



Redmond Municipal Airport-Roberts Field
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AIRPORT COMMITTEE

Thursday, July 9, 2015
5:30 PM

COMMITTEE MEMBERS

Marc Henegar
Chairman

Eric Sande
Vice Chairman

Rob Berg
Member

Ross Centers
Member

Kelly Coffelt
Member

David Foote
Member

Doug Knight
Member

Tim Moor
Member

Sean Neary
Member

Frank Reed
Youth Ex Officio

Jay Patrick
Council Liaison

George Endicott
Alternate Council Liaison

MEETING AGENDA

I. CALL TO ORDER/ROLL CALL

II. ANNOUNCEMENTS

III. COMMENTS FROM CITIZENS

IV. APPROVAL OF MINUTES

- a) Meeting Minutes – June 11, 2015

Exhibit 1

V. CONSENT AGENDA

All items listed under the consent agenda are considered to be routine and will be enacted by one motion. If separate discussion is desired, that item will be removed from the consent agenda and considered separately.

VI. OLD BUSINESS

VII. NEW BUSINESS

- a) Development of FY2015/16 Work Plan
b) Airport Strategic Business Plan

VIII. COMMITTEE REPORTS (IF AVAILABLE)

- a) Rules & Regulations Subcommittee
b) Lease Policy Subcommittee

IX. AIRPORT STAFF BRIEFINGS, REPORTS & PRESENTATIONS

- a) Airport Director's Report
b) Leading Edge Jet Center application for FBO services
c) SCASDP

X. COMMITTEE MEMBER COMMENTS

XI. ADJOURN

Anyone needing accommodation to participate in the meeting must notify the City of Redmond ADA Coordinator at least 48 hours in advance of the meeting at 541-504-3036, ada@ci.redmond.or.us or through the Telecommunications Relay Service (TRS) which enables people who have difficulty hearing or speaking in the telephone to communicate to standard voice telephone users. If anyone needs Telecommunications Device for the Deaf (TDD) or Speech To Speech (STS) assistance, please use one of the following TRS numbers: 1-800-735-2900 (voice or text), 1-877-735-7525 (STS English) or 1-800-735-3896 (STS Spanish). The City does not discriminate on the basis of disability status in the admission or access to, or treatment, or employment in, its programs or activities.



Redmond Municipal Airport-Roberts Field

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REDMOND AIRPORT COMMITTEE MINUTES

Thursday, June 11, 2015

Airport Event Conference Room, 2522 SE Jesse Butler Circle, Suite 17, Redmond, Oregon

Committee Members Present: Vice-Chair Eric Sande, Ross Centers, Kelly Coffelt, Doug Knight, Tim Moor, Sean Neary (excused: *Rob Berg, David Foote, Marc Henegar*)

Youth Ex Officio: (absent: *Frank Reed*)

City Staff: Jeffrey Tripp, *Airport Director*; Nettice Honn, *Executive Assistant*; Cameron Prow, *TYPE-Write II*

Visitors: Joe Roshak, *Century West Engineering*; Don Lee, *NW Commercial*; Stan Clark

Media: None

(scribe CP's note: The minutes were created from an audio recording and notes taken at the meeting. The three digits after a motion title show the number of committee members voting in favor/opposed/abstaining.)

I. CALL TO ORDER

Vice-Chair Sande called the Redmond Airport Committee (AC) meeting to order at 5:34 p.m.

Ms. Prow called the roll and confirmed that a quorum of members (5 of 9) was present. Mr. Knight arrived at 5:40 p.m. after the minutes were approved.

II. ANNOUNCEMENTS

Mr. Tripp said he attended the grand opening of Business Air at the Bend Airport yesterday. This new charter service is a regional asset and he is talking with them about what Redmond Airport can offer.

Vice-Chair Sande suggested adding Business Air to the list of optional air service carriers during Redmond Airport's temporary closure in May 2016.

III. COMMENTS FROM CITIZENS

None.

IV. APPROVAL OF MINUTES

Motion 1 (5/0/0): Mr. Centers moved to approve the minutes of May 14, 2015. Mr. Neary seconded the motion which passed unanimously.

