



STRATEGIC PLAN

FY 2024-2028



Reno-Tahoe
Airport Authority



LETTER FROM THE PRESIDENT/CEO

As the Reno-Tahoe Airport Authority (RTAA) embarks on a historic time that will redefine air travel in the region for generations to come, we are excited to share the FY 2024-2028 Strategic Plan.

With the launch of MoreRNO, the largest infrastructure program in the airport's history, we are positioning the RTAA and regional travel for success for years to come. This five-year guide will allow airport staff from Reno-Tahoe International (RNO) and Reno-Stead Airports (RTS) to navigate a well-planned course for success for our airports and community.

As passenger traffic at RNO mirrors the impressive growth in our region and serves as an economic driver for Reno-Tahoe, RNO is well established as a vital transportation hub and this strategic plan will continue to help pave the way for success.

The almost \$1 billion investment in infrastructure of MoreRNO will bring RNO into the future. It will provide decades of capacity to meet the needs of the growing region, which is now the home to tech giants like Panasonic and Tesla, boutique hotels, craft breweries, a thriving local art scene and year-round outdoor adventure, adding to the always thriving tourism and gaming scenes offered in Reno-Tahoe. The construction is expected to have a \$2 billion economic impact for the region. This Strategic Plan will support this important path to the future.

As it has always been at RTAA, safety is a top priority and we will continue to run safe and efficient airports. We are proud to provide memorable, positive travel experiences for our region.

Sustainability is another focus of this plan, as we make decisions with a long-term perspective to ensure the continued viability and future of the organization and the community we serve.

Finally, as the Reno-Tahoe region continues to grow and the RTAA invests in a great team to support this growth, the strategic plan is presented at the perfect time. The importance of culture has become even more evident as airport employees are our most valuable resource. While leaders have long worked to adapt and flex with change, at no time has this been more vital than the next five years as our airports plan and build for the future. A team with a strong plan, that feels engaged and empowered, will help the vision of MoreRNO become a reality that lifts our spectacular region for generations to come.

Sincerely,



Daren Griffin
President/CEO
Reno-Tahoe Airport Authority



TABLE OF CONTENTS

SECTION ONE

Process Overview..... 2

SECTION TWO

Mission Statement..... 5

Business Description..... 5

Core Values..... 5

Vision Statement..... 7

Strategic Priority Overview..... 7

Annual Review & Metrics..... 8

SECTION THREE

Strategic Priority Detail..... 9

 Safety and Security..... 10

 People..... 11

 Facilities for the Future..... 12

 Air Service and Cargo..... 15

 Financial Stewardship..... 17

 Customer Experience..... 19

 General Aviation..... 20

 Sustainability..... 21

SECTION FOUR

Performance Measures..... 23



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SECTION ONE

PROCESS OVERVIEW

Purpose and Planning Process



Process Overview

» Purpose of the Strategic Plan

The purpose and desired outcomes of the RTAA FY 2024-2028 Strategic Plan are:

- **Shared Vision** - A strategic vision for the organization that is shared by staff and Board of Trustees.
- **Strategic Direction** - Core strategies that will help guide the RTAA over the next five fiscal years.
- **Roadmap** - A high-level plan to guide priority setting and serve as a helpful road map for staff and the Board of Trustees.
- **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 the Executive Team.
- **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

The FY 2024-2028 planning process was initiated in November 2022 before the previous plan was set to expire in June 2023. RTAA's Executive Team was charged with developing the Strategic Plan. The Executive Team primarily responsible for the development of the plan included: Daren Griffin, President/CEO; Randy Carlton, Chief Finance and Administration Officer; Gary Probert, Chief Planning and Infrastructure Officer; Cris Jensen, Chief Operations and Public Safety Officer; Tina Iftiger, Chief Commercial Officer; Larry Harvey, Chief People, Culture, & Equity Officer; Brian Kulpin, Chief Marketing and Public Affairs Officer; and Ian Whitlock, Chief Legal Officer.

After a thorough review of the FY 2019-2023 Strategic Plan, the Executive Team determined that the strategic objectives were still relevant. It was agreed they needed to be updated for the next five fiscal years.

