

October 14, 2022

RFP ADDENDUM # 1

RE: Request for Proposals – Fixed Base Operators Services for

- Edward F. Knapp State Airport (MPV) Berlin Vermont
- Morrisville-Stowe State Airport (MVL) Route 100, Morrisville Vermont

The Request for Proposals (RFP) for the above-mentioned services has been modified to clarify the RFP by addressing the following questions:

1. What is the total requested monthly lease payment to the state for the prospective fbo and what does that lease payment cover?

A: The initial lease rates are negotiable. VTrans has the flexibility to enter into below market rates for the first few years to give a FBO an opportunity to develop the business before paying the full lease rate. To help you understand the rates I will use Morrisville-Stowe as an example –

- Storage Hangar – 6400 square feet - \$.25 per square foot - \$1,600 annually
- Fuel Farm – 1,225 square feet - \$306.25 annually plus \$.07 per gallon flowage fee
- Tie Downs - \$2.90 each per month
- Terminal space - \$.25 per square foot – need to define space
- Maintenance and Utility fee – this is a calculation that looks at the usage of utilities for space used by the FBO. Many of these are on one meter/system. The former lease was around \$3900 per year.
- Gross Receipts which is generally 1.5% that gets paid to VTrans. This allows the lower base rent.

The rates above included the electricity, heat, major maintenance, etc. The sample agreement included in the RFP breaks out what is included.

2. What other monthly costs does the state ask/require be paid/covered by the fbo.

A: The FBO is responsible for all their operating costs, they are responsible for the fuel they will sell through our fuel farm, staffing, insurance to cover their operations and any facilities they will use and other related expenses. Again, I believe these are better defined in the sample agreement included in the RFP.

3. What does the state pay for/cover at the airport: ie: fuel farm installation, maintenance, upkeep, insurance, staffing, plowing, mowing etc.

A: The state has paid for the fuel farm installations and has them inspected and filters changed annually. The FBO is responsible for the operating costs and inspections of the equipment required daily by ANR. VTrans staffs the airport for maintenance of the airfield and is responsible for the mowing and snow removal required to keep the airfield operational. This again is detailed in the sample agreement in the RFP.

4. What are the past years revenues: ie: from fuel, tie downs, landing fees, hangar rental/storage etc.

A: The agreement at Knapp is older and does not require the gross receipts payment so we do not have data on operations. For Morrisville-Stowe the FBO did not complete the reporting required so again we do not have this data. We do have the volume of fuel sold at each airport.

| YEAR | KMVL AvGas Gallons | KMVL Jet A Gallons | KMPV AvGas Gallons | KMPV Jet A Gallons |
|--------------|-----------------------------------|-------------------------------|-------------------------------|-------------------------------|
| 2014 | 14,370 | 17,882 | 18300 | 17100 |
| 2015 | 19,414 | 23,353 | 19000 | 25800 |
| 2016 | 19,808 | 21,312 | 16000 | 30400 |
| 2017 | 19,414 | 23,776 | 20000 | 32000 |
| 2018 | 9,640 | 24,070 | 17000 | 27000 |
| 2019 | 11,236 | 19,470 | 18800 | 48250 |
| 2020 | 10,721 | 15,658 | 13300 | 37000 |
| 2021 | 6,555 | 10,336 | 17750 | 37500 |
| TOTAL | 111,158 | 86,323 | 140,150 | 254,800 |

Each FBO has a list of services they choose to provide. Our agreements are open to a variety of services that will make the business plan for the FBO work. Some of the options are fuel, flight school, maintenance, aircraft painting, rental cars, food service, parking/tie downs, hangar space for rent, refurbishing, charter service, avionics, deicing, sales of aircraft and parts sales.

Sincerely,

Doreen L. Carminati

Doreen L. Carminati
Administrative Services Manager III

cc: Contract Manager
Project File