

Strategic Plan - 2018

OKALOOSA COUNTY AIRPORTS DEPARTMENT

MISSION STATEMENT

The Airports Department operates Okaloosa County's three public use airports consisting of the Destin-Fort Walton Beach Airport (VPS), Bob Sikes Airport (CEW), and Destin Executive Airport (DTS). The department provides safe, dependable air transportation support services in accordance with the highest standards through facilities that ensure comfort and convenience for business, military and leisure travelers. Airport functions are financially self-sufficient and accommodate a wide range of scheduled commercial air carrier service, industrial, corporate, military and private aircraft operations.

VISION STATEMENT

Over the next five years, competition for air carrier service by all airports in the region will increase while industrial demand from the aerospace sector is expected to grow as new military programs are established. Okaloosa County Airports will provide distinctive services and will be an exceptional value for customers and business partners alike by providing beneficial infrastructure and operating environments. Airport resources are committed to providing economic benefits that exceed \$810 million annually for our community and the organization strives towards being the preferred choice of customers throughout the greater Northwest Florida region and beyond. Improving public awareness and building brand loyalty is a focus.

OPERATIONS PHILOSOPHY

We believe in being helpful, reliable, open, honest, accessible, responsive, and well informed. We are problem solvers who believe in teamwork and personal commitment and who pay particular attention to cost effectiveness and fiscal responsibility. We have respect and appreciation for the public and are dedicated to providing the highest quality services for all who live in and visit our community. As we pursue our vision and carry out our mission, we will be guided by the following principles: Integrity - we will uphold the highest ethical standards in all of our operations; Customer satisfaction - we will strive to exceed customer expectations by providing world-class customer service with distinction of products; Value and competitive pricing - we will strive for competitive value to our customers, business partners, and tenants through effective use of infrastructure and resources; Safety and security - we will provide our customers with an operating environment that is safe, secure, dependable, and exceeds the highest regulatory and industry standards; Efficiency - we will maximize proficient use of all resources and encourage professional creativity so that our customers and business partners succeed; Convenience - we will provide facilities and services that are readily available, well located, and user friendly to yield the best possible experience.

Goals, Objectives, and Strategies:

Goal: To maintain the lowest cost per enplaned passenger of any airport in Northwest Florida.

Objective: Maintain the (air carrier) cost per enplaned passenger below \$4.00.

Actions:

- Further expand non-aeronautical sources of revenue.
 - Negotiate favorable Joint Use Agreement (JUA) terms with U.S. Air Force.
 - Carefully manage O&M expenditures.
 - Increase the number of travelers.
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Goal: To have the lowest airport debt per enplaned passenger of any airport in Northwest Florida while making necessary capital improvements.

Objective: Expand terminal concourse and make other necessary capital improvements without increasing the existing debt amount of \$33.29 per enplaned passenger.

Actions:

- Optimize use of FAA / FDOT entitlement and discretionary grant funding.
 - Carefully monitor and scrutinize engineering contracts and task orders.
 - Implement a debt reduction program to actively decrease long-term debt.
 - Maintain a high debt service coverage ratio (currently 3.51).
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Goal: To develop new and enhance existing non-aeronautical sources of revenue.

Objective: Increase sources of non-airline revenue so to lower airport rates and charges.

Actions:

- Market and lease cargo building.
- Identify best enterprise use and obtain USAF concurrence for development of land inside existing 130 acre leasehold.
- Develop further concession areas inside terminal building.
- Increase non-airline revenue per square foot ratio from the current \$77.08.

Goal: To broaden industrial base and increase business presence at the Crestview / Bob Sikes Airport (CEW).

Objective: Attract new companies and expand tenant occupancy on airfield and industrial park.

Actions:

- Market and lease available land parcels through industry associations.
 - Accommodate business development needs of existing aerospace companies.
 - Support military related programs by providing conducive environment for related contracts.
 - Partner with military installations for airport utilization.
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Goal: To operate all three airport facilities with efficiency, lowest possible O&M expenses, and continue to build a strong margin of revenue for each facility.

Objective: All operations and maintenance related expenses will be kept at the lowest possible level and will not exceed budgeted amounts without justification. Existing agreements and leases will be negotiated to optimize airport revenue.

Actions:

- The department will look for further benefits in contractual services.
 - Employee ratio to activity will be very low as compared to all Florida airports.
 - Build upon successes of collaboration with USAF.
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Goal: To improve public awareness of the benefits associated with having local airport services and focus on building customer loyalty in patronage Destin-Fort Walton Beach Airport (VPS).

Objective: Build upon successful advertising and marketing campaigns to showcase the attributes of airport services in order to prevent passenger leakage to other competing airports in the region with target marketing.

Actions:

- Communicate the value and economical benefits to local community.
- Implement a “service first” philosophy that encourages all employees, regardless of level, to ensure that all customer experiences are positive.
- Engage in frequent dialogue with existing airlines to ensure competitive fares, increased capacity and service to new destinations.

Competitive Advantages

The following factors, if properly applied, will give us competitive advantages in the marketplace:

1. We represent the geographic center of Northwest Florida and will apply this strength to improve air travel services and ancillary products.
2. We have proximity and access to Eglin AFB, 7 SFG Headquarters, and surrounding military installations to the benefit of Defense Department affiliated individuals and companies.
3. We can offer lower operating costs than other airports in our region.
4. We have a dependable, recession-resistant base of military and government travelers.