V. CONSENT AGENDA

None.

VI. OLD BUSINESS

Mr. Tripp reported he will check with the FAA (Federal Aviation Administration) on how to officially change the name of "Redmond Municipal Airport" to "Redmond Regional Airport." Committee

members agreed with the proposed name change, which was suggested by Chair Henegar for marketing purposes at the May 2015 meeting.

VII. NEW BUSINESS

A. Development of FY 2015-2016 Work Plan

Mr. Tripp presented the September 2014 update of the FY2012-2017 Airport Strategic Plan, which he will e-mail to the Airport Committee. For cost efficiency purposes, Mr. Tripp recommended updating the existing five-year plan prepared by former Airport Director Kim Dickie. When funding becomes available, a new strategic plan could be done, if necessary, in conjunction with the new airport master plan. Past suggestions included hiring a consultant to prepare a new strategic plan, establishing a Finance Subcommittee, reviewing the draft RFQ (Request for Qualifications) for a master plan consultant, possible assistance of University of Oregon students for airport design guidelines (landscaping, signage), improving communication with General Aviation tenants, and becoming more GA-friendly. Updating the strategic plan will facilitate budgeting and staffing activities. He recommended the Airport Committee invest one-half hour each of the next two to three meetings to review the existing strategic plan and recommend updates. For ease of review, he will send this document to committee members.

B. Airport BBQ

Mr. Tripp said the annual Airport barbeque will be held on June 25, 9 a.m.-2 p.m. and 4-6 p.m. Airport staff, GA tenants, customers, stakeholders, Airport Committee members, and City Councilors have been invited.

VIII. COMMITTEE REPORTS

Mr. Tripp said he would like to present the Rules/Regulations draft and Airport Lease Policy draft to Council on/before September 22, 2015. These documents will change over time but the baseline documents need to be implemented. He outlined the review process to make that happen, provided a draft calendar for June through September, and requested a status report from each subcommittee.

Mr. Knight recommended the Airport Committee appoint subcommittee chairs to help move the review process forward.

A. Rules and Regulations Subcommittee

Members: Kelly Coffelt, Sean Neary, Eric Sande, Stan Clark

AC Vice-Chair Sande said the subcommittee needed another meeting to review Mr. Clark's suggested changes before forwarding its recommendations to the full Airport Committee.

Mr. Neary volunteered to chair this subcommittee. Following discussion, the Airport Committee agreed by consensus to appoint Mr. Neary as the Rules/Regulations Subcommittee Chair.

B. Airport Lease Policy Subcommittee

Members: Marc Henegar, Doug Knight, Stan Clark, Don Lee

Mr. Knight volunteered to chair this subcommittee. Following discussion, the Airport Committee agreed by consensus to appoint Mr. Knight as the Airport Lease Policy Subcommittee Chair.

Airport Committee members asked Ms. Honn to coordinate scheduling a subcommittee meeting before the Airport Committee meeting in July.

IX. AIRPORT STAFF BRIEFINGS, REPORTS, and PRESENTATIONS

A. Airport Director's Report

Mr. Tripp presented the Airport Director's Report dated June 11, 2015, and provided additional details in response to committee interest.

1. **Airport Operations Performance Metrics:** Mr. Tripp presented the Airport Performance Metrics Report for April 2015 and said most metrics were trending in a positive direction. Total Operating Revenue was up 3%. Total Operating Cost was 10.6% higher, which he attributed to adding new staff and property maintenance. He reviewed key air service, revenue, and performance statistics for April which included:

- ! Revenue per Enplanement: \$16.19 (goal: over \$15.00)
- ! Airline Cost per Enplanement: \$5.94 (goal: under \$6.00)
- ! Operating Efficiency: \$17.82 (goal: under \$15.00)
- ! Number of passengers: 7.7% higher than prior year

Analysis of ways to improve performance metrics is ongoing and staff will re-examine benchmarks and goals over the next year. He attributed the lower numbers in December 2014 to weather. If May and June 2015 perform as previous months have, Calendar-Year Enplanements and Total Passengers could set a record.

