



Request for Information:
Risk mitigation and future operations of Pacific City State Airport

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Request for Information:

Risk mitigation and future operations of Pacific City State Airport

Information sought by the State Aviation Board:

Motion by Aviation Board Member Mark Peters at July 19, 2018, State Aviation Board meeting:

“I move to suspend all disposition activities and move forward with a request for information that seeks guidance on the future of Pacific City State Airport including how to mitigate existing risks and the future operations of the airport.”

Motion seconded by Aviation Board Member Vince Granato and passed by a vote of 5 ayes to 1 nay.

Background:

Oregon Aviation Plan policy for state-owned airports:

This section of the Oregon Aviation Plan was referenced by ODA staff during the July 19, 2018 board meeting discussion.

1.2.j State-owned Airport Management Policies and Actions

Interest: Manage state-owned airports efficiently and effectively.

At the present time, the state is responsible for managing 28 public-use airports. ODA has responsibility for maintaining these airports for a variety of reasons, including access to remote areas, maintaining accessibility in urban areas, and continued operation when closure is imminent. Since there is limited funding available for operation and maintenance, many of the airports have a backlog of capital improvement needs. A vast number of these airports are in remote areas of the state and have no based aircraft, yet serve a critical role in the transportation infrastructure and emergency medical and fire suppression activities of the state. Whenever possible, the policy to transfer these airports to willing and qualified local sponsors is recommended, while maintaining the use of the facility for general aviation users.

Policy: Own and operate those airports that fulfill an important role in the system but that ODA cannot transfer to local ownership.

Actions ...

- Minimize, through transfer, the number of airports maintained and operated by ODA
- Assist interested local governments to take over state-owned airports

Pacific City State Airport: Overview (see also: **Attachment A** below)

Pacific City State Airport (PFC) is located in Pacific City, Oregon, a coastal community near Bob Straub State Park. The Airport lies in a developed area with commercial structures to the east and residential structures to the west. The Airport lies south of Pacific Avenue.

Pacific Avenue provides the only legal and physical access. Access is provided for pedestrians only. There is no public vehicle access to the Airport and no on-site vehicle parking on the Airport. The only vehicle parking is on-street parking on Pacific Avenue. There is no legal or physical access from the east, west, or south.

The single north/south runway (14/32) is paved, 1875 feet long, and 30 feet wide. Runway 14 has a 300-foot displaced threshold due to structures north of Pacific Avenue, leaving 1575 feet to land to the south. Aircraft are restricted to single wheel with maximum weight of 7000 pounds. The Airport is classified as Category V-Remote Access/Emergency Service.

The Airport is further designated as a warning airport, meaning it does not meet dimensional standards and requires specific pilot knowledge, techniques and procedures. Specific warnings include obstruction encroachment and water on the runway due to high tides or storm surge.

The Airport site is a long and irregular parcel. The easterly boundary is straight and parallel to the runway. The westerly boundary is irregular. The site widens midfield and narrows to the northern boundary with Pacific Avenue. The total area is 8.7 acres, as per Tillamook County Assessor.

The Airport has minimal facilities and no services. There is an older restroom in fair condition. There is a small paved tie-down area west of the runway north midfield with seven tie-downs. There are two short paved taxiways between the tie-down area and the runway. There is no taxiway parallel to the runway. Aircraft must taxi on the runway to and from the south end of the runway.

There are numerous residential structures abutting the Airport to the west and several commercial structures abutting on the east. The horizontal clearance from nearby structures is minimal, especially east of the runway. A drainage ditch lies parallel to and east of the runway.

Owners of abutting lands may obtain a permit for taxiway access from ODA for a nominal fee. The permit holder must construct and maintain improvements including drainage. There are only a handful of developed taxiways from the west side and none from the east. There are a few privately-owned hangars on the west side.

The state park, beach, and several restaurants are a short walk via Pacific Avenue.

Land acquisition, easements and deed restrictions

This information is contained in the Appraisal Report March 2017, **Attachment B**.

Board minutes:

- October 19, 2017: **Attachment C**
- January 18, 2018: **Attachment D**
- May 17, 2018: This meeting included a discussion about Pacific City State Airport.

- o Times: 00:01:50 to 00:11:57 in **Audio 1**; 00:59:05 to 01:07:14 in **Audio 2**; and an update/discussion about Pacific City State Airport (1:06:20 to 1:16:20 in **Audio 1**)
- o *Audio 1:*
https://www.oregon.gov/aviation/Aviation%20Board%202018/AVB_2018_05_17_Audio%20Minutes%201.mp3
- o *Audio 2:*
https://www.oregon.gov/aviation/Aviation%20Board%202018/AVB_2018_07_19_AudioMinutes_2.mp3
- July 19, 2018: This meeting included public comment about Pacific City State Airport (00:01:40 to 00:12:30 in Audio 1) and an update/discussion about Pacific City State Airport (1:30:38 to 2:04:25 in Audio 1).
https://www.oregon.gov/aviation/Aviation%20Board%202018/AVB_2018_07_19_AudioMinutes_1.mp3

Community meeting, March 9, 2018

Pacific City State Airport FAQ: **Attachment E**

Audio recording of the meeting is available at this link:

<https://www.oregon.gov/aviation/Audio/PFC.m4a>

Current conditions: Maintenance Cost

ODA has maintained the Airport since it was developed. ODA provided data showing actual maintenance costs for FY 2012 through FY 2017 (YTD). This period covers 5.5 years from July 2011 (beginning of FY 2012) through December 2016. The reported expenses were:

FY 2012	\$2596
FY 2013	\$9892
FY 2014	\$2019
FY 2015	\$3016
FY 2016	\$9528
FY 2017 (YTD)	\$56876

Maintenance expenses varied significantly from year to year. FY 2017 costs were associated with expanded pavement maintenance including fog seal and striping. Costs prior to 2017 were not project specific, but were associated with managing a small general aviation airport. Expenses averaged approximately \$15000 per year. This estimate is considered a reasonable estimate of future yearly expenses.

In 2018, the Oregon Aviation Board approved the use of \$60,000 for improvements to the airport. These improvements include, but are not limited to, flood gate repair, tree obstruction removal, ditch and culvert clean out, restroom repair.

Rules for state procurement

The Oregon Department of Aviation is required to conduct procurement under the Model Rules established in OAR 137, Divisions 45-48. These rules apply when ODA contracts goods and services. In addition, the ODA is accountable to the Federal Aviation Administration (FAA) and the US Department of Transportation for compliance with their rules for grant fund and asset administration.

It is recommended that Proposals for provision of or collaboration for services consider compatibility with the rules and regulations under which the ODA and Pacific City State Airport must operate.

Respondent is requested to address the following:

- Individual or organization name, address, phone, email, point of contact.
 - If an organization, please include organization documentation (Secretary of State registration, for example) and background of the organization.
- Narrative of plans or concepts relative to short term risk mitigation projects and/or programs
- Narrative of plans or concepts relative to long term plan for sustained future operations
- Elements to include (but not limited to):
 - Qualifications, knowledge and/or experience relative to airport maintenance and operations
 - Resources anticipated to implement concepts presented
 - Oversight framework for short term, long term, or both
 - Time frame anticipated
 - Letters of support and/or partnership (please note that these letters are for information only and do not bind the signer to a contractual agreement)

How to submit RFI:

Format:

- Print: double sided 8 ½ x 11, upper left hand corner staple only for binding.
- Electronic: PDF, maximum file size of 5MB (may break into two documents if needed to stay under the limit).

Submission method:

- In person: deliver during normal business hours to Oregon Department of Aviation, 3040 25th St. SE, Salem OR 97302; in a sealed envelope clearly marked as Pacific City State Airport RFI.
- Delivery service: deliver by way of USPS, FedEx or other delivery service. ODA is not responsible for any misdelivery. Address to Oregon Department of Aviation, 3040 25th St. SE, Salem OR 97302, Attn: Heather Peck, Pacific City RFI.
- Electronic: email the document with a Subject line of "Pacific City RFI" to Heather Peck at heather.peck@aviation.state.or.us. Be sure attachments meet the file size limitation.

Deadline:

Please submit so that the RFI is received in the ODA office no later than close of business October 16, 2018.

RFI Process:

The RFI information will be collected and prepared for presentation to the State Aviation Board. A staff memo to the Board will be prepared to evaluate the completeness, feasibility, and additional resources the Board may need.

RFI proposers will be invited to attend the November 15, 2018 board meeting. No presentations are planned but the Board may wish to ask clarifying questions.

The State Aviation Board will receive the RFIs and Staff Memo in their Board Packet, which will be published on the ODA website. An agenda item will be planned for Board discussion and recommendations for next steps.

Background documents

Attachment A: Description of Pacific City State Airport, Oregon Department of Aviation: <https://www.oregon.gov/aviation/Pages/Pacific-City.aspx>

The screenshot shows the Oregon Department of Aviation website. The header includes the Oregon.gov logo and a navigation menu with links to Apps, Aviation, Travel, Education Links, Governors Office, State, Oregon Legislature, The Weather Channel, Imported From IE, BrightTALK: Videos, and Other bookmarks. The main content area is titled "Department of Aviation" and features a sidebar with a "Department" dropdown menu and links to About Us, Contact Us, Oregon Airport System, Employment, Statutes and Rules, Reports, Links, Registration & Licensing, State Aviation Board, Forms, and Home. The main content area displays an aerial photograph of the Pacific City State Airport, labeled "Pacific City State Airport". To the right of the photo is the title "Pacific City (PFC)" and a description: "Pacific City State Airport was built in 1953 by the Board of Aeronautics on land donated by private owners as part of the State's coastal airport system. The airport is located within the community of Pacific City, opposite the Robert W. Straub State Park, along the coast of the Pacific Ocean." Below the description is a note: "NOTE: To avoid damage to vehicles and private property, pre-takeoff engine run-ups are to be conducted on the parking ramp only." At the bottom of the page, the location is listed as 6355 Pacific Avenue, Pacific City, OR 97135, with coordinates 45-11.99N / 123-57.74W. Other details include CTAF: 122.9, Elevation: 5', Lighting: None, Runway: 14/32, Length: 1,875', Width: 30', Surface: Asphalt, and Transportation: None.

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Pacific City State Airport

Pacific City (PFC)

Pacific City State Airport was built in 1953 by the Board of Aeronautics on land donated by private owners as part of the State's coastal airport system. The airport is located within the community of Pacific City, opposite the Robert W. Straub State Park, along the coast of the Pacific Ocean.

The airport provides access to the Pacific Ocean and several State parks where camping is available. The airport is part of the State's coastal airport system, situated in between Tillamook Airport, approximately 25 miles north, and Siletz Bay State Airport, approximately 25 miles south. Pacific City State Airport is designated as a Level 4 airport.

NOTE: To avoid damage to vehicles and private property, pre-takeoff engine run-ups are to be conducted on the parking ramp only.

Location: 6355 Pacific Avenue, Pacific City, OR 97135
Lat/Long: 45-11.99N / 123-57.74W
CTAF: 122.9
Elevation: 5'
Lighting: None
Runway: 14/32
Length: 1,875'
Width: 30'
Surface: Asphalt
Transportation: None

Background Attachments B through E referenced above are included in the document titled: *Pacific City State Airport 2018 RFI Reference Documents*

- Attachment B: Pacific City State Airport Appraisal, March 2017
- Attachment C: Minutes State Aviation Board meeting, October 19, 2017
- Attachment D: Minutes State Aviation Board meeting, January 18, 2018
- Attachment E: Pacific City State Airport FAQ, March 9, 2018

**Pacific City State Airport
Tillamook County, Oregon**

Appraisal Report

Prepared for
Oregon Department of Aviation

Prepared by
**Precision Approach Engineering, Inc.
Will Werner, LLC**

March, 2017

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Appraisal Report Photos

Electronic Appraisal Report on CD

APPRAISAL REPORT

March 9, 2017

Tracy May, P.E.
Precision Approach Engineering
5125 SW Hout St.
Corvallis OR 97333

RE: Pacific City State Airport
Property ID: 12S02W09DA01308
Property Appraisal

Dear Mr. May,
Here is the appraisal I completed of the Pacific City State Airport.

Based on my analysis the market value of the Airport as of January 10, 2017 is estimated to be \$10.00 plus other consideration. The *other consideration* is the requirement that the purchaser maintain the airport for public use.

This conclusion is conditioned on some extraordinary assumptions described in the appraisal. These assumptions are thought to be correct.

This appraisal report summarizes the research used to reach this estimate.

Thank you for the opportunity to provide this appraisal.

Sincerely,

William N. Werner
Certified General Appraiser C000223
Will Werner LLC

Will Werner LLC
26330 SW 45th Drive
Wilsonville, OR 97070
Willwernerllc@frontier.com
503-267-1536

APPRAISAL: INTRODUCTION

Purpose of appraisal

The purpose of this appraisal is to provide a current fair market value of Pacific City Airport (PFC) (*the Airport*) to assist the Oregon Department of Aviation (ODA). ODA will use the appraisal to make decisions regarding an offer to acquire the Airport.

William N. Werner, State Certified Appraiser C000223 (*the appraiser*) has been retained by Precision Approach Engineering (PAE) to conduct this appraisal on behalf of ODA.

Intended User

The intended user is ODA.

Appraisal Assignment-Type of Appraisal

This appraisal is intended to follow the guidelines for a Complete Appraisal in a Summary Appraisal Report, as described in FAA AC150/5100-17 Change 6 (11/7/05). The appraisal is intended to meet current requirements of Uniform Standards of Professional Appraisal Practice (USPAP) following the Scope of Work described below.

Scope of Work

The appraiser took the following steps:

1. Inspected the Airport and met with ODA and the potential purchaser.
2. Reviewed title report.
3. Analyzed vesting deeds and restrictions.
4. Considered potential of creating income or redeveloping the site.
5. Analyzed and concluded *Highest and Best Use* (HBU)
6. Researched sales of publicly-owned airports in Oregon and Washington.
7. Contacted WSDOT-Aviation and ODA personnel.
8. Contacted other appraisers to seek sales data.
9. Reviewed sale of a publicly-owned airport.
10. Considered three standard approaches to appraise.
11. Concluded and reported value.

Property Interest

The *Property Interest* to be appraised is fee interest in the land and in any site improvements, subject to the easements and restrictions of record, and subject to the requirement to maintain the Airport for continued public use.

Definition of Fair Market Value (from FAA AC150/5100 p13)

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Marketing Time

The analysis and conclusion in this appraisal are not based on assumptions of marketing time.

Personal property

There was no personal property located on the Airport. This appraisal does not include valuation of any personal property.

Appraisal Condition

The title will be transferred with the condition that the Airport remains in public use as an airport. The purchaser will be responsible for maintenance. Title will revert to ODA if public use is not maintained.

Subject inspection

The appraiser inspected the Airport on January 10, 2017. ODA State Airports Manager Matt Maas and the potential purchaser Kurt Bruun accompanied the appraiser during the inspection. The contacts are summarized in the Contact Diary, below.

The inspection was restricted to viewing from adjoining viewpoints due to flooding over most of the Airport. The inspection of the runway surface was also restricted due to flooding.

Extraordinary assumptions

An extraordinary assumption is an assumption that is thought to be correct. If the assumption is shown to be incorrect, the appraisal conclusion may need to be modified.

1. ODA has not identified specific maintenance requirements following transfer of title. It is assumed that the purchaser will be required to provide reasonable maintenance comparable to that provided by ODA in recent years.
2. The title policy identifies eleven tracts and two deed restrictions with reversion clauses. It does not identify which restriction applies to which tract(s). It is assumed that the restrictions pertaining to tie-down use apply to those tracts currently developed for tie-down use.
3. It is assumed that all remaining tracts are restricted to airport use.
4. There are no hazardous materials or contamination on site. The appraiser has not viewed an environmental site report.

5. Pavement and improvements not visible on the date of inspection are in good repair and were not damaged by flooding. (Pictures provided to the appraiser show the runway dry and in good repair on Sept. 27, 2016.)

Ordinary Assumptions

Are listed at end of report.

