

March 11, 2014

2:00 PM

Newport, Oregon

The City of Newport Airport Committee met on the above date in Conference Room A of Newport City Hall. In attendance were Committee members Jeff Bertuleit (Committee Chair), Doug Nebert, Thomas Knott, and Mark Watkins. Also in attendance were: City Manager Spencer Nebel, Engineering Technician/Airport Project Director Melissa Román, City Council liaison Ralph Busby, and Committee staff Bob Fuller (Public Works).

- I. Call to order.
The meeting was called to order at 2:00 PM by Committee Chair Jeff Bertuleit.
- II. Approval of February 11, 2014 minutes.
Motion was made and seconded to approve the minutes of the February 11, 2014 meeting; passed on unanimous voice vote.
- III. Fuel report chart, to include Coast Guard and civilian sales as separate items, as historical as possible.
Román provided handouts with data showing fuel sales and sales trends for the past two years. The “trends” graph was from data provided by Oregon Department of Aviation at the recent OAMA conference. Sales figures are from airport staff, which, for the past two years’ data, are reliable numbers. Nebel said the airport is now able to accept government credit cards for fuel, and other options are being explored. He is waiting to hear from the Coast Guard regarding their long-term plans related to the Newport Airport. He will have more information on this at the next committee meeting in April.

A discussion ensued regarding the figures and the methodology for setting fuel prices at the FBO; Bertuleit advised the past practice has been to be within about 10% of prices posted at other area airports such as Corvallis. Nebel advised retail/sale price does not necessarily relate to the wholesale price of the fuel as it has to be frequently adjusted for the market. Nebert said it would be beneficial to know the profit margin and Nebel agreed it is critical to have this information. Knott suggested the committee be provided with a monthly report detailing fuel sold, price re: purchase price and sale price. Nebel would like the committee to offer suggestions as to how to set the price of fuel.

- IV. Discuss strategies to entice businesses to relocate to Newport Airport.
Watkins said he is concerned fuel sales are trending down; the airport needs to consider other commercial streams of income. He stated he would like to see new airport business development added to the job description of the FBO manager.

Knott noted that private aviation is decreasing everywhere; he contacted Corvallis Airport and they advised they do not have enough students but still offer flight lessons, and he noted that is in a more populated area.

Nebel advised he is the airport manager at this time; he has identified developing an airport management plan as a priority for the City Manager. He is meeting with various airport stakeholders, and in two months he will have a detailed report for the committee's consideration. He requested the committee wait for this report and then weigh in; he emphasized it is important to get through this process to evaluate where we are.

Bertuleit advised the committee needs to develop items that are a priority for the airport. Watkins requested a separate report for the FBO in addition to the airport report that was supplied today by Román. Nebert said he will look into that with staff. Bertuleit asked what strategies can the committee develop to address this agenda item? Nebert suggested the committee look into developing a "welcome packet" for potential businesses.

- V. Discuss possibility of forming a "flying club" at the airport to introduce interested persons, especially youth, to private aviation.

Bertuleit said the FBO has been compiling a list with contact information for persons asking about flying lessons, and currently there are about six people who have indicated some level of interest. He said there would need to be about ten people seriously interested in order to make the cost to the customer reasonable for either renting or co-owning a plane. The purpose of such a flying club would be to develop new pilots and a possible income source from plane rental.

- VI. Minimum Standards

Nebert advises the Minimum Standards document is focused on tenants and tenant operations. Bertuleit mentioned he did not see a definition of "through-the-fence operation"; Nebert suggested since the FAA will review this document we will use their definition. Bertuleit also suggested modifying the committee membership requirements to be able to include two (a change from one) non-residents of Newport. A motion was made and seconded to recommend this change to city council. Motion passed on unanimous voice vote.

After further discussion, Nebert said he will make modifications to the Minimum Standards document, email the document to the committee, then

to the City Manager, who will then consider the details of the final review process.

VII. Committee Comments

Román distributed copies of “2014 Oregon Aviation Plan Economic Impact Statement for NPIAS Airports”, with the specific section for Newport Airport. She also provided a summary review of construction grants, and, at Nebel’s direction, distributed copies of the Airport Master Plan Project Description, as well as Airport Staff Lance Vanderbeck’s monthly airport activities report.

VIII. Public Comments: None

IX. Develop next agenda

Watkins wants to look into building more T-hangars, since the occupancy rate is 100%. Also wants to look at more strategy items for attracting business. Knott asked Román to come back with a rough estimate of the cost of building a T-hangar.

(Watkins had to leave the meeting at 3:45 PM).

Nebert requested a standardized “State of the Airport” report, and suggested looking into the possibility of inviting a representative from Fed Ex and UPS air carriers, and possibly the Coast Guard, to attend future committee meetings.

Román advises once the construction project is underway she will be sending out a project newsletter via email to anyone who is interested.

Nebel will have a packet item for the airport report and an update on where we are at regarding the airport management plan.

X. There being no further business, Chair Bertuleit adjourned the meeting at 4:00 PM.