Newport Municipal Airport Master Plan Update Planning Advisory Committee (PAC) Meeting #2

March 9, 2016 3:00 – 5:00 p.m. with Public Open House from 5:30 – 6:30 p.m.

-Meeting Summary-

Attendees:

Newport Municipal Airport: Melissa Román

WHPacific, Inc: Dave Nafie, Sarah Lucas, Chris Corich

Elesco: Lee Smith

Planning Advisory Committee Members: Commander Rob Workman, Jayson Buchholz, Onno

Husing, Jim Shaw, Derrick Tokos, Lt. Curtis Landers, Susan Reese-Painter, Jenny Demaris, Maryann

Bozza, Joe Bishop, Heather Peck, and Jason Ritchie

Public Attendees: Spencer Nebel, Corley MacFarland, Ralph Busby

Welcome and Introductions

Dave Nafie opened the meeting at 3:10 pm, and gave an introduction of WHPacific and Elesco team members. Dave then reviewed the meeting agenda, which focused on the draft Chapters 1 and 2 and preparation of the aeronautical activity forecasts. The floor was then given to Susan Reese-Painter for her briefing of the Regional Airport Review Task Force.

Regional Airport Review Task Force

The purpose of the Task Force was to review the role of the Newport Municipal Airport (Airport) on the central coast by looking at various options for the long-term support and development of the Airport. Ms. Reese-Painter said the Task Force was authorized in 2014, with membership appointment in 2015. Work on the report was through July 2015 to February 2016. The group of diverse members met monthly and the resulting report focused on five specific areas, with 27 recommendations for addressing issues established through their research/discussions. The full Task Force Report will be included in the Master Plan as an appendix.

Master Plan Goals & Issues

As a follow-up from the first PAC meeting, the Goals and Issues for the Master Plan were presented by Sarah Lucas.

Goals:

 Research Federal Emergency Management Agency (FEMA), the Oregon Department of Aviation (ODA), and other government agencies to understand the process of making ONP a coastal lifeline in emergency/disaster situations.

- Develop finance strategies for airport improvements.
- Gain a clear understanding of land use impacts adjacent to Airport.
- Complete a commercial service trend analysis.
- Commercial Air Service preparedness including apron redesign and load bearing capacities of Taxiway Alpha.
- Educate Lincoln County citizens and Newport taxpayers on the importance of the Airport.

Issues:

- US Coast Guard views the Airport as an asset but has few facilities there.
- Utility upgrade and expansion are needed for any potential airport development.
- Negative cash flow.
- The Airport should be evaluated for regional emergency response.
- Wolf Tree Resort and future development near the Airport.
- Environmental considerations.
- Compliance with FAA Grant Assurances.

The Goals will be used as guides to help develop a sound planning document that fits the community's needs. The issues stated above, as well as any other issues that arise, will be addressed in the Master Plan Update.

Review of Airport System Role

A snapshot of the Airport's role in relation to the national, state, and local system was presented. The FAA categorizes the Airport as a Local / Basic General Aviation (GA) airport, which means the Airport provides access to intrastate and some interstate markets, along with linking the local community with the national system. The State of Oregon, through the *2007 Oregon Aviation Plan (OAP)*, categorizes the Airport as an Urban GA airport, supporting all GA aircraft to include corporate aviation. After the meeting, Heather Peck with ODA said the OAP will now be updated more frequently, and the Airport's classification is changing to Regional GA from Urban GA to reflect the Airport's importance in the region for connection to the GA system of airports. ODA also prepared an economic report for the Airport in 2014. According to that report, the Airport provides \$16.7 million in direct and in-direct visitor spending benefits to the community.

Jason Ritchie, FAA Project Planner, noted that FAA concurrence with these existing and changing roles at this point in the Master Plan may be premature, as we will have a better understanding of the Airport's impact as we progress in the project.

Draft Chapters 1 and 2

Draft Chapters 1 and 2 are the *Introduction* and *Inventory*, respectively. Chapter 1 topics are discussed above with Goals/Issues and System Role. Chapter 2 review was a high-level discussion of the Airport's facilities. A PAC member requested that vehicular access points be included in the mapping, which will be added. Also, ODA has more recent Pavement Condition Index (PCI) data from 2015 and they will send it to the Planning Team for the updated information to be incorporated into the chapter.

