



*Administrative Offices
169 SW Coast Hwy.
Newport, OR 97365
www.newportoregon.gov
541-574-0603*

REQUEST FOR EXPRESSION OF INTEREST TO OPERATE THE NEWPORT, OREGON MUNICIPAL AIRPORT

PURPOSE

The City of Newport, Oregon is seeking Expressions of Interest from potential vendors to evaluate the possible operation of the Newport Municipal Airport through a contractor/concession agreement with the City of Newport. The contractual/concession operations may include all general maintenance activities, fixed based operations, and customer services and development services at the airport. The City of Newport would provide oversight for all construction activities at the air facility.

OBJECTIVE

The City of Newport seeks information and interest in determining whether it would be in the city's interest to consider privatizing the operation of the airport through a contractor/concession arrangement to best meet the city's long term goals including:

1. Reduce the subsidy from the city's General Fund over a three to five year period through a combination of increased revenues and decreased expenses.
2. Continue to maximize reinvestment in the public infrastructure at the airport through the FAA and others.
3. Expand the commercial use of the airport.
4. Continue to emphasize quality customer service to both local and visiting pilots and passengers to the airport.
5. Facilitate local economic development by positioning the airport and surrounding property to be ready for development.

INSTRUCTIONS TO RESPONDING PARTIES

Submit Expressions of Interest to: City of Newport, Attention: City Manager, 169 SW Coast Highway, Newport Oregon 97365. All letters must be received no later than 12:00 P.M. on Wednesday, February 4, 2015. Letters received after this time may be rejected. The city, at its sole discretion, reserves the right to accept or reject any or all Expressions

of Interest. A letter may be withdrawn on written request of the respondent prior to above deadline.

For all information requested, respondents are encouraged to use existing compiled informational materials where appropriate.

The Respondents should submit an Expression of Interest addressing to each of the following needs:

1. Provide qualifications and capabilities of your organization including:
 - a. Organizational information: overview of company, services, and resumes for key individuals.
 - b. Experience working with airports.
 - c. Capabilities: demonstrate organization's capacity to operate airports.
 - d. Financial viability: demonstrate ability to responsibly enter into an agreement of the size and duration required for this project.
2. Explain past experience working with this type of facility.
3. Provide details concerning your interest in this facility.
4. What information would your organization need in order to prepare a specific proposal in response to the anticipated solicitation?
5. Please provide any comments on other creative procurement options, technical considerations, or other information that we should consider in developing the RFP responsibly.
6. Please indicate how a private operator could responsibly address the goals outlined in the request.
7. Please outline the type of contractual arrangement that has been utilized by your organization for operating airports on a contractual basis.
8. Please describe any specific projects in which you/your organization have/has been involved in which financial shortcomings have been addressed and you have been able to overcome an existing economic deficit.
9. What would you proposed to do at this airport? (Provide detail regarding scope of operations - specifically, what areas of airport operations are you interested in providing.)

USE OF RESPONSES BY THE CITY OF NEWPORT

The responses to this Request for Expressions of Interest will be used for planning purposes and potentially to develop a Request for Proposal (RFP) for Airport Operations Contractor/Concession for the Newport Municipal Airport if there is sufficient interest and potential benefit in privatizing the operations of this facility.

DISCLAIMER

No warranties or representations of any kind are made by the City of Newport. The city does not intend to award a contract on the basis of this Request for Expressions of Interest or to pay for the expressions of interest solicited. The city reserves the right to cancel this Request for Expressions of Interest at any time with or without notice to respondents and without liability for any actual or implied reliance on it.

EQUAL OPPORTUNITY

No person or firm shall be discriminated against because of race, color, national origin, or sex in the award of a City of Newport contract. Further, there shall be no discrimination on the basis of race, color, national origin, or sex in the performance of contracts awarded by the City of Newport.

GENERAL AIRPORT INFORMATION

Construction was initiated on the Newport Municipal Airport by the Civil Aeronautics Administration on March 27, 1943. Following World War II, the airport's ownership was turned over to the City of Newport in 1947. In 2014, the main runway was reconstructed and lighting and navigational aids were replaced.

