



OREGON DEPARTMENT OF AVIATION ANNUAL REPORT

JULY 1, 2011 THROUGH JUNE 30, 2012



New Runway at Chiloquin State Airport. Project was completed in November of 2012 along with obstruction removal and new lighting. Project was completed under budget and ahead of schedule.

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FROM THE DIRECTOR

Mitch Swecker

The fiscal year that ended on June 30, 2012 was a year of stability for the Department of Aviation. (ODA). The Agency completed the transfer of Central Services support from Dept of Administrative Services (DAS) to Department of Transportation (ODOT). In the staffing arena, ODA recruited Matthew Maass from Kern County California Airport System in November of 2011 as the new Airports Manager, completing the management staff for the agency and bringing the department up to 100% staffing. Paul Hudgens, former Navy helicopter Pilot and veteran Financial Management consultant replaced Steve Beckham on the Aviation Board.

The Department participated, along with all other state agencies in the Governor's 10 year vision for the state in preparation for the 2013-2015 biennium. ODA was slotted into two of the five (Education, Jobs and Innovation, Healthy People, Safety, and Healthy Environment) outcome based strategic priorities for the state. ODA was put into the Jobs and Innovation Outcome area for the majority of the agency and into Safety for providing revenue to Oregon Emergency Management's aviation search and rescue program. Clearly understanding the Governor's goals provided incentive for the Aviation Board to work effectively with other state agencies. For example, the Board and ODA coordinated with Business Oregon for economic development opportunities including jumpstarting the Aviation Industry Cluster with a Summit in June of 2012 at the Evergreen Aviation Museum. Over 100 Aviation businesses attended. ODA worked with the State Forester to develop firefighting agreements for state airports that enabled those airports to provide 6 different state owned airports during fire season. The Agency also worked on Tsunami and disaster preparedness with Oregon Emergency Management and as part of the Resilient Oregon evaluation of state airport infrastructure ability to survive and recover from natural disasters. ODA also worked with the Governor's Regional Solutions Teams on Unmanned Aerial Systems economic development opportunities and in Eastern Oregon providing expertise on tall structures aeronautical analysis around the Boardman range area.

ODA completed several FAA funded projects during the year at a number of different airports. ODA finished a runway renovation at Joseph State Airport and obstruction removal at Bandon and Siletz Bay. ODA also improved the Blast pads at runway ends at Bandon and completed an FAA approved update to the Aurora Master Plan. Additionally, ODA made progress in planning for the Aurora Air Traffic Control Tower. During the year, ODA management and consultants from Mead and Hunt visited Air Traffic Control towers in Salem, Medford, Eugene and North Bend to develop lessons learned and best design practices for Aurora's Tower. Aurora's tower design and construction will be completed in 2013.

Again in 2012, fuel tax revenue continues to be flat. ODA continued to prioritize Operations funding to stay within budget. At the end of June, 2012, the agency had a cash balance reserve of just under \$1 million it's expenditures to stay within budget. Staff level remained at 11.5 FTE, although hired a Limited Duration FTE to continue participation in the FAA's Statewide Capital Improvement Program (SCIP), a three state initiative that includes Washington, Idaho and Oregon. Under the SCIP, the Department of Aviation works as the liaison between the FAA and all of the state's 55 federally funded airports. ODA's Limited Duration employee helped Oregon's airports to keep over \$500,000 in the state for airport infrastructure development that would otherwise have gone back to the FAA. This program has great promise for the economic development of Oregon's airports.

Oregon aviation continues to play a significant role in transportation, economic development and job creation in Oregon.

Mitch Swecker
Director

OREGON AVIATION BOARD

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

	<p>Board Chair Mark Gardiner of Portland contributes 30 years of experience as an entrepreneur, financial and business advisor, public official and manager in a broad range of industries, including aviation. He is currently serving on the board of Quiet Flight LLC, which is commercializing a new FAA-certified noise cancellation system for aircraft, as well as serving on the board of AvroTec, Inc., a company involved with developing new aviation cockpit technologies.</p> <p>Additionally, Mark has been a pilot and aircraft owner for over 30 years. He looks forward to working on improving Oregon's aviation facilities and expanding Oregon's aerospace industry and employment. Board member since ?? Term expires 6/30/2012</p>
	<p>Vice Chair Chris Corich has over 22 years of aviation experience. He is currently employed by the Port of Portland as their General Manager of Long Range Airport Planning. In that role, he leads the planning efforts for the Port's four airports including PDX and has responsibility for the Noise Office that handles noise issues for Port airports. At the Port, he has previously worked as the General Manager of Operations and Maintenance where he was responsible for the day-to-day operations of PDX including the Airport Fire Department, Airfield Operations, Maintenance, Parking, and the Noise Office and has also served as the Manager for the General Aviation Airports – Hillsboro, Troutdale, and Mulino. He has also worked as an airport planning consultant where he completed master plans, airport layout plans, environmental assessments, and management studies at eleven airports in the State. Board member since ?? Term expires 6/30/2014</p>
	<p>Larry Dalrymple currently works for the City of Pendleton as the Airport Manager and Economic Development Director and has been a member of Board since 7/1/07. As the Economic Development Director for Pendleton he has concentrated on industrial development and as the Eastern Oregon Regional Airport Manager his goal is to maintain commercial air service, provide excellent opportunities for local and itinerant general aviation, and to work on industrial development near and around the airport in conjunction with the City's recent expansion of their urban growth boundary and industrial land base. He served as the President of the Oregon Airport Manager's Association (OAMA) from October 05 to Sept 06, and has been a member for over 10 years. Board member since ?? Term expires 6/30/15</p>



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

Soon to be a licensed pilot and combined with 30-plus years of experience, she is a very strong and knowledgeable aviation advocate. Nan's balanced approach, common sense, and listening skills provide a strong platform for contributing to the ongoing growth of aviation in the Oregon. Board member since ?? Term expires 6/30/2015



Jack Locker of Portland is retired from his own law practice and has served on the State Aviation Board since February 2002. He is a general aviation pilot who formerly served in the U.S. Air Force and Oregon Air National Guard. Locker is committed to ensuring that Oregon's general aviation airports thrive as they serve the broader communities in which they are located. Locker was appointed in correlation with expansion of the Board from five to seven members. Board member since ?? Term expires 6/30/2013



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

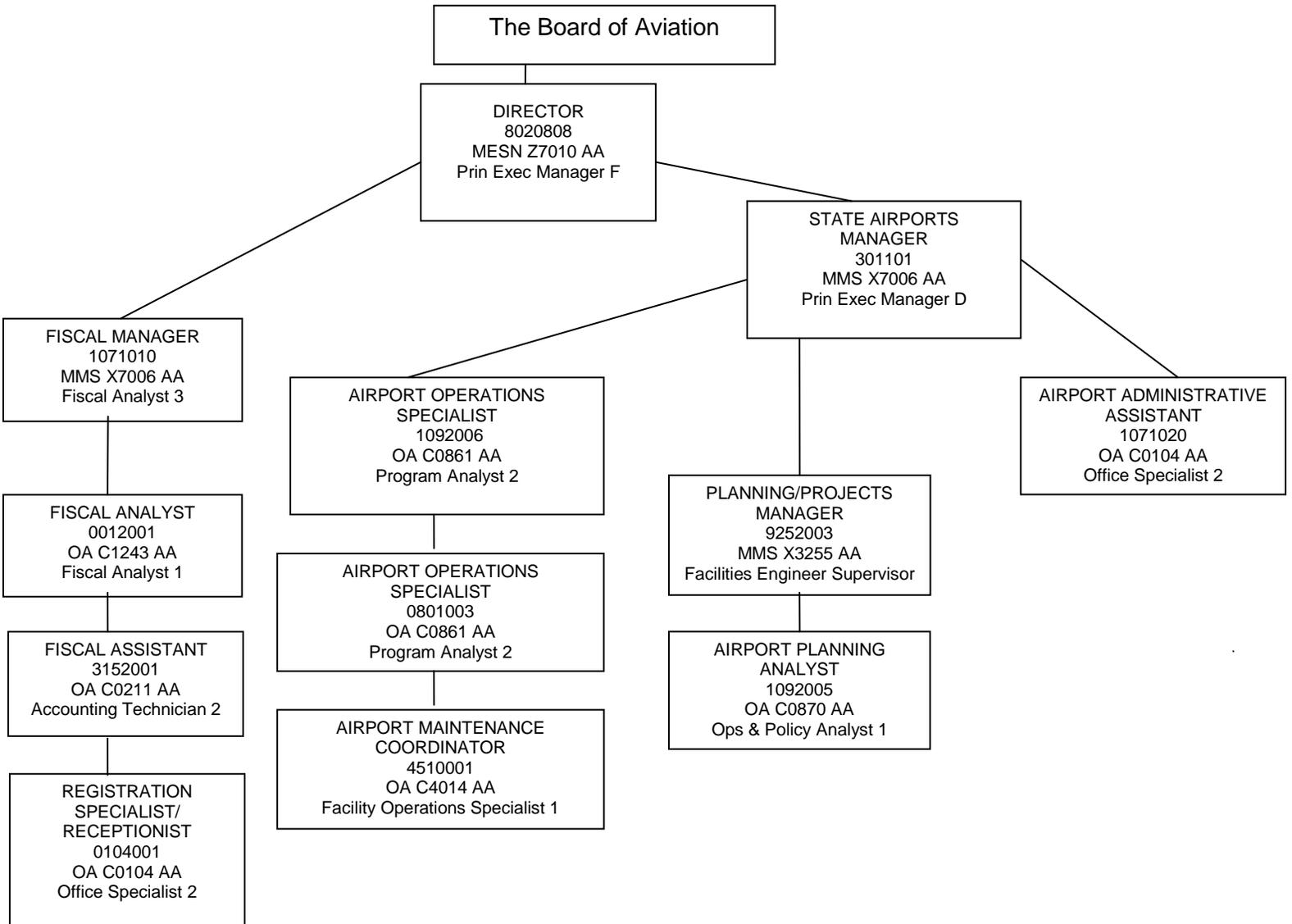
Since then he's served as District Attorney for Umatilla County, Executive Assistant to the Speaker of the Oregon House of Representatives, Executive Director of the Pacific Northwest Regional Commission, and a short stint holding an interim position in the Oregon House of Representatives. Between 1986 and 2000, while maintaining an active private law practice, he was a senior consultant with what is now Franklin Covey Company, helping private and government organizations improve their efficiency and effectiveness. Joe was first appointed to the Aviation Board in 2001 and, after being off the Board while serving in the legislature, was reappointed in 2005. He also is past president of the Oregon Pilot's Association. Board member since ?? Term expires 6/30/2014



