



The City of Newport Airport Committee will hold a meeting at **2:00 P.M.**, on **Tuesday, April 14, 2015** in Conference Room A in the Newport City Hall, 169 SW Coast Highway, Newport, Oregon 97365.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to Peggy Hawker, City Recorder 541.574.0613.

The City of Newport Airport Committee reserves the right to add or delete items as needed, change the order of the agenda, and discuss any other business deemed necessary at the time of the work session and/or meeting.

CITY OF NEWPORT
AIRPORT COMMITTEE MEETING AGENDA
Tuesday April 14, 2015
2:00 P.M.

- I. Call to Order
- II. Roll call
- III. Approval of minutes from February 10, 2015 meeting
- IV. Discussion: Airport management options
 - a. Background material: Responses, Letter of Interest
 - b. Vanderbeck letter re: Airport management options
- V. Committee recommendation: Airport management option
- VI. ONP Operations Report
- VII. Committee comments.
- VIII. Public comments
- IX. Develop next agenda
- X. Adjournment

February 10, 2015

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), Susan Reese, Mark Watkins, Ken Brown, and Ralph Grutzmacher; committee member Debra Smith and City Council liaison Ralph Busby had previously advised they would not be able to attend. Also in attendance were: City Manager Spencer Nebel, Airport staff Lance Vanderbeck, prospective committee member Gary Baker, 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. Roll call.
- III. Approval of January 13, 2015 minutes.
Motion was made and seconded to approve the minutes of the January 13, 2015 meeting. The motion passed on a unanimous voice vote.
- IV. Selection of two committee members for the ONP Regional Task Force
Ralph Grutzmacher and Susan Reese volunteered to participate in the task force. Task force meeting dates will be announced later.
- V. Presentation and discussion of "Expressions of Interest" received.
Nebel advises there were three responses to this item (see packet for detailed responses). He noted all three respondents have experience operating airports. He has not communicated back to the respondents.

He noted Vanderbeck has provided a response/opinion; this item is attached to these minutes for the committee's consideration. Nebel said the question for the committee to consider is: Are we confident the City received a meaningful response to this process to justify proceeding with recommending/referring an RFP process to City Council? He noted the "Expression of Interest" process was structured as an "all" or "in part" proposal; i.e., is the interest in operating the FBO, the airport, or both? Any of these scenarios are viable given the three respondents' experience credentials.

Nebel requests the committee be ready by the next meeting date to recommend either an RFP process or internal management. He advised

he will provide an outline of the pros and cons of the various management scenarios. He further requests the committee review the Expressions of Interest by next meeting; at that time we will need a consensus one way or the other.

VI. Summary report of committee priorities and goal setting for submission the City Council

A motion was made and seconded to approve the top five goals as noted in the City Manager's memo (included in February packet) and forward to City Council Goal Setting session; the motion passed on a unanimous voice vote. The goals are:

- (1) Explore the expansion of water and sewer services to the Airport and surrounding properties.
- (2) Pursue commercial and/or private-for-hire airline service to facilitate regional travel to the Central Coast utilizing the Newport Municipal Airport for such organizations as NOAA, the expanded Marine Science Initiative, OMSI, and the general community.
- (3) Review opportunities to increase revenue to lessen the financial burden for operating the Airport on the City, including reviewing the various fees and lease rates charged by the Airport and increasing utilization of the Airport to assure an appropriate return to the Airport.
- (4) Complete the review of the overall organization and management of the Airport operations to implement a permanent, sustainable management system to meet the overall goals of the City of Newport, and to include the regionalization of the Airport operations.
- (5) Explore the possibility of constructing additional T-Hangars at the Municipal Airport.

Nebel advised these goals will be addressed by City Council as regards to funding, if the goals are accepted by the Council. That happens at Council level with the budget process; we'll be putting the goals on the agenda as a regular entry. By the end of the year we'll have a more detailed idea of each goal. This will be a multi-year process.

VII. Review prospective committee member application

Prospective committee member Gary Baker presented his bona fides for membership on the Newport Airport Committee. His application is included in the February packet. A motion was made and seconded to recommend Baker's membership to the Mayor; the motion passed on a unanimous voice vote.

VIII. ONP Operations Report

Vanderbeck reviewed the operations report (included in the February packet). A discussion ensued regarding the Oregon Pilots' Association conference to be held at the Newport Airport in June. Watkins emphasized

that he and other area pilots are available to help with logistics, setup, and related tasks.

IX. Committee Comments

Watkins noted the recent negative press regarding the airport; he questioned whether the airport should continue to do business with persons who seem to have chronic issues with the FAA. Nebel said he will bring some pertinent material for next meeting's consideration. Nebel also requested adjusting the next meeting date to March 17th; all agreed to this change (Fuller will communicate this change to Debra Smith and Ralph Busby).

X. Public Comments

Jim Shaw asked how many people are expected at the OPA conference. Vanderbeck advised about 110 persons and 20-30 aircraft. Shaw also advised the memorial to Doug Nebert is ready to be placed; it was suggested an appropriate time for the placement ceremony would be the next Saturday BBQ at the airport at 12:30 PM. Nebel said he would be attending the ceremony.

Dave Williams of USDA Wildlife Services introduced himself to the committee and advised his agency is here to assist the airport with wildlife hazard mitigation. He said he has state and county funding and is familiar with FAA rules and regulations regarding wildlife, please contact me when/as needed.

XI. Develop next agenda

- a. Recommend to City Council either proceeding with RFP for airport management or proceeding with internal management process.

XII. Adjournment

Having no further business, the meeting was adjourned at 3:35 PM.

EXPRESSION OF INTEREST AIRPORT AND FBO SERVICES FOR THE NEWPORT MUNICIPAL AIRPORT (ONP) NEWPORT, OREGON

Submitted By: ***ABS Aviation, Inc.***



Presented to:

Spencer Nebel
City Manager
City of Newport, Oregon
169 SW Coast Highway
Newport, Oregon 97635



Prepared by:

Mr. Michael A. Hodges
President/CEO
ABS Aviation, Inc.
12950 Race Track Road, Suite 206
Tampa, Florida 33626-1307
(813) 855-3600

Date of Expression of Interest:
February 1, 2015



ABS Aviation

12950 Race Track Road, Suite 206
Tampa, Florida 33626-1307
Phone (813) 855-3600 Fax (813) 200-1014



February 1, 2015

Mr. Spencer Nebel
City Manager
City of Newport, Oregon
169 SW Coast Highway
Newport, Oregon 97365

RE: Expression of Interest
Airport and Fixed Base Operation Management Services
Newport Municipal Airport (ONP)
Newport, Oregon

Dear Mr. Nebel:

Pursuant to your request, we are pleased to present this Expression of Interest for the Management of the Airport and Fixed Base Operator (FBO) for the Newport Municipal Airport (ONP) in Newport, Oregon. ***ABS Aviation*** proposes to provide a management structure which provides the City with not only a greater level of control over Airport and FBO activities, but likely a significant financial return. The following document represents our interest and provides our recommendations and presentation for the management of the Airport and FBO, with careful consideration to the City's interests and goals to make the Airport as financially self-sufficient as possible while providing a quality transportation facility that supports the community and its businesses.

We truly believe that the most important "Main Street" in any community is the local airport runway, because it is such a critical component to the economic vitality of the area. As such, the FBO is the "front door" to the community and represents the City as one of its goodwill ambassadors. It is under this customer service premise that ***ABS Aviation*** manages airports and FBO facilities for its clients.

We are certain that ***ABS Aviation*** is highly qualified to meet the goals of the City and the users of the Airport. With over 150 combined years of direct FBO and airport management, marketing, training and operations, members of the ***ABS Aviation*** team have successfully managed and/or owned FBO and general aviation businesses since the early 1960's. Over the past eight years, ***ABS Aviation*** has managed three FBO operations for public entities in North Carolina, Georgia and Florida, as well as a fourth FBO in Minnesota for a private entity. In addition, we currently manage the entire Minden-Tahoe Airport in Minden, Nevada. All of these operations reflect contract management/labor contract scenarios that are very similar in nature to what we would propose for the City of Newport. Because of our experience and current operations, we believe we can successfully manage the Airport and FBO and improve the nature and quality of services to the airport users, while improving the financial strength of the Airport.

"Focusing on the Needs of our Clients and Customers"

Mr. Spencer Nebel
February 1, 2015
Page Two

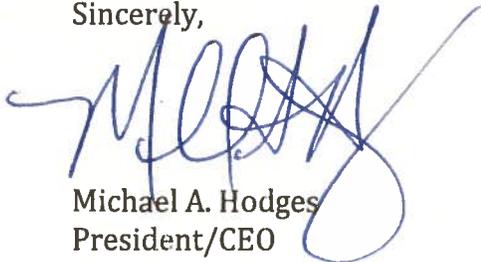
We intend to provide trained personnel to professionally manage the two primary operations, and we are certain that *ABS Aviation* meets, or in most cases, exceeds the requirements of the City. Our proposed management will provide the City with greater control over service levels and financial risk, while providing flexibility during special events that may disrupt normal aviation activity.

In addition to our extensive management history, we have also consulted to municipalities, FBO organizations, airport managing boards and others regarding enhancement of services, improvement of revenue streams, increased safety and security, and overall risk management. Our Executive Vice President has more than 35 years of air show and special event management experience to aid the City with its strategic goal of increased special events at the Airport.

Our proposed agreement would be a fixed monthly fee-based management contract whereby *ABS Aviation* would provide the management services, along with the personnel to provide those services. While all operational costs would be passed-through to the City, all revenues generated from fuel sales, ramp/tiedown fees, facilities rents, subcontract rents and fees, and all other service fees and revenues would remain with the City. *ABS Aviation* would only receive a monthly management fee, as well as a quarterly incentive payment predicated upon reaching certain negotiated benchmarks. The City would thereby reap the economic and operational benefits of a full-service professionally managed Airport and FBO, while maintaining an arms-length relationship with the users. Such a relationship will allow the City to better utilize the Airport as an economic engine to attract businesses to the community by retaining the ability to offer various incentives to those entities on a case-by-case, as-needed basis.

We look forward to presenting a more detailed management plan to the City at your earliest convenience. In the interim, if you should have any questions or need further information, please do not hesitate to contact me.

Sincerely,



Michael A. Hodges
President/CEO

PROPOSAL OVERVIEW

ABS Aviation proposes to provide our professional Airport and FBO Management Services to the City of Newport, Oregon at the Newport Municipal Airport. *ABS Aviation* is in our fifth year of management of the Minden-Tahoe Airport in Minden, Nevada. In addition, over the past eight years, *ABS Aviation* has managed three FBO operations for public entities in Georgia, Florida, and North Carolina, as well as a fourth FBO in Minnesota for a private entity. The following is a brief summary of these operations.

ABS Aviation currently manages the entire Minden-Tahoe Airport in Minden, Nevada for Douglas County (population 48,500). Although we do not operate the FBO at this facility, we are responsible for the day-to-day oversight of their activities. We assumed management of this Airport initially on an interim basis in 2010 after the unforeseen departure of the Airport Manager. The Airport was in the midst of a lawsuit with one of its tenants, as well as being under significant pressures and a funding suspension from the FAA over several safety and compliance issues. As a result of our efforts to assist the County, the interim assignment turned into a long-term agreement whereby *ABS Aviation* is beginning the second year of the current five-year management agreement. During our management of the Airport, we have been successful at turning the Airport into the only financially self-sustaining general aviation airport in the State of Nevada. Private investment and development under our tenure is averaging five new land leases per year. Moreover, we have helped the County obtain over \$5 million in grants over the past three years, and in the most recent fiscal year, had an ending fund balance of almost \$400,000.



