



DRYDEN



FORTFRANCES
BOUNDLESS

Expression of Interest

Scheduled Air Service at Dryden Regional Airport
and Fort Frances Municipal Airport

Clients

The City of Dryden and the Town of Fort Frances

Proposal Due Date

Thursday, April 18, 2024, at 15:00 CDT

Prepared by:

THE **LOOMEX** GROUP

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1.0 Introduction

1.1 Overview of Opportunity

The City of Dryden and the Town of Fort Frances have issued this expression of interest (“**EOI**”) to solicit proposals from reputable air service carriers who can provide safe, affordable, and reliable air service at Dryden Regional Airport (“**YHD**”) and Fort Frances Municipal Airport (“**YAG**”). Eligible air carriers are invited to submit proposals to operate passenger services at YHD, YAG, or both.

Effective May 2024, the only scheduled air service provider in Dryden and Fort Frances will no longer offer services at YHD or YAG. Both airports are crucial hubs in Northwestern Ontario, located in areas with vibrant communities and significant economic opportunities. Local residents, businesses, institutions, and government agencies need a dependable air carrier to offer a means of travel to and from the region.

In addition to connecting travellers to Northwestern Ontario, a reliable air carrier could introduce new avenues for business and tourism.

1.2 Submission Instructions

Proponents wishing to submit a proposal to provide air service for **YHD only** can email their submission to the following contact:

Roger Nesbitt
CAO, City of Dryden
email: rnesbitt@dryden.ca

Proponents wishing to submit a proposal to provide air service for **YAG only** or **both YHD and YAG** can email their submission to the following contact:

Travis Rob, P.Eng.
Interim CAO, Fort Frances
email: trob@fortfrances.ca

All emails should have the following subject line: “EOI Air Service Submission.”

Proponents must submit their proposals by **Thursday, April 18, 2024, at 15:00 CDT**.

1.3 Mandatory Submission Form

Proponents must ensure they include a fully completed copy of the Expression of Interest Cover Sheet as part of their submission.

The Expression of Interest Cover Sheet is located in Appendix A of this EOI.

1.4 Questions

Questions about this EOI can be emailed to the following contact:

Lisa Davidson
General Manager of Airports, The Loomex Group
email: ldavidson@loomex.ca

The question period for this EOI is **March 28, 2024, to April 8, 2024**. After the question period closes, Dryden and Fort Frances will provide answers to all proponent questions (if any) in the form of an addendum.

All questions about this EOI must be submitted in writing to the contact person listed above. Dryden and Fort Frances will not respond to any other method of inquiry.

1.5 Opening and Evaluation

Dryden and Fort Frances will each appoint an evaluation committee to review the proposals submitted in response to this EOI.

The evaluation committees will open and review all submissions based on the criteria listed in item 4.11 of this EOI.

1.6 Expression of Interest Schedule

Table 1 lists the schedule and key milestones for this EOI.

Table 1. Schedule and milestones for this expression of interest.

Milestone	Date
Question period begins	March 28, 2024
Question period ends	April 8, 2024
Submission due date	April 18, 2024
Evaluations completed	April 26, 2024
Negotiations completed and contract awarded	May 10, 2024
Announcement of new air carrier and initial marketing	May 14, 2024
Anticipated service commencement	June 14, 2024

1.7 Air Service Business Case and Additional Analysis

The City of Dryden and the Town of Fort Frances are issuing an air service business case to supplement this EOI.

The air service business case contains information that proponents can use to better understand the municipalities' needs as they develop their proposals in response to this EOI. Proponents are encouraged to also conduct their own analyses (as they deem applicable).

All proponents are responsible for completing their own due diligence in regard to community-specific operational requirements.

1.8 List of Addenda

Dryden and Fort Frances may issue addenda to advise proponents of any changes to the terms of this EOI.

All proponents are expected to adhere to the terms of all addenda issued as part of this EOI. In addition, all proposals must include an acknowledgement of any addenda issued as part of this EOI.

2.0 Regulations, Legislation, and Insurance

2.1 Eligibility

Proposals must adhere to the Canadian Aviation Regulations (“**CARs**”) listed in Table 2 in order to be considered eligible for review by the City of Dryden and Fort Frances evaluation committees.

Table 2. Applicable Canadian Aviation Regulations.

Regulation	Definition and Reference
CAR 703	Defined in s.703 of the Canadian Aviation Regulation SOR/96-433 and SOR/2005-193, s. 1, commonly referred to as “703 Category.”
CAR 704	Defined in s.704 of the Canadian Aviation Regulation SOR/96-433 and SOR/2005-193, s. 2, commonly referred to as “704 Category.”
CAR 705	Defined in s.705 of the Canadian Aviation Regulation SOR/96-433, commonly referred to as “705 Category.”

