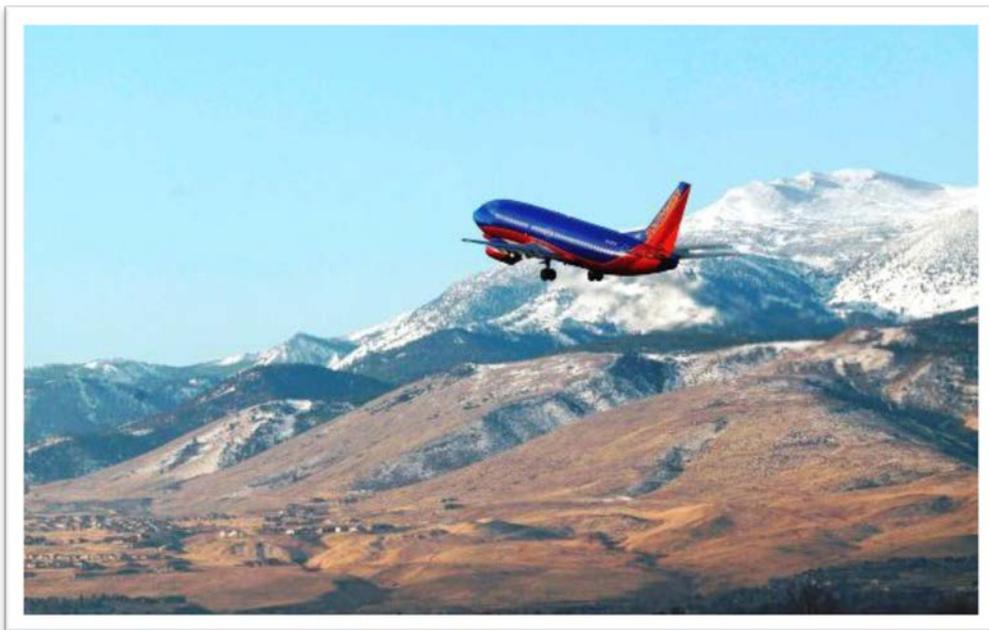




# FY14-18 COMPREHENSIVE STRATEGIC PLAN



**FINAL - APPROVED JUNE 13, 2013**

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# LETTER FROM THE CHAIRMAN

The Reno-Tahoe International Airport is a unique environment in which passenger airlines, cargo carriers, ground transportation vendors, a variety of business interests and general aviation all come together as part of a global transportation system driving and contributing to the regional economy. Reno Stead also provides a broad range of opportunities, many as yet undeveloped, that will ultimately broaden the base of air service capabilities in the region.

In the last decade air transportation has seen dramatic changes ranging from the implementation of stringent new security processes to transitions in how air carriers run their businesses. Our customers and airport users and their needs are changing as well. Some of these changes are clearly beyond our control but we must be ready to respond.

It is apparent that strategic approaches to planning and operating the airports are essential to the viability of the airports and our ability to best serve our users. Airport management and operations must be flexible and ready to change as necessary to serve the needs of those that use the airports and while some of that change may be dynamic and with short notice other elements can be planned and anticipated using a longer-term strategic approach.

Through a process that engaged the community, key stakeholders, and airport user groups, the RTAA Board and staff established a vision for the future and 5 Strategic Priorities. The strategic priorities focus on the elements we deem critically important to the long-term viability of the Reno airports. Continuing to maintain existing air service and adding new service is a priority that transcends all others. We intend to develop air cargo and to optimize general aviation services as economic development is integral to all of these priorities. The safety and security of our users is interwoven in each of the priorities and is a reflection of the importance we place on creating and maintaining a safe and secure environment. Finally, customer service is a hallmark of the organization and we have created a priority to emphasize our commitment to ensuring our customers and users have a positive experience. It is often said that Reno Tahoe Airport may be the first and last impression many have of our airport and community and we want that experience and impression to be positive and lasting.

The ultimate success of this strategic plan will be determined by the collaborative effort of the technical and professional staff and the RTAA Board of Trustees. The plan must be dynamic and as conditions change the RTAA should consider modifying the plan utilizing the guiding principles to make sure the long-term strategic goals are achieved. More than anything else we want this plan to be a guide to a positive and productive future for our airports and our users because we know so many are depending on us.

*Jerry Hall - Chairman, Reno-Tahoe Airport Authority*

# SECTION ONE

## BACKGROUND

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*Planning Process and Current State of the Airport*

# PROCESS OVERVIEW

## PURPOSE OF THE STRATEGIC PLAN

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The purpose and desired outcomes of the Reno-Tahoe Airport Authority (RTAA) FY14-FY18 Strategic Plan are:

- **Shared Vision:** A strategic vision for the organization that is shared by staff and trustees.
- **Strategic Direction:** Core strategies that will help guide the airport over the next 5 years.
- **Roadmap:** A high level plan to guide priority-setting and serve as a helpful road map for staff and the incoming President/CEO.
- **Planning Structure:** Long-term goals and performance measures that support the strategic priorities and provide a planning structure for objectives setting and annual action plans developed by Executive Staff.
- **Agility/Flexibility:** A living, breathing plan that provides direction but is also flexible and broad enough to incorporate constant change in the aviation industry.

## OVERVIEW OF THE PLANNING PROCESS

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The FY14-18 planning process was initiated in November 2012 when the RTAA Board of Trustees elected to develop a high-level strategic plan. A Strategic Planning Committee was appointed to oversee the process with Trustee Adam Mayberry serving as the committee chair. The following Board Members served on the **Strategic Planning Committee:** Adam Mayberry (Vice Chair of the Board of Trustees & Committee Chair), Jerry Hall (Chair of the Board of Trustees), Rick Murdock (Board Secretary) and Randi Thompson. Additional Board Members were active participants throughout the process as well. The following process overview highlights the activities and deliverables of each planning phase.

**Discovery Phase:** The initial discovery phase included process definition, identification of inputs to be gathered and decisions around the outcome and final deliverable. Executive interviews were conducted with individual Board Members and Executive Staff to establish expectations and gather input around strategic priorities. Initial data was gathered and planning assumptions were confirmed.

**Phase 1 - Stakeholder Input:** The objective of Phase 1 was to gather input from a wide range of airport stakeholders, including staff. The strategic planning committee sought input through a variety of public meetings, survey questions and outreach. A community-wide survey was posted on the Reno-Tahoe International Airport (RTIA) website and distributed via email to Local Government and Key Community Business Leaders throughout the region. Strategic input sessions were conducted with each of the following user groups: RTAA Community Outreach Committee, RTIA Users Group, Reno-Stead Users Committee, RTAA Air Service Task Force and the Airline Airport Affairs Committee. Several Executive Staff Sessions were conducted throughout this phase to solicit input around strategic priorities, SWOT analysis and performance measures. All feedback was summarized in a Stakeholder Input Report and served as key information to establish the foundation of the draft plan. A summary is in the Appendix.

**Phase 2 - Establish Strategic Direction:** Several Strategic Planning Committee meetings took place in Phase 2 to review the stakeholder input, and establish a draft framework. The RTAA mission statement was refreshed and a vision statement, guiding principles and strategic priorities were established. Long-term goals and performance measures were also developed to support the strategic priorities. A draft plan was established to present and refine with the full RTAA Board.

**Phase 3 - Develop Strategic Priorities & Goals:** The RTAA Board of Trustees engaged in a retreat on April 22, 2013 to determine final direction regarding strategic priorities, goals/outcomes and performance measures. The full Board will direct and solidify this plan with formal adoption of the plan requested at the June 2013 Board meeting.

**Process Overview**

Getting Started: Set Expectations & Outcomes	Phase 1: Assess Current Position	Phase 2: (re) Establish Purpose & Future Direction	Phase 3: Develop Strategic Priorities & Goals	Phase 4: Integrate with Operations
Nov '12 – Jan '13	Feb '13	March '13	April '13	May – July '13
Board Retreat	Stakeholder Sessions	Planning Committee Sessions	Board Retreat	CEO & Staff
Determine outcomes, process, deliverable, and timeframe.	Gather input from community members, government partners, agencies and staff on RTAA strategic direction.	Review the stakeholder input, environmental scan and draft mission, vision, strategic priorities and goals.	Determine final direction from the Board regarding strategic priorities, goals/outcomes and performance measures.	Build action plans and project plans based on human and financial resources aligned with organizational operations.

