



OREGON DEPARTMENT OF AVIATION

ANNUAL REPORT

2009-2010



JULY 1, 2009 THROUGH JUNE 30, 2010

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FROM THE INTERIM DIRECTOR

Doug Hedlund

This agency has experienced significant change over the past year. It was a very challenging year with significant changes in personnel and direction. In October 2009 the director of the agency resigned and an interim director was appointed. In February of 2010 I was appointed as interim director for one year. The focus of both interim directors to date has been to stabilize the agency, correct noted program deficiencies and put the agency on stable financial ground. Since then, ODA management and staff have done a great job implementing a new direction for the agency.

Upon the resignation of the permanent director in October 2009 it was discovered that the fiscal situation was such that, fueled by a 68% drop in anticipated jet fuel tax receipts, the agency was poised to end the current biennium on 6/30/2010 with a \$1 million-plus deficit operational fund balance absent any intervention. In addition to this ending fund balance deficit, ODA did not have sufficient cash flow equal to three-month operating expenses required to begin the 2011-2013 biennium. In response to the decline in jet fuel tax revenue, it was necessary to obtain legislative approval for a one-time transfer of Pavement Maintenance Program (PMP) funds to shore up the Operations budget.

Following an Oregon Department of Administrative Services (DAS) management review to correct the budget shortfall and noted program deficiencies, ODA reorganized the staff structure and reduced staff size from 17 to 12 personnel. The agency also partnered with DAS to capitalize on their expertise and create internal efficiencies in leasing, budget, contracting, and billing services that provided stability and continuity to areas where there had been significant staff turnover in the past. To create additional internal efficiencies and cost savings in the airport maintenance program, ODA partnered with Oregon Department of Transportation (ODOT) to outsource airport mowing for the 28 state-owned airports and expects to realize a 50% savings as compared to providing this service internally.

The good news is ODA can live within its means and is fiscally sustainable at a reduced service level provided there are no unanticipated drops in ODA's jet fuel tax revenue, a major source of funding for the agency. While operational needs have been minimally met, there does remain an inadequately resourced body of policy work which remains undone. ODA will end the current biennium with a positive ending operations budget and have sufficient cash (without any additional use of PMP funds) to push into the 2011-13 biennium to cover three months' operating expenses.

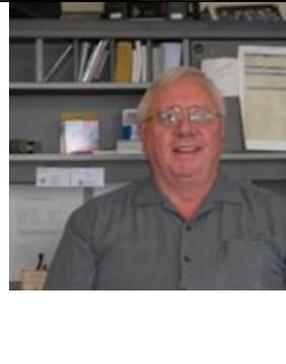
Also of significant note, Oregon's popular *ConnectOregon* program proved to be an economic engine for aviation in 2009 and included a new feature to fund projects at Rural Airports. This funding (the Rural Airports program) dedicated \$5M to provide state matching funds to federal fund eligible public use airports. These dedicated state matching dollars paid the five percent match for federal grants, effectively leveraging an additional \$95M in federal FAA grant money for Oregon airports. When combined with the \$25 million in *ConnectOregon* III dollars allocated to aviation projects this year, aviation provided over \$130 million in job-producing projects for the state.

In coordination with the Oregon Aviation Board and the Governor's Office, we look forward to a renewed emphasis on promoting aviation in the state of Oregon.

Doug Hedlund
Interim Director

OREGON AVIATION BOARD

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

	<p>Board Chair Mark Gardiner of Portland contributes 30 years of experience as an entrepreneur, financial and business advisor, public official and manager in a broad range of industries, including aviation. He is currently serving on the board of Quiet Flight LLC, which is commercializing a new FAA-certified noise cancellation system for aircraft, as well as serving on the board of AvroTec, Inc., a company involved with developing new aviation cockpit technologies.</p> <p>Additionally, Mark has been a pilot and aircraft owner for over 30 years. He looks forward to working on improving Oregon's aviation facilities and expanding Oregon's aerospace industry and employment.</p>
	<p>Vice Chair Chris Corich has over 22 years of aviation experience. He is currently employed by the Port of Portland as their General Manager of Long Range Airport Planning. In that role, he leads the planning efforts for the Port's four airports including PDX and has responsibility for the Noise Office that handles noise issues for Port airports. At the Port, he has previously worked as the General Manager of Operations and Maintenance where he was responsible for the day-to-day operations of PDX including the Airport Fire Department, Airfield Operations, Maintenance, Parking, and the Noise Office and has also served as the Manager for the General Aviation Airports – Hillsboro, Troutdale, and Mulino. He has also worked as an airport planning consultant where he completed master plans, airport layout plans, environmental assessments, and management studies at eleven airports in the State.</p>
	<p>Stephen Beckham is a long-time Oregon resident now living in Aumsville and is Vice President, Government Affairs for Liberty Mutual/Liberty Northwest. Beckham brings 30-plus years of public policy and governmental affairs experience to the Board. He is passionate about aviation and is both a pilot and aircraft builder. He brings a vision for aviation to become a means to improve economic development in communities throughout the state and for Oregon to become a national aviation leader.</p>
	<p>Larry Dalrymple currently works for the City of Pendleton as the Airport Manager and Economic Development Director and has been a member of Board since 7/1/07. As the Economic Development Director for Pendleton he has concentrated on industrial development and as the Eastern Oregon Regional Airport Manager his goal is to maintain commercial air service, provide excellent opportunities for local and itinerant general aviation, and to work on industrial development near and around the airport in conjunction with the City's recent expansion of their urban growth boundary and industrial land base. He served as the President of the Oregon Airport Manager's Association (OAMA) from October 05 to Sept 06, and has been a member for over 10 years.</p>

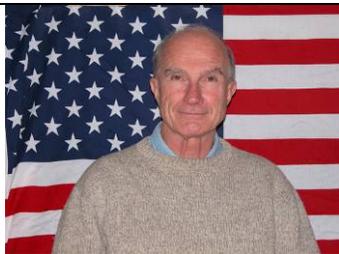


Nan Garnick is a lifetime resident of Central Oregon. Her aviation career began shortly before graduation from Redmond High School as a bookkeeper's assistant at Butler Aircraft. The explosive growth of aviation in Redmond and Central Oregon fostered Nan's aviation business acumen. In 2006, Nan and her pilot husband, Travis, fulfilled a longtime dream of a buyout of Butler Aircraft. As the VP/General Manager, Nan supervises the day-to-day operations of the FBO at Redmond, Roberts Field as well as the fire-fighting air tanker business.