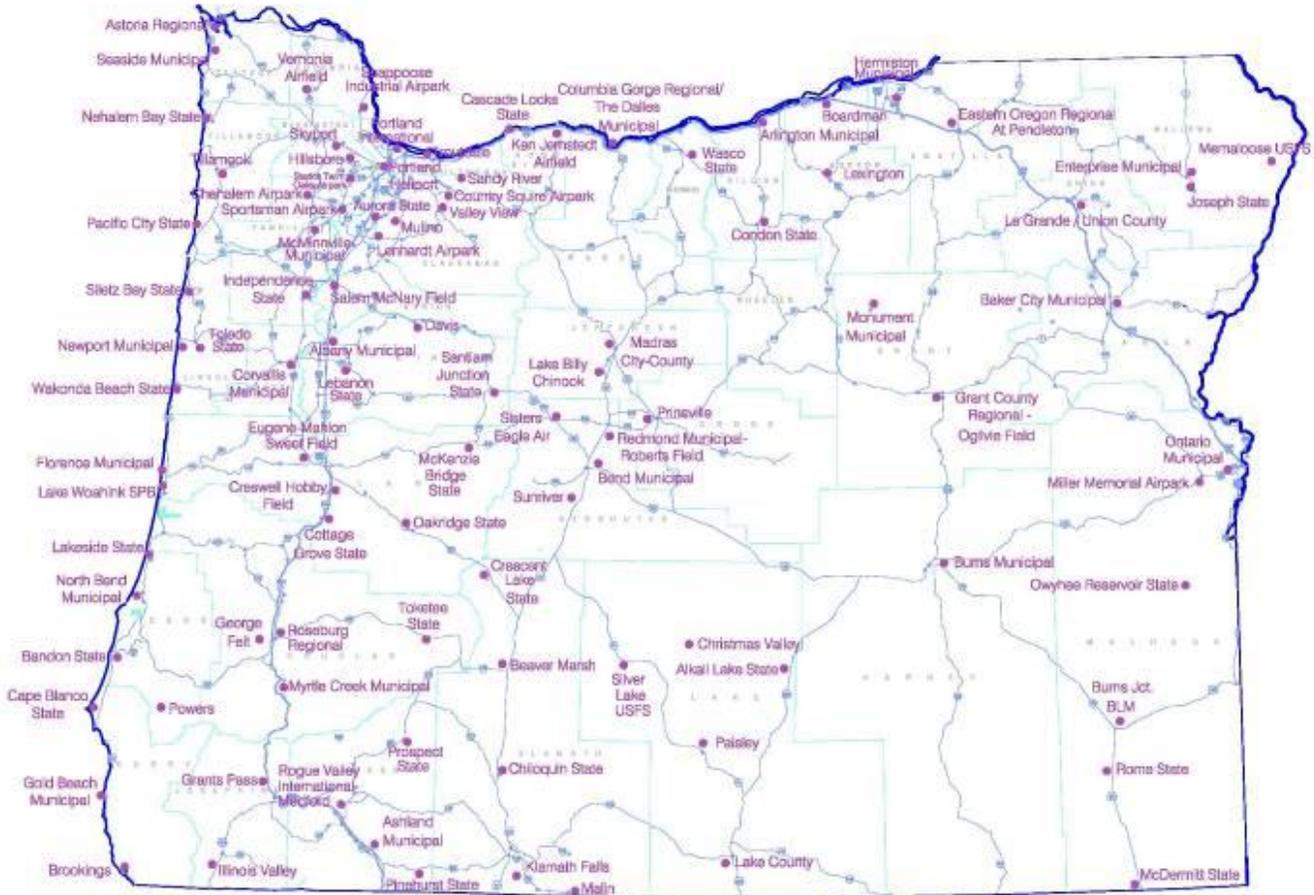
Paul Hudgens Born in Southern California and raised in the Great Northwest (Washington and Oregon), graduated from Washington State University, was commissioned an officer in the US Navy. Lieutenant Hudgens was winged Naval Aviator #25010, with his first choice assignment of Atsugi, Japan. Throughout southwest Asia he flew a few years with the Infamous HSL-51 Warlords, as a SH-60B LAMPS pilot. Trained in both helicopters and fixed-wing aircraft, he flew for over three years throughout southwest Asia while based in Japan. When he returned to the United States, he was a Program Manager at the National Headquarters for Navy Recruiting while simultaneously earning his MBA from Webster University in St. Louis, Missouri. After separating from active duty, he briefly flew as an airline pilot, but found his niche as a commodities trader and business development consultant. His love of aviation and business management keeps him ‘grounded’ in the consulting world, brokering deals to fly and buy aircraft. "Attitude determines your Altitude”, Paul always says. Now based in Portland, Oregon with substantial experience in the commercial and military aviation arena, anything dealing with business and aviation makes his sky limitless.

ODA STAFF

Organizational Chart for 2011-2013



OREGON AVIATION SYSTEM AIRPORTS



AVIATION IN OREGON

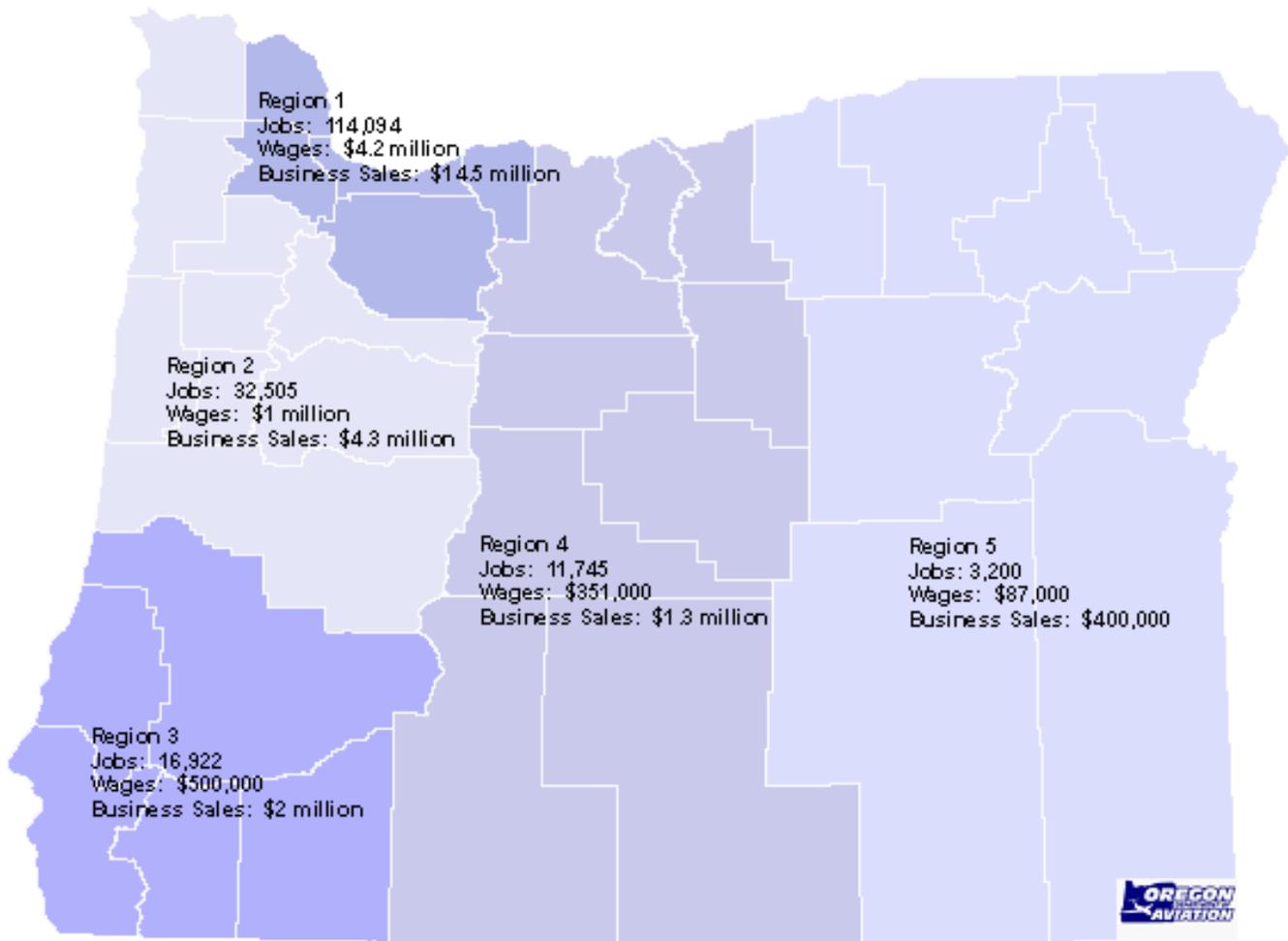
Aviation is an important component of Oregon's transportation infrastructure. As of 2012 there are 97 public use and over 360 private use airports providing a variety of services across the state. Oregon's urban and rural communities depend heavily on their airports. Our state's size, geography, and population distribution make air transportation important for access, mobility, and connectivity. Aviation plays a key role in connecting Oregon's rural populations with services and commerce in larger cities and to the national and international air transportation system. This is particularly true in many areas outside of the Willamette Valley where access to the major commercial service airports is hours away.

