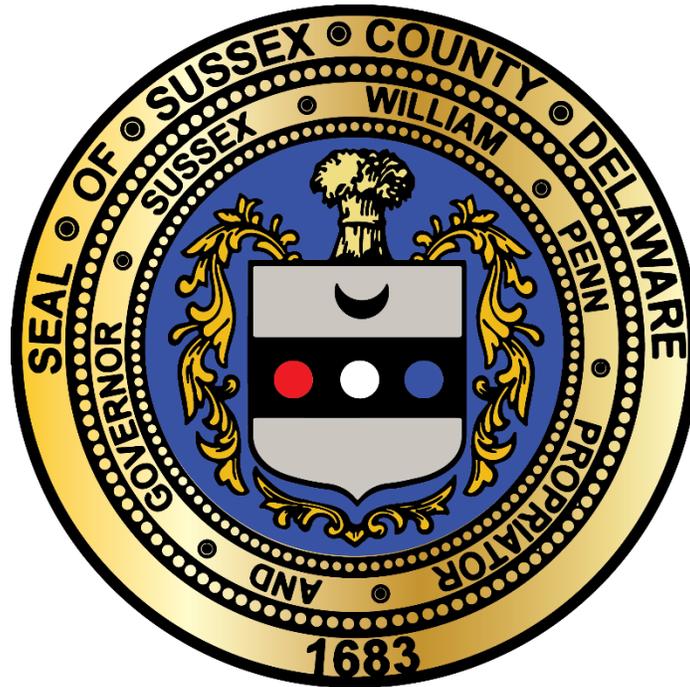


Sussex County, Delaware



REQUEST FOR PROPOSALS

GROUND LEASE AND HANGAR DEVELOPMENT AT
DELAWARE COASTAL AIRPORT

February 2020



REQUEST FOR PROPOSALS
GROUND LEASE AND HANGAR DEVELOPMENT
AT DELAWARE COASTAL AIRPORT

CONTENTS:

- I. Public Advertisement
- II. Instructions for Proposal
- III. General Information
- IV. Required Submittals
- V. Insurance Requirements
- VI. Grounds for Denial of Proposal
- VII. Evaluation and Selection Process

DATE RELEASED: February 3, 2020

REQUEST FOR PROPOSALS

The Sussex County Government is seeking sealed submittals for:

Ground lease agreement between Lessee and Sussex County, a political subdivision of the State of Delaware, and a hangar development proposal. The lease shall be subject to the terms and conditions approved by Sussex County Government. The County will lease to one or more Lessees up to approximately 60,000 square feet of land located at 21469/21449 Rudder Lane, Georgetown, DE 19947, at Delaware Coastal Airport for the purpose of constructing one or more aircraft hangars.

Sussex County will accept proposals for the following lease packages.

- One Lessee for the majority of the land available to construct a hangar ranging in size from 25,000 to 60,000 sq. ft.
- One or more Lessees to construct a hangar/hangars on a portion of the land available divided to accommodate a hangar ranging in size from 10,000 to 25,000 sq. ft.

Based on the criteria established, an evaluation committee will be selected to review and rank all proposals. The evaluation committee shall determine whether an applicant's proposal meets the minimum qualifications. At any point in the process, the evaluation committee may, at its discretion, terminate negotiations with any and all respondents.

Interested parties must submit a written proposal to the Airport Manager, Attention: Eric Littleton, Delaware Coastal Airport, 21553 Rudder Lane, Georgetown, DE 19947, by **3:00 p.m., March 13, 2020** at which time the proposals will be publicly opened, read aloud recording only the name of the respondent(s). All other information shall be confidential until County Council awards the lease determined to be the most advantageous to the County in a public meeting. Award of successful proposal(s) is/are expected in mid-April 2020.

