

# Oregon State Aviation Board

## Meeting Minutes

**March 31, 2011 Salem, Oregon**

Pursuant to notice made by press release to newspapers of general and local circulation throughout the state and mailed to persons on the mailing list of the Committee, a meeting of the Oregon State Aviation Board was held on March 31, 2011, at Salem Conference Center in Croisan Creek Conference Room A.

**Board Members in attendance included:** Vice-Chair Chris Corich, Board Members: Larry Dalrymple, Nan Garnick and Joe Smith.

**Department of Aviation employees in attendance included:** Interim Director & State Airports Manager, Mitch Swecker; Projects & Planning Manager, Chris Cummings; Fiscal Manager, Jenny Wilfong; Planning Assistant, Sandra Larsen; Airport Specialist, Don Hankwitz; Airport Specialist, John Wilson; Maintenance Supervisor, Dueford Adams; Accounting Technician, Jim Putnam; Administrative Assistant, Roger Sponseller.

**Presenters and guests in attendance included:** ODA Director, ODA Projects & Planning Manager, ODA Fiscal Manager. Rainse Anderson, WH Pacific; Trina Froehlich & Jeffrey Hartz, Kevin Mulcaster, Mead & Hunt; Tim Knapp & Mark Ottenad, City of Wilsonville; Tony Holt, Charbonneau Country Club; Nick Kaiser, City of Aurora; Shelly Humble, City of Creswell; Bruce Bennett, Aurora Aviation; Ted Millar, Southend Airpark; Jeff Witwer, Economic Development for Central Oregon (EDCO); Ken Hardwick, Independence Airpark; Mia Nelson, One Thousand Friends of Oregon; Ben Williams, Friends of French Prairie; John Brosy, Independence; Dan Evey, Independence; Ron Sterba, Salem.

### **CALL TO ORDER – INTRODUCTIONS**

- The meeting started at 10:00 a.m.

***ACTION ITEM – Approval of minutes from January 27, 2011 board meeting.***

**Motion** to approve by Joe Smith

**Motion** 2<sup>nd</sup> by Larry Dalrymple

**Motion** passed unanimously

**Public Comments:**

**Ken Hardwick:** Mr. Hardwick expressed concern over the rumor that Oregon Department of Aviation (ODA) will be moving back into Oregon Department of Transportation (ODOT) and asked the board to comment. Chris Corich remarked that there is currently a proposal in the legislature to move ODA back into ODOT. The members of the board are opposed to this move and have testified before the Ways and Means sub-committee expressing their views on the subject.

**John Brosy:** Mr. Brosy represents the property owners that own 41.1 acres of property west of Independence airport. The land is within the airport's master plan for possible future expansion and has also recently been brought within the city's urban growth boundary. Mr. Brosy remarked that the property is currently for sale and would be an excellent addition to the airport.

Chris Cummings, ODA's Planning Manager, replied that an appraisal of the property was conducted in the past. The property was determined to be too expensive for the agency's budget and was removed from the Capital Improvement Program (CIP). There might also have been a problem with wetland preservation which would have added to the cost of any development.

#### **Aurora Tower Update:**

**Chris Cummings:** Mr. Cummings commented that not much has changed since the last board meeting. ODA Airport Specialist John Wilson is scheduled to go to New Jersey for the Federal Aviation Administration (FAA) site study on April 11<sup>th</sup>. Tower design, environmental assessment and tower height and location are still in the preliminary planning/implementation stage. There also has to be a FAA review; which can take several months.

Board member Joe Smith asked why it was necessary to expend the resources to send someone back to New Jersey for a site study when authorities could stand on the ground at the airport and do the same thing. Chris Cummings responded that the FAA facility in New Jersey has computerized 3D modeling capabilities that permit them to simulate different weather and obstacle scenarios. Mitch Swecker added that the simulator can raise, lower and rotate the visual aspect of the airport (in a 3D model) so that you get visibility in a 360 degree range. This permits the FAA to model air traffic, position of the sun, the exact positions of the hangars and movement of aircraft on the ground. The process may seem more complex than it needs to be but the simulations will definitely help with the tower planning later on.

Vice-Chair Chris Corich then opened the meeting to comments from the public on the Aurora tower:

**Ron Sterba:** A pilot out of Salem, Mr. Sterba asked the board if they knew what the height of the tower would be. Chris Corich replied that they did not know and that one of the purposes of the site study in New Jersey was to help determine tower height. Mr. Sterba commented that the 3D modeling was a good idea because, from his experience in Salem, building obstructions external to the perimeter of the airport were becoming far more of a problem than the buildings internal to the airport.

