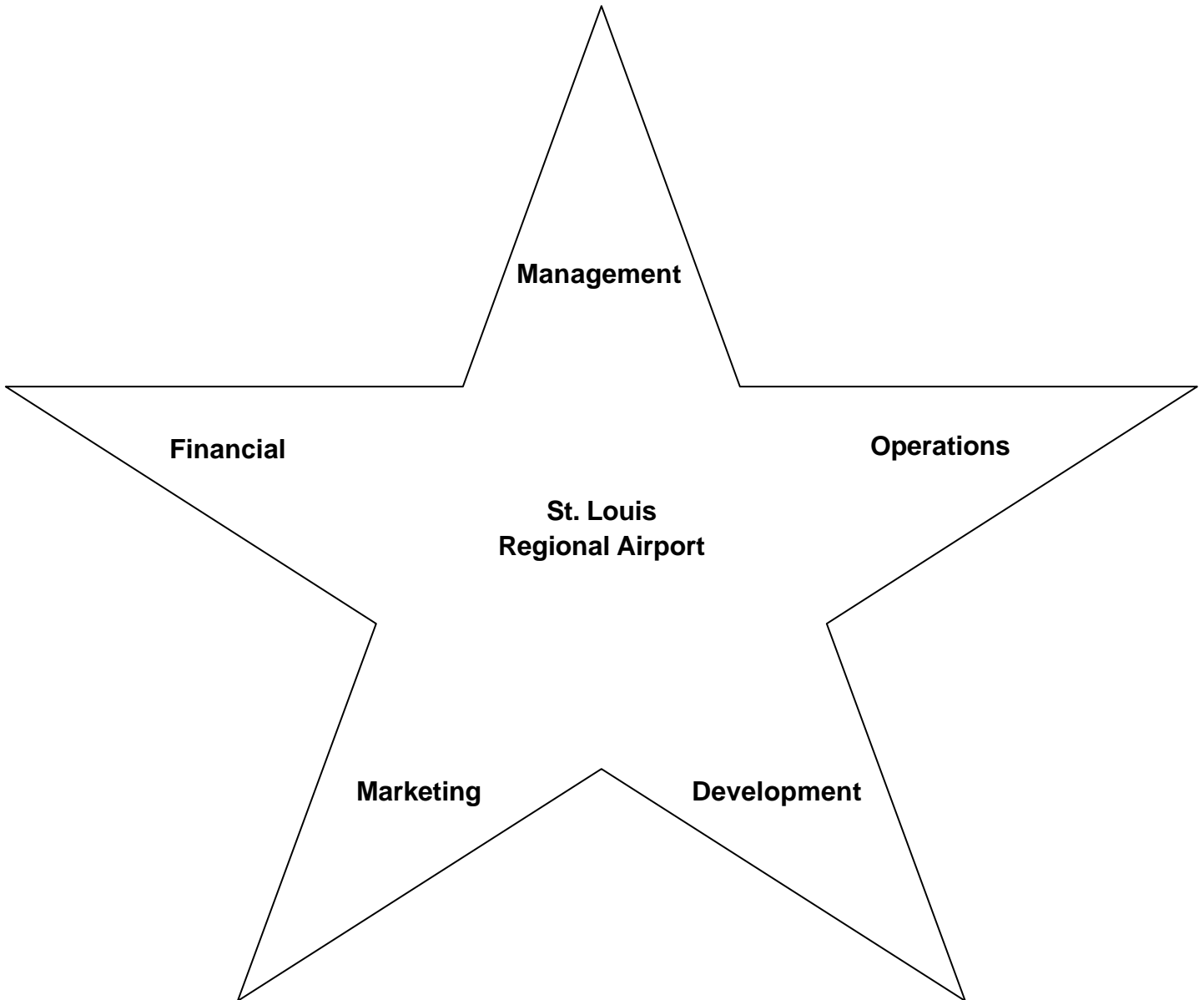


IX. IMPLEMENTATION PLAN



“Areas of Improvement” is a concept whereby key areas are identified that are critical or integral to the successful operation of a business. The constant monitoring, maintenance and improvement of each key area is essential for the growth of the business. Identifying key Areas of Improvement also helps organize and facilitate more effective plans and actions for improving the airport as a whole.

