

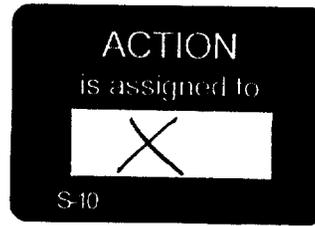


COUNTY OF SAN JOAQUIN
DEPARTMENT OF AVIATION

Barry A. Rondinella, CAE
Airport Director

April 11, 2002

163248



Mr. Matthew C. Harris
Special Assistant to the Assistant Secretary of Aviation and International Affairs
Docket Operations and Media Management Division
SVC-124
Room PL-401
Department of Transportation
400 7th Street, SW
Washington, DC 20590

DEPT OF TRANSPORTATION
DOCKETS
02 APR 17 PM 2:43

RE: **Proposal for the Small Community Air Service Development Pilot Program**
Docket OST-2002-11590-26

Dear Mr. Harris:

The Stockton Metropolitan Airport is pleased to submit its proposal to be considered for federal assistance under the Small Community Air Service Development Pilot Program. The amount of grant funding requested under this program is \$200,000. This grant request is being made on behalf of the County of San Joaquin, with the County serving as the sponsoring government entity. The Airport Director will administer the grant.

Stockton Metropolitan Airport is a county-owned and operated, non-hub, commercial service airport located on the southern boundary of the City of Stockton, in the heart of California's Central Valley between two major north-south thoroughfares (Interstate 5 and State Highway 99). Stockton Metropolitan Airport is currently served by America West Express, which offers two daily round-trip flights between Stockton and Phoenix, America West's hub.

A coalition of area businesses, local governments, and community residents banded together in year 2000 to attract air service to Stockton. In February 2001, America West, which had been approached by several communities desiring either new or expanded air service, decided on Stockton and set up operations at the Airport offering three daily round-trip flights between Stockton and Phoenix. The number of departures from Stockton has since declined from three daily flights to two (post September 11).

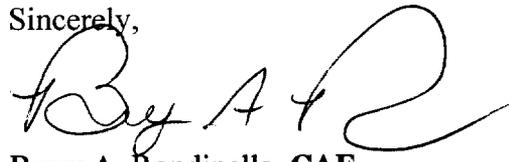
Air service is not just a convenience to businesses and visitors; it's a key economic component reflecting the health and growth possibilities of Stockton. Accessible, affordable air travel is essential. Airline service at Stockton Metropolitan Airport currently lags significantly behind communities of similar size and demographics, bringing about higher ticket prices, fewer destination offerings, and often a need to drive

several hundred miles to access service. This alone makes Stockton Metropolitan Airport a strong contender for award in the Small Community Air Service Development Pilot Program.

To support this request, the County of San Joaquin will make a \$50,000 (hard money) contribution in support of the activities specified within the Air Service Development Action Plan. Several letters from community business leaders and elected officials supporting this application are also included (Attachment No. 5).

Stockton Metropolitan Airport appreciates your consideration. If you have any questions, or wish additional information, please do not hesitate to contact me at (209) 468-4700.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry A. Rondinella". The signature is fluid and cursive, with a large initial "B" and "R".

Barry A. Rondinella, CAE
Airport Director

Submitted For:

**Proposal under the
Small Community Air Service
Development Pilot Program**

Docket OST-2002-11590

Submitted By:

**County of San Joaquin -
Stockton Metropolitan Airport**

Contact:

Barry A. Rondinella, CAE
Airport Director
Stockton Metropolitan Airport
5000 S. Airport Way
Terminal Building, Room 202
Stockton, CA 95206-3996

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Fax: (209) 468-4730

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April 12, 2002



BACKGROUND

A public-owned and operated non-hub airport, Stockton Metropolitan Airport is a full-service general aviation, corporate, and air carrier facility located between two major north-south thoroughfares (Interstate 5 and State Highway 99) on the southern boundary of the City of Stockton, in the heart of California's Central Valley. Currently served by America West Express, Stockton Metro offers two daily departures to Phoenix, America West's hub. Service is provided via America West Express's popular 50-passenger Canadair Regional Jet. A copy of the current Stockton Metropolitan Airport schedule is attached (Attachment No. 1).

Service History:

In year 2000, a coalition of area businesses, local governments, and community residents banded together for the purpose of attracting air service to Stockton. In February 2001, America West, who was approached by several other communities desiring either new or expanded air service, found Stockton's central location within the San Joaquin Valley a good match for its route network and began operating out of Stockton Metro.

Initially, America West provided three daily round-trip flights between Stockton and Phoenix. However, affected by the events of September 11, the airline reduced the number of departures from Stockton Metro from three daily round-trip flights to just two. Prior to September 11, Stockton Metro's average daily load factors were on the rise, growing from the low 30s in February to the mid 60s in early September. For the first five days of April, this key measure of success had grown to 75. A copy of Stockton Metropolitan Airport's passenger enplanement history is attached (Attachment No. 2).

Air Service Analysis:

Currently, airline service at Stockton Metropolitan Airport lags significantly behind communities of similar size and demographics, bringing about higher ticket prices, fewer destination offerings, and often a need to drive several hundred miles just to access airline service. Jet service is not just a convenience to businesses and visitors; it's a key economic component reflecting the health and growth possibilities of Stockton. If Stockton is to enhance the community's quality of life, accessible and affordable air travel is essential.

Using a random sample chosen from the Airport's public/private partnership list (a listing of public and private entities participating in the Airport/America West travel bank promotion), an informal telephone survey was conducted to gain insight into the community's service needs and the Airport's deficiencies. The study identified lack of destination offerings, low frequency of scheduled service, and higher than average airfares as the primary reasons for using alternatives to air travel, for deciding to not make the trip at all, and for using out-of-area travel to access air service.

AIR SERVICE DEVELOPMENT ACTION PLAN

INTRODUCTION:

Independent market research (Moore & Associates, 2001) reveals a specific and growing need for the type of services Stockton Metropolitan Airport offers within the market it serves. The Air Service Development Action Plan is based on a cost-effective approach to reach this clearly defined target market. Three separate marketing campaigns (media, promotional, and public relations), explicitly described in this plan, detail the Airport's strategic focus on utilizing the requested grant funds to accomplish the primary objectives of this plan. Such activities support Stockton Metro's growth and profitability through the effective implementation of the strategies contained within.

