

April 9, 2013  
2:00 P.M.  
Newport, Oregon

The City of Newport Airport Committee met on the above date in the City Manager's Conference Room of the Newport City Hall. In attendance were Jim Hawley, Mark Watkins, Doug Nebert, Thomas Knott, and Jeff Bertuleit. Also in attendance were Council Liaison, Ralph Busby, City Manager Jim Voetberg, City Recorder/Special Projects Director, Peggy Hawker; Airport Operations Manager, Lance Vanderbeck; Terry Durham, FBO Manager; and Public Works Engineering Technician, Melissa Roman.

### **APPROVAL OF MINUTES - MARCH 12, 2013**

MOTION was made by Nebert, seconded by Watkins, to approve the minutes of the March 12, 2013 meeting as presented. The motion carried unanimously in a voice vote.

### **REPORT ON PROJECTS - MELISSA ROMAN**

Roman reported that the city is awaiting a construction schedule for AIP 18/19 for signage and markings. She added that a contractor is on board.

Roman reported that an engineer has been retained and a fee schedule and scope of work developed for the acquisition of an AARF truck. She noted that the engineer will apply for the grant.

Roman reported on the AIP 20/21 project noting that the engineers are working on a new scope of work for the design and construction phase of the project. She added that AIP 22 will be necessary to finish funding this project.

A brief discussion ensued regarding the AWOS equipment, and it was noted that this is housed in the Fedex building.

### **REPORT ON AIRPORT OPERATIONS - LANCE VANDERBECK**

Vanderbeck reported that the plan is to complete a CIP update. He added that most grants become available at the beginning of the year. He stated that the consultant working on the CIP update may wish to meet with the Committee. Watkins noted that he hoped that the Committee would play a huge part in the future of the airport.

A discussion ensued regarding developing a link between the community and the airport to demonstrate the benefit of the airport. Knott noted that there are different requirements for different airport users. Watkins noted that he would provide a copy of the business plan to Knott.

## REPORT ON FBO - TERRY DURHAM

Durham reported that he had visited several neighboring FBO's during which he had inquired about the financial viability of the FBO's, what businesses are successful, and about the individual business models. He noted that generally, FBO's are showing no return from pilot activities, but that infrastructure and businesses are successful. He stated that minimum standards need to be implemented. He added that he will be asking ODA and the Committee for assistance in developing the minimum standards. Busby suggested obtaining copies of minimum standards from Salem, Eugene, Portland, and others for Committee review. Durham talked about North Bend having two FBO's and high landing fees. He noted that the Eugene and Corvallis FBO's are doing well. He reported that Allegiant Air is operating out of Eugene to Las Vegas and Honolulu. Durham noted that his goal is to have an unsubsidized weekly flight out of ONP.

Durham displayed a sample of plastic roofing materials that have been recommended to replace the existing leaky roof. He reported that funding for the roof replacement will be included in the upcoming budget.

Durham reported that the airport's upstairs offices have been painted, and there is the potential to lease one or more of the offices for airport related businesses.

Nebert asked whether ONP could be a satellite campus for the Hillsboro training facility. Durham reported that he has offered the fuel program to the Hillsboro group, but it has yet to be accepted.

Durham reported that he had been contacted by the Shilo Inns marketing director regarding the possibility of locating a hotel board either in the FBO or the after-hours facility. He noted that it could be funded by the hotels.

Durham reported that the Caravan Airport Shuttle would like to use the airport as a shuttle stop. A discussion ensued regarding the impact on parking. It was noted that the city does not have a policy that would allow this use by any interested organization. Bertuleit noted that this use could entice others to operate out of the airport, and could be a benefit if it doesn't impact the city's budget. Watkins added that parking should not be free.

Watkins stated that he appreciates the work of Vanderbeck and Durham.

Thomas Knott introduced himself. He asked about the capacity of the FBO hangar, and Durham noted that it is currently fully occupied with three aircraft. Knott asked whether it would make sense to build a larger hangar. Durham stated that it would be beneficial as he had tried to convince NOAA to hangar its aircraft in the FBO hangar, but the hangar was too small to accommodate. Watkins noted that the construction of a larger hangar should be included in the 20-year plan.

## **UPDATE ON HANGAR LEASES**

The current lease template, with FAA suggested changes, along with an e-mail from Joelle Briggs of the FAA, was distributed and discussed. After a lengthy discussion, it was the consensus of the Committee to delete Section 5.1 of the lease regarding the imposition of a maintenance fee, and to add definitions for taxiway and taxi lane to adequately describe the intent of Section 12.3. It was agreed that the suggestions would be incorporated and returned to the Committee for review.

Voetberg noted that since several members of the Airport Committee are box hangar lessees, a potential conflict of interest could exist when approving a box hangar lease.

It was noted that staff has been unable to communicate with one of the box hangar lessees for some time, and that the rent has been unpaid for a period of time. Staff will communicate with the City Attorney on how to proceed.

## **AIRPORT FUND FINANCIAL REPORT**

The current airport fund financial report was distributed. The Committee will review it between meetings.

## **SUGGESTION TO OFFER A DISCOUNT FOR HANGAR LEASES PAID ANNUALLY**

It was reported that one of the box hangar lessees had suggested the city offer a discount if the hangar rents were paid annually rather than monthly. It was concluded that this would not be beneficial to the city, although a discussion ensued regarding annual billings as opposed to monthly billings. MOTION was made by Watkins, seconded by Nebert, that Voetberg recommend to the Finance Department that hangar lessees be billed annually rather than monthly. The motion carried in a voice vote with Bertuleit voting no.

A discussion ensued regarding working with hangar lessees to set up an auto pay system for hangar leases. It was noted that at least one tenant has already done this.

Busby reported that there are likely six box hangars that will be reroofed in the near future.

## **COMMITTEE COMMENTS**

Watkins asked how Vanderbeck and Durham feel about offering self-serve fuel prices from the truck on Saturdays only. A discussion ensued, and Voetberg noted that staff would look into the matter.

Knott discussed the impact of special events, i.e., fly-in events.

It was the consensus of the Committee that the next agenda include: minimum standards; special events; and a discussion of possibilities for the land in front of the airport.

## ADJOURNMENT

Having no further business, the meeting adjourned at 3:45 P.M.