Mr. Tokos, City Community Development Director, asked about the approach lighting system. Two of the supports for the lighting system are on private property, and there is an road right-of-way under the

end segment of the system. Mr. Tokos inquired what impacts there would be to the Airport when the road is developed. The Master Plan will include the area as needed for future easement acquisition. The FAA agrees with developing roads located under this type of lighting system. Mr. Tokos will work with the Planning Team on required right-of-way clearances so the issue can be addressed more directly within the Master Plan.

Preliminary Forecast Data

The forecasts are divided into various categories: GA activity, air cargo, and air service.

Sarah Lucas presented information on development of the GA activity forecasts, which are based aircraft, annual aircraft operations, and critical aircraft. Forecasts are prepared by researching national, state, and local trends, along with interviewing local airport operators and businesses/organizations. Industry-accepted guidance for preparation of forecasts is also utilized. Once data and forecasting models are gathered, they are analyzed against the local indicators to determine if there is any correlation.

Base-year data for the Airport is 2015, with 28 based aircraft and 19,600 annual operations. Refer to the presentation for specific data discussed.

PAC questions about the GA forecast preparation included cause of discrepancy between forecasting models, fuel sales, and hangar wait list. Ms. Lucas clarified the discrepancy in forecasting models; some federal models are developed in a top-down method by different organization so there can be a silo effect on the forecasts. Mr. Vanderbeck will provide the Planning Team with additional fuel sales records so that US Coast Guard purchases can be separated from the GA sales. Last, the Planning Team will get the hangar wait list to determine if those users are still interested in hangars at the Airport.

The last Master Plan determined the critical aircraft to be a B-II for both the instrument landing system (ILS) and the crosswind runways (please reference presentation for further context of B-II designation). Once specific forecasting models are selected, the designation will be further analyzed to determine whether or not that classification remains relevant today.

Chris Corich presented information relating to cargo and air service forecasting, which also included a detailed discussion of FAA Part 139 Certificate requirements.

Currently, the Airport is serviced by Ameriflight and Empire Airlines and the majority of cargo is inbound. A 2.5% average annual growth rate is recommended for use in the forecast. Mr. Nebel recommended the cargo carriers be consulted again before selecting that as the preferred forecast. There was a question regarding the potential for noise if carriers need to increase frequency or up-gauge to a larger aircraft. Mr. Corich was very sensitive to this question, as he has extensive experience with noise concerns at PDX, and reiterated noise is perceived differently by everyone. That said, there is little noise impact if changes occur and some of the larger aircraft are even quieter than what's currently operating.

An in-depth review of air service forecasting, particularly impacts to the Part 139 Certificate, can be found in the presentation. Simply stated, the most likely market for air service is in a nine-seat aircraft similar to the Cessna Caravan. Part 139 Certification is not required for Airports with that level of air service. Mr. Corich demonstrated that the most significant cost with Part 139 Certification is the Aircraft Rescue and Fire Fighting (ARFF) requirement; however, Mr. Ritchie thought it may be salary for employees needed to keep up with all the requirements. At Newport, only one person oversees the requirements (normally it takes two employees), so salary may not be an issue as it could be elsewhere. The discussion of whether Newport should maintain their Part 139 Certificate was left on the table; the PAC will consider the issue further as we proceed with the Master Plan.

The potential for air service was discussed extensively, with reference to operators like Cape Air. There

is zoning for a destination report south of the Airport, with potential for additional resort development within Lincoln County. At this point, Lee Smith presented the potential to designate some areas of the Airport not needed for aviation-use as developable for aviation-compatible development. Doing so may make the Airport more attractive to development by companies that rely on the GA.

Next Steps and Wrap Up

Dave Nafie closed the meeting shortly after 5:00 pm. The Planning Team will next complete Draft Chapters 3 and 4 for City and PAC review. Chapter 3 will be submitted in two weeks' time.

PAC #3 is tentatively set for May 11, 2016. Location is TBD.

Public Open House

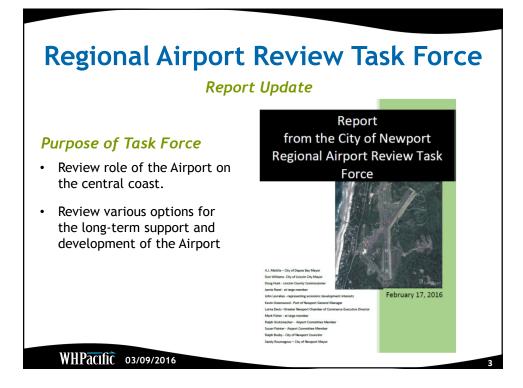
One additional member of the public attended the Open House beyond those in attendance at the PAC meeting. The Planning Team discussed the project and answered questions from the public and PAC members.

