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October 4, 2019

Honorable Members of the Airport Commission,

As you all are aware, on March 22, 2017, the City of St. Louis filed a preliminary application with the Federal Aviation Administration ("FAA") regarding Lambert International Airport pursuant to the FAA's Airport Investment Partnership Program ("AIPP"). The Airport Investment Partnership Program is a program approved by Congress that allows the FAA to permit airports to lease some or all facilities to private operators. The FAA approved the City's preliminary application in April of 2017 and the City of St. Louis' Board of Estimate and Apportionment ("E&A") subsequently engaged a group of advisors to study the issue of potential privatization of the airport under the program.

The City convened a City Airport Working Group which set out to analyze the specific matter of a potential St. Louis Lambert International Airport public/private partnership lease and to determine whether a transaction could be structured that met three primary goals of the city:

- 1) Improvement of the Airport for all stakeholders, including additional and incremental uses for the Airport's current excess capacity;
- 2) Net cash proceeds to the City upfront and/or over time that would be transformational in its impact; and
- 3) Advancement of community and economic development of the greater St. Louis region.

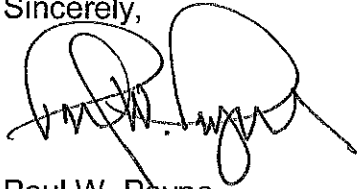
If the Working Group determined, after a due diligence period, that there was sufficient potential for achieving these three objectives, then a Request for Qualifications (RFQ) and subsequently if successful a Request for Proposals (RFP) would be prepared in order to seek qualified respondents to enter into a potential public/private partnership lease with the City for the airport's operation. This morning the Working Group concluded by vote of its voting members that there is such sufficient potential and will continue the AIPP process and have the City issue an RFQ inviting interested respondent teams to submit their qualifications. Additionally, the City is also announcing today that it has reached a preliminary framework with the major air carriers

and air cargo carriers at St. Louis Lambert International Airport. Attached is a copy of the press release announcing these developments.

The decision to move forward with issuing an RFQ was not one that was made with haste or with disregard for airport stakeholders. Instead, the decision-making process was thoughtful, diligent, and methodical. We are hopeful that at the end of this RFQ process, which should conclude in 45-60 days, there will be enough interest from qualified respondents that would induce the City to release a Request for Proposal.

The City of St. Louis remains committed to communicating accurate, timely and relevant information to all the relevant stakeholders in accordance with its current mission and key objectives and will provide the Airport Commission updates at future meetings. On behalf of the City, the Working Group will maintain the transparency and integrity of all the information gathered and disseminated in order to assure that the decision made by the City can be done in the best interests of the City and of all airport stakeholders.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul W. Payne', written over a horizontal line.

Paul W. Payne
Budget Director & Chair on behalf of Airport Working Group