

# Knox County Regional Airport Business Plan

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**Updated 2019**



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**Knox County Regional Airport**

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## **1. Purpose of Business Plan**

A business plan provides guidance for an airport's future growth and business development.

The business plan should be a document and a process that guides the development and implementation of policies necessary to effectively implement a realistic vision of the airport.

The business plan should be an evolving/living document with a process that facilitates updates and modifications as benchmarks are achieved and/or significant market changes occur.

The Knox County Regional Airport Business Plan should move the airport toward the long-term vision. This document should:

- Confirm the airport's mission, role, and vision
- Present an operational strategy that facilitates the Mission/Role/Vision statements
- Detail goals and objectives to guide the airport
- Represent a process and a platform for initiatives to meet the vision

## **2. Mission, Vision, Values, and Guiding Principles**

The mission, vision, values, and guiding principles below are meant to direct the County Commission, airport management, and the various stakeholders in the planning, development, and implementation of significant airport operations. The philosophy outlined in this section of the plan serves as a guidepost into the future and helps define critical assumptions with regards to airport operations, future growth, the environment, and economic impact.

### **2.1 Mission Statement**

To provide the safest and most reliable air transportation services and facilities for the residents, businesses, and visitors of the greater Knox County and Penobscot Bay region and island communities.

To offer passenger and freight transportation, mail delivery, medical and emergency services, as well as general aviation support. To provide these services in the most efficient, fiscally responsible and environmentally safe manner while continuing to be a good neighbor to the adjacent communities.

To conduct KCRA's operation and management ethically and transparently with the utmost respect for the community within which the airport is located.

### **2.2 Vision Statement**

Operating within the existing physical boundaries, the Knox County Regional Airport will serve the economic development interests of Maine and the mid-coast region while

operating a safe, aesthetically pleasing facility that will realize new energy solutions and consider the region's environment.

## **2.3 Values**

The County...

- Strives to operate a model airport in regards to facilities, airport operations, and environmental stewardship that other regional airports and businesses look to for best practices.
- Recognizes the environment plays a fundamental role in determining future airport operations.
- Strives to incorporate "green" technology in all aspects of airport operations.
- Believes the airport's built environment should be aesthetically pleasing and complement the region's "sense of place".
- Is committed to managing and minimizing growth of the airport's physical space.
- Will minimize direct taxpayer support of airport operations while recognizing that some amount of public subsidy may be needed.
- Recognizes airport services are a critical economic and social resource to the island communities.
- Strives to maintain an adequate level of scheduled commercial service that sustains the airport's economic viability.
- Believes that the region's economic vibrancy is linked to effective airport operations.
- Appreciates its relationship with the community and will include and consider economic, environmental, and social interests in managing airport operations.

## **2.4 Guiding Principles**

The guiding principles provide a series of criteria by which future planning and development related to the KCRA will be assessed. The principles are organized in four categories but are meant to function collectively as a systemic review.

### **2.4.1 Physical Boundary and Size**

- The current Inter-local Agreement regarding the boundary of the airport will remain in place until 2021, and as such, any future plans for the Airport must take that agreement into consideration.



- The vision for the future of the Airport is to remain within the current boundaries, unless expansion beyond the current boundary is mutually beneficial to the surrounding communities, the county, and the Airport.
- If growth occurs at the airport, it will be modest growth, and environmental concerns must be addressed.

#### **2.4.2 Environment**

- Although studies and experts have shown there is no aquifer underneath the current Airport site, the County and the Airport will continue to be good stewards and will continue to consider the impact, of any development, on the environment.
- The impact of impervious surfaces at the Airport, must be incorporated into any plans for future development or maintenance at the Airport.
- Any future plans for development or maintenance at the Airport will also take into consideration other environmental impacts, such as: air quality; ground water quality and quantity; noise; and preservation of the ecological values of the Weskeag River and marsh.
- The future Knox County Airport should strive to be a state of the art, model “green” airport – we can protect and improve the environment while also attracting businesses and visitors.

#### **2.4.3 General Operations**

- The Airport should try to explore new energy solutions and use of emerging technologies.
- The Airport will not become a commercial “reliever” airport.
- The Airport must have aesthetically pleasing buildings and facilities. Special attention will be paid to the overall “sense of place” and design quality in any new or expanded facilities that may be developed.
- The needs of the Airport, into the foreseeable future, can be accommodated within the current two (2) runways – however, runway length issues should be considered.
- We do not anticipate any larger or louder aircraft using the Airport than have used the facility in the past.
- The Airport will explore opportunities to provide educational programming at the Airport facility, with an emphasis on operational best practices and exemplary environmental stewardship, etc.

- Every effort will be made to maintain an adequate number of scheduled commercial flights per day to accommodate the current and future needs of the Knox County region.

#### **2.4.4 Economic Impact**

- The Airport should support and promote both the Maine and Knox County "brand."
- The Knox Country Airport is a vitally important part of the regional economy.
- Future plans for the Airport may have a significant positive impact on the long-term vibrancy, sustainability and appropriate growth of the regional economy.
- Negative impacts to the regional economy must also be thoroughly considered when developing plans for the future of the Airport. Potential negative impacts to the regional economy include such considerations as:
  - The potential cost to the County of un-used or underutilized facilities;
  - The cost to remediate environmental damage, if it should occur;
  - The potential loss of eco-tourism if the Weskeag River and Marsh area are damaged or compromised; and
  - The potential loss or reduction of tourism if the overall physical attractiveness of the Region is compromised.

### **3. Airport Overview – Current Environment**

#### **3.1 Physical Description**

Knox County Regional Airport is located on the mid-coast of Maine in the town of Owls Head. The county acquired the airport from the City of Rockland on December 4, 1968. The city had been unable to keep up with the costs of maintaining an airport and gave the property to the county. The airport was renamed Knox County Regional Airport. Some people still refer to the airport as Rockland Airport (or even Owls Head Airport); the call letter identifier for the airport is RKD.

KCRA has two active runways: Runway 13-31 and Runway 3-21. Runway 13-31 is the primary runway with a width of 100 feet and a length of 5,412 feet in an east-west orientation. Runway 13 has a precision instrument approach; Runway 31 has a non-precision approach. Runway 3-21 is the crosswind runway with a width of 100 feet and a length of 4,000 feet in a north-south orientation. Visual approaches are available for both runway ends.

Runway 13-31 has pavement-strength ratings of 65,000 and 80,000 pounds for a single-wheel load (SWL) and dual-wheel load (DWL), respectively. This runway was reconstructed in 1984 and was reconstructed in 2015. Runway 13 is equipped with a localizer, a glide slope, threshold lights, a medium-intensity approach lighting system with runway alignment indicator lights (MALSR), and a four-box precision approach path indicator (PAPI). Runway 31 is equipped with a four-box precision approach path indicator (PAPI) and runway-end identifier lights (REILs).

Runway 3-21 has SWL and DWL pavement-strength ratings of 65,000 and 80,000 pounds, respectively. This runway was reconstructed in 2004. Runway 3 is equipped with a four-box precision approach path indicator (PAPI) and REILs.

The taxiway system connects the runways with the terminal aircraft apron and the general aviation hangar complex. Taxiway "A" connects the south end of the terminal apron with Runway 13-31 and Taxiway "B" connects the north end of the terminal apron with Runway 3-21. Taxiway "C" connects Runway 13-31 with the general aviation hangar area. Taxiway "D" is a parallel taxiway connecting the ends of Runway 13-31. All of these taxiways are 50 feet in width. There is also a privately owned stub-taxiway 30 feet in width that connects a private general aviation aircraft hangar to Runway 3-21, 20 feet from the Runway 21 threshold.

The terminal aircraft apron was last expanded in 2003 to its present area of approximately 60,000 square yards. It now has tie-down locations for 75 aircraft as well as short-term parking spaces for itinerant and scheduled airline aircraft. There are also smaller aircraft aprons on either side of Taxiway "C" with 10 designated tie-down locations near the general aviation hangar complex.

The general aviation hangar complex has 53 privately owned hangars. There are five hangars on the terminal side of the runway, 3 owned by the airport's only Fixed Base Operator (FBO), Downeast Air; and two privately owned hangars.

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### **3.2 Airport Operations and Services**

Charter/Air Taxi operations (such as island services including mail, UPS, Fed Ex, supplies, passengers and medical evacuation); General Aviation (Flying Club, Owls Head Transportation Museum and transients); and Scheduled Commercial Air Service to/from Boston make up nearly all the business related flight operations at Knox County Regional Airport. Maine only has 36 publicly owned airports and only 6 are served by regularly scheduled passenger service. Seasonal differences have a significant impact on the airport activities. Tourism and weather normally combine to drive summer passenger enplanements to 2-3 times the enplanements in other months. And, the number of part-time employees at the airport quadruples from June to September. The year round average employment in 2002 was 66 (a business employing 66 people would be among the top 3% of the largest firms in Knox County, according to Eastern Maine Development Corporation). By 2005, the aviation-related tenants on the airport supported 73 employees. (State of Maine Aviation Systems Plan Update, Economic Impact of Airports in Maine)

Knox County Regional Airport hosts one scheduled commercial air carrier. As an Essential Air Service (EAS) subsidized airport, the US Department of Transportation (DOT) selects the scheduled commercial air service every two or four years. Currently, Cape Air provides this service to Boston with a nine passenger, twin-engine aircraft. Cape Air flies three flights a day to/from Boston, during the summer months they add three or four additional flights to facilitate the extra seasonal demand.

In addition to the scheduled service to/from Boston, Penobscot Island Air (PIA) provides an on-demand air-taxi service, in conjunction with their cargo flights to/from coastal island communities and other nearby airports.

All general aviation and transient aircraft services (such as fueling, parking, maintenance, ground handling, passenger/aircrew support) are provided by Downeast Air.

Budget and Enterprise Rental Car companies have concessionaire agreements with the airport and Budget has a customer service desk and vehicles on the airport.