Soon to be a licensed pilot and combined with 30-plus years of experience, she is a very strong and knowledgeable aviation advocate. Nan's balanced approach, common sense, and listening skills provide a strong platform for contributing to the ongoing growth of aviation in the Oregon.



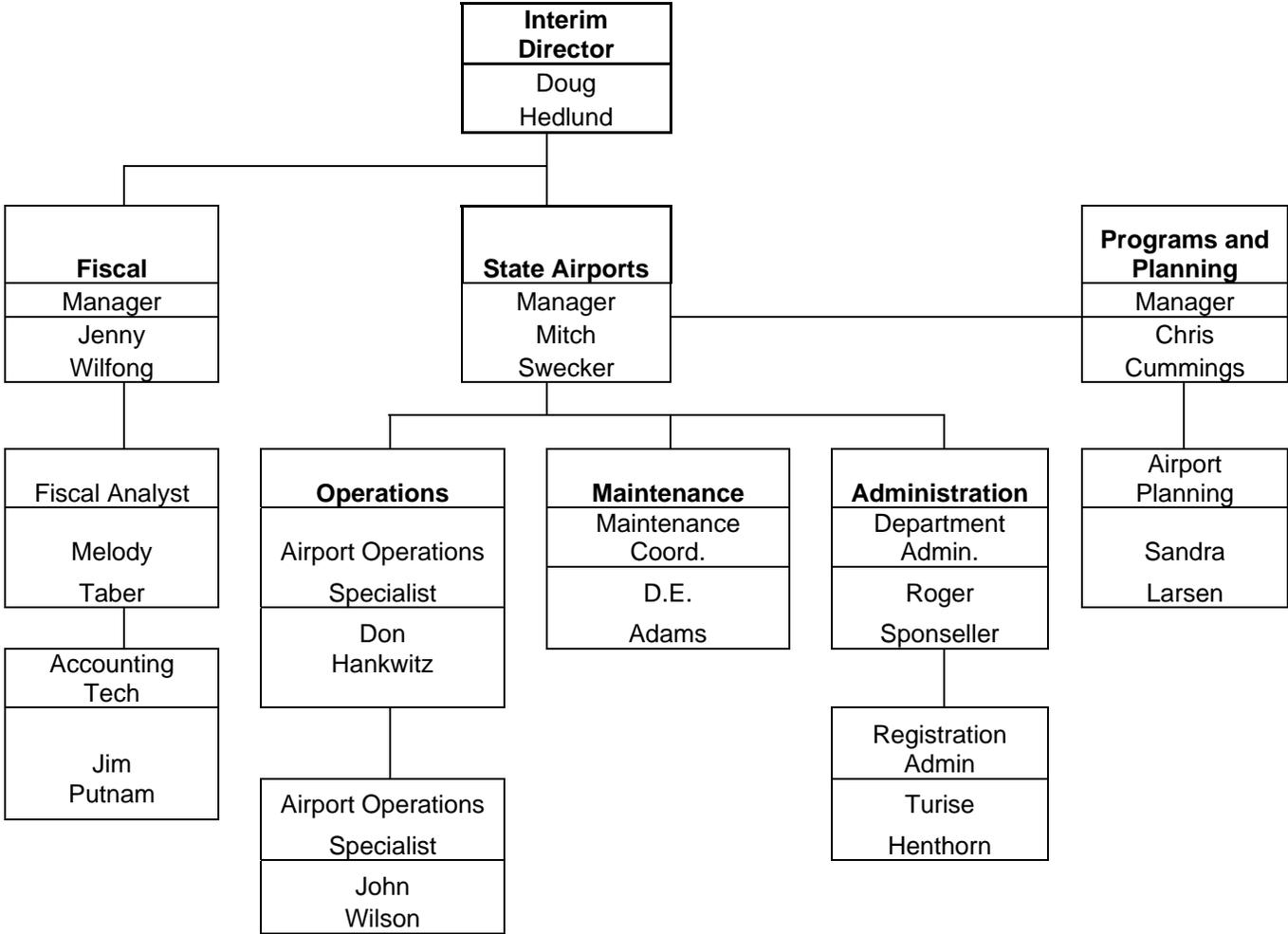
Jack Locker of Portland is retired from his own law practice and has served on the State Aviation Board since February 2002. He is a general aviation pilot who formerly served in the U.S. Air Force and Oregon Air National Guard. Locker is committed to ensuring that Oregon's general aviation airports thrive as they serve the broader communities in which they are located. Locker was appointed in correlation with expansion of the Board from five to seven members.



Joe Smith's connection to aviation began in 1963 when, as A.A. to an Oregon congressman, he joined the Congressional Flying Club and got his ticket flying out of Friendship Airport (now BWI). He then went to work for a law firm specializing in aviation law and by the time he returned to Oregon had developed a keen interest in maintaining a healthy American aviation system.

Since then he's served as District Attorney for Umatilla County, Executive Assistant to the Speaker of the Oregon House of Representatives, Executive Director of the Pacific Northwest Regional Commission, and a short stint holding an interim position in the Oregon House of Representatives. Between 1986 and 2000, while maintaining an active private law practice, he was a senior consultant with what is now Franklin Covey Company, helping private and government organizations improve their efficiency and effectiveness. Joe was first appointed to the Aviation Board in 2001 and, after being off the Board while serving in the legislature, was reappointed in 2005. He also became president of the Oregon Pilot's Association in 2006.