Hypothetical Conditions

A hypothetical condition is a condition that is known to be incorrect, and is used for analysis. There are no hypothetical conditions applied in this appraisal.

PROPERTY DESCRIPTION

General Description of Property

Pacific City Airport is located in Pacific City, Oregon, a coastal community near Bob Straub State Park. See Exhibit 1 (Ex 1). See pics. The Airport lies in a developed area with commercial structures to the east and residential structures to the west. The Airport lies south of Pacific Avenue.

Pacific Avenue provides the only legal and physical access. Access is provided for pedestrians only. There is no public vehicle access to the Airport and no on-site vehicle parking on the Airport. The only vehicle parking is on-street parking on Pacific Avenue. There is no legal or physical access from the east, west, or south.

The single north/south runway (14/32) is paved, 1875 feet long, and 30 feet wide. Runway 14 has a 300-foot displaced threshold due to structures north of Pacific Avenue, leaving 1575 feet to land to the south. Aircraft are restricted to single wheel with maximum weight of 7000 pounds (Ex 2). The Airport is classified as Category V-Remote Access/Emergency Service (Ex 3).

The Airport (PFC) is further designated a *warning airport*, meaning *it does not meet dimensional standards and requires specific pilot knowledge, techniques and procedures*. Specific warnings (Ex 4) include *water on the runway due to high tides*. The degree of flooding on the date of inspection occurs occasionally due to exceptionally high tides and weather events.

The Airport site is a long and irregular parcel. The easterly boundary is straight and parallel to the runway. The westerly boundary is irregular. The site widens midfield and narrows to the northern boundary with Pacific Avenue. The total area is 8.7 acres per County Assessor (Ex 5).

The Airport has minimal facilities and no services. There is an older restroom in fair repair. There is a small paved tie-down area west of the runway north midfield with seven tie-downs. There are two short paved taxiways between the tie-down area and the

runway. There is no taxiway parallel to the runway. Aircraft must taxi on the runway to and from the south end of the runway (Ex 1).

There are numerous residential structures abutting the Airport to the west, and several commercial structures abutting on the east site. The horizontal clearance from nearby structures is minimal, especially east of the runway. A drainage ditch lies parallel to and east of the runway.

Owners of abutting lands may obtain a permit for taxiway access from ODA for a nominal fee. The permit holder must construct and maintain improvements including drainage. There are only a handful of developed taxiways from the west side and none from the east. There are a few privately-owned hangars on the west side.

The state park, beach, and several restaurants are a short walk via Pacific Avenue.

Legal Description

The site is an assemblage of eleven parcels. These are identified as Tract I through Tract XI in *Exhibit A* of the *Owners Title Policy* issued Jan. 10, 1953 by Title and Trust of Portland, Oregon (Ex 7 p2-p4).

Title

Fee title is vested in the *State of Oregon, for the use and benefit of the State Board of Aeronautics* (Ex 7 Title Policy, Ex 8 Vesting Deeds).

Encumbrances/Restrictions

The site is encumbered by reversion clauses:

1. If the State changes or abandons *the intended use of constructing and maintaining a flight strip or airport* the property shall revert to previous owners (Ex 7 p5)
2. If the (parking area) *shall cease to be used as a free parking area for planes* (it) shall revert to abutting owners (Ex 7 p5). The tracts affected by this restriction are not identified in the title policy. It is assumed that the restricted tract(s) are those currently devoted to tie downs and parking.

Title is further encumbered by a Utility Easement granted by Oregon to the Pacific City Sanitary District signed 2-1-78 and recorded 255-234. The easement affects a 25' box on the northwest corner of the Airport (Ex 9). The easement is subordinate to the reversions and would terminate upon reversion.

Zoning

The Airport and contiguous properties are zoned PCW-AP Pacific City/Woods Airpark Zone (Ex 10). *The Purpose is to support and encourage the continued operation and vitality of the Pacific City airport and to designate areas for uses including residential homes, aircraft hangars and aircraft related business, while promoting safety... It is acknowledged that the airport has adverse impacts to the surrounding area...however the community desires that the airport be maintained.* [3.355 (1)]

The existing use as a public airport is a conforming use and a desired use.

Neighborhood/Economy

Pacific City is a popular destination for recreation and second homes along the Oregon Coast. The city provides tourist facilities and retail for this market.

Assessment

The entire airport property is assessed by Tillamook County Assessors (4S1030-00-0060, Account 307304) at \$1,424,730 total for land and improvements (Ex 6). The parcel is nonassessable and exempt. It is unclear how this value was determined. The assessment is not considered indicative of current market value.

Topography

The Airport is level and slightly below grade of adjoining property to east, north and west. The lower grade was readily apparent on the date of inspection. Most of the Airport including the tie-down area had several inches of floodwater. The surrounding properties were slightly above flood level.

Wetlands

No information was obtained regarding wetlands. It is likely that parts of the site lie in wetlands. The existence of wetlands is not considered a factor that affects this appraisal assignment.

Soils

The appraiser did not review data on soil types. The adequate condition of the paved runway despite occasional flooding suggests that the soil can support the existing use.

Hazardous Materials

The appraiser has not reviewed any reports that analyzed the possible presence of hazardous material or contamination on the Airport. The appraiser was unable to view most of the surface for evidence suggesting presence of contamination or hazardous material.

Utilities

There are no known electrical service, water, or sewer serving the Airport.

Sales History

There have been no sales of the Airport since it was developed around 1953.

There are no current leases, and no known prior leases.

Improvements

Improvements include the paved runway, two paved taxiways connecting the runway to the tie down area, and seven tie downs. There is a restroom that could not be viewed during inspection due to flooding. There is one windsock west of the runway near the tie downs, and another at the south end, east of Runway 32 threshold. A drainage ditch (flooded during inspection) lies east of the runway.

A low wood-post-and-cable fence restricts unauthorized vehicles and pedestrians from entering from Pacific Avenue. There is no security fencing. A sign warns unauthorized vehicles and pedestrians not to enter.

Runway 32 and 14 are so marked with painted numerals for identification from the air. There is no runway or taxiway lighting. There is no beacon or other navigation aid.

Maintenance cost

ODA has maintained the Airport since it was developed. ODA provided data showing actual maintenance costs for FY 2012 through FY 2017 (YTD). This period covers 5.5 years from July 2011 (beginning of FY 2012) through December 2016. The reported expenses were:

FY 2012	\$2596
FY 2013	9892
FY 2014	2019
FY 2015	3016
FY 2016	9528
FY 2017 (YTD)	56876

Maintenance expenses varied significantly from year to year. Expenses averaged approximately \$15000 per year. This estimate is considered a reasonable estimate of future yearly expenses.

Highest and Best Use (HBU) general

Highest and Best Use (HBU) is that use that meets four requirements. It is the use that is *legally permissible, physically feasible, financially feasible, and most productive*. In other words, the HBU is the most valuable use that is feasible. The HBU is usually analyzed under two conditions: *as if vacant*, and *as improved*.

HBU as vacant

The analysis of HBU as if vacant is a theoretical question for property that is already developed, such as the Airport. It asks what other potentially more-valuable use could be developed on the site, regardless of current development.

The most significant factor is that the entire airport is deed restricted for airport use. Given the deed restrictions, the only potential development would be an airport, perhaps unpaved. However, it is unlikely that an airport would be built on this site today, due to financial feasibility and permitting and airspace restrictions, even though this use is permitted and even encouraged by zoning. This is not to say that development would be impossible. It means that the limited financial feasibility and the perceived risk of permitting would make development unlikely to attract the capital needed for development.

Without this potential the site would revert to its original owners. Reversion would become the only legally-permissible use. (This process would be complex given lot-line changes in those parcels since the 1950s, but that does not change this conclusion.)

The HBU of the site *as vacant* is reversion to original owners.

HBU as improved

An airport is the only legally-permissible use for this site, whether or not that use is financially feasible. The current use as an airport demonstrates that this use is physically feasible. The current use is the HBU as improved.

HBU conclusion

The HBU is continued use as an airport.

VALUATION

Approaches to Value Overview

Three methods or *approaches to value* are usually used to appraise real property. These are the *sales comparison approach*, the *cost approach* and the *income approach*. A variation of the sales comparison, the *across-the-fence* (ATP) approach is also discussed in this report.

Sales Comparison Approach

The sales comparison approach considers sales of comparable properties to estimate the value of a subject property. It assumes that a knowledgeable buyer would substitute equally desirable property if that property is more favorably priced, and that a seller would not obtain a price greater than the price of equally-desirable property.

The appraiser found no sales, purchases, or transfers of comparable airports during the last ten years in Oregon or Washington. This is not a surprising result. The contemplated transfer of a publicly-owned airport to a private owner is unusual.

There was one sale in Oregon in 2002: Beaver Marsh State Airport. Beaver Marsh State Airport (2S2) is located in Klamath County and has a 4500' unpaved runway. ODA sold this airport to a private owner by bargain and sale deed (Ex 11a). The deed indicates that the consideration was \$10,000 *plus other non-monetary consideration*. The deed requires that the purchaser maintain use as a public airport through 2032 (30 years).

The buyer granted a Trust Deed to ODA for \$55,000 (Ex 11b). The Trust Deed refers to Promissory Note (not found). The appraiser was unable to obtain any other documents or details about this 2002 transfer. It is assumed that the *other consideration* was primarily the obligation to maintain the airport for continued aviation use.

Of note, ODA acquired the airport in 1964 for \$1 with a similar reversion clause *if the airport is no longer maintained as a public airport facility...* (Ex 11a).

Although this sale is 15 years old, it has some relevance for this appraisal problem:

1. The sale does show one precedent for the sale of a publicly-owned airport to a private owner. The sale, and the prior sale in 1964, included a reversion if the grantee fails to maintain public aviation use.
2. The structure of the 2012 agreements, as can be determined from limited information, is similar to that contemplated for the sale of the subject Airport.
3. The 1964 transfer is similar to the 1950s transfers that created Pacific City Airport. ODA transferred the requirement to maintain the airport (the *other consideration*).

ODA's intent to transfer costs while maintaining public use was apparently successful. Beaver Marsh State Airport remains in public use in 2017, according to ODA rosters. It retains this name as a state airport while privately owned.

Washington sales research

The appraiser contacted Paul Wolf, State Airports Manager for WSDOT-Aviation, and Don Miller, WSDOT appraisal review. They reported that no sales of publicly-owned airports have occurred in recent years. No sales could be cited from any time period. The appraiser also contacted Jim Combs, and Timothy Holzhauer, Washington appraisers with experience in airport appraisal. Neither knew of any sales of airports.

Other Sales Comparison Approach: Airparks

While the sale of airports is rare, there are sales of airparks. Airparks are residential or commercial developments that provide taxiway access to a runway or other benefits to property adjoining the runway. Some airparks adjoin public airports while other airparks own the runway.

The value of access to a runway can be found in the market, particularly in some residential communities. The runway is a component that adds value to these adjoining properties. Its value is primarily the value that it adds to these parcels. Without the adjoining parcels, its value is minimal.

The airpark model is relevant to this appraisal assignment. The subject Airport can be seen as the component that may add value to adjoining uses. However, it cannot capture that value as an airpark might. Any enhanced value cedes to other lands gratis.

Other Sales Comparison Approach: Across-the-fence

The *across-the-fence* approach to value (also known as *at the fence*) (ATF) is commonly used to value railroad rights-of-way and other corridors. The ATF approach estimates the value of each parcel adjoining the right-of-way to estimate how much that parcel could benefit from additional land sold from the right-of-way. These values are adjusted and summed to conclude a value of the corridor.

Railroad corridors were formed from many parcels by several types of deeds. Some of these deeds included reversion clauses. If the railroad ceases to operate or is abandoned, title to that parcel reverts to the original ownership, gratis. The ATF method generally

assigns no value to reversion parcels because they are granted gratis, not sold. The sections of the right-of-way without reversion can be sold *across the fence* to the adjoining parcel that would benefit most (and pay the most). All parcels, with and without reversion add value to the corridor as long as that use continues and remains economic.

The ATF method has relevance for this appraisal assignment. All of the 11 parcels that formed the Airport have reversion clauses and would have no value if an ATF method were used. Any value of the Airport exists only with continued use.

Income approach

This approach utilizes the net operating income of income-producing property to estimate its market value.

The Airport produces no cash income. There are no current leases. The appraiser found no evidence of prior leases.

There is no feasible potential to produce income for several reasons:

1. The deed restrictions require that any tie-down use be provided gratis.
2. It is not physically or financially feasible to add services that could generate income.
3. Taxiway access from adjoining properties is free (aside from nominal permit costs).
4. There is no area for solar field development.
5. Public gatherings (picnics, camping, or fundraisers) onsite are not feasible:
 - a. The limited area and facilities do not support non-aviation activities.
 - b. There is no public parking or vehicle access.
 - c. Activities would likely conflict with adjoining residences.

While the Airport cannot generate income, it will incur costs. ODA provided cost data for FY 2012-2017 (YTD) that averaged \$15000 per year. This is considered a reasonable estimate of ongoing liability to maintain the Airport.

The income approach suggests that the Airport has negligible economic value. An income investor would not be motivated to acquire this property.

This conclusion is supported by a 2015 study by Oregon State University Policy Analysis Laboratory (OPAL): Cost Benefit Analysis for Potential Development Options for Hobby Field, Creswell. While Hobby Field generates some revenue from hangar rental and grant funding (p6), the study noted that that airport was “revenue neutral” for 2011 through 2014. The costs of maintenance offset revenue. One alternative considered was finding a private buyer. The study noted that no potential buyers were known and that it would be difficult to attract a private buyer.

https://liberalarts.oregonstate.edu/sites/liberalarts.oregonstate.edu/files/opal/opal_creswell_2016.pdf

Cost approach

The cost approach assumes that a knowledgeable buyer will pay no more for a developed property than the cost of constructing an equally desirable substitute. This approach estimates value by adding the costs of land, permits, design and construction, and adjusting the total for depreciation and other factors.

The cost approach is useful for appraising newer developments that have economic value evident in the market. It is useful in providing an upper limit of value. A limitation of the cost approach is that depreciation must be estimated and deducted. Depreciation estimates are based on market data, and become less reliable for older developments.

The cost approach would not lead to a credible result and is not utilized in this assignment.

Reconciliation and valuation

The appraisal considered traditional approaches to value:

1. No sales of comparable airports during the last 10 years were found. The 2002 sale of the Beaver Marsh Airport is old, and the details of terms cannot be confirmed. Nonetheless, that sale suggests a limited value for a public-use airport with the restriction of continued public use and the associated liability for maintenance.
2. The airpark model suggests that an airfield is a component that adds value to adjoining land but does not have stand-alone value.
3. The ATF approach if applied would suggest zero value.
4. The cost approach is not applicable.
5. The income approach indicates no economic value.

Together, this analysis indicates negligible market value. The structure of the 2002 Beaver Marsh Airport sale suggests the type of value for this transfer: a monetary amount *plus other consideration*. The other consideration in that sale is assumed to be the continued requirement to maintain that airport for public use. This structure applies to the proposed sale of Pacific City Airport.

Conclusion

The concluded value of Pacific City Airport is **\$10.00 plus other consideration**. The other consideration is the requirement to maintain the Airport for continued use.

General Assumptions

This appraisal is based in part on information and data obtained from sources cited in the report. It is assumed that all said data and information is factual and accurate. The appraiser reserves the right to consider any new or additional data or information that may subsequently become available to revise opinions and conclusions, if such data and information indicate the need for change. The appraiser has made no survey of the property. Sketches and maps used in the appraisal reports are assumed to be accurate. It is assumed that there is no soil contamination on the Airport property, nor are there any other hazardous conditions that would impact on the property's market value.

Certification

I certify that, to the best of my knowledge and belief:

1. The facts and data reported by the appraiser and used in the appraisal process are true and correct.
2. The analyses, opinions, and conclusions in this appraisal are limited only by the assumptions and limiting conditions stated in this appraisal report, and are my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and I have no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
7. My analyses, opinions, and conclusions were developed and this appraisal report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
8. I inspected the Airport site on January 10, 2017.
9. No one provided significant professional assistance to the person signing this report.
10. The value of the Airport as of January 10, 2017 is \$10.00 plus other consideration, which includes the obligation to maintain the Airport for continued public use.