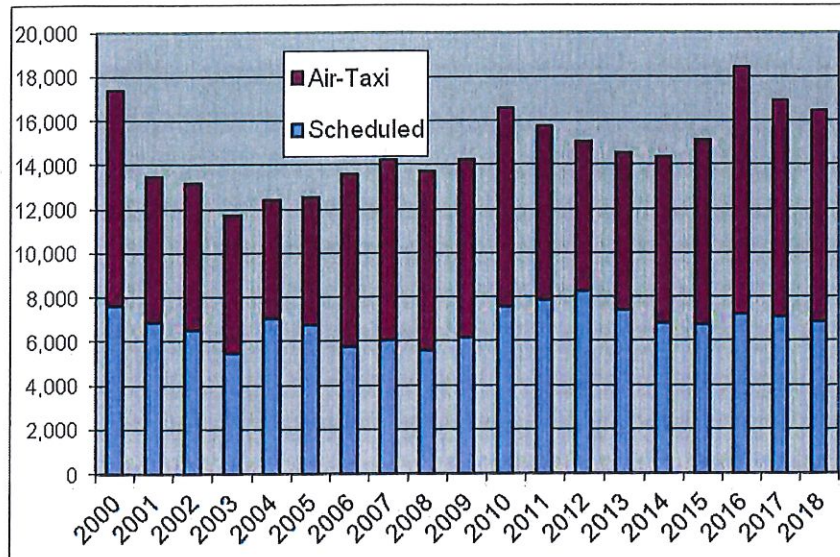
### **3.3 Airport Usage – 5-Year Trend Analysis**

Although the airport does generate some income to offset expenses, the County of Knox taxpayer, historically, has subsidized the airport operation. Prior to our nation's aviation catastrophe in 2001, the taxpayer subsidy was about \$60K per year. In 2001, the taxpayer support peaked at nearly \$190K. Since then, increases in revenue, coupled with decreases in expenditures plus the use of reserve funds and surplus allowed the airport to gradually decrease taxpayer support to about \$10K per year. Changes to TSA's formula for reimbursing Law Enforcement Officer support, a significant down-turn in the economy in 2008, construction of a the new Terminal building in 2010 followed by a County-wide wage/salary increase have raised the cost to taxpayers. Some of these increases were anticipated, planned for and in many cases were a direct result of implementing recommendations of this document.

Knox County Regional Airport traditionally moves over 10,000 passengers out of the airport (enplanements) each year. Enplanements are a key indicator of airport operations and this number of passenger enplanements entitles the airport to \$1M of Airport Improvement Project (AIP) FAA grant money, each year.



## Annual Enplanements



These grants provide nearly all the capital improvement funding needed to maintain the airport facilities and snow removal equipment, even with FAA mandated safety improvements. Currently this program requires the State of Maine and the County to each contribute 5% of the cost of each project. Since 2005, the County's share has been budgeted from reserve accounts. With the cost of the terminal project, most of these 'saved' funds have been expended and the airport will need to include their \$55,555 share in the annual budget. Implementation of the Passenger Facility Charge (PFC), as recommended by this document, is now contributing about \$30K to these projects and so the County needs to contribute \$25,000, each year.

Other key indicators of airport operations are 'based aircraft' (those aircraft that are kept at the airport, nearly full time) and 'aircraft movements' (the number of landings and takeoffs at the airport). The number of based aircraft and the number of aircraft landing and taking-off using instrument flight rules (IFR) are easy to capture and track. The number of take-offs and landings using visual flight rules (VFR) are not easy to capture, since these aircraft are not required to file a flight plan or notify any tracking agency of their flights. Conservatively, we can expect 4 to 5 VFR movements for each IFR movement. The table below tracks these two indicators. In 2013, we installed a system to record radio transmissions on the airport's common frequency. This has allowed us to extrapolate, from the number of transmissions, an estimate of the total movements. This new method has compared favorably with two different methods commonly used to estimate total movements. Beginning in 2014, this new method will be the primary method of calculating total movements.

| <u>Movements</u>                                      | <u>Based Aircraft</u> |
|---|-----------------------|
| 1970: 8,500 (IFR arrivals/departures not identified)  | 12                    |
| 1982: 51,826 (IFR arrivals/departures not identified) | 58                    |
| 1997: 66,600 (12,000 instrument arrivals/departures)  | 69                    |
| 2003: 47,940 (7,609 instrument arrivals/departures)   | 55                    |
| 2004: 44,240 (7,022 instrument arrivals/departures)   | 55                    |
| 2005: 44,060 (6,994 instrument arrivals/departures)   | 59                    |

|   |    |
|---|----|
| 2006: 44,995 (7,142 instrument arrivals/departures)             | 59 |
| 2007: 45,570 (7,233 instrument arrivals/departures)             | 62 |
| 2008: 47,760 (7,581 instrument arrivals/departures)             | 75 |
| 2009: 42,260 (6,708 instrument arrivals/departures)             | 81 |
| 2010: 47,600 (7,555 instrument arrivals/departures)             | 85 |
| 2011: 37,070 (5,884 instrument arrivals/departures)             | 86 |
| 2012: 35,660 (5,669 instrument arrivals/departures)             | 87 |
| 2013: 35,270 (5,599 instrument arrivals/departures)             | 87 |
| 2014: 40,108 (5,743 instrument arrivals/departures)             | 88 |
| 2015: 43,562 (instrument arrivals/departures no longer tracked) | 89 |
| 2016: 44,450  | 89 |
| 2017: 46,959  | 90 |
| 2018: 38,889  | 86 |

The following charts provide detailed revenue and expense data for airport operations since 2014. The Budget for 2019 , revenues and expenses, is also detailed. The final chart includes tax payer support required to meet each years' approved budgets.

**Table 1: Airport Budget -2014 - 2019**

|                                 | 2014             | 2015             | 2016             | 2017             | 2018             | 2018             | 2019             |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                 | Actual           | Actual           | Actual           | Actual           | Budget           | Actual           | Budget           |
| <b>Personnel Services</b>       |                  |                  |                  |                  |                  |                  |                  |
| Airport Manager                 | \$63,070         | \$65,346         | \$66,681         | \$68,466         | \$71,240         | \$71,136         | \$74,755         |
| Maintenance Supervisor          | \$44,658         | \$45,484         | \$40,061         | \$39,368         | \$38,230         | \$38,174         | \$40,123         |
| Maintenance                     | \$31,859         | \$33,013         | \$28,862         | \$28,454         | \$34,050         | \$36,104         | \$37,939         |
| Maintenance - Part Time         | \$10,965         | \$5,411          | \$5,067          | \$2,164          | \$12,645         | \$12,398         | \$12,898         |
| Administrative Assistant        | \$27,694         | \$28,704         | \$36,328         | \$37,589         | \$39,125         | \$39,067         | \$41,059         |
| Airport Sec Supervisor          | \$42,390         | \$43,419         | \$51,213         | \$39,166         | \$54,350         | \$0              | \$41,018         |
| Security - Part Time            | \$22,973         | \$23,276         | \$23,362         | \$34,151         | \$27,030         | \$63,999         | \$27,571         |
| Overtime                        | \$12,472         | \$7,281          | \$6,680          | \$9,645          | \$11,613         | \$12,962         | \$12,077         |
| Accrued Salaries                | \$19,019         |                  |                  | \$2,384          |                  | -\$240           |                  |
| <b>Total salaries/wages</b>     | <b>\$275,098</b> | <b>\$251,932</b> | <b>\$258,253</b> | <b>\$261,387</b> | <b>\$288,283</b> | <b>\$273,601</b> | <b>\$287,440</b> |
| FICA                            | \$19,270         | \$20,515         | \$20,526         | \$20,027         | \$22,054         | \$20,843         | \$21,989         |
| Health Insurance                | \$44,219         | \$33,066         | \$30,821         | \$39,349         | \$52,228         | \$42,924         | \$45,896         |
| Workers' Compensation           | \$8,923          | \$11,684         | \$7,001          | \$8,962          | \$8,552          | \$8,552          | \$8,706          |
| Resig/Term Benefits             | \$1,697          | \$17,156         | \$11,946         | \$12,864         | \$7,510          | \$7,510          | \$7,469          |
| Sick Leave                      |                  |                  | \$2,182          | \$1,155          | \$1,054          | \$1,054          | \$2,192          |
| Flexible Benefits               | \$99             | \$85             | \$128            | \$109            | \$115            | \$0              | \$0              |
| ICMA - Retirement               | \$13,313         | \$12,818         | \$13,183         | \$11,950         | \$15,213         | \$11,877         | \$16,866         |
| <b>Total benefits</b>           | <b>\$87,520</b>  | <b>\$95,323</b>  | <b>\$85,787</b>  | <b>\$94,416</b>  | <b>\$106,726</b> | <b>\$92,761</b>  | <b>\$103,118</b> |
| <b>Total Personnel Services</b> | <b>\$362,619</b> | <b>\$347,255</b> | <b>\$344,040</b> | <b>\$355,804</b> | <b>\$395,009</b> | <b>\$366,361</b> | <b>\$390,558</b> |