## **Aurora Master Plan Preferred Option (handout):**

**Chris Cummings:** Mr. Cummings remarked that this plan was recommended, starting back in 2009, when ODA initially applied for the FAA grant. ODA has arrived at this point from comments ODA received from various groups with interest in Aurora airport development. The purpose of this meeting is to introduce the Preferred Alternative concept that the staff is recommending. There will be a month long period of public comment and then ODA will come back to the board in April to seek the board's concurrence with the agency's direction. Ultimately, at the end of the process, the board (and the FAA) will approve the final Airport Layout Plan (ALP) and the entire Master Plan. Right now, ODA just wants to make sure it's moving in the right direction. Mr. Cummings then asked Rainse Anderson, a consultant from WH Pacific, to give the board a short briefing (Handout & PowerPoint) of where ODA started on the project, what options the agency has provided to its advisory committee and what recommendations will be made going forward concerning the final ALP.

**Rainse Anderson:** A Master Plan is a document that guides the development of an airport over a 20-year planning period.

### Project Overview:

Drafts of the first five chapters have been submitted to PAC/FAA:

- Chapter 1 – Airport Issues and Goals
  - Chapter 2 – Airport Inventory
  - Chapter 3 – Aeronautical Activity Forecast\*
  - Chapter 4 – Facility Requirements
  - Chapter 5 – Airport Alternatives
  - Chapter 6 – Airport Layout Plan and Associated Drawings\*
  - Chapter 7 – Capital Improvement Plan
- \* Requires FAA Approval

### Chapter 5 – Development Alternatives:

- Three build alternatives were developed to offset the shortfalls identified in Chapter 4.
- A No-Build alternative is also presented.
- The alternatives should be evaluated using the Plan's Goals and Issues developed in Chapter 1.
- Intent of the alternatives is to identify a Preferred Alternative to be used as the base for the Airport Layout Plan (The Preferred Alternative can be a combination of elements from the alternatives).

## Development Alternatives Overview:

- No Build Alternative – Maintenance of existing facilities only (on state-owned property), airport reference code (ARC) of B-II, with approach minima of 1 statute mile (sm) or greater.
- Build Alternative #1 – ARC B-II, Runway 17 and parallel taxiway extension of 600', pavement strengthening, approach minima of 1 sm or greater.
- Build Alternative #2 – ARC C-II, Runway 35 and parallel taxiway extension 1,000', pavement strengthening, approach minima of greater than  $\frac{3}{4}$  sm.
- Build Alternative #3 – ARC C-II, with approach minima of lower than  $\frac{3}{4}$  sm.

## Next Steps:

- Comments of Draft Chapter 5 were due from the PAC by March 24, 2011.
- PAC and public review of the Preferred Alternative (to be posted on project website) March 31 through April 21, 2011. Comments due by April 21 (can be submitted to ODA or on project website).
- The next PAC meeting, with a public open house, will discuss draft Chapters 6 and 7, *Airport Layout Plan* and *Capital Improvement Plan* (Tentatively scheduled for June 30, 2011).

## Traffic Analysis:

### Aurora State Airport Traffic and Airport Road Traffic Summary –

- 11 gates at Aurora airport were surveyed and the average annual daily traffic (AADT) and peak hour traffic volumes were determined.
- The total AADT of all 11 gates equaled 2,400.
  - The three Columbia Helicopter's gates contribute 1,130 AADT or 47% of the total airport-generated vehicular traffic volume.
  - Columbia Helicopter's activities do not rely on the runway system or generate similar numbers of operations as the majority of the other airport businesses or FBO's.
- HTS projected AADT, once developed, is 211.
- Approximately 2,600 vehicles travel along Airport Road between Ehlen Road and Arndt Road (this data will be updated in 2011 and the numbers are anticipated to increase).

### Aurora State Airport Vehicular Traffic Impact to the Boone Bridge –

- Airport-generated traffic equates to approximately 1.5% of the AADT for I-5 just north of the Boone Bridge.

- The current employment numbers at the airport are estimated to be approximately 750, which equates to 3.2 trips per employee.
- If a 1.19% employment growth rate is applied, the total employment in 2030 will be 950, equating to an airport-generated AADT of 3,040 (this is an insignificant impact when compared to that of a development such as a Fred Meyers with a peak hour volume of 488 vehicles to the roadway system).

#### Recommendations –

- ODA continues to work with and support Marion County and the City of Aurora as improvements to Airport Road are considered.
- It will be important that appropriate considerations be given to the entrances (gates) to the airport and business along Airport Road.
- The question of funding these improvements should be part of the discussions and it is appropriate that future development, both public and private, participate on a similar proportionate share as HTS recently has.

