

## PURCHASING DEPARTMENT DIVISION OF BUDGET & FINANCE

# REQUEST FOR EXPRESSIONS OF INTEREST HGR-REOI-25-001

July 19, 2024

### FOR THE NON-EXCLUSIVE RIGHT TO ESTABLISH AND OPERATE AN

#### ON-AIRPORT RENTAL AUTO CONCESSION

### AT THE HAGERSTOWN REGIONAL AIRPORT

The Hagerstown Regional Airport is owned and operated by the Board of County Commissioners of Washington County, Maryland.



#### **INTRODUCTION, PURPOSE & BACKGROUND**

#### A. INTRODUCTION

Rental car operations provide vital support to the air travel industry by providing timetested, reliable independent ground transportation to the traveling public. The Hagerstown Regional Airport (HGR) is interested in determining if any parties wish to enter into a nonexclusive On-Airport Rental Auto Concession contract and whose business operations will serve and potentially enhance the ground transportation opportunities available to:

- 1. scheduled airline passengers traveling to/from the Hagerstown Regional Airport,
- 2. general aviation customers associated to potentially include but not be limited to the Fixed Base Operation (FBO) activities located on the north side of the airport^and
- 3. any local, non-aviation-related patrons in need of rental vehicle service.

#### **B. PURPOSE**

This request for expressions of interest ("REOI") seeks to assess interest from all qualified parties and to determine feasibility for a private sector company to establish a non-exclusive On-Airport Rental Auto Concession at HGR Airport, operating from approximately 246-492 sf. of office/queue space identified as location Options 1 and 2 in the figures below. HGR Airport is receptive to all suggestions, ideas and concepts which would support and provide additional customer-focused services to airline passengers, general aviation-related customers and non-aviation-related, local area patrons in need of rental vehicles at the Hagerstown Regional Airport.

<sup>^</sup>The airline terminal is located on the south side of the airport.



Figure 1. Terminal Layout Map, 2024, Hagerstown Regional Airport (above)



Figure 2. Concession Option "1" Space 108 (Terminal East Wing). Approx. 20.5' W x 12' D (246 SF TOTAL) incl. 20.5' W x 5' D (102.5 SF) for standing room/branded carpet(s) in front of counter (above)

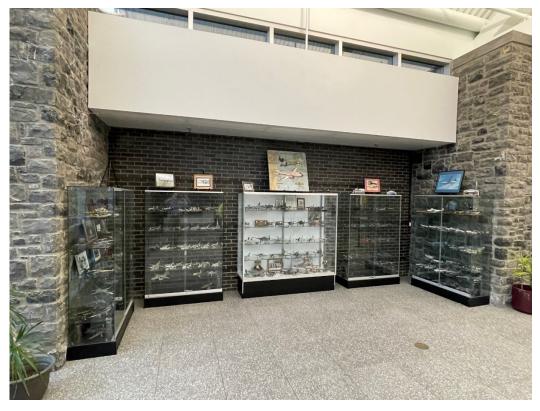


Figure 3. Concession Option "2" Space 111 (Terminal East Wing). Approx. 20.5' W x 12' D (246 SF TOTAL) incl. 20.5' W x 5'D (102.5 SF) for standing room/branded carpet(s) in front of counter (above)

Incumbent rental auto concessionaires are precluded from submitting responses to this REOI. If this REOI results in a solicitation and a contract award is made, the Selected Bidder/Proponent shall not be permitted to operate its On-Airport Rental Auto Concession using the same or similar trade name as any of the incumbent Rental Auto Concessionaires which are: Avis/Budget. Background: An existing Lease and Concession Contract exists, expiring on February 28, 2025, between the Hagerstown Regional Airport/Washington County Board of County Commissioners (Lessor) and the existing, incumbent Rental Auto Concessionaire, Avis/Budget Group located on the west side of the terminal. Note: Avis/Budget group has signaled an interest in signing a new lease with the Lessor.

This REOI does not constitute a formal solicitation or procurement by the Hagerstown Regional Airport or the Board of County Commissioners of Washington County, Maryland. A formal Invitation for Bids or Request for Proposals may be issued as a result of, and subsequent to, this REOI. Responses to this REOI are not offers and cannot be accepted by the Hagerstown Regional Airport or the Board of County Commissioners of Washington County, Maryland, to form a binding contract. The information received in response to this REOI will be used by the Hagerstown Regional Airport staff in deciding how to best accommodate the proposed non-exclusive rental auto concession services. This REOI is issued for information gathering purposes only. Responses to this REOI will not be returned.