Objectives:

The primary objectives of the Air Service Development Action Plan are as follows:

1. Maximize enplanements on existing service by promoting service offerings.
2. Encourage America West to provide additional flights.
3. Attract competing air service into the Stockton market.
4. Increase awareness within the target market about the convenience and advantages of flying Stockton Metro.
5. Build and maintain community support of the Airport

Stockton Metropolitan Airport proposes to accomplish these objectives through implementation of the Air Service Development Action Plan, which includes a description of the target market, and then details the strategy, goals, and evaluation methods for meeting the prepared objectives. Specific tactics relating to these objectives are presented within the following campaigns: media, promotional, and public relations. Most of the activities discussed herein include an assessment or impact measurement aspect; facilitating *return on investment* for the Airport. Many of the activities discussed will build upon existing relationships within the target communities and support the continuation of existing or recurring activities. Stockton Metro will employ Moore & Associates, a transportation-only marketing consulting firm with a track record of success in similar endeavors.

Target Markets:

Researching the market to determine Stockton Metro's potential customers, what their needs are, and how to reach them will optimize the Airport's available marketing resources. Targeting segments will allow the marketing plan to focus more effectively, to define specific messages, and to send those messages through specific channels.

A successful target marketing campaign requires establishing an intimate understanding of the needs of the target market and *quantifying* the value of offering a solution to these needs. Focusing on the City of Stockton and its neighboring cities (Modesto, Tracy, Manteca, Livermore, Sonoma, and Lodi), the following segments have been identified as

the Airport's target market: business travelers (convenience oriented and receptive to time-saving/ease of use benefits), leisure travelers (price sensitive travelers who are looking for the best value and are receptive to unique cost-saving benefits), new residents (potential customers who have not yet established their travel patterns and are interested in discovering community offerings), and travel agents (receptive to benefits that will save their customers time and/or money and who can encourage prospective travelers to utilize Stockton Metro).

MEDIA CAMPAIGN:

The purpose of the media campaign is to increase awareness about Stockton Metro and its convenient location within the defined target market. A strategy encompassing print, broadcast, cable, and outdoor/transit advertising will be used. Both local radio and print (general audience dailies) will build awareness throughout the campaign. The targeting capability of each medium is a benefit as well. Specific media to reach the target groups effectively and efficiently will be utilized. As noted within the Projected Cost, we anticipate enhancing the Media Campaign by 14 percent (or \$12,000/year) through value-added negotiations and/or barter opportunities (i.e., in-terminal advertising).

Print:

Print advertising is an efficient way to reach a broad, general consumer base within a defined geographical area while delivering an abundance of information at the same time. Print advertisements will be written and produced for local publications stressing Stockton Metro's convenient location (compared to other airports within the region), inherent advantages/features (i.e., free parking, no congestion, on-site restaurant), and will include a call to action (a common "measuring" mechanism). The goal of this campaign will be to raise awareness among the local community and maintain *top-of-mind* presence.

Advertisements for a variety of local publications will be designed to build and expand awareness among the target markets. Selected publications may include member-specific editions (Stockton Chamber of Commerce newsletter, Manteca Chamber of Commerce newsletter, San Joaquin Valley's Visitor and Convention Bureau newsletter), and/or general audience editions (Stockton Record, Modesto Bee, Sonora Union Democrat, Calaveras Enterprise).

Television:

To expand awareness among Central Valley residents not previously targeted through radio or print advertising, television (broadcast and cable) provides an effective alternative, along with complementing the print campaign. Television can be used in a limited, cost-effective manner during selected seasons. The goal is to increase awareness within the target markets. Television commercial spots will be written, produced, and aired on local cable stations reminding/stressing the convenience and cost advantages of flying Stockton Metro.

Radio:

Radio has the ability to achieve high message frequency among the primary target groups and will greatly enhance the overall campaign, particularly when used in combination with the print and television advertisements. Stations will be selected that are the most effective in reaching the target groups. The schedule design will be pulsed to increase weight during important travel periods. Additional value-added incentives including sponsorships and contests may be negotiated as well. The goal of the radio campaign is to complement the print and television campaigns, raise awareness among the local community, obtain *top-of-mind* presence, and promote the Airport's web site.

Advertisements for a variety of local radio stations will be written and produced to expand awareness among the target markets. Selected stations may include the five top-rated stations within the Stockton/Modesto urbanized area:

- Silverado's KWIN-FM (CHR/Rhythmic),
- Citadel's KATM-FM (Country),
- Silverado's KJOY-FM (Adult Contemporary),
- Citadel's KDJWKHKK (Classic Hits), and/or
- Clear Channel's KOSO-FM (Hot Adult Contemporary).

Outdoor and Transit Advertising:

Advertising on billboards, transit buses, and bus shelters/benches will be used to reach the target market with a high number of repeat exposures. The goal of this campaign is to expand awareness and promote the Airport's services, in turn enhancing *top of mind* awareness. Advertisements for outdoor displays in proximity to the Airport, on-board transit, and outdoor (billboards, shelters) will be prepared to expand awareness among the target markets.

Evaluation Methodology:

To evaluate the effectiveness of the media campaign, a random sample of the target market will be chosen. Next, a telephone survey will be performed to determine the following:

- Have they seen the advertisements?
- Have they used Stockton Metro in the last 90 days?
- Do they intend to use Stockton Metro in the next 90 days?
- Are there any impediments affecting patronage of Stockton Metro?

Additionally, a *specific call-to-action* will be promoted in the advertisements (i.e., visit our web site and/or see your local travel professional), and then tracked. Enplanement numbers will also be monitored on both a monthly and quarterly basis.

Media Campaign Project Cost:

Advertising Media Costs:

Print	\$25,000
Television	\$20,000
Radio	\$ 18,000
Outdoor/Transit	\$ 12,500

Advertising Production Costs:

Print	\$ 10,000
Television	\$ 12,000
Radio	\$ 6,000
Outdoor/Transit	<u>\$ 4,500</u>

TOTAL PROJECT COST \$108,000

Requested Funding: \$ 84,000

County Funding: \$24,000

PROMOTIONAL CAMPAIGN:

The goal of the promotional campaign is to communicate to the public the convenience and cost advantages associated with flying Stockton Metro, in turn influencing a positive attitude towards the Airport. The promotional strategy will focus on direct mail and a promotional contest involving local travel agents. As noted within the Project Cost, we anticipate enhancing the Promotional Budget by \$1,800 (5 percent) through barter and/or in-kind donations.

Direct Mail:

Direct mail is a low-cost, high-impact method of advertising. Two direct mail campaigns will be developed. The first campaign will target new residents (residents who have moved into the Airport's primary service area within the last 90 days). The second campaign will focus on travel agents located within both the primary and secondary service areas.

