

Evolution of the Airport Capex Program

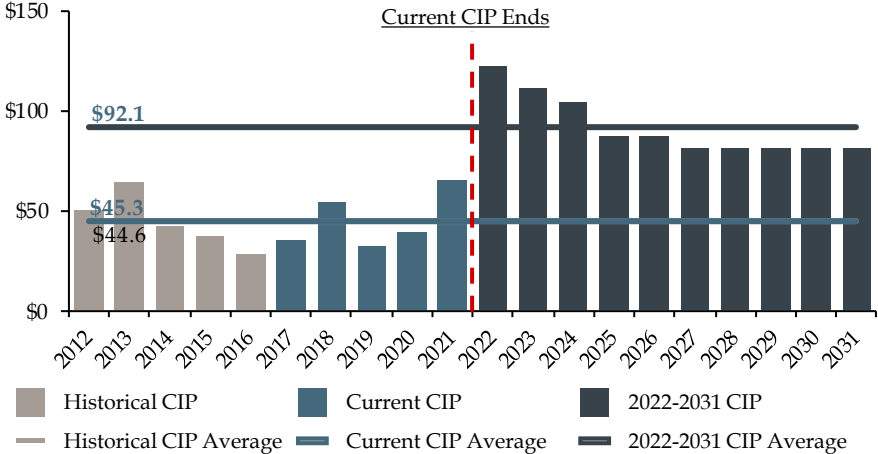
BACKGROUND

- The current Airport CIP contemplates annual capex spend of approximately \$35-65 million per year on capex
 - The current CIP extends through 2021
- There is a significant level of deferred capex at the Airport
 - Diligence in connection with a potential P3 has revealed significant projected capex needs at the Airport beyond 2021
 - Annual capex spend is projected to approximately double for the 10-year period ending 2031

CONTRIBUTING FACTORS

- Contributing factors include:
 - Construction of, and debt associated with, the new runway
 - De-hubbing
 - 9/11-related traffic impacts
 - Global Economic Crisis traffic impacts (12% and 6% reductions in enplanements in 2009 and 2010 respectively)

