



AGENDA & Notice of Regional Airport Review Task Force

The Regional Airport Review Task Force of the City of Newport will hold a meeting on Tuesday, July 28, 2015, at 2:00 P.M. The meeting will be held in Conference Room A at City Hall, located at 169 S.W. Coast Highway, Newport, Oregon 97365. A copy of the agenda follows.

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 at 541.574.0613.

The City Council 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 meeting.

REGIONAL AIRPORT REVIEW TASK FORCE Tuesday, July 28, 2015 - 2:00 P.M. Conference Room A

- A. Call to Order
- B. Introduction of Members of the Task Force and Staff
- C. Additions/Deletions to the Agenda
- D. Introductory Remarks - Mayor Roumagoux and Council President Busby
- E. Responsibility of the Task Force - City Manager Nebel
- F. History of the Airport - City Manager Nebel
- G. Discussion on Next Steps for the Task Force
 - 1. Identify Possible Tasks/Issues for the Task Force Deliberations
 - 2. Identify Information Required for Completing These Tasks

3. Establish a Meeting Schedule - Monthly?
 4. Future Meetings will be Held in the FBO Building at the Airport
- H. Next Meeting
1. Elect a Chair of the Task Force
 2. Tour of the Airport
 3. Approval of Purpose Statement/Tasks/and Topics for Remaining Agendas
 4. Other Agenda Items Identified by the Task Force
- I. Public Comment
- J. Task Force Comment
- K. Adjournment



Spencer Nebel
City Manager
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DATE: July 24, 2015
TO: Regional Airport Review Task Force
FROM: Spencer Nebel, City Manager
SUBJECT: Report to the Regional Airport Review Task Force

Thank you for your willingness to serve on the Task Force that will be reviewing the regional role of the Newport Municipal Airport. I have prepared this report to outline some of the expectations that the City Council has for the Task Force as well as covering the history of the Newport Municipal Airport. This should provide some background information to assist the Task Force in evaluating the airport's current and potential impact and its importance to the central coast.

RESPONSIBILITIES OF THE REGIONAL AIRPORT REVIEW TASK FORCE

The Newport City Council is exploring a number of issues related to the future operation of the Newport Municipal Airport. Working through the Airport Committee, the City Council requested that a Request for Proposals (RFP) be issued to review proposals from qualified operating firms that would be interested in running the operations of the airport and the fixed base operations at the airport as well. The Airport Committee will be reviewing a draft RFP in August with the anticipation that the RFP will be issued later that month. This RFP will help address the long-range management structure for the operation of the airport. The goal of the City Council, in pursuing this effort, is to review opportunities to both reduce operational costs as well as bring additional expertise to the table for the operation of the airport. Once proposals are received, a decision will be made as to whether to proceed with contracting of the airport operations. If a decision is made not to accept any of the proposals, then it is likely that the city would pursue the filling of an Airport Manager position, and continue operating the airport as a department of the city instead of contractually.

In addition, the City Council is pursuing the development of a 20-year Airport Master Plan with the Federal Aviation Administration (FAA). This one-half million dollar plan is being funded 90% by the FAA with 10% local funds being used as the local match. This planning process is expected to run until January of 2017. The decisions made regarding the overall management of the airport and the conclusions drawn by this Task Force will be utilized in the creation of this master plan for the Newport Municipal Airport. Please note that under FAA requirements, a citizen's advisory group is required to be appointed among users,

stakeholders, and citizens for participation in the master planning process. It would be beneficial for a member of this Task Force to be designated as one of the members of this group to ensure that the recommendations coming from this Task Force are considered as part of the master planning effort.

The Regional Airport Review Task Force has been created specifically to look at the role the airport currently plays in Lincoln County and the central coast region and explore opportunities for the airport to play a greater regional role in the future. The resolution creating the Task Force was approved by the Council last July, however due to the fall elections and, after that, other ongoing efforts, a decision was made to hold off on convening the Task Force until this date. It is the Council's hope that the Task Force can gain a better understanding of the airport operations as they are currently structured; review the benefits that the operation of an airport brings to the region; and determine how, in the future, this asset can maximize the benefits for people and businesses located on the Central Coast. Several issues that the Task Force will be asked to address include: 1. understanding the airport's current impact on the central coast of Oregon; 2. reviewing potential economic and public service opportunities that could be pursued relating to the operation of the airport; 3. reviewing the interrelationship of the airport with port districts and of state airports in Lincoln County; 4. determining whether a different ownership/management structure could help the airport maximize its potential for service to the central coast; and 5. any other items as identified by Task Force members that would be beneficial to pursue as part of this report to the City Council.