**WHAT THIS PROCESS IS NOT ADDRESSING**

A Strategic Plan is *not* a Master Plan. Master Plans are in-depth, detailed and comprehensive documents that identify land uses, facility locations and may include general descriptions of how the airport may be developed over the life of the Master Plan.

What it is....

What it is not...

<p><b>A Strategic Plan...</b></p> <p>Determines <b>strategic direction</b> for a mid-term planning period.</p> <ul style="list-style-type: none"> <li>✓ High-level roadmap</li> <li>✓ Sets vision, focus areas and goals</li> <li>✓ Drives decision making, resource allocation and priority setting</li> <li>✓ Does not include detailed facility or land use plans</li> </ul>	<p><b>A Master Plan...</b></p> <p>Determines long-term <b>land use and facility development</b> plans for an airport.</p> <ul style="list-style-type: none"> <li>✓ Detailed, comprehensive</li> <li>✓ Land use and facilities focused</li> <li>✓ Includes operational forecasts, fleet mixes and the ultimate runway configuration and airport plan</li> <li>✓ Includes extensive community outreach and can take years to complete.</li> </ul>
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# STRATEGIC PLAN & ACCOUNTABILITY STRUCTURE

## OUTLINE OF THE PLAN STRUCTURE

The RTAA Strategic Plan consists of the following components, beginning with the broadest, long-term elements to the more specific, short-range and tactical activities:

**Vision Statement:** A short, concise, vivid statement of the RTAA’s future, answering the question: *what will the RTAA look like in 10-20 years?*

**Mission Statement:** An overarching, timeless expression of the RTAA’s purpose and aspiration, addressing both what the RTAA seeks to accomplish and the manner in which the RTAA seeks to accomplish it; a declaration of an organization’s core purpose. A mission statement answers the question, *“why do we exist?”*

**Guiding Principles/Operating Practices:** Shared attributes and behaviors that inform and guide our actions in delivering services. Enduring, passionate and distinctive core beliefs; guiding principles that explain why the organization does what it does, and what the organization stands for. Values guide the organization in its daily business.

**Strategic Priorities:** The long-term, continuous strategic focus areas that move the organization closer to achieving the vision. Strategic Priorities are seen as having a five-year or more time horizon.

**Long-Term Goals:** Explain how we will accomplish the strategic priorities over the life of the plan, with clear results associated with the objectives.

**Key Performance Measures:** Quantifiable measures that show evidence of movement toward the RTAA’s Strategic Priorities, and ultimately to achieving the Vision. Key Performance Measures are viewed as the most important performance measure for a strategic priority/goal (based on a strategy or major initiative).

**Short-Term/Annual Objectives:** Explain what will be accomplished in the short-term to accomplish the long-term goals. Short-term objectives are developed by staff and included in department operating plans with full action plans to support each objective fully.

## ACCOUNTABILITY

The following accountability structure indicates *who owns the outcome* of each component of the strategic plan, as well as the planning time frame for each.

### Plan Structure and Accountability

<u>Accountability Structure</u>	<u>Strategic Plan Structure</u>	<u>Planning Time Frame</u>
Board of Trustees	Mission, Vision, Guiding Principles	Every 5 Years Reviewed annually
	Strategic Priorities	Every 5 Years Reviewed annually
	Long-Term Goals & Performance Measures	Every 3-5 Years Adapted annually
Executive Staff	Short-Term Objectives	Every 1-3 Years Established annually
Individual Contributors	Supporting Actions Plans	Annually

# AIRPORT SNAPSHOT

## INDUSTRY OVERVIEW

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The past four years have been a period of profound change in the airline industry. There has been a significant drop in scheduled flights and seat availability for US Airlines over the past several years. Now that the airlines are seeking an average load factor in the high 80s, it is becoming more difficult to sustain flights in a community that was one of the hardest hit in the nation during the recent economic downturn.

*US Airlines:* As of Q1 2013, US Airline scheduled flights are down 2.3% vs. Q1 of 2012. Looking back several years, scheduled flights are down 17.1% vs. Q1 of 2007. In 2011, US Airlines posted a narrow profit of 77 cents per enplaned passenger. Airlines are using less fuel, but spending more (Spent \$31B in 2011 or triple the expense of 2000).

*Airports:* Between June 2007 and June 2012, scheduled departures to mid-size airports saw a 22% drop, while large hub airports saw an 8% decrease. Passenger flights of less than 250 miles were down 24% and passenger flights in the 250–499 mile range declined by 16%.

The airline industry is transforming and adapting to restore profitability.

*Shift in the Aircraft Market:* Airlines continue to show a conservative approach to growth by deferring aircraft deliveries. According to Bombardier, Aircraft deliveries in the 20- to 59-seat market will decline substantially over the next 20 years. All airlines are trying to increase revenue. Southwest Airlines, for example, has a goal of increasing revenue 15% without increasing capacity. United Airlines has the same goal to increase revenue by 10% without increasing capacity. This trend leads to airlines pulling flights out of viable markets and focusing on the more profitable markets.

## FINANCIAL OVERVIEW

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From a financial perspective, the Reno-Tahoe Airport Authority is very well positioned to move into the future. RTIA is a low cost airport to the airlines with a budgeted cost per enplaned passenger of \$7.38 in FY2012-13. The RTAA's underlying credit rating is an "A," which is strong by industry standards and is based on cash on hand/reserves and very low debt. Credit agencies look for a minimum of 300 days cash on hand/reserves. Having an outstanding Debt per Enplaned Passenger at RTAA of \$27 shows the airport has been very conservative and is positioned well, compared with the industry median of \$72 per enplaned passenger. This allows for flexibility to fund future capital improvements.

The RTAA is financially **self-sufficient** meaning it is funded through airport operations and not local taxes. Unlike many airports, Reno-Tahoe International Airport does not receive any revenue from local taxpayers. The FY12/13 total operating revenue was about \$43 million from three key sources - airline revenues, non-airline revenues and project funding. While airlines contribute 30% of the revenue stream, the remaining 70% are generated by non-airline sources such as fees, rent collected from airport tenants, concessions, land leases, etc.

Due to federal regulation, the use of airport revenue is highly restrictive. Revenue must be spent on the airport and there are limitations as it relates to what type of projects revenue can be spent on.

## AIR SERVICE, CARGO AND GENERAL AVIATION OVERVIEW

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**Air Service:** The Reno-Tahoe market passenger traffic is comprised of about 60% visitors/leisure travel and nearly 40% local residents. Overall business is growing as a percentage of the total, which is positive as it signals stabilization and economic diversification because the business market itself is growing.

Generally speaking, RTAA has exceptional air service compared to communities of a similar size. Adding to that, the airport has among the highest domestic yields (revenues per seat per mile for flights within the US) of major western airports which is a result of fares keeping up with demand, but also keeping costs controlled. Southwest Airlines is the largest carrier accounting for 55.5% of the total available seats. American and United are second with 11% respectively. While the Southwest share is large, Reno benefits from the presence of the top three major airline alliances, which is rare for airports of this size. Alliance percentages are as follows: Star – 18.0%, SkyTeam – 7.1% and OneWorld – 10.1%. The remaining 9% are unaligned.

Currently, Reno serves 15 non-stop destinations—a majority of which are large hub airports that provide a one-stop connection anywhere in the world. Future target markets include pursuing more flights to the Los Angeles Basin as well as non-stops to Washington DC, New York City and Boston.

**Cargo:** Cargo has shown great resiliency at RNO because of the nature of the regional market serving large warehouse distribution. The State of Nevada tax structure has created a business environment for warehouse distribution and Ecommerce encouraging firms to locate here. These businesses have a need for air cargo services and this portion of the airport operation has done very well in challenging economic times and is forecast for potential growth.

**General Aviation:** Efforts to grow and attract general aviation include completion of the new Stead Terminal, developing a cluster of service providers and actively working on the tax abatement effort related to aircraft parts. This will help in the pursuit of general aviation service providers to join current tenants such as Dassault, Western Jet, and Atlantic.

## CAPITAL INVESTMENT PROJECT OVERVIEW

A broad range of services and assets are required to keep the airport operationally functional.

