

February 26, 2016

3:00 PM

Newport, Oregon

The City of Newport Airport Committee met on the above date in Conference Room A, Newport City Hall. In attendance were: Committee chair Jeff Bertuleit, committee members Ralph Grutzmacher, Susan Reese-Painter, and Ken Brown. Committee member Mark Watkins was not able to attend. Also in attendance were: City Manager Spencer Nebel, City Council liaison Ralph Busby, Airport staff Lance Vanderbeck, and Committee staff Bob Fuller (Public Works). Additionally, Tony Hahn of Infinity Air Services was also present

1. The meeting was called to order by committee chair Jeff Bertuleit at 3:00 PM.
2. Roll Call
3. Approval of Minutes:
 - a. Motion was made and seconded to approve the draft minutes from the February 9, 2016 meeting. The motion passed on a unanimous voice vote.
4. Discussion/Action Items
 - a. Consideration of RFP submissions

Nebel distributed a hand-out (attached) of financial comparisons of the three RFP respondents. He noted the "Operating Subsidy" reflects current subsidy and what it would be under the three proposals. He further noted the current staffing is 2.5 positions; the budget provides for 3 FT positions, which would include an airport manager position, and that is reflected in this document. A discussion of options ensued. Grutzmacher recommended stopping the RFP process at this point, none of the proposals were fully responsive bids, and he did not think it was going to get better. Reese-Painter agreed, and noted further that asking for additional RFP submissions would not get us any better responses. She said City Council should possibly look at how best to help current staff (Vanderbeck) with another management person. Brown agreed as well, and said we can fill that position and do better than the RFP responses and this would be more financially responsible.

A motion was made and seconded to reject all proposals. The motion passed on a unanimous voice vote.

Grutzmacher offered the next step would seem to be for City Council to consider budgetary issues, where to go and what path to take. After the

committee knows the budget, we can then make recommendations. Bertuleit suggested considering a contractual employee based on performance; Grutzmacher said he thought it best to have a city employee, not a temp, to help Vanderbeck with the airport and to buttress the operation.

5. Committee comments:

- a. The committee urged Tony Hahn of Infinite Air to continue to consider services at the airport (shuttle service, flight instruction, etc.).

6. Public comments:

- a. Greg Stanton asked Hahn what his business plan would be specifically to generate more income. Hahn replied that in the first two years he did not plan on making any money on the operation. The management fee would cover all expenses, and the income from fuel sales would be profit and would be re-invested into other services such as flight training, purchase of a fleet aircraft, getting a flight simulator, and possibly a shuttle service. He also advised his other company is a real estate investment firm and he would broker airport property for income. He said he has some ideas as to what to do with the land, but did not want to disclose at this time.

7. Adjourned at 5:45 PM. The next meeting will be March 8, 2016 at 2 PM.