2. **Air Service Initiatives and Updates:** COAST: Three members of the Central Oregon Air Service Taskforce – Mr. Tripp, Roger Lee/EDCO (Economic Development for Central Oregon), and Trina Froehlich/Mead & Hunt – met with five airlines at the Seattle conference of Airports Council International – North America June 1-3, 2015.

Capacity: *Alaska Airlines* added a 5th seasonal flight to Portland and a 4th flight to Seattle. *United Airlines* added a 2nd flight to Denver through April 2016 and a 3rd flight to San Francisco. Though Redmond's load factors have been running in the mid-80s for all airlines, *American Airlines* will reduce its current year-round flight schedule between Redmond and Los Angeles International Airport (LAX) to a summer-only schedule after September 9, 2015. The COAST team will work to convince American that Redmond can support a full-service, year-round schedule with 76-seat jets to/from LAX, based on load factors and regional growth. *Allegiant Airlines* is interested in returning to Redmond and providing service to LAX, Las Vegas, and Phoenix. The Airport sent a proposal to Allegiant today. *Skywest Airlines* and its codeshare partners (Delta and United) are happy with passenger loads and are looking for additional opportunities.

Committee concerns included the impact of losing nonseasonal flights to/from LAX.

7. **USFS – Central Oregon Interagency Dispatch Center:** The Airport's application, due on June 23, 2015, is almost done.

Mr. Lee inquired about the U.S. Forest Service lease rate.

X. COMMITTEE MEMBER COMMENTS

None.

XI. ADJOURN

With no further business, Vice-Chair Sande adjourned the meeting at 6:11 p.m.

APPROVED by the Airport Commission and SIGNED by the Chair this _____ day of _____, 2015.

ATTEST:

Marc Henegar
Chair

Jeffrey Tripp
Airport Director

DRAFT



AIRPORT DIRECTOR'S REPORT

July 9, 2015

1) AIRPORT OPERATIONS PERFORMANCE METRICS

The attached report for May 2015 provides a snapshot of the Airport's air service numbers, key financial metrics (Revenue per Enplanement, Airline Cost per Enplanement (CPE), and Operating Efficiency), and monthly revenue figures.

2) AIR SERVICE INITIATIVES & UPDATES

ALLEGIANT AIRLINES

Allegiant expressed interest in providing service to Los Angeles at the June 3rd JumpStart meeting. The COAST team prepared and submitted a proposal to Allegiant Airlines on June 11th; we are awaiting their response. The proposal offered the same basic incentives package offered to American Airlines for the LAX route comprised of a 1-year waiver of landing fees, terminal office build-out cost offset up to \$50,000 and local marketing of up to \$25,000. The FAA's Air Carrier Incentive Program Guidebook provides guidance to airport sponsors interested in offering promotional incentives to attract new air carrier service.

AMERICAN AIRLINES

American has stated their intent to continue providing service to Redmond recognizing the growth of the Central Oregon region and its viability as a long-term market. A sign of this commitment is American's intention to provide service next summer with the larger 76-seat aircraft providing two-class cabin service. COAST will work to try convince American that reinstating a full service schedule with the larger aircraft is viable. The Airport received a request for information from American to validate the ability to handle the larger 76-seat aircraft on the terminal ramp.

3) RUNWAY 4-22 PROJECT

The second scheduled meeting of the Task Force occurred June 24th. Staff will continue to hold informational meetings with various stakeholders (airlines, USFS, TSA, rental cars agencies, FBO, and restaurant), GA airport tenants, other civic organizations, etc. to provide continual project updates. The execution of the construction contract with Knife River is progress.

4) ENGINEERING SERVICES RFQ

The five-person selection committee has been formed and will consist of the Airport Projects Coordinator, Airport Operations Manager, Redmond City Engineer, Airport Director, and Airport Committee member Doug Knight. The RFQ closed on June 23, 2015 with submittals received by five firms. The review process for the written submittals is currently in progress with a target completion date of July 17th. The top two ranked consultants will be invited to participate in final interviews in August.