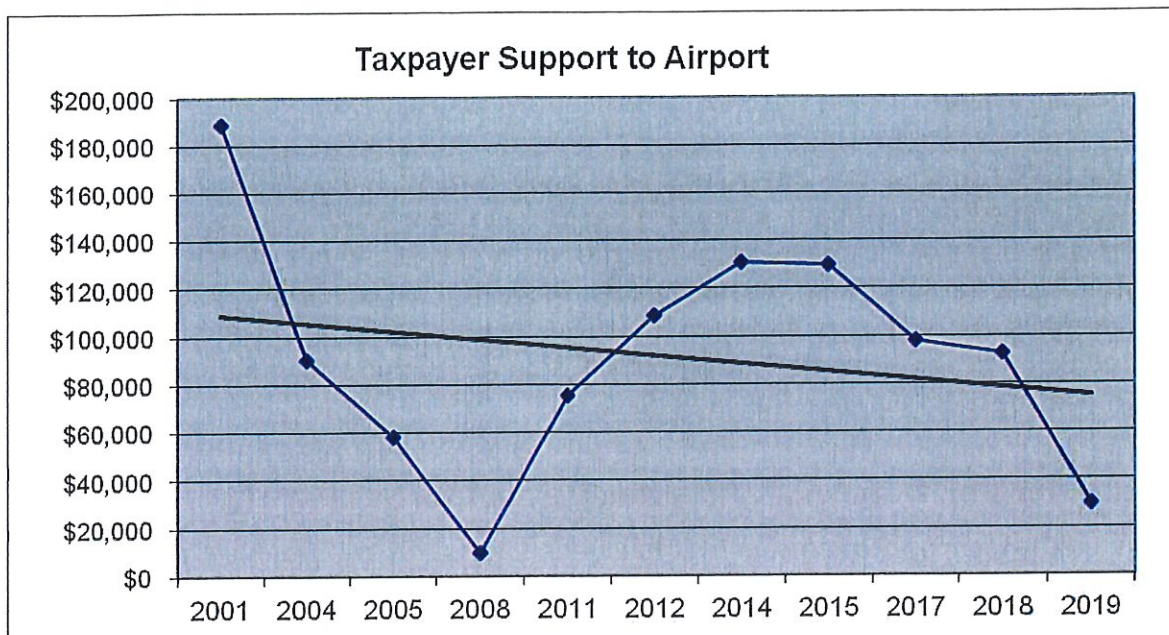


|                             | 2014      | 2015      | 2016      | 2017      | 2018      | 2018      | 2019      |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                             | Actual    | Actual    | Actual    | Actual    | Budget    | Actual    | Budget    |
| <b>Contractual Services</b> |           |           |           |           |           |           |           |
| Legal Fees                  |           | \$1,635   | \$1,695   | \$10,341  | \$1,000   | \$11,116  | \$1,000   |
| Meals                       |           | \$0       | \$170     | \$119     | \$125     | \$0       | \$125     |
| Lodging                     |           | \$0       | \$281     | \$1,116   | \$350     | \$0       | \$350     |
| Other, Tolls, Parking etc.  | \$33      | \$0       | \$26      | \$84      | \$25      | \$0       | \$25      |
| Pave/Veg Management         | \$4,800   | \$2,640   | \$0       | \$0       | \$0       | \$0       | \$0       |
| Telephone                   | \$4,488   | \$4,780   | \$4,171   | \$4,097   | \$4,500   | \$3,204   | \$3,000   |
| Internet Service            | \$2,511   | \$2,538   | \$2,568   | \$2,954   | \$2,940   | \$2,997   | \$3,000   |
| Runway Maintenance          | \$6,251   | \$15,837  | \$9,500   | \$7,762   | \$4,000   | \$11,979  | \$14,000  |
| Airport Liability           | \$2,575   | \$1,867   | \$1,000   | \$1,000   | \$1,000   | \$1,000   | \$1,000   |
| Advertising                 | \$357     | \$275     | \$151     | \$911     | \$250     | \$2,623   | \$250     |
| Dues & Registration         | \$352     | \$423     | \$402     | \$600     | \$790     | \$515     | \$895     |
| Postage & Shipping          | \$789     | \$456     | \$468     | \$938     | \$650     | \$769     | \$650     |
| Printing                    | \$747     | \$901     | \$971     | \$882     | \$900     | \$766     | \$900     |
| Training & Seminars         | \$39      | \$0       | \$525     | \$1,070   | \$500     | \$153     | \$1,000   |
| Electricity                 | \$31,859  | \$27,003  | \$27,662  | \$32,877  | \$30,000  | \$35,803  | \$30,500  |
| Water                       | \$2,889   | \$3,007   | \$3,311   | \$3,001   | \$3,000   | \$3,659   | \$5,280   |
| Equipment-Copier Rental     | \$3,809   | \$3,034   | \$914     | \$2,029   | \$1,824   | \$1,764   | \$2,044   |
| Equip Repairs & Maint       | \$894     | \$4,516   | \$5,000   | \$3,699   | \$2,500   | \$3,320   | \$3,500   |
| Grounds Maint               | \$1,594   | \$698     | \$22,572  | \$13,020  | \$13,600  | \$14,849  | \$12,986  |
| Cleaning Contract           | \$15,600  | \$22,056  | \$22,056  | \$22,056  | \$22,056  | \$22,056  | \$22,056  |
| Building Rep & Maint        | \$17,933  | \$23,653  | \$31,216  | \$27,812  | \$19,570  | \$24,422  | \$18,567  |
| Heating Repairs & Maint     | \$655     | \$760     | \$750     | \$447     | \$450     | \$2,780   | \$450     |
| Plumbing Rep & Maint        | \$512     | \$5,747   | \$0       | \$0       | \$50      | \$500     | \$50      |
| Gas                         | \$11,562  | \$11,086  | \$10,165  | \$14,690  | \$14,000  | \$17,565  | \$14,000  |
| Auto Repairs & Maint        | \$1,725   | \$311     | \$2,000   | \$3,463   | \$2,000   | \$2,211   | \$2,000   |
| Hangar Electricity          | \$5,476   | \$5,538   | \$6,149   | \$6,606   | \$6,000   | \$6,530   | \$6,000   |
| Flight Expl Subs            | \$2,100   | \$2,100   | \$0       | \$0       | \$0       | \$0       | \$0       |
| Hangar Owners Liability     | \$2,568   | \$2,568   | \$2,568   | \$2,568   | \$2,570   | \$2,669   | \$2,669   |
| Prop Taxes-10 Benner        | \$997     | \$1,035   | \$1,087   | \$1,089   | \$1,100   | \$1,097   | \$1,108   |
|                             | \$123,117 | \$144,464 | \$157,379 | \$165,233 | \$135,750 | \$174,348 | \$147,405 |
| <b>Commodities</b>          |           |           |           |           |           |           |           |
| Food, Groceries             |           | \$0       | \$303     | \$341     | \$250     | \$481     | \$325     |
| Heating Fuel & Propane      | \$13,497  | \$15,090  | \$8,383   | \$8,832   | \$9,000   | \$16,219  | \$15,000  |
| Auto Equip & Supplies       | \$5,852   | \$5,505   | \$6,819   | \$4,107   | \$5,000   | \$11,134  | \$5,000   |
| Cleaning Supplies           | \$143     | \$62      | \$66      | \$44      | \$50      | \$0       | \$50      |
| Maintenance Supplies        | \$5,030   | \$2,361   | \$6,282   | \$4,117   | \$5,000   | \$14,490  | \$9,500   |
| Office Sup & Equip          | \$1,820   | \$1,125   | \$3,460   | \$1,800   | \$2,000   | \$1,826   | \$2,000   |
| Copy Machine Supplies       | \$224     | \$109     | \$99      | \$133     | \$110     | \$152     | \$110     |
| Fire Fighting Supplies      | \$476     | \$0       | \$0       | \$0       | \$0       | \$0       | \$0       |
| Computer Supplies           | \$0       | \$0       | \$0       | \$209     | \$0       | \$435     | \$0       |
| Uniforms                    | \$1,155   | \$110     | \$500     | \$458     | \$350     | \$775     | \$350     |
| Books, Subscriptions, Etc.  | \$125     | \$52      | \$634     | \$170     | \$175     | \$351     | \$351     |
|                             | \$28,322  | \$24,424  | \$26,547  | \$20,211  | \$21,935  | \$45,861  | \$32,686  |

|                           | 2014             | 2015             | 2016             | 2017             | 2018             | 2018             | 2019             |
|---------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Capital                   | Actual           | Actual           | Actual           | Actual           | Budget           | Actual           | Budget           |
| Equipment                 | \$10,000         |                  | \$12,040         | \$13,131         | \$15,000         | \$15,000         |                  |
| Landscaping               |                  |                  |                  |                  |                  |                  |                  |
| (AIP) local share         |                  | \$65,000         | \$20,000         | \$26,500         | \$26,500         | \$26,500         | \$60,000         |
|                           | \$10,000         | \$65,000         | \$32,040         | \$39,631         | \$41,500         | \$41,500         | \$60,000         |
| <b>Total Expenditures</b> | <b>\$524,057</b> | <b>\$581,143</b> | <b>\$560,006</b> | <b>\$580,879</b> | <b>\$594,194</b> | <b>\$628,070</b> | <b>\$630,649</b> |

