



REQUEST FOR EXPRESSION OF INTEREST (RFEOI)

Aeronautical and Non-Aeronautical Business Development

Deer Lake Regional Airport

RFEOI-2024-14

Issue Date: November 1st, 2024

Closing date: January 24th at 5:00 pm (NL Standard Time Zone)

Deer Lake Regional Airport Authority

1 Airport Road Suite 1

Deer Lake, NL

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info@deerlakeairport.com



November 1st, 2024

Subject: Request for Expression of Interest for Development of Airport Lands for Business Operations including both Aeronautical and Non-Aeronautical Operations

Dear Respondent;

Deer Lake Regional Airport Authority (DLRAA) is seeking qualified and interested parties to express interest in the development of available airport lands for business both aeronautical and non-aeronautical operations. The purpose of this Request for Expression of Interest (RFEOI) is to obtain information from national, regional and local qualified and experienced businesses and developers. Interested parties must demonstrate the fit and viability of their business for the available land development and business operations that complement the airport environment, including but not limited to concessions such as restaurants, commercial businesses, accommodations, and airside operations.

This RFEOI will be administered via email. Questions can be submitted via email. The deadline for submitting questions is no later than: 5 pm on December 30th, 2024 (NL Standard Time Zone). DLRAA will provide answers to those questions in an addendum to be issued to all Respondents no later than 5 pm on January 10th, 2025 (NL Standard Time Zone).

Your final submission is due no later than: 5 pm January 24th, 2025 (NL Standard Time Zone)

Sincerely;

David Ball

Director Infrastructure and Planning



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1.0 RFEOI Background, Scope, Respondent and Submission Requirements

1.1 DLRAA Background

Deer Lake Regional Airport has been servicing Western Newfoundland for 70 years. The Airport has humble beginnings and since 1953 has grown into a friendly, modern airport that's your connection to adventure! Over the years, there have been constant improvements that make travelling more comfortable and support economic activity for the entire region.

Established in 1998, Deer Lake Regional Airport Authority (DLRAA) is a private, not-for-profit corporation. Our Mission is to deliver exceptional airport services and facilities, enhance all customer and partner experiences, and generate economic activity for our region.

DLRAA is an economic driver for Western Newfoundland and Labrador, and we operate the airport on behalf of the community we serve. We are committed to offering an outstanding airport experience for our passengers while enhancing the economic and social well-being of our community.

DLRAA is located within the boundaries of the Town of Deer Lake, NL.

Approximately 300,000 passengers travelled through Deer Lake Regional Airport in 2023, which is roughly 92% of 2019 passenger traffic and we continue to recover from the effects of the pandemic.

This RFEOI serves as the first qualification stage for interested parties. It does not constitute a Request for Proposal (RFP), Request for Quotation (RFQ) or any other competitive process, nor is this a promise to issue an RFP or RFQ in the future. It does not commit to contract for any service or supply. Respondents are advised that DLRAA will not pay for any information or administrative costs incurred in response to this RFEOI. All costs associated with responding will be solely at the interested party's expense.

1.2 Project Background

- A. DLRAA strives to provide a variety of commercial options to the travelling public to meet their needs and enhance their travel experience in a responsible and sustainable way.
- B. This RFEOI seeks submissions from interested parties that can demonstrate viability and fit of their business for both aeronautical and non-aeronautical operations
- C. DLRAA is looking for submissions from interested parties to design, develop and operate within the spaces identified below in Figure 1:
 - Future Non-Aeronautical Development
 - Future Aeronautical Development
- D. The DLRAA will also consider development outside the plan below, including along property adjacent to the TCH.