It is anticipated that the recommendations of the Task Force will be of a more visionary nature to help guide the City Council, city administration, and the master planning process that will be occurring over the next 18-month period. It is anticipated that the Task Force will meet monthly with the completion of a report in November, and that report being conveyed to the City Council in December. Please note this is a suggested schedule and can be modified by the Task Force. The first meeting of the Task Force is scheduled for July 28 at 2 P.M. in Conference Room A at City Hall. Subsequent meetings will be held in the Conference Room at the Fixed Based Operations Building at the Newport Municipal Airport.

HISTORY OF THE NEWPORT MUNICIPAL AIRPORT

On March 27, 1943, the Civil Aeronautics Administration ordered a contract for the construction of an airport in Newport, Oregon that would include two runways, each 5,080-feet long and 150-feet wide and several taxiways each 50-feet wide. In order to build the airport, the contractor had to move 300 million cubic yards of sand and clay with 1.7 million cubic yards brought in to fill. This cut and fill project addressed a canyon that was 140-feet deep by re-grading the high points of the land into the canyon which ultimately led to 94-feet of fill being placed in a canyon over a length of about 1,100 feet. In order to properly drain the site, nine miles of concrete drain tiles were laid and small canyons and gullies were filled to create the necessary runways for the airport. The original contract for clearing and grading was \$1,064,472, with the paving contract for the project being \$423,466. The project was plagued by rainy weather, saturated soils, and compaction issues. The aggregate for the project came from the quarry near Agate Beach. The May 1944 edition of

the Pacific Builder and Engineer stated that this was ... “one of the hardest builds in airport history” (article from the Don Davis collection).

The Civil Aeronautics Administration constructed the airport on property provided in a land grant from the city. The airport was turned over to city ownership in 1947. Since that time, the airport has been under the city’s jurisdiction.

The next major renovation to the airfield occurred as part of the Airport Master Plan that was adopted in September 1979 and completed by George Baldwin and Association. Phase I of the plan called for land acquisition, clearing, road relocation, a runway lighting system, and lighted wind sock. This work was estimated to be \$333,334. Phase II of the project started out at \$1,234,444 and increased to \$1,466,555 and included reducing the NE/SW runway (2-20) from 5,080-feet long and 150-feet wide to 3,000-feet long and 75-feet wide. The north/south runway (16-34) was lengthened and overlaid. Phase III of the project included construction of taxiways utilizing a portion of the property that was formally occupied by the NE/SW runway which was shortened as part of Phase Two.

The city entered into a fixed based operator agreement with Berteau/Aviation, Inc. The city provided airport maintenance activities through the Public Works Department with Mike Eastman.

The city entered into an agreement with the Central Oregon Coast Air Services for FBO services at the airport.

The City of Newport acquired the assets of the fixed based operator on April 16, 2006, for \$250,000.

Commercial passenger service was provided by SeaPort Airlines from 3/15/09 to 7/18/11. SeaPort had obtained \$4.5 million in government subsidies over a period of two years to provide twice daily flights to Newport and Astoria. When the subsidies expired, service was discontinued.

In 2014 and 2015, major reconstruction occurred at the airport costing \$9.7M. This work included a complete rebuild of the ILS Runway 16-34 north and south of the Runway 2-20 intersection.

Runway 16-34 was narrowed by 50 feet, requiring the installation of a new storm drainage system and new runway lights. Part of the reconstruction also included relocating the FAA navigational aids, a task which seems to be a work in progress as we collaborate with various departments of the FAA. The data for this work comes from the Airport Geographical Information Survey conducted as part of the overall project. Smaller project components include: a new emergency generator for the lighting system, relocation of the old emergency generator to support the Fixed Base Operation building, a new ARFF truck, an update to the Wildlife Hazard Management Plan, and reestablishment of access roads and removal of the old race track.

