



**AIRPORT COMMITTEE AGENDA**  
**Tuesday, December 13, 2022 - 2:00 PM**  
**Council Chambers**

---

All public meetings of the City of Newport will be held in the City Council Chambers of the Newport City Hall, 169 SW Coast Highway, Newport. The meeting location is accessible to persons with disabilities. A request for an interpreter, or for other accommodations, should be made at least 48 hours in advance of the meeting to Erik Glover, City Recorder at 541.574.0613, or [e.glover@newportoregon.gov](mailto:e.glover@newportoregon.gov).

All meetings are live-streamed at <https://newportoregon.gov>, and broadcast on Charter Channel 190. Anyone wishing to provide written public comment should send the comment to [publiccomment@newportoregon.gov](mailto:publiccomment@newportoregon.gov). Public comment must be received four hours prior to a scheduled meeting. For example, if a meeting is to be held at 3:00 P.M., the deadline to submit written comment is 11:00 A.M. If a meeting is scheduled to occur before noon, the written comment must be submitted by 5:00 P.M. the previous day. To provide virtual public comment during a city meeting, a request must be made to the meeting staff at least 24 hours prior to the start of the meeting. This provision applies only to public comment and presenters outside the area and/or unable to physically attend an in person meeting.

The agenda may be amended during the meeting to add or delete items, change the order of agenda items, or discuss any other business deemed necessary at the time of the meeting.

---

**1. CALL TO ORDER**

**2. ROLL CALL**

**2.A Roll Call**

[Staff\\_Report\\_roll\\_call\\_2022.pdf](#)

### 3. APPROVAL OF MINUTES

#### 3.A November 8, 2022 meeting minutes

### 4. DISCUSSION/ACTION ITEMS

#### 4.A T-hangar 10 lease for JFT Holdings LLC, C/o Parker Johnstone.

[Staff\\_report\\_for\\_JFT\\_Holdings\\_LLC\\_\\_T\\_hangar\\_10.pdf](#)

[Staff\\_report\\_for\\_JFT\\_Holdings\\_LLC\\_\\_T\\_hangar\\_10.pdf](#)

#### 4.B Filling open airport committee member seat.

[Staff Report committee applicants January 2023docx.pdf](#)

[Press Release - Vacancy on Airport Committee.pdf](#)

[Press Release - Vacancy on Airport Committee-Spanish.pdf](#)

#### 4.C Airport Committee goals

[Staff\\_report\\_goal\\_setting\\_fy\\_22\\_23.pdf](#)

[Staff\\_report\\_goal\\_setting\\_fy\\_21\\_22\\_II \(1\).pdf](#)

[November\\_16\\_2021\\_Airport\\_Committee\\_Minutes\\_DRAFT.pdf](#)

[Adopted\\_Goals\\_and\\_Objectives\\_21-22 \(1\).pdf](#)

#### 4.D World Fuel Update

[Staff\\_Report\\_World\\_fuel\\_lease\\_agreement\\_2022.pdf](#)

[Newport\\_-\\_Letter\\_of\\_Understanding\\_v1.pdf](#)

[World\\_Fuel\\_City\\_of\\_Newport\\_Lease\\_Agreement\\_44293\\_8.8.17.pdf](#)

[World\\_Fuel\\_City\\_of\\_Newport\\_WFS\\_FSA\\_2017.pdf](#)

[World\\_Fuel\\_City\\_of\\_Newport\\_Phillips\\_66\\_Branding\\_Agreement\\_2017.pdf](#)

#### 4.E D-4 lease area east of hangar - McCrea

[Staff\\_Report\\_East\\_area\\_McCrea\\_hangar\\_2022.pdf](#)

[Staff\\_Report\\_TOFA\\_email\\_2021\\_to\\_McCrea.pdf](#)

[McCrea\\_Build\\_Site\\_ALP-11x17\\_Sheet\\_4\\_Terminal\\_Area\\_Plan.pdf](#)

[2022\\_McCrea\\_east\\_area.jpg](#)

[2022\\_McCrea\\_east\\_area\\_II.jpg](#)

[McCrea\\_hangar\\_set\\_back.jpg](#)

[McCrea\\_hangar\\_set\\_back\\_76\\_feet\\_9\\_inches.jpg](#)

[South\\_Hangar\\_Site\\_2020.pdf](#)

#### **4.F FAA Bipartisan Infrastructure 2022**

[Staff\\_Report\\_Potential\\_FAA\\_AIP\\_projects\\_2022.pdf](#)

[BIL\\_FAQs\\_5-13-2022.pdf](#)

[ONP\\_BIL\\_CIP\\_Update\\_20220310.pdf](#)

[NPT000-HangarDev\\_220225.pdf](#)

#### **5. OPERATIONS REPORT**

##### **5.A November 2022 airport operations report.**

[Operations\\_Report\\_for\\_December\\_Meeting\\_2022.pdf](#)

[Dec 2022 Airport Hangar Lease template.pdf](#)

[Dec 2022 Airport Hangar Development Timeline and Checklist - updated 2022.pdf](#)

[Operations\\_Report\\_for\\_November\\_Meeting\\_2022.pdf](#)

#### **6. COMMITTEE COMMENTS**

#### **7. PUBLIC COMMENTS**

#### **8. ADJOURN**

#### **9. AIRPORT COMMITTEE GOALS**

- 1. Pursue commercial and/or private for-hire airline service to facilitate regional travel to the Central Coast*
- 2. Explore commercial/industrial development of AOA property*
- 3. Expansion of water and sewer services to the airport*
- 4. Explore the possibility of constructing additional T-Hangars*
- 5. Install solar panels at airport*
- 6. Develop a parking plan*
- 7. Partner with FEMA for emergency preparedness operations at the airport*



**STAFF REPORT FOR  
AIRPORT COMMITTEE**

Meeting Date: December 13, 2022

**Title:** Airport Committee Roll Call

**Prepared by:** Lance Vanderbeck, Airport Director

**Recommended Motion:** Please say here or present.

**Background Information:**

Member	Position	First Appointed	Current Term Begins	Current Term Ends
<a href="#"><u>Jeff Bertuleit</u></a>	Committee Chair		1/3/2022	12/31/2023
Open position	Committee Member			12/31/2022
<a href="#"><u>Ralph Busby</u></a>	Committee Member	1/1/2016	1/3/2022	12/31/2023
<a href="#"><u>Dietmar Goebel</u></a>	Council Liaison	1/7/2019	1/7/2019	12/31/2020
<a href="#"><u>Cynthia Jacobi</u></a>	Council Liaison Alternate	5/21/2020	5/21/2020	5/21/2020
<a href="#"><u>Daniel McCrea</u></a>		1/18/2022	1/18/2022	12/31/2022
<a href="#"><u>Susan Reese Painter</u></a>	Committee Member	9/2/2014	1/7/2019	12/31/2022
<a href="#"><u>Jim Shaw</u></a>	Committee Member	11/8/2016	1/3/2022	12/31/2023
<a href="#"><u>Mark Watkins</u></a>	Committee Member		1/3/2022	12/31/2023





STAFF REPORT  
AIRPORT COMMITTEE  
AGENDA ITEM

Meeting Date: December 13, 2022

**Title:** Item 4.A: JFT holdings LLC, C/o Parker Johnstone T- hangar 10 lease.

**Prepared by:** Lance Vanderbeck, Airport Director

**Recommended Motion:** Recommend approval to Coty Council for Lease of T-hangar 10 to JFT Holdings LLC.

**Background Information:** T-hangar 10 is now available to lease. Mr. Johnstone has been on the T-hangar waiting list since October 4, 2018. Mr. Johnstone has confirmed he wants the T-hangar for his Bonanza.

If approved for lease this will leave 21 people still on the T-hangar waiting list. Next in line is Mr. Slaneyfeh who was added on November 26, 2018.

**Fiscal Notes:** Continued monthly revenue of \$200.00 for the airport.

**Alternatives:** none.

**Attachments:** Lease for T-hangar 10 for JFT Holdings LLC.



STAFF REPORT  
AIRPORT COMMITTEE  
AGENDA ITEM

Meeting Date: December 13, 2022

**Title:** Item 4.A: JFT holdings LLC, C/o Parker Johnstone T- hangar 10 lease.

**Prepared by:** Lance Vanderbeck, Airport Director

**Recommended Motion:** Recommend approval to Coty Council for Lease of T-hangar 10 to JFT Holdings LLC.

**Background Information:** T-hangar 10 is now available to lease. Mr. Johnstone has been on the T-hangar waiting list since October 4, 2018. Mr. Johnstone has confirmed he wants the T-hangar for his Bonanza.

If approved for lease this will leave 21 people still on the T-hangar waiting list. Next in line is Mr. Slaneyfeh who was added on November 26, 2018.

**Fiscal Notes:** Continued monthly revenue of \$200.00 for the airport.

**Alternatives:** none.

**Attachments:** Lease for T-hangar 10 for JFT Holdings LLC.



**STAFF REPORT  
CITY COUNCIL AGENDA ITEM**

Meeting Date: 12/13/2022

**Title:** Airport Committee applicants

**Prepared by:** Lance Vanderbeck, Airport Director

**Recommended Motion:** None

**Background Information:** In November 2022; airport committee member Ken Brown notified the committee he will be stepping down from his committee role. We will be scheduling interviews during the January 10, 2023 committee meeting.

Administration staff released the following announcement of vacancy to local media outlets.

The City of Newport is seeking applications from individuals interested in serving on the Airport Committee. The Airport Committee meets monthly on the second Tuesday, at 2:00 P.M., at City Hall. It is charged with recommending rules and regulations for the Newport Municipal Airport; recommending policies governing the use of airport property; reviewing and reporting to the Council on matters referred to it by the Council; making studies or reports relating to the Newport Municipal Airport; and promoting the Newport Municipal Airport. There is currently one vacancy and applicants may be non-residents of the city.

Anyone interested in applying to fill this vacancy on the Airport Committee should apply using the city's committee application which is found on the city website at [www.newportoregon.gov](http://www.newportoregon.gov); click on "City;" then on "Committees;" and then on "Application for Committee/Commission." The completed form can be submitted electronically. Hardcopies of the committee application form can be obtained by contacting the City Manager's Office at 169 SW Coast Highway, Newport, Oregon 97365, or by calling 541.574.0613.

The application deadline is December 31, 2022. The Airport Committee will interview interested volunteers and forward a recommendation to the Mayor for formal appointment at a City Council meeting.

**Alternatives:** none

**Attachments:** Press release for open position for airport committee.



FOR IMMEDIATE RELEASE

Contact: Erik Glover

e.glover@newportoregon.gov

**CITY OF NEWPORT  
ANNOUNCES VACANCY ON  
AIRPORT COMMITTEE**

The City of Newport is seeking applications from individuals interested in serving on the Airport Committee. The Airport Committee meets monthly on the second Tuesday, at 2:00 P.M., at City Hall. It is charged with recommending rules and regulations for the Newport Municipal Airport; recommending policies governing the use of airport property; reviewing and reporting to the Council on matters referred to it by the Council; making studies or reports relating to the Newport Municipal Airport; and promoting the Newport Municipal Airport. There is currently one vacancy and applicants may be non-residents of the city.

Anyone interested in applying to fill this vacancy on the Airport Committee should apply using the city's committee application which is found on the city website at [www.newportoregon.gov](http://www.newportoregon.gov); click on "City;" then on "Committees;" and then on "Application for Committee/Commission." The completed form can be submitted electronically. Hardcopies of the committee application form can be obtained by contacting the City Manager's Office at 169 SW Coast Highway, Newport, Oregon 97365, or by calling 541.574.0613.

The application deadline is December 31, 2022. The Airport Committee will interview interested volunteers and forward a recommendation to the Mayor for formal appointment at a City Council meeting.

**#####**



PARA PUBLICACIÓN INMEDIATA Contacto: Erik Glover [e.glover@newportoregon.gov](mailto:e.glover@newportoregon.gov)

## CIUDAD DE NEWPORT ANUNCIA VACANTE EN COMITÉ DE AEROPUERTO

La Ciudad de Newport está buscando solicitudes de personas interesadas en servir en el Comité del Aeropuerto. El Comité del Aeropuerto se reúne mensualmente el segundo martes, a las 14:00 horas, en el Ayuntamiento. Se encarga de recomendar normas y reglamentos para el Aeropuerto Municipal de Newport; recomendar políticas que rijan el uso de la propiedad del aeropuerto; revisar e informar al Consejo sobre los asuntos que le remita el Consejo; realizar estudios o informes relacionados con el Aeropuerto Municipal de Newport; y la promoción del Aeropuerto Municipal de Newport. Actualmente hay una vacante y los solicitantes pueden ser no residentes en la ciudad. Cualquier persona interesada en postularse para llenar esta vacante en el Comité del Aeropuerto debe postularse utilizando la solicitud del comité de la ciudad que se encuentra en el sitio web de la ciudad en [www.newportoregon.gov](http://www.newportoregon.gov); haga clic en “Ciudad”; luego en “Comités”; y luego en “Solicitud de Comité/Comisión”. El formulario completado se puede enviar electrónicamente. Se pueden obtener copias impresas del formulario de solicitud del comité comunicándose con la Oficina del Administrador de la Ciudad en 169 SW Coast Highway, Newport, Oregon 97365, o llamando al 541.574.0613. La fecha límite para la solicitud es el 31 de diciembre de 2022. El Comité del Aeropuerto entrevistará a los voluntarios interesados y enviará una recomendación al alcalde para un nombramiento formal en una reunión del Concejo Municipal.

#####



**STAFF REPORT  
Airport Committee**

Meeting Date: December 13, 2022

**Title:** Goal setting for fiscal year (FY) 22-23.

**Prepared by:** Lance Vanderbeck, Airport Director

**Background Information:** We are nearing the end of calendar year 2022 and time to start the process for goal setting for 2023.

Attached you will find the staff report form goal setting fiscal year 21/22, approved minutes from the November 16, 2021 committee meeting approving the committees goals for FY 21-22, City Council adopted goals and objectives for 2021-2022

During the December meeting we will refine goals for the upcoming FY 21-22. Please review the attached information and send your thoughts or goal ideas to [l.vanderbeck@newportoregon.gov](mailto:l.vanderbeck@newportoregon.gov)

Following are Airport Committees Goals provide for 2021 during the October 12, 2021 airport committee meeting:

1. Implement a scheduled airline service
2. Continue work on the airport sewer project.
3. Create a trail system from the airport to South Beach
4. Create a marketing plan for the airport, including bicycle rentals
5. Incorporate the land to the north of the airport into the airport property.
6. Get the T-hangars built
7. Implement airport interior-wide internet.

**Options:** Nothing at this time.

**Recommendation:** No motion required, information distribution only.

**Fiscal Notes:** None

**Attachments:** Following attachments are provided: Staff report goal setting FY 21-22, November 16, 2021 airport committee minutes draft, and FY 2021-2022 City Council goals and objectives.



**STAFF REPORT**  
**Airport Committee**

Meeting Date: November 16, 2021

**Title:** Goal setting for fiscal year (FY) 21-22 continued from October 12, 2021 meeting.

**Prepared by:** Lance Vanderbeck, Airport Director

**Background Information:** We are drawing closer to the end of calendar year 2021. In November we will start the goal setting process for the Newport Municipal Airport.

Attached you will find the approved minutes from the January 12, 2021 committee meeting approving the committees goals for FY 20-21, 2020 adopted goals, and City Council adopted goals and objectives for 2021-2022.

During the November and December meetings we will refine goals for the upcoming FY 21-22. Please review the attached information and send your thoughts or goal ideas to [l.vanderbeck@newportoregon.gov](mailto:l.vanderbeck@newportoregon.gov)

October 12, 2021 airport committee meeting provided the potential following goals:

1. Implement a scheduled airline service
2. Continue work on the airport sewer project.
3. Create a trail system from the airport to South Beach
4. Create a marketing plan for the airport, including bicycle rentals
5. Incorporate the land to the north of the airport into the airport property.
6. Get the T-hangars built
7. Implement airport interior-wide internet.

**Options:** Nothing at this time.

**Recommendation:** No motion required, information distribution only.

**Fiscal Notes:** None

**Attachments:** Following attachments were provided in the October 12, online meeting packet. January 2021 committee minutes, 2020 adopted goals, and FY 2020-2021 City Council goals and objectives.

November 9, 2021  
2:04 P.M.  
Newport, Oregon

## **AIRPORT COMMITTEE**

The Airport Committee met virtually on the above date and time in the Council Chambers of the Newport City Hall. In attendance were City Councilors Dietmar Goebel and Cynthia Jacobi and Committee Members Mark Watkins, Susan Reese Painter, Ralph Busby, and Jim Shaw. Committee Members Jeff Bertuleit and Ken Brown were absent.

Staff in attendance was Airport Director, Lance Vanderbeck.

### **APPROVAL OF MINUTES**

After confirming with Vanderbeck, Busby asked that the October 12, 2021 minutes be changed to reflect that Vanderbeck is willing to create two signs concerning the Ground Communication Outlets and contact the FAA. Busby said it would be unnecessary to return to the committee with a cost estimate for the signs.

MOTION: Member Busby moved to approve the October 12, 2021 Minutes as amended. Member Reese Painter seconded the motion. No vote was taken on the minutes.

### **DISCUSSION/ACTION ITEMS**

#### **4.A. Michael & Michele Monsanto Lease Box Hangar 3**

Vanderbeck introduced the agenda item and presented the staff report.

MOTION: Member Watkins moved to terminate the lease with the Burleys and accept the new lease with the Monsantos. Member Reese Painter seconded the motion which carried unanimously in a voice vote.

#### **4.B. FY 22-23 Committee Goals**

Vanderbeck introduced the agenda item and presented the staff report.

Watkins supported the seven goals developed during the October meeting and said the goals were pro-growth, attainable, and achievable. Busby said he was satisfied with the goals as written.

#### **4.C. Airport Committee Applications**

Vanderbeck introduced the agenda item and presented the staff report. Responding to a question from Busby, Vanderbeck said applicants will be invited to the Airport Committee's December meeting where committee members will be able to ask questions of applicants. Vanderbeck said the committee would then vote to recommend one of the applicants for council approval.



Responding to a question from Watkins, Vanderbeck said he had not received any additional applications since publishing the staff report. However, Vanderbeck noted that City Recorder/Special Project Director Peggy Hawker might have received an additional application before the 5:00 p.m., November 15, 2021 deadline.

Watkins said he would prefer not to create additional interview questions and instead develop questions to suit the need during the interview process. Busby said the standardized questions is a city practice used to ensure that all applicants are treated fairly.

Councilors and members suggested the following questions:

- Questions about basic airport operations (*Watkins*)
- How do you anticipate the airport growing? (*Jacobi*)
- Do you have any ideas to support the airport growing? (*Jacobi*)
- Is expansion a good idea? (*Jacobi*)
- What kind of businesses might be good to bring to the airport? (*Jacobi*)
- Have you read the latest Airport Master Plan? (*Jacobi*)

Goebel and Jacobi suggested that the committee members run the questions by Hawker.

Busby suggested that committee members develop questions over the next week and send them in to Vanderbeck who will compile them and ask Hawker to review them. Vanderbeck agreed to the plan and said he will consolidate the questions and come up with five or six questions for committee members to ask of applicants.

### OPERATIONS REPORT

Vanderbeck thanked the committee for their willingness to delay the regular November meeting by a week, presented the information in the October operations report, and answered brief, clarifying questions about report topics.

### COMMITTEE COMMENTS

Responding to questions from Watkins, Vanderbeck said he is comfortable with the airport's price of Jet A and Avgas fuel compared to other airports in the region. Vanderbeck said the next step for repainting the Avgas tank is to schedule a time with the painter to do the work and that the fuel truck has reserve Avgas in it as previously recommended by the committee.

Responding to questions from Shaw, Vanderbeck said he had only read the basic part of the appraisal report for the proposed animal shelter and that, by his understanding, the valuation of the land is comparable to the lease for the front 10 acres. Vanderbeck said he is not sure if Lincoln County has agreed to the price.

Goebel noted that former City Councilor Aaron Collett resigned to become the City Engineer. Goebel spoke about the appointment process to fill the vacancy on the City Council and informed the committee that the council swore in Jan Kaplan to fill the vacancy.

Watkins noted that the Coast Guard gate was, once again, broken, and Vanderbeck said he was aware.

Jacobi said she read a letter in the newspaper that was critical of the airport and said the criticisms could easily be disproven. Jacobi asked if there was committee interest in responding to the letter. Watkins said it would be helpful if a city councilor wrote the letter to lend it credibility. Busby said he wrote a response to that letter which was published a week after the original.

Watkins said he would like to see, as a part of Goal 4 “Create a marketing plan for the airport, including bicycle rentals”, a community relations plan that communicates the importance of the airport.

Vanderbeck gave the following responses to questions from Busby:

- Vanderbeck said there are interviews later in the week to fill a vacant position at the airport.
- Vanderbeck recommended the committee move to the next step in noticing non-compliant tenants, saying he has received responses to his first letter from only a handful of tenants.
- Vanderbeck said he will check-in on the application process for the Ken Williams lease.
- Vanderbeck said the situation with Mr. Mazzetta, who wished to lease the T-hangars, has been taken up by City Attorney David Allen.
- Vanderbeck said he is in talks with City Manager Spencer Nebel and Chief of Police Jason Malloy about increasing security at the airport.
- Vanderbeck said he will look into the use of herbicides to clear weeds at the airport. Vanderbeck noted that Parks & Recreation Director Michael Cavanaugh is working on an herbicide plan that will be considered by council.

MOTION: Member Watkins moved that Vanderbeck move forward with a follow-up letter to airport tenants that is date specific and the consequences if tenants don't respond in a timely fashion if they do not respond to the first letter. Member Reese Painter seconded the motion which carried unanimously in a voice vote.

Watkins suggested that the letter should come from David Allen.

Busby said he was glad there was a lock on the walk-in gate by his hangar and noted recent issues with airport security.

#### PUBLIC COMMENT

No written public comment was received, no one signed up to give public comment, and no one present wished to give public comment.

### ADJOURNMENT

Having no further business, the meeting adjourned at 3:01 p.m.



# ADOPTED GOALS AND OBJECTIVES 2021-2022

Goal Setting Session  
February 22, 2021 at 9:00 A.M.

Goals Proposed for Adoption  
March 1, 2021 at 6:00 P.M.

Public Hearing and Adoption of Goals  
March 15, 2021 at 6:00 P.M.

**Mission Statement:** The City of Newport pledges to effectively manage essential community services for the well-being and public safety of residents and visitors. The City will encourage economic diversification, sustainable development, and livability.

# CITY OF NEWPORT FISCAL YEAR 2021-2022 Adopted Goals

## GREATER NEWPORT AREA VISION 2040

In 2040, Greater Newport is the heart of the Oregon Coast, an enterprising, livable community that feels like home to residents and visitors alike. We live in harmony with our coastal environment - the ocean, beaches and bay, natural areas, rivers, and forests that sustain and renew us with their exceptional beauty, bounty, and outdoor recreation. Our community collaborates to create economic opportunities and living-wage jobs that help keep the Greater Newport Area dynamic, diverse, and affordable. We take pride in our community's education, innovation, and creativity, helping all our residents learn, grow and thrive. Our community is safe and healthy, equitable and inclusive, resilient and always prepared. We volunteer, help our neighbors, support those in need, and work together as true partners in our shared future.

On February 22, 2021, the City Council met from 9 AM to 2 PM to identify various Council goals and objectives for the 2021-2022 Fiscal Year and beyond. The goal setting process focused on the six focus areas, and the strategies identified as part of the 2040 Vision and Strategic Plan adopted by Council on November 20, 2017. It is my hope that this process, as initiated last year, will help guide the Council and City administration in developing longer-term strategic operation plans for the City of Newport.

City administration drafted a preliminary report on goals and objectives identifying items to be carried over from the 2020-2021 Fiscal Year, and subsequent actions taken by the Council through the course of the year. The Council reviewed and modified this report and identified additional ideas to consider for prioritization. Additional ideas identified by three or more Council members were added to the draft report.

In addition, departmental and advisory committee goals and objectives for 2021-2022 were reviewed by the Council and are included in this report.

### Understanding the References in the 2020-2021 Council Goal Report.

The Council goals and objectives for this next fiscal year are organized by the six focus areas identified in the Greater Newport Area Vision 2040 Plan. The 2040 Vision Plan can be found at the following link:

[https://newportoregon.gov/dept/cdd/documents/Vision2040/Vision2040\\_Final\\_Draft.pdf](https://newportoregon.gov/dept/cdd/documents/Vision2040/Vision2040_Final_Draft.pdf)

For purposes of this report, a **goal** is typically broader in scope than an objective. A goal identifies intended outcome concerning one or more functions for an organization.

**Objectives** help translate goals into actionable items with specific deliverables, and typically would be tied to budget resources necessary to achieve that goal.

**Strategies** are identified with each goal and objective, and relate to the strategies included in the Greater Newport Area Vision 2040 Plan.

**Additional Ideas** are concepts that were identified by the City Council at the February 22 Goal Setting session, but not prioritized as a goal or objective. They are included for informational purposes only.

Each of the Council goals are followed by specific objectives for the 2021-2022 Fiscal Year. These objectives are the actionable items that Council desires to be implemented in this next twelve-month period. The objectives will be specifically addressed in the budget proposed by the City Manager for the 2021-2022 Fiscal Year.

The description from the 2040 Vision for each focus area is included in this report. The description is followed by the goals and objectives identified by the City Council through this year's goal setting process.

## 2021-2022 Goals and Objectives

### A. ENHANCING A LIVABLE REGION

In 2040, the Greater Newport Area is an enterprising, livable community that feels like home to residents and visitors alike. We have carefully planned for growth with well-maintained infrastructure, affordable housing for all income levels, robust public transportation, diverse shopping opportunities, and distinct, walkable districts and neighborhoods.

#### Council Goals

**A-1 Invest in upgrades to the City's water distribution and storage tank systems. (Vision Strategy A1) 5+ years**

##### Objectives for 2021-2022

A-1(a) Fund and bid the replacement of the City's two main water storage tanks with two new seismically sound water tanks. (Vision Strategy A1)

A-1(b) Complete the design for the replacement of the 54<sup>th</sup> Street pump station. (Vision Strategy A1)

A-1(c) Partner with the hospital to build a seismically stable water storage facility that could serve the hospital in the event of an emergency. (Vision Strategy A1)

A-1(d) Update the Water Master Plan. (Vision Strategy A1)

**A-2 Improve maintenance activities of the City street system. (Vision Strategy A1) 5+ years**

Objectives for 2021-2022

A-2(a) Evaluate the use of The Dude Solutions to develop a reporting system to proactively identify and repair potholes in city streets. (Vision Strategy A1)

**A-3 Prepare the North Side Transportation Plan in collaboration with the Oregon Department of Transportation. (Vision Strategy A10) 1 year**

Objectives for 2021-2022

A-3(a) Complete the North Side Transportation Plan. (Vision Strategy A10)

A-3(b) Develop a strategic plan for the revitalization of the City's central business district. (Vision Strategy A10)

A-3(c) Identify, in the planning process, a gathering spot as part of the City Center revitalized strategies. (Vision Strategy A5)

**A-4 Increase supplies of affordable and workforce housing, including rentals for the community. (Vision Strategy A2) 5+ years**

Objectives for 2021-2022

A-4(a) Update the City's buildable land inventory. (Vision Strategy A2)

A-4(b) Develop bilingual educational materials to promote and encourage homeowners to consider building accessory dwellings on their principal homestead properties as allowed by law. (Vision Strategy A2)

**A-5 Complete pedestrian safety amenities throughout the community. (Vision Strategy A11) 5+ years**

Objectives for 2021-2022

A-5(a) Conduct feasibility and develop preliminary costs for infilling sidewalk from Don Davis Park to Government Street along Elizabeth Street. (Vision Strategy A11)

A-5(b) Complete design for a pedestrian walkway on US 101 from 25<sup>th</sup> Street to 36<sup>th</sup> Street utilizing URA funding for the project. (Vision Strategy A11)

A-5(c) Work with ODOT to plan a pedestrian crosswalk at Highway 20 and Eads Street. (Vision Strategy A11)

**A-6 Promote City-wide beautification. (Vision Strategy A4) 5+ years**

Objectives for 2021-2022

A-6(a) Implement addition to Parks Maintenance staffing including Landscaping expertise in accordance with the Finance Work Group recommendations. (Vision Strategy A4)

**A-7 Acquire property in the Big Creek Reservoir watershed. (Vision Strategy A1) 5+years**

Objectives for 2021-2022

A-7(a) Deposit any revenues from the sale of an easement to the Central Lincoln PUD into a land reserve fund for acquisition of property located in the Big Creek Reservoir watershed. (Vision Strategy A1)

A-7(b) Apply for great funding for planning and for acquisition of reservoir properties. (Vision Strategy A1)

## **B. PRESERVING & ENJOYING OUR ENVIRONMENT**

In 2040, the Greater Newport Area lives in harmony with its coastal environment. Our ocean, beaches and bay, natural areas, rivers, and forests sustain and renew us with their exceptional beauty, bounty and outdoor recreation. We retain our connection to nature, protecting our land, air, water, natural habitats, and promoting more sustainable ways of living.

### Council Goals

**B-1 Invest in upgrades to the City's sanitary sewer collection system. (Vision Strategy A1) 5+ years**

Objectives for 2021-2022

B-1(a) Proceed with Phase 1 of the North side pump station headworks. (Vision Strategy B1)

B-1(b) Replace the Minnie Street lift station. (Vision Strategy B1)

**B-2 Invest in upgrades to the City's storm sewer collection system (Vision Strategy A1) 5+ years**

Objectives for 2021-2022

B-2(a) Complete the design and bid the replacement of the storm sewer on Hatfield. (Vision Strategy B4)

B-2(b) Design and replace the storm sewer running under the fire hall and through Betty Wheeler Park. (Vision Strategy B1)

B-2(c) Bid and construct storm sewer and sidewalk on Harbor Drive. (Vision Strategy B1)



**B-3 Modernize and upgrade the waste water treatment plant. (Vision Strategy A1.) 2-5 years.**

Objectives for 2021-2022

B-3(a) Complete the Wastewater Treatment Plant Master Plan identifying replacement/upgrades necessary for effective treatment of waste water. (Vision Strategy B1)

**B-4 Review and implement cost-effective priorities from the Parks and Recreation Master Plan for implementation. (Vision Strategy B3.) 5+ years**

Objectives for 2021-2022

B-4(a) The Parks and Recreation Advisory Committee, along with the Parks and Recreation Director and staff, develop a 5-year strategic plan for implementing various recommendations found in the Parks and Recreation Master Plan. (Vision Strategy B3)

B-4(b) Parks and Recreation will reactivate a foundation to provide a source of funding for parks equipment and scholarships. (Vision Strategy B3)

B-4(c) Complete a business plan to maximize the efficiency of recreational programs, operations, and facilities. (Vision Strategy B3)

B-4(d) Identify a location for developing a new soccer field. (Vision Strategy B3)

**B-5 Evaluate the implementation of a dark sky lighting plan for the City. (Vision Strategy B5) 2-5 years**

Objectives for 2021-2022

B-5(a) Determine the feasibility of utilizing the energy savings through the use of LED fixtures and more efficient placement of outdoor lighting to help expedite implementation of the dark sky street lighting system for the City. (Vision Strategy B3)

B-5 (b) Consider development of Dark Sky regulations for private outdoor lighting in the city. (Vision Strategy B5)

**B-6 Develop a long-term climate action plan for the City of Newport. (Vision Strategy B9) 2-5 years**

Objectives for 2021-2022

B-6(a) Develop educational materials and meet with heavy industrial users of water to discuss the implementation of water conservation practices. (Vision Strategy B6)

B-6(b) Implement a plastic, EPS foam reduction policy/ordinance for the City for review and possible implementation by Council. (Vision Strategy B7)

B-6(c) Refine the initial sustainability report on measure the City can implement in our day-to-day operations to reduce environmental impacts. (Vision Strategy B9)

**B-7 Develop a policy for the City's role in producing and/or providing electrical vehicle charging stations for the public and/or employee use. (Vision Strategy B8) 1 year**

Objectives for 2021-2022

B-7(a) The City administration will identify locations within the Urban Renewal Districts where URA funds would be offered to incentivize charging station development from national companies and/or local businesses for charging stations located in the Urban Renewal boundaries. (Vision Strategy B8)

B-7(b) Develop a policy requiring departments to analyze the possibility of utilizing e-vehicles or hybrids for any vehicle purchases requested in the annual budget. (Vision Strategy B8)

B-7(c) Develop a plan for purchasing and installing electric vehicle charging stations. (Vision Strategy B8)

B-7(d) Develop a policy where employees can charge electric vehicles at worksites with a monthly payroll deduction established to offset electric use by those employees. (Vision Strategy B8)

## **C. CREATING NEW BUSINESSES & JOBS**

In 2040, the Greater Newport Area collaborates to create economic opportunities and living-wage job that help keep Newport dynamic, diverse, and affordable. Our economy is balanced and sustainable, producing living-wage jobs in the trades and professions, while supporting new start-up companies and small businesses based on local talent, entrepreneurship, ideas, and resources.

### COUNCIL GOALS

**C-1 Develop opportunities for buildable lands and utilization of existing structures for creating new businesses and jobs. (Vision Strategy C9) 5+ years**

Objectives for 2021-2022

C-1(a) Update the City's commercial/industrial buildable lands inventory. (Vision Strategy C3)

C-1(b) Develop a plan for the repurposing at the South Beach URA property. (Vision Strategy C4)

**C-2 Encourage small business development for the Greater Newport Area. (Vision Strategy C9) 5+ years**

Objectives for 2021-2022

C-2(a) Modify the Newport Municipal Code eliminating restrictions for the operation of food carts. (Vision Strategy C9)

**C-3 Support business growth, development, and financial sustainability at the Airport. (Vision Strategy C4) 5+ years**

Objectives for 2021-2022

C-3(a) Evaluate the option to extend sewer services to serve the airport property. (Vision Strategy C4)

C-3(b) Evaluate development of a solar farm on Airport property. (Vision Strategy B8)

**C-4 Foster economic development at the bayfront. (Vision Strategy C1) 5+ years**

Objectives for 2021-2022

C-4(a) Explore the purchase of the NE corner of Bay Street and Bay Boulevard for a public/private redevelopment, including public parking and retain/service space. (Vision Strategy C1)

**D. LEARNING, EXPLORING, & CREATING NEW HORIZONS**

In 2040, the Greater Newport Area takes pride in our community's education, innovation, and creativity, helping all our resident learn, grow, and thrive. Our schools are appropriately funded through diverse means of support to meet the highest standards of educational achievement. Our college and university prepare students for rewarding lives and productive careers. The arts and opportunities for creative expression and learning are high quality, diverse, and available and accessible to everyone.

Council Goals

**D-1 Provide sufficient funding to support public arts. (Vision Strategy D3) 5+years**

Objectives for 2021-2022

D-1(a) Provide an annual appropriation of funding to support the acquisition of public art for the city. (Vision Strategy D3)

**E. IMPROVING COMMUNITY HEALTH & SAFETY**

In 2040, the Greater Newport Area is safe and healthy, equitable and inclusive, resilient and always prepared. We volunteer, help our neighbors, and support those in need. Our community's physical, environmental, social, and economic assets allow all of our residents, including families and children, young people, and seniors to live healthy lives and find the support

and services they require, including excellent, affordable, and accessible healthcare and childcare.

## Council Goals

### **E-1 Replace the Big Creek Dam. (Vision Strategy E5) 5+years**

#### Objectives for 2021-2022

E-1(a) Inform the Greater Newport Area of the critical need to replace the Big Creek Dams. (Vision Strategy E5)

E-1(b) Proceed with preliminary design and permitting for the replacement dam for Big Creek. (Vision Strategy E5)

E-1(c) Conduct emergency preparedness planning regarding the dam failure. (Vision Strategy E5)

E-1(d) Continue efforts at identifying funding for dam replacement. (Vision Strategy E5)

### **E-2 Continue with efforts with Listos Training. (Vision Strategy E5) 2-5 years**

#### Objectives for 2021-2022

E-2(a) Renew LISTOS training when emergency coordinator position is filled. (Vision Strategy E5)

### **E-3 Implement recommendations from the Homelessness Task Force. (Vision Strategy E7) 2-5 years**

#### Objectives for 2021-2022

E-3(a) Determine with the Council's Excise Tax Work Group whether a portion of these funds can be committed to homelessness activities. (Vision Strategy E7)

E-3(b) Determine the feasibility of developing a program using homeless individuals for litter and trash clean up in return for financial assistance. (Vision Strategy E7)

E-3(c) Participate in the Affordable Housing Partners meetings to discuss strategies on managing homelessness. (Vision Strategy E7)

E-3(d) Identify areas where campsites would be permitted in the city with portable toilets and garbage disposal. (Vision Strategy E7)

#### Objectives for 2022-2023

E-3(e) Explore the future installation of Portland loos in key locations throughout the community. (Vision Strategy E-7)

E-3(f) Request that the organized faith-based community coordinate services offered by local churches and other faith-based groups. (Vision E-7)

E-3(g) Conduct a study on the economic impact of the cost of homelessness to property owners. (Vision Strategy E-7)

E-3(h) Pursue efforts to create a more permanent overnight shelter. (Vision Strategy E-7)

E-3(i) Identify needs and advocate for financial support on health-related issues, including mental health, physical health, and drug and alcohol abuse issues for homeless populations. (Vision Strategy E-7)

E-3(j) Determine the impact of affordable housing on homelessness. (Vision Strategy E-7)

#### **E-4 Evaluate Fire Service needs for the community. (Vision Strategy E6) 2-5 years**

##### Objectives for 2021-2022

E-4(a) Evaluate the feasibility of consolidating the City Fire Department with the Rural Fire District. (Vision Strategy E6)

E-4(b) Increase the number of active Fire Department volunteers. (Vision Strategy E6)

#### **E-5 Support technology in addressing the growth and changing community Police needs. (Vision Strategy E6) 5+years**

##### Objectives for 2021-2022

E-5(a) Purchase additional radar speed signs for additional use throughout the community. (Vision Strategy E6)

#### **E-6 Enhance coordination among social services, non-profits, and local government to collaborate in all actions to guide creation of a healthier community. (Vision Strategy E4) 5+ years**

##### Objectives for 2021-2022

E-6(a) Participate in the Quarterly Community Health Improvement Plan meetings and/or the Health Integration Network meetings to discuss opportunities to collaborate with health organizations to create a healthier community. (Vision Strategy E4)

## **F. FOSTERING COLLABORATION & ENGAGEMENT**

In 2040, the Greater Newport Area's local governments and public agencies, schools and higher educational institutes, businesses, local employers, nonprofits, community groups, faith-based institutions, and residents work together as true partners in our shared future. Governments reach out to engage and listen to residents, involve them in important plans and decisions, and collaborate for a better community in a rapidly changing world.