The airport has been operated by the city of Newport since 1947. The city has had several fixed based operators (FBO) over this time period. In 2006, the city purchased the assets of the FBO, Central Oregon Coast Air Services, which included an FBO building and fueling system for \$250,000. The city has operated the FBO since that time as part of the airport operations with city staffing.

The Newport Municipal Airport currently consists of two runways with 16-34 (N/S) being 5,398 feet long and 100 feet wide and 2-20 being 3001 feet long and 75 feet wide. The airport has ten T-hangars for rental, three hangar spots within the FBO building, eight GA tie-downs (with more tie-down options on the long-term parking apron), plus parking on the jet ramp. The airport also leases land for private hangar development and has a total of 23 box hangars.

The airport is currently not collecting landing fees, fuel flowage fees, and short term rental fees for use of the FBO public spaces. That practice, however, is currently under review by the city's Airport Committee.

The airport has a 2,400 square foot office building that is currently rented to FedEx. In addition, the airport owns a Fixed Bases Operations Building (FBO) which has two offices

on the main floor, a ticket counter, and a pilots lounge with refrigerator and counter space. On the second floor, there are three offices, a larger conference area, and bar with a small kitchen. In addition to the space rented to FedEx, one office space is currently rented in the FBO building, and a lease has been provided for a double-wide trailer to FedEx. Other services currently provided include:

- Fuel, Jet-A, Jet-A with additive, AV-Gas (100LL) truck and self-serve
- Car Rentals
- Courtesy cars 3, plus 1 van
- Oil for turbine and piston aircraft
- Charts
- Current newspaper
- Catering, utilizing local vendors
- ONP branded shirts, sweaters, rain jackets, and hats for sale
- Small selection of concessions - coffee, candy bars, chips, and soda machine
- Free WIFI
- After-hours shelter
- Fax
- Computer
- Pilot lounge area
- Tie-downs
- Overnight hangar space if available
- Tug/ battery cart for aircraft towing and starting
- Taxi arrangements
- Hotel reservations

Additionally, city staff is currently responsible for maintaining the following facilities/operations at ONP:

- Full ILS runway
- Six published instrument approaches (training advantage)
- AWOS
- Lighted wind sock
- Rotating beacon
- ARFF (fire rescue vehicle)
- Wildlife hazing
- Field lighting/sign maintenance
- Field security/public security
- Field maintenance

The airport receives National Plan of Integrated Airport Systems (NPIAS) funding of \$150,000 per year based on qualifying capital improvement projects. Please note that this money is held in an account by the ADO and is spent directly for improvements by the FAA. The city does not receive or spend any of these funds. The funding is held for up to

five years and can be consolidated on qualified improvements to the airport as determined by the FAA and local management of the airport.

The airport is certified under FAA regulations (FAAR) as a Part 139 airport. Part 139 prescribes to rules governing the operation and maintenance of airports that serve scheduled air carriers utilizing aircraft with more than nine seats, or nonscheduled operators with more than 30 seats. The airport undergoes regular inspections and is provided a list of areas to address as part of that inspection for continued certification under Part 139.

The FBO is staffed seven days per week from 8:00 A.M. to 5:00 P.M. except Thanksgiving, Christmas, and New Year's Day. The airfield is normally open 24 hours a day, seven days a week, 362 days per year.

Logged aircraft operations per month (observed operations only).

Please note that the fiscal year is July 1 through June 30. Data for Fiscal Year 2014/2015 represents a partial year with the main runway being closed from July through September.

