrastructure characteristics, roles, markets and competitive advantages that need to be individually addressed in order to allow sustainable growth at each facility.

Furthermore, it is evident that the proposed expansion of services and routes cannot succeed without an adequate infrastructure that will support the added capacity, as well as appropriate operational and security procedures that will bring the facilities to international standards of service and quality, particularly because these airports are targeting the U.S. as its primary international market. Therefore, it is vital that each facility reviews its existing equipment and procedures in order to accommodate international passengers and meet stricter international regulations such as those of Transportation Security Administration (TSA) for flights destined to the United States.

Considering the challenges and opportunities faced by these airports, KED recommends that USTDA funds a technical assistance that will have the following primary objectives:

- (1) Assist ASA in determining the competitive advantages of each airport
- (2) Develop a Mexico-U.S. route strategy and optimize the use of airport facilities
- (3) Provide recommendations for equipment optimization based on forecasted demand in order to ensure that these facilities meet international levels of service and U.S. regulations

It is anticipated that a large portion of U.S. exports resulting from the technical assistance will consist of new security equipment – as well as new baggage handling equipment, ground equipment, fire and emergency vehicles and IT systems. We anticipate potential exports in the range of U.S.\$11-13 million. Due to the proximity between the two countries and based on the type of equipment identified during the site visits, we anticipate that foreign competition for this project will be low. Financing for equipment procurement can be obtained from a number of sources from both the public and private sector; however, KED has identified federal funds and the National Works and Public Services Bank (BANOBRAS) to be the two most prominent funding sources.

## **PROJECT DESCRIPTION**

During the course of the mission, it became evident that all airports agreed on one specific area of importance: the need to assess potential demand, expand service routes and create a focused marketing effort to promote the facilities. While most of the airports visited had an adequate level of infrastructure (particularly Toluca and Querétaro), management from the four airports agree that they need a strategy to entice the entrance of new carriers and encourage airlines to open routes and expand services to areas within Mexico and overseas (particularly the U.S. and Canada) which are not being served, even though niche markets exist.

It is ASA's belief that a key to success is to appropriately identify the particular role of each airport within the national and metropolitan airport systems. While all four airports included in the technical assistance (Toluca, Puebla, Querétaro and Cuernavaca) are part of the metropolitan airport system, each of them has specific infrastructure characteristics, roles, markets and competitive advantages that need to be individually addressed in order to allow sustainable growth at each facility. For instance, our meetings at Querétaro indicated that this airport is particularly suited to become a cargo hub, not only because of existing industries nearby, but also because of the location, facilities and equipment already available at this airport. The airport in Cuernavaca, which has minimal commercial traffic at this time, is building a second passenger terminal and serves an area in Guerrero which has a large migrant population. Airport representatives are well aware of this competitive advantage, but do not have adequate tools to entice carriers to open new routes to key destinations in the United States.

Furthermore, there was also a concern at certain airports that if new flights are open to the U.S., Mexico's largest international market, security procedures and equipment will have to be

assessed in order to ensure conformity with TSA regulations and meet increased demand. Thus, for facilities that currently do not provide service to the U.S., even though they have been granted international airport status, a review of operations, controls and equipment is necessary in order to allow efficient, safe and adequate service and comply with international regulations. There is also a need to ensure that if any new flights are implemented, the airport has at the minimum adequate equipment at key areas such as the passenger terminal and emergency facilities to accommodate the increased demand.

Based on our findings, the needs and priorities identified by ASA and the condition of each of the airports assessed, KED Group recommends a technical assistance that consists of the following components:

- An analysis of core characteristics, competitive advantages and possible markets for each the four airports
- The development of point-to-point routes between the four airports and the U.S.
- An assessment of security and other equipment needs based on increased demand associated with the recommended route expansion program

The overall objectives of this technical assistance are:

- Promote increased service at each facility based on the individual competitive advantages of each airport
- Foster the development of infrastructure that responds to specific characteristics and markets
- Increase connectivity with the largest international market (the U.S.) by providing adequate infrastructure and security procedures that will allow international operations

During the first part of the project, the Contractor shall conduct an analysis that will provide a recommendation for expanding point-to-point routes between Mexico and the U.S. (for the four airports that comprise the technical assistance) by establishing the competitive advantages of each airport and the potential passenger/cargo demand for flights to the U.S. for each separate airport. In addition, the Contractor will be tasked with providing market development assistance by conducting meetings with potential operators, chambers of commerce and other stakeholders in order to assess potential opportunities for ASA and airport representatives to market these routes.

The second part of the technical assistance consists of a review of equipment and the assessment of security operation requirements for each of the four airports in order to ensure that infrastructure is in place to accommodate the proposed routes. The Contractor shall address at the minimum baggage and cargo handling equipment, security equipment, IT, flight and baggage information displays (FIDS/BIDS), and emergency vehicles. The Contractor will also be tasked to provide recommendations for improvement of security operations based on Annex 17 of the International Civil Aviation Organization (ICAO) and TSA standards.

## **PROJECT SPONSOR CAPABILITIES AND COMMITMENT**

Aeropuertos y Servicios Auxiliares (ASA) is an independent government agency that currently manages and operates 19 airports in Mexico. Created in 1965, ASA is the only government agency in Mexico that currently operates airports. ASA has created strategic partnerships either under a public-private partnership (PPP) scheme or working with state entities. ASA has substantial interest in the four airports included in this technical assistance – Querétaro, Puebla, Toluca and Cuernavaca – 49% Puebla and 25% on the other three.

Our meetings with ASA, as well as representatives from the different airports, indicate that the entity has the capacity needed to conduct the project and is in a great position to channel attention to the results of the technical assistance. Based on our findings, not only has ASA substantial interest in each of the facilities, but also has the support of airport authorities who also rely on ASA for technical expertise. As a government entity, ASA also plays a key role in PPPs by providing the link between the public and private sectors.

In regards to the commitment and priority placed by ASA to the project, the findings of the DM indicate that the proposed technical assistance requested by ASA responds to the entity's vision for long-term development of the metropolitan airport system and had the top priority among the projects assessed by our team. The discussions held by members of the KED Team with ASA representatives also indicated that ASA considers the expansion of its U.S. routes as a crucial step to optimize the utilization of existing facilities. They are also aware that increased demand and a focused marketing effort is needed in order to enhance the financial success of each airport.

It is the opinion of KED that ASA is extremely committed to this program and sees this technical assistance as a key element for the success of its business plan. The entity has requested that we work closely with USTDA to start this program as quickly as possible.

## **IMPLEMENTATION FINANCING**

There are several alternatives for implementation financing of the proposed project. Our team has assessed funds available through internal sources, i.e. self-funding, private sector investments in the case of airports that have private participation, as well as government and multilateral funding. Based on the current demand at the airports, as well as the information provided during the site visits, we believe that both Toluca and Puebla are in a good position to use airport-generated funds to sustain any implementation financing. Passenger demand at Toluca has grown substantially and the airport is well positioned financially to continue expansion of its capacity. Toluca is currently serving close to 5 million passengers/annum and has one of the highest passenger traffic growth rates in the country and the region. Furthermore, during our work in-country we met with representatives from BANOBRAS (Daniel Robles Ferrer, Project Director; Alfonso Fernandez Espin, Manager for Ports, Airports and Tourism; and Raul Ayala Aceves, Subdirector of Agent Banking) and they confirmed interest in providing financing for expansion and improvement projects at both Puebla and Toluca. BANOBRAS could be a good source of financing due to the terms provided, but the process in

most instances will be based on the financial feasibility of the airport and current/potential demand.

Based on our conversations and the information gathered, it would be more difficult for Cuernavaca and Querétaro to obtain financing from this source. In the case of Cuernavaca, this issue depends on the ability to generate and maintain a healthy level of scheduled commercial flights; in the case of Querétaro, they have already received funding from BANOBRAS and therefore, new financing packages will not be likely in the near future. It is anticipated that a significant portion of funding available for Cuernavaca and Querétaro will be obtained through federal funding. The 2010 budget is at this time in the process of being determined; 220 million pesos (about \$17 million dollars) have already been approved for Cuernavaca. We anticipate that these funds can be used for terminal equipment (the terminal building construction was close to 80% completed at the time of our visit), as well as airfield and other improvements. The federal funds for Querétaro, Puebla and Toluca have not been allocated as of yet. Finally, an additional source of funding comes from ASA funds and at this time this is the funding that we have identified for Querétaro. ASA has indicated that they will provide \$12 million pesos for Querétaro this year; we anticipate that additional funds can be obtained from the federal government once the 2010 has been approved.

