



3040 25th Street SE, Salem OR 97302-1125
503.378.4880 ♦ www.aviation.state.or.us



2002 ANNUAL REPORT

OREGON DEPARTMENT OF AVIATION

CONTENTS

2002 ANNUAL REPORT

2002 ANNUAL REPORT

The Director's Desk 1

From the Board 2

Mission & Goals 3

Agency History 4

State Aviation Board 6

Department Staff 8

Department Budget 10

Aviation Security 12

Accomplishments 14

FY 2003 Goals 26

FY 2003 Challenges 30

Conclusion 31

Appendix 1: Organizational Charts 32

Appendix 2: 2002 Project List 33

Appendix 3: Who To Call at ODA 37

Aviation Systems Map 38



McKenzie Bridge State Airport

(FRONT COVER: Cape Blanco State Airport)

OREGON DEPARTMENT OF AVIATION

2002 The Director's Desk

ANNUAL REPORT



*Ann B. Crook
Director*

During Fiscal Year 2002, the new Oregon Department of Aviation (ODA) departed the pattern and began straight and level flight. Not only was our transition from the old departmental structure complete by fiscal year-end, but the State Aviation Board was also in place and actively taking control of the stick. Rather than developing more new programs this year, we focused on improving existing programs.

This is not to say that Fiscal Year 2002 was without challenges!

Throughout FY 2002, the Department of Aviation worked closely with the State Aviation Board to develop policies where there had been none. The completion of these formal policies will ensure not only that the public knows how ODA intends to accomplish its objectives in the future, but will also give Department staff a clear frame of reference for day-to-day decision making. I'm pleased with the level of interest and involvement by the public throughout this policymaking experience, and I look forward to continued strong bonds with the Oregonians we serve.

This year offered a wake-up call to most of us about our American freedoms and how those can be turned against us. The terrorist attacks of September 11, 2001, forever changed aviation. We had never considered that our industry would be used as a deadly weapon. Over the course of the year, we saw numerous changes take place in aviation operations - aimed at providing a higher level of security. We will continue to see changes like these in the coming years. In fact, I would predict that security-driven operational changes will produce more sweeping changes in the aviation industry as a whole. Already, we are seeing a developing trend toward business travelers choosing general aviation options more frequently than ever before, rather than depending primarily on commercial airline service. This growing trend will, in turn, change infrastructure needs.

As we enter FY 2003, the Oregon Department of Aviation will continue to develop and strengthen our existing programs with an eye to changes in our industry, our economy and our world. We will work to make the Department as responsive as possible to those changes, while continuing to provide the high level of service that our customers have come to expect. ■

A handwritten signature in black ink, which appears to read "Ann B. Crook". The signature is written in a cursive, flowing style.

2002

From the Board

ANNUAL REPORT



*Bill Wilkins, Ph.D.
Board Chair*

On behalf of the State Aviation Board, it is my pleasure to commend this annual report to all who are interested in aviation in Oregon and, in particular, the operation of the Oregon Department of Aviation and the Board. This document clearly shows it was a busy and productive year.

The State Aviation Board was only one year old when Fiscal Year 2002 began. Nevertheless, the year started with important changes in the makeup of the Board, as the membership was expanded from five to seven. The resignation of one original member saw a total of three very experienced new members joining the Board. Their presence has broadened and enriched the Board's ability to represent the diverse interests of Oregon aviation.

The State Aviation Board continued its efforts to set policy with regard to the governance and operation of state-owned airports and began the process of turning those policies into Oregon Administrative Rules. In addition, the Board supported and directed efforts to expand air service to Oregon communi-

ties and sought ways to expand the contribution of aviation to economic development in Oregon. It also devised and implemented an evaluation of the performance of the Department of Aviation and its Director. All of these activities are aimed at enhancing the contribution which aviation makes to the well being of the people of Oregon.

Continuing an earlier practice to be in as close touch with its constituents as possible, the Board held its FY 2002 meetings in various communities around the state, including Astoria, Eugene, Hood River, Medford, Newport, North Bend, Portland, Redmond and Salem. In every case, leaders of the local aviation communities took part in both the formal and informal activities of the Board. In several cases, members of the Board were able to take detailed tours of the local airport, giving the airport manager a chance to discuss issues of concern and various solutions *and* providing important learning opportunities for the members of the Board.

Each member of the State Aviation Board considers their service on this Board to be a great honor and an important responsibility. We look forward to future opportunities to advance aviation in Oregon.

Watch for our future meetings - and plan to take part. ■

2002

Mission & Goals

ANNUAL REPORT

The Oregon Department of Aviation (ODA) is dedicated to developing and improving Oregon's aviation system.

The Department's goals include:

- developing aviation as an integral part of Oregon's transportation network,
- creating and implementing strategies to protect and improve Oregon's aviation system,
- encouraging aviation-related economic development,
- supporting aviation safety and education, and
- increasing commercial air service and general aviation in Oregon.

AGENCY MISSION:

Enhance the well-being of people in Oregon
by advancing aviation.

In addition, ODA is committed to the development and realization of its strategic plan, encouraging consensus problem-solving processes to address statewide aviation issues, participating in multi-modal coordination, carefully coordinating and managing aviation-related legislation, and providing outreach to aviation constituents, airport owners/sponsors and aviation system users throughout Oregon. ■



Oregon's Mt. Hood

2002 Agency History

ANNUAL REPORT

1920-1930: The Oregon Department of Aviation (ODA) was originally founded in 1921 as the Oregon State Board of Aeronautics. It was the first government aviation agency in the history of the United States. At its inception, the Oregon State Board of Aeronautics tested the competency of pilots and airworthiness of aircraft. Later, when the federal government created the Civil Aeronautics Authority (CAA) and took over these functions nationwide, the duties of the Board of Aeronautics were modified to deal with aviation-related matters of state concern.

1940: In 1947, the Oregon Legislature gave Aeronautics the responsibility to establish and maintain a program for Air Search and Rescue (Air SAR), following a private aircraft accident that killed Oregon's Governor, Secretary of State and Senate President. Statewide coordination of Air SAR was a key focus of division activities until 1994.

1950: The 1950s saw the Board of Aeronautics involved in formulating a Master Search and Rescue Plan, producing the first-ever Oregon Airport Directory state airways map and creating an air marking plan that included a complete survey of the entire state. During this decade, there were 155 airports in Oregon – a number of which had been constructed by Aeronautics. Aircraft registrations numbered 1500, while total pilot registrations were 2800. A State Aviation Education Program was

initiated. The Board became a member of the National Association of State Aviation Officials (NASAO).

1960: The 1960s brought the Aeronautics Board the ability to award hundreds of thousands of dollars in grants to Oregon's community airports for lighting systems and radios. The inventory of state-owned airports tallied 40 by the end of this decade, and Aeronautics constructed the first-ever hospital heliport in the Pacific Northwest. This successful project resulted in Aeronautics promoting development of heliports at additional Oregon hospitals. Ultimately a system of 36 such facilities were developed statewide. During the decade of the '60s, Aeronautics built 13 new airports across Oregon.

1970: The Oregon Department of Transportation (ODOT) was established in 1973. As a result, the Oregon State Board of Aeronautics was dissolved and an Aeronautics Division created within the new transportation agency. ODOT worked to unify multi-modal transportation systems across the state in order to promote integrated transportation planning and development. By the end of that decade, the Aeronautics Division owned 37 airports and licensed 110 Oregon public-use airports. Major areas of concern were airport and heliport development, as well as the education of both the general public and government agencies about the role of air transportation in the overall transportation system. The



Former Oregon State Board of Aeronautics (circa 1960)

Division began its Statewide Aviation System planning efforts in 1978.

1980: By the 1980s, Aeronautics was active in the Oregon Airport Management Association (OAMA), a professional association whose creation was encouraged by the Division. Aeronautics staff also oversaw preparation of the nationally-acclaimed "Airport Land Use Compatibility Guidelines." This publication provided thorough recommendations for guidelines and procedures on land use planning and zoning for airports and was distributed to all airport owners and municipalities across Oregon.

1990: In 1991, the Aeronautics Division of ODOT participated in the planning and organization of the first Oregon Air Fair, a popular annual aviation event that continues to the present day. During that same year, Aeronautics helped organize 24 different aviation organizations into an aviation advocacy group called the Oregon Aviation Alliance (OAA). The year 1993 saw

advancement in critical technology, as the program used to measure the condition of airport pavements in the state became computerized. Between 1994 and 1998, Aeronautics successfully transferred Air SAR responsibilities to the Oregon State Police, Office of Emergency Management (OEM), which manages all other search and rescue activities in Oregon. During 1998, the Division began work developing the new Oregon Aviation Plan. This statewide policy document served to refine the goals and policies of the Oregon Transportation Plan as related specifically to aviation.

2000: In 1999, the 70th Oregon Legislative Assembly passed legislation granting Aeronautics independent agency status. The Oregon Department of Aviation (ODA) came into being on July 1, 2000. The five-member State Aviation Board was established through appointment by Governor John Kitzhaber, M.D., to provide policy direction to ODA's Director and the Department. In early 2002, the State Aviation Board was expanded to a seven-member policy body. ■

2002 State Aviation Board

ANNUAL REPORT



2002 State Aviation Board

*(Standing, from left): Joe Smith, Mike Nelson, Jack Loacker, Steve Schroeder, Carrie Novick
(Seated): Mike Burrill, Sr., Bill Wilkins*

The State Aviation Board was created by the 1999 Oregon Legislative Assembly through Senate Bill 108. Seven members of the public serve on the Board by appointment of the Governor and are responsible to provide policy guidance and oversight to the Department of Aviation.

Michael Burrill, Sr., is an original member of the State Aviation Board. He is a southern Oregon native and president of Burrill Resources, Inc. in Medford. Due to his extensive involvement in local and state transportation issues, Burrill brings an interest in developing international trade in Oregon, as well as improving an air cargo system that would serve not only the state, but the broader Pacific Northwest Region.

Jack Loacker of Portland is retired from his own law practice and has served on the State Aviation Board since February

2002. He is a general aviation pilot who formerly served in the U.S. Air Force and Oregon Air National Guard. Loacker is committed to ensuring that Oregon's general aviation airports thrive as they serve the broader communities in which they are located. Loacker was appointed in correlation with expansion of the Board from five to seven members.

