



Milan Malpensa Airport

Request for Expressions of Interest for the award of areas to be used as "Cargo Trucks Services Centre" in Milan Malpensa airport.

BACKGROUND INFORMATION

As part of the cargo development strategies at the Malpensa airport, the Airport Operator (SEA S.p.A.) considers the implementation of an equipped landside area to be dedicated to "Cargo Services Centre", within the airport grounds, as an essential factor. The area would serve as stopping point for heavy vehicles used by road freight forwarders operating at Malpensa and/or in nearby locations, including: international freight forwarders, logistics and e-commerce operators etc.

- Therefore, SEA intends to offer qualified industry operators the opportunity to set up facilities for these purposes and has identified, as a first proposal to be submitted to the market, an area with a total surface of 50,000 square meters in the proximity of Cargo City (see map in Annex 1), where the operators can build and operate, at a minimum, the following spaces and/or services and functions:
- Parking area with 24h video surveillance for Cargo Vehicles (about 150 slots);
- Fuel station;
- Services area (e.g., bar/restaurant, showers, market, etc.);
- Garage for repairing and servicing heavy vehicles;
- Vehicle wash station.

This "Request for Expressions of Interest" is therefore addressed to companies that meet the requirements listed below, as well as they are interested in SEA's offer and want to learn more about the contents of this offer in view of the possible implementation of the initiative.

1. SCOPE

The purpose of this Request for Expressions of Interest is to identify potential assignees of the site for the construction and operation of the "Cargo Services Centre".

The primary aim of this initiative is to provide support services to the goods vehicles and for their drivers that use Cargo City, so as to ensure safe parking conditions, technical assistance to the vehicles (including refuelling), and comfort and layover for drivers that need to rest for a prolonged stay. The Cargo Services Centre will serve as a supplementary assistance in addition to the set of activities that take place at Malpensa Cargo City, thus completing the range of services in order to attract growing air cargo traffic flows.

However, because of its configuration and geographic location, the Cargo Services Centre could also provide a useful support base for truck flows not directly related to air freight transport. These goods vehicles which travel across the northern part of Italy in the North-South or East-West direction, and vice versa, may represent another important customer served by the new facility (in addition to vehicles connected to Malpensa Cargo City).

Technical support services (garage for servicing and repairing vehicles, tyre centre and fuel station) could also become a point of reference for road freight forwarders having their operational bases in the nearby Malpensa area.

More importantly, it should be noted that any Expression of Interest is not binding in any way either on SEA or on the entity asking to be invited to the next step in the procedure.

Moreover, SEA reserves the right to decide at any time not to award the area.

1.1 General characteristics of the site and the building land

The area listed in Annex 1 (totalling approximately 50,000 square metres) will be the construction site of a "Cargo Services Centre" to implement the following services and/or functions in support of road cargo transport:

- Fully equipped Cargo Vehicle parking area, with 24h video surveillance (about 150 slots);
- Fuel station;
- Services area (e.g. bar/restaurant, showers, rest rooms, market, etc.)
- Garage for repairing and servicing vehicles;
- Vehicle wash station.

As mentioned above, SEA will make this area available solely for activities in support of road cargo transport, as specified in paragraph 2.2 below.

The available area is located in the proximity of the Malpensa Cargo City warehouses, to which it is connected by roads within the airport grounds. These roads can be used by vehicles travelling to and from the airport's cargo terminals to deliver and collect air freight.

SEA will be responsible for all the preliminary activities required for the construction of the "Cargo Services Centre" such as clearing of ordnances, vegetation removal etc. as well as for the works and primary services of general common interest/need to all users ,e.g. access roads, lighting etc.

SEA will hand over the area to allow the awarded operator to build the Cargo Services Centre; also, SEA will equip the site with connections to the airport's water, sewerage and district heating networks (heated and cooled water). However, the assignee will handle with the connections to the power grid as well as to the voice and data networks; in the case these connections will be addressed by SEA under request of the assignee, the related compensation will be quoted separately from the fee for the award of the area.