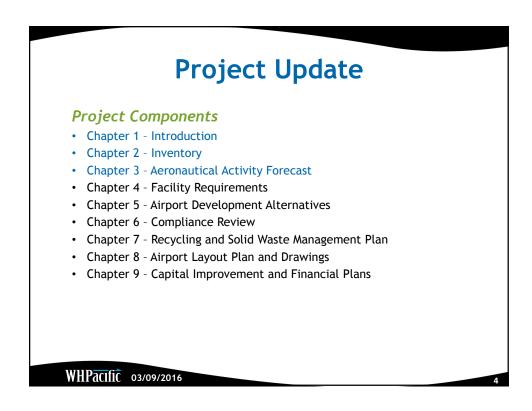
Newport Municipal Airport Master Plan

PAC Meeting #2



Agenda							
	Торіс	Presenter					
3:00 - 3:10	Welcome & Introductions	Melissa Román					
3:10 - 3:20	Regional Airport Review Task Force – Report Update	Susan Painter					
3:20 – 3:25	Project Update	Dave Nafie					
3:25 - 3:45	Draft Chapters 1 & 2:	Sarah Lucas					
5.25 5.45	Introduction and Inventory						
	Forecasting:	Sarah Lucas, Chris					
3:45 – 4:55	General Aviation, Air Cargo, Air Service, Part 139 Certificate, & Commercial Development Market Analysis	Corich, & Lee Smith					
4:55 – 5:00	Next Steps & Wrap Up	Dave Nafie					
5:30 - 6:30	Public Open House						

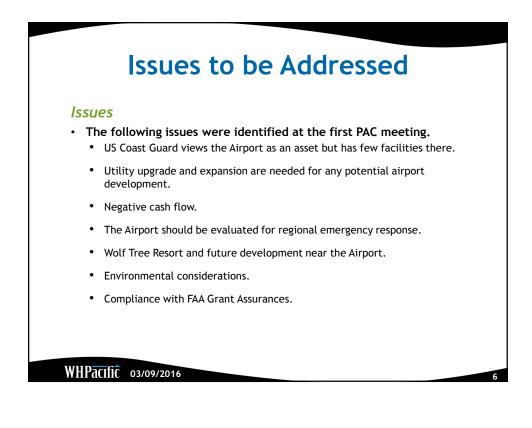




Master Plan Goals

Goals

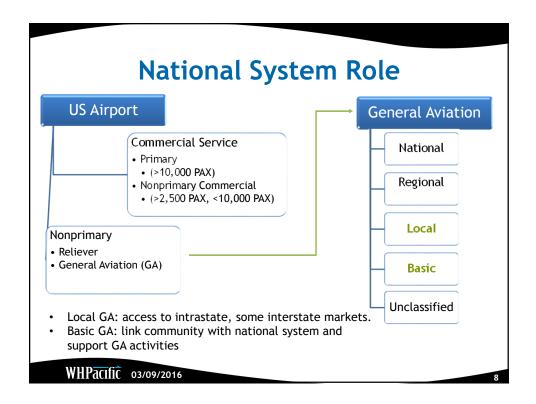
- Goals for the Master Plan Update were a subject of the first PAC meeting. The common themes of PAC members' statements include:
 - Research Federal Emergency Management Agency (FEMA), the Oregon Department of Aviation (ODA), and other government agencies to understand the process of making ONP a coastal lifeline in emergency/disaster situations.
 - Develop finance strategies for airport improvements.
 - Gain a clear understanding of land use impacts adjacent to Airport.
 - Complete a commercial service trend analysis.
 - Commercial Air Service preparedness including apron redesign and load bearing capacities of Taxiway Alpha.
 - Educate Lincoln County citizens and Newport taxpayers on the importance of the Airport.

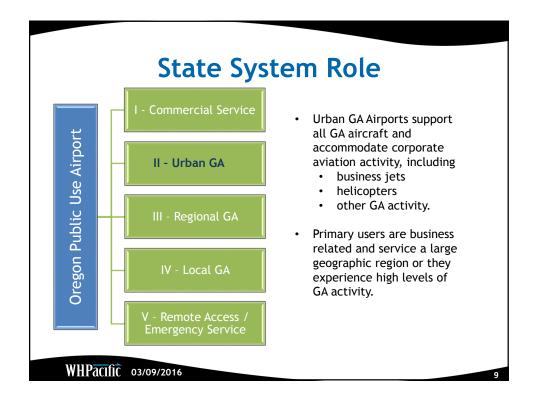


Chapter 1 - Airport Role

Identify the current role of the Airport and analyze whether or not that role should remain in the future.