Planning Process Mission

The mission of this project is to review and update our current five-year strategic plan for another five fiscal years. The core team of Chief People, Culture & Equity Officer and Chief Finance and Administration Officer, with support from various RTAA team members will brief the Executive Team throughout each phase to ensure stakeholder alignment.

Project Goal & Outcomes

To present each section in a concise manner, update goals and projects identified over the next five fiscal years, and prioritize key metrics.

Identify Strategic Planning Update Champions

Subject Matter Experts for each objective were identified and assisted in the rewrite of their section.



Phase I: Review Section and Redraft

Key Points:

- Be concise: one page per priority, if possible.
- Integrate with MoreRNO infrastructure program plans.
- Identify at least one key metric to measure progress.

Phase II: Feedback and Changes

- Update and obtain feedback from the Executive Team.
- Board workshop feedback.
- Management roundtable feedback following the Board Workshop.
- Employee group feedback before finalizing.

Phase III: Finalize New Strategic Plan Draft

Obtain Executive Team approval.

Phase IV: Board Approval

May 2023 – Bring updated plan to Board meeting for presentation and obtain feedback.

June 2023 – Bring final draft to Board for approval.

Phase V: Share

June/July 2023 – Share new plan with all employees.



SECTION TWO

STRATEGIC DIRECTION

Mission, Vision, Values and Strategic Priorities



Mission Statement

Below is the RTAA's core purpose, our aspiration for the future, and the answer to “*why we exist?*”

We Move You! We Bring the World to Reno-Tahoe and Reno-Tahoe to the World.

People – We not only move individuals from place to place, but we *move* them by providing a memorable and positive travel experience. This speaks to customer service, as well as the cleanliness, safety, and efficiency of our facilities. We Move You!

Businesses – We help businesses meet their objectives by affording them efficient, cost-effective, and convenient travel routes. We also offer facilities for tenants and vendors, bringing customers to them. This speaks to our marketing and business development functions. We Move You Forward!

Air Transportation Industry – We help our industry advance by actively participating in development of new equipment, processes, and technology such as Unmanned Aircraft System (UAS) development. We provide facilities for UAS testing. We Move You Upward!

Communities – We provide and stimulate economic opportunity and growth for the communities in our catchment area. As the region's gateway to the world, we serve the community by bringing in goods and resources. We are proud to improve the Reno-Sparks-Tahoe community. We Move Together!

Employees – We invest in our employees, and we treat them with respect. Through career development, wages and benefits, health programs, team building activities and employee assistance programs, we help our employees achieve their goals and to live healthy and happy lives. We Move as One!

Business Description

Below is a straightforward and pragmatic description of “*what we do.*”

The RTAA provides and maintains air transportation facilities and delivers safe customer support services for the benefit of the region, while being financially self-sustaining.

Core Values

These guiding principles answer the question of “*how do we behave?*”:

THRIVE:

Teamwork for Results

Honesty & Integrity

Respect & Recognition

Inspire & Innovate

Versatility

Enthusiasm for Excellence



» Teamwork for Results

Teamwork is the foundation of any successful organization. In the working world, teamwork means staff needs to be able to trust one another in order to perform at the highest level and achieve the greatest results – regardless of what we are working on. This means that everyone on the team is empowered to do their best work, knowing that support is there when needed and that they have the autonomy to use their best judgment in any given situation. Working hard and having fun can be achieved simultaneously.

» Honesty & Integrity

Honesty and Integrity are the first cousins of Trust. When staff operates from a position of honesty and integrity, all our interactions are more effective because we are working on an even playing field. Each employee trusts that other's words and actions are spoken and performed with good intentions for the individual as well as the organization. When all employees do the right things for the right reasons, everyone benefits. All employees are enabled to communicate their opinions and ideas honestly and directly.

» Respect & Recognition

Respect and Recognition are both given and received. In a respectful environment, communication is open and courteous regardless of the subject matter or circumstance because every person who works here is of critical importance to the mission. The RTAA team will recognize and celebrate the good things employees do, both individually and as a team. Staff seeks to understand other viewpoints before arriving at decisions.