## Council Goals

**F-1 Utilize the Greater Newport Area Vision 2040 strategies as a foundational document for ongoing public processes, planning and decision making. (Vision Strategy F2) 5+ years**

### Objectives for 2021-2022

F-1(a) Develop a plan to sustain active coordination of the Greater Newport Vision beyond the funding provided by the Ford Family Foundation.) (Vision Strategy F2)

**F-2 Collaborate with other local government entities in the Greater Newport Area (Vision Strategy F7) 5+ years**

### Objectives for 2021-2022

F-2(a) Meet jointly with the Port of Newport, annually, in a work session. (Vision Strategy F7)

**F-3 Increase involvement of younger generations in community issues. (Vision Strategy F9) 5+ years**

### Objectives for 2021-2022

F-3(a) Work collaboratively with the school district to establish a youth council. (Vision Strategy F9)

**F-4 Foster an inclusive organization and community that embraces diversity in ethnicity, race, age, gender identity, sexual orientation, self-identity, and perspectives consistent with our slogan “The Friendliest”. (Vision Strategy F-5) 5+years**

### Objectives for 2021-2022

F-4(a) The City commits conducting outreach for prospective candidates to diversity City staff as well as membership on City committees, boards, and panels to ensure that all community voices are represented in discussions in City policies.

F-4(b) The City will support and seek out opportunities to collaborate with local partner organizations on cultural programming by collaborating on these programs during the fiscal year.

F-4(c) The City commits to develop and publicize a process to address complaints of bias or discrimination relating to the City of Newport. The City commits to develop a specific protocol, or set of protocols, to investigate and respond to grievances with the goal of eliminating systemic bias within our organization.

## G. OTHER ORGANIZATIONAL ISSUES

As part of the goal setting process, the City Council establishes goals that do not fall directly in line with specific Vision Strategies. The goals are specific to the operational issues for the City of Newport.

### Council Goals

#### **G-1 Address long-term financial sustainability planning for the City of Newport. 2-5 years**

##### Objectives for 2021-2022

G-1(a) Review the Five-Year Financial Sustainability Plan as part of the 2022-2023 Preliminary Budget Committee Meeting.

#### **G-2 Implement purchasing procedures to reduce costs and improve accountability and transparency of these expenditures. 1 year**

##### 2021-2022 Objectives

G-2(a) Complete and implement a new purchasing policy for the City including the use of purchase orders to help control City costs beginning with the July 1, 2021 Fiscal Year.

G-2(b) Examine opportunities to consolidate purchases that are currently done on a department-by- department basis to reduce overall costs for those purchases. The City administration needs to be mindful that any new processes to centralized these activities have time and expenses in themselves. It will be important to determine the cost benefit of those specific actions. A report will be provided to the City Council by December 31, 2021 on these efforts.

#### **G-3 Improve methods for revenue collection. 2-5 years**

##### 2021-2022 Objectives

G-3(a) Implement procedures to improve the collection of miscellaneous fees, fines and other revenues that help support various City services. A report will be provided to the City Council on programs in November 2021.

G-3(b) Implement a centralized process of monitoring leases and provisions within those leases, expiration of leases, and other activities that need to be done on a consolidated basis. This will be completed by December 2021.

G-3(c) Develop a routine practice to regularly place liens on properties for unpaid property-related bills. This is to be implemented by December 2021.

G-3(d) Evaluate new collection procedures with the goal reducing uncollectable accounts considering the costs and benefit of the procedure with a report being provided to the Council by March 2022.

**G-4 Provide sustainable sources of revenue to support city services and maintain city facilities. 2-5 years**

2021-2022 Objectives

G-4(a) Increase, by ordinance, the transient room tax by ordinance from 9.5% to 12% and identify how these funds will be specifically used to address the structural deficit currently existing with the City of Newport.

G-4(b) Place before the voters at the November election, an increase in the gas tax to five cents a gallon to fund a more robust road resurfacing program, and potentially assume responsibilities for right-of-way tree removal and brush maintenance from individual property owners.

G-4(c) Place before the voters a proposal to implement a 5% tax on prepared foods which would be implemented beginning July 1, 2022. Develop a clear plan as to how these funds will be utilized as part of this initiative.

**G-5 Continue to expand access to city services through the use of technology. 5+years**

2021-2022 Objectives

G-5(a) Take necessary steps to provide public access to specific components of the City's GIS system.

## H. ADDITIONAL IDEAS NOT PRIORITIZED

During the February 22, 2021, Goal Setting session, the Council generated a number of ideas that were categorized as part of the goal setting process. These ideas are included for information purposes, and were in addition to the approximately 100 draft goals and objectives that served as a starting point for developing the priorities for the 2021-2022 Fiscal Year. Please note, that the number in parentheses are the number of times individual Council members prioritized that particular item as part of goal prioritization. If an item had three or more Council members supporting that as a priority, it has been included as a goal or objective in the previous section of the report. The balance of the ideas is included in this report for informational purposes only.

New ideas were generated at the February 22, 2021 Council Goal meeting. Items in bold have been included as a goal and/or objective:

### A. ENHANCING A LIVABLE REGION

- **Create a pedestrian crossing with lights at the intersection of Highway 20 and Eads Street. (4)**
- Repair and relocate "The Ambassador" to City Hall property. (1)
- Conduct master planning for infrastructure/utilities and update every five years. (1)
- Coordinate art deco theme for downtown core including design standards.



- Conduct a city-wide citizen survey.
- Mill and repave SE Moore Drive.
- Work with Lincoln County Transit on scheduling for better use of the transit system by the local workforce.
- Strengthen the process for placement of tiny homes at the Presbyterian church.
- Pursue bike-ped trail development from lighthouse to lighthouse.
- Create a children’s playground area on the east side of Highway 101 for near Surf View Village Apartments.
- Explore the use of a trolley to move people from Nye Beach to downtown and the bayfront.
- Replace the clock tower at its original location.
- Place public murals on PUD utility boxes.
- Improve the citizen’s pothole reporting website and hotline with information as to when the hole is repaired.
- Right turn lane only on NE 20<sup>th</sup> Street and Highway 101.
- Purchase more permanent speed measuring signs at locations such as Oceanview Drive and school zones.

#### B. PRESERVING & ENJOYING OUR ENVIRONMENT

- **Identify a location for a community soccer field. (3)**
- Add additional off-leash dog parks. (2)
- Expand recreational opportunities for under-served populations. (1)
- Expand pollinator boxes in community garden sites. (1)
- Create more green areas within the city.
- Conduct the parking meter rollout in 2022.
- Like the Yaquina Bay Bridge create requirements for green spaces and new developments.
- Develop and “I love Newport” sign at the Nye Beach turnaround in the wire fence at the beach access.
- Provide a map of community gardens and offer opportunities to sign up for reserving a spot on the city’s website.
- Expand hours for a full-time city landscaper.
- Maintain weed-free sidewalks and road edges.
- Fix gutter at the back of Council Chambers.

#### C. CREATING NEW BUSINESSES & JOBS

- **Evaluate the potential of building sewer to the airport. (4)**
- **Explore the purchase of the cheese factory on the bayfront for parking and commercial development. (3)**
- **Pursue the research on an airport solar farm. (3)**
- Create an aggressive marketing plan for the city center renewal. (1)
- Survey downtown business owners on their plans for the use of their properties. (1)

- Create a city youth work volunteer group through Parks and Recreation.
- Hire a business marketing consultant to maximize opportunities for airport operations.
- Establish a goal for the airport to be more financially self-sufficient.
- Provide better community information as to the benefits and value of the airport to the taxpayers of Newport.
- Bring commercial air service back to Newport.
- Develop housing and commercial uses at the Lincoln County Commons/old animal shelter site.

#### D. LEARNING, EXPLORING, & CREATING NEW HORIZONS

- Continue efforts at disaster preparedness in the community. (1)
- Improve the wayfinding system in Newport. (1)
- Develop social media presence.
- Work to make the city's website accessible for all. (translation, large print, audio)
- Assess city for WI-FI availability to all areas.
- Support and help fund the restoration of the clay and ceramic studio at the Visual Arts Center.
- Replace the Oregon flag in front of City Hall.

#### E. IMPROVING COMMUNITY HEALTH & SAFETY

- Develop a conservation water plan in case of emergencies. (2)
- Create a Health and All Actions City Advisory Committee. (2)
- Add back Police positions. (2)
- Utilize natural and environmentally safer chemicals and cleaners and lubricants. (1)
- Establish a beach wheelchair rental. (1)
- Create a Botche Ball Courts. (1)
- Develop a plan to purchase the water shed. (1)
- Hold a celebration for the community when COVID-19 is over. (1)
- Revamp emergency supply caches city-wide. (1)
- Buy a mastic pothole patch/cracked-ceiling machine.
- Look for properties for new Fire and Police stations.
- Purchase kayaks for the Fire Department.
- Leverage purchase of fire boat for bayfront.

#### F. FOSTERING COLLABORATION & ENGAGEMENT

- Engage the Nazarene Church regarding the potential use of their unfinished building as a homeless outreach center.
- Encourage City staff to report maintenance issues when they see these when they are out and about. (potholes, trash, etc.)
- Live caption City Council meetings.

G. OTHER ORGANIZATIONAL ISSUES

- **Provide public access to the city's GIS system. (3)**
- Conduct a municipal equality index. (2)
- Replace Council iPads with bigger-screen technology. (1)
- Hire and train new staff before retirements occur. (1)
- Create an assistant city manager position.
- Increase percent of e-pay users through incentives.

## 60+ Activity Center

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
13	Assist local seniors in mitigating the negative impact of COVID-10 and social Distancing	Ongoing		349 361	Provide area seniors with internet connections and internet enabled devices Attain funding to purchase at least seven hot spots and iPads for seniors
14	Expand technical knowledge and access to virtual programming and resources among the 60+ Community	Ongoing		F4 350 351 352 353 354 355	Research current options for virtual programming meant to encourage social participation among seniors Cultivate community resources that support seniors well being during social distancing/isolation through research and feedback from partners. Conduct training programs for usage of hot spot and iPads Expand 60+s catalog of virtual programming and web-based content Offer at least 12 session on how to ZOOM Develop recommendations for enhancing social participation while using virtual programs for those who do not feel comfortable returning to in-person activities.
15	Connect homebound seniors with resources, social outlets and aid.	Ongoing		362 363 364	Continue to educate to provide homebound seniors with basic needs during the COVID-19 pandemic. Continue to promote the Friendship Brigade phone list Publicize available resources such as Meals on Wheels though PSAA, ads in local media, flyers, social media, email blast, phone calls and mailings.
16	Build Back Better	Ongoing	1. Increase member and volunteer numbers 2. Develop recommendations for the 60+ Activity Center to help support senior reintegration into the community when social distancing restrictions are no longer necessary 3.	367 368 388	Use promotion of expanded virtual programming, new trainings and other COVID-related outreach as an opportunity to recruit new member and volunteers. Increase number of volunteers and volunteer opportunities by establishing three new specific volunteer opportunities. Create new opportunities for intergeneration programming. Partner with Centro de Ayuda to provide programming that targets local Latnix communities and includes Spanish translation.

## Airport

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
2	Air service - Developing Rural Air service working with the State of Oregon Department of Aviation	Ongoing	2. Air service - Developing Rural Air service working with the State of Oregon Department of Aviation.	A3 A8 A13 C4 C8 C9 C13 F4	309 514 working with airport committee to identify long term funding for air service. Reach out to small rural air carries if any might be interested in service.
3	Hangars - Explore ways of development of Hangars	Ongoing	3. Hangars - Explore ways of development of Hangars	A1 A6 A13 A14 A16 C4 C9	469 515 working with tenants through building process. completion of building two hangars.
4	Marketing - Come up with marketing strategies to promote more aircraft flying to Newport	Ongoing	4. Marketing - Come up with marketing strategies to promote more aircraft flying to Newport.	C6 C14	472 Work with airport committee for marketing of airfield for land leases and expanding market reach to GA pilots to visit Newport.
6	Maintenance - Maintaining the airfield to FAA grant assurance standards	Ongoing	6. Maintenance - Maintaining the airfield to FAA grant assurance standards.	A1 C4 F6	483 516 identify areas of of the field for grading and smoothing. Work with U.S.N.G to join the government IRT program. To use areas of airfield for training of local engineering unit.
9	FAA AIP grants - Finish Land Acquisition south of runway 34 Start Environmental Assessment for airport 38 pipe lining Pre-design for 38 pipe lining	Ongoing	1. FAA AIP grants - Finish Land Acquisition south of runway 34. Start Environmental Assessment for airport 38 pipe lining Pre-design for 38 pipe lining.	A1 A16 B1 B6 C4 E5	493 completion of storm pipe rehabilitation FAA AIP project.
17	Business - Market areas inside and outside the fence for business park development	Ongoing	3. Business - Market areas inside and outside the fence for business park development.	A6 A13 A14 C3 C4 C8 C9	503 work with community development director for urban renewal funds.

## City Manager's Office

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
17	Develop Inclusive Outreach Materials	Ongoing		F4 F5	46 Develop bilingual (English and Spanish) documents utilized regularly by the CRO, including special event permit applications, committee applications
18	Continue Expanding Transparency and Communication	Ongoing	Staff is currently handling the majority of public records requests electronically. Due to the limited number of public records requests the city receives, specific software to accept and track public records requests is outside the budget at this time.	F5	47 Develop a system for submitting public records requests electronically to allow ease for consumers and staff in tracking requests.
19	Continue City-Wide Beautification	Ongoing	The Ad-Hoc Beautification Committee continues to meet occasionally. With the city's Landscaping Technician, the north side of the PAC was identified as a major landscaping project this past year. This work was completed, and due to reduced funding, the Landscaping Technician is working with the Parks and Public Works Departments, when available, on additional PAC landscaping efforts.	A4	49 Continue working with the city's Landscaping Technician and the Ad-Hoc Beautification Committee on identifying at least one major landscaping project annually. 50 Continue promoting the use of climate appropriate landscaping in public areas. 528 Addition of bee pollinator gardens. 529 Develop volunteer corps to assist in minor landscaping projects.
20	Create a Plan to Assist in the Access to Healthy Food	Ongoing		E12	51 Work with appropriate city staff to determine the location(s) of official community garden(s) to assist citizens in urban farming and the provision of healthy food. 534 Work with appropriate staff on processes and procedures for community garden(s).
21	Refine Processes and Procedures	Ongoing		F6	532 Complete work on a citywide policy manual (excluding human resources and departmental policy manuals). 533 Develop, in coordination with other staff, templates for commonly used documents, i.e., agreements, ordinances, resolutions, etc.

## Community Development

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
50	Update the Newport Transportation System Plan (Joint City/ODOT Project).	Current FY		A3 A10 A11 A15 A16 F4 389	Complete Transportation System Plan Adoption Process.
51	Establish a set of land use regulations and incentives to complement the Transportation System Plan update and facilitate revitalization of the US 101 / 20 corridors, including the City Center area.	2-5 Years		A3 A4 A5 A6 F4 255 429	Meet once a year with the advisory committee of the Bike & Ped on issues of joint concern Coordinate with funding partners to get consultants under contract and initiate project.
52	Develop a Refinement Plan for South Beach Commercial / Industrial areas to inform the South Beach urban renewal districts final project phase.	Current FY		A1 A3 259 260	Plan a City Tree Board training meeting Amend South Beach Urban Renewal Plan to reflect agreed upon changes.
53	Implement Parking Study recommendations adopted by the City Council.	2-5 Years		A14 C1 C8 261	Recruit and empanel a Parking Advisory Committee to provide recommendations to policymakers and staff regarding city parking policy and programs. 262 Initiate refinements to the Historic Nye Beach Design Review Overlay, as needed. 263 Prepare a Request for Proposals for installation of meters and related improvements (target spring 2021 for implementation). 264 Develop draft ordinance changes to lift Bayfront off-street parking standards that serve as an impediment to development/redevelopment (to be implemented concurrent with metering). 430 Initiate discussions with Nye Beach businesses on alternatives for managing parking in a sustainable manner.
54	Facilitate Provision of Additional Housing Opportunities within the City	Ongoing		A2 A6 A7 265	Incorporate "skinny" public street options into subdivision and zoning ordinances to reduce costs that may be an impediment to development. 266 Adjust exaction requirements to ensure they are equitable, particularly for small scale residential projects. 267 Initiate refinements to the Historic Nye Beach Design Review Overlay, as needed. 269 Assist policy-makers in identifying a location and, in the permitting of, an overnight homeless shelter.
57	Partner with DOGAMI and DLCD on Tsunami Resiliency Initiatives	Current FY		A13 E5 F4 445	Complete the beach access assessments and utilize results to secure funding to implement recommended improvements.
58	Initiate work on HB 2003 Mandated Housing Needs and Buildable Lands Update	2-5 Years		A2 A7 A9 A14 F4 446	Prepare a scope of work, outreach plan, budget, and schedule in consultation with DLCD to confirm that the project will adequately address HB 2003 requirements. 447 Secure state technical assistance grant funds to hire a consultant(s) to help with plan preparation and outreach. 448 Develop an RFP, select a consultant(s) through a competitive review process, and initiate work on the project.
59	Support Development of STR Ordinance Implementation Work	Current FY		A8 A9 F1 F4 449	Assist Work Group in understanding how City Administration implements ordinance implementation through the summer of 2021 via a series of quarterly meetings.

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
	Group Recommendations				450 Provide the Work Group with requested information and options for addressing identified issues. 451 Develop ordinance amendments or potential administrative procedural changes at the request of the Work Group for presentation to the City Council.
60	Assist BLM and FHWA on Lighthouse Drive Transportation Study	2-5 Years		A10 A11 B2 F4	452 Assist BLM, FHWA, ODOT, and consulting team with development of study, including background data and recommendations from Newport TSP Update and public outreach. 453 Provide feedback to BLM/FHWA regarding community priorities for infrastructure investment and incorporate recommendations as an amendment to the Newport TSP. 454 Work in consultation with BLM to develop a grant application to secure a Federal Lands Access Program grant to fund needed improvements.
61	Facilitate Acquisition of Additional Land in Big Creek Watershed	2-5 Years		A13 B1 B6	455 Coordinate with Central Lincoln PUD on valuation of the easement, including contributory value of the timber, and other steps outlined in the Council adopted MOU to complete the easement transaction. 456 Contact ownership interests within the watershed to ascertain interest in participating in land sales and/or exchanges. 457 Consult with OCCFA and Sustainable Northwest and prepare application to secure USDA, OWEB or other grant funds to supplement city resources for land acquisition.
62	Yaquina Bay Estuary Management Plan Update	2-5 Years		B6 C1 C5 F4 F7	458 Participate on taskforce to update the plan, providing technical expertise and background data relevant to portions of the estuary within the city limits of Newport. 459 Conduct work sessions with City policy-making bodies to keep them informed of the proposed amendments, and assist DLCD with public outreach. 460 Initiate updates to the estuary management chapter of the Newport Comprehensive Plan and Corresponding chapter of the zoning ordinance.
63	Update Newport Unsafe Building Codes	Current FY		E5	461 Coordinate with Police Departments Code Enforcement staff and State Building Codes Division to develop draft amendments. 462 Conduct work sessions with policymakers to review amendments and update based upon feedback. 463 Initiate ordinance amendment process.



## Disaster Preparedness

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives	
13	Ensure continuity of the City's Emergency Preparedness Program	Ongoing		E5	153 Complete hiring process and make a hiring decision 155 Conduct a thorough and systematic evaluation process for new employee 155 Provide oversight and support to ensure success of new Emergency Preparedness Coordinator.	154
14	Build upon the successes of our outreach to the Latino Community	Ongoing		D8 E5	156 Utilize grant funding to expand the LISTOS Program Find a champion in the Latino Community to help coordinate efforts Host 2 LISTOS Classes, and One Spanish Language CERT Class	157 158
16	Move the City forward toward greater preparedness and resiliency.	Ongoing			540 Have new coordinator conduct preparedness survey of all relevant City Departments by end of FY 21/22 543 Have new Coordinator perform an assessment of exercise and training needs for City staff by end of FY 21/22 545 Have new Coordinator perform an inventory and needs assessment of all City Disaster supplies by end of FY 21/22	

## Finance

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
12	Implement an Audit Program for Room Tax Collections	Ongoing	F1	232 233	Develop the scope of the room tax audit program with the Audit Committee. Present a report and recommendations to Council.
13	Implement a Citywide Procurement and Purchasing System using Caselle	Ongoing	F1	237 238	Complete the Roll out of the PO system by end of calendar year end 2022 Present a report to Council if necessary
14	Create and implement GFOA Recommended Financial Polices	Ongoing	F1	242	Continue creating recommended polices, minimum of three

## Fire Department

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
21	Merge or Consolidate with Newport Rural Fire Protection District	2-5 Years		E6 F7 145 347 348	Review results and make a presentation to Council with options and recommendations. Complete feasibility study Objective Complete a 190 IGA with the Fire District.
22	Obtain new pumper	Ongoing		E6 148 149 535	Sign agreement with apparatus manufacturer Place new apparatus into service and surplus old unit Work with neighboring agencies to develop a common set of specifications to make working with each other easier and more efficient.
24	Keep Fire Department Staffing full with pending retirements	Current FY	To keep our staffing levels up with potential near term retirements, we need to anticipate openings and be in the process of hiring before the position becomes vacant.	537 538 539	To keep the hiring process to a minimum, we must have all elements of the Firefighter hiring process completed and vetted by HR before the need to post. Work with HR to develop timely yet realistic hiring timelines for all anticipated opening. Develop a Fire Engineer hiring process that is complete and has been vetted by HR before an opening arises.

## Human Resources

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
15	Implement a Revised Employee Handbook	Current FY			53 Calendar meetings with City Manager through August 2020 to complete review of the remaining handbook sections 54 Incorporate City Manager changes and complete formatting Forward to Department Heads, Union, and CIS for final review and feedback Review feedback - incorporate changes where appropriate handbook and formatting (management, employee, and volunteer) online 60 Compile volunteer packets 61 Load handbook on SafePersonnel for all employee distribution Communicate rollout and distribute handbook to employees signed acknowledgement forms from all employees
					55 56 Finalize 57 58 Develop rollout communications 59 Print hard copies and place 62 Obtain
16	Implement Cultural Competency Audit/Results/ Action Plan (Internal focus)	Ongoing	F5		64 Phase I - Compile employee survey results objectives based on survey results 67 Determine resources needed for rollout of action plan(s) Develop rollout timeline 70 Implementation begins
					65 Determine Develop action plan(s) 68 69 Develop rollout communications
17	Implement a Revised Citywide Performance Management Process	Ongoing			80 Phase I - Design and Process for all positions that are critical for the organizations success Determine performance standards for rating scale for competencies Develop review format for management and non-management staff Phase II - Implementation 86 Train management staff on new process and forms Implement feedback from management
					81 Determine competencies 82 83 84 85 Present draft process/procedures 87 88 Finalize forms and procedures
18	Implement a Revised Safety Handbook	Ongoing			111 Calendar meetings with Safety Officer through August 2020 to complete review of the draft handbook sections 112 Finalize handbook (management, employee, and volunteer) online 115 Load handbook on SafePersonnel for all employee distribution 116 Communicate rollout and distribute handbook to employees Obtain signed acknowledgement forms from all employees
					113 Develop rollout communications 114 Print hard copies and place
19	Train New Safety Officer	Ongoing			118 Confirm hire for Safety Officer position Officer on training and development System - terminated. Intergovernmental agreement with the State for the administration of Room Tax Collection and auditing. 123 Meet monthly to review status of goals and objectives
					119 Onboard Safety 120 Meet with Safety Officer weekly for first 30-60 days to confer 121 Review and approve City Purchasing 122 Investigate and possibly engage via an
20	Implement a Revised Citywide Safety Program	Ongoing			124 Phase I - Design and Process of the safety program need to be developed to support the program
					125 Determine components 126 Determine what forms and process/procedures 127 Develop forms, policies,

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
-------	------------	-----------	-----------	------------------	------------

			procedures 129	Train management staff on new process and forms	128 Phase II - Implementation
--	--	--	-------------------	---	----------------------------------

## Information Technology

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
22	Customer Service	Ongoing	A workforce that possesses relevant skill sets, provides innovative IT solutions and works collaboratively to support organizational demands.	F1 464 581 582	Improve website accessibility level to AA standards Add two wide-range public Wi-Fi access points to city buildings. Provide three tech-talks throughout the year
23	Innovative Technology	Ongoing	Transform the City of Newport workplace by enabling end user capabilities through access to data and services anywhere and anytime.	7	Optimize the end user experience with data, access, and services, providing cost efficiencies and workforce productivity. 89 Implement workflow 90 Advance the implementation of the City of Newport information sharing environment by developing highly-available, automated systems. 91 Enable secure end-to-end delivery of mobile solutions that enhance enterprise-wide mobile computing capabilities for successful mission outcomes.
24	Connectivity	Ongoing	Deliver a strong, connected and resilient network.	92	Develop Network modernization plans 97 Cloud Smart assessment Resilience 530 Business connectivity 583 Provide fully-redundant internet uptime over the year Achieve greater than 95%
25	Cybersecurity	Ongoing	Protect City of Newport networks, systems, functions and data. Continuously mature the City of Newport cybersecurity posture.	105	Implement cyber defense measures 106 Assessment of data security 108 107 Mobile device security Cybersecurity standards

# Library

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
6	Customize programs and services for our Latinx population	Ongoing	A1 A4 A13 A18 B6 C3 C6 C7 C8 C9 C10 D2 D3 D6 D8 D9 D10 D11 D12 E4 E5 E7 E8 E13 F1 F2 F3 F4 F5 F6 F7 F8 F9 F10 F11	212 Recruit, hire and appropriately deploy Spanish-speaking staff 214 Establish a staff liaison and library project team to collaborate with community and literacy agencies, English as a Second Language provides, the school district, and tutors to track collaborative efforts. 221 Increase Spanish-Language and bilingual collections for the Library by 5%. 222 Develop programming targeting our Latinx community. We will have 4 Latinx Programs this year. 223 Conduct Oregon Library Association EDI Antiracism Public Library Division (PLD) Toolkit Training and other staff training 224 Create a Spanish-language version of the NPL website, translate press releases, library signage, marketing materials, and library policies. We are aiming to have 30% of our library publicity translated into Spanish in FY21-22. 225 Establish consistent bilingual signage throughout the library at the service points, on the library shelf ends, signage throughout the library. 226 Incorporate culturally appropriate elements in the library facilities 227 Cultivate partnerships with schools, colleges, literacy agencies, and other relevant organizations to coordinate adult literacy tutoring and ESL classes. 228 Cultivate partnerships for adult literacy and ESL instruction, space sharing, and off-site programming and services.	212 Recruit, hire and appropriately deploy Spanish-speaking staff 214 Establish a staff liaison and library project team to collaborate with community and literacy agencies, English as a Second Language provides, the school district, and tutors to track collaborative efforts. 221 Increase Spanish-Language and bilingual collections for the Library by 5%. 222 Develop programming targeting our Latinx community. We will have 4 Latinx Programs this year. 223 Conduct Oregon Library Association EDI Antiracism Public Library Division (PLD) Toolkit Training and other staff training 224 Create a Spanish-language version of the NPL website, translate press releases, library signage, marketing materials, and library policies. We are aiming to have 30% of our library publicity translated into Spanish in FY21-22. 225 Establish consistent bilingual signage throughout the library at the service points, on the library shelf ends, signage throughout the library. 226 Incorporate culturally appropriate elements in the library facilities 227 Cultivate partnerships with schools, colleges, literacy agencies, and other relevant organizations to coordinate adult literacy tutoring and ESL classes. 228 Cultivate partnerships for adult literacy and ESL instruction, space sharing, and off-site programming and services.
7	Increase	Ongoing	A1 A18 C3 C8 C9 D2 D8 D9 D10 D11 E4 E7 F3 F4 F7		341 Add 11 mobile hotspots to

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
	access to Technology Resources to the Community				<p>the existing mobile hotspot program in FY21-22.</p> <p>342 Add 5 laptops to the library collection for library cardholders to check out</p> <p>343 Add 5 tablet devices to the library collection for library cardholders to check out</p> <p>345 Library will provide 1 Tech Talk Program per quarter for educational instruction</p> <p>346 Library will provide a pop-up outreach program in the community 6 times throughout the year for Wi-Fi access, access to library materials, and ask a librarian tech questions.</p>



## Parks and Recreation

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
21	Rebuild and expand department services, programs, classes, events, and activities.	Ongoing	E13 F4 F6 F8 F9 F10	271 402 403 404 405	ADMIN - Develop a Parks & Recreation Department Marketing Plan ALL - Return programs and services to pre-COVID levels. AQUATICS & REC - Implement the new Independent Contractor/Specialty Instructor Policy to assist and expand community programs & services AQUATICS - Implement 3 new family-oriented special events PARKS - Promote, utilize, and implement a community volunteer program to assist with beautification of the Park System.
				417	ADMIN, REC CENTER, AQUATICS - Evaluate, improve, and implement upon the existing scholarship program and policy
22	Begin implementation of the Park Master Plan	Ongoing	A3 A4 A11 A12 B2 B3 B4 E13 F7 F8 F9 F10 F11	273 274 275 276 407	ADMIN - Educate staff, community, and stakeholders about the Park Master Plan. ADMIN, PARKS - Identify partnerships and funding sources. ADMIN, PARKS - Implement the tracking system for project progression. ADMIN, PARKS - Identify and implement achievable projects for FY21-22. ADMIN - Develop a community garden policy.
23	Reduce environmental impact through department facilities, operations, and programs and activities.	Ongoing	A1 B3 B5 B8 B9 C10 F7 F8 F9 F10 F11	277 278 279 280 281	ALL - Evaluate each facility's current infrastructure and operations to identify where improvements can be made. ALL - Implement 3 environmental action items within each Parks and Recreation facility related to operations. Explore the viability of an Aquatic Center UV system ADMIN, PARKS, REC CENTER - Support the Bee City and Tree City Programs through obtaining a Growth Award in 2021. ADMIN, REC CENTER, PARKS - Identify and partner with 3 organizations to provide community education programs through the Recreation Center and Parks Maintenance.
24	Improve safety, security, and operational function of all department facilities to enhance a livable region.	Ongoing	A1 B3	282 283 408 409 410	AQUATICS, REC CENTER, 60+ - Complete and implement a facility maintenance plan for all 3 facilities ADMIN, PARKS - Secure and implement a new lighting system and ballfield upgrades at Betty Wheeler Park. REC CENTER - Complete installation of side and rear entry doors and locking system. PARKS - Complete and implement a park maintenance plan. REC CENTER - Complete the modification of the emergency action plan to include the COVID-19 guidelines.
25	Develop a comprehensive Equity, Diversity, and Inclusion Plan	Ongoing	A1 A16 F5 F6 F7 F8 F9 F10	287 288 413 416	ADMIN - Consult with stakeholders and organizations for assistance and community engagement. ALL - Evaluate existing programs and activities to ensure inclusivity. ADMIN - Develop an outline for the plan utilizing the information gathered from community meetings and facility/program evaluations ALL - Expand the online registration process to make more accessible for the LatinX community.
26	Evaluate the	Ongoing	F1 F2 F3 F4	290	ADMIN - Complete a SWOT analysis of the departments current position to identify what is

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
	department to build a strong and cohesive organization				<p>working and what needs improvement 291</p> <p>ALL - Engage staff and volunteers in identifying priorities and future needs through regular training and teambuilding opportunities. 414</p> <p>ADMIN - Evaluate the departments organizational structure and implement any necessary restructuring changes</p>

# Police Department

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
32	Improve Department diversity and community outreach	Current FY	E6	518 519 bilingual commonly used forms include adopted de-escalation and duty to intervene standards.	Work with newly formed Police Advisory Committee to conduct two outreach events. Conduct community survey. 525 524 Identify needs Update Field Training Manual to
33	Conduct 2-3 pedestrian/vehicle safety events	Current FY	E6	137 138 139 140	Publish media event, detailing the pedestrian/vehicle safety operation Utilize traffic safety grant to conduct 1 spring event and 1 summer event annually for pedestrian safety Utilize traffic safety grant to conduct 2 high visibility DUII enforcement operations. Utilize traffic safety grant to conduct 2 distracted driving enforcement operations.
35	Maintain Police Certification Requirements	Current FY	E6	520 staff receive 3 hours ethics training annually advanced supervision training. hours de-escalation training.	All officers receive 8 hours force response 522 526 521 All Supervisors receive 8 hours All officers receive 4
36	Update E-ticketing Printing Technology	Current FY	E6	523	Purchase 10 e-ticketing printers

## Public Works

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives		
35	Zero Sanitary Sewer Overflows Throughout City	Ongoing	Sanitary sewer discharges are happening throughout our system. The majority of spills are due to aging infrastructure.	541	Replace broken sanitary sewer collections piping	542	
					Establish state enforced point of compliance for wastewater effluent at our Wastewater Treatment Plant instead of our existing permit at the Northside Pump Station.	544	Create
				546	Improve the northside pump station	577	
					Create preventative maintenance standard operating procedure checklists for our collections crew		
36	Provide Resilient Water Supply and Distribution to Residents	Ongoing	Increase our water systems resiliency through a multitude of means that create a stable community over the long term.	547	Design and build a replacement Dam on Big Creek.		
				548	Execute flushing of all City distribution piping	549	
					Install resilient HDPE transmission main through City as seismic proof backbone of the City's water system		
				550	Install master meter for underbay crossing	551	
					Inspect underbay crossing	552	Construct redundant
					underbay crossing	553	Remodel SE 40th St pump station
					for generator enclosure	567	Implement tank cleaning
					program where every City water storage tank gets cleaned and inspected annually.		
				568	Integration of all major distribution system appurtenances onto SCADA monitoring		
				569	Maintain raw water pipeline access for entire pipeline.		
571	Cathodic Protection training for water treatment staff. Training will remove our required contracted cathodic inspection labor on a regular basis.						
37	Increase Public Works Operations Employment	Ongoing	Over the Past five years, Public works has had a large number of employment vacancies. We need to attract and keep a skilled work force to run the City.	554	Develop an effective plan to attract future employees.		
				555	Review divisions of public works for areas overburdened with high overtime hours and expand public work force due to the aging system needing more and more maintenance.	566	
					Create crossover training program for utility workers to be able to assist other divisions when others are short staffed or in case of emergency.		
38	Improve Public Works - Shops Workplace Environment	Ongoing	Public Works needs a workplace environment where people enjoy coming to work.	556	Create teambuilding plan for crews to learn to depend on each other and work together as a team.		
				557	Implement debriefing meetings with senior utility workers on a weekly basis to address in-progress incident status, review of work done, personnel deployment strategies, etc, and effectively manage incident response and maintenance quality and timeliness	558	Create new hire training process for
					specific in-house services and specific work that is required per each division. (e.g. equipment use, maintenance, cleaning, work place etiquette)	559	Implement a conflict resolution
					process where decisions can be made in a collaborative manner.		560
					Create safety and collaborative work incentive program		561
41	Engineering Department Efficiency	Ongoing	Bring the Engineering Department into the 21st Century	572	Publish City of Newport Engineering Design and Construction Guidelines and Standards		
				573	Develop a program for recording and updating City GIS System with all City Improvements, whether they are by public works staff, private ROW permitted work, Capital projects, or developers. All work shall be documented recorded and archived with		

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
				reference links to our GIS database interdepartmental document tracking system. We need to expedite processing documents through different departments without getting held up or lost in the process.	574 Create digital 575 Centralize and
				digitalize all Public Works documents. We have archives at the WWTP, WTP, City Shops and Engineering Department. We have digitalized documents in the Engineering Department but need to compile all available resources.	
				576 Process easements for all City utilities crossing private property.	
42	New Goal	Ongoing			
43	City Facility Resiliency	Ongoing	Creating resilient public works department and City facilities	579 Seismic resiliency of all City buildings Facility services integration into the CMMS program	580

## 60+ Activity Center Advisory Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
1	Partnering with Samaritan Health Services and Department of Public Health to promote electronic health inquiry and provide information to patients about local evidenced based programs.	2-5 Years		E1 E4	322 Add one more additional evidenced based program to what is being offered. 323 Identify other Parks and Recreation Departments to partner with in the State of Oregon to offer evidenced based programs. 324 Create presentation to be provided to other Oregon Parks and Recreation departments about lessons learned from Samaritan/NPRA/60+ partnership.
3	60+ Center will continue to meet the needs of the growing aging population. (Focusing on physical structure)	5+ Years		A13	127 Review Evaluation Plan. 325 Identify and contact new stakeholders and new partners within the community. 326 Obtain funding to: Option 1: Increase the size of the current physical building, or... Option 2: Purchase land to build a new building, or... Option 3: Purchase an existing building and complete a remodel
5	Seek out opportunities to increase diversity, equity and inclusion for the 60+ community	2-5 Years		F5	327 Develop a strategy to identify bilingual/multicultural volunteers. 328 Create collateral material in both English and Spanish. 329 Identify outreach strategies to underserved community members, including low income families, the homeless and indigenous tribes.
24	Create a 60+ volunteer driving program	Ongoing		A17	330 Explore the viability of a 60+ directed volunteer transportation program 331 Assist 60+ Center Friends Association in applying for a grant to purchase a van. 332 Create a policy manual for volunteer drivers.
25	Form a workgroup to focus on 60+ Activity Center policies and procedures.	Current FY			333 Identify workgroup members. 334 Review all current 60+ Activity Center policies and procedures. 335 Update and replace current 60+ Activity Center policies and procedures as necessary. 336 Create a manual specifically for 60+ Activity Center policies and procedures.