William N. Werner
Oregon State Certified General Appraiser C000223
Expires January 31, 2018

Date _____

William N. Werner
Certified General Appraiser

QUALIFICATIONS

Experience

Mr. Werner has 40 years of experience appraising and negotiating purchases of real property for public agencies in Oregon, Washington, and Alaska. He appraised and negotiated right-of-way purchases for Oregon Department of Transportation (ODOT) from 1972 to 1979 and from 1983 to 1990. He became a Certified General Appraiser in 1992. Mr. Werner launched Real Estate Services at David Evans and Associates, Inc. in 1990 and managed this department through 2008. He hired and managed appraisers, reviewed appraisals, and recommended just compensation offers and settlements to public agencies. Mr. Werner formed a sole practice in 2008.

Licenses

State Certified General Appraiser (Oregon)	No. C000223
Principal Broker (Oregon)	No. 900400083
ODOT approved list of appraisers	

Education

Northwestern University, BS, 1971
Portland State University, MS, 1982

Selected Clients

Oregon University System
Oregon Department of Aviation
Roseburg Municipal Airport, Oregon
Jackson County Airport Authority, Oregon
University of Oregon
Oregon Department of Justice
Oregon Department of Transportation
Washington Department of Justice
Washington Department of Transportation
Alaska Department of Transportation
Bonneville Power Administration
Port of Portland
City of Portland
Portland Development Commission
Crook County, Oregon
Union County, Oregon
Marion County, Oregon
Washington County, Oregon
Multnomah County, Oregon

Contact Diary	
DATE	
	Owner: Oregon Department of Aviation Mathew Maass, State Airports Manager Potential Purchaser: Kurt Bruun Submitted by William N. Werner Certified General Appraiser C000223
1/10/17	Met with Matt Maass at Pacific City Airport. Kurt Bruun, who has expressed interest in acquiring the Airport, joined us shortly. We viewed the airstrip together, first from the north (Runway 14) looking south. Almost all of the runway, taxiways, and tie-down areas visible from this viewpoint were submerged in several inches of water. The centerline was visible below the surface. Mr. Bruun, who said he owns a house west of Rueppell Avenue (not abutting the Airport) said the Airport flooded several times each year. He said the recent tide had crested at 9+ feet. We drove to the south end and observed that the entire width of the airport was submerged. The windsock east of runway 34 poked up from the water. The floodwater on the airstrip flowed directly to and from the Big Nestucca River just south of the airport. We viewed a floodgate that was not fully functional. Mr. Bruun said that the floodgate would not prevent a tide of this magnitude from flooding the runway. We drove to the west side on Rueppell Ave and viewed the tie down area from the street across a vacant lot. (There is no legal or physical access from Rueppell Ave or from Brooten County Road on the east.) Most of the tie down area was also flooded. The water lapped close to the home sites that abut the Airport. We viewed the few improvements. I asked Matt questions about access agreements, leases, improvements, and ODA requirements for maintenance by a potential private purchaser. Matt said there were other privately-owned public-use airports in Oregon: Lenhardt and Twin Oaks. I noted that the deed restriction for the parking area requires free parking. I said that I assume this applies to the entire area currently developed to parking and tie down, although the 1953 title policy did not identify to which of the 11 donated tracts this applied. I asked Mr. Bruun what motivated him to offer to purchase. He said he was interested in seeing the airport remain active. He has no hopes to generate income. He noted that the maintenance requirements would cost several thousand dollars per year.

	I asked Matt and Kurt if there were specs for the maintenance requirement. We will look or perhaps write them. I confirmed that the Airport would revert to ODA if the purchase discontinued operations (not to abutting landowners with rights of reversion). Matt agreed to send most recent operating costs. Matt said there was a transfer Beaver Marsh Airport from ODA to a private owner. I said I would request more details. We noted that Port of Portland transferred Mulino Airport to State of Oregon (ODA) but noted that this was public agency to agency and dissimilar from this contemplated transfer to private buyer.
1/13/17	Matt provided operating statement.
2/6/17	Talked with Paul Wolf (WSDOT-Airports) and Don Miller (WSDOT appraisal review). No sales.
2/6/17	Contacted Jim Combs and Timothy Holzhauer, Washington appraisers with experience in airport appraisal. Neither knew of any sales of airports.

EXHIBITS

Department of Aviation

Department

About Us

Contact Us

Oregon Airport System

Employment

Statutes and Rules

Reports

Links

Registration & Licensing

State Aviation Board

Forms

Home



Pacific City State Airport

Location: 6355 Pacific Avenue, Pacific City, OR 97135

Lat/Long: 45-11.99N / 123-57.74W

CTAF: 122.9

Elevation: 5'

Lighting: None

Runway: 14/32

Length: 1,875'

Width: 30'

Surface: Asphalt

Transportation: None

Pacific City (PFC)

Pacific City State Airport was built in 1953 by the Board of Aeronautics on land donated by private owners as part of the State's coastal airport system. The airport is located within the community of Pacific City, opposite the Robert W. Straub State Park, along the coast of the Pacific Ocean.

The airport provides access to the Pacific Ocean and several State parks where camping is available. The airport is part of the State's coastal airport system, situated in between Tillamook Airport, approximately 25 miles north, and Siletz Bay State Airport, approximately 25 miles south. Pacific City State Airport is designated as a Level 4 airport.

Food: [Fat Freddy's](#)

[Pelican Pub & Brewery](#)

[Los Caporales](#)

Rd.	6320 Pacific Ave.	33180 Cape Kiwanda Dr.	35025 Brooten
97135	Pacific City, OR 97135 (503)965-6012	Pacific City, OR 97135 (503)965-7007	Pacific City, OR (503)965-6999
Lodging:	Pacific City Inn	The Inn at Pacific City	Inn at Cape
Kiwanda			
Kiwanda Dr.	35280 Brooten Rd.	35215 Brooten Rd.	33105 Cape
97135	Pacific City, OR 97135 (503)965-6464	Pacific City, OR 97135 (503)965-6366	Pacific City, OR (888)965-7001
	Vacasa Rentals of Pacific City Multiple Locations Pacific City, OR 97135 (503)208-9861		

Remarks: Warning Airport – Recommend contact Dept. of Aviation (503)378-4880 prior to use. Hang-gliding, ocean beaches and Cape Kiwanda State Park. Phone at Texaco station.

Help us improve! Was this page helpful?

Yes

No

OREGON.GOV

State Directories
 Agencies A to Z
 Oregon Administrative Rules
 Oregon Revised Statutes
 Oregon - an Equal Opportunity Employer
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PDF FILE ACCESSIBILITY

Adobe Reader, or equivalent, is required to view PDF files. Click the "Get Adobe Reader" image to get a free download of the reader from Adobe.



State of Oregon Airports

Runway Weight Limits

						Maximum Aircraft Weight		
Airport	FAA Identifier	Runway Designation	Runway Length	Runway Width	Surface	Single Wheel	Double Wheel	Double Tandem
Alkali Lake	R03	18/36	6,100 ft.	150 ft.	Gravel			
Aurora	UAO	17/35	5,004 ft.	100 ft.	Asphalt	30,000 pds.	45,000 pds.	
Bandon	S05	16/34	3,600 ft.	60 ft.	Asphalt	12,000 pds.		
Cape Blanco	5S6	14/32	5,100 ft.	150 ft.	Asphalt	115,000 pds.	185,000 pds.	340,000 pds.
Cascade Locks	CZK	06/24	1,800 ft.	30 ft.	Asphalt	4,000 pds.		
Chiloquin	2S7	17/35	3,735 ft.	60 ft.	Asphalt	10,000 pds.		
Condon	3S9	07/25	3,500 ft.	60 ft.	Concrete	12,000 pds.		
Cottage Grove	61S	15/33	3,200 ft.	60 ft.	Asphalt	15,000 pds.		
Crescent Lake	5S2	13/31	3,900 ft.	30 ft.	Asphalt			
Independence	7S5	16/34	3,000 ft.	60 ft.	Asphalt	12,500 pds.		
Joseph	4S3	15/33	5,200 ft.	60 ft.	Asphalt	12,500 pds.		
Lebanon	S30	16/34	2,877 ft.	50 ft.	Asphalt			
McDermitt	26U	16/34	5,900 ft.	60 ft.	Asphalt	12,500 pds.		
McKenzie Bridge	S06	06/24	2,600 ft.	90 ft.	Turf			
Mulino	4S9	14/32	3,600 ft.	100 ft.	Asphalt	12,500 pds.		
Nehalem Bay	3S7	15/33	2,350 ft.	50 ft.	Asphalt			
Oakridge	5S0	09/27	3,610 ft.	47 ft.	Asphalt			
Owyhee Reservoir	28U	13/31	1,840 ft.	30 ft.	Dirt			
Pacific City	PFC	14/32	1,875 ft.	30 ft.	Asphalt	7,000 pds.		
Pinehurst	24S	04/22	2,800 ft.	30 ft.	Asphalt			
Prospect	64S	02/20	4,000 ft.	50 ft.	Asphalt			
Rome	REO	03/21	6,000 ft.	150 ft.	Asphalt			
Santiam Junction	8S3	06/24	2,800 ft.	150 ft.	Gravel			
Siletz Bay	S45	17/35	3,300 ft.	60 ft.	Asphalt	11,000 pds.		
Toketee	3S6	11/29	5,350 ft.	60 ft.	Dirt			
Toledo	5S4	13/31	1,750 ft.	40 ft.	Asphalt			
Wakonda	R33	16/34	2,000 ft.	50 ft.	Turf			
Wasco	35S	07/25	3,450 ft.	60 ft.	Asphalt	12,500 pds.		

 See Warning Airports

Public Use Airports (97)

Category I - Commercial Service Airports	Category IV - (Continued)
<i>Eastern Oregon Regional @ Pendleton*</i> <i>Eugene - Mahlon Sweet Field*</i> <i>Klamath Falls International*</i> <i>Portland International*</i> <i>Redmond Municipal - Roberts Field*</i> <i>Rogue Valley International - Medford*</i> <i>Salem McNary Field*</i> <i>Southwest Oregon Regional*</i>	<i>Mulino - Portland</i> <i>Prineville</i> <i>Seaside Municipal</i> <i>Siletz Bay State</i> Sisters Eagle Air (private) <i>Sportsman Airpark</i> <i>Sunriver</i> <i>Wasco State</i>
Category II - Urban General Aviation Airports	Category V - Remote Access/Emergency Service Airports
<i>Astoria Regional</i> <i>Aurora State</i> <i>Bend Municipal</i> <i>Corvallis Municipal</i> <i>McMinnville Municipal</i> <i>Newport Municipal</i> <i>Portland - Downtown Heliport</i> <i>Portland - Hillsboro</i> <i>Portland - Troutdale</i> <i>Scappoose Industrial Airpark</i>	Alkali Lake State Arlington Municipal Beaver Marsh (private) Cape Blanco State Cascade Locks State <i>Chiloquin State</i> Country Squire Airpark (private) Crescent Lake State Davis Field (private) Enterprise Municipal George Felt (private) Lake Billy Chinook (private) Lake Woahink SPB (Private) Lakeside Municipal Malin <i>McDermitt State</i> McKenzie Bridge State Memaloose USFS Miller Memorial Airpark Monument Municipal Nehalem Bay State Oakridge State Owhee Reservoir State Pacific City State Paisley Pinehurst state Powers Hayes Field Prospect State Rome State Sandy River (private) Santiam Junction State Silver Lake USFS Skyport (private) Stark's Twin Oaks (private) Toketee State Toledo State <i>Gold Beach Municipal</i> Vernonia Municipal Wakonda Beach State
Category III - Regional General Aviation Airports	
<i>Ashland Municipal - Sumner Parker Field</i> <i>Baker City Municipal</i> <i>Bandon State</i> <i>Burns Municipal</i> <i>Columbia Gorge Regional - The Dalles</i> <i>Grant County Regional - Olgivie Field</i> <i>Grants Pass</i> <i>Hermiston Municipal</i> <i>LaGrande / Union County</i> <i>Lake County</i> <i>Ontario Municipal</i> <i>Roseburg Regional</i> <i>Tillamook</i>	
Category IV - Local General Aviation Airports	
Albany Municipal Boardman Brookings Chehalem Airpark (private) Christmas Valley Condon State - Pauling Field Cottage Grove State - Jim Wright Field Creswell Hobby Field Florence Municipal Gold Beach Municipal Illinois Valley Independence State Joseph State Ken Jernstedt Airfield Lebanon State Lenhardt Airpark (private) Lexington Madras City-County Myrtle Creek Municipal	

* = existing scheduled commercial air service

private = privately owned

Italics = NPIAS airports

Pacific City

Pacific City State Airport is a popular coastal destination. It's only a short walk to the beach (Bob Straub State Park), Cape Kawanda is located about 1 mile north, and several eateries are near the airport. Unfortunately, this airport has more than its share of accidents. The first thing you notice about Pacific City is that it's short. It is only 1875' long, and the north end has a 300' displaced threshold to allow a reasonable approach clearance slope over the road at the end. That leaves just 1575' available landing to the south. Do not hesitate to go around. If you are not firmly on the ground in the first 400' of the runway, go around. The sooner a go around is initiated, the more likely it can be safely completed. Several accidents here have resulted from down wind landing attempts, or touching down past midfield.

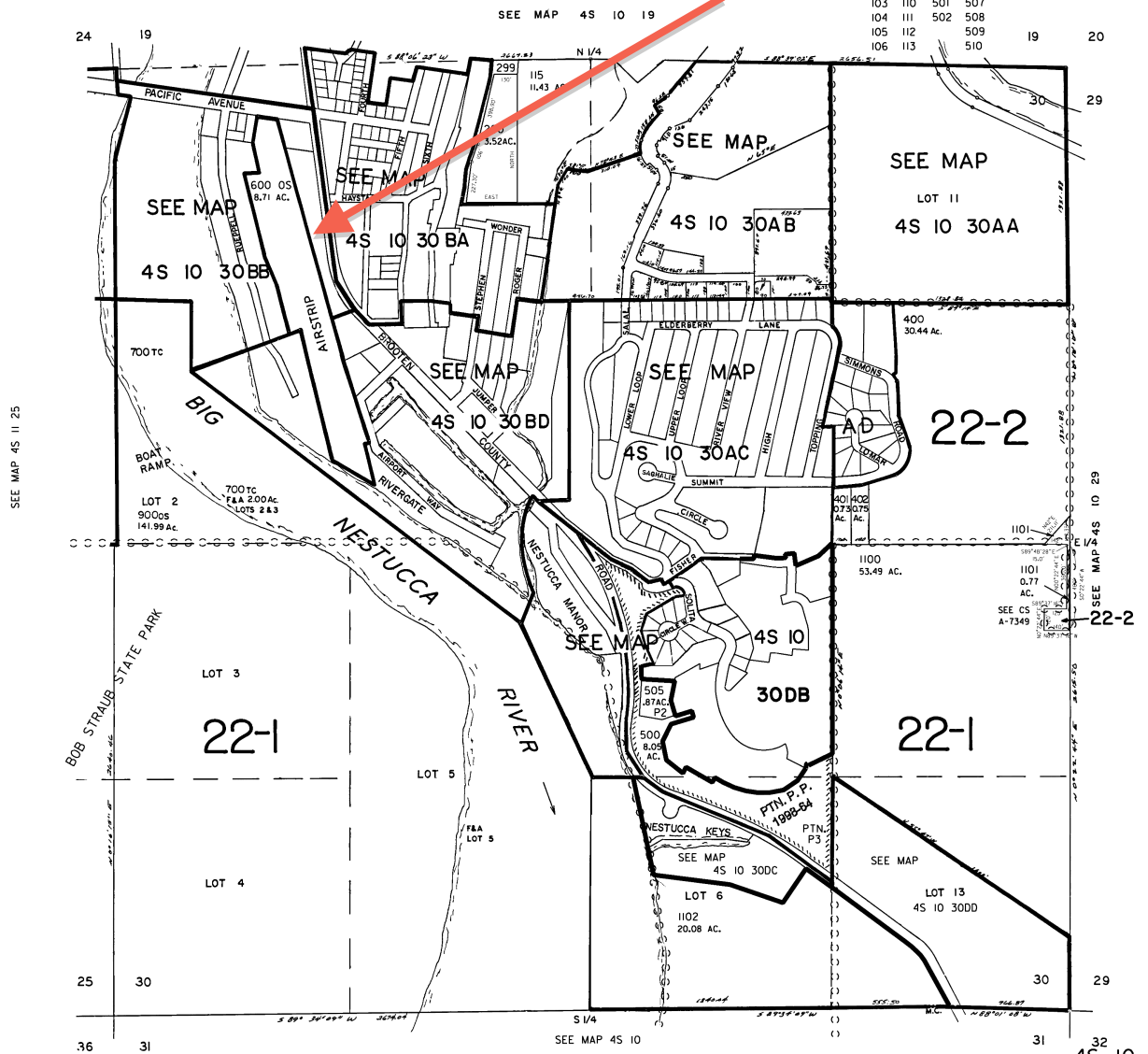
Normally the winds are fairly strong in the afternoons, so that helps compensate for the short runway. The winds are not always directly down the runway, however, and that brings up the other substandard dimension. This runway is narrow. The pavement is only 30' wide, which makes the runway look deceptively long. Also, the obstructions along the sides are fairly close in, and there is a lot of burble and low-level turbulence during crosswind conditions. This may not become apparent until you are near touchdown. So be very aware of the wind. A down wind landing here will probably not be successful. Strong crosswinds can make landings treacherous. On the south end the approach is over the sand dunes and Nestucca Bay, so there are no significant obstructions. The north end is another story. There is a 3' cable fence across the end of the runway. Then there is a city street beyond the cable. A small building sits on the north side of the road, 120' from the runway end. Several aircraft have had close encounters with this building. North of that building are assorted trees and a 40' powerline situated 500' from the end. In a calm wind condition, it is preferable to land to the north.