|                           |                  |                  |                  |                  |                  |                  |                  |
|---------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Revenue</b>            |                  |                  |                  |                  |                  |                  |                  |
| Aircraft Excise Tax       | \$41,115         | \$68,316         | \$72,761         | \$87,216         | \$80,000         | \$121,405        | \$110,000        |
| Runway Access             | \$3,466          | \$3,524          | \$3,624          | \$3,716          | \$3,789          | \$3,809          | \$3,941          |
| House Rent -Benner Ln     | \$2,373          | \$2,441          | \$2,520          | \$2,608          | \$2,660          | \$2,694          | \$2,766          |
| Downeast Air %            | \$28,879         | \$17,014         | \$17,630         | \$17,951         | \$18,500         | \$27,005         | \$20,500         |
| DE Air Land Lease         | \$12,909         | \$13,077         | \$13,325         | \$13,792         | \$14,067         | \$14,136         | \$14,630         |
| Hangar Owners Leases      | \$20,708         | \$22,599         | \$22,688         | \$23,255         | \$23,720         | \$24,046         | \$25,008         |
| Hangar Liability          | \$2,518          | \$2,618          | \$2,568          | \$2,568          | \$2,700          | \$2,669          | \$2,669          |
| Hangar Electricity        | \$5,299          | \$5,355          | \$5,904          | \$6,309          | \$5,700          | \$6,267          | \$6,267          |
| Aeronautical Radio        | \$1,910          | \$1,959          | \$2,006          | \$2,051          | \$2,092          | \$2,103          | \$2,176          |
| Budget Car Rental         | \$22,717         | \$33,483         | \$30,000         | \$32,333         | \$31,500         | \$38,072         | \$32,000         |
| OHTM                      | \$3,657          | \$3,767          | \$3,891          | \$3,997          | \$4,076          | \$4,068          | \$4,239          |
| Ronald Lussier Access     | \$942            | \$958            | \$992            | \$1,017          | \$1,039          | \$1,051          | \$1,081          |
| Enterprise Rental         | \$6,301          | \$2,531          | \$1,871          | \$3,183          | \$3,000          | \$753            | \$3,000          |
| PIA Land Rent             | \$1,759          | \$1,782          | \$1,826          | \$1,879          | \$1,917          | \$1,879          | \$1,994          |
| Aircraft Parking          | \$4,577          | \$4,917          | \$4,000          | \$6,965          | \$5,500          | \$10,123         | \$5,500          |
| Vehicle Parking           | \$30,638         | \$29,065         | \$33,712         | \$31,258         | \$33,000         | \$34,762         | \$33,000         |
| Advertising               | \$1,279          | \$1,350          | \$1,500          | \$950            | \$2,200          | \$900            | \$2,200          |
| Airport Miscellaneous     | \$381            | \$315            | \$500            | \$730            | \$500            | \$0              | \$500            |
| Late Fees                 | \$41             | \$397            | \$200            | \$262            | \$200            | \$310            | \$200            |
| Federal Reimb             | \$54,228         | \$55,816         | \$53,747         | \$54,750         | \$54,750         | \$54,750         | \$54,750         |
| Flight Instruction        | \$13             | \$29             | \$45             | \$37             | \$25             | \$208            | \$100            |
| Cemetery                  | \$683            | \$772            | \$787            | \$802            | \$818            | \$823            | \$856            |
| Cape Air Electricity      | \$5,631          | \$7,020          | \$7,020          | \$7,020          | \$7,020          | \$7,170          | \$7,920          |
| Penobscot Island Air %    | \$13,323         | \$12,691         | \$18,047         | \$16,326         | \$19,000         | \$21,763         | \$20,500         |
| Cape Air Rent             | \$39,049         | \$40,027         | \$40,027         | \$40,173         | \$40,976         | \$40,977         | \$45,000         |
| Cape Air Landing Fees     | \$43,128         | \$58,254         | \$58,716         | \$58,170         | \$53,844         | \$63,492         | \$100,000        |
| Switchback Pvt Hgr        | \$2,699          | \$2,786          | \$2,841          | \$2,884          | \$2,976          | \$2,947          | \$3,095          |
| Jobe Pvt Hgr              |                  |                  |                  |                  |                  | \$3,230          | \$3,359          |
| Blue Yonder Rent          | \$720            | \$720            | \$720            | \$720            | \$720            | \$720            | \$720            |
| Blue Yonder %             | \$1,094          | \$1,138          | \$1,012          | \$1,258          | \$400            | \$1,703          | \$1,000          |
| Café Rent                 |                  |                  |                  |                  |                  |                  | \$500            |
| Café %                    | \$510            | \$0              |                  | \$6,113          | \$10,000         | \$9,676          | \$8,500          |
| Cape Air Security Fee     | \$12,000         | \$72,000         | \$72,000         | \$72,000         | \$74,000         | \$73,500         | \$81,000         |
| Fuel Sales                |                  |                  | \$1,595          | \$2,015          | \$700            | \$2,172          | \$2,000          |
| Gate Access Fees          |                  |                  |                  |                  |                  | \$150            | \$100            |
| <b>Total Revenue</b>      | <b>\$364,546</b> | <b>\$466,720</b> | <b>\$478,077</b> | <b>\$504,306</b> | <b>\$501,389</b> | <b>\$579,334</b> | <b>\$601,071</b> |
| <b>Total Expenditures</b> | <b>\$524,057</b> | <b>\$581,143</b> | <b>\$560,006</b> | <b>\$580,879</b> | <b>\$594,194</b> | <b>\$628,070</b> | <b>\$630,649</b> |
| <b>Taxpayer Impact</b>    | <b>\$159,511</b> | <b>\$114,424</b> | <b>\$81,929</b>  | <b>\$76,573</b>  | <b>\$92,805</b>  | <b>\$48,736</b>  | <b>\$29,578</b>  |





### 3.4 SWOT

In August 2007, the Knox County Commission tasked the Airport Public Advisory Committee (APAC) to form a Business Plan Subcommittee to write the first-ever Knox County Regional Airport Business Plan. The Commission also asked the Subcommittee to work concurrently on a Passenger Terminal Design Plan, since the two plans were seen as interconnected.

The County supplied facilitator suggested the subcommittee begin by developing a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis to better prepare formulation of the vision, mission and value statements as well as the direction of future budgets.

The SWOT process had its difficult sessions as several airport conditions could be viewed as strengths by some and weaknesses by others. The Subcommittee finally agreed that the location of the airport creates conditions with elements of both. Although located within a popular Midcoast location and considered one of the more important commercial airports in Maine, the airport was built away from major access roads and has runways restricted by the local community and significant roadways. The airport property adjoins sensitive environmental marsh areas and has wetlands.

Other issues on which the Subcommittee was divided centered on the amount of growth, future aircraft size and increased airport activity. For some members, growth and more planes meant more noise and pollution, and potential environmental hazards, a diminution of the quality of life for neighbors and a change in the character of the "Maine Brand".

But an opposing view posited that greater activity and longer runways did not necessarily mean more hazards, because of in-place monitoring procedures, state-of-art spill control, and that quieter engine technology in newer aircraft would decrease noise. Specifically, a longer runway would have a positive environmental impact because it would eliminate additional enroute stops for fuel and put aircraft at higher altitudes over surrounding homes. Greater activity also meant potentially more business and income, for the county



and area's businesses, as well as a financially healthy airport to service the Midcoast area. Supporters believed that these benefits and some inevitable growth would not necessarily imperil quality of life.

While the SWOT process was often a source of disagreement, it did clarify the issues for the next steps in the Business Plan. When writing the core values, the Subcommittee reached consensus on many of the above issues and the rest of this document reflects those resolutions. As the Subcommittee finished the Business Plan, members looked back on the SWOT analysis as a necessary tool even though some points remain debatable. The process prepared the group to move forward by considering varied points of view and accommodating them into this Business Plan.

**Table 2: Strengths, Weaknesses, Opportunities, and Threats (SWOT)**

**Note: weaknesses/opportunities that have been acted on and improved are highlighted in green and anticipated threats that did impact us are highlighted in red.**

| <b>Strengths</b>   | <b>Weaknesses</b>   | <b>Opportunities</b>  | <b>Threats</b>   |
|--|---|---|--|
| Location<br>Midcoast Maine<br>OH Transportation<br>Museum<br>Ferry Terminal<br>Arts & Cultural Centers<br>Museums<br>Tourist Destination<br>Festivals<br>Lobster | Location<br>Owls Head<br>Fog<br>Bounded   | Fit into regional plans for protection and enhancement of ME's "brand" found by the Brookings Institute to be so important to the state's current and future economy. | Expansion<br>Increased growth could demolish the reason for visiting and undermine the "place-based" economy found to be critical by the recent Brookings Institute study.       |
| <b>Strengths</b>   | <b>Weaknesses</b>   | <b>Opportunities</b>  | <b>Threats</b>   |
| ESA<br>Cape Air<br>Link to Air<br>Transportation System  | Visual Aesthetics<br>Entry Landscape<br>Flag Pole<br>Trailer Park   | Neighborhood Input  | Security<br>Bad Guys<br>Over Reactions   |
| PIA<br>Passenger Count<br>Island Support<br>Air Ambulance<br>Cargo/Mail<br>Emergencies   | Environmental<br>Wetlands<br>Storm Water Runoff<br>Noise Pollution<br>Potential stream/river/ ocean contamination | Marketing<br>Co-Promote Airline<br>Co-Promote with Hotels & Chamber   | Threat to Maine's alluring "brand" (identified by the Brookings Institute) built on its scenic beauty, the integrity and feel of its distinctive towns and its quality of place. |
| Snow Removal<br>Crew and Equipment   | Curfew Enforcement<br>Inconsistent (follow-up)  | Port of Entry Status  | Wildlife   |
| <b>Strengths</b>   | <b>Weaknesses</b>   | <b>Opportunities</b>  | <b>Threats</b>   |
| Flying Club<br>Instruction<br>Youth Activities   | Hangar Owners<br>Moonlighting/<br>Non-sanctioned maintenance  | Increase weight limits  | Public Opinion   |
| Environmental<br>SWPPP/SPCC  | Limited Destinations  | Groove runways  | Fuel costs (actually decreased)  |

|  |                        |                                  |                      |
|--|------------------------|----------------------------------|----------------------|
| Sensitivity  |                        |                                  |                      |
| Public Process<br>Open Communication<br>Community<br>Involvement | Limited Aircraft types | Extend runways                   | Jet Port (Brunswick) |
| Fiscal Management  | No On site ARFF        | Hangar Development               | FAA Rule Changes     |
| Strong Airport<br>Management                                     | Revenue Generation     | Aircraft Maintenance<br>Facility | TSA Rule Changes     |
| KRCC   | Ice Mitigation         | Landing Fees                     |                      |
| KC SO Deputies   |                        |                                  |                      |
| Taxiways & Runways   |                        |                                  |                      |
| APAC   |                        |                                  |                      |
| Penobscot Bay Regional<br>Chamber of Commerce                    |                        |                                  |                      |
| Noise Reduction<br>Pamphlet                                      |                        |                                  |                      |
| Limited Geographic Size  |                        |                                  |                      |
| Limited Size and Number<br>of Planes                             |                        |                                  |                      |
| Limited Traffic on Roads   |                        |                                  |                      |
| Limited Construction<br>Activity                                 |                        |                                  |                      |
| Available/Developable<br>Land within the Fence                   |                        |                                  |                      |
| Engine Rebuilding  |                        |                                  |                      |



## 4. Market Analysis

Note: This section was not re-accomplished nor updated during the 2016 review.

This analysis provides insight into market trends that impact KCRA operations. The analysis focuses on the following three distinct markets:

- Year-Round Residents
- Seasonal Residents and Second Homeowners
- Transient Visitors and Tourists

### 4.1 Year-Round Resident Market

Year-round residents contribute to roughly 50 percent of all KCRA activities as passengers on scheduled commercial service, patrons of Penobscot Island Air, or through general aviation. With improved connectivity between commercial carriers and increased marketing efforts, expansion of the year-round resident market is likely.

#### 4.1.1 Trade Area Definition

Market exposure and general public education are essential to realizing growth of the year-round resident market. In considering this market segment clearly defining a trade area is necessary to effectively target scarce dollars for media buying and other marketing efforts. For the purposes of defining a trade area for targeting year-round residents four factors were considered – current passenger and general aviation data, proximity of other commercial airports, and trends in regional air service.

Based on these data, three trade areas centered on the KCRA were defined:

Primary Trade Area: 30-mile drive from KCRA

Secondary Trade Area: 50-mile drive from KCRA

Usage by individuals living within a 30-mile drive, or primary trade area, will likely account for an estimated 70 percent of airport services within this market segment. Primary trade area residents are more likely to use airport services, and use these services more frequently than residents living beyond the primary trade area.