New Resident:

A mailing list with new resident addresses will be obtained and a series of postcards will be developed and mailed each month. The postcards will be designed to welcome newcomers to the neighborhood, make them aware of Stockton Metropolitan Airport as a travel alternative, promote the Airport's convenient location and competitive fares, promote the Airport's web site, and buttress *top-of-mind* awareness. The goal of the new resident direct mail is to raise awareness of the Airport and encourage bookings via Stockton Metro when traveling to key destinations.

TravelAgents:

A database listing local travel agencies and individual agents has been developed and a series of postcards promoting the Airport's convenience and competitive fares will be mailed out monthly. The goal of this activity is to encourage travel agents within the Airport's primary and secondary service areas to book their customers via Stockton Metro.

Chamber Members:

A database listing chamber of commerce members within the target area will be obtained and a series of postcards promoting the Airport's convenience and competitive fares will be distributed on a quarterly basis. The goal is to raise awareness of the Airport and encourage bookings via Stockton Metro when traveling to key markets.

Travel Agent Contest:

A contest among local travel agents will be developed to foster goodwill toward the Airport as well as raise overall awareness regarding Stockton Metro's services. The goal of the contest is to obtain a quantifiable increase in month-to-month bookings at the Airport.

Using the database created for the travel agent direct mail campaign, a contest will be conducted. Contest rules, design of supporting materials (postcards, contest flyers, etc.), and a prize package will be created. The prize package will be developed via co-ops (airline tickets, lodging, car rental, restaurant meals, etc.) and awarded to the travel agent with the highest number of *booked* segments.

Evaluation Methodology:

To evaluate the success of the promotional campaign, a random sample will be compiled from the various databases and a follow-up mail survey will be conducted. Enplanement numbers will also be monitored on both a monthly and quarterly basis.

Promotional Campaign Project Cost:

Direct Mail Campaign	
Design/Production	\$10,000
Printing	\$15,500
Distribution (postage, mailing lists)	\$4,500
Travel Agent Contest	
Design/Production	\$15,000
Implementation	<u>\$ 4,500</u>
TOTAL PROJECT COST	\$49,500
Requested Funding:	\$32,500
County Funding:	\$17,000

PUBLIC RELATIONS CAMPAIGN:

Public relations are an *umbrella* function, incorporating activities such as corporate communications, public affairs, public relations, and even advertising. The unifying element is the development of a corporate image. The public relations campaign will include the following strategies: media releases, articles in the trade or industry press, trade shows, media kits, newsletters, site tours, and speakers bureau. The goal for the overall public relations campaign is to increase public awareness and support of the Airport.

Media Releases and Feature Articles:

A major aspect in generating publicity is to attract the attention and interest of journalists and news people so that the story is communicated to the public. To obtain publicity you must have an angle of interest (the *hook*) for the reader. Types of potential articles or news stories will include: straight media releases announcing newsworthy events, feature stories exploring a subject of interest to the public, concept articles describing the basic concept of commercial airports or scheduled service, and/or opinion pieces providing commentary on air service or other issues affecting the airport.

Monthly media releases will be prepared and disseminated to all media outlets within the Airport's primary service areas. Placement of feature articles will be sought in the industry, local business, and community specific publications.

Trade Shows and Media Kits:

Stockton Metro relies on partnerships with local chambers of commerce, tourism, and other industry specific organizations to help promote its message. Further, if strategic planning and administration are employed, the trade show is a cost-effective means to get direct contact.

Stockton Metro will partner with established travel, tourism, and convention related promoters within the Airport's primary service area. Marketing collateral specific to this audience will be created and produced. These materials will be attractive, attention getting items with a life cycle of value throughout the anticipated campaign.

Newsletters:

The primary objective of Stockton Metro's newsletter, the Stockton Flyer, is to establish an image and build credibility with the target audience. The newsletter regularly places the Airport's name and activities in front of customers and prospects fostering *top-of-mind* awareness. The newsletter increases the frequency of message repetition and supplements other forms of communication such as paid advertising and promotional efforts.

The Airport will continue with its regularly published seasonal newsletter, building the subscriber list, enhancing the design, preparing interesting and timely copy for each issue, and coordinating its distribution in both the primary and secondary service areas. A sample of Stockton's most recent newsletter is attached (Attachment No. 3).

Site Tours:

Although a business enterprise, the Airport is a place of fascination for children and adults alike. Many of the more renowned airports in the nation offer regularly scheduled tours of airport facilities. Tours often include an opportunity for questions and answers.

Such tours provide an opportunity to get the Airport's customers and prospects on home turf, where they are often more receptive than they would be to paid advertising or promotional effort. Airport officials will conduct periodic tours of Stockton Metro and its landside facilities. Initial efforts will target specific audiences such as business leaders, elected officials, and other decision-makers within the Airport's primary service area.

Speakers Bureau:

Public speaking is a marketing technique that is widely used by individual entrepreneurs and small business. A speakers bureau is an effective public relations tool because when you speak you are perceived as the expert. If your talk is good, you immediately establish credibility with the audience. A good speech puts you within handshaking distance of your audience.

Stockton Metro will enhance the Airport's speakers bureau by identifying those presentation opportunities holding the greatest *return on investment*. Preparation **and** production of customized materials targeting specific audiences will be developed.

Evaluation Methodology:

The mechanism for evaluating the effectiveness of the campaign will be conducted through a telephone survey of a random sample of the target audience. An active role by Airport management and elected leaders is a key component of this campaign.

Public Relations Project Cost:

Media Releases and Feature Articles	
Copywriting/Production	\$8,500
Distribution	\$2,000
Trade Shows and Media Kits	
Design/Production	\$18,000
Attendance	\$22,000
Newsletter (Stockton Flyer)	
Copy writing, design/production	\$25,000
Distribution	\$3,000
Site Tours	
Staff time	\$4,500
Speakers Bureau	
Staff time/travel	<u>\$ 9,500</u>
TOTAL PROJECT COST	<u>\$92,500</u>
Requested Funding:	\$83,500
County Funding:	\$ 9,000
TOTAL OVERALL COST	\$250,000
TOTAL REQUESTED	\$200,000

CONCLUSION:

The Air Service Development Action Plan outlined Stockton Metro's objectives, defined its target market, and described three campaigns: media (encompassing print, television, radio, and outdoor/transit advertising), promotional (employing direct mail and a travel agent contest), and public relations (utilizing media releases, feature articles, trade shows, newsletters, site tours, and a speakers bureau). With implementation of the Air Service Development Action Plan, Stockton Metro will accomplish the aforementioned objectives, including support of existing air service, attraction of additional service, added frequency to existing destinations, introduction of service to new destinations, lobbying for competitive airfares, and promotion of Stockton Metro as a viable air travel gateway.