#### **U.S. EXPORT POTENTIAL & FOREIGN COMPETITION**

While in-country, the KED Team conducted an assessment of the U.S. export potential for this project taking into consideration past procurement practices of ASA and the airports, the existing technologies and its compatibility with U.S. products and the type of equipment needed as a result of program implementation, specifically implementation of new routes. We consider that a large portion of U.S. exports resulting from this technical assistance will come from the acquisition of new security equipment, including EDSs, x-rays and CCTVs.

In addition, the technical assistance could result in additional airport equipment including IT, emergency vehicles, and baggage handling systems. We anticipate the following exports in this area:

**Table 1. U.S. Export Potential – Operations Improvement Program**

<b>Description</b>	<b>Unit Cost</b>	<b>Qty</b>	<b>Total</b>
<b>Security</b>			
X-Ray Systems (oversize luggage & palettes)	\$ 1,000,000.00	3	\$3,000,000.00
Explosive Trace Detection Units	\$ 50,000.00	3	\$ 150,000.00
Passenger Screening X-Ray Units	\$ 60,000.00	2	\$ 120,000.00
Walk-Through Metal Detectors	\$ 25,000.00	2	\$ 50,000.00
CCTV Systems			\$ 225,000.00
Access Control	\$ 70,000.00	3	\$ 210,000.00
Control Center	\$ 40,000.00	3	\$ 120,000.00

<b>Description</b>	<b>Unit Cost</b>	<b>Qty</b>	<b>Total</b>
Specialized Training in TSA Requirements	\$ 85,000.00	2	\$ 170,000.00
<b>New Terminal - Cuernavaca</b>			
Passenger Loading Bridges	\$ 450,000.00	2	\$ 900,000.00
Baggage Handling Systems (departure and arrival)			\$1,850,000.00
IT and Communications			\$ 500,000.00
Flight and Baggage Information Displays (FIDS/BIDS)			\$ 350,000.00
Tugs and Push Backs			\$ 420,000.00
Refrigeration Equipment and Cargo Movement			\$ 250,000.00
Fire Trucks			\$1,700,000.00
<b>Taxiway at Puebla</b>			
Lighting			\$ 500,000.00
<b>Others</b>			
Additional Fire Trucks & Fire Suppression Equipment			\$1,500,000.00
IT Systems			\$ 350,000.00
Refrigeration Equipment for Cargo			\$ 450,000.00
Baggage Handling & Cargo Movement			\$ 250,000.00
			<b>Total Estimated U.S. Exports \$13,065,000</b>

The KED Team has contacted several potential U.S. exports in the areas above to discuss their interest in the project, past experience in the market and product availability. The results of these communications are presented under Annex A of the Report.

It is important to note that for the most part, the response of U.S. suppliers, manufacturers and service providers was positive and enthusiastic. At the same time our conversations with members of ASA indicate that they are interested in using U.S. suppliers and consider U.S. products of high quality and affordable pricing. The proximity between the U.S. and Mexico has made U.S. brands not only familiar to the Mexican authorities, but they are also aware of savings related to transportation costs, replacement of parts and overall system maintenance.

Overall, we consider that foreign competition for U.S. products and services will be weak for the projects resulting from this technical assistance. First, as we conducted our site visits at the airport, the influence of U.S. products was notable. For instance, we saw security equipment from L3 Communications, baggage handling from Siemens North America (which had been recently purchased), Oshkosh fire trucks, etc. Second, managers at all airports were familiar with airport brands and acknowledged that there is good level of representation and maintenance for U.S. products.

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## **DEVELOPMENTAL IMPACT**

We anticipate this Project to have significant developmental impacts, particularly in the areas of technology transfer and market-oriented reforms as follows:

**Market-Oriented Reforms:** We anticipate this area to be by far the most affected by the results of the Project. The recommendation of new routes will foster competition in the Mexican aviation sector and will promote increased connectivity between Mexico and the United States. At the same time, we anticipate that the new services will decrease congestion at AICM and encourage users to benefit from alternate facilities such as Cuernavaca, Toluca and Puebla.

**Human Capacity Building:** When implemented, the Project will require additional staff at the four airports, particularly in the area of security. Some other areas where new jobs may be created include baggage and cargo handling, communications, passenger ticketing, airline staff, flight crew, etc. We estimate that between five to ten new individuals will be needed per new flight between airport and airline staff. In addition, training for airport staff in regards to ICAO Annex 17 and TSA procedures will be required. We anticipate that between 10-15 individuals will be trained in these areas.

**Technology Transfer and Productivity Improvement:** This is an area where we see high potential, particularly in terms of security, communications and, information technology. As the technical assistance will address potential new equipment, we anticipate modern, up-to-date technology to be implemented at the airports. Some examples would include explosive detection devices, and baggage/cargo inventory systems. At the same time, we anticipate that the proposed recommendations will improve the operational performance at the airport, including baggage handling time, passenger processing and on-time flight operations.

**Infrastructure:** As noted earlier overall infrastructure at the airports is for the most part adequate; we do not therefore anticipate a high impact on infrastructure other than the addition of new equipment.

## **IMPACT ON THE ENVIRONMENT**

KED does not anticipate that the implementation of the programs resulting from the proposed technical assistance will have significant negative impacts on the environment. While noise levels need to be considered due to a potential increase in the number of flights, the technical assistance will be a good way to assess the real impact of noise considering the minimization of it resulting from point-to-point routes and through frequency management. We anticipate that as new point-to-point routes area established noise levels will be maintained or decreased.



## **IMPACT ON U.S. LABOR**

It is KED's opinion that the Project will not cause any dislocation of U.S. jobs. It is not expected to provide any incentive to induce a business enterprise currently located in the U.S. to relocate in Mexico or another foreign country; contribute to the violation of internationally recognized workers' rights; or contribute to the production of any commodity that is in surplus in the global markets.

In fact, we believe that this project could have a positive impact by opening opportunities to U.S. suppliers of baggage and ground handling equipment, IT systems, and aircraft and aircraft parts.

## **JUSTIFICATION**

KED believes that this project is well justified as a means of promoting existing capacity in Central Mexico's airport system and foster opportunities for increased relations between Mexico and the United States. The proposed technical assistance will provide a roadmap for commercial development of facilities that are already in place and which for the most part have good infrastructure, while at the same time relieving some of the pressure from AICM in Mexico City. Our site visits indicated that the airports in Toluca, Querétaro, Puebla and Cuernavaca are well-positioned to provide a high quality service to users, but they lack an appropriate marketing strategy that will attract operators that currently are competing aggressively for slots at AICM. Some important benefits of the proposed project include:

- Optimization of the use of existing facilities in Central Mexico, considering the most appropriate markets for each, i.e. cargo, international passengers, migrants, and business travelers.
- Promote partnerships between Mexican and U.S. operators and businesses, including cargo companies, local industries and airlines
- Foster economic growth through new job opportunities, increased connectivity, and availability of air cargo services
- Increase the level of service to users by proving point-to-point routes and adequate security measures to increase connectivity to the U.S.
- Minimize environmental impacts and increase safety and security by allowing shorter routes and optimization of the airspace
- Promote the use of U.S. equipment and technologies at a great time in which Toluca and Cuernavaca are moving forward with expansion projects
- Complement the activities and projects already funded by USTDA in Querétaro and Puebla



## **QUALIFICATIONS**

Please see Section 4 in the RFP.



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**TERMS OF REFERENCE**

**MARKET AND INFRASTRUCTURE DEVELOPMENT TECHNICAL ASSISTANCE  
TOLUCA, CUERNAVACA, QUERÉTARO AND PUEBLA AIRPORTS IN CENTRAL MEXICO**

Please see Annex V in the RFP.

Definitional Mission -  
Mexico Airport Development and Management Projects  
Project No. CO2009210004



