



ST. LOUIS LAMBERT
INTERNATIONAL AIRPORT.™



Project Gateway

Introduction to Operating Standards

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Operating Standards

Purpose and Scope

- OS are an attachment to both the Lease Agreement and the New Use Agreement (NUA); enforceable by both the City and the Airlines
- As a Lease attachment, OS are a tool for City oversight of the Operator and mitigation of performance risk
 - Used in Midway I and San Juan public-private partnerships to establish standards and reporting requirements for various aspects of Airport operations
 - Non-US public-private partnerships generally have not had the same type of OS attachment, but have included performance measurement and reporting requirements and standards, which are core parts of OS
- As an NUA attachment, the OS provide assurances of Operator performance to the Airlines
- In terms of scope, OS are focused on Airport technical operations and resulting effects on Airport stakeholders

Operating Standards

Regulatory Context

- **OS incorporate by reference the numerous federal laws, regulations, and guidance documents applicable to commercial airport operations**
 - Most are directed at ensuring safe and secure air transportation
 - FAA provides oversight primarily by requiring a Part 139 Airport Operating Certificate and conducting annual airport inspections
 - TSA, DOT and other agencies also oversight aspects of airport operations
- **FAA Airport Improvement Program (AIP) grants and the Passenger Facility Charge Program also impose requirements for airport operations (“assurances”)**
- **But several aspects of Airport operations fall outside of FAA, TSA, and DOT oversight for the most part, leaving space for City-defined OS; e.g.,**
 - Terminal facilities and facility operations (other than security and border protection)
 - Safety management (outside of airfield safety)
 - Customer service standards

Operating Standards

Objectives and Considerations

■ Objectives for STL OS

- Enable the City to monitor the Operator's compliance with the numerous federal requirements
- Establish additional OS to protect City and other stakeholder interests regarding aspects of Airport operations that fall primarily outside federal oversight
- Enable the City to monitor the Operator's compliance with the additional OS

■ Additional Considerations

- OS need to be acceptable to the Airlines as their approval will be required
- OS need to be commercially reasonable and flexible for acceptance by marketplace of potential Lessees
- Given the long Lease term, OS need to have an "evergreen" structure and be adjustable over time

Operating Standards

Structure and Content Overview

- **Introduction (Section 1) and eight additional sections**
- **General requirements (Section 2)**
 - Obligation to comply with all applicable federal, state, and local laws and regulations, including requirements for federal approval of manuals, plans, or programs for various aspects of airport operations
 - ✓ Part 139 Airport Certification Manual (FAA approved; airfield-focused)
 - ✓ Airport Security Program (TSA approved)
 - ✓ Others (FAA, Department of Transportation; narrow focus)
 - Obligation to develop and obtain **City approval** of plans for six other aspects of Airport operations (referred to as “City-Required Plans”)
 - Capital Asset Maintenance Facilities Operations Safety Management
 - Customer Service Community Relations
 - Performance Monitoring, Reporting, and Remediation
 - Obligation to perform data collection and reporting needed for City monitoring of the Operator’s compliance with OS

Operating Standards

Structure and Content Overview - continued

■ **Federal Compliance Information and Monitoring (Section 3)**

- Operator must provide the City with informational copies of manuals, plans, programs approved by federal agencies
- Operator must copy City on compliance-related correspondence with federal agencies
- Operator must ensure the City is copied on or forwarded any federal inspection or audit findings and federally approved corrective action plans
- Operator must provide annual report on its federal compliance efforts
- City has the right to conduct an annual review by the City of whether the Operator has implemented required corrective action plans or new federal requirements and Operator must cooperate with any such review

■ **Standards Applicable to All City-Required Plans (Sections 4-9)**

- Must identify and incorporate Best Industry Practices for Comparable Public Airports
- Must identify stakeholders, describe stakeholder coordination processes, and keep City informed on stakeholder meeting content
- Must provide a schedule for regular plan reviews / updates
- Must commit to specified performance standards