A copy of Stockton Metropolitan Airport's operating budget since America West's inception (February 2001) is attached (Attachment No. 4). The County of San Joaquin-Stockton Metropolitan Airport will be responsible for administering the grant and monitoring the Air Service Development Action Plan. The County will provide Grant Assurances to ensure that the grant money is used for the intended projects and will provide a detailed accounting of any funds received for this program.

Attachment No. 1

Stockton Metropolitan Airport
Flight Schedule
America West Express
Effective March 2, 2002

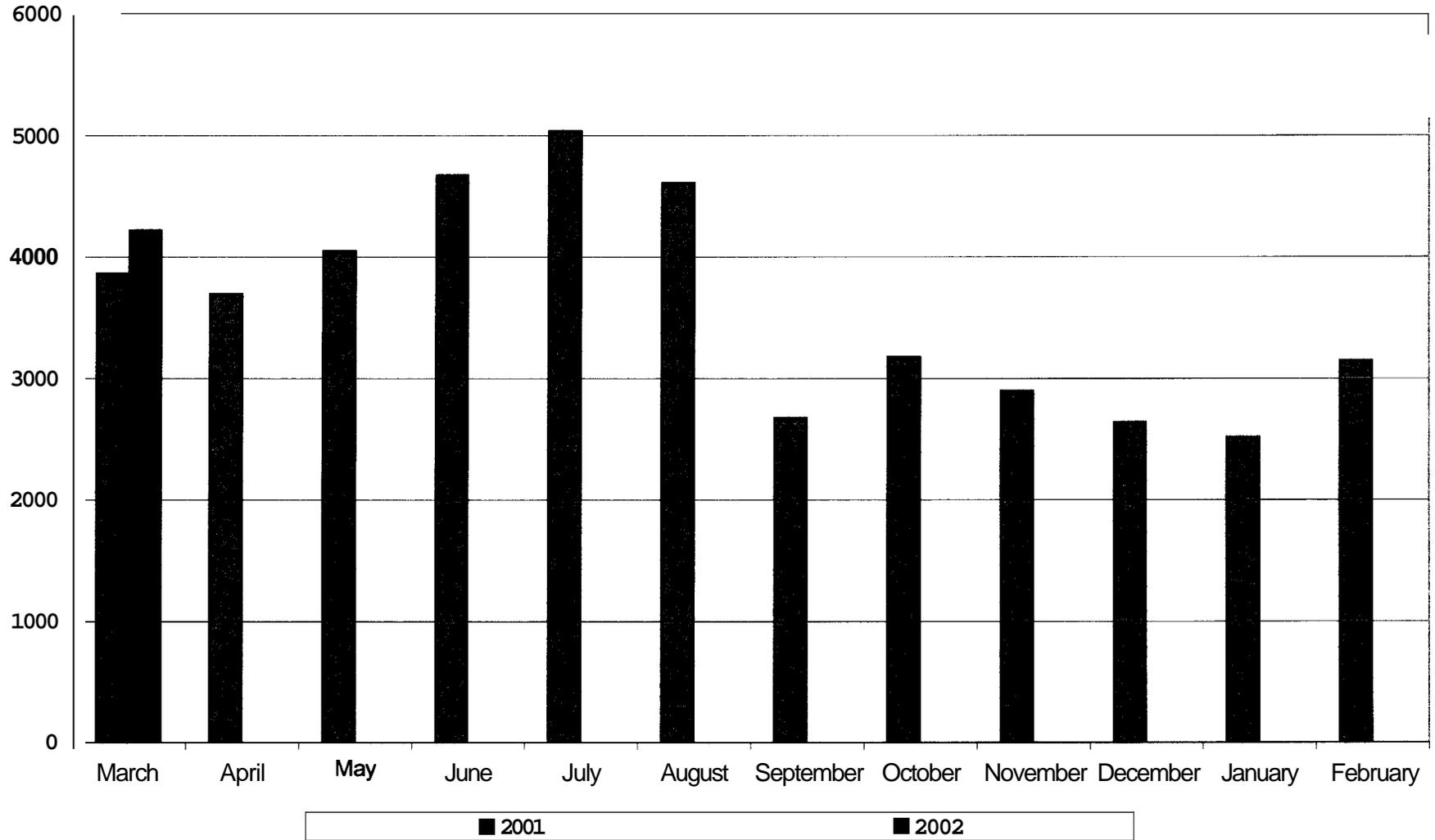
Flight No.	Departure City	Departure Time	Arrival City	Arrival Time	Days
6408	Stockton	06:20 A.M.	Phoenix	09:06 A.M.	Daily
6483	Phoenix	11:12 A.M.	Stockton	12:01 P.M.	Daily
6414	Stockton	12:30 P.M.	Phoenix	03:14 P.M.	Daily
6485	Phoenix	05:04 P.M.	Stockton	05:53 P.M.	Sat. only
6487	Phoenix	08:20 P.M.	Stockton	09:09 P.M.	Daily except Sat.