PROJECT BUDGET

TASK DESCRIPTIONS		LABOR IN PERSON DAYS							LABOR RECAP BY TASK		
DISCIPLINE		Program Manager	Market Specialist	Demand Specialist	Environmental Engineer	Route Development Specialist	Security Expert	Airport Planner	Project Coordinator	TOTAL	LABOR COST
TASK	TASK NAME									DAYS	COST
1	Kick-off Meeting and Project Start-up	8	9	4	2	4	7	8	5	47	\$51,300
2	SWOT Analysis	5	15	5	1	5	2	3	3	39	\$42,940
3	Route Analysis and Selection	10	8	25	2	32	2	5	5	89	\$101,980
4	Market Development Assistance	5	16			4			6	31	\$31,980
5	Airport Security Program	4					17	4	3	28	\$30,140
6	Airport Equipage Program	2			2	2	2	18	5	27	\$28,800
7	Developmental Impact Assessment	2	3	1	2	2	1	2	2	15	\$15,860
8	Environmental Assessment	2			8				2	12	\$11,160
9	Final Report and Briefing	5	7	3	5	5	3	3	8	39	\$39,240
<b>LABOR IN PERSON DAYS</b>		43	58	38	20	52	34	43	39	327	\$353,220
<b>LABOR INCLUDING OVERHEAD &amp; GENERAL ADMINISTRATIVE</b>											
Daily Rate*		\$1,300	\$1,100	\$1,100	\$950	\$1,250	\$1,100	\$1,200	\$480	TOTAL LABOR	\$353,220
TOTAL LABOR		\$55,900	\$63,800	\$41,800	\$19,000	\$65,000	\$37,400	\$51,600	\$18,720	TOTAL LABOR COST	\$395,000
<b>Direct Cost - International Travel</b>		<b>Number</b>	<b>Unit</b>	<b>Cost/Unit</b>	<b>Totals</b>						
Airfare International		11	trips	\$700	\$7,700						
Lodging		47	days	\$205	\$9,635						
Ground Transportation		47	days	\$30	\$1,410						
Meals and Incidentals		47	days	\$95	\$4,465						
Phone, fax and shipping					\$3,000						
Total Travel Costs					\$6,870						
<b>Direct Cost - Domestic Travel (Texas, Atlanta and California)</b>		<b>Number</b>	<b>Unit</b>	<b>Cost/Unit</b>	<b>Totals</b>						
Airfare		5	trips	\$750	\$3,750						
Lodging		10	days	\$150	\$1,500						
Ground Transportation		10	days	\$45	\$450						
Meals and Incidentals		10	days	\$70	\$700						
Phone, fax and shipping					\$300						
Total Labor					\$6,700						
										TOTAL PROJECT COST	\$395,000

Please review the following Budget Narrative Section for additional information regarding each line item.

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## **BUDGET NARRATIVE**

### **OVERALL TECHNICAL ASSISTANCE COST BREAKDOWN**

It is anticipated that the total cost of the technical assistance will be roughly \$395,000 out of which direct costs (airfares, lodging, per diem, meals, local transportation) will be \$42,000. This project will include, in addition to travel to Mexico, for the Contractor to meet chambers of commerce in Texas, Atlanta and California. We have allocated 10 days for these activities.

#### **DIRECT LABOR**

*Project Manager:* This individual will provide the necessary guidance and support for the successful completion of the project. The Project Manager should have at least 15 years of experience managing aviation projects, with particular experience in airport marketing and route development. It is anticipated that 43 days will be required at a rate of \$1300.

*Market Specialist:* This individual should have at least 10 years of experience in aviation and airport marketing programs, business plan development, market analysis, corporate strategy development, competitor analyses, SWOT analysis, air network planning, network modeling and promotion. Experience working in Mexico is preferable. He/she will be responsible for conducting a market assessment of the airports and the industry and for the development and selection of routes. It is anticipated that 58 days will be required at a rate of \$1100.

*Demand Specialist:* The Demand Specialist should have 7+ years of experience in air traffic forecasting, demand and market forecasting and benchmark studies for airports and airlines and market analysis. This individual should be familiar with IATA forecasts and will be responsible for determining potential demand for the airports. It is anticipated that 38 days will be required at a rate of \$1100.

*Environmental Engineer:* This individual should have five or more years of experience in environmental assessment of airports. Particular expertise in aircraft waste management, noise control and environmental mitigation. It is anticipated that 20 days will be required at a rate of \$950.

*Route Development Specialist:* This individual should have 10+ years of experience working in airline/airport development, with particular experience in Latin America. This professional will be responsible for selecting potential routes to be served by each airport. Knowledge of local Mexican and U.S. airlines is highly desirable. It is anticipated that 52 days will be required at a rate of \$1250.

*Security Specialist:* This senior consultant should have at least 10 years managing and developing security operations programs for international airports. This individual should have demonstrated experience in security processes optimization, including Annex 17 and TSA requirements. It is anticipated that 34 days will be required at a rate of \$1100.

*Airport Planner:* The Airport Planner should have 7+ years of experience in airport master planning, terminal planning and design and airport investment or development programs. This individual will be responsible for providing recommendations for optimization of equipment. It is anticipated that 43 days will be required at a rate of \$1200.

*Project Coordinator:* The Project Coordinator will provide administrative support for all other personnel. It is anticipated that 39 days will be required at a rate of \$480.

#### TRAVEL SUMMARY

1. *The Project Manager, Market Specialist, Route Specialist, Security Expert and the Planner will be required to travel to the host country for Task 1 as follows:*

Project Manager and Market Specialists – 8 days  
Route Development Specialist – 3 days  
Security Expert and Planner – 5 days  
Total days in country = 29 days

Roundtrip Airfare:  $\$700 \times 5 \text{ people} = \$3,500$   
Lodging and Per Diem:  $\$300 \times 29 \text{ days} = \$8,700$   
Ground Transportation:  $\$30 \times 29 \text{ days} = \$870$

2. *The Project Manager, Market Specialist and Route Specialist will be required to travel to the host country for Task 4's Briefing:*

Three (3) days of travel time will be required for each individual.  
Roundtrip Airfare:  $\$700 \times 3 \text{ people} = \$2,100$   
Lodging and Per Diem:  $\$300 \times 3 \text{ days} \times 3 \text{ people} = \$2,700$   
Ground Transportation:  $\$30 \times 3 \text{ days} \times 3 \text{ people} = \$270$

3. *The Project Manager, Route Specialist and Security Expert will be required to travel to the host country for the Final Report:*

Three (3) days of travel time will be required for each individual.  
Roundtrip Airfare:  $\$700 \times 3 \text{ people} = \$2,100$   
Lodging and Per Diem:  $\$300 \times 3 \text{ days} \times 3 \text{ people} = \$2,700$   
Ground Transportation:  $\$30 \times 3 \text{ days} \times 3 \text{ people} = \$270$

**ANNEX 3**

**USTDA NATIONALITY REQUIREMENTS**



**U.S. TRADE AND DEVELOPMENT AGENCY  
Arlington, VA 22209-2131**

**NATIONALITY, SOURCE, AND ORIGIN REQUIREMENTS**

The purpose of USTDA's nationality, source, and origin requirements is to assure the maximum practicable participation of American contractors, technology, equipment and materials in the prefeasibility, feasibility, and implementation stages of a project.

**USTDA STANDARD RULE (GRANT AGREEMENT STANDARD LANGUAGE):**

Except as USTDA may otherwise agree, each of the following provisions shall apply to the delivery of goods and services funded by USTDA under this Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from host country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for implementation of the Study and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Study support (e.g., local lodging, food, and transportation) in host country are not subject to the above restrictions. USTDA will make available further details concerning these standards of eligibility upon request.

**NATIONALITY:**

1) Rule

Except as USTDA may otherwise agree, the Contractor for USTDA funded activities must be either a U.S. firm or a U.S. individual. Prime contractors may utilize U.S.

subcontractors without limitation, but the use of host country subcontractors is limited to 20% of the USTDA grant amount.

## 2) Application

Accordingly, only a U.S. firm or U.S. individual may submit proposals on USTDA funded activities. Although those proposals may include subcontracting arrangements with host country firms or individuals for up to 20% of the USTDA grant amount, they may not include subcontracts with third country entities. U.S. firms submitting proposals must ensure that the professional services funded by the USTDA grant, to the extent not subcontracted to host country entities, are supplied by employees of the firm or employees of U.S. subcontractor firms who are U.S. individuals.

Interested U.S. firms and consultants who submit proposals must meet USTDA nationality requirements as of the due date for the submission of proposals and, if selected, must continue to meet such requirements throughout the duration of the USTDA-financed activity. These nationality provisions apply to whatever portion of the Terms of Reference is funded with the USTDA grant.

## 3) Definitions

A "U.S. individual" is (a) a U.S. citizen, or (b) a non-U.S. citizen lawfully admitted for permanent residence in the U.S. (a green card holder).

A "U.S. firm" is a privately owned firm which is incorporated in the U.S., with its principal place of business in the U.S., and which is either (a) more than 50% owned by U.S. individuals, or (b) has been incorporated in the U.S. for more than three (3) years prior to the issuance date of the request for proposals; has performed similar services in the U.S. for that three (3) year period; employs U.S. citizens in more than half of its permanent full-time positions in the U.S.; and has the existing capability in the U.S. to perform the work in question.

A partnership, organized in the U.S. with its principal place of business in the U.S., may also qualify as a "U.S. firm" as would a joint venture organized or incorporated in the United States consisting entirely of U.S. firms and/or U.S. individuals.

A nonprofit organization, such as an educational institution, foundation, or association may also qualify as a "U.S. firm" if it is incorporated in the United States and managed by a governing body, a majority of whose members are U.S. individuals.

## **SOURCE AND ORIGIN:**

### 1) Rule

In addition to the nationality requirement stated above, any goods (e.g., equipment and materials) and services related to their shipment (e.g., international transportation and insurance) funded under the USTDA Grant Agreement must have their source and origin in the United States, unless USTDA otherwise agrees. However, necessary purchases of goods and project support services which are unavailable from a U.S. source (e.g., local food, housing and transportation) are eligible without specific USTDA approval.

