



A New Approach



Reno-Tahoe
Airport Authority

Reno-Tahoe Airport Authority
Comprehensive Strategic Plan

FY 2014-2018

FORWARD

The Reno-Tahoe Airport Authority operates two of the most important economic catalysts for our region -- Reno-Tahoe International and Reno-Stead airports. Together, these airports generate \$2 billion in economic impact for the region. Our airports bring travelers to and from our casinos, ski resorts and businesses. From passenger service, to cargo, the National Guard and general aviation, the Reno-Tahoe Airport Authority is committed to providing the region with the highest level of facilities and services while positioning the airports to be a catalyst for regional growth.

To help guide the future of the RTAA, the Board of Trustees has approved a **Strategic Plan**. It is a five-year guide, with the flexibility and forethought to guide the Trustees and staff through an ever-changing aviation industry. It was created through a public process that invited participation from airport committees, user groups, the board, staff and the public.

5 Strategic Priorities



The RTAA Board of Trustees and staff established a vision for the future and 5 Strategic Priorities. The Priorities focus on elements the Board 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 the RTAA's continued success. 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 that emphasizes our commitment to ensuring customers, tenants and employees have a positive airport experience.

The Strategic Plan clearly identifies the RTAA's priorities, goals and the steps that will be taken to achieve them. It will serve as the RTAA's five-year compass as we serve as the world's gateway to and from the Reno-Sparks-Tahoe region.

ALL ABOARD FOR SUCCESS



Achieving the priorities and goals of the **New Approach** will require a true community effort. For the next five years, the Board of Trustees and airport staff must engage the public, the business community, tourism industry, airport stakeholders, customers and airport staff to take the airports to a higher level. This kind of all-inclusive community effort will require time and dedication. But the end result will be more than a successful plan — it will be a true sense of partnership between the airport and the entire region.



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



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.

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 PRIORITIES

OVERVIEW

The five strategic priorities provide the framework for the strategic direction of the RTAA over the next 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 #1: Increase Air Service

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 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

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 Maintenance Repair Operations (MRO's), Fixed Based Operators (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 RTAA and Reno-Stead. It is the RTAA's 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.

STRATEGIC PRIORITY #3

Expand Cargo Development and Service

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



Rationale: Enhancing long-term financial stability and remaining self-sufficient is a foundational strategy for the Reno-Tahoe Airport Authority. 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 and leveraging this asset to enhance economic development for both the airport and the 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

Rationale: First-class customer service is part of the RTAA'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, supporting hospitality for all customers.

In addition, the RTAA 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.



2013-14 STRATEGIC PRIORITIES & LONG-TERM GOALS

Increase Air Service

- **Current Air Service**
Maintain scheduled airline service and continue to strengthen relationships with existing air carriers.
- **New Air Service**
Pursue new or expanded air service opportunities resulting in a net gain in air service.
- **Low Cost Ops**
Maintain the low cost airport environment by staying within the lowest 25% of medium hub airports.
- **Safe & Secure**
Maintain a safe and secure customer environment from ground transportation arrival to departure and return with our security partners.
- **Facilities**
Continue to optimize the terminal facilities to address market demand services needed in a cost-effective manner.
- **Community Collaboration/Partnerships**
Facilitate community collaboration and partnerships to increase awareness and opportunities for enhanced air service.

General Aviation Operations & Services

- **GA Community**
Support a vibrant GA community through optimizing the GA customer service experience.
- **Reno-Tahoe General Aviation Service Providers**
Encourage Reno-Tahoe GA support through a variety of service vendors (such as FBOs, MROs, etc).
- **Reno-Stead General Aviation Service Providers**
Encourage Reno-Stead GA support through a variety of service vendors (such as FBOs, MROs, etc).

Cargo Development

- **Current Service**
Maintain existing cargo support service to retain current cargo volume.
- **New Service**
Position the region as a West Coast distribution point by actively growing cargo development at RTIA.
- **Facilities**
Continue to optimize infrastructure to address market demand in a cost-effective manner.

Economic Development

- **Airport Land and Building Utilization at Reno-Tahoe**
Facilitate airport land development and airport-owned building occupancy to optimize and diversify the revenue portfolio.
- **Airport Land and Building Utilization at Reno-Stead**
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.
- **Non-Airline Revenue**
Maximize all non-airline revenue at both airports (parking, concessions, rental cars, RNO and RTS land and building rents, etc.) to optimize and diversify the revenue portfolio.

Positive Environment

- **Customer Experience**
Continually improve customer convenience and service, supporting hospitality for all customers.
- **Training & Innovation**
Continue to strengthen the professional development, skills and abilities of the RTAA staff and the Board of Trustees to stay proactive in industry changes, demands, best practices and strategic shifts.
- **Governance**
Foster trust and a collaborative, supportive environment (working relationship) between staff and the Board of Trustees.
- **Org/Staff Environment**
Maintain and enhance the positive RTAA environment and organizational values.

Reno-Tahoe Airport Authority

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