



City of Newport

**REQUEST FOR PROPOSALS
FOR THE
OPERATION OF THE
NEWPORT, OREGON MUNICIPAL AIRPORT**

**PROPOSAL DEADLINE: January 6, 2016, 3:00 P.M., P.S.T.
Contact: Peggy Hawker, City Recorder/Special Projects Director
541.574.0613**

p.hawker@newportoregon.gov

Table of Contents

A. Purpose	3
B. Objective	4
B-1 Reduction and/or Elimination of Subsidy	4
B-2 Expand Commercial Use of the Airport	4
B-3 Emphasize Quality Customer Service.....	4
B-4 Facilitate Local Economic Development	4
C. Statement of Needs/Scope of Services	4
C-1.0 General Performance	4
C-2.0 Airport Operations.....	5
C-3.0 Fixed Base Operations	7
C-4.0 Leases and Rents	8
C-5.0 Planning and Economic Development	8
C-6.0 Budgeting	9
C-7.0 Finances	9
C-8.0 Terms of Agreement	10
D. Qualifications	10
D-1.0 Experience.....	10
D-2.0 Ability to Do Business	11
D-3.0 Miscellaneous	11
E. Proposal Instructions	11
E-1.0 Proposal Preparation	11
E-2.0 Proposal Submission	11
E-3.0 Proposal Evaluation: Factors and Weight	13
F. Standard Terms and Conditions	14
G. Attachments	14

Request for Proposal for the Operation of the Newport, Oregon Municipal Airport

A. Purpose

The Newport Municipal Airport (ONP) was constructed in 1943 by the U.S. Civil Aeronautics Administration. The airport was turned over to the city ownership in 1947. Since that time, the airport has been municipally owned and operated by the City of Newport. In 2006, the city acquired the assets of the fixed based operator and has operated the airport, including fixed base operations, as a department of the city since that time.

The City of Newport, Oregon is seeking proposals from potential vendors for the operation of the Newport Municipal Airport through a contractor/concession agreement with the City of Newport. The contractual/concession operations include all general maintenance activities, utilities, operational expenses, fixed based operations, customer services, and development of new services at the airport. In addition to airport operations, the City of Newport wastewater division disposes of sludge in the open areas of the airport grounds. Access to airport grounds is also provided to the Police Department for access to the shooting range, and to the Parks and Recreation Department for various activities. The successful proposer will ensure that the premises are principally used for conducting aviation, or aviation related, businesses and shall abide by all grant assurances provided to the FAA by the city, and all federal, state, and local laws in operating the airport.

The City of Newport is obligated to operate the airport in accordance with various FAA standards. The successful proposer will be required to operate the airport, on behalf of the city, in accordance with federal and state obligations, including grant assurances as outlined in the "Airport Sponsor and Airport User Rights and Responsibilities" guidelines that are attached to this document. Furthermore, the airport must be operated to meet the requirements of the "Airport Certification Program, in accordance with the Federal Aviation Act of 1958, as amended," and "Part 139."

In return, consideration will be given to providing the successful proposer with: a monthly management fee; collection and retainage of all revenue from fuel sales, hangar rentals, tie down fees, rental of space within the fixed base operations building, coordination of the leases regarding the same; and retention of any additional revenue it may generate from additional services it provides. New operational services must be approved by the City of Newport and possibly others, including the FAA. The successful proposer will be required to carry insurance with companies qualified to do business in the State of Oregon as outlined in this document. It is anticipated that this agreement would be implemented approximately 120 days after an award is made. The City of Newport reserves the right to reject any or all proposals.

B. Objective

The City of Newport seeks to privatize the operation of the airport through a contractor/concession arrangement best to meet the city's long term goals which include:

- B-1 Reduction, and/or elimination, of the subsidy from the city's General Fund over a three to five year period for airport operations.
- B-2 Maximize reinvestment in the public infrastructure, as provided for in the Airport Master Plan, at the airport through the FAA and others with the advice and direction from the operator.
- B-3 Expand the commercial use of the airport.
- B-4 Continue to emphasize quality customer service both to local and visiting pilots and passengers to the airport.
- B-5 Facilitate local economic development by positioning the airport and surrounding property to be ready for development.

C. Statement of Needs/Scope of Services

The following is a listing of potential elements to be included in a request for proposals (RFP) to operate the Municipal Airport in Newport, Oregon.

C-1.0 General Performance

- C-1.1 The contractor will manage and operate the airport for the use and benefit for of the city and general public in accordance with the provisions included in the RFP.
- C-1.2 The contractor shall maintain monthly records of all correspondence and financial transactions relating to the operation of the airport.
- C-1.3 The contractor shall maintain the State of Oregon 12002 water permit and provide monthly reports to the Airport Advisory Committee and to the City Council on various aspect of airport operations.
- C-1.4 The contractor shall work with the city to develop and maintain policies for environmental protection at the airport and once the policies are adopted, work to maintain compliance with those policies.
- C-1.5 The contractor shall attend meetings of the Airport Advisory Committee and, when requested, attend meetings of the City Council.
- C-1.6 The contractor shall provide public relations and marketing of services for the airport to increase business at the airport.

- C-1.7 The contractor shall provide an accurate accounting of all revenues and expenditures relating to the operation of the airport and FBO operations under this contract, and keep monthly financial reports.
- C-1.8 The contractor shall be involved in educating the community on various airport operations.
- C-1.9 The contractor will continue the employment of the city's two full-time employees for a minimum period of six months after initiation of the contract at a minimum of the current hourly rate for those employees. The City of Newport will coordinate with the contractor relating to benefits for those two employees for a period of time not to exceed six months.
- C-1.10 The contractor must perform reasonably, safely, and legally in compliance with federal, state, and local regulations, and in a manner consistent with this agreement.
- C-1.11 The contractor shall also be responsible for providing a work product and services of a quality and professional standard acceptable to the city.
- C-1.12 The contract will be awarded by the City Council, with a recommendation from the Airport Committee and City Manager, and will be under the general supervision of the City Manager with advice from the Airport Committee.