### 2) Application

Accordingly, the prime contractor must be able to demonstrate that all goods and services purchased in the host country to carry out the Terms of Reference for a USTDA Grant Agreement that were not of U.S. source and origin were unavailable in the United States.

### 3) Definitions

“Source” means the country from which shipment is made.

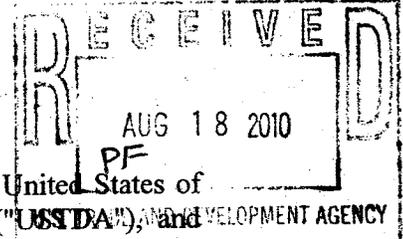
“Origin” means the place of production, through manufacturing, assembly or otherwise.

*Questions regarding these nationality, source and origin requirements may be addressed to the USTDA Office of General Counsel.*

**ANNEX 4**

**USTDA GRANT AGREEMENT,  
INCLUDING MANDATORY CONTRACT CLAUSES**

Mexico 2010-51022A



### GRANT AGREEMENT

This Grant Agreement is entered into between the Government of the United States of America, acting through the U.S. Trade and Development Agency ("USTDA"), and Aeropuertos y Servicios Auxiliares ("ASA" or "Grantee"). USTDA agrees to provide the Grantee under the terms of this Agreement US\$395,000 ("USTDA Grant") to fund the cost of goods and services required for technical assistance ("TA") on the proposed ASA Airport Development and Management Project ("Project") in Mexico ("Host Country").

NY  
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#### 1. USTDA Funding

The funding to be provided under this Grant Agreement shall be used to fund the costs of a contract between the Grantee and the U.S. firm selected by the Grantee ("Contractor") under which the Contractor will perform the TA ("Contract"). Payment to the Contractor will be made directly by USTDA on behalf of the Grantee with the USTDA Grant funds provided under this Grant Agreement.

#### 2. Terms of Reference

The Terms of Reference for the TA ("Terms of Reference") are attached as Annex I and are hereby made a part of this Grant Agreement. The TA will examine the technical, financial, environmental, and other critical aspects of the proposed Project. The Terms of Reference for the TA shall also be included in the Contract.

#### 3. Standards of Conduct

USTDA and the Grantee recognize the existence of standards of conduct for public officials, and commercial entities, in their respective countries. The parties to this Grant Agreement and the Contractor shall observe these standards, which include not accepting payment of money or anything of value, directly or indirectly, from any person for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the TA.

#### 4. Grantee Responsibilities

The Grantee shall undertake its best efforts to provide reasonable support for the Contractor, such as local transportation, office space, and secretarial support.

## **5. USTDA as Financier**

### **(A) USTDA Approval of Competitive Selection Procedures**

Selection of the U.S. Contractor shall be carried out by the Grantee according to its established procedures for the competitive selection of contractors with advance notice of the procurement published online through *Federal Business Opportunities* ([www.fedbizopps.gov](http://www.fedbizopps.gov)). Upon request, the Grantee will submit these contracting procedures and related documents to USTDA for information and/or approval.

### **(B) USTDA Approval of Contractor Selection**

The Grantee shall notify USTDA at the address of record set forth in Article 17 below upon selection of the Contractor to perform the TA. Upon approval of this selection by USTDA, the Grantee and the Contractor shall then enter into a contract for performance of the TA. The Grantee shall notify in writing the U.S. firms that submitted unsuccessful proposals to perform the TA that they were not selected.

### **(C) USTDA Approval of Contract Between Grantee and Contractor**

The Grantee and the Contractor shall enter into a contract for performance of the TA. This contract, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing. To expedite this approval, the Grantee (or the Contractor on the Grantee's behalf) shall transmit to USTDA, at the address set forth in Article 17 below, a photocopy of an English language version of the signed contract or a final negotiated draft version of the contract.

### **(D) USTDA Not a Party to the Contract**

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of the contract and any amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of funding the TA and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar the Grantee or USTDA from asserting any right they might have against the

Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Grantee or USTDA.

**(E) Grant Agreement Controlling**

Regardless of USTDA approval, the rights and obligations of any party to the contract or subcontract thereunder must be consistent with this Grant Agreement. In the event of any inconsistency between the Grant Agreement and any contract or subcontract funded by the Grant Agreement, the Grant Agreement shall be controlling.

**6. Disbursement Procedures**

**(A) USTDA Approval of Contract Required**

USTDA will make disbursements of Grant funds directly to the Contractor only after USTDA approves the Grantee's contract with the Contractor.

**(B) Contractor Invoice Requirements**

The Grantee should request disbursement of funds by USTDA to the Contractor for performance of the TA by submitting invoices in accordance with the procedures set forth in the USTDA Mandatory Clauses in Annex II.

**7. Effective Date**

The effective date of this Grant Agreement ("Effective Date") shall be the date of signature by both parties or, if the parties sign on different dates, the date of the last signature.

**8. TA Schedule**

**(A) TA Completion Date**

The completion date for the TA, which is December 31, 2011, is the date by which the parties estimate that the TA will have been completed.

**(B) Time Limitation on Disbursement of USTDA Grant Funds**

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this Grant Agreement for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

## **9. USTDA Mandatory Clauses**

All contracts funded under this Grant Agreement shall include the USTDA mandatory clauses set forth in Annex II to this Grant Agreement. All subcontracts funded or partially funded with USTDA Grant funds shall include the USTDA mandatory clauses, except for clauses B(1), G, H, I, and J.

## **10. Use of U.S. Carriers**

### **(A) Air**

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

### **(B) Marine**

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

## **11. Nationality, Source, and Origin**

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the TA and associated delivery services (e.g., international transportation and insurance) must have their nationality, source, and origin in the United States; and (e) goods and services incidental to TA support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

## **12. Taxes**

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees, or other levies imposed under laws in effect in Host Country. Neither the Grantee nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees, or other levies.

### **13. Cooperation Between Parties and Follow-Up**

The parties will cooperate to assure that the purposes of the Grant Agreement are accomplished. For five (5) years following receipt by USTDA of the Final Report (as defined in Clause I of Annex II), the Grantee agrees to respond to any reasonable inquiries from USTDA about the status of the Project.

### **14. Implementation Letters**

To assist the Grantee in the implementation of the TA, USTDA may, from time to time, issue implementation letters that will provide additional information about matters covered by the Grant Agreement. The parties may also use jointly agreed upon implementation letters to confirm and record their mutual understanding of matters covered by the Grant Agreement.

### **15. Recordkeeping and Audit**

The Grantee agrees to maintain books, records, and other documents relating to the TA and the Grant Agreement adequate to demonstrate implementation of its responsibilities under the Grant Agreement, including the selection of contractors, receipt and approval of contract deliverables, and approval or disapproval of contractor invoices for payment by USTDA. Such books, records, and other documents shall be separately maintained for three (3) years after the date of the final disbursement by USTDA. The Grantee shall afford USTDA or its authorized representatives the opportunity at reasonable times to review books, records, and other documents relating to the TA and the Grant Agreement.

### **16. Representation of Parties**

For all purposes relevant to the Grant Agreement, the Government of the United States of America will be represented by the U.S. Ambassador to Host Country or USTDA and Grantee will be represented by the Director General of ASA. The parties hereto may, by written notice, designate additional representatives for all purposes under the Grant Agreement.

### **17. Addresses of Record for Parties**

Any notice, request, document, or other communication submitted by either party to the other under the Grant Agreement shall be in writing or through a wire or electronic medium which produces a tangible record of the transmission, such as a telegram, cable, or facsimile, and will be deemed duly given or sent when delivered to such party at the following:

To: Aeropuertos y Servicios Auxiliares  
Av. 602 No. 161  
Col. San Juan de Aragón  
Delegación Venustiano Carranza  
C.P. 15620, México D.F.  
MEXICO

Phone: (52-55) 5133-2972  
Fax: (52-55) 5090-1000

To: U.S. Trade and Development Agency  
1000 Wilson Boulevard, Suite 1600  
Arlington, Virginia 22209-3901  
USA

Phone: (703) 875-4357  
Fax: (703) 875-4009

All such communications shall be in English, unless the parties otherwise agree in writing. In addition, the Grantee shall provide the Commercial Section of the U.S. Embassy in Host Country with a copy of each communication sent to USTDA.

Any communication relating to this Grant Agreement shall include the following fiscal data:

Appropriation No.: 1110/111001  
Activity No.: 2010-51022A  
Reservation No.: 2010510025  
Grant No.: GH2010510005

#### **18. Termination Clause**

Either party may terminate the Grant Agreement by giving the other party thirty (30) days advance written notice. The termination of the Grant Agreement will end any obligations of the parties to provide financial or other resources for the TA, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the written notice of termination.