Recently Completed RTAA Projects (within the past 5 years)		
<p><b>RTIA Airfield Projects (Heart of the Airport)</b></p> <ul style="list-style-type: none"> <li>• Runway 7/25 Reconstruction</li> <li>• Runway 16R and 34L Instrument Landing Systems (ILS)</li> <li>• Runway Safety Area (RSA) Improvements</li> <li>• Taxiway Alpha Reconstruction</li> <li>• Taxiway Charlie Reconstruction</li> <li>• South Apron Reconstruction</li> <li>• Apron Reconstruction Phases 1-16</li> </ul>	<p><b>Safety &amp; Security Projects</b></p> <ul style="list-style-type: none"> <li>• Aircraft Rescue &amp; Fire Fighting (ARFF) Facility</li> <li>• Snow Removal Equipment Building</li> <li>• Airport Communications Center / Emergency Operations Center</li> <li>• Snow Removal Equipment</li> <li>• Mobile Incident Command Vehicle</li> <li>• Terminal Fire Alarm &amp; Public Address System Upgrade</li> <li>• Air Traffic Control Tower</li> </ul>	<p><b>Customer Oriented Projects</b></p> <ul style="list-style-type: none"> <li>• Airport Baggage Check-In Project</li> <li>• Rental Car Quick Turnaround Area</li> <li>• Curbside Canopy</li> <li>• Restroom Remodels</li> <li>• Sound Insulation Program</li> <li>• Airport Noise &amp; Operations Monitoring System</li> <li>• Environmental Management System</li> <li>• Hyatt Place Hotel</li> <li>• Moana Lane Extension</li> <li>• Plumb Lane Single-Point Urban Interchange</li> </ul>

## In Progress and Future Projects at RNO and RTS

RTA Projects in Progress/Ongoing	Future Reno-Tahoe Projects	Future Reno-Stead Projects
<ul style="list-style-type: none"> <li>• Apron Reconstruction - Phase 17</li> <li>• Taxiway Quebec Rehabilitation</li> <li>• General Aviation West Improvements</li> <li>• Public Parking Rehabilitation – surface lot</li> <li>• Sound Insulation Program</li> <li>• Airport Surveillance Radar (ASR-11)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>New Concourse A</b> - Replace the concourse that are now 30 years old to address concession changes due to security changes in place post 9/11.</li> <li>• <b>Southwest Air Cargo Ramp</b> - Terminal and cargo operations are interfering with each other, requiring moving Cargo to the Southwest quadrant.</li> <li>• <b>Customs &amp; Border Patrol Expansion</b> - Do not currently meet standards and are not positioned to accommodate future growth.</li> <li>• <b>Public Parking Expansion</b> – Currently running out of parking space even outside of holiday weekends.</li> <li>• <b>Baggage Claim Expansion</b> – Expand north to address future demand.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Air Traffic Control Tower</b> - If traffic warrants and activity grows in that area.</li> <li>• <b>Solvent Site Remediation</b> - Contamination left from previous owners requiring a 30-year program to accomplish this project.</li> <li>• <b>Ongoing Pavement Maintenance and Future Rehabilitation</b></li> </ul>

## STAFFING OVERVIEW

In FY 2012-13 Budget, the RTAA has 267.5 Authorized Full Time Equivalent (FTE) positions. Compared to other airports, the staffing ratios are considerably below average. A strategy to manage staffing levels is continual professional development to improve skills and efficiencies. Roughly 40 employees are eligible to retire in the next fiscal year.

# SECTION TWO

## STRATEGIC DIRECTION

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*Mission, Vision, Guiding Principles and Strategic Priorities*

# MISSION STATEMENT

To maintain and grow aviation services and facilities, as part of the global air transportation system, to transport people and goods to benefit the region while being financially self-sustaining.

# GUIDING PRINCIPLES/OPERATING PRACTICES

## **Air Service Development:**

- We recognize and value the importance of commercial and general aviation contributions to our region.
- We will strive to maintain and expand aviation service in our region by being a catalyst with our airline partners to be responsive and flexible to market demands.
- We recognize the contribution vendors and other service providers make to our airport environment.
- We will continually evaluate the adequacy of our facility-mix to ensure our airport is functional and attractive to business and our air services partners.

## **Safety and Security:**

- The safety and security of everyone who utilizes our airport facilities is our primary concern.

## **Customer Service:**

- Satisfied customers are the hallmark of a healthy and vibrant service organization and we commit ourselves to ensuring all of our customers receive the very best service possible.
- We view everyone who enters our airport environment as a customer worthy of our best service effort whether they are airline passengers, vendors, or general aviation users.

## **Financial Integrity:**

- We will do all we can to ensure the financial stability of the airports under our control.
- We place a high value on honesty and transparency in all of our financial transactions.

## **Professionalism and Ethics:**

- We value and respect the contribution each individual makes to the success of our endeavors.
- We will always conduct ourselves in a manner that is respectful and supportive of one another.
- Our organization will always reflect and benefit from a commitment to teamwork between staff and the Board of Trustees.

## **Environmental Responsibility**

- We are committed environmental awareness, protection and policies that minimize the impact on the natural environment.
- We support and pursue environmentally sustainable aviation business practices.

# VISION

Our vision is to develop and operate a system of airports that support our region's economic growth and provide safe, convenient and customer-focused facilities. This will create a positive experience for those who work at and travel through our airports.

# STRATEGIC PRIORITY OVERVIEW

The five strategic priorities provide the framework for the strategic direction of the RTAA over the next 3-5 years. With a holistic focus across the whole organization and RTAA, the strategic priority explanations below further clarify the intent of how the RTAA will achieve its vision. *NOTE: The priorities are numbered for organizational purposes only and do not represent priority order or resource allocation.*

1. Increase air service.
2. Optimize general aviation operations and services.
3. Expand cargo development and service.
4. Facilitate economic development at both airports.
5. Provide a positive environment and experience for all.

## STRATEGIC PRIORITY RATIONALE

### STRATEGIC PRIORITY #1: INCREASE AIR SERVICE.

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*Rationale:* The airport exists to provide aviation services and facilities to benefit the community; air service is also vital to generating local economic growth. Having a vibrant and efficient airport with a wide array of flights and services is essential when trying to attract new businesses, operations and events to the region. The Authority recognizes and values the importance of commercial air service to our region and considers development and retention strategies of top priority. However, growth in commercial air service greatly depends on the three pillars - Air Carriers, the Airport and the Business Community - to stimulate demand and *sustain* it.

*Strategic Direction/Shift:* The airline industry is changing and shifting to prioritize routes that are most *profitable*. This means that airport operational costs need to remain low (direct impact to the airlines) and planes need to be full. Commercial flights are targeted at an 80% capacity/load factor. This translates to the notion of *full flights before new flights*; if current routes are not meeting profitability standards, new flights to the region will not be considered.

Our strategic efforts to build and sustain air service are focused around a three-prong approach to 1) Provide an attractive environment for airline partners through maintaining transparent, low cost operations; 2) Strengthened relationships with existing air carriers and marketing/partnership efforts to promote and maintain current air service; and 3) New air service development and retention strategies to stimulate demand and *sustain* it. Additionally, *public safety and security is always a #1 focus for RTAA* and initiatives around providing safe/secure facilities and operations are also tied into our Air Service strategy.

*The Reno-Tahoe region's ability to create demand and sustain it is what will ultimately result in more air service.* RTAA will continue to engage in the activities essential to build and sustain airline service, in partnership with businesses, community, government and other regional stakeholders.

### STRATEGIC PRIORITY #2: OPTIMIZE GENERAL AVIATION OPERATIONS AND SERVICES.

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*Rationale:* General Aviation (GA) includes all civil aviation operations other than scheduled passenger and cargo airline service. General aviation flights are conducted for pleasure, private business and public services that need transportation more flexible than the airlines can offer. GA also provides access points to small towns and rural communities across the state/region that do not have commercial air service. General Aviation is a key contributor to regional economic growth and development; it supports

business growth not only from this region but to this region (through jet services/MRO's, FBO's, etc.) RTAA values General Aviation as an integral component of the airport system and its ability to thrive.

*Strategic Direction/Shift:* General Aviation services and infrastructure are critical to the overall success of the RTIA and Reno-Stead. It is the RTAA strategic priority to optimize General Aviation operations and services at both the Reno-Tahoe and Reno-Stead locations, facilitate third-parties to take advantage of the demand to support a thriving General Aviation community. At the same time, the RTAA supports and recognizes the important balance between growing the GA community at Reno-Stead and the National Championship Air Races - both of which have local economic impact. RTAA initiatives to optimize General Aviation include encouraging a variety of FBO contracts and other service vendors; attracting jet service centers and maintenance/repair facilities and optimizing the GA customer service experience to attract/retain General Aviation.

*Although General Aviation does not generate a majority of the revenue, it is still important to a thriving airport system and regional economic impact.* The RTAA will continue to devote efforts toward the optimization of General Aviation operations and services, in balance with our guiding principle of being financially self-sustaining.