The request for proposals may be obtained by visiting Sussex County's website sussexcountyde.gov/legal-notices/bids or by contacting Mr. Eric Littleton, Airport Manager at Delaware Coastal Airport, 21553 Rudder Lane, Georgetown, Delaware, telephone: (302) 855-7774, email: eric.littleton@sussexcountyde.gov, during regular business hours from 8:30 a.m. to 4:30 p.m., Monday through Friday. In its sole discretion, Sussex County, may extend the time and place for opening of proposals from that described in the advertisement by providing not less than two (2) calendar days' notice, by posting an Addendum on the Sussex County website and by providing notice thereof by certified delivery, facsimile machine, or other electronic means such as email, to those potential respondents who obtained copies of the RFP and provided notice thereof to Eric Littleton at the email address provided herein.

Respondents having questions concerning the proposal should submit them in writing via e-mail no later than 12:00 p.m., March 6, 2020, to Eric Littleton, Airport Manager, at eric.littleton@sussexcountyde.gov.

II. Instructions for Proposals

Each written proposal must be submitted in a sealed envelope, addressed to Mr. Eric Littleton, Airport Manager, 21553 Rudder Lane, Georgetown, DE 19947. Each sealed envelope containing a proposal must be plainly marked on the outside as "Hangar RFP" and bear the name and address of the respondent. If sent by mail, the sealed envelope should be sent by certified mail and be indicated as received on the certified receipt prior to the Proposal Opening. Late proposals will not be accepted. Sussex County may extend the time and place for opening of proposals from that described in the advertisement, by providing not less than two (2) calendar days' notice, by posting an Addendum on the Sussex County website and by providing notice thereof by certified delivery, facsimile machine, or other electronic means such as email, to those potential respondents who obtained copies of the Request for Proposals and provided notice thereof to Eric Littleton at the email address provided herein.

Sussex County reserves the right to reject any and all proposals, to waive any informalities in proposals received, except with respect to the date, time and place where the documents are submitted, to cancel this RFP in whole or in part, to reissue this RFP and/or to accept or reject items of proposals received. In the event this RFP is canceled in whole or in part prior to the opening of proposals, all respondents shall receive a notice of cancellation and all proposals received shall be returned to the respective respondents unopened.

FAX proposals will not be accepted.

Interested parties are asked to submit one (1) written proposal to Sussex County, Attention: Eric Littleton, Airport Manager, Delaware Coastal Airport, 21553 Rudder Lane, Georgetown, DE 19947, by 3:00 p.m., March 13, 2020, at which time the proposals will be publicly opened, reading aloud and recording only the name of the respondent. All other information shall be confidential.

Mailing Address: Mr. Eric Littleton, Airport Manager
Delaware Coastal Airport
PO Box 589
Georgetown, DE 19947

Delivery Address: Mr. Eric Littleton, Airport Manager
Delaware Coastal Airport
21553 Rudder Lane
Georgetown, DE 19947

Telephone Number: (302) 855-7774

III. General Information

Sussex County Government will lease to one or more Lessees, up to approximately 60,000 square feet of land located at 21469/21449 Rudder Lane, Georgetown, DE 19947, at Delaware Coastal Airport. Lessee shall be required to construct an aircraft hangar ranging in size from 10,000 to 60,000 square feet, at Lessee's expense.

The minimum responsive lease proposal has been established as \$0.40 per square foot of ground lease area per year. Ground lease area covers the hangar footprint and any ancillary uses for the benefit of the leaseholder such as but not limited to parking, outside utility pads, etc. The property shall be used for the purpose of engaging in aeronautical activities, as defined by the Federal Aviation Administration only. Activities may be commercial or non-commercial in nature. Lessee will be subject to the Airport Policies established by the Sussex County Council.

Terms of the lease shall be Triple Net – the Lessee shall be solely responsible for all costs relating to the property being leased, in addition to the rent fee applied under the lease.

Successful Respondent shall be required to demolish and remove the existing building/buildings at 21469/21449 Rudder Lane, Georgetown, DE 19947. Demolition shall be in accordance with all Federal, State, and County laws and regulations.

Successful Respondent shall be required to provide a performance bond in the amount equal to the cost for constructing the proposed hangar.

Successful Respondent shall design and permit the project within four (4) months, award a contract within five (5) months and start construction within six (6) months of award of this RFP. Successful Respondent will not be required to provide stormwater management associated with the additional impervious area created.

An on-site inspection of the facility may be arranged by calling the Airport Administration office at (302) 855-7774.