MONTH	LANDINGS				TAKEOFFS			
	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 11/12	FY 12/13	FY 13/14	FY 14/15
July	406	284	363	278	408	290	358	264
August	327	321	278	136	323	315	270	122
September	264	364	222	291	279	380	224	280
October	273	236	362	293	269	231	350	279
November	218	202	241	91	216	204	225	85
December	230	179	219		234	180	215	
January	200	235	273		200	233	273	
February	218	188	210		221	185	207	
March	231	252	226		227	255	213	
April	262	217	267		264	216	255	
May	287	297	287		307	295	287	
June	265	310	235		271	337	229	
TOTAL	3181	3085	3183	1089	3219	3121	3106	1030

AV-Gas, (100LL)

AV GAS - Sold from Truck

AV Self-Serve - Sold from Self-Serve pump

Total Gallons of AV Gas Sold in a Fiscal Year (July-June)

AV GAS				SELF SERVE				AV GAS TTL			
FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 11/12	FY 12/13	FY 13/14	FY 14/15
769	594	741	805	2984	1546	1179	919	3753	2140	1921	1724
766	950	363	275	2709	1513	1010	599	3475	2462	1373	874
721	476	517	883	2302	1434	1054	1041	3023	1909	1571	1924
402	417	546	316	1166	727	1204	778	1568	1144	1751	1094
30	110	0	131	1035	603	654	156	1065	713	654	286
109	142	63		837	189	339	0	946	331	402	0
213	145	305		650	858	696	0	863	1003	1002	0
340	196	102		915	579	244	0	1255	775	345	0
104	234	71		793	1308	433	0	897	1541	504	0
166	237	386		629	724	562	0	795	961	948	0
233	302	430		795	661	1224	0	1028	963	1654	0
423	632	397		1008	909	497	0	1431	1541	894	0
4275	4433	3923	2409	15823	11049	9096	3493	20098	15482	13019	5902

Total Gallons of Jet Fuel Sold in a Fiscal Year (July-June)

JET FUEL									
FY 11/12	FY 12/13			FY 13/14			FY 14/15		
	Jet A	W/Prist	Total	Jet A	W/Prist	Total	Jet A	W/Prist	Total
8438	1374	1346	2720	2432	1863	4295	947	4585	5532
3053	1572	1546	3118	2682	3010	5692	60	4586	4646
2907	2750	455	3205	619	5756	6375	173	6884	7057
5051	3040	708	3748	1614	6642	8256	1663	4647	6310
2140	883	1750	2633	1749	5861	7610	0	1925	1925
1434	320	1950	2270	1529	8632	10161			0
2835	2023	780	2803	750	6716	7466			0
1085	1133	1710	2843	1246	5017	6263			0
2498	339	1305	1644	3108	5732	8840			0
3559	2859	857	3716	1125	5987	7112			0
1771	3017	717	3734	852	5972	6824			0
3342	1050	510	1560	497	5817	6314			0
38113	20360	13634	33994	18203	67005	85208	2843	22627	25470

Please note that the City of Newport has been selling jet fuel to the U.S. Coast Guard since 2013 due to a failure in the U.S.C.G. fuel system. Repairs have been completed on the fuel system, however the city continues to provide fuel to the Coast Guard at this time.

Courtesy Cars

Courtesy Cars Loaned Out			
	2012	2013	2014
JAN	1	13	30
FEB	2	7	16
MAR	2	14	27
APR	2	7	27
MAY	9	19	28
JUN	14	24	18
JUL	10	27	39
AUG	22	27	19
SEP	24	25	25
OCT	7	27	12
NOV	6	21	5
DEC	1	8	
Total	100	219	246

Rental Cars - Through Toby Murry Motors

Toby Motors Rental Cars

CY	2013	2014
JAN	2	2
FEB	5	4
MAR	9	5
APR	4	5
MAY	14	9
JUN	9	12
JUL	22	16
AUG	24	3
SEP	14	10
OCT	8	5
NOV	14	2
DEC	1	
Total	126	73

The current budget for the Municipal Airport for the fiscal year ending June 30, 2015 is as follows:

