

# Airglades International Airport

## Request for Information from interested parties as Airport Operator

June 2019

Note: All data and projections are provided on a non-reliance basis for general information purposes only



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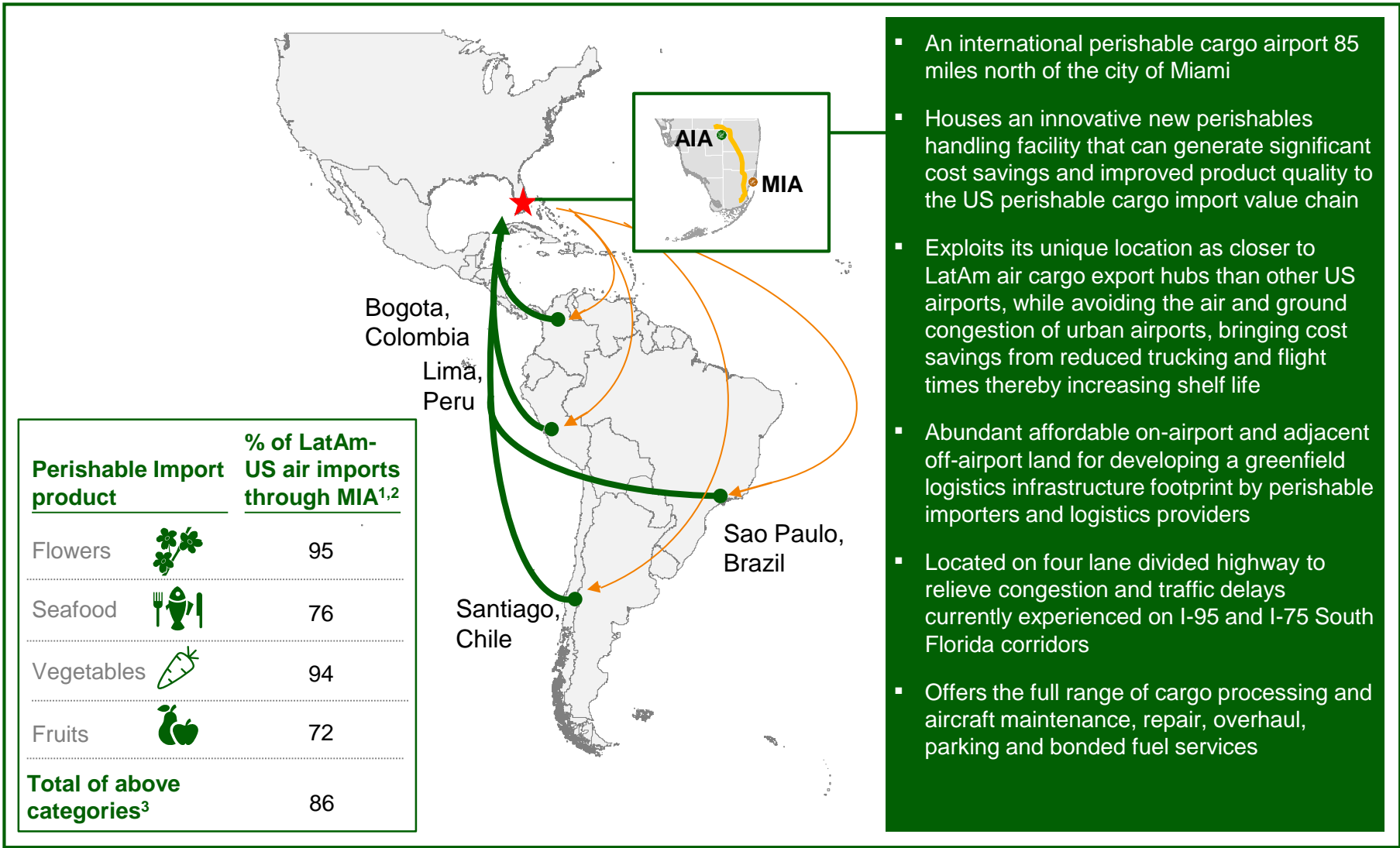
## Airglades International Airport, LLC, referred to as AIA

- AIA is a purpose-built hub for air-cargo trade & handling between Latin America and the US
- AIA's location and ~3,000 acre footprint present a greenfield opportunity to develop operations and infrastructure (MIA ~3,000 acres, BOS ~1,300 acres, LGA 740 acres)
- With broad-based local support (currently holding the only slot in the FAA privatization program that allows the developer/investor to own vs. lease the airport), AIA is diligently working to complete its privatization approval, secure project financing, and execute user contracts by the end of the 3<sup>rd</sup> quarter of 2019
- AIA is actively engaging with your organization and others in the industry to select an eminently qualified airport operator with significant air cargo development and operational experience
- Responses will be kept confidential and AIA will be available to answer any questions or concerns you may have

## **Overview of Airglades and proposed operating model**

- Request for Information details
- Airglades contacts

# Airglades acts as a purpose-built logistics hub for air-cargo trade & handling between Latin America and the US



- An international perishable cargo airport 85 miles north of the city of Miami
- Houses an innovative new perishables handling facility that can generate significant cost savings and improved product quality to the US perishable cargo import value chain
- Exploits its unique location as closer to LatAm air cargo export hubs than other US airports, while avoiding the air and ground congestion of urban airports, bringing cost savings from reduced trucking and flight times thereby increasing shelf life
- Abundant affordable on-airport and adjacent off-airport land for developing a greenfield logistics infrastructure footprint by perishable importers and logistics providers
- Located on four lane divided highway to relieve congestion and traffic delays currently experienced on I-95 and I-75 South Florida corridors
- Offers the full range of cargo processing and aircraft maintenance, repair, overhaul, parking and bonded fuel services