Economic Importance

Oregon's public-use airports play a key role in ensuring economic growth and maintaining high standards of livability throughout the state. Airline passengers, overnight mail, air cargo, air ambulance, forest fire suppression, crop spraying, military use, and aviation-related businesses all depend on an adequate network of airports. Aviation contributes over 191,491 jobs to the state, paying an aggregate of \$6.6 billion in wages and accounting for \$23.7 billion in total business activity. Since 2009, over 289 million dollars in FAA grant funds and over 89 million in CONNECTOREGON funding have maintained and improved the infrastructure of Oregon airports.

In 2012, The Aviation Board and the aviation business community reinvigorated the Aviation Industry Cluster. An Aviation Summit was held in McMinnville at the Evergreen Aviation Museum. Over 100 aviation businesses turned out. Since then, over 400 aviation related businesses have been identified in Oregon. With the movement towards a global economy it is now recognized that aviation is no longer just another mode of transportation. It is a vital component of the economic engine that drives the state, regional and local economies and thus requires the continuous maintenance of adequate facilities and services. **Businesses locate and thrive where there is airport access.**

Economic Value of Oregon Airports by Connect Oregon Region



AGENCY OVERVIEW

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

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

ODA is supported entirely by Other and Federal Funds. The revenue is made up of approximately 43% fuels tax, 27% federal funds, and 30% from other revenue sources such as registration fees, leases and pilot registration fees.

Mission Statement

To Preserve and Enhance Aviation for Oregon's Communities

Key Roles and Functions:

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

AGENCY HISTORY

1920s: The Oregon Department Aviation (ODA) was originally founded in 1921 as the Oregon State Board of Aeronautics -- the first government aviation agency in the history of the United States. At its inception, the Oregon Board of Aeronautics tested the competency of pilots and airworthiness of aircraft. With added responsibilities over the years, its mission has been updated to advocate for aviation in Oregon, which includes: developing aviation as an integral part of Oregon's transportation network; creating and implementing strategies to protect and improve Oregon's aviation system; encouraging aviation-related economic development; supporting aviation education; and increasing commercial air service and general aviation in Oregon.

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

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

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

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

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

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

1960s: The 1960s brought the Aeronautics Board the ability to award hundreds of thousands of dollars in grants to Oregon’s community airports to provide lighting systems and radios. The inventory of state-owned airports tallied 26 during this decade, and Aeronautics constructed the first-ever hospital heliport in the Pacific Northwest. This successful project resulted in Aeronautics promoting development of heliports at additional Oregon hospitals, ultimately resulting in 36 such facilities statewide.

1970s: The Oregon Department of Transportation (ODOT) was established in the 1970s, resulting in the dissolution of the Aeronautics Board and creation of an Aeronautics Division within the new agency. ODOT worked to unify multimodal transportation systems across the state. The Aeronautics Division owned 36 airports and had licensed 110 Oregon public use airports. Major areas of concern were airport and heliport development, as well as the education of both the general public and government agencies about the role of air transportation in the overall transportation system. The Division began its Statewide Aviation System planning efforts in 1978 across Oregon.

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

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

2000s: In 1999, the 70th Oregon Legislative Assembly passed legislation granting Aeronautics independent agency status. The Oregon Department of Aviation (ODA) came into being on July 1, 2000.

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

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

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

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

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

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

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

2010 saw some systemic changes to the organizational structure of ODA. As part of an austerity program as a result of a declining economy and management re-organization, the staff was reduced from 17 to 11.5 FTE. ODA completed intergovernmental agreements (IGAs) with Department of Administrative Services (DAS) Leasing Department, Contracting and Shared Client Services (budgeting and billing) to develop expertise and continuity in their areas that enhance ODA's corporate knowledge. ODA also outsourced mowing of the state's 28 airports to the Oregon Department of Transportation to reduce man hours and capital investment.

July 2011: ODA again went through additional changes in personnel and transferred administrative functions from DAS to Oregon Department of Transportation (ODOT).

June 2012: As the first year of the 11-13 Biennium ended, ODA and the Aviation Board began a review of Oregon Airports. In June 2012, ODA helped sponsor the start the Aviation Industry Cluster identifying over 400 aviation businesses in the process. The Planning Department completed runway a runway renovation projects at Joseph. The Agency also completed obstruction removal at Aurora, Bandon and Siletz Bay.

STATE AIRPORT FACILITIES



Oregon Department of Aviation Office, Salem Airport

Alkali Lake State Airport

The Alkali Lake State Airport was originally constructed in the early 1940s by the Oregon State Highway Department for the U.S. Bureau of Public Roads. The permit from the Bureau of Land Management for use of the land was transferred from Oregon State Highway Department to Oregon State Board of Aeronautics in 1956.

The location of Alkali Lake State Airport is important to the State's airport system from a geographic coverage and access standpoint. The airport is located west of U.S. Route 395 in south central Oregon. The airport is located approximately 65 miles north of the Lake County Airport and 40 miles east of the Christmas Valley Airport. The airport's role in the system is primarily one of providing access to a remote, sparsely populated area

Aurora State Airport

Aurora State Airport was constructed in 1943 by the Oregon State Highway Department for the U.S. Bureau of Public Roads as an emergency airfield for air carrier aircraft and a wartime airline alternate for Portland International Airport. The Oregon Board of Aeronautics leased the airport in 1953 and in 1973 the title was transferred to ODOT/Division of Aeronautics. Several private individuals own land adjacent to the eastside of the airport for fixed base operations (FBO) and are granted ingress/egress permits by ODA to enter onto the airport.

Aurora State Airport is located south of the Clackamas-Marion County border, east of Wilsonville-Hubbard Highway. The largest of the State-owned airports, Aurora State Airport accommodates a significant amount of business jet and training activity. ODA began a Master Plan update in 2010 to prepare the airport for the future. 2010 also saw a significant obstruction removal project along the fence line on the west side of the airport.

Bandon State Airport

In 1957, the Bandon Flying Club gave the Board of Aeronautics land for construction of Bandon State Airport. The airport is located east of U.S. 101, approximately two miles south of the community of Bandon. Bandon State Airport provides support to its community and the recreation areas that surround the area. The airport is also frequently used by business class turboprop and jet aircraft, especially when weather conditions are a problem at North Bend Municipal Airport. Many aircraft, including express package carriers, operate at Bandon State Airport when these conditions occur.



Bandon State Airport

Cape Blanco State Airport

Cape Blanco State Airport was constructed in 1944-45 by the U.S. Bureau of Public Roads as the Curry County Airport and was then leased to the U.S. Navy. In 1966 the Board of Aeronautics acquired the airport from Curry County and the State Highway Department. Located approximately eight miles northwest of the Port Orford, west of U.S. Route 101, Cape Blanco State Airport is situated one mile from the Pacific Ocean.

The airport plays a supportive role in the current system, providing access to the surrounding recreational areas, including several state parks, the Oregon Islands National Wildlife Refuge, and the Orford and Blanco reefs. The location of the airport also allows for continuation of the Oregon coastal airport system.

Cape Blanco is a key element in the State's Disaster relief planning due to its height above sea level that makes it less vulnerable to tsunami damage and an ideal staging base for disaster relief logistics.



Cape Blanco State Airport

Cascade Locks State Airport

Cascade Locks State Airport was constructed in 1949 through a joint venture between the Civil Aviation Administration (the predecessor of the FAA), the Washington Aeronautics Commission, and the Board of Aeronautics. The airport is located along the Columbia River, north of Interstate 84, one mile northeast of the community of Cascade Locks.

The airport plays a supportive role in the current system, providing access to the surrounding recreational areas, including the starting/ending point of the Pacific Crest National Scenic Trail and the Mt. Hood National Forest. In addition, the airport provides a safe alternative landing site for aircraft flying through the Columbia River Gorge during inclement weather conditions.

Chiloquin State Airport

The City of Chiloquin operated the airport until 1960 when it was turned over to the Board of Aeronautics. The airport is located east of U.S. Route 97, west of the community of Chiloquin. The community of Chiloquin is located east of Agency Lake, and is part of the Upper Klamath National Wildlife Refuge. Chiloquin State Airport plays a significant role in the community from an economic standpoint, and also provides access and geographic coverage to the state's airport system. The airport is sometimes used by aircraft trying to land at Klamath Falls International Airport, but are unable to do so due to dense fog; these aircraft include express small package carriers. In 2011, ODA began design and environmental study in preparation for obstruction removal and a runway and ramp rehabilitation project.