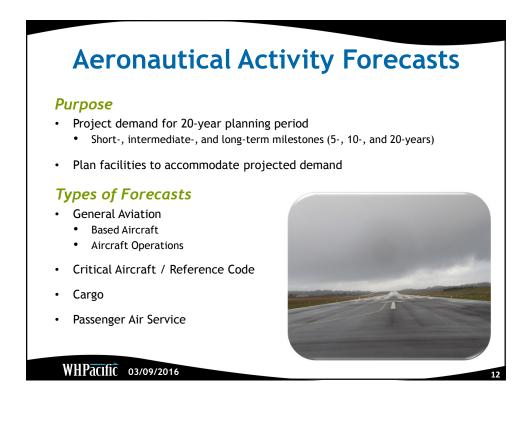
- National System Role
 FAA National Plan of Integrated Airport Systems (NPIAS)
- State System Role
 Oregon Aviation Plan
- Regional System Role
 Economic Impacts and Emergency Services
- Future Role Recommendation











Forecasting Methodology

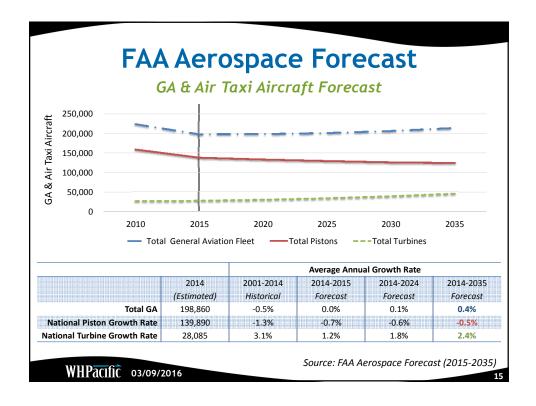
Approach Methods

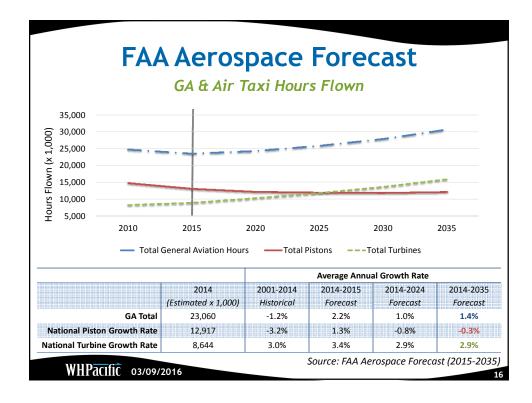
- Review Trends
 - National and local data
- Research Local Demographics
- Interview Airport Operators and Local Businesses / Organizations
- Apply Forecasting Guidance (Advisory Circulars, etc.)

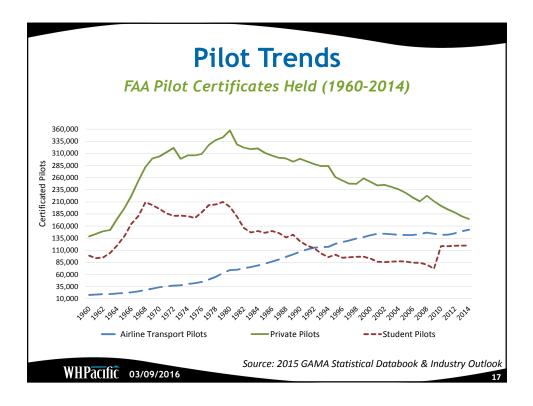
Product

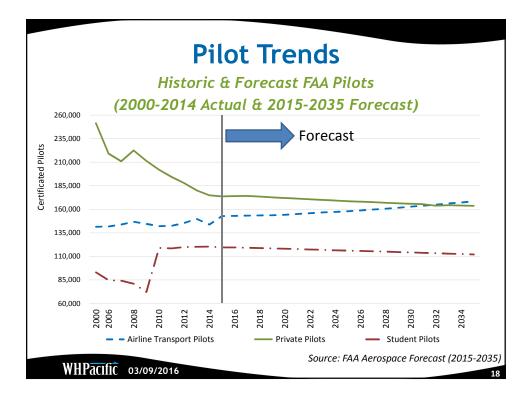
• Correlate information with the Newport Municipal Airport to determine appropriate forecast model