For an airport, the key areas are listed above: Management, Development, Financial, Marketing and Operations.

Each of the following sections in this Implementation Plan are broken down by these categories and by the years in which each action plan must be implemented, for the successful implementation and execution of this Strategic Business Plan.

Another section is dedicated to day-to-day managing principles, and should be used as a planning mechanism, a quality control mechanism and a guide in decision-making.

This section conveys the goals, objectives, and tactics that will be utilized to achieve the Airport’s mission, and the vision of the Authority with regard to the future growth and development of the Airport. More specifically, this section identifies the goals, objectives, and tactics that should be established and employed to position the Airport for future growth in the general aviation market.

Categories of Improvement

Management

Goal #1

Manage the Airport towards the Vision, for the fulfillment of the Mission of the Airport and under the guidance of the Values as set forth in this Strategic Business Plan.

Development

Goal #2

To anticipate and plan to meet the needs/preferences of current and future tenants and consumers. Monitor and evaluate trends, develop and update forecasts on a regular basis.

Financial

Goal #3

To ensure that the products, services, and facilities desired by current and future tenants, consumers, and users are available and provided in a safe, efficient, and professional manner for fair and reasonable prices.

Marketing

Goal #4

To develop, implement, and maintain a proactive marketing program that promotes and encourages the use of the products and services (and/or the lease/use of land and/or facilities) that are (or may be) available at the Airport.

Operations

Goal #5

Continuously improve the quality and level of service for the Airports users and tenants; create a safe, secure and efficient operating environment.

Areas of Improvement

- Develop available property
- Increase fuel sales
- Attract new businesses
- Increase operations
- Increased based aircraft for aircraft owners living within a 20-mile radius
- Acquire land for noise abatement protection and safety areas
- Reduce downtime for airport maintenance equipment
- Increase average braking action during snow removal

Implement Within 1-2 Years

Management Area of Improvement

Areas of Improvement / Measures of Success

Analyze local trends and make comparisons to national and regional data, by monitoring, tracking, and evaluating the data. The Authority (i.e., Airport management) will have the opportunity to make appropriate adjustments in policies and practices in order to continue to meet the needs of current and future Airport tenants, consumers, and users.

The St. Louis Regional Airport's measures of success are:

- Total number of annual operations (should increase by 5% annually)
- Amount of annual fuel sales, broken down by Jet-A and Avgas (should increase by 10% annually – to reflect increased usage of Airport by business jets)
- Number of annual noise complaints (should decrease annually)
- Number and timeliness of response to tenant concerns
- Amount of acreage developed for airport use
- Amount of off-airport acreage developed that contributed positively to the airport's revenue stream (and by how much)
- Annual financial report (airport should be in the black every year and consistently moving towards self-sufficiency)
- Tenant satisfaction

Annual Planning Session

Implement an annual management planning session to create a work plan for the upcoming year, by reviewing the strategic plan, the accomplishments to date for the current year and the current market conditions.

- The work plan must include Plans and Actions from each staff member covering their areas of responsibility (management, operations, maintenance, etc). Plans and Actions must include timelines, milestones, and budget projections.
- Capital Improvement Items are programmed during this session (if not done already). Normally, CIP/TIP items must be programmed in several months in advance of the upcoming year.
- Management reviews all plans for timing and available funds.

The annual session must be conducted prior to November 30th each year.

Employee and Management Improvement Program

Using the Airport's vision, mission, and values identified in the Business Plan, create business cards with the vision/mission/values printed on the back.

- Business cards help employees identify more with their company and are an inexpensive way to provide personnel a sense of ownership in the Airport; business cards are a good customer relations tool.
- Clearly post the Airport's vision/mission/values in public areas.
- Review and enforce vision/mission/values in memorandums and meetings with staff; use vision/mission/values as a guiding force in planning.

Develop a Lease Agreement Template

The template contains the key elements (and/or provisions) that should be included (at a minimum) in all future aviation lease agreements at the Airport.

Develop a Benchmarking Program

Select categories to benchmark (i.e. human resources, airfield operations and maintenance, tenant management, planning and design, financial management, land use and asset management, public relations and marketing).