Account Number	Account Title	2014-2015 Adopted Budget
AIRPORT FUND - 402		
RESOURCES		
402-4210-4002	BEGINNING FUND BALANCE-Airport OPS	309,151
AIRPORT OPERATIONS		
402-4220-4309	CONCESSIONS	300
402-4220-4319	JET FUEL	115,000
402-4220-4320	AVGAS	69,000
402-4220-4321	OIL	600
402-4220-4322	PILOT SUPPLIES	1,000
402-4220-4323	FOOD CATERING	1,500
402-4210-4325	MISC. SALES & SERVICES	1,500
402-4210-4326	RENTS & LEASES	52,500
402-4210-4327	TIE DOWN	150
402-4210-4415	INTEREST ON INVESTMENTS	1,800
402-4210-4505	SERVICE PROVIDED FOR SEWER FND	<u>30,704</u>
TOTAL AIRPORT OPERATIONS REVENUE		274,054
402-4210-4606	TRANSFER FROM GENERAL FUND- OPS	355,814
402-4210-4616	TRANSFER FR ROOM TAX FUND	<u>25,000</u>
TOTAL AIRPORT OPERATIONS TRANSFERS		380,814
TOTAL AIRPORT FUND RESOURCES		<u>964,019</u>

AIRPORT OPERATIONS - 4210 (Combine Airport OPS & FBO in Fiscal Year 2015)**Personal Services**

402-4210-5010	WAGES & SALARIES	118,978
402-4210-5020	PART TIME/EXTRA HELP WAGES	
402-4210-5030	OVERTIME	8,000
402-4210-5035	ON-CALL	7,200
402-4210-5210	INSURANCE BENEFITS	36,502
402-4210-5220	FICA EXPENSES	10,265
402-4210-5230	RETIREMENT	20,209
402-4210-5242	WORKER'S COMPENSATION	3,792
402-4210-5250	UNEMPLOYMENT INSURANCE	<u>1,744</u>
	Total Personal Services	<u>206,690</u>

Material & Services

402-4210-6004	LEGAL SERVICES	6,000
402-4210-6008	ADVERTISE & MARKETING SERVICE	700
402-4210-6009	TEMPORARY EMPLOYMENT SERVICE	25,000
402-4210-6013	AUTOMOTIVE SERVICES	5,000
402-4210-6014	ELECTRICAL SERVICES	2,500
402-4210-6015	PLUMBING SERVICES	2,000
402-4210-6017	TITLE & REAL ESTATE SERVICES	200
402-4210-6020	BANK & OTHER FINANCE SERVICES	10,000
402-4210-6025	ENGINEERING SERVICES	10,000
402-4210-6027	ENVIRONMENTAL SERVICES	3,500
402-4210-6030	OTHER PROF & TECHNICAL SERV	<u>16,000</u>
	Total Professional & Technical Services	80,900

402-4210-6101	CLEANING EXPENSES	500
402-4210-6102	RENTAL EXPENSES	5,500
402-4210-6103	ELECTRICAL EXPENSES	16,000
402-4210-6106	GARBAGE EXPENSES	5,000

402-4210-6107	DISPOSAL EXPENSES	2,000
402-4210-6111	GENERAL MAINT & REPAIR EXPENSE	13,000
402-4210-6112	VEHICLE MAINTENANCE & REPAIR	12,000
402-4210-6113	BLDG & GROUND MAINT & REPAIR	185,500
402-4210-6114	EQUIPMENT MAINTENANCE & REPAIR	19,500
402-4210-6116	WATER/SEWER REPAIRS	5,000
402-4210-6120	OTHER PROPERTY SERVICES	<u>3,000</u>
	Total Property Expenses	267,000
402-4210-6202	TRAVEL, OUT OF COUNTY	2,500
402-4210-6203	TRAVEL, OUT OF STATE	2,500
402-4210-6204	TELEPHONE EXPENSES	3,850
402-4210-6205	CELL PHONE EXPENSES	1,250
402-4210-6207	ADVERTISING & MARKETING EXP	1,500
402-4210-6208	PRINTING & BINDING EXPENSES	700
402-4210-6209	NON CAPITAL LEASES	9,000
402-4210-6211	MAINTENANCE AGREEMENTS	5,000
402-4210-6212	ALARM MONITORING EXPENSES	1,500
402-4210-6213	MEMBERSHIPS, DUES & FEES	1,000
402-4210-6214	INSPECTIONS	1,000
402-4210-6215	POSTAGE/SHIPPING EXPENSES	400
402-4210-6216	TRAINING (SEMINARS,WORKSHOPS)	2,800
402-4210-6220	JET FUEL EXPENSES	103,500
402-4210-6221	AV GAS EXPENSES	62,000
402-4210-6222	PERMITS,LICENSES,LEGAL NOTICES	11,000
402-4210-6223	AIRCRAFT & PILOT EXPENSES	700
402-4210-6233	SERVICES CONTRACTS	500
402-4210-6234	CABLE EXPENSE	600
402-4210-6235	COMMUNITY INVOLVEMT/PARTICIPAT	1,000