#### C. BACKGROUND

The Hagerstown Regional Airport has hosted scheduled, commercial airline service for many decades and serves a large passenger "catchment" area within not only Western Maryland, but also the Eastern Panhandle of West Virginia, south central Pennsylvania and portions of northern Virginia. HGR is also one of the leading airports in terms of general aviation and corporate (business aircraft) activity, hosting more than 40 businesses and organizations, 150+ based aircraft and 30-40,000 annual aircraft take-offs and landings in recent years. HGR estimated annual economic impacts are in the \$200-300 million range. Allegiant Airlines has served HGR without interruption for more than a decade, and recently announced a 38% YOY increase in annual Allegiant Air flights, increasing to nearly 300 annual arrivals and 300 annual departures.

A summary of enplaned and deplaned passengers over the past five years is shown in the table below.

Table No. 1: Airline Passenger Counts at HGR Airport

	Enplaned	Deplaned	Total Passenger Operations
2019	29,109	28,273	57,382 (366 completed
			Allegiant ops + 1,952 Southern
			Airways Express ops)
2020	14,237	14,305	28,542 (164 completed ops)
2021	23,244	21,218	44,462 (244 completed ops)
2022	32,272	28,875	61,147 (426 completed ops)
2023	32,349	30,617	62,966 (424 completed ops)
2024		Approx. 585	
		flight operations	
		scheduled	

In Calendar Year 2023, the one On-Airport Rental Automotive Concessionaire (Avis/Budget Group) reported a total of 6,114 annual transactions for a total concession revenue earned of \$1,509,884.43.

The terminal building contains two aircraft gates including one equipped with a passenger boarding bridge. Terminal parking area (apron) exists to allow for parking of up to 3-5 narrowbody airliners such as the Airbus A320 or Boeing 737 series. The terminal's passenger hold room facilities can accommodate approximately 300 screened passengers. The terminal's parking lots feature approximately 360,000 sf. of surface area, currently a portion of which is paved in asphalt and a portion is asphalt millings/gravel mix. The airport intends to implement a \$5 daily maximum daily parking fee (1st hour free) for its terminal parking lots, and to do so within the 3rd or 4th quarter of CY2024.

As of this writing, the airport staff operates a snack bar concession in the passenger hold room during flight times, and the terminal additional features soda machines and the Avis/Budget rental car counter. The HGR airport is located less than 4 miles from downtown Hagerstown and has convenient access to both Interstate Highways I-81 and I-70.

In addition, the nearby cities of Baltimore and Washington D.C. are approximately 75-85 driving miles away from HGR Airport, a reasonable drive for business and leisure travelers.



Figure 4. Overhead View of Terminal Area (above).

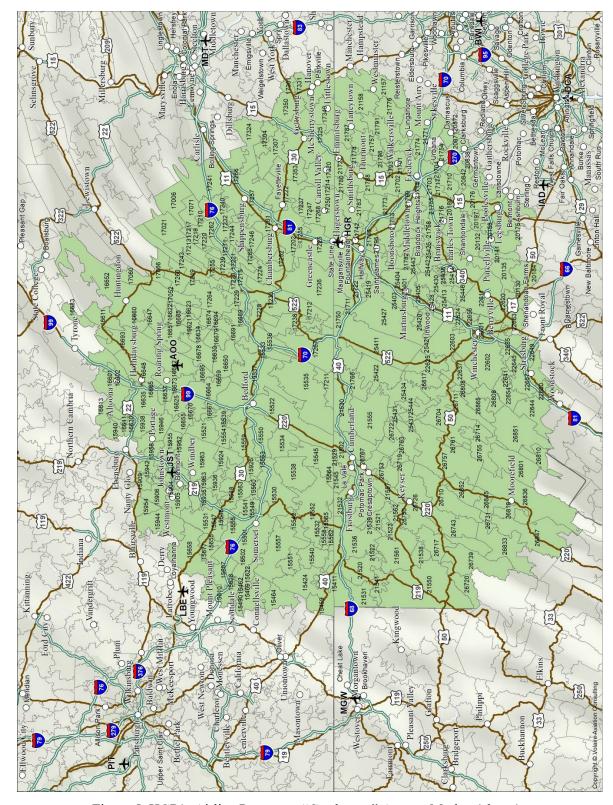


Figure 5. HGR's Airline Passenger "Catchment" Area or Market (above).