C-2.0 Airport Operations

- C-2.1 The contractor shall operate and maintain the airport in compliance with 14CFR Part 139, the airport certification manual, FAA minimum standards, and the airport certificate including but not limited to the following items:
- a. Keep, maintain and furnish upon request the necessary records required by the FAA.
 - b. Employ sufficient qualified personal in the operation of the airport.
 - c. Maintain all paved areas of the airport.
 - d. Maintain markings, signs, and lighting at the airport.
 - e. Mowing grass throughout the Airport facility.
 - f. Follow all procedures and protocols for handling hazards substances and materials and meeting various required safety standards.
 - g. Work with the city to review, update, and exercise an airport emergency plan.
 - h. Conduct daily inspections as required as required by the FAA and others.

- i. Limit access for pedestrian and ground vehicles in accordance with airport security needs.
- j. Remove, mark, or light any obstructions within the airport.
- k. Protect navigational aids.
- l. Manage the wildlife hazard program.
- m. Report airport conditions through NOTAMs and other required means.
- n. Identify, mark, and light any unserviceable areas within the airport.
- o. Coordinate the Fire Department's involvement with ARFF.
- p. Maintain certification and operation of AWOS.
- q. Coordinate the provision of rental cars.
- r. Conduct airport operations consistent with the grant assurances, and commitments thereunder, provided by the City to the FAA.
- s. This list is not intended to be all inclusive but demonstrates the types of efforts which would be the contractor's responsibility for the operation of the Airport in compliance with FAA requirements.

C-2.2 The Contractor shall be the primary point of contact and assist the city in the city's dealing with all applicable federal and state agencies relating to airport operations and development.

C-2.3 The contractor agrees to maintain secure areas during the operation of the airport.

C-2.4 The contractor shall provide sufficient staffing to operate the airport for aviation access 24 hours a day and have a least one staff person available at the airport seven days a week 8 A.M. to 5 P.M. exclusive of Thanksgiving Day, Christmas Day, and New Year's Day.

C-2.5 The contractor shall act as a representative of the city through participation at meetings and activities of present and future airport users and interest groups, and include this activity in monthly reports to the Airport Advisory Committee and City Council.

C-2.6 The contractor shall be responsible for preventive maintenance and minor repairs to the facilities, equipment, and infrastructure located at the airport. Minor repairs are those with costs under \$5,000. Major repairs shall remain the obligation of the City of Newport subject to approval of expenditures and authorization by the City

Manager in writing to proceed with those repairs for any portion of repairs that are in excess of \$5,000 per occurrence. The city shall oversee those major repair contracts.

- C-2.7 The contractor shall be responsible for all notifications necessary should a temporary closure of the airport be required.
- C-2.8 The contractor shall not be responsible for any maintenance to federal facilities including airport aides operated and maintained by the FAA except to ensure that other airport operations do not damage or negatively affect those federal facilities.
- C-2.9 The contractor shall maintain authorized representatives on-call for all hours when the airport is not staffed for service or emergency situations at the airport. A representative must be able to respond to the airport within 60 minutes for these situations.
- C-2.10 The contractor shall not conduct operations in or on the airport in any way that interferes with the responsible use of the facility by others at the airport in the reasonable judgement of the city.
- C-2.11 The contractor shall be responsible for all routine maintenance activities at the airport including grounds, building, and infrastructure except as specifically outlined in this proposal.
- C-2.12 During the remaining useful life of existing city-owned or leased equipment, the city shall provide said equipment for use at the airport. The contractor shall be responsible for maintenance of this equipment.

C-3.0 Fixed Base Operations

- C-3.1 The contractor shall provide fueling services at the airport utilizing the city-owned tanks, pumps, and equipment with self-serve Avgas being available 24 hours per day, seven days per week, and jet fuel being available between 8:00 A.M. - 5:00 P.M., and by prior arrangement at other times.
- C-3.2 The contractor shall maintain the city leased and owned components of the fueling system at the airport.
- C-3.3 The contractor shall maintain a pilot's lounge, courtesy cars, ground handling services, and concierge services for pilots utilizing the airport. The courtesy cars will be provided by the City of Newport.
- C-3.4 The contractor may provide aircraft maintenance, instruction, plane rentals, and charter flights with appropriately licensed individuals conducting those services.
- C-3.5 The contractor will review the price of fuel and recommend appropriate adjustments to fuel prices based on keeping the gas prices competitive with

other similar airports, and within any formula, including any discount pricing for locally based aircraft, adopted by the City of Newport.

C-3.6 All business services shall be provided by the contractor at the airport on a non-exclusive basis in accordance with minimum standards adopted, or as hereafter amended, by the City of Newport for commercial aeronautics activities at the Newport Municipal Airport.

C-4.0 Leases and Rents

C-4.1 The contractor shall prepare, negotiate, administer, and enforce on behalf and in the name of the city all the lease agreements, contracts, documents, and instruments relating to the Newport Municipal Airport. All leases, new or renewals, shall be reviewed and if accepted, executed by the city.

C-4.2 The city specifically authorizes the contractor to request and demand all rent and other such charges on behalf of and in the name of the city.

C-4.3 The contractor shall provide for routine invoicing and collection of all fees, rents, and property lease charges due to the airport.

C-4.4 The contractor may sublease space at the Airport, under lease to the successful proposer, with the authorization of the City.

C-5.0 Planning and Economic Development

C-5.1 The contractor shall assist the city in obtaining FAA, Oregon Transportation Funding or other funding for major improvements at the airport.

C-5.2 The city with the assistance of the contractor shall provide for planning and development for the airport and the surrounding airport lands in coordination and cooperation with the city.

C-5.3 The contractor shall encourage the development of new facilities and services in accordance with the approved airport master plan.

C-5.4 The contractor shall submit periodic input concerning the airport layout plan (ALP) to the city.

C-5.5 The contractor shall assist the city with development for approval of a five-year airport capital improvement plan.

C-5.6 The contractor will provide support and assistance for continuing the development of the airport with state or federal funding sources.