#### Forecast Update –

ODA provided an updated number of based aircraft in February 2011.

- As a result, forecasts prepared in August 2010 were revised in February 2011.

ODA revised the number of based aircraft after:

- Thoroughly reviewing its database of registered aircraft.
- Requesting updated aircraft lists from tenants.
- Checking hangars.

The chapter was also revised to incorporate:

- Information from the FAA's Terminal Area forecast published in December 2010.
- Addresses comments from the Planning Advisory Committee (PAC).
- Additional research supporting the current Airport Reference Code (researched N numbers for aircraft reported as unknown).

#### Operations:

- Reduction in based aircraft increased historical operations per based aircraft ratio from 232 to 240 and showed ratio increasing in recent years.
  - Earlier Forecast used interpolated based aircraft for 2008 (422) and 2009 (427). Revised Forecast uses TAF records for 2008 (344) and 2009 (324).
- Estimated 2010 operations = 90,909.

- Revised Forecast uses 1.58% annual growth from Linear Trend Model.
- Revised Forecast for 2030 operations is 124, 386, compared to 131,312 in Earlier Forecast.

#### Noise Contours –

- Noise contours prepared using the Integrated Noise Model (INM) version 7.0. (Note: INM is an average-value model and is designed to estimate long-term effects using average annual input conditions)
- Under the FAA criteria, residential land use is not considered compatible with annual day-night noise levels that meet or exceed 65 dBA.
- The representative aircraft used information provided by the Harris, Miller & Hanson (2002) noise study conducted for ODA.
- Operations data is from the information presented in Chapter Three.
- Flight paths input in the INM reflect the noise abatement procedures as well as the departure procedures.

The board discussed.

Vice-Chair Chris Corich opened the floor to comments from the public regarding the Aurora State Airport Master Plan:

**Mark Ottenad:** Mr. Ottenad, representing the City of Wilsonville, presented to the board copies (handout) of the City of Wilsonville’s letter of comment regarding the Aurora State Airport Master Plan Draft. Mr. Ottenad asked the board how the Preferred Alternative airport plan addressed items (1-5) as listed on the front of the letter of comment. In regards to item #3, the preservation of farmland, Mr. Ottenad asked if the Safety Zone expansion to the south would impact the existing farmland in that area. Chris Cummings replied no, the farmland would not be impacted. Mr. Ottenad then asked the board if they could comment on item #4; surface transportation impact. Mitch Swecker commented that the plan was still preliminary stages and that a traffic impact study would be looked at when actual construction took place. Mr. Swecker reminded the meeting that Aurora airport is a small percentage of the traffic of all the roads that would be impacted and to put the burden on the Department of Aviation to do the traffic studies for all that traffic is not really feasible. Mr. Ottenad remarked that a recent analysis indicated that the roads around the airport need to be upgraded and that ODA needed to work with all agencies involved to do so.

**Tony Holt:** Mr. Holt, Vice-President of the Charbonneau Homeowners Association and member of the Positive Aurora Airport Management Committee, spoke to the board regarding the Aurora Master Plan. Mr. Holt remarked that, from what he had seen so far, he liked the Preferred Alternative Plan. That being said, Mr. Holt had a couple of points that he wanted to address. The first point was that Aurora is a constrained airport. To expend limited state and federal resources on projects like a taxiway relocation, as outlined in Alternative #3, would be economically unwise. The second point was that the runway extension is supported, mostly, by a small number of operators at the airport who are happy to use the runway as it is and probably wouldn’t move somewhere else. Mr.

Holt stated that the residents of Charbonneau are against any runway extension and presented to the board copies (handout) of a signed petition from the Residents of the Charbonneau Community in Wilsonville stating so.

**Tim Knapp:** Mr. Knapp, mayor of the City of Wilsonville, referred the board to the City of Wilsonville's letter of comment and the concerns listed in it. Specifically, residential complaints regarding operational activity (bright lights) and noise constantly emanating from the airport area. Also, if planned development at the airport goes ahead, it will drastically impact the amount of traffic in the area (especially I-5) and that a traffic impact study is not an out-of-line request to be making. Mr. Knapp stated that it is important that all parties jointly plan development in the area so that everyone can move forward with a plan that encompasses everyone in the process.

**Mia Nelson:** Ms. Nelson, representing One Thousand Friends of Oregon, expressed her organization's support for Alternative #1. Ms. Nelson remarked that the farmland south of Aurora airport is some of the most productive farmland in the state, possibly in the nation. Ms. Nelson felt that expanding the airport property over the farmland would be a mistake. Ms. Nelson also commented that Alternative #1 did propose changing the airport's status from a B-2 to a larger status. One Thousand Friends of Oregon asked that the board keep the airport a B-2.

