

January 21, 2011  
10:00 A.M.  
Newport, Oregon

## **CALL TO ORDER**

The meeting was called to order at 10:00 A.M. In attendance were Gene Cossey, Jim Voetberg, Penelope McCarthy, Peggy Hawker, Jeff Bertuleit, and David Marshall from the City of Newport, Doug Hedlund and Larry Dalrymple representing the Oregon Department of Aviation, Larry Pfund, Jack Bland, Jack Crider, John Overholser, Herb Florer, and Bruce Conner (via telephone) from the Port of Astoria, and Jim Day, Daniel Helland, Claire James, Debra Edwards, and John Lansing from SeaPort Airlines.

## **ADDITIONS/DELETIONS AND APPROVAL OF THE AGENDA**

MOTION was made by Crider, seconded by Cossey to approve the agenda as presented. The motion carried unanimously in a voice vote.

## **APPROVAL OF MINUTES OF DECEMBER 17, 2010 MEETING**

MOTION was made by Dalrymple, seconded by Crider, to approve the minutes of the December 17, 2010 meeting. The motion carried unanimously in a voice vote.

## **ELECTION OF CHAIR**

MOTION was made by Crider, seconded by Dalrymple, to elect McConnell chair of the Air Consortium. The motion carried unanimously in a voice vote.

## **MARKETING AND SURVEY UPDATE**

James reviewed the marketing report that included: first time flyer promotion; SeaPort weblog; SeaPort website; GOOGLE maps and web presence; passenger electronic surveys; travel packages; gift vouchers; community non-profit partnership program; social media; frequent flyer program; hotel coop partnerships; regional coop event marketing; passenger survey cards; referral program; and print advertising.

## **INTERLINE TICKETING AND BAGGAGE AGREEMENT STATUS**

Helland reported that there is no news on these agreements.

## **UPDATE ON ON-LINE TRAVEL AGENCY TICKETING CAPABILITIES**

Helland reported that SeaPort is now on Travelocity and Expedia, and working with Orbitz.

## **ANALYSIS OF REMAINING SUBSIDY**

Marshall reported that it appears that the ConnectOregon II grant will be fully exhausted by April 17 and perhaps a week earlier. He noted that the USDOT grant will exceed the exhaustion date of the COII grant. He noted that the temporary funding approval from Congress only goes through March 5, but reauthorization is anticipated.

McConnell asked how the Consortium is finalized if the funding is gone between April 1 - 15, 2011. McCarthy noted that there are continued responsibilities under the revenue guarantee agreement. It was noted that the city and port will have to work together on an accounting, and the Consortium will need to continue meeting into June. A discussion ensued regarding whether SeaPort has billed the Consortium for start-up costs, and Day reported that all but a small amount of the start-up costs were used. It was noted that the Consortium needs to determine whether there are contractual obligations that require an audit. McCarthy noted that the ConnectOregon II grant states that the recipient would make records available for purposes of an audit for a period of six years.

A discussion ensued regarding notice to SeaPort relative to the ending of the subsidy. Day stated that the notice would need to be written. It was agreed that the ending date of the subsidy should be reviewed and available for discussion at the meeting of February 4, 2011.

## **AIR SERVICE SUSTAINABILITY UPDATE**

Conner reported that media regarding voucher sales has begun in Astoria, and an update will be available at the February 4 meeting.

McConnell reported that Newport is working on a voucher program and on ways for overnighting the aircraft in Newport. Cossey noted that the local media campaign is ongoing.

## **ANNUAL MEETING REQUIREMENTS - based on revenue guarantee agreement.**

### **Evaluation of flight schedules.**

It was noted that the current schedule would continue until the subsidy is depleted.

### **Evaluation of fares.**

It was noted that the fare and rate structure would continue until the end of the subsidy. A discussion ensued regarding what potential fares may be. Day noted that the Newport route has experienced a four percent increase over the last year, and that this percentage must increase. He added that he hoped that marketing efforts would increase ridership. A discussion ensued regarding the impact of NOAA on the service. It was noted that awareness is the greatest challenge to NOAA's use of the service.

## ADJOURNMENT

Having no further business, the meeting adjourned at 11:23 A.M.