**Table 3: Projected Year-Round Resident Usage by Trade Area**

| Trade Area                     | Projected Usage | Cumulative Percent |
|--------------------------------|-----------------|--------------------|
| Primary 30-mile drive          | 70%             | 70%                |
| Secondary 50-mile drive        | 25%             | 95%                |
| Tertiary Outside 50-mile drive | 5%              | 100%               |

#### 4.1.2 Year-Round Resident Demographic Analysis

The following demographic analyses indicate that recent demographic and economic trends are positive but factors relevant to increased regional air service demand are generally at a below-average starting point.

The most comprehensive demographic data available is the 2000 census. To take into consideration the demographic changes since the 2000 census the plan incorporates Neilson/Claritas estimates and projections. The data presented in this

section combine 2000 census figures and population estimates and projections that are likely to impact KCRA operations.

The table below provides a demographic summary of key measures associated with air travel, particularly education attainment, income, and age – the most influential predictors of air travel. Both the primary and secondary trade areas have slightly below average education and household income levels in terms of the propensity to use air travel. However, steady increases in both education attainment and income over the last twenty years demonstrates a growing market potential to engage in air travel. The above average age of the population in both the primary and secondary trade areas indicates a significant population that, by definition has discretionary income and time.

**Table 4: Demographic Summary of Key Air Travel Indicators**

| Variable   | 30-Mile  | 50-Mile  |
|--|----------|----------|
| 2014 Population Projection   | 65,970   | 199,204  |
| 2009 Population Estimate   | 64,812   | 195,997  |
| Estimated Annual Growth Rate   | 0.36%    | 0.33%    |
| Median Household Income  | \$47,260 | \$45,842 |
| % \$75,000 and over  | 25.2%    | 23.3%    |
| Adult Education Attainment - % College Degree (Bachelors Degree or higher) | 26.5%    | 22.9%    |
| Median Age   | 44.3     | 43.0     |
| Under 18 Years   | 19.7%    | 20.4%    |
| Baby Boomers (45 to 64 years)  | 30.8%    | 30.9%    |
| Mature (65+ years)   | 18.3%    | 16.4%    |
| Gender – Male  | 49.0%    | 48.9%    |
| Female   | 51.0%    | 51.1%    |
| Occupation – White Collar  | 55.1%    | 55.7%    |
| Management/Professional  | 31.0%    | 31.1%    |
| Sales and Office   | 24.7%    | 25.3%    |
| Service  | 15.0%    | 15.0%    |

- The population size of year-round residents in both the primary and secondary markets indicates limited market potential to support significant growth in airport operations by the year-round population.
- Population projections reflect a stable population with relatively little expected annual growth over the next decade.
- Household income in the region remains below the national median of \$50,740.
- Steady increases in household income and adult education attainment since 1990 demonstrate growth potential within each trade area based on predictors of travel.
- The region's above average median age suggests an increase in discretionary time.
- The trend of retirees moving to the region has had an impact on higher income and education levels, which indicates higher potential to consume airport services.
- As a predictor of travel, women are more likely to plan family activities.
- The lack of significant corporate presence in the region adversely affects business travel. However, the region has attracted professionals who choose



to live in the area and commute to urban centers in the Northeast or consult outside of Maine and rely heavily on scheduled commercial service.

#### **4.2 Seasonal Residents and Second Homeowners**

Seasonal residents and second homeowners contribute significantly to KCRA activity, particularly with regard to commercial air service and business services delivered through the fixed base operator. By virtue of maintaining a second residence or home, many within this market segment have income levels significantly greater than year-round residents, tend to be empty nesters or retirees, and have above average discretionary time and money to allow for more frequent travel.

In determining the market potential for seasonal residents and second homeowners data was used from the US Census Bureau's American Community Survey. Unable to replicate the trade area defined for year-round residents, data was collected at the county level including Knox, Lincoln, and Waldo Counties, as well as the state of Maine as a comparison.

**Table 5: Housing Units: Seasonal, Recreational, and Occasional Use**

|   | <b>Maine</b> | <b>Knox</b> | <b>Lincoln</b> | <b>Waldo</b> |
|---|--------------|-------------|----------------|--------------|
| Total Housing Units                           | 696,079      | 23,310      | 22,504         | 20,249       |
| For seasonal, recreational, or occasional use | 106,207      | 4,811       | 5,960          | 3,234        |
| Percentage of seasonal homes                  | 15.3%        | 20.6%       | 26.5%          | 16.0%        |

With more than 20,000 seasonal residents and second homeowners living in the KCRA catchment area, the potential for increased market opportunity is likely for both commercial service and fixed based operations. The demographic profile of seasonal residents and second homeowners supports a growth model for the airport – above average income, education attainment, and age.

The current experience of the scheduled commercial carrier, Penobscot Island Air, and the fixed base operator point to a significant impact from the seasonal resident/second homeowner market segment on revenue generation. Future marketing efforts should consider strategies to target this population.

#### **4.3 Transient Visitors and Tourist**

Midcoast Maine has long been a destination for travelers to enjoy the scenic beauty, outdoor recreation, cultural offerings, and unique blend of events. Given the region's assets a reliable transportation network is essential to supporting the tourism industry that accounts for more than 60 percent of the region's economy. Air service is a critical component to the transportation network and growth potential exists for KCRA as connectivity between carriers improves.

The analysis provided in Section 4.3 is based on the Office of Tourism's Mid-Coast region and incorporates research conducted by Davidson-Peterson Associates of Kennebunk. The Mid-Coast region is a geography that includes Brunswick and Harpswell, Sagadahoc, Lincoln, Knox, and Waldo Counties.



To provide a sense of scale within the Mid-Coast region the following table offers taxable sales in August 2009 for restaurants and lodging by economic summary areas (ESA) in the Midcoast.

**Table 6: August Taxable Sales – Restaurant and Lodging**

| Economic Summary Area (ESA) | Restaurant and Lodging Taxable Sales (thousands) | Percent Sales  |
|-----------------------------|--|----------------|
| Belfast                     | \$3,995.3  | 8.01%          |
| Brunswick                   | \$13,445.3                                       | 26.96%         |
| Camden                      | \$10,561.0                                       | 21.17%         |
| Damariscotta                | \$15,315.7                                       | 30.71%         |
| Rockland                    | \$6,562.3  | 13.16%         |
| <b>Total</b>                | <b>\$49,879.6</b>                                | <b>100.00%</b> |

Camden and Rockland make up the core of the primary trade area, as outlined above, and constitute 34.33% of taxable sales in the Midcoast. This is compared to 30.71% for Damariscotta that includes much of Lincoln County and 27.96 for Brunswick that include Sagadahoc County. The Belfast ESA that includes much of Waldo County contributes 8.01% of taxable sales for restaurant and lodging.

#### 4.3.1 Midcoast Overnight Travel

The Maine Office of Tourism contracted with Davidson-Peterson Associates of Kennebunk to conduct market research for each of Maine designated tourism regions. These data represent the most comprehensive research conducted on visitors to the Midcoast. Most of the data in this section is based on the Davidson-Peterson research. For the purposes of the KCRA business plan focus will be on overnight travelers.

The Midcoast serves as one of Maine's primary destinations for tourists having received an estimated 4.58 million overnight visitors and 2.22 million day visitors in 2008. This represents 13 percent of all overnight visitors to Maine, slightly less than southern Maine and the Greater Portland region and on par with Downeast/Acadia.

**Table 7: Overnight Travel by Type for Maine and the Mid-Coast**

|                          | Overnight Travel |                |                  |                  |
|--------------------------|------------------|----------------|------------------|------------------|
|                          | Leisure          | Business       | VFR              | Total            |
| <b>Trips:</b>            |                  |                |                  |                  |
| Maine (Total)            | 2,660,382        | 885,725        | 2,628,344        | 6,174,450        |
| Mid-Coast                | 345,850          | 97,430         | 367,968          | 811,248          |
| <b>Visitors:</b>         |                  |                |                  |                  |
| Maine (Total)            | 7,374,080        | 1,863,850      | 6,184,518        | 15,422,448       |
| <i>Mid-Coast:</i>        |                  |                |                  |                  |
| Primary Visitors*        | 958,630          | 205,024        | 865,833          | 2,029,486        |
| Secondary Visitors       | 1,253,594        | 372,770        | 927,678          | 2,554,042        |
| <b>Total Visitors **</b> | <b>2,212,224</b> | <b>577,794</b> | <b>1,793,510</b> | <b>4,583,528</b> |

\*Primary visitors are visitors who reported that the region was the *primary region* for their trip. Secondary visitors reported that the region was *another region (aside from the primary region)* they visited during their trip. Day visitors to Maine are only asked about the primary region of their visit. As such, there is no secondary region data for this group.

\*\* Please note that due to contract and survey timing, data was not collected for May and June 2008. As such, these numbers reflect July 2008 through early April 2009.



Overnight travelers who indicated the Midcoast was their primary destination represent the potential market for the KCRA, specifically for scheduled commercial service. In 2008 this market represented an estimated 2 million visitors, the majority visiting during the summer and fall months.

#### 4.3.2 Visitor Profile

Through survey research Davidson-Peterson were able to define a visitor profile for the Midcoast region. The following provides a demographic profile of leisure visitors to the region.