IV. Required Submittals

The following information must be included in the Respondent's proposal. Failure to provide any of the information will result in the rejection of the application:

1. Respondent's informational cover page that includes the following:
 - a. The Respondent's legal name.
 - b. Respondent's mailing address.
 - c. Respondent's telephone and facsimile numbers.
 - d. Respondent's email address.
 - e. Name of Respondent's representative or contact person.
 - f. Representative's telephone number.
2. Business Information (if the proposed Lessee is a business entity). Provide a full description of the Respondent's business, including the following information:
 - a. A description of the business, including any relationship to a larger corporate entity;

- b. Names of key officers and owners.
3. Proposed annual land rent per square foot (must be above minimum) and proposed rent escalation.
4. Proposed length of lease. (A maximum 30 year initial term is acceptable, with options to extend not to exceed 50 years total.)
5. Proposed annual fuel purchases from Delaware Coastal Airport fixed based operators.
6. Type and number of aircraft expected to be stored in the proposed hangar. Justification of expected aircraft will be required.
7. Annual operations (takeoffs and landings) by aircraft type.
8. A summary of the Respondent's proposed use of the facility being leased, including the following information:
 - a. Describe how the use will benefit the area's aviation community.
 - b. Proposed hours of operation (if a business entity).
9. Evidence of the Respondent's ability to supply all required insurance coverages as specified by the County.

V. Insurance Requirements

Prior to construction, Sussex County Government shall review/approve the insurance to be purchased by the contractor(s) that will construct the hangar, including workers' compensation, commercial general liability, business auto and builders' risk. Minimum liability limits shall be \$1MM to \$5MM.

Commercial entities operating within the proposed hangar shall be required to maintain insurance as found in Delaware Coastal Airport Policies, Volume IV, *Minimum Standards for Commercial Aeronautical Activity*, as a condition of lease. A copy of this document may be obtained from the Delaware Coastal Airport office or by visiting the County's website at https://delawarecoastalairport.com/wp-content/uploads/2018/07/MinimumStandardsVolIV_Adopted.pdf.

Private entities operating within the proposed hangar shall secure aircraft liability insurance which insures against bodily injury and property damage claims arising from the entities' ownership, maintenance or use of entity-owned aircraft while the aircraft is stored at or being operated to or from the leased property, with a combined single limit of \$1,000,000 per occurrence.

VI. Grounds for Denial of Proposal

The following may be used as grounds for declaring a proposal "non-responsive":

- The applicant does not meet qualifications standards and requirements established by the Minimum Standards.

- The applicant’s proposed operations or construction will create an unacceptable safety hazard on the Airport.
- The granting of the application will require the expenditure of County funds, labor or materials on the facilities described in or related to the application, or the operation will result in a financial loss to Sussex County.
- Any party applying or having interest in the business has supplied false information or has misrepresented any material fact in the application or in supporting documents or has failed to make full disclosure on the application.
- Any party applying, or having an interest in the business, has a record of violating the rules, or the Rules and Regulations of this or any other Airport, or the Federal Aviation Regulations.
- Any party applying, or having an interest in the business, has defaulted in the performance of any lease or other Agreement with Delaware Coastal Airport or any lease or other agreement on any other airport.
- Any party applying, or having an interest in the business, is not sufficiently credit worthy and responsible in the judgment of the Sussex County Council to provide and maintain the business to which the application relates and to promptly pay amounts due under an Agreement.

VII. Evaluation and Selection Process

Based on the criteria established, an evaluation committee will be selected to read, screen, and rank all proposals.

EVALUATION CRITERIA

Proposals will be evaluated based on the following criteria (maximum of 100 points).

- **PROPOSED RENT - 50 points**
- **CUMULATIVE WEIGHT OF PROPOSED AIRCRAFT – 25 points**
- **FUEL PURCHASES – 15 points**
- **EXPECTED ANNUAL TAKE OFFS AND LANDINGS – 10 points**

Information provided under Section IV above will be used in case of a tied score.

* The Maximum Takeoff Gross Weight of each aircraft proposed to be stored in the hangar shall be summed to determine this number.