1.2 Awarding terms and conditions

Interested companies may request the availability of the area for the construction of the Cargo Services Centre. The Centre must meet the standards in place for the construction of civil works at the Malpensa airport and be compliant with all applicable laws and regulations.

The use of the area will be awarded by SEA against payment of an annual fee (to be paid in quarterly instalments). The assignee will be responsible for the construction of the buildings, if necessary through the financial support of trusted third parties in charge of implementing and/or completing the project, with whom the assignee will enter into a finance lease agreement (or other appropriate agreement) for the entire duration of the requested sub-concession. Any third parties involved must, in any case, assume the same obligations undertaken by the assignee for the construction and management of the Cargo

Services Centre.

SEA also reserves the right to consider Expressions of Interest by parties requesting SEA to be in charge of the construction of the facilities.

1.3 Size of the site and building land

The civil works and buildings will settle in a lot of approximately 50,000 square meters, on which the following services and/or functions must be built, at a minimum:

- Parking area with 24h video surveillance for Cargo Vehicles (about 150 slots);
- Fuel station;
- Services area (bar/restaurant, showers, market, etc.);
- Garage for repairing and servicing vehicles;
- Vehicle wash station.

In their Expression of Interest, each company or group of companies shall briefly describe the operating methods it intends to manage the "Cargo Services Centre" with (direct construction or through third-party operators of the different buildings, direct management or through third-party operators responsible for the different functions)

Once the area has been awarded, the design of the facilities to be built by the assignee must be submitted to SEA before initiating any procedure for approval by the competent bodies. SEA may request changes or adjustments to the design in consistence with the Malpensa Master Plan.

1.4 Customisations and special requests

The Expression of Interest may contain proposal for customizations or special requests in addition to the services and/or functions listed in the paragraph above; SEA reserves the right, at its sole discretion, to assess the feasibility and the financial impact of these proposals.

The results of these evaluations will be communicated to the interested party/parties, who may decide whether to confirm all or part of the customizations (if accepted by SEA) or, alternatively, withdraw the Expression of Interest.

1.5 Indicative time frame for the availability of the building land, the construction of the buildings and duration of the award agreement

The building land will be available to the assignee within a time frame to be determined, and in any case within 12 months from signing the agreement with SEA. SEA may carry out the necessary primary service works and preliminary activities even after the awarded operator starts the construction works. The assignee is supposed to complete the construction of the "Cargo Services Centre" and make it operational within 18 months from the award of the area.

The Award Agreement shall have a duration of 10 years and, at the request of the assignee, if the conditions exist, may be extended for a further period to be determined at least one year before the expiry date. This extension of the concession is subject to the future development of Malpensa air traffic infrastructure affecting the Cargo Services Centre area. In any case, the Agreement's duration shall not be extended beyond the expiry date of the SEA/ENAC agreement regulating the management of the Malpensa Airport (i.e., May 2041). Upon the Agreement expiry date (whichever way it is determined) the areas must be returned to SEA and the buildings realised thereon by the assignee will be owned by SEA without any compensation due. The operators' different needs may be evaluated by SEA as long as they are specified in the Expression of Interest submitted to SEA.

Any more advantageous terms granted will be extended to all potential competitors and will be included in the "Letter of Invitation to Tender" (the Letter of Invitation hereinafter). This Letter of Invitation will be sent to all operators who have expressed interest and are considered eligible in accordance with the requirements set out in this document.

Throughout the duration of the Agreement, the area awarded to the selected operator must only be used for the activities detailed in the Award Agreement: any use for other purposes or activities will not be allowed and will constitute breach of contract.

2. EXPRESSION OF INTEREST TERMS AND CONDITIONS

In line with the objective of the initiative, the interest for the available building area may be expressed by entities that meet the following requirements:

- Businesses and/or companies operating in the sector of services in support of road cargo transport or logistics services;
- Construction companies and/or operators of vehicle fleets, freight logistics terminals and/or multifunctional service stations who have operated for at least 5 years in areas with at least 200 heavy vehicle parking slots in the Italian territory. Operators in possession of internationally recognised quality certifications will be preferred;
- Companies included in the international circuits of services in support of road cargo transport; this inclusion must be demonstrated by the company's "Customer Portfolio" and/or agreements with major international freight forwarders and/or carriers.
- Consortia or temporary groups of companies, each of which operates in the sector of services in support of road cargo transport and meets at least one of the above-listed requirements; at least one of the consortia or group member must have operated for at least 5 years in the management of vehicle fleets, freight logistics terminals and/or multifunctional service stations;

Each company or group of companies can express interest either in the Management only or in the Design, Building and Operation of the "Cargo Services Centre".