**Table 8: Demographic Profile of Leisure Visitors**

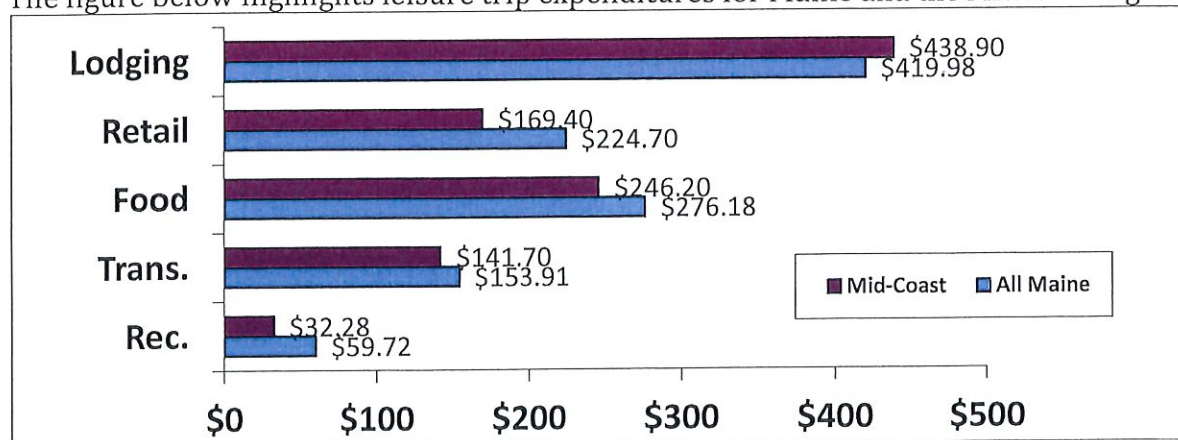
|                            | All Maine Overnight Leisure Visitors<br>(Base=1,683) | Mid-Coast Overnight Leisure Visitors<br>(Base=227) | All Maine Day Leisure Visitors<br>(Base=1,290) | Mid-Coast Day Leisure Visitors<br>(Base=178) |
|----------------------------|--|--|--|--|
| Mean Age                   | 43.2   | 47.2   | 43.9   | 47   |
| Mean Income                | \$106,340  | \$100,200  | \$81,339                                       | \$80,332                                     |
| Percent Female             | 47%  | 44%  | 52%  | 47%  |
| College Degree or Higher   | 78%  | 81%  | 70%  | 78%  |
| Percent Married            | 59%  | 63%  | 62%  | 69%  |
| Percent Employed Full-Time | 63%  | 55%  | 60%  | 53%  |

The profile of Midcoast overnight visitors reflects a high-value traveler – above average income, college educated, and married. The percent employed full-time can be an indicator of discretionary time. A lower percent of employed full-time, coupled with an older median age, suggest a retired or empty nester population that frequents the Midcoast.

Nearly 50 percent of the primary overnight leisure visitors to the Midcoast are residents of Massachusetts (20%), New York (16%), or Connecticut (12%). While in the Midcoast region 33 percent of primary visitors report visiting Boothbay Harbor followed by Camden (29%), Bath (27%), Rockland (24%), and Rockport (22%).

#### 4.3.3 Expenditures

The figure below highlights leisure trip expenditures for Maine and the Midcoast region.



With the exception of lodging, expenditures for retail, food, transportation, and recreation are all below the Maine average. A number of conclusions are suggested by these data:

- Midcoast offers visitors a cost effective option compared to other places in Maine
- There is additional spending capacity of visitors to the Midcoast
- In the case of retail, outlet centers in Freeport and Kittery generate a disproportionate amount of retail sales and skew the data

Maine Office of Tourism data indicate visitors to the Midcoast have a positive experience, would recommend the region as a destination, and would return if the opportunity presented. The principle regret of leisure visitors to the area is a lack of time.

#### **4.4 Market Analysis Summary**

The following summarizes key points in the market analysis that are likely to impact future growth at KCRA:

- Market potential exists to support continued growth of KCRA airport operations. The strategies employed such as co-marketing efforts with Cape Air, development of hangars, and general public education efforts would help determine the rate of growth into the future.
- Demographic trends continue to improve with regard to the indicators of increased air passenger service – higher household income, increased adult education attainment, and above average median age.
- Year-round residents provide a sound foundation for airport operations, particularly during the shoulder and off-season months.
- The region's growing seasonal residents and second homeowners represent significant revenue potential for a host of airport operations including increased enplanements for commercial carriers and services offered through the FBO. As more seasonal residents and second homeowners establish a presence in Midcoast Maine demand for airport services should increase.
- Seasonal residents and second homeowners are a high value constituency of the KCRA and as such need to be cultivated.
- Transient visitors and tourists contribute to more than 60 percent of the regional economy and significant growth potential exists for air services targeting tourists.
- Below average expenditure per visitor for transportation compared to Maine may indicate capacity in the market.

### **5. Competitive Analysis**

KCRA operates in the context of a regional market, competing for customers for its various services. Two primary services are outlined in the business plan – commercial air service and general aviation services. The following considers market conditions for each of the services offered at KCRA.

#### **5.1 Scheduled Commercial Service**

Essential Air Service to KCRA is provided by Cape Air, a regional carrier with a business model targeting niche markets such as Martha's Vineyard, Nantucket, and a number of Caribbean islands.



KCRA will likely always provide a niche in air travel for those passengers that desire convenience and appreciate the type of aircraft servicing KCRA. Cape Air began providing service to KCRA in November 2008 and since that time enplanements have increased each month from previous years with the exception of three (likely a result of the global economic crisis).

The following table summarizes the scheduled commercial air service activity at five of Maine's six commercial airports.

**Table 9: Scheduled Commercial Service by Airport**

| Name                         | # of Carriers | Schedules Flights | Fare to Boston | Fare to New York |
|------------------------------|---------------|-------------------|----------------|------------------|
| Portland Jetport             | 6             | 45                | NA             | \$149            |
| Bangor International Airport | 4             | 12                | \$407          | \$207            |
| Augusta State                | 1             | 3                 | \$371          | \$324            |
| Bar Harbor                   | 1             | 3                 | \$391          | \$324            |
| Knox County Regional         | 1             | 3                 | \$118          | \$317            |

### 5.1.1 Competitive Landscape

Portland Jetport serves the majority of air travelers in the region (54.2% of Knox County passengers), followed by Boston (29.2%), Manchester (8.4%), and Bangor (7.1%). Portland's passenger volume from Knox County is expected to nearly double over the next ten years with an estimated 100,000 enplanements. Whereas the percentage of Knox County air travelers served by the other airports will remain stagnant or decline during the next ten years.

Experience over the last years indicates continued market potential for KCRA, particularly if airfares remain competitive. Other factors that influence travelers' decisions to use KCRA are time, parking costs, and overall convenience. Increasingly people's time is more valuable combined with parking fees, even at the Portland Jetport, usually offset any savings realized in airfare.

In comparing KCRA with other regional airports, including Boston, the total cost of travel when factoring cost of travel, commute time to the airport, parking, and convenience is on par or considerably less depending on the destination and length of stay. Portland, an airport with low-cost carriers AirTran and JetBlue, has parking fees of \$10-\$12 per day and a commute time of 1.5 to 2 hours. For a trip of at least four or five days, the traveler that is comfortable with a small plane and making a connection in Boston, is likely to save money and time by leaving from KCRA.

### 5.1.2 Cape Air/JetBlue Affiliation

In January 2010 Cape Air and JetBlue announced an affiliation that improved connectivity between destinations served by Cape Air and the JetBlue network. This affiliation provides the following:

- Integrated IT system between the two carriers;
- Shared web presence when booking travel;
- Seamless check-in and transfer process; and
- Ensures baggage is transferred between carriers.

The greatest impact the affiliation had on KCRA is the shared booking capabilities and joint marketing opportunities. People booking travel on JetBlue's website will see Cape Air destinations as an option, increasing market exposure for the KCRA.

Related to the affiliation is JetBlue's decision to increase the number of flights originating in Boston, serving a host of JetBlue destinations. Boston presents JetBlue with the opportunity to decrease pressure on its JFK operations while effectively serving the significant Northeast travel market. With improved connectivity between Cape Air and JetBlue, as well as a greater number of direct connections in Boston from KCRA, the potential for increased enplanements on Cape Air may realize a growth of more than 30 percent during the next few years.

## 5.2 General Aviation

General aviation activity is typically linked to services and amenities offered at the airport such as hangar availability, products and services offered through the fixed based operator, and an eatery in the terminal. With the exception of the products and services offered through the fixed based operator, KCRA has limited hangar capacity and a seasonal eatery that is limited in its offerings.

**Table 10: General Aviation Aircraft and Hangars by Airport**

| Name                  | # of Aircraft | # of Hangars | Fee Structure   |
|-----------------------|---------------|--------------|---|
| Augusta State Airport | 46            | 25           | Waiting List – \$161/mo., \$215/mo. or \$323/mo.                  |
| Belfast Municipal     | 26            | 24           | 0.04 to 0.09/sq ft land lease, plus the cost to build a hangar    |
| KCRA                  | 86            | 55           | Varied depending on hangar availability                           |
| Wiscasset             | 47            | 36           | Currently two available hangars are for sale starting at \$40,000 |

Demand for hangar space in the Midcoast region is significant based on interviews conducted with airport managers and staff of the four likely facilities competing for general aviation clients. Availability of well-maintained hangars is limited with each of the airports reporting no availability or limited availability.

Currently there is a demand for several new hangars at KCRA. The construction of these hangars would also create an additional demand and growth potential for general aviation.

As the values and guiding principles outline, hangar development should be driven by market demand and evaluated in relationship to the compatibility of the community and the environment. Initial market research indicates an immediate demand regionally. KCRA has the opportunity to meet this demand with the development of at least six hangars in the near-term and likely four to six additional hangars in the long-term.

## 6. Knox County Regional Airport Staffing Plan

The staffing plan considers the current staffing and associated responsibilities and projects future staffing needs five to seven years based on airport growth, industry trends, regulatory requirements, and local vision.



## **6.1 Current Staffing**

KCRA maintains a modest staff with six full-time equivalent employees, which is adequate for the current level of activity at the airport. Roles and responsibilities for each position are well defined, however little cross training exist between employees. This lack of redundancy in staffing presents challenges in the event of absents and creates a vacuum for succession planning. Current staffing is outlined below:

**Table 11: KCRA Staffing**

| <b>Position</b>               | <b>FTE</b> |
|-------------------------------|------------|
| Airport Manager               | 1 FTE      |
| Maintenance Supervisor*       | 1 FTE      |
| Maintenance Employee*         | 1.5 FTE    |
| Administrative Assistant      | 1 FTE      |
| Security (Part-Time Officers) | 2.25 FTE   |

\* Receives overtime during the winter months

Compensation for all positions, as a result of a County-wide wage/salary study, meets or exceeds market rates for similar positions in Maine. The benefits package is the same as that provided to other County employees and an annual cost of living adjustment is made to wage standards based on the consumer price index.

## **6.2 Reporting Responsibilities**

Two staff have supervisory responsibilities – the airport manager and the maintenance supervisor. Overall responsibility rests on the airport manager to provide managerial oversight. Given the nature of the maintenance operation, the maintenance supervisor also directs maintenance staff as to their responsibilities.

## **6.3 Staffing Concerns and Issues**

In general airport staff meet and exceed the functional requirements to operate a safe and efficient airport property. Previous concerns raised by management, reflected in the original version of this document, were taken into consideration and have been addressed.