Attachment No. 2

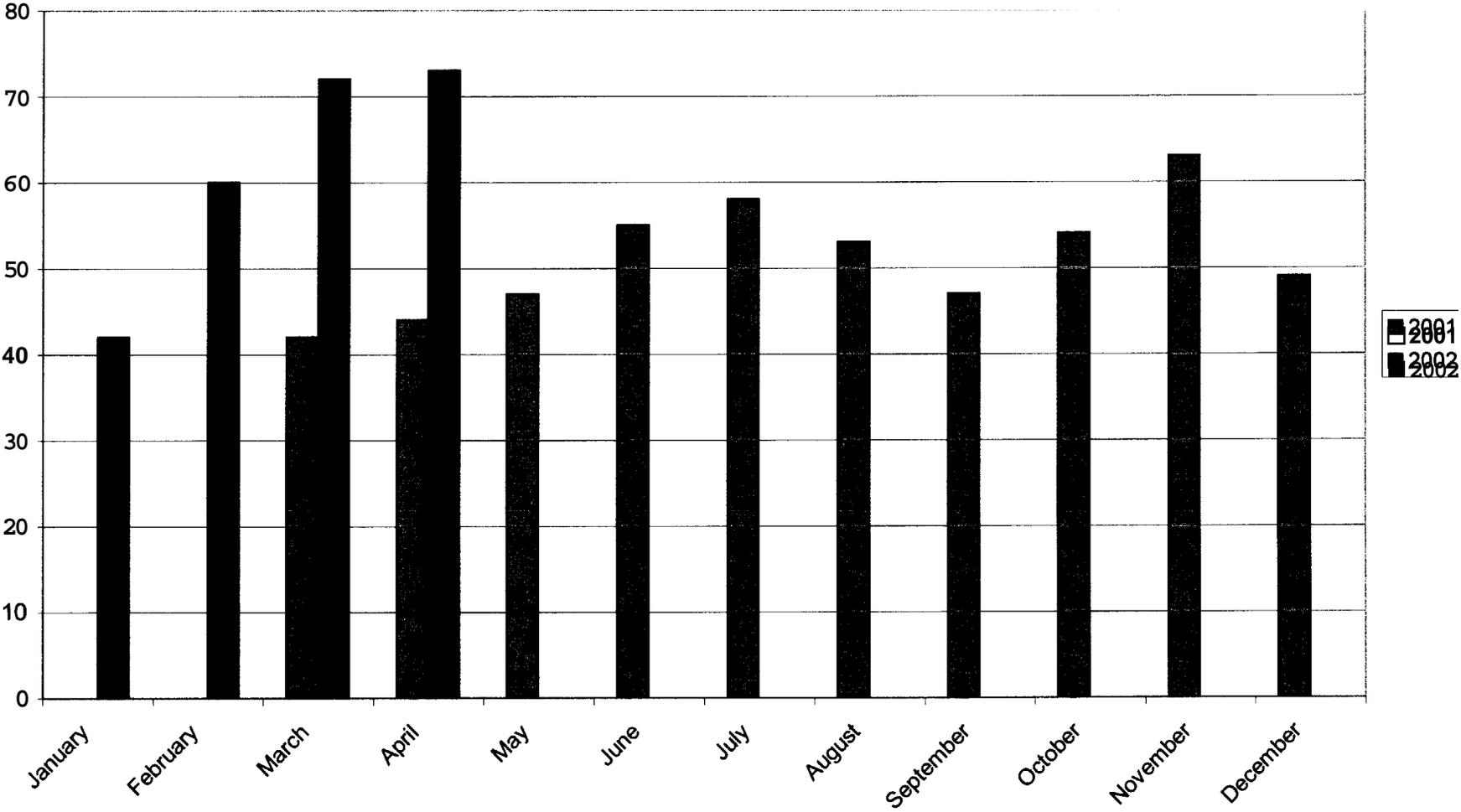
Stockton Metropolitan Airport
America West Express
Enplanement/Load Factor History

Month	Year	Enplanements	Average Load Factors
March	2001	3861	41%
April	2001	3695	44%
May	2001	4049	48%
June	2001	4688	55%
July	2001	5033	58%
August	2001	4603	52%
September	2001	2676	48%
October	2001	3177	51%
November	2001	2895	64%
December	2001	2635	49%
January	2002	2513	42%
February	2002	3144	61%
March	2002	4218	72%

**Stockton Metropolitan Airport
America West Express En/Deplanements 20012002**



**Stockton Metropolitan Airport
America West Express Load Factors 2001/2002**



April 2002 Estimate Based On Load Factor Data as of April 1, 2002

Attachment No. 3

Stockton Metropolitan Airport
Winter 2001 Newsletter

INSIDE THIS ISSUE:

Good Day Sacramento 1
Top 10 Destinations 1
Tenant Spotlight 2
Port-A-Ports 2
Gift Shop Debuts 3
Airport Ordinance 3
Airport East Project 4

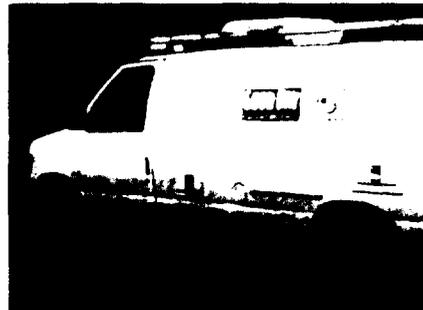
Points of Interest

- **Good Day Sacramento visits Stockton Metro.**
- **America West announces Stockton Metro's top 10 destinations.**
- **Flight Support Jet Center, this month's Tenant Spotlight.**
- **Airport has seven Port-A-Ports for sale.**
- **Hidden Treasure Gift Shop debuts.**
- **Airport Ordinance redraft includes new section.**
- **Stockton Metro begins Airport East Project.**

GOOD DAY SACRAMENTO VISITS STOCKTON METRO

Television viewers throughout the Stockton, Modesto, and Sacramento areas were treated to a birds-eye view of the Stockton Metropolitan Airport, thanks to Good Day Sacramento.

Popular television personality Sandra Furlong visited the Airport recently as part of the program's early



“Early mornings are particularly busy at Stockton Metro, especially this time of year. It is not uncommon for us to receive passengers from other airports, diverting here due to fog



closures,” noted Airport Director Barry A. Rondinella. “While much of the community is either asleep or

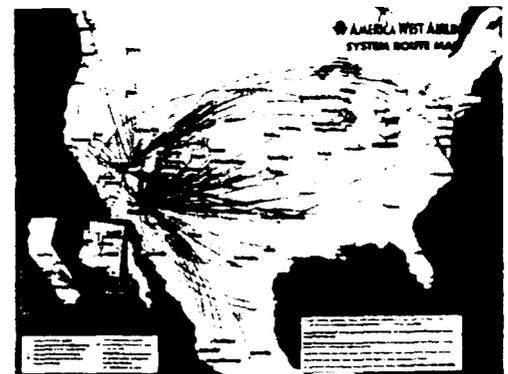
morning broadcast. In addition to interviews with Phoenix-bound travelers aboard America West, Sandra toured the Airport's new business center, executive jet facilities, and kitchen of the Airport's in-terminal restaurant

just awakening, the crew at Stockton Metro has sprung into action providing the customer friendly service that has earned Stockton a reputation as the region's no-hassle travel alternative.”

STOCKTON METRO'S TOP 10 DESTINATIONS

America West recently announced Stockton Metro's top 10 destinations:

- #1 Las Vegas
- #2 Austin
- #3 Tucson
- #4 Kansas City
- #5 Newark
- #6 Albuquerque
- #7 San Antonio
- #8 Baltimore
- #9 Indianapolis
- #10 Minneapolis



TENANT SPOTLIGHT: FLIGHT SUPPORT JET CENTER

Flight Support Jet Center is a full service corporate Jet Center based at the Stockton Metropolitan Airport. Founded in 1993 by Robert Pinedo, Flight Support has grown from a very modest operation to a large multifaceted business.

In addition to serving general aviation, Flight Support caters to corporate as well as commercial aviation. The ability to provide executive handling, gourmet catering aircraft hangaring, fuel, hotel, and rental car accommodations has proven to be one of the most important components contributing to Flight Support's growth.