In order to be admitted to the next step of the selection process, the companies that express their interest shall:

- be established as corporate entity (in the case of consortia and groups of companies, this requirement must be met by all participating companies);

- demonstrate adequate solvency and financial viability;
- have earned revenues from services in support of road cargo transport equal to at least 30% of their total revenues in 2015. In the case of consortia, associations and groups of companies, this requirement must be met by all participating companies.

SEA shall admit to the next selection process only Expressions of Interest received from companies, consortia or groups of companies that demonstrate to meet the overall requirements stated above.

The area will be awarded on the basis of a selection among all the requests received according to criteria set out in the Letter of Invitation.

Considering these new facilities have a strategic value for the airport, the assignee of the area will be required to ensure adequate characteristics for:

- a stable and lasting partnership with Malpensa Airport and a fully operational organisation throughout the duration of the agreement;
- a proven ability to provide airport customers with high quality services;
- adequate economic and financial viability to support the business in question and to fulfil all contractual and legal obligations.

3. INFORMATION TO BE INCLUDED IN THE EXPRESSION OF INTEREST

Interested companies should provide the following information in their Expressions of Interest:

- a. Brief description of the activities/services/functions they intend to carry out in the area; organizational model (required information)
 - b. Requested duration of the Agreement and reasons for expressing interest in the available area at Malpensa airport (required information)
 - c. Indicative size of the activities/services/functions they intend to carry out in the area (required information)
 - d. Any proposed customizations or adjustments in addition to the services and/or functions to be carried out in the lot (optional information)
 - e. Any other information deemed useful to better qualify the Expression of Interest (optional information)
- f. The interested parties should also issue a statement certifying that:
- They are registered with the Chamber of Commerce and the registration states that the company operates in the sector of services in support of road cargo transport or logistics services;
 - List of any other managed service centres and their characteristics (size, services provided, etc.);
 - Sales revenues of the last three financial years from the management of services in support of road transport (whether provided directly or through third parties), breakdown by type of service (e.g. vehicle parking, fuel supply, garage for repairing and servicing vehicles, etc.) and the company's total sales revenues.

All attached documentation will be treated as confidential and will be used by SEA S.p.A. solely for the purposes of the Expression of Interest.

4. SUBMISSION OF EXPRESSIONS OF INTEREST TO SEA

Expressions of Interest, accompanied by the required documentation, must be sent to SEA via certified email or hand delivery at the following addresses no later than 2:00 pm of the 31st of March 2017 (local time).

On the envelope or in the subject of the certified email must be clearly specified “ Cargo Trucks Service Centre – Expression of Interest - c.a. Giorgio Barlocco”

SEA S.p.A.
Protocollo Generale
Milan Linate Airport
20090 Segrate (Milano)
ITALY

Certified email address:
legale@pec.seamilano.eu

Requests for further information deemed useful for the preparation of Expressions of Interest should be sent to:

Giorgio Barlocco
Real Estate and Corporate Project
Real Estate Development Manager
e-mail: giorgio.barlocco@seamilano.eu

5. RESULTS OF EXPRESSIONS OF INTEREST

Expressions of Interest submitted in response to this request do not constitute a commitment to apply for the award of the area for the construction of the "Cargo Services Centre" by replying to the Letter of Invitation that will be sent by SEA to operators who meet the requirements stated in this document.

SEA reserves the right to decide, before or after receiving the Expressions of Interest, whether to proceed with the initiative and how/through which means to contact the relevant business market to develop the "Cargo Services Centre". Therefore, this request does not entitle any assignee to claim on the selection procedures or on the allocation of the area.