#### **II. OBJECTIVES**

Interested parties are encouraged to submit an expression of interest to establish and operate a non-exclusive On-Airport Rental Auto Concession to operate from Location Option 1, 2 or both 1 and 2 at the Hagerstown Regional Airport Terminal. 20, 40 or more spaces in the terminal parking lot can also be made available for Rental Car use, however interested parties are hereby advised that use of such spaces will be on a monthly or annual lease basis.

#### **III. INSTRUCTIONS & FORMAT OF REOI SUBMISSIONS**

#### A. FORMAT OF REOI SUBMISSION

Responses submitted to this REOI shall be limited to twenty (20) letter-size (8 ½" x 11") pages in length excluding any supporting material and/or documents. Responses shall be single-spaced, 12-point, Times New Roman font.

Responses submitted by email must be in the form of an attachment as follows:

1. The following file naming convention shall be used:

HGR-REOI-25-001 - Company Name - FirstinitialLastname.doc

**Example:** Jane Doe of ABC Concession, Inc. would name her file:

HGR-REOI-25-001-ABCConcession-JDoe.pdf

2. Authorized file format: Adobe Acrobat (pdf).

#### **B. REOI SUBMISSION INSTRUCTIONS**

Under a brief cover letter, each respondent to this REOI ("Respondent") shall submit its expression of interest in the format described above. Provide, at minimum, the following:

- 1. Respondent's legal/registered name;
- 2. Respondent's mailing and physical address(es), business website, phone and fax numbers;
- 3. Name and title of Respondent's primary point of contact ("Representative");
- 4. Representative's mailing address, email and phone number;
- 5. A synopsis of Respondent's background, experience and comprehensive corporate history;
- 6. Respondents must have at least five (5) years of continuous experience operating a rental auto company with at least Four Hundred Thousand (US\$400,000) Dollars annual gross revenues. Respondent must provide an affirmative statement of its annual gross revenues exceeding US\$400,000 and that it has at least five (5) years of continuous experience.
- 7. Respondent's suggestions, ideas, and concepts for enhancing rental auto concession services at the Hagerstown Regional Airport. Please note that information that Respondent considers to be confidential should be identified, giving specific attention to the identification of those portions of its response which it deems to be trade secrets or confidential commercial or confidential financial information. The Respondent should provide a reason why such information should not be disclosed by the Hagerstown Regional Airport/ Washington County Government, upon request under the Maryland Public Information Act, which is located in Title 4 of the General Provisions Article, of the Annotated Code of Maryland. Respondent's labeling the material as "confidential" or "not for public release" is entitled to some weight but is not controlling on The Hagerstown Regional Airport/Washington County Board of County Commissioner's determination, the Maryland Public Information Act prevails. The Hagerstown Regional Airport/Washington County Board of County Commissioner's may be required to disclose the information submitted by each Respondent.

- 8. Any additional information Respondent deems relevant for HGR Airport to consider when determining or understanding Respondent's business management, operational philosophy, qualifications, etc.
- 9. Questions may be faxed to 240-313-2331 or send questions in Microsoft Word platform via-email to <u>purchasingquestions@washco-md.net</u>.
- 10. The County may request in person or virtual presentations after receipt of materials.

## 11. The County does not guarantee any formal solicitation will be generated based on this REOI.

All costs associated with preparation and delivery of responses to this REOI shall be borne entirely by Respondents. HGR Airport will not compensate Respondents for any expenses incurred as a result of this REOI process. Responses of literature shall be submitted no later than 4:00 P.M., (EDT/EST), July 31, 2024, REOI response may be submitted via email to: Rick F. Curry, Director of Purchasing at reurry@washco-md.net

All submissions received in response to this REOI may be considered public information pursuant to the Maryland Public Information Act and may be potentially subject to disclosure pursuant to General Provisions Code Ann. Section 4-101, *et seq*.