RECENT OPERATIONAL HISTORY OF THE AIRPORT

Since the purchase of the fixed base operations by the city, the city has operated the FBO and maintenance activities at the airport. The first manager of the airport was Dennis Reno. Dennis was initially hired by the last FBO, prior to being hired as the city's Airport Manager. Dennis was responsible for both fixed base operations as well as general maintenance activities of the facilities as a department of the city. As part of the fixed base operator system, fuel sales, hangar space rental, car rental, and various services were provided. Following Dennis Reno, Gene Cossey was hired by as Airport Manager. He was responsible for fixed base operations as well as general airport management. Following Gene Cossey's resignation as Airport Manager, City Manager Jim Voetberg elected to divide the Airport Manager position into two separate positions with Terry Durham managing the fixed base operations at the airport and Lance Vanderbeck managing the airport maintenance activities. Both reported directly to the City Manager, Jim Voetberg. Furthermore there was a full-time lineman position that worked for both the FBO Manager and Operations Manager at the airport. In addition, temporary employment services were utilized from Barrett Business Services to man airport operations. During the past two years, Melissa Román from the Public Works Department has provided support for budgeting and project services, particularly relating to the major north/south runway reconstruction project as well as associated projects funded by the FAA.

During the past 18 months, the airport has undergone additional personnel changes with lineman Charles Norman terminating in March, and Terry Durham terminating his position in June. In addition to Lance, a temporary employee has been hired for the lineman's position and Lance Vanderbeck has obtained the Fuel Supervisor's Certification and has assumed the FBO responsibilities at the airport during this interim period.

CURRENT AIRPORT OPERATIONS

The Newport Municipal Airport current consists of two runways with 16-34 (N/S) being 5,398-feet long and 100-feet wide and 2-20 NE/SW being 3,001-feet long by 75-feet wide. The airport has a 2,400 square foot office building that is currently rented to FedEx. The FBO has two offices on the main floor, a ticket counter, pilots lounge with refrigerator and counter space. There are three offices on the second floor, larger conference area, and bar with a small kitchen. In addition to the space rented to FedEx, one office space is rented in the FBO building and a lease has been provided for a doublewide trailer to FedEx. Other services currently provided:

- Fuel, Jet-A, Jet-A with additive, AV-Gas (100LL) truck and self-serve
- Car rentals
- Courtesy cars 3, plus 1 van
- Oil for turbine and piston aircraft
- Charts
- Current newspaper
- Catering, utilizing local vendors
- ONP branded products, including shirts, sweaters, rain jackets, and hats for sale
- Small selection of concessions - coffee, candy bars, chips, and soda
- Free WIFI

- After-hours shelter
- Fax
- Computer
- Pilot lounge area
- Tie-downs
- Overnight hangar space, if available
- Tug/ battery cart for aircraft towing and starting
- Taxi arrangements
- Hotel reservations

Furthermore, airport staff is responsible for maintaining the following facilities/operations at ONP:

- Full ILS runway
- AWOS
- Lighted wind sock
- Rotating beacon
- ARFF
- Wildlife hazing
- Field lighting/sign maintenance
- Field security/ public security
- Field maintenance

The airport receives National Plan of Integrated Airport Systems (NPIAS) funding of \$150,000 per year. Please note that this money is held in an account by the FAA Airport District Offices and is spent directly for improvements by the FAA. The city does not receive or spend any of these funds. The funding is held for up to five years and can be consolidated on qualified improvements to the airport as determined by the FAA and local airport management.

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

In the 2013-2014 fiscal year, airport employees logged 6,289 operations at the airport. An operation includes a plane landing or a taking-off. These counts do not include any landings and take-offs when the airport is not staffed or when the landing and/or take-off is not observed. Please note, the FAA estimates annual aircraft operations based on a combination of observed flights (which only occur when the airport is staffed and operation is observed) and an estimate of unobserved flights. The airport currently has two cargo carriers based at this facility, which include Empire and Ameriflight. In addition, the US Coast Guard has a satellite air station at the airport and recently added is an air tour operation. The current traffic at the airport is made up of corporate, recreation, charter, and military aircraft. Fueling services during the last three fiscal years have been 58,211

gallons of fuel in fiscal year 2011/2012, 49,476 gallons in fiscal year 2012/2013, and 98,226 in fiscal year 2013/2014.

