



SANTA FE REGIONAL AIRPORT STRATEGIC BUSINESS PLAN

Scope of Work
October 2017

This scope of work will guide the City of Santa Fe through a strategic business planning process culminating in the preparation of an Airport Strategic Business Plan for Santa Fe Regional Airport. Tasks below were tailored to the needs of the airport and take into consideration anticipated development to occur over the short term.

Element 1 – STUDY DEFINITION

Task 1.1 - Form Strategic Plan Advisory Committee (SPAC). The consultant team will help guide the formation of a Strategic Plan Advisory Committee that will consist of citizens, business leaders, airport tenants, and other stakeholders who possess experience, knowledge, and business acumen with the establishment of plans and visions for complex and public organizations. Introductory materials will be provided to SPAC members ahead of project coordination efforts outlining the study expectations, process, and specific reason for their involvement.

Task 1.2 - Conduct Kick-off Meeting and Strategic Planning Session. The project kick off meeting will occur over a two day period. During day one, project inventory will be conducted and a meeting with the sponsor, NMDOT, and other airport staff and leadership. The purpose of this meeting will be to set the work schedule for this Strategic Plan project; arranging for communication linkage between Sponsor, Agent, and Consultant; outlining the work procedures; and refining materials for the strategic planning session to be held on day 2.

The second day of the kick off meeting will include a strategic planning session with the SPAC. The meeting will include a robust SWOT analysis and will culminate with the creation of a Mission and Vision statement as it pertains to Santa Fe Municipal Airport. The SWOT analysis will identify both the internal and external trends and developments that should be considered while focusing on business planning for SAF. Internal elements to be considered include, but not limited to: Management Practices, Human Resources, External Relations, Operations, Safety, and Security, Environmental, Customer Satisfaction, and Finance; while external elements pertain to Aircraft / Passenger Activity, Aircraft Operations and Safety, Facilities, Internal Processes (structure), Service Quality and Customer Satisfaction, Retail Concessions, and Finance Rates and Charges. A

The Mission statement will address the “Who we are” and “What we do” while the Vision statement will contain a brief synopsis of the airport’s overall aspirations, values, and ideals it



wishes to achieve over the long-term. Goals will be established to guide the overall premise of the strategic business plan.

Task 1.3 - Identify Strategic Issues and Strategies. This task will help identify the most significant strategic issues facing the airport and set short- and long-term objectives. The short-term objectives will focus on what can be accomplished over a 1 to 2 year time frame while the long-term objectives will focus on those elements to be accomplished over a 3 to 5 year allowance. Both objective's represent enabling actions for achieving the organization's strategies.

Element 2 – DEVELOPMENT PROGRAM OVERVIEW

Task 2.1 – Forecast Review. Due to recent growth in airport operations, enplanements, and a change in commercial service fleet mix, a review of the airport's operational forecast will be undertaken. Adjustments will be made as needed and comparisons to airports that have undertaken terminal development projects will be undertaken. The purpose of this evaluation is to inform decision makers of the impact improved commercial facilities can have on the airport.

Task 2.2 – Capital Project Assessment. The airport's CIP will be evaluated considering the results of Task 1.2 and needs will be prioritized. Development horizons will be defined and annual CIP review objectives will be developed.

Element 3 – STRATEGY DEFINITION

Task 3.1 – Define Organizational and Governance Objectives. This task will focus on the current organizational structure and the various operating units. Based on the results of Task 1.2 Objectives and Strategies will be defined. Operational objectives will be focused on improvements to the overall airport operations and day to day functions. Strategies will be formulated to meet stated objectives and metrics for success will be established.

Organizational and governance objectives will define alternative organizational and governance structures that have proven successful at airports similar in size and function to SAF. Areas of focus in the evaluation of governance models include, but are not limited to:

- Decision making authority
- Policies and procedures
- Bonding impacts
- Organizational size and structure
- Appointments under different authority structures
- Support services- internal or purchased and from whom
- Impact on any State funding sources



Task 3.2 – Define Financial Objectives and Funding Strategies. The City’s ability to fund all of the projects within the airport’s CIP is contingent upon a series of factors, including adequate internally generated funds as well as the receipt of sufficient passenger and rental car fees, third party funding such as grants from both AIP and NMDOT, and the City having sufficient access to capital markets.

As part of this task, an evaluation of airport sources and uses of funds will be conducted and a transparent rates and charges model will be developed. The sources and uses exercise will be essential to determine the affordability of future projects and to provide a projection of the impact on future rates and charges as preparation for discussions with the airlines. Also, the model will break out activity, revenues, expenses, operating and capital budget impacts and resulting rates and charges and cost per enplanement. It will be developed in Excel so that airport staff could utilize it in future fiscal years without outside assistance. The model will project for the current fiscal year and two to three future fiscal years.