5) AIRPORT CAPITAL IMPROVEMENT PROGRAM (ACIP) UPDATE

The Airport received notice from FAA on June 23rd of the capital projects FAA has identified for Redmond over the next five years, subject to the availability of funding. The Airport receives approximately \$2,000,000 per year in Primary Entitlement (PE) funds from FAA. Additional FAA funding is provided through the Discretionary Grant funding (DI). The Airport may also request funding through the state (ST).

The 2016 projects are scheduled to be funded; the remaining years are for planning purposes only. The ACIP is updated annually with projects in the outer years sometimes shifted due to funding availability, project ranking, or project need.

YEAR	Project Name	PE	ST/DI	Total
2016	Rehabilitate Taxiway Bravo (D & C)	\$ 650,000	\$ 3,000,000	\$ 3,650,000
2016	Master Plan Update	\$ 750,000		\$ 750,000
2016	Rehabilitate RWY 10-28 (Design)	\$ 600,000		\$ 600,000
2017	Rehabilitate RWY 10-28 (Construct)	\$ 2,000,000	\$ 7,500,000	\$ 9,500,000
2018	Rehabilitate Apron	\$ 2,000,000	\$ 3,200,000	\$ 5,200,000
2019	Expand SRE Building	\$ 1,400,000		\$ 1,400,000
2020	Acquire SRE Equipment	\$ 1,600,000		\$ 1,600,000

6) RENTAL CAR CONCESSION RFP

The Airport is preparing to issue a Request for Proposals (RFP) for non-exclusive, on-airport rental car concession for qualified firms to provide rental car services for a 5-year period from the airport terminal. A five-person selection committee will be formed, tentatively consisting of the Airport Director, Airport Projects Coordinator, Airport Business Coordinator, and two representatives from the Airport Committee.

7) AIR SERVICE CONSULTANT RFQ

The Airport is preparing to issue a Request for Qualifications (RFQ) for a qualified consultant to provide air service consulting assistance to the airport for a 3-year period of fiscal years 2015/16 through 2017/18. A five-person selection committee has been formed consisting of the Airport Director, Airport Executive Assistant, Airport Security Coordinator, and two representatives from COAST.

8) USFS – CENTRAL OREGON INTERAGENCY DISPATCH CENTER (COIDC)

On March 23, the U.S. Forest Service issued a Request for Lease Proposals for an approximate 7,000 SF building to provide office space for their regional dispatch center at the Redmond Air Center. The Airport submitted a proposal which is currently under review by USFS.

9) TRANSPORTATION SECURITY ADMINISTRATION

The TSA will be installing an Advanced Imaging Technology (AIT) unit at the airport screening checkpoint the week of July 6th. This technology is designed to detect a wide range of threats in a matter of seconds to protect passengers and crews. Imaging technology is an integral part of TSA's effort to continually look for new technologies that help ensure travel remains safe and secure.



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10) AIRPORT BBQ

The annual airport BBQ was held on June 25th. The event was well-attended including several representatives from the Airport Committee, the Mayor and City Council. A special thank you is due Nicole Jurgensen, Airport Security Coordinator for organizing the event.

11) AIRPORT RATES & FEES

Effective July 1, 2015, the rates and fees charged by the City have been updated. These fees are true cost recovery and are not profit centers for the Airport. These fees allow the Airport to recover the actual cost of operating the airfield, applicable terminal costs, and those costs for armed security at the terminal not reimbursed by the TSA

Landing Fee	Increases from \$2.99 to \$3.06/1,000lbs.
M&O Fee for exclusive terminal space	Increases from \$11.44 to \$12.50/square foot
M&O Fee for baggage claim / departure lobby	Increases from \$0.73 to \$0.75/passenger
Supplemental Security Fee	Decreases from \$0.37 to \$0.36/passenger

Airline Fees are derived and reflected in the Scheduled Airline Operating Agreement Exhibits B, C, & D.