Operating Standards

Structure and Content Overview - continued

■ **Capital Asset Maintenance Plan Standards (Section 4)**

- Provides standards for City approval of the Capital Asset Maintenance Plan (CAMP)
- Requires that the CAMP provide for regular Facilities Condition Assessments (FCA) of all major facilities and systems, done by an independent engineering firm
- Requires development of annual report on physical changes made to Airport facilities and an annual report of air traffic statistics
- Requires annual preparation of a Capital Asset Preservation Report that is based primarily on FCA results and that provides a corrective action plan for facilities and systems assessed as being in less than “good” condition
- Requires commitment to provide the FCA and various other reports to the City

■ **Facilities Operations Plan Standards (Section 5)**

- Provides standards for City approval of the Facilities Operations Plan (FOP)
- Specifies basic descriptive and documentary content for FOP (e.g., facilities list, organization chart, description of management system used to identify and correct sub-standard operations; descriptions of certain types of procedures)
- Requires quarterly and annual reporting on FOP performance indicators

Operating Standards

Structure and Content Overview - continued

■ **Safety Management Plan Standards (Section 6)**

- Provides standards for City approval of the Safety Management Plan (SMP)
- Specifies descriptive and documentary requirements for SMP content (e.g., safety management resources; employee personal safety, work zone safety, and hazardous materials protocols; safety training program, safety incident reporting system)
- Requires annual reporting on SMP performance indicators and other information

■ **Customer Service Plan Standards (Section 7)**

- Provides standards for City approval of the Customer Service Plan (CSP)
- Requires commitments to various components of quality customer service (e.g. setting service quality standards, ensuring passenger satisfaction surveys are conducted, providing customers with ready access to information and assistance, operating a system for addressing customer complaints)
- Requires quarterly and annual reports on passenger satisfaction indicators and other information

Operating Standards

Structure and Content Overview - continued

■ **Community Relations Plan Standards (Section 8)**

- Provides standards for City approval of the Community Relations Plan (CRP)
- Requires commitments to continue the existing community relations programs in substantially the same form (i.e., noise compatibility program, tourism promotion, Lambert Art and Culture, USO, chapel, free speech)
- Requires annual reporting of CRP performance and outcomes

■ **Performance Monitoring, Reporting, and Remediation Plan Standards (Section 9)**

- Provides standards for City approval of the PMRR Plan
- Requires commitment to collecting data required for City to assess OS compliance
- Requires commitment to measuring performance against standards and plan goals
- Requires commitment to providing City with performance-related reports
- Requires commitment to publishing specified passenger satisfaction survey results on the Airport's website
- Requires commitment to corrective actions to address performance shortfalls

Operating Standards

Structure and Content Overview - continued

■ Possible Additional City-Required Plans

- Environmental Sustainability Plan
 - Included in Midway and San Juan OS
 - Required Operator to establish policies, set goals, and report annually on results
- Business Diversity Plan
 - US Department of Transportation requires that airports have Disadvantaged Business Enterprise (DBE) and Airport Concession DBE goals and program plans; subject to DOT approval and annual reporting
 - OS could include an additional “City-Required Plan” to establish similar or other obligations regarding the City’s DBE/MBE goals

Operating Standards

OS Compliance Monitoring Requirements

- **Monitoring the Operator's compliance with the OS will require professional staff with an understanding of the Airport's regional role and stakeholders as well as Airport technical operations and management expertise**
- **The Airport Commission could review performance reports, provide advice to the City monitoring team, and facilitate community input where that would be beneficial for monitoring the Operator's compliance**

Operating Standards

OS Compliance Monitoring Requirements - continued

- **The OS compliance monitoring work would include:**
 - Reviewing federal compliance information and developments
 - Reviewing/approving City-Required Plans and any plan revisions
 - Reviewing information from stakeholder consultation efforts
 - Reviewing the various quarterly and annual reports, including obtaining community input where appropriate
 - Determining when additional information, an inspection, or an audit is needed to verify/validate Operator data or otherwise assess OS compliance
 - Approving proposed corrective actions for minor or isolated OS non-compliance that does not rise to the level of a breach
 - Approving proposed cures for more significant or continuing OS non-compliance that rises to the level of a breach
 - Implementing a decision-making process to be used if it appears the Operator has materially breached the Lease and can not or will not cure the non-compliance