## Airport Advisory Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
1	Continue Airport Improvements	Ongoing	C4	99	Begin discussions with the Oregon National Guard regarding the relocation of its Newport facility to the airport.
				96	Create a water distribution plan to increase fire flow rates at the airport.
					Determine the cost of building hangars, and develop a fact sheet with cost estimates by identifying what the city can do to assist hangar builders.
				94	Encourage commercial/industrial development of airport property by finalizing the listing agreement with Alan Wells.
				93	Create a list of objectives that would reduce the overhead cost for air service
				98	Identify locations for future parking lots
					Small Community Air Service Development Program application
					the Community Development Department in outreach to properties adjacent to the airport for discussions on sewer services
	302	Develop a map that identifies future sites for fire hydrants and illustrates 8-inch waterlines on the airport property to encourage industrial development at the airport			
		303	Research locations for additional signage at the airport		
		304	Assist in the completion of a new animal shelter at the airport		
		300	Complete the		
		301	Assist		
2	Increase Use of Renewable Energy	Ongoing	A1 C4	100	Research the possibility of a solar farm located at the airport.
15	Increase Beautification at the Airport	Ongoing	A4	305	Create a list of areas for potential beautification on the airport property

## Audit Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
1	Continue issuance of a Comprehensive Annual Financial Reports (CAFR) for the fiscal year audits	Ongoing		119 audits	Continue issuance of a Comprehensive Annual Financial Reports (CAFR) for the fiscal year
2	Develop and document internal controls with continuous review	Ongoing		286	Review and approve internal controls - annually.
3	Develop a Purchasing System	Ongoing		121	Per Audit Committee - Purchasing system to be developed by City Staff.
4	Room Tax Auditing Program	Ongoing		122	Investigate and possibly engage via an Intergovernmental Agreement with State of Oregon to administer the Room Tax program, includes filing enforcement, collections, and auditing.
5	Develop a Popular Annual Financial Report (PAFR)	Ongoing		123	Develop a Popular Annual Financial Report (PAFR)



## Bicycle and Pedestrian Advisory Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
31	An Informed City Council Regarding Active Transportation	Ongoing	Inform City Council on Newport active transportation matters.	A3 A10 A11 A12 A15 A16 A17	201 Maintain a prioritized "wish list" of active transportation infrastructure improvements (July 2021 if not already started) 202 Review infrastructure wish list annually (September 2021) 203 Submit memo to City Council regarding infrastructure wish list (October 2021) 204 Inform City Council regarding active transportation community concerns (as they come up) 234 Periodically report to the City Council regarding BPAC progress (through memo and/or City Council Liaison) 235 Host an event for City Council members that is within public meeting laws
32	Zero Active Transportation Collisions in Newport	Ongoing	Work toward eliminating collisions between people using active transportation and motor vehicles in Newport.	A11 B2 E13	205 At every meeting, Staff Liaison to report active-transportation collisions since the last meeting. 206 Report new safety hazards directly to Public Works (as needed) 207 Create and maintain a "collision spreadsheet" (begin July 2021) 208 Review active-transportation collisions annually (December 2021 meeting) 209 Prepare letter to City Council identifying safety priorities (January 2022)
33	Everyone in Newport is Comfortable Using at Least One Form of Active Transportation	Ongoing	Encourage more people to travel by active transportation modes in Newport. Lower level of traffic stress to "one" (LOTS-1) on Newport streets.	A11 A15 A16 B2 B4	215 Designate BPAC member to stock bike maps throughout the community for the following 12 months (July 2021) 216 Coordinate with community organizations and promote National Bike-To-Work Day: October 6, 2021 (begin July 2021) 217 Coordinate with schools regarding National Bike/Walk to School Day: May 21, 2022 (begin January 2022) 229 Take at least one action to advocate for, maintain and/or promote a BPAC social media and internet presence 238 Take at least one action to work toward lowering level of traffic stress to "one" (LOTS-1) on Newport streets
34	Active Transportation Projects and Programs are Adequately Funded	Ongoing	Advise the City Council of potential funding sources for active transportation projects	A10 A15 A17	218 Create and maintain an "active-transportation funding" spreadsheet (begin July 2021) 219 Review active-transportation funding spreadsheet annually (October 2021 meeting) 220 Submit annual memo to City Council regarding active-transportation funding sources and progress (December 2021) 236 Invite City Staff to inform the BPAC regarding the funding process for City infrastructure improvements and programs (September 2021 meeting)

# Destination Newport Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
7	Increase Tourism to Newport	Ongoing		A13 B2 C6 C7 C8 D2	276 Invest in Digital Marketing 290 Promote Arts and Culture Tourism 291 Promote Science and Education Tourism 292 Create 293 Map Kiosks in each District of Newport Showing all of the Districts and Listing Types of Businesses Research Grants to Apply to for Destination Newport Committee

# Library Board Advisory Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
3	Library Policy Development and Review	Ongoing	F1 F2 F3 F9 F10 F11		151 Library Advisory Committee will review development and review of library policies. The board will review 1-3 policies per meeting until all of the policies have been reviewed, and revised if necessary.
4	Become well informed advocates of the Newport Public Library	Ongoing	A13 A18 C3 C8 C9 D2 D3 D4 D5 D8 D9 D10 D11 D12 E4 E7 E8 F1 F2 F3 F4 F5 F7 F8 F9 F10 F11		<p>154 Continue education and training about library services, with presentations by Library Director, City Recorder, representative(s) of State Library, and others annually.</p> <p>155 Attend locally offered county and library education or training programs annually.</p> <p>156 Attend workshops or seminars within the region covering topics with issues facing libraries on the local, regional, state and national levels annually.</p> <p>157 Participate in community event(s) to further the outreach of the library twice in the year.</p> <p>158 Participate in long-range planning efforts to enhance library services and facilities.</p> <p>159 Promote the mission of the library within the community. Advocate for the library to legislators.</p> <p>161 The Library Advisory Committee reviews progress of the strategic plan on a biannual basis.</p> <p>162 The Library Advisory Committee reviews the Public Library Statistical Report as well as the Oregon Library Association (OLA) Public Library Standards on an annual basis.</p>

## Parks and Recreation Advisory Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
1	Monitor and support implementation of the Parks Master Plan	Ongoing	B2 B3 B6	249 252 253	Appropriate committee liaison(s) meet with city planner and parks director 1-2 times to review tracking spreadsheet to determine progress on PMP projects updates to committee and council once per year Determine 1-3 "focus projects" for which the committee will undertake advocacy and identify funding avenues Work with city staff and parks foundation to identify funding sources for focus project(s) Follow up as necessary on last year's focus project, completion of the Ocean to Bay Trail
3	Work with City staff to revitalize the Parks and Recreation Foundation	Ongoing	B3	133 135 134	Partner with the Foundation to identify potential grant sources Work with City staff to identify processes for grant writing Work with the Foundation to identify priority projects that need grant funding and match those with potential sources of grant funds
4	Develop a diversity, equity and inclusion plan for the committee	Ongoing	F4 F5	245 246 247 248	Endorse city's anti-racism statement and framework for action Develop and approve list of action items for the committee Review, track progress, and revise the plan as necessary Provide feedback to City staff in development of the departmental DEI Plan
7	Coordinate with other committees on items of mutual interest	Ongoing	B3 F7	254 255	Meet once a year with the advisory committee of the Newport 60+ Center on issues of joint concern Meet once a year with the advisory committee of the Bicycle and Pedestrian on issues of joint concern
8	Upgrade the city's Tree City USA activities and ensure the committee is prepared in its role as the city's Tree Board.	Ongoing	B6	258 259	Hold one training session for the committee, run by appropriate city staff, on its Tree Board responsibilities. Work with staff to hold an Arbor Day celebration and tree planting in the spring, within COVID guidelines and restrictions at the time. six months before the application renewal is due to the Arbor Day Foundation (July). If additional activities are needed for growth award, develop and implement a plan to accomplish them. for growth award when renewing the TCUSA designation this year.

## Planning Commission

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
1	Utilize extensive community engagement to update the City of Newport Transportation Plan in collaboration with the Oregon Department of Transportation.	2-5 Years		A3 A10 A11 A15 A16 F4	242 Conduct public hearings before the Planning Commission and City Council on the adoption of the TSP update so that members of the public can share their thoughts about the plan and its various components. 240 Provide meaningful opportunities for community members to share their ideas about the condition of the City's transportation system and the types of investments it should be making in the coming years. 241 Utilize community feedback to inform the development of transportation project concepts and vet the concepts with the community so they can weigh in and rank priority projects.
3	Lay the groundwork for a set of regulations and incentives to pair with the Transportation System Plan update that will facilitate revitalization of the US 101 / 20 corridors, including the City Center area.	2-5 Years		A3 A4 A5 A6 F4	243 Develop a scope of work, budget, and project justification sufficient to secure grant funding. 244 Secure the services of a consulting team, refine scope of work, prepare preliminary outreach program, develop draft schedule and initiate project.
4	Develop a Refinement Plan for South Beach Commercial / Industrial areas to inform the urban renewal districts final project phase.	Current FY		A1 A3	103 Develop a Refinement Plan for South Beach Commercial / Industrial areas to inform the urban renewal districts final project phase. 354 Evaluate the feasibility of annexing unincorporated "island properties" to normalize the city limits.
5	Initiate updates to Newport commercial / industrial buildable lands inventory.	Ongoing		A1 A4 C3	104 Initiate updates to Newport commercial / industrial buildable lands inventory.
6	Update off-street parking requirements in line with Parking Study or related recommendations adopted by the City Council.	Ongoing		A14 C1 C8	105 Update off-street parking requirements in line with Parking Study or related recommendations adopted by the City Council.
9	Implement recommendations from the Homelessness Taskforce that rely upon revisions to City land use regulations.	Current FY		A2	108 Implement recommendations from the Homelessness Taskforce that rely upon revisions to the City land use regulations.
42	Implement Recommendations from US 101 Corridor Refinement Plan	Current FY		A3 A14	265 Revise commercial and industrial zoning as recommended by the code audit. 266 Pursue annexation of unincorporated "island properties" to normalize the city limits, if found to be feasible.
43	Initiate any Needed Refinements to Historic Nye Beach Design Review Overlay	2-5 Years		A6 F4	268 Initiate refinements to the Historic Nye Beach Design Review Overlay, as needed. 353 Examine the feasibility of a neighborhood visioning process for Nye Beach as part of a review of any needed updates to the Design Review Overlay.
44	Initiate Newport Housing Needs and Buildable Lands Update	Ongoing		A2 A7 A9 A14 F4	269 Prepare a scope of work, outreach plan, budget, and schedule in consultation with DLCD to confirm the project will adequately address HB 2003 requirements. 270 Secure state technical assistance grant funds to hire a consultant(s) to assist with plan preparation and outreach. 271 Develop an RFP, select consultants through a competitive selection process, and initiate work on the project.

## Public Arts Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
1	Continue Efforts Toward Making Newport an Arts and Cultural Destination	Ongoing		109	Work with the Destination Newport Committee to collaborate on promoting arts opportunities, in the City of Newport, through its marketing efforts.
2	Continue Expanding and Upgrading the Arts Footprint in Newport	Ongoing	A1	113 289	Review other communitys arts footprint for idea generation. Revise the Bayfront Mural Brochure, and convert the newly-revised document, along with the Nye Beach Sculpture Brochure, and any other marketing tools developed by the Public Arts Committee, to an electronic format, including the capability for this information to fit on a mobile device.
3	Increase Art in Public Spaces	Ongoing		115 116	Continue mural projects potential public art installation spaces. policy, program, and schedule for public art. international mural exchange program with Newports Sister City, Mombetsu, Hokkaido, Japan. Work on becoming a "stop" on the Oregon Mural Trail.

## Retirement Trustees Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
7	Annual funding for Retirement fund	Ongoing	Continue funding Retirement fund so as to have it fully funded	F1 275	Retirement trustee has recommended sufficient funding in order to have the fund fully funded within 10 years. For the 2021-22 Fiscal Year \$396,143 been recommended.

## Sister City Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
1	Work on 55th Anniversary Exchanges	Ongoing		F7 F9 F10 308 307 306	<p>Create monthly meetings between Newport and Mombetsu staff.</p> <p>Create more regular meetings between the Sister City Committee and Mombetsu International Committee.</p> <p>Plan and prepare for adult and youth exchanges to celebrate the 55th anniversary of the Sister City relationship with Mombetsu.</p>



## Vision 2040 Advisory Committee

Goal#	Goal Title	Goal Type	Goal Text	V2040 Strategies	Objectives
1	Analyze and adjust for long-term Vision Advisory Committee Sustainability	Ongoing	Analyze and make adjustments to support the long-term sustainability of the 2040 Vision Advisory Committee's assigned roles and duties, beyond the end of the current Community-Building Grant.	F1 F2 F3 F4 F6 F7	<p>309 Schedule monthly Staff Meetings with the City Manager, City Recorder, and Vision Program Coordinator. 310 Ensure all 6 Work Groups have a non-Program Coordinator Lead.</p> <p>311 Increase inclusive opportunities for feedback and participation of City Staff and current Vision Advisory Committee members in order to streamline current practices and identify unsustainable volunteer committee tasks. 312</p> <p>Assess Vision Advisory Committee Ordinance and recommend Ordinance changes to City Council that will support long-term committee success and sustainability.</p> <p>313 Explore alternative funding or stakeholder partnerships for continuing Vision 2040 Staff support.</p>
2	Collaboratively develop culturally competent & inclusive communication	Ongoing	Collaborate with community stakeholders to develop culturally competent and inclusive communication methods.	E8 F1 F2 F3 F4 F5 F6 F7	<p>314 Hold Vision 2040 Committee discussion on using the City's Diversity, Equity, and Inclusion statement as a lens for moving forward before the end of April 2021.</p> <p>315 Research and model successful culturally competent stakeholder community engagement methods, such as those identified in the Juntos en Colaboracion Needs Assessment</p>
3	Improve sustainability of Vision 2040 Committee Expectations and Projects	Ongoing	Improve long-term, sustainable, culturally competent communication methods about Vision Advisory Committee Expectations and Vision 2040 Projects.	F1 F2 F3 F4 F5 F6 F7	<p>316 Work with The Ford Family Foundation network &amp; Community Stakeholders to create &amp; launch a standalone Vision 2040 Website.</p> <p>317 Request IT create a recorded tutorial on using the AirTable Vision 2040 Goals Database to be available for all Committee Members, City Staff, and the Public's reference. This should be available on the Vision 2040 Goals Page. 318</p> <p>Create and approve an annual Vision Advisory Committee implementation plan, including all the identified volunteer sustainable annual committee tasks and the annual expectations of voting Committee members.</p>



**STAFF REPORT  
FOR AIRPORT COMMITTEE**

Meeting Date: 10/11/2022

**Title:** World Fuel letter of Understanding.

**Prepared by:** Lance Vanderbeck, Airport Director

**Recommended Motion:** recommend to City Council to move forward with World Fuel new lease agreement and update FMU at self-serve tank, taking ownership of AV-trucks, and consider re-placing 3,000 gallon Jet-A re-fueler.

**Background Information:**

September of 2017 City of Newport entered into a lease agreement with World Fuel for a period of five years. Unless terminated by either party giving ninety days prior written notice to the other party before the termination of the Initial Term, this Lease Agreement will renew automatically at the end of the initial Term on a month-to-month basis.

World Fuel has offered to pay up to \$15,000 for a new FMU at the self-sever tank. Transfer ownership of av trucks to the City of Newport. Which can be sold to help pay for installation of new FMU. Lastly; also offered a lease on a newer Jet-A refueler to replace the current 3000 gallon 2001 Sterling. If the City of Newport is willing to enter into a new five year lease agreement with World Fuel.

The 3,000 gallon Jet-A re-fueler can be left off of consideration of this agreement due to monthly lease cost; and can be re-evaluated at a later date if the City choose.

**Fiscal:** \$15,000 in funding for new FMU, plus ownership of av-trucks.

**Alternative:** Keep current month to month lease agreement with World Fuel, FMU, and lease on av-truck.



September 14, 2022

Mr. Lance Vanderbeck  
City of Newport  
135 Southeast 84<sup>th</sup> St.  
Newport, OR 97365

**Proposed Terms for Fuel Supply Agreement and Phillips 66 Branding Agreement**  
**CONFIDENTIAL**

Dear Mr. Vanderbeck,

World Fuel Services, Inc. ("WFS") is pleased to present the following proposal to the City of Newport as the basis for supply of aviation fuels, under the Phillips 66 ("P66") brand and related services, and will define the commercial terms as such. Any agreement reached between WFS and the City of Newport for any part of this proposal will be made a part of the Fuel Supply Agreement, P66 Branding Agreement or other Agreements and addendums as required and become effective on the date of execution by the parties.

**1) Commercial Terms:**

- |                    |   |
|--------------------|---|
| A) Products:       | Jet-A and 100LL Aviation Gasoline                                   |
| B) Term:           | 5 Years (60 months) Fuel Supply Agreement Extension.                |
| C) Delivery Point: | Newport, OR (KONP)  |
| D) Payment Terms:  | Net 10 days via EFT   |
| E) Fuel Brand:     | P66   |
| F) Credit Cards:   | All retail credit card processing through WFS/P66                   |
| PG) Contract Fuel: | All contract fuel through WFS Contract Fuel program, if opted into. |

**2) WFS Offer:**

World Fuel Services will:

- a) Provide \$15,000.00 towards QT Pod 4000 self-serve credit card processing unit.
- b) Turn over title to 1999 avgas refueler
- c) Lease 2015 vintage 3K Jet refueler to City of Newport for \$2404.00/mn

**Statement of Intent**

This proposal is not intended to be or to evidence any legally binding agreement or obligation on the part of either party and no offer, commitment, understanding or obligation of any nature shall be implied in fact, law or equity, unless and until a definitive agreement or amendment has been executed. Each party acknowledges that it will not take action or refrain from taking action in reliance on this Letter or the negotiations, and that any such reliance would be at its own risk. The parties further acknowledge that any tentative agreement that may result from further negotiations may be subject to the approvals of each parties respective board of directors and/or other management, and specific government agencies, which approvals may be withheld in their sole discretion. This letter is valid until 5:00 pm August 15, 2022. This proposal and our discussions are strictly confidential.

Thank you for the opportunity to supply your aviation fuels and service requirements. Please contact me at (614) 205-6590 if you have any questions or if you would like more information. We look forward to discussing this proposal with you further and the opportunity to earn your business.

Sincerely,

**WORLD FUEL SERVICES, INC.**

Mark Myers

Accepted and Agreed to:

**City of Newport**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Bulk Territory Sales Manager, PNW

Date: \_\_\_\_\_

Cc: Maritza Kessler – Client Coordinator, Business Aviation  
Steven Highet – National Sales Director, West



3000 Bayport Drive, Suite 470, Tampa, Florida 33607 P: 800-544-3835 F: 813-882-4294  
[www.wfscorp.com](http://www.wfscorp.com)

# REFUELER LEASE AGREEMENT

This Refueler Lease Agreement (this “Lease Agreement”) outlines the terms and conditions under which **Ascent Aviation Group, Inc.**, both for itself and its Affiliates (collectively “Lessor”) agrees to lease refuelers (hereinafter the “Refuelers”) to **City of Newport** (“Lessee”). The terms and conditions shall continue until modified as provided herein by either of the parties hereto.

Lessor: **Ascent Aviation Group, Inc.**  
**One Mill Street**  
**Parish, NY 13131**  
**800-272-3681**

Lessee: **City of Newport**  
**135 Southeast 84<sup>th</sup> St.**  
**Newport Municipal Airport**  
**Newport, OR 97365**  
**541-867-7422**

**Refuelers: See Attached Exhibit “A”.**

1. **Term** – This Lease Agreement and all obligations herein shall begin on **September 1, 2017** and shall continue for a period of **Five (5) years**. Unless terminated by either party giving ninety (90) days prior written notice to the other party before the termination of the Initial Term, this Lease Agreement will renew automatically at the end of the Initial Term on a month-to-month basis.
2. **Payments** – Lessee shall pay Lessor the total sum of, **see Attached Exhibit “A”**, US Dollars per month plus any applicable taxes for the lease of said Refuelers. This sum is payable and due on the first of each month, and any such payment not received by the 10<sup>th</sup> of each month shall be subject to additional late charges.
3. **Delivery and Return of Refueler** – Lessor will arrange to have the Refuelers delivered to Lessee. At the termination of this Lease Agreement, Lessee shall be responsible for return costs of said Refuelers, not to exceed \$2500.00 for each, in the same good order and condition in which it was received by Lessee, reasonable wear and tear accepted. If Lessee does not maintain a Fuel Supply Agreement during the term of the Lease with Lessor, then Lessee will be responsible for inbound and outbound freight charges. **Lessee is responsible for all costs associated with the application and removal of any customer and/or site specific decals and imaging.** Upon non-compliance of said Lease by Lessee, Lessor shall have the right to take possession of said Refuelers at any time.

**Pre-surrender Inspection** – At least 30 days prior to surrender of the Refuelers, but in no event earlier than 60 days prior to such surrender, an in depth physical inspection will be conducted by an appropriate service representative on behalf of, and selected by Lessor, and paid for by Lessor. Any part, component, or function found not to be within the manufacturer’s tolerances and operational specifications will be replaced or brought within those tolerances and specifications to the satisfaction of Lessor, at the sole cost and expense of Lessee. The cost of physical damage, both internal and external, will be the responsibility of the Lessee, and there shall be no broken glass. Pumping system will be fully operational with no missing or damaged parts. Tires shall be of matched generic type and tread design, and have a minimum of 10/32<sup>nds</sup> remaining tread. Batteries shall be fully operational, hold a charge, and perform with the manufacturer’s standards, with no dead cells or cracked cases. Brake drums shall not be cracked, and have an average of 50% remaining wear, and brake linings shall have no less than 50% remaining lining. Paint and/or body damage must not exceed \$500.00 per unit including but not limited to, body, fenders, bumpers, grill, fuel tanks, rust damage etc. Interior must be in good condition. Dash panels and interior trim pieces must not be missing and be free of any holes, cracks or breaks. No rips, tears or burn holes in the seats will be accepted. All gauges and knobs must be in working condition and not missing. Interior damage must not exceed \$150.00. There shall be no fluid leaks on the engine, engine components and drivetrain. Leaks are defined as A) normal build up, B) wet accumulation, C) drips. A is acceptable, where B & C are not acceptable and must be repaired/replaced prior to turning back in. Engines must be free of all engine warning and error lights and active codes. All trucks 2008 and newer must have an operational diesel particulate filter capable of regeneration. All emissions components and systems, including but not limited to DPF, EGR, EGR cooler, SCR and DEF systems must be operational and pass industry test and inspection.

Product hoses shall be less than 5 years old, and free from abrasions, cuts, soft spots, carcass separation, worn covers, blisters, exposed reinforcement, cracks, twists and sharp bends that give the appearance of pending failure. Product hose life will be based on available hose life left in hose and costs prorated, with 10 year new hoses being 100%, 5 years remaining 50% etc. Hose certificates must be available.

4. **Condition of Refueler** – It is understood and agreed that the Refuelers provided hereunder will be well-maintained and operable when delivered; but Lessor makes no warranties, express or implied, concerning same. Without making itself a party to any warranties, and without becoming liable thereon, Lessor agrees to make available for the benefit of Lessee any warranties, which Lessor has or may obtain from manufacturers, dealers or sellers of said Refuelers. Lessee or Lessee’s agent will inspect the

Refuelers at the point of delivery, prior to accepting it, and represents that it is qualified to do so. A Bill of Lading, signed by Lessee or Lessee's agent, shall be proof that Lessee has inspected and accepted the Refuelers in satisfactory condition.

5. **Maintenance of Refueler --**

Lessee is responsible for all maintenance except that Lessor shall provide major repairs and/or replacements, as set forth in Exhibit "B" attached hereto and made a part hereof, for the vehicle drive train (engine, transmission, differential) and product delivery system (pumps, power take-off) which, in Lessor's sole but reasonable judgment, are not necessitated by Lessee's neglect, abuse, accident or failure to perform maintenance as provided in this Lease Agreement for a period of sixty (60) days from original delivery date. Lessee shall provide, at Lessor's request, documentation that all Preventive Maintenance and Inspections, as required by the manufacturer of the Refuelers and this Lease Agreement, have been completed as set forth in Exhibit "D".

All other repairs and replacements of the Refuelers which the Lessor deems necessary or desirable shall be made by and at the expense of the Lessee. Approved changes in maintenance responsibilities will require this Lease Agreement to be modified accordingly by written amendments executed by Lessor and Lessee. If Lessee fails to perform any maintenance or repair for which Lessee is obligated hereunder within ten (10) days after notification and request by the Lessor, the Lessor may (without prejudice to its other rights on account of such breach of this Lease Agreement) perform such maintenance or repair and shall be reimbursed by Lessee on demand for all reasonable, necessary and documented costs incurred by the Lessor relating to the necessary maintenance or repair.

6. **Refueler Inspections-** Lessee agrees to perform all State, Federal, Provincial and Commercial inspections as required by specific location.

7. **Operation of Refueler** – Refuelers shall be used only for dispensing fuel purchased from Lessor unless otherwise agreed to in writing. Lessee shall exercise direct control over all persons who operate the Refuelers and shall insure that such persons operate the Refuelers safely and in accordance with all laws, ordinances, rules and regulations, which apply to the use of refuelers on airports. Lessee agrees to use the Refuelers only for the purpose for which it is intended. The Refuelers may not be driven on public streets and highways nor used by a third party without the express written consent of Lessor.

8. **Inspection of Refueler** – Upon forty-eight (48) hours' notice, Lessee shall afford Lessor and/or its designated representatives access to the premises where the Refuelers is located for the purpose of inspecting the Refuelers and all applicable maintenance or other records relating thereto at any reasonable time during normal business hours and at Lessor's sole cost and expense; provided, however, if Lessee defaults as to its obligation hereunder, no prior notice or other limitation shall apply to Lessor's inspection rights and any such inspection shall be at Lessee's expense. Lessee shall, whenever reasonably requested by Lessor, advise Lessor of the exact location of any and all items of the Refuelers.

9. **Indemnification** – To the fullest extent permitted by applicable law, Lessee shall indemnify, defend and hold harmless Lessor and agents, employees, and successors of any of them or any other entity as required by this Lease Agreement from and against claims, suits, penalties, damages, losses, response costs, administrative order, notice letter, or enforcement action and expenses, including but not limited to attorney's fees, arising out of or resulting from performance of this Lease Agreement provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of the tangible property including clean up or remediation costs due to threat of release, discharge, escape of hazardous substance or waste, including aviation gasoline, jet fuel, pre-blended jet fuel, motor gasoline, diesel fuel and biodiesel fuel but only to the extent caused by the negligent acts or omissions of Lessee or anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person.

Lessee shall pay or reimburse Lessor, and indemnify, defend and hold Lessor harmless from, on an after-tax basis, all taxes, assessments, fees and other governmental charges paid or required to be paid by Lessor or Lessee in any way arising out of or related to the Refueler or any Lease Agreement before or during the term or after the term in the event Lessee defaults, including but not limited to, foreign, US, state, county and municipal fees, taxes and assessments, and property, value-added, sales, use, gross receipts, excise, stamp and documentary taxes, and all related penalties, fines, additions to tax and interest charges ("Impositions"), excluding only taxes based on or measured by Lessor's net income unless such taxes are in lieu of any Imposition Lessee would otherwise be required to pay hereunder. Lessee shall timely pay any Imposition for which Lessee is primarily responsible under law and any other Imposition not payable or not paid by Lessor, but Lessee shall have no obligation to pay any Imposition being contested in good faith and by appropriate legal proceedings, the nonpayment of which does not, in the opinion of Lessor, result in a material risk of adverse effect on the title, property, use, disposition or other rights of Lessor with respect to the Refueler. Upon Lessor's request, Lessee shall furnish proof of its payment of any Imposition.

10. **Insurance** – Lessee shall provide and maintain at all times the following insurance and name Lessor (To be shown as: World Fuel Services, its affiliates, subsidiaries, and the directors, officers, agents and employees of each.) as additionally insured to the extent of this indemnity in respect thereof and this insurance shall be primary and non-contributing over all collectible insurance including self-insurance: Commercial General Liability with limits not less than \$1,000,000 USD each occurrence and \$2,000,000 USD annual aggregate. Such coverage must include Airport Premise/Operation and Products/Complete Operations. Other insurance required includes; independent contractors; personal injury liability; contractual liability; workers compensation covering all employees of Lessee; and physical damage coverage covering the value of any leased equipment. As on-site operator, Lessee must provide pollution and remediation liability insurance with limits at least \$1,000,000 USD that includes coverage for a spill or release cleanup. Certification of such coverage including Commercial Umbrella coverage (if in force), shall be provided by Lessee, and not be changed or canceled without at least thirty (30) days prior written notice to Lessor.
11. **Title to Refueler** – Title to the Refuelers remains with Lessor and or third party throughout the term of this Lease Agreement. Lessee shall not encumber the Refuelers in any way. Lessee does not have any ownership interest in the Refuelers and may not assign the Refuelers or this Lease Agreement to anyone without the express written consent of Lessor, which shall not be unreasonably withheld or delayed. During the term of this Lease Agreement, Lessor shall have the option of substituting the Refuelers identified above with the Refuelers of substantially similar specifications. Substituted Refuelers shall be subject to this Lease Agreement. Substitutions will not cause increases in the amount of the payments due under this Lease Agreement.
12. **Default** – If Lessee defaults in any of its obligations of this Lease Agreement, Lessor shall give notice to Lessee concerning the nature of the default. If such default is not corrected within ten (10) days of such notice (other than a payment default for which no cure period is applicable), Lessor shall have the right to terminate this Lease Agreement. Should this Lease Agreement be terminated for this or for any other reason whatsoever, Lessor shall have the right to take immediate possession of the Refuelers without demand or legal process and free of all rights of Lessee. Lessee specifically waives any right of action it might otherwise have arising out of such entry and repossession, whereupon all rights of Lessee in the Refuelers or its contents shall terminate immediately. In the event of any action, legal or equitable, by either party to enforce this Lease Agreement or any of its provisions, the prevailing party shall be allowed a reasonable attorney's fee to be set by the court and taxed as costs in the action.
13. **Acceleration** - Lessor reserves the right, in addition to all other rights and remedies available to it under the law, in equity or otherwise, to accelerate and demand payment of all amounts due, if Lessee fails to make any payment or otherwise comply with the terms as herein provided, if Lessee is in breach of any other agreement with Lessor, or if Lessor, in its sole discretion, at any time deems itself insecure with regard to the creditworthiness or financial condition of Lessee.
14. **Notices** – All notices required to be given, shall be in writing and posted or hand delivered to the addresses shown above.
15. **Governing Law; Venue; Waiver of Jury Trial.** This Lease Agreement, including all exhibits attached hereto, is governed by, and construed in accordance with, the laws of the State of New York, without regard to the conflict of laws provisions. Each party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other party arising from or relating to this Lease Agreement in any forum other than, at Lessor's option, either 1) the courts sitting in Oswego County, New York, or 2) the courts sitting in the county (or its equivalent) where the Refuelers are physically located. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION, PROCEEDING, CAUSE OF ACTION, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS LEASE AGREEMENT, INCLUDING ALL EXHIBITS ATTACHED HERETO, OR THE TRANSACTIONS CONTEMPLATED HEREBY.
16. **Assignment and Waiver-** Lessee shall not assign this Lease Agreement without the written consent of Lessor. The Refuelers may be owned by a third party and leased by Lessor, and this Lease Agreement may be subordinate to such Lease. In the event that such third party becomes entitled to possession of the Refuelers, Lessee agrees to abide by such Lease or enter into a new lease with such third party. As used herein, an "Affiliate" of Lessor is any corporation, partnership, joint venture or other entity in which World Fuel Services Corporation, a Florida corporation, owns, directly or indirectly, an equity interest of fifty percent (50%) or more. The waiver by either party of the breach of any provision hereof shall not constitute a waiver of any subsequent or continuing breach of such provision or provisions.
17. **Entire Agreement** – The terms and conditions of this Lease Agreement constitute the entire agreement among the parties with respect to the Refuelers and supersede all previous negotiations, representations or agreements between the parties, whether written or oral. If any part of this Lease Agreement is deemed to be unenforceable, the remainder of this Lease Agreement shall remain in full force and effect. Only a written instrument executed by Lessor and Lessee may amend this Lease Agreement.



**In Witness Whereof**, the parties have hereby agreed to all of the above terms and conditions as of the date last indicated below.

Lessor: **ASCENT AVIATION GROUP, INC.**

Lessee: **CITY OF NEWPORT**

By: \_\_\_\_\_

By: \_\_\_\_\_

Steve Drzymalla  
SVP, Business Aviation

\_\_\_\_\_  
Printed Name and Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT "A" ATTACHED TO  
REFUELER LEASE AGREEMENT  
City of Newport  
135 Southeast 84<sup>th</sup> St.  
Newport Municipal Airport  
Newport, OR 97365**

**REFUELER DESCRIPTIONS:**

Asset # 44293  
1999 Isuzu 750 Gallon Avgas Refueler  
VIN: JALB4B140X7003670  
Physical Damage Value: \$23,000.00 USD  
Lease Rate: \$1.00/per year, plus applicable tax  
Term: September 1<sup>st</sup>, 2017-August 31<sup>st</sup>, 2022

If Lessee does not maintain a Fuel Supply Agreement with Lessor during the term of the Lease, then Lessee will be responsible for inbound and outbound freight charges and monthly lease cost of \$737.00 per month.

Note: Lessee Insurance Responsibilities begin from date of delivery to Newport Municipal Airport (ONP)

**In Witness Whereof**, the parties have hereby agreed to all of the above terms and conditions stated in **Exhibit "A"**, as of the date last indicated below.

Lessor: **ASCENT AVIATION GROUP, INC.**

Lessee: **CITY OF NEWPORT**

By: \_\_\_\_\_

By: \_\_\_\_\_

Steve Drzymalla  
SVP, Business Aviation

\_\_\_\_\_  
Printed Name and Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT "B" ATTACHED TO  
REFUELER LEASE AGREEMENT**

Repairs provided by the Lessor to said Refuelers, as stated in Paragraph 5 of this Lease Agreement, are further defined as follows. If any repairs are caused by the Lessee failing to perform maintenance required in Exhibit "D", Lessee shall be responsible for all such repairs.