Figure 1- Land Use Plan

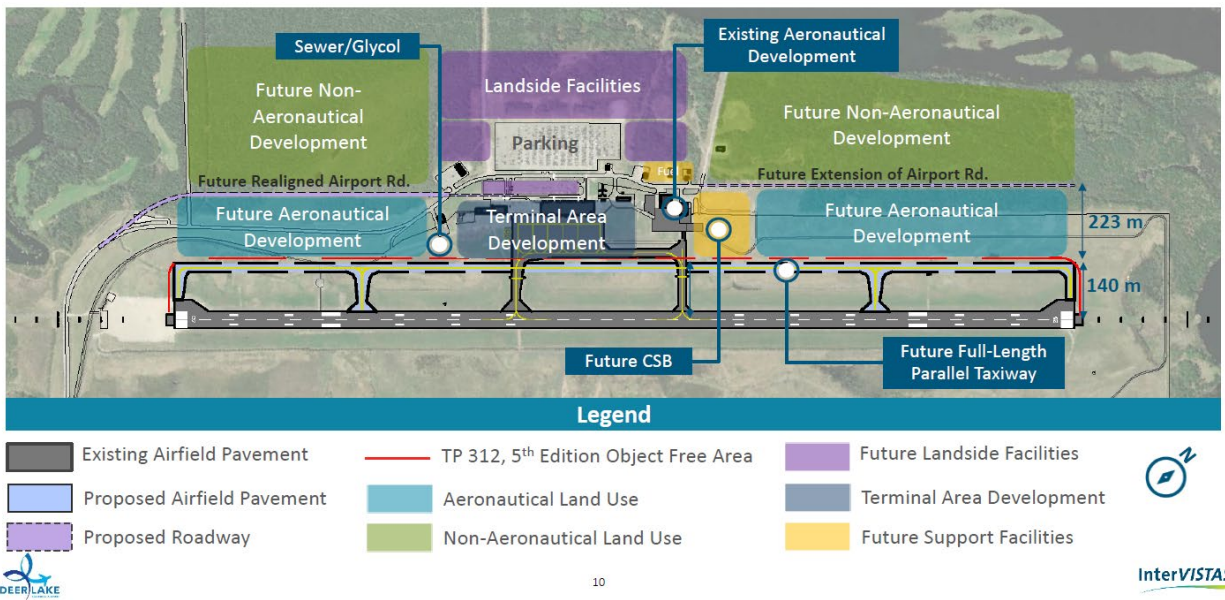


Figure 2: Deer Lake Regional Airport Authority Approximate Property Bounds





1.3 Service Parameters

A. Partnership and Mutual Fit

Develop and/or Operate Aeronautical and Non-Aeronautical Businesses that complement the existing suite of offerings at DLRAA, enhance the passenger experience, and provide creative new options to service the community, travelling public and/or other business partners at the airport. Businesses may include but are not limited to the following:

- **Restaurants** – Offering food and beverage options for travelers, staff, and visitors.
- **Commercial Businesses** – Retail stores, service providers, storage facilities and other commercial operations that support the airport’s ecosystem.
- **Accommodations** – Lodging facilities to accommodate overnight travelers and flight crew members as well as short term housing opportunities for airport employees, contractors and rotational workers.
- **Airside Operations** – Facilities that support airside activities, such as:
 - **Private Hangars** – For private aircraft storage and maintenance.
 - **Fixed-Base Operators (FBOs)** – To provide services for general aviation, such as fueling, parking, and maintenance.
 - **Heliports** – Facilities to support helicopter operations.
 - **Logistics Facilities** – For air cargo operations, warehousing, and distribution.
 - **Aviation Related Training Programs**- For pilot training, aircraft maintenance engineer training and other related fields.

B. Development of Airport Land

Business space design, development and fit-up will be at the operator’s expense. DLRAA infrastructure department will assist with this process.

C. Timing

While any opportunity will feature different parameters around development and fit-up, DLRAA’s goal is to facilitate the development of land and new business start ups in 2026. Strong preference will be given to any expression of interest that exhibits the ability to open before the end of peak season in 2026.

D. Revenue Model

DLRAA currently leases land on a unit area basis. The final rent structure will be subject to negotiation based on the specific business type and requirements. The DLRAA is open to alternate structures including commission-based agreements based on sales such as the Minimum Annual Guarantee (MAG) model.

This means that rent will be collected based on an agreed percentage of the concession's revenue and this will be paid monthly. This percentage of sales is essentially the rent. To ensure a base level rent, there is also a MAG which is a threshold that the percentage of sales needs to meet on an annual basis. At the end of the year, there is a "true up" to the

MAG if the percentage of sales was not met. At the end of the year, business operator will pay the higher of either the percentage of sales or the MAG.



The airport operates its own water and sewer systems. The airport is willing to collaborate with selected proponents to ensure infrastructure adequacy where feasible. Power and telecommunications are available through public utilities. Access to the site is facilitated by airport-maintained roads.

Businesses must comply with federal airport zoning regulations, airfield protections outlined in Transport Canada's TP 312 (4th and 5th editions as applicable), environmental standards, and all applicable local, provincial, and federal regulations. It is important to note that any awarded leases are conditional on adherence to these regulatory constraints.