**19. Non-waiver of Rights and Remedies**

No delay in exercising any right or remedy accruing to either party in connection with the Grant Agreement shall be construed as a waiver of such right or remedy.

**20. U.S. Technology and Equipment**

By funding this TA, USTDA seeks to promote the Project objectives of the Host Country through the use of U.S. technology, goods, and services. In recognition of this purpose, the Grantee agrees that it will allow U.S. suppliers to compete in the procurement of technology, goods, and services needed for Project implementation.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]** /

IN WITNESS WHEREOF, the Government of the United States of America and Aeropuertos y Servicios Auxiliares, each acting through its duly authorized representative, have caused this Agreement to be signed in the English language in their names and delivered as of the day and year written below. In the event that this Grant Agreement is signed in more than one language, the English language version shall govern.

For the Government of the  
United States of America

By: James A. Wilderott  
Date: 8/18/2010

For Aeropuertos y Servicios Auxiliares  
of Mexico

By: Gilberto Lopez Meyer  
Date: 8/08/10

Witnessed:

By: [Signature]

Witnessed:

By: Guillermo Heredia Cabarga

Annex I -- Terms of Reference

Annex II -- USTDA Mandatory Clauses

## Annex I

### **Terms of Reference**

#### Objective

The objective of the technical assistance ("TA") for the ASA Airport Development and Management Project ("Project") is to provide recommendations on how best to optimize routes, facilities, infrastructure, and equipment at four airports in Central Mexico: Cuernavaca, Puebla, Querétaro, and Toluca. The TA is intended to complement any previous or current planning efforts carried out at these four airports.

#### General Considerations for Deliverables and Documents

The Contractor shall undertake a quality control review process, including a technical and editorial review, of all deliverables and documents submitted to Aeropuertos y Servicios Auxiliares ("Grantee") to ensure readability, accuracy, and consistency. The interim deliverables specified in these Terms of Reference shall serve to keep the Grantee informed about the Contractor's work on the TA and to ensure that the Contractor's findings are acceptable to the Grantee before critical decisions are made on the TA. The Contractor shall submit monthly progress reports to the Grantee. The Contractor shall submit all deliverables and documents to the Grantee in English and Spanish.

#### Activities

##### Task 1: Kick-off Meeting and Project Start-Up

The Contractor shall carry out initial discussions with the Grantee to present the Contractor's team, discuss the TA goals and objectives, discuss the work methodology, and finalize any outstanding items that may need to be considered, such as calibrating the demand forecasts to real-life conditions (i.e. route expansion, capacity constraints). The Contractor shall conduct a data collection effort that shall include, at a minimum, origin-destination data, traffic patterns (point of service and beyond), cargo analysis, potential market opportunities (catchment area linked to existing or future national or international tourism programs), main tourism drivers (such as existing hotel room capacity, cultural attractions, and fairs and festivals), airline fleet analysis (strategy and projection), and local demographical and economical data.

The Contractor shall travel to Mexico City to conduct a kick-off meeting with the Grantee to discuss the data collection effort, discuss upcoming TA activities, and conduct site visits to inspect each of the four airports (Cuernavaca, Puebla, Querétaro, and Toluca). The site visit (expected to take one day for each airport) shall cover, at a minimum, a physical inspection of the airside and landside facilities, an assessment of current airport operations for cargo and security, and the information needed to complete Task 5 and Task 6.

The Grantee shall provide logistical support to conduct the one-day site visits to Cuernavaca, Puebla, Querétaro, and Toluca. The Grantee shall provide support in scheduling meetings at these airports with key airport management staff, develop an agenda for the site visits, and provide transportation to each of the four airports.

**Task 2: Strengths, Weaknesses, Opportunities, Threats Analysis**

Based mainly on the catchment area analysis conducted in Task 1, the Contractor shall conduct a Strengths, Weaknesses, Opportunities, and Threats ("SWOT") analysis for each of the four airports to detail the competitiveness of each airport in terms of routes and schedules (including transit), market segments, levels of service, operations, financial capacity, marketing strategies, partnerships, distribution, and promotion. As part of this task, the Contractor shall conduct a market analysis that determines how well each airport is servicing the market in terms of market share, changes in levels of demand, and competition considering the demand in Mexico City and Central Mexico. Based on the SWOT analysis, the Contractor shall determine the recommended improvement areas from an operational perspective.

Deliverable #1:

The Contractor shall submit an interim report to the Grantee detailing the findings from Task 1 and Task 2.

**Task 3: Route Analysis and Selection**

The Contractor shall assess each airport's ability to develop key international routes based on point-to-point demand and through a hub approach, considering any opportunities for each of the airports to develop its own core markets and being considered as alternate airports to Mexico City.

The Contractor shall compile available historical passenger and cargo traffic data for the four airports and shall analyze the competitive position of each airport, based on its historical (and perhaps future) profile, airline service patterns and fleet, geographic position, access to regional and international air transport markets, volume of operations, location of hubs, travel time and delays, service frequency, available aviation and airport services, and any other variables affecting the level and cost of service.

The Contractor shall conduct an analysis of potential passenger demand at each of the four airports using both a macroeconomic approach and a regression analysis. The demand process should be reviewed and adjusted based on the Contractor's research and experience in similar markets. The Contractor shall calibrate the estimated demand forecasts to incorporate real-life conditions by applying industry knowledge, judgment, and insight. As part of this process, the Contractor shall conduct interviews and meetings with airport representatives and private businesses in Central Mexico.

Based on the above analysis, the Contractor shall develop a list of potential key routes (city pairs) between each of the four airports and selected cities in the United States (i.e.

Toluca-Houston, Cuernavaca-Dallas, Puebla-Los Angeles). The Contractor shall recommend at least two city pairs for each of the airports (including type of airplane, frequencies, and schedules) and shall list potential airlines that could operate these key routes. In addition, the Contractor shall identify potential cargo national and international markets for the Querétaro, Puebla, and Toluca airports based on main product demand. The Contractor shall conduct a meeting with the Grantee (expected to last approximately three days) to discuss the results of this task, including recommendations for route expansion at each of the airports and the potential demand.

Deliverable #2:

The Contractor shall submit an interim report to the Grantee detailing the findings from Task 3.

Task 4: Market Development Assessment

The Contractor shall develop recommendations, strategies, and action items for marketing the recommended key routes. For each of the four airports, the Contractor shall conduct meetings with Project stakeholders to assess potential opportunities for marketing key routes and the airport infrastructure available at the four airports. The meetings shall focus on the results of the TA to date, including the SWOT analysis, route analysis, and demand forecasts.

The Contractor shall meet with at least four U.S. airlines that are currently providing service to (or may provide future service to) the four airports. The Contractor shall also meet with at least two chambers of commerce in Texas, one in Georgia, and two in California to promote the four airports and to assess programs, policies, or plans that may promote increased air traffic into the four airports. The Contractor shall also meet with at least two U.S. air courier companies (i.e. FedEx, UPS).

Deliverable #3:

The Contractor shall submit an interim report to the Grantee detailing the findings from Task 4.

Task 5: Airport Security Program

For each of the four airports, the Contractor shall make recommendations for airport security equipment and operating procedures to allow for flights to and from the United States. As part of this task, the Contractor shall review existing security equipment and procedures based on the site visits conducted in Task 1. The Contractor shall identify appropriate security systems for screening of passengers and baggage, cargo, access controls, and other issues that are relevant to industry best practices, International Civil Aviation Organization ("ICAO") Annex 17 to the Convention on International Civil Aviation, and ICAO Doc 8973 (Security Manual). The Contractor shall develop an inventory of recommended equipment that may be needed to improve the airport security operations at each of the airports and shall develop a list of prospective U.S. sources of

supply. Business name, point of contact, address, telephone, and fax numbers shall be included for each commercial source.

**Task 6: Airport Equipage Program**

For each of the four airports, the Contractor shall assess key equipment needed in order to enhance airport operations to respond to the demand created by the recommended key routes, with the focus on equipment that enhances energy efficiency at the airports in line with international airport sustainability practices. The Contractor shall base this analysis on the site visits conducted in Task 1. The Contractor shall develop an inventory of recommended equipment needed at the terminal areas and ancillary facilities in order to meet international quality, safety, and sustainability standards and shall develop a list of prospective U.S. sources of supply. Business name, point of contact, address, telephone, and fax numbers shall be included for each commercial source. The Contractor shall recommend energy efficient equipment to the maximum extent possible (indicating the investment recovery period for such equipment, to the maximum extent possible) and shall indicate whether the recommended equipment is fully approved by any laboratories or organizations involved in airport operations (such as ICAO or the U.S. Federal Aviation Administration).