C-5.7 The contractor shall support the city in its goal of attracting commercial passenger air service to the Newport Municipal Airport.

C-5.8 The city shall be responsible for costs relating to capital improvements, major repairs, and other investments of new assets at the airport as approved by the city through the city's annual appropriation process.

C-5.9 The city will be responsible for design, construction management, and oversight for capital outlay projects at the airport.

C-6.0 Budgeting

C-6.1 At the time that department budgets are due, the contractor shall prepare an annual operating projection, and requests, that will include the following:

- a. Detail projection of revenues and expenses that would be incurred by the city relating to airport operations for each fiscal year with this report being submitted to the City Manager in accordance with a budget schedule adopted for all city departments.
- b. Contractor shall submit request for capital and major expense items that are anticipated in the upcoming fiscal year, and would be paid for by the city.
- c. The contractor shall submit a list of recommended fees on an annual basis a part of the appropriations process.
- d. All final decisions related to appropriations by the city for the budget and fee schedules relating to the operations of the airport will be determined by the City Council.

C-7.0 Finances

C-7.1 The contractor agrees to pay, at its sole expense, for all operational charges for the airport electricity, water, sewer, garbage, all system monitoring, annual fire extinguisher inspection, fire system annual inspection, and other costs not related to a specific tenant or leased property that is the responsibility of the city's operation of the airport.

C-7.2 The city shall be responsible for providing property and liability insurance for the airport property with the fixed base operator having the responsibility to provide the following insurance, and include the City of Newport as an additional named insured:

- a. \$5,000,000 general liability limit;
- b. \$5,000,000 general liability umbrella;
- c. An Airport Operators General Liability Policy that shall include the following coverages:

- (1.) \$10,000,000 products - completed operations aggregate limit;
- (2.) \$10,000,000 personal injury and advertising injury aggregate limit;
- (3.) \$10,000,000 malpractice aggregate limit;
- (4.) \$10,000,000 each occurrence limit;
- (5.) \$500,000 fire damage limit any one fire;
- (6.) \$5,000 medical expense limit any one person;
- (7.) \$10,000,000 hangarkeepers limit any one occurrence;
- (8.) \$10,000,000 hangarkeepers limit any one aircraft
- (9.) \$10,000,000 non-owned aircraft liability limit any one occurrence.

d. Auto liability;

e. Property coverage for all property owned by the successful proposer;

f. Workers' compensation coverage (statutory limits);

g. Indemnity for environmental pollution losses.

C-7.3 As part of the contractor's compensation, contractor shall collect and keep all revenue from the sale of fuel, and consistent with the intent of C-3.5.

C-7.4 The contractor shall be responsible for collecting all existing fees for hangars, tie downs, and other facilities, with those fees being kept as part of its compensation for operating the airport.

C-7.5 The contractor shall keep financial records including profit and loss statements. The contractor shall allow inspection of these reports if requested by the city.

C-8.0 Terms of Agreement

C-8.1 The term of the agreement will be for three years with the option to renew, subject to negotiations, for an additional two-year period.

D. Qualifications

D-1.0 Experience

D-1.1 The contractor must have experience in FBO and or Airport operations.

D-2.0 Ability to do business

D-2.1 The proposer must have the ability to do business in the City of Newport, State of Oregon, and the United States of America during the term of the contract.

D-3.0 Miscellaneous

D-3.1 Proposers will need to demonstrate their financial ability to fulfill the contract. Information marked “Confidential” and placed in a separate marked envelope will be treated as confidential to the extent the law provides in ORS192.502(4).

D-3.2 All costs in preparing the proposal are the responsibility of the proposer.

D-3.3 The name (or names) of those authorized to negotiate a contract on behalf of the proposer shall be provided.

E. Proposal Instructions

E-1.0 Proposal Preparation

E-1.1 Proposer must submit a proposal which demonstrates and provides evidence that the proposer has the capabilities, professional expertise, and experience to provide the necessary services as described in this RFP. The proposer shall ensure that all information required here is submitted with this proposal. All information provided should be verifiable by documentation that may be requested by the city. Failure to provide all information, inaccuracy or misstatement may be sufficient to cause for rejection of the proposal or rescission of any award.

E-1.2 An optional site visit will be conducted on Tuesday, December 8, 2015, at 2:00 P.M. Proposers may submit any questions or requests for additional information regarding the project in a written format by Friday, December 11, 2015, to Peggy Hawker, City Recorder at p.hawker@newportoregon.gov or via fax at 541.574.0609. A list of questions and the city’s responses will be posted on the city’s website (www.newportoregon.gov) by Friday, December 18, 2015. Proposals shall be received by Wednesday, January 6, 2016, at 3:00 P.M., PST, in the City Manager’s Office, attention: Peggy Hawker, City Recorder, 169 SW Coast Highway, Newport, Oregon 97365, 541.574.0613.

E-2.0 Proposal Submission

Responses must, in any event, contain the following information and be organized into separate sections using the format described below in order to provide each firm an equal opportunity for consideration.

E-2.1 General Information

- a. Letter of intent.
- b. Names and Qualifications of Corporate/Company officers/owners.
- c. Company address/locations and other appropriate contact information.
- d. A full description of the proposer's entity (corporation, partnership, etc.) and identification of all parties including a disclosure of all person or entities having a beneficial interest in the proposal.
- e. Provide resumes of the on-site manager and other key personnel.

E-2.2 Experience

- a. A brief history of the company.
- b. Description of the firm's prior experience related to airport operations.
- c. Resumes and or description of experience of each key member.

E-2.3 Financial Fitness

- a. The proposer must provide sufficient proof supporting the proposer's financial ability to fulfill the obligation of operating the airport.
- b. Financial statements including, but not limited to, balance sheet and income statements for the past two years are requested.
- c. Information marked "Confidential" and placed in a separate marked envelope will be treated as confidential to the extent the law provides in ORS192.502(4).