Another unique feature of Pacific City is that on occasion the airport & runway is underwater. This normally happens only during extreme high tides, or during a winter storm surge when the river is already high. These high tides can leave trash and logs on the runway after they subside. As a result, always be cautious for debris on the runway. There are a limited number of tiedowns on the ramp and they often fill up on a busy weekend. Be very cautious of the unpaved surfaces as they are often very soft. Do not taxi off the pavement without first walking the area to make sure it will support your aircraft. Also look for holes and hidden objects.

1" = 400'

CANCELLED NO.

100	107	114	503	800
101	108	300	504	1000
102	109	403	506	
103	110	501	507	
104	111	502	508	
105	112		509	
106	113		510	



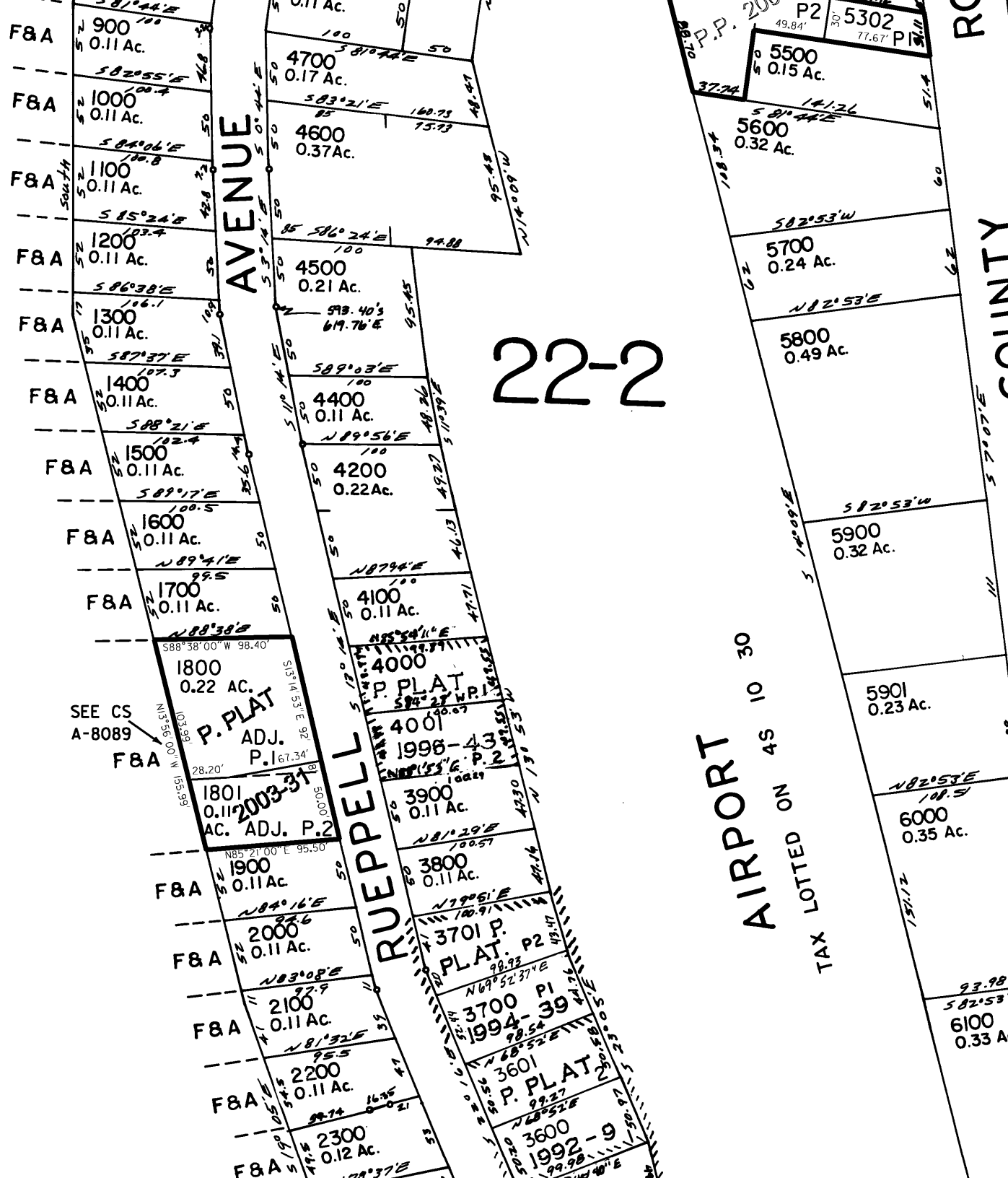
NESTUCCA

AVENUE

22-2

AIRPORT

AIRPORT TAX LOTTED ON 4S 10 30



TILLAMOOK County Assessor's Summary Report

Real Property Assessment Report

FOR ASSESSMENT YEAR 2015

June 8, 2016 3:21:17 pm

Account # 307304
Map # 4S1030-00-00600
Code - Tax # 2201-307304

Tax Status NONASSESSABLE
Acct Status ACTIVE
Subtype NORMAL

Legal Descr See Record

Mailing Name OREGON, STATE OF

Deed Reference # See Record

Agent

Sales Date/Price See Record

In Care Of % (DEPT OF AVIATION)

Appraiser GIL SMITH

Mailing Address 3040 25TH ST SE
 SALEM, OR 97302-1125

Prop Class 961 **MA** **SA** **NH** **Unit**
RMV Class 201 07 01 300 5415-1

Situs Address(s)	Situs City
ID# 6355 PACIFIC AVE	COUNTY

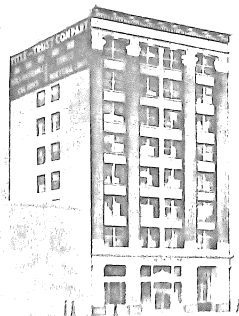
Code Area	AV	Value Summary RMV	MAV	RMV Exception	CPR %
2201 Land		1,204,610		Land	0
Impr.		220,120		Impr.	0
Code Area Total	0	1,424,730	0		0
Grand Total	0	1,424,730	0		0

Code Area	ID#	RFD	Ex	Plan Zone	Value Source	TD%	LS	Size	Land Class	Irr Class	Irr Size
2201	1	R		C-1	Commercial Site	100	A	8.71			
2201					OSD - AVERAGE	100					
Grand Total								8.71			0.00

Code Area	ID#	Yr Built	Stat Class	Description	Improvement Breakdown	TD%	Total Sq. Ft.	Ex% MS Acct #	Trended RMV
2201	1		560	Public - Misc. Buildings		95	0		220,120
Grand Total								0	220,120

Code Area	Type	Exemptions/Special Assessments/Potential Liability
2201		
EXEMPTION:		
■ STATE GOVERNMENT 307.090	Amount	0

Comments: Reappraisal for 2008. This property is exempt and the MAV is set to zero. gbs 11/28/07 11/28/11 Commercial stat class conversion to 560. KF



TITLE AND TRUST COMPANY

TITLE AND TRUST BUILDING
325 S.W. FOURTH AVENUE

PORTLAND 4, OREGON

Owner's Title Insurance Policy

\$ 1500.00

Premium \$

67.50

No. TK 15-533

FOR VALUE, TITLE AND TRUST COMPANY, a corporation (incorporated under the laws of the State of Oregon and duly authorized by the State Insurance Commissioner to insure titles in said state), hereinafter called the Company,

Does Hereby Insure

subject to the annexed conditions, hereby made a part of this policy,

- - - STATE OF OREGON - - -
for the use and benefit of the State Board of Aeronautics

heirs and devisees (or if a corporation, its successors) hereinafter called the Insured, against loss or damage not exceeding

ONE THOUSAND FIVE HUNDRED - - -

DOLLARS,

which the Insured may sustain by reason of any defects in or unmarketability of the Insured's title to all the estate or interest in the premises specified and hereinafter described or by reason of liens or incumbrances charging the same at the date of this policy, saving and excepting, and this policy does not insure against loss or damage by reason of any estate or interest, defect, lien, incumbrance or objection hereinafter set forth in annexed Schedule B.

Any loss under this policy is to be established in the manner provided in said conditions and shall be paid upon compliance by the Insured with and as prescribed in said conditions, and not otherwise.

IN WITNESS WHEREOF TITLE AND TRUST COMPANY has caused these presents to be duly signed by its President or Vice-President, attested by its Secretary or Assistant Secretary and its corporate seal affixed this 10th day of January, 19 53, at 8:00 o'clock A. M.

TITLE AND TRUST COMPANY

By

President

Attest:

Secretary.
Assistant Secretary.

SCHEDULE A

The Estate or interest covered by this policy:

The fee simple estate. - - -

Description of the tract of land the title to which is insured by this policy:

The following described real property situated in Tillamook County, Oregon, to-wit:

TRACT I

Beginning at a point which is South 428.25 feet and East 851.59 feet from the Northwest corner of Section 30, Township 4 South, Range 10 West of Willamette Meridian which point is the Northeast corner of the plat of E. H. Rueppell tract; thence South 7° 07' East 577.0 feet; thence South 9° 37' East 173.0 feet to the true point of beginning of the land to be conveyed; thence South 19° 52' East 300.0 feet; thence South 69° 38' West 30.06 feet; thence North 14° 09' West 301.76 feet; to the true point of beginning.

TRACT II

Beginning at a point which is South 428.25 feet and East 851.59 feet from the Northwest corner of Section 30, Township 4 South, Range 10 West of Willamette Meridian which point is the Northeast corner of the plat of E. H. Rueppell tracts; thence South 7° 07' East 44.0 feet; thence North 83° 21' West 84.48 feet; thence North 14° 09' West 48.47 feet; thence South 81° 44' East 91.26 feet to the point of beginning.

TRACT III

Beginning at a point which is South 428.25 feet and East 851.59 feet from the Northwest corner of Section 30, Township 4 South, Range 10 West, Willamette Meridian which point is the Northeast corner of the plat of E. H. Rueppell tracts; thence South 7° 07' East 44.0 feet to the true point of beginning of the land to be conveyed; thence South 7° 07' East 533.0 feet; thence South 9° 37' East 173.0 feet; thence North 14° 09' West 731.46 feet; thence South 83° 21' East 84.48 feet to the true point of beginning.

TRACT IV

Beginning at a point which is South 428.25 feet and East 851.59 feet from the Northwest corner of Section 30, Township 4 South, Range 10 West of Willamette Meridian which point is the Northeast corner of the plat of E. H. Rueppell tracts; thence South 7° 07' East 126.36 feet to the true point of beginning of the land to be conveyed; thence South 7° 07' East 450.64 feet; thence South 9° 37' East 173.0 feet; thence South 19° 52'

SCHEDULE "A" Continued

East 300.0 feet; thence North 69° 38' East 120.72 feet; thence North 14° 09' West 895.12 feet; thence South 82° 53' West 81.72 feet to the true point of beginning.

TRACT V

Beginning at a point which is South 428.25 feet and East 851.59 feet from the Northwest corner of Section 30, Township 4 South, Range 10 West of Willamette Meridian which point is the North-east corner of the plat of E. H. Rueppell tracts; thence North 81° 44' West 91.26 feet to the true point of beginning of the tract of land to be conveyed; thence North 8° 16' East 150.0 feet to the South line of Pacific Avenue; thence South 81° 44' East along the South line of Pacific Avenue 20.0 feet; thence South 8° 16' West 150.0 feet; thence North 81° 44' West 20.0 feet to the true point of beginning.

TRACT VI

Beginning at a point which is South 428.25 feet and East 851.59 feet from the Northwest corner of Section 30, Township 4 South, Range 10 West, Willamette Meridian, which point is the North-east corner of plat of E. H. Rueppell tracts; thence South 81° 44' East 71.0 feet; thence South 14° 09' East 108.34 feet; thence South 82° 53' West 81.72 feet; thence North 7° 07' West 126.36 feet to the point of beginning.

TRACT VII

Beginning at a point which is South 1453.52 feet and East 1053.93 feet from the Northwest corner of Section 30, Township 4 South of Range 10 West of Willamette Meridian which point is the South-east corner of the plat of E. H. Rueppell tracts; thence North 69° 38' East 120.72 feet; thence South 14° 09' East 257.27 feet; thence South 64° 43' West 152.88 feet; thence North 14° 09' West 270.45 feet; thence North 69° 38' East 30.06 feet to the point of beginning.

TRACT VIII

Beginning at a point which is South 1453.52 feet and East 1053.93 feet from the Northwest corner of Section 30, Township 4 South, Range 10 West of the Willamette Meridian, which point is the Southeast corner of the plat of E. H. Rueppell tracts; thence North 69° 38' East 120.72 feet to a point; thence South 14° 09' East 257.27 feet to the true point of beginning of the land to be conveyed; thence South 64° 43' West 152.88 feet to a point; thence South 14° 09' East 425.0 feet; thence North 75° 51' East 181.00 feet to a point; thence North 18° 03' West 455.57 feet more or less to the true point of beginning.

TRACT IX

Beginning at a point on the Easterly line of Rueppell Avenue, which point is South 543.47 feet and East 616.94 feet of Northwest corner of Section 30, Township 4 South, Range 10 West of

SCHEDULE "A" Continued

the Willamette Meridian; thence South 86° 24' East 100.0 feet to the true point of beginning of the land to be conveyed; thence South 3° 34' East 47.49 feet; thence South 11° 48' East 47.96 feet; thence South 11° 39' East 48.26 feet; thence South 13° 26' East 49.27 feet; thence South 13° 53' East 332.87 feet; thence South 23° 05' East 145.56 feet to the Northerly line of tract of land owned by Faith Rueppell and Maxine Hooper; thence North 68° 52' East along said Faith Rueppell and Maxine Hooper line 68.95 feet to intersect the Westerly line of flight strip; thence North 14° 09' West along said Westerly line 635.0 feet; more or less to a point South 86° 24' East of the point of beginning; thence North 86° 24' West 85.0 feet to the point of beginning.