TOTAL HISTORICAL AND PROJECTED CAPEX¹



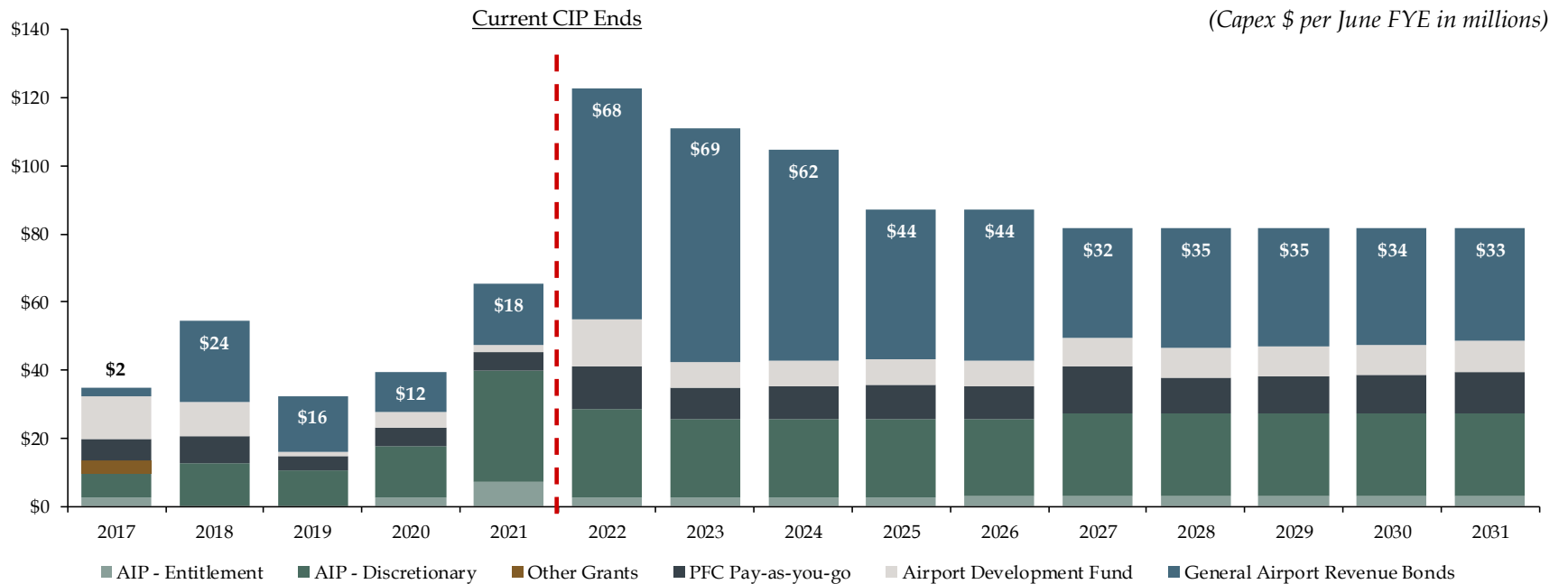
COMMENTARY

- Deferred capex has not compromised safety at the Airport
- A significant portion of the projected capex is airfield related
 - STL has a large airfield for an airport with its level of enplanements
 - Airfield capex is typically majority-funded by grants and other 3rd party sources
- Risk transfer under a P3
 - Airlines bear capex cost and schedule risk under the current model
 - A private sector operator would bear capex cost and schedule risk under a P3
- Other cities have leveraged airport capex programs into job development opportunities for local citizens

1. 2022 - 2031 CIP based on information provided by Airport

Total Historical And Projected Capex By Funding Source

- The below capex breakdown by funding sources assumes utilization of available federal funding sources and funds available from the Airport’s development fund (“ADF”), after utilizing all available sources, the remainder is funded through the issuance of General Aviation Revenue Bonds (“GARBs”)
 - AIP - Entitlement Grants are calculated based on the number of enplaned passengers two years prior, and applying a \$ amount per enplaned passenger
 - AIP - Discretionary¹ Grants awarded to important airfield projects; projections assume consistent levels vs. historically awarded grants
 - PFC pay-as-you-go are calculated based on the available PFC collected balance minus the amount allocated to service debt
 - ADF contains excess cash flow generated by the airport, and any excess above the minimum set balance can be utilized to fund capital expenditure programs



Total Capex	\$34.9	\$54.4	\$32.5	\$39.4	\$65.4	\$122.7	\$111.3	\$104.7	\$87.2	\$87.2	\$81.7	\$81.7	\$81.7	\$81.7	\$81.7
Debt Funded	2.4	23.9	16.4	11.8	17.9	67.5	69.0	61.9	44.0	44.4	32.1	35.3	34.8	34.4	32.9
% of Total	6.8%	44.0%	50.4%	30.0%	27.4%	55.1%	62.0%	59.2%	50.5%	51.0%	39.2%	43.2%	42.6%	42.1%	40.3%

Note: 2022 - 2031 CIP based on information provided by Airport

1. Analysis assumes 100% of airfield engineering projects, except for Coldwater Creek related projects, are eligible for AIP discretionary funding and 70% of those projects are funded; Assumes 20% funding for Coldwater Creek related projects

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<i>\$ in millions</i>	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
AIP - Entitlement	\$2.6	-	-	\$2.5	\$7.1	\$2.7	\$2.7	\$2.8	\$2.8	\$2.8	\$2.9	\$2.9	\$2.9	\$3.0	\$3.0
AIP - Discretionary	7.0	12.6	10.7	15.0	33.0	25.8	23.0	23.0	23.0	22.9	24.5	24.5	24.5	24.5	24.4
Other Grants	4.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PFC Pay-as-you-go	6.4	8.2	3.9	5.5	5.3	12.5	9.2	9.6	10.0	9.6	13.6	10.5	10.9	11.4	11.9
Airport Development Fund	12.6	9.6	1.5	4.6	2.1	14.1	7.3	7.3	7.4	7.4	8.5	8.5	8.5	8.5	9.5
General Airport Revenue Bonds	2.4	23.9	16.4	11.8	17.9	67.6	69.0	61.9	44.0	44.4	32.1	35.3	34.8	34.4	32.9
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