The MidCoast Regional Airport FBO was located at the MidCoast Regional Airport in Hinesville/Fort Stewart, Georgia. This was a new joint-use facility with Wright Army Airfield owned by the Liberty County Development Authority. Our responsibilities included the day-to-day management of the FBO and its employees, to include all terminal management and



operational services, customer service, fueling, and quality control. Since this was a joint-use facility with the Army, we were not tasked with management of the Airport, although our responsibilities included several tasks associated with the civilian side of the airfield, to include airfield inspections, special events, and civilian operation coordination. This contract started as an interim agreement when the Airport was unable to secure a full-time FBO, and led to a seven-year management contract.

The Sebring Flight Center is the sole FBO at the Sebring Regional Airport in Sebring, Florida. The FBO had historically been operated by the Sebring Airport Authority until they selected *ABS Aviation* to manage the facility on their behalf. In the first year of our management, we were successful at turning a scheduled operating deficit into an approximate \$100,000 net profit. Subsequently, we grew revenues and fuel volumes every year of our five-year management contract.



The Kinston Jet Center FBO was located at the Kinston Regional JetPort in Kinston, North Carolina, which is owned and operated by the State of North Carolina. We were contracted to provide interim FBO management services after the unannounced departure of the Airport's FBO. With two day's notice, we were operational with no disruption of service to the Airport's customers. During our eleven month contract, we were successful at increasing fuel volumes to levels of 67% above previous peaks in Airport history. Moreover, over the eleven months of our management and operation, we generated a net profit to the State of over \$80,000. In addition to general aviation activities, we were responsible for the fueling and handling of various weekly casino charters and numerous military operations.

The Key Air FBO is part of the Keystone Aviation chain of FBOs and is located at the Anoka County-Blaine Airport in Minneapolis, Minnesota. We were brought in to the FBO for a six-month period to assist in the start-up of the FBO and help train the new General Manager of the operation, as well as to assist the operation with their relationships with Airport management.



ABS Aviation is currently in final negotiations for the management of a new FBO at a small, coastal general aviation airport in North Florida. This fixed base operation is anticipated to begin operations in late 2015.

In addition to the current management contracts that have been ongoing for several years, the staff and management of *ABS Aviation* who will be directly involved in the oversight and management of the Newport operations at have over 150 years of combined FBO ownership and airport management experience. Full biographical information for each team member is included in the Experience of Personnel section.

In the development of this proposal, *ABS Aviation* has completed a cursory review of the airport's financials, current FBO services, overall airport activity, and the former airline's departure and market situation. The operational data and fuel volumes provided has assisted in our preliminary analysis and our anticipated initial implementation and management plan for a full service operation of both the Airport and FBO. If selected, we will facilitate additional meetings, pilot surveys, and customer feedback to gain a better understanding of the situation addressing all the needs and concerns of each stakeholder in the Airport. Additional information regarding the firm can be found in the Appendix of this proposal and at www.absaviation.com.

IMPLEMENTATION PLAN

Immediately upon award of a management contract, *ABS Aviation* will begin a process that will include a number of strategic programs. While interim management will be provided by existing *ABS Aviation* staff, led by Randy Bisgard, immediate hiring and development programs will commence. The strategic transition into the current facilities will be designed to provide the City with goals and objectives to position the Airport and FBO for future growth and development within the regional and national aviation market. *ABS Aviation* has developed and implemented numerous transition plans, and they always include including meeting with various stakeholders such as City Administration, tenants, and other airport users and stakeholders. In this instance, the transition plan will be designed to create a plan that enables the City to have an efficiently managed and financially secure aviation facility. Upon completion of the required preliminary meetings, *ABS*



Aviation will begin the recruitment and training of essential management and customer service personnel. Additionally, we will review the existing volunteer program for effectiveness and efficiencies.

ABS Aviation will work in partnership with City to determine the short and long term goals and objectives, and based on our current national and local expertise, combined with future on-site interviews we will gain historical knowledge and perspective on the various Airport and FBO activities. The overall operational and development plan will be based on this collective input and is intended to provide the Airport and FBO with management guidance and information for future planning. In part, the existing strategic plan will be utilized as a baseline measurement and using the established and adopted objectives, we will help the City maintain a focus on desired goals that are consistent and complimentary to City departments and future economic development.

MANAGEMENT STRUCTURE

Regardless of the final determination of operational roles, it is recommended that the Airport and FBO Manager (Manager) report to senior management at *ABS Aviation*, along with daily coordination with the City. This Manager will be located on-site and will be responsible for all day-to-day operations including full financial responsibility for the day-to-day operations. At least one senior management person with *ABS Aviation* will be on-site weekly during the initial start-up, phasing down to a minimum monthly visit once staff is trained and operations have stabilized. Moreover, *ABS Aviation* will ensure participation in all pertinent City meetings that involve and/or impact the Airport and its operations.

REPORTING PROCEDURES AND CONTROL

In any service-related business, the only way to know how you are performing is to communicate often and directly with your customer. At Newport Municipal Airport, that is exactly what must be done. A key role of the Manager is to consistently have face-to-face dialogues with customers with the specific intent to inquire as to how the FBO and Airport is performing and what we can do to make the business relationship more valuable to the customer. Whenever possible, the



Manager should be on-hand to resolve customer concerns. However, when management personnel are not available, each employee will have specific written policies and procedures for handling customer problems and resolving the issue to complete satisfaction.

“Back office” operations such as human resources, benefits, payroll, and general administrative issues will be handled by Dona Bilgrad at our corporate offices, with the full and constant support of the on-site Manager. In addition, support will be provided by the senior management of **ABS Aviation** as needed based upon daily reports submitted by the on-site Manager. Monthly reports will be provided to the City, with additional information available on an as-requested basis. The local Manager will attend pertinent scheduled meetings with the City as requested and/or identified by the City Manager.

For issues of quality control, best practices, daily airport inspections, facility quality, and overall safety, the staff will have procedures manual for that covers issues such as fuel quality control, towing safety, aircraft maintenance procedures, emergencies procedures, security and nearly every service scenario. In terms of facility control, items such as restroom cleanliness and facility upkeep will be monitored daily (and sometimes hourly) to ensure facilities are ready for the customer, every day of the year.

The same standards also hold true for equipment and vehicles used at the operation. Each critical piece of equipment will undergo daily quality control and operational checks utilizing a detailed checklist. An ongoing preventative maintenance program must be followed to minimize downtime and loss of a vehicle during critical service operations.

TRAINING, SAFETY & SECURITY

In order to establish and maintain a superb and safe track record for business, **ABS Aviation** understands of the importance of risk mitigation plans, and will implement and utilize several programs to provide the safest operating environment for its customers and employees. We will use a multi-faceted approach to training and safety using several resources and programs to train service employees and maintain the highest standards. Training will be accomplished through a detailed system of education and compliance systems that include:



- Utilization of the National Air Transportation Association (NATA) Safety 1st program, a ten-part proprietary Professional Line Service Training (PLST) program that includes a full range of training issues such as; introduction to aviation, ramp safety, refueling piston aircraft, refueling jet and turbo-prop aircraft, towing aircraft, fuel farm management/fuel quality control, customer service, FAR Part 139 fire safety training and security. (Note: Randy Bisgard and Don Beckman of **ABS Aviation** were the original developers of this program and were involved in its updating and expansion into other sectors of safety, security, and deicing activities.)
- Membership in the NATA's Safety 1st Safety Management System (SMS). SMS is an industry wide testing system that ensures consistent levels of training and safety competency.
- Scheduled attendance at factory-sponsored training programs by maintenance department technicians assuring that the maintenance services received by every customer are consistently safe, efficient, and meet manufacturer and industry standards for up-to-the-minute procedures.
- Continual management oversight and procedure monitoring to ensure compliance with all local, state, and federal programs including compliance with FAA Advisory Circular 150-5230-4 - Aircraft Fuel Storage, Handling, and Dispensing on Airports, FAA Advisory Circular 00-34A - Aircraft Ground Handling and National Fire Protection Association #407 - Aircraft Fuel Servicing. The FBO will utilize a number of resources for the ongoing safe business operations of the service entity. Policies and procedural manuals will be developed for each department which have been formulated by industry professionals to specifically address the best practices and safety standards established by NATA, NBAA, NFPA, EPA and the FAA.
- Any EEOC and MBE/WBE requirements for hiring qualified employees will also be followed.



The FBO will employ the best industry training plans and programs for maintenance, line, and customer service specialists, including both new and recurrent training programs. This system ensures that all the staff is current in the latest service standards for aircraft or customer service procedures. Staff and management continually attend industry conventions and symposiums to address industry issues and learn prevailing trends.



All vehicles and equipment used will have a daily quality control and operational checklist. For all line service, maintenance equipment and vehicles, an ongoing preventative maintenance program is also followed to minimize downtime and/or possible loss of a vehicle during critical service operations.

MARKETING STRATEGY

This section of the presentation represents the marketing focus and the successful strategies used by ABS Aviation in the past, as well as those to be continued in the future at Newport.

One of the keys to maximizing development is marketing. While the direct benefits that an aviation entity contributes to its community are relatively obvious (jobs, transportation, economic vitality, emergency services), it still faces the obstacles of the "unknown" to the uneducated (crashes, noise, aircraft utilization). Moreover, the "vocal minority" tends to be better at pleading their case than does the aviation enthusiast. As such, marketing is a vital tool to an airport's acceptance within the community it serves. Our management team will utilize the vast resources of AAAE, NATA, NBAA and AOPA on a regular basis. Even if a resident does not fly out of Newport, they do benefit economically from the aviation activity there, particularly the itinerant flyers coming in to the area.

COMPETITIVE STRATEGY

The Airport is a key element of the economic development of the community and region. The most important main street in Newport is not a street at all, but rather the runway at ONP. It is a critical component to business and recreational travelers via both general aviation and commercial air transportation. To better understand aviation users and why they choose one airport over another, the following elements have been identified as common airport attributes normally considered valuable by based and transient customers:



ABS Aviation Expression of Interest
Airport and Fixed Base Operator Management Services
Newport Municipal Airport (ONP)
Newport, Oregon

Proximity to Home or Business
Aircraft Storage Facilities
Noise Abatement and Restrictions
Ancillary Airport Services
Security

Proximity to Final Destination
Runway Length and Strength
Approaches
Runway Options (i.e., Multiple Runways)
Airspace Mix

TARGET MARKETS

The FBO's customers at Newport would include all Airport tenants (commercial and non-commercial), transient visitors, and the community. The FBO should desire to preserve a balance between business/corporate and recreational/pleasure aviation operations. The balancing routine should be accomplished while attracting new business and jobs to the airport and surrounding communities. Once we have had the opportunity to gain a better understanding of the historic activities and prospective opportunities of the Airport, we will develop a marketing plan that we focus on select target markets that best allow the Airport to maximize its economic impact on the region.

PROPOSED STAFFING

Final staffing and the final detailed schedule of personnel will be determined by the local Manager after the initial review of operations has been completed. In addition to the Manager, we will insure that the Airport and FBO offers sufficient staff in the areas of Airport operations, customer service and line operations to adequately handle the customer volume based upon time of day and peak activity periods. Initially, FBO line personnel to be available on-site from a minimum of 7:00 AM to 7:00 PM daily, and if needed, will provide on-site personnel 24 hours per day, seven days a week during peak operations. This policy is utilized for both customer service and security reasons to protect the assets of the Airport and its customers. Hours of operation will be further evaluated after we have had the opportunity to assess operational trends.



PROPOSED PRICING FOR MANAGEMENT SERVICES

ABS Aviation would propose a fixed management fee that would be determined upon the opportunity to review additional information, as well as subsequent to the completion of in-depth discussions with the City. However, it is significant to note that based upon our preliminary assessment of available Airport financial information, we believe that our proposed management fee combined with annual labor costs would be substantially less than current staff expenses. We are also confident that through our professional management and aggressive marketing of the Airport and FBO, we can both increase revenues and reduce numerous operating expense allocations over a relatively short period of time. With regard to agreement term, due to the time and expenses associated with start-up, we typically request a five-year management agreement with renewal options. Alternatively, we may be amenable to a shorter term agreement, but would require a start-up fee in those instances to cover our up-front expenses related to start-up and transition costs.

