

**CITY OF NEWPORT**  
**MINUTES OF REGULAR AIRPORT COMMITTEE MEETING**  
**January 14, 2009**

The January 14, 2009 meeting of the City of Newport Airport Committee was called to order at 12:00 PM by Chairman pro tem Jim Hawley. Other Committee members in attendance were Curt Fewkes, Jesse Laub (arrived at noon) and recent appointee Richard Larson. Also in attendance were pro tem Airport Director John Wilson, City of Newport pro tem, City Manager Dale Shaddox, City Council member and Airport Committee liaison Jeff Bertuleit, and Bob Fuller, Administrative Assistant to the Airport Director.

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**APPROVAL OF MINUTES FROM September 16, 2008 MEETING**

Approval of minutes was postponed.

**Public Comment:**

Norm Winningstad of Newport advised he was discouraged about the inability of the City of Newport to come to an agreement about an airline for the proposed air service between Newport and Portland. Winningstad advised he thought the city would miss out on economic development if the airline service was not initiated. He also mentioned discrepancies regarding Seaport Airline's fare data that he had obtained from a report; Winningstad was not able to recall the exact source for this material. Jeff Bertuleit advised a fare study was initiated to determine a rate scale for flights which was \$75-\$155 each way.

**AIRPORT DIRECTOR'S REPORT**

Pro Tem Airport Supervisor John Wilson introduced himself to committee members and gave a brief summary of his experience. John is on loan to the City of Newport to manage the airport. He has 13 years experience in the airline industry, and the last 5 years with Dept of Aviation from business management to airport operations.

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Wilson assured the committee that the airport is being maintained at the highest safety level and has been for the past several months due to the excellent staff at the airport. Runways are checked daily, security of fence is checked daily, and other aspects of the operation are maintained as usual. Regarding AWOS, Wilson advised if needed AWOS maintenance personnel are available from Eugene, with a 90-minute response time. Additionally, Frank Crocker, Airport Maintenance Specialist, will be attending Vaisala AWOS training next month. A question was raised regarding AWOS calibration; this operation was done recently in 2008 and is usually an annual event. If there is a problem, we do have personnel on call in Eugene.

Wilson advised TSA will be initiating new security benchmarks for large (12,500 lbs) aircraft. Newport is a Part 139 so we already meet most of the new requirements. The impact will be on air crews and passengers. That will be going to legislation in next year; we will have 24 months to implement the program.

Wilson introduced Dale Shaddox, the interim city manager, and Rick Larson, new committee member.

Currently we are advertising for five T-hangars in three publications and signs at the airport. We have 5 T-hangars available. Also we have adjusted the jet fuel price down and are barely breaking even, but this will allow us to buy additional fuel at lower price and also buy in bulk. We are now in the ballpark with Eugene and Salem. We have also reduced the price of avgas and are breaking even on that, and this is designed to move the product.

Winningstad asked about the website; Wilson advised he has just received a proposal today for updating and redesign of the website.

Jet fuel price has been adjusted to \$3.30 per gallon. We are just breaking even but it lets us move the 2000 gallons we have on hand so we can purchase more at the current price, which is under \$2.00/gallon. The advantage of buying bulk fuel is we get a better price and can be more competitive. We are now in the ballpark with Eugene and Salem for Jet A. Avgas is now \$4.16 and self-serve is \$3.60; there is no profit margin but we need to get the product out of here so we can buy cheaper fuel. Winningstad asked about what effect reducing prices is; Wilson advised it is dependent on the area, and in this area Florence is our main competition and pilots will fly around looking for a small savings in fuel prices. We are not the cheapest but not the most expensive.

We received our new 2001 JetA fuel truck; needs some minor work but overall is in good condition. We will be selling the old truck.

We hired a full-time maintenance tech, Rick Dumas. He is a retired flight instructor from Lufthansa Airlines. He will work both FBO and Airport jobs. Speaking of positions, we have put the FBO manager position on hold due to economic times.

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Frank Crocker will be attending AWOS certification school in February.

The airport will be joining with city public works to have an engineering consultant on board to assist with various projects.

We've been taking a serious look at budget items in order to save as much money as possible, for example we have elected to have the runway lights activated by the pilot via radio rather than being on all the time. This should save us about 30% in electrical costs.

Larson asked if it was possible to get gas on a contract at a set price. Wilson advises we have a 5-year contract with Western Petroleum, but they do not offer a set guaranteed price. Wilson advised, he's not seen any fuel company offer this kind of price guarantee, even at the state level.

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### Old Business

There was no old business.

### New Business

New committee member Rick Larson introduced himself. He had been asked by Dennis Reno to participate on the Airport Committee. He has lived in Newport for about eight years. He used to fly out of Seattle and was a frequent visitor to Newport. Rick is a respiratory therapist at the hospital.

Dale Shaddox, interim city manager, introduced himself. He advises he has worked at three communities that had municipal airports: Chico, Hollister, and Newport. Shaddox advises he has a lot of experience working with FAA on grants, master plans, rules, etc. He advises his pro tem term runs about six months and he is interested in the full time position.

Wilson advises the FAA is coming to first quarter deadline for entitlement funds, by end of January. Two things that need to be addressed: Replacement of the beacon tower, which is 50 years old or so and has deteriorated and cannot be climbed because of safety issues. To replace a light bulb costs about \$1100 because we have to rent a bucket truck. We have proposed to take this to the FAA as a project this spring for a new beacon tower with committee support. The FAA funds will cover 95% of the costs; city will have to provide the 5% matching funds. Some of the money can come from the \$400,000 hangar construction funds that we don't plan on using since we have empty hangars.

The other project is the upgrade of the water line for fire suppression. This will require upgrade of pipe size for incoming water supply to increase pressure, or installation of a pump system. This may involve moving from Seal Rock water to City of Newport water. However, FAA will not allow any further construction without upgrading the fire suppression system. We can save up entitlement dollars over the next few years to fund this project. Also, at this time we cannot build any hangars per FAA because there are currently vacant hangars. Although there is budget approval with the city, the FAA demands a waiting list, which we do not have. This is a standard requirement with the FAA. This is why we are pushing marketing so we can possibly proceed with additional construction. However, current economic conditions are not good for building hangars. Bertuleit commented that if the planned development for 400 new homes and a golf course go through there may be a demand for hangar space.

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Based on comments from Fewkes regarding construction vs. planning, Hawley suggested changing the terminology from construction of the water line to design of water line. Fewkes said he would be more comfortable with that change. Fewkes moved to support the building of the beacon tower and the planning of the fire suppression upgrade; the motion was seconded by Hawley, passed on a unanimous voice vote.

### **ADJOURNMENT**

There being no further business, the meeting was adjourned at 1:10 PM.

Signed \_\_\_\_\_  
Jim Hawley, Chairman pro tem