



**Alaska International Airport System**  
Ted Stevens Anchorage International Airport  
Fairbanks International Airport

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## **Invitation for Expression of Interest (EOI)**

**EOI Procurement #2518H049**

### **MAINTENANCE, REPAIR, AND OVERHAUL (MRO) FACILITY AT TED STEVENS ANCHORAGE INTERNATIONAL AIRPORT**

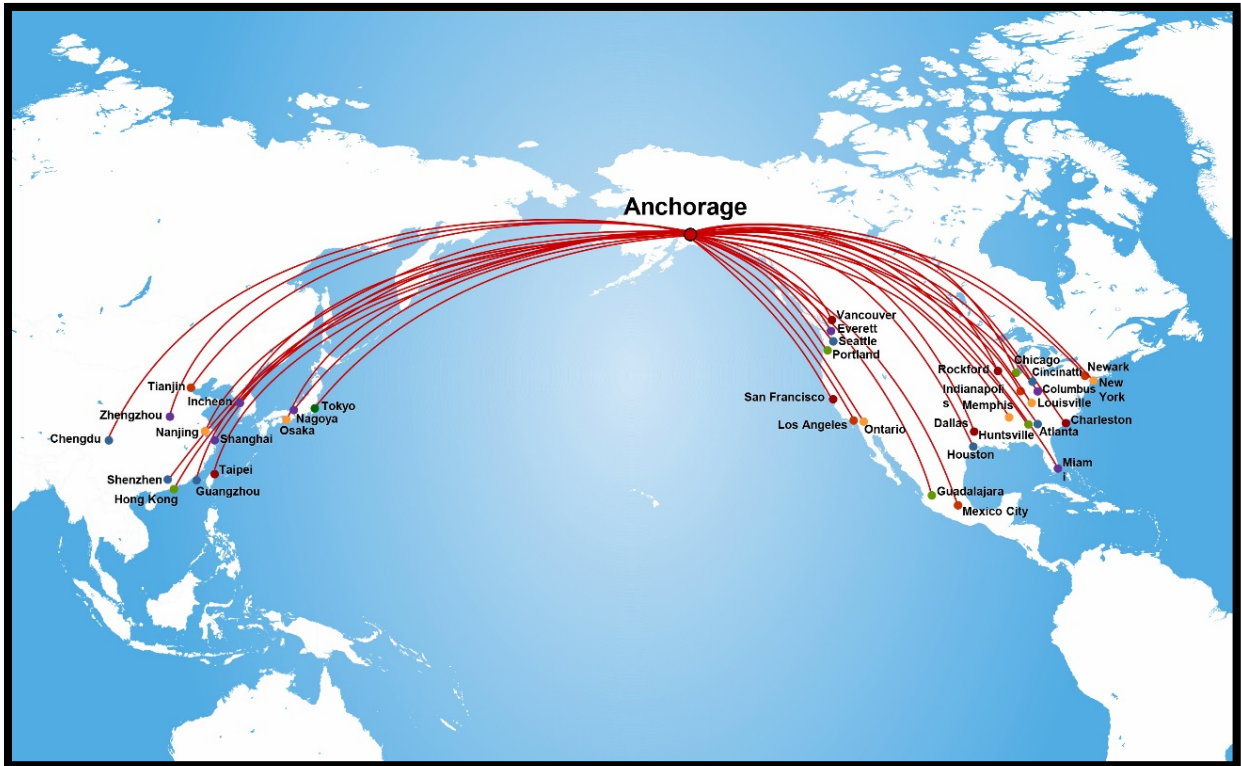
The State of Alaska Department of Transportation and Public Facilities (DOT&PF) is seeking qualified applicants to submit an EOI outlining their capabilities and expertise in the construction and operation of a MRO facility at the Ted Stevens Anchorage International Airport (ANC).