Upon awarding of the contract, **ABS Aviation** personnel would meet with representatives of the City to develop a staffing plan to maximize the efficiencies of operating the Airport and FBO. In addition to this staffing plan, once we have had the opportunity to review information on historic operations and fuel volumes, an overall budget will be developed that is amenable to both parties. From that budget, a mutually agreeable incentive fee schedule can be developed based upon certain milestones relative to revenues, fuel volumes, activity levels, or other benchmarks. This incentive structure will provide the City with the security that **ABS Aviation** is doing everything within its power to increase revenues while maintaining a highly efficient operation relative to expenses.

As previously noted, all revenues generated by the Airport and FBO would be retained by the City. Operating expenses of the FBO would be paid by **ABS Aviation** from monthly operational revenues, with remaining net income remitted to the City. (Monthly shortfalls would be the responsibility of the City.) Alternatively, an annual or monthly budget could be developed to include certain operating expenses (personnel, insurance, etc.), with the monthly management fee inclusive of those amounts.



TEAM EXPERIENCE & COMPANY OVERVIEW

ABS Aviation was formed to support an increasing need in the aviation industry for more direct and knowledgeable interim airport and FBO management services on behalf of airport sponsors and private ownership. *ABS Aviation* is an affiliate company to *Airport Business Solutions*, a highly-respected aviation consulting organization assisting airports and aviation businesses worldwide. Due in great part to our staff's extensive experience in FBO ownership and management, as well as airport management and operations, in conjunction with many years of responsible and reliable consulting services, we were asked to provide interim FBO management for a new joint-use airport that was unable to secure a long-term, experienced FBO operator. The result of this request was the foundation of a new business. It is our belief that this service provides a needed alternative in the management of the airport and/or retail enterprises. As with the consulting services provided by *Airport Business Solutions*, we recognize that each situation is unique and warrants independent consideration of the alternatives to achieve specific goals and objectives. Our staff of experienced professionals, with backgrounds in airport management, FBO ownership, FBO management and operations, and many other business and property management areas, provides our clients with the assurances that their best interests are our primary goal.

ABS Aviation understands the local, regional and national aviation marketplace and has a good basic understanding of the situation at Newport Municipal Airport. It is our belief that fuel sales and based aircraft activities, but more importantly the level of transient activity, can be successfully served and marketed, and will grow under our management services for the City. It is with this in mind that *ABS Aviation* offers this Expression of Interest to provide Airport and FBO management services.



EXPERIENCE OF PROPOSED PERSONNEL

Michael A. Hodges, MAI - President

Specializing in aviation management issues for over two decades, Michael will ensure that the overall operations at Newport Municipal Airport and FBO meets the quality and operational demands of the City and the users of the Airport. His expertise includes FBO and Airport management, financial oversight, real estate development and valuation, airport leases, personnel issues, and strategic business planning of both FBOs and airports.

Roberta "Bobbi" Thompson, C.A.E. – Executive Vice President

Bobbi's background is comprised of over 40 years of diverse general aviation experience including direct control of chain of FBOs in the Dayton, Ohio area, as well as the contract management of five airports in Los Angeles County, California that included the direct offering of FBO services and additional airport management assignments. Bobbi currently oversees our airport management contract in Minden, Nevada. Bobbi's diverse aviation background also includes flight operations, charter, air show development and management, FAA contracting, and other regulatory issues, personnel management, and budgeting.

Randy D. Bisgard - Senior Vice President

Randy has worked within the aviation industry for over 40 years including direct employment with Combs Gates (now Signature Flight Support), Jet Aviation of America, and Integrated Airline Services. He has been involved in FBO management, operations, marketing, facility design/development and employee training. Randy will serve as the initial Manager of the Newport Municipal Airport operation and will oversee all start-up activities.

Donald W. Beckman - Vice President

Don has over 25 years experience in FBO management, ramp operations, safety/training and security issues. Over his career, Don has worked for Combs Gates (now Signature Flight Support), Jet Aviation of America, Trajen Flight Support, Integrated Airline Services, and most recently, Atlantic Aviation.



INSURANCE AND FINANCIAL STRENGTH

ABS Aviation currently carries insurance policies for its existing management contracts that generally meet or exceed the requirements of our clients. As such, **ABS Aviation** is able to acquire the required insurance policies and coverage to meet all the needs of any contract.

Our firm is also financially capable of engaging in a management contract with the City of Newport. Copies of financial data are available for review upon request.

REFERENCES

Steve Mokrohisky
County Administrator
Lane County, Oregon
125 East 8th Avenue
Eugene, Oregon 97401
(541) 682-3688
smokrohisky@co.lane.or.us
(Former County Manager with Douglas County, Nevada)

Mr. Rudy Lupton
Executive Director
North Carolina Global TransPark/Kinston Regional Jetport
P.O. Box 1476
Kinston, North Carolina 28503
(757) 646-7530
srlupton1@ncdot.gov

Joseph Brown
Liberty County Administrator
MidCoast Regional Airport at Wright Army Airfield
P.O. Box 829
Hinesville, Georgia 31310
(912) 876-2164
joey.brown@libertycountyga.com



ABS Aviation Expression of Interest
Airport and Fixed Base Operator Management Services
Newport Municipal Airport (ONP)
Newport, Oregon

Mike Willingham
Executive Director
Sebring Airport Authority
128 Authority Drive
Sebring, Florida 33870
(863) 655-6444
mike@sebring-airport.com

Tom Owen
District Manager
Avfuel Corporation
47 West Ellsworth Road
Ann Arbor, Michigan 48108
(734) 663-6466
towen@avfuel.com

APPENDIX

Company Overview
Curriculum Vitae



ABS Aviation Expression of Interest
Airport and Fixed Base Operator Management Services
Newport Municipal Airport (ONP)
Newport, Oregon

APPENDIX

ABS AVIATION OVERVIEW

ABS Aviation, Inc. was formed to support an increasing need in the aviation industry for more direct and knowledgeable interim airport and FBO management on behalf of airport sponsors, private ownership, and lending institutions. Due in great part to our staff's extensive experience in FBO ownership and management and airport management and operations, as well as many years of responsible and reliable consulting services, we were asked to provide interim FBO management for a new joint-use airport that was unable to secure a long-term, experienced FBO operator. The result of this request was the foundation of a new business. Our corporate business plan envisions the management of airports and FBOs under the following scenarios.

- FBO lease expires and facilities revert to the airport sponsor and the airport elects to bring FBO services "in-house", but needs temporary management and training in the transition
- Airport sponsor operates FBO directly and wants to outsource FBO management in order to focus on airport management and economic development
- Small airport with insufficient personnel resources to operate the airport and/or FBO on a daily basis and desire to outsource management
- Airport or FBO ownership facilitates a change in management and needs interim or long-term support
- Privately held airports that needs temporary airport and/or FBO management, or desires to outsource management services
- New airport without a history to attract traditional FBO management
- FBO defaults and airport or lender does not have the knowledge, experience, or time to operate it
- Airport has previously been operated under a contract manager, but desires to make a change
- Airport sponsor is looking for cost savings relative to airport and/or FBO management
- Airport sponsor is looking for alternatives to human resource issues with Airport personnel



It is our belief that this service provides airport sponsors and other entities with a needed option in the management of the airport and/or aviation business enterprises. We recognize that each situation is unique and warrants independent consideration of the alternatives to achieve your specific goals and objectives. Our staff of experienced professionals with backgrounds in airport management, FBO ownership, FBO management and operations, and many other business and property management areas, will provide you with the assurances that your best interests are our primary goal.



CURRICULUM VITAE

NAME: Michael A. Hodges
TITLE: President & CEO
FIRM NAME: ABS Aviation, Inc.
ADDRESS: 12950 Race Track Road, Suite 206
Tampa, Florida, USA 33626-1307
PHONE: +1-813-855-3600 or +1-813-317-3170

EDUCATION

Graduate of the University of Tennessee with a Bachelor of Arts Degree - Major in Philosophy.

BACKGROUND AND EXPERIENCE

President & CEO of *ABS Aviation, Inc.*, an airport and FBO management services entity providing comprehensive airport and FBO management for municipalities and private entities. Currently providing contract management of the Minden-Tahoe Airport in Minden, Nevada.

President and CEO of *ABS Aviation Consultancy, Inc. d/b/a Airport Business Solutions (ABS)*, a diverse aviation valuation and consulting firm which specializes in the analysis of airports, fixed base operations, and other aviation-related properties for lease negotiation, acquisition, litigation, leasehold and going-concern valuation, and bankruptcy, as well as providing specialized airport management consulting, to include policy development, to airports of all sizes. Additional expertise offered in the area of financial self-sufficiency analysis for general aviation airports and through-the-fence access agreements and operations.

ABS has provided a myriad of services to airports and aviation businesses throughout North and South America, Asia, and Europe. Using our extensive and diverse experience, *ABS* has assisted airports throughout the world in such areas as business plan development and implementation, concessions planning and management, air cargo assessments, ground handling and fueling analysis, airline agreement negotiation, terminal design analysis, parking assessment, rental car analysis, general aviation operations and management, non-aeronautical land development, financial modeling, and full or partial airport privatization assessments.



BACKGROUND AND EXPERIENCE (Continued)

Aviation President of Kompass Partnerships Company Ltd, a Hong Kong company providing advisory services to U.S. and Chinese companies seeking strategic partnerships to facilitate global expansion.

TERRITORY

ABS Aviation is based in Tampa, Florida, with satellite offices in Denver, Colorado and Dayton, Ohio.

AFFILIATIONS AND DESIGNATIONS

Corporate Member of the National Air Transportation Association (NATA)
Corporate Member of the American Association of Airport Executives (AAAE)
Member of AAAE's Non-Hub/GA Airport Committee
Member of NATA's Airports Committee
Corporate Member of the National Business Aviation Association (NBAA)



CURRICULUM VITAE

NAME: Roberta "Bobbi" Thompson
TITLE: Executive Vice President
FIRM NAME: ABS Aviation, Inc.
ADDRESS: 5601 Rahn de Vue
Dayton, Ohio 45459
PHONE: (239) 980-5114

EDUCATION

Graduate of Ohio State University with a Bachelor of Science Degree - Major in Aviation Management

PROFESSIONAL AND TECHNICAL COURSES

Multi-Engine Pilot with over 3500 hours as pilot-in-command. Federation Aeronautique Internationale *Diplome de Record*

Numerous professional training programs for airport management and operations, including aviation technical and aviation financial courses. Completed Aircraft Rescue and Firefighting Training course.

Environmental technical training programs including: Storm Water Pollution Prevention Plan permits and permit applications, environmental compliance programs with special emphasis on audits for airports, underground storage tanks, nav aids, air traffic control towers and construction planning. Occupational Safety and Health compliance training for a variety of airport applications. Pollution Prevention evaluation and application training

BACKGROUND AND EXPERIENCE

Executive Vice President of *ABS Aviation, Inc.*, an airport and FBO management services entity providing comprehensive airport and FBO management for municipalities and private entities. Currently providing contract management of the Minden-Tahoe Airport in Minden, Nevada.



BACKGROUND AND EXPERIENCE (Continued)

Executive Vice President with *Airport Business Solutions*, a diverse valuation and consulting firm headquartered in Tampa, Florida, with satellite offices in Denver, Colorado and Dayton, Ohio. The firm specializes in the valuation and analysis of airports, fixed base operations, and other aviation-related properties for lease negotiation, acquisition, litigation, leasehold and going-concern valuation, and bankruptcy, as well as providing rates and charges analysis and policy development on general aviation facilities. Additional expertise offered in the areas of airport privatization and financial self-sufficiency analysis for general aviation airports.

Senior Program Manager for JAYCOR Environmental from 1994 to 1997. JAYCOR is a government contractor. Had direct responsibility for all aviation related projects, to include managing national, regional and local projects for the Federal Aviation Administration. Completed environmental and safety compliance audits at over 1,100 FAA facilities in two years. The audits included in-depth analysis, recommended solutions and cost projections.