» Inspire & Innovate

All RTAA employees have the capacity to Inspire and Innovate. With our respective talents and passions, every time we interact with another person, each individual can start the ripple effect that moves through the organization, igniting each of us with the remembrance that each of us does important work and impacts the lives of our co-workers and the community on a daily basis. With this in mind, the RTAA recognizes that each employee actively participates in the success of the organization and contributes by freely sharing great ideas. With innovation and good intentions, the occasional outcome is failure. The RTAA and its employees will use failures to learn.

» Versatility

Versatility and agility, in an organization our size, is key to adapting to an ever-changing work environment. While clear direction is important, so too is the ability to be flexible in the way staff approach tasks, challenges, and opportunities. There is rarely only one way to do something, and each of us may need to explore various options in order to achieve the greatest success. Versatility provides the flexibility for all employees to support and assist each other during operational necessity and/or emergency situations.

» Enthusiasm for Excellence

A positive attitude can really take you places. By choosing to bring an enthusiasm for excellence to every task staff undertakes, the RTAA recognizes the value of each employee's work and a spirit of continuous improvement. In a collaborative environment, where each person's contribution matters, a spirit of continuous improvement is achieved, and our best efforts lie in the next opportunity. This value aspires to create standards that others in the airport industry want to duplicate.

Vision Statement

The RTAA’s vision for the future answers the question of “*what will the RTAA look like in 10-20 years?*”

The RTAA will provide modern, safe, convenient facilities and deliver customer satisfaction that is a source of community pride and serves as a significant contributor to the region’s economic health.


- **Nationally Respected** - The RTAA staff are innovative and adaptive, positioning the organization to embrace and pivot to changes through adapting to new technology, consumer trends and regional needs.
- **Modern, Safe and Convenient Facilities** - Our facilities are customer focused, adhere to the highest safety and security standards, and are environmentally sustainable.
- **Customer Satisfaction** - The RTAA staff provides value to customers and enables tenants to prosper.
- **Community’s Pride** - The organization is the best place to work that demonstrates forward thinking, and employee-focused values with a highly skilled, engaged workforce.
- **Significant Contributor** - The RTAA is a valued community partner and respected as a hub of the community, with RNO being easily accessible, meeting the community’s needs of convenience and ease of travel.



Strategic Priority Overview

The strategic priorities provide the framework for the direction of the RTAA over the next five fiscal years. With a holistic focus across the whole organization, the priorities provide clarity on the intent of how the RTAA will achieve its vision.

- **Safety and Security** - Create a safe and secure environment for everyone who utilizes the Reno-Tahoe International Airport and Reno-Stead Airport.
- **People** - Bolster our employees who are the current and future strength of our organization.

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- **Facilities for the Future** - Optimize existing facilities and construct new infrastructure at both airports to address market demand by implementing the MoreRNO Program and Airport Capital Improvement Program (ACIP).
 - **Air Service and Cargo** - Retain and increase air service and cargo.
 - **Financial Stewardship** - Establish a culture of fiscal integrity; responsibly manage our business costs, diversify revenues, engage commercial business opportunities, and pursue grant funding, and the prudent use of debt financing for MoreRNO projects.
 - **Customer Experience** - Provide a positive environment and experience for all.
 - **General Aviation** - Support and elevate general aviation at both airports.
 - **Sustainability** - Operate and manage both airports with a holistic approach reflecting sustainability policies and practices along with environmental stewardship.

Annual Review & Metrics

Qualitative and quantitative metric reports will provide regular updates on progress. An annual review will be provided to the Board in the first quarter of each fiscal year. This is in addition to monthly reports and updates to the Board on items, such as MoreRNO and our financial position.



SECTION THREE

STRATEGIC PRIORITY DETAIL

Long-Term Goals

Safety and Security

Create a safe and secure environment for everyone who utilizes the Reno-Tahoe International Airport and Reno-Stead Airport.

The RTAA has a successful record of implementing safety and security measures required of our commercial airport, which operates 24/7, and our general aviation airport. The RTAA continues to improve training for our employees as well as methods and systems that enhance safety and security for our employees and the traveling public.

The strategic approach builds on our safety and security as follows:

Extending security and safety plans and training beyond what is legally required - As safety and security risks have evolved beyond the traditional response to an aircraft accident, it is imperative that we are prepared for all types of hazards in the airport environment. This plan includes not only an appropriate response to the initial emergency, but also continuity of operations for situations that can have a longer lasting impact.