## **6.4 Future Staffing Needs**

The County and Airport enacted several recommendations from this document, including hiring a part-time maintenance employee, converting the Administrative Assistant position to full-time and contracting-out the janitorial responsibilities for the Terminal. These steps solved nearly all the foreseeable staffing shortfalls.

## **6.5 Internship Opportunities**

Internships can be offered year-round to qualified college students interested in aviation and airport management. The internship would be structured with clearly defined learning outcome associated with a particular project or series of projects. Each internship would span 10 weeks unless previously determined. Programs such as Emery Riddle can provide a quality pool of talent for internships. Building those relationships is critical to the overall success of an internship program.

## 6.6 Staff Recruitment

Standard staff recruitment is appropriate to meet the staffing needs of the airport. Two target populations to consider in recruiting for positions are those recent college graduates who are interested in aviation and airport management, as well as retired military or airline employees.

## 7. Projections, Assumptions, and Financial Pro Forma

During an 18-month period from June 2008 to December 2009 the Business Plan Committee established a series of recommendations that are captured as values, guiding principles, and plan assumptions.

### 7.1 Overarching Assumptions and Policy Considerations

The assumptions outlined below suggest certain policy recommendations the County Commission may want to consider, as well as guidance for airport operations. These assumptions inform the plan's financial pro forma.

- The County will minimize direct taxpayer support of airport operations while recognizing that some public subsidy may be needed to serve the islands and minimize the impact on the neighboring communities.
- Continue adherence/compliance with Part 139. The FAA changed their interpretation of the Part 139 Certification requirements and as a result, RKD is no longer eligible to be certified. The airport continues to adhere to the Part 139 sections that make sense to comply with.
- Energy efficiency will be a primary objective of airport operations and be realized through the incorporation of green technologies in the new terminal facility, upgrades to capital equipment, and participation in the VALE program.
- The airport serves as a gateway to the Midcoast community and its appearance should reflect an image representative of the region, culturally, naturally, and aesthetically. The following outlines areas to consider related to the airport's aesthetic qualities.
  - Public Art (internal and external)
  - Presence of an American flag
  - Tree canopy at the entrance to the airport
  - Importance of landscaping/screening
  - Gallery
  - Improved signage that follows uniform standards
  - Seasonal decorations
  - Advertising that follows certain design standards
- The useful life of certain capital equipment is coming to an end, which presents an opportunity for reductions in fuel consumption and maintenance costs. In addition, equipment with resale value will be sold, generating revenue for general operations.



- For KCRA to realize its full revenue potential a significant appropriation dedicated for advertising is necessary. Airport operations, in conjunction with Cape Air, needs to develop a marketing campaign in multiple medias.

## 7.2 *Pro Forma Assumptions*

Based on a number of general assumptions informed by the plan's values and guiding principles, as well as specific recommendations outlined below related to airport operations, a financial pro forma is presented. The 2010 budget served as the foundation on which the original pro forma was developed. The original Pro Forma projections for 2016, an adjusted 2016 for implemented actions, the actual data for 2016, 2017 and 2018, the budget for 2019 and projections for 2020-2030 are used for the updated Pro Forma.

### 7.2.1 **Revenues**

- **Establishment of a Passenger Facility Charge:** This has been established. But, Cape Air's preference toward increased airline fees rather than passenger fees could allow the airport to avoid the burdensome application, auditing and closeout processes associated with PFCs. The airport manager intends to decrease reliance on PFCs, in favor of alternative funding sources.
- Hangar development leading to increased lease fees.
- **Increased number of aircraft designating KCRA as home base resulting in an increase in excise tax revenues**

### 7.2.2 **Expenses**

- **Airport Manager salary adjustment:** This has been adjusted.
- **Hiring of a part-time maintenance employee:** This has been completed.
- Consideration of an Assistant Airport Manager: Considered but selected another option.
- Creation of an advertising budget: This was added to the budget but removed when more seasonal demand was generated than Cape Air could satisfy.
- Costs associated with the new terminal: The terminal is complete.
  - Custodial contract
  - Porous pavement maintenance
  - Increased occupancy costs - \$6,410
- AIP Share funding - \$55,555 less PFC = \$25,000/year
- Reserve Account fund - \$15,000