Director of Airport Services for COMARCO in the private contract management of five Los Angeles County-owned airports from 1991 to 1994. Duties included planning, organization, administration, coordination, operations and maintenance of all five airports. Additional responsibilities included property development, lease management, lease negotiations, land use planning, grant applications, construction projects, community relations, tenant interactions, and budget preparation and financial management.

Director of Aviation Programs for Osource Environmental from 1989 to 1991. Project Manager for deicing study at O'Hare International Airport and multiple underground storage tank projects including closures and remediation task at airports across the country.

President of Aviation Sales, Inc. from 1978 to 1989, a 55-employee fixed base operation with two locations in Ohio. One is located on an international airport, while the second is situated on a general aviation reliever airport. The position also required serving in the capacity of Airport Manager at the reliever airport.

TERRITORY

ABS Aviation is based in Tampa, Florida, with satellite offices in Denver, Colorado and Dayton, Ohio.

AFFILIATIONS AND DESIGNATIONS

Member of American Association of Airport Executives (AAAE)
Member of AAAE's Non-Hub/GA Airports Committee and Environmental Committee
Member of the National Air Transportation Association (NATA)
Board of Directors of the National Air Transportation Association (NATA) - 1986 through 1989
Member of NATA's Airport Business Committee



CURRICULUM VITAE

NAME: Randy D. Bisgard
TITLE: Senior Vice President & Director of Training
FIRM NAME: ABS Aviation, Inc.
FIRM ADDRESS: 201 S. Gilpin Street
Denver, Colorado 80209-2612
PHONE: (303) 744-0261

EDUCATION

Attended Metropolitan State College of Denver – Achieved three years towards degree and major in Aviation Management. Interest and minors also included the areas of Architectural Drawing, Meteorology, and Business.

Attended numerous aviation related training and personal development programs through employers and industry trade associations.

Hold Private Pilots Certificate – Single Engine Land

BACKGROUND AND EXPERIENCE

Senior Vice President and Director of Training for *ABS Aviation, Inc.*, an airport and FBO management services entity providing comprehensive airport and FBO management for municipalities and private entities. Currently providing contract management of the Minden-Tahoe Airport in Minden, Nevada.

Senior Vice President with *Airport Business Solutions*, a diverse valuation and consulting firm headquartered in Tampa, Florida, with satellite offices in Denver, Colorado and Dayton, Ohio. The firm specializes in the valuation and analysis of airports, fixed base operations, and other aviation-related properties for lease negotiation, acquisition, litigation, leasehold and going-concern valuation, and bankruptcy, as well as providing rates and charges analysis and policy development on general aviation facilities. Additional expertise offered in the areas of airport privatization and financial self-sufficiency analysis for general aviation airports.



BACKGROUND AND EXPERIENCE (Continued)

Mr. Bisgard is a professional advisor to aviation management providing expertise in the area of facility design/development, financial analysis, valuation studies, marketing, advertising, and training. His career as a problem solver includes over 30 years continuous employment in the aviation industry including 16 years at an international air carrier airport.

Director of Training for Integrated Airline Services, a national cargo handling company. Responsible for operational control of all safety and training functions for a nationwide network of 24 airline and cargo handling stations. Provided the development and overview of training and operations manuals, training procedures, "train-the-trainer" programs, and employee testing/certification. Developed a safety orientation and mentoring plan for new employees entitled the *BuddySafe System*. This program addresses personal safety and ramp awareness issues.

Senior Associate with Aviation Resource Group International - Consulted with aviation service company clientele regarding various business and operational issues such as facility design and development, operational reviews, financial analysis, valuation studies, regional market studies, and marketing and advertising. Conducted all marketing and advertising activities including the coordination of the firm's trade show and convention activities, resulting in a continuous expansion of client base every year.

Senior Associate with the Aviation Training Institute - Wrote, produced, and managed the development of a nine-module comprehensive video-based aviation safety and customer service training program. This award-winning program is recognized as the industry standard for ramp safety training and has contributed to a substantial reduction in employee turnover and ramp accidents for ATI clientele. Initiated training program development budget, and ultimately managed the sale and distribution of multiple training products to hundreds of aviation businesses around the world.

Corporate Manager of Marketing for Jet Aviation Denver, Inc. - Direct supervision of all customer service and facilities personnel. Developed additional customer base in the area of fuel sales to corporate flight departments. Established competitive fuel pricing structures and extensive direct mail and telephone call campaigns resulting in improved departmental revenues.

Corporate Manager of Marketing for Jet Aviation America - Responsible for system-wide corporate marketing that included over 20 domestic and international locations. Developed a new trade show display, new corporate brochure, pilot handouts, corporate slide presentation, and a new media advertising campaign which resulted in the repositioning of Jet Aviation as a major competitor in the U.S. marketplace.



BACKGROUND AND EXPERIENCE (Continued)

Manager of Marketing/Construction Development for Jet Aviation - Responsible for redeveloping the image and facilities of the former Atlas Aircraft facility in Denver, to include a new marketing campaign, collateral materials, and new facilities. He also served as the Project Manager on a multi-million dollar facility improvement package which included a new 10,000 square foot executive terminal and 300,000 square feet of ramp and site improvements. Responsibilities included design development work, direct interface with architects and engineers, the selection of a general contractor, construction monitoring in the field, and controlling the disbursement of funds.

Director of Marketing Services at Combs Gates Denver - Managed the advertising and marketing support for the FBO division of the Gates Learjet Corporation, including media advertising, collateral materials, direct mail, promotional programs, and trade show activities. In addition, he was the Corporate Training Director and standardized the training programs and procedures for all Combs Gates locations. He developed and produced a seven-part audio-visual line service-training program for in-house use, and also produced a non-proprietary line-training program that was marketed to other aviation service organizations.

TERRITORY

ABS Aviation is based in Tampa, Florida, with satellite offices in Denver, Colorado and Dayton, Ohio.

AFFILIATIONS AND DESIGNATIONS

National Business Aviation Association
American Association of Airport Executives
National Air Transportation Association
Aircraft Owners & Pilots Association
National Safety Council
American Society for Training and Development



CURRICULUM VITAE

NAME: Donald W. Beckman
TITLE: Vice President and Training Coordinator
FIRM NAME: ABS Aviation, Inc.
ADDRESS: 7032 Turweston Lane
Castle Pines North, Colorado 80108
PHONE: (303) 663-3618 or (303) 324-2453

EDUCATION:

Graduated with Bachelor of Science/Aviation Management Degree from Metropolitan State College, Denver, Colorado, 1994

Attended numerous aviation, safety, and personal development training programs through employers and industry trade associations, including OSHA and aviation fuel supply companies.

Hold Private Pilot Certificate – Single Engine Land

BACKGROUND AND EXPERIENCE:

Vice President and Training Coordinator for *ABS Aviation, Inc.*, an airport and FBO management services entity providing comprehensive airport and FBO management for municipalities and private entities. Currently providing contract management of the Minden-Tahoe Airport in Minden, Nevada.

Vice President with *Airport Business Solutions*, a diverse aviation valuation and consulting firm which specializes in the analysis of airports, fixed base operations, and other aviation-related properties for lease negotiation, acquisition, litigation, leasehold and going-concern valuation, and bankruptcy, as well as providing specialized airport management consulting, to include policy development, to airports of all sizes. Additional expertise offered in the area of financial self-sufficiency analysis for general aviation airports.

Professional advisor to aviation management with expertise in the areas of FBO operations training, safety, facility and operation valuations, and financial analysis. His 25+ years of aviation experience include general and commercial operations, with over 20 years at international air carrier airports.



BACKGROUND AND EXPERIENCE (Continued)

Director of Training for Atlantic Aviation/Trajen FBO Network, a national FBO chain. Responsible for development of standardized training plans and programs including a documentation system for all line service employees at over sixty-seven US facilities. Coordinated training events for Site Trainers and Supervisors. Conducted training sessions for all new sites and new Site Trainers. Developed and produced monthly safety newsletter. Participated on accident review board. Wrote and distributed Training and Safety Bulletins following all accidents and "Near-miss" events.

Director of Safety and Training for Integrated Airline Services, a national air cargo and commercial airline ground handling firm. Developed safety and training standards with accompanying materials for cargo and airline personnel. Performed analysis of aircraft, ground support equipment accidents and personnel injuries with recommendations for preventative action. Performed accident mitigation loss control for all aircraft-related accidents. Developed, maintained and revised company policy and procedures manuals.

Training Manager and Consulting Associate for Aviation Resource Group, International. Co-wrote and participated in the production and development of a nine module, aviation based program (Professional Line Service Training) and related curriculum for aircraft service personnel. Sold and marketed industry recognized Professional Line Service Training ("P.L.S.T.") program (now identified as the *Safety 1st* program) at trade shows and through general marketing initiatives. Conducted training needs analysis and on-site training for clients. Completed valuations of client operations.

Ramp Service Supervisor/Customer Service Agent for Federal Express. Responsible for the efficient and safe handling of air cargo parcels while operating numerous types and sizes of ground support equipment. Responsible for the receipt, handling and tracking of domestic and international customer packages while handling large cash transactions in a fast-paced, time-sensitive environment.

Operations Manager for Jet Aviation Denver, Inc. Responsible for providing quality service to aircraft operators while hiring, managing, training, and scheduling of over forty line service personnel with the fuel servicing of over 200 daily commercial airline flights. Assured compliance with military contract requirements while ensuring proper fuel inventory and quality control procedures. Coordinated fueling and ground service support requirements for corporate, air carrier, air cargo and military aircraft. Developed Standard Operating Procedures (SOP) for deicing and ground handling for large commercial airline charter operations.

Line Service Training Manager for Combs-Gates, Inc. Responsible for selling, marketing and updating of industry recognized Professional Line Service Training ("P.L.S.T.") program. Assisted Corporate Marketing Director with development and implementation of company in-house line service training program. Provided initial and recurrent training for line service personnel.



TERRITORY

ABS Aviation is based in Tampa, Florida, with satellite offices in Denver, Colorado and Dayton, Ohio.

AFFILIATIONS AND DESIGNATIONS

National Business Aviation Association
American Association of Airport Executives
National Air Transportation Association
Aircraft Owners & Pilots Association
National Safety Council
American Society for Training and Development





AVIATION

MANAGEMENT GROUP



Proposal to the City of Newport for the Day-To-Day Management of the Newport Municipal Airport



January 28, 2015



AVIATION

MANAGEMENT GROUP

January 27, 2014

City of Newport
Spencer Nebel
Administrative Offices
169 SW Coast Hwy.
Newport, OR 97365

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

Dear Mr. Nebel:

Aviation Management Group (AMG) is pleased to respond to your Request for Expression of Interest for the day-to-day management of the Newport Municipal Airport.

This proposal permits the City to distance themselves from the day-to-day responsibilities without relinquishing ownership or control. Our experience over the past eleven (11) years have proven the public/private partnership has benefited the citizens of Auburn and the users of the Auburn Airport. Substantial improvements to the airport's infrastructure have been accomplished, superior growth in the airport's working capital enterprise fund has been realized; in less than favorable economic environment.

The vision AMG has for your airport is - A Campaign for Improvement be implemented. The City can position itself to enhance the significance the Newport Airport contributes to the entire transportation system locally, regionally and nationally, while adding value to the local economy. AMG's campaign for the future of the airport is - Open for Business & Welcome to Newport. This proposal summarizes just some of our concepts for implementing this vision.

It takes pilots, airports and aviation businesses to permit our industry to thrive. Missing any single section destroys our entire industry. As a pilot, an airport manager and an aviation business owner with over 35 years of experience bring to the City of Newport strengths not easily duplicated. This experience and the current management team provide value, innovation and quality through people. People are the key to achieving this vision. Our commitment to excellence in people means ensuring talent, dedication and satisfaction while exceeding customer expectations.