- Define the data points to compare within each category
- Develop measurements to compare the data points
- Establish mechanisms to collect the internal data points associated with the categories selected
- Establish mechanisms to collect the external data points from competitive and comparable airports
- Determine the gap between current practices and the best practices being followed (and/or used) at other airports
- Complete a comparative analysis of the data collected
- Create action plans and targets
- Develop evaluation criteria and implement an evaluation process

Customer Surveys

Customer surveys shall be conducted to determine desired levels of service, measure performance of the Airport and its businesses in meeting those service levels.

- Draft customer surveys
- Distribute
- Collect
- Assess
- Report to the Board (annually)

Accounting Software

The Airport will research, invest, and implement an accounting software program capable of meeting the needs of the Airport without unacceptable losses of data.

Community and Tenant Relations Program

A community and tenant relations program will consist at a minimum of:

- Weekly Airport briefing (email, fax and public posting)
- Annual State-of-the-Airport address
- One-on-one meetings with key tenants
- Meetings with members of the local press
- School group tours

Development Area of Improvement

Development Plan

The Airport will draft and adopt a formal development plan for the airport to identify available parcels of ground, contract appraisals and work with community planners to market property.

Land Use Plan

St. Louis Regional Airport will develop a land use plan for the aviation developable land.

- Draft Scope of Work
- Issue RFP, in-house or direct contract
- Select contractor
- Negotiate
- Execute contract

Off-Airport Land Use

The Airport will assess property zoning and planned use along the normal routes of flight into and out of the facility. The Airport will work with the FAA in this study, both in terms of air navigation and the Airport's Division Office to determine future funding needs.

Develop Non-Aeronautical Use Property

The Airport will issue an RFP for a developmental partner – a master lessee – who will be responsible for marketing the available property, negotiating leases (within parameters established by the Authority and subject to approval of the Authority), developing and managing the site.

- Draft and issue RFP for development partner
- Make selections
- Negotiate contract
- Develop property

Marketing Area of Improvement

Market Analysis

Conduct a market analysis of aeronautical-use property.

A market analysis provides a higher level of confidence to airport commissioners, boards, and the community when moving forward with a major development project.

- Contract/Conduct Market Analysis - market's particular strengths and weaknesses, historical growth, regional and national trends, road or airspace changes, economic incentives and any other foreseeable influences
- Conduct a proforma to determine the costs for a project and the future operating expenses vs. revenues generated for the completed project
- Request RFP's from developers
- Make selections
- Negotiate lease agreement
- Develop property

Operations Area of Improvement

Security

The Airport will take the following measures with regards to airport security.

- Conduct a security site assessment focusing on the Airport's effectiveness of security procedures, awareness (people), facilities and communications.
- Write an airport security plan focusing on prevention of unauthorized access to aircraft, tenant involvement, and emergency communications with law enforcement and other emergency response agencies.
- Procedures to secure snow removal equipment, airport vehicles and fire trucks when not in use.
- A tenant-airport routine communication system to distribute security information to key business owners.
- Procedures for reporting an armed takeover or theft of aircraft to the air traffic control.

- Include as part of the maintenance plan, that access gates and lighting covering access points and aircraft parking areas are routinely inspected; lights and gates are repaired immediately when broken.
- Establish working relationships with FBI, FAA, TSA, and local law enforcement for proper reporting of suspicious information, threats, and other security related activity.

Maintenance

Ensure the operational readiness of the Airport and minimize downtime; maintain and/or enhance the appearance of the Airport and related assets; preserve the investment the City has made or will make, in the Airport, land, infrastructure, facilities, vehicles, equipment, and systems.

- Preventative maintenance program; ensure all elements of the Airport's general and preventative maintenance program are completed in a timely and cost effective manner
- Implement a Vehicle and Equipment Replacement Schedule, including depreciation in accordance with GAAP
- Conduct inspections of all assets and systems on an annual basis
- Identify and complete any deferred (or outstanding) maintenance items within a specified time period (24-hours when parts and labor are readily available)
- Compose a plan of action with timelines and specific benchmarks to ensure the above elements are measured and completed
- Institute a building preventative maintenance schedule and depreciation / replacement schedule in accordance with GAAP

Implement Within 2-3 Years

Management Area of Improvement

Develop Full Array of Primary Guiding Documents

- ¹Develop the full array of Primary Guiding Documents
 - Lease/Rates and Charges Policy
 - Development Guidelines

¹ The Airport recently completed an update of their Minimum Standards and Rules and Regulations. The City will develop the full array of Primary Guiding Documents, which includes Development Guidelines and Lease/Rates and Charges Policy. Each document plays an important role in the operation and management of an airport. On a collective basis, these documents set the stage for the way the City does business at the Airport.