Each successful business must sign a lease with DLRAA. Businesses are responsible for other operating costs such as storage space(s), electricity, parking and all upkeep and repair within the lease location.

E. Lease Term

DLRAA is interested in a long-term multi-year term with interested parties to design, develop and operate businesses.

F. Accessibility

Depending on the type and location of business, federal and provincial accessibility legislation may apply. The DLRAA may also include additional accessibility provisions in the lease. The proponent shall comply with all federal, provincial and DLRAA accessibility requirements.

G. Security Requirements

Dependent on location of the business, airside, groundside or terminal, the proponent and DLRAA will review and discuss required security measures. This may include regulations for airside operations, but are not limited to, access control requirements, stock control requirements, screening of employees, escorting requirements of non-verified individuals, sharps control programs amongst others. These Security requirements shall be applied and enforced during both concession construction and operations and will be strictly monitored by DLRAA Security personnel.

H. Current Landscape at the DLRAA

As a point of reference to help with the evaluation of this business opportunity, Deer Lake Regional Airport Authority serviced approximately 300,000 passengers in 2023 which is approximately 92% of 2019 passenger traffic and we continue to recover from the effects of the pandemic. Deer Lake Regional Airport is Newfoundland and Labrador's second busiest commercial airport. Located just off the Trans-Canada Highway within the Town of Deer Lake, the airport serves a large geographical area that extends east as far as Grand Falls, north to St. Anthony and southern Labrador and west to Port Aux Basques and the south coast of Newfoundland- Burgeo, Ramea, Grey River and Francois with a population catchment area served of approximately 120,000 people.

Though departing and arriving passengers may represent the largest proportion of consumers, non-passenger visitors and airport employees also represent significant revenue-generating potential.



1.4 Respondent Qualifications

Basic general qualification criteria:

- A. Experienced business operator.
- B. Proof of concept or existing successful enterprise in similar settings elsewhere in the City/Province/Country.

1.5 Submission Requirements

A. Submission Format

Submission may be submitted as a Word and/or pdf file electronically through email.

B. The submission is asked to address the following components:

- Executive Summary / Cover Page. Must include the full legal name of the respondent and the key contact (name, telephone, email address).
- Respondent background and relevant experience referencing existing location(s) and success stories.
- Ideal DLRAA available land location/space(s) for proposed operation. Note: Applications for both airside and groundside development could be accepted and may be viewed favourably by the landlord.
- Describe proposed concept and why it would be a successful business for the selected location.
- Describe how our Newfoundland and Labrador culture and/or heritage will be represented.
- If a Food and Beverage concession, describe how you will cater to a variety of tastes and dietary choices/restrictions.
- Explain your experience with, and commitment to, sustainability practices in the industry.
- Explain your experience with, and commitment to, Equity, Diversity and Inclusion.
- Explain your experience with, and commitment to accessibility.
- Share any details on basic requirements, including but not limited to items such as electrical requirements, water, sewer, parking, airside access, commercial



equipment, refrigeration, exhaust, storage space, support space, secure areas etc.

- Please, note that financial information and proposed commercial terms are not required to be addressed in the submission. If respondents choose to include this information, it should be done only to the extent necessary to augment the content of the submission.

2.0 RFEOI Process and Procedures

2.1 Schedule

A. The following is the schedule for this RFEOI:

Milestone	Date and Time
Issue Date	November 1 st , 2024
Non-Mandatory Information Session-in person and virtual	November 14 th , 2024 at 2:30 pm
Site tour (by appointment only)	December 1 st , 2024
Respondent’s Deadline for Questions	December 30 th , 2025, 5PM (NL Time)
Questions Answered / Addenda by DLRAA	January 10 th , 5PM, 2025 (NL Time)
Submission Deadline	January 24 th , 2025, 5PM (NL Time)

B. The schedule may be changed by DLRAA in its sole discretion by issuing an addendum.

C. Respondent’s submission(s) received after the submission deadline will not be accepted.

2.2 Submission Process

Files must be electronically submitted via email to info@deerlakeairport.com by the submission deadline.

Any additional files other than specific submission requirements stated above, or submissions exceeding page limitations, may not be reviewed in detail or fully considered.