ODA STAFF



AVIATION IN OREGON

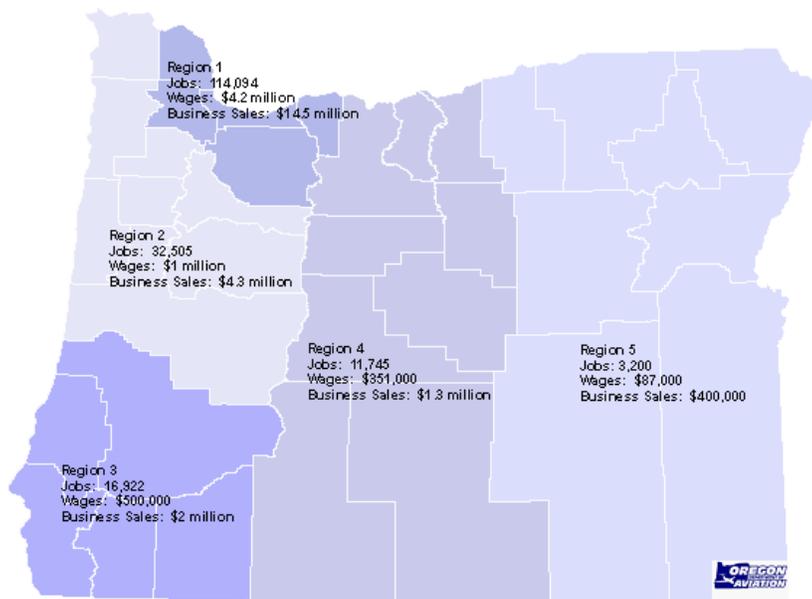
Introduction

Aviation is an important component of Oregon’s transportation infrastructure. As of 2010 there are 97 public use and over 350 private use airports providing a variety of services across the state. Oregon’s urban and rural communities depend heavily on their airports. Our state’s size, geography, and population distribution make air transportation important for access, mobility, and connectivity. Aviation plays a key role in connecting Oregon’s rural populations with services and commerce in larger cities and to the national and international air transportation system. This is particularly true in many areas outside of the Willamette Valley where access to the major commercial service airports is hours away.



Economic Importance

Economic Value of Oregon Airports by Connect Oregon Region



Oregon’s public-use airports play a key role in ensuring economic growth and maintaining high standards of livability throughout the state. Airline passengers, overnight mail, air cargo, air ambulance, forest fire suppression, crop spraying, military use, and aviation-related businesses all depend on an adequate network of airports. Aviation contributes over 191,491 jobs to the state, paying an aggregate of \$6.6 billion in wages and accounting for \$23.7 billion in total business activity.

With the movement towards a global economy it is now recognized that aviation is no longer just another mode of transportation. It is a vital component of the economic engine that drives the state, regional and local economies and thus requires the continuous maintenance of adequate facilities and services.



AGENCY OVERVIEW

The 1999 Legislature created the Oregon Department of Aviation (ODA) as a standalone agency to advocate for the safe operation, growth and improvement of aviation in Oregon. Its goals include developing aviation as an integral part of the state's transportation network, including encouraging aviation-related economic development and increasing commercial and general air services. The seven-member State Aviation Board, appointed by the Governor, represents aviation interests from the public and private sectors.

The 12 members of the ODA staff conduct safety inspections, assist local governments with guidance, information and technical support with regard to airport ordinances, layout, land use laws, grant and entitlement programs, pavement maintenance and airport master plans. In addition, the agency owns/operates 28 state airports and registers all pilots and non-military aircraft based in Oregon.

ODA is supported entirely by Other and Federal Funds. The revenue is made up of approximately 43% fuels tax, 27% federal funds, a 12% beginning fund balance and 18% from other revenue sources such as registration fees, leases, search and rescue and local match.

Mission Statement

To Preserve and Enhance Aviation for Oregon's Communities.

Key Roles and Functions:

- Promulgate and implement aviation policies established by the State Aviation Board
- Oversight and management of the Oregon Aviation Plan as an integral portion of the Oregon Transportation Plan
- Assist communities in all matters related to aviation (air service, land use, airspace planning, etc)
- Manage the statewide Pavement Maintenance and Financial Assistance to Municipalities aviation programs
- Manage, in coordination with Oregon Military Department, Oregon's Search and Rescue Program
- Conduct safety inspections of public use airports
- Register and issue permits for: aircraft dealers, public and private use airports, pilots, and aircraft
- Sponsor, protect, and enhance state-owned airports
- Manage initiatives/programs to enhance aviation: Public-Private Partnerships, Aviation Education
- Manage aviation and aviation-related land use administrative rules
- Support general public aviation associations
- Own and operate state airports and facilities

AGENCY HISTORY

1920s: The Oregon Department Aviation (ODA) was originally founded in 1921 as the Oregon State Board of Aeronautics -- the first government aviation agency in the history of the United States. At its inception, the Oregon Board of Aeronautics tested the competency of pilots and airworthiness of aircraft. With added responsibilities over the years, its mission has been updated to advocate for aviation in Oregon, which includes: 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 education; and increasing commercial air service and general aviation in Oregon.

1930s: Oregon was a haven for homebuilt airplane designers and builders. There were high-wing planes, low-wing planes, even one with no wings at all. The State Aeronautics Board issued licenses to airplanes built by experimenters and amateurs, some of which achieved national recognition. While Oregon supported the homebuilt community, the federal government did not. In 1938 the Civil Aeronautics Authority (later to become the FAA) began inspecting, regulating and registering aircraft – all except homebuilt, which could not be registered. In 1940 the Board and the CAA agreed to make a test case to determine whether the state or the CAA held jurisdiction over intra-state flying. However, in the face of World War II civilian aircraft slumbered in hangars, barns and garages and the test case was quietly dismissed in 1942.

1940s: After World War II, and in anticipation of the passage of the Federal Airport Act, the Board made plans to establish an engineering department to develop a state airport plan to be correlated with the national airport plan. The engineering department aided municipalities and private owners in the location and development of sites for future airports. When flight training was incorporated under the G.I. bill of rights, the board formulated regulations for the approval of flight schools which had to receive state approval. In 1947, 45 such schools were operating in Oregon with an enrollment of 1,500 students. An inspector was employed for school licensing and inspection.

In 1946 the CAA wrote a regulation that permitted amateurs to build their own airplanes and after inspection license them in an “experimental” category – very like the Oregon system.

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.

1950s: By 1954 the functions of the board were divided into four sections relating to administration, engineering, safety and inspection, and information. The Engineering Section provided a consultation service to municipalities and private owners regarding airport construction, zoning, and development. Airport master plan work specifications, legal advice, and federal aid information was part of the service. Responsibilities of the Safety and Inspection Section included the publication of a safety enforcement manual, editing of Oregon Air News, aircraft inspection, coordination of the search and rescue program, and flight training school inspection. The Information Section was primarily concerned with education programs and promotion of the aviation industry.