#### **General Background Information**

ANC is one of the busiest 747 and 777 freighter airports in the world, offering numerous competitive advantages and opportunities for growth in the aviation industry. On a typical day, the ANC will handle 150 plus wide-body freighter operations, with over 100 of those being Boeing 747s. Located within 9.5 hours of 90 percent of the industrialized world, Alaska's strategic location on the great circle route has made ANC a critical node in the global air cargo supply chain, particularly as a technical and transload hub between Asia and North America. Along with state-of-the-art landing systems and infrastructure to accommodate larger next generation aircraft, ANC has the flexibility to maximize efficient air cargo movement due to liberalized cargo transfer regulations.

#### ***The Alaska Advantage***

- ANC ranks second in the Western Hemisphere for landed weight of cargo aircraft, and sixth in the world for cargo throughput
- Every cargo carrier flying all-cargo aircraft on the trans-Pacific trade route has all or most of those aircraft stop at ANC
- 80% of freighter aircraft cargo on the trans-Pacific trade route transits through ANC
- Approximately 75 wide body cargo aircraft land at ANC daily, with an increasing number of 747-8 and 777 aircraft
- ANC is within 400 miles of five U.S. military installations, presenting potential opportunity to service military aircraft, including F-22, F-35, E-3, C-130, C-17, CH-47, UH-60, AH-64, and KC-135.
- Alaska has the highest per capita number of aircraft pilots and mechanics in the world
- Large network of U.S. Air Force bases creates pool of retiring aircraft technicians
- More than 5 million annual passengers served
- Operates 24/7 and does not close for winter conditions
- Over 10 daily wide body freighter operations between Anchorage and Chicago, Hong Kong, Seoul, Shanghai, Cincinnati, Louisville, Taipei, and Tokyo.



### *Parts Distribution Opportunity*

- 747 Aircraft Stopover Location: ANC is a stopover location for 50+ 747 aircraft traveling to/from Asia and North America daily. Based on carrier-provided data, many of these 747 aircraft are ferrying aircraft parts to/from repair facilities located in the Midwest Region of the United States. The significant 747 traffic ANC experiences makes ANC an ideal site for co-locating a parts distribution facility with an MRO facility. Providing such a service at ANC could significantly shorten the logistics associated with aircraft repairs.

### *Partners in Development*

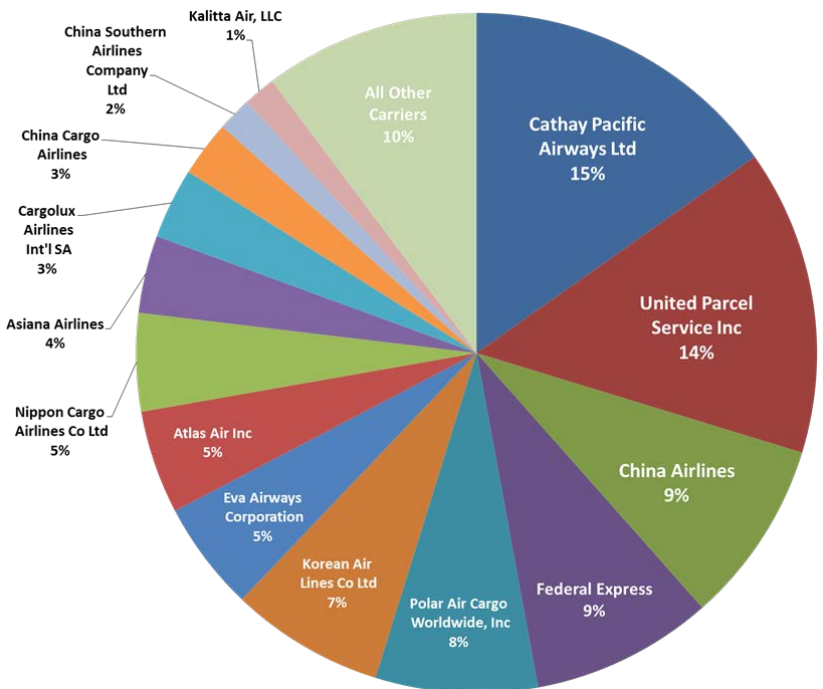
- Alaska AeroNexus Alliance: ANC has partnered with the Municipality of Anchorage and the Anchorage Economic Development Corporation to enhance collaboration and unity in economic development projects. They are dedicated to leveraging resources to increase business investment associated with ANC and are committed to assisting with business and economic efficiencies. <https://aeronexusalliance.com/>
- Financing and Development: The Alaska Industrial Development and Export Authority (AIDEA) works with private, public and non-profit enterprises to provide competitive financing for industrial and infrastructure projects and to develop those projects. AIDEA’s mission is: “To promote, develop, and advance economic growth and diversification in Alaska by providing various means of financing and investment.” AIDEA has successfully financed more than \$1.38 billion in bonds and nearly \$1 billion in loans in Alaska since its creation by the Alaska Legislature in 1967. AIDEA has invested over \$13 million as the owner of the hangar FedEx operates at ANC. Financial options available through AIDEA include conduit revenue bonds, both taxable and tax exempt, loan guarantees, co-investment in the project or infrastructure, and direct loans. <http://www.aidea.org/>