1. ENGINE
  - (a) Block and internal components
  - (b) Cylinder heads, head gaskets and valves
  - (c) Blower or turbo charger assembly
  - (d) Timing chain and gear assembly, gasket and seal
  - (e) Flywheel and ring gear
  - (f) Front and rear crankshaft seal
  - (g) Oil pump and shaft
  
2. TRANSMISSION
  - (a) Housing and internal components
  - (b) Torque converter
  - (c) Input and output shaft bearings and seals
  
3. DIFFERENTIAL
  - (a) Housing and internal components (ring gear and pinion assembly)
  - (b) Pinion bearing and seal
  
4. FRAME, AXLES, WHEELS AND SUSPENSION
  - (a) Chassis frame rails and cross members
  - (b) Springs, load cushions and airbags
  - (c) Walking beams and torsion bars
  - (d) Wheel hubs
  - (e) Axles, king pins and spindles
  - (f) Steering box internal components including bearings and seals
  
5. BRAKE SYSTEM
  - (a) Air compressor internal components
  - (b) Master cylinder and vacuum booster
  
6. PRODUCT PUMP, PTO, AND TRANSFER CASE
  - (a) Housing and internal components
  - (b) Input and output shaft bearings and seals

**EXHIBIT "D"**  
**REFUELER LEASE AGREEMENT**  
**PREVENTATIVE MAINTENANCE SCHEDULE**

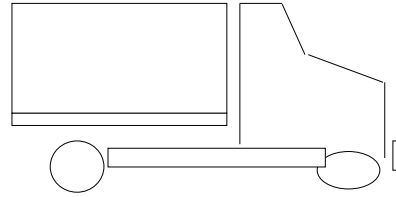
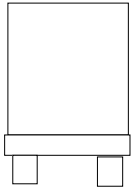
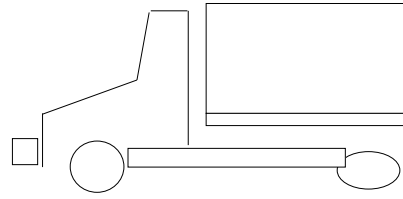
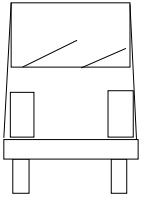


**World Fuel Services PM Checklist**

<b>FBO</b>		<b>UNIT #</b>	<b>VIN#</b>			
<b>MILES</b>		<b>DATE</b>	<b>TECHNICIAN:</b>			
<b>HOURS</b>		<b>CUSTOMERS SIGNATURE</b>				
<b>UNDER THE HOOD</b>		<b>Description of Inspection</b>	<b>Repair</b>	<b>OK</b>	<b>Date, Condition or Replacement</b>	<b>Initials</b>
1	<b>AIR FILTER</b>	Record Condition and Change Date - Should be changed at least annually or every 1000 hours				
2	<b>ENGINE OIL</b>	Record Condition and Change Date - Should be changed at least every 6 months or 500 hours				
3	<b>ENGINE OIL SAMPLES</b>	Annually, take an oil sample and send out for analysis				
4	<b>OIL FILTER</b>	Record Condition and Change Date - Should be changed at least every 6 months or 500 hours				
5	<b>AUTOMATIC TRANSMISSION</b>	Record Condition and level - check for burnt smell or discoloration. Fluid and filters should be changed annually with manufacturers recommended fluid				
6	<b>FUEL LINE &amp; FILTERS</b>	Record Condition and Change Date - Filters should be changed at least annually				
7	<b>ANTIFREEZE</b>	Top off as needed, protection should be between -25 and -30				
8	<b>COOLANT SYSTEM</b>	Check for hose and radiator leaks - Confirm overfill bottle in good condition				
9	<b>BELTS</b>	Check for cracking or glazing, replace as necessary				
10	<b>BATTERY TERMINALS &amp; CABLES</b>	Check for loose or corroded terminals, clean and repair as needed				
<b>CAB</b>		<b>monthly</b>	<b>Repair</b>	<b>OK</b>		
1	<b>CLEANLINESS</b>	Is the inside of the cab clean and free of clutter				
2	<b>WINDSHIELD CAB GLASS</b>	Do windows roll up and down, are there any cracks or chips in the windshield ? What is the condition of the mirrors?				
3	<b>WIPER BLADES, ARMS, &amp; HOSES</b>	Repair or replace as needed				
4	<b>STARTING SYSTEM</b>	Does the key turn freely, does the engine turn over slow				
5	<b>ENGINE OPERATION</b>	Start engine to build up air pressure, check all gauges				
5a	<b>ENGINE OPERATION</b>	Is there excessive rattling in the engine during operation, does it smoke excessively during start up ?				
5b	<b>ENGINE OPERATION</b>	Check low air warning buzzer and light.				
6	<b>ELECTRICAL CHARGING SYSTEM</b>	Record voltage or does the gauge read + / - 12 volts				
7	<b>LIGHTING SYSTEM</b>	Do the dash and dome lights work ?				
8	<b>EXTERIOR LIGHTS</b>	Do all of the exterior lights work properly ?				
9	<b>STEERING - Condition</b>	Does the steering wheel have excessive play when turning ?				
10	<b>PARKING - BRAKE SYSTEM</b>	Does the brake hold the truck when in gear ?				
11	<b>CLUTCH / TRANSMISSION</b>	Check for excessive play in the linkage - should be greased at least once per year				
12	<b>AIR COMPRESSOR</b>	Does the compressor pump up the system in a timely manner ?				

<b>CHASSIS</b>		Semi- Annual	Repair	OK	
1	TANK AND SILLS	Check the tightness of the tank to the chassis & condition of sill boards/monthly for 1st 6 months/then every 6 months			
2	TIRE & WHEELS	Check for loose or missing lugs & slippage on spoke style wheels/record tread depth.			
3	EXHAUST SYSTEM	Check for cracks or holes in pipe & muffler. Check condition of hangers			
4	SUSPENSION	Check over all condition looking for broken or cracked parts			
5	CHASSIS LUBE	Check zirks for evidence of grease, should be done at least every 6 months			
5a	KING PINS	Raise front axle to grease King Pins, turn wheels lock to lock to distribute lube.			
6	TRANSMISSION LUBE	Check and fill as necessary			
7	DIFFERENTIAL LUBE	Check and fill as necessary			
8	UNIVERSAL JOINTS	Check zirks for evidence of grease, should be done at least every 6 months. Does the PTO have safety wire?			
9	AIR RESERVOIR	Check drains and cables			
10	BRAKES - ADJUSTMENT	Drive truck in an open space away from obstructions. Adjust brakes only if you are certified to do so, if not call a contractor			
11	PARKING BRAKE	Check parking brake, check parking brake pop out valve to release at 35 lbs.			
<b>PUMPING SYSTEM</b>		Semi- Annual	Repair	OK	Date, Condition or Replacement
1	PUMP GEAR BOX LUBE	after first 100 hrs of ops then every 500 hrs or semi annual			
2	ELECTRICAL	Check all of the boots on the micro switches, look at LED's on proximity switches			
3	BRAKE INTERLOCK	Test all interlocks and brake over ride switch (Replace seal on over ride switch after checking)			
4	NOZZLES & SCREENS	Check screens for debris, proper gasket / o-ring , broken parts or leaks			
5	PRODUCT HOSE	Extend out completely checking all surfaces			
6	HOSE REEL	Check sprocket for broken teeth & alignment of chain. Remove zirks from swivels, replace with plug			
7	GROUND REEL	Extend out completely checking for cracks or rips, note over all condition and brand, perform continuity test and note results			
8	DISPENSING SYSTEM - LEAKS	General condition of plumbing including pipes and flanges			
9	WATER SUMP VALVES & DRAIN	Ensure they are operating and do not leak, check that Morrison valves closes			
10	AIR CONTROLS	With the engine off listen for escaping air from the system.			
11	METER - SEAL	Does the meter have the proper seal			
12	METER - TOTALIZER	Record totalizer reading			
13	METER	Record date of calibration			
14	PRODUCT FILTER SPECS	Model - Element - Gasket Numbers			
15	PRODUCT FILTER DATE OF CHANGE	If not replaced by you, what was the last date of change			
<b>TANK</b>		Semi- Annual	Repair	OK	Date, Condition or Replacement
1	MAN WAY GASKETS	Look for cracked or missing o-ring			
2	TANK INTERIOR - Condition	Check inside of tank looking for rust and debris. Clean as required.			
3	CATWALK DRAINS CLEAR	Check condition of drain tubes, should free of cracks and not discolored. Check for obstructions that may be blocking drain tubes			
<b>MISCELLANEOUS</b>		Monthly	Repair	OK	Date, Condition or Replacement
1	PRODUCT ID / DECALS	Check for missing decals inside cab & over all condition of exterior			
2	FIRE EXTINGUISHERS	Check for seal or missing pin, note date of inspection, must be B/C units			
3	AIR SYSTEM LEAKS	Inspect for leaks and note locations of leaks			
4	PRIST INJECTOR	Test for proper operation and verify injection rate			

NOTE ANY DAMAGE



NOTES





## FUEL SUPPLY AGREEMENT

**THIS FUEL SUPPLY AGREEMENT (this “Agreement”)** is made and entered into this 1<sup>st</sup> day of September, 2017 (the “Effective Date”) by and between **CITY OF NEWPORT (“Customer”)**, an Oregon municipality located at 169 SW Coast Highway, Newport, OR 97365 and **WORLD FUEL SERVICES, INC.**, a Texas corporation on its behalf and on behalf of its Affiliates (collectively “Seller”) located at 9800 N.W. 41<sup>st</sup> Street, Miami, FL 33178.

### WITNESSETH:

**WHEREAS**, Seller markets and distributes aviation fuels, and Customer is in the business of operating an aviation facility which uses aviation fuels; and

**WHEREAS**, the parties have agreed that Seller will sell aviation fuels to Customer and Customer will purchase aviation fuels from Seller in accordance with the terms and conditions of this Agreement.

**NOW, THEREFORE**, in consideration of the premises and mutual covenants and undertakings set forth herein, Customer and Seller hereby agree:

1. **Scope.** During the Term (as defined below), Seller agrees to sell and Customer agrees to purchase all of Customer’s requirements at Customer fixed-based operation site at Newport Municipal Airport (KONP), 135 Southeast 84<sup>th</sup> Street, Newport, OR 97365 (the “FBO”) for branded and unbranded aviation gasoline, jet fuel, and any other products sold hereunder exclusively from Seller and that it will not purchase any such fuels or products for the FBO from any other corporation, company, entity, or person. Customer represents and warrants that all products and services purchased hereunder will be for the purpose of conducting its business and that no aviation gasoline purchased hereunder shall be used or sold for non-aviation use. In addition, Seller offers a comprehensive Contract Fuel Program and in the event Customer engages in contract fuel sales, Customer agrees to use Seller’s Contract Fuel Program exclusively. Customer covenants that all contract fuel sales will be through Seller’s Contract Fuel Program and that it will not use any other supplier’s contract fuel program. Customer acknowledges that Seller has provided Customer with information relating to the Contract Fuel Program.

2. **Duration and Renewal.** This Agreement shall be for an initial term of five (5) years beginning on the Effective Date (the “Initial Term”). If at the end of the Initial Term, Customer has not purchased at least 260,000 gallons of combined aviation fuel from Seller (the “Required Minimum Gallons”), this Agreement shall automatically renew for one or more subsequent annual terms until Customer has purchased at least the Required Minimum Gallons. If upon the expiration of the Initial Term or any annual renewal term, Customer has purchased the Required Minimum Gallons, then this Agreement shall automatically renew for subsequent annual periods (“Subsequent Terms”, and with the Initial Term, the “Term”) unless cancelled by either party providing written notice to the other party of its election to terminate at least ninety (90) days prior to the end of the Initial Term or the applicable Subsequent Term.

3. **Pricing.** Unless otherwise agreed in writing by the parties, the price per gallon for products sold hereunder shall be as established by Seller from time to time in its discretion. Prices are exclusive of all Taxes (as defined in Section 10) additives, freight charges, surcharges and fees. Notwithstanding any written agreement to the contrary, if Seller’s cost of supplying fuel or services to Customer increases then, upon written notice to Customer, Seller may adjust its prices at affected delivery locations. Price changes will take effect as of the date of notification.

4. **Product and Product Standard.** Seller warrants to Customer that the products sold hereunder are Jet A Turbine Fuel and 100LL Aviation Gasoline and that such products will comply with the following requirements, as applicable: Jet A Turbine Fuel produced by a refinery in the United States shall meet ASTM D 1655, latest revision, and Jet A Turbine Fuel produced by a refinery in Canada shall meet the requirements of CAN/CGSB-3.23, latest revision. 100LL aviation gasoline produced by a refinery in the United States shall meet ASTM D 910, latest revision. Seller warrants to Customer that it has title to the products delivered hereunder, and Seller warrants to Customer that it has the right to sell such products and that they are free from liens and adverse claims of every kind. EXCEPT AS SPECIFICALLY SET FORTH IN THIS SECTION, SELLER MAKES NO WARRANTIES OF ANY KIND TO CUSTOMER REGARDING THE PRODUCT SOLD HEREUNDER, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

5. **Credit and Payment Terms.** Payment by Customer shall be made by means of electronic funds transfer, and the terms shall be net fifteen (15) days subject to credit approval by Seller. Past due amounts shall accrue interest at a rate of one and one-half percent (1.5%) per month, or the maximum rate permitted by applicable law, whichever is less. All amounts more

than fifteen (15) days past due shall incur an additional five percent (5%) administrative fee. Any waiver by Seller of interest charges or administrative fees on a particular invoice shall not be construed as a waiver by Seller of its right to impose such charges on other or subsequent deliveries. Seller reserves the right to apply Customer's payments to any outstanding invoices or obligations of Customer, as determined by Seller in its sole discretion, without regard to the aging of any account. Customer shall be liable for all fees and costs, including without limitation attorney's fees, incurred by Seller in connection with any collection activities undertaken by Seller for the non-payment of any amounts due hereunder by Customer. Seller reserves the right to modify or cancel the credit terms provided to Customer at any time, in its sole discretion upon notice to Customer. If Seller selects not to extend or cancels any credit terms provided to Customer, prior to each delivery of aviation fuel, Customer shall: (a) make a prepayment to Seller; (b) cause to be issued a letter of credit in favor of Seller in a form, in an amount and from a bank that is acceptable to Seller from time to time in its sole discretion, or (c) give other security to Seller in a manner, of a type, in a form and in an amount that is acceptable to Seller. Seller reserves the right, in addition to all other rights and remedies available to it under the law, in equity or otherwise, to suspend further performance of Services, and demand payment of all outstanding balances, if Customer fails to make any payment as herein provided, or if Seller at any time deems itself insecure with regard to the creditworthiness or financial condition of Customer.

6. Force Majeure. Neither party shall be liable for its failure to satisfy its obligations hereunder as a result of any cause beyond its control, including acts of God, acts of federal, state or local government, compliance with requests, regulations or orders of any governmental authority, fire, storm, flood, earthquake, explosion, accidents, acts of the public enemy, terrorism, war, riot, strike, lockout, or unavailability of or delays in delivery of any product which is the subject of this Agreement. If any such *force majeure* interruption occurs with respect to Seller's supply, Seller may substitute another fuel of the same brand, a different brand, or no brand so long as such aviation fuel meets the standards set forth in Section 4 above, and/or the quantities of aviation fuel required to be supplied under this Agreement may be ratably reduced for the period during which such *force majeure* interruption may exist.

7. Title and Risk of Loss. Seller's liability relating to the aviation fuel sold hereunder shall cease and title and risk of loss shall pass to Customer when said product passes the flange between Seller's delivery line and Customer's connection or vehicle.

8. Inspection and Measurement. Customer's inspection and measurement shall be based on meters or on certified tank truck capacities according to terminal practice. All quantities shall be adjusted to 60 degrees F temperature (unless otherwise specified by State Regulations) in accordance with the latest revised applicable parts of ASTM Designation D: 1250, IP Designation: 200 Petroleum Tables. The term "gallon" shall mean a U.S. gallon of 231 cubic inches. The term "tank truck" shall mean a transport truck with a tank storage capacity of not less than 3,000 gallons.

9. Deliveries. Deliveries shall be made at such times within the usual business hours of Seller as may be required by Customer, provided that reasonable advance notice is given by Customer. Seller shall prepare and furnish the receiving party with copies of bills of lading and other shipping papers. Seller shall not be required to make deliveries into vehicles supplied by Customer unless they are clean and empty immediately prior to delivery and shall not be required to load or deliver quantities less than the full capacity of the vehicle, except as otherwise authorized by Seller from time to time. If deliveries are to be made into Customer's storage facilities, Customer shall provide storage facilities sufficient to enable it to receive such deliveries and shall provide Seller with unimpeded and adequate ingress and egress twenty-four hours per day. Customer shall reimburse Seller on demand for any demurrage or other charges incurred by Seller by reason of Customer's failure to unload any delivery vehicle or release the same within the time allowed therefor without demurrage or other charge even though such failure may have arisen from causes beyond the control of Customer. All deliveries of aviation fuels shall be in full bulk transport quantities unless otherwise agreed by Seller. Seller's ability to offer products in the quantities and at the prices provided for under this Agreement is dependent upon the ratability of Customer's demand. As such, Seller reserves the right to implement measures to control the proportionality, consistency and ratability of Customer's demand.

10. Taxes. All prices are quoted in U.S. Dollars (unless otherwise specified) and exclude all duties, taxes, assessments, fees, and other charges, whether foreign or domestic, including, but not limited to, excise tax, VAT, GST, mineral oil tax, sales tax, use tax or any other tax, license fees, inspection fees, landing fees, airport fees, fees for the privilege of buying, selling or loading aviation fuel, or other charges imposed by any governmental authority or agency or regulatory body, or third party upon, or measured by the gross receipts from or volume sold of any commodity, or on the production, manufacture, transportation, sale, use, delivery or other handling of such commodity, or any component thereof, or on any feature or service related thereto or of any invoice, existing at the time of any sale hereunder (collectively "Taxes"), which shall be added to the applicable price. When permitted, Customer shall assume and be directly responsible to the proper governmental units for any Taxes. When the laws, regulations or ordinances impose upon Seller the obligation to collect or pay such amounts, Customer shall pay to Seller all such amounts for which Seller may be liable. If Customer is entitled to purchase products free of any Tax, Customer shall furnish Seller proper exemption certificates. Customer acknowledges that it remains solely responsible for all Taxes and shall indemnify Seller against any liability for such Taxes even if Seller fails to include any such Taxes in its invoices. Customer's obligations under this Section 10 shall extend to any Taxes which are assessable against Customer as a result of any subsequent change in, or in interpretation of, any laws relating to such Taxes.



11. Conduct of Customer's Business. In the performance of this Agreement, Customer is engaged as an independent contractor. Customer shall conduct all operations hereunder in compliance with all applicable laws, ordinances and regulations of all governmental authorities, including but not limited to those issued by the U.S. Department of Transportation and those relating to the, production, manufacture, transportation, sale, use, delivery or other handling of products purchased hereunder. Customer shall diligently promote the sale of the petroleum products purchased under this Agreement, and shall conduct the operation of Customer's business in such a manner as to promote goodwill toward Seller and its products. Customer agrees to assist in the administration of any promotional programs Seller or its suppliers may establish for its customers.

12. Insurance.

(a) Customer shall maintain at Customer's own expense during the Term: (i) Workers' Compensation and Employment Liability Insurance as prescribed by applicable law; (ii) Aviation General Liability (bodily injury and property damage) Insurance of not less than \$1,000,000 combined single limit per occurrence, but in the aggregate with respect to Products and Completed Operations Liability and any one offense/aggregate with respect to Personal Injury, and including but not limited to, personal injury, premises-operations, products and completed operations, and contractual Liability; (iii) Business Automobile Liability (bodily injury and property damage) Insurance of not less than \$1,000,000.00 combined single limit per occurrence, on all owned, non-owned and hired vehicles which are used by Customer; and (iv) any other insurance or surety bonding that may be required under the laws, ordinances and regulations of any governmental authority.

(b) The insurance specified in subsection (a) of this Section 12 shall require the insurer to provide Seller with thirty (30) days' prior written notice of any cancellation or material change in the insurance and shall name Seller as additional insured. The insurance required under clause (i) of subsection (a) above shall contain a waiver of subrogation against Seller and an assignment of statutory lien, if applicable.

(c) The insurance required under subsection (a) above shall provide that it is primary coverage to insurance carried by Seller. The insurance required above shall be issued by insurance companies which are reasonably acceptable to Seller. The insurance companies shall have no recourse against Seller, or any other additional insured, for payment of any premiums or assessments under any policy issued by a mutual insurance company. Customer shall be responsible for all deductibles in all of Customer's insurance policies. Customer shall furnish Seller with certificates for all insurance coverage.

(d) Seller has the right to modify, delete, add to or otherwise change the insurance requirements set forth in sections (a) through (c) inclusive provided that Seller provides Customer with thirty (30) days' notice of such change.

13. Indemnification. Each party shall indemnify, defend and hold the other party and its directors, officers, employees and agents harmless from and against any and all expenses (including attorneys' fees) liabilities and claims of whatsoever kind and nature, including but not limited to, those for damage to property (including property of the parties) or for injury to or death of any person (including a party), directly or indirectly, arising or alleged to arise out of or in any way connected with the willful misconduct, negligent acts or omissions, violation of law, or breach of this Agreement by the indemnifying party. The foregoing indemnity shall not apply to the extent such expense, liability or claims result from the negligent acts or omissions or willful misconduct of the party seeking indemnification.

14. Quality Control. Customer shall maintain the quality of Seller's aviation products and shall comply with any quality control procedures prescribed by Seller and its supplier. In no event shall Customer permit automotive engine fuels or kerosene to be sold as Seller aviation fuels or dispensed through equipment bearing Seller's or its suppliers' insignia. Customer shall immediately report to Seller any accident or incident involving a fueled aircraft. Any claim made by Customer for deficiency in product quality or quantity shall be waived unless made in writing within forty-eight (48) hours after delivery.

15. Confidential Information. Customer shall hold in confidence all manuals, guides, forms, instructions, software programs and other proprietary materials provided by Seller for Customer's use in promoting and selling Seller products, and all technical information, trade secrets and other confidential business information that is disclosed to Customer by Seller (collectively "Confidential Information"). Customer shall not use Confidential Information for any purpose other than developing business for Seller's products and services, and shall not disclose Confidential Information to anyone other than Customer's employees or agents who have a need to know Confidential Information. Customer's obligations under this Section 15 shall survive termination of this Agreement. The recipient's obligations with respect to confidentiality and disclosure set forth herein shall not apply to Confidential Information that (i) is already in the recipient's, its subsidiaries' or affiliates' possession, provided that such information is not subject to another confidentiality agreement with disclosing party; (ii) is or becomes generally available to the public other than as a result of a wrongful disclosure by recipient or its representatives; (iii) becomes available to recipient, its subsidiaries or affiliates on a non-confidential basis from a source other than disclosing party, provided that such source is not bound by a confidentiality agreement with or other obligation of secrecy to Disclosing Party; or (iv) is subsequently independently developed by employees or agents of recipient, its subsidiaries or affiliates without any use of disclosing party's Confidential Information.

16. Termination.

(a) Seller may, in addition and without prejudice to any of its other rights or remedies hereunder, terminate this Agreement upon giving Customer seven (7) days' prior written notice (or such other period as is specified herein) if any one or more of the following occurs and Customer fails to cure such breach within the applicable notice period: (i) Customer breaches or defaults on any covenant, condition or other provision of this Agreement, the branding schedule, note, security agreement, lease, or any other agreement of the parties; (ii) Customer fails to pay to Seller in a timely manner when due all sums to which Seller is legally entitled (whether or not such sums are owed under this Agreement); (iii) willful adulteration, commingling, mislabeling or misbranding of aviation fuels or other violations by Customer of trademarks utilized by Seller occur or unlawful, fraudulent or deceptive acts or practices or criminal misconduct by Customer relevant to Customer's performance of this Agreement occur; or (iv) Customer becomes insolvent, files a voluntary petition in bankruptcy, makes an assignment for the benefit of creditors, is adjudicated bankrupt, permits a receiver to be appointed, or permits or suffers a material disposition of its assets. With respect to a breach of subsection 16(a)(ii), in addition to all other rights hereunder, Seller may immediately suspend performance hereunder or terminate this Agreement without giving Customer notice or opportunity to cure.

(b) If Seller continues to accept orders from Customer following the expiration of the Term, such sales shall be upon all of the terms and conditions hereof except that the relationship of the parties may be terminated at will.

(c) In the event this Agreement is terminated, all other agreements and instruments between the parties shall also terminate, and all amounts owing under any note or other document shall become due and payable. In addition, upon termination of this Agreement, any and all indemnity obligations, parties' rights upon breach, all collateral and security interests in favor of Seller, obligations arising upon termination (such as discontinuing the use of the trademarks and tradenames of Seller's supplier), confidentiality provisions, and any other terms of this Agreement which by their nature should survive termination shall all survive.

(d) No termination of this Agreement, even if on account of Seller's default, shall excuse Customer from paying any unpaid amounts owing for aviation fuel previously delivered hereunder, or from paying other outstanding amounts due Seller under this Agreement. The remedies provided in this Agreement are cumulative and not exclusive of any other remedies provided by law. **HOWEVER, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES.**

17. Miscellaneous.

(a) Notices. All notices to be given hereunder by either party shall be in writing and sent by first class United States mail to the other, delivered to the address first listed above or at such other address or facsimile number as either party may designate to the other by written notice in the manner provided pursuant to this Section 17(a).

(b) Entire Agreement. This Agreement, the branding agreement, all security agreements, notes, leases, and all other related documents of the parties constitute the entire agreement between the parties. The parties agree to execute and deliver a replacement branding agreement in substantially the same form (unless a new supplier requires a different form) if Seller determines to substitute aviation fuel of a different brand so long as such aviation fuel meets the requirements and standards set forth in Section 4. No other promises, agreements or warranties additional to this Agreement, the branding agreement, or other documents listed above shall be deemed a part hereof, nor shall any alteration or amendment of this Agreement or the branding agreement be effective without the express written agreement of both parties.

(c) No Conflict. Each of Customer and Seller represents and warrants to the other that neither the execution and delivery of this Agreement by it, nor the consummation of the transactions contemplated hereby, will: (a) violate or conflict with, or result in a breach of any provision of, or constitute a default under any existing agreement or other instrument or obligation to which it is a party, (b) violate applicable law; or (c) require any action, or consent or approval of, or review by, any other party, except as shall have been duly obtained and effective as of the date of this Agreement.

(d) Assignment; Waiver. This Agreement may not be assigned by Customer, either voluntarily, involuntarily, or by operation of law, without the prior written consent of Seller, which consent shall not be unreasonably withheld. Fuel and/or services may be provided by an Affiliate of Seller. As used herein, an "Affiliate" of Seller is any corporation, partnership, joint venture or other entity in which World Fuel Services Corporation, a Florida corporation, owns, directly or indirectly, an equity interest of fifty percent (50%) or more. In any transaction hereunder, the Affiliate issuing the invoice to Customer shall be deemed the Seller of the fuel and/or services. The waiver by either party of the breach of any provision hereof shall not constitute a waiver of any subsequent or continuing breach of such provision or provisions.

(e) Governing Law, Disputes. This Agreement shall be construed in accordance with the laws of the State of Florida without regard to conflict of laws provisions. Customer hereby consents to the jurisdiction of any state or federal court situated in Dade County, Florida and waives any objections based on forum non conveniens with regard to any actions, claims, disputes or proceedings relating to this Agreement, any related document, or any transactions arising therefrom, or enforcement and/or interpretation of any of the foregoing; provided, nothing herein shall affect a party's right to bring proceedings against the other party in the competent courts of any other jurisdiction or jurisdictions. Customer and Seller hereby waive any and all right to trial by jury in any action or proceeding relating to this Agreement or any documents relating to this Agreement, or any transaction arising herefrom or connected hereto. Customer and Seller each represents to the other that this waiver is knowingly, willingly and voluntarily given.

(f) Attorneys' Fees. In the event of any lawsuit between Seller and Customer arising out of or relating to the transactions or relationship contemplated by this Agreement, the substantially prevailing party shall be entitled to recover its reasonable costs including its reasonable attorneys' fees.

**IN WITNESS WHEREOF**, the parties have executed this Agreement which is made effective as of the date first above written.

**WORLD FUEL SERVICES, INC.**

**CITY OF NEWPORT**

By: \_\_\_\_\_

By: \_\_\_\_\_

Steve Drzymalla  
SVP, Business Aviation

\_\_\_\_\_  
Printed Name and Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_



**BRANDING AGREEMENT**  
**(PHILLIPS 66® BRAND)**

This BRANDING AGREEMENT (this “Branding Agreement”) is made and entered into this 1<sup>st</sup> day of September, 2017 by and between CITY OF NEWPORT, an Oregon municipality (“Customer”) located at 169 SW Coast Highway, Newport, OR 97365 and WORLD FUEL SERVICES, INC., a Texas corporation on its behalf and on behalf of its Affiliates (as defined in the FSA) (collectively “Seller”) located at 9800 N.W. 41st Street, Miami, FL 33178.

During the term of this Branding Agreement, CITY OF NEWPORT (“Customer”) is authorized to and shall offer Company Products for sale under the Company Marks subject to the following terms and conditions:

1. Customer is hereby authorized to sell aviation fuels and other petroleum products supplied by Company pursuant to the Fuel Supply Agreement between Customer and Seller dated September 1, 2017 (“FSA”) at the locations listed in the FSA (each a “Location”), under certain brands and signs, and under certain trade names, trademarks, trade dresses, brand names, labels, insignias, symbols and imprints owned by Company or used by Company in its business (collectively “Company Marks”) as are specifically authorized by Company from time to time. Such aviation fuels and other petroleum products sold by Seller to Customer, and held for sale by Customer, under Company Marks pursuant to this Branding Agreement and the FSA are hereafter referred to as the “Company Products.” Each of the following petroleum products shall be continuously stocked and offered for sale at Customer’s Location in such quantities as are necessary to meet the demand therefore: Company’s Aviation Gasoline 100LL and Company’s Jet A Turbine Fuel.
2. Any and all signs, decals, posters, placards, plates, devices, graphic materials or other form of advertising matter consisting in whole or in part of the name of Company or any Company Marks (collectively, “Branded Materials”) will be obtained by Customer, at Seller’s expense, only from Company. Any and all rights in Company Marks and Branded Materials are, and shall remain, the property of Company. Any use of Company Marks or Branded Materials other than as specifically set forth herein shall be strictly prohibited. No signs, emblems, graphic materials or other form of advertising for competing products or brands may be displayed at any Location where Company Products are offered without the express written consent of Seller.
3. Customer agrees that it will not use or display any Branded Materials (a) in a manner which causes or is calculated to cause confusion as to the type, characteristics, quality or manufacture of any fuel or other product which Customer offers for sale; or (b) for the purpose of selling or promoting the sale of aviation fuel other than fuels supplied by Seller; or (c) for the purpose of selling or offering for sale any product which has been diluted or adulterated whether intentionally or not. Customer will at all times maintain its facilities and conduct its operations in compliance with those standards and procedures established from time to time by Company and applicable to aviation fixed based operators displaying any of the Company Marks or Branded Materials. Such standards and procedures may include (without limitation) image quality standards for the brand displayed, quality control and refueling procedures for products bearing such brand, and standards for services offered and facilities utilized by Customer in conjunction with such products. Seller or Philips 66 Company may, as each deems appropriate, including through the use of third party contractors, conduct periodic tests or inspections to confirm Customer’s compliance with its obligations hereunder.
4. Seller desires to maintain the quality of Company Products sold hereunder. Accordingly, Customer will not in any manner mix, commingle, adulterate, blend, dilute or otherwise change the composition of any of Company Products purchased from Seller hereunder and resold by Customer under Company Marks unless mutually agreed by both parties pursuant to a site specific co-mingling agreement. If Customer offers for sale products purchased on an unbranded basis, Customer shall refrain from all use of Company Marks on or in connection with the sale of such products. Customer further agrees to protect the identity of Company’s products and Company Marks by all reasonable means that would prevent customer confusion or misinformation, including, but not limited to, compliance with any guidelines issued by Seller and/or Company to prevent such confusion.
5. Customer shall accept and honor for payment all Company Accepted Credit Cards and Debit Cards as outlined in the then current Company Credit Card Guide and subject to the terms thereof. “Company Accepted Credit Cards” are defined in the Company Credit Card Guide, which is incorporated herein by this reference, and which may be revised from time to time or discontinued at Company’s sole discretion, and which may be supplemented with Company’s marketing website communications, and other forms of notification to Customer (all referred to collectively as the “Credit Card Guide”). Customer shall accept other payment methods designated by Company from time to time in the Company Credit Card Guide. Customer shall use Company’s approved Electronic Point of Sale (“EPOS”) devices for transaction processing.

6. Customer may be eligible to enroll in the Phillips 66-Branded Airport Dealers Excess Liability Insurance Program (the “Excess Liability Program”). In order to apply for enrollment, Customer must complete the following documents relating to the P66 Excess Liability Program and submit them to Company: (1) Invitation to Enroll; and (2) Letter of Understanding. Customer shall be required to meet such eligibility requirements as established by Company from time to time. Upon request, Seller will provide Customer with the necessary documentation to apply for enrollment; provided, however, that Customer’s eligibility and enrollment in the Program shall be in the sole discretion of Company.
7. Upon termination of this Branding Agreement, or in any event upon demand by Company, Customer shall immediately discontinue the posting, mounting, display or other use of Company Marks or Branded Materials. In addition, Customer, at its own expense, shall uninstall and return to Company all salvageable signage and shall promptly return to Seller (or destroy) any and all Branding Material or other items that display Company Marks and shall obliterate the appearance of Company Marks from any of Customer’s real or personal property.
8. Company reserves the right at any time to change its product line and specifications, trade dress, trade names, and trademarks or to change or withdraw any services offered in connection with any products such as, but not limited to, credit card acceptance. In the event of such change, Company shall be relieved of all obligation to sell such discontinued products or to offer such discontinued products, trade dress, trade name, trademark or services to Seller and Customer; and, if Company shall market any other brand or product in lieu of the discontinued items, this Branding Agreement shall embrace such new brands or products. Neither Company nor Seller shall be liable to Customer by reason of any such changes.
9. This Branding Agreement shall have the same term as the FSA and shall terminate only when the FSA terminates, unless earlier terminated by Seller upon notice to Customer: (a) if Customer fails to comply with the requirements of this Branding Agreement; or (b) if a new Branding Agreement is substituted for this Branding Agreement pursuant to the terms of the FSA. The parties agree to execute and deliver a replacement branding agreement in substantially the same form (unless a new supplier requires a different form) if Seller determines to substitute aviation fuel of a different brand so long as such aviation fuel meets the requirements and standards set forth in Section 4 of the FSA.
10. Customer may not assign or transfer any right to use Company Marks or Branded Materials without Company’s prior approval.
11. The term “**Company**” as used in this Branding Agreement refers to **Phillips 66 Company** as owner of the brands, marks, and other intellectual property which is the subject matter of this Branding Agreement. The term “**Seller**” as used in this Branding Agreement refers to World Fuel Services, Inc. or one of its Affiliates (as defined in the FSA) in its capacity as “Seller” under the FSA.
12. This Branding Agreement is hereby incorporated by reference in and made part of the FSA for all purposes.

**IN WITNESS WHEREOF**, the parties have executed this Branding Agreement which is made effective as of this 1st day of September, 2017.

**WORLD FUEL SERVICES, INC.**

**CITY OF NEWPORT**

By: \_\_\_\_\_

By: \_\_\_\_\_

Steve Drzymalla  
SVP, Business Aviation

\_\_\_\_\_  
Printed Name and Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_



**STAFF REPORT  
FOR AIRPORT COMMITTEE**

Meeting Date: 10/11/2022

**Title:** Lease East area of Hangar D4, McCrea.

**Prepared by:** Lance Vanderbeck, Airport Director

**Recommended Motion:** Recommend non-commercial aircraft hangar ground lease for an area 15' wide x 80' long = 1,200 square feet at current ground lease rate \$0.257 per square foot: directly adjacent to hangar D4, on the east side, for aircraft parking only.

Or

Recommend commercial aircraft ground lease area 15' wide x 80' long - 1,200 square feet at \$0.30 per square foot directly adjacent to hangar D4, on the east side for aeronautical business area.

**Background Information:**

During the September 13, 2022 Airport committee meeting Mr. McCrea request to lease area east of hangar D-4. Mr. McCrea provided information the area would be used to park and store aircraft recovery trailers, and park his plane when it is pulled out of the hangar.

Current taxiway design group ADG-II/TDG-3 allows Taxiway Echo to be 50 feet in width. 79 feet in width for the safety area, and 131 feet in width for the Taxiway Object Free Area (TOFA). Dividing the TOFA in half provides 65.5 feet from taxiway Echo's center line. Currently hangar D4 is set back roughly 76 feet from taxiway Echo's center line.

Airport Design Advisory Circular 150/530-13B Section 4.5.4 defines the TOFA as an area adjacent to the Taxiway Safety Area (TSA) that is clear of objects not fixed-by-function to provide vertical and horizontal wingtip clearance.

The TOFA for taxiway Echo is 131 feet wide, or 65.5 feet from center line. This surface runs the entire length of taxiway Echo. There cannot be any item in this area that is not related to aircraft navigation, i.e. signs, taxiway markers, or lights.

Grant Assurance 19. Operation and Maintenance. Sub-section a. states, "The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon

which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary.”

**Fiscal Notes**

Non-commercial ground lease 1,200 square feet \$0.257 = \$308.40 annually or \$25.70 monthly.

Commercial ground lease 1, 200 square feet \$0.30 = \$360.00 annually of \$30 per month.

**Alternatives:** non- commercial ground lease would require permits for construction and equipment other than aircrafts to be parked in long term parking at currently yearly rates.

Commercial ground lease would require permits for construction, annual City of Newport business license. Including other business requirements listed in the Newport city code, airport rules and regulations, and any other requirements by Federal, State, and Local laws.

**Attachments:** McCrea lease 3294, three exhibits of TOFA for Taxiway Echo, Email from 2021 to Mr. McCrea explaining the TOFA.



**STAFF REPORT  
FOR AIRPORT COMMITTEE**

Meeting Date: 10/11/2022

**Title:** Email regarding TOFA for Dan McCrea's hangar D-4.

**Prepared by:** Lance Vanderbeck, Airport Director

**Recommended Motion:** information only

**Background Information:**

Hey Dan,

Just a reminder, about the FAA's Taxiway Object Free Area (TOFA). Below is an email sent to you on June 14, 2021 with the TOFA measurements for Taxiway Echo.

Thank you for your time,

Lance Vanderbeck  
City Of Newport  
Airport Director  
541-867-7422 Office  
541-867-3656 Fax

From: Lance Vanderbeck  
Sent: Monday, June 14, 2021 9:26 AM  
To: 'Dan McCrea' <redtruck454@hotmail.com>  
Subject: FW: Hangar question.

Hey Dan,

Below is the hangar off taxiway measurements.