At a minimum, the Contractor shall review the following types of equipment:

- Terminal lighting and supplementary power units;
- Baggage and cargo handling;
- Flight/baggage information display systems ("FIDS/BIDS");
- Information technology systems;
- Ground handling equipment;
- Emergency response equipment; and
- Visual aids.

**Deliverable #4:**

The Contractor shall submit an interim report to the Grantee detailing the findings from Task 5 and Task 6.

**Task 7: Developmental Impact Assessment**

For the benefit of those interested in the Project, the Contractor shall assess the development benefits associated with the Project and the methodology for measuring those benefits. The assessment shall include examples of the development benefits that would be expected in the Host Country if the Project is implemented as outlined in the TA. The Contractor shall focus on examples from the categories listed below and shall develop a methodology for assessing these impacts over time. The Contractor shall only list benefits in the categories that are applicable to the Project. The categories to be considered are as follows:

- *Infrastructure*: Recommended infrastructure improvements, modernization, or expansions at the four airports.

- *Market-Oriented Reform*: Recommended regulations, laws, or institutional changes and the anticipated impact they would have if implemented, such as increased competition, changes in market shares, increased financial profitability, or institutional and organizational changes.
- *Human Capacity Building*: The number and type of jobs that would be needed to implement, manage, and operate the Project, as well as the number of people who are anticipated to receive training.
- *Technology Transfer and Productivity Improvement*: Productivity improvements and technology transfers associated with Project implementation, such as new airport security equipment or information technology.
- *Other*: Any other developmental benefits of the Project, including any spin-off or demonstration effects.

**Task 8: Environmental Impact Assessment**

The Contractor shall conduct a preliminary review of the Project's environmental impact with reference to local requirements and those of multilateral development banks (such as the World Bank and Inter-American Development Bank). This review shall identify potential negative impacts, discuss the extent to which they can be mitigated, and develop plans for a full environmental impact assessment in anticipation of the Project moving forward to the implementation stage. This review shall pay particular attention to issues related to noise pollution and contaminated substance management.

**Task 9: Final Report**

At the conclusion of the TA, the Contractor shall conduct a briefing for the Grantee. The briefing shall outline the findings, recommendations, and conclusions of the TA and shall cover the results from the above tasks.

The Contractor shall prepare and deliver to the Grantee and USTDA a substantive and comprehensive final report of all work performed under these Terms of Reference ("Final Report"). The Final Report shall be organized according to the above tasks into four volumes (one for each airport), and shall include all deliverables and documents that have been provided to the Grantee. The Final Report shall be prepared in accordance with Clause I of Annex II of the Grant Agreement. The Final Report shall be prepared in English and Spanish.

**Notes:**

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.

- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that may have been developed under these Terms of Reference.

*h*

## Annex II

### **USTDA Mandatory Contract Clauses**

#### **A. USTDA Mandatory Clauses Controlling**

The parties to this contract acknowledge that this contract is funded in whole or in part by the U.S. Trade and Development Agency ("USTDA") under the Grant Agreement between the Government of the United States of America acting through USTDA and Aeropuertos y Servicios Auxiliares ("Client"), dated \_\_\_\_\_ ("Grant Agreement"). The Client has selected \_\_\_\_\_ ("Contractor") to perform technical assistance ("TA") for the ASA Airport Development and Management Project ("Project") in Mexico ("Host Country"). Notwithstanding any other provisions of this contract, the following USTDA mandatory contract clauses shall govern. All subcontracts entered into by Contractor funded or partially funded with USTDA Grant funds shall include these USTDA mandatory contract clauses, except for clauses B(1), G, H, I, and J. In addition, in the event of any inconsistency between the Grant Agreement and any contract or subcontract thereunder, the Grant Agreement shall be controlling.

#### **B. USTDA as Financier**

##### **(1) USTDA Approval of Contract**

All contracts funded under the Grant Agreement, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing in order to be effective with respect to the expenditure of USTDA Grant funds. USTDA will not authorize the disbursement of USTDA Grant funds until the contract has been formally approved by USTDA or until the contract conforms to modifications required by USTDA during the contract review process.

##### **(2) USTDA Not a Party to the Contract**

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of this contract and amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of financing the TA and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar

the Client or USTDA from asserting any right they might have against the Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Client or USTDA.

### **C. Nationality, Source, and Origin**

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the TA and associated delivery services (e.g., international transportation and insurance) must have their nationality, source, and origin in the United States; and (e) goods and services incidental to TA support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

### **D. Recordkeeping and Audit**

The Contractor and subcontractors funded under the Grant Agreement shall maintain, in accordance with generally accepted accounting procedures, books, records, and other documents, sufficient to reflect properly all transactions under or in connection with the contract. These books, records, and other documents shall clearly identify and track the use and expenditure of USTDA funds, separately from other funding sources. Such books, records, and documents shall be maintained during the contract term and for a period of three (3) years after final disbursement by USTDA. The Contractor and subcontractors shall afford USTDA, or its authorized representatives, the opportunity at reasonable times for inspection and audit of such books, records, and other documentation.

### **E. U.S. Carriers**

#### **(1) Air**

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

**(2) Marine**

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

**F. Workman's Compensation Insurance**

The Contractor shall provide adequate Workman's Compensation Insurance coverage for work performed under this Contract.

**G. Reporting Requirements**

The Contractor shall advise USTDA by letter as to the status of the Project on March 1st annually for a period of two (2) years after completion of the TA. In addition, if at any time the Contractor receives follow-on work from the Client, the Contractor shall so notify USTDA and designate the Contractor's contact point including name, telephone, and fax number. Since this information may be made publicly available by USTDA, any information which is confidential shall be designated as such by the Contractor and provided separately to USTDA. USTDA will maintain the confidentiality of such information in accordance with applicable law.

**H. Disbursement Procedures**

**(1) USTDA Approval of Contract**

Disbursement of Grant funds will be made only after USTDA approval of this contract. To make this review in a timely fashion, USTDA must receive from either the Client or the Contractor a photocopy of an English language version of a signed contract or a final negotiated draft version to the attention of the General Counsel's office at USTDA's address listed in Clause M below.

**(2) Payment Schedule Requirements**

A payment schedule for disbursement of Grant funds to the Contractor shall be included in this Contract. Such payment schedule must conform to the following USTDA requirements: (1) up to twenty percent (20%) of the total USTDA Grant amount may be used as a mobilization payment; (2) all other payments, with the exception of the final payment, shall be based upon contract performance milestones; and (3) the final payment may be no less than fifteen percent (15%) of the total USTDA Grant amount, payable upon receipt by USTDA of an approved Final Report in accordance with the specifications and quantities set forth in Clause I below. Invoicing procedures for all payments are described below.

### **(3) Contractor Invoice Requirements**

USTDA will make all disbursements of USTDA Grant funds directly to the Contractor. The Contractor must provide USTDA with an ACH Vendor Enrollment Form (available from USTDA) with the first invoice. The Client shall request disbursement of funds by USTDA to the Contractor for performance of the contract by submitting the following to USTDA:

#### **(a) Contractor's Invoice**

The Contractor's invoice shall include reference to an item listed in the Contract payment schedule, the requested payment amount, and an appropriate certification by the Contractor, as follows:

##### **(i) For a mobilization payment (if any):**

"As a condition for this mobilization payment, the Contractor certifies that it will perform all work in accordance with the terms of its Contract with the Client. To the extent that the Contractor does not comply with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

##### **(ii) For contract performance milestone payments:**

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

##### **(iii) For final payment:**

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. Specifically, the Contractor has submitted the Final Report to the Client, as required by the Contract, and received the Client's approval of the Final Report. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

#### **(b) Client's Approval of the Contractor's Invoice**

(i) The invoice for a mobilization payment must be approved in writing by the Client. 

(ii) For contract performance milestone payments, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and the terms and conditions of the USTDA Grant Agreement."

(iii) For final payment, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and terms and conditions of the USTDA Grant Agreement. The Final Report submitted by the Contractor has been reviewed and approved by the Client."

**(c) USTDA Address for Disbursement Requests**

Requests for disbursement shall be submitted by courier or mail to the attention of the Finance Department at USTDA's address listed in Clause M below.

**(4) Termination**

In the event that the Contract is terminated prior to completion, the Contractor will be eligible, subject to USTDA approval, for reasonable and documented costs which have been incurred in performing the Terms of Reference prior to termination, as well as reasonable wind down expenses. Reimbursement for such costs shall not exceed the total amount of undisbursed Grant funds. Likewise, in the event of such termination, USTDA is entitled to receive from the Contractor all USTDA Grant funds previously disbursed to the Contractor (including but not limited to mobilization payments) which exceed the reasonable and documented costs incurred in performing the Terms of Reference prior to termination.