Michael Nelson served during FY 2002 as Vice Chair of the State Aviation Board. An original member of the Board, Nelson is a former State Representative from Baker City who owns his own realty company. His legislative experience is of great benefit to the Board as they set policy and work with the Legislature to garner support for critical aviation priorities. He is a strong voice from East of the Cascades for air service to Oregon's small rural communities.

Carrie Novick has been the Airport Manager at Roberts Field-Redmond Municipal Airport for more than 10 years. In that capacity, she has successfully led that facility through a decade of growth that included construction of a new terminal building, installation of a new air traffic control tower and a dramatic increase in air service options. An original member of the State Aviation Board, Novick formerly served on the Statewide Aviation Advisory Committee in 1996-1997. She brings specific expertise regarding the development, preservation and professional management of public use airports.

Steve Schreiber is Director of Aviation for the Port of Portland. In that capacity, he is responsible for the operation of Portland International Airport, Portland-Hillsboro Airport, Portland-Troutdale Airport and Portland-Mulino Airport. Schreiber brings a strong background in finance and administration to the State Aviation Board. He regards commercial and general aviation as key pillars in our regional economy. Schreiber was appointed to the State Aviation Board with the addition of two members in February 2002.

R.P. Joe Smith is an attorney in private practice from East Portland. He replaced original Board member Lisa Dahl of Salem following her resignation in late 2001. Smith adds to the State Aviation Board a background as an aviation lawyer in Washington, D.C. and former employee of both the Oregon State Legislature and the United States Congress. Smith helped organize the Troutdale Chapter of the Oregon Pilots Association and is actively involved in the OPA. Smith has strong interest in protecting GA airports as well as creating enduring policy and law to govern ODA.

Bill Wilkins, Ph.D., has served as Chair of the State Aviation Board since its inception. A former Professor of Economics, Wilkins is Dean Emeritus of the Oregon State University College of Liberal Arts. He served as the Associate Administrator for International Aviation and Policy with the Federal Aviation Administration (FAA) under appointment of President Jimmy Carter. He also served in the Air Force and Air Force Reserves, retiring as a Colonel. Wilkins is interested in broadening the scope of the Oregon Department of Aviation to include all facets of the aviation industry, particularly aviation manufacturing. ■

AGENCY MANAGEMENT

Ann Crook has served as Director of Oregon Department of Aviation (ODA) by appointment of Governor John Kitzhaber, M.D., since the Department gained independent agency status on July 1, 2000.

Daren Griffin has served as Oregon State Airports Manager since May 2000, managing the Department's portfolio of 30 small public use airports across Oregon. In that capacity, he makes policy recommendations to the State Aviation Board, negotiates and manages leases on state-owned airports, and manages ODA maintenance staff who perform regular maintenance at state-owned facilities.

The Department employs a small, dedicated staff of 14 additional professionals. Among them are specialists in a variety of areas critical to the effective operation of a state agency that promotes aviation, including: land use planning and zoning, aircraft and pilot registration, aviation system planning, aviation safety, public relations, fiscal and budget management, contract management, legislative coordination, administrative rule writing, CAD design, reprographics, construction, airfield maintenance and grant writing.

OVERVIEW OF DIVISIONS

■ ADMINISTRATION DIVISION

The Administration Division of ODA provides staff support to the other divisions and provides the necessary background and communication services to make the agency function efficiently. Administration includes office management, budgeting and finance, legislative coordination, outreach and public relations, and overall policy direction for the agency.

■ STATE-OWNED AIRPORTS DIVISION

The State-Owned Airports Division manages, maintains and operates Oregon's 30 state-owned airports. Those airports range in size from a small dirt strip in the Cascade Range used primarily for emergencies to a busy reliever airport for Portland International Airport. All operations, leasing activity, capital improvements and maintenance for these 30 airports is managed through the State-Owned Airports Division of ODA.

- [State-Owned Airport Inventory](#)

ODA owns and manages 30 public airports, most located in small communities across Oregon. Some are located in remote areas with no based aircraft, and a few with very low levels of utilization. These facilities fill an important role in the State's integrated aviation network.

Oregon's state-owned airports include:

- Alkali Lake State Airport
- Aurora State Airport
- Bandon State Airport
- Beaver Marsh State Airport
- Cape Blanco State Airport
- Cascade Locks State Airport
- Chiloquin State Airport
- Condon State Airport
- Cottage Grove State Airport
- Crescent Lake State Airport
- Independence State Airport
- Joseph State Airport
- Lake Billy Chinook State Airport
- Lakeside State Airport
- Lebanon State Airport
- McDermitt State Airport
- McKenzie Bridge State Airport
- Nehalem Bay State Airport
- Oakridge State Airport
- Owyhee Reservoir State Airport
- Pacific City State Airport
- Pinehurst State Airport
- Prospect State Airport
- Rome State Airport
- Santiam Junction State Airport
- Siletz Bay State Airport
- Toketee State Airport
- Toledo State Airport
- Wakonda Beach State Airport
- Wasco State Airport

■ AVIATION PROGRAMS DIVISION

ODA's Aviation Programs Division is the Department's newest Division, responsible for a broad range of activities relating to the vitality of Oregon's statewide aviation system, including:

- System Planning
- Land Use Planning
- Air Operations and Airport Safety
- Engineering
- Airport Assistance Programs ■

2002 Department Budget

ANNUAL REPORT

REVENUE

One hundred percent of ODA's revenue comes from user fees, enabling the Department to operate completely independent of the need for State General Fund allocations. Primary revenue sources include jet fuel tax, avgas tax, mogas, annual Oregon aircraft registration fees, proceeds from leases and agreements on state-owned airports, and other miscellaneous fees (including aircraft dealers' licenses, airport license fees, site investigation fees, etc.).

Mogas is motor-vehicle grade fuel used in only specific aircraft. Purchasers of mogas must pay the same 24¢-per-gallon tax currently assessed in Oregon for motor vehicle fuels. However, since mogas is not for use in motor vehicles, taxes from mogas cannot be used for highway or roadway projects. As a result, excess tax revenue from mogas purchases must either be refunded to the purchaser (provided the purchaser submits a request for refund) or transferred to Oregon Department of Aviation's account, where it is dedicated to aviation purposes.

All of the federal funds received for airport projects come from Federal Aviation Administration (FAA) aviation user fees, primarily federal fuel taxes and airline ticket taxes. The FAA authorizes grants for state aviation system planning, public-use airport planning and airport capital improvements. FAA grants cover 90 percent of project costs and require a 10 percent match. Last year these federal funds amounted to 20 percent of the Department's total revenue.

The Department also collects bi-annual pilot registration fees. These funds are not part of the agency's operating budget. Net revenues from pilot registrations are transferred to the Oregon State Police Office of Emergency Management and can only be used for air search and rescue activities.

EXPENDITURES

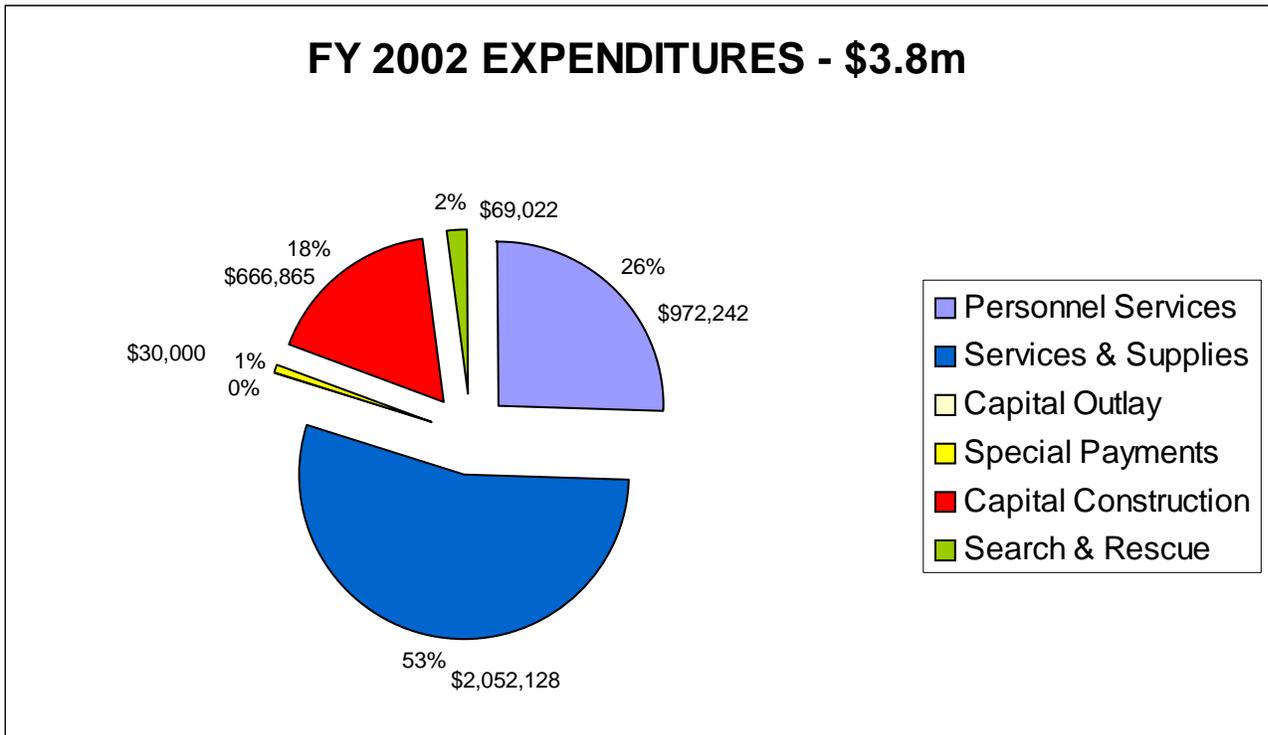
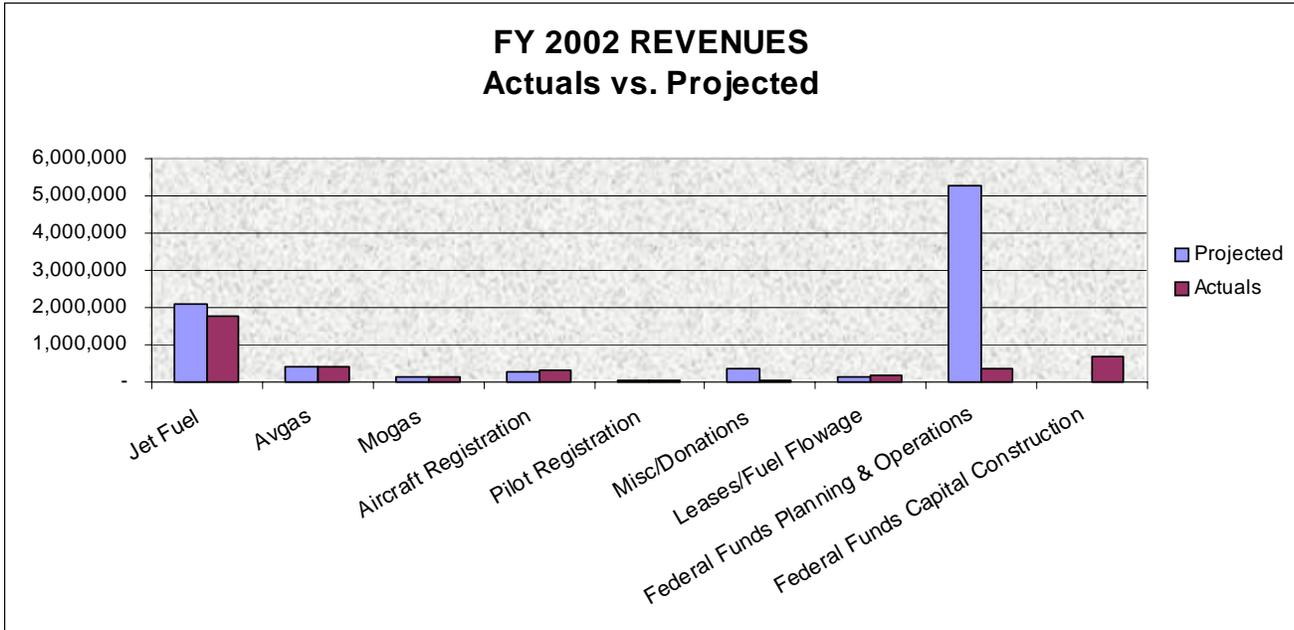
Oregon Department of Aviation operates on a biennial budgeting cycle. The base budget begins with the figures from the prior biennium's budget. One-time charges are subtracted and additions made for inflation, maintenance, planning, and capital projects in order to develop the Agency's new request budget. That budget is submitted to the Governor's Office for approval. It then becomes part of the Governor's Requested Budget that is presented to the legislature for their approval. FY 2002 is the first year of the Department's 2001-2003 biennial budget.