Chiloquin Runway Rehabilitation

Condon State Airport

Condon State Airport (Pauling Field) was constructed by the Board of Aeronautics in 1953. With assistance from the FAA in 1986, the Aeronautics Division rebuilt the airport with improved runway alignment. The airport is located east of State Route 19 in central Gilliam County, one mile east of the community of Condon.

The Condon state Airport plays a supportive role in the current system, providing geographic coverage and access to the state's airport system. The airport also serves as a base for agricultural spraying operations. The Condon area is sparsely populated and is somewhat remote in terms of its location.

Cottage Grove State Airport

Cottage Grove State Airport was constructed in 1965 through a joint venture between the Board of Aeronautics, the FAA, and the local community. The airport is located east of Interstate 5, approximately one mile northeast of the community of Cottage Grove.

The community of Cottage Grove has recognized the importance of an airport to the economic development of its area. The community's support of the construction of the airport is evidence of its recognition. Several business class aircraft currently operate at the airport. In 2010, ODA conducted design and environmental study to remove obstructions at both ends of the airport.

Crescent Lake State Airport

Crescent Lake State Airport was constructed in 1952 by the Board of Aeronautics, though the property is not owned by the state. A use permit has been granted to the state for use of the property as an airport. It is located west of State Route 58, south of Odell Lake in Klamath County, within the Deschutes National Forest.

The airport plays a supportive role in the current system, providing access to the surrounding recreational areas, including the Deschutes National Forest, and several large lakes and mountain areas.



Crescent Lake Runway Repair

Independence State Airport

Independence State Airport was constructed in 1965 on land donated by Polk County, with funding provided by the Board of Aeronautics and the FAA. Located east of State Route 99W, the airport is situated approximately one mile north of the community of Independence, near the Willamette River. The Independence State Airport also serves the community of Monmouth, approximately three miles west of Independence.

In addition to serving the communities of Independence and Monmouth, the airport is operated as a residential airpark with taxiways from the existing runway/taxiway system leading directly to hangars attached to single-family homes. The airport is seen as an economic stimulus to the area and plays a significant role in the area's ability to sustain economic growth.



Striping Independence State Airport

Joseph State Airport

Joseph State Airport was built in 1965 on land donated by the city and funding provided by the Board of Aeronautics and the FAA. The airport is located west of State Route 82, approximately one mile west of the community of Joseph. Joseph is west of the Wallowa National Forest boundary and approximately six miles south of the community of Enterprise.

The airport currently has limited business jet activity, but would be able to accommodate the majority of business jet aircraft with its proposed 5,500-foot long runway. With development of an adequate runway length and additional landside facilities, Joseph State Airport will be capable of supporting economic growth for both communities, as well as providing better access to the State's airport system. ODA completed a complete runway replacement project on time and under budget during 2010. High Desert Aggregate was the successful contractor.

Joseph is a key airport for medical evacuation in eastern Oregon.



Joseph State Airport

Lebanon State Airport

In 1970, the Board of Aeronautics acquired Lebanon State Airport from a private owner to keep the airport from being sold for non-aviation use. In 1974, the state expanded and improved the existing runway. The airport is located west of U.S. Route 20, approximately one mile west of the community of Lebanon.

Lebanon State Airport plays a significant role in the community from an economic standpoint, and also provides geographic coverage to the state's airport system. Several business class aircraft currently use the airport to engage in local business activities. In 2010, ODA was midway into a three year project to renovate the runway, improve drainage and replace all airport lighting.

McDermitt State Airport

The McDermitt State Airport was originally constructed by the Board of Aeronautics in 1967. In 1986, in conjunction with the FAA and Humboldt County, Nevada, a new, relocated and expanded runway was constructed. The airport is located on the Oregon-Nevada border, west of U.S. Route 95. In 2010, ODA installed Pilot Controlled lighting at the airport.

The location of McDermitt State Airport is important to the state's airport system from a geographic coverage and access standpoint. The airport is located approximately 40 miles south of Rome State Airport and 75 miles north of Winnemucca Municipal Airport in Winnemucca, Nevada.

McKenzie Bridge State Airport

In 1965 McKenzie Bridge State Airport was acquired from the U.S. Forest Service on a permit basis. The airport is located south of State Route 126, approximately three miles east of the community of McKenzie Bridge, near the McKenzie River.

Located within the Willamette National Forest, the McKenzie Bridge State Airport provides access to northeastern Lane County. The area around the airport is primarily mountains and forest, with several state parks located along State Route 126, following the McKenzie River. The airport plays a supportive role in the current system, providing access to these recreational areas. The airport also acts as an emergency landing strip due to its remote nature.

Mulino State Airport

A private individual established the Airport in 1949. At the time, the facility consisted of two intersecting grass runways each 2,100' ft in length. The Port of Portland purchased the Airport in 1988 as a result of the Clackamas County Reliever Airport Study, a Port sponsored project completed in 1981. On January 10, 2007, the Port Commission approved a management transfer agreement with the Oregon Department of Aviation, which became effective on February 1, 2007. The Commission approval also included the potential transfer of airport ownership to ODA, if certain financial targets are met. On July 1, 2008 Oregon Department of Aviation took ownership of Mulino Airport with Federal Aviation Administration approval.

The Mulino State Airport is located in the hamlet of Mulino, within the Portland metropolitan area in northern Clackamas County, Oregon. The majority of the County is rural and has abundant recreational opportunities. Mulino is located 10 miles south of Oregon City and five miles north of Molalla on State Highway 213. Interstate 5 and 205 are approximately 20 miles from Mulino.



Mt Hood from Mulino State Airport

Nehalem Bay State Airport

Nehalem Bay State Airport was constructed by the Board of Aeronautics in 1958, on land leased from the Oregon State Parks and Recreation Division as part of Oregon's coastal airport system. The airport is located within the Nehalem Bay State Park on the inlet to Nehalem Bay, approximately two miles south of the community of Manzanita and three miles west of the community of Nehalem.

Nehalem Bay State Airport contributes to Oregon's coastal airport system, providing access to area recreation and camping directly on the airport. The six campsites on the airport are operated by the State Parks Division. The airport is approximately three miles from U.S. Route 101 and provides access to other coastal state parks, as well as the Tillamook State Forest.

Oakridge State Airport

In 1967 the Oakridge State Airport was acquired by the Board of Aeronautics from a private owner. Located one mile west of the community of Oakridge near the Willamette River and State Route 58 (Willamette Highway), the airport is located within the Willamette National Forest.

The location of Oakridge State Airport is important to the state's airport system from a geographic coverage and access standpoint. The airport is located approximately 30 miles northwest of Crescent Lake State Airport and 40 miles southeast of Eugene Airport. The airport plays a supportive role in the current system, providing access to recreational areas, including the Willamette National Forest and several lakes such as Hills Creek Reservoir and Lookout Point Reservoir. Oakridge was one of 6 state owned airports used for aviation firefighting during 2011.

Owyhee Reservoir State Airport

Built in 1958 by the Board of Aeronautics on land obtained through a use permit from the Bureau of Land Management, the Owyhee Reservoir State Airport is a remotely located aviation facility. Located along the Owyhee River in Malheur County, the airport is used primarily for access to the recreational area.

Access to the airport is primarily via unpaved roads through the mountains. The area is generally accessed only by airplane. The airport's role in the system is primarily one of providing access to a remote, sparsely populated recreation area.

Pacific City State Airport

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.



Pacific City

Pinehurst State Airport

The Board of Aeronautics built the Pinehurst State Airport in 1953 on a use permit from the Bureau of Land Management. The airport is located south of State Route 66, in the community of Mount View in the Siskiyou Mountains, east of Ashland.

The airport is located near the Pacific Crest National Scenic Trail and provides direct access to the Siskiyou Mountain range. Although situated near a State Route, the airport is somewhat remote, with the only access provided by this State Route as it winds through the mountains. The airport is sometimes used by aircraft trying to land at Ashland Municipal Airport but are unable to do so due to dense fog; these aircraft include express small package carriers.



Pinehurst State Airport

Prospect State Airport

The Board of Aeronautics built Prospect State Airport in 1962 on donated land. Located in northeastern Jackson County, the airport is accessed via State Route 62 (Crater Lake Highway) to the community of Prospect.

The area surrounding Prospect State Airport is primarily forest and recreation. Lost Creek Lake, the Rogue River National Forest and River, and several state parks are all within a 10-mile radius of the airport. The airport is also located on the primary access road to Crater Lake National Park. Remotely located, Prospect State Airport is approximately 40 miles northeast of Medford-Jackson County Airport. The airport plays a supportive role in the current system, providing access to the surrounding recreational areas. The airport is also sometimes used by aircraft trying to land at Medford-Jackson County Airport but are unable to do so due to dense fog; these aircraft include express small package carriers. Prospect was one of the six state owned airports used for airborne firefighting during the Summer of 2011.

Rome State Airport

The State Highway Department constructed Rome State Airport for the Department of Defense, then transferred the airport to the Board of Aeronautics in 1957. The airport is located in southeast Oregon, west of U.S. Route 95 (Idaho-Oregon-Nevada Highway). There is no town associated with the location of the airport. It lies approximately 100 miles south of Burns Municipal Airport and 40 miles north of McDermitt State Airport.