During this decade, there were 155 airports in Oregon – a number of which had been constructed by Aeronautics. Aircraft registrations numbered 1,500, while total pilot registrations were 2,800. A State Aviation Education Program was initiated. The Board became a member of the National Association of State Aviation Officials (NASAO).

1960s: The 1960s brought the Aeronautics Board the ability to award hundreds of thousands of dollars in grants to Oregon’s community airports to provide lighting systems and radios. The inventory of state-owned airports tallied 26 during 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 resulting in 36 such facilities statewide.

1970s: The Oregon Department of Transportation (ODOT) was established in the 1970s, resulting in the dissolution of the Aeronautics Board and creation of an Aeronautics Division within the new agency. ODOT worked to unify multimodal transportation systems across the state. The Aeronautics Division owned 36 airports and had 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 Division began its Statewide Aviation System planning efforts in 1978 across Oregon.

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

1990s: In 1991, the Aeronautics Division of ODOT participated in the planning and organization of the first Oregon Air Fair, which continues as an annual aviation event to the present day. During that same year, Aeronautics helped to organize 24 different aviation organizations into an aviation advocacy group called the Oregon Aviation Alliance. 1993 saw the computerization of the program used to measure the condition of airport pavements in the state. Between 1994 and 1998, Aeronautics successfully transferred Air SAR responsibilities to the Oregon State Police, and the Office of Emergency Management (OEM), which manages all other search and rescue activities in Oregon. During 1998, the Division began work on development of the Oregon Aviation Plan. This statewide aviation policy document refined the goals and policies of the Oregon Transportation Plan, specifically, as they related to aviation.

2000s: 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.

In May 2002, an independent national noise consulting firm completed a critical noise mitigation study for Aurora State Airport. Working closely with the consultants was a local public advisory board who named themselves "DECIBEL." The resulting report represents the culmination of months of on-site noise monitoring, a survey of all based aircraft owners to ascertain the types of aircraft that regularly utilize the airport, and hours of examination and discussion by DECIBEL. Ultimately, all data was synthesized into the FAA Integrated Noise Model to calculate the unique

noise contours being generated at the airport - and unique suggestions formulated to minimize noise issues in this historic Oregon colony.

Updates to the Airport Land Use Compatibility Guidebook were approved by the State Aviation Board in January 2003. It serves as a primer on airports and compatible land uses and is a critical first step in providing understanding and information in the developing area of land use compatibility in the airport environs.

In 2004 the FAA presented ODA with an award for “exemplary leadership in fostering innovative programs to plan and address the aviation needs of Oregon’s airport system.”

In response to declining levels of air service in the Pacific Northwest, the Northwest Regional Air Service Initiative (NWRASI) program was created by the Oregon Department of Aviation, Washington Department of Transportation – Aviation, Oregon Airport Management Association, Washington Airport Management Association, and the Federal Aviation Administration. The purpose of the program is to assist small communities in Oregon and Washington with local air service issues.

The 2007 Oregon Aviation Plan applies general policies from the state’s multimodal Oregon Transportation Plan to the public-use aviation system – calling for a system marked by efficiency, accessibility, environmental responsibility and connectivity among places and among modes of transportation, enhancing safety, security and financial stability.

In July 2009, ODA took ownership of the Portland-Mulino Airport from the Port of Portland. The airport was renamed Mulino State Airport and became the 28th state owned and managed airport.

2010 saw some systemic changes to the organizational structure of ODA. As part of an austerity program as a result of a declining economy and management re-organization, the staff was reduced from 17 to 12. ODA completed intergovernmental agreements (IGAs) with Department Of Administrative Services (DAS) Leasing Department, Contracting and Shared Client Services (budgeting and billing) to develop expertise and continuity in their areas that enhance ODA's corporate knowledge. ODA also outsourced mowing of the state's 28 airports to the Oregon Department Of Transportation to reduce man hours and capital investment

AIRPORT INFORMATION REPORTING FOR OREGON (AIRO)

Program Mission Statement

“To promote operational excellence at Oregon’s airports through active participation in public-private partnerships. We will work together to support Oregon Department of Aviation’s mission by embracing the values of high ethical conduct and fiscal responsibility with a safety-first approach.”

ODA offers volunteers an opportunity to contribute their aviation expertise to assist with reporting on the safety, security and maintenance conditions at state-sponsored airports. The Airport Information Reporting for Oregon (AIRO) program is a unique approach to supporting Oregon’s airports. It capitalizes on partnership with individuals who appreciate the value of

Oregon’s state-owned airports and who volunteer to help maintain them for the enjoyment of all aviation enthusiasts. Their contribution as eyes, ears and light cleanup enhance the safety and improve the physical condition oft public use airports.

Currently the AIRO program has 12 volunteers who provide regular inspections on their assigned airports and report to ODA staff. There is significant synergy in their efforts for ODA. With one Maintenance Specialist and two Operations Specialists to cover 28 state-owned airports, it is difficult for ODA staff to get to the airports as regularly as the AIRO volunteers. Their insights and reports allow our limited staff to focus and prioritize workload based on AIRO volunteer reports.

After individuals apply and are accepted as AIRO volunteers they receive training on how to properly conduct an airport inspection and given a session on airport safety. ODA requests that the volunteers conduct monthly inspections of the airport they are assigned to. The inspections are reviewed and any outstanding items are noted and placed on ODA’s maintenance pending list, which is then reviewed for scheduling repairs or reported to TSA, FAA or law enforcement.

ODA believes this program is very valuable to helping maintain the state airports. Developing this partnership with volunteers is vital to the success and safe operations at our airports.

STATEWIDE AVIATION PLANNING

Pavement Evaluation Program (PEP)

Through the Pavement Evaluation Program (PEP), ODA provides pavement condition assessments to sponsors of eligible airports throughout the state to assist with pavement maintenance planning. The state is divided into three geographic regions and pavement inspections are done annually on a rotating schedule, one region per year. The FAA funds 95 percent of the program and ODA provides the remaining 5 percent.