The **Capital Construction** expenditures of \$666,865 during FY 2002 were for projects at Aurora, Independence and Siletz Bay State Airports.

Services and Supplies expenditures of \$2 million covered training, office expenses, telecommunications, data processing, publishing, consultant services, attorney general

fees-for-service, fuel and utilities, facilities maintenance (including airport maintenance), pavement maintenance program GA Entitlement program, and various state government charges.

Special Payments of \$30,000 in FY 2002 included financial assistance to Salem McNary Field, Astoria Regional Airport, and the municipality of Jordan Valley. ■

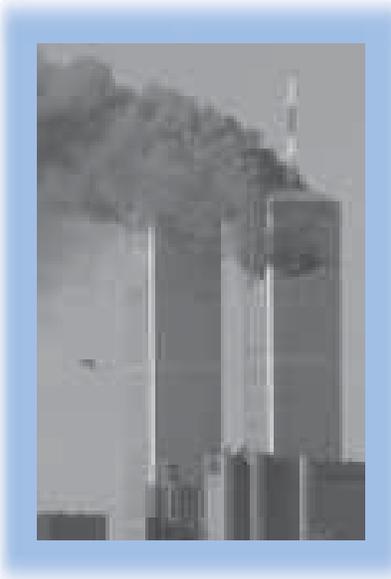


2002 Aviation Security

ANNUAL REPORT

On the morning of September 11, 2001, four U.S. airliners bound for the West Coast from airports in Boston, Newark and Washington D.C. were hijacked and used as weapons against America. Two of the aircraft were crashed into the World Trade Center Towers in New York City. One careened into the Pentagon in Virginia. The fourth crashed into a rural Pennsylvania meadow, after a group of passengers heroically gained control of the aircraft and took desperate measures to prevent it from hitting yet another American target. The September 11th attacks took more than 3,000 lives. They also immediately changed the face of aviation in America.

U.S. airspace was immediately closed on that devastating day. During the next two weeks, various airspaces were gradually re-opened to specific types of operators. As FY 2002 drew to an end, a variety of temporary flight restrictions (TFRs) were still in effect - and virtually every aspect of the aviation industry was still in the throes of intense scrutiny, as sweeping improvement to America's aviation security were being devised. The Transportation Security Administration (TSA) was created by Congress and placed under the oversight of the newly formed Department of Homeland Security.



Oregon Department of Aviation (ODA) has been faced with myriad new areas requiring our focus and attention since September 11th. Shortly after these unthinkable, tragic events unfolded, the Federal Aviation Administration (FAA) Regional Office requested ODA's assistance to disseminate accurate information and frequent updates to Oregon's airports. ODA has continued to serve as a clearing-house for information to Oregon's aviation industry since that time, providing e-mail alerts and posting up-to-the-minute updates on the Department's website.

It was immediately clear that the mandated airspace closures and new security measures set in motion by the September 11th disaster would have serious economic impacts on Oregon's aviation industry. ODA commissioned a study for completion on an urgent basis to provide accurate information in as short a time as possible to state and federal decision-makers. The Department's *September 11th Impact Study* was complete by November 2001. It clearly showed a \$110 million economic impact to Oregon's economy to date. This time-sensitive data helped regulatory

agencies and lawmakers see with clarity the critical balance that exists between the urgency for increased security and the economy's dependence on the aviation industry.

The Oregon Department of Aviation, in conjunction with Oregon State University's Transportation Research Institute, convened the *General Aviation Security Summit* in October 2001 to initiate dialogue between a broad spectrum of key stakeholder groups on the issue of general aviation security issues. A variety of key recommendations to policy decision-makers resulted from that somber but timely Summit.

One key recommendation from the *GA Security Summit* was that airports establish Airport Watch groups, modeled after the successful grassroots Neighborhood Watch program. Jerry Eames, ODA's Air Safety and Operations Manager, undertook responsibility to coordinate these programs statewide and continues to distribute time-sensitive information to all of Oregon's public use airport managers.

Since the convening of Oregon's *GA Security Summit* in October 2001, the federal Transportation Security Administration has now adopted a national Airport Watch Program and designated a toll free number for use by Airport Watch groups in all 50 states to report suspicious activity.

Increased airline security brought new restrictions on parking lots at commercial service airports around the country. Those restrictions had serious impacts on Oregon's seven commercial service airports. An approved method for addressing those restrictions was to perform a blast analysis on the airport's terminal building. ODA commissioned blast analyses for six of Oregon's commercial service airports - specifically, the ones that

lacked separate parking structures at their facility - funding the work from the agency's Financial Aid to Municipalities (FAM) Grant Program.

Throughout this critical window of transition, ODA has maintained regular contact with elected representatives at all levels of government to discuss issues and impacts of particular importance to Oregon.

More than a year since the tragic events of September 11, 2001, the aviation industry continues to face new and evolving regulatory requirements. Recovery from the economic devastation of that day of infamy is ongoing. ■

2002 Accomplishments

ANNUAL REPORT

AVIATION PROGRAM DIVISION

■ AIR OPERATIONS

· Bring airport diagrams to 5010 standards

During FY 2002, the Federal Aviation Administration (FAA) changed the process for management of their Airport Safety Data (5010) Program, using a private contractor. By fiscal year end, the new program was up and running and ODA submitted reports in compliance with the new federal process. ODA was also successful in converting existing manual drawings to an acceptable electronic format. As a result, the Department implemented a new program that developed updated drawings each time an Oregon public use airport is inspected.

· Trade in Department's Beech E-36 Bonanza for Cessna-206

In FY 2002, ODA set out to replace the agency's Beech E-36 Bonanza with a more suitable Cessna 206. The BE-36's high approach speed and retractable landing gear make it unusable at many Oregon airports. In addition, the cabin configuration of the BE-36 does not allow adequate space for a variety of important Department trips, and the complicated weight and balance calculations add additional constraints to useful load or fuel capacity. The proposed C-206 is a more rugged aircraft that is designed to fly into short, unimproved landing strips. Of Oregon's 101 public use airports, an additional 33 landing strips will be accessible with the C-206 that are not currently navigable by the BE-36. This difference is significant.

In addition, the Blue Book value of ODA's BE-36 is \$225,000, compared to \$200,000 for a 1980-1985 C-206. At the conclusion of the aircraft replacement process, a cash balance will result from actions taken to provide the Department with a far more utilitarian aircraft for its needs.

During FY 2002, staff worked with the Department of Administrative Services to develop a formal Invitation to Bid (ITB) for the purchase of a C-206. The first ITB elicited no responses, so staff will continue to refine this process during FY 2003. Once the replacement aircraft purchase is complete, the current BE-36 will be sold through the strictly prescribed state surplus protocols.

■ LAND USE PLANNING

· Comments on tall towers and other land use issues

During FY 2002, ODA reviewed and/or commented on approximately 475 new tall structures and monitored approximately the same number of existing structures around the state. As cellular technology expands, this number is certain to escalate. Cell tower requests lead the list of requests for consideration by the Department.

· [Update Airport Land Use Compatability Guidelines](#)

The purpose of ODA's **Land Use Compatibility Guidelines** publication, which was last published in 1994, is to help local jurisdictions establish zoning and land use regulations that will serve to not only preserve airports, but proactively avoid future land use conflicts. Since 1994, numerous changes have been legislated in Oregon's land use laws. The result of the natural evolution of state and federal law was that ODA's land use guideline document became outdated.

During FY 2002, a process was initiated to update this body of work. Nearing completion as FY 2002 ended, the **Updated Land Use Compatability Guidelines** document will be a valuable resource for planners, local officials and citizens across Oregon regarding airport and land use compatibility issues.

It is anticipated that this update will be presented to the State Aviation Board for adoption in early 2003.

■ **AVIATION SYSTEMS PLANNING**

· [Air Service Development Action Plan](#)

This year, ODA initiated statewide efforts to increase Oregon's commercial air service levels. To effectively support this work, staff found it vital to establish baseline data that would provide critical direction for future air service development activities of the agency. Rather than dedicate state dollars on a study, the choice instead was made to develop a statewide **Air Service Development Action Plan**. During FY 2003, ODA will begin to implement the Action Plan and partner with Oregon communities to improve their transportation alternatives.