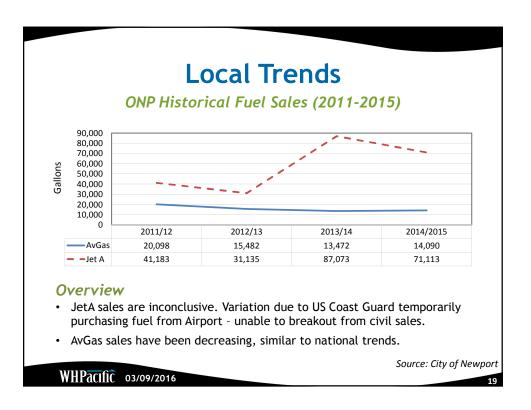


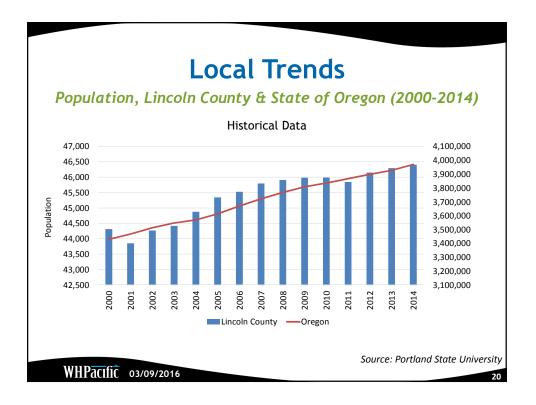


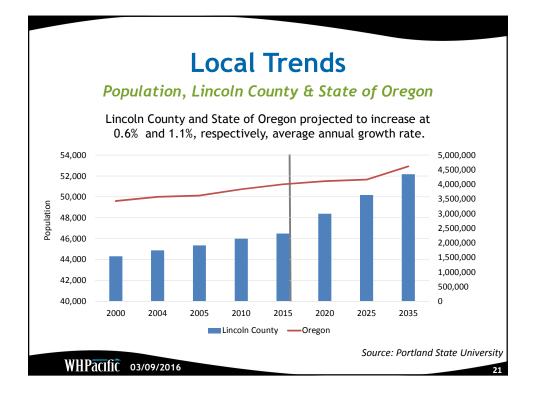


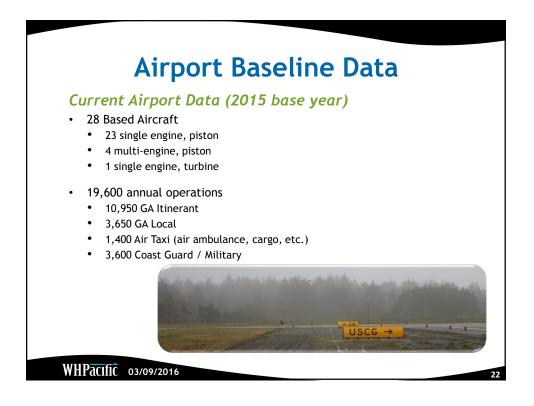




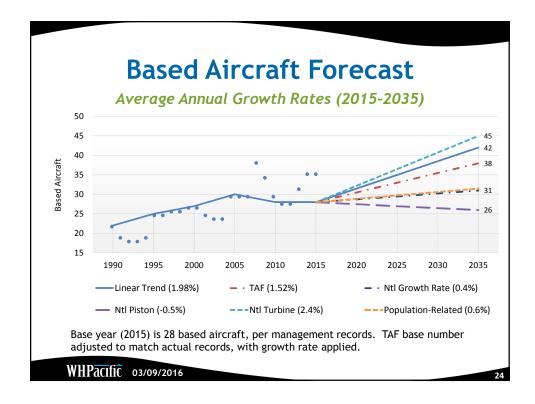




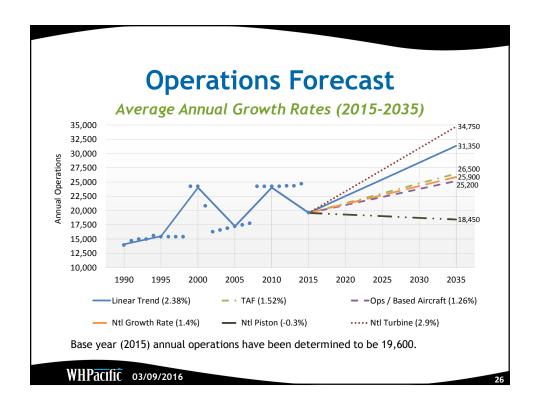




Based Aircr	aft Forecast
ırpose	
•	used at the Airport determine need fo
hangar space, apron parking, and a	uto parking
	Itlooks, and socioeconomic indicators
ethod Correlate growth rates, industry ou Forecasting Model	Itlooks, and socioeconomic indicators Average Annual Growth Rate
Correlate growth rates, industry ou	
Correlate growth rates, industry ou Forecasting Model	Average Annual Growth Rate
Correlate growth rates, industry ou Forecasting Model Linear Trend	Average Annual Growth Rate 1.98%
Correlate growth rates, industry ou Forecasting Model Linear Trend Terminal Area Forecast (TAF)	Average Annual Growth Rate 1.98% 1.52%
Correlate growth rates, industry ou Forecasting Model Linear Trend Ferminal Area Forecast (TAF) National Growth Rate	Average Annual Growth Rate 1.98% 1.52% 0.4%



Operation	ns Forecast
Purpose	
• Provide information to determine	runway, taxiway, and navigational aid
requirements, as well as runway c	apacity analysis
 Method Correlate various growth rates, in 	dustry outlooks. local fuel sales
 Correlate various growth rates, in Project critical aircraft 	-
 Correlate various growth rates, in Project critical aircraft Forecasting Models 	dustry outlooks, local fuel sales Average Annual Growth Rate 2.38%
 Correlate various growth rates, in Project critical aircraft Forecasting Models inear Trend 	Average Annual Growth Rate
