

DELAWARE DEPARTMENT OF TRANSPORTATION

REQUEST FOR INFORMATION



**Delaware Department
of Transportation**

DEVELOPMENT AND EXPANSION

CIVIL AIR TERMINAL RAMP

KENT COUNTY, DE

RFI - 1103

An Informational Meeting will be held in the Farmington/Felton Room of the DelDOT Administration Building, 800 Bay Road, Dover, Delaware 19901 at 2:00 PM Local Time November 30, 2011. Attendance is not mandatory.

RESPONSES DUE DATE/TIME: December 30, 2011 2:00 p.m. (local time)

Responses are to be delivered to:
Contract Administration
Delaware Department of Transportation
800 Bay Road, Dover, Delaware 19901

Issued: November 14, 2011

Delaware Department of Transportation

Request for Information (RFI)

For The Development of the Civil Air Terminal Ramp

The Delaware Department of Transportation (DelDOT), in association with the Delaware River & Bay Authority (DRBA) and Kent County government, desires to develop and expand the ramp at the Civil Air Terminal (CAT) at Dover Air Force Base (DAFB) to accommodate large civilian air cargo aircraft. DelDOT and DRBA have considered several plans and proposed layouts for development of the ramp area. Prior to finalizing any decisions regarding these plans, DelDOT would like to investigate the possibility of having these areas developed privately either through a design-build or a design-build-operate-maintain process. Thus, this RFI is seeking information from private or public-sector organizations that may be interested in designing and constructing new and reinforced ramp space at the CAT. DelDOT is the owner of the CAT and has leased it to DRBA to operate.

BACKGROUND

Air cargo carriers serving DAFB are restricted to a five-hour window for loading or unloading of aircraft on the military ramp. The time restriction is necessary to minimize the impact on military operations. In the absence of time restrictions, the military ramp at the Base would quickly become a parking lot for civilian air cargo aircraft waiting for their next assignments. These restrictions result in civilian cargo airlines having to reposition their aircraft at distant airports such as JFK International, even when scheduled to depart DAFB the next day with an overseas load for military purposes. The round-trip cost to reposition aircraft at JFK has fluctuated between \$21,000 and \$30,000 in recent years. For this reason, supplemental air cargo carriers serving DABF in heavy lift operations have requested that they be allowed to park off the military portion of the airport at the CAT. Currently, it is not possible to use the CAT for off-military ramp parking because an additional taxiway is needed for wingtip clearance of the terminal building and the ramp is not of sufficient strength to accommodate the weight of a Boeing 747 whether loaded or empty.

The proposed CAT expansion project is to accommodate parking for civilian air cargo carriers' aircraft that serve DABF. The project is anticipated to provide strengthened parking places for up to four Boeing 747 sized aircraft simultaneously. Proposals of less than four spaces will be considered. Figure 1 presents a graphic illustration of previous plans for the project. Project Proposals may be of more than one phase of development. Project facilities include but are not limited to those described as follows:

- ***New Taxiway:*** A new, larger taxiway on the northeast side of the ramp, providing access to the DABF taxiway system for aircraft as large as a Boeing 747 or larger. A minimum of 2,850 square yards of taxiway will be required.
- ***Apron:*** Up to 60,400 square yards of strengthened apron would be developed to accommodate up to four Boeing 747 aircraft. Areas designated for the aircraft parking must be capable of accommodating up to 1 million pound loads for dual tandem wheels.
- ***Ground Service Equipment and Building:*** A minimal structure, capable of housing an aircraft tug, towbars, crew stairs, ground power unit, lavatory cart, and deicing equipment should be developed. This building will likely require up to 5,000 square feet of space.

Potential Project Capital Costs

Preliminary engineering estimates indicated as much as a four-foot graded aggregate base, along with up to 18 inches of concrete will be needed to support the Boeing 747 aircraft. Again, in preliminary analysis, capital costs for public-sector organizations such as DelDOT were estimated as high as \$17.3 million for the development under consideration in previous plans. These costs were based upon an estimated \$230 per square yard for site preparation and construction material and labor, including engineering design and contingency. Costs to private developers may be significantly different. Proposers are encouraged to present as much information as possible to describe their costs of ramp development. Please assume that the proposer will provide engineering design services associated with the construction. These costs should be bundled into the construction costs.