The **Air Service Development Action Plan** provides answers to the following important questions:

- ❶ *Is it possible to make improvements to the level of service currently provided to Oregonians?*
- ❷ *Are there locations within the state that can support new air service?*
- ❸ *What markets have sufficient demand to make service economically self-sustaining?*
- ❹ *What are the feasible alternatives that could be implemented to improve scheduled air service to Oregon?*
- ❺ *What materials can be developed that can be used by both the State and local communities in meetings with airlines to secure new or improved service?*
- ❻ *Should air service be economically self-sustaining or are subsidies acceptable?*
- ❼ *What alternatives to commercial air service may be possible in communities that can't support traditional major/regional/commuter airlines?*

The review focused on 13 specific Oregon communities:

- Astoria
- Baker City
- Corvallis
- Eugene
- La Grande
- Klamath Falls
- Medford
- Newport
- North Bend
- Pendleton
- Roseburg
- Redmond
- Salem

· [Multiple Airport Layout Plans \(MALPs\) Underway](#)

The Multiple Airport Layout Plan and Report (MALP) project is used to update airport layout plans (ALPs) for specific airports selected for participation. The primary goal is to develop plans for smaller airports that may not otherwise be able to develop a master plan on their own. Typically, three airports are included in each project year to enable cost savings through economies of scale. Selection of project airports is a joint effort of the FAA and ODA, based on a variety of criteria and factors - including need, age or lack of existing master plan, growth issues and a need for a Capital Improvement Plan (CIP).

During FY 2002, ALPs were begun at: Prineville Airport, Christmas Valley Airport, McDermitt State Airport, Chiloquin State Airport, Newport Municipal Airport, Brookings Airport, Bandon State Airport, McMinnville Municipal Airport, Columbia George Regional - The Dalles Municipal Airport and Hood River Municipal Airport.

· [GPS Survey/Study System Needs Assessment Completed](#)

Accurate airport surveys obtained through consistent methodology are a critical resource to the FAA and a variety of other interested parties, since they provide accurate runway and obstruction data. This information enables effective evaluation of obstructions and airport airspace in the development of GPS instrument approaches at Oregon airports.

ODA completed a ***GPS Survey/Study System Needs Assessment*** during FY 2002. The primary goal for this study was to assist the FAA in developing GPS approaches at airports where there were no existing instrument approaches, thereby

improving air accessibility. Review of the data presented in the report, when combined with State Aviation Plan recommendations, resulted in identification of a prioritized list of candidate airports for survey.

Airports currently under survey are: Bandon State Airport, Condon State Airport, Creswell Municipal Airport, Florence Municipal Airport, Independence State Airport, Joseph State Airport, Madras City-County Airport, Mulino Airport and Siletz Bay State Airport.

■ AIRPORT ASSISTANCE PROGRAMS

· [Financial Aid to Municipalities \(FAM\) Grants](#)

OVERVIEW. One of several financial assistance programs offered by ODA is the Financial Aid to Municipalities (FAM) Program. This dollar-for-dollar matching grant has a \$10,000 maximum and is intended to help further the development of a statewide system of airports, consistent with the Oregon Aviation Plan. Airport sponsors may use FAM Grant funds to either (a) provide funding for smaller airport projects that are difficult to fund, or (b) leverage larger Federal AIP Program projects where substantial local match is needed.

During FY 2002, ODA funded FAM Grant projects at Astoria, Corvallis, Creswell, Jordan Valley, McMinnville, Prineville, Salem and Gold Beach. The Department was also able to apply FAM Grant dollars to fund emergency blast analyses at six of Oregon's seven commercial service airports, as a direct result of federal requirements. (See page 10.)

FAM GRANT PROCESS SIMPLIFIED. Changes in the FAM Grant Application process were made during FY 2002, in a con-

certed effort to simplify the process and thus make the program not only more accessible but more effective:

1. Grant Cycle Established. A specific annual timeline was developed for all phases of the FAM Grant process, creating deadlines for first-round offerings, application submittal, committee review and State Aviation Board approval. Specific second-round offering dates were also established, in the event funds remain available after first-round disbursements. Copies of the new timeline were distributed to eligible municipalities statewide to inform them of the FAM Grant opportunity.

2. Reminders Mailed to Municipalities. Prior to FY 2002, ODA announced the availability of FAM funds in July each year (at the beginning of the Department's fiscal year), requiring the municipality to file their request grant and finish their project prior to the following June 30th fiscal year end. Complications were created by this process, since the vast majority of local budgets had been finalized and adopted prior to ODA's first announcement in July. The result was that municipalities were systematically unable to participate in the FAM Grant process, since their already-approved budgets allocated no funds to comprise the match. With local economies running on a shoestring across Oregon, finding new funds after the fact was impossible.

To resolve this delimita, the Department initiated an annual budget reminder mailing in January each year, reminding municipalities about the availability of the program and to include a placeholder in their budget for the necessary match, should they plan to apply for FAM Grant funding.

3. Telephone Reminders to Municipalities.
In a further effort to increase FAM Grant

participation, the Department established a follow-up phone call procedure. Every municipality that requests an application packet receives a telephone call to remind them of approaching deadlines and to determine if they need assistance completing any part of the process.

As a result of these simple changes, the Department of Aviation anticipates greater utilization of the FAM Grant Program by Oregon's airport sponsors.

FAM GRANT ADMINISTRATIVE RULES UNDERWAY. During FY 2002 the Department began to formulate new Administrative Rule language necessary to administer the FAM Grant Program. This project is extensive. With the volume of administrative rules already in the queue during FY 2002 related to state airport administration, work on the FAM Grant rules is anticipated to occur in FY 2003.

· **Pavement Maintenance Program (PMP)**

Since 1993, ODA has received a stream of federal funding dedicated to conducting statewide airport pavement



On April 13, 2002, ODA Director Ann Crook accepted \$16 million in federal grant dollars from U.S. Transportation Secretary Mineta. Congressman Brian Baird of Washington participated.

condition evaluations. With the 1999 Oregon Legislature's approval of increases to jet fuel and aviation gas taxes, ODA gained a dedicated revenue stream for use in addressing pavement deficiencies revealed through the federally-funded inspection program.

During FY 2002, more than \$600,000 was allocated by ODA to Pavement Maintenance Program (PMP) projects. It is anticipated that by FY 2003, the program will stabilize at approximately \$1 million annually.

The PMP Program divides the state into three geographic regions and then addresses pavement maintenance by region, on a rotating annual basis that repeats every three years. The program develops the scope of maintenance work for qualifying airports, designs the improvements on a regional basis and hires one contractor to do that entire region's work during that year. Each airport is responsible to contribute a local match, which varies depending on the airport's category as designated in the Oregon Aviation Plan. This method of regional, annual contracting significantly reduces overall costs.

RECAP OF AIRPORT PROJECTS FUNDED THIS YEAR. During FY 2002, ODA funded PMP projects at ten Eastern Region airports. Significant fog seal, slurry seal, crack seal, painting, spall repair and joint seal work was accomplished on taxiways and runways at Baker City, Boardman, Burns, Columbia Gorge Regional/The Dalles, Grant County/John Day, La Grande, Lexington, Madras, Pendleton and Prineville Airports.

· [General Aviation \(GA\) Entitlement Program](#)

OVERVIEW. Historically, GA airports have faced difficulty obtaining federal funding for small to medium-sized airport projects. In addition, federal restrictions would not allow funding of the project for pavement maintenance rather than capital construction. Airports lacking adequate local funding to maintain airport pavements were forced to let their pavements deteriorate beyond repair, only to find themselves then faced with inadequate funds to totally rebuild, when that became necessary. In virtually all cases, the rebuild projects were markedly more costly than pavement maintenance would have been. Due to the cost factor, the local airport sponsor was often forced to pass on the opportunity to access federal funds for the pavement rebuild because they lacked the necessary local match. This proved to be a very inefficient method of managing airport pavement resources.

Realizing the fiscal wisdom of maintaining pavements in order to extend their useful life and the associated need for critical funds to support the smaller pavement maintenance projects, Congress passed AIR-21 Legislation in 2000. AIR-21 funded the *Non-Primary GA Entitlement Program* within the ***Airport Improvement Program (AIP)***. The GA Entitlement Program is specifically designed to fund smaller AIP-eligible projects at GA airports and includes funding for pavement maintenance.

This program is a true win/win for both the FAA and the local airport sponsor. Allocations of up to \$150,000 are now available to airports, based on each particular airport's Capital Improvement Program.

The good news resulting from creation of GA Entitlement was that critical funds were finally available to airports. The bad news was that the FAA lacked sufficient personnel to administer the numerous airport projects that could now be funded. ODA stepped in to resolve this dilemma in Oregon and ensure the program's success by entering into an agreement with the FAA to administer the program at the state level, acting in the capacity of local representative for GA Entitlement.

The first two years of the GA Entitlement program have seen completion of a variety of safety, maintenance and capital improvement projects around the state.

RECAP OF GA ENTITLEMENT PROJECTS DURING FY 2002. In the second year of the GA Entitlement Program, ODA successfully managed federal entitlement program projects at airports in the Oregon communities of Ashland, Lebanon, Lexington, Madras, Newport and Scappoose. Projects approved during FY 2002 included automated weather systems, security fencing and pavement maintenance.

■ ENGINEERING

· [AutoCAD Software Update](#)

The Department updated its AutoCAD software during FY 2002, from Version 14 to AutoCAD 2000. This upgrade helped the Department more effectively coordinate and share information with other agencies, municipalities and aviation-related firms needing specific airport data.

· [Archive Update](#)

Updates to ODA's archive of Airport Layout Plans (ALPs), airport drawings and aerial photographs occur on an ongoing basis. During FY 2002, the Department invested the

time required to completely reorganize our physical filing system in order to create greater accessibility to these documents. ODA also commissioned new aerial photographs for all public use airports in Oregon, ordering duplicate copies of all aerial photos in order to provide a complimentary scaled color photo to each airport in the state. The Department uses these scaled photos constantly in its statewide aviation systems planning, and the local airports were thrilled to find that the Department could provide this service. It was certainly an example of a relatively minor service that offers a measurable return benefit to the end user.

· [RENS Program](#)

The RENS aircraft counting program provides aircraft operations information (aircraft landings/takeoffs) for public use airports through installation of recording devices next to runways for specifically designated periods of time. This information is critical for local, state and federal agencies to effectively plan for future airport development needs. Designated airports are selected for sampling based on various criteria, such as having a master plan update scheduled in the next year where the operations data is needed. The RENS program is federally funded and successfully provides valuable information for multiple airports at minimal cost.