### **STRATEGIC PRIORITY #3: EXPAND CARGO DEVELOPMENT AND SERVICE.**

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*Rationale:* Air cargo, or goods transported by aircraft, serves as a key engine of economic growth and development for the RTAA and the region. Air cargo development is a significant revenue generator for the airport and creates a positive *domino effect* throughout the region as it relates to local business opportunity and economic impact. Air cargo promotes connectivity, creates new business potential, and supports the region's natural advantage, positioning the area as a regional distribution point. It also shows diversification of the business sector (further diversified business space) and provides new business potential to the area. Specifically, as cargo increases to the region, storage and ground transportation demands increase, creating opportunity for industrial warehousing.

*Strategic Direction/Shift:* Cargo is a direct revenue generator for the airport providing additional financial security and income to offset the airport's needs. It also has a positive trickle-down effect throughout the region. It is the RTAA strategic priority to enhance existing cargo support services to retain current cargo volume while also focusing to actively grow cargo development and helping to position the region as a West Coast distribution point, with a specific focus on supporting proposed and upcoming cargo needs from Asia.

*Cargo development provides the airport and region with great opportunity for economic growth and international expansion.*

### **STRATEGIC PRIORITY #4: FACILITATE ECONOMIC DEVELOPMENT AT BOTH AIRPORTS.**

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*Rationale:* Enhancing long-term financial stability and remaining *self-sufficient* is a foundational strategy for the Reno-Tahoe Airport Authority. As a financially self-sustaining airport, the RTAA does not receive revenue from local taxpayers. While direct airline rates and charges contribute 30% of the revenue stream, the remaining 70% are generated by non-airline sources such as parking fees, rent collected from airport tenants, rental car and terminal concessions, hangar and land leases, etc. Airport business development and revenue diversification is vital to RTAA's long-term growth and financial stability. Understanding that the airport is a conduit to regional economic growth—this also results in positive impact to the region.

*Strategic Direction/Shift:* Both the Reno-Tahoe and Reno-Stead airports present unique economic development opportunities including new business activities on and off the airfield through development of vacant land. It is the RTAA's strategic priority to diversify the revenue portfolio, facilitate airport land development at both locations, and support necessary investments to ensure

our vital assets serve the region as expected. As part of the overall strategic priority, the RTAA is focused on optimizing the new terminal at Reno-Stead through strategic marketing, promotion and leasing to ensure return on investment, as well as economic development for both the airport and region.

*The Authority will continue to increase and diversify RTAA revenue and business activities to create dynamic, long-term economic growth and stability—resulting in further positive economic impact to the region.*

## **STRATEGIC PRIORITY #5: PROVIDE A POSITIVE ENVIRONMENT AND EXPERIENCE FOR ALL.**

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*Rationale:* First-class customer service is part of the Reno-Tahoe Airport Authority’s DNA and it is a goal to continue an environment reflective of the service-oriented culture. Satisfied customers are the hallmark of a healthy and vibrant airport and RTAA staff is committed to continually enhancing the customer experience as well as the organizational environment. This strategy is about providing the highest quality experience for everyone that visits, utilizes and works at both airports.

*Strategic Direction/Shift:* The Authority views everyone that uses the airport as a customer, inclusive of airline passengers, air service partners, vendors, General Aviation users and local business/community members. The RTAA goal is to enhance the holistic customer experience for all stakeholders. This includes continually improved customer convenience, promoting hospitality that comes along with feeling welcomed to all customers.

In addition, the RTAA staff recognizes that the organizational team is the foundation of maintaining a world-class airport. In order to stay proactive in a changing industry, it is critical to invest in people while enhancing the organizational environment. This will be accomplished through a focus on training and innovation to strengthen the professional development, skills and abilities of the RTAA staff and the Board of Trustees, maintaining and enhancing the positive RTAA environment and organizational values, and fostering a collaborative and supportive working relationship between staff and the Board of Trustees.

*The airport makes the ultimate first and last impression when people come to the region; it is the RTAA goal to continue a positive environment and influence a positive, lasting impression on everyone who visits, works at and utilizes both airports.*

# SECTION THREE

## STRATEGIC PLAN DETAIL

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*Long-Term Goals & Performance Measures*

## 2013-17 STRATEGIC PRIORITIES & LONG-TERM GOALS

Strategic Priorities	Long-Term Goals	Performance Measures	Baseline (Calendar 2012)
<b>1. AIR SERVICE</b>	<b>1.1 Current Air Service:</b> Maintain scheduled airline support service and continue to strengthen relationships with existing air carriers.	Number of average daily flights	56
		Number of average daily seats	6,251
		Status compared to communities of similar population size	#1
		Service by Airline Alliances	3
	<b>1.2 New Air Service:</b> Pursue new or expanded air service opportunities resulting in a net gain in air service.	Number of route analyses presented at airline meetings to facilitate the alignment of routes/seat capacity with the community demand (Target is at least 24)	78
		Average number of destinations	15
		Number of air carriers	6
	<b>1.3 Low Cost Ops:</b> Maintain the low cost airport environment within the lowest 25% medium hub airports.	Airline Cost per Enplaned Passenger per the FY12/13 budget	\$7.38
	<b>1.4 Safe &amp; Secure:</b> Maintain a safe and secure customer environment from ground transportation arrival to departure and return with our security partners.	FAA Part 139 Annual Certification with no material discrepancies	Achieved
		TSA Annual Inspection with no material discrepancies	Achieved
	<b>1.5 Facilities:</b> Continue to optimize terminal to address market demand in a cost-effective manner.	Address terminal tenant needs: Acknowledgement of request (Target is 24 hours or less)	N/A
		Completion of work order (Target is 30 days or less)	N/A
	<b>1.6 Community Collaboration/Partnerships:</b> Facilitate community collaboration and partnerships to increase awareness and opportunities for enhanced air service.	Number of key business leaders (financially, travel bank, etc.) to engage the business community in demand through restructure the Air Service Task Force , survey/focus groups for forecasted air service demand	N/A
% increase in membership of the Regional Marketing Committee – to include all key segments of the community		11 entities/groups are members	