• Correlate various growth rates, in	Average Annual Growth Rate 2.38%
Correlate various growth rates, in Project critical aircraft Forecasting Models Linear Trend Ferminal Area Forecast (TAF)	Average Annual Growth Rate 2.38% 1.52%
Correlate various growth rates, in Project critical aircraft Forecasting Models Linear Trend Ferminal Area Forecast (TAF) Operations per Based Aircraft	Average Annual Growth Rate 2.38% 1.52% 1.26%



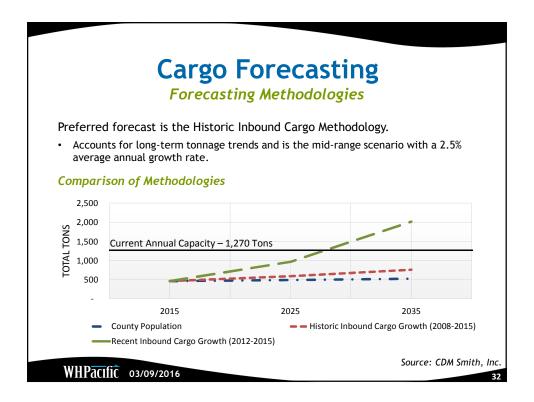
	Criti	cal A	vircraft	
Purpos	e			
The A	irport's design is base	d on the C	ritical Aircraft	
• M	ost demanding aircraft u	sing the Air	port "regularly" or "s	substantially"
(t	pically 500 annual itine	rant operat	ions)	
• Cr	itical Aircraft can vary b	y runway to	o allow planning flexi	bility
• Cr	itical Aircraft determine	s the Airpo	rt Reference Code (Al	RC)
Aircra	aft Approach Category		Airplane Design	Group
Approach Speed (kts)			Wingspan (ft)	Tail Height (ft)
	<91	I	<49	<20
A	۲91			20 /20
A B	91 - <121	П	49 - <79	20-50
A B C	91 - <121 121 - <141	A	49 - <79 79 - <118	30 - <45
A B C D	91 - <121	H V	49 - <79 79 - <118 118 - <171	30 - <45 45 - <60
A B C D E	91 - <121 121 - <141			





		Ca	rgo	FOL	909	isting			
Histori	listoric Tonnage (2008-2015) Route Map								
Year	Outbound Tons	Percent of Total	Inbound Tons	Percent of Total	Total Tons	À L			
2008	116	26%	332	74%	448				
2009	102	24%	322	76%	424				
2010	91	21%	338	79%	429				
2011	76	20%	307	80%	383				
2012	64	17%	316	83%	380	SLE			
2013	61	15%	351	85%	412				
2014	65	15%	380	85%	445	ONP			
2015*	75	16%	394	84%	468	CV0 0 5 10 15			
CAGR 008-2015	-6.2%	-	2.5%	-	0.6%	Empire Airlines - Fi Amerilight - UPS (Amerilight - UPS (