TRACT X

Beginning at a point which is South 428.25 feet and East 851.59 feet from the Northwest corner of Section 30, Township 4 South of Range 10 West of the Willamette Meridian, which point is the Northeast corner of the plat of E. H. Rueppell tracts; thence South 7° 07' East, 577.0 feet; thence South 9° 37' East, 173.0 feet to the true point of beginning of the land to be conveyed; thence South 14° 09' East, 301.76 feet; thence South 69° 38' West, 73.55 feet; thence North 13° 17' West, 301.32 feet; thence North 68° 52' East 68.95 feet to the true point of beginning.

TRACT XI

Beginning at a point where the South line of Pacific Avenue intersects with the West line of the County Road, Pacific City, Oregon; thence North 81° 44' West along the South line of Pacific Avenue, 280.0 feet to the true point of beginning of the land to be conveyed; thence South 8° 16' West, 150.0 feet; thence South 81° 44' East 142.26 feet; thence North 14° 09' West, 162.26 feet to the South line of Pacific Avenue; thence North 81° 44' West along the South line of Pacific Avenue, 80.38 feet to point of beginning; located in Section 30, Township 4 South, Range 10 West of the Willamette Meridian. - - -

SCHEDULE B

This policy does not insure against:

1. Any state of facts which an accurate survey and inspection would show; roads, ways and easements not established of record; the existence of county roads; water rights and water locations.

2. Rights or claims of persons in possession, or claiming to be in possession, not shown of record; material or labor liens of which no notice is of record.

3. Matters relating to assessments preceding the same becoming fixed and shown as a lien; taxes not yet payable; matters relating to vacating, opening or other changing of streets or highways preceding the final termination of the same.

4. Provisions and effect of any law or ordinance enacted for the purpose of regulating occupancy or use of said land or any building or structure thereon.

5. Reservations contained in Patent.

6. Utility easements, if any.

7. Deeds recorded June 27, 1952 in Book 134 at pages 71, 73, 75, 77 and 79 and 84 contain the following language, to-wit: "As further consideration for this deed, the State of Oregon, by and through its State Board of Aeronautics shall use the above described property for the purpose of constructing and maintaining a flight strip or airport, but in the event the grantee shall cease to use said property for said purpose and permanently abandon the same, or use it for any other purpose, said property shall revert to the grantors, their heirs and assigns."

8. Deed from E. H. Rueppell et ux to State of Oregon recorded June 27, 1952 in Book 134 at page 88 Deed Records contains the following restriction, to-wit: "It is hereby expressly understood and agreed by the said grantors and grantee that in the event the above described property shall cease to be used as a free parking area for planes said property shall revert to the property owners abutting on the West, each of said property owners to acquire that portion of above described tract as would be included, by extending their respective North and South lines to intersect the West boundary of the Flight Strip of record." - - -

CONDITIONS

Upon receipt of notice of any defect, lien or incumbrance hereby insured against, the Insured shall forthwith notify the Company thereof in writing. In case any suit, action or proceeding is commenced to which the Insured is a party and which may result in loss under this policy, the Insured shall immediately after learning thereof notify the Company in writing, and within ten (10) days after service of process upon him secure to the Company the right to defend such suit, action or proceeding in the name of the Insured, so far as necessary to protect the Insured, and shall render all reasonable assistance in such defense. The Company will defend such suit, action or proceeding at its own cost, reserving, however, the option of settling the claim or paying this policy in full at any time. But the Company shall in no case be liable for any costs or expense incurred by the Insured in such litigation without its consent.

In the event of final judicial determination by a Court of competent jurisdiction, under which the Insured is dispossessed or deprived of the real estate covered hereby, or his estate or interest insured is impaired by reason of any adverse interest, lien or incumbrance hereby insured against, or, if this policy covers a mortgagee's interest, if such final judicial determination shall defeat or impair the mortgagor's title to all or any part of the mortgaged premises or establish the priority to the mortgage of a lien or incumbrance not excepted in this policy, claim may be made hereunder, provided, the conditions have been in all ways complied with. Every claim for loss under this policy must be in writing, giving a full statement thereof, and be delivered to the Company at its Home Office within sixty (60) days after such final judicial determination, whereupon the loss hereunder shall be payable to the Insured on or before thirty (30) days.

The Company may at any time pay this policy in full, whereupon all liability of the Company shall terminate. The total liability under this policy, exclusive of costs, shall in no case exceed the face of the policy, and every payment of the Company shall reduce the policy by the amount paid. When the Company shall have paid a loss under this policy it shall be subrogated to all rights and remedies which the Insured may have against any person or property in respect of such claims, or would have if this policy had not been issued, and

the Insured shall forthwith transfer all such rights to the Company accordingly. If the payment made by the Company does not cover the loss of the Insured, then such subrogation of the Company shall be proportionate. Or, the Company may, in case this policy covers a mortgagee's interest only, pay the Insured the entire mortgage indebtedness, with interest at the rate specified in the mortgage and thereupon the Insured shall assign and transfer to the Company the mortgage and the indebtedness thereby secured, with all instruments evidencing or securing the same, or shall convey to the Company any estate lawfully vested in the Insured by virtue of foreclosure of the mortgage, and all liability of the Company shall thereupon terminate.

Where the Insured, in good faith, shall have entered into an enforceable contract, in writing, to sell the Insured estate or interest, and the title shall have been rejected because of some defect or incumbrance not excepted in this policy, and notice in writing of such rejection shall have been given to this Company within ten days thereafter, for thirty days after receiving such notice this Company shall have the option of paying the loss, of which the Insured must present proper proof, or of maintaining or defending either in its own name or at its option in the name of the Insured some proper action or proceeding, begun or to be begun in a court of competent jurisdiction, for the purpose of determining the validity of the objection alleged by the vendee to the title, and only in case of a final determination is made in such action or proceeding, sustaining the objection to the title, shall this Company be liable on this policy.

If this policy covers a mortgagee's interest only, discharge of the mortgage, otherwise than through foreclosure thereof, or by deed in lieu of foreclosure, shall terminate this policy and all liability of the Company hereunder; but if any Insured acquires said land, or any part thereof, by foreclosure or in any other legal manner in satisfaction of said mortgage indebtedness, or any part thereof, then this policy shall continue in force in favor of such Insured and each successor in interest in ownership, subject to all of the conditions and stipulations hereof applicable to an owner of land.

Nothing contained in this policy shall be construed as an insurance against defects or incumbrances created subsequent to the date hereof.

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

A parcel of land being a portion of Sections 19 and 20 in Township 28 South, Range 8 East, Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point South 89° 30' West 476.48 feet from the quarter corner of Sections 19 and 20, Township 28 South, Range 8 East of the Willamette Meridian; thence South 89° 30' West 544.34 feet; thence North 16° 22' East 1,687.37 feet; thence South 73° 38' East 330.00 feet; thence South 16° 22' West 742.60 feet; thence South 73° 38' East 259.00 feet; thence South 16° 22' West 79.00 feet; thence South 73° 38' East 200.18 feet; thence South 16° 22' West 30.00 feet; thence North 73° 38' West 200.18 feet; thence South 16° 22' West 191.00 feet; thence North 73° 38' West 259.00 feet; thence South 16° 22' West 544.77 feet to the point of beginning.

PARCEL 2:

A strip of land three hundred and thirty (330) feet in width situated in the Southeast Quarter (SE1/4) of Section 19 and the East Half (E1/2) Section 30, all in Township 29 South, Range 8 East, Willamette Meridian, Klamath County, Oregon, said strip of land being a part of and lying within the boundaries of an existing airport known as the "Beaver Marsh Airport", more particularly described as follows:

Beginning at the quarter section corner common to Sections 19 and 20 of said Township and Range; thence South 89° 30' West along the North line of the Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4) of said Section 19 of said Township and Range, a distance of 478.48 feet to the True Point of Beginning of this description; thence South 16° 22' West 6,100 feet; thence North 73° 38' West 330 feet; thence North 16° 22' East 6,000 feet; thence North 89° 30' East 344.84 feet, more or less, to the point of beginning.

Form of Statutory Bargain and Sale Deed

After recording, return to:

Oregon Department of Aviation
3040 25th Street SE
Salem, OR 97302

This Space Reserved

State of Oregon, County of Klamath
Recorded 11/25/2002 2:55 P. m.
Vol M02, Pg 68374-78
Linda Smith, County Clerk
Fee \$ 41.00 # of Pgs 5

Until a change is requested, all tax statements
should be delivered to:

E.Denton Talbert
HC 30 Box 124
Chemult Oregon 97731

**STATUTORY BARGAIN AND SALE DEED SUBJECT TO RESTRICTIVE
COVENANTS, RESERVATION OF MINERAL RIGHTS**

Section 1

Conveyance by Bargain and Sale Deed

The State of Oregon, by and through its State Aviation Board, as Successor in interest to the State Board of Aeronautics, on behalf of its Department of Aviation, Grantor, conveys to E. Denton Talbert, an individual, Grantee, the property described in Exhibit A hereto (referred to herein as "the Property") subject to the terms, conditions and reservations set forth below. Unless explicitly stated to the contrary herein, all references to Grantor and Grantee shall include their respective successors and assigns.

Section 2

Reservation of Mineral Estate

Grantor Excepts and reserves to itself, its successors and assigns all "minerals" as defined in ORS 273.775(1), including soil, clay, stone, sand and gravel, and all geothermal resources, as defined in ORS 273.775(2), together with the right to make such use of the surface as may be reasonably necessary for prospecting for, exploring for, mining, extracting, reinjecting, storing, drilling for, and removing, such minerals, materials and geothermal resources. In the event use of the Property by a surface rights owner should be damaged by one or more of the activities described above, then such owner shall be entitled to compensation from the State's lessee to the extent of the diminution in value of the real property, based on the actual use by the surface owner at the time the State's lessee conducts any of the above activities.

68375

Section 4

Restrictive Covenant As to Use

Any use or uses that will or may violate the terms of this Section are prohibited unless the Grantee or subsequent transferee records a written amendment to this Section, signed by the Grantor permitting such alternative use. In the event grantee or any subsequent transferee uses or commences action to use the Property or any portion thereof for purposes not permitted by this Section, Grantor shall be entitled to any remedy available at law or equity, including remedies of specific performance and injunctive relief. The restrictions of this section touch and concern the land and shall run with the land in perpetuity.

Section 5
Consideration

68376

The true and actual consideration for the conveyance is Ten Thousand, Dollars (\$10,000.), cash and other non-monetary consideration.

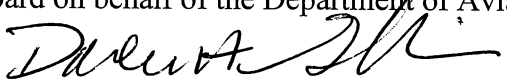
Until a change is requested, all tax statements are to be sent to the following address:

E.Denton Talbert
HC 30 Box 124
Chemult Oregon 97731

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

IN WITNESS WHEREOF, Grantor has executed this instrument this 19th day of November, 2002.

The STATE OF OREGON, by and through the State
Aviation Board on behalf of the Department of Aviation

By: 
as its: State Airports Manager

ACCEPTED BY GRANTEE:

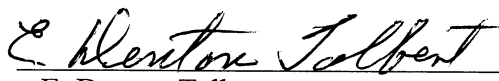
By: 
E. Denton Talbert

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

A parcel of land being a portion of Sections 19 and 20 in Township 28 South, Range 8 East, Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point South 89° 30' West 476.48 feet from the quarter corner of Sections 19 and 20, Township 28 South, Range 8 East of the Willamette Meridian; thence South 89° 30' West 544.34 feet; thence North 16° 22' East 1,687.37 feet; thence South 73° 38' East 330.00 feet; thence South 16° 22' West 742.60 feet; thence South 73° 38' East 259.00 feet; thence South 16° 22' West 79.00 feet; thence South 73° 38' East 200.18 feet; thence South 16° 22' West 30.00 feet; thence North 73° 38' West 200.18 feet; thence South 16° 22' West 191.00 feet; thence North 73° 38' West 259.00 feet; thence South 16° 22' West 544.77 feet to the point of beginning.

PARCEL 2:

A strip of land three hundred and thirty (330) feet in width situated in the Southeast Quarter (SE1/4) of Section 19 and the East Half (E1/2) Section 30, all in Township 29 South, Range 8 East, Willamette Meridian, Klamath County, Oregon, said strip of land being a part of and lying within the boundaries of an existing airport known as the "Beaver Marsh Airport", more particularly described as follows:

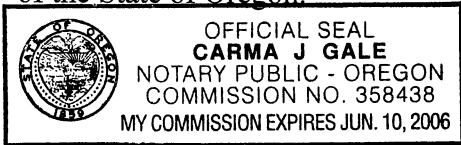
Beginning at the quarter section corner common to Sections 19 and 20 of said Township and Range; thence South 89° 30' West along the North line of the Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4) of said Section 19 of said Township and Range, a distance of 478.48 feet to the True Point of Beginning of this description; thence South 16° 22' West 6,100 feet; thence North 73° 38' West 330 feet; thence North 16° 22' East 6,000 feet; thence North 89° 30' East 344.84 feet, more or less, to the point of beginning.

STATE OF OREGON)

68378

County of Marion) ss.

On this 19th day of November, 2002, before me personally appeared Daren Griffin who being duly sworn stated that he/she is the agent of the Oregon State Aviation Board, and acknowledged the foregoing instrument to be the voluntary act of Dept. of Aviation, and that he/she executed the foregoing instrument on behalf of said state agency, acting on behalf of the State of Oregon.



Carma J. Gale
NOTARY PUBLIC FOR OREGON
My commission Expires: June 10, 2006

STATE OF OREGON)

County of Klamath) ss.

On this 25th day of November, 2002, before me personally appeared E. Denton Talbert who being duly sworn acknowledged the foregoing instrument to be his voluntary act and deed.



Kristil Redd
NOTARY PUBLIC FOR OREGON
My commission Expires: 11/16/2003

QUITCLAIM DEED

91107 Vol. 355 Page 323

KNOW ALL MEN BY THESE PRESENTS , That CROWN ZELLERBACH CORPORATION, a Nevada corporation, and BOISE CASCADE CORPORATION, a Delaware corporation, in consideration of One Dollar (\$1.00), to them paid by the OREGON STATE BOARD OF AERONAUTICS, do hereby remise, release and forever Quitclaim unto the said Oregon State Board of Aeronautics, its successors and assigns, all right, title and interest in and to the following described real property, for use as a public airport facility, situated in the County of Klamath, State of Oregon, described as follows, to-wit:

A strip of land three hundred and thirty (330) feet in width situated in the Southeast Quarter ($SE\frac{1}{4}$) of Section 19 and the East Half ($E\frac{1}{2}$) Section 30, all in Township 28 South, Range 8 East, W.M., Klamath County, Oregon, said strip of land being a part of and lying within the boundaries of an existing airport known as the "Beaver Marsh Airport", more particularly described as follows:

Beginning at the quarter section corner common to Sections 19 and 20 of said Township and Range; thence South $89^{\circ}30'$ West along the North line of the Northeast Quarter of the Southeast Quarter ($NE\frac{1}{4}SE\frac{1}{4}$) of said Section 19 of said Township and Range, a distance of 476.48 feet to the True Point of Beginning of this description; thence South $16^{\circ}22'$ West 0,100 feet; thence North $73^{\circ}38'$ West 330 feet; thence North $16^{\circ}22'$ East 0,000 feet; thence North $89^{\circ}30'$ East 344.84 feet, more or less, to the point of beginning, and containing 45.8 acres, more or less.

TO HAVE AND TO HOLD the same unto the said Oregon State Board of Aeronautics, its successors and assigns forever, provided that the aforementioned land will revert to Crown Zellerbach Corporation and / or Boise Cascade Corporation, their successors and assigns, in the event it is no longer maintained as a public airport facility for a period of six (6) months.

Dated this 18th day of June, 1964.