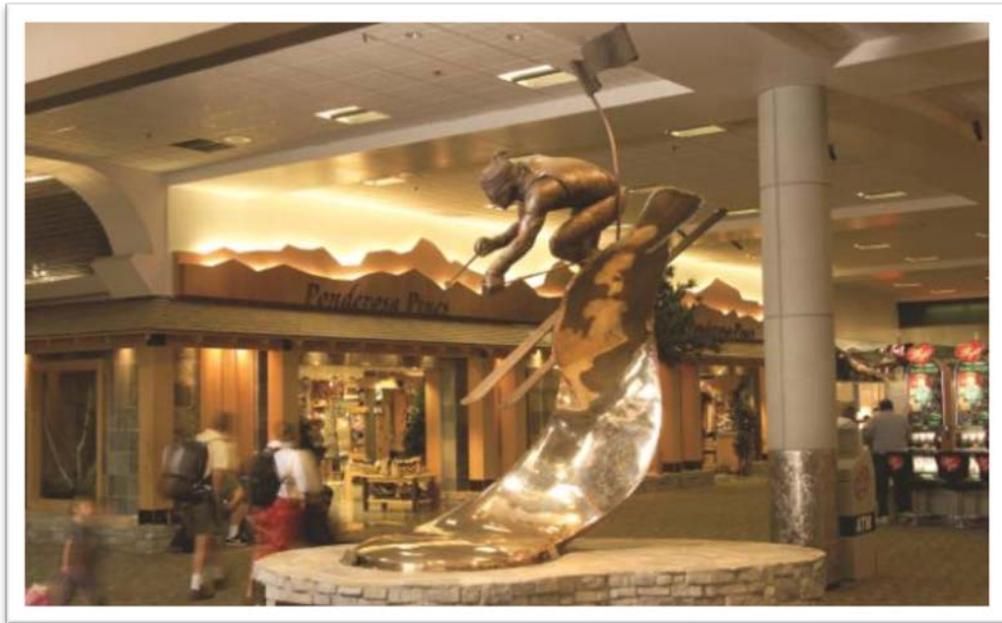
<b>2. GENERAL AVIATION OPERATIONS AND SERVICES</b>	<b>2.1 GA Community:</b> Support a vibrant GA community through optimizing the GA customer service experience.	Competitively positioned to other airports of like size by GA benchmark of similarly situated airports to RTAA current service levels and a GA Demand Survey	N/A
	<b>2.2 Reno-Tahoe General Aviation Service Providers:</b> Encourage Reno-Tahoe GA support through a variety of service vendors (such as FBOs, MROs, etc).		
	<b>2.3 Reno-Stead General Aviation Service Providers:</b> Encourage Reno-Stead GA support through a variety of service vendors (such as FBOs, MROs, etc).		
<b>3. CARGO DEVELOPMENT</b>	<b>3.1 Current Service:</b> Maintain existing cargo support service to retain current cargo volume.	Pounds of total cargo weight annually	115,800,350
	<b>3.2 New Service:</b> Position the region as a West Coast distribution point by actively growing cargo development at RTIA.	New cargo carriers	Current: 3 carriers
		New flights daily average	Current: X
		Number of international originations/destinations	Current: 0
		Pounds of total aircraft landed weight annually (1,000 pound units)	2,589,906
<b>3.3 Facilities:</b> Continue to optimize infrastructure to address market demand in a cost-effective manner.	Initiation of development in Southwest quadrant	No development currently	
<b>4. ECONOMIC DEVELOPMENT</b>	<b>4.1 Airport Land and Building Utilization at Reno-Tahoe:</b> Facilitate airport land development and airport-owned building occupancy to optimize and diversify revenue portfolio.	Annual gross land and facilities revenue	\$4,516,144
	<b>4.2 Airport Land and Building Utilization at Reno-Stead:</b> Facilitate airport land development and airport-owned building occupancy to optimize and diversify the revenue portfolio. Launch, market and lease the Reno-Stead Airport Terminal	Annual gross land and facilities revenue	\$629,654
	<b>4.3 Non-Airline Revenue:</b> Maximize all non-airline revenue at both airports (parking, concessions, rental cars, RNO and RTS land and building rents, etc. ) to optimize and diversify revenue portfolio.	Non-Airline Revenue per enplaned passenger	\$14.74
<b>5. POSITIVE ENVIRONMENT</b>	<b>5.1 Customer Experience:</b> Continually improve customer convenience and service, supporting hospitality that comes along with feeling welcomed to all customers.	Customer satisfaction score	N/A
		Social media growth	Facebook: 2,656 Twitter: 1,301
		Hours of earned media	320
	<b>5.2 Training &amp; Innovation:</b> Continue to strengthen the professional development, skills and abilities of the RTAA staff and the Board of	Average training hours per staff member (Target is 20 hours)	56

	Trustees to stay proactive in industry changes, demands, best practices and strategic shifts.	% of staff with Professional Certifications	30.5% (est)
	<b>5.3 Governance:</b> Foster trust and a collaborative, supportive environment (working relationship) between staff and the Board of Trustees.	Board/Staff Retreat to assess progress, discuss in collaborative environment (annual or bi-annual)	1
	<b>5.4 Org/Staff Environment:</b> Maintain and enhance the positive RTAA environment and organizational values.	Employee satisfaction survey response rate	61.8%
		Maintain salary competitiveness	At market
		Management Turnover rate	Overall: 7%

# APPENDIX

## SUPPORTING DOCUMENTS

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*Financial KPI's, SWOT by Strategic Priority & Stakeholder Input Summary*

# SWOT BY STRATEGIC PRIORITIES

## STRATEGIC PRIORITY #1: AIR SERVICE

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Relationships with Air Carriers</li> <li>• Business partners w/profit-sharing (airlines)</li> <li>• Economical, Low Cost Structure</li> <li>• Transparency</li> <li>• Agility/Flexibility</li> <li>• Airport Efficiency</li> <li>• Airspace and Airfield Capacity at both facilities</li> <li>• Ongoing compliance with FAA Part 139</li> <li>• Demand Driven Facility Improvement Strategy</li> <li>• Well Developed Air Services Marketing Program</li> <li>• Business case development and messaging</li> <li>• Airline recognition/respect of staff competency</li> <li>• Stakeholder Engagement and Partnership</li> </ul> <p><i>Safe/Secure Operations and Facilities</i></p> <ul style="list-style-type: none"> <li>• All facilities in compliance with standards</li> <li>• Safety and Security/Solid Foundation</li> <li>• Relationship with regulatory agencies</li> <li>• Excellent Runways</li> <li>• 24-7 Emergency Response/Support Services</li> <li>• Good communications; robust, redundant</li> <li>• Strong safety and security community partnerships</li> <li>• Strong Safety Culture/Low safety incident rate</li> <li>• Excellent tools, policies, procedures in place</li> <li>• CALEA Certification (Commission Accreditation for Law Enforcement Agencies)</li> </ul>	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Community coordinated efforts and business collaboration (Ex: Ticket Banks)</li> <li>• Collaborative marketing (and PR) efforts for retention and attraction of air service</li> <li>• RTIA as a gateway for US entry from PacRim/Asia</li> <li>• Demand from Mexico &amp; Canada</li> <li>• Understanding changes in incentive programs</li> <li>• Major regional event and convention opportunities</li> <li>• Draw in business community support (leverage trend of business diversification in our community)</li> <li>• Engage business community around air service development</li> </ul> <p><i>Safe/Secure Operations and Facilities</i></p> <ul style="list-style-type: none"> <li>• Responsiveness to Market</li> <li>• Facility plan for the terminal area</li> <li>• Mechanical and utility infrastructure improvements and upgrades</li> <li>• Technology: Create better ways to maintain security as technology advances</li> <li>• Leverage low cost community preparedness training (Safety and Security resources)</li> <li>• Proactive, preventative maintenance</li> <li>• COOP: Continuity of Operations Plan</li> <li>• Modernization/Initiate planning for new concourses</li> </ul> <p><i>Stakeholder Experience</i></p> <ul style="list-style-type: none"> <li>• Conduct a Passenger Survey</li> </ul>
<p><b>Weaknesses/Areas for Improvement</b></p> <p><i>Safe/Secure Operations and Facilities</i></p> <ul style="list-style-type: none"> <li>• Aging equipment and systems</li> <li>• Interactive SIDA training (updates)</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• TSA Policy and Customer Service</li> <li>• FAA User Fees</li> <li>• Rising fuel cost</li> <li>• Airline consolidation</li> <li>• Cyclical economic impact</li> <li>• FAA support of air traffic management systems/adequate funding for FAA (federal budget)</li> <li>• Regulatory risk/impact on changing cost structures</li> <li>• Political Environment (Political Influence)</li> <li>• Misperception of the area (ex: Reno 911)</li> <li>• Unfunded Mandates</li> </ul> <p><i>Safe/Secure Operations and Facilities</i></p> <ul style="list-style-type: none"> <li>• Cyber Threat</li> <li>• National Security/Unknowns</li> <li>• National Crisis or Natural Disaster</li> <li>• Ability to fund crisis response</li> <li>• Complacency (we do things so well that it can be taken for granted)</li> <li>• Lack of tenant resources to respond as needed</li> </ul>

## STRATEGIC PRIORITY #2: GENERAL AVIATION

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<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Airport Efficiency</li> <li>• Excellent Airfield Infrastructure and Investment at both facilities</li> <li>• Airspace and Airfield Capacity at both facilities</li> <li>• 24-7 Support Services provided to all users (RTIA)</li> <li>• No flight curfews</li> <li>• Ongoing compliance with FAA Part 139</li> <li>• Demand Driven Facility Improvement Strategy</li> <li>• Airport Land/Assets/Infrastructure</li> <li>• Airport Network</li> <li>• Flexibility to respond to the GA Market</li> <li>• Increased private sector investment</li> <li>• Existing infrastructure and support service providers</li> <li>• Well maintained Airfield with capacity to accommodate substantial growth</li> </ul>	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Business Aviation Growth tied to FAA forecast</li> <li>• Facilitate private capital investment based on demand</li> <li>• Foster a GA community</li> </ul> <p><i>Stakeholder Experience</i></p> <ul style="list-style-type: none"> <li>• Conduct a GA Survey</li> </ul>
<p><b>Weaknesses/Areas for Improvement</b></p> <ul style="list-style-type: none"> <li>• Communication with stakeholders/tenants on projects and critical issues</li> <li>• Communication/Synergy with GA as part of the team and organization</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• FAA User Fees</li> <li>• Rising fuel cost</li> <li>• Cyclical economic impact</li> <li>• FAA support of air traffic management systems/adequate funding for FAA (federal budget)</li> <li>• Unfunded Mandates</li> <li>• New TSA security requirements</li> </ul>