Proponents must also demonstrate that they have the operating certificates to provide scheduled air service at YHD, YAG, or both. Proponents must demonstrate that the operating certificates are in good standing.

Any proponent that does not meet the requirements outlined above will not be considered eligible for the mandate described in this EOI. However, exemptions may apply if a proponent has obtained an exemption from the Canadian Transportation Agency pursuant to section 80(1) of the Canada Transportation Act to start selling tickets for the provision of passenger air service.

2.2 Right to Reject Proposals

The City of Dryden and the Town of Fort Frances reserve the right to:

- Reject any (or all) proposals, including the proposal with the lowest quoted price.
- Disqualify proposals not submitted in strict accordance with the terms and conditions of this EOI.
- Disqualify the following types of informal proposals:
 - proposals which are incomplete, conditional, or obscure
 - proposals which contain additions not requested by Dryden and Fort Frances
 - proposals containing alterations or irregularities
- Waive irregularities and informalities contained within the proposals.

- Award the project contract to the proponent that will, in the opinion of the evaluation committees, act in the best interest of the Dryden and Fort Frances communities.

2.3 Right to Negotiation

The City of Dryden and the Town of Fort Frances, at their discretion, retain the right to negotiate any proposal with the applicable proponent.

The City of Dryden and the Town of Fort Frances retain the right to solicit a new round of proposals if they reject all proposals submitted during the initial submission period.

2.4 Municipal Freedom of Information and Protection of Privacy Act

The City of Dryden and the Town of Fort Frances are governed by the Municipal Freedom of Information and Protection of Privacy Act. Therefore, proponents must accept that the contents of their proposals may be made public in the event of a request for access.

If a proponent is concerned that disclosing the contents of their proposal will result in the disclosure of proprietary information, the proposal must provide proof that the information is proprietary in order to prevent its release.

2.5 Proponent Insurance

The successful proponent must take out a comprehensive general liability policy with a limit of liability of no less than \$5,000,000 (inclusive per occurrence). The successful proponent must then keep that policy in force throughout the duration of their contract with the City of Dryden, the Town of Fort Frances, or both. The proponent must also ensure that Dryden and Fort Frances are named as additional insureds under the general liability policy.

The successful proponent must provide the City of Dryden and the Town of Fort Frances with a certified copy (or certificate) of a general liability policy that adheres to the terms set forth in the preceding paragraph. The proponent must provide confirmation upon signing the applicable project contract.

3.0 About the Client

3.1 City of Dryden

3.1.1 Overview of the Dryden Community

The City of Dryden is located in the scenic Kenora District of Northwestern Ontario. The community has a population of approximately 7,600 people.

Dryden is located near the picturesque Wabigoon Lake amidst a serene expanse of boreal forest. The city is on the Trans-Canada Highway, approximately equidistant between Winnipeg and Thunder Bay. In the southern area of Dryden, Highway 502 connects the city to Highway 11.

Dryden has the charms of a rural community, but it also contains many amenities that are typical of larger urban centres, such as:

- robust infrastructure
- economic stability
- a thriving tourism industry
- a modern hospital equipped with advanced medical facilities

3.1.2 Overview of Dryden Regional Airport

Figure 1 shows the location of YHD in relation to Dryden's population centre.

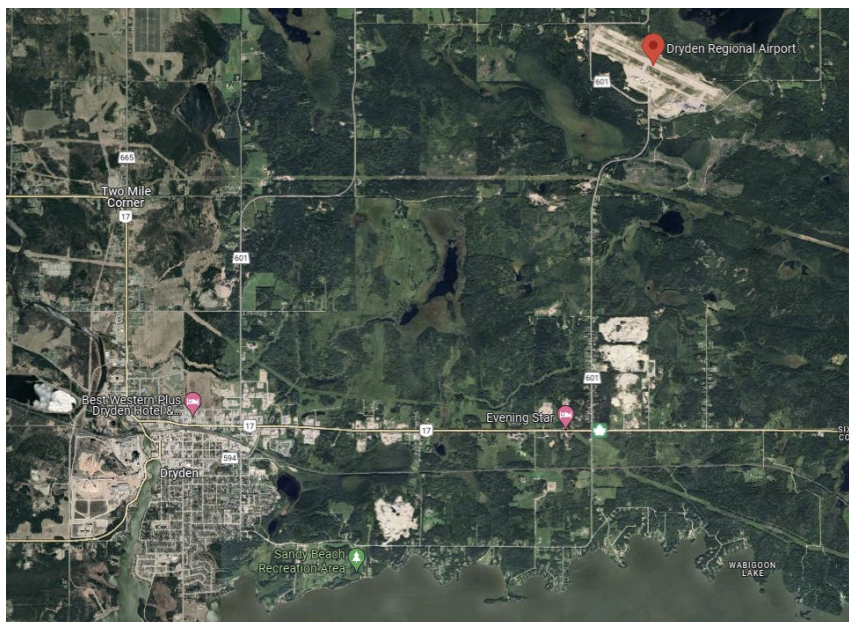


Figure 1. Aerial view showing the location of Dryden Regional Airport.