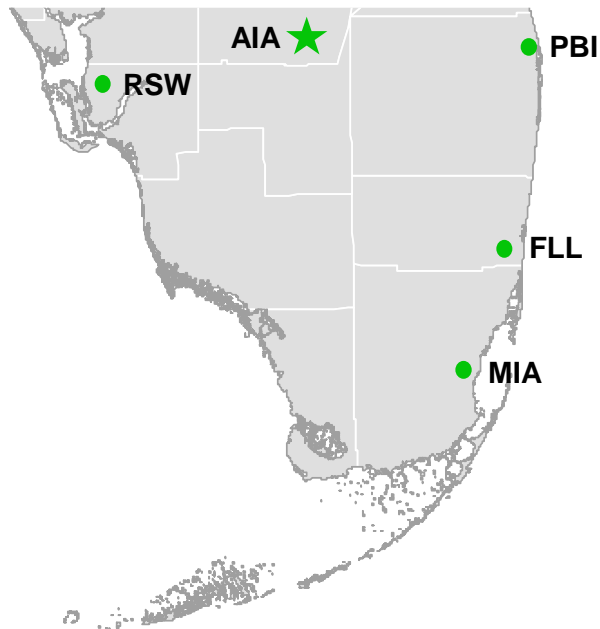
<sup>1</sup> Based on 2017 imports from Latin America through MIA (excludes Mexico)

<sup>2</sup> Calculated as imports from Latin America sent via MIA / total imports from Latin America sent via air freight

<sup>3</sup> Only includes total volume of flowers, seafood, vegetables and fruits; excludes volume of cereals and prepared meats/seafood

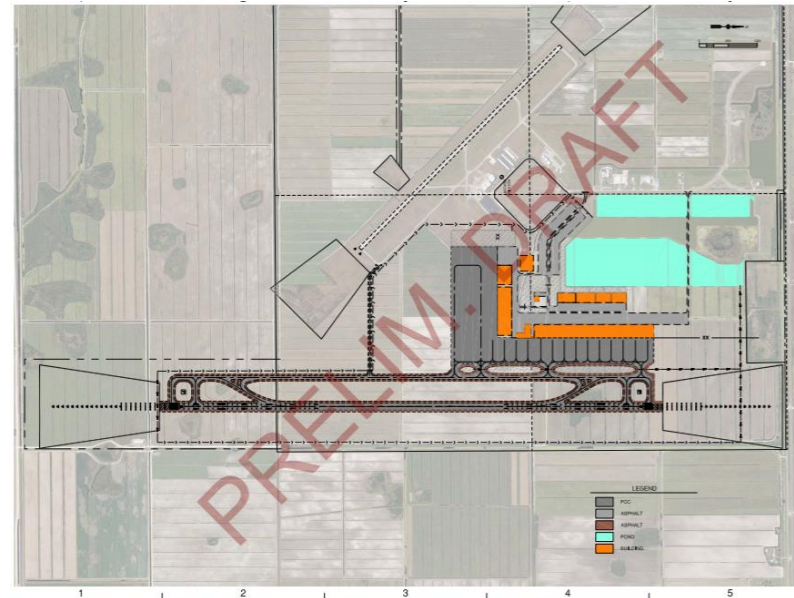
# AIA's location and footprint present a greenfield opportunity to develop operations and infrastructure

*AIA is strategically located in the center of the state, close to major transportation routes...*



- AIA is located 90 minutes north of MIA, 60 minutes east of RSW, and 70 minutes west of PBI
- Easy access to Route 27 and coastal interstates feeding northern markets

*...all while providing ample space to grow and develop operations and infrastructure*



- ~800 acres available on-airport for development
- There is ample and uncongested area around AIA for growth

Due to competitive foreign markets and consumer preferences, the US is heavily reliant on imported fresh fruits, vegetables, flowers, and seafood

### Imported Share of US Demand for Select Perishable Goods



**Fresh Flowers**

**70+%**

(of total US demand)

Growing demand in the US for inexpensive / lower cost flowers primarily grown in Latin America (i.e., Colombia, Ecuador)



**Seafood**

**90%**

(of total US demand)

Strong demand in the US for seafood (e.g., salmon, cod) that is more readily available outside of the US (e.g., Chile)