Flight Support Jet Center instills a "Yes We Can" motto in its employees. According to Pinedo, "Having employees that are not only happy, but also great with customers, is essential to the success of the business. Great care is taken in imparting customer service skills as well as positive attitudes in each and every employee. No matter what

service is needed, it is always performed fast, safe, and with a smile."

Flight Support Jet Center is currently constructing an 81,000 square foot facility consisting of a hangar, executive terminal, and office space. "As corporate aircraft get larger, the need for a larger hangar and support facility grows. That is why the time is just right for



expansion." noted Pinedo.

When speaking about Flight Support, Pinedo emphasized, "All of us at Flight Support Jet Center are very proud of our accomplishments. We are also very proud to be a part of the Central Valley community. Unlike many businesses in the Central Valley, our facility is the first thing people see when they land at Stockton. This is why it is so important to make our facility the best it can be. We are not only serving our customers, but the Central Valley's customers too!"

"As corporate aircraft get larger, the need for a larger hangar and support facility grows. That is why the time is just right for expansion."

'The 30-plus year old Port-A-Ports are portable hangars used to store small, single-engine aircraft.'

PORT-A-PORTS MOVED

To make way for Flight Support Jet Center's planned 81,000 square foot hangar project, 32 Port-A-Ports were recently moved to other locations. When asked about the changes, Stockton Metropolitan Airport Director Barry A. Rondinella responded, "The 30-plus year old Port-A-Ports are portable hangars used to store small, single-engine aircraft. In fact, the Airport has seven for sale."

Scheduled for completion in March 2002, the new 81,000 square foot building will feature both hangars and office space. According to Robert Pinedo, founder of Flight

Support Jet Center, "The hangar space is intended for corporate aircraft and has been designed around large-sized aircraft such as the BBJ. 66,000 square feet of the building will be for aircraft storage, with the remaining for office space."

The two-story structure will be available for occupancy in March of this year. Interested parties should contact either Robert Pinedo or Trent Brownlee at (209) 982 1622. Anyone interested in purchasing any or all of the seven Port-A-Ports should contact Barry Rondinella at (209) 468-4700.

GIFT SHOP DEBUTS

StocMon Metro warmly welcomes Miguel and Diana Chaparro, the proud owners of Hidden Treasure Gift Shop. Established in 2000, Hidden Treasure began as a home-based, virtual gift shop. After several years on the Internet, Miguel and Diana decided it was time to expand their business to include a retail operation. Miguel and Diana did their research and decided to locate their retail store at the Stockton Airport. According to Miguel, "Diana and I have a strong desire to be a part of the Stockton community. We began Hidden Treasure to pursue our dream of a family business, and we're proud to live and raise our family here in Stockton."

Conveniently located inside the Airport terminal, Hidden Treasure offers an extensive array of unique, spectacular gifts. Bamboo candleholders, mango wood plant stands, classic chess sets, and even frog teapots are just a few of the distinct gifts that can be found at Hidden Treasure. The buzz around the Airport is that Hidden Treasure has a little something for everyone!

With quality products offered at attractive prices, Hidden Treasure makes finding "the perfect gift" both fun and easy. For gift shop hours call (209) 234-8344 or visit online at www.hiddentreasuregiftshop.com.

*'With quality products
offered at attractive prices,
Hidden Treasures
makes finding the perfect get
both fun and easy.'*

BOARD DIRECTS REDRAFT OF AIRPORT ORDINANCE

The San Joaquin Board of Supervisors has directed a redraft of the Airport Ordinance, a document that sets forth the rules, regulations, requirements, and limitations governing the Stockton Metropolitan Airport. The Ordinance was last reviewed and approved by the Board of Supervisors in 1978. The redraft will include a new section entitled, 'Minimum Standard Requirements for Airport Aeronautical Services.'

Recommended for inclusion by the Federal Aviation Administration, the Minimum Standards section serves as a framework for the safe and orderly development of the Airport and its operation. This section will establish the minimum requirements an entity must meet for the privilege to conduct an aeronautical activity or provide a commercial aeronautical service at the Airport. According to Barry A. Rondinella, Stockton Metro Airport Director, "By setting

minimum standards for operators, Stockton Metro's Aeronautical Service Providers will be protected from unfair competition stemming from potential low overhead competitors, and will give pilots and aircraft owners the assurance that they are dealing with properly licensed and insured businesses. It is the Airport's goal to offer quality and competitive services from qualified providers."

The proposed Ordinance is available for review and comment by interested parties. Any party affected by Airport governance is encouraged to review the proposed Ordinance. "Although the redraft will not be a major departure from existing Airport rules and regulations, there are some substantive changes," noted Rondinella. The deadline for comment is March 21. Copies of the Ordinance may be obtained by telephoning Debbie Vasquez at 468-4700.

*"Although the redraft
will not be
a major departure
from existing Airport
rules and regulations,
there are some
substantive changes."*

ENTERPRISE RENT-A-CAR

In April of 2001, Enterprise Rent-A-Car opened an in-terminal sales center at Stockton Metro. Located just steps from the terminal, Enterprise features a wide array of vehicles, including the Infinity Qx4 luxury SUV.

When flying Stockton, travelers can exit the plane, grab their baggage, and stroll over to pick up a rental car—all within minutes. So whether your trip is for business or pleasure,

for adults or for kids, Enterprise Rent-A-Car has the vehicle you need at a price you can afford!

Enterprise offers its rental customers free pick-up and return within the Stockton area. To reserve your car today, call Enterprise Rent-A-Car at (800) 325-8007 or stop in and see Nathan, Denise, or Sugay at the Stockton Metropolitan Airport.

*"...Enterprise Rent-A-Car
has the vehicle you
need at a price
you can afford!"*

STOCKTON METRO BEGINS AIRPORT EAST PROJECT

OUR MISSION

The Stockton Metropolitan Airport serves the current and future commercial, corporate business, and general aviation needs of San Joaquin County; plans, operates, and maintains the safety and appearance of the Airport to meet the highest standards; manages numerous tenant agreements and facilities located on Airport land; and promotes the development of Airport land and facilities for future aviation and commercial related services.

NEXTISSUE...

- Featured *Tenants:*
Top Gun Aviation,
Farmington Fresh
- Runway Extension
- New commercial
laundry, Sodexo, Inc. to
employ over 500

The Stockton Metropolitan Airport, in a collaborative partnership with Jones Lang LaSalle and the San Joaquin County, will develop a 550-acre Corporate Campus and Air Cargo Center known as the Airport East Project. The project will provide public improvements to the Airport's Air Cargo Center, including an extension of the runway to more than 11,000 feet. According to Richard Laiblin, Senior Deputy County Administrator for San Joaquin County, "Construction of the infrastructure is being scheduled and we are planning to accommodate



tenants by the end of 2002."