The location of Rome State Airport is important to the state's airport system from a geographic coverage and access standpoint. The airport provides an additional access point to the state's airport system in an area that is remote and sparsely populated.

Santiam Junction State Airport

Santiam Junction State Airport was constructed by the Board of Aeronautics in 1944, on U.S. Forest Service land under a use permit. Located near the juncture of State Route 22 and U.S. Route 20 in Santiam Junction, the airport is situated near the Pacific Crest National Scenic Trail in Linn County.

The airport is surrounded by recreational areas, with the Willamette National Forest and Mt. Washington Wilderness to the south and the Mt. Jefferson Wilderness to the north. Lava fields are located both west and south of the airport. The airport plays a supportive role in the current system, providing access to the surrounding recreational areas. The airport also acts as an emergency landing strip due to its remote nature. Santiam Junction was one of 6 state owned airports use for airborne firefighting during the Summer of 2011.

Siletz Bay State Airport

Siletz Bay State Airport was constructed on donated land with funding provided by the Board of Aeronautics and the FAA. The airport is located east of U.S. Route 101, approximately one mile east of Gleneden Beach and the Pacific Ocean. The airport was constructed as part of the State's coastal airport system.

The Siletz Bay area is primarily a recreational area with numerous vacation resorts located throughout. Camping is available at the airport, and is also available at the state parks north and south of the airport. Siletz Bay State Airport provides support to its community and the recreation areas that surround the area. Many of the aircraft that frequent the airport are turboprop and jet aircraft. The location of the airport also allows for continuation of the Oregon coastal airport system. In 2011, ODA began an extensive obstruction removal project at both ends of the airport.



Obstruction Removal Siletz Bay State Airport

Toledo State Airport

Toledo State Airport was constructed in 1957 by the Board of Aeronautics on donated land. Located south of U.S. Route 20 (Corvallis-Newport Highway) approximately one mile southwest of the community of Toledo, the airport lies near the Yaquina River, which flows directly from the Pacific Ocean through Newport.

Because of its inland location, Toledo State Airport is sometimes used by aircraft trying to land at Newport Municipal Airport but are unable to do so due to dense fog. The airport is considered part of the coastal airport system, although it is not located on the ocean. The Toledo State Airport plays a supportive role in the current system, providing access to the surrounding recreational areas.

Wakonda Beach State Airport

In 1956 the Board of Aeronautics built Wakonda Beach State Airport on donated land. The airport is located three miles south of the community of Waldport, east of U.S. Route 101 near the Alsea Bay. The airport was constructed as part of the state's coastal airport system. The Waldport area is primarily a recreational area, with numerous state parks located north and south of the airport where camping is available. The location of Wakonda Beach State Airport also allows for continuation of the Oregon coastal airport system.



Wakonda Beach State Airport

Wasco State Airport

The Board of Aeronautics built Wasco State Airport in 1960 on donated land. The airport is located north of U.S. Route 97, approximately one mile east of the community of Wasco in Sherman County. Wasco State Airport is located near the Deschutes River and the Deschutes River National Recreation Lands, and is approximately 10 miles south of the Columbia River. There are numerous canyons throughout the area. The airport plays a supportive role in the current system, providing geographic coverage and access to the state's airport system. The airport also serves as a base for agricultural spraying operations. The Wasco area is sparsely populated and is somewhat remote in terms of location.

AIRPORT INFORMATION REPORTING FOR OREGON (AIRO)

Program Mission Statement

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

The Airport Information Reporting for Oregon (AIRO) program is a unique approach to supporting Oregon’s airports. ODA strengthened the volunteer partnership offered by the AIRO program by linking with the Oregon Pilots’ Association. OPA offered to stand up a maintenance wing to assist with ODA’s airport system by contributing their eyes, ears and labor to assist with reporting on the safety, security and maintenance conditions at state-sponsored airports. The program capitalizes on partnership with individuals who appreciate the value of Oregon’s state-owned airports and who volunteer to help maintain them for the enjoyment of all aviation enthusiasts.



Currently the AIRO program has over 30 volunteers who provide regular inspections on Oregon airports and report findings to ODA staff. There is significant synergy in their efforts for ODA. With one Maintenance Specialist and two Operations Specialists to cover 28 state-owned airports, it is difficult for ODA staff to get to the airports as regularly as the AIRO volunteers.

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

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

Statistical Data for AIRO Volunteer program

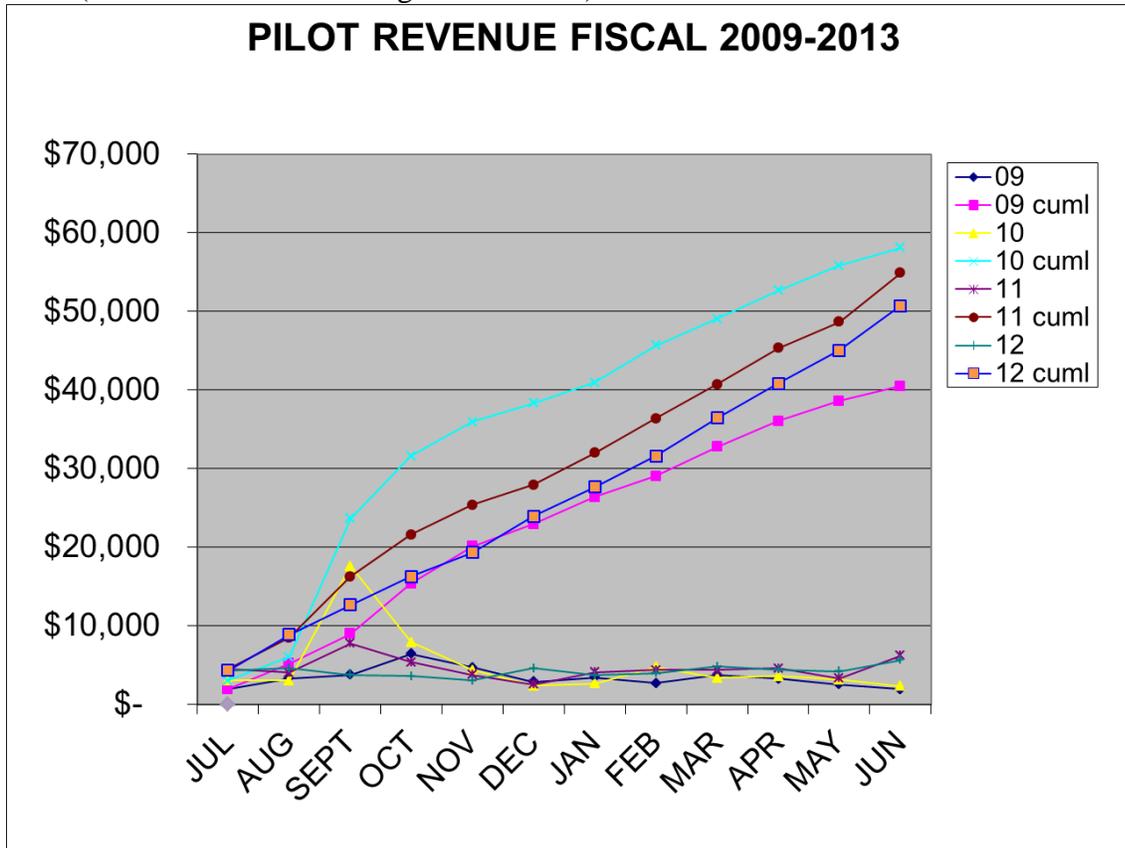
- **28-** All airports are completely staffed with at least one volunteer reporter (100%)
- **40-** Total assigned volunteers (100%)
- **15-** Volunteers that have attended training (38%)
- **10-** Other volunteer applications pending (25%)
- **20-** Airports with multiple reporters (71%)
- **5-** Multiple-airport reporters, (13%)
- **3-** “At-large” reporters (7% of volunteers)
- **9-** Inspections received in 2012
- **158-** volunteer inspections have been conducted since the program began in late 2007
- **19-** Airports inspected since the program began in late 2007 (68%)
- **Top 5** airports for inspections received thus far: Prospect- 32, Aurora- 25, Pacific City-16, Nehalem Bay and Cottage Grove-15

Airport	AIRO Volunteer(s) or Airport Status if Pending
Alkali Lake State Airport	VACANT
Aurora State Airport	Harper Polling
Bandon State Airport	Wayne Crook, Ray Kimball, Pat Mulligan
Cape Blanco State Airport	George Welch, Pat Mulligan
Cascade Locks State Airport	Dale Fillmore, Pat Mulligan, Mary Rosenblum
Chiloquin State Airport	Pegeen Fitzpatrick
Condon State Airport	Pat Mulligan
Cottage Grove State Airport	Cliff Cox
Crescent Lake State Airport	Paul Ehrhardt, Robin Ehrhardt
Independence State Airport	Debra Plymate, Ron Sterba
Joseph State Airport	VACANT
Lebanon State Airport	VACANT
McDermitt State Airport	VACANT
McKenzie Bridge State Airport	Paul Ehrhardt, Robin Ehrhardt, Cliff Cox
Mulino State Airport	Diane Johnson
Nehalem Bay State Airport	Robert Hall
Oakridge State Airport	Paul Ehrhardt, Robin Ehrhardt, Dale Fillmore, Pat M
Owyhee Res. State Airport	VACANT
Pacific City State Airport	Russell Elliott, Robert Hall