YHD is a fully equipped regional airport located approximately ten kilometres north of the City of Dryden.

YHD offers a modern full-service facility. The airport has a 6000-foot paved runway with ILS capability, as well as access to aviation fuels.

Table 3 lists the fees and charges at YHD.

Table 3. Fees and charges at Dryden Regional Airport.

Category	Amount
Landing Fee	\$4.40 per 1,000 kg (<21,000 kg)
Parking Fee	\$37.40/day (10,000 to 30,000 kg)
Passenger Fee	\$19.20 per pax
Ramp Fee	N/A
Terminal Fee	\$28.20 (6 to 15 seats) \$46.55 (16 to 25 seats) \$84.87 (26 to 45 seats))
Terminal Rental	\$481.60/m ² (counter) \$355.40/m ² (office)
GPU Starts	\$100.00
De-icing	\$50.00 per gallon

Several air carriers have provided scheduled service at YHD throughout the airport's history. The current carrier, Bearskin Airlines, has announced that it will cease providing scheduled air service at YHD in May 2024.

3.2 Town of Fort Frances

3.2.1 Overview of the Town of Fort Frances

The Town of Fort Frances is located in Northwestern Ontario. The community has a population of approximately 7,500 people.

Fort Frances is situated along the Rainy River, which is across from International Falls, Minnesota. This location and its scenic waterfront make Fort Frances a popular destination for cross-border travellers.

Fort Frances is easily accessible by land, water, and air. Highway 11/17 connects Fort Frances to the City of Thunder Bay (which is approximately four hours east) and the Town of Rainy River (which is approximately one hour west). Ontario Northland provides bus service from Fort Frances to Thunder Bay, and it is in the process of reinstating passenger rail service in Northeastern Ontario.

Fort Frances has several marinas and a seaway-depth harbour with a launch ramp, docks, and associated services (such as hydro, water, lighting, washrooms, pump-outs, showers, and fuel).

Fort Frances is home to the following attractions:

- The Fort Frances Museum displays the history of the town and its surrounding region, including the Indigenous heritage and development in the area.
- Rainy River and Rainy Lake are popular destinations for fishing, boating, kayaking, and scenic waterfront drives.
- The Kay-Nah-Chi-Wah-Nung Historical Centre contains a museum, a reconstructed village and tepee camp, a meeting place for Elders, and ancient burial mounds dating as far back as 3,000 BC.
- Fort Frances has many golf courses, parks, and hiking trails that offer diverse recreational opportunities throughout the year.

3.2.2 Overview of Fort Frances Municipal Airport

Figure 2 shows the location of YAG in relation to Fort Frances' population centre.



Figure 2. Aerial view showing the location of Fort Frances Municipal Airport.

Fort Frances is also approximately five kilometres from the Falls International Airport in International Falls, Minnesota.

YAG has a paved runway of 4,500 feet. As per Nav Canada, YAG is an airport of entry for general aviation aircraft. Staff from the Canadian Border Services Agency also operate at YAG to provide border control services on a call-out basis.

Table 4 lists the fees and charges at YAG.

Table 4. Fees and charges at Fort Frances Municipal Airport.

Category	Amount
Landing Fee	\$4.70 x gross weight (<21,000 kg)
Parking Fee	\$21.74/day
Passenger Fee	\$13.07 per pax
Ramp Fee	\$16.73 per aircraft
Terminal Fee	\$21.02 (0 to 9 seats) \$24.07 (10 to 15 seats) \$37.50 (16 to 25 seats)
Terminal Rental	\$447.19/m ²
GPU Starts	\$54.13
De-icing	\$75.10 plus \$20/gallon of fluid

Bearskin Airlines, the current air carrier at YAG, has announced that it will cease providing scheduled air service at the airport in May 2024.

3.3 Community Support

The City of Dryden and the Town of Fort Frances will make every effort to support a new air carrier in their communities. At a minimum, each municipality confirms that it will:

- Promote the air service through traditional media and social media channels by issuing news releases and sharing airline marketing materials.
- Share route details with existing community partners.
- Include details about the air service in local business development plans, tourism promotions, and strategies.
- Ensure airport websites display air carrier details, link to carrier websites, and host promotional materials about carriers and services.

4.0 Proposal Instructions

4.1 Proposal Format

Dryden and Fort Frances require clear, well-documented submissions in order to expedite the proposal evaluation process. Therefore, each proponent should submit their proposal with all materials merged into a single document with the correct page numbering.