During FY 2002, ODA provided RENS operations count reports to 19 airports. Twenty airports are targeted for aircraft operations data collection in FY 2003.

STATE-OWNED AIRPORTS MANAGEMENT DIVISION

■ FY 2002 MAINTENANCE PROJECTS

During FY 2002, the following maintenance projects were completed at state-owned airports:

August 2001 - Crescent Lake State Airport's runway was upgraded from dirt to hard surface.

October 2001 - Oakridge State Airport aircraft parking apron was slurry sealed.

October 2001 - Crescent Lake State Airport was slurry sealed.

October 2001 - Cape Blanco State Airport received a slurry seal on the entire length of the center 100 feet of the 150-foot wide runway.

December 2001 - Trees and brush at Cape Blanco State Airport were removed from the ends of the runway and around the aircraft parking ramp.

February 2002 - Thirty acres of brush and gorse were removed along the runway at Bandon State Airport.

■ FY 2002 Construction Projects

1. **Aurora State Airport - Phase II.** Design of midfield apron completed.

2. **Aurora State Airport - Phase I.** Perimeter fencing project completed.

3. **Siletz Bay State Airport.** Completion of Environmental Assessment for proposed runway extension and construction of parallel taxiway.

4. **Siletz Bay State Airport.** Preliminary design for Environmental Assessment Application completed.

5. **Siletz Bay State Airport.** Design completed for construction of runway extension and parallel taxiway.

6. **Independence State Airport.** Project design and construction completed for rehabilitating airport entrance road, rehabilitating taxilanes, construction of run-up aprons at north and south end of runway and installation of apron lighting.

7. **Independence State Airport.** Close out of Federal Aviation Grant for prior construction project submitted to FAA and approved.

8. **Joseph State Airport.** Design completed for construction of a fuel containment apron.

9. **Lebanon State Airport.** Preliminary design of project to install perimeter fencing commenced in February 2002.

■ State-Owned Airport Inventory

· Divestiture of Paisley State Airport

The grand opening of Paisley-Lake County Airport took place on July 28, 2001, in conjunction with Paisley's Annual Mosquito Festival. As a former state-owned airport, the Paisley airstrip had for many years been a little-used, soft



Paisley's July 2002 Mosquito Festival saw a crowd collected to witness the transfer of Paisley State Airport to Lake County

gravel strip. But one of the airport's neighbors, The ZX Ranch owned by J.R. Simplot Corp., offered to pave the strip to enable landings by their corporate aircraft. The core idea grew quickly, with enthusiastic local pilots promoting plans to build on-site hangars so they could base their planes in Paisley once the strip was paved.

Through a series of detailed divestiture negotiations, the State Department of Aviation, Lake County and the J.R. Simplot Corporation collaborated to pave the Paisley runway and apron and to clear and grade adjacent land for future hangar sites. As part of the negotiated development package, ownership and operations of the airport was transferred to the local government through Lake County. This divestiture reduced ODA's airport inventory from 31 to 30.

· **State Aviation Board goal to "reduce number of state-owned airports from 30 to 27."**

In FY 2002, ODA started the lengthy process of selling the Beaver Marsh and Lake Billy Chinook State Airports, in accordance with the State Aviation Plan and at the direction of the State Aviation Board. Both airports were advertised to other state agencies as required by law. Both were appraised for land and improvement value. As FY 2002 came to an end, both were actively being readied for advertisement to the general public.

It is the goal of the State Aviation Board to privatize these airports in the hope that under private ownership, a greater investment in the airport will be made. The sale of both hinge on the requirement that they remain open to the public.

■ AURORA STATE AIRPORT NOISE MITIGATION STUDY

FY 2002 saw the completion of the Department's **Aurora State Airport Noise Mitigation Study**. The study was accomplished through a contract with the national noise consulting firm Harris Miller Miller & Hanson (HMMH) of Sacramento, California, assisted by a local public advisory board who named themselves "DECIBEL." HMMH conducted on-site noise monitoring during the summer and winter of 2002, placing noise monitors both at the airport and in the surrounding communities of Aurora, Charbonneau and Deer Park in locations specifically designated by DECIBEL. While noise levels were being carefully monitored, ODA conducted a survey of all based aircraft owners in order to determine the types of aircraft that regularly utilize the airport. This data was synthesized into the FAA Integrated Noise Model to calculate the unique noise contours being generated by Aurora State Airport. All information was presented to and reviewed by DECIBEL. HMMH was then directed to generate projected future noise contour models based on certain several specific mitigation options, including:

- changing to right traffic only for Runway 17;
- changing the calm wind runway from Runway 17 to Runway 35; and
- prohibiting left turns when departing Runway 17.

After completing this modeling process HMMH provided their final recommendation, targeted to specifically reduce the number of homes affected by noise. The most favorable mitigation measure was determined to be a change in the calm wind runway from Runway 17 to Runway 35.

In addition, HMMH recommended that additional departure procedures should be established, that the altitude limit for aircraft turns should be adjusted, that a continuing education program for pilots should be established, that airport noise abatement signage be improved, that the airport's noise abatement pamphlet should be updated and include information for pilots regarding the preferred noise abatement techniques, and that an ongoing airport noise monitoring committee should be established.

ODA is committed to working toward the recommendations agreed upon by HMMH and DECIBEL. Toward that end, the Department has initiated a collaboration with the FAA to determine ways in which the recommended noise mitigation package can most effectively be implemented.

ODA wishes to thank the citizen members of DECIBEL - who committed many volunteer hours in the review, discussion and decision-making process for this noise mitigation study.

■ STATE-OWNED AIRPORT POLICY SETTING

Throughout FY 2002, the State Aviation Board continued to work closely with Department staff to review and finalize the Department's proposed policies related to Leasing for Aeronautical Activities at State-Owned Airports, Minimum Standards for Commercial Aeronautical Activity, Insurance, and Rates & Charges. After many months of review and revisions based on public comment and staff input, the Board adopted these policies on the following timeline:

- July 2001 Non-Commercial Leasing Policy
- August 2001 Commercial Leasing Policy
- November 2001 Category II Minimum Standards Policy

- January 2002 Category IV Minimum Standards Policy
- February 2002 Category V Minimum Standards Policy
- May 2002 Insurance Policy
- June 2002 Rates & Charges Policy

Public comment on proposed policies was heard by the State Aviation Board at their regular monthly meetings. The public was consulted on each policy not only during the drafting phase but again in advance of Board decision on each rule. Many staff hours were dedicated one-on-one meetings to work through tenant concerns prior to Board adoption.

The next step planned for each policy document is to convert the language into Oregon Administrative Rule, in strict accordance with requirements of the *Oregon Attorney General's Administrative Law Manual*. ODA plans a generous timeline for conversion of each policy to rule, allowing between 60-120 days for each rulemaking process - depending on public input. A public Administrative Rules Hearing will be scheduled to provide yet another opportunity for interested citizen input. Notices of each rulemaking process and all rules hearings are formally provided to not only Oregon Legislators, but a long list of interested persons, according to state law.

In June 2002, just as the Fiscal Year was drawing to a close, ODA held its first Oregon Administrative Rule Hearing before the State Aviation Board on OAR 738-015 *Leasing for Aeronautical Activity at State-Owned Airports*.

ADMINISTRATION DIVISION

■ ADMINISTRATIVE SUPPORT STAFF ISSUES

· Standardize/streamline State Aviation Board meeting and communication process

During FY 2002, the agency became adept at staffing the new State Aviation Board and the Board embraced a routine for their monthly meetings. The Board, increased by the Legislature from five to seven members in size, continued to meet at locations around the state in order to become familiar with the different aviation needs faced by Oregon communities. While the travel is very beneficial to the Board's understanding of Oregon's aviation interests, it also presented some challenges to staff.

During FY 2002, ODA administrative and outreach staff mastered the process of identifying appropriate locations for Board meetings and receptions, coordinating logistics, and providing outreach to airport managers, local government and aviation groups to enable their participation with the Board at the local level. Perhaps most importantly, staff developed methods of communicating routine and timely information to the Board and in facilitating communications among Board members.

As we begin FY 2003, the process of managing communications between the agency and the Board is now a routine function.

This transition effectively finalizes our transition from the Department of Transportation.

· Design staffing plan to accommodate Board direction and plan adequately for staff retirements

After the Department of Aviation was formally granted independent agency status and separated from the Oregon Department of Transportation, the agency's organizational structure remained unchanged. A variety of pressures quickly made it apparent that ODA's existing staffing plan required reorganization.

Throughout FY 2002, the State Aviation Board worked actively to set a new direction for the focus of the Agency's work, widening the scope of ODA's engagement to include the aerospace industry, aviation education, and improved commercial air service in Oregon. New aviation system assistance programs are now managed by the agency.

In addition, during the 2002 fiscal year 25 percent of ODA's staff announced their retirement. The Management Team took all of these factors into consideration to develop a staffing plan intended to make the organization more able to meet the current requirements, more flexible to deal with future changes, and better positioned to make advantages of staff turnover. The State Aviation Board approved the Department's new structure in June 2002.

The new organizational plan creates a three-member Management Team that works to set policy with the State Aviation Board and communicate the policy to the Department's 13 staff members. The new three-division structure allows greater focus on specific agency goals and will more fully support our funding and assistance programs.

(See Appendix 1: Department organizational charts.)

■ PILOT AND AIRCRAFT REGISTRATION

· Registration verification/outreach project

In February 2002, the Department's Registration Unit undertook a project that compared its Oregon aircraft registration records with those of the FAA. Owners of unregistered aircraft were sent registration forms and letters explaining Oregon's registration requirements. This project resulted in more than 650 new and renewed Oregon aircraft registrations. In addition, the project generated over \$40,000 in increased revenue. Revenue from aircraft registration is used to support Department of Aviation programs.

· Registration database improvements

During FY 2002, ODA began working closely with the Department of Administrative Services to study and improve its current registration database. As a result of that study, ODA entered into an agreement with several other state agencies that use similar licensing and registration processes to investigate registration database requirements and

formulate a Request for Proposal for design of a new database program tailored to

increase efficiency of all participating agencies. The effort will continue through FY 2003.