Providing up to 8.5 million square feet of office, research and development, manufacturing, retail, and cargo facilities at the Stockton Metropolitan Airport, the Airport East Project is planned to begin construction in 2002. According to Barry A. Rondinella, Stockton Metropolitan Airport Director, "Construction of the cargo facilities will enable Stockton Metro to develop as a hub for both general cargo and distribution of agricultural products produced in the Central Valley."

TENANT INFORMATION

Airport Administration
(209) 4684700

America West Airlines
(800) 235-9292

Dollar Rent-A-Car
(800) 800-4000

Enterprise Rent-A-Car
(800) 325-8007

Hidden Treasure Gift Shop
(209) 234-8344

**Top Flight Cafe &
Catering Company**
(209) 4684726

**USA Shuttle
Limousine Service**
(209) 830-6666

THE STOCKTON FLYER

Published seasonally by the
Stockton Metropolitan Airport

Barry A. Rondinella, CAE
Airport Director
brondinella@co.san-joaquin.ca.us

5000 S. Airport Way
Terminal Building, Room 202
Stockton, CA 95206

Tel: (209) 468-4700
Fax: (209) 468-4730

Visit us on-line at
[www.stocktonet.com/
community/airport](http://www.stocktonet.com/community/airport)

 **STOCKTON
METROPOLITAN
AIRPORT**
...the region's no-hassle alternative

Attachment No. 4

Stockton Metropolitan Airport
Operating Budget
FY 2001-2002

San Joaquin County
Airport Enterprise Fund
Comparative Statement of Revenues, **Expenses**, and **Changes in Fund Net Assets**
For the **Fiscal Years Ended June 30**,

	2001	2000
Operating Revenues:		
Fees	\$ 245,557	\$ 205,411
Rentals and concessions	897,040	786,108
Other income	21,170	5,200
Aid from other governmental agencies	25,000	10,000
Total Operating Revenues	1,188,767	1,006,719
operating Expenses:		
Salaries and benefits	551,356	537,236
Professional services	47,870	267,513
Office supplies	12,055	16,235
communications	17,309	12,359
Repairs and maintenance	145,116	133,088
Rents and leases	3,859	4,877
Transportation and travel	25,834	23,984
Services from other County departments	25,103	20,207
Special departmental expense	145,523	165,690
Insurance	54,805	74,834
Utilities	170,206	135,881
Depreciation	846,100	843,826
Miscellaneous	4,646	2,314
Total Operating Expenses	2,049,782	2,238,044
Operating income (loss)	(861,015)	(1,231,325)
Non-Operating Revenues (Expenses):		
Insurance reimbursement	137,900	0
Interest income	36,000	25,045
Interest expense	(277,405)	(284,037)
Loss on abandoned improvements	0	(6,442)
Total nonoperating revenue (expenses)	(103,505)	(265,434)
Income (loss) before Contributions & transfers	(964,520)	(1,496,759)
Capital Contributions:		
Measure K	276,957	0
county General Fund	166,820	244,444
Federal/State	4,360,970	463,164
Total capital contributions	4,804,747	707,608
Transfers in	418,212	311,203
Increase(decrease) in net assets	4,258,439	(477,948)
Total net assets-beginning	4,326,909	4,804,857
Total net assets-ending	\$ 8,585,348	\$ 4,326,909

The accompanying notes are an integral part of the financial statements

Attachment No. 5

Stockton Metropolitan Airport
Letters **of** Support



BUSINESS COUNCIL
SAN JOAQUIN COUNTY

BUSINESS COUNCIL DIRECTORS

Howard Arnaiz
H D Arnaiz Corporation
Stockton
Ernest Boutté
PG&E Stockton
George Brown
Alburger Basso de Grosz Inc
Lodi
Michael Brown
The Brown Group Inc
Manteca
Roger W Coover
The Record Stockton
Joe Crane
Community Bank of
San Joaquin Stockton
Don De Rosa
University of the Pacific
Stockton
Doug Eberhardt
Bank of Stockton Stockton
Wally Griffin
Pac West Telecom Stockton
Dick Haines
Lincoln Center Stockton
Bob Humphreys
Humphreys College Stockton
Bryan Hyzdu
Service 1st Bank Stockton
Marian Jacobs
Marian Jacobs Advertising Inc
Stockton
Joseph Johnson
Union Sate Deposit Bank
Stockton
Robert Kavanaugh
Guaranty Federal Bank
Stockton
Brad Lange
Langelwines, Lodi
John Ledbetter
Vino Farms Inc Lodi
Tom Matthews
Tracy Press Tracy
Michael J Mendes
Diamond of California
Stockton
Ole Mettler
Farmers & Merchants Bank
Lodi
Andy Prokop
The United Way Stockton
R Neil Smyth
CB Richard Ellis
San Joaquin County
Gerald A Sperry
A G Spanos Companies
Stockton
Doug Urbick
Teichert Construction
Stockton
Bob Wheeler
General Mills Lodi
Donald J Wiley
St Josephs Regional
Health System, Stockton
Bob Zamora
Zamora Automotive Group
Stockton

BUSINESS COUNCIL OFFICERS

Greenlaw "Fritz" Grupe, Jr The Grupe Company Stockton President	Thomas Shephard Neumiller and Beardslee Stockton Vice President	Kathleen Lagorio Janssen Ace Tomato Company Manteca Secretary	Rudy Croce Croce & Company Stockton Chief Financial Officer	Ronald S. Addington Executive Director
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April 9, 2002

Small Community Air Service Development Pilot Program
Stockton Metropolitan Airport
Docket OST-2002-11590-1
Docket Operations & Media Management Division SVC-124, Rm. PL-401
Department of Transportation
400 7th Street, SW
Washington DC 20590

Gentlemen:

The Business Council of San Joaquin County wishes to strongly endorse the Stockton Metropolitan Airport's grant application for funds under the Small Community Air Service Development Pilot Program. Our regional airport is well positioned to provide commercial air service to both residents and the many existing and sought after businesses looking to relocate to our area.

Throughout its history, the Business Council has been a stimulus in bringing private and public sector investment to the airport. Without additional scheduled air service at Stockton, trips are likely not to be made due to the expense of time and money flying via the congested gateways of SFO and Oakland.

We cannot overemphasize the importance of scheduled air service in our efforts to improve the business climate and enhance the efforts of new business attraction to the Stockton area and San Joaquin County region. Scheduled air service provides much needed relief to our freeway system in the peak traffic hours when air travelers have to compete with the impacted commuters heading for bay area jobs. Flying out of Stockton would allow many east bay travelers to select Stockton as their airport of choice giving them a freeway not clogged with daily work commuters.