As a member of the Washington Pilots Association (WPA), the Executive Director of the Washington Aviation Association (WAA), a board member of the Washington Airport Managers Association (WAMA), a member of the Washington State Department of Transportation Aviation Investment Study and a member of the American Association of Airport Executives, establishes our ability to influence and make a difference in the aviation industry. This combination of associations benefits the City of Newport by our involvement in all aspects of aviation, not just airports.

Page Two
January 27, 2015
City of Newport
Spencer Nebel

Included with the mailing is our summary for your review. Many details have been excluded, although AMG would welcome the chance to respond to a formal RFP.

The AMG and its staff are committed to the continued success of the airport and are enthusiastic about the growth opportunities. AMG creates value through quality and innovation for the City of Newport.

Sincerely,



Jamelle R. Garcia
Managing Member

Executive Summary

A properly structured and implemented comprehensive management plan will generate revenue and increase the Airport's Enterprise Fund while improving its facilities and infrastructure at the Newport Airport. Together we can benefit from a variety of economies of scale, including those in resources, knowledge and experience. We understand it is in everyone's interest to further improve and enhance the airport.

Our current public-private management partnership between the City of Auburn and Aviation Management Group, LLC. (AMG) has achieved the goal of efficiency and accomplished a campaign of improvement which started in 2004. Our vision of creating value through excellence in people, quality and innovation has paid dividends to the City, the airport users and the citizens of Auburn. It would be our goal to implement the strategies used in Auburn to accomplish your goals for the City of Newport.

It has been proven in Auburn and can be duplicated for the City of Newport to distance yourselves from the day-to-day operations without relinquishing ownership or control.

One of the most valuable assets is the perspective and experience AMG brings to this endeavor. AMG draws on over 65 years of combined aviation management experience in a variety of economic markets and disciplines beyond just airport management.

The vision is to create value and consistently deliver strong performance.

The relationship AMG can establish with the City of Newport, Federal Aviation Administration, and Oregon State Department of Transportation/Aviation Division, Oregon Airport Managers Association or other Oregon associations creates a combined effect which provides the Newport Airport a competitive advantage others may not share.

Our affiliations and partnerships within the aviation community bring to the City of Newport resources and a perspective which is broader and more inclusive than other individuals or companies enjoy.

Statement of Need

The Newport Airport is an airport of significance. The airport is vital to the entire transportation system of Oregon State and North America.

Mayors and City Council Members across the nation continue to confront unprecedented fiscal constraints as the cost of operating government continues to outpace revenues. Airports are an expensive proposition, are costly to run and require constant investment.

The current partnership has proven to benefit the City of Auburn, its citizens and aviation community. With proper management, services and community support, the Newport Airport can create a dynamic tax base capable of generating both revenue and economic activity both on airport and off airport. Numerous surveys conducted by aviation groups confirm over and over again that each one dollar spent at the airport contributes seven dollars in local economic activity.

The Future of the Newport Airport

The City of Newport and AMG realize this airport is an asset to the community and beyond. With an infrastructure in place; the Airport is in a remarkable position to enhance the Airport's draw to aviation businesses and aviation business pilots or corporate users.

Project Description

Airport Management is about execution. Watching every penny, it's about the nuts and bolts of business. If managing were simple, why do so many new companies and products flounder in the marketplace?

AMG understands resources are always scarce and that above all this is not a game for amateurs.

How does the Newport Municipal Airport distinguish itself from other airports with similar offerings and identical goals, and maintain its success as times change? Consumers now instruct suppliers regarding the prices they will pay, the level of quality they require, and even the times at which they will accept delivery. Suppliers who don't meet these expectations become ex-suppliers.

Knowledge, technique, and experience are needed along with energy, gumption and attitude, including the mundane issues like cost, quality and inventory.

Growth has to be created. The market goes down as well as up.

Objectives

AMG provides solutions to the management of the airport. Our objectives are:

Provide for the day-to-day safety, security and operations management of the Newport Municipal Airport.

Scope of Services

AMG is prepared to offer to the City of Newport services to provide for the day-to-day management of the Municipal Airport. Please see Appendix A for Scope of Work for a summary of items which can be included. AMG can provide an a la carte approach or an all-encompassing approach to the project.

Compensation

Compensation is based on the City's desired scope of work.

Staffing/Administration

AMG has a highly effective staff to administer, coordinate and foster the airport's future. Staff focuses on building an extraordinary customer experience for based and visiting patrons of the Newport Airport.

AMG takes pride in the quality of our people and the job we perform on behalf of the City

The current staff has a high level of aviation experience in diverse areas of the aviation industry; airport management and operations, Fixed Base Operations (FBO), aircraft sales, aircraft maintenance, flight training , aircraft rental and customer service.

The following management team has direct control of all aspects of the day-to-day activities to be performed by this contract management. Please see Appendix B for qualifications and experience.

Jamelle R. Garcia, Managing Member of AMG, LLC

Kasey Maiorca, Airport Operations Manager for AMG, LLC

Linda Eskesen, Office & Accounting Manager for AMG, LLC

Conclusion

Why choose AMG?

With our extensive experience and knowledge of the aviation industry, AMG is in a unique position to assist the City of Newport to enhance the airport well into the future.

AMG's service and product mix allows us to create relationships within the aviation community at the federal, state and local levels.

Service and satisfaction has always been the focus. Each need is handled with the utmost effectiveness in order to promote on-going goodwill.

Superior management expertise and staff having extensive knowledge, allows AMG to draw on years of experience in a variety of markets and disciplines.

The most valuable asset is the prospective AMG brings to the situation which is broader and more inclusive than any individual or company.

Our primary business is General Aviation (all aviation except the military and commercial airlines). With a strong commitment to the marketplace AMG is confident we have the ability to maintain growth and develop and market the Newport Airport as a highly differentiated product.

The Newport Airport and AMG are in a unique position to capitalize on the opportunities presented for the future of the airport as well as the City of Newport.

With the experience, management staff, dedication and enthusiasm, AMG is ready to assist the City of Newport to implement a plan making the Newport Municipal Airport a magnet for corporate general aviation and recreational flyers alike.

AMG is prepared to:

- Respond to a formal RFP including:
 - expanded details of the objectives and methods,
 - Scope of Services
 - Contract for Services contract
 - Supply a summary of improvements provided to the Auburn Airport
 - References – Tenant and Professional
 - Marketing & Business Plan
 - Startup phase

AMG will need from the City of Newport:

1. Copy of current Master Plan for the airport
2. Copy of the current Airport Layout Plan
3. Three (3) years of financial statements with detailed breakdown of income and expenses
4. Copies of land leases
5. Current rates, fee and charges as it applies to the airport and airport tenants
6. Any airport bond obligations. Amounts, terms and repayment options (summary)

EXHIBIT A - SCOPE OF SERVICES

1. CONTRACTOR shall prepare, negotiate, administer, and enforce on behalf of, and in the name of, CITY all of the lease agreements, contracts, documents, and instruments relating to the Newport Municipal Airport (Airport).
2. CITY specifically authorizes CONTRACTOR to request and demand all rent and other such charges, on behalf of, and in the name of CITY.
3. CONTRACTOR may propose capital improvement or property development work as a result of its concept development and planning functions or related work as set forth in this Agreement.
4. CONTRACTOR will manage and operate the Airport for the use and benefit of CITY and the general public.
5. CONTRACTOR shall provide fueling services at the Airport.
6. CONTRACTOR will develop and submit recommended schedules of rates, fees, and charges (exclusive of the retail price for fuel) annually for approval by CITY.
7. CONTRACTOR shall assist CITY, with respect to CITY's dealings with all applicable Federal and State authorities.
8. Security: CONTRACTOR agrees to provide Airport security during non-business office hours 365 days per year. (if desired)
9. Hours of Operation (business hours): CONTRACTOR shall operate the Airport for public access twenty-four (24) hours daily. At least one CONTRACTOR staff person shall be available at the Airport Monday through Friday 8:00a.m. to 5:00p.m. (exclusive of state and federal holidays) to assist the public.
10. Collection of Fees and Rentals: CONTRACTOR shall provide for routine invoicing and collection of all fees, rentals, and property lease charges due the Airport.
11. Emergency Preparedness: CONTRACTOR will have available persons trained in the manner required by applicable FAA regulations to respond to emergencies, such as fires, aircraft incidents, or disasters.
12. Records and Correspondence: CONTRACTOR shall maintain monthly records of all correspondence and financial transactions relating to operation of the Airport.
13. Support of Airport Interest Groups: CONTRACTOR's management shall act as the representative of the CITY through participation in meetings and activities of present and future Airport user or interest groups. Reports on such meetings and events shall be included in routine reports to the CITY.

14. Maintenance/UTILITIES

a. Preventative Maintenance /Minor Repairs

- i. CONTRACTOR agrees to develop and carry out at its sole expense a continuing program of preventative maintenance and minor repair activities providing general upkeep against normal wear and tear such that the Airport facilities are at all times in a serviceable condition for use in the way and manner they were designed to be used.
- ii. Restorative Maintenance - Major Repairs: Subject to expenditures approved, budgeted and authorized by the Mayor of CITY or such representative as the Mayor shall from time to time designate in writing, CONTRACTOR agrees to perform restorative maintenance and major repairs.

15. Temporary Closure: Nothing contained herein shall be construed to require that the Airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance.

16. Federal Facilities: Airport aids operated and maintained by the FAA shall be specifically excluded from any maintenance requirements under this Agreement.

17. Emergency Support Services: CONTRACTOR and the CITY shall each maintain authorized representatives on call at all reasonable times to act on behalf of their respective Parties for unusual, difficult, or emergency maintenance situations at the Airport.

18. Airport Utilities And Other Charges: CONTRACTOR agrees at its sole expense to pay all charges for the airport's electrical, water, sewer (if any), security personnel (if any), fire system monitoring, annual fire extinguisher inspection, fire system annual inspection, and portable sanitation units, that is not attributable to a specific tenant or leased property.

19. Environmental Protection:

- a. With assistance from the CONTRACTOR, CITY shall develop and maintain policies with assistance from CONTRACTOR, to assure that the Airport and Airport tenants maintain compliance with Environmental Protection Agency (EPA) standards for treatment of waste oils, fuel, solvents, etc. which may be used in aircraft, or related to aircraft manufacturing, servicing, or repair.

20. Planning, Development, and Audit:

- a. Planning and Development: CITY shall, with the assistance of CONTRACTOR and with the Airport Advisory Board, provide for planning and development of the Airport and the surrounding Airport lands in cooperation with CITY staff. CONTRACTOR shall encourage development of new facilities and services in accordance with the currently approved Airport Master Plan.
- b. Airport Layout Plan (ALP): CONTRACTOR shall submit periodic input concerning the ALP to CITY. CITY agrees to update the ALP database and provide revised copies of the ALP as required by CONTRACTOR or interested governing agencies.

-
- c. Five-year Capital Plan: CONTRACTOR shall assist with the development, and recommend for approval, updates to the currently adopted five-year Airport Capital Improvement Plan. The Plan shall support requests for the continuing development of the Airport with Federal and State funding.
 - d. Proposed Development: In addition to the monthly reports, CONTRACTOR shall provide an annual report summarizing the current status of the Airport which shall include:
 - i. Proposed Development Plans: CONTRACTOR shall submit, as directed by the Mayor or the Mayor's designee, proposed improvements and developments at the Airport. These changes shall be consistent with the Airport Master Plan and five-year Airport Capital Improvement Plan adopted and updated periodically for the Airport.
21. CONTRACTOR shall prepare a biennial operating projection for presentation to the CITY that shall include the following:
- a. Biennial Budget: A detailed projection of revenues and expenses relating to Airport operations for each calendar year shall be developed. The plan shall be submitted by CONTRACTOR on or about August 1 of each year for review and concurrence.
 - b. Capital Projection: A detailed projection of capital and major expense items anticipated for the biennial budget and the midterm corrections.
 - c. Performance Standards: CONTRACTOR must perform reasonably, safely, legally, and in a manner consistent with this Agreement. CONTRACTOR shall also be responsible to provide, in connection with the services contemplated in this Agreement, work product and services of a quality and professional standard acceptable to the CITY.
22. CONTRACTOR shall not conduct operations in or on the Airport in a manner which in the reasonable judgment of CITY: Interferes with the reasonable use by others of the Airport.