Carrier Aircraft Dail		Doily	Weekly	Monthly	Annual	Full	Inbound Adjusted	Outbound Adjusted	Percent of Daily Capacity	
	Ops	Ops Ops	Ops	Payload (Ibs.)	Payload (lbs.)*	Payload (lbs.)**	Jan- Nov	Dec		
Ameriflight (Dec)	BE99	1	5	21.7	22	3,500	2,800	1,400	N/A	49%
Ameriflight (Jan-Nov)	PA31	1	5	21.7	238	1,750	1,400	700	33%	N/A
Empire Airlines	C208	1	6	26.0	312	3,590	2,872	1,436	67%	51%



Air Service Forecasting

History

Two carriers in the last 20 years

• Service had subsidy to reduce ticket price and lasted less than 3 years

Air Service Subsidies for Small Markets

Essential Air Service (EAS)

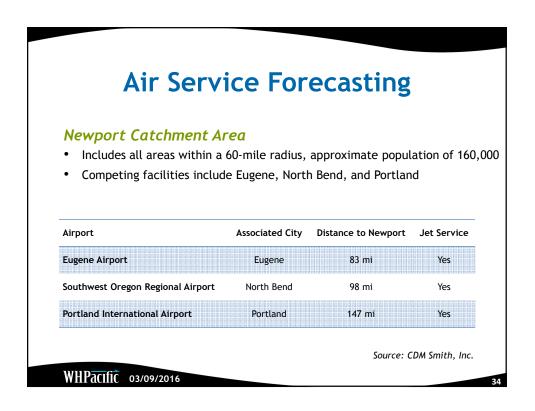
• Federal subsidy paid to airline - limited to \$200/passenger

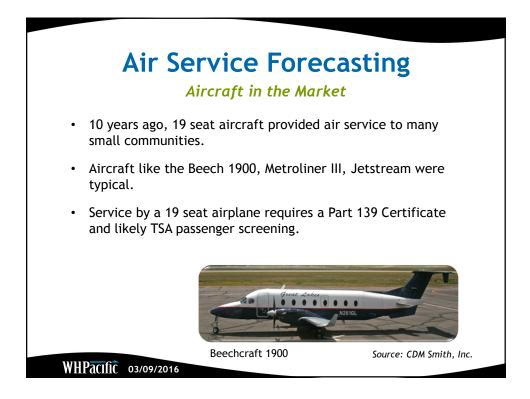
Small Community Air Service Development Program

Subsidy paid to communities to develop air service program

State Programs

- House Bill 2075 Fuel Tax Passenger Service Set Aside
- Connect Oregon?? funded through the Multimodal Transportation Fund



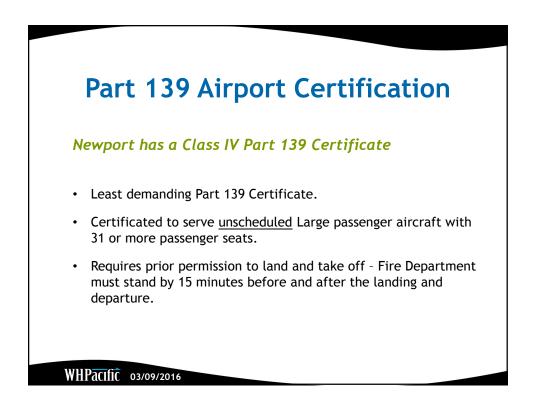




Co	Commercial Air Service Options								
	Aircraft	Seats	Part 139	Terminal	TSA	Ticket Subsidy Level	Estimated Cost (Order of Magnitude)		
	Cessna Caravan	9	No	OK As Is	None	\$	No changes		
	Beech 1900	19	Class II	Expansion Needed	Yes - \$\$\$	\$\$\$	\$250 -500K Capital \$200K Operating		
	SAAB 340	30	Class I	Major Expansion or New Terminal	Yes - \$\$\$	\$\$\$\$	\$500K- \$5M Capital \$250K Operating		
WHPa	CIIIC 03/0	9/2016							







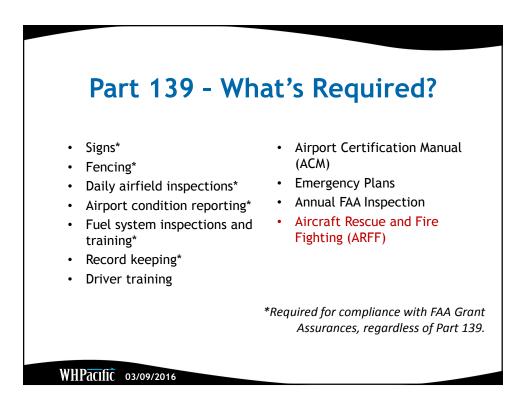
Is a Part 139 Currently Required at Newport?