E-2.4 Operations Plan

Attach a narrative description of the proposer's scope of operations setting forth each business activity proposed for the Newport Municipal Airport in accordance with the statement of needs/scope of services, and the means and methods employed to operate the airport and FBO in order to provide high quality service to general aviation patrons and the general public. The proposer shall outline specific services in addition to those outlined within the request for proposals that would be provided to the aviation community as part of the fixed base operations at Newport Municipal Airport.

E-2.5 Exceptions

Please list any exceptions or deviation from the statement of Section C., needs/scope of services, and Section D., qualifications as outlined within this request for proposal.

E-2.6 References

Please provide a list of client references of similar service contracts including the name, address, and telephone number of those references.

E-2.7 Payment for Services

Please indicate the monthly fee that would be charged for providing the services as outline in the proposal to the City of Newport for the first three years of operations. This fee would be in addition to the total revenues generated from leases, fuel sales, and other income producing activities at the Airport.

E-2.8 Additional

The proposer is encouraged to provide a plan to promote the airport and aviation generally within the community and to participate in activities in Newport and Lincoln County.

E-2.9 Sign Proposal

Proposals shall be signed by the authorized representative of the proposer.

E-2.10 Proposer Preparation

Proposals should be prepared simply and economically, providing a straightforward, concise, detailed description of capabilities that satisfy the requirements of the RFP with one paper (hard copy) being provided to the City Recorder, and a digital copy being provided for purposes of review by the City of Newport. Please use the outline as presented in E-2.0 Proposal Submission (E-2.1 through E-2.9).

E-2.11 Expenses for Proposals

All expenses for making proposals to the city shall be borne by the proposer.

E-2.12 General Notes

All information submitted to the city in response to this solicitation will constitute public information, except as marked "Confidential" to the extent allowed under ORS192.502(4), and will be available to the public for inspection upon request pursuant to the Oregon Public Records Law.

It is the proposer's responsibility to ensure that their proposal is received prior to, or at the specific time and place, designated in this solicitation. Proposals received after that specified date and time shall not be considered by the City of Newport.

E-3.0 Proposal Evaluation: Factors and Weight

E-3.1 Financial benefit to the airport - 25%.

E-3.2 The range and scope of proposed FBO services that will be provided - 15%.

E-3.3 Financial ability to successfully operate the airport - 15%.

E-3.4 Proposed marketing and promotion efforts to enhance fuel sales and other operations at the airport - 10%.

E-3.5 Experience of the proposer in the provision of FBO/airport operation services - 20%.

E-3.6 Responsiveness of proposal in meeting the objectives outlined in the RFP - 15%.

F. Standard Terms and Conditions

City reserves the right to extend the submission deadline should this be in the best interest of the City. Proposers have the right to revise their proposals in the event that the deadline is extended.

The City reserves the right to withdraw this RFP at any time, and will notify proposers that the solicitation has been canceled. The City makes no representation that any contract will be awarded to any proposer responding to the RFP. The City reserves the right to reject any or all submissions.

If in City's judgment, an inadequate number of proposals are received or the proposals received are deemed non-responsive, not qualified, or not cost effective, the City may, at its sole discretion, reissue the RFP, or execute a contract with the next highest ranked proposer, or to cancel this solicitation, all subject to compliance with applicable laws and the City's public contracting rules.

City reserves the right, subject to the City's public contracting rules and applicable statutes, to reject any and all proposals and to waive any minor informality when to do so would be advantageous to the City.

G. Attachments

G-1.0 Financial Information about the Airport

G-2.0 Statistics about Traffic at the Airport

G-3.0 Airport Layout Plan

G-4.0 List of Equipment and Buildings included in the Agreement

G-5.0 FAA Grant Assurances

G-6.0 [FAA Airport Certification Program Handbook](#)

USDOT Airport Certification Program Handbook

ATTACHMENT G-1.0
FINANCIAL INFORMATION
ABOUT THE AIRPORT

**CITY OF NEWPORT, OREGON
AIRPORT FUND
SCHEDULE OF REVENUES AND EXPENDITURES**

Revenues	2013-14	2014-15	2015-16
	Actual	Actual	Budget
JET FUEL REVENUE	\$ 400,496	\$ 339,782	175,000
AVGAS REVENUE	73,340	50,123	75,000
OIL	663	348	520
PILOT SUPPLIES	973	10,609	7,300
FOOD CATERING	1,383	544	500
TIE DOWN	137	122	100
SERVICE PROVIDED FOR SEWER FND	30,704	30,704	30,704
RENTS & LEASES	53,018	57,943	52,780
CONCESSIONS	394	1,625	1,000
INTEREST ON INVESTMENTS	2,600	1,036	561
MISC. SALES & SERVICES	2,149	2,574	500
Total revenues	565,857	495,410	343,965
Expenditures			
WAGES & SALARIES	\$ 100,370	77,425	116,195
OVERTIME	11,869	14,169	8,000
ON-CALL	6,600	4,700	4,700
INSURANCE BENEFITS	29,469	14,711	37,867
FICA EXPENSES	9,014	8,028	9,860
RETIREMENT	20,995	14,356	12,257
WORKER'S COMPENSATION	2,748	2,852	3,179
UNEMPLOYMENT INSURANCE	1,365	1,498	773
PROFESSIONAL SERVICES	10,069	2,189	8,000
FINANCIAL PROFESSIONAL SERVICE	15,485	10,525	10,000
LEGAL PROFESSIONAL SERVICES	11,857	5,692	2,000
EMPLOYMENT SERVICES	33,717	39,545	28,000
OTHER PROFESSIONAL SERVICES	1,925	1,840	2,000
UTILITIES - ELECTRIC	12,731	13,393	12,500
UTILITIES - WATER & SEWER	0	644	6,600
UTILITIES - OTHER	4,296	1,405	1,800
BUILDING & GROUNDS EXPENSES	46,621	23,172	34,000
PERMITS/LICENSES EXPENSES	2,405	4,222	3,800
OTHER PROPERTY SERVICES	517	0	600
CLEANING EXPENSES	6,858	5,102	5,000
VEHICLE EXPENSES	16,626	6,090	13,000
EQUIPMENT EXPENSES	11,444	39,960	31,000
MAINTENANCE AGREEMENTS	5,615	5,120	5,000
INFRASTRUCTURE EXPENSE	0	0	10,000
LEASE EXPENSES	1,127	497	1,000
RENTAL EXPENSES	3,146	3,488	4,500
INSURANCE PREMIUM & EXPENSES	17,063	18,383	20,733
COMMUNICATIONS EXPENSES	5,182	4,079	4,200
ADVERTISING & MARKETING EXP	372	1,178	500
PRINTING & BINDING	279	188	500
TRAVEL & MEETING EXPENSES	430	3,255	3,500
MEMBERSHIPS, DUES & FEES	305	600	560
TRAINING	8,619	3,752	4,310
PROGRAMS & PROGRAM SUPPLIES	0	55	100
OTHER OPERATING EXPENSES	1,031	7,594	8,800
OFFICE SUPPLIES	6,703	9,683	12,000
BOOKS/PERIODICALS/DVD & VIDEO	0	600	600
POSTAGE/SHIPPING EXPENSES	323	403	400
CONCESSIONS & CATERING	2,134	2,753	1,500
AMMUNITION & FIREARMS	48	1,514	1,300
CLOTHING & UNIFORMS	297	495	500
GENERAL EXPENSES	3,409	3,025	2,700
SAFETY & HEALTH EXPENSES	31	6	0
NON-CAPITAL EQUIPMENT	12,980	0	0
FUEL	9,601	6,103	6,500
JET FUEL EXPENSES	315,215	168,236	105,000
AV-GAS EXPENSES	44,510	102,108	70,000
SERV PROVIDED BY GENERAL FUND	53,552	54,679	66,281
	848,953	689,312	681,615
OPERATING SUBSIDY	(283,096)	(193,902)	(337,650)