**Ron Sterba:** A pilot based out of Salem, Mr. Sterba asked that the board consider moving the location of the proposed fire station at Aurora airport to improve access to all parts of the field. Mr. Sterba also remarked that a possible solution to the runway expansion problem at Aurora might be to angle (3 degrees to the northwest) the runway in a different direction so as to limit the amount of aircraft noise above the communities and preserve the surrounding farmland.

**Bruce Bennett:** Mr. Bennett, a commercial tenant at Aurora airport, was at the meeting to express his concerns over any decision not to extend the runway. Currently, Mr. Bennett stated that he cannot fully utilize the maximum weight capacity of his aircraft because the runway is not long enough for take-off and has had his operations severely limited by the lack of runway length. Mr. Bennett also commented that he liked having farms as neighbors to the airport. They are compatible in that there are no obstacles on them and no one is sleeping in the fields. Residents in nearby communities need to realize, however, that Aurora is an airport and there is going to be some noise from aircraft. While Mr. Bennett understood the City of Wilsonville's concerns about the impact of traffic in the area (especially since I-5 is the main access to Wilsonville), he also believes that Aurora airport is an important part of the local economy.

**Ted Millar:** Mr. Millar, a resident of Charbonneau, PAAM committee member and long time Aurora pilot, commented that it was important for the board to remember that the airports are an important part of the national transportation system and that we need to protect them for the future of the businesses that need to come into our area and our region because of the proximity to a major metropolitan area and the close proximity to I-5. Mr. Millar stated that it comes down to two main issues; safety and jobs. Everyone knows about the safety factor, but what came out of some the studies that he heard at the PAC meetings was that 78% of the economic benefit of Aurora airport goes to Wilsonville, Clackamas county and Washington county. Most of the people who work at the airport live in Clackamas or Washington County and buy most of their products there. Mr. Millar then pointed-out that if you have a corporate aircraft, if you have a multi-location corporation to manage, you can't simply drive back and forth to your locations.

Aircraft are an important part of Aurora airport's corporate community. The pressing need of these corporate tenants is for larger aircraft to handle more passengers and fly longer distances. If the airport runway can't be extended to accommodate a longer take-off for the bigger aircraft, the tenants will simply move to an airport where they can. Mr. Millar then stated that the airport improvement committee would like to recommend a hybrid alternative to the board in which the runway is lengthened to 6,000ft. Mr. Millar also presented to the board 2 letters (Dave Waggoner, Columbia Helicopters) (handouts) expressing their support.

**Ben Williams:** Mr. Williams, President of Friends of French Prairie, commented that his organization submitted a letter of opposition to the build alternatives with an accompanying petition at the last PAC meeting. Mr. Williams stated that his organization is concerned over a number of issues surrounding any airport expansion. The first is the need for long term planning. From personal experience, Mr. Williams has seen the unchecked development of farmland into commercial property and its results. Adding 1,000ft to the runway south will take out Kiel Road. The farmers need Kiel Road. The absence of Kiel Road highly constrains local agricultural transportation and adds a huge safety risk to anyone trying to haul a tractor at 12 mph onto the highway. The second issue is the domino theory; once farmland begins to be developed it doesn't stop.

### **Director's Update:**

Mitch Swecker updated the board on agency business. Topics covered by Mr. Swecker included:

- Oregon Aviation Board Strategic Vision –
  - Calendar Events (handout)
    - AVTIL Conference
    - Conference in Renton
    - Community outreach this summer.
- Legislation - *Connect*Oregon IV Update
- OAMA/ODA Conference Results
- Legislation Update –
  - SB-54, Permits Director of Oregon Department of Aviation to impose civil penalties for violations of aviation laws, rules or order. This bill was dropped after receiving opposition from several senators.
  - SB-537, Permits local governments to limit growth at airports when growth is related to helicopters. This bill is no longer on the docket.
  - SB-904, Directs Oregon Business Development Department to establish program to allow rural airports to create airport tax increment financing districts to help pay for airport-related infrastructure and services.