Being proactive - Active airport policing, security, and fire prevention measures are at the core of our Airport Police and Fire Department strategic initiatives and our Airport Security Plan. While safety and security responses are often reactive in nature, it is imperative that airport safety and security are based on proactive efforts.

Being inclusive - A catastrophic event can quickly exhaust the available resources of the RTAA, so we continue to train in emergency preparedness with our employees, tenants, and community partners to enhance the effectiveness of our response.

Considering design and technology as opportunities - New technologies are continually developed helping us increase safety and security, creating positive customer experiences. The airport looks at ways to use facility and infrastructure projects as part of technology and environmental design that positively impacts safety and security.

People

Bolster our employees who are the current and future strength of our organization.

The RTAA recognizes our people are the foundation of operating a world-class airport. Maintaining and enhancing our organization's values fosters collaborative and supportive working relationships.

In order to stay proactive in a changing industry, it is critical to invest in people while cultivating and supporting a respectful organizational environment. We will focus on training and innovation to strengthen the professional development, skills, and abilities of our people.

The strategic approach to achieve this priority focuses on:

Continuing to build a strong culture - A focus on fueling our vibrant workplace by continuing to engage, recognize, and value our employees will enhance employment experience, and perpetuate passion for our values. We will continue to apply the principles of Enterprise Leadership, to develop collaboration, communication, and alignment between employees and departments.

Encouraging and investing in employee development - Leaders exist at all levels and it is the RTAA's job to be on the lookout for internal talent to grow and nurture. Formal and informal programs, coaching and mentoring relationships, professional associations, and a wide variety of "teachable moments" will support future growth. Internal opportunities are plentiful through succession planning, participation in trouble-shooting teams, timely performance feedback, tuition reimbursement and scholarships, and internal and external leadership coaching. We plan to develop a formal Leadership Academy with a focus on Culture and Enterprise Leadership at its core.

Enhancing workforce planning - Nurturing a forward-focused framework is necessary to ensure that the workforce is appropriately aligned to efficiently and effectively support the needs of the organization. This includes succession planning, Diversity, Equity, & Inclusion programs, and proactive recruiting and retention.

Facilities for the Future

Optimize existing facilities and construct new infrastructure at both airports to address market demand by implementing the MoreRNO Program and Airport Capital Improvement Program (ACIP).

As the region continues its unprecedented growth, RNO's facilities must be proactively enhanced to keep pace with the rapid changes. The MoreRNO program will meet the needs of RNO's growing customer base, tenants and staff well into the 21st century. RNO's infrastructure needs are supported by the RNO Master Plan, Landside Study, Concourse Planning Study, and the Workspace Study.

The strategic approach to create facilities for the future is:

Relieving congestion in parking lots and rental car facilities - RNO's growth, and a change in passenger travel patterns, are resulting in longer parking stays and overflow into our public parking facilities. The RTAA implements overflow procedures and requires off-site parking during peak periods. A Ground Transportation Center (GTC), which includes a consolidated rental car facility, is anticipated during the strategic plan period. The GTC will improve rental car operations: access, fueling and electrical charging infrastructure, and will address current and anticipated needs of ground transportation operations: for shuttles, rideshares, taxis and public transit. Once completed, the RTAA will regain approximately 750 parking spaces in the parking garage. RNO will also continue to construct additional parking lots on airport property to accommodate additional demand.

Replacing RNO Concourses - The existing concourses are over 40 years old. The RTAA needs to modernize, future-proof and reconstruct Concourses B and C to provide more for growing demand. The New Gen B&C project will include 28 new gates, expand spaces for amenities, concessions and hold rooms, improve wayfinding in the connector and concourses, and add more art and architecture inspired by the region. The construction of new concourses will enhance aircraft movement with dual taxi-lanes and improve the efficiency of operations on the ground floor for airlines, maintenance, and concessions.

