



County of Orange

MEMO

December 17, 2008

TO: Anil Kukreja, County Executive Office
FROM: Alan Murphy, Director, John Wayne Airport 
SUBJECT: 2009 Business Plan – Key Performance Measure Updates

Per the October 30, 2008 e-mail request from Frank Kim, I am forwarding updates to John Wayne Airport's FY2008-09 Business Plan *Key Performance Measures*.

Please contact Courtney Wiercioch of my staff (949.252.5166 or cwiercioch@ocair.com) if you have questions or need additional information

cc: Loan Leblow, Assistant Airport Director

JOHN WAYNE AIRPORT
Key Performance Measure # 1
FY2009-2010 Update

Performance Measure: FAA Annual Part 139 Airport Certification Inspection.

What: Each year, the FAA conducts a comprehensive inspection to ensure that the Airport is being operated in a safe manner.

Why: Failure to pass the Part 139 Inspection could result in decertification as an air carrier airport and subsequent closure.

FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
Passed with no correction items.	Pass with no more than two correction items.	Pass with no more than two correction items.	Pass with no more than two correction items.	JWA is taking all steps necessary to continue to achieve full compliance with no correction items.

JOHN WAYNE AIRPORT
Key Performance Measure # 2
FY2009-2010 Update

Performance Measure:

Tenant Survey Results.

What:

John Wayne Airport regularly surveys both Airport tenants and passengers to learn their views of the Airport facilities and services. In 2008, JWA will conduct the Tenant Survey.

Why:

Direct input from those served by the Airport helps identify and prioritize facility and service improvements that passengers and tenants desire.

FY 06-07 Results	FY 07-08 Plan	FY 07-08 Anticipated Results	FY 08-09 Plan	How are we doing?
N/A	90% of respondents in Passenger Survey rate JWA "Excellent" or "Good" overall	96% (telephone) and 91% (intercept) [reflects results from 2007 Passenger Survey]	85% rate JWA "Excellent" or "Good" overall	The 2008 Tenant Survey will be complete by 12/31/08. Results will be available in January 2009

JOHN WAYNE AIRPORT
Key Performance Measure # 3
FY2009-2010 Update

Performance Measure:	Required environmental permits.			
What:	John Wayne Airport is subject to a number of local, regional, state, and federal environmental regulations – many of which require permits on the part of the airport itself and/or its tenants.			
Why:	Ensure compliance with all applicable regulations and that the airport is operating in an environmentally sensitive and appropriate manner.			
FY 06-07 Results	FY 07-08 Plan	FY 07-08 Anticipated Results	FY 08-09 Plan	How are we doing?
N/A	N/A	N/A	100% of all required environmental permits in place	Nearly all required environmental permits are in place.*

* One underground storage tank is being removed and replaced with an above-ground storage tank. Discussions related to permits for this replacement and future operation are pending.

JOHN WAYNE AIRPORT
Key Performance Measure # 4a
FY2009-2010 Update

Performance Measure:

Maintain a debt service covenant of at least 175%.

What:

John Wayne Airport's bond indenture imposes a rate covenant on the County to produce Airport net revenues in each fiscal year which are equal to at least 125% of the long term debt service requirement for the fiscal year.

Why:

Maintaining the debt service covenant at this level or higher demonstrates both prudent fiscal management and the ability to repay bonded debt, both of which are critical to JWA's ability to fund future projects.

FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
291%	234%	234%	240%	The Airport expects to continue to exceed the 175% debt service goal for FY 2008-09.

JOHN WAYNE AIRPORT
Key Performance Measure # 4b
FY2009-2010 Update

Performance Measure: Maintain an Airport contingency budget of \$35 million.

What: A contingency budget is established to fund capital improvements and unforeseen operating emergencies/events.

Why: Contingency budgets are a key component to sound fiscal management. These unrestricted funds act as a cushion to absorb costs for unknown future events.

FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
\$35 million	\$35 million	\$35 million	\$35 million	The Airport anticipates maintenance of the \$35 million contingency budget for FY 2008-09.

JOHN WAYNE AIRPORT
Key Performance Measure # 5
FY2009-2010 Update

Performance Measure:

Airport Improvement Program schedule.

What:

The Airport has initiated a multi-year Airport Improvement Program that will result in the construction of substantial new facilities to provide improved air service in Orange County.

Why:

The Thomas F. Riley Terminal complex is currently operating substantially over its design capacity. The Airport Improvement Program will add much-needed terminal and parking facilities to the travelling public.

FY 07-08 Results	FY 08-09 Plan	FY 08-09 Anticipated Results	FY 09-10 Plan	How are we doing?
N/A	Maintain a current schedule for a mid-2011 opening of Terminal C & B1 Parking Structure	The Airport is on schedule to open Terminal C in 2011, but may expedite the opening of the new parking structure	Maintain a schedule for a 2010 opening of Parking Structure C and a 2011 opening of Terminal C	Construction documents for Terminal C and Parking Structure C are expected to be issued in early 2009. More definitive schedule information will be available when bids are received in Spring 2009.