Potential Project Operational Costs

Proposers may specify whether they would be interested in operating the new, reinforced ramp area or simply constructing it. It is assumed that a multi-year lease for the land will be the instrument used to convey the necessary financial interest to proposers. However, if proposers desire to operate the facility in a turnkey manner, they are invited to propose a means of that.

For reference purposes, information from a previous planning analysis is provided here on the estimated costs for a Fixed Base Operator (FBO) to manage the facility as a full-time operation. These costs would include the following:

- ***Personnel:*** Total personnel needs would include one full time and three part time workers to cover the scheduled and on-call hours of operation. It was assumed that all salary and benefits associated with personnel would total \$180,000 per year, inflated by 4 percent per year.
- ***Maintenance:*** Maintenance costs would involve routine maintenance and repair of the existing terminal and ramp facilities (not capital maintenance). A total of \$25,000 was allocated toward this expense item for the first full year.
- ***Utilities:*** The cost of utilities includes water, electric, heat, telephones, etc. A total of \$50,000 was allocated toward this expense item for the first full year (with 4 percent inflation factor for remaining years).
- ***Total Cost of Operations:*** It was estimated that the cost to operate the CAT for the first year would total \$255,000, growing to \$349,000 by the tenth year. This is for air cargo operations only.

Potential Project Revenues

Revenues associated with air cargo parking activity at the CAT have been discussed, and letters of intent to use the parking area have been obtained from three carriers (Evergreen International, Atlas, and Kalitta). However, no negotiations have been undertaken with these carriers. From our preliminary discussions, it is believed that fees ranging from \$50,000 to \$75,000 per month, per parking space may be obtainable. Proposers should consider these numbers as the maximum revenues available for the rental of parking space to airlines for purposes of this RFI and their potential leasing schedules with DelDOT. Operational fees could possibly be obtained, but those would involve other negotiations with the airlines for servicing airline aircraft rather than the capital costs of constructing the reinforced ramp and taxiway.

RFI RESPONSE

DelDOT, in its sole discretion, may issue a future formal request for proposal (RFP), modify the project in whole or in part, take no further action regarding this project, or exercise any other available options. DelDOT encourages the participation of small, minority and women-owned businesses in all of its endeavors.

There are several assumptions that can be made by proposers:

- All information submitted by the Proposer will remain confidential. Information submitted will not be released, shared, or disclosed to persons other than those directly involved in review and evaluation. Reviewers will be required to execute confidentiality agreements and a disclosure statement of any potential conflicts of interest.
- All environmental permits and clearances are the responsibility of DeIDOT.
- Proposers are responsible for engineering design for the project.
- Proposers can submit proposals for both the ramp design and construction only or ramp design, construction, operation, and maintenance of the facility after construction.

Any party interested in submitting a response to this RFI is asked to address the following in its responses:

Ramp Construction Only

1. Experience at other Airports in constructing similar concrete ramp areas;
2. Method proposed for developing the engineering design
3. Financing options and pro-forma analysis including amortization schedule;
4. Expected lease term(s);
5. Any other terms required or assistance needed.

If a turnkey operation is proposed, the second portion of the proposal should discuss the terms needed for the operation of the leasehold property. It is assumed that proposers would provide basic ground handling of large air cargo aircraft using the CAT ramp. This would involve marshalling the aircraft, using tugs to position the aircraft and push them back onto the DABF taxiway. In addition, any other services desired by the air cargo airlines could be provided at the discretion of the proposer. At a minimum, the following should be addressed:

Operation of Leasehold Property

1. Experience in operating an FBO operation.
2. Overall description of services to be provided;
3. Staffing proposed, hours of operation;
4. Proposed interaction with FBO for CAT;
5. A draft financial proforma for operating the services.

CONTACT INFORMATION

Questions or additional information related to this potential project may be requested from:

Jim Hoagland, Contract Services Administrator
Delaware Department of Transportation
800 Bay Road, P.O. Box 778
Dover, DE 19903
(302) 760-2036
jim.hoagland@state.de.us

- end -