ATTACHMENT G-2.0

**STATISTICS ABOUT TRAFFIC
AT THE AIRPORT**

FY 14/15 Aircraft logged* & Total gallons pumped			
MONTH	Arrival	Departure	Total fuel pumped
July	281	268	7256
August	136	122	5519.5
September	291	280	8981.1
October	301	287	7564
November	245	233	10220.2
December	224	208	8674.4
January	337	325	9296.7
February	304	300	5616.4
March	421	408	5056
April	399	399	2952.6
May	289	285	2699
June	447	445	11366.6
TOTAL	3675	3560	85202.5

*Aircraft logged- are aircraft observed using ONP i.e.(full stops, touch & goes, flyby, & low approaches) form 8am - 5pm, seven days a week. Any aircraft that come in after hours may not get logged.

FY 14/15 100LL gallons pumped			
MONTH	100LL	SS-100LL	Total 100LL
July	805	919	1724
August	274.5	599	873.5
September	883.1	1041	1924.1
October	316	778	1094
November	267.2	488	755.2
December	106.4	408	514.4
January	320.7	650	970.7
February	350.4	491	841.4
March	399	633	1032
April	484.6	684	1168.6
May	522	646	1168
June	1255.6	768	2023.6
TOTAL	5984.5	8105	14089.5

FY 14/15 Rental cars	
MONTH	
July	16
August	3
September	10
October	5
November	2
December	1
January	11
February	8
March	7
April	10
May	8
June	28
TOTAL	109

FY 14/15 Jet-A gallons pumped			
MONTH	Jet-A	Jet-A+	Total Jet-A
July	947	4585	5532
August	60	4586	4646
September	173	6884	7057
October	1663	4807	6470
November	2056	7409	9465
December	1946	6214	8160
January	1315	7011	8326
February	320	4455	4775
March	3059	965	4024
April	1150	634	1784
May	1009	522	1531
June	4559	4784	9343
TOTAL	18257	52856	71113

FY 14/15 Courtesy Cars	
MONTH	
July	16
August	2
September	9
October	6
November	1
December	1
January	23
February	17
March	41
April	36
May	20
June	43
TOTAL	215

ATTACHMENT G-3.0
AIRPORT LAYOUT PLAN

ATTACHMENT G-4.0

LIST OF EQUIPMENT AND BUILDINGS
INCLUDED IN THE AGREEMENT

006.01	FED EX BUILDING (PORTABLE)			120 SE 84TH ST - (NEWPORT)
006.03	QUONSET HUT			120 SE 84TH ST - (NEWPORT)
006.04	AWOS/BEACON SYSTEM			120 SE 84TH ST - (NEWPORT)
006.05	LIGHTING/RADIO BUILDING			120 SE 84TH ST - (NEWPORT)
006.06	NESTED T HANGERS			120 SE 84TH ST - (NEWPORT)
006.07	TERMINAL/OFFICES/HANGER			120 SE 84TH ST - (NEWPORT)
006.08	FUEL TANKS			120 SE 84TH ST - (NEWPORT)
006.09	CHAIN LINK FENCE - 8 MILES			120 SE 84TH ST - (NEWPORT)
006.11	VEHICLE/EQUIPMENT SHED @ FUEL DEPOT			120 SE 84TH ST - (NEWPORT)
006.12	STORAGE SHED			120 SE 84TH ST - (NEWPORT)
0011	1997 FORD CROWN VICTORIA	2FALP71WZVX144670		A/R/PORT
0054	1996 FORD CROWN VICTORIA	6173		A/R/PORT
0080	1995 CHEVROLET ASTROVAN	1GNE119WXS826344		A/R/PORT
0092	1987 AMERTEK CRASH TRUCK	2B9A2Y275HD032032		A/R/PORT
0093	2008 FORD F250	1FTSX21588EB40869		A/R/PORT
0101	1989 CHEVROLET K1500	2GCEK14H3K1212193		A/R/PORT
2005	KUBOTA TRACTOR W/ATTACHMENTS	52787	M125X	A/R/PORT
	LEKTRO AIRCRAFT TUG			A/R/PORT
	VAISALA VISIBILITY SENSOR FOR AWOS STAT			A/R/PORT
	AUTOMATED WEATHER STATION W/TOWER			A/R/PORT
	VAISALA CEILOMETER SENSOR FOR AWOS STAT			A/R/PORT
	YAMAHA GRIZZLY ATV	8YMXK349AAA	350	A/R/PORT
	2000 STERLING JET TANKER TRUCK	2FZHAFA8XVAF66773		A/R/PORT
	2000 INTERNATIONAL 2000 GAL JET A FUEL TRUCK	416070H919855	1700-A	A/R/PORT
	KUBOTA FRONT END MOWER & BROOM			A/R/PORT