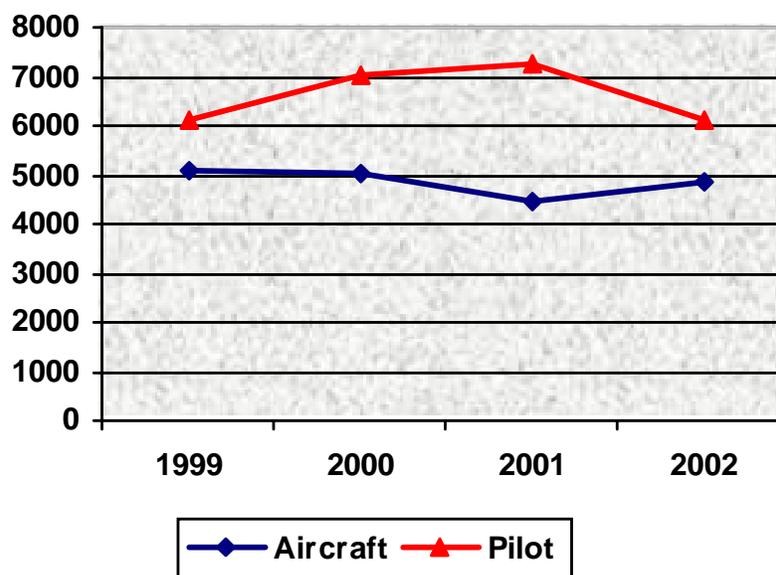
■ OUTREACH

Aviation Town Hall meetings

ODA began hosting Aviation Town Hall meetings in communities across Oregon during FY 2000. This effective program continued with resounding success in FY 2002, with three well-attended Town Hall meetings held in the communities of McMinnville in September 2001, Eugene in December 2001 and Medford in March 2002.

The Aviation Town Hall outreach program works well to meet to important goals: (1) to inform local governments, residents and aviation system users about the products and services provided by the Department, and (2) to provide an easily

Pilot & Aircraft Registrations





2002 Statewide Air Service Conference Attendees at Eagle Crest Resort

accessible opportunity to hear first-hand from Oregonians, in the communities where they live and fly, about their questions, their ideas and their concerns. Since public feedback about the Aviation Town Hall meetings is consistently positive, plans are underway to hold at least three meetings during FY 2003.

· [2nd Statewide Air Service Conference](#)

On June 18-20, 2002, Eagle Crest Resort outside Redmond, Oregon, was the site for the 2nd Oregon Statewide Conference on Aviation. The organizing committee for the event represented a collaborative effort by Oregon State University and ODA.

More than 100 participants convened for "Air Service to Oregon Communities ... How to Get It & How to Keep It Going." Attendees hailed not only from across Oregon, but

from Washington, Idaho, Montana, California, the Midwest, the East Coast - even Germany.

Conference goers were able to learn about a variety of aviation-related topics, including aviation finance, federal safety and security requirements, regional passenger service options and general aviation alternatives. Director Ann Crook unveiled ODA's Statewide Air Service Development Action Plan. Representatives from five of Oregon's higher education institutions constituted a panel that addressed Aviation Education in Oregon. That rich exploration resulted in formation of the Oregon Aviation Education Task Force, which will continue to work to strengthen aviation education throughout Oregon.

Plans for the 2004 Statewide Air Service Conference are underway, with the Oregon Coast as a destination. ■

2002 FY 2003 GOALS

ANNUAL REPORT

GOALS: AVIATION PROGRAMS DIVISION

■ AVIATION SYSTEMS PLANNING

· Finalize update of the Oregon Public-Use Airport Directory

The Department's last airport directory was published back in the mid to late-1980s. Technology has improved graphically since that time, and the old black-and-white aerial photographs are now sadly out of date. Starting from scratch to create an updated state airport directory was the clear choice for ODA. Work is underway on the **2003 Oregon Airports Directory** and it is anticipated to be available to the public mid-year in 2003. New formatting will include color aerial photographs and current airport data, presented in easy-to-read, user-friendly format. ODA has partnered with Oregon Pilots Association to test fly the draft director and verify data, to ensure a more complete and accurate database. The directory will be available through the agency's web page by late 2004, enabling airport updates to occur on an ongoing basis and enable users to download and print specific updated airport information.

· Begin actual survey work on the GPS Survey Needs Study

Airports to be surveyed in FY 2003 are Bandon State, Condon State, Creswell Municipal, Florence Municipal, Independence State, Joseph State, Madras City-County, Mulino and Siletz Bay State Airports.

· Begin work on updates to the AIMS Airspace Module

Each year, the Department receives hundreds of applications

for the placement of tall towers throughout the state. It is the responsibility of ODA to make determinations regarding whether such structures will pose a hazard to air navigation.

The AIMS Airspace Module will enable staff to more quickly and efficiently analyze applications for construction of towers and other structures and to more accurately determine potential hazards to navigation. During FY 2002, contractor selection was completed for development of an Obstruction Analysis and Management Program, which will capture information relating to managing airspace obstruction applications. It will analyze the latitude, longitude and height of each structure, as entered by the user, and then determine if the structure penetrates the Part 77 surface. In addition, the program will manage the airspace review life cycle - including the ability to track the status of each obstruction analysis request.

· Finish and implement the Updated Airport Land Use Compatibility Guidelines

The **Airport Land Use Compatibility Guidelines Guidebook** is anticipated to be completed and adopted by the State Aviation Board during FY 2003. Once adopted, the Guidebook will be distributed to city and county planners, airport managers and other constituents who work with land uses involving airports. The Guidebooks will serve as a resource for planners and local officials, as well as citizens, regarding airport land use compatibility issues.

■ AIR OPERATIONS

· Continue Airport Safety Data Inspection Program

With inspection rate of at least three airports per month to assure completion of contract on time.

· Finalize and implement a more efficient means of producing updated 5010 diagrams

As part of the airport 5010 inspection process, the airport 5010 diagrams need to be updated. Presently updating these diagrams involves a lengthy pencil-and-paper manual process. In an effort to more efficiently revise the diagrams, ODA will investigate the electronic possibilities through use of our engineering staff's AutoCAD capabilities.

· Complete acquisition process for replacement aircraft

Finalize acquisition of new agency aircraft prior to 2003 fiscal year end.

■ ENGINEERING

· Continue to streamline RENS Program

Streamline and standardize field training in an effort to ensure consistency of data between airports.

■ AIRPORT ASSISTANCE PROGRAM

· Continue FAM Grant Administrative Rulewriting Process:

Finalize this OAR section by fiscal year end 2003.

· Continue improvements to PMP Program for increased use by airport sponsors

Evaluate and make adjustments to the Pavement Maintenance (PMP) Program, particularly with regard to inspection and design timeline, to make the program more user-friendly for local airport sponsors and their funding cycles.

· Create guidebook for Non-Primary Entitlement Program

Since this program is new, a program guidebook is necessary as a reference tool for ODA staff and airport sponsors.

With a first draft recently finished, the finished product is anticipated to be available for use sometime in FY 2003.

GOALS: STATE AIRPORTS DIVISION

■ Complete FAA Airport Improvement Program construction projects in process at fiscal year-end

· **Siletz Bay State Airport** - Construction of a runway extension, full-length parallel taxiway and reconstruction of the airport access road. (\$1.5 million)

· **Aurora State Airport** - Construction of midfield apron, apron lighting, and installation of airport perimeter fencing and automated vehicle gates. (\$875,000)

■ Complete design and begin FAA Airport Improvement Program construction projects at:

· **Joseph State Airport** - Construction of a full-length parallel taxiway and perimeter fencing. (\$975,000)

· **Condon State Airport** - Reconstruction and expansion of parking apron and taxiways, construction of agricultural aircraft loading pads, and installation of Precision Approach Path Indicators. (\$800,000)

· **McDermitt State Airport** - Reconstruction of runway 16-34. (\$500,000)

· **Chiloquin State Airport** - Construction of an airport access road and installation of perimeter fencing. (\$200,000)

· **Wasco State Airport** - Construction and expansion of aircraft parking ramp. (\$200,000)

■ **Fully implement new Oregon Administrative Rules for leasing, rates & charges and minimum standards at state-owned airports**

■ **Complete state surplus process for Beaver Marsh and Lake Billy Chinook State Airports**

GOALS: ADMINISTRATION DIVISION

■ **REGISTRATION PROGRAM**

· **Increase pilot and aircraft owner compliance with Oregon's registration requirements**

To further this goal, work began in December 2002 to prepare for a pilot registration match project similar to the aircraft match completed in February 2002. The Department's pilot registration records will be compared to the FAA Pilot records in FY 2003. All unregistered pilots will be sent letters informing them of Oregon's pilot registration requirements and of the benefits that come with their Oregon pilot registration. Letters and registration forms will be sent to all pilots who:

- *Are licensed with the FAA but not registered with the State,*
- *Have been registered in the past but whose registrations have expired, or*
- *Are listed as "inactive" in ODA's registration system.*

· **Increase the public's awareness of pilot and aircraft registration requirements**

To that end, ODA staff will:

- *Visit airports and FBOs to distribute registration displays and forms.*
- *Meet with pilot and aircraft owners at ODA's Aviation Town Hall meetings in four communities during FY 2003.*
- *Work with Certified Flight Instructors to educate student pilots about requirements.*
- *Write informational articles for local general aviation newsletters and publications.*
- *Improve the visibility of the Department's registration requirements on the State of Oregon web site.*

■ **PUBLIC RELATIONS & OUTREACH**

· **Redesign and modernize Agency web page:** With the world wide web serving as a critical tool throughout the world for access to information, ODA's web page is in need of sweeping improvements. Redesign will take place in FY 2003, focused upon several clear goals:

- *Ensure full compliance with all web site standards/guidelines for state agencies implemented by Oregon Department of Administrative Services*
- *Improve the professional standards of the Department's web presence*
- *Create a more user-friendly, logically organized web environment*
- *Conduct critical research to ensure a more thorough web site with links to myriad sources of aviation-related web-based information*

· **Increase Legislative presence and efficacy of Department and its aviation constituents**

Fifty percent of FY 2003 will be focused on Legislative Session. With a new legislative coordinator on board at ODA, the Department looks forward to increasing its Legislative presence and efficacy, and engaging constituents to raise awareness of impacts to aviation by a diversity of bills and issues.

· **Hold a minimum of three Aviation Town Halls in geographically diverse portions of the state**

Legislative Session will be a solid focus for outreach/legislative staff for half of FY 2003. Nevertheless, the Department's Aviation Town Hall meetings are a critical outreach activity. At least three Town Halls will be held in FY 2003.