**I. USTDA Final Report**

**(1) Definition**

"Final Report" shall mean the Final Report described in the attached Annex I Terms of Reference or, if no such "Final Report" is described therein, "Final Report" shall mean a substantive and comprehensive report of work performed in accordance with the attached Annex I Terms of Reference, including any documents delivered to the Client.

**(2) Final Report Submission Requirements**

The Contractor shall provide the following to USTDA:

(a) One (1) complete version of the Final Report for USTDA's records. This version shall have been approved by the Client in writing and must be in the English language. It is the responsibility of the Contractor to ensure that confidential information, if any, contained in this version be clearly marked. USTDA will maintain the confidentiality of such information in accordance with applicable law.

and

(b) One (1) copy of the Final Report suitable for public distribution ("Public Version"). The Public Version shall have been approved by the Client in writing and must be in the English language. As this version will be available for public distribution, it must not contain any confidential information. If the report in (a) above contains no confidential information, it may be used as the Public Version. In any event, the Public Version must be informative and contain sufficient Project detail to be useful to prospective equipment and service providers.

and

(c) Two (2) CD-ROMs, each containing a complete copy of the Public Version of the Final Report. The electronic files on the CD-ROMs shall be submitted in a commonly accessible read-only format. As these CD-ROMs will be available for public distribution, they must not contain any confidential information. It is the responsibility of the Contractor to ensure that no confidential information is contained on the CD-ROMs.

The Contractor shall also provide one (1) copy of the Public Version of the Final Report to the Foreign Commercial Service Officer or the Economic Section of the U.S. Embassy in Host Country for informational purposes.

### **(3) Final Report Presentation**

All Final Reports submitted to USTDA must be paginated and include the following:

(a) The front cover of every Final Report shall contain the name of the Client, the name of the Contractor who prepared the report, a report title, USTDA's logo, and USTDA's mailing and delivery addresses. If the complete version of the Final Report contains confidential information, the Contractor shall be responsible for labeling the front cover of that version of the Final Report with the term "Confidential Version." The Contractor shall be responsible for labeling the front cover of the Public Version of the Final Report with the term "Public Version." The front cover of every Final Report shall also contain the following disclaimer:

"This report was funded by the U.S. Trade and Development Agency (USTDA), an agency of the U.S. Government. The opinions, findings, conclusions or recommendations expressed in this document are those of the

author(s) and do not necessarily represent the official position or policies of USTDA. USTDA makes no representation about, nor does it accept responsibility for, the accuracy or completeness of the information contained in this report."

(b) The inside front cover of every Final Report shall contain USTDA's logo, USTDA's mailing and delivery addresses, and USTDA's mission statement. Camera-ready copy of USTDA Final Report specifications will be available from USTDA upon request.

(c) The Contractor shall affix to the front of the CD-ROM a label identifying the Host Country, USTDA Activity Number, the name of the Client, the name of the Contractor who prepared the report, a report title, and the following language:

"The Contractor certifies that this CD-ROM contains the Public Version of the Final Report and that all contents are suitable for public distribution."

(d) The Contractor and any subcontractors that perform work pursuant to the Grant Agreement must be clearly identified in the Final Report. Business name, point of contact, address, telephone and fax numbers shall be included for Contractor and each subcontractor.

(e) The Final Report, while aiming at optimum specifications and characteristics for the Project, shall identify the availability of prospective U.S. sources of supply. Business name, point of contact, address, telephone, and fax numbers shall be included for each commercial source.

(f) The Final Report shall be accompanied by a letter or other notation by the Client which states that the Client approves the Final Report. A certification by the Client to this effect provided on or with the invoice for final payment will meet this requirement.

#### **J. Modifications**

All changes, modifications, assignments or amendments to this contract, including the appendices, shall be made only by written agreement by the parties hereto, subject to written USTDA approval.

#### **K. TA Schedule**

##### **(1) TA Completion Date**

The completion date for the TA, which is December 31, 2011, is the date by which the parties estimate that the TA will have been completed.

## **(2) Time Limitation on Disbursement of USTDA Grant Funds**

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this contract for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

## **L. Business Practices**

The Contractor agrees not to pay, promise to pay, or authorize the payment of any money or anything of value, directly or indirectly, to any person (whether a governmental official or private individual) for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the TA. The Client agrees not to receive any such payment. The Contractor and the Client agree that each will require that any agent or representative hired to represent them in connection with the TA will comply with this paragraph and all laws which apply to activities and obligations of each party under this Contract, including but not limited to those laws and obligations dealing with improper payments as described above.

## **M. USTDA Address and Fiscal Data**

Any communication with USTDA regarding this Contract shall be sent to the following address and include the fiscal data listed below:

U.S. Trade and Development Agency  
1000 Wilson Boulevard, Suite 1600  
Arlington, Virginia 22209-3901  
USA

Phone: (703) 875-4357  
Fax: (703) 875-4009

### Fiscal Data:

Appropriation No.: 1110/111001  
Activity No.: 2010-51022A  
Reservation No.: 2010510025  
Grant No.: GH2010510005

## **N. Definitions**

All capitalized terms not otherwise defined herein shall have the meaning set forth in the Grant Agreement.

**O. Taxes**

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees, or other levies imposed under laws in effect in Host Country. Neither the Client nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees, or other levies.

**ANNEX 5**

**TERMS OF REFERENCE  
(FROM USTDA GRANT AGREEMENT)**

## Annex I

### **Terms of Reference**

#### Objective

The objective of the technical assistance ("TA") for the ASA Airport Development and Management Project ("Project") is to provide recommendations on how best to optimize routes, facilities, infrastructure, and equipment at four airports in Central Mexico: Cuernavaca, Puebla, Querétaro, and Toluca. The TA is intended to complement any previous or current planning efforts carried out at these four airports.

#### General Considerations for Deliverables and Documents

The Contractor shall undertake a quality control review process, including a technical and editorial review, of all deliverables and documents submitted to Aeropuertos y Servicios Auxiliares ("Grantee") to ensure readability, accuracy, and consistency. The interim deliverables specified in these Terms of Reference shall serve to keep the Grantee informed about the Contractor's work on the TA and to ensure that the Contractor's findings are acceptable to the Grantee before critical decisions are made on the TA. The Contractor shall submit monthly progress reports to the Grantee. The Contractor shall submit all deliverables and documents to the Grantee in English and Spanish.

#### Activities

##### Task 1: Kick-off Meeting and Project Start-Up

The Contractor shall carry out initial discussions with the Grantee to present the Contractor's team, discuss the TA goals and objectives, discuss the work methodology, and finalize any outstanding items that may need to be considered, such as calibrating the demand forecasts to real-life conditions (i.e. route expansion, capacity constraints). The Contractor shall conduct a data collection effort that shall include, at a minimum, origin-destination data, traffic patterns (point of service and beyond), cargo analysis, potential market opportunities (catchment area linked to existing or future national or international tourism programs), main tourism drivers (such as existing hotel room capacity, cultural attractions, and fairs and festivals), airline fleet analysis (strategy and projection), and local demographical and economical data.

The Contractor shall travel to Mexico City to conduct a kick-off meeting with the Grantee to discuss the data collection effort, discuss upcoming TA activities, and conduct site visits to inspect each of the four airports (Cuernavaca, Puebla, Querétaro, and Toluca). The site visit (expected to take one day for each airport) shall cover, at a minimum, a physical inspection of the airside and landside facilities, an assessment of current airport operations for cargo and security, and the information needed to complete Task 5 and Task 6.

The Grantee shall provide logistical support to conduct the one-day site visits to Cuernavaca, Puebla, Querétaro, and Toluca. The Grantee shall provide support in scheduling meetings at these airports with key airport management staff, develop an agenda for the site visits, and provide transportation to each of the four airports.

**Task 2: Strengths, Weaknesses, Opportunities, Threats Analysis**

Based mainly on the catchment area analysis conducted in Task 1, the Contractor shall conduct a Strengths, Weaknesses, Opportunities, and Threats ("SWOT") analysis for each of the four airports to detail the competitiveness of each airport in terms of routes and schedules (including transit), market segments, levels of service, operations, financial capacity, marketing strategies, partnerships, distribution, and promotion. As part of this task, the Contractor shall conduct a market analysis that determines how well each airport is servicing the market in terms of market share, changes in levels of demand, and competition considering the demand in Mexico City and Central Mexico. Based on the SWOT analysis, the Contractor shall determine the recommended improvement areas from an operational perspective.

**Deliverable #1:**

The Contractor shall submit an interim report to the Grantee detailing the findings from Task 1 and Task 2.

**Task 3: Route Analysis and Selection**

The Contractor shall assess each airport's ability to develop key international routes based on point-to-point demand and through a hub approach, considering any opportunities for each of the airports to develop its own core markets and being considered as alternate airports to Mexico City.