### STRATEGIC PRIORITY #3: CARGO DEVELOPMENT

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<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Geographical Location/North of SF, West of LA</li> <li>• Airport Efficiency</li> <li>• Excellent Airfield Infrastructure and Investment at both facilities</li> <li>• Airspace and Airfield Capacity at both facilities</li> <li>• 24-7 Support Services provided to all users</li> <li>• Demand Driven Facility Improvement Strategy</li> <li>• Airport Land/Assets/Infrastructure</li> <li>• Airport Network</li> <li>• Marketing Cargo/market our “wins”</li> <li>• Existing infrastructure and support service providers</li> <li>• Customs and Border Protection services</li> <li>• Foreign Trade Zones (includes all land development opportunities)</li> </ul>	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Significant growth in logistics industry related to air cargo (ex: Pharmaceutical)</li> <li>• International cargo demand growth</li> <li>• Leverage regional natural advantage and positioning</li> <li>• Centrally located in the West (logistical advantage over other West Coast regions)</li> <li>• Continue to integrate cargo needs of the region between freight forwarders and air carriers</li> </ul> <p><i>Stakeholder/Customer Experience</i></p> <ul style="list-style-type: none"> <li>• Conduct an Airport Stakeholder Survey</li> </ul>
<p><b>Weaknesses/Areas for Improvement</b></p> <ul style="list-style-type: none"> <li>• Cargo Infrastructure is at near capacity</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• TSA Policy and requirements</li> <li>• FAA User Fees</li> <li>• Rising fuel cost</li> <li>• Airline consolidation</li> <li>• Cyclical economic impact</li> <li>• FAA support of air traffic management systems/adequate funding for FAA (federal budget)</li> <li>• Regulatory risk and impact on changing cost structures</li> <li>• Unfunded Mandates</li> <li>• Customs and Border Protection policies</li> </ul>

**STRATEGIC PRIORITY #4: ECONOMIC DEVELOPMENT**

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Geographical Location</li> <li>• Excellent Airfield Infrastructure and Investment at both facilities</li> <li>• Airspace and Airfield Capacity at both facilities</li> <li>• Airport Land/Assets/Infrastructure</li> <li>• Business case development and messaging</li> <li>• Increased private sector investment</li> <li>• Land available for private capital investment</li> <li>• Customs and Border Protection services</li> <li>• Foreign Trade Zones (includes all land development opportunities)</li> <li>• Well maintained Airfield with capacity to accommodate substantial growth</li> <li>• Capital Improvement Program</li> <li>• Revenue Diversification</li> <li>• Reno-Stead Land/Infrastructure for Growth</li> </ul>	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Infrastructure/Growth Potential: Reno-Stead Development (Optimize use of land/assets)</li> <li>• Market Growth: \$90B growth in commercial UAS (attract at Reno-Stead)</li> <li>• Leverage State Targeted Industries of UAS &amp; MRO’s</li> <li>• California Tax/Nevada Business Appeal</li> <li>• Geographical Location/Proximity to California, I-80, etc.</li> <li>• Emerging Paradigm Shift – Regional Identity (leverage the paradigm shift of regional core businesses)</li> <li>• Economic development around RTIA</li> <li>• Non-aviation related Econ Development</li> <li>• Maintenance Facility: Ex: United Airlines facility at SFO</li> </ul> <p><i>Business/Community Relationships</i></p> <ul style="list-style-type: none"> <li>• Enhance Reno-Stead’s community awareness/engagement with tenants</li> </ul>
<p><b>Weaknesses/Areas for Improvement</b></p> <ul style="list-style-type: none"> <li>• More educational awareness of economic role of the airport in the region</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• TSA Policy and requirements</li> <li>• FAA User Fees</li> <li>• Rising fuel cost</li> <li>• Airline consolidation</li> <li>• Cyclical economic impact</li> <li>• FAA support of air traffic management systems/adequate funding for FAA (federal budget)</li> <li>• Regulatory risk and impact on changing cost structures</li> <li>• Unfunded Mandates</li> </ul>

## STRATEGIC PRIORITY #5: POSITIVE ENVIRONMENT

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Customer service in our DNA</li> <li>• Relationship with partners who work at the Airport (Rental Cars, TSA, etc; shared culture/environment)</li> <li>• Learning Environment</li> <li>• Employee recognition</li> <li>• Training/Professional Development</li> <li>• Org Values/Culture</li> <li>• Staff Retention</li> <li>• Sr. Staff Experience - 250 years of executive management experience</li> <li>• Competitive salaries/benefits</li> <li>• Succession Planning</li> <li>• Leadership Development</li> <li>• Good relationships with labor groups</li> <li>• Performance management/high expectations</li> <li>• Leading edge/visionary org on the financial side</li> </ul> <p><i>Customer Experience</i></p> <ul style="list-style-type: none"> <li>• Great Customer Service/Reno Flight Experience</li> <li>• Facility appearance/"Sense of Place"</li> <li>• Terminal Enhancements/Concessions</li> <li>• Convenience/Functionality/Efficiency</li> <li>• Geographical Location/Everything in Close Proximity</li> <li>• Convenient Terminal Facilities (rental car, parking, ticketing and check-in, etc.)</li> <li>• Ground Transportation (shuttles)</li> <li>• Current level of Air Service (in comparison to comparable sized communities)</li> <li>• Immediate access to freeways</li> <li>• Communicating with the community</li> <li>• Media Relations/Social Media</li> </ul>	<p><b>Opportunities</b></p> <p><i>Staff</i></p> <ul style="list-style-type: none"> <li>• Org-branding/awareness of RTAA mission, culture, values, etc.</li> <li>• Employee cross-training (to improve knowledge transfer)</li> <li>• Change in CEO</li> <li>• Enhanced wellness program for better health of employees</li> <li>• Continued recognition and acknowledgement</li> <li>• Adaptability - flexible to incorporate the next generations within the workforce</li> </ul> <p><i>Airport Partners/Tenants</i></p> <ul style="list-style-type: none"> <li>• Foster recognition</li> <li>• Shared tenant services /IT infrastructure</li> </ul> <p><i>Customer Experience</i></p> <ul style="list-style-type: none"> <li>• Tech friendly airport</li> <li>• Advertise: Parking validation for local customers eating/spending money at the airport (\$50)</li> <li>• Renew and refresh concessions based on targeted demographics (includes wine bar, live music, location of slots, etc.)</li> <li>• Maintain relationship with TSA/Security</li> <li>• Plan for additional inter-modal opportunities (long-range planning)</li> <li>• Improve Way-finding/Signage</li> </ul> <p><i>Media Relations/Social Media</i></p> <ul style="list-style-type: none"> <li>• There is always opportunity (embrace the latest and greatest)</li> </ul>
<p><b>Weaknesses/Areas for Improvement</b></p> <ul style="list-style-type: none"> <li>• Knowledge Transfer</li> <li>• Capacity/Resource Alignment</li> <li>• Office Space for Employee Expansion</li> <li>• Lack of understanding of board/staff responsibilities</li> </ul> <p><i>Customer Experience</i></p> <ul style="list-style-type: none"> <li>• Aging technology (parking revenue control system)</li> <li>• Size constraints of current concourse</li> </ul>	<p><b>Threats</b></p> <p><i>Staff/Org</i></p> <ul style="list-style-type: none"> <li>• Recruitment of staff by other airports</li> <li>• Retiring employees</li> <li>• Expectation to do "more with less"</li> <li>• Unique nature of our positions here/skills required (requires recruitment from other airports)</li> <li>• Employment Laws</li> <li>• Federal Mandates</li> <li>• Labor Costs (Health Care, Policies Uncertainty, etc.)</li> </ul> <p><i>Customer Experience</i></p> <ul style="list-style-type: none"> <li>• Security requirements/mandates</li> <li>• Changes in Route Structure</li> <li>• Airline Consolidation</li> <li>• Fuel price fluctuations/impact on airfare</li> </ul>

# STAKEHOLDER REPORT - EXECUTIVE SUMMARY

## PURPOSE AND PROCESS

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The purpose of this report is to provide input into the FY13-17 strategic planning process for the Reno-Tahoe Airport Authority.

- The following feedback represents input from 7 areas that influence the Reno-Tahoe Airport Authority collected in February 2013.
- Stakeholder Survey results from respondents was collected via an electronic survey sent out to gather input from airport stakeholders.
- Six meetings took place to solicit input related to priorities, trends, strengths, areas for improvement and the future direction of the RTAA.
- This summarized input will help guide the strategic planning process going forward for the RTAA.