ATTACHMENT G-5.0
FAA GRANT ASSURANCES



Federal Aviation
Administration

AIRPORT SPONSOR & AIRPORT USER RIGHTS AND RESPONSIBILITIES



AIRPORT SPONSOR & AIRPORT USER RIGHTS AND RESPONSIBILITIES

The rights and responsibilities of the sponsors and users of federally obligated public-use airports are based on Federal law. In exchange for Federal airport development assistance (including the transfer of Federal property for airport purposes), airport sponsors make binding commitments to assure that the public's interest in civil aviation will be served. An airport sponsor's responsibilities are commonly referred to as its Federal grant obligations or grant assurances.

The Federal Aviation Administration (FAA) has a statutory mandate to ensure that airport owners comply with their grant obligations. [FAA Order 5190.6B, *Airport Compliance Manual*](#), issued September 30, 2009, generally provides the policies and procedures to be followed by the FAA in carrying out this duty. The Order is not regulatory and is not controlling with regard to airport sponsor conduct; rather it establishes the policies and procedures to be followed by FAA personnel in carrying out the FAA's responsibilities for ensuring airport compliance.

The FAA Airport Compliance Program is designed to ensure the availability of a national system of safe, properly-maintained, public-use airports operated in a manner consistent with the airport owners' Federal obligations and the public's investment in civil aviation. The Airport Compliance Program does not control or direct the operation of airports; rather, it monitors the administration of the valuable rights pledged by airport sponsors to the people of the United States in exchange for monetary grants and donations of Federal property to ensure that the public interest is being served. More information about the [FAA's Airport Compliance Program](#) is available.

From time to time, individual airport users and airport sponsors may view these grant obligations differently. In most cases, airport users and airport sponsors are able to work together to identify a solution which is consistent with the airport sponsor's obligations and acceptable to both parties. However, when the two parties cannot come to an agreement, they may ask the FAA to help them interpret how the airport sponsor's obligations apply. The following discussion will serve as a guide to current FAA policy interpretation of the applicable laws and those sponsor assurances which commonly affect aeronautical users' rights at federally obligated public-use airports nationwide. The complete list of [sponsor assurances](#) is available.

Airport Owner Rights and Powers

Grant Assurance 5, *Preserving Rights and Powers*, requires, in pertinent part, that the sponsor of a federally obligated airport:

“...will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms conditions, and assurances in the grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor.”



Put simply, an airport sponsor is prohibited from taking any action which could preclude it from complying with its grant obligations. For example, an airport sponsor may not enter into a management agreement which would result in exclusive use or discrimination at the airport. Airport sponsors are strongly encouraged to use strong subordination clauses to ensure their ability to comply with Grant Assurance 5.

In addition to obligating the airport sponsor to preserve its rights and powers to carry out all grant agreement requirements, this assurance also places certain limitations on the sponsor's use of airport land. Most real estate transactions require prior FAA approval, and airport sponsors are prohibited from encumbering airport property.



Use on Reasonable and Not Unjustly Discriminatory Terms

Grant Assurance 22, Economic Nondiscrimination, requires, in pertinent part, that the sponsor of a federally obligated airport:

“...will make its airport available as an airport for public use on reasonable terms, and without unjust discrimination, to all types, kinds, and classes of aeronautical uses.” Assurance 22(a)

“...may establish such equal and not unjustly discriminatory conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.” Assurance 22(h)

“...may...limit any given type, kind, or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or...to serve the civil aviation needs of the public.” Assurance 22(i)

Subsection (h) qualifies subsection (a) and subsection (i) represents an exception to subsection (a) to permit the sponsor to exercise control of the airport sufficient to preclude unsafe and efficient use of navigable airspace which would be detrimental to the civil aviation needs of the public. However, any airport sponsor restrictions on aeronautical activities based upon safety and efficiency under Assurance 22(i) must be adequately justified and supported, and they must be approved in advance by the FAA. In all cases, the FAA is the final arbiter regarding aviation safety and will make the determination regarding the reasonableness of any proposed measure to restrict, limit, or deny aeronautical access to the airport. The FAA considers it inappropriate to provide federal assistance for improvements to airports where the benefits of such improvements will not be fully realized due to inherent restrictions on aeronautical activities.

Federally obligated airport sponsors are required to operate airports for the use and benefit of aeronautical users and to make those airports available to all types, kinds, and classes of aeronautical activities on fair and reasonable terms, and without unjust discrimination. However, airport sponsors may adopt reasonable commercial minimum standards and/or airport rules and regulations.

Airport sponsors have an obligation to treat in a uniform manner those users making the same or similar use of the airport. However, an airport sponsor may treat similarly situated airport users differently, including rental rates, lease terms, etc., as long as those differences are not unjust. Typically, in order to sustain an allegation of unjust economic discrimination, a complainant must establish they requested similar terms and conditions as another similarly situated user, but was denied those terms for unjust reasons.

Restrictions on Self-servicing of Aircraft

Grant Assurance 22(f) provides that an airport sponsor:



"...will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to, maintenance, repair, and fueling) that it may choose to perform."

The FAA considers the right to self-service as prohibiting the establishment of any unreasonable restriction on the owners or operators of aircraft regarding the servicing of their own aircraft and equipment. When airport users and airport sponsors disagree about whether or not a restriction is reasonable and a formal complaint is filed, the FAA becomes the final arbiter in the matter.