2.3 DLRAA Contact

DLRAA contact for the purposes of this RFEOI:

David Ball
 Director Infrastructure and Planning
 Telephone: (709) 635-3601
 Email: info@deerlakeairport.com



2.4 Enquiries and Addenda

- A. Should a proponent find discrepancies, ambiguities, omissions from the specifications, or should they doubt as to their meaning, the supplier shall notify the DLRAA.
- B. All questions and inquiries shall be submitted by email to info@deerlakeairport.com no later than the deadline noted above or as subsequently amended.
- C. The DLRAA will evaluate the need for a response. If a response is warranted, the DLRAA shall issue answers or clarifications in the form of an electronic addendum to all bidders. All addenda shall be incorporated in the Bid.
- D. Simple clarifications from a proponent that has no bearing on the outcome of the evaluation process may be answered verbally. Should a clarification be required, which in the view of DLRAA could have bearing on the outcome of the evaluation process, it will be documented by DLRAA and issued to all proponents as an Addendum to the RFP. Proponents are required to sign and date each and every Addendum received and submit a copy of the same to DLRAA as part of the Proposal submission.
- E. Adjustments by telephone, and or facsimile, email or letter to a Proposal already submitted will not be considered. A Proponent desiring to adjust a Proposal must withdraw the Proposal and/or supersede it with a later Proposal submission prior to the specified closing time.
- F. The DLRAA reserves the right to accept or reject all or part of any Proponent submission or to rescind this Expression of interest at any time at no cost to the DLRAA.
- G. DLRAA reserves the right to reject outright any proposal it deems, at its discretion, as non-compliant with the requirements of this EOI.
- H. DLRAA reserves the right, to award this proposal in any manner deemed to be in the best interest of DLRAA.
- I. Proponents Obligation to Examine:
While the DLRAA has made every effort to ensure the accuracy of the information provided in this document and otherwise to the Proponent, the Proponent shall not make any claim against the Authority for damages or extra work caused or occasioned by the Proponent relying upon such records, reports, or information whether as a whole or in part, furnished by the DLRAA or an employee of the DLRAA



2.5 Confidentiality

- A. Information provided to a respondent by DLRAA or acquired by a respondent by way of further enquiries or through investigation is confidential. Such information will not be used or disclosed in any way without the prior written authorization of the President and CEO DLRAA
- B. A respondent will not make any statement of fact or opinion regarding any aspect of the RFEOI to the media or any member of the public without the prior written authorization of the President and CEO DLRAA.
- C. DLRAA will not share respondent submissions with other respondents. Notwithstanding, none of the information included in the submissions will be treated as proprietary or confidential, unless explicitly identified as such by the respondent.

2.6 Conflict of Interest

- A. Any respondent (including its owners, partners, shareholders, officers or principals, and their respective family members) who has any family, business or financial relationship with any DLRAA employee or member of the Board of Directors of DLRAA, or who participated in or contributed to the preparation of the submission, may be disqualified from the process at any time where DLRAA, in its sole discretion, determines a disqualification to be in the best interests of DLRAA.
- B. Respondents must, in their submissions, disclose any such relationship of which the respondent, after making reasonable inquiries, is aware.
- C. In this Section, the term “family” means a spouse, domestic or common law partner, parent, child, brother, sister, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother or half-sister.

2.7 Allocation of Risk

- A. The DLRAA shall not be responsible for any liabilities, costs, expenses, loss or damage incurred sustained or suffered by any Proponent by reason of non-acceptance by the Airport of any Proposal submission or by reason of any delay in its acceptance.

3.0 Evaluation

3.1 Evaluation Process

- A. This Request for Expression of Interest (“RFEOI”) serves as the first stage in qualification of interested parties. Therefore:
 - It does not constitute a Request for Proposal (RFP), Request for Quotation (RFQ) or any other competitive process, or a promise to issue an RFP or RFQ in the future.
 - Respondent submissions to this RFEOI does not constitute an offer, and nothing in this RFEOI will be interpreted as commitment on the part of DLRAA to enter a contract.



- B. DLRAA, in its sole discretion, will determine the membership, structure and procedures of its evaluation committee and evaluation process.
- C. The goal of the evaluation committee will be to eliminate respondents by creating a short-list of best fit businesses that strategically align with DLRAA's goals for the outlined spaces.

The short-listed respondents will be contacted by DLRAA and advised of next steps which may include a request for clarification and/or formal proposal(s).

3.2 Notice

DLRAA will not provide public notice with respect to reviewed and short-listed submissions.

3.3 No Obligation

DLRAA will have no obligation with respect to this RFEOI. In its sole discretion, at any time during or following the closing of this RFEOI, DLRAA may choose to reconsider the use of the space and to not short-list any submissions for further consideration.