Modernizing the RNO Terminal Building -

- **Expanding the Ticketing Hall** - The Ticketing Hall Expansion project expands the footprint of the building by 10,000sf. It improves queuing and circulation, and includes new restrooms in the ticketing hall. The project enhances customer experience through better wayfinding, the addition of public art and future technology accommodations, including common use areas.
- **Adding an Administration Headquarters and Police Station, "The HQ"** - Relocate the administration headquarters near the terminal building to provide a better use of the existing space for airlines and tenants. In addition, the police will move from Concourse B to a new location providing better access to airside and landside. The planning study has identified a collocated building south of the ticketing hall. The building(s) shall incorporate the latest technologies, office configuration and security requirements.
- **Reconstructing the Loop Road, "The Loop"** - The loop road shall be reconstructed due to aging

Facilities for the Future

» Continued

concrete and will provide full ADA compliance at the curb in front of the ticketing hall as well as on the center median. The Loop Project improves security by protecting passengers and the ticketing hall building along the curb by “hardening” the areas with the use of bollards. Canopies will be installed along the island and south of the ticketing hall to provide shelter for passengers.

Constructing and modifying the RNO Airfield - The airfield is in good condition and meets FAA standards, however, new airfield projects need to be implemented to improve aircraft efficiency as noted by the FAA. The following are identified airfield improvements:

- **Constructing a General Aviation (GA) Run-Up Area** - A GA run-up area for propeller aircraft will allow them to perform system checks prior to departure.
- **Renaming the Airfield Signage and Taxiway** - Improve the airfield by addressing non-standard signage of the taxiways and intersections that do not comply with FAA design guidance including new taxiway designations and signage.
- **Maximizing the ACIP** - The FAA’s Airport Improvement Program (AIP) grants and other federal funding opportunities are vital for the projects listed in the ACIP.
- **Relocating the Cargo Apron** - Work with a private developer to relocate air cargo to the southwest quadrant of the airport. If development occurs, provide taxi lane connectors and portions of the apron to access the cargo buildings.

Developing a financial plan and negotiating business agreements - In order to provide funding for projects identified in the RNO Master Plan, MoreRNO, and other studies, staff will review each project to identify funding sources and eligibility. For each capital project, a plan of finance will be developed based on a detailed programmatic study, design, and cost estimate. Key stakeholders impacted by the project will be included in the design process. If a tenant is obligated to lease space in the facility and will be impacted by fees and rents collected by the RTAA, a business agreement will be negotiated and executed prior to notice to proceed with construction.

Incorporating the Art Master Plan - Art will take a more prominent role with each project of MoreRNO, creating a positive experience that is in touch with our region.

Maintaining existing facilities at both RNO and RTS and supporting third-party private investments - There is a significant investment in existing infrastructure at both airports. To optimize and extend the useful life of these assets, staff will continue its ongoing programs of preventive maintenance and major rehabilitation. The RTAA will support and facilitate third-party private investments in facilities at both airports.

Initiating an FAA-funded Airport Master Plan and Airport Layout Plan update for RTS Airport - With progress on the Dermody non-aeronautical development, potential changes to the National Championship Air Races, growth in wildland fire operations, redevelopment of Nevada Army Guard facilities, and a region-wide shortage of general aviation aircraft hangars, the timing is right to initiate an update to the RTS Master Plan and Airport Layout Plan, pending AIP grant funding from the FAA. An update to the 2010 RTS Master Plan would consider current operations and activities, including Unmanned Aerial Systems (UAS) operations, dwindling industrial land availability in the region, and housing growth in the North Valleys.

Air Service and Cargo

Retain and increase air service and cargo.

Retaining and increasing commercial air service and cargo activities are essential to the region's economic growth and the RTAA's long-term success. Growth in commercial air service depends on three pillars – airlines, the RNO airport, and market demand, which are driven by economic environment, inbound business/tourism, and outbound business/leisure. The RTAA supports and nurtures these pillars throughout RNO's catchment area, extending to Lake Tahoe, Susanville, Gardnerville, and Elko while improving the perception of the region as a year-round airline market. RNO continues to work closely with airlines and community stakeholders to retain, expand, and attract air service.