Pinehurst State Airport	VACANT
Prospect State Airport	Walt Ridge
Rome State Airport	VACANT
Santiam Junction State Airport	Paul Ehrhardt, Robin Ehrhardt, Pat Mulligan
Siletz Bay State Airport	Pat Mulligan
Toketee State Airport	Jeff Boler
Toledo State Airport	Pat Mulligan
Wakonda Beach State Airport	Mike McDaniel, Martha Jacob, Richard Jacob
Wasco State Airport	Pat Mulligan

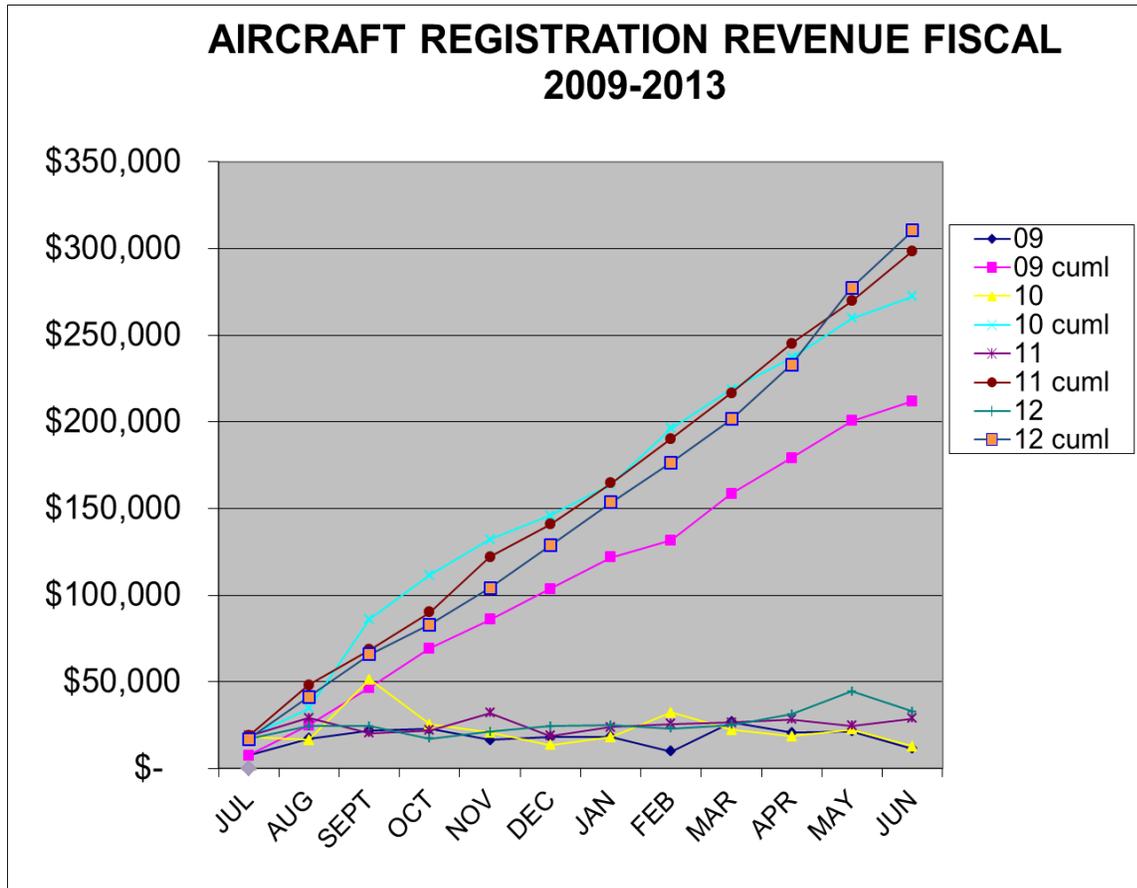
PILOT AND AIRCRAFT REGISTRATION

ODA is required by ORS 837 to charge a fee for Oregon pilots and civil aircraft. The pilot fees go to Oregon Emergency Management to help fund the Aviation search and rescue program. Revenue has declined by approximately \$3,000 to 4,000 per year since 2010. In 2009, pilot registration fees were increased from \$8.00 to \$12.00 per year. Pilot registration as of June 30, 2012 (includes historical averages since 2009)



PILOT REGISTRATION REVENUE 09-13												
PILOT	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
08	\$ 3,522	\$ 3,334	\$ 1,851	\$ 2,018	\$ 2,826	\$ 3,304	\$ 2,910	\$ 2,657	\$ 3,386	\$ 2,642	\$ 2,997	\$ 3,142
08 cuml	\$ 3,522	\$ 6,856	\$ 8,707	\$ 10,725	\$ 13,551	\$ 16,855	\$ 19,765	\$ 22,422	\$ 25,808	\$ 28,450	\$ 31,447	\$ 34,589
09	\$ 1,902	\$ 3,317	\$ 3,751	\$ 6,421	\$ 4,717	\$ 2,845	\$ 3,428	\$ 2,696	\$ 3,719	\$ 3,264	\$ 2,560	\$ 1,905
09 cuml	\$ 1,902	\$ 5,219	\$ 8,970	\$ 15,391	\$ 20,108	\$ 22,953	\$ 26,381	\$ 29,077	\$ 32,796	\$ 36,060	\$ 38,620	\$ 40,525
10	\$ 3,033	\$ 3,028	\$ 17,581	\$ 7,942	\$ 4,374	\$ 2,349	\$ 2,624	\$ 4,741	\$ 3,377	\$ 3,618	\$ 3,150	\$ 2,292
10 cuml	\$ 3,033	\$ 6,061	\$ 23,642	\$ 31,584	\$ 35,958	\$ 38,307	\$ 40,931	\$ 45,672	\$ 49,049	\$ 52,667	\$ 55,817	\$ 58,109
11	\$ 4,459	\$ 4,045	\$ 7,754	\$ 5,364	\$ 3,768	\$ 2,545	\$ 4,080	\$ 4,381	\$ 4,347	\$ 4,616	\$ 3,334	\$ 6,221
11 cuml	\$ 4,459	\$ 8,504	\$ 16,258	\$ 21,622	\$ 25,390	\$ 27,935	\$ 32,015	\$ 36,396	\$ 40,743	\$ 45,359	\$ 48,693	\$ 54,914
12	\$ 4,296	\$ 4,573	\$ 3,778	\$ 3,615	\$ 3,048	\$ 4,606	\$ 3,725	\$ 3,992	\$ 4,798	\$ 4,412	\$ 4,217	\$ 5,675
12 cuml	\$ 4,296	\$ 8,869	\$ 12,647	\$ 16,262	\$ 19,310	\$ 23,916	\$ 27,641	\$ 31,633	\$ 36,431	\$ 40,843	\$ 45,060	\$ 50,735

Aircraft Registration Fees provide the State's percentage match for FAA grants for the 12 NPIAS airports in the state system. In February 2012, the FAA Reauthorization Bill increased the airport sponsor match from 5% to 10% effectively doubling the cost of airport grant match to the 55 federally funded airports in the state.



AIRCRAFT REGISTRATION REVENUE 09-13												
AC	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
08	\$ 17,392	\$ 17,429	\$ 9,895	\$ 10,740	\$ 17,406	\$ 27,188	\$ 20,445	\$ 20,206	\$ 19,723	\$ 17,539	\$ 21,604	\$ 18,401
08 cuml	\$ 17,392	\$ 34,821	\$ 44,716	\$ 55,456	\$ 72,862	\$ 100,050	\$ 120,495	\$ 140,701	\$ 160,424	\$ 177,963	\$ 199,567	\$ 217,968
09	\$ 7,543	\$ 17,253	\$ 21,759	\$ 22,803	\$ 16,465	\$ 17,904	\$ 18,239	\$ 9,744	\$ 26,814	\$ 20,638	\$ 21,460	\$ 11,337
09 cuml	\$ 7,543	\$ 24,796	\$ 46,555	\$ 69,358	\$ 85,823	\$ 103,727	\$ 121,966	\$ 131,710	\$ 158,524	\$ 179,162	\$ 200,622	\$ 211,959
10	\$ 18,273	\$ 16,524	\$ 51,277	\$ 25,494	\$ 20,610	\$ 13,585	\$ 18,150	\$ 32,425	\$ 22,335	\$ 18,467	\$ 22,525	\$ 12,640
10 cuml	\$ 18,273	\$ 34,797	\$ 86,074	\$ 111,568	\$ 132,178	\$ 145,763	\$ 163,913	\$ 196,338	\$ 218,673	\$ 237,140	\$ 259,665	\$ 272,305
11	\$ 18,930	\$ 29,155	\$ 20,291	\$ 21,880	\$ 31,951	\$ 18,735	\$ 23,820	\$ 25,595	\$ 26,435	\$ 28,305	\$ 24,560	\$ 28,965
11 cuml	\$ 18,930	\$ 48,085	\$ 68,376	\$ 90,256	\$ 122,207	\$ 140,942	\$ 164,762	\$ 190,357	\$ 216,792	\$ 245,097	\$ 269,657	\$ 298,622
12	\$ 16,915	\$ 24,435	\$ 24,430	\$ 17,335	\$ 21,110	\$ 24,415	\$ 24,810	\$ 23,005	\$ 25,105	\$ 31,360	\$ 44,530	\$ 32,885
12 cuml	\$ 16,915	\$ 41,350	\$ 65,780	\$ 83,115	\$ 104,225	\$ 128,640	\$ 153,450	\$ 176,455	\$ 201,560	\$ 232,920	\$ 277,450	\$ 310,335

AIRPORT IMPROVEMENT PROJECTS

Summary

The FAA’s Airport Improvement Program (AIP) provides grants for airport planning and development projects at airports included in the National Plan of Integrated Airport Systems (NPIAS). Eligible projects consist of improvements related to enhancing airport safety, capacity, security and environmental concerns. The state owns 12 of these NPIAS airports and receives an aggregate of \$1,800,000 (or \$150,000 per airport) annually. These funds can be “banked” for up to four years in order to accumulate enough to pay for larger improvement projects. FAA grants cover 90% of total project costs, with ODA picking up the remaining 10%.