In addition to serving as the foundation for making sound decisions, these documents facilitate the orderly development of the Airport, ensure the provision of quality products, services, and facilities and reduce the potential for conflict. Within this context, the new documents to be developed and implemented are described below.

Lease/Rates and Charges Policy

An approved policy document that sets forth the parameters for leasing Airport land and/or improvements and outlines the process for establishing and adjusting rents and fees at an airport.

Development Guidelines

An approved document conveying the standards and policies/procedures for development of aeronautical and non-aeronautical land or improvements, at the airport. The purpose of development guidelines is to promote consistent, attractive, and compatible high quality development at an airport.

Marketing Area of Improvement

Establish a Foreign Trade Zone

- ²Evaluate the viability of establishing a Foreign Trade Zone
- Contact U.S. Department of Commerce to initiate the process
- Enlist the assist of the economic development department of the City
- Solicit support from government representatives and local businesses

US Customs Office

St. Louis Regional Airport will conduct a Cost/Benefit analysis on the possibility of hosting a US Customs office.

Operations Area of Improvement

Safety

- The Airport will require all personnel responsible for issuing NOTAMS to participate in one training session with the Flight Service Station and periodically thereafter as procedures change.
- The Airport will require a pre-construction safety meeting and that a safety coordinator be appointed for each construction project on an airport.
- The Airport will develop air operations area (AOA) operating procedures including a training or familiarization program for airport users requiring access to the AOA.
- The Airport will adopt a record-keeping system including a daily logbook of activities, and a “pass-along” and memo tracking system to ensure the accurate and complete dissemination of new information.
- Airport staff will add “public access areas”, to their daily airfield inspections.

Environment

- The St. Louis Regional Airport will continue to comply with the Storm Water Pollution Prevention Plan, including Best Management Practices, with periodic review and compulsory review with every new development or improvement made to the airport.
- The St. Louis Regional Airport will periodically review its insurance coverage for environmental incidents (or research additional environmental insurance if necessary) to protect the airport from costly environmental clean-ups.
- Non-FAA funded projects with environmental concerns will be monitored for compliance.
- When development of the northwest quadrant begins, an air quality assessment will be required.
- The Airport will establish a UST inspection program to ensure proper testing of UST facilities for leakage.
- If the Airport changes the type of chemicals applied to the runway for deicing purposes, the SWPP will have to be re-evaluated.

² A foreign trade zone is a site within the United States, in or near a U.S. Customs port of entry, where foreign and domestic merchandise is generally considered to be in international commerce. Foreign or domestic merchandise may enter this enclave without a formal Customs entry or the payment of Customs duties or governmental excise taxes.

Maintenance

Airfield maintenance focuses on three primary areas: field, fleet, and building.

- Add public access areas into the Airport's daily airfield inspection program.
- Conduct periodic pavement friction tests to ensure skid resistance is maintained and take corrective action when necessary.
- Institute a building preventative maintenance schedule and depreciation / replacement schedule in accordance with GAAP.

Wildlife

- The Airport will draft and implement a wildlife control plan to mitigate any current threats to airport safety and establish a system for identifying and assessing future wildlife problems.
- Airport staff will acquire the proper certification to ensure compliance with Federal law regarding rodent mitigation and control

Snow Removal

- To provide the highest possible level of safety the Airport snow committee will meet at least once prior to and after each snow season, and conduct smaller post-snow event debriefings with maintenance and air traffic control personnel.
- The Airport will assess its current snow removal effectiveness and program equipment additions or replacements to ensure increased braking action and reduced runway snow removal time.
- The Airport shall require all personnel responsible for issuing NOTAMS to participate in one training session with the Flight Service Station and periodically thereafter as procedures change.