Aircraft owners must be permitted to fuel, wash, repair, and otherwise take care of their own aircraft with their own personnel, equipment, and supplies. The airport sponsor, however, is obligated to operate the airport in a safe and efficient manner. The establishment of fair and reasonable rules, applied in a not unjustly discriminatory manner, governing the introduction of equipment, personnel, or practices which would be unsafe, unsightly, detrimental to the public welfare, or which would affect the efficient use of airport facilities by others, is not unreasonable.

The Prohibition Against Exclusive Rights

Grant Assurance 23, Exclusive Rights, provides, in pertinent part, that the sponsor of a federally obligated airport:

"...will permit no exclusive right for the use of the airport by any persons providing, or intending to provide, aeronautical services to the public..."

The fact that an aeronautical activity is provided by only one entity does not necessarily establish an exclusive rights violation. An exclusive rights violation is the denial by an airport sponsor to afford other qualified parties an opportunity to be an on-airport aeronautical service provider.

Although federally obligated airports may impose qualifications and minimum standards upon those who engage in aeronautical activities, the FAA has taken the position that the application of any unreasonable requirement or standard that is applied in an unjustly discriminatory manner may constitute a constructive grant of an exclusive right. When airport users and airport sponsors disagree about whether or not a requirement is reasonable and a formal complaint is filed, the FAA becomes the final arbiter in the matter.

Grant Assurance 23 provides for two limited exceptions. An airport sponsor may choose to offer some or all aeronautical services itself and exclude other entities from competing with these services. This is referred to as the airport sponsor's proprietary exclusive right. If an airport sponsor chooses to exercise its proprietary exclusive right to offer aeronautical services, it must do so with its own resources and its own employees; airport sponsors may not contract out their proprietary exclusive right. The second exception applies when the airport sponsor faces unreasonably costly, burdensome, or impractical challenges in accommodating more than one fixed-base operator to provide a service and adding a second fixed-base operator would result in a reduction in space leased to and actively used by the existing fixed-base operator.

Airport Rates and Charges

Grant Assurance 24, Fee and Rental Structure, provides, in pertinent part, that the sponsor of a federally obligated airport:

"...maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at that particular airport, taking into account such factors as the volume of traffic and economy of collection."

The airport sponsor's obligation to make an airport available for public use does not preclude the owner or sponsor from recovering the cost of providing the facility. The owner or sponsor is expected to recover its costs through the establishment of fair and reasonable fees, rentals, or other user charges that will make the airport as self-sustaining as possible under the circumstances existing at the particular airport.

The FAA's Policy Regarding Airport Rates and Charges (61 Fed. Reg. 31994; June 21, 1996 as



amended) provides comprehensive guidance on the legal requirement that airport fees be fair, reasonable, and not unjustly discriminatory. Federal law does not prescribe a single approach to rate-setting; airports may utilize their preferred methodology as long as that methodology is applied consistently to similarly-situated aeronautical users and conforms to other requirements outlined in the FAA's Rates and Charges Policy. Ordinarily, the FAA will not investigate the reasonableness of a general aviation airport's fees absent evidence of a progressive accumulation of surplus aeronautical revenues.

The Use of Airport Revenue

Grant Assurance 25, Airport Revenues, provides, in pertinent part, that:

“All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport...” Assurance 25(a)

Revenue generated by the airport includes aeronautical and nonaeronautical rents, fees, charges, and other payments received by the airport sponsor. Airport revenue must be used for the operational and capital costs of the airport, the local airport system, or other facilities owned or operated by the airport owner or operator and directly and substantially related to the air transportation of passengers or property. Certain airports are exempted from this requirement because the law grandfathers certain financial arrangements that existed prior to September 3, 1982.

The FAA's Policy and Procedures Concerning the Use of Airport Revenue (64 Fed. Reg. 7696; February 16, 1999) provides several examples of unlawful revenue diversion. Some of these examples include:

- Paying in excess of the value of goods or services the airport receives;
- Improper cost allocations;
- Charging less than fair market value rental rates to nonaeronautical users, including the sponsor itself;
- Directly subsidizing air carriers;
- Using airport revenue for general economic development activities;
- Paying for marketing and promotions not related to the airport;
- Loaning money to other entities at less than prevailing rates; and
- Using airport revenue to participate in some types of community events.

COMPLAINT RESOLUTION

The FAA's role in adjudicating disputes between airport users and airport sponsor's is to ensure the sponsor's compliance with its Federal obligations. When allegations made in a complaint are verified, the FAA works with the airport sponsor to develop a corrective action plan to address the findings of noncompliance. **Please note that the FAA does not have the legal authority to award monetary judgments or order payment for damages.**

Informal Complaint Process

Under 14 Code of Federal Regulations § 13.1, any person who knows of a violation of Federal aviation laws, regulations, rules, policies, or orders may report the violation to the FAA informally as a “report of violation.” Airport users may report allegations of grant assurance violations to the FAA under Section 13.1. This is commonly referred to as an “informal complaint.”

The FAA strongly encourages individuals seeking to file informal complaints under 14 CFR, § 13.1, to do so in writing. A telephone conversation may not capture all the details of the alleged violations while the written submission is able to emphasize all the issues and concerns.

Informal complaints of alleged violations are primarily addressed through the FAA's review of written submissions. Therefore reports must:

1. Clearly state each alleged violation;
2. Identify the specific grant assurance(s) alleged to have been violated;
3. Provide a comprehensive, detailed description of the alleged violation, including the actions and/or inactions taken by the airport sponsor which result in the alleged violation;
4. Provide issue-by-issue supporting arguments, information and documentation; and
5. Include a summary of the actions you have taken to bring the perceived violation(s) to the attention of the airport sponsor and any efforts to resolve the issues directly with the airport sponsor.

Factually accurate supporting detail is essential for us to effectively evaluate each allegation and to establish a basis for determining the validity of each allegation. **Please be advised that information and documents provided to the FAA are not considered confidential and are subject to public release under the Freedom of Information Act.**



The FAA's local Airports District Office or Regional Airports Division investigates informal complaints. Allegations which do not fall within the scope of FAA jurisdiction or which lack sufficient clarity to permit evaluation will not be reviewed further. The remaining allegations will be investigated to determine whether further FAA action is warranted. The investigative process requires the FAA to contact the airport sponsor.