**Fruits & Veggies**

**50+%**

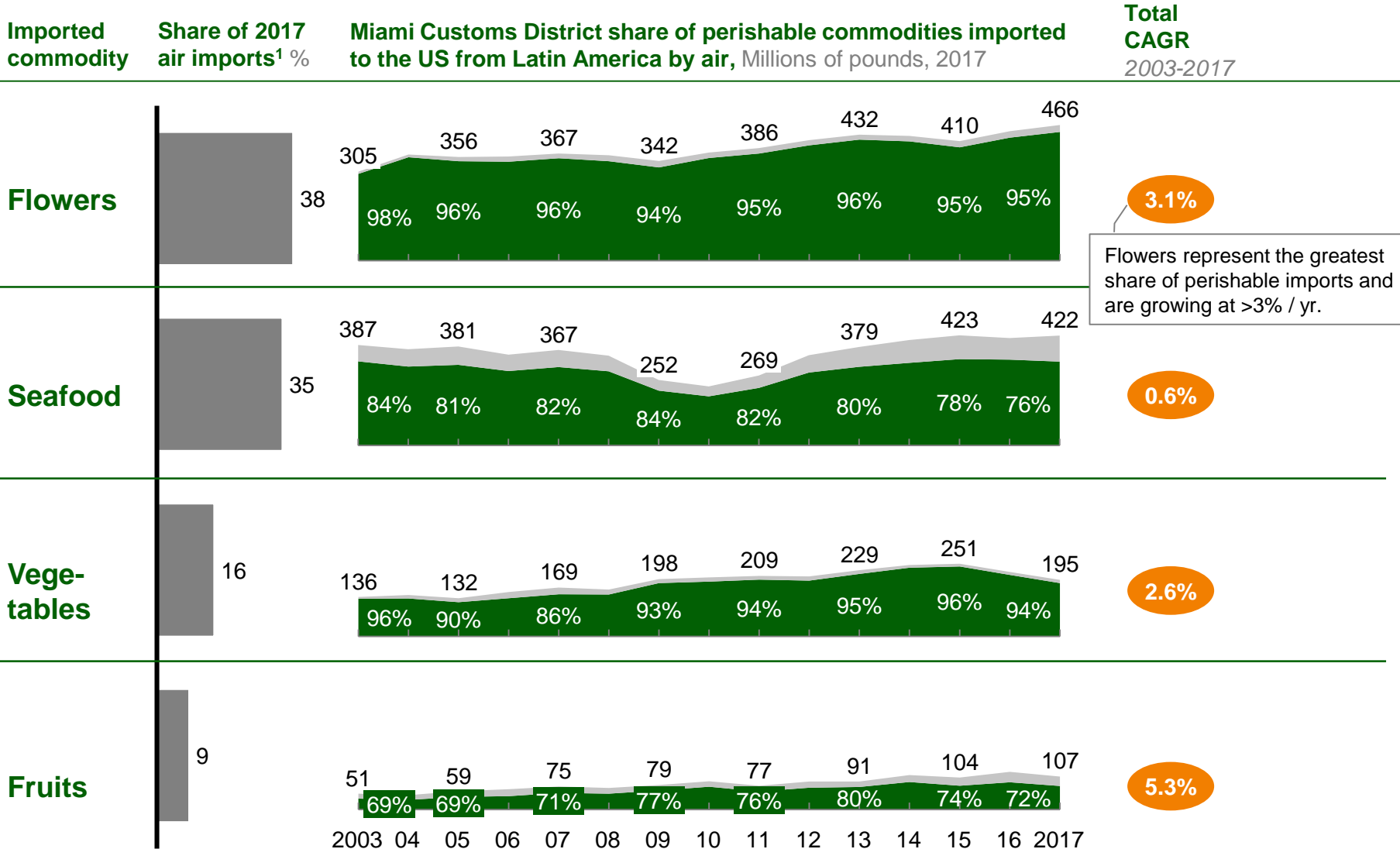
(of total US demand)

Imported fresh produce (e.g., Peruvian asparagus) during off-season helps support the growing year-round demand in the US

**Latin America is an attractive provider of US-imported perishable goods due to low import tariffs (i.e., Andean Trade Preference Act), lower production costs, and favorable growing seasons**

# Latin American perishable import growth varies by category, driven primarily by flowers

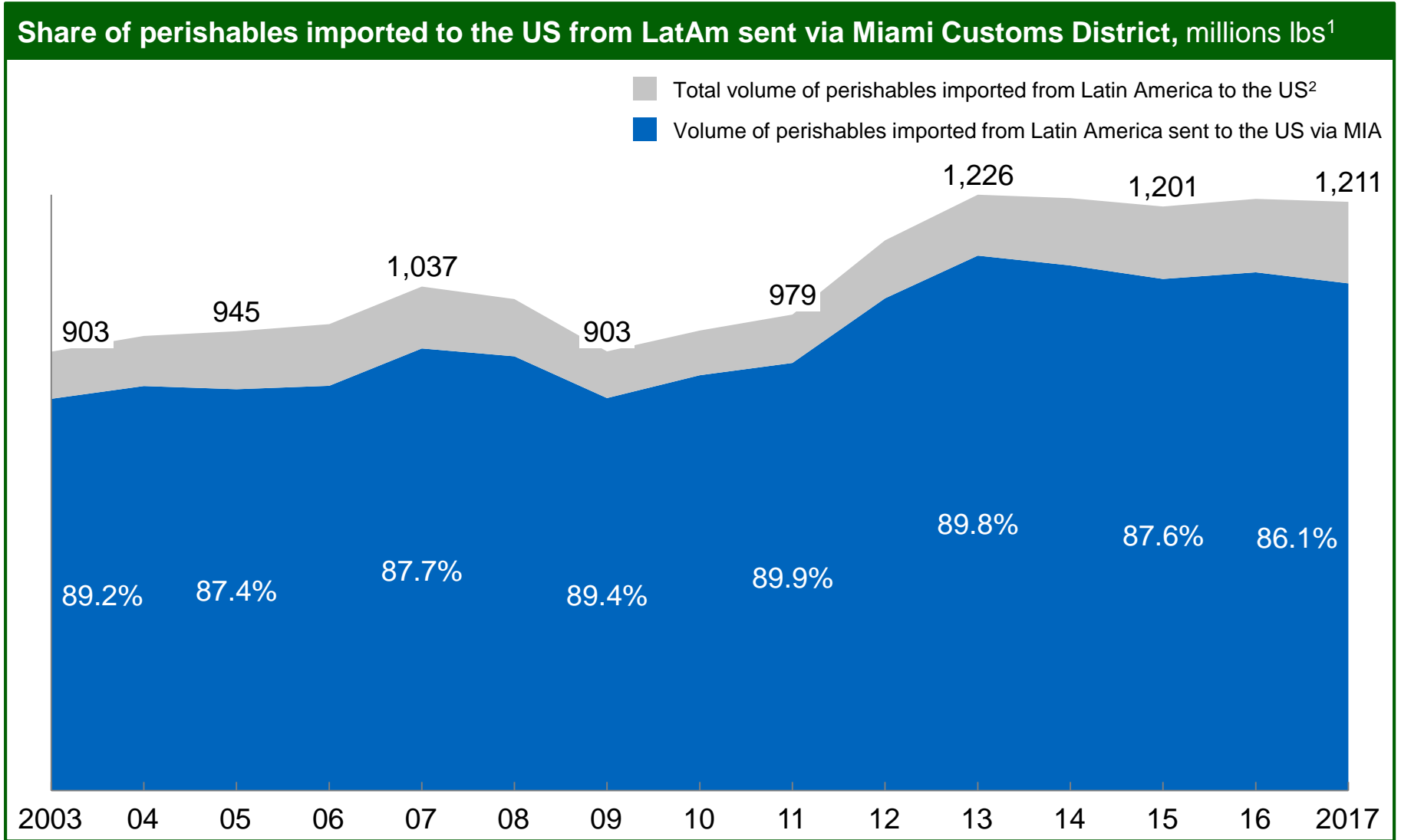
Volume imported from Latin America to US via air  
 Volume imported from Latin America to MIA via air