CROWN ZELLERBACH CORPORATION

By: [Signature] VICE PRESIDENT

Attest: [Signature] ASSISTANT SECRETARY

BOISE CASCADE CORPORATION

By: [Signature] Vice Pres

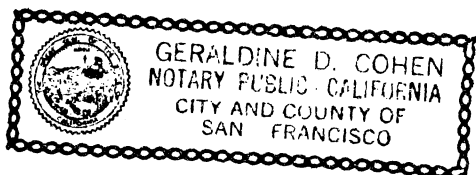
Attest: [Signature] Asst. Secretary

STATE OF CALIFORNIA

City and County of San Francisco } ss

On this 6th day of August, 1964, before me appeared O. D. HALLIN and FRANCIS M. BARNES both to me personally known, who being duly sworn did say that he, the said O. D. HALLIN is the VICE PRESIDENT and he, the said FRANCIS M. BARNES is the ASSISTANT SECRETARY of Crown Zellerbach Corporation, the within named corporation, and that the seal affixed to said instrument is the corporate seal of said corporation and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said O. D. HALLIN and FRANCIS M. BARNES acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this the day and year in this, my certificate, first written.



[Signature]
Notary Public in and for the
City and County of San Francisco,
State of California.

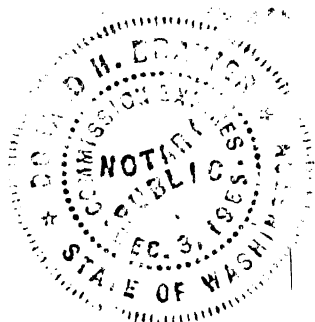
My Commission Expires: [Signature]

STATE OF WASHINGTON

County of Yakima

On this 18th day of June, 1964, before me personally appeared S. B. Moser and R. W. Parrish, to me known to be the Vice President and Assistant Secretary, respectively, of BOISE CASCADE CORPORATION, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Notary Public in and for the State of Washington, Residing at: Yakima

Donald H. Brainerd
My Commission expires: 12.3.65

STATE OF OREGON; COUNTY OF KLAMATH; ss.

KLAMATH COUNTY DEED CO

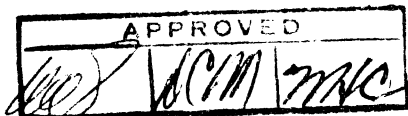
Filed for record at request of

this 14 day of Aug, 1964, and
duly recorded in Vol. 350 of Deeds, p. 323

CHAS. F. DILLON, COUNTY CLERK

By Chas. F. Dillon Deputy

Dec # 322



7727 This Indenture Witnesseth, THAT W. C. ELMS and DORIS S., husband and wife,

hereinafter known as grantors for and in consideration of the sum of
- - - Ten and 00/100 - - - Dollars

to them paid, have bargained and sold, and by these presents do grant, bargain, sell
and convey unto State of Oregon by and through Oregon State Board of Aeronautics,

its successors
heirs and assigns, the following described premises, situated in Klamath County,
Oregon, to-wit:

Beginning at a point South 89°30' West 476.48 feet from the quarter corner of Sections 19 and 20, Township 28 South, Range 8 East of the Willamette Meridian; thence South 89°30' West 344.34 feet; thence North 16°22' East 1687.37 feet; thence South 73°38' East 330.00 feet; thence South 16°22' West 742.60 feet; thence South 73°38' East 259.00 feet; thence South 16°22' West 79.00 feet; thence South 73°38' East 200.18 feet; thence South 16°22' West 30.00 feet; thence North 73°38' West 200.18 feet; thence South 16°22' West 191.00 feet; thence North 73°38' West 259.00 feet; thence South 16°22' West 544.77 feet to the point of beginning.

SUBJECT TO: Taxes for fiscal year 1964-65 which are now a lien but not yet payable; Conditions and recitals, including the terms and provisions thereof, as set out in deed recorded December 10, 1954, in Deed Vol. 271 at page 112, Records of Klamath County, Oregon; conditions and restrictions, including the terms and provisions thereof, as set forth in that certain lease recorded December 4, 1952, in Deed Volume 258 at page 129, Records of Klamath County, Oregon; Rights of the public in and to any portion of the herein described property lying within roads and highways.

TO HAVE AND TO HOLD the said premises with their appurtenances unto the said grantee, its successors
heirs and assigns forever. And the said grantors do hereby covenant to and with the said grantee, its successors
heirs and assigns, that they are the owners in fee simple of said premises; that they are free from all incumbrances, except those above set forth,
and that they will warrant and defend the same from all lawful claims whatsoever, except those above set forth.

IN WITNESS WHEREOF, They have hereunto set their hand s and seal s this
3rd day of July 19 64.

Oregon Title DOCUMENTARY Klamath County



STATE OF OREGON, } ss
County of Klamath }

W. C. Elms (Seal)
Doris Elms (Seal)

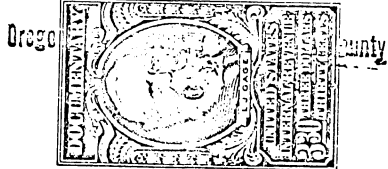
(Seal)

BE IT REMEMBERED, That on this 6 day of July July A. D. 19 64 ,
before me, the undersigned, a Notary Public, in and for said County and State; personally appeared the
within named W. C. Elms and Doris Elms, husband and wife,

who are known to me to be the identical
persons described in and who executed the within instrument, and acknowledged to me that they executed
the same freely and voluntarily.

In TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last
above written.

From Office of
GANONG & GANONG
Attorneys at Law
First Federal Bldg.
6th and Main
Klamath Falls, Oregon



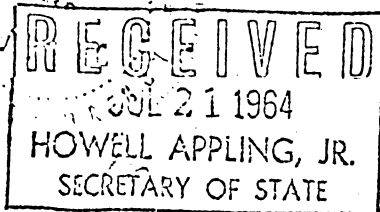
W. C. Brader
Notary Public for Oregon
My Commission Expires

My Commission Expires July 11, 1965

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of

this 6 day of July A.D. 1964 at 12:10 o'clock P.M., and
 duly recorded in Vol. 354, of Deeds on Page 309.
CHAS. F. DELAP, COUNTY CLERK
150



File No. 7727

Aeronautics, State Board of

Elms, W. C., et ux

Deed

Klamath County (Beaver Marsh)



FILED

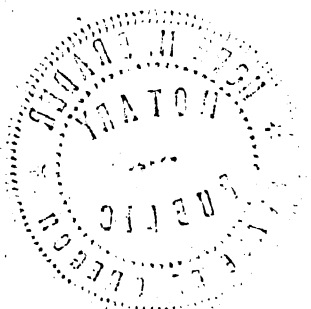
JUL 21 1964

HOWARD A. APPLING, JR.
SECRETARY OF STATE

Return to Oregon Atte

P.O. Box 288

Klamath Falls, Ore



SECTION 3.335 PACIFIC CITY/WOODS AIRPARK (PCW-AP) ZONE

- (1) **PURPOSE:** The purpose of the PCW-AP zone is to support and encourage the continued operation and vitality of the Pacific City airport and to designate areas for uses including residential homes, aircraft hangars and aircraft related businesses, while promoting safety in the airport area. Land that is suitable for the PCW-AP zone is contiguous to the Pacific City Airport. It is acknowledged that the airport has adverse impacts to the surrounding area, i.e. noise and prop-wash, however, the community desires that the airport be maintained.
- (2) **USES PERMITTED OUTRIGHT:** In the PCW-AP zone, the following uses and their accessory uses are permitted outright, subject to all applicable supplementary regulations contained in this ordinance.
 - (a) One or two-family dwelling.
 - (b) Aircraft hangars.
 - (c) Aircraft fueling facilities.
 - (d) Landing strip and taxiways.
 - (e) Commercial or retail establishments only if dependent upon or related to aircraft and related components. Shall meet standards in Section 3.337 (4)(a) or (b).
 - (f) Aircraft navigational aids.
 - (g) Home offices or occupations according to the provisions of Section 4.140 of this ordinance. Home occupation signs shall be unlighted and limited to 2 square feet.
 - (h) Bed and breakfast enterprises.
 - (i) Signs, subject to Section 4.020 except a sign shall not exceed 30 square feet identifying a non-residential use.
 - (j) Public park and recreation uses.
- (3) **USES PERMITTED CONDITIONALLY:** In the PCW-AP Zone, the following uses and their accessory uses are permitted subject to the provisions of Article 6 and the requirements of all applicable supplementary regulations contained in this ordinance.
 - (a) Planned Development subject to Section 3.080, which may include a temporary real estate office.

- (b) Cottage industries.
 - (c) Foster family homes accommodating six or less children or adults.
- (1) **STANDARDS:** Land divisions and development in the PCW-AP zone shall conform to the following standards, unless more restrictive supplemental regulations apply:
- (a) For a single family dwelling, the minimum size for lots shall be 5,000 square feet. A two-family dwelling shall require 2,500 square feet additional area.
 - (b) The minimum lot width shall be 50 feet; on a corner lot, the minimum width shall be 65 feet.
 - (c) The minimum lot depth shall be 75 feet.
 - (d) The minimum front yard shall be 20 feet.
 - (e) The minimum side yard shall be 5 feet; on the street side of a corner lot, it shall be 15 feet.
 - (f) The minimum rear yard shall be 20 feet; on a corner lot it shall be 5 feet.
 - (g) The maximum building height shall be in conformance with the Pacific City Airport Overlay. A survey shall be submitted with a building permit application to determine compliance with Section 3.210 Pacific City Airport Obstruction Overlay Zone (PAO) maximum building height requirements. Maximum building height shall be 35 feet unless the Airport Overlay Zone requires lesser height.
 - (h) All uses shall meet off-street parking requirements as provided in Section 4.030.
 - (j) Creation of new lots or parcels, and construction on existing lots or parcels, shall only be allowed if water availability and sewer service or adequate on-site sanitation are provided, as follows:
 - (1) Confirmation of water service availability from the water district, or evidence of an alternative functioning domestic water supply, shall be provided to the Department prior to approval of residential construction or other development requiring potable water.

- (2) If sewer service is available, as defined in OAR 340-071-160(5)(f), hookup to the sewer system shall be required prior to approval of a building permit for a structure containing plumbing fixtures or otherwise requiring sanitary waste disposal.
- (3) If sewer service is not available, as defined in OAR 340-071-160(5)(f), approval(s) for on-site sanitation disposal shall be required for:
 - (i) each lot or parcel prior to lot or parcel creation through partition or subdivision process; in some cases on-site sanitation may require larger lot sizes than the minimum allowed by the zone;
 - (ii) building permit approval for a structure containing plumbing fixtures or otherwise requiring sanitary waste disposal.

**PRIOR TO PREPARING PLANS FOR DEVELOPMENT WITHIN THIS ZONE
YOU ARE ADVISED TO CHECK THE TILLAMOOK COUNTY LAND USE
ORDINANCE FOR ADDITIONAL REGULATIONS THAT MAY APPLY.**

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

A parcel of land being a portion of Sections 19 and 20 in Township 28 South, Range 8 East, Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point South 89° 30' West 476.48 feet from the quarter corner of Sections 19 and 20, Township 28 South, Range 8 East of the Willamette Meridian; thence South 89° 30' West 544.34 feet; thence North 16° 22' East 1,687.37 feet; thence South 73° 38' East 330.00 feet; thence South 16° 22' West 742.60 feet; thence South 73° 38' East 259.00 feet; thence South 16° 22' West 79.00 feet; thence South 73° 38' East 200.18 feet; thence South 16° 22' West 30.00 feet; thence North 73° 38' West 200.18 feet; thence South 16° 22' West 191.00 feet; thence North 73° 38' West 259.00 feet; thence South 16° 22' West 544.77 feet to the point of beginning.

PARCEL 2:

A strip of land three hundred and thirty (330) feet in width situated in the Southeast Quarter (SE1/4) of Section 19 and the East Half (E1/2) Section 30, all in Township 29 South, Range 8 East, Willamette Meridian, Klamath County, Oregon, said strip of land being a part of and lying within the boundaries of an existing airport known as the "Beaver Marsh Airport", more particularly described as follows:

Beginning at the quarter section corner common to Sections 19 and 20 of said Township and Range; thence South 89° 30' West along the North line of the Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4) of said Section 19 of said Township and Range, a distance of 478.48 feet to the True Point of Beginning of this description; thence South 16° 22' West 6,100 feet; thence North 73° 38' West 330 feet; thence North 16° 22' East 6,000 feet; thence North 89° 30' East 344.84 feet, more or less, to the point of beginning.

Form of Statutory Bargain and Sale Deed

After recording, return to:

Oregon Department of Aviation
3040 25th Street SE
Salem, OR 97302

This Space Rese

State of Oregon, County of Klamath
Recorded 11/25/2002 2:55 P. m.
Vol M02, Pg 68374-78
Linda Smith, County Clerk
Fee \$ 41.00 # of Pgs 5

Until a change is requested, all tax statements
should be delivered to:

E.Denton Talbert
HC 30 Box 124
Chemult Oregon 97731

STATUTORY BARGAIN AND SALE DEED SUBJECT TO RESTRICTIVE COVENANTS, RESERVATION OF MINERAL RIGHTS

Section 1

Conveyance by Bargain and Sale Deed

The State of Oregon, by and through its State Aviation Board, as Successor in interest to the State Board of Aeronautics, on behalf of its Department of Aviation, Grantor, conveys to E. Denton Talbert, an individual, Grantee, the property described in Exhibit A hereto (referred to herein as "the Property") subject to the terms, conditions and reservations set forth below. Unless explicitly stated to the contrary herein, all references to Grantor and Grantee shall include their respective successors and assigns.

Section 2

Reservation of Mineral Estate

Grantor Excepts and reserves to itself, its successors and assigns all "minerals" as defined in ORS 273.775(1), including soil, clay, stone, sand and gravel, and all geothermal resources, as defined in ORS 273.775(2), together with the right to make such use of the surface as may be reasonably necessary for prospecting for, exploring for, mining, extracting, reinjecting, storing, drilling for, and removing, such minerals, materials and geothermal resources. In the event use of the Property by a surface rights owner should be damaged by one or more of the activities described above, then such owner shall be entitled to compensation from the State's lessee to the extent of the diminution in value of the real property, based on the actual use by the surface owner at the time the State's lessee conducts any of the above activities.

68375

Section 4

Restrictive Covenant As to Use

Any use or uses that will or may violate the terms of this Section are prohibited unless the Grantee or subsequent transferee records a written amendment to this Section, signed by the Grantor permitting such alternative use. In the event grantee or any subsequent transferee uses or commences action to use the Property or any portion thereof for purposes not permitted by this Section, Grantor shall be entitled to any remedy available at law or equity, including remedies of specific performance and injunctive relief. The restrictions of this section touch and concern the land and shall run with the land in perpetuity.

Section 5
Consideration

68376

The true and actual consideration for the conveyance is Ten Thousand, Dollars (\$10,000.), cash and other non-monetary consideration.

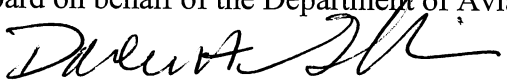
Until a change is requested, all tax statements are to be sent to the following address:

E.Denton Talbert
HC 30 Box 124
Chemult Oregon 97731

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

IN WITNESS WHEREOF, Grantor has executed this instrument this 19th day of November, 2002.

The STATE OF OREGON, by and through the State
Aviation Board on behalf of the Department of Aviation

By: 
as its: State Airports Manager

ACCEPTED BY GRANTEE:

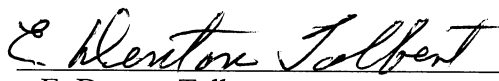
By: 
E. Denton Talbert

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

A parcel of land being a portion of Sections 19 and 20 in Township 28 South, Range 8 East, Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point South 89° 30' West 476.48 feet from the quarter corner of Sections 19 and 20, Township 28 South, Range 8 East of the Willamette Meridian; thence South 89° 30' West 544.34 feet; thence North 16° 22' East 1,687.37 feet; thence South 73° 38' East 330.00 feet; thence South 16° 22' West 742.60 feet; thence South 73° 38' East 259.00 feet; thence South 16° 22' West 79.00 feet; thence South 73° 38' East 200.18 feet; thence South 16° 22' West 30.00 feet; thence North 73° 38' West 200.18 feet; thence South 16° 22' West 191.00 feet; thence North 73° 38' West 259.00 feet; thence South 16° 22' West 544.77 feet to the point of beginning.