Appendix B - Management Profiles



JANELLE GARCIA, CFI-I, MEI

Managing Member - Aviation Management Group

Mr. Garcia has over 35 years' of experience in aviation, specializing in general aviation. His thorough knowledge of the aviation industry combined with his innovative approach to problem solving creates positive results.

WORK EXPERIENCE

Aviation Management Group, Auburn Municipal Airport, Auburn, WA

Since 2004, Mr. Garcia has served as the Airport Manager for the Auburn Municipal Airport. During this time working with the City of Auburn, major infrastructure improvements have been completed. Concurrently while improving the airports safety, security and convenience to its users, the airport's working capital enterprise fund has increased.

AUBURN FLIGHT SERVICE/NORTHWEST AVIATION COLLEGE

AUBURN MUNICIPAL AIRPORT, AUBURN, WA

Purchased in 1981 from Seattle Flight Service, Mr. Garcia assumed the responsibilities as President and Owner. While at Auburn, Mr. Garcia created Northwest Aviation College (NAC) and gained state authorization and received national accreditation for an associate degree in Aviation Flight Technology. Mr. Garcia purchased Sky Services, a closed maintenance shop located on the south end of the airport. The shop services expanded beyond its own fleet to service all aircraft, eventually obtaining manufacturers approved service centers.

WASHINGTON AVIATION ASSOCIATION

In 1996, Mr. Garcia became the Executive Director of the Washington Aviation Association, a non-profit aviation organization promoting aviation business.

OTHER AFFILIATIONS AND MEMBERSHIPS

Board member of the Washington Airport Managers Association (WAMA), a member of the Washington State Department of Transportation Aviation Investment Study and a member of the American Association of Airport Executives; demonstrates a commitment to be involved at the highest level of the aviation industry. This combination of associations benefits the City of Auburn by involvement in all aspects of aviation, not just airports.

**KASEY MAIORCA, CFI-I****OPERATIONS MANAGER- AVIATION MANAGEMENT GROUP**

Mr. Maiorca's combined past work experience and current position coupled with his enthusiasm in aviation, supports the desired future growth of the Auburn Airport.

WORK EXPERIENCE**AVIATION MANAGEMENT GROUP, AUBURN MUNICIPAL AIRPORT, AUBURN, WA**

Mr. Maiorca is the current Operations Manager for AMG at the Auburn Municipal Airport. Primary tasks are: tenant relations, daily safety inspections of the entire airport including quality control of the fueling operation. He is directly involved with oversight of any construction projects as it affects safety and operations of the airport.

NORTHWEST AVIATION COLLEGE, AUBURN MUNICIPAL AIRPORT, AUBURN, WA

Beginning as a primary flight instructor, Mr. Maiorca moved quickly into positions of responsibilities. From Primary Flight Instructor to Advanced Flight Instructor including FAA authorized check instructor and State of Washington certificated Aviation instructor. Additionally Mr. Maiorca's talents moved him into financial management and was included in the decision making progress of the organization.

WESTERN AIRCRAFT, BOISE AIR TERMINAL, BOISE, ID

Mr. Maiorca served as a Line Service Technician where due to Mr. Maiorca's extensive customer service skills; he was immediately moved to the General Aviation operations where tasks included: fueling, towing and servicing aircraft such as Cessna 172's, Pilatus PC-12, Lear 35's, and Gulfstream G5's, F /A 18's, AH-64 Apache's and everything in between. He later was cross trained to the commercial airline division of the company and trained on Dash-8's to 767's.

SUNDANCE CONSTRUCTION MANAGEMENT, BOISE, ID

Mr. Maiorca served multiple roles at Sundance. Starting as an assistant to the estimator and project managers, he gained experience in project management working alongside the entire company staff. Working from the ground up, he gained the skills to transfer to the Commercial Maintenance division. His last promotion was to office manager/dispatcher where he coordinated between the maintenance crews, marketing manager and general manager.



LINDA ESKESEN

OFFICE AND ACCOUNTING MANAGER- AVIATION MANAGEMENT GROUP

Ms. Eskesen's outstanding customer service skills coupled with her passion and devotion gain her the respect of everyone she comes in contact with.

WORK EXPERIENCE

AVIATION MANAGEMENT GROUP, AUBURN MUNICIPAL AIRPORT, AUBURN, WA

Ms. Eskesen's focus on tenant and visitor communications and their satisfaction is the most important asset she brings to AMG's management team. Her other duties include daily accounting and office tasks in addition to assisting other staff on special projects.

NORTHWEST AVIATION COLLEGE, AUBURN MUNICIPAL AIRPORT, AUBURN, WA

As assistant to the president, her responsibilities included corporate correspondence and human resources. With her attention to detail, Ms. Eskesen progressed into full charge bookkeeping as well as processing all financial aid transactions including Veteran's benefits.



Loyd's

Aviation

Since 1958

January 27, 2015

City of Newport, OR
Attention: City Manager
169 SW Coast Highway
Newport Oregon 97365

Subject: Expression of Interest to Operate the Newport, Oregon Municipal Airport

Dear Mr. Nebel,

By submission of this letter, Loyd's Aviation wishes to express interest in the proposed operation of the Newport Municipal Airport (KONP).

Established in 1958, Loyd's Aviation is a full-service General Aviation company based in Bakersfield, CA. Founded by Byron Loyd, we began by offering pilot service to local aircraft owners. Today the company is owned by Byron's son Steve Loyd who serves as our President, and is the only Full-Service FBO in Bakersfield.

Occupying more than 30 acres of airport property at Meadows Field (KBFL), Loyd's Aviation currently provides the following services.

- **Hangar and Shadeport Rental** – With more than 100,000 square feet of hangar space, we are home to more than 60 airplanes.
- **Aircraft Sales and Acquisitions** – Aircraft brokerage services are offered as well as aircraft appraisals.
- **Air Charter** – FAA Certified under FAR Part 135, our Air Charter service is Gold Rated by the Aviation Research Group – US Division. (Cert. # LOYA165G)
- **Aircraft Maintenance** – Loyd's Aircraft Maintenance was established in 1986 and is the largest shop in Kern County. Our mechanics work on all sizes of airplanes including small single-engines, corporate jets and turboprops, and airliners.
- **Aircraft Parts Sales** – A division of Loyd's Aircraft Maintenance, our Parts department sells parts both regionally and beyond.
- **FBO Services** – Bakersfield Jet Center is operated by Loyd's Aviation, and is an AvFuel branded FBO. All of the fueling operations meet or exceed ATA 103 standards, and all Line Service Technicians are NATA Safety 1st Trained.
- **Aircraft Management** – Utilizing the complete package of services, this department provides a turn-key operation to corporate aircraft owners. Loyd's Aviation provides the Pilots, Maintenance, Hangar, Fuel, Scheduling, Accounting, and Detailing of the airplanes.



Loyd's

Aviation

Since 1958

In addition, Loyd's Aviation is connected on a national level to General Aviation. We are part of an exclusive FBO 20 Group that is comprised of the top 20 independently owned FBOs in the U.S. Steve Loyd is on the board of directors for the National Air Transportation Association (NATA). Mr. Loyd also helps to recruit members of the U.S. Congress to the General Aviation Caucus and educate them on the value of General Aviation.

As a company, and as individuals, we strive for three things: 1) To maintain the highest level of safety, 2) Provide excellent customer service, and 3) Conduct ourselves with integrity. It is our vision to take these priorities and grow.

Our interest for growth and our half-century of experience with General Aviation is the reason for the interest in Newport. Having successfully worked with the Kern County Board of Supervisors and local airport administration for so many decades gives us a unique experience base. We also have the advantage of working with our FBO 20 Group which gives us access to the operation of 20 other airports and FBOs around the country.

We are a conservatively run company which means that we favor controlled and steady growth with minimal debt and diversified income streams. This philosophy enabled us to survive the economic downturn of 2008-2009 while many others faded away. It also positioned us to be able to grow when the economy recovered. In early 2014 we completed a 2 year project to add 2,500 sq. ft. addition of office space to accommodate a growing flight department that added 20,000 gallons of fuel sales per month to our volume.

Having reviewed the City of Newport's Request for Expressions of Interest, I know that we could assist in furthering the City's goals. We bring with us expert experience in the operation of airport services and a long track record of financial health and success. As a privately held, independent company, we don't have parent companies to back us or provide money in lean times. This means that we have to be efficient and wise with every dollar. We've done that while still providing excellent customer service and 57 years of accident free flying.

As you consider your options for the future of Newport Municipal, consider us as your partner and advisor for the future.

Sincerely,



Ryan Crowl
VP of Flight Operations
Loyd's Aviation

Attached: Brief Resumes



Loyd's

Aviation

Since 1958

Steve Loyd – President

Education:

B.S. in Agricultural Business Administration – Cal Poly San Luis Obispo

Experience:

Airline Transport Pilot with Type Ratings in Learjets, King Air 350, and Citation XLS

16,000+ hours of flight time

President of Loyd's Aviation since 1986

Board of Directors – National Air Transportation Association

Board of Directors – Bakersfield Memorial Hospital

Member – National Business Aircraft Association

Ryan Crowl – V.P. of Flight Operations

Education:

B.S. in Aeronautical Science – Embry-Riddle Aeronautical University (ERAU)

Experience:

Flight Instructor, Flight Supervisor, and Assistant Training Manager at ERAU (2001-2005)

Chief Flight Instructor & Chief Pilot – Loyd's Aviation (2005-Current)

Airline Transport Pilot with Type Ratings in King Air 350, Citation 525 and Citation XLS

Flight Instructor Ratings – CFI, CFII, MEI

5,000+ hours of flight time



— Loyd's Aviation - Bakersfield Jet Center —

While Loyd's Aviation has grown substantially since its establishment in 1958, the company has held on to the values and practices put forth by founder Byron Loyd and remained a true family business.

The early days of "Loyd's Flying Service" involved Byron flying as a contract pilot for corporations and selling aircraft parts when he wasn't in the skies. Today, the company, now Bakersfield Jet Center by Loyd's Aviation, is the only full-service Fixed Base Operation at Meadows Field, offering charter services, aircraft sales and management, maintenance on everything from single engine piston aircraft to corporate jets, aircraft storage, full ground services 24 hours a day, 365 days a year, and many other services.

In 1973 Byron's oldest son, Steven Loyd, joined the company and has functioned as its president since 1986. Since taking over as president, Steven has helped usher the company into new avenues of aviation, including charter service and the building of corporate hangars. But the construction of the Bakersfield Jet Center, a 3.5 acre aircraft parking

Bakersfield Jet Center is the only full-service Fixed Base Operation at Meadows Field.

It has grown from a small mom-and-pop style business to a family-oriented company with more than 35 employees.

1601 Skyway Drive
Bakersfield, CA 93308
661-393-1334
www.LoydsAviation.com

ramp as well as state-of-the-art customer facilities, in 2009, is what took Loyd's Aviation to new heights in the industry.

The company remains committed to providing comprehensive aviation services—and they do it as an ever-expanding "family." Steven's wife, Patricia, also joined the Loyd's team while she raised the couple's children, and when Byron married Nadine Mansfield in 1981, her nephew, Ryan Crowl, would come to love the industry just as much. Crowl joined the company in 2005 after graduating from Embry-Riddle Aeronautical University and today serves as Chief Pilot and Vice President of Operations.

Crowl, along with two other longtime employees including Chris Clements, General Manager, and Bill Long, Vice President of Maintenance, are helping this community-oriented company continue to grow with the times while also celebrating its roots. Bakersfield Jet Center by Loyd's Aviation may have started on a wing and a prayer over 56 years ago, but today it's running on two wings and a full tank of fuel.