Flowers represent the greatest share of perishable imports and are growing at >3% / yr.

<sup>1</sup> For entire category (not just imports to MIA), excludes certain perishable products (incl. cereals, edible preparations) that compose ~2% of total perishable air imports from Latin America, excludes Mexico

The total volume of perishables imported to the US from Latin America is consistently imported through south Florida as the shortest air-bridge link



<sup>1</sup> Includes seafood, flowers/plants, vegetables, fruits, cereals and edible preparations of meat/seafood

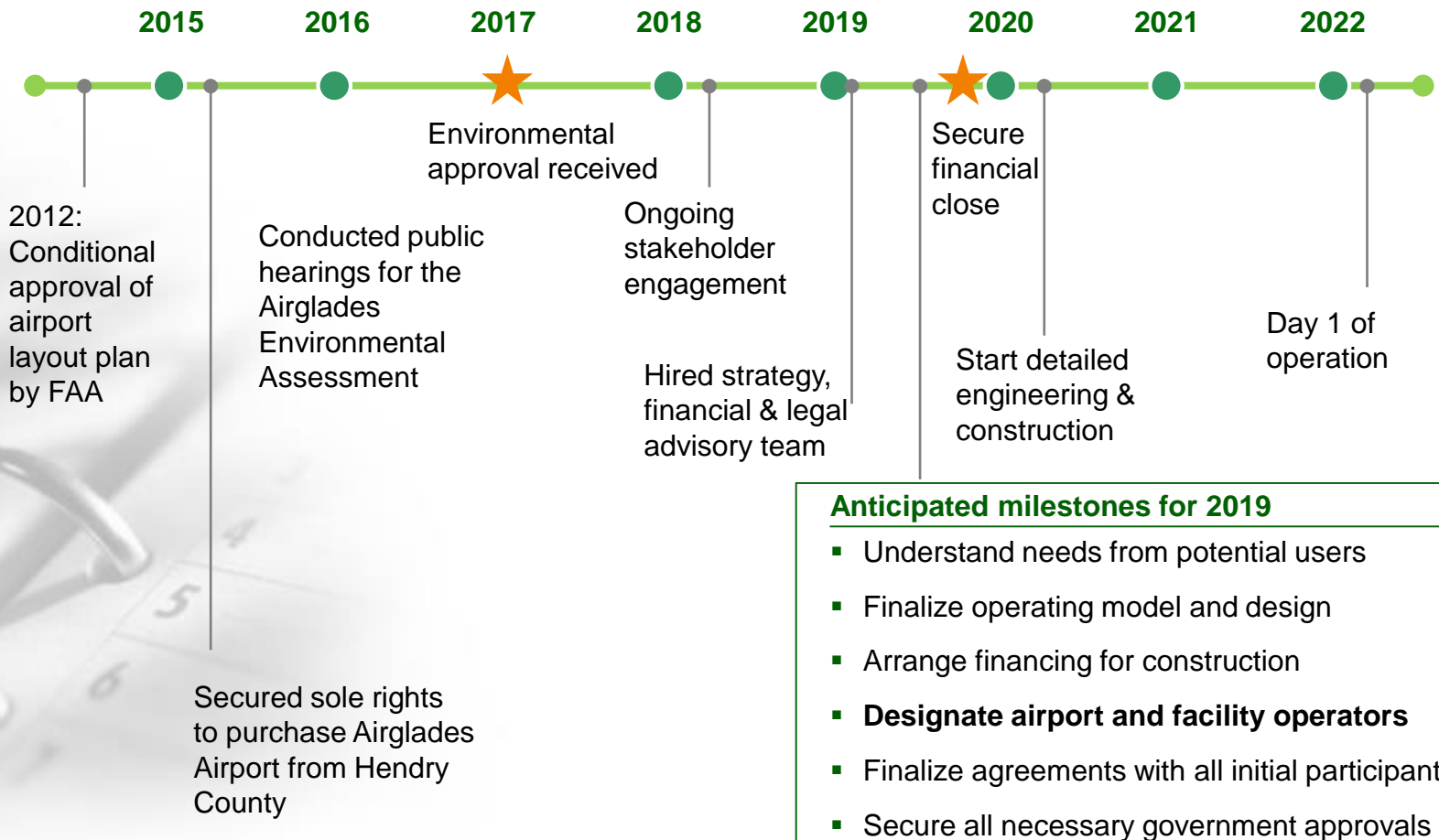
<sup>2</sup> Total volume of perishables imported via the US by air freight