- Exhibit B - Landing Fees serve to recover the costs of maintaining the Airfield and are included in the City's Fee Schedule. This Fee is also charged to cargo and contract aircraft (e.g. UPS, US Forest Service for tanker operations, etc.). General aviation aircraft are not charged a landing fee.
- Exhibit C - M&O Fees serve to recover the cost of operating the Terminal to include utilities, maintenance, and administration costs (excludes Concession areas).
- Exhibit D - Supplemental Security Fee serves to recover all fees for contract private armed security stationed in the Terminal that are not covered under a Transportation Security Administration (TSA) grant.

12) AIRPORT BUSINESS UPDATE

- A. The City completed negotiations with Leading edge Jet Center to operate as a fixed base operator on the Northside of the airport with City Council approving the application at the June 30, 2015 meeting. The Airport Director will provide a review of the presentation made to Council at the June 9th committee meeting.
- B. The Airport is completing final negotiations with Advanced Flight Dynamics to operate a flight school. AFD will provide specialized flight training services consisting of Upset Prevention and Recovery Training (UPRT), aerobatics, formation and jet aircraft training. The Airport is tentatively scheduling this application to be brought to City Council for approval at the July 14th meeting.



Roberts Field - Redmond Municipal Airport Airport Performance Metrics Report

MAY

<i>Passengers</i>	<i>2010/11</i>	<i>2011/12</i>	<i>2012/13</i>	<i>2013/14</i>	<i>2014/15</i>	<i>Variance (+/-)</i>	<i>% Var</i>
July	22,879	23,819	24,812	24,320	26,448	2,128	8.7%
August	23,728	23,986	24,210	23,877	27,374	3,497	14.6%
September	19,475	20,702	19,686	21,797	23,466	1,669	7.7%
October	19,310	19,456	18,943	21,207	21,796	589	2.8%
November	19,016	18,945	18,192	20,075	20,405	330	1.6%
December	21,057	20,051	18,885	22,806	19,988	(2,818)	-12.4%
January	19,826	18,578	18,194	20,550	21,225	675	3.3%
February	17,158	17,039	16,469	17,502	19,357	1,855	10.6%
March	20,231	19,860	18,926	21,067	22,469	1,402	6.7%
April	17,570	17,533	17,561	19,479	20,986	1,507	7.7%
May	18,916	18,944	18,398	21,165	21,901	736	3.5%
June	21,297	22,374	21,024	24,074	0		
Enplanements	240,463	241,287	235,300	257,919	245,415		
Deplanements	239,787	241,200	234,961	258,048	241,233		
Total Passengers	480,250	482,487	470,261	515,967	486,648		

KEY METRICS					
<i>Revenue Per Enplanement</i>	FY 13/14	FY 14/15	Benchmark	Goal	May 2015
	\$ 15.10	\$ 15.14	\$ 13.41	> \$15.00	\$ 15.72
<i>Airline Cost Per Enplanement (CPE)</i>	FY 13/14	FY 14/15	Benchmark	Goal	
	\$ 6.00	\$ 5.93	\$ 6.24	< \$6.00	\$ 5.81
<i>Operating Efficiency</i>	FY 13/14	FY 14/15	Benchmark	Goal	
	\$ 16.51	\$ 18.63	\$ 15.29	< \$15.00	\$ 18.37