Spencer R. Nebel
City Manager
CITY OF NEWPORT
169 S.W. Coast Hwy.
Newport, OR 97365
s.nebel@newportoregon.gov

March 5, 2015

Jamelle Garcia
Managing Member
Aviation Management Group, LLC
506 23rd St NE
Auburn, WA 98002

Re: Expression of Interest

Dear Mr. Garcia:

Thank you for submitting an expression of interest for the operation of the Newport Municipal Airport and fixed base operation management services. The City of Newport received three separate responses to its request for expressions of interest to operate the airport. On Tuesday, February 10, 2015, the Airport Committee met to review the expressions of interest. The Committee opted to defer a recommendation to the City Council on whether to initiate a full request for proposals until their next meeting which will be held on Tuesday March 17, 2015. At that time, a recommendation will be forwarded to the City Council for review. The City Council would act on a possible recommendation from the Airport Committee at the City Council meeting of Monday, April 6, 2015. I appreciate the time and effort you made to submit the expression of interest. If we have any further questions we will contact you.

Sincerely,

A handwritten signature in black ink, appearing to read "S. R. Nebel", is written in a cursive style.

Spencer R. Nebel,
City Manager

Cc: Airport Committee



Spencer R. Nebel
City Manager
CITY OF NEWPORT
169 S.W. Coast Hwy.
Newport, OR 97365
s.nebel@newportoregon.gov

March 5, 2015

Mr. Michael Hodges
President/CEO
ABS Aviation, Inc.
12950 Race Track Road, Suite 206
Tampa, Florida 33626-1307

Re: Expression of Interest

Dear Mr. Hodges:

Thank you for submitting an expression of interest for the operation of the Newport Municipal Airport and fixed base operation management services. The City of Newport received three separate responses to its request for expressions of interest to operate the airport. On Tuesday, February 10, 2015, the Airport Committee met to review the expressions of interest. The Committee opted to defer a recommendation to the City Council on whether to initiate a full request for proposals until their next meeting which will be held on Tuesday March 17, 2015. At that time, a recommendation will be forwarded to the City Council for review. The City Council would act on a possible recommendation from the Airport Committee at the City Council meeting of Monday, April 6, 2015. I appreciate the time and effort you made to submit the expression of interest. If we have any further questions we will contact you.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Nebel", is written over a light blue horizontal line.

Spencer R. Nebel,
City Manager

Cc: Airport Committee



Spencer R. Nebel
City Manager
CITY OF NEWPORT
169 S.W. Coast Hwy.
Newport, OR 97365
s.nebel@newportoregon.gov

March 5, 2015

Ryan Crowl
V.P. of Flight Operations President
Loyd's Aviation
PO Box 80958
Bakersfield, CA 93380

Re: Expression of Interest

Dear Mr. Crowl:

Thank you for submitting an expression of interest for the operation of the Newport Municipal Airport and fixed base operation management services. The City of Newport received three separate responses to its request for expressions of interest to operate the airport. On Tuesday, February 10, 2015, the Airport Committee met to review the expressions of interest. The Committee opted to defer a recommendation to the City Council on whether to initiate a full request for proposals until their next meeting which will be held on Tuesday March 17, 2015. At that time, a recommendation will be forwarded to the City Council for review. The City Council would act on a possible recommendation from the Airport Committee at the City Council meeting of Monday, April 6, 2015. I appreciate the time and effort you made to submit the expression of interest. If we have any further questions we will contact you.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Nebel", is written over a light blue horizontal line.

Spencer R. Nebel,
City Manager

Cc: Airport Committee

FEBRUARY 9, 2015

Airport Committee

169 SW Coast HWY, Newport, OR, 97365

Dear Airport Committee,

I read through the three letters of interest that were submitted for operating and managing our airport FBO and field operations. All three have good qualifications and are strong contenders with a good understanding of what needs to be done. I would like to let you know a little about all the great things we have already accomplished and a few things that I agree need to be addressed.

I believe staffing an Airport Manager's position in-house instead of contracting out would be a better benefit to the airport at this time. One of the reoccurring themes in the contractor letters is to distance the City's day-to-day involvement with the airport. They also want to set up fees, take over leases, set up policies and procedures, handle the capital improvement plan, etc... I fully believe the City is already working on all of these.

When I was appointed to take over operations and maintenance of the airfield; I really did not know what a large task I had laid on me, but I quickly found out. My first 139 cert inspection was a very involved six hours a day, three days straight, and one four hour night inspection. With the hardest FAA 139 cert inspector in the Northwest region. I did not pass that one by any stretch of the imagination, but did learn a-lot from him. Like we were on the FAA inspection watch list due to several already failed inspection from several previous airport managers. The mountain was laid in front of me and I started addressing all the field deficiency that still haunted us from past 139 inspections letter and now my own.

The next six months I cleaned up a lot of the deficiency that were not being met, bringing the ACM current, setting up an employee training and record keeping program, addressing the sad state of the runway signs, markings, asphalt, safety areas, wild life program, fencing, drainage, Run way protection zones (part 77 air surface), making sure the self-inspection program was done every day of the year. Training on proper NOTAM issuing, addressing incorrect sign distances, and correcting fuel farm safety issues along with several others. I will say every cert inspection started with the inspector asking me to give up our 139 certification. I would always refused and pushed forward.

A few short years later, I finally got our airport off the watch list and have a great working relationship with our cert inspectors. In fact, I have received accolades for the positive strides I have accomplished at the airfield. Lynn Deardorff, wrote in my July 29, 2014 inspection, "Currently Lance Vanderbeck is striving to keep the airport in good operable condition for safe operations in and out of the airport as required under FAR Part 139. He is diligently educating himself in airport operations for the betterment of the airport. He is maintaining the airport considerably well with

limited staffing. As mentioned in prior inspections the airport has come a long way in the condition and the improvements that have been made.”

Having to learn by my boot straps, I will say yes; I have made a few mistakes on the way, and paid for them dearly. Has the person of responsibility; I did have to make tough decisions that I knew were going to have bad outcomes. But they were based on the rules and regulations that I have to follow from the FAA, State, County, and City government. I am not sure if you know; so I will tell you, I have 12, 3 inch binders around my desk, 19 on a shelf above my desk, and 10 packed away in the desk behind me. I have responsibility for all of them. I will say, I am overly pleased some can be delegated, but like Ronald Regan said, “Trust but verify.” This does not to include the FAA 150 AC online library, the 5190.6b Airport Compliance manual (a riveting 900 page read if any of you have trouble sleeping), the FAR AIM; the list goes on so not to bore you I will push forward.

On top of the FAA 139 cert come the NAPIS AIP grants. I was working on these with Gene Cossey and then Ted Jones before they both left. I knew I was not going to be able to handle the AIP granting along with everything else that still needed to be done. So I asked for help. Thankfully Melissa Roman was assigned the task of helping with this part. She turned out to be a very fast learner and I cannot thank her enough for everything she does.

Next the FBO manager moved on to green pastures. I was asked to watch over the FBO until further decisions were made. I looked forwarded to the challenge and replied it would not be a problem. Not knowing the next mountain that was laid upon me. I knew I would have to work seven days a week until I could get John trained on airport operations inspections, wild life program, NOTAM issuing and other areas. And now I too had training that needed to happen. According to FAA there must be some one certified has a fuel supervisor, and that was now me. NATA fuel supervisory training would take a few days and I could use a refresher for fueling anyways.

After the training I followed John and Gary around to see how the fueling was being handled. I found we lacked in fuel management over sight and employee’s understanding of how daily fueling operations needed to be handled. I had to act quickly; and brought us back into NATA, FAA, NFPA standards with help from our fuel supplier. I am glad to report employee moral went through the roof. Now they had the proper tools and equipment to safely carry out their daily duties. I have also found that anything that is related to aviation and fuel has a heavy price tag.

The FBO was no different. Limited pilot supplies, poor moral, lack of direction and leadership. So I set out to turn that around. Simply put we needed change. So we painted, reorganized, and thoroughly cleaned the FBO. Then a strange thing happened; I watched the employee’s finally taking ownership and pride in the job they were doing.

To help generate money for the FBO; I added concessions with small snacks, more pilot gear, oil, lubricants, became a wax n wash all distributor, FAA pilots chart distributor, more ONP branded gear, and a Facebook page that was gaining a good amount of support. I have also been talking with Dana Anderson about moving his bi-plane rides to our airport and Corey Rust who would like to start on air service from here to Portland. Also the boys form Siletz’s moving there BD business out of their barn and too our airfield. With a more positively charged atmosphere and a new since of can do attitude; we sold more fuel, pilot supplies, and concessions than I have ever seen. All while our main runway was closed for most of what turned into an early flying season.

With the runway project coming to a close we were asked to plan the grand re-opening party. With input I received from members of the airport committee, I organized planes, food, music, decorations, new ONP gear, and paper airplane competition, static displays in the main hangar, everything but the speakers, presentation, and the airport

history display. I also arranged with NPD volunteers to help with crowd control and parking, and had ARFF bring over the new and old trucks. I sent emails to the school district and contacted the Chamber to help spread the word. I wanted this event to be huge and draw people from the community to see all we have accomplished. The event was a huge success! I am very proud of what we accomplish. And yes, we have new members of the community taking part in the airport; even a few hangar tenants I haven't seen in a while.

Penultimate; I know we are all striving for the success of the airport and easing the financial burden put on the citizens. With contracting out FBO and operations you distance yourself from day-to-day operations of both sides of the airport management. You have little say over fees, leases, bill collecting, field condition and maintenance. Plus the City will still have to subsidize them. We are already doing everything the contractor wants to do; with the exception of bringing in an airframe and power plant mechanic. The reality is that the airport is a like a mall. The City owns, maintains, manages, and lastly lease out space for aviation business to operator. You would never pay a vendor to set up shop in the mall or have a company run the mall for you.

Finally, thank you for your time and letting me serve has the operations manager of the greatest airfield in the world. I hope you take into consideration my letter; when the time comes to make a decisions about the future of the airport FBO and operations. I fully believe, in the future when our field builds a larger flying base; a company will want to come in and provided FBO service by leasing out or building a new FBO. I know this will happen. I also believe that what the citizen of Newport want is an air service from here to Portland or Seattle. That is not the same has air charter. There are only a few people I know that could afford to charter an airplane privately.

Warm regards,

Lance Vanderbeck

OPERATIONS MANAGER

FBO interior upstairs painting project has been started.

Waiting further input from Phillips 66 into plane program (contract fueling to corporate aircraft.)

Herd from Dana Anderson about the BI-plane rides. He is excited and we are working out a contract with him.

AWOS has no issue to report this month.

No issues reported with Self-serve tank this month.

AV-truck fuel reel was finished and re-installed. AV-truck is back up and running.

Jet-A truck had no issue to report.

The Chevy Astro Van exhaust rusted off. We installed new exhaust system.

White Crown Vic check engine light came on needs new catalytic convertor.

We have decided to replace the silver Crown Vic with a hand me down NPD car. We have set up a sealed bid to sell the silver Crown Vic. hopefully we will get a fair amount for it.

No issues with operations truck.

Kubota and mower deck are back from Linn Benton tractor. Annual and repairs completed and we are now headed into the thick of mowing season.

F&W installed optical eyes on all gate operators to prevent gates from shutting if the ground loops are not working properly.

1200z permit water sample testing kit came back in for next round of testing.

Quarterly fire inspection were completed and we passed with flying colors.

Wild life hazing still is continually busy with flocks of smaller birds. Set up bird trap at south end of field near USCG. USDA removed a deer from inside fence area and a coyote.

Night inspections have found no new issues to be reported.