PILOT AND AIRCRAFT REGISTRATION

ODA is required by ORS 837 to charge a fee for Oregon pilots and civil aircraft. The pilot fees go to search and rescue efforts and the aircraft fees support maintenance expenses and support match for FAM grants when available.

As of September 9, 2010 ODA has registered 88.83% of the pilots and 91.29% of the aircraft.

JULY 1, 2009 TO September 9, 2010

Total Oregon Pilots	Registered	Total Oregon Aircraft	Registered
6,032	5,358	4,579	4,180
	88.83%		91.29%

AIRPORT IMPROVEMENT PROJECTS

Summary

The FAA's Airport Improvement Program (AIP) provides grants for airport planning and development projects at airports included in the National Plan of Integrated Airport Systems (NPIAS). Eligible projects consist of improvements related to enhancing airport safety, capacity, security and environmental concerns. The state owns 12 of these NPIAS airports and receives an aggregate of \$1,800,000 (or \$150,000 per airport) annually. These funds can be "banked" for up to four years in order to accumulate enough to pay for larger improvement projects. FAA grants cover 95% of total project costs, with ODA picking up the remaining 5%.

During state fiscal year 2009-10 the following projects were funded by the FAA AIP.

	<u>Federal Share</u>	<u>ODA Share</u>
Aurora Master Plan and Control Tower Siting Study	\$534,431	\$28,128
Joseph Runway Rehab Phase 1, Beacon/Tower, AWOS Phase 2	\$318,743	\$16,776
Statewide Equipment Upgrades	\$ 84,392	\$4,442

Capital Construction Project Descriptions

Aurora Master Plan and Control Tower Siting Study

This is a two-part planning project that includes an update to the airport's Master Plan and a site selection study for an Air Traffic Control Tower (ATCT). The airport's current master plan is 10 years old and in need of updating. Aurora State Airport has realized significant growth since 2000. The update will recommend future design and capital projects necessary for the 20-year planning horizon.

In 2009 Oregon Department of Aviation was accepted into the FAA's Contract Tower Program based on a cost/benefit study conducted by the FAA. Construction of an ATCT will improve safety for pilots and mitigate noise impacts in airport's environs. Grant funds associated with this project will be utilized to fund a tower site selection study.

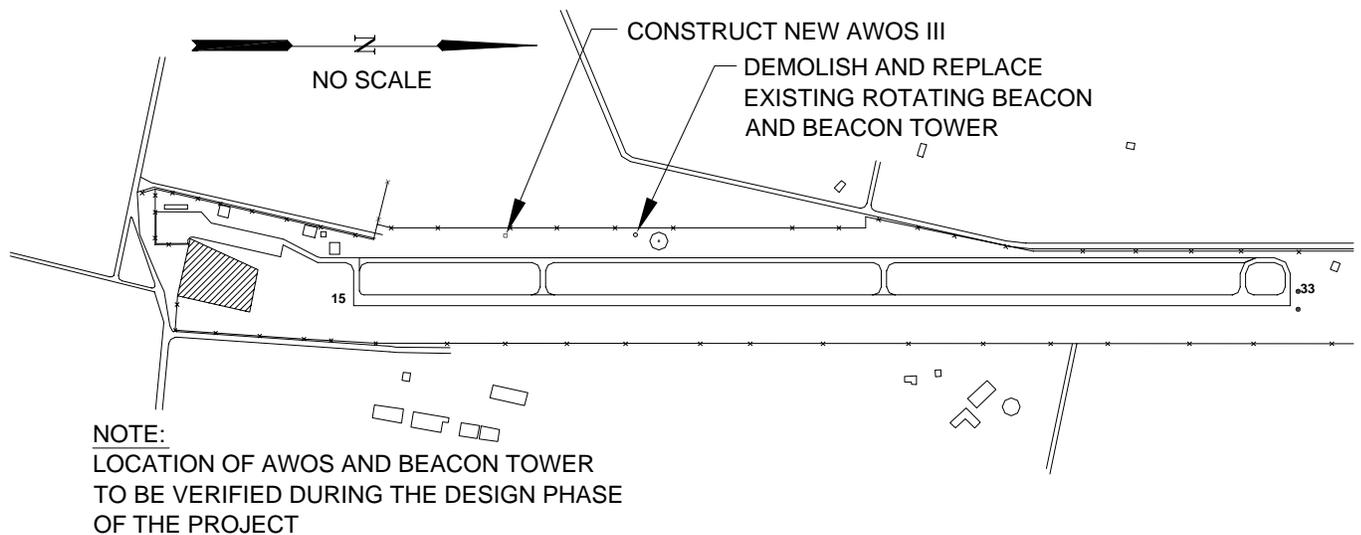
Joseph Runway Rehab Phase 1, Beacon/Tower, AWOS Phase 2

The construction of these improvements will enhance safety of operations at the airport.

An Automated Weather Observation System (AWOS) will provide current weather conditions at the airport. This information will improve the safety of approaches to RW 15-33 and enhance airport operations, thus, providing valuable access for the local communities.

The existing beacon is past its useful life and the beacon tower does not meet current OSHA standards. A new beacon and tower will provide an OSHA compliant tower and a new, modern beacon.

This project grant also provides for engineering services for future runway rehabilitation at Joseph State. The existing runway surface is beyond its serviceable life and is no longer a candidate for pavement maintenance activities. Deteriorated pavement surfaces present safety issues related foreign object debris (FOD) that can seriously damage aircraft.



Statewide Equipment Upgrades

The FAA provided funding to complete various minor equipment upgrades/replacements at state-owned airports. Equipment to be purchased includes wind sock poles, taxiway reflectors, and pilot controlled lighting units. Airports to receive equipment upgrades are listed below.

- Aurora State Airport
- Chiloquin State Airport
- Cottage Grove State Airport
- Independence State Airport
- McDermitt State Airport
- Wasco State Airport

PAVEMENT MAINTENANCE PROGRAM (PMP)

When the 1999 Oregon Legislature approved an increase to jet fuel and aviation gas taxes, ODA gained an additional revenue stream dedicated to addressing pavement deficiencies identified through the FAA-funded Pavement Evaluation Program (PEP). Preventive maintenance at airports extends the life of pavement by many years and thus postpones the cost of larger repairs. Currently \$1 million annually is allocated to the PMP Program.