With broad-based local support (currently holding the only slot in the FAA privatization program that allows the developer/investor to own vs. lease the airport), AIA is diligently working to complete its privatization approval, secure project financing, and execute user contracts by the end of the 3rd quarter of 2019

Major milestones achieved

Remaining major milestones



Disclaimer: AIA schedule is subject to change depending on FAA and governmental approvals

# Airglades will bring improved efficiency, fewer bottlenecks, and predictable operational performance to its users

## Overview of value drivers



How does AIA generate value for the perishable industry?

### Significantly increases revenue potential

- Dramatically improves cool chain performance through optimized supply chain:
  - Increases perishable shelf life
  - Supports a premium service
- Possesses space to grow volume beyond today's regional capacity

### Simplifies business operations and dramatically increases reliability

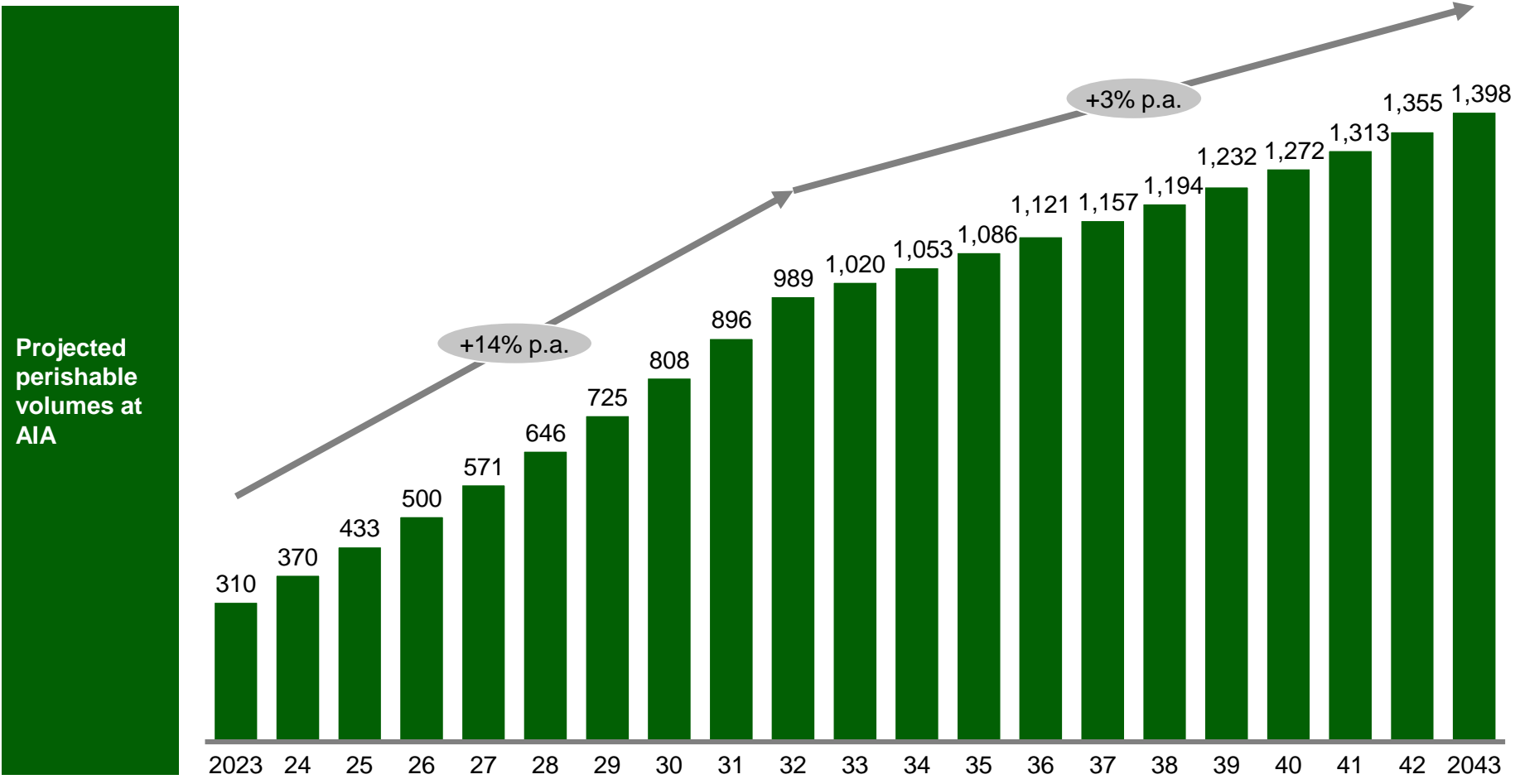
- Preserves confidentiality in more efficient setting
- Flexes to allow customized operations post-transit
- Increases certainty around key supply chain activities, e.g., air traffic, CBP arrivals inspections
- Stabilizes long-term planning horizon
- Addresses options to handle seasonality peaks

### Noticeably reduces costs

- Provides abundant land at favorable prices
- Reduces trucking transportation costs (less traffic, increased proximity to end customers)
- Reduces flight costs from/to Latin America (shorter flight time, shorter aircraft waiting times)
- Drives higher utilization of fixed costs through efficiency
- Has lower utility costs