Thank you for your time,

Lance Vanderbeck  
City Of Newport  
Airport Director  
541-867-7422 Office  
541-867-3656 Fax



From: Geoff Vaughn <GVaughn@preappinc.com>  
Sent: Friday, February 12, 2021 5:02 PM  
To: Lance Vanderbeck <L.Vanderbeck@NewportOregon.gov>  
Subject: RE: Hangar question.

Hey Lance,

The space between hangars can vary but is typically dependent on local building codes and how the hangars will be used (fire walls, etc...). I can look into next week in the City code if you'd like.

The Taxiway Echo OFA is 131' in total width (65.5' either side of taxiway centerline). If the hangar owner wants to pull their aircraft out in front of the hangar to work on (or another reason it would sit out front) then hangar should sit back further to allow other aircraft to pass.

I know the Master Plan showed apron space in front of hangars along Echo.

Have a great weekend!

Geoff

From: Lance Vanderbeck <L.Vanderbeck@NewportOregon.gov>  
Sent: Friday, February 12, 2021 2:52 PM  
To: Geoff Vaughn <GVaughn@preappinc.com>  
Subject: Hangar question.

Hey Geoff,

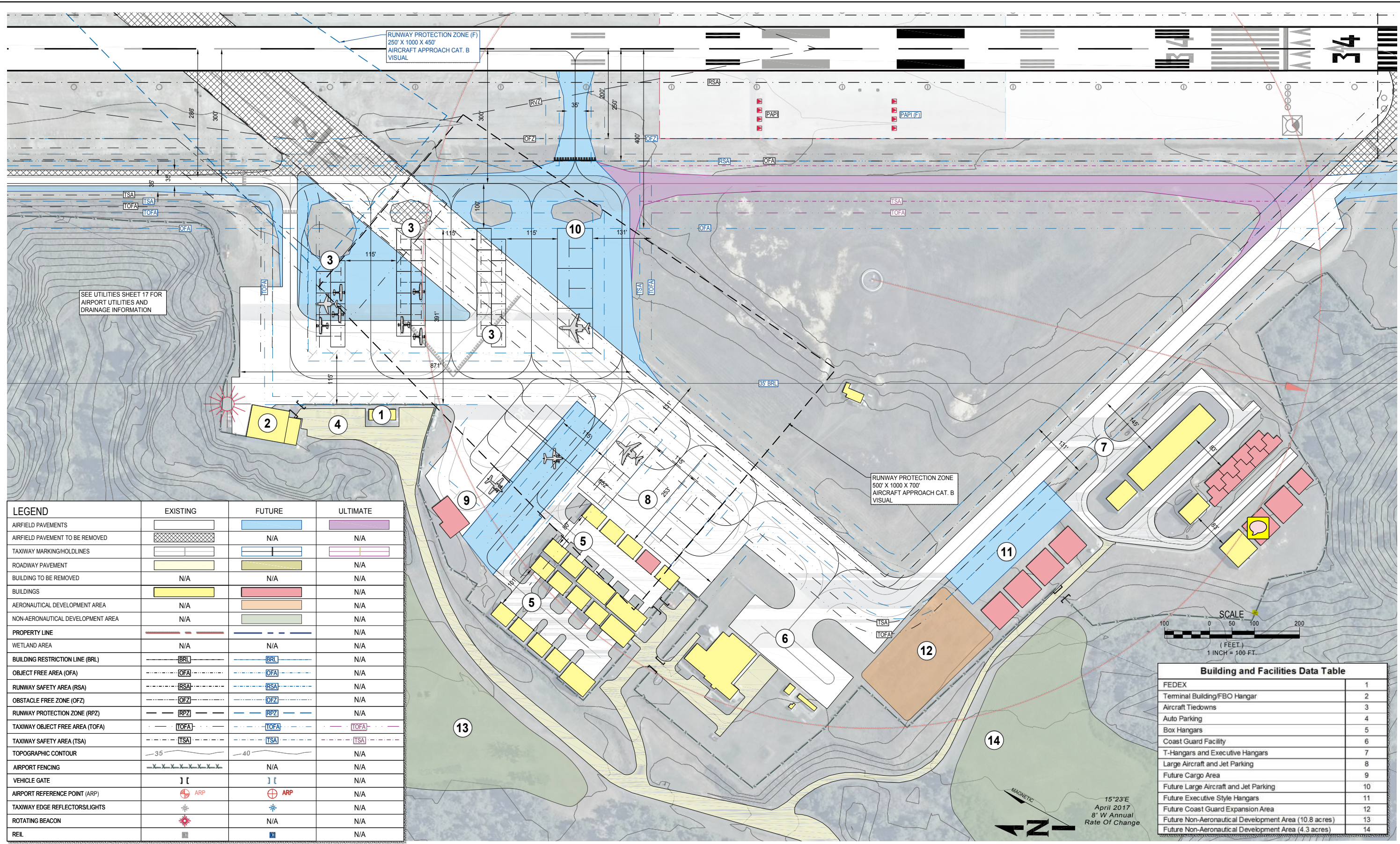
1. How much space can should be between hangars?
2. For the hangar off of echo, what is TOFA measurement; or how far back from the edge of echo can the building sit?

Thank you for your time,

Lance Vanderbeck  
City Of Newport  
Airport Director  
541-867-7422 Office  
541-867-3656 Fax



[DATE: ----] [AUTHOR: mdane] [PLOTTER: None] [STYLE: WHP-Standard.ctb] [PATH: P:\City of Newport\009837W\Design\Drawings\Civil\AIP\Sheets\009837W-d-terminal-area.dwg] [LAYOUT: 4 Terminal Area]



LEGEND	EXISTING	FUTURE	ULTIMATE
AIRFIELD PAVEMENTS	[Symbol]	[Symbol]	[Symbol]
AIRFIELD PAVEMENT TO BE REMOVED	[Symbol]	N/A	N/A
TAXIWAY MARKING/HOLDLINES	[Symbol]	[Symbol]	[Symbol]
ROADWAY PAVEMENT	[Symbol]	[Symbol]	N/A
BUILDING TO BE REMOVED	N/A	N/A	N/A
BUILDINGS	[Symbol]	[Symbol]	N/A
AERONAUTICAL DEVELOPMENT AREA	N/A	[Symbol]	N/A
NON-AERONAUTICAL DEVELOPMENT AREA	N/A	[Symbol]	N/A
PROPERTY LINE	[Symbol]	[Symbol]	N/A
WETLAND AREA	N/A	N/A	N/A
BUILDING RESTRICTION LINE (BRL)	[Symbol]	[Symbol]	N/A
OBJECT FREE AREA (OFA)	[Symbol]	[Symbol]	N/A
RUNWAY SAFETY AREA (RSA)	[Symbol]	[Symbol]	N/A
OBSTACLE FREE ZONE (OFZ)	[Symbol]	[Symbol]	N/A
RUNWAY PROTECTION ZONE (RPZ)	[Symbol]	[Symbol]	N/A
TAXIWAY OBJECT FREE AREA (TOFA)	[Symbol]	[Symbol]	[Symbol]
TAXIWAY SAFETY AREA (TSA)	[Symbol]	[Symbol]	[Symbol]
TOPOGRAPHIC CONTOUR	-35	-40	N/A
AIRPORT FENCING	[Symbol]	N/A	N/A
VEHICLE GATE	[Symbol]	[Symbol]	N/A
AIRPORT REFERENCE POINT (ARP)	[Symbol]	[Symbol]	N/A
TAXIWAY EDGE REFLECTORS/LIGHTS	[Symbol]	[Symbol]	N/A
ROTATING BEACON	[Symbol]	N/A	N/A
REIL	[Symbol]	[Symbol]	N/A

FEDEX	1
Terminal Building/FBO Hangar	2
Aircraft Tiedowns	3
Auto Parking	4
Box Hangars	5
Coast Guard Facility	6
T-Hangars and Executive Hangars	7
Large Aircraft and Jet Parking	8
Future Cargo Area	9
Future Large Aircraft and Jet Parking	10
Future Executive Style Hangars	11
Future Coast Guard Expansion Area	12
Future Non-Aeronautical Development Area (10.8 acres)	13
Future Non-Aeronautical Development Area (4.3 acres)	14

**WHPacific**  
 9755 SW Barnes Rd, Suite 300  
 Portland, OR 97225  
 503-626-0455 Fax 503-526-0775  
 www.whpacific.com

"THE PREPARATION OF THESE DOCUMENTS MAY HAVE BEEN SUPPORTED, IN PART THROUGH THE AIRPORT IMPROVEMENT PROGRAM FINANCIAL ASSISTANCE FROM THE FEDERAL AVIATION ADMINISTRATION (PROJECT NUMBER 3-41-0031-20) AS PROVIDED UNDER TITLE 49, UNITED STATES CODE, SECTION 47104. THE CONTENTS DO NOT NECESSARILY REFLECT THE OFFICIAL VIEWS OR POLICY OF THE FAA. ACCEPTANCE OF THESE DOCUMENTS BY THE FAA DOES NOT IN ANY WAY CONSTITUTE A COMMITMENT ON THE PART OF THE UNITED STATES TO PARTICIPATE IN ANY DEVELOPMENT DESCRIBED HEREIN NOR DOES IT INDICATE THAT THE PROPOSED DEVELOPMENT IS ENVIRONMENTALLY ACCEPTABLE IN ACCORDANCE WITH APPROPRIATE PUBLIC LAWS."

SHEET INFO	
DESIGNED	MD/RI
DRAWN	RI
CHECKED	MD
APPROVED	DN
LAST EDIT	2/2/2018
PLOT DATE	2/2/2018
SUBMITTAL	

REVISIONS				
NO.	BY	DATE	REMARKS	

**TERMINAL AREA PLAN**

CITY OF NEWPORT, OR.  
 NEWPORT MUNICIPAL AIRPORT MASTER PLAN UPDATE

PROJECT NUMBER P0009837W	DRAWING FILE NAME 0009837W-D-TERMINAL-AREA	SCALE 1"=100'
-----------------------------	---	------------------

SHEET NUMBER  
**4**





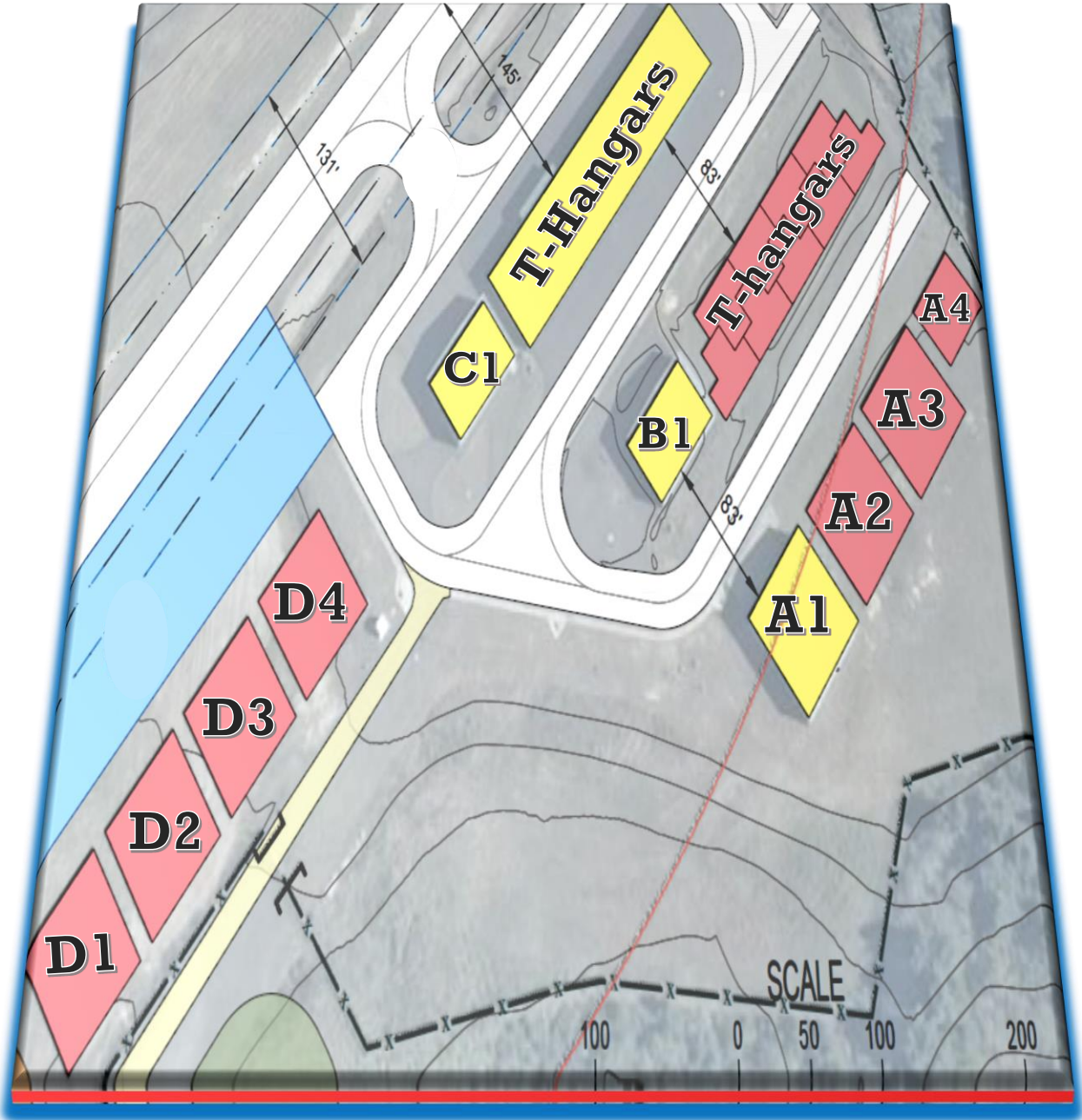








# Newport Municipal Airport South Hangar Area





**STAFF REPORT  
FOR AIRPORT COMMITTEE**

Meeting Date: 10/11/2022

**Title:** FAA Bipartisan Infrastructure law (BIL)

**Prepared by:** Lance Vanderbeck, Airport Director

**Recommended Motion:** Information only

**Background Information:**

In May 2022, the FAA released the Bipartisan Infrastructure law FAQ. This document answers frequently asked questions (FAQs) stakeholders may have related to the grant funds available for airports under the Public Law 117-58-Infrastructure Investment and Jobs Act referred to as the Bipartisan Infrastructure Law (BIL).

The BIL includes approximately \$25 billion for the National Airspace System.

Approximately \$5 billion is for improvements to FAA owned facilities and equipment. FAA's Air Traffic Organization (ATO) will administer these funds.

These FAQs pertain to the approximately \$20 billion for airport infrastructure improvements that will be administered by FAA's Office of airports. The Federal Aviation Administration (FAA) has additional information for airport sponsors at [www.faa.gov/bil](http://www.faa.gov/bil).

The guidance here is not legally binding in its own right and FAA will not rely on it as a separate basis for affirmative enforcement action or other administrative penalty. Conformity with this guidance, as distinct from existing statutes, regulations, and grant assurances, is voluntary only, and nonconformity will not affect existing rights and obligations.

In September airport staff held a meeting with FAA ADO to discuss how to best use our share of the BIL money. Hangars are open to be built with this money. It is the goal of airport staff to use this money to start development on the north end of the airport.

FAA was open to this and will provide an update CIP letter in January hopefully reflecting the request to build hangars with this funding source.

**Fiscal:** Total: \$1.6 million: Federal Funds \$1,475, 000.00: Sponsor match \$163,888.89

**Attached:** FAA-BIL\_FAQs\_513-2022.pdf, ONP\_BIL\_CIP update\_20220310, NPT-hangarDev\_220225.pdf.





# Federal Aviation Administration

## Bipartisan Infrastructure Law Frequently Asked Questions

This document answers frequently asked questions (FAQs) stakeholders may have related to the grant funds available for airports under the Public Law 117-58-Infrastructure Investment and Jobs Act referred to as the Bipartisan Infrastructure Law (BIL).

The BIL includes approximately \$25 billion for the National Airspace System.

Approximately \$5 billion is for improvements to FAA owned facilities and equipment. FAA’s Air Traffic Organization (ATO) will administer these funds.

These FAQs pertain to the approximately \$20 billion for airport infrastructure improvements that will be administered by FAA’s Office of Airports. The Federal Aviation Administration (FAA) has additional information for airport sponsors at [www.faa.gov/bil](http://www.faa.gov/bil).

The guidance here is not legally binding in its own right and FAA will not rely on it as a separate basis for affirmative enforcement action or other administrative penalty. Conformity with this guidance, as distinct from existing statutes, regulations, and grant assurances, is voluntary only, and nonconformity will not affect existing rights and obligations.

For questions related to BIL, please email: [9-ARP-BILAirports@faa.gov](mailto:9-ARP-BILAirports@faa.gov).

This guidance adds new questions Q-U44 through Q-U71, Q-A1 through Q-A4, and Q-SB1 through Q-SB6. This update also includes clarifying edits to questions Q-3, Q-U1(2), Q-U10, and Q-U31.

These FAQs will be updated periodically.

### Subjects Addressed

General Questions .....	2
Questions on Allocation of Funds.....	5
Questions on Use of Grant Funding.....	9
Questions on Grant Applications, Payments, and Closeouts .....	19
Questions related to the State Block Grant Program .....	20

## General Questions

**Q-1: How does the Bipartisan Infrastructure Law (BIL) benefit airports?**

**A:** Title VIII of Division J of the Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021 (BIL) provides \$25 Billion for the National Aerospace System (NAS). Five billion dollars of the BIL funds will be administered by FAA's Air Traffic Organization (ATO) will fund much needed FAA facilities upgrades. FAA's Office of Airports (ARP) will administer the remaining approximately \$20 billion in grant funds for airport infrastructure, terminal development, including multimodal terminal development and on-airport rail access projects, and airport owned towers.

**Q-2: Where is this funding coming from?**

**A:** The \$25 billion comes directly from the U.S. Treasury's General Fund.

**Q-3: Are the BIL funds split into different funding buckets?**

**A:** Yes. Five billion dollars is being administered by ATO for improvements to FAA-owned facilities. ARP will administer approximately \$20 billion of BIL funds to airport sponsors. The \$20 billion is allocated over 5 years (\$4 billion annually). Of the \$20 billion, FAA will receive up to \$118 million annually for administration of BIL funds and the Office of Inspector General (OIG) receives \$2 million annually for oversight of BIL funds.

(1) Airport Infrastructure Grants (AIG) include formula allocations (AIG Allocated) and competitive (AIG Competitive) funds of up to \$14.55 billion.

- a) Primary Airports share not more than \$2.39 billion annually based enplanement and cargo volume.
- b) Non-Primary Airports share not more than \$500 million annually, based on airport classification in the National Plan of Integrated Airport System (NPIAS) and the aggregated NPIAS eligible development cost for each classification.
- c) AIG provides \$20 million annually in competitive grants (AIG Competitive) for sponsor owned contract towers participating in the Federal contract tower program and the contract tower cost share program (FCT). These funds are available to: construct, repair, improve, rehabilitate, modernize, replace, or relocate an airport control tower; acquire and install air traffic control, communications, and related equipment in an airport control tower; and construct a remote tower certified by the FAA including acquisition and installation of air traffic control, communications, or related equipment. **(To date there is no FAA-certified remote tower technology.)**

(2) Approximately \$4.85 billion (\$970 million annually) for competitive Airport Terminal Program (ATP) grants including multi-modal terminal development and on-airport rail access projects. These funds can also be

used for projects for relocating, reconstructing, repairing, or improving an airport-owned air traffic control tower (ATCT), whether staffed by FAA or in the FCT program.

**Q-4: Who is eligible to receive AIG and ATP funding under BIL?**

**A:** **AIG Formula Infrastructure Allocations (AIG Allocated):** Funds are available to sponsors of airports as defined in 47102 of title 49, United States Code (U.S.C.); that is, airport sponsors meeting statutory and policy requirements under this section and identified in the FAA’s published [National Plan of Integrated Airport Systems \(NPIAS\)](#), updated with current year data, and are eligible to receive discretionary funds per 49 U.S.C. 47115.

**AIG Competitive Infrastructure Funds (AIG Competitive):** Funds are available to sponsors of airports eligible to receive discretionary funds per 49 U.S.C. 47115 and participating in the FCT program under 49 U.S.C. 47124.

**ATP:** Funds are available to sponsors of airports eligible to receive discretionary funds per 49 U.S.C. 47115.

**Q-5: Are any airports not eligible to receive funding under BIL?**

**A:** All airports in the NPIAS, except unclassified airports, are eligible. Unclassified airports are not eligible for discretionary funding under BIL.

**Q-6: Are airport sponsors in the Republic of the Marshall Islands, Federated States of Micronesia, Republic of Palau, and Midway Island eligible for BIL Grants?**

**A:** **AIG Allocated:** Yes, but they do not receive an allocation. Only sponsors of airports in categories defined in 49 U.S.C. 47102 receive allocations. Airports must be included in the [NPIAS](#) to receive an allocation of AIG funds. Airports in the Republic of the Marshall Islands, Federated States of Micronesia, Republic of Palau, and Midway Island are not included in the NPIAS. While these airport sponsors may be eligible for some AIP discretionary funding under 49 U.S.C. 47115, they are not eligible for *AIG Allocated* funds under BIL.

**AIG Competitive:** Yes. Funds are available to sponsors of airports eligible to receive discretionary funds per 49 U.S.C. 47115 and participating in the FCT program under 49 U.S.C. 47124. Airports in the Republic of the Marshall Islands, Federated States of Micronesia, Republic of Palau, and Midway Island are eligible for discretionary funds. These sponsors could compete for AIG Competitive funding if they are accepted into the FCT program.

**ATP:** Yes. Funds are available to sponsors of airports eligible to receive discretionary funds per 49 U.S.C. 47115. Airports in the Republic of the Marshall Islands, Federated States of Micronesia, Republic of Palau, and Midway Island are eligible for discretionary funds.

**Q-7: Are airports in U.S. territories eligible for BIL Grants?**

**A:** Yes. Funds are available to sponsors of airports in categories defined in 49 U.S.C. 47102 and identified in the FAA’s published [NPIAS](#), updated with current year data, and are eligible to receive discretionary funds per 49 U.S.C. 47115. Airports in U.S. territories (American Samoa, Northern Mariana Islands, Puerto Rico, the U.S. Virgin Islands, and Guam) meet these requirements. They receive AIG Allocation funds based on their information in the NPIAS, can compete for AIG Competitive funds if in the FTC program, and can compete for ATP funds.

**Q-8: Why do airports with a NPIAS category of Unclassified not receive AIG Allocated funds under BIL?**

**A:** Unclassified airports are not eligible for discretionary funds under BIL (see Q-5). Also, consistent with their role in the national airport system, unclassified airports have no development needs identified in the published NPIAS, updated with current year data.

**Q-9: What is the period of availability for FAA to obligate AIG funds?**

**A:** Approximately \$2.91 billion (approximately \$2.89 billion of AIG Allocated funds and \$20 million AIG Competitive funds) is available annually starting fiscal year (FY) 2022 through FY 2026. Funds not obligated at the end of the fourth FY will be recovered and made available for competitive grants in the fifth year. See Q-F3.

FY funds are first made available:	Funds must be obligated (under grant) by:	Any unobligated funds must be obligated (under grant) as competitive grants in:
2022	September 30, 2025	FY 2026
2023	September 30, 2026	FY 2027
2024	September 30, 2027	FY 2028
2025	September 30, 2028	FY 2029
2026	September 30, 2029	FY 2030

**Q-10: What is the period of availability for FAA to obligate ATP funds?**

**A:** Approximately \$970 million of ATP funds are available annually starting FY 2022 through FY 2026. Funds not obligated at the end of the fifth FY will expire. See Q-F4.

FY funds are first made available:	Funds must be obligated (under grant) by:	Funds recovered after the following FYs expire:
2022	September 30, 2026	FY 2026
2023	September 30, 2027	FY 2027
2024	September 30, 2028	FY 2028
2025	September 30, 2029	FY 2029
2026	September 30, 2030	FY 2030

## Questions on Allocation of Funds

**Q-F1: How will BIL AIG funds be allocated/awarded to airport sponsors?**

**A:** BIL allocates the \$14.55 billion into two programs over 5 years; AIG Allocated and AIG Competitive. AIG Allocated funds are specific, annual allocations to each eligible airport. These amounts are allocated separately for primary and non-primary airports. AIG Competitive funds are awarded annually through a competitive Notice of Funding Opportunity (NOFO) process specifically for FCT improvements.

(1) AIG Allocated.

- a) Primary Commercial Service Airports and eligible Cargo Airports share not more than \$2.39 billion annually based first on the statutory Airport Improvement Program (AIP) primary and cargo entitlement formulas. The FY 2022 allocation for primary airports is based on best of calendar year (CY) 2018, CY 2019, or CY 2020 enplanements. The FY 2023 allocation for primary airports will be based on best of CY 2018, CY 2019, or CY 2021 enplanements. Starting in FY 2024, the amount formulated for each airport is based upon the most recent CY enplanements. Cargo allocations are required by the legislation to be based on the most recent CY per 49 U.S.C. 47114(c)(2). FY 2022 cargo allocations were based on CY 2020.

After allocating based on the statutory AIP entitlement formulas, the remainder is then allocated based on the number of enplanements the airport had in CY 2019 as a percentage of total 2019 enplanements for all primary airports for FY 2022 and FY 2023. Starting FY 2024, the amount formulated for each airport is based upon the most recent CY enplanements.

- b) Non-Primary Airports share not more than \$500 million annually. The apportioned funds for each non-primary airport are based on the categories published in the NPIAS, updated with current year data, reflecting the percentage of the aggregate published eligible development costs for each such category, and then dividing the allocated funds evenly among the eligible airports in each category, rounding up to the nearest thousand dollars. For example, all airports classified as Local receive the same allocation.

(2) AIG Competitive.

- a) Sponsors of airports participating in the FCT program under 49 U.S.C. 47124, are eligible to share not more than \$20 million annually. Instructions for applying for these funds will be outlined in a NOFO, which will be issued annually until the program expires. Projects will be selected by FAA based on sponsor's information submitted in response to the criteria as outlined in the NOFO.

**Q-F2: How will BIL ATP funds be awarded to airport sponsors?**

**A:** Sponsors of primary and non-primary airports eligible for discretionary funding under 49 U.S.C. 47115(a) are eligible to share approximately \$970 million annually. Not more than 55% of these funds go to large hub airports, not more than 15% go to medium hub airports, not more than 20% go to small hub airports, and not less than 10% go to non-hub and non-primary airports. Instructions for applying for these funds will be outlined in a NOFO, which will be issued annually until the program expires. Projects will be selected by FAA based on sponsor's information submitted in response to the criteria as outlined in the NOFO.

**Q-F3: What happens to unobligated BIL AIG funds?**

**A:** Funds not obligated at the end of the fourth fiscal year will be recovered and made available for competitive grants in the fifth year. Up to \$100 million of these recovered funds will first be provided for competitive grants for FCTs. Any remaining funds will be available for competitive grants for eligible work that reduces airport emissions, reduces noise impact to the surrounding community, reduces dependence on the electrical grid, or provides general benefits to the surrounding community. Instructions for applying for these recovered funds will be outlined in a NOFO, which will be issued annually so the recovered funds are assigned to the competitive projects beginning in FY 2026 (October 1, 2025) through FY 2030 (September 30, 2030). Projects will be selected by FAA, based on sponsor's information submitted as outlined in the NOFO. Funds recovered after the fifth year will return to the General Fund.

**Q-F4: What happens to unobligated BIL ATP funds?**

**A:** Funds not obligated at the end of the fifth fiscal year will expire. ATP funds recovered prior to the end of the fifth fiscal year can be used to amend open ATP grants or made available for new ATP grants based on a competitive process. At the end of the fifth fiscal year, any unobligated or recovered funds will return to the General Fund.

**Q-F5: What is the Federal share under BIL?**

**A:** **AIG Allocated:** The Federal share is the same as for AIP grants, ranging from 50% to 95%, as outlined in 49 U.S.C. 47109. (For further explanation of the statutory provision see Section 4-9 of [FAA Order 5100.38D](#), Change 1 (AIP Handbook)). This includes grants made using unobligated AIG funds for projects not related to FCTs. See Q-F3.

**AIG Competitive:** The Federal share for FCT improvements is 100%. This includes grants made using unobligated AIG funds for FCT projects. See Q-F3.

**ATP:** The Federal share for terminal and sponsor owned ATCT improvements is 80% for large and medium hub airports and 95% for small hub, non-hub, and non-primary airports.

**Q-F6: Do airport sponsors have to contribute a local match for AIG and ATP grants under the BIL?**

**A:** **AIG Allocated:** Yes. The sponsor's match is the same as for sponsor's AIP grants, ranging from 5% to 50%. This includes grants made using unobligated AIG funds for projects not related to FCT. See Q-F3.

**AIG Competitive:** No. The Federal share for FCT improvements is 100%. This includes grants made using unobligated AIG funds for FCT projects. See Q-F3.

**ATP:** Yes. The sponsor's match is 20% for large and medium hub airports and 5% for small hub, non-hub, and non-primary airports.

**Q-F7: Is the BIL funding tied to the annual appropriation process?**

**A:** No. BIL does not require an annual appropriation. The funding is appropriated and will be available at the beginning of each FY.

**Q-F8: How is the NPIAS airport categorization used to determine BIL AIG Allocated funds for non-primary airport sponsors?**

**A:** Under BIL, not more than \$500 million is allocated annually to non-primary airports based on the categories published in the [NPIAS](#), updated with current year data. [FAA Order 5090.5, Formulation of the NPIAS and ACIP](#), defines the criteria for each category or role.

**Q-F9: Will FY 2023-FY 2026 AIG Allocated funds for primary and cargo eligible airports vary from FY 2022 allocations?**

**A:** Yes. The AIG allocations will be determined each year based on the enplanement and cargo landed weight. The FY 2023 allocation for primary airports will be based on best of CY 2018, CY 2019, or CY 2021 enplanements, and CY 2021 cargo landed weight. After FY 2023, enplanement and cargo allocations will be based on the most recent CY data. We expect there will be changes each year in the allocation. The extent of the changes will be impacted on changes in enplanements, cargo data, or if the airport changes between the primary and non-primary categories after FY 2023.

**Q-F10: How are airports that change from primary to non-primary status handled in AIG allocation formulas?**

**A:** FY 2022 and FY 2023 primary airport allocations are based on highest enplanements for CY 2018, CY 2019 and next full CY (CY 2020 or CY 2021 respectively). An airport that was classified as a primary airport in any of those years is considered a primary airport for FY 2022 and FY 2023. The most recent CY enplanements are used to determine an airport's classification for FY 2024-FY 2026 allocations. An airport classified as non-primary after FY 2023 will receive a non-primary allocation.

**Q-F11: Will FY 2023-FY 2026 AIG Allocated funds for non-primary airports vary from FY 2022 allocations?**

**A:** Airports changing from primary to non-primary, or visa-versa, or changes to the number of unclassified airports could impact the overall non-primary allocations. Airports changing classification (National, Regional, Local, Basic) in updated

versions of the NPIAS could also impact the overall non-primary allocations. Allocations for non-primary airports that do not change NPIAS classification should not vary significantly from year to year.

**Q-F12: Will non-primary airports that change from unclassified to classified as the NPIAS is updated with current year data qualify for AIG Allocated funds?**

**A:** Yes. If the airport's classification changes from unclassified to classified, that airport would be eligible for an allocation the following FY based on the airport's new classification. Similarly, if an airport drops to unclassified it would lose allocations the following FY.

**Q-F13: Does a non-primary airport that has unobligated AIG allocations and changes from classified to unclassified lose those funds?**

**A:** No. Unobligated AIG allocations are available until they expire (see Q-9).

**Q-F14: Will unobligated AIG Allocated funds be converted to discretionary funding annually?**

**A:** No. The funds are available for obligation until the end of the fourth FY. In the fifth FY, unobligated funds are recovered and used for competitive grants. See Q-9 and Q-F3.

**Q-F15: Is there a cap limiting the maximum amount of AIG Allocated funds?**

**A:** No. The legislation specifically states that there shall be no maximum apportionment limit under 49 U.S.C. 47114(c)(1)(C)(iii).

**Q-F16: Is there a reduction in AIG Allocated funds for medium and large hub airports collecting a Passenger Facility Charge (PFC)?**

**A:** No. The legislation specifically states that these funds are not subject to the reduced apportionments of 49 U.S.C. 47114(f).

**Q-F17: Does the "best of" calculation apply to cargo?**

**A:** No. The legislation references section 49 U.S.C. 47114(2), requiring cargo apportionments to be based on prior CY landed weight. There was no "best of" provision for cargo.



## Questions on Use of Grant Funding

**Q-U1: How can an airport sponsor use BIL AIG funds?**

**A:** AIG funds under BIL include AIG Allocated and AIG Competitive funds. Allowable use of AIG funds are as follows:

- (1) AIG Allocated. An airport sponsor may use these funds for airport-related projects defined under 49 U.S.C. 40117(a)(3). AIG Allocated funds cannot be used to pay for debt service. The FAA has used the guidance in the [AIP Handbook](#) as a component of PFC eligibility determination under section 40117.
- (2) AIG Competitive. An airport sponsor may use these funds to sustain, construct, repair, improve, rehabilitate, modernize, replace, or relocate a non-approach FCT ATCT, and to acquire and install air traffic control, communications, and related equipment to be used in those ATCT. (For further information on ATCT construction see Table O-3 *Other Building Project Requirement (Other than Terminal)*, Item h, in the [AIP Handbook](#). For further information on FCT minimum equipment and facilities list and FAA FCT new start and replacement tower process, see [FAA Order JO 7210.78 FAA Contract Tower \(FCT\) New Start and Replacement Tower Process](#)). A list of eligible equipment is found in Appendix A of [Reauthorization Program Guidance Letter \(R-PGL\) 19-02: Planning and Project Eligibility](#). AIG Competitive funds can also be used to construct a remote tower certified by the FAA including acquisition and installation of air traffic control, communications, or related equipment. To date there is no FAA certified remote tower technology. AIG Competitive funds cannot be used to pay for debt service.

**Q-U2: What are the eligible uses of ATP funds?**

**A:** ATP grants under BIL are awarded competitively and can be used for justified terminal development projects as defined under 49 U.S.C. 47102(28), including multi-modal projects. On-airport rail access projects, as outlined in 86 FR 48793 ([PFC Update 75-21](#)), are also eligible. Finally, projects for relocating, reconstructing, repairing, or improving an airport-owned ATCT, either staffed by FAA or in the FCT program, are also eligible.

**Q-U3: Can BIL funds be used at an airport that cannot meet FAA design standards?**

**A:** Standard Airport Sponsor Assurances, which require airports to meet standards and specifications approved by the FAA, will apply to BIL grants, unless a Modification to Standards has been approved by FAA.

**Q-U4: What grant obligations will an airport be required to meet by accepting a BIL grant?**

**A:** Standard Airport Sponsor Assurances, will apply to BIL grants. The grant assurances apply for the useful life of the facilities developed or equipment acquired under the grant, except for exclusive rights, airport revenue, and civil rights, which are perpetual. There is no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with BIL funds

**Q-U5: Are projects constructed with BIL funds expected to meet a minimum useful life?**

**A:** Yes. See section 3-12 of the [AIP Handbook](#) on minimum useful life.

**Q-U6: Can BIL funds be used to pay the matching share for AIP grants?**

**A:** No. 49 U.S.C. 40117(a)(3) is referenced in the legislation with respect to project eligibility. BIL funds are Federal funds from the General Treasury, which require a sponsor match. They are not PFC funds, which are considered local funds.

**Q-U7: Can BIL matching share be paid using pay as you go PFC funds?**

**A:** Yes. Projects must be included in an approved PFC application. The review and approval of a new application, if one is needed due to an amendment of an approved application, takes a significant amount of time from notification to carriers/public to start of PFC collection.

**Q-U8: Will requests to use BIL funds for projects included in an approved PFC application be considered?**

**A:** Yes. Sponsors must submit an amendment to an approved PFC, which decreases the total collection authority or deletes an approved project, before submitting for payment under a BIL grant. Sponsors should consult with their local ADO/RO if considering changes to an approved PFC application.

**Q-U9: Can BIL funds be used to pay debt service?**

**A:** No. The legislation does not allow funds to be used for debt service, including the financing cost of bonding.

**Q-U10: Do any BIL funded projects require a Benefit-Cost Analysis (BCA)?**

**A:** No. Title 49 U.S.C. 47115(d) identifies the requirements for a BCA for certain AIP discretionary projects. Section 47115(d) is not referenced in the BIL, therefore BCAs are not required. Also, a BCA is not required for installation of weather reporting equipment (AWOS-III or better). Other controls are in place to ensure projects are justified and reasonable.

**Q-U11: Can multi-year (MY) grants be issued using BIL funds?**

**A:** No. BIL grants cannot include future year allocations. Allocations may change annually. See U-32 and U-33.

**Q-U12: Can AIP/BIL funds be included in a single grant?**

**A:** No. AIP and BIL funds come from different sources and cannot be mingled into a single grant.

**Q-U13: Will AIG and ATP grants include a period of performance (POP)?**

**A:** Yes, they will include the standard four (4) years POP.

**Q-U14: Are BIL funds tied to the AIP funding schedule?**

**A:** No. BIL funds are administered separately throughout the FY.

**Q-U15: Can AIG Allocated funds be transferred between airport sponsors?**

**A:** No. AIG Allocated funds are airport sponsor specific funds.

**Q-U16: Can an airport sponsor with multiple airports receiving AIG Allocated funds transfer funds between its airports?**

**A:** Yes. BIL formula allocation funds are airport sponsor specific funds, which can be moved between airports within their system.