## Workforce

- Apprenticeship Programs: Leveraging federal U.S. Department of Labor support, the State can assist an MRO in establishing a multi-employer registered apprenticeship program for eligible workers, as well as use existing Alaska Department of Labor and Workforce Development resources to help find and/or train employees.
- University of Alaska Anchorage (UAA): UAA offers Aviation Maintenance Technology (AMT) programs in airframe and power plant as well as a Bachelor of Science in Aviation Technology and Associate Degrees in Air Traffic Control, Aviation Administration, AMT, and Professional Piloting.
- University of Alaska Fairbanks (UAF): UAF offers one of the few FAA-certified 12 month Part 147 AMT programs in airframe and power plant, aviation programs in Aviation Technology and Professional Piloting, as well as a Bachelor of Science in Aerospace Engineering
- Transitioning Troops: There is a skilled labor supply of military personnel who are trained as aircraft mechanics and separate from active duty at U. S. Air Force, Army, National Guard, and Coast Guard installations in Alaska. Opportunities for A&P certification are offered through on-base programs; Embry-Riddle Aeronautical University and the Community College of the Air Force.

## ANC Tenants

- Diversified cargo fleet:  
International hub for FedEx, UPS, Korean Air, Nippon, China Airlines, Polar Air Cargo and Atlas Air
- FedEx –\$150 million facilities investment for package sorting and pilot training facilities and 12 wide-body hardstands. ANC is a primary hub.
- UPS – \$35 million pilot training facility and 11 wide-body hardstands with ANC as a primary hub.
- Alaska Airlines – ANC is the Alaskan hub with operations spanning over 50 years. \$40 million hangar facility with capacity for two 737 aircraft is under construction.
- Lynden – ANC is the primary hub for global operations.
- Northern Air Cargo – ANC is the primary hub including international operations.



FY2017 Cargo Carrier Market Share by Certified Maximum Gross Takeoff Weight

## Business Development Expectations

1. The developer is proposed to be responsible for, among other matters:
  - a. Performing design, development, permitting, financing, construction, operation, and management of the MRO facility in accordance with Federal Aviation Administration (FAA) regulations and ANC guidelines
2. ANC is proposed to be responsible for:
  - a. Providing the MRO project site
  - b. Drafting Land Lease Agreement
  - c. Assisting in coordination with ANC activities and operations
  - d. Facilitating business connections with the Alaska Department of Labor and Workforce Development, Transition Assistance Program at JBER, the University of Alaska, Anchorage Economic Development Corporation, World Trade Center Alaska, and other state and non-profit organizations to support market entry