# Projected volumes are expected to make AIA one of the main cargo airports in the US

AIA projected inbound perishable volumes (millions of pounds)

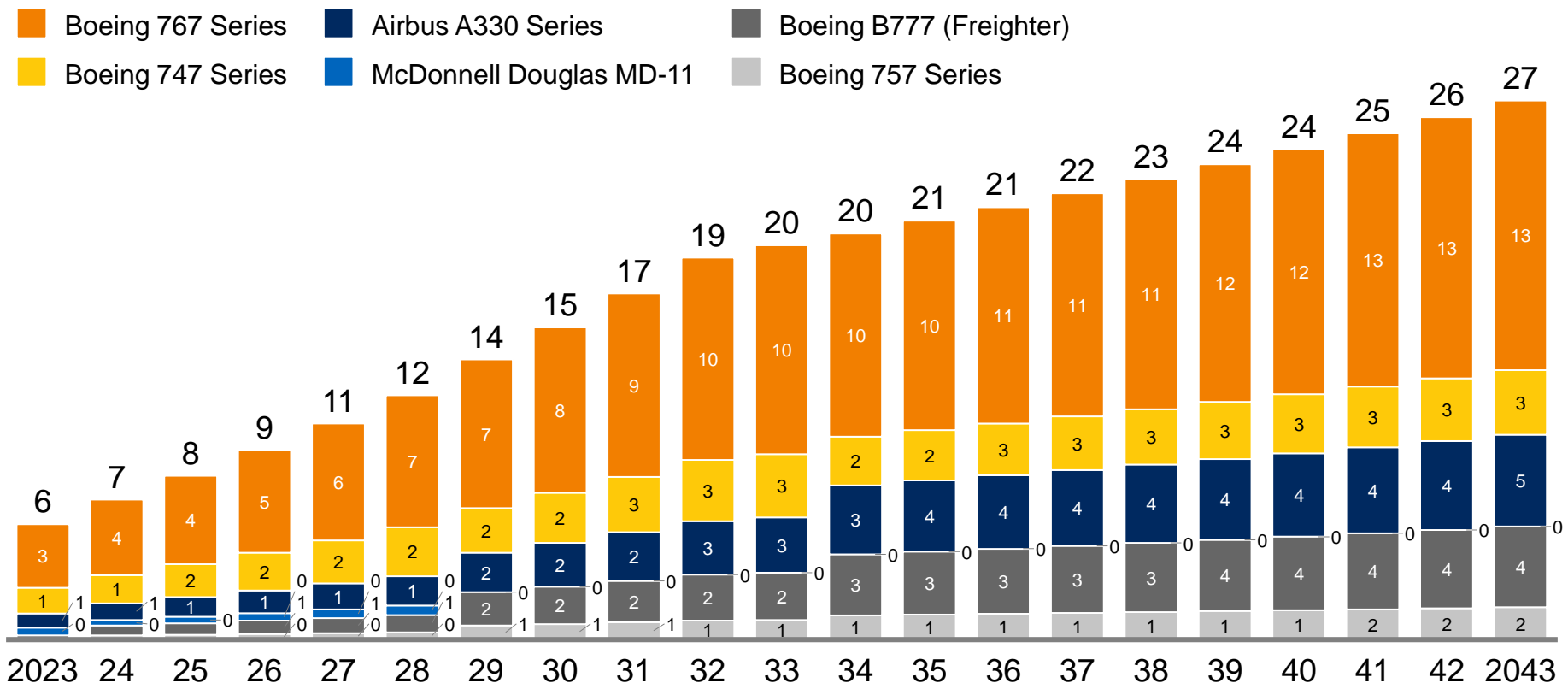


Projected perishable volumes at AIA

SOURCE: AIA benefit cost analysis submitted to FAA  
Note: All data and projections are provided on a non-reliance basis for general information purposes only