**Q-U17: The BIL indicates that AIG funds are available for four years and ATP funds are available for five years. How far along must a project be at the end of these obligation periods to not lose BIL funds?**

**A:** Funds need to be obligated as outlined under Q-F3 and Q-F4. Funds not obligated as outlined will expire and return to the General Fund.

**Q-U18: Will design only grants be allowed using AIG Allocated funds?**

**A:** Yes. AIG Allocated funds can be used to fund a design only grant. A design only grant will include a grant condition that the associated development will begin within two years after the design is completed.

**Q-U19: Will design only grants be eligible using AIG Competitive or ATP funds?**

**A:** Yes. Design only grants may not compete as well as those projects that are already designed or part of an alternative delivery method. Any design only grant will require a realistic funding plan to ensure completion of the project. A design only grant will include a grant condition that the associated development will begin within two years after the design is completed.

**Q-U20: In order to qualify for a grant under the BIL, must projects be "shovel ready" or is a project still under design eligible?**

**A:** No. As with PFC eligibility, a grant can be for design or environmental review, taking into consideration the normal AIP requirement. Construction grants will be issued based on bids. The annual NOFO for AIG Competitive and ATP funds will outline the application and screening process for these funds.

**Q-U21: What happens to unused BIL funds if grants are closed with a recovery?**

**A:** AIG Allocated funds recovered before the end of the fourth year remain available for the airport's use. AIG Competitive and ATP funds recovered before they expire will be returned to a competitive process. See Q-F3 and Q-F4.

**Q-U22: How can an airport sponsor use BIL recovered funds?**

**A:** AIG Allocated funds that have not expired can be either used in a new, AIG-allocated grant or amended into an existing AIG-allocated grant for eligible projects as outlined in Q-U23. Recovered AIG Competitive and ATP funds that have not expired can be either used in a new competitive grant or amended into an existing grant as outlined in Q-U23.

**Q-U23: Can BIL grants be amended to cover cost overruns?**

**A:** Yes. BIL grants using AIG Allocated funds can be amended within their four-year period of availability, but only with sponsor's available AIG Allocated funds. Grants funded with AIG Competitive or ATP funds will be considered by FAA competitively at a national level.

**Q-U24: Can BIL funds be used to reimburse costs previously incurred?**

**A:** Yes. FAA will reimburse sponsors for eligible project related costs incurred on or after November 15, 2021, which is the date of enactment of BIL, as long as all Federal funding procurement requirements and FAA design and construction standards, are met (see the [AIP Handbook](#)). This applies to all BIL funds (AIG and ATP).

**Q-U25: Can BIL funds be used to fund future phases of a project that is already under construction?**

**A:** Yes. BIL funds can be used for eligible costs of future phases of projects incurred on or after November 15, 2021, as long Federal procurement requirements per 2 CFR 200 and FAA design and construction standards are met (see [AIP Handbook](#)).

**Q-U26: Will requests to use competitive BIL funds for projects with planned AIP discretionary [on FAA's Airports Capital Improvement Plan (ACIP)] be considered?**

**A:** Yes. Priority will not be given to such projects and selection for competitive BIL funds is not guaranteed. AIP discretionary funded projects that are removed from the FAA's ACIP and not selected for BIL funding will likely be delayed until funding (AIP, BIL, PFC, etc.) is available. Replacement AIP discretionary projects will not be considered.

**Q-U27: Are AIG Allocated funds required to be used for higher priority projects if the airport is receiving AIP discretionary funds in the same FY?**

**A:** No. AIG Allocated funds have expanded availability for projects considered lower priority under AIP. Airports are still required to meet basic planning guidelines for AIG funds such as project justification, project consistency with the master plans, appropriate project scope, and project documentation on an approved Airport Layout Plan (ALP). Additional guidelines with specific examples will be developed and included in future BIL guidance and AIP guidance. If an ADO has concerns about the types of projects being funded with AIG and an airport's requested discretionary project, then it should reach out to the BIL Team and APP for further discussions.

**Q-U28: Can a Sponsor still request AIP discretionary funds while saving AIG Allocated funds?**

**A:** Yes. AIG Allocated funds have expanded availability for projects considered lower priority under AIP. Airports are still required to meet basic planning guidelines for AIG funds such as project justification, project consistency with the master plans, appropriate project scope, and project documentation on an approved ALP. Additional guidelines with specific examples will be developed and included in

future BIL guidance and AIP guidance. If an ADO has concerns about the types of projects being funded with AIG and an airport's requested discretionary project, then it should reach out to the BIL Team and APP for further discussions.

**Q-U29: Will airports be expected to use AIG Allocated funds before receiving AIG Competitive or ATP funds?**

**A:** No, sponsors can receive an AIG Competitive or ATP grant while saving AIG Allocated funds for a larger project. The use of AIG Allocated funding will be taken into consideration when making AIG Competitive and ATP funding decisions.

**Q-U30: Can alternative delivery methods be used for projects funded under BIL?**

**A:** Yes. Use of Design-Build, and Construction Manager at Risk (CMAR), in addition to the traditional design, bid, build delivery are allowable. Please refer to Section 3-43 and Table U-9 of the [AIP Handbook](#).

**Q-U31: If using alternative delivery methods, does the sponsor need to have a maximum guaranteed price to be to be considered for an AIG Competitive or ATP grant?**

**A:** No. Sponsors must provide the information outlined in the annual NOFO. Projects will be selected by FAA based on sponsor's information submitted in response to the criteria as outlined in the NOFO. A guaranteed maximum price is required to receive a grant (see Q-U20).

**Q-U32: If a project costs more than an airport's annual AIG Allocated funds, can the airport proceed with the project in year one, or will it have to wait until enough funds have accumulated?**

**A:** An airport has options in this scenario. In addition to waiting to accumulate AIG allocations; a sponsor can phase the project so that annual grants can be issued using available BIL funds; use AIP funds for a defined project phase; or construct the project and request reimbursement with future allocations, at the sponsor's risk.

**Q-U33: Can an Airport borrow AIG Allocated funds from a future year?**

**A:** No, funding will not be available ahead of the FY in which it is allocated. AIG allocations can be used for phased projects, saved for up to four years to use on a larger project, or construct a project and request reimbursement with future allocations, at the sponsor's risk.

**Q-U34: Can AIG Allocated funds be transferred from an airport being replaced to its replacement airport?**

**A:** Yes, provided the replacement airport has been approved by FAA and has an airport identification code assigned.

**Q-U35: Can AIG Allocated funds be used to acquire vehicles or ground support equipment equipped with low-emission technology if the airport is located outside of an air quality nonattainment area or maintenance area?**

**A:** No. Title 49 USC 40117(a)(3)(G) (incorporated into BIL-eligibility) requires airports to be located in a nonattainment area or maintenance area for this type of equipment.

**Q-U36: Can AIG Competitive or ATP funds be used to replace a FAA owned ATCT with a sponsor owned FCT?**

**A:** No. FAA owned ATCT are the responsibility of ATO, not ARP. Use of ARP BIL funding to replace a FAA owned ATCT would be supplementing ATO's appropriated funds, which is impermissible.

**Q-U37: Is the construction, improvement, or expansion of Customs and Border Patrol (CBP) or United States Department of Agriculture (USDA) inspection facilities as part of a terminal project eligible for BIL grants?**

**A:** For either AIG Allocated or ATP funds, the shell of the CBP facilities is eligible. The USDA inspection facilities are only eligible for AIG Allocated or ATP funds if they are required in the terminal for screening passengers or their baggage, for example in Hawaii where all passenger baggage (checked and carry-on) is screened by the USDA.

**Q-U38: Are eligibility calculations required for terminal development grants using AIG Allocated or ATP funds?**

**A:** Yes. Eligibility calculations similar to those done under PFC will be required for AIG Allocated and ATP terminal grants.

**Q-U39: Are eligibility calculations required for on-airport rail access grants under ATP?**

**A:** Yes. The process for making eligibility calculations is outlined in [PFC Update 75-21](#) (86 FR 48793, August 31, 2021).

**Q-U40: Can ATP funds be used to fund improvements for Terminals at non-primary airports?**

**A:** Yes. Not less than 10% of the annual ATP funding is available for non-hub and non-primary airports. Instructions for applying for these funds will be outlined in a NOFO, which will be issued annually for FY 2022-2026. Projects will be selected by FAA based on sponsor's information submitted in response to the criteria as outlined in the NOFO.

**Q-U41: Do ATP grants count toward the \$20M discretionary cap?**

**A:** No. The \$20M cap under 49 U.S.C. 47119(f) applies to AIP funds and is not incorporated into BIL legislation.

**Q-U42: Are ATP grants for terminal development for non-primary airports limited to the \$200,000 cap?**

**A:** No. The \$200,000 cap under 49 U.S.C. 47119(b)(2) applies to AIP funds and is not incorporated into BIL legislation.

**Q-U43: How will roadway projects that meet the definition of Terminal Development be prioritized for ATP funding?**

**A:** Access roads servicing exclusively airport traffic that leads directly to or from an airport passenger terminal building and walkways that lead directly to or from an airport passenger terminal building are considered terminal development. These projects will be evaluated as terminal development projects as outlined in the annual NOFO. Sponsors should consider use of AIG Allocated funds for eligible, standalone access road improvements.

**Q-U44: Can BIL funded projects include a local hiring preference?**

**A:** The BIL provides authority to use geographical and economic hiring preferences, including local hiring preferences, for construction jobs, subject to any applicable State and local laws, policies, and procedures. Local hiring preferences cannot be used for any portions of a project funded under AIP per 2 CFR 200.319(c).

**Q-U45: Why must an airport comply with 2 CFR 200 under BIL?**

**A:** The BIL grants are funded from the General Fund; therefore, the Airport Infrastructure Program and the Airport Terminal Program make Federal Awards to non-Federal entities. These programs are subject to [2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#) (2 CFR § 200.101). In addition, BIL requires us to use the project grant authority required under 49 USC 47104 which further federalizes the funds.

**Q-U46: Do limits for grant amendments apply to BIL funds?**

**A:** Yes. For consistency across programs, and to reflect what FAA believes to be best practices, AIP amendment limits will apply to BIL funds. AIG Competitive and ATP funds must use like year funds and are not guaranteed. For more information see Q-U23.

**Q-U47: Can BIL AIG Allocated funds be used on sponsor-owned revenue producing aeronautical support facilities such as fuel farms and hangars?**

**A:** Yes. Revenue producing aeronautical support facilities are defined under 49 U.S.C. 47102(24) as fuel farms, hangar buildings, self-service credit card aeronautical fueling systems, airplane wash racks, major rehabilitation of a hangar owned by a sponsor, or other aeronautical support facilities that the Secretary determines will increase the revenue producing ability of the airport.

AIG Allocated funds have expanded eligibility beyond AIP. BIL eligibility allows these types of projects to be funded at any airport, regardless of size. The AIP statutory “airside needs” test is not applicable to BIL projects. However, to be BIL-eligible, the project would still need to be a new installation or major improvement to increase revenue production at the airport. Because the goal of BIL is to improve the nation’s infrastructure, maintenance and repair are not eligible. For example, the expansion of a fuel farm to include a new fuel tank, increasing capacity, would be eligible as a new installation. A project to replace old fuel tank supply lines would be considered general maintenance and ineligible.



- Q-U48: If using AIG Allocated funds for sponsor-owned revenue producing aeronautical support facilities, does the airside need test apply?**
- A:** No. There is no requirement in BIL to certify or demonstrate that airside needs within the next three years will be met. Section 49 U.S.C 47110(h), which places limitations on these types of projects, including the airside needs test, does not apply to AIG Allocated funds.
- Q-U49: Can AIG Allocated funds be transferred from a primary airport to a nonprimary airport if they have the same sponsor?**
- A:** Yes. See Q-U16.
- Q-U50: Can a sponsor transfer AIG Allocated funds to an unclassified airport in their system?**
- A:** No. Unclassified airports are not eligible to receive BIL funds. See Q-8.
- Q-U51: If an airport transfers its AIG Allocated funds between a primary airport and a nonprimary airport, how is the Federal share calculated?**
- A:** The Federal share of the AIG Allocated grant will be calculated according to the statutory Federal share of the airport receiving the grant offer. See Q-F5.
- Q-U52: If an airport banks AIG Allocated funds, is the Federal share based on when the funds were allocated or when the grant is issued?**
- A:** The Federal share of the AIG Allocated grant will be the airport's statutory Federal share for the FY of the grant offer.
- Q-U53: Is the Federal share for ATP funds based on the FY the project is announced or the FY when the grant is issued?**
- A:** Due to the different percentages of ATP funds available for large, medium, small, and nonhub/nonprimary airports, the federal share is based on the FY the project is announced by the Secretary through our Notice of Intent to Fund process.
- Q-U54: Can BIL funds be used to acquire and install Explosive Detection System (EDS) machines?**
- A:** Use of AIG Allocated or ATP funds for acquisition and installation of the EDS machines used to screen passenger checked baggage is potentially eligible. The Transportation Security Administration (TSA) must agree in writing that the EDS machines are required, and TSA must provide evidence that they cannot finance them in the near term. Coordinate with your local ADO/RO.
- Q-U55: Can BIL funds be used to construct building modifications necessary to support an EDS?**
- A:** Use of AIG Allocated or ATP funds for building modifications needed to accommodate EDS machines used to screen passenger-checked baggage is eligible. TSA must agree in writing that the proposed space for EDS machines is only that which is needed to meet the minimum space requirement. Coordinate with your local ADO/RO.



**Q-U56: Does the provision to use CY 2018, CY 2019, or the most recent CY enplanements (See Q-F1(1)(a)) apply when determining an airport's hub status for ATP funding?**

**A:** No, 49 U.S.C. 47114(c)(1)(J) only applies to AIP and AIG formula allocations. The airport's hub status is based on the most recent full calendar year enplanements.

**Q-U57: When using annual AIG Allocated grants to reimburse a large multi-year project, will each grant require its own specific usable unit of work?**

**A:** No. For phased projects, the grant offer must include a special condition that requires the sponsor to complete a safe, useful, and usable unit of work within a reasonable timeframe. Each grant agreement must specifically describe the work being reimbursed under that grant. Refer to Section 3-21 of the [AIP Handbook](#).

**Q-U58: Are airports required to certify that they have all safety and security equipment, and access and equipment for passengers boarding or exiting non-air carrier aircraft to receive a BIL grant for terminal development?**

**A:** No. This requirement under 49 U.S.C. 47119(a)(1)(A) applies to AIP funds and is not incorporated into BIL.

**Q-U59: Does the requirement for the sponsor to certify that projects affecting safety, security, or capacity, including pavement condition, for projects that include eligible terminal revenue producing areas apply to BIL?**

**A:** No. This requirement under 49 U.S.C. 47119(a)(2)(B) applies to AIP funds and is not incorporated into BIL legislation.

**Q-U60: Can BIL AIG Allocated funds be used for revenue generating parking for vehicles of passengers or delivering of passengers?**

**A:** No. Use of AIG Allocated funds for revenue generating parking lots (including parking structures or garages) is not eligible for BIL funding for any size airport.

**Q-U61: What is the Build America, Buy America (BABA) Act?**

**A:** Buy American requirements under 49 U.S.C. 50101, Build America, Buy America requirements in sections 70912(6) and 70914 in Public Law No: 117-58, the Infrastructure Investment and Jobs Act, also known as BIL. The BABA Act will be required for both BIL and AIP grants. FAA's Buy American requirements are more restrictive than BABA, but BABA includes more specific requirements for construction materials. More information and implementation guidance will be provided as it becomes available.

**Q-U62: Can alternative delivery methods be used for airside construction?**

**A:** Yes, refer to 2 CFR 200 and Appendix U of the [AIP Handbook](#).

**Q-U63: The statute lists achieving Leadership in Energy and Environmental Design (LEED) accreditation standards as one example of improving energy efficiency. Can a similar standard be used?**

**A:** Yes. One goal of ATP is to fund projects that improve energy efficiency. Achieving LEED or similar standards provides a method for measuring a project's impact.

**Q-U64: Can engineering or other project formulation costs incurred prior to enactment of the BIL be reimbursed?**

**A:** No. Costs incurred prior to November 15, 2021, cannot be reimbursed with BIL funds. The airport must verify that an invoice submitted after November 15, 2021, does not include costs incurred prior to that date.

**Q-U65: Can a Reimbursable Agreement (RA) signed or paid prior to enactment of the BIL be reimbursed?**

**A:** Costs incurred prior to November 15, 2021 (when the work was actually performed), cannot be reimbursed with BIL funds. If the RA was signed and/or paid prior to that date, BIL funds can be used but only for costs incurred after November 15, 2021.

**Q-U66: Can AIG Allocated funds and ATP funds be combined in a single grant?**

**A:** No. They can be combined to fund a project or phase of a project but must be separate grants.

**Q-U67: Are projects that increase energy efficiency of an airport's power sources, such as solar or geo-thermal, eligible for BIL funding?**

**A:** Yes. If in a nonattainment or maintenance area meeting the criteria for the VALE program see Q-U35.

For all other airports AIG Allocated funds can be used to assess the airport's energy requirements in order to identify opportunities to increase energy efficiency at the airport as outlined under 49 U.S.C. 47140(a). AIG Allocated funds can be used for improvements identified in the energy assessment that increase energy efficiency at the airport under 49 U.S.C. 47140(b). Contact your ADO for additional guidance.

**Q-U68: Is an energy efficiency assessment required for an ATP project to increase energy efficiency?**

**A:** No. FAA will not require an assessment if the energy efficiency project is in support of the terminal. One of the project considerations for ATP projects is to improve energy efficiency, including upgrading environmental systems, upgrading plant facilities, and achieving LEED (or similar) accreditation standards as part of a new terminal construction, expansion, or rehabilitation.

**Q-U69: Do FAA's AIP or similar contract provisions apply to BIL funded projects?**

**A:** Yes. The BIL grants are funded from the General Fund; therefore, the Airport Infrastructure Program and the Airport Terminal Program are both Federal Grant

Programs. BIL funded projects must comply with FAA's [Contract Provision Guidelines for Obligated Sponsors and Airport Improvement Program Projects](#). This includes Disadvantaged Business Enterprise, Davis-Bacon, Civil Rights, Equal Employment Opportunity (EEO), and Veteran's Preference, among other required contract provisions.

**Q-U70: What procurement method must be used for alternative project delivery such as Construction Manager at Risk (CMAR) or Design-Build (D-B)?**

**A:** Sponsors must use the competitive proposal method as outlined in 2 CFR 200(b)(2)(iii) and FAA guidance in Appendix U of the [AIP Handbook](#). Price (fee/profit) must be a consideration in the selection process and sponsor must provide a cost or price analysis per 2 CFR 200.320. For D-B, 49 U.S.C. 47142(a)(6) requires three (3) or more proposals. Applicable Federal contract requirements must be included as part of the sponsor's solicitation and in all contracts and subcontracts resulting from the procurement (See Q-U69). Selection of a CMAR or D-B that doesn't meet these requirements is not eligible for BIL funding. Contracts and grants for CMAR or D-B are based on a negotiated guaranteed maximum price (GMP), representing the ceiling project price.

**Q-U71: Can a sponsor be reimbursed for sponsor-furnished proprietary equipment and materials (i.e., baggage handling system equipment or steel for a terminal project) that were procured separately for a non-federally funded project?**

**A:** FAA will only reimburse sponsors for eligible project related costs incurred on or after November 15, 2021, which is the date of enactment of BIL. See Q-U24. Sponsor furnished materials and equipment must be purchased (cost incurred) after BIL was enacted and follow federal contract provisions, including 2 CFR 200, to be eligible for reimbursement, installation, inspection, and testing. In addition, Buy American and Buy America, Build America must be followed for the costs of the equipment and/or materials to be eligible for reimbursement.

## Questions on Grant Application, Payments, and Closeouts

**Q-A1: How does an airport apply for a BIL grant?**

**A:** **AIG Allocated:** Follow AIP process including projects in the CIP, submittal of the SF-424, *Application for Federal Assistance* and other documents as required by [FAA Airports Standard Operating Procedure \(SOP\) 6.00](#) and the local ADO or RO.

**AIG Competitive:** For projects selected through the competitive process under the annual NOFO, follow AIP process including projects in the CIP, submittal of the SF-424, *Application for Federal Assistance* and other documents as required by [FAA Airports SOP 6.00](#) and the local ADO or RO.

**ATP:** For projects selected through the competitive process under the annual NOFO, follow AIP process including projects in the CIP, submittal of the SF-424, *Application for Federal Assistance* and other documents as required by [FAA Airports SOP 6.00](#) and the local ADO or RO.

**Q-A2: Can a project using a combination of AIP and BIL funds be included on a single grant application?**

**A:** No. Separate applications are required for each fund type.

**Q-A3: How will an airport sponsor submit payment requests?**

**A:** FAA will use the existing U.S. Department of Transportation Delphi eInvoicing system for payment requests, following FAA's payment policy.

**Q-A4: What documentation is required for closing out a BIL Grant?**

**A:** ADOs will use AIP closeout process per [FAA Airports SOP 10.00](#). After the grant is closed, it remains subject to audit. The airport sponsor must retain grant documentation for three years after the grant is closed as required by 2 CFR 200.334.

### **Questions related to the State Block Grant Program**

**Q-SB1: How will BIL funds be administered to airports covered under the FAA's State Block Grant Program (SBGP)?**

**A:** FAA interprets 49 U.S.C. 47128, State Block Grant Program, as giving direction to provide each State Block Grant participating state program administration responsibilities for grants issued under BIL. This interpretation is consistent with our long-standing practice. For airports covered under the FAA's SBGP, the FAA will issue block grants to states designated for projects at specific locations. BIL funds are location specific, similar to AIP discretionary funding. When projects are ready to move forward, location-specific funding will be awarded based on BIL availability and actual construction bids or negotiated agreement.

**Q-SB2: Will the State Block Grant Participating State be provided *program* administration costs related to BIL funding?**

**A:** No. The FAA is applying many of the same program administration rules for BIL as for AIP. For states that participate in the FAA's SBGP, program administration costs are not allowable for BIL grants, but project administrative costs could be allowable through direct billing. See Q-SB3.

**Q-SB3: Can the State Block Grant Participating State be reimbursed for *project* administrative costs related to BIL grants?**

**A:** Yes. The state can charge for project administrative costs that are directly related to administering the eligible project (many are normally done by a consultant or other hired company) such as application preparation, contract management, engineering oversight, bidding, etc. BIL programs, like AIP, are subject to the requirements of 2 CFR Part 200. See the AIP Handbook for further detail on how FAA applies these requirements in the airport development grant context.

**Q-SB4: For those BIL projects administered under the block grant, who would have the responsibility to complete NEPA?**

**A:** The state's environmental compliance responsibilities when administering BIL funds under the Block Grant Program will vary depending on if the project involves the use of only BIL funds, or a mixture of funding sources. In general, BIL AIG Allocated

funds will be similar to AIP entitlement and state apportionment funds, where the state retains NEPA responsibility. For ATP and AIG Competitive funded projects, the FAA retains oversight and NEPA responsibility, similar to AIP discretionary funded projects.

**Q-SB5: What is the State Block Grant state's role in planning for AIG Allocated funded projects?**

**A:** The FAA sent guidance out to states and sponsors early in CY 2022, with specific instructions to start updating state Capital Improvement Program (CIP) submissions. This information will be used by FAA to update our NPIAS, as well as our three year Airports Capital Improvement Program (ACIP). State Block Grant states should incorporate the additional AIG specific project into the state's CIPs. Contact your local ADO for additional details.

**Q-SB6: How does the State Block Grant state apply for an AIG grant?**

**A:** The state's application process will mirror the AIP discretionary application process. This includes ensuring projects are shown in state's CIP, the project is on the airport's approved ALP, and submittal of the SF-424, *Application for Federal Assistance* and other documents as required. See Q-A1. When projects are ready to move forward, location-specific funding will be granted based on BIL availability and actual construction bids or negotiated agreements.

Airport/Sponsor: Newport Municipal Airport/City of Newport

Prepared By: Precision Approach Engineering, Inc.

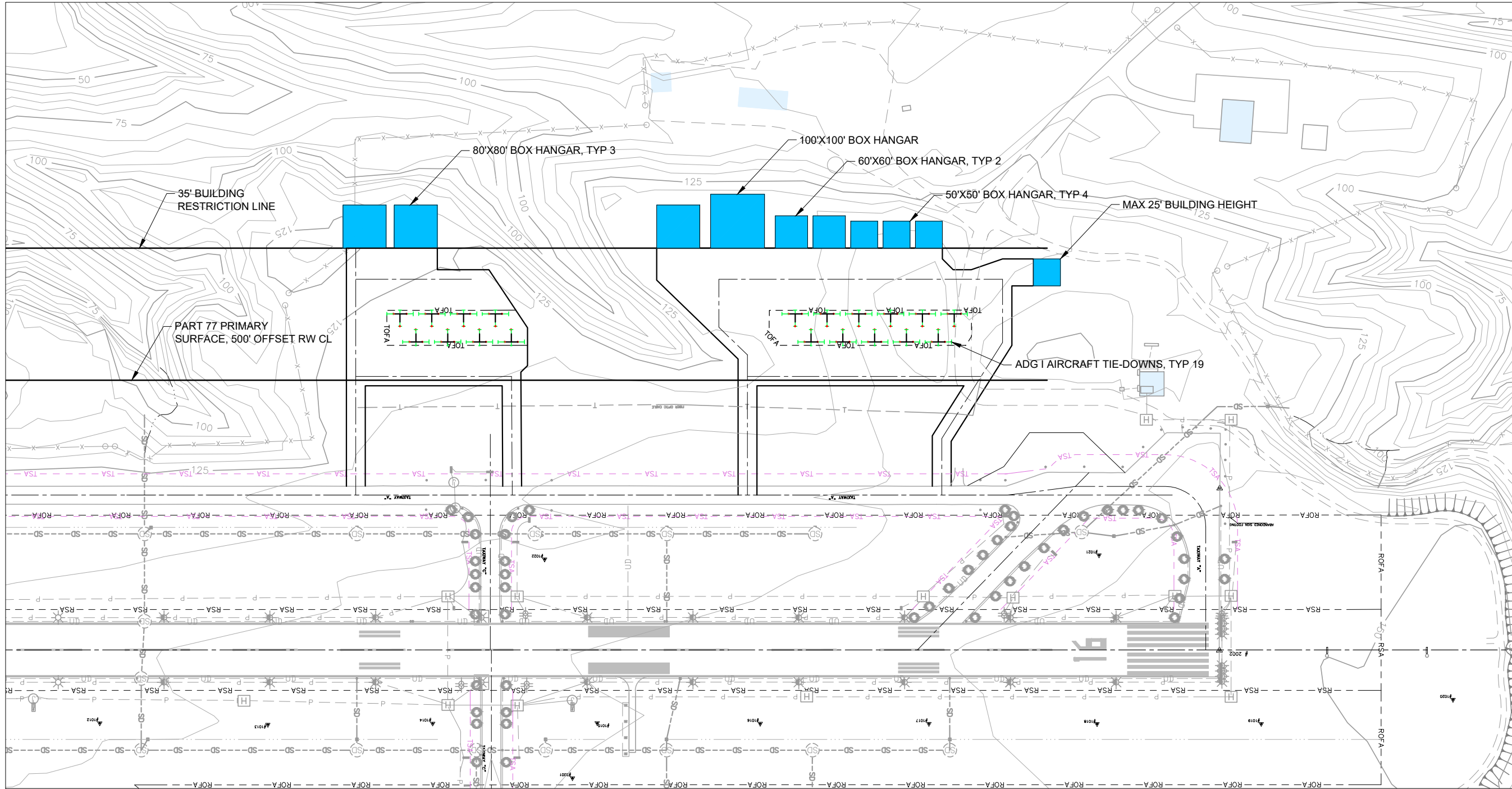
Date: 3/10/2022

Sponsor Match: 10%

Sponsor Non-Primary Entitlements (NPE): \$ 150,000.00 /year

Airport Infrastructure Grant Funds (BIL): \$ 295,000.00 /year

Year	Project Name	NPE*	ST	DI	BIL	Sponsor Match	Total Federal	Total Project	Comments
2023	Carry Over		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2024	Carry Over	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2025	Install AWOS	\$ 450,000.00	\$ -		\$ -	\$ 50,000.00	\$ 450,000.00	\$ 500,000.00	
2025	New T-Hangar(s) - Design	\$ -	\$ -	\$ -	\$ 100,000.00	\$ 11,111.11	\$ 100,000.00	\$ 111,111.11	Sponsor owned t-hangars
2026	Carry Over	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2026	New T-Hangar(s) - Construction	\$ -	\$ -	\$ -	\$ 1,375,000.00	\$ 152,777.78	\$ 1,375,000.00	\$ 1,527,777.78	Sponsor owned t-hangars
2027	Carry Over	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Totals		\$ 450,000.00	\$ -	\$ -	\$ 1,475,000.00	\$ 213,888.89	\$ 1,925,000.00	\$ 2,138,888.89	





**My apologizes for missing the November committee meeting. I had a family emergency the Sunday before the meeting, and was gone the entire week. I appreciate everyone's understanding during this time.**

**City Council:** Two lease sent to City Council were approved. One for 5D Holdings LLC site D3, and the second for James "Jim" Seavers site CN.

**Oregon Airport Managers Association (OAMA):** Was not able to attend OAMA board call do to family emergency.

**Equipment:** AWOS annual inspection reviled an issues from reporting radio on the field to the receiving radio in the FBO. Could be the antenna connection on the FBO building. This has no impact on weather data sent to national weather reporting. AWIS cell reporting equipment is working fine at FBO, issue for national reporting is not on our end. No other issues with AWOS.

**Budget and Lease:** No update. Working with finance on a report for the airport committee on revenues and expenditures for the airport. Here are a few end of Fiscal year 21-22 revenues. Jet – A \$349,559.42: Av-Gas \$77,798.94: Rents & Leases \$161,963.72: Rental cars fees \$26, 716.59 before expenses are accrued. I am hopeful to have a report for the January Airport Committee meeting.

**Minutes:** no update Administration staff is working on the issues with airport committee minutes.

**Maintenance of hangar aprons:** City administration held an internal meeting to start discussion of individual aprons for private box hangars and taxi lane maintenance in those non-movement areas. Requested information from PAE on cost of taxi lane and individual aprons for 21 box hangars. Waiting for PEA and city administration.

**Pavement maintenance:** In 2012 ODA published a 549 page report for Ten-year Performance Review. This study evaluates the effectiveness of the PMP from its inception to the present – a total of ten years – with the aim of assessing the program's strengths and weaknesses and recommending necessary improvements. The intent of this study is to help decision-makers determine where the program is getting the best return on the investment so they can capitalize on those successes, additionally, it provides recommendations for areas of improvement within the PMP. The Federal Aviation Administration (FAA) can also utilize this study as a best management practice for other states interested in developing similar pavement projects. ODA PMP program is on a four year cycle with the ODA. The next assessment will be in 2025. Between assessments, funding for PMP would have to come from local sources. A maintenance fee for local hangar owners, landing fees, apron tie down fees, and the City's general fund. Larger dollar projects would be eligible for FAA AIP funding that are listed in the airport master plan. The ODA's 2012 report reflects an annual local cost of \$30,974.00 for Newport's PMP for fog seal and crack sealing pavement.

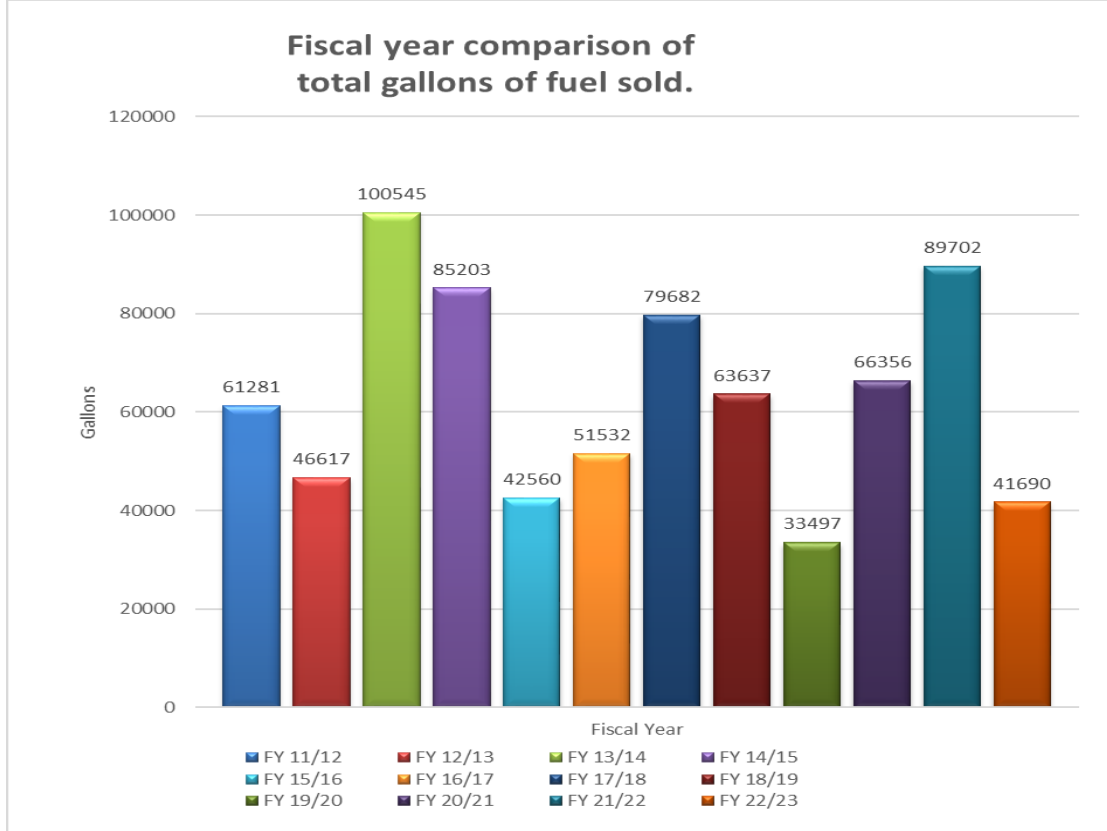
In 2015 the ODA also published an 81 page Pavement Evaluation/Maintenance Management Program for Newport Municipal Airport. Section Condition report, shows PCI numbers range from 67-100. Taxiway echo being the lowest and one of the oldest at 31 years. Cost for Five-year Global Maintenance and Rehabilitation plan estimate came in \$280,752.00. Branch Condition Report for all 36 sections estimate is \$1,501,018.01.