This process, with a focus on short, medium and long-term goals, supports strategies to retain and increase air service and cargo activities over the next five years and are as follows:

Retaining and expanding existing air service - RNO is better positioned for growth than most airports due to the outdoor recreation amenities, continued economic diversification, changing demographics, and recent population growth. RNO posted high passenger and capacity numbers in 2022 and while the airline industry is projecting future growth, challenges still exist. U.S. seat capacity is constrained due to aircraft retirements and delays in new aircraft deliveries, and staffing and operational challenges forced the airlines to reduce capacity. Staff will continue to monitor trends, airline strategies, and RNO route health, to identify and address weaknesses or market shifts before they adversely affect RNO air service. The strategy is to sustain the current diversification of airlines, with a balance of ultra-low-cost, low-cost, legacy, and international carriers, and retain and expand existing airlines, seats, and routes.

Pursuing new opportunities that are operationally viable - Several domestic "opportunity markets," are routes on the cusp of warranting new, nonstop service, most of which are long-haul markets. Given the current airline constraints, and to ensure maximum airline revenue on aircraft utilization, securing longer haul markets will be challenging in the short term. RTAA is implementing common-use technology, offering shared spaces for airport check-in, to help accommodate more airlines and flights.

The current U.S. Customs and Border Protection (CBP) hours of operation, and facility constraints, limit RNO's international targets. Thus, the short-term international strategy will be to focus on pre-cleared nonstop flights from Canada and narrow body aircraft flights from Mexico/Central America.

Data-based decision making and strategic planning - Several data sources are used to monitor flight schedules, market demand/shifts, and airline route health. In addition to traditional air service sources and airport-led surveys, RNO partners with local stakeholders to understand passenger travel behaviors and identify leisure/business market demand.

Strengthening community awareness and support - The growth and sustainability of air service is dependent upon partnerships, communication, and marketing to the catchment area. RNO continues to add new partnerships and strengthen current ones with the regional conventions and visitors' authorities, the Economic Development Authority of Western Nevada (EDAWN) and Nevada Commission on Tourism

Air Service and Cargo

» Continued

(Travel Nevada). RNO will continue the community awareness program that includes air service educational sessions and local presentations/meetings.

RNO will continue to work closely with the Regional Air Service Corporation (RASC) and assist in increasing membership, which benefits air service development. RNO will also work with RASC and the Reno-Sparks Convention & Visitors Authority (RSCVA) to ensure their support complements the RTAA strategy.

Increasing airline regional awareness - In addition to data, airlines consider local demand and the economic environment of the market they're interested in serving. RNO will focus on bringing airline representatives to the Reno-Tahoe region to showcase the area using exclusive invitations, special event attendance, Familiarization (FAM) Tours, and more.

Retaining and expanding air cargo - FedEx, UPS, and DHL, are the primary air cargo operators at RNO. In addition, certain passenger airlines carry belly freight, offering an opportunity for increased revenue.

The greater Reno-Sparks-Tahoe region is one of the nation's strongest and fastest growing economies and is a major hub for technology, manufacturing, logistics, and innovation.

RNO has an opportunity for increased air cargo operations through land development. Air cargo operations at RNO are mainly conducted through two privately-owned facilities and one RTAA-owned facility. The owners of the private facilities have land leases with the RTAA that will expire within five years. The increase in cargo activity, the opportunity for new operators to enter the market and the expiration of leases create perfect timing for the development of new air cargo facilities. The RNO Master Plan identifies the southwest quadrant, an approximately 100-acre parcel on the southwest portion of the airfield, as the preferred site for new facilities.

Keeping abreast of industry and technology changes - New technology may allow for commercial use of Unmanned Aerial Vehicles (UAVs) and smaller piloted aerial vehicles that could alter normal flight patterns and their uses for travelers.

Financial Stewardship

Establish a culture of fiscal integrity; responsibly manage our business costs, diversify revenues, engage commercial business opportunities, and pursue grant funding, and the prudent use of debt financing for MoreRNO projects.

The RTAA business model is built on a principle of financial self-sufficiency. Revenues are generated at the airports from aircraft landing fees, facility rentals, concessions, land leases and other charges for service. No local taxes or fees fund RTAA's operations. Airport revenues are highly regulated by the federal government and can only be used for qualified purposes. An approved annual budget establishes our fiscal priorities and forecasts of revenues and expenses for the coming year. Budget planning addresses major capital improvement projects to repair, rehabilitate or replace airfields, roadways, terminal buildings, other facilities, and major equipment. Funding sources for major capital projects includes grants, customer facility charges, passenger facility charges, non-aeronautical revenues, or RTAA funds. There is also the option to issue airport system revenue bonds or special facility bonds to finance major projects.