The Contractor shall compile available historical passenger and cargo traffic data for the four airports and shall analyze the competitive position of each airport, based on its historical (and perhaps future) profile, airline service patterns and fleet, geographic position, access to regional and international air transport markets, volume of operations, location of hubs, travel time and delays, service frequency, available aviation and airport services, and any other variables affecting the level and cost of service.

The Contractor shall conduct an analysis of potential passenger demand at each of the four airports using both a macroeconomic approach and a regression analysis. The demand process should be reviewed and adjusted based on the Contractor's research and experience in similar markets. The Contractor shall calibrate the estimated demand forecasts to incorporate real-life conditions by applying industry knowledge, judgment, and insight. As part of this process, the Contractor shall conduct interviews and meetings with airport representatives and private businesses in Central Mexico.

Based on the above analysis, the Contractor shall develop a list of potential key routes (city pairs) between each of the four airports and selected cities in the United States (i.e.

Toluca-Houston, Cuernavaca-Dallas, Puebla-Los Angeles). The Contractor shall recommend at least two city pairs for each of the airports (including type of airplane, frequencies, and schedules) and shall list potential airlines that could operate these key routes. In addition, the Contractor shall identify potential cargo national and international markets for the Querétaro, Puebla, and Toluca airports based on main product demand. The Contractor shall conduct a meeting with the Grantee (expected to last approximately three days) to discuss the results of this task, including recommendations for route expansion at each of the airports and the potential demand.

Deliverable #2:

The Contractor shall submit an interim report to the Grantee detailing the findings from Task 3.

Task 4:           Market Development Assessment

The Contractor shall develop recommendations, strategies, and action items for marketing the recommended key routes. For each of the four airports, the Contractor shall conduct meetings with Project stakeholders to assess potential opportunities for marketing key routes and the airport infrastructure available at the four airports. The meetings shall focus on the results of the TA to date, including the SWOT analysis, route analysis, and demand forecasts.

The Contractor shall meet with at least four U.S. airlines that are currently providing service to (or may provide future service to) the four airports. The Contractor shall also meet with at least two chambers of commerce in Texas, one in Georgia, and two in California to promote the four airports and to assess programs, policies, or plans that may promote increased air traffic into the four airports. The Contractor shall also meet with at least two U.S. air courier companies (i.e. FedEx, UPS).

Deliverable #3:

The Contractor shall submit an interim report to the Grantee detailing the findings from Task 4.

Task 5:           Airport Security Program

For each of the four airports, the Contractor shall make recommendations for airport security equipment and operating procedures to allow for flights to and from the United States. As part of this task, the Contractor shall review existing security equipment and procedures based on the site visits conducted in Task 1. The Contractor shall identify appropriate security systems for screening of passengers and baggage, cargo, access controls, and other issues that are relevant to industry best practices, International Civil Aviation Organization ("ICAO") Annex 17 to the Convention on International Civil Aviation, and ICAO Doc 8973 (Security Manual). The Contractor shall develop an inventory of recommended equipment that may be needed to improve the airport security operations at each of the airports and shall develop a list of prospective U.S. sources of

supply. Business name, point of contact, address, telephone, and fax numbers shall be included for each commercial source.

**Task 6: Airport Equipage Program**

For each of the four airports, the Contractor shall assess key equipment needed in order to enhance airport operations to respond to the demand created by the recommended key routes, with the focus on equipment that enhances energy efficiency at the airports in line with international airport sustainability practices. The Contractor shall base this analysis on the site visits conducted in Task 1. The Contractor shall develop an inventory of recommended equipment needed at the terminal areas and ancillary facilities in order to meet international quality, safety, and sustainability standards and shall develop a list of prospective U.S. sources of supply. Business name, point of contact, address, telephone, and fax numbers shall be included for each commercial source. The Contractor shall recommend energy efficient equipment to the maximum extent possible (indicating the investment recovery period for such equipment, to the maximum extent possible) and shall indicate whether the recommended equipment is fully approved by any laboratories or organizations involved in airport operations (such as ICAO or the U.S. Federal Aviation Administration).

At a minimum, the Contractor shall review the following types of equipment:

- Terminal lighting and supplementary power units;
- Baggage and cargo handling;
- Flight/baggage information display systems ("FIDS/BIDS");
- Information technology systems;
- Ground handling equipment;
- Emergency response equipment; and
- Visual aids.

**Deliverable #4:**

The Contractor shall submit an interim report to the Grantee detailing the findings from Task 5 and Task 6.

**Task 7: Developmental Impact Assessment**

For the benefit of those interested in the Project, the Contractor shall assess the development benefits associated with the Project and the methodology for measuring those benefits. The assessment shall include examples of the development benefits that would be expected in the Host Country if the Project is implemented as outlined in the TA. The Contractor shall focus on examples from the categories listed below and shall develop a methodology for assessing these impacts over time. The Contractor shall only list benefits in the categories that are applicable to the Project. The categories to be considered are as follows:

- *Infrastructure:* Recommended infrastructure improvements, modernization, or expansions at the four airports.

- *Market-Oriented Reform*: Recommended regulations, laws, or institutional changes and the anticipated impact they would have if implemented, such as increased competition, changes in market shares, increased financial profitability, or institutional and organizational changes.
- *Human Capacity Building*: The number and type of jobs that would be needed to implement, manage, and operate the Project, as well as the number of people who are anticipated to receive training.
- *Technology Transfer and Productivity Improvement*: Productivity improvements and technology transfers associated with Project implementation, such as new airport security equipment or information technology.
- *Other*: Any other developmental benefits of the Project, including any spin-off or demonstration effects.

**Task 8: Environmental Impact Assessment**

The Contractor shall conduct a preliminary review of the Project's environmental impact with reference to local requirements and those of multilateral development banks (such as the World Bank and Inter-American Development Bank). This review shall identify potential negative impacts, discuss the extent to which they can be mitigated, and develop plans for a full environmental impact assessment in anticipation of the Project moving forward to the implementation stage. This review shall pay particular attention to issues related to noise pollution and contaminated substance management.

**Task 9: Final Report**

At the conclusion of the TA, the Contractor shall conduct a briefing for the Grantee. The briefing shall outline the findings, recommendations, and conclusions of the TA and shall cover the results from the above tasks.

The Contractor shall prepare and deliver to the Grantee and USTDA a substantive and comprehensive final report of all work performed under these Terms of Reference ("Final Report"). The Final Report shall be organized according to the above tasks into four volumes (one for each airport), and shall include all deliverables and documents that have been provided to the Grantee. The Final Report shall be prepared in accordance with Clause I of Annex II of the Grant Agreement. The Final Report shall be prepared in English and Spanish.

**Notes:**

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.

- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that may have been developed under these Terms of Reference.

*A*

**ANNEX 6**

**COMPANY INFORMATION**



**B. Offeror's Authorized Negotiator**

Provide name, title, address, telephone number, e-mail address and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

**C. Negotiation Prerequisites**

1. Discuss any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Technical Assistance as proposed and reflect such impact within the project schedule.
  
2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

**D. Offeror's Representations**

Please provide exceptions and/or explanations in the event that any of the following representations cannot be made:

1. Offeror is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of \_\_\_\_\_. The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Technical Assistance. The Offeror is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued within one month of the date of its proposal by the State of \_\_\_\_\_.
  
2. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of

offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.

3. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
5. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee. USTDA retains the right to request an updated certificate of good standing from the selected Offeror.

Signed: \_\_\_\_\_  
(Authorized Representative)

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**E. Subcontractor Profile**

1. Name of firm and business address (street address only), including telephone and fax numbers.
  
  
  
  
  
  
  
  
  
  
2. Year established (include predecessor companies and year(s) established, if appropriate).

**F. Subcontractor's Representations**

If any of the following representations cannot be made, or if there are exceptions, the subcontractor must provide an explanation.

1. Subcontractor is a corporation *[insert applicable type of entity if not a corporation]* duly organized, validly existing and in good standing under the laws of the State of \_\_\_\_\_. The subcontractor has all the requisite corporate power and authority to conduct its business as presently conducted, to participate in this proposal, and if the Offeror is selected, to execute and deliver a subcontract to the Offeror for the performance of the Technical Assistance and to perform the Technical Assistance. The subcontractor is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment or ineligible for the award of contracts by any federal or state governmental agency or authority.
  
2. Neither the subcontractor nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
  
3. Neither the subcontractor, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
  
4. There are no federal or state tax liens pending against the assets, property or business of the subcontractor. The subcontractor, has not, within the three-year period

preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.

5. The subcontractor has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The subcontractor has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected subcontractor shall notify the Offeror, Grantee and USTDA if any of the representations included in this proposal are no longer true and correct at the time of the Offeror's entry into a contract with the Grantee.

Signed: \_\_\_\_\_  
(Authorized Representative)

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_