A list of [FAA Airports District and Regional Offices](#) is available.

There are no regulatory time frames associated with the Part 13.1 process. The FAA strives to investigate and conclude informal complaints within 120 days from receipt of the complaint. However, extenuating factors such as time required to obtain additional factual information, the complexity of the allegations, the need to coordinate with other offices within the FAA, and office workload requirements, etc. may preclude the investigating office from meeting this target deadline.

Upon completion of the investigation, a preliminary determination setting forth the Region's position on the allegations is sent to both the complainant and the airport sponsor. This preliminary determination is not a final agency decision subject to judicial review.

Formal Complaint Process

FAA Rules of Practice for Federally-Assisted Airport Proceedings, 14 Code of Federal Regulations § 16 is the process available to substantially affected complainants seeking a final agency decision. The FAA's Office of Airport Compliance conducts FAA investigations under Part 16. These enforcement procedures were published in the Federal Register (61 Fed. Reg. 53998, October 16, 1996) and became effective on December 16, 1996.

In order to file a formal complaint under 14 CFR, Part 16, the complainant must be "directly and substantially affected" by any alleged noncompliance of a federally obligated airport. Prior to filing a complaint, the parties are required to initiate and engage in good faith efforts to resolve the disputed matter informally. A complaint will not be considered unless the person or authorized representative filing the complaint certifies that substantial and reasonable good faith efforts to resolve the issue have been made and that there is no prospect for a timely resolution.

Formal complaints are filed with the FAA Part 16 Airport Proceedings Docket in the Office of the Chief Counsel. Documents filed with the FAA must be typewritten or legibly printed. The mailing address should read:

FAA Part 16 Airport Proceedings Docket
AGC-610
Federal Aviation Administration
800 Independence Ave., SW
Washington, DC 20591

The complaint should:

1. State the name and address of each person who is the subject of the complaint and, with respect to each person, the specific provisions of each law, grant assurance, and/or surplus property agreement that the complainant believes were violated;
2. Provide a concise but complete statement of the facts relied upon to substantiate each allegation;
3. Describe how the complainant was directly and substantially affected by the things done or omitted to be done by the respondent(s); and
4. Provide a summary of the actions taken to bring the perceived violation(s) to the attention of the airport sponsor and any efforts to resolve the issues directly with the airport sponsor.

The original and three copies of each document should be filed with the FAA Part 16 Airport Proceedings Docket. The original should be signed by the person filing it or the person's duly authorized representative.

A certificate of service should accompany all documents when they are filed. The certificate must certify concurrent service on the FAA and all parties named in the complaint as persons responsible for the alleged action(s) or omission(s) upon which the complaint is based.

The certificate of service should be in substantially the following form:

I hereby certify that I have this day served the foregoing [name of document] on the following persons at the following addresses and facsimile numbers (if also served by facsimile) by [specify method of service]:

[list person, addresses, facsimile numbers]

Dated this _____ day of _____, 20__.

[signature], for [party]

After a formal complaint is received, the FAA has 20 days to either docket or dismiss the complaint. Formal complaints are dismissed when the complainant lacks standing, does not follow the correct procedures to file the complaint, or fails to document good faith efforts to resolve the matter informally.

Once a formal complaint is docketed, the airport sponsor has 20 days to file its answer. The complainant may file its reply within 10 days of the date of service of the answer. The airport sponsor may file a rebuttal within 10 days of the date of service of the complainant's reply. The FAA has 120 days, from the date of the last pleading submitted, to conduct its investigation and issue a Director's Determination.

Any party adversely affected by the Director's Determination may appeal the initial determination to the Associate Administrator for Airports within 30 days after the date of service of the initial determination. The Associate Administrator will render a Final Agency Decision which may be appealed to the U.S. Court of Appeals.

Prior to filing a formal complaint, please review the [Frequently Asked Questions about Part 16](#).

The [Part 16 Decision Database](#) contains copies of all Director's Determinations and Final Agency Decisions issued. Oftentimes, complaints focus on similar issues, so understanding how the FAA has decided a case in the past may be helpful.



RESOURCES AND REFERENCES

Airport Compliance Program

http://www.faa.gov/airports/airport_compliance/

FAA Order 5190.6B, Airport Compliance Manual

http://www.faa.gov/airports/resources/publications/orders/compliance_5190_6/

Sponsor Assurances

http://www.faa.gov/airports/aip/grant_assurances/media/airport_sponsor_assurances_2012.pdf

FAA's Policy Regarding Airport Rates and Charges

http://www.faa.gov/airports/airport_compliance/media/airports_rates_charges_policy_with_amendments.pdf

FAA's Policy and Procedures Concerning the Use of Airport Revenue

http://www.faa.gov/airports/resources/publications/federal_register_notices/media/obligation_final99.pdf

FAA's Advisory Circular on Exclusive Rights at Federally Obligated Airports

http://www.faa.gov/documentLibrary/media/advisory_circular/150-5190-6/150_5190_6.pdf

FAA's Advisory Circular on Minimum Standards for Commercial Aeronautical Activities

http://www.faa.gov/documentLibrary/media/advisory_circular/150-5190-7/150_5190_7.pdf

14 Code of Federal Regulations § 13.1

<http://www.gpo.gov/fdsys/pkg/CFR-2011-title14-vol1/xml/CFR-2011-title14-vol1-part13.xml#seqnum13.1>

14 Code of Federal Regulations § 16

<http://www.gpo.gov/fdsys/pkg/CFR-2011-title14-vol1/xml/CFR-2011-title14-vol1-part16.xml>

Frequently Asked Questions about Part 16

<http://part16.airports.faa.gov/index.cfm?page=FAQ>

Part 16 Decision Database

<http://part16.airports.faa.gov/index.cfm?page=CaseFileSearch>

ATTACHMENT G-6.0

FAA AIRPORT CERTIFICATION PROGRAM HANDBOOK
(Link to Document - [FAA Airport Certification Program Handbook](#))