The FBO is staffed seven days a week from 8:00 A.M. to 5:00 P.M., minus three holidays. The airfield is normally open 24 hours a day seven days a week 365 days a year.

Please note that during the review of the budget for the fiscal year beginning July 1, 2014, the Budget Committee established a goal of reducing the subsidy from the General Fund and Room Fax Fund for airport operations over the next three to five year period. This will need to be considered in the overall long-term planning for this facility.

Again, thank you for your willingness to serve on this Task Force. Please feel free to ask any questions regarding the operation, role of the Task Force, or other issues, and suggest any alternative ideas or directions to go with this effort. The ultimate goal is to get some community direction as to the long-term role that the airport should be playing on a regional basis to maximize economic development, citizen services, and quality of life issues on the central coast.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "S. R. Nebel", is written over a light blue circular stamp.

Spencer R. Nebel, City Manager

Regional Airport Review Task Force

A.J. Mattila - City of Depoe Bay, Mayor

Don Williams - The City of Lincoln City, Mayor

Doug Hunt - Lincoln County Commissioner

Jamie Rand - At-large member

John Lavrakas - economic development

Kevin Greenwood - Port of Newport

Lorna Davis - Greater Newport Chamber of Commerce

Susan Painter - Airport Committee member

Ralph Grutzmacher - Airport Committee member

Ralph Busby - City of Newport, Councilor

Sandra Roumagoux - City of Newport, Mayor

Peggy Hawker -Staff

Spencer Nebel - Staff

Lance Vanderbeck -Staff

Please note Dennis Reno (member At-large) has resigned due to the fact that he will not be able to attend meetings. Mayor Roumagoux intends to appoint Mark Fisher (member At-large) at the August 3rd City Council meeting subject to Council confirmation to replace Mr. Reno.

CITY OF NEWPORT

RESOLUTION NO. 3689

**A RESOLUTION ESTABLISHING
A REGIONAL AIRPORT REVIEW TASK FORCE**

Findings:

- 1. The City of Newport owns and operates a municipal airport; and**
- 2. The Newport Municipal Airport serves a region greater than the City of Newport; and**
- 3. It has been determined that the Newport Municipal Airport will be extremely important, and possibly the only functional airport on the Oregon coast, in the event of a Cascadia Subduction Zone earthquake and subsequent tsunami; and**
- 4. The City Council wishes to explore various options for the long-term support and development of the Airport recognizing its importance to the region.**

The City of Newport resolves as follows:

Section 1. The City Council establishes a Regional Airport Review Task Force with the following composition to be appointed by the Mayor and confirmed by the City Council:

- 2 City Councilors from the City of Newport;**
- 1 Lincoln County Commissioner;**
- 3 Representatives from other Lincoln County cities;**
- 1 Port of Newport representative;**
- 1 Confederated Tribes of the Siletz Indians representative;**
- 1 Representative from the Greater Newport Chamber of Commerce;**
- 1 Representative with economic development expertise;**
- 2 Airport Committee members;**
- 2 At-large members.**

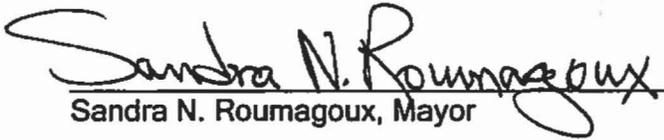
Section 2. The Task Force will consult with the appropriate city staff, as needed, in studying the issue.

Section 3. The Task Force will forward recommendations to the City Council for consideration and a potential plan of action.

Section 4. The Task Force will complete its task by the regular City Council meeting of March 16, 2015.

Section 5. This resolution is effective upon adoption.

Adopted by the Newport City Council on July 21, 2014.


Sandra N. Roumagoux, Mayor

ATTEST:


Margaret M. Hawker, City Recorder