· **Develop in-house capability for desktop publishing preparation of FLIGHTlines newsletter desktop design function in-house and carefully review newsletter data base for accuracy**

Budget and staff cuts have dramatically impacted all state agencies funded with general funds. While ODA does not receive

state general funds, some of the state agencies supporting ODA's activities are. Layoffs at those agencies has in system-wide examination of fiscal impacts of the way "we've always done business." In FY 2003, ODA will bring the desktop publishing function of its *FLIGHTlines* newsletter in-house in response to staff cut-backs for State Printing and Publications. Concurrently, ODA's public relations staff analyze and improve accuracy of the data base that supports all *FLIGHTlines* mailings.

· **Create opportunities to highlight "The Centennial of Powered Flight" in collaboration with aviation advocacy groups**

The year 2003 will mark the Centennial - the 100th anniversary - of the Wright Brother's successful flight of a powered aircraft on December 17, 1903, ODA will work in collaboration with other aviation organizations and advocacy groups in Oregon to plan and implement activities to educate the public on this significant event and how it changed the history of the world. ■

FY 2003 CHALLENGES

ANNUAL REPORT

■ STAFF TURNOVER AND TRAINING

During FY 2002, four of ODA's sixteen employees announced their intent to retire. During FY 2003, more retirements are anticipated. For a small agency, this could result in between 25 to 40 percent turnover in only two years. ODA's Management Team has worked hard to develop a staffing plan that will not only support and simplify these changes - but will go the next step to successfully take advantage of them. Nevertheless, FY 2003 will be challenging as the Agency strives to seamlessly maintain programs with many new employees.

FY 2003 and FY 2004 will bring the necessity of training new employees in several areas. The Department will undertake an inordinate recruiting effort to accomplish filling positions vacated by retirements, and will in that process lose most of ODA's organizational memory. It will be difficult to lose so many friends and co-workers; yet at the same time, Management will focus on hiring newcomers who bring a depth of experience and enthusiasm for providing top notch aviation services.

While ODA temporarily focuses on effectively training new employees, development of new programs or challenges will not receive the level of attention they have in the past two years. Once ODA is again fully staffed and the necessary adjustments have been made that will create a

more normal and predictable rate of staff turnover, the ODA team will be even better prepared to tackle new challenges.

■ SAGGING ECONOMY AND TIGHT BUDGETS

FY 2003 will undoubtedly prove to be one the most difficult financial periods for most government agencies. Oregon's shrinking general fund faces mounting deficits. Simultaneously, local government airport sponsors and federal funding agencies are forecast to face tremendous shortfalls.

While ODA is not funded by general funds, our revenues - derived from aviation sources - are lower than projected. For the next few years, the Department expects to entertain an increased number of requests for funding assistance, as other budgets face more constraints. The need for state aviation funds will be greater than ever even as our own available revenues decline.

Our challenge during the coming year will be to make smart choices about how to spend limited aviation resources in order to make the biggest improvements to the system and to stimulate more growth in the economy. ■

2002 CONCLUSION

ANNUAL REPORT

The skies over America are very different today than half a century ago. In fact, they are remarkably different than they were a few mere years ago, at the turn of the century in 2000.

Oregonians have always led the country in making the most of each opportunity presented by dynamic change. Many in Oregon believe that the time has come to apply those creative skills to the now quickly-changing aviation industry. Finding new and better ways for aviation to serve the state's needs is a cornerstone of future activities undertaken by Oregon Department of Aviation.

It is with this focus that the State Aviation Board has worked diligently to set the strategic direction for the Oregon Depart-

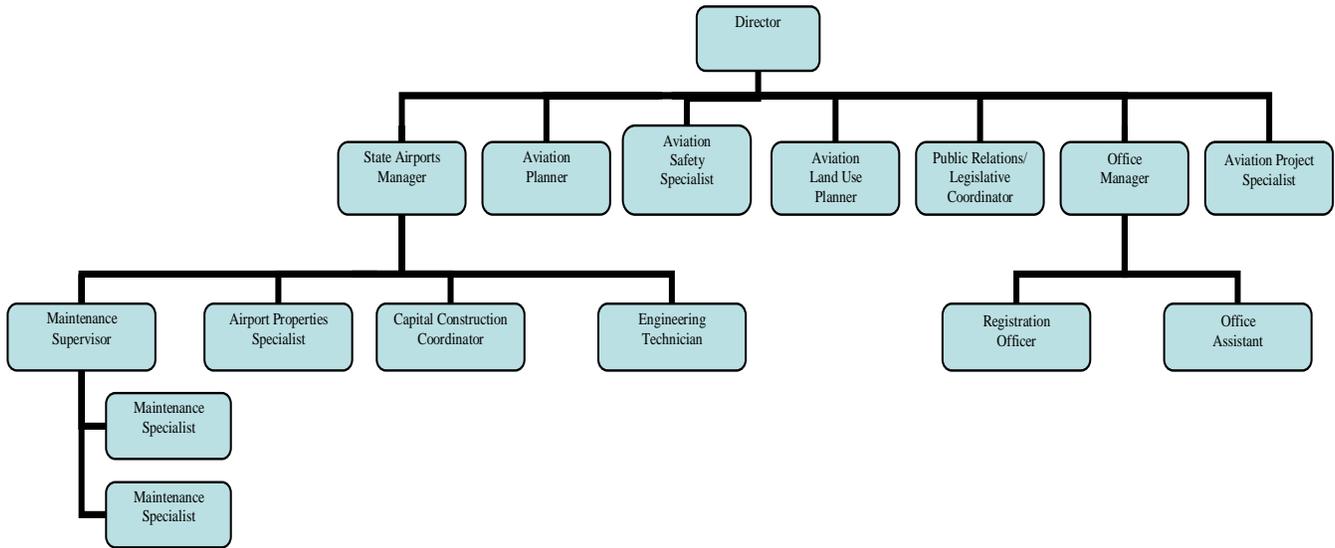
ment of Aviation. It is with this focus in mind that the Management Team at ODA has established their program goals for FY 2003. It is with this guiding focus that ODA staff work to carry out broad program goals and approach their daily activities.

Ongoing upheaval in the aviation world in the days and months since September 11, 2001, leaves the State Aviation Board and all staff at ODA focused on strengthening local and regional air service systems, plus exploring opportunities that would effectively link aviation with tourism, economic development and higher education. ■

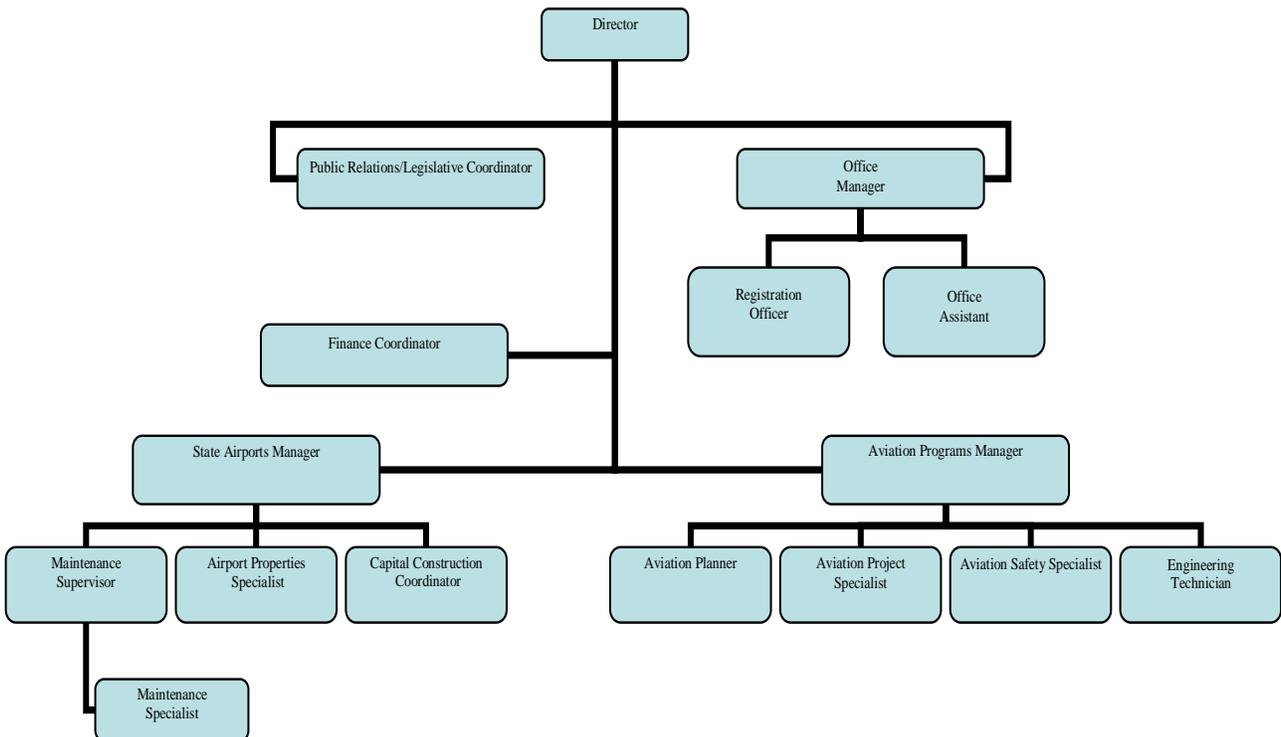


A private corporate jet lands at the Paisley-Lake County Airport for transfer of the airport from ODA to Lake County in July 2002.

PRE-2002 (OLD) ORGANIZATIONAL CHART



POST-2002 (NEW) ORGANIZATIONAL CHART



2002 PROJECT DESCRIPTIONS LIST BY AIRPORT

(Includes FAA AIP, FAA Non-Primary Entitlement, ODA PMP and ODA FAM Projects)

Albany Municipal Airport

- Received AIP grant funds in the amount of **\$350,000** to extend and rehabilitate south access road; rehabilitate main apron including tie downs; install perimeter fencing and nav aids.

Ashland Municipal-Summer Parker Field

- Received G/A Entitlement grant funds in the amount of **\$150,000** to install automated unicom and weather reporting system.
- Received FAM grant funds in the amount of **\$10,000** to assist local match for entitlement taxi lane construction project.

Astoria Regional Airport

- Received FAM grant funds in the amount of **\$10,000** for AIP fencing and taxiway project.