### **Budget Review:**

Jenny Wilfong presented to the board ODA's Monthly Business Report (handout). Topics covered included:

- 2009-11 Leading Operating Revenue Sources through February 28, 2011.
- Revenue of AV/Jet Fuel Tax
- Actual Revenues Biennium to Date
- Cost Drivers for 2009-2011 Biennium
- Actual Operating Expenditures Biennium to Date 7/1/09 – 2/28/2011
- Search and Rescue
- Aircraft Registration
- Pavement Maintenance Program
- Cash and Limitations Balances 2009-11
- Aurora State Airport Profitability Statement
- Mulino State Airport Profitability Statement
- Oakridge State Airport Profitability Statement
- Cape Blanco State Airport Profitability Statement
- Bandon State Airport Profitability Statement
- Pacific City State Airport Profitability Statement
- All Other State Owned Airport Profit and Loss Statement
- Upcoming Timeline – Budget Process and Focuses
- 2011 Legislative Session Update (HB-2248, SB-904, HB-3342, HB-5046)

The board discussed.

### **Commercial Air Service (handout):**

Trina Froelich and Jeffrey Hartz of Mead & Hunt briefed the board on the airlines' current status. Issues covered by the presentation included:

Alaska Airlines / Horizon Air Transition:

- Horizon's strategic role in AAG:

- Provider of safe, reliable, cost-effective capacity to Alaska at a market-based price.
- Leverage unique operating characteristics of regional airline fleet in support of AAG goals.
- Earn a 10% return on invested capital = roughly a 10% fully-allocated profit margin.
- Changes –
  - January 1, Horizon adopted all-CPA (Capacity Purchase Agreement) model. In the agreement, Alaska covers all of Horizon's operating costs with a predetermined profit margin.
  - Alaska assumed all marketing, advertising and scheduling functions for Horizon. Horizon staff and brand will go away.
  - To reduce duplication, Horizon's System Operations Control will be relocated from Portland to Seattle and maintenance support functions integrated with Alaska.
- Fleet Plan –
  - Horizon transitioning to Q400 fleet.
  - 5 CRJ-700's to be operated by SkyWest. There will be a net loss of 5 aircraft for Horizon. May impact service in Northwest communities (recently cancelled ACV / RDD-LAX). Alaska has indicated more cuts may be forthcoming.
  - Alaska open to using other outside service providers for CPA flying.

#### Alaska Airlines / SkyWest Airlines:

- Capacity Purchase Agreement –
  - SkyWest currently operates under CPA and pro-rate for AirTran Airways, Delta Connection and United Express. This agreement covers 159 cities (UA 144, DL 85, FL 7) with 46 EMB-120's, 143 CRJ-200's, 83 CRJ-700's and 21 CRJ-900's.
  - In return for purchasing the 5 CRJ-700's from Alaska, SkyWest has a 7-year CPA.
- Opportunity –
  - Alaska is the dominant service provider at PDX and yet no codeshare exists today between Alaska and SkyWest.
  - The new CPA arrangement opens-up the possibility for an EMB-120 codeshare in smaller markets.

Summary:

- Things are changing
- Air service is going to continue to be a challenge in Oregon for the foreseeable future.
- May open-up opportunities for communities in the Northwest because of Alaska / SkyWest agreement.
- Downside is probably more service cuts.
- Dynamic situation that needs to be watched.

The board discussed.

### **ConnectOregon III Rural Airports:**

**Chris Cummings:** Mr. Cummings updated the board on the *COIII* program. There is about \$275,000 left in the *ConnectOregon Rural Airports (CORA)* program. The money has to be awarded this year. In May, ODA will be coming to the board with a list of applicants for the funds. If everything goes as expected, ODA should have more applicants than funds. Mr. Cummings should have the application criteria for the funds to the board members by next week.

The board discussed.

### **UAV Airspace Proposal (handout):**

**Mitch Swecker:** Briefed the board on the Economic Development of Central Oregon (EDCO) group's Unmanned Aerial Vehicle (UAV) proposal for central/eastern Oregon. Jeff Witwer, a representative of EDCO, spoke to the board members on the proposal of creating a UAV testing area in the Bend area. Since airspace that is designated for aerial testing is at a premium in this country (and reserved far in advance), EDCO believes it can generate economic development in the central Oregon region by establishing a UAV test area and inviting related companies and industry to area to take advantage of it. UAV's are going to be the way of the future; there's no reason why Oregon can't be at the forefront of that development.

The board discussed.

### **Airports Briefing (handout):**

**Mitch Swecker:** Mr. Swecker briefed the board on possible litigation stemming from an accident that occurred in September 2010 at Aurora airport. An aircraft lost power and struck a building on the airport property, crashing in front of the Life-Flight facility. Mr. Swecker did not know the scope of the possible litigation but wanted to keep the board informed that information requests on the incident and the airport in general were being submitted by aviation law groups.

Meeting adjourned at 1:35pm.