Pavement maintenance projects are addressed by region on a rotating basis that repeats every three years. Each airport sponsor must contribute local match, with the level of the match varying based upon the airport's category as designated in the Oregon Aviation Plan 2007. This method of regional contracting significantly reduces overall costs both for the state and for airport sponsors.

CONNECT OREGON III

In 2009 the Oregon Legislature continued the *ConnectOregon* initiative by approving a third \$100 million for *ConnectOregon III*, building upon the success of the prior authorizations in 2005 and 2007. Over 80 applications were reviewed and 41 projects were funded. Of those 41, 10 were aviation projects totaling \$25,192,855.

Connect Oregon Region	Applicant Name	Project Name	ConnectOregon Funds Awarded by OTC	Project Priority Number
2	Department of Aviation	Aurora Air Traffic Control Tower	\$ 2,695,200	4
1	Port of Portland	PDX Deicing System Upgrade	\$ 4,250,000	5
5	Ontario	Airport Runway/Taxiway Rehabilitation	\$ 3,566,377	17
1	Port of Portland	Hillsboro Airport Parallel Runway/Taxiway D	\$ 4,000,000	21
3	Roseburg	Airport Runway Extension	\$ 1,200,512	25
4	The Dalles	Columbia Gorge Regional Airport Runway Rehabilitation	\$ 3,503,184	29
3	Mercy Flights	Construct Hangar and Operations Building	\$ 3,723,763	30
4	Madras	Airport NAVAIDS	\$ 1,704,624	33
5	Baker City	Airport Taxiway and T-Hangar Access Improvements	\$ 1,149,195	34
4	Malin	Airport - Pave Runway and Taxiway	\$ 400,000	39
TOTAL			\$25,192,855	

In addition to the main *ConnectOregon* III program, there was a separate Rural Airports Program (CORA) in 2009 in the amount of \$5 million. This portion of *ConnectOregon* III was intended to provide the 5% local match required by Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grants. A second round of grants will be available in 2010 to distribute unused funding in 2009. A total of 67 applications were received, of which 56 were funded by CORA.

Sponsor	Project	FAA Share (95%)	CORA Share (5%)	Sponsor Share (20%)
Burns	Fire suppression system		\$1,120,000	\$280,000
Corvallis	Relocate existing security fence	\$80,000	\$4,210	
ODA -Joseph	Joseph AWOS/Beacon	\$318,743	\$16,776	
ODA - Lebanon	Lebanon RW/TW/MIRL	\$360,898	\$18,995	
ODA	Multiple Airport Equipment	\$84,392	\$4,442	
Klamath Falls	Environmental mitigation, AIP 30	\$1,000,000	\$52,631	
Klamath Falls	Runway 14/32 reconstruction, AIP 28	\$1,600,000	\$84,210	
Morrow Co./Lexington	Runway rehab, VASI, underdrains	\$1,405,050	\$73,950	
Prineville/Crook Co.	RW/TW extension, obstruction removal	\$780,000	\$41,053	
ODA - Bandon	Bandon Obstruction Removal	\$125,000	\$6,579	
ODA - Siletz Bay	Siletz Bay Obstruction Removal	\$100,000	\$5,263	
Seaside	Fencing, apron rehab, striping, drainage study	\$260,385	\$13,705	
Eugene	Ramp and taxiway rehab, rescue and firefighting building, AIP 44	\$4,942,804	\$260,148	
Eugene	Runway rehab, AIP 45	\$7,703,323	\$405,438	
Rogue Valley/Medford	Construct terminal building, phase 2, AIP 34	\$1,619,882	\$85,257	
Rogue Valley/Medford	Construct terminal building, phase 2, AIP 35	\$1,137,989	\$59,894	
Eugene	Runway rehab, AIP 46	\$1,322,930	\$69,628	
Pendleton	Crack and fog seal, security gates, remark RW	\$964,831	\$50,781	
Hood River	Crack sealing, AWOS modifications, environmental study for road vacation	\$326,307	\$17,174	
Florence	Exhibit A, replace fencing, beacon/tower, other miscellaneous improvements	\$543,245	\$28,591	
La Grande/Union Co.	RW/TW, drainage improvements, MIRL	\$12,095,839	\$636,623	
Roseburg	Taxiway Relocation EA Part 1	\$128,993	\$6,789	
Roseburg	Taxiway Relocation EA Part 2	\$113,191	\$5,957	
Roseburg	Taxiway Relocation EA, Part 3	\$17,555	\$924	
Roseburg	Taxiway Relocation Design	\$323,000	\$17,000	
Bend	Airport Master Plan	\$300,000	\$15,789	
Bend	Parallel Taxiway B, Phase 4, AIP 19	\$2,800,000	\$147,368	
Bend	Parallel Taxiway B, Phase 3, AIP 18	\$101,307	\$5,332	
Burns	Runway rehab, AIP 09	\$114,483	\$6,025	
Burns	Runway rehab, AIP 10	\$975,000	\$51,315	
Burns	Runway rehab, AIP 11	\$1,415,878	\$74,519	
Illinois Valley	Perimeter Fencing	\$337,000	\$17,737	