Our strategic approach to financial stewardship is:

Managing business costs to operate the airports effectively and efficiently - We will prioritize budgetary operating expenses to be within a range of increase from four to six percent annually. We plan to maintain sufficient reserves adequate to withstand major revenue interruptions, while also positioning the RTAA to obtain an investment grade bond rating on future airport system revenue bonds. Accordingly, we will strive to meet or exceed the Board-approved fiscal policy calling for a minimum target of 365 Days Cash on Hand.

Diversifying revenues by preserving and expanding land lease revenues through private capital investment in RTAA-owned vacant land - Enable interest from private developers to improve non-aeronautical and aeronautical land, including a new general aviation fixed based operation, new facilities and a relocation of air cargo operations per the RNO Master Plan, and the further development of other available commercial land. At the RTS Airport, facilitate private investment into general and business aviation and industrial land to realize the vision of an airfield-centric business park. Land leases from these developments are key to diversifying revenue sources that are not dependent on passenger airline market cycles. An update of the RTS Master Plan will be performed in the next few years to assist us with identifying opportunities.

Engaging commercial business opportunities at RNO to optimize revenue and optimize passenger experience - Direct and indirect revenue sources, such as parking, rental cars and concessions, continue to evolve ensuring RTAA facilities and services meet the public demand. Parking facilities and services continue to grow and diversify to ensure a positive passenger journey. Rental car facilities are being designed to address demand and increase rental car capacity and revenues. The design and delivery of new concourses will increase business opportunities and revenues in the future. Concession space will be greater with the development of the new concourses, and we will be ready to maximize these opportunities and better meet the needs of travelers.

Financial Stewardship

» Continued

Pursuing grant funding opportunities - The Bipartisan Infrastructure Law (BIL) was signed November 15, 2021. BIL provides \$20 billion for airport-related projects and can be invested in runways, taxiways, safety, and sustainability projects as well as terminal and roadway projects. BIL allocations are spread over five years beginning in federal fiscal year 2022. The RTAA estimates it will receive approximately \$34.3 million in BIL airport infrastructure grants over the five-year allocation period. In addition, the RTAA will be competing for BIL airport terminal program grants. BIL grants are factored significantly into our funding plans for the development of two new concourses.

Financing MoreRNO through prudent use of debt - The use of debt will help finance MoreRNO capital outlays. The amount of debt however is tempered by fiscal prudence to use debt wisely and not overly encumber future generations or become an airport where debt becomes a cost barrier for airline partners. Our strategy is to establish key bond terms that result in the most favorable borrowing terms.

Customer Experience

Provide a positive environment and experience for all.

RNO and RTS Airports make the ultimate first and last impression as people come and go from our region. A commitment to kindness, respect, safety, and security, allows us to serve a diverse customer base. Our customers are defined as anyone doing business with our airlines, airport tenants, concessionaires, general aviation, the military, and our regional business community and tenants.

This strategic priority focuses on enhancing the holistic customer experience for all stakeholders by:

Providing memorable and positive travel experiences - The Paws 4 Passengers program has proven to be a wonderful asset to help alleviate the stress of travelers and will continue to be a presence in the terminal. RNO's Customer Experience Team (CX Team) will increase service to answer questions, provide wayfinding, and welcome travelers.

Technology enhancements and more intuitive wayfinding will reduce passenger anxiety and provide a better travel experience.

Empowering passengers to engage with the airport - The RTAA is creative, innovative, and spontaneous. We have award-winning customer service programs and modernized event planning. We will continue to use proactive innovations through engaging content to create a travel experience that delights passengers. We keep travelers and our community informed through multi-media: including tools on our website like real-time parking availability and route map, eBlasts, social media, and signage throughout the airport. An informed traveler is an empowered traveler.

Offering amenities - Measure and monitor the changing needs and preferences of customers to enhance facilities and services targeted at pleasing a wide range of customers. Partner with stakeholders and tenants to utilize customer data to help guide future decisions on enhancements.