# Airglades core operations will be comprised of widebody freighters arriving from Central and South America

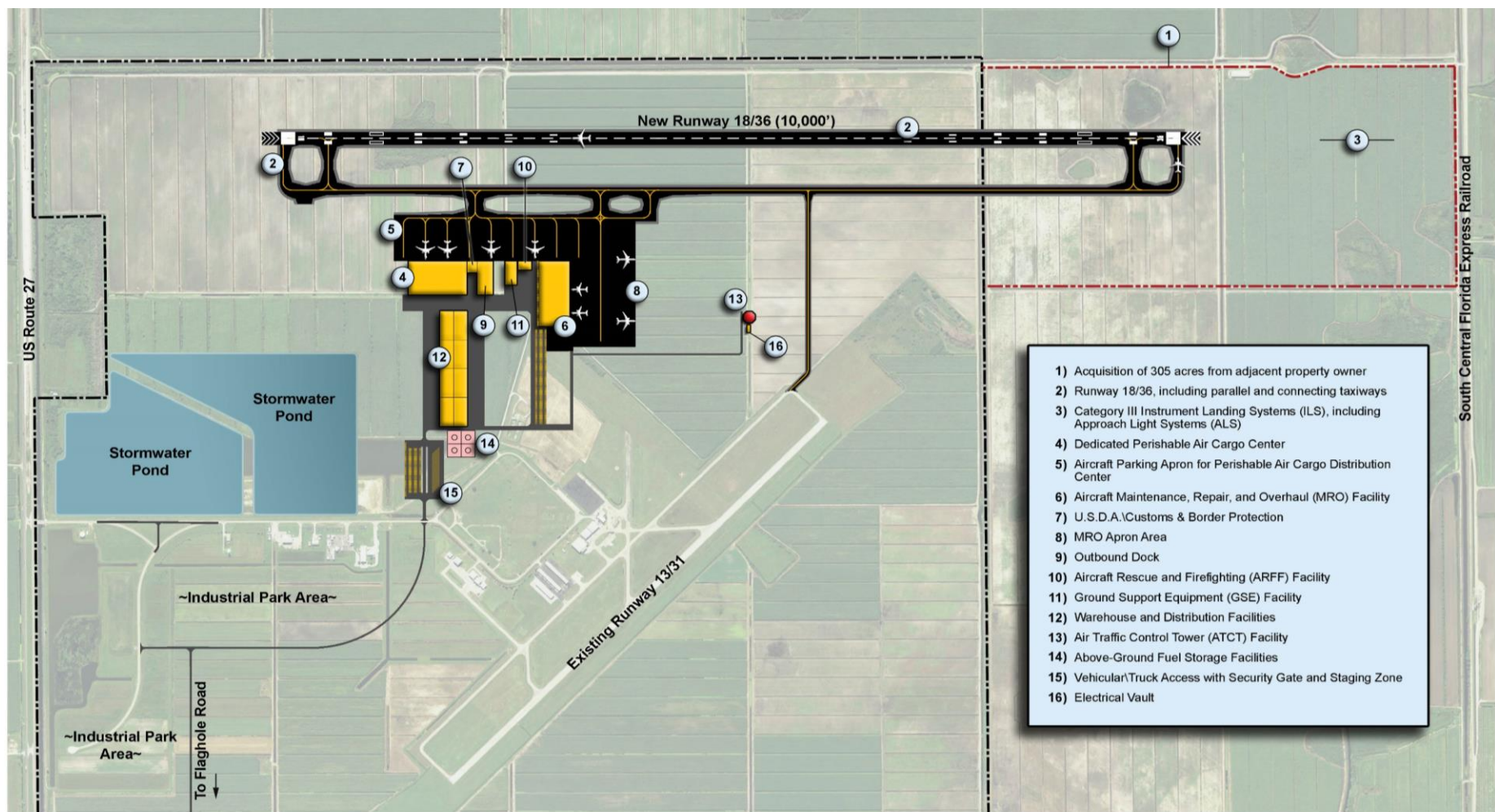
## Projected daily freighter arrivals by aircraft type



In addition to core freighter traffic, AIA will potentially add incremental operations for non-core uses (e.g. MRO, passenger aircraft to cargo conversions, FEMA hurricane response operations, international corporate & GA port of entry clearance)

SOURCE: Analysis built using current fleet mix at MIA (freighter only). All data and projections are provided on a non-reliance basis for general information purposes only

# AIA will be custom built to provide ideal conditions for cargo operations



- 1) Acquisition of 305 acres from adjacent property owner
- 2) Runway 18/36, including parallel and connecting taxiways
- 3) Category III Instrument Landing Systems (ILS), including Approach Light Systems (ALS)
- 4) Dedicated Perishable Air Cargo Center
- 5) Aircraft Parking Apron for Perishable Air Cargo Distribution Center
- 6) Aircraft Maintenance, Repair, and Overhaul (MRO) Facility
- 7) U.S.D.A.\Customs & Border Protection
- 8) MRO Apron Area
- 9) Outbound Dock
- 10) Aircraft Rescue and Firefighting (ARFF) Facility
- 11) Ground Support Equipment (GSE) Facility
- 12) Warehouse and Distribution Facilities
- 13) Air Traffic Control Tower (ATCT) Facility
- 14) Above-Ground Fuel Storage Facilities
- 15) Vehicular\Truck Access with Security Gate and Staging Zone
- 16) Electrical Vault

# Contents

- Overview of Airglades and proposed operating model

## **Request for Information details**

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# Airglades is providing you with the opportunity to be the Airport Operator

## Objective of the request for information

- We are providing your company with the opportunity to provide a written proposal by [June 21<sup>st</sup> , 2019] to be the primary operator for the ~3,000 acre Airglades International Airport
- This initial response should be focused on statement of interest, description of capabilities and proposed operating model (all information shared will be kept confidential)

## Please respond if applicable to your organization

1. What are the main operational capabilities and qualifications that make your organization an ideal part of AIA?
2. What similar airports has your organization operated in the past? (Size, cargo, perishable, etc.)
3. What technological advances and/or process innovations would your organization bring to AIA?
4. What is your organization's experience in dealing with airlines, airports, customs, government agencies and other aeronautical authorities?
5. Would your organization like to play in the design, development or financing of the airport? What value can your organization bring to AIA at this stage? (e.g. talent)
6. Please share your preferred business model, contracting structure and organizational structure with AIA.
7. Briefly outline your approach to staffing, safety accreditation, allocation of responsibility and obtaining relevant governmental authorizations.

# AIA wants to understand what role you wish to play at AIA

## **Please respond if applicable to your organization**

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8. Please state which of the major airport operator activities you expect to be the main provider vs. outsource: airport security, FBO, maintenance & repairs, ARFF, ATC, etc.
  
9. What type of commercial agreements would you consider entering with AIA? How would you consider variable fees vs fixed operating fees or any other? How would you consider profit sharing agreements?
  