During state fiscal year 2011-2012 the following new projects were funded by the FAA AIP.

	<u>Federal Share</u>	<u>ODA Share</u>
Chiloquin State Airport Runway Rehabilitation	\$2,070,000	\$230,000
Cottage Grove Obstruction Removal	\$202,500	\$22,500
Siletz Bay State Airport Apron Rehabilitation Phase 1	\$135,000	\$15,000

In addition to the new projects as listed above, ODA completed the Aurora State Airport Master Plan, Siletz Bay State Airport Obstruction Removal Phase 2, Joseph State Airport Runway Rehabilitation, Lebanon State Airport Taxiway Rehabilitation, 2012 PMP 10 Year Study, and finalized a project that included miscellaneous small equipment upgrades and multiple state airports. ODA also completed a new 5 year FAA Capital Improvement Project Plan as well as took the lead in the Statewide Capital Project Planning coordination for the FAA and became the liaison for all GA NPIAS Airports through a AIP System Planning Grant sponsored by the FAA. The last AIP project of note for the 2011-2012 fiscal year, ODA started a long awaited update to the Oregon Aviation Plan (2007 OAP) which will focus on the statewide General Aviation System, Airport Inventory and the impacts that General Aviation has on the State’s economy overall. This project is expected to be complete spring 2013

Capital Construction Projects

Aurora Master Plan and Control Tower

This is the second phase of a two-part project that included an update to the airport’s Master Plan and a site selection study for an Air Traffic Control Tower (ATCT). Design and construction are underway as part of 2013 capital construction projects. While well underway in 2012, the Aurora State Airport Master Plan was being finalized (approved by the FAA in December 2012 – fiscal year 2012-2013).

In 2009, Oregon Department of Aviation was accepted into the FAA’s Contract Tower Program based on a cost/benefit study conducted by the FAA. In 2011-2012 Tower pre-design was started. Construction of an ATCT will improve safety for pilots and mitigate noise impacts in airport’s environs. *CONNECTOREGON* Grant funds will be used for the final design and construction of this project.

PAVEMENT EVALUATION PROGRAM (PEP)

When the 1999 Oregon Legislature approved an increase to jet fuel and aviation gas taxes, ODA gained an additional revenue stream dedicated to addressing pavement deficiencies identified through the FAA-funded Pavement Evaluation Program (PEP). Through this program ODA provides pavement condition assessments to sponsors of eligible airports throughout the state to assist with pavement maintenance planning. The state is divided into three geographic regions and pavement inspections are done annually on a rotating schedule, one region (northwest, southwest, east) per year. The FAA funds 95 percent of the program and ODA provides the remaining 10 percent match (5% prior to February 2012). In 2012, the following airports in the eastern region were evaluated.

The evaluations of these airports are eligible for inclusion in the 2013 Pavement Maintenance Program.

Albany Municipal	Portland - Hillsboro
Astoria Municipal	Salem McNary Field
Aurora State	Scappoose Industrial Airpark
Corvallis Municipal	Seaside Municipal
Country Squire Airpark	Siletz Bay State
Independence State	Sportsman Airpark
Lenhardt Airpark	Starks Twin Oaks
McMinnville Municipal	Tillamook
Mulino State	Toledo State
Nehalem Bay State	Portland - Troutdale
Newport Municipal	Valley View
Pacific City State	



PAVEMENT MAINTENANCE PROGRAM (PMP)

Preventive maintenance at airports extends the life of pavement by many years and thus postpones the cost of larger repairs. Pavement maintenance projects are addressed by region on a rotating basis that repeats every three years. Each airport sponsor must contribute local match, with the level of the match varying

based upon the airport's category as designated in the Oregon Aviation Plan 2007. This method of regional contracting significantly reduces overall costs both for the state and for airport sponsors. In 2012, the following airports in the eastern region received pavement maintenance:

Baker City Municipal	Joseph State
Bend Municipal	La Grande/Union County
Boardman	Lexington
Burns Municipal	Madras Municipal
Cascade Locks State	Monument Municipal
Columbia Gorge Regional/The Dalles	Ontario Municipal
Condon State	Prineville
Enterprise Municipal	Sisters Eagle Air
Hermiston Municipal	Sunriver
Ken Jernstedt Airfield	Wasco State
Grant County Airfield	



Pavement Maintenance (Crack Repair) at Baker City

CONNECTOREGON IV

Aviation continues to benefit from the *ConnectOregon* initiative. During 2012, *ConnectOregon* IV funded 15 aviation projects totaling \$10,152,170.

ConnectOregon IV Projects

Region	Applicant	project name	Award amount	total project cost
1	Port of Portland	Air Trans Center Taxilane-Ph 3	\$3,500,000	\$18,300,000
3	Port of Tillamook Bay	Runway 13-31 Rehabilitation	\$163,296	\$3,265,914
5	Union County	Runway 12=30 Overlay	\$299,200	\$5,992,100
3	Jackson County/Rogue Valley/Medford	Main runway 14-32 rehab	\$521,052	\$10,421,052
4	Bend	Taxiway A rehab	\$192,220	3, 617,220
2	City of Newport	Runway 16-34 Rehab	\$448,500	\$8,970,000
4	City of Redmond	GA Ramp/Taxiway Recon/Taxiway C extension	\$350,000	\$8,500,000
2	City of Eugene/Eugene Airport	South Ramp Reconstruction	\$451,111	\$751,852
2	City of Creswell	AWOS Improvements	\$160,000	\$348,744
5	City of Baker/Baker City Airport	Taxiway A rehab	\$45,000	\$883,105
5	Grant County	Runway 9-27 Rehab	\$800,000	\$2,000,000
4	Lake County Airport	Commercial Infrastructure Development	\$526,980	\$658,725
3	Coos County Airport District	Hangar Demo/Reconstruction	\$2,392,811	\$4,057,070
4	City of Malin/Malin Muni Airport	Fueling Project	\$192,000	\$240,000
4	City of Prineville/Prineville Airport	AWOS	\$110,000	\$295,000
			\$10,152,170	\$64,683,562

Total funding of all *CONNECTOREGON* Aviation Projects to date.

Total <i>CONNECTOREGON</i>	Yearly amounts
<i>CONNECTOREGON</i> I (2009)	\$22,808,910
<i>CONNECTOREGON</i> II (2010)	\$26,905,916
<i>CONNECTOREGON</i> III (2011)	\$25,192,855
CO III RURAL AIRPORTS (2011)	\$4,618,198
<i>CONNECTOREGON</i> IV (2012)	\$10,152,170
Total Funds	\$89,678,049

TALL STRUCTURES EVALUATION

During the 2011-2012 fiscal year airspace analyses were conducted on 282 proposed tall structures. Through this process ODA ensures that proposed structures do not encroach upon or negatively impact airports. . ODA staff works with counties and local planning agencies and the FAA to preserve airports and protect air system safety.

5010 MASTER RECORD INSPECTIONS

The FAA 5010 Master Record Inspection is conducted every three years to verify airport data. It requires a physical inspection of the airport to include obstruction analysis, airport markings and data elements from the FAA 5010 Form. In 2012, 29 airports were inspected..

2012 Airports Inspected

AIRPORT NAME	ASSOCIATED CITY	LOC ID // FAA SITE #	COMPLETED
ASHLAND MUNI-SUMNER PARKER FIELD	ASHLAND	S03 19352.1*A	2012
AURORA STATE	AURORA	UAO 19356.*A	2012
BANDON STATE	BANDON	S05 19362.1*A	2012
BURNS MUNI	BURNS	BNO 19377.*A	2012
CHEHALEM AIRPARK	NEWBERG	17S 19535.2*A	2012
COUNTRY SQUIRE AIRPARK	SANDY	S48 19596.01*A	2012
CRESCENT LAKE STATE	CRESENT LAKE	5S2 19413.*A	2012
DAVIS AIRPORT	GATES	6S4 19447.4*A	2012
ENTERPRISE MUNI	ENTERPRISE	8S4 19430.1*A	2012
GRANTS PASS	GRANTS PASS	3S8 19457.1*A	2012
ILLINOIS VALLEY	CAVE JUNCTION	3S4 19381.*A	2012
JOSEPH STATE	JOSEPH	JSY 19480.5*A	2012
LA GRANDE/UNION COUNTY	LA GRANDE	LGD 19487.*A	2012
LAKESIDE	LAKESIDE	9S3 19489.*A	2012
LENHARDT AIRPARK	HUBBARD	7S9 19474.*A	2012
MC DERMITT STATE	MCDERMITT	26U 19501.57*A	2012
MC MINNVILLE MUNI	MCMINNVILLE	MMV 19502.*A	2012
MEMALOOSE	IMNAHA	25U 19476.21*A	2012
MULINO STATE	MULINO	4S9 19570.*A	2012
NEHALEM BAY STATE	MANZANITA	3S7 19507.*A	2012
PACIFIC CITY STATE	PACIFIC CIY	PFC 19560.5*A	2012
PINEHURST STATE	PINEHURST	24S 19566.1*A	2012
POWERS	POWERS	6S6 19573.5*A	2012
PRINEVILLE	PRINEVILLE	S39 19575.*A	2012
ROME STATE	ROME	REO 19588.*A	2012
SANDY RIVER	SANDY	03S 19596.1*A	2012
SCAPPOOSE INDUSTRIAL AIRPARK	SCAPPOOSE	SPB 19598.*A	2012
STARK'S TWIN OAKS AIRPARK	HILLSBORO	7S3 19469.03*A	2012
VALLEY VIEW	ESTACADA	5S9 19432.312*A	2012

Airport & Heliport Site Inspection

As authorized by the State Aviation Board; Oregon Department of Aviation is required based on ORS 836.085; 836.090; 836.095 and OAR 738-020-0025 shall with reasonable dispatch grant approval of a proposed airport or heliport site if it is satisfied that the site is adequate for the proposed airport/heliport, that such proposed airport/heliport will conform to minimum standards established by State Aviation Board and that safe air traffic patterns could be worked out for the proposed site.