### Report Overview:

- The following report includes the Executive Summary, which is a high-level view of the full area reports.
- Please refer to the Comprehensive Stakeholder Report for additional detail located on the RTAA website.

### Research Note

Data represented in this document is gathered from several different in-person meetings and an online survey. Participation in these forums was optional and open to anyone who wished to contribute because input was intended to be broad, diverse and leverage existing communication channels established to connect with users.

The data is not a statistically significant representation of community sentiment, as the total population for each segment is not completely known. Rather, it is a *qualitative summary of various perspectives* which will guide the Board of Trustees as the strategic plan is developed.

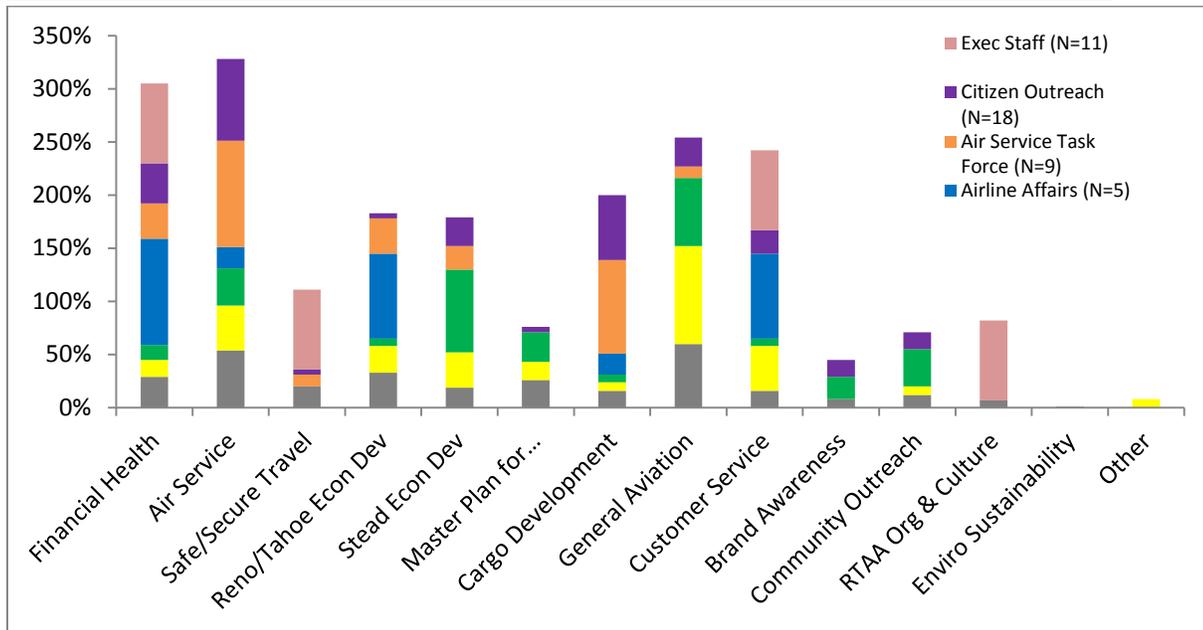
## STAKEHOLDER INPUT - EXECUTIVE SUMMARY

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### Takeaways & Key Insights

- Increasing air service takes a collective, united community-wide effort to create demand – the airport alone cannot change the level of air service.
- All users of the airport – public, cargo and GA – together make a vibrant, healthy airport for the region.
- Continual change in the aviation industry coupled with the regional economic uncertainty requires the RTAA to be flexible, agile and responsive to changing needs.
- Providing a safe and secure environment as well as remaining financially stable are key foundational elements that must be preserved and sustained.
- The airport is viewed as an engine that is critical to the economic development of the region.

**Top three priorities from across all groups are 1) Air Service, 2) Financial Health, 3) General Aviation.**



**Priorities by Group**

<b>Stakeholder Survey</b> (Community at Large)	<ul style="list-style-type: none"> <li>• Support all aspects of General Aviation</li> <li>• Maintain and enhance Air Service</li> <li>• Pursue Economic Development at Reno-Tahoe International Airport</li> <li>• Maintain the Financial Health of RTAA</li> </ul>
<b>RTIA User Group</b> (General Aviation Perspective)	<ul style="list-style-type: none"> <li>• Support all aspects of General Aviation</li> <li>• Maintain and enhance Air Service</li> <li>• Provide enhanced Customer Service</li> </ul>
<b>Stead User Group</b> (Stead User's Perspective)	<ul style="list-style-type: none"> <li>• Pursue Airport Economic Development at Stead</li> <li>• Support all aspects of General Aviation</li> <li>• Strengthen Community Outreach within our community</li> </ul>
<b>Airline Affairs Committee</b> (Corporate Perspective from Airlines)	<ul style="list-style-type: none"> <li>• Maintain Financial Health of the Airport/Low Cost Structure</li> <li>• Pursue Economic Development Opportunities at RTIA and Stead</li> <li>• Maintain/Enhance Customer Service</li> </ul>
<b>Air Service Task Force</b> (Business Community)	<ul style="list-style-type: none"> <li>• Maintain and enhance Air Service</li> <li>• Expand and Develop Cargo Development</li> <li>• Pursue Economic Development Opportunities at RTIA and Stead</li> </ul>
<b>Citizen Outreach Committee</b> (Business Community)	<ul style="list-style-type: none"> <li>• Maintain and enhance Air Service</li> <li>• Cargo Development</li> <li>• Maintain the Financial Health of RTAA</li> </ul>
<b>RTAA Staff</b> (Executive Staff Perspective)	<ul style="list-style-type: none"> <li>• Financial Health/Sustainability</li> <li>• Safety and Security</li> <li>• Customer Service/Relations</li> <li>• RTAA Org/Culture</li> </ul>

### **Maintain & Enhance Air Service**

*Intent:* Be proactive to maintain and expand service where possible through a community-wide effort to increase demand.

#### *Possible Goals:*

- Create demand through a community coordinated effort and engage businesses collaboration. (Ex: Ticket Banks and companies to pre-purchase tickets for frequent destinations)
- Expand marketing efforts to the East Coast.
- Support existing service by focusing efforts on adding more passengers/filling the planes before additional frequency.
- Stronger partnership with RSCVA to market region across the country that will package the destination “in total.”
- Seek demand from Mexico & Canada to increase International Air Service.
- Incentives– focus on Incentives.
- Lobby to pass Aircraft Parts Tax.
- Lobby State because Reno needs a “lift” if State could provide some help to get the Middle going (Reno) the whole state would be thriving.
- Improve the experience through more food and shopping facilities make a more enjoyable experience.

### **Maintain the Financial Health of RTAA**

*Intent:* Remain financially secure and flexible/agile in order to react to constantly changing needs of the industry. The RTAA is currently well positioned; important to maintain financial health and keep cost structure low.

#### *Possible Goals:*

- Maintain Stability: Continue to manage debt and maintain financial positioning – enabling the airport to remain nimble/flexible and react quickly to the changing needs of the industry by maintaining prudent reserves and liquidity.
- Continue to maintain a high level of transparency as it relates to finances, etc. - this is something that the airlines value greatly.
- Maintain low cost structure.
- Build Smart, Don’t Over Extend: Be mindful as we consider master planning and future facilities development. Ensure there is an established/forecasted need – taking a smart approach to master planning, etc.

### **Support All Aspects of General Aviation**

*Intent:* Cultivate a vibrant GA Community, cultivate as a partner to drive economic development and regional growth.

#### *Possible Goals:*

- Create the demand; make it inviting for GA - a place they *want* to be vs. the place they have to be.
- Variety of FBO’s in Reno and Stead - should have 2 competing FBO’s.
- Attractive GA Terminal Facility at Reno.
- Improved communication with GA to feel part of aviation; part of the team and organization at large.
- User Fees: Collectively address as a united front.
- Bring in New Pilots: Provide pathways, programs, education; educate youth to pursue careers in aviation such as flight Schools at the Airport.
- Fill up the hangars in Reno.

### **Provide Enhanced Customer Service**

*Intent:* Continue to enhance the whole customer experience from “curb to gate” by taking a well-rounded approach from the customers’ perspective.

*Possible Goals:*

- Create “The Betty Effect” – hospitality that comes along with feeling welcomed to all customers that “touch down” at the airfield.
- Continue to enhance the whole customer experience including improvements to retail and dining.
- Maintain a positive relationship/interaction with TSA to ensure a good customer experience overall.