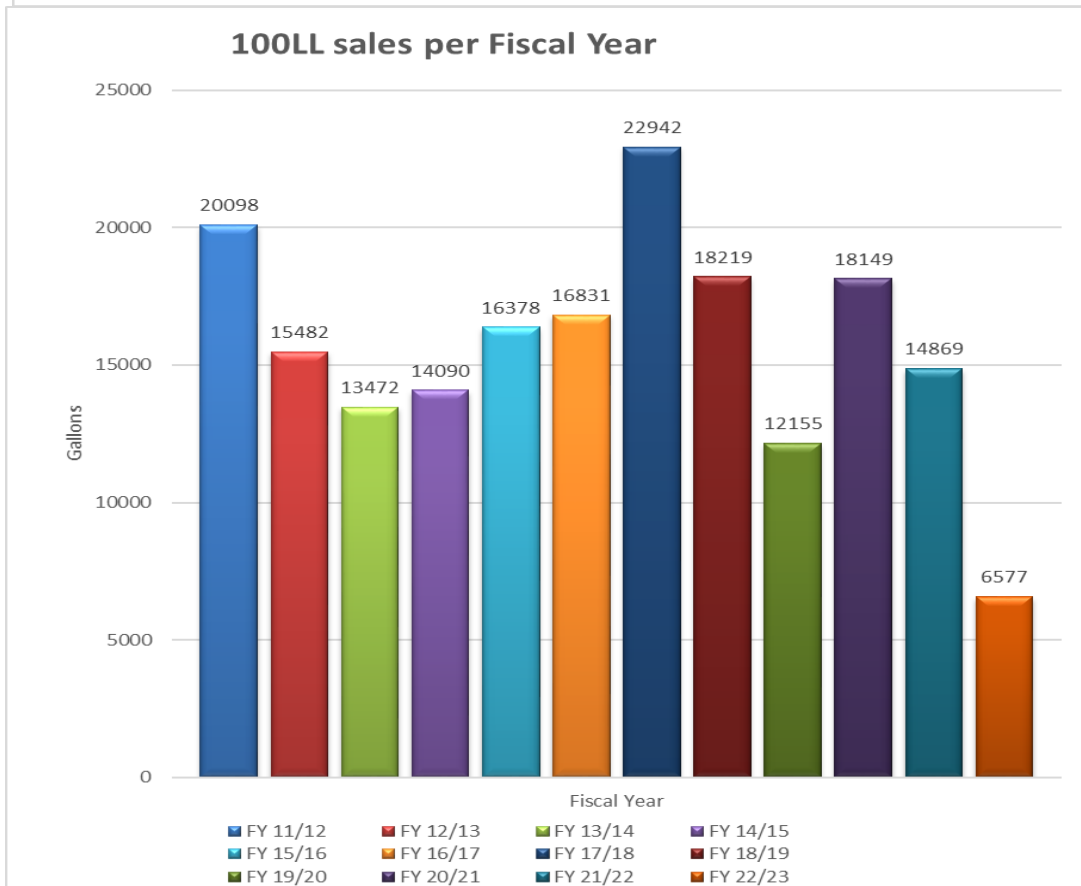
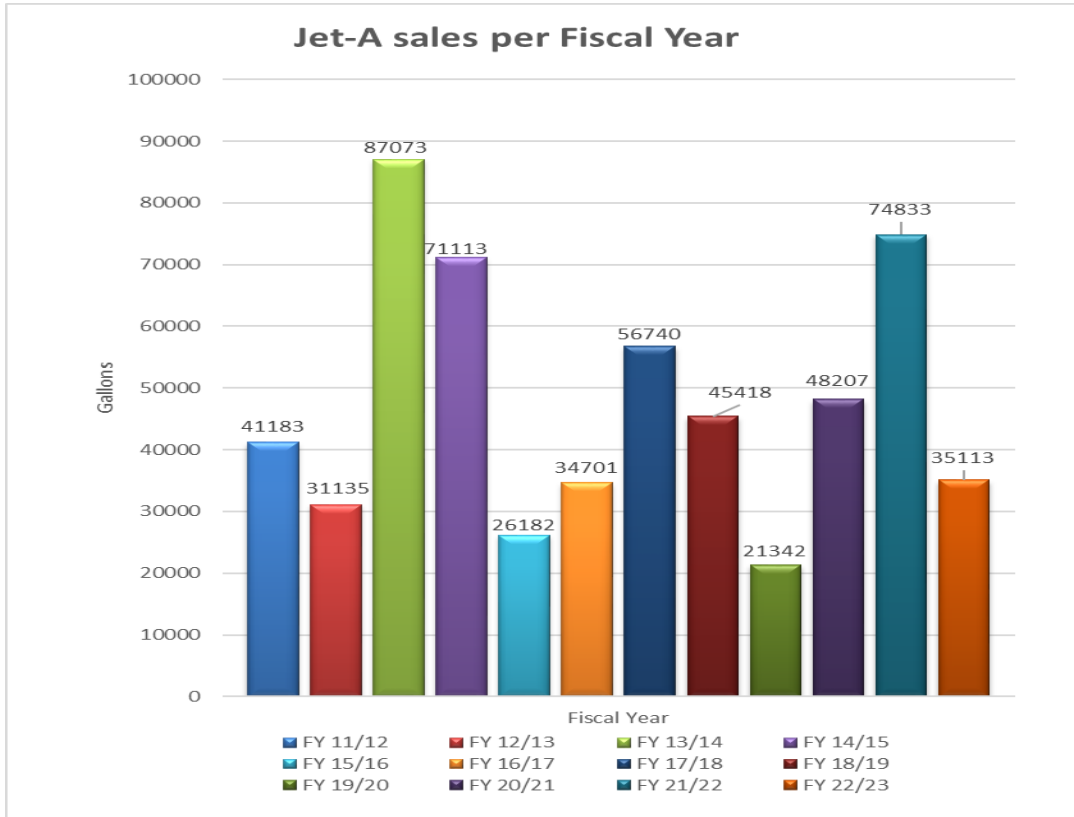
**Lease template:** Received new lease template form City Attorney David Allen and update check list. I have attached with packet.

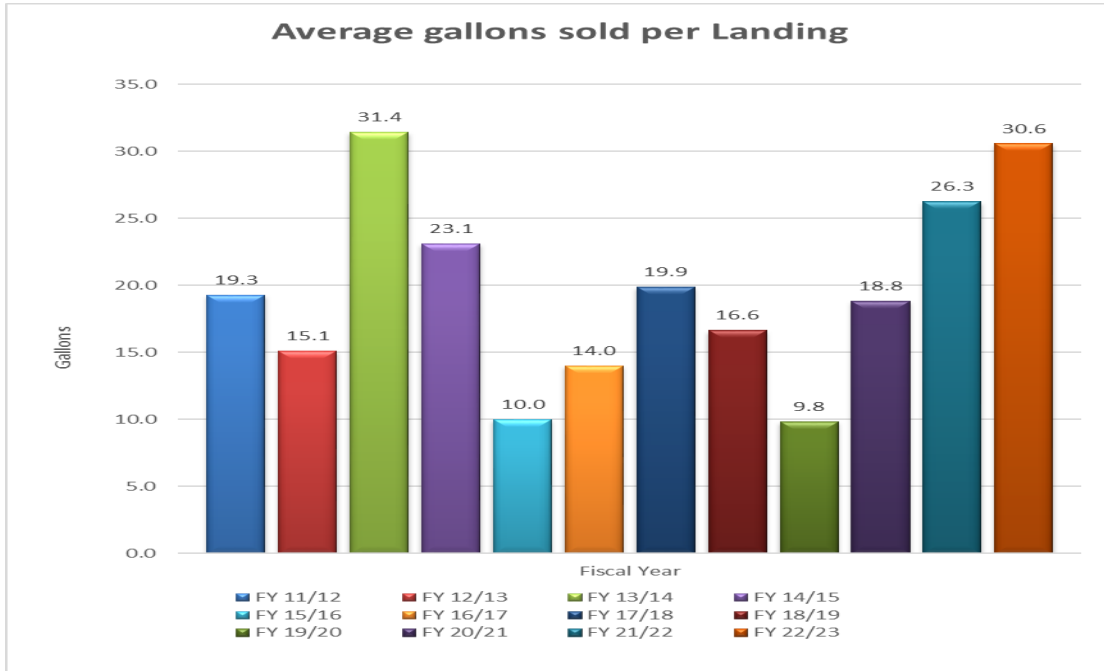
How we ended for November 2022.



Aircraft Quantity				Fuel Consumption			
Month	IN	OUT	Tot.A.O	Jet A	Av Gas	Self Serve	Total
July	311	315	626	8514	1830		10344
Aug	327	333	660	8358	112	2170	10640
Sept	286	285	571	7811	30	1197	9038
Oct	226	225	451	5387	18	789	6194
Nov	214	217	431	5043	0	431	5474
Dec							
Jan							
Feb							
Mar							
Apr							
May							
Jun							
<b>Cur. FY</b>	<b>1364</b>	<b>1375</b>	<b>2739</b>	<b>35113</b>	<b>1990</b>	<b>4587</b>	<b>41690</b>
<b>FY 21/22</b>	<b>3417</b>	<b>3485</b>	<b>6902</b>	<b>74925</b>	<b>3258</b>	<b>11611</b>	<b>89794</b>
<b>FY 20/21</b>	<b>3526</b>	<b>3538</b>	<b>7064</b>	<b>48207</b>	<b>457</b>	<b>17691</b>	<b>66356</b>
<b>FY 19/20</b>	<b>3408</b>	<b>3438</b>	<b>6846</b>	<b>21342</b>	<b>4544</b>	<b>7602</b>	<b>33488</b>
<b>FY 18/19</b>	<b>3826</b>	<b>3860</b>	<b>7686</b>	<b>45418</b>	<b>5768</b>	<b>13458</b>	<b>64643</b>
<b>FY 17/18</b>	<b>4008</b>	<b>4033</b>	<b>8041</b>	<b>56740</b>	<b>5579</b>	<b>17363</b>	<b>79682</b>
<b>FY 16/17</b>	<b>3685</b>	<b>3701</b>	<b>7386</b>	<b>34701</b>	<b>5001</b>	<b>11830</b>	<b>51532</b>
<b>FY 15/16</b>	<b>4263</b>	<b>4234</b>	<b>8497</b>	<b>26182</b>	<b>7854</b>	<b>8524</b>	<b>42560</b>
<b>FY 14/15</b>	<b>3686</b>	<b>3572</b>	<b>7258</b>	<b>71113</b>	<b>5985</b>	<b>8103</b>	<b>85201</b>
<b>FY 13/14</b>	<b>3199</b>	<b>2914</b>	<b>6113</b>	<b>87073</b>	<b>4098</b>	<b>9374</b>	<b>100546</b>
<b>FY 12/13</b>	<b>3121</b>	<b>3083</b>	<b>6204</b>	<b>31135</b>	<b>4430</b>	<b>11049</b>	<b>46614</b>
<b>FY 12/11</b>	<b>3219</b>	<b>3181</b>	<b>6400</b>	<b>41183</b>	<b>4275</b>	<b>15823</b>	<b>61281</b>
<b>FY 10/11</b>	<b>3023</b>	<b>3085</b>	<b>6108</b>	<b>73458</b>	<b>4119</b>	<b>12004</b>	<b>89581</b>
<b>FY Total</b>	<b>43745</b>	<b>43499</b>	<b>87244</b>	<b>646590</b>	<b>57358</b>	<b>149019</b>	<b>852967</b>
<b>Average</b>	<b>3544</b>	<b>3510</b>	<b>7054</b>	<b>48835</b>	<b>5165</b>	<b>11513</b>	<b>65513</b>







Rental Cars										
CY	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
JAN	2	2	11	4	2	24	38	25	35	27
FEB	5	4	8	4	23	37	27	41	29	24
MAR	9	5	7	4	14	24	59	38	32	34
APR	4	5	10	7	25	35	49	24	52	44
MAY	14	9	8	4	24	40	62	37	50	44
JUN	9	12	28	8	28	36	68	27	51	55
JUL	22	16	30	16	55	67	93	34	57	68
AUG	24	3	25	10	53	55	93	51	72	75
SEP	14	10	14	16	37	54	63	43	90	43
OCT	8	5	13	9	22	39	42	49	52	65
NOV	14	2	11	3	21	40	39	22	41	57
DEC	1	1	4	7	25	25	30	29	37	
<b>Total</b>	<b>126</b>	<b>74</b>	<b>169</b>	<b>92</b>	<b>329</b>	<b>476</b>	<b>663</b>	<b>420</b>	<b>598</b>	<b>536</b>

Courtesy Cars Loaned Out											
CY	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
JAN	0	0	33	23	28	21	16	31	22	30	22
FEB	2	0	16	17	23	21	24	14	32	21	26
MAR	2	0	29	41	25	32	32	46	29	38	27
APR	2	0	28	36	42	26	32	40	0	39	28
MAY	9	0	29	20	45	51	39	39	0	35	36
JUN	14	0	19	43	48	37	54	40	1	44	34
JUL	10	28	39	41	52	57	53	52	8	49	39
AUG	0	27	19	38	43	45	35	43	14	47	33
SEP	0	25	25	32	31	45	43	34	24	43	31
OCT	0	35	12	22	14	41	34	47	34	31	21
NOV	0	22	19	29	22	11	28	36	24	11	12
DEC	0	8	10	16	17	17	11	22	25	15	
<b>Total</b>	<b>39</b>	<b>145</b>	<b>278</b>	<b>358</b>	<b>390</b>	<b>404</b>	<b>401</b>	<b>444</b>	<b>213</b>	<b>403</b>	<b>309</b>

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

Jet-A prices within 60 miles of Newport, OR 97365

Jet A

\$5.49—\$7.70

Average \$6.39

KONP Newport Municipal Airport Newport, OR

Newport Municipal Airport Phillips 66 FS \$6.08 w/Prist \$6.24

KCVO Corvallis Municipal Airport Corvallis, OR

Corvallis Aero Service EPIC FS \$7.60

6S2 Florence Municipal Airport Florence, OR

Florence Airport Volunteer Group SS \$5.85

7S5 Independence State Airport Independence, OR

Nutsch Aviation SS \$6.06

Albany Municipal Airport Albany, OR

Infinite Air Center, LLC FS \$5.49

KEUG Mahlon Sweet Field Airport Eugene, OR

Atlantic Aviation

EPIC FS \$7.70

KSLE McNary Field Airport Salem, OR

Salem Aviation Fueling @ Salem Air Center

EPIC FS \$6.95

KTMK Tillamook Airport Tillamook, OR

Tillamook Airport Phillips 66 PS \$5.87

KMMV McMinnville Municipal Airport McMinnville, OR

Cirrus Aviation

Epic \$6.30

77S Hobby Field Airport Creswell, OR

Creswell Airport Phillips 66 SS \$5.99

100LL Avgas prices within 55 miles of Newport, OR 97365

100LL

\$6.55—\$8.60 FS \$7.50 -- \$8.60 SS \$6.55--\$7.62

Average \$7.41 \$8.07 \$7.21

KONP Newport Municipal Airport Newport, OR

Newport Municipal Airport Phillips 66 SS \$7.62 or with pre-paid fuel card. \$6.85

KCVO Corvallis Municipal Airport Corvallis, OR

Corvallis Aero Service EPIC SS \$7.50 FS \$8.10

6S2 Florence Municipal Airport Florence, OR

Florence Airport Volunteer Group SS \$6.87

7S5 Independence State Airport Independence, OR

Nutsch Aviation Phillips 66 SS \$7.95

S12 Albany Municipal Airport Albany, OR

Infinite Air Center, LLC EPIC SS \$7.29

KEUG Mahlon Sweet Field Airport Eugene, OR

Atlantic Aviation EPIC SS \$7.31 FS \$8.60

S30 Lebanon State Airport Lebanon, OR

LebanAir Aviation independent SS \$6.74

KSLE McNary Field Airport Salem, OR

Salem Aviation Fueling @ Salem Air Center  
EPIC SS \$7.00 FS \$7.50

KTMK Tillamook Airport Tillamook, OR

Tillamook Airport Phillips 66 SS \$6.55

KMMV Mc Minnville Municipal Airport

Potcake Aviation LLCavfuel SS \$7.30

I have included some pictures from November 2022.









Epic E1000



Challenger 350



Bell 205A-1



Jayhawk USCG



**NEWPORT MUNICIPAL AIRPORT  
HANGAR SITE LAND LEASE AGREEMENT**

**BETWEEN:** The City of Newport, an Oregon Municipal Corporation **(Lessor)**

**AND:** **(Lessee)**

**EFFECTIVE DATE:**

**RECITALS**

- A. The Newport Municipal Airport (Airport) is operated by and under the jurisdiction of Lessor. In accordance with sound Airport management practices, the Airport rules and regulations and the Airport Plan of Development, as updated and amended from time to time, and other relevant policies of Lessor that apply to Airport usage, certain areas of the Airport are reserved for each of the several types of activities that occur.
- B. Lessee desires to construct and maintain a hangar at the Airport in an area designated for such facilities, and Lessor is willing to Lease the land to Lessee for the purpose of constructing and maintaining such a hangar in accordance with the terms and conditions set forth in this Lease.
- C. The following are attached and incorporated as part of the Lease:  
Exhibit A - Description and Map of Leased Premises (land only).

**AGREEMENT**

- 1. Lease. For the purpose stated in this Lease and on the other terms and conditions stated herein, Lessor leases to Lessee the land as described on the attached Exhibit A, consisting of **xxxxx** square feet (Leased Premises).
- 2. Initial Term for a New Lease. The period of the Lease will be fifteen (15) years, commencing **\_\_\_\_\_** and expiring **\_\_\_\_\_** subject to earlier termination in accordance with the terms of this Lease.
- 3. Extension Term. Provided Lessee is not in default in the performance of any term or condition of this Lease, Lessee shall have the option to extend this Lease for two (2) additional terms of five (5) years per term, commencing with the expiration of the first or additional term, upon the following conditions:
  - 3.1 The extension option may be exercised at any time between 360 and 60 days prior to the expiration of the initial term, or any extension term, with written notice given to Lessor by the Lessee. If not exercised within such period and in such manner, the option to extend shall be void. Even if exercised timely, the granting of the option is conditional upon the provisions in this Paragraph 3.

- 3.2 Within sixty (60) days after receipt of Lessee's notice of exercise of the extension option, Lessor shall cause the improvements to be inspected by the Building Official for the City of Newport. The inspection shall be for the purpose of determining the condition of the improvements.
- 3.3 Following the inspection, Lessor shall notify Lessee of the inspection results, including a list of any necessary repairs. The additional term shall be contingent upon Lessee's completion of any necessary repairs and/or resolution of code compliance issues.
- 3.4 Additionally, Lessor may require as a further condition to Lessee's right to continue the Lease for an extension term, that Lessee make such alterations, improvements, or repairs Lessor deems necessary or appropriate for the good of the Airport, taking into consideration the state of repair and condition of other similar and newer improvements located at the Airport, and the overriding desire to maintain clean, safe, and attractive facilities for other users of the Airport. Items considered for improvement shall include, but shall not be limited to, structural integrity of the hangar, exterior finish, condition and operation of doors, and condition of roof. To effectuate any such additional conditions, Lessee's right to continue the Lease during the extension term shall be subject to a supplemental document between Lessor and Lessee, setting forth a reasonable time, determined by Lessor, in which such alterations and repairs will be made, and providing that upon Lessee's failure to make such alterations and repairs within that period, the extension term shall immediately terminate, in which event the provisions of Paragraph 18 shall apply.
- 3.5 As used herein, the Building Official is the individual occupying that position or similar position at the time the inspection is made, or that person's designee or agent, or the individual occupying a similar position in a successor agency or governmental unit having building code jurisdiction over the Airport facilities.
- 3.6 Upon the expiration of the two (2) additional terms of five (5) year extensions, the lease shall terminate. At that time, Lessee may negotiate with Lessor on the terms and conditions of a new lease.

#### 4. **Basic Rent.**

- 4.1 Basic rent is \$0.**xxx** per square foot of ground space per year. Basic rent shall be due and payable on a monthly basis, \$**xxxx.xx** monthly (\$**xxxx.xx** annually), prorated to the first day of the month following signing, and due on the same day of each month thereafter.
- 4.2 Any payments or partial payments not made under this Lease shall bear interest at the rate of twelve percent (12%) per annum until paid.

5. **Adjustments to Basic Rent.**

- 5.1 **CPI Adjustment.** The basic rent provided in Paragraph 4 shall be increased each year by a percentage equal to the percentage change in the Consumer Price Index statistics published by the United States Bureau of Labor. Comparisons shall be made using the index entitled, "U.S. City Average/All Items and Major Group Figures for all Urban Consumers Portland Area (1982-84 = 100)," or the nearest comparable data on changes in the cost of living, if such index is no longer published. The change shall be determined by comparison of the figure for the previous January 1, with that of January 1 of the current year. In no event shall this calculation cause a reduction in base rent below that payable during the preceding year. The proposed adjustment shall be presented to Lessee by Lessor thirty (30) days prior to the effective date of the assessment.
- 5.2 **Challenge.** Lessee may give Lessor notice, within thirty (30) days of the notice of rental adjustment, challenging Lessor's figures. If any such challenge is not made within thirty (30) days, Lessee's challenge to the figures presented by Lessor shall be deemed waived. The challenge shall be restricted to Lessor's calculations of increases relating to Lessee and, if not resolved by the parties, will be referred to arbitration as described in Paragraph 23.
- 5.3 **Fee.** An annual maintenance fee may be established for hangar lease sites at the Airport pursuant to resolution of the Newport City Council as provided under Newport Municipal Code 9.40.010.
6. **Taxes.** Lessee shall pay when and if levied, any taxes on the Leased Premises, as well as any taxes on improvements and fixtures constructed and maintained on the Leased Premises. If any taxes on the Leased Premises are levied against the Lessor, they shall be reimbursed to the Lessor within thirty (30) days of written notice from Lessor to Lessee.
7. **Pre-Approval of Plans; Required Reviews.** Lessee shall construct and maintain upon the Leased Premises an aircraft hangar which shall in all respects comply with applicable laws, rules, regulations, ordinances, and resolutions of all governmental entities, including Lessor. The plans and specifications of the hangar shall be subject to approval by Lessor. Lessee shall submit such plans and specifications for the Community Development Department's departmental review process. No site preparation or construction shall be commenced without first obtaining the written approval of the City Manager or designee. The Lease will be subject to Lessee obtaining any required reviews for impact on project stormwater erosion control, and any other reviews deemed necessary by Lessor.
8. **Construction of Improvements.** Lessee shall construct its planned facilities and install therein all necessary fixtures, equipment, and accessories, all of which

shall be in accordance with the terms and conditions of this Lease and any applicable city code or FAA requirements. Lessee shall complete construction of the new improvements within two (2) years after the Effective Date of this Lease. Existing improvements shall be deemed to have been appropriately constructed so long as they are well-maintained and meet all applicable city code and FAA requirements. It is expressly understood that upon the expiration of the Lease, all hangar improvements shall become property of Lessor.

- 8.1 Lessee agrees to reimburse Lessor for the apportioned costs of roadway improvements including, but not limited to: excavation, paving, drainage, and fencing required for all extensions of the access road to the Leased Premises. Lessee shall be responsible for the cost of all extensions, as applicable, of all water, sewer, and other utilities to the Leased Premises, as well as any fees for obtaining service. Lessee shall be responsible for payment at the time improvements are completed. Lessee shall remit payment to Lessor within thirty (30) days from the date of invoice.
- 8.2 Lessee agrees to construct, at Lessee's expense, aircraft access improvements, including without limitation driveways, taxi lanes, aprons, and ramps to its planned facility. Construction and location of the access improvements shall comply with specifications set forth by Lessor at the time of plan's approval. Lessee understands that those portions of the constructed Airport access improvements situated outside the boundaries of the Leased Premises shall become, immediately upon their completion to Lessor's satisfaction, the property of Lessor. All construction and any connections to the runway of any apron or taxi lane shall in addition be governed by any rules or regulations regarding Airport operations and must be approved of and overseen by Airport management. Constructed facilities shall not be occupied until access is completed and accepted by Lessor.
- 8.3 Upon completion of improvements, Lessee shall provide an 8 ½" x 11" site plan detailing a scaled drawing of the Leased Premises, hangar foot print, office area, parking, landscaping, and any other improvements.
- 8.4 The provisions provided above do not relieve Lessee from compliance with all applicable building code requirements and acquiring all necessary licenses and permits from any governmental authority.
- 8.5 If the aircraft hangar or other improvements on the Leased Premises are damaged or destroyed, Lessee shall do whatever is necessary to repair, rebuild, or restore the structure and other improvements to substantially the same condition existing prior to the damage or destruction within 180 days of the date of destruction. Upon written request from Lessee, Lessor may extend the 180-day timeline to the extent reasonably necessary due to conditions beyond the control of Lessee.

9. **Use of the Leased Premises.** Use of the Leased Premises is limited to aeronautical uses. The Lessee may use the Leased Premises, at its own risk, for the following purposes and for no other purpose (including commercial or business use) without the prior written approval of the Airport Director:
  - 9.1 Construction of an aircraft hangar for private use by the Lessee in accordance with Airport rules and regulations;
  - 9.2 Storage of aircraft;
  - 9.3 Supplies, equipment, and other ancillary items necessary for the safe operations and maintenance of the Lessee's aircraft;
  - 9.4 Construction, maintenance, and repair of Lessee's aircraft by Lessee or by a person or firm in accordance with current and applicable future Airport rules and regulations.
  - 9.5 The hangar cannot be used for temporary or permanent residential use.
  - 9.6 Storage of non-aeronautical items that do not interfere with the aeronautical use of the hangar, in accordance with FAA and any related Airport rules and regulations.
10. **Lessee's Additional Use Rights.** Lessee shall have the use of Airport facilities and navigational aids for the purpose of landing, taking off, and taxiing of Lessee's aircraft, and related rights of ingress and egress 24 hours a day, subject to the current or any amended laws, rules, regulations, ordinances, and resolutions of applicable governmental bodies, including Lessor.
11. **Restriction on Assignment and Sublease.** Lessee shall not assign this Lease, or any interest herein, or sublease the Leased Premises without the prior written consent of Lessor. As a condition of any consent to assignment, Lessor may require one or more of the following:
  - 11.1 **Updating Lease.** Lessor may require or allow Lessee and/or the assignee to execute Lessor's then current form of hangar site Lease, or a partial or complete amendment of this Lease to incorporate the terms and provisions of Lessor's then current form of hangar site Lease.
  - 11.2 **Environmental Assessment.** If Lessor reasonably believes that there is a question regarding hazardous materials or other environmental issues that relate to Lessee's use of the premises, Lessor may require, as a condition of assignment, an environmental assessment. Such assessment would be at Lessee's expense, as a condition of approval of assignment.
  - 11.3 **Assumption.** The assignee shall expressly assume Lessee's obligations under this Lease, as may be modified in accordance with Paragraph 11.1.

Any approval of assignment is not a release from any and all obligations of Lessee under the Lease, except to the extent that Lessor specifically, in writing, releases Lessee from such obligations. This provision does not apply to any of assignor Lessee's obligations as set forth in Paragraph 12.6.

11.4 As a condition of approval, Lessor may require any improvements to the Leased Premises to bring it into compliance with rules or regulations of the Airport.

12. **Specific Obligations of Lessee.** In connection with Lessee's occupancy and use of the Leased Premises, the following specific conditions shall apply:

12.1 Utilities. Lessor shall not be obligated to furnish any utilities or utility services to the Leased Premises. If, upon Lessee's request, Lessor agrees to provide utility services to the Leased Premises as a condition of providing service, Lessee shall be responsible for all costs of installation of such service, including transmission lines, connection fees and utility service charges. Prior to construction, a payment agreement in a form acceptable to the Lessor shall be entered into between the parties. If payment includes costs of any transmission lines that have the potential for use by other lessees, there would be included a repayment schedule to the original paying Lessee as other parties apply for service. Such reimbursement agreement shall not exceed ten (10) years in length.

12.2 Maintenance. Lessee shall, at its own cost, keep and maintain the Leased Premises, including hangar building, grounds, and all other improvements in good condition and repair. In determining whether or not the Leased Premises are in proper condition, the Airport Director shall take into consideration the appearance and character of other similar improvements at the Airport which are in good condition and repair. It is specifically acknowledged that the condition or repair includes appearance and improvements of the Leased Premises, and therefore the condition of paint or other exterior finish. Lessee shall not store parts, equipment, or other materials outside the hangar structure. Lessee shall not permit any refuse or debris to be deposited or to accumulate on the Leased Premises. Lessee shall not permit any bird nesting or attractants on the Leased Premises. Failure to maintain the Leased Premises shall be deemed a breach of this Lease.

12.3 Taxi Lane. The cost of construction of the taxi lane shall be an obligation of the Lessee. Such construction shall be subject to the approval of the Lessor. Once constructed, the Lessor shall be responsible for maintenance and repair of the taxi lane. A taxi lane is defined as the portion of the aircraft parking area used for access between taxiways and aircraft parking positions. A taxiway is defined as a path connecting runways with ramps, hangars, terminals, and other facilities.

- 12.4 Compliance with Laws. Lessee shall comply with all applicable laws, ordinances, resolutions, rules, and regulations of any governmental bodies having jurisdiction over the Airport with respect to Lessee's activity in relation to the use and occupancy of the Leased Premises, and of the Airport in general. Any act or failure to act by Lessee or by any subtenant, employee, invitee, or agent of Lessee in violation of any such laws, ordinances, resolutions, rules, and regulations shall be deemed a violation of this Lease.
- 12.5 Airport Rules and Regulations. Lessee's obligation under Paragraph 12.4 shall include, but not be limited to, the rules and regulations of the Airport. Lessor reserves the right to adopt additional rules and regulations and amend existing and future rules and regulations which govern the Leased Premises and the facilities at the Airport used by the Lessee. Lessee agrees to observe, obey, and abide by all such rules and regulations currently existing or hereafter adopted or amended. Any action or failure to act by Lessee or by any subtenant, employee, invitee, or agent of Lessee which is in violation of such rules and regulations shall be deemed a violation by Lessee of this Lease.
- 12.6 Environmental Laws. Lessee's obligations under this Lease specifically include, but are not limited to, strict and timely compliance with all environmental laws. Lessee shall ensure that all operations on the Leased Premises comply with all environmental laws and orders of any governmental authorities having jurisdiction under any environmental laws. Lessee shall exercise extreme care in handling hazardous substances and shall undertake any and all preventive, investigatory, or remedial action (including emergency response, removal, containment, and other remedial action) which is either required by any applicable environmental laws or orders of any governmental authority having jurisdiction under such laws, or necessary to prevent or minimize property damage, personal injury or damage to the environment or threat of any such damage or injury, by releases of, or exposure to, hazardous materials in connection with the Leased Premises or operations thereon. Lessee shall immediately notify Lessor upon becoming aware of any leak, spill, release or disposal of hazardous substances on, under, or adjacent to the Leased Premises. In the event Lessee fails to perform any of Lessee's obligations under this paragraph, Lessor may, but shall not be required to, perform such obligations at Lessee's expense. In performing any such obligations of Lessee, Lessor shall at all times be deemed the agent of Lessee and shall not, by reason of such performance, be deemed to be assuming any responsibility of Lessee under any environmental law or to any other third party. At any time Lessor reasonably requests, Lessee shall provide to Lessor further assurance of Lessee's compliance with this paragraph. The assurances shall be in a form and substance satisfactory to Lessor, in Lessor's sole discretion, and may include but not be limited to, Lessee

providing to Lessor an environmental audit or assessment from a source acceptable to Lessor, at Lessee's expense.

12.6.1 As used in this Lease, the term "environmental laws" means all state, federal, and local statutes, regulations, and ordinances relating to the protection of human health and the environment.

12.6.2 In this Lease, the term "hazardous materials" is used in its very broadest sense and refers to materials that, because of their quantity, concentration or physical, chemical, or infectious characteristics, may cause or pose a present or potential hazard to human health and to the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported, or otherwise handled on the Leased Premises. The term includes, without limitation, petroleum products or crude oil or any fraction thereof, and any and all hazardous or toxic substances, materials, or wastes as defined by or listed under the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Comprehensive Environmental Response, Compensation, and Liability Act, and any other environmental laws.

12.7 Signs. In addition to complying with any rule(s) or regulation(s) of Lessor pertaining to signs, Lessee shall not permit to be maintained any sign on the Leased Premises or at the Airport without the prior written approval of the Airport Director. This approval and rules and regulations are in addition to any rules or regulations that would apply to this site by any applicable governmental jurisdiction.

12.8 Aviation Easement. Lessee acknowledges that its right to use the Leased Premises shall be secondary and subordinate to the operation of the Airport. Lessor reserves a right of flight for the passage of aircraft in the airspace above the Leased Premises together with the right to cause noise inherent in the operation of aircraft. Lessee shall not take any action or construct any improvements that interfere with the navigational aids of flight operations of the Airport.

12.9 Security. Lessee recognizes its obligation to comply with federal airport security regulations. Lessee shall reimburse Lessor in full for any fines or penalties levied against Lessor for security violations as a result of any actions on the part of Lessee, its agents, invitees, or employees.

### **13. Liability to Third Parties.**

13.1 Lessee's Indemnification. Lessee shall at all times indemnify, protect, defend, and hold harmless Lessor, its officers, agents, and employees from any claims, demands, losses, actions, or expenses, including attorney fees, to which Lessor may be subject by reason of any property



damage or personal injury arising or alleged to arise from the acts or omissions of Lessee, its agents, invitees, or employees, or in connection with the use, occupancy, or condition of the Leased Premises.

- 13.2 **Liability Insurance Required.** Lessee shall procure and maintain throughout the term of this Lease and any extension, at Lessee's cost, public liability and property damage insurance from a company authorized to do business in the State of Oregon with the combined single limit of not less than \$1,000,000 and the general aggregate of not less than \$2,000,000 for bodily injury, death, personal property or property damage in connection with Lessee's use or occupancy of the Leased Premises, or the exercise of enjoyment of rights or privileges granted by this Lease. Lessor shall have the right to require Lessee to increase the limits of such coverage from time to time to an amount deemed by Lessor to be reasonable in view of conditions and circumstances existing at the time of such increase. Such circumstances include any modification by either court ruling or legislative change to the maximum recovery allowed under the Oregon Tort Claims Act. The insurance shall name Lessor, its officers, agents, and employees as additional insureds with the stipulation that the insurance, as to the interests of Lessor, shall not be invalidated by any act or neglect or breach of contract by Lessee. Lessee shall provide Lessor with a certificate of insurance evidencing the required coverage, with a thirty (30) day notice of cancellation or material change in coverage and shall provide Lessor with such evidence that the policy remains in force as Lessor may require from time to time.
- 13.3 **Liens.** Except with respect to activities for which Lessor is responsible, Lessee shall pay as due all claims for work done on and for services rendered or material furnished to the Leased Premises and shall keep Leased Premises free from any liens. If Lessee fails to pay any such claims or to discharge any lien, Lessor may do so and collect the cost as additional rent. Any amount so added shall bear interest at the rate of 12% per annum from the date expended by Lessor and shall be payable on demand. Such action by Lessor shall not constitute a waiver of any right or remedy which Lessor may have on account of Lessee's default.
14. **Subordination.** This Lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the State of Oregon and/or the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of state or federal funds for the development of the Airport, or any amendments thereto.
15. **Cessation of Airport Operation.** Lessor, regardless of the terms of this lease, as a result of any orders of the State of Oregon, the United States, or any other governmental unit or instrumentality, may cease airport operations. Lessee acknowledges Lessor's right to cease such operations and releases Lessor from

any and all damage claims by Lessee against Lessor as a result of such cessation of operations. This release does not apply to any other party who may be the basis for Lessor's cessation of operations. Subject to the orders of cessation, Lessee shall be granted a period of twelve (12) months free of any rents and fees in which to cause the Leased Premises to be restored to a condition free of all improvements, including hangars and debris. Lessor shall not be liable to Lessee for any damages related to loss in use of the Leased Premises due to action under this paragraph. This provision does not eliminate any obligations of Lessee as a result of liability or indemnification obligations as set forth in other provisions of this lease.

16. **Airport Development.** Regardless of the term of this lease, Lessor, at Lessor's discretion or as a result of any orders of the State of Oregon, United States, or any other governmental unit or instrumentality having authority over the property may require the cessation of use of the specific Leased Premises for their leased purposes, prior to the expiration of this lease for the purpose of airport development. At Lessor's option and expense, Lessor shall either (1) dismantle and move to another leasable premises on the Airport property, and there re-erect Lessee's improvement(s) or, (2) purchase Lessee's improvement for fair market value as determined below. If Lessor acts under the first option, the lease reference to location of the Leased Premises shall change, and all other remaining terms of the expired lease shall continue in full force and effect.

Fair market value under the second option shall be for an amount not less than the fair market value of the improvement immediately prior to determination as determined by an appraisal conducted by an independent appraiser engaged by Lessor. Specifically, the appraiser shall not determine salvage value, but rather the fair market value of the improvement, assuming the Airport was to remain in existence or the party to continue to use the leased area. Purchase price shall be determined and all funds transferred within 180 days of termination. Obligations of removal shall be Lessor's. This action does not eliminate any obligations of Lessee as a result of any liability or indemnification obligations as set forth in other provisions of this lease.

17. **Eminent Domain.** If the Leased Premises and any improvements thereon are taken as a result of eminent domain proceedings, it shall be as if termination was a result of Paragraph 15, except the time allowed for removal of Lessee's improvements by Lessee shall be subject to the time limitation in any condemnation order or twelve (12) months, whichever is shorter. Lessor shall be entitled to all proceeds of condemnation as applied to the value of any real property condemned. Lessee shall be entitled to the value of all improvements. Lessee specifically waives any claims against Lessor as a result of condemnation, except such condemnation as may be instituted by Lessor upon Lessor's own actions and not as a result of any order by other governmental unit.
18. **Removal of Personal Property and Fixtures.**

- 18.1 Lessee shall remove all personal property and return the Leased Premises to proper condition upon the end of the term(s), or other cessation of use by Lessee, as set forth below. Lessee shall remove all Lessee property except fixtures permanently or semi-permanently affixed, which shall become property of the Lessor upon lease termination or abandonment by Lessee, and restore the grounds to a clean and orderly condition free of all debris.
- 18.2 Abandonment. If Lessee abandons the Leased Premises, Lessor may treat such abandonment as a default under this Lease, and Lessor may exercise any rights it may have as in the case of default for which Lessee is not entitled to notice. Lessee shall be deemed to have abandoned the Leased Premises if it fails to occupy the same for a period of three (3) months; however, Lessor may consider Lessee to have abandoned the Leased Premises by other acts, words, or conduct evidencing abandonment or intent to abandon the Leased Premises. Any personal property remaining on the Leased Premises sixty (60) days after termination of this Lease for any reason shall be deemed as abandoned by Lessee and Lessor may make any disposition of such personal property as it deems appropriate. Lessor may charge Lessee for the reasonable costs incurred in disposing of such personal property. Upon abandonment, Lessee loses all rights and options set forth in Paragraph 18.1. Lessee remains responsible for all Lessor's costs.
19. **Default.** Lessee shall be in default under this Lease upon the occurrence of any one or more of the following events (time of payment and performance being of the essence):
- 19.1 Failure of Lessee to pay any rent or other charges within thirty (30) days after the same becomes due.
- 19.2 Except as otherwise provided in this Paragraph 19, the failure of Lessee to comply with any term or condition, to fulfill any obligation, or to cure any violation of this Lease within thirty (30) days after written notice by Lessor specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within thirty (30) days, this provision shall be deemed complied with if Lessee begins correction of the default within the thirty (30) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable. Lessor may require, as part of the cure of any violation by Lessee, reimbursement from Lessee for any and all costs and expenses incurred by Lessor by reason of Lessee's violation of this Lease.
- 19.3 If Lessee cures a deficiency in the manner described in Paragraph 19.2, Lessee's subsequent failure to comply with the same term or condition

within twenty-four (24) months shall constitute immediate default without requirement of notice or opportunity to cure.