10. How will you prep for this opportunity? What do you need from the Clewiston area and surrounds? (e.g. people)



# AIA will follow up with participants and answer questions during a period of two weeks

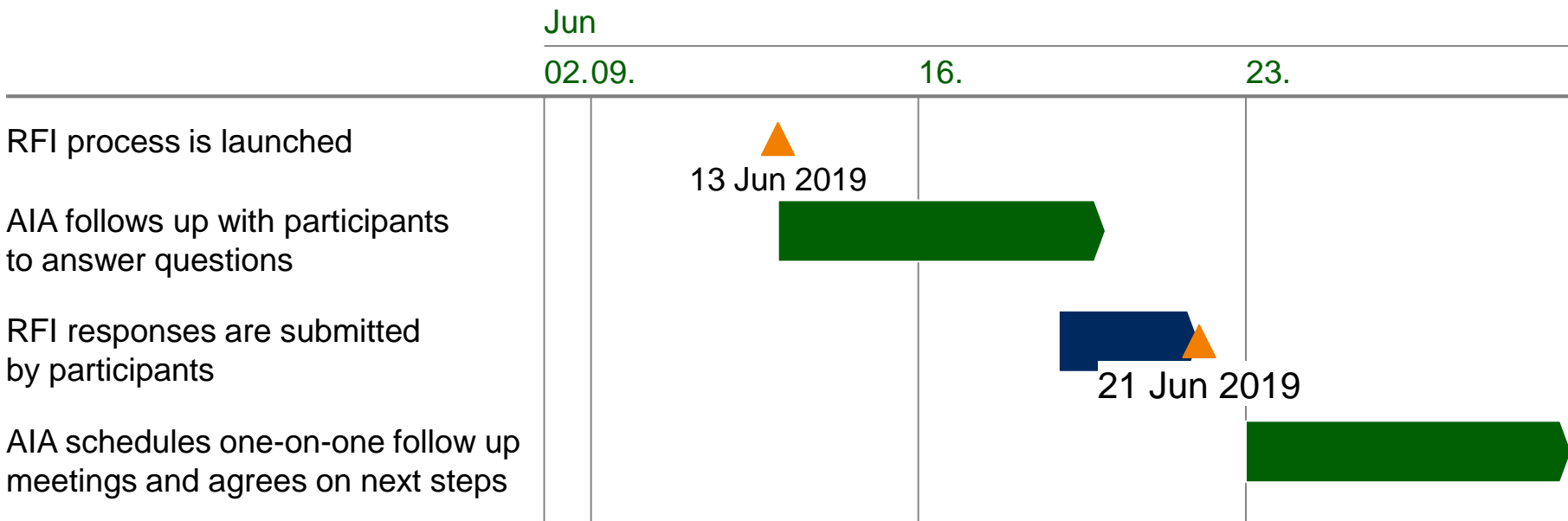
## Overview of the Request for information (RFI)

### Format of responses

- All responses will be kept confidential and should be on a best-efforts basis
- Written responses should be sent to [lparent@airgladesairport.com](mailto:lparent@airgladesairport.com) or [mdevoe@airgladesairport.com](mailto:mdevoe@airgladesairport.com) by June 21<sup>st</sup>, 2019
- All responses will be non-binding and for discussion purposes only. AIA is not bound to accept any proposals and the terms of any agreement will be discussed later, and will be conditional on many factors
- While progressing quickly, this will be an iterative process and we strongly urge you to reach out with any questions

### Expected timeline

■ AIA ■ RFI participants



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## **Airglades contacts**

# AIA will support you throughout the process

[WWW.AIRGLADES.COM](http://WWW.AIRGLADES.COM)



## President & Airport Manager:

Frederick Ford

[ford@airglades](mailto:ford@airgladesairport.com)

[airport.com](http://airport.com)

+1 (239) 240-6345

Frederick Ford is the President and Airport Manager of AIA. Ford has been involved in the development of the Airport from the beginning. His strong relationships with all stakeholders in the industry, government and state have been key in the success of its the development.

Ford has worked in the aviation and airport industry for over 40 years and has served in many highly influential roles including:

- CEO of Hillford Associates' air cargo facility development at Dallas/Fort Worth International Airport
- Director of the Chicago-Rockford International Airport during its construction as a cargo reliever to Chicago O'Hare International Airport



## VP, Operations:

Marilyn DeVoe

[mdevoe@airglades](mailto:mdevoe@airgladesairport.com)

[airport.com](http://airport.com)

+1 (817) 798-2585

Marilyn J. DeVoe is the Vice President of Operations and Aviation at AIA. Prior to working at AIA, DeVoe had a long career at American Airlines (AA) and held many influential roles including:

- Vice President of American Airlines' Miami hub, the airline's largest international hub and gateway to Latin America
- Vice President for American Airlines' Dallas/Fort Worth hub
- Vice President of American Airlines' Customer Services Planning

DeVoe has a bachelor's degree in Finance from the University of Rhode Island. In 2016, she was honored by the World Trade Organization for significant contributions in advancing international trade and business in Florida. In 2015, the Greater Miami Aviation Association awarded her the Amelia Earhart award. In 2014 she was named as a "Woman Worth Watching" by the Profiles in Diversity Journal and the Dallas Business Journal also named her one of the "25 Most Influential Women in Business"



## VP, Business Development:

Hernan Galindo

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[airport.com](http://airport.com)

+1 (305) 903-8900

Hernan Galindo is the Vice President of Business Development at AIA. His role entails building relationships with the customers of AIA and understanding their needs for operating at AIA.

Prior to working at Airglades with AIA, Galindo held various relevant significant roles in the airline cargo industry including:

- Former Senior Vice President of Swissport Cargo Services, Latin America & Caribbean Cargo
- Former President and founder of Aerofloral introduced B747 freighter operations from Miami to main cargo markets in Latin America
- Former Director of Cargo Development at Arrow Air; Avianca Airlines
- Various Sr. Management positions in finance, sales, maintenance and airport operations