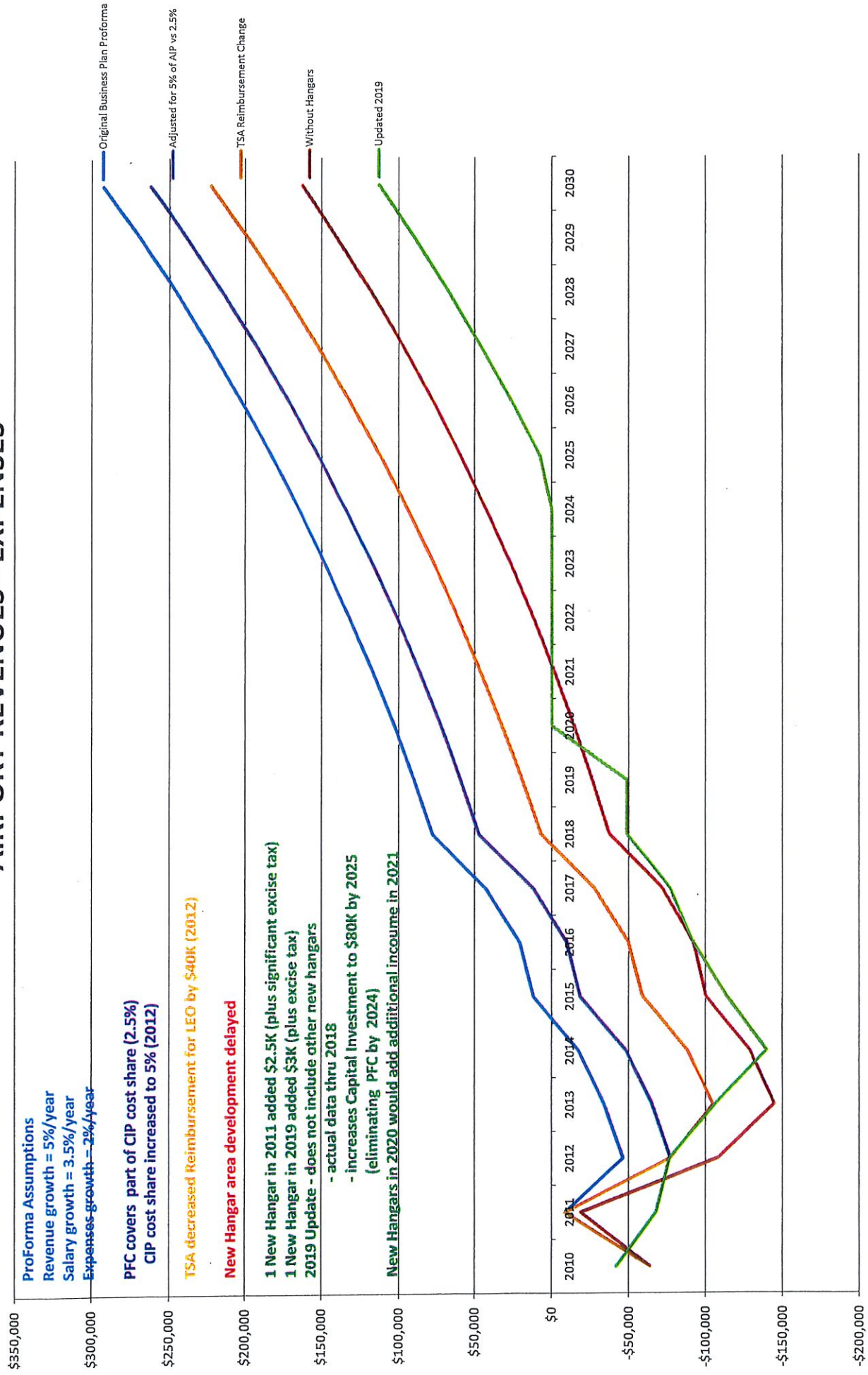


TABLE 12: KCRA PRO FORMA 2016 to 2030

|  | 2016            | 2016Adj           | 2016Act          | 2017             | 2018             | 2019             | 2020       | 2021       | 2022       | 2023       | 2024       | 2025           | 2030             |
|--|-----------------|-------------------|------------------|------------------|------------------|------------------|------------|------------|------------|------------|------------|----------------|------------------|
| <b>Total Revenues</b>  | \$455,997       | \$463,430         | \$478,077        | \$504,306        | \$579,334        | \$622,490        | \$661,828  | \$662,734  | \$695,871  | \$730,664  | \$767,197  | \$805,557      | \$1,028,118      |
| <b>Expenses</b>  |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Personnel  | \$345,341       | \$392,099         | \$344,040        | \$355,804        | \$366,361        | \$415,521        | \$435,794  | \$445,253  | \$460,837  | \$476,966  | \$493,660  | \$510,938      | \$606,834        |
| Contractual Services   | \$95,097        | \$157,036         | \$157,370        | \$165,233        | \$174,348        | \$157,769        | \$156,392  | \$156,392  | \$159,520  | \$162,710  | \$165,964  | \$169,284      | \$186,903        |
| Commodities  | \$18,899        | \$18,899          | \$26,547         | \$20,211         | \$45,861         | \$37,940         | \$33,142   | \$34,589   | \$35,281   | \$35,987   | \$36,707   | \$37,441       | \$41,338         |
| Capital Investments  |                 | \$64,057          | \$32,040         | \$39,631         | \$41,500         | \$60,000         | \$36,500   | \$26,500   | \$40,233   | \$55,000   | \$70,866   | \$80,000       | \$80,000         |
| Total Expenses   | \$459,337       | \$632,091         | \$559,997        | \$580,879        | \$628,070        | \$671,230        | \$661,828  | \$662,734  | \$695,870  | \$730,664  | \$767,197  | \$797,663      | \$915,075        |
| <b>Total (Income less Costs)</b>   | <b>-\$3,340</b> | <b>-\$168,662</b> | <b>-\$81,920</b> | <b>-\$76,573</b> | <b>-\$48,736</b> | <b>-\$48,740</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$7,894</b> | <b>\$113,043</b> |
| Impact on Taxpayer*  | \$0.09          | \$4.45            | \$2.16           | \$2.02           | \$1.29           | \$1.29           | \$0.00     | \$0.00     | \$0.00     | \$0.00     | \$0.00     |                |                  |
| Positive in 2018-2025  |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Annual Adjustments: Revenue Growth Rate of 5%, Salary COLA of 3.5%, and Expenses of 2% |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| *200K home owner   |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| <b>Additional Impacts, not projected</b>   |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| <b>Cost to fix geothermal</b>  |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| <b>County-wide Pay Increase</b>  |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| <b>TSA Decreased Reimbursement</b>   |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| <b>FAA Increased Share requirement to 5%</b>   |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| <b>Decisions:</b>  |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Terminal   | \$13,509        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Custodial Costs  | \$28,154        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Porous Pavement Upkeep   | \$2,208         |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Occupancy Costs  | \$7,077         |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Added Anticipated Income   | \$23,930        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| BOTTOM-LINE Still Positive in 2018   | -\$16,849       |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Capital Improvement Plan   | \$33,502        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| 2.5% AIP Share   | \$25,000        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Reserve Account Fund   | \$8,502         |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| BOTTOM-LINE Positive in 2022   | -\$50,351       |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Passenger Facility Charge  | \$33,502        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| BOTTOM-LINE Still Positive in 2018   | -\$16,849       |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Part Time Employee   | \$16,904        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| BOTTOM-LINE Positive in 2020   | -\$33,753       |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Manager Pay on par   | \$17,854        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| BOTTOM-LINE Positive in 2022   | -\$51,607       |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Advertising Budget   | \$4,500         |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| BOTTOM-LINE Positive in 2022   | -\$56,107       |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| 6 New Hangars in 2014  | \$41,609        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Added Anticipated Income   | \$26,609        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Additional Exise Taxes   | \$15,000        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| BOTTOM-LINE Positive in 2018   | -\$14,498       |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Impact on Taxpayer*  |                 |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| 6 New Hangars in 2014  | \$34,109        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Added Anticipated Income   | \$26,609        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| Additional Exise Taxes   | \$7,500         |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
| BOTTOM-LINE Positive in 2016   | \$19,612        |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |
|  | \$0.52          |                   |                  |                  |                  |                  |            |            |            |            |            |                |                  |



# AIRPORT REVENUES - EXPENSES



## 8.0 Goals and Action Plans

One of the principle goals of the Business Plan Committee is to establish a dynamic business plan that incorporates procedures to continually monitor and evaluate progress. The business plan is a tool for management, the county commissioners, and area stakeholders to realize a shared vision and to establish public policies to support that shared vision. The action steps outlined below provide airport management with direction that sustains effective and efficient operations and sets in motion a growth strategy that balances the interests of Knox County, KCRA, neighboring communities, and airport users.

The business plan culminates in a series of goals and action plans that evolved over the 18-month planning process. The action steps outlined in the following matrices are organized by theme and include both short-term and long-term tasks. To ensure there is follow through responsible parties are identified and a timeframe suggested.

During the 2016 and 2019 reviews, goals that had been accomplished were highlighted in **green**. If they were not still 'ongoing' or continuing, they were also lined through. Goals/actions no-longer considered appropriate were lined through and those that still need to be addressed were highlighted in **red**.

## Knox County Regional Airport Mission Statement

*To provide the safest and most reliable air transportation services and facilities for the residents, businesses, and visitors of the greater Knox County and Penobscot Bay region and island communities.*

*To offer passenger and freight transportation, mail delivery, medical and emergency services, as well as general aviation support. To provide these services in the most efficient, fiscally responsible and environmentally safe manner while continuing to be a good neighbor to the adjacent communities.*

*To conduct Knox County Regional Airport's operation and management ethically and transparently with the utmost respect for the community within which the airport is located.*

### Capital Improvements

| Capital Improvement (Excluding Terminal) 1 to 3 Years |   | Responsibility  | Timeframe    |
|---|---|---|--------------|
| 1.  | Continue utilizing the FAA 5-Year capital improvement plan.   | Airport Manager,<br>County Administrator<br>County Commission<br>Budget Committee<br>Finance Office | Ongoing      |
| 2.  | <b>Fund obsolescence to ensure future capital improvements.</b>   | Airport Manager<br>County Administrator<br>County Commission<br>Budget Committee                    | Ongoing      |
| 3.  | Develop a pavement maintenance plan and implement phased pavement maintenance program.  | Airport Manager<br>Maintenance Sup-<br>Engineer   | 2010         |
| 4.  | Purchase snow removal equipment.  | Airport Manager   | 2011         |
| 5.  | Update the vegetation management plan and take the necessary actions.   | Airport Manager<br>Maintenance Sup-<br>Engineer   | 2011         |
| 6.  | Continue to determine the market demand for private hangar lease agreements and develop the appropriate number of hangars based on market demand and the development's consistency with the guiding principles outlined in the business plan. | Airport Manager,<br>County Commission<br>Engineer<br>Business Plan Com.<br>APAC                     | 2018 Ongoing |



| Capital Improvement (Excluding Terminal) 5 to 7 Years |  |  | Responsibility   | Timeframe |
|---|--|--|--|-----------|
| 1:  | Evaluate extending runway length to comply with FAA safety requirements:   |  | Airport Manager<br>Engineer<br>FAA<br>APAC                                     | 2016      |
| 2:  | Conduct periodic analysis of market demand for private hangar lease agreements and develop hangars as market demand and consistency with the guiding principles outlined in the business plan warrant. |  | Airport Manager<br>County Commission<br>Engineer<br>Business Plan Com-<br>APAC | 2013      |

### Terminal Development

| Terminal Development |   |  | Responsibility  | Timeframe    |
|----------------------|---|--|---|--------------|
| 1:                   | Secure contractor through competitive bidding process:  |  | Airport Manager<br>County Admin-<br>County Commission<br>Engineer           | 2009         |
| 2:                   | Identify and pursue additional grant support for the terminal to further offset the share of County costs related to the project.             |  | Airport Manager<br>Consultant<br>Engineer                                   | 2009         |
| 3:                   | Complete site development and new terminal construction.  |  | Airport Manager<br>Engineer<br>Contractor                                   | 2009 to 2011 |
| 4:                   | Issue Requests for Proposals (RFP) for the proposed eatery and gift shop within the new terminal.   |  | Airport Manager<br>County Admin-<br>Business Plan Com-<br>County Commission | 2010         |
| 5:                   | Develop/revise landscape design and site review to ensure quality curb appeal on both the air side, as well as the land side of the terminal. |  | Airport Manager<br>Engineer<br>APAC   | 2010         |
| 6:                   | Review parking allocation in regards to revised site review.  |  | Airport Manager   | 2010         |
| 7:                   | Develop interior design plan and establish partnerships with area nonprofits, artists, and others who could provide materials.                |  | Airport Manager<br>Business Plan Com-<br>Engineer, Contractor               | 2010         |



## Environmental

| Environmental |   | Responsibility                                    | Timeframe |
|---------------|---|---|-----------|
| 1.            | Continue periodic, but at a minimum annual, water sampling program to monitor impacts to the environment.                                       | Airport Manager<br>Engineer<br>DEP                | Ongoing   |
| 2.            | Continue to explore opportunities for new energy solutions and other environmental innovations and implement those deemed appropriate for KCRA. | Engineer<br>Airport Manager<br>Consultant<br>APAC | Ongoing   |
| 3.            | Update the airport's storm water pollution prevention plan.   | Airport Manager<br>Engineer<br>DEP                | 2010      |
| 4.            | Incorporate the recommendations from the wildlife study.  | Engineer<br>Airport Manager<br>Consultant<br>APAC | 2014      |

## General Operations

| General Operations |  | Responsibility  | Timeframe |
|--------------------|--|---|-----------|
| 1.                 | Identify best practices and innovations at other regional airports that could be considered at KCRA and study the feasibility of implementation. | Engineer<br>Airport Manager   | Ongoing   |
| 2.                 | Continue operating under Part 139 guidelines.  | County  | Ongoing   |
| 3.                 | Implement Passenger Facility Charge.   | Airport Manager<br>Engineer<br>Commercial Carriers                  | 2010      |
| 4.                 | Review Fixed Base Operator agreement and make the necessary modifications to reflect changes to property and other operating procedures.         | Airport Manager<br>County Administrator<br>County Commission<br>FBO | 2010      |
| 5.                 | Implement a modest marketing program for the airport.  | Airport Manager<br>Engineer<br>Consultant<br>APAC                   | 2010      |

| General Operations (cont.) |  | Responsibility   | Timeframe |
|----------------------------|--|--|-----------|
| 6.                         | Fully integrate security system with County dispatch and avoid third party coverage on the airport.  | Airport Manager<br>County Administrator<br>County Departments        | 2010      |
| 7.                         | Essential Air Service RFP process and selection.   | Airport Manager<br>County Administrator<br>County Commission<br>APAC | 2022      |
| 8.                         | As technologies and/or vendor services change, re-evaluate the feasibility of landing fees in terms of financial viability versus administrative costs associated with implementation. | Airport Manager<br>Engineer<br>Business Plan Com.<br>APAC            | 2018 2021 |
| 9.                         | Revise the airport master plan.  | Airport Manager<br>Engineer<br>County Commission<br>APAC             | 2025      |

### Human Resources

| Human Resources |   | Responsibility   | Timeframe |
|-----------------|---|--|-----------|
| 1.              | Hire maintenance employee (part-time) to support airport operations; particularly during the winter months.   | Airport Manager<br>County Commission<br>County Administrator<br>Budget Committee | 2009      |
| 2.              | Consider implementing an internship program.  | Airport Manager<br>APAC  | 2020      |
| 3.              | Implement airport manager salary adjustment—possibly phased in over a 5-year period.  | County Administrator<br>County Commission<br>Budget Committee                    | 2011      |
| 4.              | Determine the need for an assistant airport manager and act accordingly based on recommendations. Note: Determined increasing the Admin Assistant position responsibilities to provide Airport Manager overlap would eliminate the need for an assistant airport manager. | Airport Manager<br>County Administrator<br>County Commission                     | 2011      |
| 5.              | Establish succession plan for key positions—airport manager and maintenance supervisor.   | Airport Manager<br>County Administrator<br>County Commission                     | 2011      |