- 19.4 If Lessee sub-leases or otherwise assigns its interests in this Lease, except in accordance with the provisions of the Lease, default shall be automatic without requirement of notice or opportunity to cure.
- 19.5 Lessee shall also be in default in the event of:
1. Lessee's insolvency;
  2. An assignment by Lessee for the benefit of creditors;
  3. The filing by Lessee of a voluntary petition of bankruptcy action;
  4. Adjudication that Lessee is bankrupt;
  5. The filing of an involuntary petition of bankruptcy and the failure of Lessee to seek a dismissal of the petition within thirty (30) days after the filing; and
  6. The attachment of or the levy of execution on the Lease hold interest and failure of the Lessee to secure a discharge of the attachment or release of the levy of execution within ten (10) days after such attachment or execution;
  7. Abandonment of the Leased Premises.
20. **Inspections.** Lessor shall have, at all times during normal business hours, the right to enter into the Leased Premises and inspect Lessee's facilities and operations for the purposes of determining Lessee's compliance with its obligations under this Lease. Lessor shall provide at least 24 hours' notice before any inspection except in cases of emergency. Notice shall be sufficient if prominently posted on the building on the Leased Premises 24 hours prior to the inspection.
21. **Remedies on Default.** In the event of a default, the Lease may be terminated at the option of the Lessor by notice in writing to Lessee. The notice of termination may be included in a notice of failure of compliance given under Paragraph 19. If the Leased Premises is abandoned by Lessee in connection with a default, termination shall be automatic and without notice. If the Lease is terminated for any reason, Lessee's liability to Lessor for damages for breach shall survive such termination, and the rights and obligations of the parties shall be as follows:
- 21.1 Lessee shall vacate the Leased Premises immediately, remove any property of Lessee including any fixtures which Lessee is required to remove at the end of the Lease term, perform any cleanup, alterations or

other work required to leave the Leased Premises in the condition required by this Lease at the end of the term, and deliver all keys to Lessor. Possession to any structure on the Leased Premises shall immediately revert to Lessor and Lessee shall have no right or claim against Lessor as a result thereof.

- 21.2 Lessor may re-enter, take possession of the Leased Premises, and remove any persons or property by legal action or self-help with the use of reasonable force and without liability for damages.
- 21.3 Following re-entry or abandonment, Lessor may relet the Leased Premises and in that connection may relet all or part of the Leased Premises, alone or in conjunction with other properties, for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession, and may make any suitable alterations and/or refurbish the Leased Premises, or change the character or use of the Leased Premises, but Lessor shall not be required to relet to any Lessee which Lessor may reasonably consider objectionable.
- 21.4 The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Lessor under applicable law or as set forth in this Lease.
- 21.5 Any holding over after the expiration of the lease, with the written consent of Lessor, will be construed to be a tenancy from month to month, at 150% of the Basic Rent payable for the period immediately before the expiration of the Term and will otherwise be on the terms and conditions of this Lease. If Lessor consents to any such holding over, either party may thereafter terminate the tenancy at any time upon thirty (30) days' advance written notice to the other party. Any holding over without consent will be a tenancy at sufferance, which Lessor may terminate at any time without notice.
22. **Attorney Fees and Costs.** In the event any action or claim relating to the enforcement or interpretation of any of the terms of this Lease is made, except as stated in Paragraph 23, the prevailing party shall be entitled to recover all costs, fees, and expenses reasonably incurred, whether or not taxable as costs, including without limitation, attorney fees, inspection and investigation costs, copying charges, and all other related expenses.

In the event any litigation is commenced relating to this Lease, including but not limited to any action or participation by Lessee or Lessor in or connected with a case or proceeding under the Bankruptcy Code or any successor statute, the prevailing party shall be entitled to recover all costs, fees and expenses reasonably incurred, before and after trial, and on appeal and review, whether or not taxable as costs, including without limitation, attorney fees (including

estimated fees to collect a judgment entered in favor of the prevailing party), witness fees (expert or otherwise), deposition costs, inspection and investigation costs, copying charges and all other related expenses. Expenses incurred in the event of arbitration shall be treated as if they were expenses incurred in litigation.

23. **Arbitration.** If any contract dispute arises between the parties, it shall be decided by arbitration unless both parties agree to waive arbitration and proceed with litigation. Upon request for arbitration, the party requesting arbitration shall submit to the other party a list of the names of five independent arbitrators. The other party may select any one of the five. If the parties cannot decide on an arbitrator with qualifications that relate to the dispute at hand within fifteen (15) days, then either party may apply to the presiding judge of the Lincoln County Circuit Court, Oregon, to appoint the required arbitrator.

The Arbitrator shall proceed according to Oregon statutes governing arbitration, and any rules specifically adopted by the parties. If the parties do not agree upon rules for the arbitration, the Arbitrator shall establish rules and advise each respective party. The award of the Arbitrator shall have the effect provided in the Oregon Revised Statutes. The arbitration shall take place in Lincoln County, Oregon. Costs of arbitration and attorney fees and costs may be awarded to a party at the discretion of the Arbitrator.

24. **Discrimination Prohibited.** In connection with Lessee's use and occupancy of the Leased Premises and the conduct of its operations at the Airport, Lessee shall be bound by the following non-discrimination requirements:

24.1 **General.** Lessee will not discriminate against any person or class of persons by reason of race, color, national origin, sex, ancestry, creed, or on any other grounds prohibited by law.

24.2 **Civil Rights Act.** Lessee will not on the grounds of race, creed, color, national origin or on any other prohibited grounds, discriminate or permit any discrimination against any person or group of persons in any manner prohibited by Part 21 of the Rules and Regulations of the Secretary of Transportation, effectuating Title VI of the Civil Rights Act of 1964. Without limiting the generality of the foregoing, Lessee agrees not to discriminate against any employees or applicants for employment because of race, creed, color, national origin or on any other prohibited grounds.

24.3 **FAA required terms.** As required by the FAA, the following clauses are made part of Lessee's obligations under this Lease:

1. Lessee for itself, and its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease for a purpose

for which a US Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

2. Lessee for itself, and its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction or any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (3) that the Lessee shall use the Leased Premises in compliance with all requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

25. **Non-Waiver.** Waiver by either party of strict performance of any provisions of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provisions in the future or of any other provision. No act or omission shall constitute a waiver of this non-waiver clause.

26. **Notices.** Any notice required or permitted under this Lease shall be considered given when actually delivered in person or when deposited with postage prepaid in the United States mail as registered or certified mail:

To Lessor: Newport Municipal Airport  
c/o City of Newport  
169 SW Coast Highway  
Newport, Oregon 97365  
541.574.0603  
[s.nebel@newportoregon.gov](mailto:s.nebel@newportoregon.gov)

To Lessee:

Or to such other address as may be specified from time to time by either of the parties in writing.

27. **Interpretation and Liability.** In interpreting this Lease, the singular shall include the plural. If Lessee consists of more than one individual or entity, each such

individual and entity shall be jointly and severally liable for Lessee's obligations under this Lease.

The provisions of this Lease shall be governed by and construed in accordance with the laws of the State of Oregon, without regard to conflict of law principles. Any actions or suits arising under this Lease must be brought in the appropriate court of the State of Oregon, and the parties hereby consent to venue in Lincoln County Circuit Court, Oregon, unless exclusive jurisdiction is in federal court, in which case venue shall be in federal district court for the District of Oregon.

28. **Succession.** Subject to the limitations set forth elsewhere in this Lease on the transfer of Lessee's interest, this Lease shall be binding upon and inure to the benefit of the parties, their respective heirs, legal representatives, successors, and assigns.
29. **Clearing Matters of Record.** Only at the option of Lessor shall this Lease or a memorandum of this Lease be recorded. If, at the election of Lessor, Lessor determines to create and record a memorandum of this Lease, Lessee shall execute such memorandum at the request of Lessor. In the event this Lease or Lessee's interest in this Lease or in the Leased Premises becomes a matter of record by any means, directly or indirectly, without the consent of Lessor, then at any time after termination of this Lease or termination of Lessee's interest in this Lease, upon request by Lessor, Lessee shall execute documents, in recordable form, as Lessor may reasonably require evidencing the termination of Lessee's interest. This obligation shall survive termination of this Lease and termination of Lessee's interest in this Lease.
30. **Inconveniences During Construction.** Lessee recognizes that from time to time during the term of this Lease, it will be necessary for Lessor to initiate and carry forward programs of construction, reconstruction, expansion, relocation, maintenance, and repair in order that the Airport and its facilities may be suitable for the volume and character of air traffic and flight activity requiring accommodation, and that such construction, reconstruction, expansion, relocation, maintenance, and repair may inconvenience or temporarily interrupt Lessee's operations at the Airport. Lessee agrees that no liability shall attach to Lessor, its officers, agents, employees, contractors, and representatives by reason of such inconveniences or interruptions and, for and in further consideration of this Lease, Lessee waives any right to claim damages or other considerations therefore, except that rent payable under this Lease shall be abated proportionately during and for such period that access to the Leased Premises by aircraft of Lessee and its invitees is denied by reason of such inconveniences or interruptions.
31. **Rights Not Exclusive.** Except for Lessee's right to use and occupy the Leased Premises under this Lease, nothing in this Lease shall be construed as granting an exclusive right to Lessee.



32. **Entire Agreement.** This Lease contains the entire Agreement between the parties concerning the Leased Premises and supersedes all prior agreements, oral and written, concerning the Leased Premises. This Lease may be modified only in writing and signed by the parties.

The individuals executing this Lease warrant that they have full authority to execute this Lease and that they have thoroughly read this Lease prior to executing it.

LESSOR:

LESSEE:

City of Newport  
By: Spencer R. Nebel, City Manager

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Approved as to Form:

\_\_\_\_\_  
David N. Allen, City Attorney

## NEWPORT MUNICIPAL AIRPORT HANGAR DEVELOPMENT TIMELINE AND CHECKLIST

This timeline and checklist is designed to guide potential hangar tenants through the leasing and construction process. Construction timelines may vary depending on federal, state, and local permitting requirements and regulations. Not all items may apply to every construction project depending on the scope of the project, building size, and commercial or private use.

Additional information regarding Airport rules and regulations and Newport Municipal Code 9.40.015 (Lease of airport property) and 2.25.120 (Lease of real property) can be found on the City of Newport website at:

<https://www.newportoregon.gov/dept/adm/documents/newportmunicipalcode.pdf>  
<https://www.newportoregon.gov/dept/onp/default.asp>

If the information required in Step 1 below is not submitted within 30 days of notification to the Airport Director, the city may begin the leasing process with other potential lessees.

### **Step 1: Information Required in Written Request**

- Applicant must submit a written request to the Airport Director expressing interest in building a hangar on airport property. The written request must include the following information:
  - Commercial Use or
  - Private Use
  - Size of Building: Length \_\_\_\_\_ Width \_\_\_\_\_
  - Site Number or Vicinity Map (Overview if not a Pre-Plan Site) \_\_\_\_\_
  - Site Plan Attached
  - Construction Material: Wood, Metal, Other: \_\_\_\_\_

### **Step 2: Submission to the Airport Committee**

Within 45 days of the written request to the Airport Director expressing interest in building a hangar on airport property, the Airport Director will submit the written request to the Airport Committee. The Airport Committee generally meets monthly on the second Tuesday.

### **Step 3: FAA Form 7460**

Within two weeks after the Airport Committee's review of the written request expressing interest in building a hangar on airport property, the Airport Director will prepare the FAA Form 7460 for review by the city's Airport Engineer of Record, and submission to the FAA.

Within two weeks after submission to the city's Airport Engineer of Record, the Engineer of Record will communicate the results of its review of the FAA Form 7460 with the Airport Director unless circumstances warrant additional time for review. Once review is final, the city's Airport Engineer of Record will submit the FAA Form 7460 to the FAA.

Once the review is final, and has been submitted to the FAA, the Airport Director will notify the applicant of the decision of the FAA.

If the applicant takes no action for 30 days, the City of Newport will entertain any other written requests expressing interest in building a hangar on airport property.

### **Step 4: Approval by the Newport City Council**

Within 30 days of a favorable recommendation by the Airport Committee and FAA, the written request will be submitted to the City Council, by the Airport Director, for consideration of approval of the lease. The Newport City Council meets on the first and third Mondays of most months.

The following information is required to be submitted to the Newport City Council for its review, consideration, and potential approval of the lease:

- Copy of draft lease.
- The City Council will consider approving the lease at its next regularly scheduled meeting.
- On approval by the City Council, the lessee will have 30 days in which to sign the lease, including proof of liability insurance with coverage limits required under the terms of the lease, naming the City of Newport as an additional insured. The Airport Director will subsequently provide Lessee a copy of the fully executed lease, and a letter entitled "Notice to Proceed," indicating that the pre-construction process is complete. Lessee will have two (2) years to complete construction and obtain a certificate of occupancy after the lease has been fully executed.

In situations where extensive environmental review is requested by the FAA, the City Council will consider an intent to lease.

- The 30-day period includes approval of the structural and architectural design of all privately-owned structures by the City Council or designee.

- Within one week of receipt of a fully executed lease, the Airport Director will send the information provided in the written request, the recommendation from the Airport Committee, the results of the review by the city's Airport Engineer of Record and the FAA, to the Community Development Department to facilitate plan review and permitting.

#### **Step 5: City of Newport Community Development Department Review**

The Community Development Department will conduct an initial review of the plan within 30 days of receipt. Following the initial review, the complete departmental review process may take up to 12 weeks, and consist of the following verifications and submissions:

- Verification of the final plan review and FAA approval.
- Perimeter of the lease area will have been surveyed and staked by the Lessee or Lessee's contractor or consultant, and locations confirmed by the Airport Director.
- Lessee will provide a scaled drawing showing that the site is properly staked.
- Lessee will submit copies of building permits and all required city/county approvals to the Airport Director before construction begins.
- Lessee will request locates for underground utilities prior to beginning construction.
- Lease will be subject to Lessee obtaining any required reviews for impact on project stormwater erosion control, and any other reviews deemed necessary by the City of Newport.

#### **Step 6: Post Construction**

- The City of Newport Community Development Department will provide a certificate of occupancy after final inspection.

**Weed spraying:** Received Email from Michael Cavanaugh confirming the below. The draft plan/policy is set to go back in front of Council during a work session in November. Until then, the only plan/policy that is official is the P&R Dept. policy that was built in 2012. That plan only covers areas within parks. If you're hoping to use a pesticide sooner, I would discuss this with Spencer. There is no city policy stopping you from using a pesticide product in your area as long as you follow all state and federal requirements (applicators license, type of product, public posting, etc.).

**Oregon Airport Managers Association (OAMA):** Attended the OAMA 2022 fall conference. There was lots of great information. Urban Air Mobility presented by Jared Esselman, Utah Division of Aeronautics, ODA update, FAA-ADO update, and other information presented.

**163 Letter:** Submitted 163 letter for review for MCWatkins front area on September 7<sup>th</sup>. Waiting for FAA review process.

**Equipment:** No major issues with equipment this month. The Land Pride mower deck was delivered

**Commercial Business in hangars:** Update on November 7, 2022 item number 4.B.

**Budget and Lease:** No update. Working with finance on a report for the airport committee on revenues and expenditures for the airport. Here are a few end of Fiscal year 21-22 revenues. Jet – A \$349,559.42: Av-Gas \$77,798.94: Rents & Leases \$161,963.72: Rental cars fees \$26, 716.59 before expenses are accrued. I am hopeful to have a report for the December Airport Committee meeting.

**Minutes:** Administration staff is working on the issues with airport committee minutes.

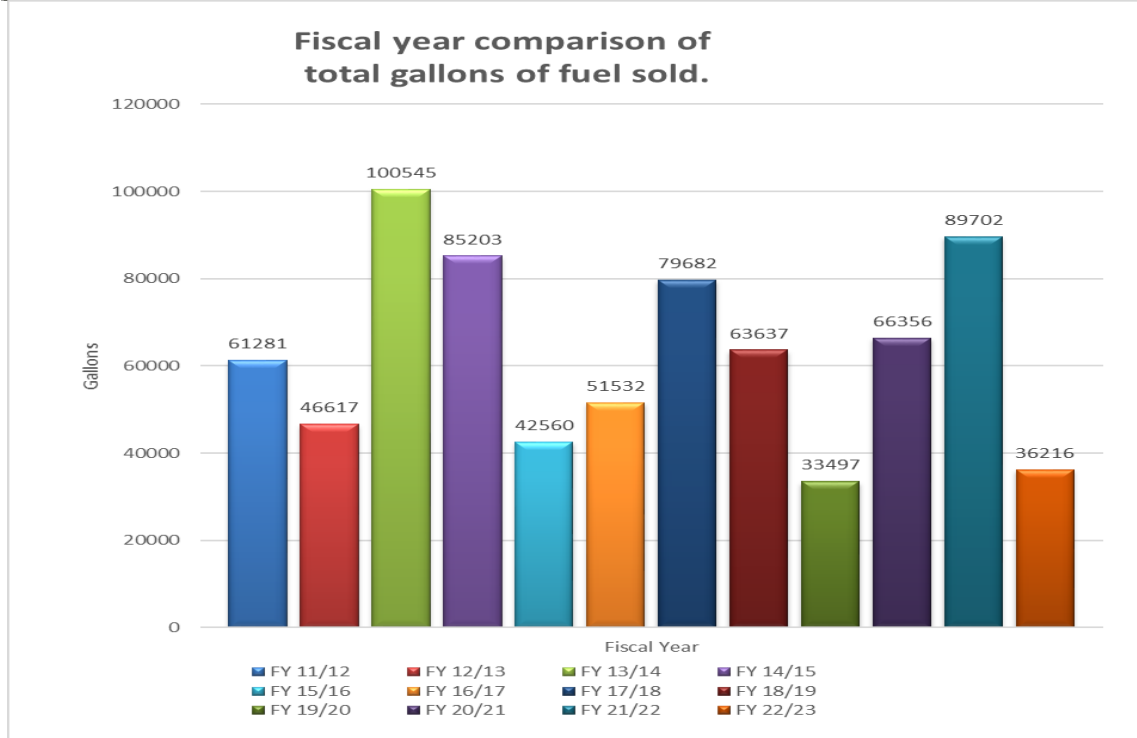
**Maintenance of hangar aprons:** City administration held an internal meeting to start discussion of individual aprons for private box hangars and taxi lane maintenance in those non-movement areas.

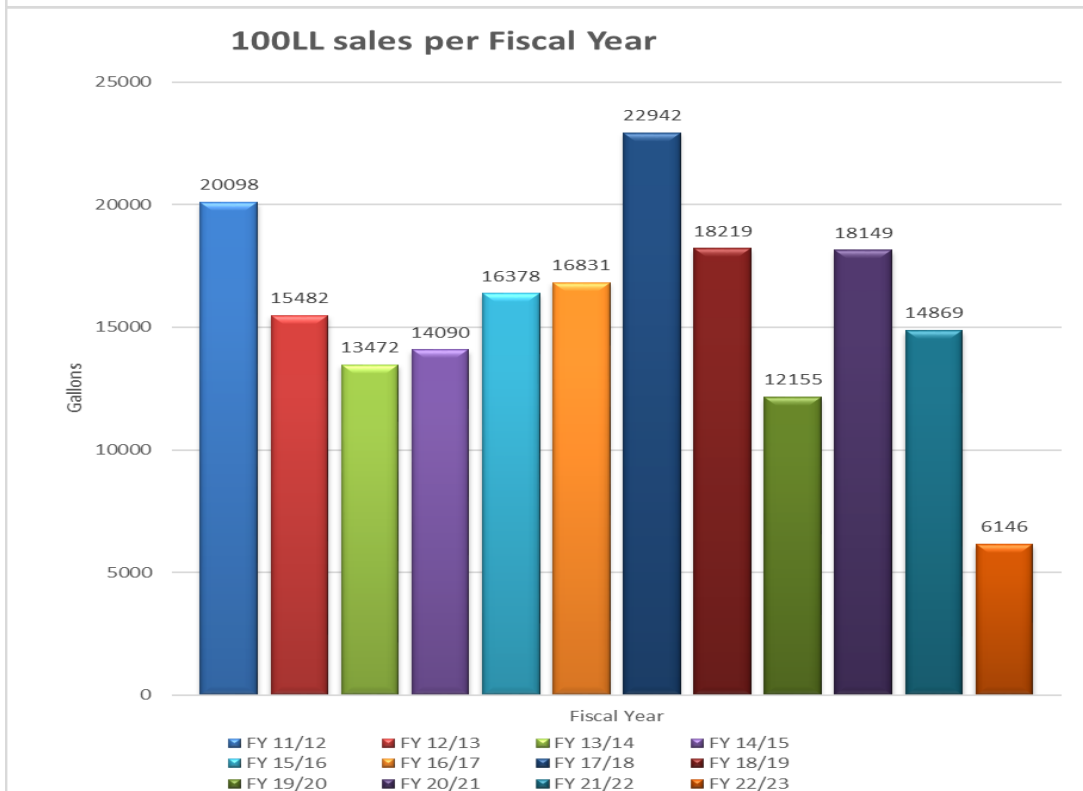
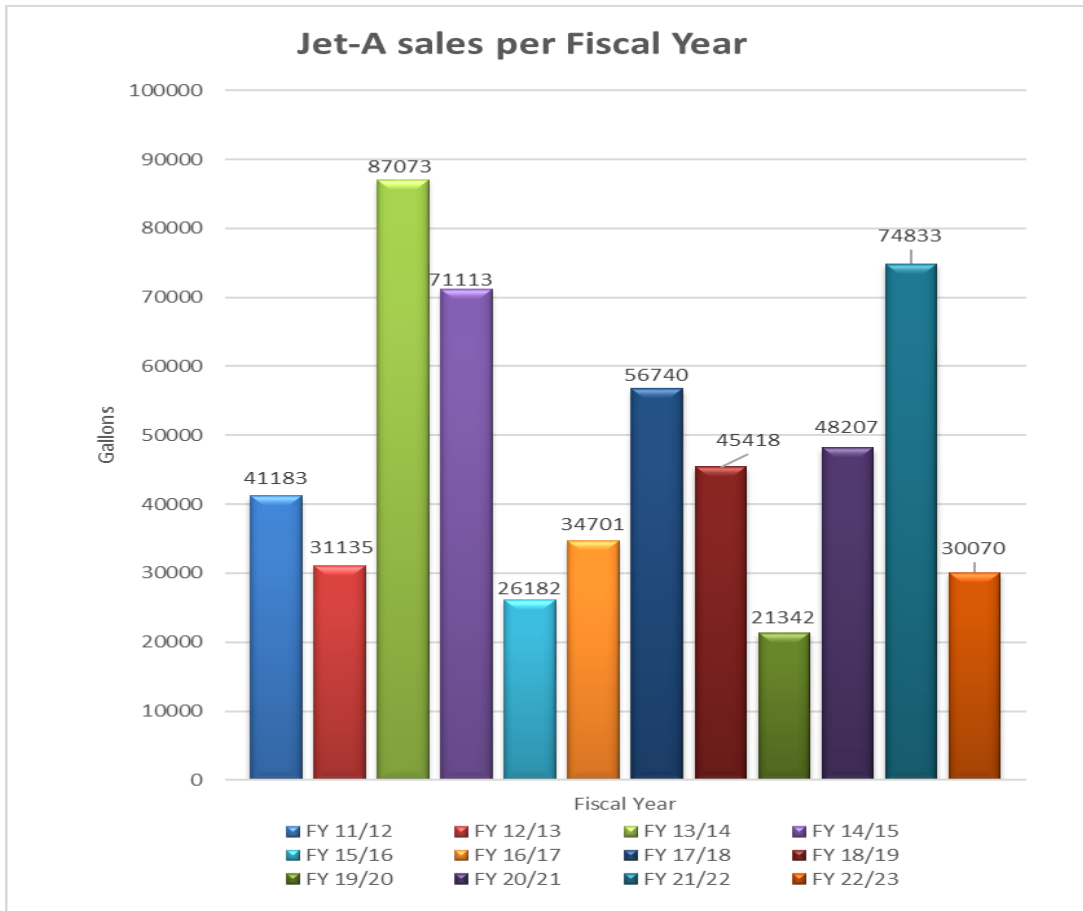
**Pavement maintenance:** In 2012 ODA published a 549 page report for Ten-year Performance Review. This study evaluates the effectiveness of the PMP from its inception to the present – a total of ten years – with the aim of assessing the program's strengths and weaknesses and recommending necessary improvements. The intent of this study is to help decision-makers determine where the program is getting the best return on the investment so they can capitalize on those successes, additionally, it provides recommendations for areas of improvement within the PMP. The Federal Aviation Administration (FAA) can also utilize this study as a best management practice for other states interested in developing similar pavement projects. ODA PMP program is on a four year cycle with the ODA. The next assessment will be in 2025. Between assessments, funding for PMP would have to come from local sources. A maintenance fee for local hangar owners, landing fees, apron tie down fees, and the City's general fund. Larger dollar projects would be eligible for FAA AIP funding that are listed in the airport master plan. The ODA's 2012 report reflects an annual local cost of \$30,974.00 for Newport's PMP for fog seal and crack sealing pavement.

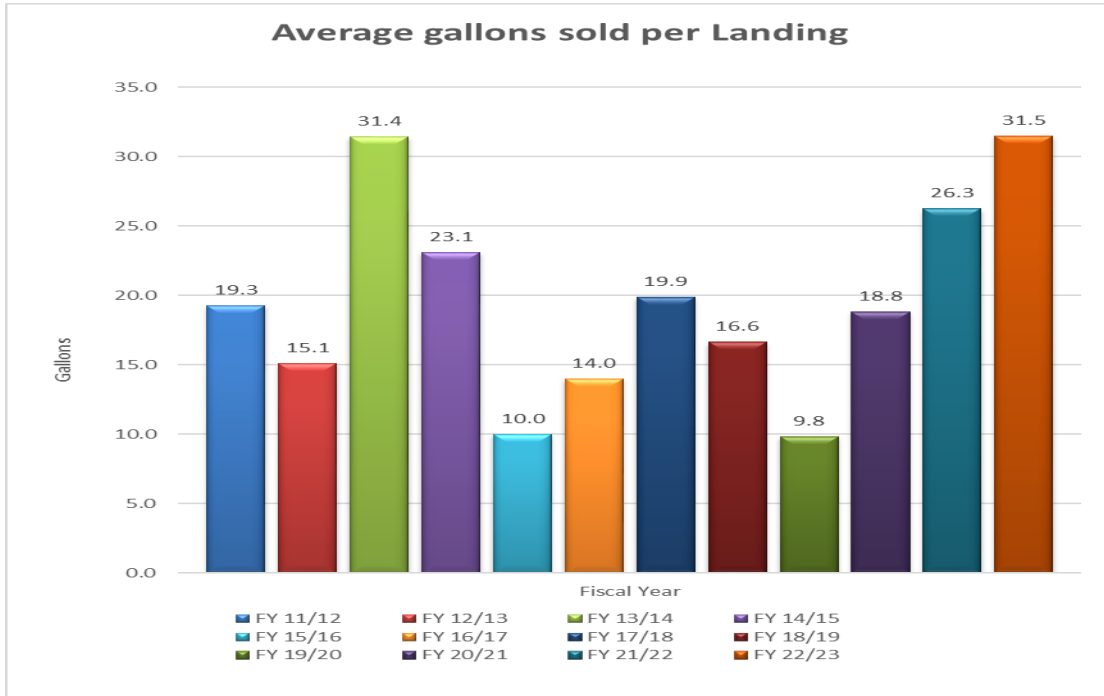
In 2015 the ODA also published an 81 page Pavement Evaluation/Maintenance Management Program for Newport Municipal Airport. Section Condition report, shows PCI numbers range from 67-100. Taxiway echo being the lowest and one of the oldest at 31 years. Cost for Five-year Global Maintenance and Rehabilitation plan estimate came in \$280,752.00. Branch Condition Report for all 36 sections estimate is \$1,501,018.01.

How we ended for October 2022.

Aircraft Quantity				Fuel Consumption			
Month	IN	OUT	Tot.A.O	Jet A	Av Gas	Self Serve	Total
July	311	315	626	8514	1830		10344
Aug	327	333	660	8358	112	2170	10640
Sept	286	285	571	7811	30	1197	9038
Oct	226	225	451	5387	18	789	6194
Nov							
Dec							
Jan							
Feb							
Mar							
Apr							
May							
Jun							
Cur. FY	1150	1158	2308	30070	1990	4156	36216
FY 21/22	3417	3485	6902	74925	3258	11611	89794
FY 20/21	3526	3538	7064	48207	457	17691	66356
FY 19/20	3408	3438	6846	21342	4544	7602	33488
FY 18/19	3826	3860	7686	45418	5768	13458	64643
FY 17/18	4008	4033	8041	56740	5579	17363	79682
FY 16/17	3685	3701	7386	34701	5001	11830	51532
FY 15/16	4263	4234	8497	26182	7854	8524	42560
FY 14/15	3686	3572	7258	71113	5985	8103	85201
FY 13/14	3199	2914	6113	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
FY Total	43531	43282	86813	641547	57358	148588	847494
Average	3544	3510	7054	48835	5165	11513	65513







Rental Cars										
CY	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
JAN	2	2	11	4	2	24	38	25	35	27
FEB	5	4	8	4	23	37	27	41	29	24
MAR	9	5	7	4	14	24	59	38	32	34
APR	4	5	10	7	25	35	49	24	52	44
MAY	14	9	8	4	24	40	62	37	50	44
JUN	9	12	28	8	28	36	68	27	51	55
JUL	22	16	30	16	55	67	93	34	57	68
AUG	24	3	25	10	53	55	93	51	72	75
SEP	14	10	14	16	37	54	63	43	90	43
OCT	8	5	13	9	22	39	42	49	52	65
NOV	14	2	11	3	21	40	39	22	41	
DEC	1	1	4	7	25	25	30	29	37	
<b>Total</b>	<b>126</b>	<b>74</b>	<b>169</b>	<b>92</b>	<b>329</b>	<b>476</b>	<b>663</b>	<b>420</b>	<b>598</b>	<b>479</b>

Courtesy Cars Loaned Out											
CY	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
JAN	0	0	33	23	28	21	16	31	22	30	22
FEB	2	0	16	17	23	21	24	14	32	21	26
MAR	2	0	29	41	25	32	32	46	29	38	27
APR	2	0	28	36	42	26	32	40	0	39	28
MAY	9	0	29	20	45	51	39	39	0	35	36
JUN	14	0	19	43	48	37	54	40	1	44	34
JUL	10	28	39	41	52	57	53	52	8	49	39
AUG	0	27	19	38	43	45	35	43	14	47	33
SEP	0	25	25	32	31	45	43	34	24	43	31
OCT	0	35	12	22	14	41	34	47	34	31	21
NOV	0	22	19	29	22	11	28	36	24	11	
DEC	0	8	10	16	17	17	11	22	25	15	
<b>Total</b>	<b>39</b>	<b>145</b>	<b>278</b>	<b>358</b>	<b>390</b>	<b>404</b>	<b>401</b>	<b>444</b>	<b>213</b>	<b>403</b>	<b>297</b>

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



Jet-A prices within 60 miles of Newport, OR 97365

Jet A

\$5.49—\$7.72

Average \$6.44

KONP Newport Municipal Airport Newport, OR

Newport Municipal Airport Phillips 66 FS \$6.08 w/Prist \$6.24

KCVO Corvallis Municipal Airport Corvallis, OR

Corvallis Aero Service EPIC FS \$7.60

6S2 Florence Municipal Airport Florence, OR

Florence Airport Volunteer Group SS \$5.85

7S5 Independence State Airport Independence, OR

Nutsch Aviation SS \$6.06

Albany Municipal Airport Albany, OR

Infinite Air Center, LLC FS \$5.49

KEUG Mahlon Sweet Field Airport Eugene, OR

Atlantic Aviation

EPIC FS \$7.72

KSLE McNary Field Airport Salem, OR

Salem Aviation Fueling @ Salem Air Center

EPIC FS \$7.45

KTMK Tillamook Airport Tillamook, OR

Tillamook Airport Phillips 66 PS \$5.87

KMMV McMinnville Municipal Airport McMinnville, OR

Cirrus Aviation

Epic \$6.30

77S Hobby Field Airport Creswell, OR

Creswell Airport Phillips 66 SS \$5.99

100LL Avgas prices within 55 miles of Newport, OR 97365

100LL

\$6.55—\$9.03 FS \$7.80 -- \$8.60 SS \$6.55--\$9.03

Average \$7.54 \$8.17 \$7.35

KONP Newport Municipal Airport Newport, OR

Newport Municipal Airport Phillips 66 SS \$7.62 or with pre-paid fuel card. \$6.85

KCVO Corvallis Municipal Airport Corvallis, OR

Corvallis Aero Service EPIC SS \$7.50 FS \$8.10

6S2 Florence Municipal Airport Florence, OR

Florence Airport Volunteer Group SS \$6.87

7S5 Independence State Airport Independence, OR

Nutsch Aviation Phillips 66 SS \$9.03

S12 Albany Municipal Airport Albany, OR

Infinite Air Center, LLC EPIC SS \$7.29

KEUG Mahlon Sweet Field Airport Eugene, OR

Atlantic Aviation EPIC SS \$7.31 FS \$8.60

S30 Lebanon State Airport Lebanon, OR

LebanAir Aviation independent SS \$6.74

KSLE McNary Field Airport Salem, OR

Salem Aviation Fueling @ Salem Air Center  
EPIC SS \$7.30 FS \$7.80

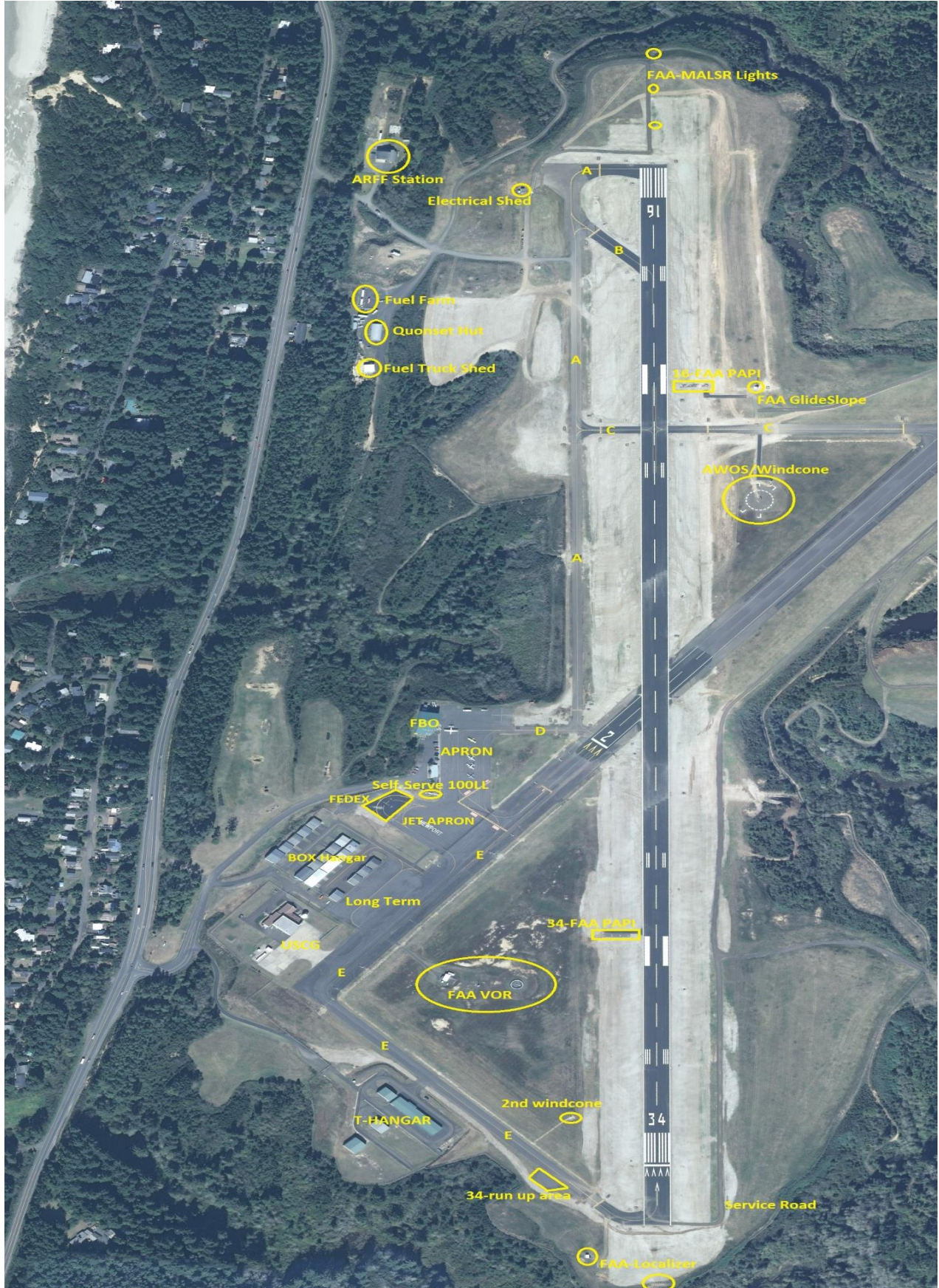
KTMK Tillamook Airport Tillamook, OR

Tillamook Airport Phillips 66 SS \$6.55

KMMV Mc Minnville Municipal Airport

Potcake Aviation LLCavfuel SS \$7.30

I have included some pictures from October 2022.







Diamond DA 62



Quest Kodiak 100



Busy jet ramp.



Busy jet ramp.