PARCEL 2:

A strip of land three hundred and thirty (330) feet in width situated in the Southeast Quarter (SE1/4) of Section 19 and the East Half (E1/2) Section 30, all in Township 29 South, Range 8 East, Willamette Meridian, Klamath County, Oregon, said strip of land being a part of and lying within the boundaries of an existing airport known as the "Beaver Marsh Airport", more particularly described as follows:

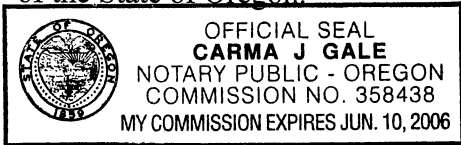
Beginning at the quarter section corner common to Sections 19 and 20 of said Township and Range; thence South 89° 30' West along the North line of the Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4) of said Section 19 of said Township and Range, a distance of 478.48 feet to the True Point of Beginning of this description; thence South 16° 22' West 6,100 feet; thence North 73° 38' West 330 feet; thence North 16° 22' East 6,000 feet; thence North 89° 30' East 344.84 feet, more or less, to the point of beginning.

STATE OF OREGON)

68378

County of Marion) ss.

On this 19th day of November, 2002, before me personally appeared Daren Griffin who being duly sworn stated that he/she is the agent of the Oregon State Aviation Board, and acknowledged the foregoing instrument to be the voluntary act of Dept. of Aviation, and that he/she executed the foregoing instrument on behalf of said state agency, acting on behalf of the State of Oregon.



Carma J. Gale
NOTARY PUBLIC FOR OREGON
My commission Expires: June 10, 2006

STATE OF OREGON)

County of Klamath) ss.

On this 25th day of November, 2002, before me personally appeared E. Denton Talbert who being duly sworn acknowledged the foregoing instrument to be his voluntary act and deed.



Kristil Redd
NOTARY PUBLIC FOR OREGON
My commission Expires: 11/16/2003

QUITCLAIM DEED

91107 Vol. 355 Page 323

KNOW ALL MEN BY THESE PRESENTS , That CROWN ZELLERBACH CORPORATION, a Nevada corporation, and BOISE CASCADE CORPORATION, a Delaware corporation, in consideration of One Dollar (\$1.00), to them paid by the OREGON STATE BOARD OF AERONAUTICS, do hereby remise, release and forever Quitclaim unto the said Oregon State Board of Aeronautics, its successors and assigns, all right, title and interest in and to the following described real property, for use as a public airport facility, situated in the County of Klamath, State of Oregon, described as follows, to-wit:

A strip of land three hundred and thirty (330) feet in width situated in the Southeast Quarter ($SE\frac{1}{4}$) of Section 19 and the East Half ($E\frac{1}{2}$) Section 30, all in Township 28 South, Range 8 East, W.M., Klamath County, Oregon, said strip of land being a part of and lying within the boundaries of an existing airport known as the "Beaver Marsh Airport", more particularly described as follows:

Beginning at the quarter section corner common to Sections 19 and 20 of said Township and Range; thence South $89^{\circ}30'$ West along the North line of the Northeast Quarter of the Southeast Quarter ($NE\frac{1}{4}SE\frac{1}{4}$) of said Section 19 of said Township and Range, a distance of 476.48 feet to the True Point of Beginning of this description; thence South $16^{\circ}22'$ West 0,100 feet; thence North $73^{\circ}38'$ West 330 feet; thence North $16^{\circ}22'$ East 0,000 feet; thence North $89^{\circ}30'$ East 344.84 feet, more or less, to the point of beginning, and containing 45.8 acres, more or less.

TO HAVE AND TO HOLD the same unto the said Oregon State Board of Aeronautics, its successors and assigns forever, provided that the aforementioned land will revert to Crown Zellerbach Corporation and / or Boise Cascade Corporation, their successors and assigns, in the event it is no longer maintained as a public airport facility for a period of six (6) months.

Dated this 18th day of June, 1964.

CROWN ZELLERBACH CORPORATION

By: [Signature] VICE PRESIDENT

Attest: [Signature] ASSISTANT SECRETARY

BOISE CASCADE CORPORATION

By: [Signature] Vice Pres

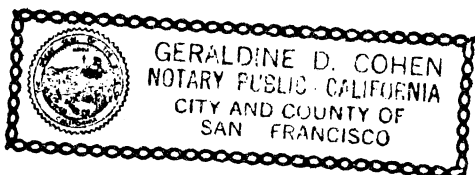
Attest: [Signature] Asst. Secretary

STATE OF CALIFORNIA

City and County of San Francisco } ss

On this 6th day of August, 1964, before me appeared O. D. HALLIN and FRANCIS M. BARNES both to me personally known, who being duly sworn did say that he, the said O. D. HALLIN is the VICE PRESIDENT and he, the said FRANCIS M. BARNES is the ASSISTANT SECRETARY of Crown Zellerbach Corporation, the within named corporation, and that the seal affixed to said instrument is the corporate seal of said corporation and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said O. D. HALLIN and FRANCIS M. BARNES acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this the day and year in this, my certificate, first written.



[Signature]
Notary Public in and for the
City and County of San Francisco,
State of California.

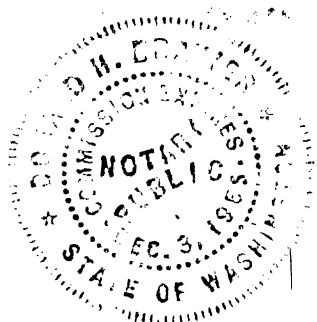
My Commission Expires: [Signature]

STATE OF WASHINGTON

County of Yakima

On this 18th day of June, 1964, before me personally appeared S. B. Moser and R. W. Parrish, to me known to be the Vice President and Assistant Secretary, respectively, of BOISE CASCADE CORPORATION, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Notary Public in and for the State of Washington, Residing at: Yakima

Donald H. Brainerd
My Commission expires: 12.3.65

STATE OF OREGON; COUNTY OF KLAMATH; ss.

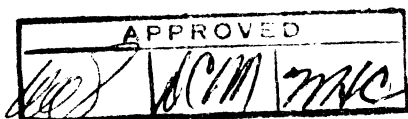
KLAMATH COUNTY DEED CO

Filed for record at request of _____
this 14 day of Aug, 1964, and
duly recorded in Vol. 350 of Deeds, p. 323

CHAS. F. DILLON, COUNTY CLERK

By Chas. F. Dillon Deputy

Fee \$ 3.00



7727 This Indenture Witnesseth, THAT W. C. ELMS and DORIS S., husband and wife,

hereinafter known as grantors for and in consideration of the sum of
- - - Ten and 00/100 - - - Dollars

to them paid, have bargained and sold, and by these presents do grant, bargain, sell
and convey unto State of Oregon by and through Oregon State Board of Aeronautics,

its successors
heirs and assigns, the following described premises, situated in Klamath County,
Oregon, to-wit:

Beginning at a point South 89°30' West 476.48 feet from the quarter corner of Sections 19 and 20, Township 28 South, Range 8 East of the Willamette Meridian; thence South 89°30' West 344.34 feet; thence North 16°22' East 1687.37 feet; thence South 73°38' East 330.00 feet; thence South 16°22' West 742.60 feet; thence South 73°38' East 259.00 feet; thence South 16°22' West 79.00 feet; thence South 73°38' East 200.18 feet; thence South 16°22' West 30.00 feet; thence North 73°38' West 200.18 feet; thence South 16°22' West 191.00 feet; thence North 73°38' West 259.00 feet; thence South 16°22' West 544.77 feet to the point of beginning.

SUBJECT TO: Taxes for fiscal year 1964-65 which are now a lien but not yet payable; Conditions and recitals, including the terms and provisions thereof, as set out in deed recorded December 10, 1954, in Deed Vol. 271 at page 112, Records of Klamath County, Oregon; conditions and restrictions, including the terms and provisions thereof, as set forth in that certain lease recorded December 4, 1952, in Deed Volume 258 at page 129, Records of Klamath County, Oregon; Rights of the public in and to any portion of the herein described property lying within roads and highways.

TO HAVE AND TO HOLD the said premises with their appurtenances unto the said grantee, its successors
heirs and assigns forever. And the said grantors do hereby covenant to and with the said grantee, its successors
heirs and assigns, that they are the owners in fee simple of said premises; that they are free from all incumbrances, except those above set forth,
and that they will warrant and defend the same from all lawful claims whatsoever, except those above set forth.

IN WITNESS WHEREOF, They have hereunto set their hand s and seal s this
3rd day of July 19 64.

Oregon Title DOCUMENTARY Klamath County



STATE OF OREGON, } ss
County of Klamath }

W. C. Elms (Seal)
Doris Elms (Seal)

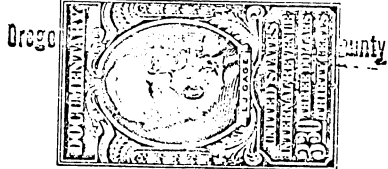
_____ (Seal)

BE IT REMEMBERED, That on this 6 day of July July A. D. 19 64 ,
before me, the undersigned, a Notary Public, in and for said County and State; personally appeared the
within named W. C. Elms and Doris Elms, husband and wife,

who are known to me to be the identical
persons described in and who executed the within instrument, and acknowledged to me that they executed
the same freely and voluntarily.

In TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last
above written.

From Office of
GANONG & GANONG
Attorneys at Law
First Federal Bldg.
6th and Main
Klamath Falls, Oregon



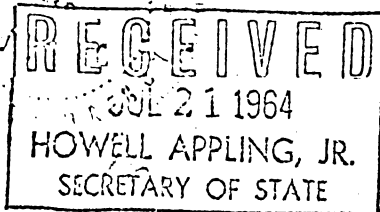
Walter M. Brader
Notary Public for Oregon
My Commission Expires

My Commission Expires July 11, 1965

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of

this 6 day of July A.D. 1964 at 12:10 o'clock P.M., and
 duly recorded in Vol. 354, of Deeds on Page 309.
CHAS. F. DELAP, COUNTY CLERK
150



File No. 7727

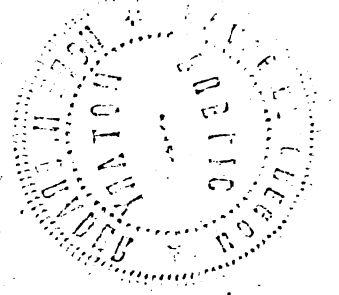


Aeronautics, State Board of

Elms, W. C., et ux

Deed ..

Klamath County (Beaver Marsh)



FILED
JUL 21 1964
HOWARD APPLING, JR.
SECRETARY OF STATE

*Return to Oregon Title
P.O. Box 288
Klamath Falls, Ore*

T R U S T D E E D

MT 57464-KR

Vol M02 Page 68379

=====

E. DENTON TALBERT
HC 30, BOX 124
CHEMULT, OR 97731

Grantor

OREGON DEPARTMENT OF AVIATION
3040 25TH STREET SE
SALEM, OR 97302

Beneficiary

=====

After recording return to: ESCROW NO. MT58944-KR

AMERITITLE
222 S. 6TH STREET
KLAMATH FALLS, OR 97601

State of Oregon, County of Klamath
Recorded 11/25/2002 2:55 P m.
Vol M02, Pg 68379-82
Linda Smith, County Clerk
Fee \$ 36.00 # of Pgs 4

TRUST DEED

THIS TRUST DEED, made on 11/11/02, between
E. DENTON TALBERT, as Grantor,
AMERITITLE, an Oregon Corporation, as Trustee, and
THE STATE OF OREGON, BY AND THROUGH ITS STATE AVIATION BOARD, AS SUCCESSOR IN
INTEREST TO THE STATE BOARD OF AERONAUTICS, ON BEHALF OF ITS DEPARTMENT OF AVIATION,
as Beneficiary,

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with
power of sale, the property in KLAMATH County, Oregon, described as:
SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise
now or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection
with the property.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of
FIFTY FIVE THOUSAND AND NO / 100ths Dollars, with interest thereon
according to the terms of a promissory note of even date herewith, payable to beneficiary or order and made payable by grantor, the
final payment of principal and interest hereof, if not sooner paid, to be due and payable December 31 2005.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note
becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be
sold, conveyed, assigned, or alienated by the grantor without first having obtained the written consent or approval of the beneficiary,
then, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein or
herein, shall become immediately due and payable.

To protect the security of this trust deed, grantor agrees:

1. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of said property.
2. To complete or restore promptly and in good workmanlike manner any building or improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.
3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.
4. To provide and continuously maintain insurance on the buildings now or hereafter erected on said premises against loss or damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than the full insurable value, written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; if grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary may procure same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by the beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
5. To keep said premises free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the note secured hereby, together with obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt secured by this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed.
6. To pay all costs, fees and expenses of this trust deed including the cost of title search as well as the other costs and expenses of the trustee incurred in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred.
7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and in any suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court and in the event of an appeal from any judgement or decrees of the trial court, grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

It is mutually agreed that:

8. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable as compensation for such taking, which are

NOTE: The Trust Deed Act provides that the Trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, trust company, or savings and loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to insure title to real property of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585.

in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any such reasonable costs and expenses and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

9. At any time and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$5.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

11. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described real property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided by law.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell said property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

The grantor covenants and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto and that the grantor will warrant and forever defend the same against all persons whomsoever.

WARNING: Unless grantor provides beneficiary with evidence of insurance coverage as required by the contract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's interest. This insurance may, but need not, also protect grantor's interest. If the collateral becomes damaged, the coverage purchased by beneficiary may not pay any claim made by or against grantor. Grantor may later cancel the coverage by providing evidence that grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance coverage purchased by beneficiary, which cost may be added to grantor's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date grantor's prior coverage lapsed or the date grantor failed to provide proof of coverage. The coverage beneficiary purchases may be considerably more expensive than liability insurance requirements imposed by applicable law.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:

- (a) primarily for grantor's personal, family, or household purposes [NOTICE: Line out the warranty that does not apply]
(b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes.

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors, and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein.

In construing this mortgage, it is understood that the mortgagor or mortgagee may be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written.

E. Denton Talbert
E. DENTON TALBERT

State of Oregon
County of KLAMATH

This instrument was acknowledged before me on November 25, 2002 by E.
DENTON TALBERT.



Kristil J. Redd
(Notary Public for Oregon)

My commission expires 11/16/2003

REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid)

TO: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by the trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of the trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by the trust deed (which are delivered to you herewith together with the trust deed) and to reconvey, without warranty, to the parties designated by the terms of the trust deed the estate now held by you under the same. Mail reconveyance and documents to:

DATED: _____, _____.

Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.

Beneficiary

APPRAISAL REPORT PHOTOS



Facing south from midfield



Midfield facing west. Centerline visible.



Midfield facing northwest.



Runway 14 threshold. Facing south.



Facing southwest from Pacific Ave. Utility easement fence to right. Tie down area in distance.



Facing east from Rueppell Ave. Restroom north of tie down area (submerged). Private land in foreground.



Facing southeast from Rueppell Ave. North windsock.



Facing east from Rueppell Ave. Flooded runway in distance.



Facing east from Rueppell Ave, midfield. Private land in foreground.



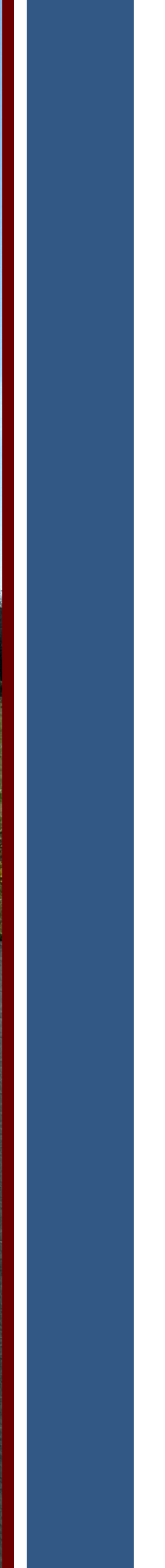
Facing east from Rueppell Ave. Some flooding on private land in foreground.