4.2 Proposed Routes and Flight Schedules

Ideally, Dryden and Fort Frances want scheduled air services at YHD and YAG to commence no later than June 14, 2024. Each proponent should prepare their proposal with the expectation that they will begin providing scheduled air services on the desired service start date. However, Dryden and Fort Frances are willing to delay the service start date by up to 120 days if a proponent submits a substantial plan.

Each proponent must clearly indicate their intended routes and flight schedules, including the dates and times that inbound and outbound flights will run.

Proponents should also describe how their flight schedules will meet the needs and circumstances of both leisure and business travel. As part of this information, proponents should demonstrate that they have the capacity to accommodate an increased demand for service.

4.3 Proposed Aircraft

Each proponent must provide details on the aircraft they propose using to meet the air service needs in Dryden and Fort Frances.

Proposals should clearly indicate:

- the type of proposed aircraft
- the age of the proposed aircraft
- proof of maintenance proficiency for the proposed aircraft
- other relevant information

Proponents should also describe the business continuity plans they will follow to respond to mechanical failures or other issues that may cause service delays. The business continuity plans should specify protocols, additional aircraft, and other applicable information.

4.4 Proposed Rate Structure

Each proponent must provide a sample fee structure for all proposed routes.

Proposed fee structures should specify the costs of:

- per-seat purchases
- booking changes
- cancellations
- refunds as a result of cancellation by the air service carrier
- refunds as a result of cancellation by the customer
- baggage handling
- seat selection
- other applicable services

4.5 Staffing Stability Plans

Each proponent must describe the staffing strategy they will use to provide reliable service. Specifically, the staffing strategy should include information about the proponent's pilots and aircraft maintenance engineers.

4.6 Business Plans

Each proponent must describe the business plan they propose using to provide a scheduled service.

Business plans should specify the following:

- implementation schedule and associated timelines
- proponent supports, such as:
 - aircraft maintenance engineers
 - supply chain
 - capacity to implement new routes
- proposed on-site and off-site full-time employees
- client interface and ticketing strategies

Proponents should also ensure their business plan demonstrates their ability to maintain a reliable service while the routes are being promoted and tickets are being sold.

4.7 Marketing and Business Development

Proponents must describe the strategy they will use for launching and marketing the proposed new routes, as well as any additional services.

Proponents should also describe how they will integrate themselves into the local community of all participating municipalities. (Note: Participating municipalities will work with the proponent to market their air services through traditional media outlets, social media channels, and local businesses, residents, and community partners.)

4.8 References and Reputational Awareness

All proponents must provide two references as part of their submission. The references must be for projects that involved providing services similar to those that Dryden and Fort Frances are requesting in this EOI. The references must include applicable contact information.

In addition to references, all proponents should include testimonials from previous airport clients as part of their submission. Proponents should also include a list of services they have provided that are similar to the services that Dryden and Fort Frances are requesting in this EOI.

4.9 Value-Added Opportunities

Proponents are encouraged to list all applicable business offerings they can provide to support the scope of work outlined in this EOI. For example, a proponent might choose to emphasize their ability to provide a charter service.

4.10 Evaluation Criteria

Dryden and Fort Frances are committed to administering this EOI and awarding a project contract in a fair and transparent manner.

Table 5 summarizes which criteria the evaluation committees will assess to score each proposal submitted in response to this EOI. The table also indicates how the weighting structure for the evaluation criteria.

Table 5. Evaluation criteria and weighting structure.

Criteria	Description	Weighting
Company experience	• Demonstrated experience and references	15%
Proposed service	• Flight schedules, routes, and connectivity to meet community needs • Proposed aircraft and seat capacity • Route sustainability planning • Implementation schedule	40%
Affordability	• Ticket pricing • Other related charges and service fees	30%
Service promotion	• Marketing and business development planning	10%
Value-added opportunities	• Charter services • Cargo services • Community employment opportunities • Local procurement	5%

4.11 Exclusivity

Under the right conditions, Dryden and Fort Frances may consider granting exclusivity to an airline for a pre-determined amount of time.

If Dryden and Fort Frances choose to grant exclusivity to a specific airline, they will base their decision on the quality of the proponent's proposal and the proponent's ability to provide strong, sustainable services that can meet the current and anticipated growth demands in their communities.

Appendix A: Expression of Interest Bid Cover Sheet

Declaration

On behalf of _____ (name of company),
I hereby submit the following bid in response to the expression of interest regarding
scheduled air service for the City of Dryden and/or the Town of Fort Frances.

I declare that my company is seeking to:

- ☐ Provide services for the City of Dryden only.
- ☐ Provide services for the Town of Fort Frances only.
- ☐ Provide services for both the City of Dryden and the Town of Fort Frances.

Company Name and Address

Name: _____

Address: _____

Phone Number: _____

Fax Number: _____

Email: _____

Signature

Name and title of person with authority to bind company (print)

Signature

Signed this ____ day of _____, 2024.