Task 3.3 – SPAC Workshop (#2 of 3). A workshop will be held with the SPAC to present and obtain input on the results of Elements 2 and 3.

Element 4 – IMPLEMENTATION AND DOCUMENTATION

Element 4.1 – Implementation. Implementation strategic approaches will be developed with input from the SPAC as part of the third and final team meeting. This final meeting is expected to be a half day meeting to be facilitated by the consultant team. Implementation tools anticipated to be discussed include marketing, outreach, attendance at industry conferences and meetings, establishment of metrics, etc.

Element 4.2 – Documentation. A Draft Strategic Business Plan report will be submitted to the SPAC for review and will summarize the strategic elements and tasks above with emphasis on the following: short-term objectives; actions or decisions necessary to achieve short-term objectives; deadline for completing each action item; party responsible for accomplishment of each action; and resource required to accomplish action. Based on comments and suggestions the report will be finalized and 15 copies of the final document will be provided to the Airport.

Fee Proposal
STRATEGIC BUSINESS PLAN
Santa Fe Regional Airport
10/4/2017

LUMP SUM - LABOR AND EXPENSES

LABOR							EXPENSES					TOTAL LABOR & EXPENSES
Firm	KSA	KSA	KSA	KSA	KSA	TASK HOURS	LABOR COST	Travel	Materials, Printing, Postage, and Etc.	Thrd-party Subconsult ants (If any)	TOTAL EXPENSES	
(In some cases may represent more than 1 person) Title	Principal	Sr. Airport Planner	Airport Planner	Project Engineer	Admin. Assistant							
Rate	\$250.00	\$190.00	\$150.00	\$170.00	\$55.00							
Element One - STUDY DEFINITION												
Task 1.1 Form SPAC	8	10			6	24	\$4,230.00		\$ -	\$1,200.00	\$ 1,200.00	\$ 5,430.00
Task 1.2 Kick-off Meeting and Strategic Planning Session	16	24				40	\$8,560.00	\$ 1,200.00	\$ -	\$8,600.00	\$ 8,000.00	\$ 16,560.00
Task 1.3 Identify Strategic Issues and Strategies	8				2	10	\$2,110.00	\$ -	\$ -	\$8,200.00	\$ 8,200.00	\$ 10,310.00
Subtotal	32	34	0	0	8	74	\$14,900.00	\$ 1,200.00	\$ -	\$16,200.00	\$ 17,400.00	\$ 32,300.00
						74						
Element Two - DEV. PROGRAM OVERVIEW												
Task 2.1 Forecast Review	8		16			24	\$4,400.00				\$ -	\$ 4,400.00
Task 2.2 Capital Project Assessment	12		16	8		36	\$6,760.00	\$ 1,200.00			\$ 1,200.00	\$ 7,960.00
Subtotal	20	0	32	8	0	24	\$11,160.00	\$ 1,200.00	\$ -	\$ -	\$ 1,200.00	\$ 12,360.00
						0						
Element Three - AIRPORT MASTER PLAN												
Task 3.1 Define Operational, Org. and Governance Objectives	6					6	\$1,500.00			\$17,100.00	\$ 17,100.00	\$ 18,600.00
Task 3.2 Define Financial Objectives and Funding Strategies	6					6	\$1,500.00			\$34,800.00	\$ 34,800.00	\$ 36,300.00
Task 3.3 SPAC Workshop (#2 of 3)	16					16	\$4,000.00	\$ 1,200.00		\$5,600.00	\$ 6,800.00	\$ 10,800.00
Subtotal	28	0	0	0	0	28	\$7,000.00	\$ 1,200.00	\$ -	\$57,500.00	\$ 58,700.00	\$ 65,700.00
Element 4 - COORDINATION AND PUBLIC OUTREACH												
Task 4.1 Implementation	8	8		4	4	24	\$4,420.00	\$ 1,200.00		\$ 6,800.00	\$ 8,000.00	\$ 12,420.00
Task 4.2 Documentation	4	0	16	0	6	26	\$3,730.00		\$ 875.00		\$ 875.00	\$ 4,605.00
Subtotal	12	8	16	4	10	50	\$8,150.00	\$ 1,200.00	\$ 875.00	\$ 6,800.00	\$ 8,875.00	\$ 17,025.00
TOTAL	92	42	48	12	18	176	\$41,210	\$4,800	\$875	\$80,500	\$86,175	\$127,385