Grants Pass	Runway Rehab and Lighting, AIP 007	\$210,078	\$11,057	
Grants Pass	Runway Rehab and Lighting, AIP 008	\$1,726,000	\$90,842	
Albany	Runway Overlay, Blast Pads	\$2,371,364	\$124,808	
Pendleton	Remodel Aircraft Rescue and Firefighting Station	\$1,091,210	\$57,432	
Redmond	Taxiway reconstruction and other improvements	\$7,362,500	\$387,500	
North Bend	Phase 5, Terminal Construction, AIP 31	\$675,379	\$33,769	
North Bend	Phase 6, Terminal Construction, AIP 32	\$1,000,000	\$50,000	
North Bend	Phase 7, Terminal Construction, AIP 33	\$1,000,000	\$50,000	
Astoria	Apron rehab, drainage study, beacon	\$140,267	\$7,382	
Creswell	Fire suppression system, fencing, obstruction removal, runway marking, AIP 8	\$140,780	\$7,409	
Creswell	Fire suppression system, fencing, obstruction removal, runway marking, AIP 7	\$132,193	\$6,957	
Tillamook	Master Plan Update	\$130,000	\$6,842	
Tillamook	Drainage and Fence Improvements	\$250,000	\$13,158	
Brookings (Del Norte)	Develop instrument approaches	\$219,450	\$11,550	
Brookings (Del Norte)	Update terminal replacement project EA	\$142,148	\$7,482	
Brookings (Del Norte)	NEPA documentation	\$100,000	\$5,000	
Brookings (Del Norte)	Wildlife Hazard Management Assessment	\$100,000	\$5,000	
Brookings (Del Norte)	RSA design	\$209,000	\$11,000	
Ashland	Design, Runway overlay, PAPI installation	\$185,629	\$9,769	
Ashland	Construction, runway overlay, PAPI installation	\$1,765,100	\$92,900	
Newport	Beacon and emergency generator	\$204,411	\$10,758	
Salem	Master Plan Update, Taxiway Reconstruction	\$1,000,000	\$52,631	
Brookings	Taxiway rehab, phase 1, AIP 009	\$23,330	\$1,228	
Brookings	Taxiway rehab, phase 1, AIP 010	\$237,368	\$12,493	
Astoria	Apron rehab, drainage study, beacon	\$140,267	\$7,382	
	Total	\$63,954,499	\$4,478,452	\$280,000

TALL STRUCTURES EVALUATION



During the 2009-10 fiscal year 256 tall structure determinations were made. Through this process ODA ensures that proposed structures do not encroach upon or negatively impact airports. A high percentage of structures evaluated are cell towers. The ever-increasing demand for cell phones corresponds with an increased demand for cell towers to provide coverage. All of these structures pose potential safety concerns to air navigation. As a result, evaluation and monitoring of cell tower

structures will continue to be a focused effort for ODA, as staff work to preserve airports and protect air system safety.

Another controversial vertical structure extending into airspace is the wind turbine. In efforts to “go green” Wind energy companies have installed many wind turbines in areas that generate vast amounts of wind and thus energy. For the state this is a great opportunity to eliminate greenhouse gases. However, remote airports often exist in the same areas where the turbine farms are emerging, compromising air navigation safety. ODA is monitoring this new technology and working with local jurisdictions to maintain airport integrity.



5010 MASTER RECORD INSPECTIONS



The purpose of 5010 Master Record Inspections is to verify airport data and update and or correct the elements as necessary. It is important to report the conditions of the airport to the airport owner. During these inspections an update of the airport layout sketch is done to show any changes at an airport, the results are used to update flying publications.

Twenty-nine airports were inspected from October 2009 to September 2010. ODA was reimbursed \$550 per 5010 or \$15,950.

2010 Airport Safety Date 5010 Inspection Oregon Department of Aviation conducted 29 5010 Inspections out of 29 Airports	
Baker City	McKenzie Bridge State
Boardman	Miller Memorial
Chiloquin State	Monument
Christmas Valley	Ontario
Condon State	Memaloose USFS
Corvallis	Prospect State
Columbia Gorge/The Dalles	Santiam Junction State
Gold Beach	Sisters Eagle Air
Hood River	Skyport
Grant County, John Day	Sunriver
Lake Billy Chinook	Toledo State
Lake County	Vernonia
Lexington	Wasco State
Madras Municipal	Wakonda Beach State
Malin	

2009-11 LEGISLATIVELY APPROVED BUDGET

Beginning Balance **\$1,369,259**

Agency Wide Revenues Summary

Revenue Categories

Motor Fuels Taxes	\$4,392
Licenses & Fees	\$752,164
Federal Revenues	\$2,470,000
Fines & Forfeitures	\$2,664
Rents & Royalties	\$556,495
Donations	\$0
Other Revenues	\$1,015,705
Transfer In - Intra-fund	\$133,500
Transfer From Transportation Dept.	\$5,473,197
Transfer Out - Intra-fund	(\$185,251)

Total Available Revenues **\$11,592,125**

Agency-Wide Expenditure Summary

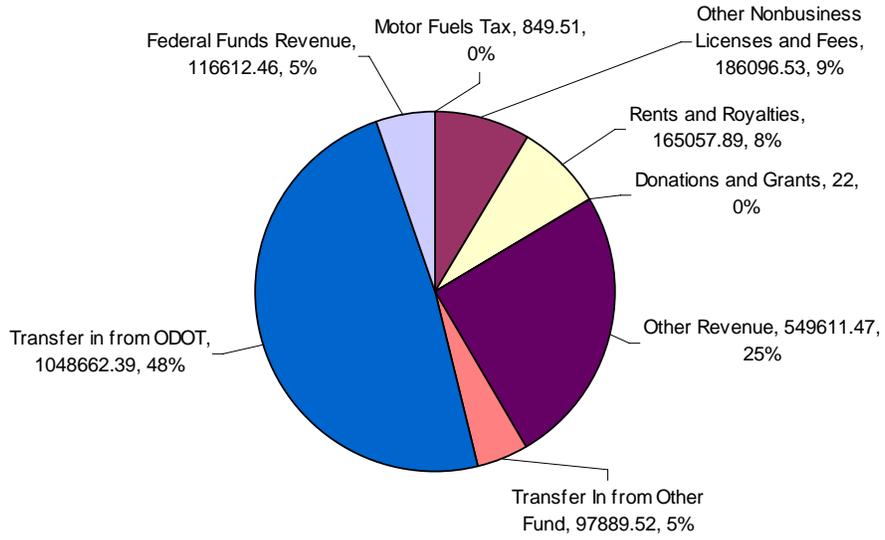
Expenditure Program Units

Operations	\$4,231,096
Search & Rescue	\$76,991
General Aviation Entitlement Program	\$756,000
Aircraft Registration	\$388,476
Pavement Maintenance	\$2,181,292
Capital Construction	\$1,575,000