Embracing technology and industry process changes - Keep abreast of technology and process changes that improve the customer experience, such as satellite baggage drop off stations.

General Aviation

Support and elevate general aviation at both airports.

The RTAA ensures both RNO and RTS airports have vibrant and diverse General Aviation (GA) communities. GA is a vital part of the community that goes far beyond private aircraft. It is a key contributor to our regional economic growth by facilitating business travel to and from our region and introducing the community to major corporations from around the world. It provides aviation access to rural areas of Nevada and northeastern California. GA also plays a significant public safety role by training future pilots.

To continue to foster an atmosphere that encourages GA services, facilities and operations growth, the strategic approach is as follows:

Maintaining, developing, and improving facilities at both airports - The RTAA continues airfield infrastructure investment at both airports with ongoing preventative maintenance and rehabilitation programs to optimize and extend the useful life of assets.

Supporting third-party private investment - The RTAA plays a critical role in future GA development at both airports and must ensure it guides and partners with private investors. Private investment is key to future GA development.

Balancing the needs of the diverse types of users and operational categories at RTS - Diverse types of GA at RTS include encouraging private investment in facilities and businesses that meet the demands of the varied GA communities and to maintain the promotion and use of the UAS Test Site. There is an important balance between the GA community, future aeronautical and non-aeronautical developments, and of special events held at RTS - all of which have impacts to the local economy.

Continuing engagement - Promotion and support of GA growth with tenants, visitors, industry groups, and community neighbors, to understand user needs and preferences is vital to understanding market demand and needs. The RTAA will work with tenants and users to promote common rules and business policies that contribute to a strong, safe GA community and sustainable airport facilities.

Supporting Fire Suppression Activities at Reno-Stead - Continue to support the BLM's fire suppression mission at RTS which is a critical for the safety of our region.

Sustainability

Operate and manage both airports with a holistic approach reflecting sustainability policies and practices along with environmental stewardship.

Sustainability is about making decisions with a long-term perspective to ensure the continued viability and future of the organization and the community we serve.

The strategic approach to sustainability and environmental responsibility is as follows:

Maintaining a healthy balance between economic viability and environmental responsibility - Economic health ensures the future operations and continued viability of our airports.

Prioritizing operational efficiency to do more with less - Operational efficiency is doing more with less because of effective management and creative ideas.

Conserving natural resources through policies, technology, recycling, and reuse - Conserving and protecting our natural resources is an important sustainability focus area.

Being exceptional community stewards and leaders in social responsibility - Enhancing the customer experience, while fostering an understanding of the value that airports provide to the community is essential. Combined with effective governance, partnerships among local and regional associations have the capacity to assist us and further our mission of sustainability.



SECTION FOUR

PERFORMANCE MEASURES

Performance Based on Strategic Measures



Performance Measures

The RTAA will be measuring the progress on our performance to these strategic objectives on a regular basis. Many key indicators are already being reported to our Executive Team and the Board on a regular basis.

Some of the key metrics are as follows.

» Financial Performance Metrics

Monthly reports and updates are provided to the Finance Committee and the Board on RTAA's operating and capital budgets. This ensures that financial objectives are monitored and reported to the Board as compared against Board-approved budgets and other financial benchmarks.

» Project Management Performance Metrics

Each month the Planning & Construction Committee will receive updates on the status of all RTAA capital projects. These updates will address project status, challenges, funding, and changes or other matters related to project completion.

» Employee Performance Metrics

Employee FTE numbers, pay, and benefits are reported in budgets and budget updates. Turnover, training statistics, internal promotions, OSHA recordable injuries, and diversity reporting will be reported at the end of the year in the annual strategic plan document.

» Air Service Metrics

- Each month air service performance metrics are reported in the CEO report to the Board.
- At the annual budget review and mid-year budget review air service performance is reported to the Board.
- Monthly passenger and cargo statistics report is prepared monthly and posted on www.renoairport.com.

» CEO Report

The monthly CEO report to the Board has updates on the performance status of the strategic objectives.

» Annual Reporting

The RTAA will create a formal document within 90 days of the end of each fiscal year to the Board of Trustees clarifying the performance status of each strategic objective.