Facing north. Runway 32 submerged. South windsock to right.



Facing west from south end of runway. Water draining to Big Nestucca River.



Oregon State Aviation Board

Meeting Minutes

October 19, 2017

Pendleton, OR

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 Aviation Board, a meeting of the Oregon State Aviation Board was held on October 19th at Pendleton Airport.

Board Members Present: Martha Meeker, Chair, Keith Washington, Mary Rosenblum, Doug Ferguson and Vince Granato.

ODA Members Present: Director, Mitch Swecker; State Airports Manager, Matthew Maass; Planning Manager, Heather Peck; Fiscal Manager, Kristen Forest; Administrative Specialist, David Astorga; Fiscal Analyst, Nohemi Ramos

CALL TO ORDER – INTRODUCTIONS

The meeting started at 12:00 pm. State Aviation Board, ODA Staff and public introductions were made.

Item 2 – Approval of Consent Agenda

***ACTION ITEM – Approval of Minutes from September 21, 2017 meeting
Next Board Meeting to be held in January of 2018, location tbd
Director's Calendar***

Motion to approve by: Vince Granato

Motion 2nd by: Mary Rosenblum

Motion passed unanimously

Item 3 - Public Comments

Jake Jacobs, ORAVI discussed ORAVI meeting schedule with aviation board.
Some Discussion Followed.

Robb Corbett, City of Pendleton, City Manager thanked the ODA for their time in Pendleton and discussed his first time contacting the ODA reflecting the help provided to him.

Informative and Review Items

Item 4 – MWVESB Brief

Heather Peck: Ms. Peck, ODA, Planning Manager discussed the MWVESB and disadvantaged business enterprise (DBE) plan with the aviation board. An updated DBE plan was presented to the board outlining the requirement of holding public meetings that provides an opportunity for all potential contractors to attend. Ms. Peck explained that this may be a challenge as Oregon state airports are scattered throughout the state. The use of teleconferencing systems may be used to allow an opportunity for all to attend. Ms. Peck provided a structural breakdown of the federally mandated DBE Plan.

Some discussion followed.

Item 5 – COAR Update

Nohemi Ramos: Ms. Ramos, ODA Staff discussed the ASAP program and provided an update of the first COAR cycle to the aviation Board. Ms. Ramos mentioned that due to other airports dropping out, additional projects were able to be funded at airports including Sun River, Twin Oaks and Enterprise. Director Swecker and the Board plan to amend the COAR application to include language regarding outstanding debt obligations. Ms. Ramos also reported the current status of the second (2017-2018) COAR cycle to the Board.

Some discussion followed

Item 6 – Executive Session

Per ORS 192.660(2)(e) To Deliberate Real Property Transactions and 192.660(2)(f) To Consider Written Advice from Attorney

Item 7 – Vote – Airport Real Estate Transaction

Matthew Maass: Mr. Maass, ODA, State Airports Manager presented recommendations from the Oregon Department of Justice for the Pacific City Transfer. The current deed for Pacific City State Airport contains a reversionary clause stating that if the airport were to cease operations as a public use airport it would then revert back to the original owners. However a superseding clause will state that if Pacific City were ever to stop operating as a public use airport it would then be transferred back to the ODA so that it may continue to operate as an airport.

ACTION ITEM – Airport Real Estate Transaction – Pacific City State Airport Transfer

Motion to approve by: Vince Granato

Motion 2nd by: Doug Ferguson

Motion passed unanimously

Item 9 – Vote – Limitation Increase for McDermitt State Airport

(For scheduling purposes this item was moved up)

Mitch Swecker: Director Swecker briefed the Board on the request for additional funds for a Limitation increase for the McDermitt Other Fund and Federal Fund Capital Construction Appropriations and discussed the factors contributing to the limitation increase. Director Swecker requested that the Board vote on the limitation increase for McDermitt State Airport for \$579,319.

Board Member Vince Granato requested that the financial resources piece of the draft mission statement be made to emphasize the concept of effectively managing financial resources versus just providing them to the agency to allocate towards aviation projects.

Some discussion followed

ACTION ITEM – Limitation Increase for McDermitt State Airport

Motion to approve by: Doug Ferguson

Motion 2nd by: Keith Washington

Motion passed unanimously

Item 10 – Director’s Update

Mitch Swecker: Director Swecker provided an update to the aviation board of the Corragio Group meetings. The ODA Director also presented the Governor’s State of Oregon Proclamation making October 2017 Aviation Appreciation Month. In addition to this information, an update of ODA happenings was provided.

Some discussion followed

Item 11 – Planning Division Update

(For scheduling reasons this item was not presented)

Item 12 – Operations Division Update

(For scheduling purposes this item was moved up)

Matthew Maass: Mr. Maass, ODA, State Airports Manager provided an update of the operations division. Mr. Maass discussed his recent trip with Board Member Doug Ferguson to Owyhee Reservoir State Airport and provided an update of the airport's runway condition to the aviation board.

Item 13 - Administrative Division Update

Kristen Forest: Ms. Forest, ODA, Financial Manager provided an explanation of the ODA's key performance measures. Ms. Forest reviewed each KPM with the aviation board. Discussion followed regarding changing some KPM's to reflect the current state of the agency. Next Ms. Forest reviewed customer satisfaction and board best practice survey responses with the Board.

Some discussion followed suggesting that questions contained within the surveys and key performance measures should be changed during the next board meeting.

Chair, Martha Meeker adjourned meeting at 3:00 pm.

Oregon State Aviation Board

Meeting Minutes

January 18, 2018

Portland, 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 January 18, 2018, at the Portland International Airport (PDX).

Board Members Present: Doug Ferguson, Martha Meeker, Brian Whiteside, Mary Rosenblum, Vince Granato

ODA Members Present: Director, Mitch Swecker; State Airports Manager, Matthew Maass; Planning Manager, Heather Peck; Fiscal Manager, Kristen Forest; Administrative Specialist, Mary Bornstedt; Administrative Specialist, David Astorga; Program Coordinator, Matt Lawyer; Aviation Planner, Jeff Cairnes; Planning & Program Administrative Coordinator, Cathy Clark

Guest Presenters: Michael Kosmala, Mike Maynard, Sarah Reich

CALL TO ORDER – INTRODUCTIONS

The meeting started at 11:01 am

Self introductions were made.

Item 2 – Approval of Consent Agenda

ACTION ITEM – Approval of Consent Agenda.

Motion to approve by: Brian Whiteside

Motion 2nd by: Mary Rosenblum

Motion Passed unanimously

Item 3 - Public Comments:

John Dunlap: Mr. Dunlap expressed his concerns about our timing in the windsock repairs at Pacific City and his disapproval of ODA sale of Pacific City State Airport to a private party to be used as a public airport. Mr. Dunlap made accusations that McDermitt, Alkali, Rome and Chiloquin State Airports will close. Matt Maass informed him that his assumptions were incorrect and that there was no closure of any airport planned.

Jake Jacobs: Provided a brief summary of events on behalf of ORAVI. Mr. Jacobs also provided an update for AUVSI Cascades, identifying organizational changes and updates.

Neal White: Provided public comment regarding Pacific City. Mr. White provided insight regarding the airport and spoke of economical ways to help reduce liability.

Informative and Review Items

Item 4 – Pacific City Discussion

Matthew Maass: Mr. Maass, ODA, State Airports Manager provided a summary of meetings held in Pacific City regarding the public use airport. The meetings were not specific to the ODA. Meetings were well attended where public concerns were heard. Mr. Maass explained that the transfer of the airport is an ongoing issue, and that no action had been taken at this point. Director Swecker stated that he is seeking more public involvement with the Pacific City decision. Director, Mitch Swecker requested that Mr. Maass clarify the public comments made by Mr. Dunlap regarding the Pacific City windsock repairs and the airport closure accusations. Mr. Maass corrected any misinformation that had been released regarding Pacific City, McDermitt, Alkali, Rome and Chiloquin State Airports.

Clarification was provided where ODA will not close any of its airports.

Chair, Martha Meeker asked that Mr. Kurt Bruun explain his plan for Pacific City State Airport. Mr. Bruun explained that he currently owns an airport in Central Oregon. He frequently uses the Pacific City State Airport to visit his beach home and that he owns his own construction company. Mr. Bruun explained that his construction company built his airport in central Oregon and maintains that airport. He stated that a benefit to owning his own construction company is that he plans to use his employees as maintenance, whereas ODA only has one fulltime maintenance man to tend to 28 airports. Mr. Bruun expressed that his interest is in always having the Pacific City runway in good condition and open for use to the public. He has no intention of putting any restrictions on the airport. Mr. Bruun further explained how he intends to better the Pacific City Airport. Chair, Meeker requested that toward the end of the discussion a written plan be introduced to the board outlining how to make the Pacific City airport better regardless of who owns it. Mr. Maass presented a map of Pacific City showcasing airport maintenance projects that may be completed. Some discussion followed between ODA and the Aviation Board.

Board Member Vince Granato suggested that a timeline be placed on the Pacific City State Airport Transfer. Director Swecker proposed that the suggested timeline be set to the end of June 2018. Chair Meeker agreed to the proposed timeline of June 2018. Chair Meeker suggested that in the interim ODA hold more than one public meeting.

Item 5 - Director's Update

Mitch Swecker, ODA Director: Director Swecker briefed the board on the Aurora State Airport Constrained Operations, Cascade Locks State Airport, potential new Board Member, and UAS Integration Pilot Program (IPP).

Director Swecker briefed the board on the dissolution of SOAR Oregon and the three (3) FAA approved UAS Test Ranges in Oregon: Tillamook, Warm Springs, and Pendleton. SOAR acquired a \$3 million grant to fund range managers and associated staff of which approximately \$950,000 is left. Business Oregon approached ODA to take over the financial administration of those ranges. SOAR Oregon is set to dissolve by January 31, 2018. On January 25th ODA management staff will meet with Business Oregon to discuss metrics.

Director Swecker provided a summary of the UAS Integration Pilot Program to the board. At the request of Senator, Betsy Johnson and Business Oregon, ODA has applied to be the lead for the State of Oregon for the presidential executive order. Director Swecker explained that the decision by the FAA will be made between March and May 2018 and expressed his optimism for approval. In addition ODA submitted for a High Impact Opportunity Project Grant from Business Oregon.

Board Member Vince Granato asked for clarification about who will be handling the financial rules, metrics and oversight of SOAR. Some discussion followed between ODA and the Aviation Board.

Item 6 – Finance/Admin Division Updates

Sarah Reich, EcoNW: Provided an overview of the study conducted of rural air service. Some discussion followed between the ODA, EcoNW, and the Aviation Board.

Item 7 – Vote – Receive Funds, UAS Test Range Funding

(For scheduling purposes this item was moved up)

Director, Mitch Swecker: Director Swecker briefed the board in agenda item 5 regarding the dissolution of SOAR Oregon. Business Oregon approached ODA to take over the financial administration of SOAR. On January 25th ODA management staff will meet with Business Oregon to discuss metrics. The board was asked to approve the acceptance of unexpected SOAR funds and the financial administration over the three (3) FAA approved UAS Test Ranges in Oregon: Tillamook, Warm Springs, and Pendleton.

ACTION ITEM – Approval to Receive Funds, UAS Test Range Funding

Motion to approve by: Vince Granato

Motion 2nd by: Brian Whiteside

Motion Passed unanimously

Item 8 – Vote - \$1M High Impact Opportunity Project Grant

(For scheduling purposes this item was moved up)

Director Mitch Swecker: Director Swecker explained in agenda item 5 that ODA submitted for a High Impact Opportunity Project Grant from Business Oregon with the intent allocating these funds towards UAS test range and IPP activities. The board was asked to approve the acceptance of the \$1 million High Impact Opportunity Project Grant, if awarded.

ACTION ITEM – Approval of \$1M High Impact Opportunity Project Grant

Motion to approve by: Mary Rosenblum

Motion 2nd by: Doug Ferguson

Motion Passed unanimously

Item 9 – Finance/Admin Division Updates

(For scheduling reasons this item was not presented)

Item 10 – Break

Martha Meeker released meeting at 1:24 pm for break.

The meeting continued at 1:30 pm.

Item 11 – Vote – ODA One Page Strategic Plan - Coraggio

Michael Kosmala, Coraggio: A summary of previous strategic meetings and findings were provided to the Board.

ACTION ITEM – Approval of ODA One Page Strategic Plan

Motion to approve by: Mary Rosenblum

Motion 2nd by: Brian Whiteside

Motion Passed unanimously

Item 12 – Planning Division Update

Matt Lawyer, Planning: Provided an update of COAR. Critical Oregon Airport Relief Program (COAR) grants are funded with the Fuel Tax increase established by HB 2075 in the 2015 Legislative session with the purpose of assisting sponsors with their FAA AIP grant match, emergency preparedness and economic development. Mr. Lawyer provided an overview of the 2017 – 2018 COAR grant cycle. Mr. Lawyer discussed the financial standing of the grants from ODA. Some discussion followed between ODA and the Aviation Board.

Item 13 – Oregon Aviation Plan Update – Jviation

(For scheduling purposes this item was moved up)

Mike Maynard, JVIATION: Mr. Jeff Caines, ODA, opened item 13 with requests for the Board to review the Oregon Aviation Plan (OAP) chapters two and four and refer any questions through Heather and Mitch where questions will be fielded to the correct staff from there. Mr. Caines provided a brief background of the OAP and how the OAP will be used. Mr. Maynard provided an overview of the OAP to the board and identified key characteristics, team members and initial results of the plan. Some discussion followed between ODA and the Aviation Board.

Item 14 – Executive Session

Per ORS 192.660(2)(e) To deliberate Real Property Transactions-Discuss Bandon State Airport Property Acquisition

Item 15 – Approval of 2018 – 2019 SOAR Projects

Matthew Maass: Mr. Maass, ODA, State Airports Manager provided a summary of the 2018 – 2019 SOAR projects to the Aviation Board for their approval.

Some discussion followed

ACTION ITEM – Approval of 2018 – 2019 SOAR Projects

Motion to approve by: Doug Ferguson

Motion 2nd by: Brian Whiteside

Motion Passed unanimously

Chair, Martha Meeker adjourned meeting at 3:00 pm.



Is ODA closing the Pacific City State Airport?

No, ODA is not closing the Pacific City State Airport. Pacific City State Airport has deed restrictions on the airport that prevent it from being used as anything other than an airport.

Is the Pacific City State Airport going to stay public use if it is transferred?

Yes, the Pacific City State Airport would stay a public use airport. ODA intends to place language in the deed transfer that would state that the airport must remain a public use airport in perpetuity.

Why does liability keep coming up in the discussion?

Pacific City State Airport is a non-standard airport with narrow runways and is encroached upon by the homes and businesses surrounding it. Pacific City State Airport is a safe airport; however, it requires that a pilot be highly skilled to use it safely. Private owners may more readily mitigate liability and better establish liability protection.

How does staffing affect ODA’s decision on how they operate airports?

ODA owns and maintains 28 airports with five employees in the Airport Division and limited volunteers. Because of the strict budget and low staffing, ODA has to be very strategic about airport visits to maximize their time at each of the state airports. As an example, when planning a trip to Pacific City, ODA will also visit Siletz Bay State Airport and Nehalem Bay State Airport during the same trip. ODA uses this strategy for planning work at all airports.

Has ODA already decided on new ownership?

No, ODA has not already decided on new ownership. As a state agency, ODA must follow the Oregon surplus process, which is a lengthy process that exists to ensure transparency, fair and equitable redistribution of surplus property. This will likely include a Request for Application (RFP) process to ensure that the potential new owner has the knowledge and resources to maintain Pacific City State Airport as a public use airport.

What stage of the potential transfer is ODA?



For more information regarding the Pacific City State Airport, please contact Matt Maass, State Airports Manager and Deputy Director for the Oregon Department of Aviation at (503)378-2523.