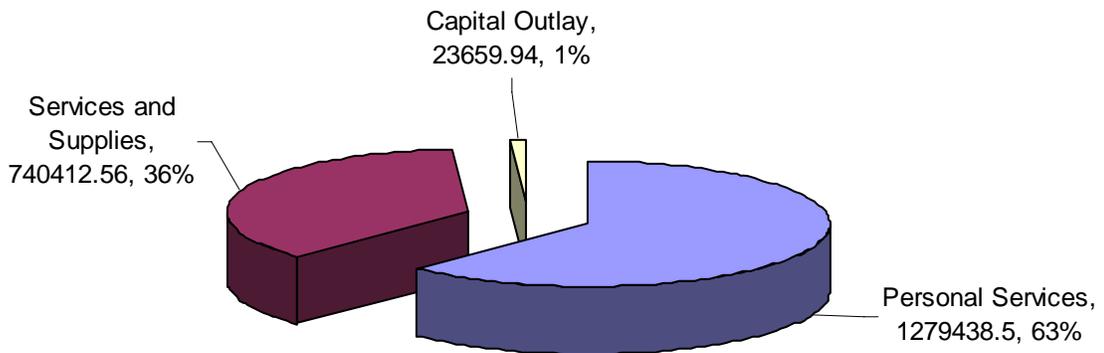
Total Expenditures **\$9,208,855**

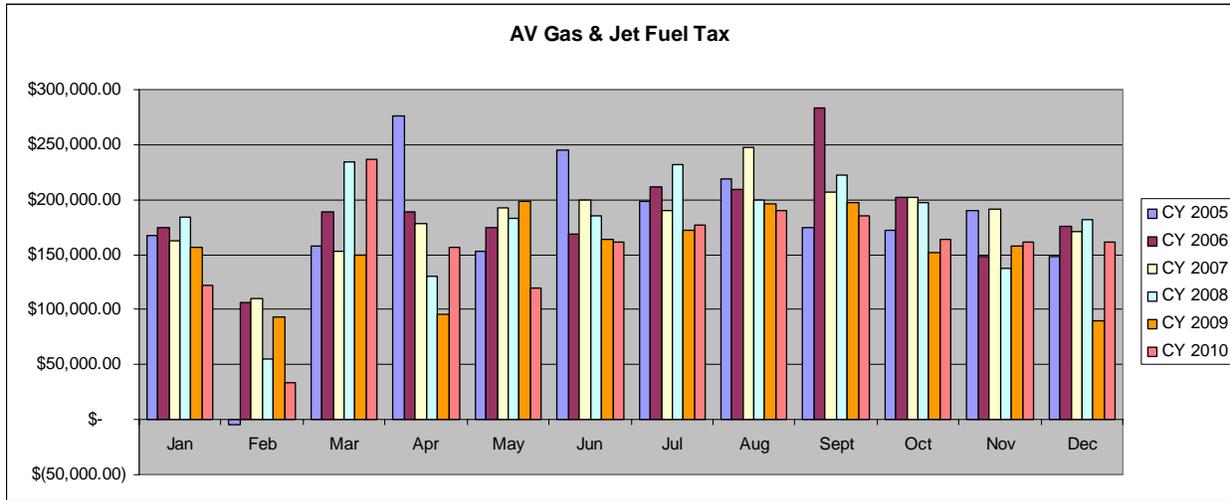
Ending Balance **\$2,383,270**

2009 Revenue



2009 Expenses





	Total received	Average
2005	\$2,097,943.02	\$ 174,828.59
2006	\$2,231,337.37	\$ 185,944.78
2007	\$2,205,794.45	\$ 183,816.20
2008	\$2,142,591.87	\$ 178,549.32
2009	\$ 887,361.93	\$ 73,946.83
2010	\$1,868,950.58	\$ 155,745.88

2009-2010 STATE AIRPORT COSTS

STATE OWNED AIRPORTS	2009 Fiscal Year Expenditures	2010 Fiscal Year Expenditures
ALKALI LAKE STATE AIRPORT (AL)	\$643.23	\$2,423.52
AURORA STATE AIRPORT (AR)	\$48,399.46	\$118,625.95
BANDON STATE AIRPORT (BD)	\$15,392.39	\$18,356.28
CAPE BLANCO STATE AIRPORT (CB)	13,972.84	\$6,962.33
CASCADE LOCKS STATE AIRPORT (CL)	\$6,095.77	\$5,642.98
CHILOQUIN STATE AIRPORT (CH)	\$10,175.22	\$8,585.01
CONDON STATE AIRPORT (CO)	\$18,413.43	\$5,799.72
COTTAGE GROVE STATE AIRPORT (CG)	\$47,902.83	\$53,130.14
CRESCENT LAKE STATE AIRPORT (CL)	\$940.50	\$1,739.96
INDEPENDENCE STATE AIRPORT (IN)	\$26,299.29	\$51,560.79
JOSEPH STATE AIRPORT (JO)	\$54,870.09	\$106,485.82
LEBANON STATE AIRPORT (LB)	\$76,866.10	\$86,892.23
MCDERMITT STATE AIRPORT (MD)	\$8,995.40	\$6,077.56
MCKENZIE BRIDGE STATE AIRPORT (MB)	\$666.02	\$753.11
MULINO STATE AIRPORT	\$0.00	\$136,803.71
NEHALEM BAY STATE AIRPORT (NB)	\$1,927.91	\$2,564.16
OAKRIDGE STATE AIRPORT (OK)	\$8,480.42	\$5,523.69
OWYHEE RESERVOIR STATE AIRPORT (OR)	\$169.94	\$949.91
PACIFIC CITY STATE AIRPORT (PC)	\$5,042.90	\$2,473.49
PINEHURST STATE AIRPORT (PH)	\$3,800.98	\$1,637.81
PROSPECT STATE AIRPORT (PR)	\$11,245.61	\$15,294.72
ROME STATE AIRPORT (RM)	\$591.38	\$2,428.98
SANTIAM JUNCTION STATE AIRPORT (SJ)	\$1,414.89	\$1,261.70
SILETZ BAY STATE AIRPORT (SB)	\$6,988.47	\$25,250.03
TOKETTEE STATE AIRPORT (TK)	\$513.52	\$853.79
TOLEDO STATE AIRPORT (TO)	\$2,277.03	\$1,399.95
WAKONDA BEACH STATE AIRPORT (WB)	\$3,749.96	\$1,296.00
WASCO STATE AIRPORT (WS)	\$5,750.10	\$3,312.32
TOTAL FOR ALL AIRPORTS	\$381,585.68	\$674,085.66