Once again the Business Council believes that Stockton Metropolitan Airport's grant application should be supported for the above listed reasons. Thank you for your consideration of this grant application

Cordially,

Ronald S. Addington
Executive Director

BUSINESS COUNCIL INC. OF SAN JOAQUIN COUNTY

2800 West March Lane, Suite 473, Stockton, California 95219/ (209) 956-3380/ Fax (209) 956-1520
E-Mail: raddingtonBcctonline.net

GARY A. PODESTO
Mayor

GLORIA C. NOMURA
Vice Mayor
District 6



CITY OF STOCKTON

OFFICE OF THE CITY COUNCIL
CITY HALL • 425 N. El Dorado Street • Stockton, CA 95202-1997
209/937-8244 • Fax 209/937-8568

ANN JOHNSTON
District 1

RICHARD F. NICKERSON, M.D.
District 2

LESLIE BARANCO MARTIN
District 3

FRANK "LARRY" RUHSTALLER
District 4

GARY S. GIOVANETTI
District 5

April 9, 2002

Honorable Norman Y. Mineta
Secretary
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Dear Secretary Mineta:

The availability of scheduled air service is a critical element of any community's economic vitality. And such is the case with Stockton.

For approximately five years, our community and its neighbors have carried on without the benefit of local air service. This lapse contributed to difficulty in attracting new businesses to the city, loss of hundreds of jobs, undue financial burden on those air travelers who remained, and an overall decline in the City and County's investment in the Stockton Metropolitan Airport. Ironically, the decision to cease air service at Stockton was not based on the community's support and desire for the service. Rather, it was the result of external forces well beyond the borders of this community.

In 2000, the City helped lead the charge for new airline service. As one of the region's larger employers, the City was among the first organizations to participate in the America West travel bank promotion. Further, our staff and elected officials have provided significant support over the past 24 months to ensure that affordable, convenient, and accessible air service remains in Stockton. For we know first-hand how difficult -and expensive- it can be to begin the air service process again.

The DOT's Small Community Air Service Development Pilot program provides much needed support for communities, such as Stockton, for it represents an attempt to "spread the wealth" among all the commercial air centers in the nation; not merely the major hubs. (For without feeder cities such as Stockton, how would hubs flourish?)

I strongly urge your consideration of the grant request put forth by the Stockton Metropolitan

airport.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary A. Podesto".

GARY A. PODESTO
MAYOR

:::ODMA\GRPWISE\COS.CM.CM_LIBRARY:29669.1



**GREATER STOCKTON
CHAMBER OF COMMERCE**

April 9, 2002

Department of Transportation
400 7th Street, SW
Docket Operations and Media Management Division
SVC-124, Room PL-401
Washington DC 20590

RE: Proposal Small Community Air Service Development Pilot Program
Stockton Metropolitan Airport
Docket OST-2002-1 1590-1

In order to give you the full picture of why I am sending you this letter I must inform you of my background with the Stockton Metropolitan Airport, successful history of air service prior to 1979, the lack of service for the past 20 years that has hampered economic growth in Stockton/ San Joaquin County and why it is important that the Federal Government be part of the solution of a major concern and inconvenience for the citizens of this entire community.

I was elected to the San Joaquin County Board of Supervisorsthe same **year**, 1978, that airline deregulation was enacted. With deregulation and the demise of the CAB our service in Stockton and the region immediately began to deteriorate.

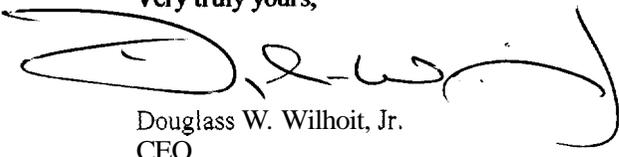
In 1977/78 Stockton had almost 280,000 emplacements with **steady** growth anticipated. After deregulation that number began to dwindle with airlines having **free** reign to come and go **as** they pleased to where for a five-year period we had no service.

I was **on** the Board of Supervisors for **16** years and fought a frustrating battle to bring service to **a** level necessary for strong economic growth and service to our citizens. Deregulation and the airline industry disregard for true service to the public did not bode well for our citizens both in the business community and for the general flying public. In **fact** I believe deregulation **stood** in the way of a stronger economic growth in the area over the past 20 years.

Now I **am** CEO of the Greater Stockton Chamber of Commerce and we were strong advocates and supporters of America West coming to Stockton. The business community raised the necessary local dollars, which I feel should not have had to happen, to bring America West here. We are very happy they did join our community and America West has become **an** important part of our business and pleasure flying experiences.

It is important to understand that San Joaquin Co. is the **15*** in size out of **58** Counties in California; Stockton is the **13*** largest city in California and the **69*** largest city in the United States of **America**. We have a regional population of over one million people who **need air** service and **as** CEO of our 101 **year** old Chamber of Commerce I strongly urge Stockton be granted the funds to not only help our airport management and community support the service we have now but to make it possible to attract and offer more service to our business and flying public. This can only enhance the economic well being and quality of life of all our citizens.

Very truly yours,



Douglass W. Wilhoit, Jr.
CEO



A.G. SPANOS COMPANIES
4341 W. ROBINHOOD DRIVE • STOCKTON, CALIFORNIA 95207
TELEPHONE (209) 478-7954
FAX (209) 478-3309

April 9, 2002

The Honorable Norman Y. Mineta
Secretary
U. S. Department of Transportation
400 Seventh Street, SW
Washington, DC 20590

Dear Secretary Mineta:

Please accept this letter in support of Stockton Metropolitan Airport's request for funding under the DOT's Small Community Air Service Development project.

The A. G. Spanos Companies has played a key role in the development of commercial and general aviation within the Stockton community. As the owner and operator of the region's premier corporate aviation center, we understand and appreciate the important role scheduled air service plays in a community's economic vitality.

In 1999, A. G. Spanos Companies was proud to become one of the early participants in the community's efforts to bring America West Airlines to Stockton. In addition to participating in the travel bank program, A. G. Spanos provided funding for the airline's sales team. Since that time, community support for America West service has grown considerably, and Airport management is working to attract additional carriers.

The requested funding is an important movement in Stockton, the San Joaquin Valley and the adjoining five-county region. It will build upon the successful efforts of the past two years, and help ensure that accessible and convenient air travel remains within reach.

Thank you for your thoughtful consideration of the Airport's grant application.

Regards,

A handwritten signature in cursive script, appearing to read 'Alex G. Spanos'.

Alex G. Spanos