## Meeting MRO Provider Needs

MRO Development Considerations	Anchorage Benefits
Advantageous facility rates and charges	<ul style="list-style-type: none"> <li>– Competitive land lease rates</li> <li>– No State of Alaska sales tax</li> <li>– No Municipality of Anchorage sales tax</li> <li>– Combined electricity and natural gas costs are 1% below U.S. average</li> </ul>
Government assistance in establishing and marketing business	<ul style="list-style-type: none"> <li>– Numerous aviation-centric State of Alaska and federal agencies. See Partners in Development section</li> </ul>
Large labor pool of qualified personnel and technicians	<ul style="list-style-type: none"> <li>– Alaska has the highest per capita number of aircraft pilots and mechanics in the world</li> <li>– 2 universities offer aviation programs and recognized by FAA with Diamond Certificate of Excellence</li> <li>– Alaska Airmen general aviation group has 2,400 members</li> </ul>
Runway length	<ul style="list-style-type: none"> <li>– 3 runways minimum length 10,000 feet</li> </ul>
Available apron space	<ul style="list-style-type: none"> <li>– Kulis Air Park, site location A on Site Map</li> </ul>
Fueling facilities available every day	<ul style="list-style-type: none"> <li>– ANC operates 24/7, 365, including fueling facilities</li> <li>– 36 million gallons of fuel storage on ANC</li> </ul>
City attractive to Fortune 500 companies	<ul style="list-style-type: none"> <li>– Examples include ExxonMobil, BP (Alaska), ConocoPhillips Alaska, Carnival, Trident, Alaska Airlines, FedEx, UPS</li> </ul>
Airport and regional assistance in coordination with FAA offices	<ul style="list-style-type: none"> <li>– FAA Alaska Regional Office in Anchorage</li> <li>– ANC and FAA Alaska have excellent relationship</li> </ul>
Available ground transportation	<ul style="list-style-type: none"> <li>– Taxi, limousine, rental car, Uber, Lyft, bus services</li> </ul>
Nearby amenities, e.g. lodging, dining, medical	<ul style="list-style-type: none"> <li>– 3 major hospitals, numerous nearby restaurants and hotels</li> </ul>
Trucking support services	<ul style="list-style-type: none"> <li>– Carlile Transportation, Lynden Transport, Totem Ocean Trailer Express operate regularly throughout Alaska</li> </ul>
Available ground and/or air shipping companies	<ul style="list-style-type: none"> <li>– FedEx, UPS, Lynden, Northern Air Cargo operate ANC hubs</li> <li>– Major gateway for DHL and Polar</li> </ul>

## Notional MRO Sites

- Several notional MRO sites on ANC property have been identified on the attached site drawing.
- Site area is flexible based on need, and additional sites proposed by Applicant will be considered.
- Available as-built drawings of roads and utilities can be provided upon request.

## Submission of EOI

The EOI shall include the following submissions and declarations and shall not exceed 10 pages:

1. Letter of EOI stating the Applicant's interest
2. Initial business concept
3. A brief description of the Applicant's relevant corporate history and experience
4. Current capability of maintaining and overhauling Boeing and/or Airbus aircraft
5. Indication of financial capabilities in undertaking MRO construction and operation
6. Details of individual who will serve as the Applicant's point of contact to include phone number and email, mailing and physical addresses

Applicants are requested to submit their EOI via email to Tom Mayer, Procurement Specialist, at [tom.mayer@alaska.gov](mailto:tom.mayer@alaska.gov) no later than June 15, 2018, 4:00 PM ADT. Applicants should clearly mark any information that is proprietary or a trade secret.

## Evaluation of EOI

The issuance of this EOI is to identify prospective candidates who have the interest and competencies to operate and maintain a MRO facility at ANC. Based on the outcome of the EOI, DOT&PF may hold site visits and discussions and release a Request for Proposal (RFP). DOT&PF reserves the right to not proceed with prospective tenant discussions or the RFP process at any time.

## SITE MAP and DESCRIPTIONS



- A. Kulis Air Park
  - a. 940,000 sf
  - b. Vacated U.S. Air Force base
  - c. Existing pavement, buildings, hangars
- B. Taxiway Z
  - a. 450,000 sf
- C. West Runway
  - a. 1,000,000 sf
  - b. Undeveloped land
  - c. Adjacent to ground run-up location
- D. Taxiway U
  - a. 700,000 sf
  - b. Undeveloped land

Note: Site areas shown are approximate. Sites may be increased up to 1 million square feet.