Aircraft Rescue and Fire Fighting (ARFF)

All airports should be prepared to handle a large-scale emergency if necessary. While it may be impractical to maintain high levels of personnel and equipments to handle a large-scale incident, small airports can still be prepared through effective training, communications with other emergency response entities, and annual exercises.

- Conduct annual exercises and develop a large-scale emergency response plan.
- St. Louis Regional Airport will develop a Continuity of Operations Policy to reduce interruptions of Airport service to users where able, and improve the safety and efficiency of the Airport's operation.

Day-to-Day Management Practices

Management

- The Airport will implement a Legislative Tracking program and the airport manager will keep the Authority informed and advised on legislation that impacts the airport, encouraging participation from the Authority members when necessary.
- Develop annual training plan for airport staff and management.

Development

- It will be the policy of the Airport to encourage private development
- An environmental review shall be conducted by any tenant prior to leasing land from the Airport
- Develop the Airport to its fullest potential by capitalizing on its strengths and opportunity
 - Complete the Airport Layout Plan Update
 - Identify, evaluate, and prioritize AIP projects
 - Obtain Federal and State grants to support priority AIP projects
 - Generate sufficient funds for the local match
- Maximize the use of existing Airport infrastructure by encouraging the development of available land
 - Implement programs to develop, improve, and/or enhance the landside and airside infrastructure at the Airport (particularly with regard to undeveloped areas/potential leaseholds)
 - Obtain Federal and State grants (if available and eligible) to support such projects
 - Ensure that sufficient funds exist for the local match (as necessary)
 - Install (or make available) basic utilities to undeveloped areas (potential leaseholds)
- Establish and market competitive (and/or attractive) rents and fees
- Establish and market (and/or utilize all available) incentive programs to attract additional (and/or complimentary) commercial and non-commercial tenants
- Federal, state, and local financial packages
 - Infrastructure development, relocation, job creation and training, grants, bonds, and loans
 - Capital, skills development, and job funds
 - Enterprise and Foreign Trade Zones
 - Tax Increment Financing (TIF), tax abatement, and pioneering periods for new products, services, and/or facilities
 - Target growing segments of the market (and/or companies looking for an opportunity to grow/expand and/or relocate)
 - Encourage the development of facilities (including hangar space) by current commercial tenants and/or third party developers/investors
- Streamline the process
 - Communications
 - Timely response
 - Single point of contact
 - Maintain confidentiality
 - Identify (and coordinate the availability of) financing vehicles for tenants

Financial

- With the past success of bonds with the St. Louis Regional Airport the airport will continue to consider such as a source of capital funding when necessary, but will encourage private developers whenever possible.
- The Airport will periodically review its insurance coverage for environmental incidents (or research additional environmental insurance if necessary) to protect the airport from costly environmental clean-ups.

Marketing

- Conduct regular and periodic assessments of the type, level, and quality of products, services, and facilities that are being provided at the Airport (and provide feedback to all Airport tenants)
- ³Conduct a customer service survey on an annual basis
- Maintain a suggestion program
- Conduct regular tenant meetings
- Develop a complaint (and/or dispute) resolution process
- Market the Airport (and the infrastructure, facilities, products, and services that are available at the Airport) locally, regionally, and nationally
- Identify target market(s)
- Identify marketing and sales strategies
- Identify, evaluate, and select promotional methods and mix
- Develop pricing strategies
- Assess and revise as necessary image program
- Implement a comprehensive marketing program
- Augment with existing marketing campaigns (state, regional, and/or local including the economic development department)

Operations

- Continue to meet the standard and keep the Part 139 certificate for as long as is allowed by the FAA.
- The Airport will assess air quality issues on any major development project henceforth.
- The Airport will conduct periodic pavement friction tests to ensure skid resistance is maintained and take corrective action when necessary.
- Snow removal procedures shall be reviewed annually at the beginning and ending of each snow season.
- The Airport will continue to maintain a high level of training and ensure the firefighting capabilities of the Airport are not reduced below current levels.

³ By way of the annual customer service survey, the suggestion program, and the tenant meetings, and the Authority will be able monitor its relationships with (and the needs, preferences, and desires of) the Airport's customer base while also keeping abreast of the type, level, and quality of products, services, and facilities that are being provided by the Airport's tenants.