### **Continue Cargo Development**

*Intent:* Strong growth and focus on cargo development has multiplying effects on growing air service and economic development, leveraging a key competitive advantage of our region.

*Possible Goals:*

- Positioning Sparks/Reno/Tahoe as distribution center – critical to have a great cargo network system.
- Community/Business Groups to Carry the Message – key issue\*\* (We need more community groups carrying the message; spread the need/desire that the demand exists).
- Tout our successes – make sure the rest of the world knows about our “wins.”
- Cargo from China is an opportunity- emerging giant in economy.
- Leverage our natural advantage – logistically better positioned than many other West Coast Regions.

### **Pursue Airport Economic Development at Reno-Tahoe International Airport**

*Intent:* Economic development with and around the airport is key to our future economic vitality.

*Possible Goals:*

- A broader strategy for the Reno-Tahoe area at large.
- Clarify RTAA’s role within the community as it relates to economic development (How does it fit? How does it compliment? How does it compete?)
- We have a lot of land that is under-utilized; Improve utilization of the airport. (Air service; Cargo; GA are the 3 things that contribute to this)

*\*Note: Many ideas regarding economic development are included in other areas such as cargo development and air service.*

### **Pursue Airport Economic Development at Stead Airport**

*Intent:* Balanced economic development to increase Stead utilization for aviation related activities while maintaining the qualities valued by the Air Races.

*Possible Goals:*

- New Terminal: Leverage and promote the new terminal to increase economic development.
- Make Stead Attractive to Pilots: Hangars, Access, Food, Terminal, Transport, Flight Planning Room, improve the old hangars on West End.
- **Attract new businesses on the Air Field.**
- Development of Adjacent Land & Commercial Development: Evolution of business around the properties; *build an economic engine centered here.*
- Promote the Airport: Attract Community: Events, Museum, etc. and create bigger Airport Signage.
- Marketing and Construction of Hangars: Need to focus on Marketing and Construction of Hangars at West End.

- Stead/Drone Development Potential: Stead is a perfect place for commercial and private development.

### **Strive to Provide the Safest and Most Secure Travel Experience**

*Intent:* Public safety and security is always a #1 focus for RTAA.

- After tragedy at Air Races; *if you are not prepared for what you expect will not happen – you can never recover.*
- From internal airport perspective - this drives so much of what we can and cannot do – from Federal Mandates, etc.

*Possible Goals:*

- Maintain/Develop Infrastructure and facilities based on responsiveness to the Market.
- Continue to be responsive to changing needs/mandates related to security.
- Maintain a good relationship with Transportation Security Administration (TSA) (also tied to customer service).

### **Coordinate a Master Plan to Coordinate Facilities and Infrastructure**

*Intent:* “Build Smarter not necessarily Bigger” ensuring there is an established/forecasted need and maintain the high standards and maintenance levels of facilities.

*Possible Goals:*

- Responsiveness to the Market: Expand and contract with market forces. (Efficiency Model: Optimize or downsize vs. expand based on the market)
- Developing the airport in accordance with the Master Plan and using that plan to provide the best possible user environment is key to both budget and service. Without a Master Plan it is difficult to coordinate efforts.
- Infrastructure at Stead, specifically the hangars on the West End.

### **Increase Brand Awareness Beyond Our Community**

*Intent:* The Airport is or at least should be the life blood of the tourism industry here in Northern Nevada and should facilitate tourism within the community and not compete with it.

*Possible Goals:*

- Proactive Marketing Campaign; *we want to bring people in.*
- Brand awareness helps the community and the community needs to help the airport – they reinforce each other.
- Marketing efforts could be combined with other local agencies to maximize effectiveness in an effort to focus on expansion to new markets.
- We need a tag line and/or slogan.

### **Strengthen Community Outreach Within Our Community**

*Intent:* Expand community outreach to increase regional understanding of the airport’s purpose and all it has to offer.

*Possible Goals:*

- Hold public events that demonstrate the use and purpose of the Stead Airport – gain more public support and awareness.
- Continue to develop community/business relationships to increase awareness around airport activities, direction, etc.

*\*Note: Many ideas regarding community outreach are included in other areas such as cargo development and air service.*

### **Sustain and Build Upon the RTAA Organization and Culture**

*Intent: Maintain/continue to enhance the RTAA organizational culture.*

- Continue being *Flexible and Agile*: Manage the airport around constant evolution/change in the industry – not ignoring potential shifts that could come about; remain flexible and prepared to react.
- Continue to provide professional development, staff growth and succession planning as part of the culture.

**Foster Additional Plans and Policies to Promote Environmental Sustainability**

*Intent:* Continue to promote environmental sustainability as part of the overall strategy to maintain an efficient, effective airport operation.

- Environmental sustainability is encompassed in the notion of financial health and running an efficient, effective operation.

# STRATEGIC PLANNING DEFINITIONS & OWNERSHIP

Planning Terms	Definitions	Quality Check
<b>Mission Statement</b>	<p>A mission statement describes an organization’s purpose or reason for existence. <b><i>Why do we exist?</i></b></p> <p>*One mission statement for the whole organization. Each department has a separate mission statement.</p>	<ul style="list-style-type: none"> <li>✔ Does the mission statement broadly describe what you do, for whom you do it, and the benefit?</li> <li>✔ Does the mission statement indicate the industry or market that the organization serves?</li> <li>✔ Does the mission statement contain enough specificity to distinguish this organization's mission from that of other organizations in the same industry?</li> </ul>
<b>Vision Statement</b>	<p>A Vision Statement defines our desired future state and provides direction for where we are going as an organization. <b><i>Where are we going? What does success look like in 5-10 years?</i></b></p>	<ul style="list-style-type: none"> <li>✔ Does the vision represent the preferred future of the organization?</li> <li>✔ Does the vision simply represent a logical extension of today, or are out-of-the-box results represented?</li> </ul>
<b>Guiding Principles</b>	<p>Guiding principles are general guidelines that set the foundation for how an organization will operate. <b><i>What are the core guidelines that explain how we will operate?</i></b></p>	<ul style="list-style-type: none"> <li>✔ As a group, do they explain a replicable and consistent success formula?</li> <li>✔ Are these non-negotiables in how we operate?</li> </ul>
<b>Strategic Priorities</b>	<p><b>Strategic Priorities (Strategies)</b> are long-term, broad, continuous statements that address all strategic areas of focus in your organization. <b><i>What must we focus on to achieve our vision?</i></b></p>	<ul style="list-style-type: none"> <li>✔ As a group, do the strategic priorities represent every one of the organization’s <b>key strategic focus areas</b>?</li> <li>✔ Are there at least three strategic priorities, but <b>no more than eight</b>?</li> <li>✔ Are the goal descriptions <b>global in scope</b> and start with “infinite” verbs?</li> <li>✔ If the organization achieves these goals, and only these goals, will the organization most likely have <b>fulfilled its mission</b>?</li> </ul>
<b>Long-Term Goals</b>	<p>Long-term goals explain what we will accomplish to achieve the strategic priorities over the life of the plan, with clear results associated with the goals. <b><i>What are the specific, measurable, attainable and time specific outcomes we expect? What are the results for each priority?</i></b></p>	<ul style="list-style-type: none"> <li>✔ Do the goals express the policy direction?</li> <li>✔ Do the goals measure results—not just activity?</li> <li>✔ If all of the goals are achieved, and only these goals, will the strategic priority be accomplished for the time period?</li> </ul>
<b>Annual Objectives</b>	<p>Annual objectives outline what will be accomplished in the short term to accomplish the long term goals. <b><i>How will we accomplish the goals in the upcoming period?</i></b></p>	<ul style="list-style-type: none"> <li>✔ Do the objectives <b>start with a verb</b> to indicate <u>what</u> you intend to accomplish?</li> <li>✔ Do they indicate <u>meaning</u> or the result/ultimate outcome of the objective?</li> <li>✔ Do the objectives outline the steps necessary to indicate <u>how</u> you will achieve the long-term goal?</li> <li>✔ Are the objectives <b>SMART: Specific, Measurable, Attainable, Responsible and Time Bound</b>?</li> </ul>
<b>Action Plans/ Work Plans</b>	<p>Action plans support the accomplishment of the annual objectives and align with individual performance plans.</p>	<ul style="list-style-type: none"> <li>✔ Do the action plans outline the specific steps necessary to achieve the objective and break them down into manageable tasks/smaller cascading actions?</li> <li>✔ Does each action step have assigned <u>accountability</u> and <u>time frame</u> for completion?</li> </ul>