May

REVENUES (by Fiscal Year)	2011/12	2012/13	2013/14	2014/15	% Chg
Passenger Facility Charge	\$ 72,741	\$ 41,132	\$ 90,010	\$ 84,661	-5.9%
Landing Fees	\$ 61,946	\$ 71,219	\$ 88,416	\$ 65,914	-25.5%
Fuel Flowage Fee	\$ 12,216	\$ 10,273	\$ 12,824	\$ 11,785	-8.1%
Fuel (Gallons) Jet A	166,368	140,803	178,729	164,556	-7.9%
Fuel (Gallons) Avgas 100LL	8,140	5,951	4,473	3,804	-15.0%
Space Usage Fees	\$ 53,247	\$ 50,940	\$ 38,650	\$ 45,075	16.6%
Supplemental Security Fee	\$ -	\$ -	\$ 4,319	\$ 16,356	278.7%
Parking	\$ 165,874	\$ 174,596	\$ 193,119	\$ 188,919	-2.2%
Rental Cars	\$ 41,382	\$ 42,930	\$ 51,407	\$ 57,047	11.0%
Rental Cars Lot Fees	\$ -	\$ 4,820	\$ 5,348	\$ 5,348	0.0%
Concession Commissions	\$ 7,625	\$ 7,540	\$ 8,832	\$ 8,400	-4.9%
General Aviation	\$ 23,799	\$ 27,059	\$ 28,514	\$ 25,318	-11.2%
Forest Service Leases	\$ 38,466	\$ 38,127	\$ 38,194	\$ 48,730	27.6%
Total Revenues for month:	\$ 477,297	\$ 468,637	\$ 559,632	\$ 557,552	-0.4%
Total Operating Cost for month:	\$ 301,186	\$ 308,046	\$ 320,887	\$ 402,388	25.4%
Cargo (Lbs)	169,832	187,953	178,696	172,461	-3.5%

RDM AIRPORT PERFORMANCE METRICS DEFINITIONS

REVENUE PER ENPLANEMENT

This key metric is derived by taking passenger facility charges, parking revenue, rental car revenue and other concession revenue divided by the number of enplanements. The measure helps gauge the level of utilization of airport facilities and services on a per user basis. **Revenue per Enplanement:** PFCs + Parking + Rental Cars Commissions + Other Concessions / Enplanements. The higher, the better.

AIRLINE COST PER ENPLANEMENT (CPE)

This key metric is derived by taking air carrier costs divided by the number of enplanements. This measure is important to monitor because keeping airline costs low, to the extent controllable, promotes carrier stability and invites the addition of new flights and carriers. **Cost per Enplanement:** Space Usage + Supplemental Security Fees + Landing Fees / Enplanements. The lower, the better.

OPERATING EFFICIENCY

This key metric provides an indication of the overall efficiency of the Airport relative to other airports and is derived by taking total airport operating costs divided by enplanements. **Operating Efficiency:** Total Airport Operating Costs / Enplanements. The lower, the better.

PASSENGER FACILITY CHARGES (PFC)

The Passenger Facility Charge (PFC) Program allows the collection of PFC fees up to \$4.50 for every boarded passenger. Airports use these fees to fund FAA-approved projects that enhance safety, security, or capacity; reduce noise; or increase air carrier competition. Current PFC's are being used for Airline Terminal Construction debt service.

FY11/12	FY12/13	FY13/14	FY14/15	FY15/16
\$4.50	\$4.50	\$4.50	\$4.50	\$4.50

Landing Fees

Fee charged to commercial aircraft over 12,500 lbs. landing weight. Current rate for FY 15/16 is \$3.06 per 1,000 lbs. landing weight.

FY11/12	FY12/13	FY13/14	FY14/15	FY15/16
\$2.89	\$2.81	\$3.43	\$2.99	\$3.06

Fuel Flowage Fee: Gallons of Jet A fuel + Gallons of Avgas 100LL fuel x \$0.07 per gallon

Space Usage: Terminal Maintenance & Overhead (M&O) + Terminal Aeronautical

Supplemental Security Fees: Fee per passenger to cover cost of contract security. The current fee for FY15/16 is \$0.36 per PAX.

Parking: Terminal Parking Lot revenue

Rental Cars: Fees for rental car contracts. Fee is 10% of gross revenues.

Rental Car Lot Fees: Additional fees for rental of temporary lot for overflow parking lot.

Concession Commissions: 10% of gross revenues for restaurant and gift shops if this amount exceeds the monthly rental rate or the Minimum Annual Guarantee (MAG) whichever is higher. If either the 10% commission or the MAG is used, this is in lieu of the monthly rental payment.

General Aviation: T-Hangars + Tiedowns + Airside Leases

Forest Service Leases: Ground Rents + Facility Leases

Total Revenues for Month: All revenues received by Airport during the month.

Total Airport Operating Costs include:

- General Operations Personnel + Materials & Services
- Terminal Operations Personnel + Materials & Services
- Airfield Operations Personnel + Materials & Services