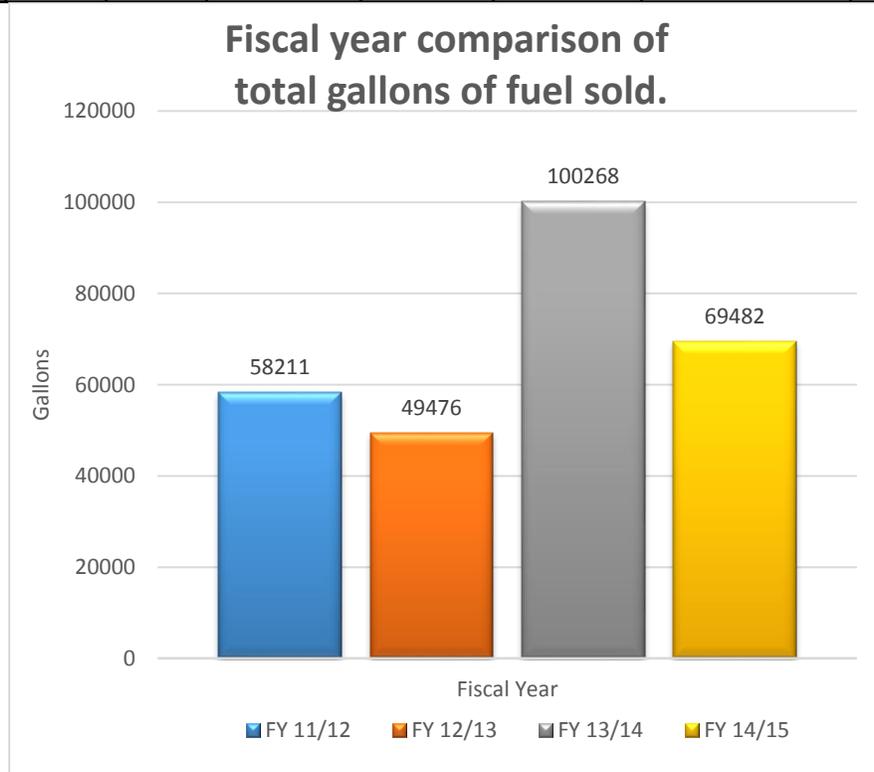
Day inspections have found issues with fence on the North end of the field is sinking in some areas. A plan for fixing the fence line will need to be made. Found 16 PAPI OTS called POCC and FAA maintenance found bad wind toggle switch and replaced it.

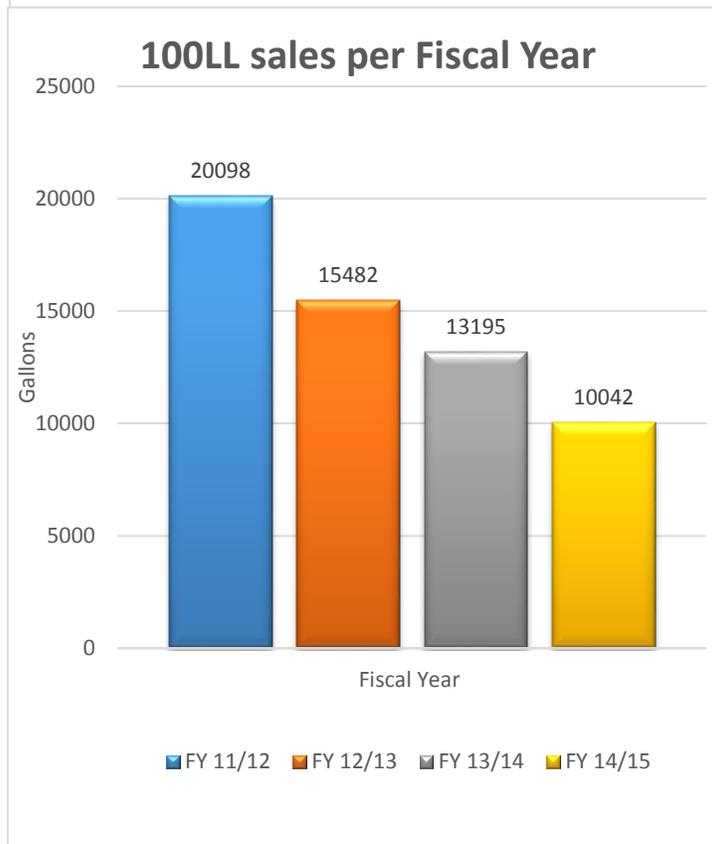
Received updated Airport Certification Manual from FAA. Working updating rest of ACM appendix's.

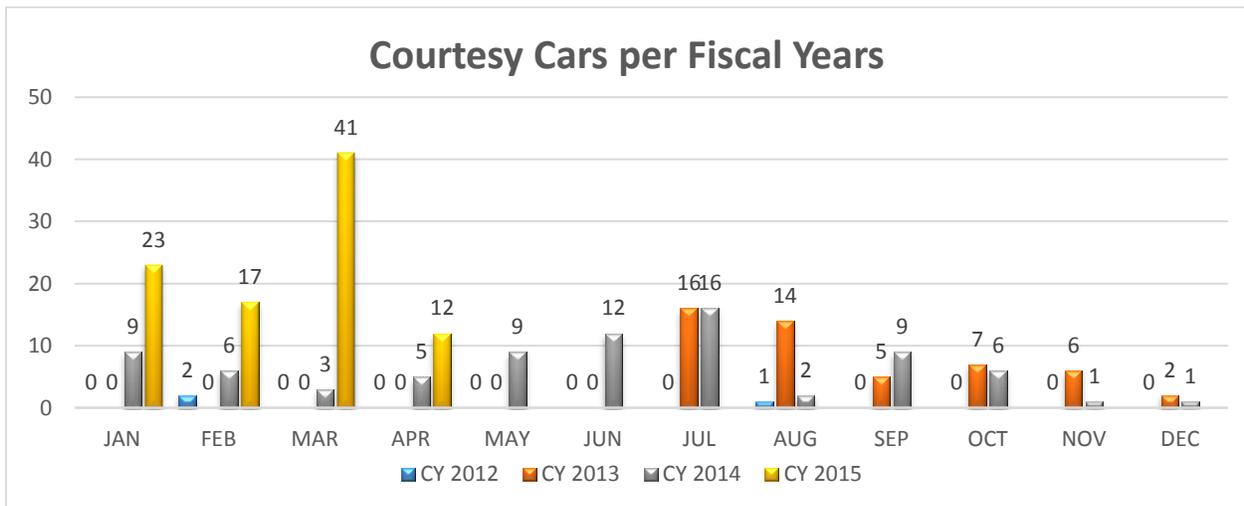
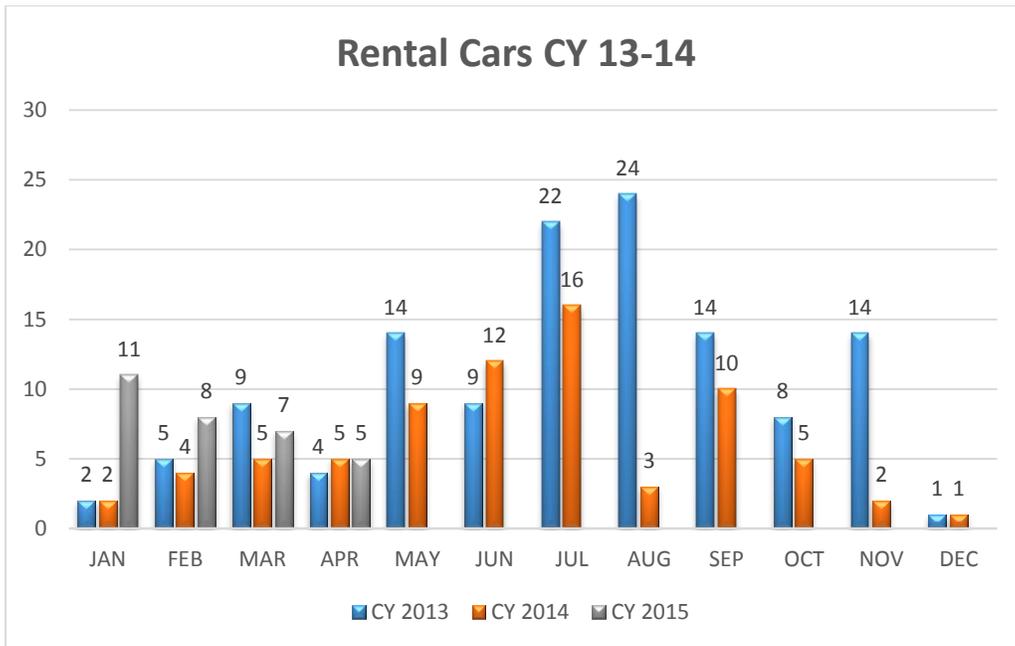
Attended FAA northwest Mountain Region Airports Conference. They had presentations on changes in the AIP grant program, your grant obligations, case studies on Airport safety, ADO updates, best practices in airport safety, Engineering Updates, Airport planning and Environmental Requirements, and AGIS perspective.

Next are the month end numbers.

Aircraft Quantity				Fuel Consumption			
Month	IN	OUT	Tot.A.O	Jet A	Av Gas	Self-Serve	Total
July	278	264	542	5532	805	919	7256
Aug	136	122	258	4646	275	599	5520
Sept	291	280	571	7057	883	1041	8981
Oct	301	287	588	6470	316	778	7564
Nov	245	233	478	9465	267	488	10220
Dec	224	208	432	8160	106	408	8674
Jan	337	325	662	8326	321	650	9296
Feb	304	298	602	4775	350	491	5616
Mar	421	408	829	4024	399	633	5056
Apr	148	146	294	985	116	199	1299
May			0				0
Jun			0				0
Cur. FY	2685	2571	5256	59440	3838	6204	69482
FY 13/14	3174	2895	6069	87073	4098	9374	100546
FY 12/13	3121	3083	6204	31135	4430	11049	46614
FY 12/11	3219	3181	6400	41183	4275	15823	61281
FY 10/11	3023	3085	6108	73458	4119	12004	89581
Average	3044	2963	6007	58458	4152	10891	73501







Thank you for your time,
Lance Vanderbeck
Newport Municipal Airport
Operations Manager

I have attached our local area's fuel prices for Jet-A and 100LL.

Jet-A prices within 65 miles of Newport, OR 97365

Jet A

\$3.35—\$5.10

Average \$4.20

KONP

7 SSW Newport Municipal Airport Newport, OR, USA FS \$4.28

KCVO

Corvallis Aero Service EPIC FS \$4.95

6S2

Florence Airport Volunteer Group SS \$4.26

KTMK

Tillamook Airport Phillips 66 PS \$3.89

KSLE

45 ENE McNary Field Airport Salem, OR, USA FS \$4.51

KMMV

48 NE Mc Minnville Municipal Airport Mc Minnville, OR, USA FS \$3.60

KEUG

48 SE Mahlon Sweet Field Airport Eugene, OR, USA FS \$5.01

17S

56 NE Chehalem Airpark Newberg, OR, USA Precision Helicopters PS \$5.10

2S6

Sportsman Airpark independent FS \$3.90

KUAO

62 ENE Aurora State Airport Aurora, OR, USA FS \$3.37

77S

63 SE Hobby Field Airport Creswell, OR, USA SS \$4.20

100LL Avgas prices within 50 miles of Newport, OR 97365

100LL

\$4.69—\$5.95

Average \$5.19

KONP

7 SSW Newport Municipal Airport Newport, OR, USASS \$5.16 FS \$5.26

KCVO

33 ESE Corvallis Municipal Airport Corvallis, OR, USASS \$5.252 FS \$5.75

7S5

36 ENE Independence State Airport Independence, OR, USA SS \$5.29

Independence Aviation LLC SS \$5.16

S12

41 E Albany Municipal Airport Albany, OR, USA SS \$4.69

6S2

Florence Airport Volunteer Group SS \$5.13

KTMK

45 N Tillamook Airport Tillamook, OR, USA SS \$4.79

KSLE

45 ENE McNary Field Airport Salem, OR, USA SS \$4.99 FS \$5.50

S30

LebanAir Aviation independent SS \$4.70

KMMV

48 NE Mc Minnville Municipal Airport Mc Minnville, OR, USA SS \$5.15 FS \$5.30

KEUG

48 SE Mahlon Sweet Field Airport Eugene, OR, USA SS \$4.92 FS \$5.95