Baker City Municipal Airport

- Received AIP grant funds in the amount of **\$1,120,500** to rehabilitate (overlay) runway 12/30.
- Received PMP project in the amount of **\$26,218** for crack seal, including pavement marking.

Bend Municipal Airport

- Received AIP grant funds in the amount of **\$72,000** to conduct an environmental assessment for a safety area improvement project.

Boardman Airport

- Received PMP project in the amount of **\$13,400** for crack and slurry seal, including pavement marking.

Brookings Airport

- Received FAM grant funds in the amount of **\$9,533** to assist local match for entitlement navaid installation project.

Burns Municipal Airport

- Received PMP project in the amount of **\$121,865** for crack seal, slurry seal and deep patch repair, including pavement marking.

Columbia Gorge Regional - The Dalles Municipal Airport

- Received PMP project in the amount of **\$38,358** for crack seal, fog seal and PCC spill repair, including pavement marking.

Corvallis Municipal Airport

- Received AIP grant funds in the amount of **\$414,600** to modify access road; rehabilitate taxiway and taxilane; expand helipad; install/relocate rotating beacon.
- Received FAM grant funds in the amount of **\$10,000** for local taxiway and storm sewer project.

Creswell Airport - Hobby Field

- Received FAM grant funds in the amount of **\$10,000** for ADA update to terminal building.

Eastern Oregon Regional Airport (Pendleton)

- Received AIP grant funds in the amount of **\$1,872,990** to construct t-hangar taxilane; rehabilitate terminal apron and taxiway 'A' and 'D'; rehabilitate/reconstruct runway 16/34 as a taxiway; and security enhancements.
- Received PMP project in the amount of **\$32,677** for crack seal and fog seal, including pavement marking.

Eugene - Mahlon Sweet Field

- Received AIP grant funds in the amount of **\$4,364,304** to construct runway 16L/34R (phases 1 and 2); revise ALP; rehabilitate taxiway; acquire ARFF vehicle; and security enhancements.

Florence Municipal Airport

- Received AIP grant funds in the amount of **\$150,300** to reconstruct taxilanes; modify/improve access road; and revise ALP.

Gold Beach Municipal Airport

- Received FAM grant funds in the amount of **\$10,000** for emergency runway pavement repair.

Grant County Regional - Ogilvie Field (John Day)

- Received PMP project in the amount of **\$58,830** for crack seal and fog seal, including pavement marking.

Hillsboro Airport - (Port of Portland)

- Received AIP grant funds in the amount of **\$5,020,000** to improve runway 12/30 safety area (phase 3).

Jordan Valley (Municipality)

- Received FAM grant funds in the amount of **\$10,000** for master plan project.

Klamath Falls - Kingsley Field

- Received AIP grant funds in the amount of **\$3,832,080** to rehabilitate west side apron (airline and general aviation ramp), including taxiways (phase 2); conduct master plan update; construct parking lot, including lights; and security enhancements, including fencing.

Lexington Airport

- Received G/A Entitlement grant funds in the amount of **\$120,000** to install automated weather reporting system.
- Received PMP project in the amount of **\$68,229** for crack seal, slurry seal and AC patch repair, including pavement marking.

Madras City-County Airport

- Received G/A Entitlement grant funds in the amount of **\$75,000** to install automated unicom and weather reporting system; and install taxilane reflectors.
- Received PMP project in the amount of **\$39,098** for crack seal, including pavement marking.

McMinnville Municipal Airport

- Received AIP grant funds in the amount of **\$305,000** to expand apron; and remove approach obstructions.
- Received FAM grant funds in the amount of **\$10,000** for taxiway/ramp expansion project.

Mulino Airport - (Port of Portland)

- Received AIP grant funds in the amount of **\$410,000** to install rotating beacon; improve runway 32 safety area; construct taxilanes; and update exhibit A.

Myrtle Creek Municipal Airport

- Received AIP grant funds in the amount of **\$150,000** to construct parallel taxiway (phase 2); and revise ALP.

Newport Municipal Airport

- Received G/A Entitlement grant funds in the amount of **\$95,000** to fund match on pavement maintenance project.

North Bend Municipal Airport

- Received AIP grant funds in the amount of **\$3,549,039** to rehabilitate runway 13/34 and taxiway B; install new runway lighting system; install nav aids (phases 1 and 2); ALP; and security enhancements.

Portland International Airport (Port of Portland)

- Received AIP grant funds in the amount of **\$15,209,502** to construct taxiway C, construct deicing containment facility, including detention basin, holding tank, pump stations and piping; conduct a pavement study; new Exhibit 'A'; and security enhancements.

Prineville Airport

- Received PMP project in the amount of **\$103,248** for crack seal, slurry seal and AC patch repair, including pavement marking.
- Received FAM grant funds in the amount of **\$10,000** for wind study, ramp repair and safety area obstruction removal project.

Roberts Field - Redmond Municipal Airport

- Received AIP grant funds in the amount of **\$3,778,602** to rehabilitate taxiway 'F' south and terminal apron (phase 3); revised ALP; and security enhancements.

Rogue Valley International (Medford)

- Received AIP grant funds in the amount of **\$2,443,826** to make security enhancements; and parallel taxiway construction.

Roseburg Regional Airport

- Received AIP grant funds in the amount of **\$4,193,833** to acquire land, parcel 46A.

Salem McNary Field

- Received AIP grant funds in the amount of **\$1,776,166** to rehabilitate runway 16/34 and taxiway 'A'; install new runway lighting, airfield guidance signs and nav aids; relocate taxiway A-1; and revise ALP.
- Received FAM grant funds in the amount of **\$10,000** to assist in AIP local match for compass rose and taxi lane project.

Scappoose Industrial Airpark

- Received AIP grant funds in the amount of **\$90,000** to conduct master plan study.
- Received G/A Entitlement grant funds in the amount of **\$20,000** to fund match on state pavement maintenance project.

Tillamook Airport

- Received AIP grant funds in the amount of **\$855,000** to rehabilitate access road; install beacon and segmented circle; install AWOS; install new runway lighting system; rehabilitate taxiways and aprons; rehabilitate runway 01/19, install nav aids; and install perimeter fencing.

Troutdale Airport - (Port of Portland)

- Received AIP grant funds in the amount of **\$150,000** to install perimeter fencing (phase 2); rehabilitate apron (phase 2); improve airfield drainage; and update exhibit 'A'.

Union County Airport (La Grande)

- Received AIP grant funds in the amount of **\$107,100** to extend runway 30 safety area (environmental assessment) (phase 1).
- Received PMP project in the amount of **\$21,591** for crack seal and AC patching, including pavement marking.

WHO TO CALL AT OREGON DEPT OF AVIATION

SUBJECT	STAFF MEMBER	E-MAIL ADDRESS	Local: (503)378-8689 Toll Free: (800)874-0102 + EXTENSION
Access permits	Tasha Petersen	tasha.petersen@state.or.us	Ext. 238
Administrative Rules Coordinantor	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
Aircraft registration	Debbie Schoenborn	deborah.i.schoenborn@state.or.us	503-378-4880
Airport construction projects	Daren Griffin	daren.a.griffin@state.or.us	Ext. 229
Airport directory	Gary W. Viehdorfer	gary.w.viehdorfer@state.or.us	Ext. 230
Airport inspections	Jerry Eames	gerald.e.eames@state.or.us	Ext. 231
Airport licensing/registration	Jerry Eames	gerald.e.eames@state.or.us	Ext. 231
Airport safety issues	Jerry Eames	gerald.e.eames@state.or.us	Ext. 231
Airport/heliport site approvals	Jerry Eames	gerald.e.eames@state.or.us	Ext. 231
Annual reports	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
Aviation education	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
Aviation Town hall meetings	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
Aviation-related legislation	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
Budget and fiscal	Rebecca Jasso	rebecca.l.jasso@state.or.us	Ext. 237
Director's assistant	Carma Gale	carma.j.gale@state.or.us	Ext. 228
FAM Grant program	Teddie Baker	teddie.a.baker@state.or.us	Ext. 234
Federal airport grants	Daren Griffin	daren.a.griffin@state.or.us	Ext. 229
Flight safety	Jerry Eames	gerald.e.eames@state.or.us	Ext. 231
<i>FLIGHT</i> lines Newsletter	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
GA Entitlement Program	Teddie Baker	teddie.a.baker@state.or.us	Ext. 234
Land use around airports	Tom Franklin	thomas.w.franklin@state.or.us	Ext. 232
Land Use Compatibility Guidelines	Gary W. Viehdorfer	gary.w.viehdorfer@state.or.us	Ext. 230
Leases on state-owned airports	Tasha Petersen	tasha.petersen@state.or.us	Ext. 238
Legislative coordination	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
National aviation issues	Ann Crook	ann.b.crook@state.or.us	Ext. 226
News releases	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
Oregon Air Fair	Tom Franklin	thomas.w.franklin@state.or.us	Ext. 232
Oregon Aviation Plan	Gary W. Viehdorfer	gary.w.viehdorfer@state.or.us	Ext. 230

WHO TO CALL AT OREGON DEPT OF AVIATION

SUBJECT	STAFF MEMBER	E-MAIL ADDRESS	Local: (503)378-8689 Toll Free: (800)874-0102 + EXTENSION
Pavement Maintenance Program	Teddie Baker	teddie.a.baker@state.or.us	Ext. 234
Personnel	Carma Gale	carma.j.gale@state.or.us	Ext. 228
Pilot registration	Debbie Schoenborn	deborah.i.schoenborn@state.or.us	503-378-4880
Policies for state-owned airports	Daren Griffin	daren.a.griffin@state.or.us	Ext. 229
Resource specialist/librarian	Carma Gale	carma.j.gale@state.or.us	Ext. 228
Special uses of state airports	Tasha Petersen	tasha.petersen@state.or.us	Ext. 238
State Aviation Board Liaison	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
State-owned airport maintenance	Dan Evey	dan.n.evey@state.or.us	Ext. 233
State-owned airport management	Daren Griffin	daren.a.griffin@state.or.us	Ext. 229
Statewide aviation issues	Ann Crook	ann.b.crook@state.or.us	Ext. 226
System planning	Gary W. Viehdorfer	gary.w.viehdorfer@state.or.us	Ext. 230
Tall towers & obstructions	Tom Franklin	thomas.w.franklin@state.or.us	Ext. 232
Web site	Carolyn Bolton	carolyn.r.bolton@state.or.us	Ext. 223
Zoning around airports	Tom Franklin	thomas.w.franklin@state.or.us	Ext. 232