402-4210-6236	CATERING EXPENSE	800
402-4210-6240	OTHER OPERATING EXPENSES	1,500
402-4210-6245	COPIER LEASE AND COPIES	<u>1,400</u>
	Total Operating Expenses	216,000
402-4210-6303	COMPUTER HARDWARE	200
402-4210-6307	DOMAIN RENEWAL	300
402-4210-6309	VOICE OVER INTERNET	<u>925</u>
	Total Hardware & Software Expenses	1,425
402-4210-6401	BLDG/GROUND SUPPLIES & MAT	3,000
402-4210-6402	OFFICE SUPPLIES & MATERIALS	1,500
402-4210-6403	VEHICLE FUEL,OIL,OTHER LIQUIDS	8,000
402-4210-6404	SUBSCRIPTIONS & PERIODICALS	500
402-4210-6405	REFRESHMENTS	500
402-4210-6406	FOOD FOR CONCESSIONS	500
402-4210-6407	CLOTHING & UNIFORMS	500
402-4210-6410	OTHER VEHICLE SUPPLIES & MAT	1,000
402-4210-6411	PURCHASE WATER	7,200
402-4210-6414	GENERAL SUPPLIES	1,000
402-4210-6417	AMMUNITION & RANGE SUPPLIES	700
402-4210-6419	PAINT	2,000
402-4210-6420	ROCK	2,000
402-4210-6430	OTHER CONSUMABLE SUPPLIES	<u>500</u>
	Total Consumable Expenses	28,900
402-4210-6501	BLDG/GROUND SUPPLIES & MAT	2,000
402-4210-6502	OFFICE SUPPLIES & MATERIALS	500
402-4210-6503	VEHICLE SUPPLIES & MATERIALS	2,500

402-4210-6504	CLOTHING & UNIFORMS	500
402-4210-6505	FIREARMS & RELATED EXPENSES	300
402-4210-6506	NON-CAPITAL EQUIP & MACHINERY	10,000
402-4210-6507	FURNITURE & FIXTURES	500
402-4210-6508	SMALL TOOLS & EQUIPMENT	1,500
402-4210-6509	REFERENCE BOOKS	50
402-4210-6530	OTHER NON-CONSUMABLE SUPPLIES	<u>50</u>
	Total Non Consumable Expenses	17,900
402-4210-6601	LIABILITY INSURANCE PREMIUMS	<u>19,910</u>
	Total Insurance & Judgments	19,910
402-4210-6701	SERV PROVIDED BY GENERAL FUND	<u>54,679</u>
	Total Services Provided by	54,679
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	Total Material & Services	<u>686,714</u>
	Capital Outlay	
402-4210-7011	AIRPORT CAPITAL EXPENSES	<u>10,000</u>
	Total Capital Outlay	<u>10,000</u>
	Transfer to other Funds	
402-4210-9115	TRANSFER TO DEBT SERVICE FUND	<u>6,746</u>
	Total Transfer to Other Funds	<u>6,746</u>
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	TOTAL AIRPORT OPERATIONS	<u>910,150</u>
402-4210-9901	CONTINGENCY ACCOUNT	53,869
		<hr/>
	TOTAL AIRPORT FUND EXPENDITURES	<u>964,019</u>
402-4210-9905	UNAPPROPRIATED ENDING FUND BAL	

TOTAL AIRPORT FUND REQUIREMENTS

964,019