No.

• With no scheduled or unscheduled commercial air service, no Part 139 Certificate is required.

Other airports with 139 certification and no service:

- <u>Salem</u> currently has no commercial service and no unscheduled service Class IV.
- <u>Pendleton</u> currently served by SEAPORT 9 seat Cessna Caravan - Part 139 Certification not required - Class IV.
- <u>K-Falls</u> currently no air service Class I.



ARFF - Biggest Part 139 Expense

- Annual training "Hot Drill".
- Specialized fire truck.
- Record keeping of fire fighter training.
- Annual Cost: around \$16,000







Passenger Screening - Security

Requirements

- Passengers on 19 seat aircraft and larger are typically screened by TSA.
- The terminal and the ramp area must be "secure".
- Airport employees must have an FBI background check.
- Must meet high standards = <u>high level of expense.</u>
- Additional staff would be needed.



Air Service Forecasting							
Market Dri	ve Strategies for S	mall Ma	rkets				
Some success	with 9 passenger airc	raft					
Similar Route to/from No	on-EAS Community	Distance (Miles)	Aircraft Type	OW Airfare Cost (+14 days)			
Cape Air							
HPN (White Plains, NY)	MVY (Martha's Vineyard, MA)	163 mi	C402	\$399.00			
HPN (White Plains, NY)	ACK (Nantucket, MA)	191 mi	C402	\$383.00			
ALB (Albany, NY)	BOS (Boston, MA)	145 mi	C402	\$209.00			
SeaPort							
OTH (North Bend, OR)	PDX (Portland, OR)	171 mi	C208	\$113.00			
Southern Airways Expres	s						
DSI (Destin, FL)	MEM (Memphis, TN)	379 mi	C208	\$298.00			
DSI (Destin, FL)	KMBO (Jackson, MS)	256 mi	C208	\$298.00			
PDK (Atlanta, GA)	DSI (Destin, FL)	334 mi	C208	\$198.00			

Co	Commercial Air Service Options								
	Aircraft	Seats	Part 139	Terminal	TSA	Ticket Subsidy Level	Estimated Cost (Order of Magnitude)		
	<u>Cessna</u> <u>Caravan</u>	<u>9</u>	<u>No</u>	<u>OK As Is</u>	<u>None</u>	<u>\$</u>	<u>No changes</u>		
	Beech 1900	19	Class II	Expansion Needed	Yes - \$\$\$	\$\$\$	\$250 -500K Capital \$200K Operating		
	SAAB 340	30	Class I	Major Expansion or New Terminal	Yes - \$\$\$	\$\$\$\$	\$500K- \$5M Capital \$250K Operating		
WHPa	cific o3/o	9/2016							

rvi	ce F	orec	asti	ng	
nent F	orecas	t Meth	odolog	ies	
Base Year (2015)	2020	2025	2030	2035	Average Annual Growth Rate
From	Aviation Fo	recasts		1	
3,000	3,247	3,486	3,809	4,161	1.6%
3,000	3,233	3,485	3,761	4,059	1.5%
From P	opulation F	orecasts			9 1 19 9 19 19 19 19 19 19 19 19 19 19 19 1
3,000	3,123	3,238	3,317	3,397	0.6%
3,000	3,188	3,386	3,561	3,745	1.1%
	Base Year (2015) From 3,000 From P 3,000	Base Year (2015)2020From Aviation Fo 3,0003,2473,0003,233From Pulation F3,0003,123	Base Year (2015)20202025From Aviation Forecasts3,0003,2473,4863,0003,2333,485From Population Forecasts3,0003,123	Base Year (2015) 2020 2025 2030 From Aviation Forecasts 3,000 3,247 3,486 3,809 3,000 3,233 3,485 3,761 From Population Forecasts 3,000 3,123 3,238 3,317	Year (2015) 2020 2025 2030 2035 From Aviation Forecasts 3,000 3,247 3,486 3,809 4,161 3,000 3,233 3,485 3,761 4,059 From Population Forecasts 3,000 3,123 3,238 3,317 3,397