2011-2012 Site Inspections on Proposed Airport and Heliport

Name	Assoc. City	Land use Authority	Type	Surface	Length	Width	Final Approval	Inspector
Nail Spring Airstrip	Bonanza	Klamath County	Airport	Turf	2,650	60	Yes	Don Hankwitz
Hook's Strip	Burns	Harney County	Airport	Turf	2,100	30	Yes	Don Hankwitz
Gum Creek	Vale	Malheur County	Airport	Dirt	1,950	40	Yes	Don Hankwitz
Woods Valley Airport	Trail	Jackson	Airport	Turf	1,800	40	Yes	Don Hankwitz
Black Bull Springs Ranch Airstrip	Arock	Malheur County	Airport	Turf	1,400	40	Yes	Don Hankwitz
Merrill Area Airport	Merrill	Klamath	Airport	Turf	2,665	40	Pending	Don Hankwitz
Finerty Airstrip	Estacada	Clackamas County	Airport	Turf	1,200	50	Pending	John Wilson



Airport Site Inspection Photo

2009-2011 LEGISLATIVELY APPROVED BUDGET

Beginning Balance \$1,107,436

Agency Wide Revenues Summary

Revenue Categories

Motor Fuels Taxes \$2,400
Licenses & Fees \$628,924
Federal Revenues \$3,508,055
Fines & Forfeitures \$2,664
Rents & Royalties \$556,495
Donations \$0
Other Revenues \$1,330,663
Transfer In - Intra-fund \$362,569
Transfer From Transportation Dept. \$3,833,030
Transfer Out - Intra-fund (\$362,569)
Transfer Out – Military (\$51,751)

Total Available Revenues \$11,459,320

Agency-Wide Expenditure Summary

Expenditure Program Units

Operations \$3,956,095
Search & Rescue \$53,900
General Aviation Entitlement Program \$2,772,055
Aircraft Registration \$66,749
Pavement Maintenance \$1,908,331
Capital Construction \$210,526

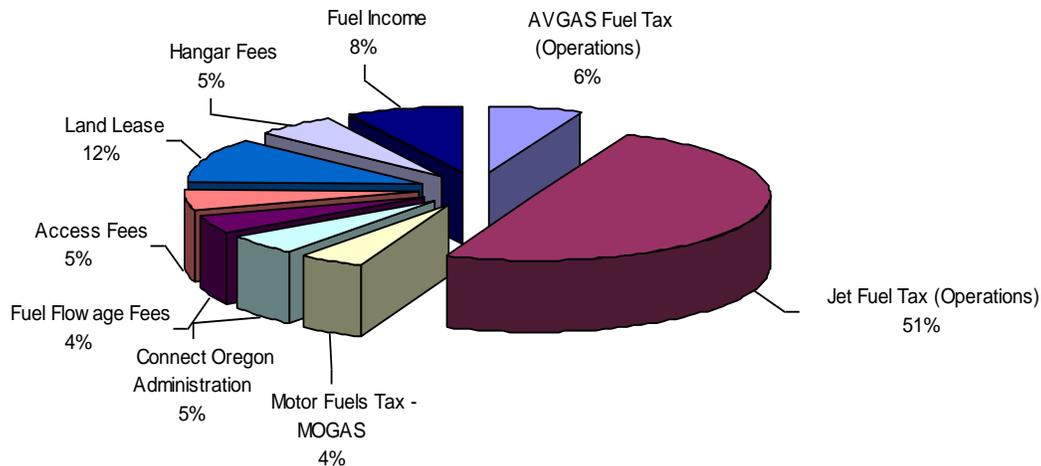
Total Expenditures \$8,967,656

Ending Balance \$2,491,664

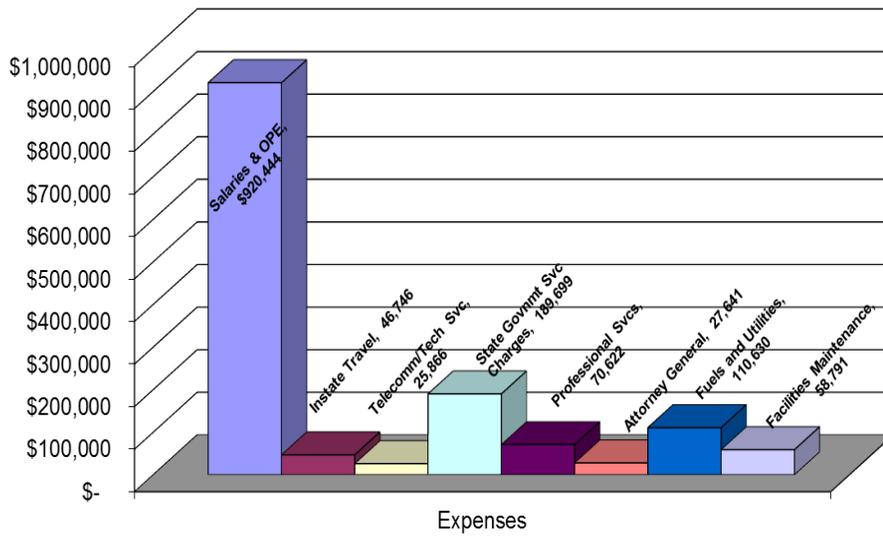
Available Limitation and cash balance as of June 30, 2012

Agy 109-Dept of Aviation-Available AY 11-13 Limitation			Screen 62		Screen 89					
Balances on SFMA on 7/31/2012			Calendar	Calendar Date	As of 7/31/2012	Inq Yr 12	17000	18000		
Appropriation#	Airport or Program	Appn Year	Limitation	Amount Spent	As of 7/31/2012	Fund Cash Balance	Cash	Cash		
					Available Limitation	D23 Fund	GL 0070 & 0065	Account	Account	
State Limitations										
30000	Operations	2013	3,456,101.00	1,866,601.25	1,589,499.75	4010	1,043,447.66	1,043,447.66		
31000	Search & Rescue	2013	53,900.00	30,460.45	23,439.55	4023	20,758.28		20,758.28	
34000	GA Entitlement-State	2013	180,964.00	19,325.40	161,638.60	4015	(12,405.63)	(12,405.63)		
36000	Aircraft Registration	2013	66,749.00	34,798.34	31,950.66	4011	601,763.81	601,763.81		
37000	Pavement Maintenance	2013	1,908,331.00	808,776.36	1,099,554.64	4012	1,579,567.73	1,579,567.73		
Capital Construction-State Side										
33014	Aurora Land & Taxiway	2009	229,306.00	226,609.68	2,696.32	3114	0.00	0.00		
33015	Bandon Apron & Taxiway Relocation	2009	47,368.00	26,037.46	21,330.54	3115	(9,117.04)	(9,117.04)		
33016	Cottage Grove Runway...	2009	47,894.00	40,884.74	7,009.26	3116	0.00	0.00		
33017	Chiloquin Rehab, Obstruct & Light	2009	148,947.00	0.00	148,947.00	3117	0.00	0.00		
33019	Lebanon Runway Safety Area...	2009	259,808.00	183,445.22	76,362.78	3119	6,519.43	6,519.43		
33020	Joseph Capital Construction	2011	127,632.00	86,454.62	41,177.38	3120	(3,802.54)	(3,802.54)		
39683	Chiloquin Runway/apron rehab	2013	10,526.00	5,965.40	4,560.60	3020 3121	(3,125.85)	(3,125.85)		
33901	Aurora Air Traffic Control Tower	2011	2,695,200.00	82,463.44	2,612,736.56	3191	(13,133.59)	(13,133.59)		
Federal Limitations										
60000	Operations-Federal Funds	2013	500,000.00	178,107.12	321,892.88	5000	(12,973.17)	(12,973.17)		
64000	GA Entitlement-Federal Funds	2013	2,772,055.00	366,010.88	2,406,044.12	5005	(62,251.43)	(62,251.43)		
Capital Construction-Federal Side										
65014	Aurora Land Acquisition & Taxiway	2009	4,356,816.00	4,305,575.61	51,240.39	5114	0.00	0.00		
65015	Bandon Apron & Taxiway Relocation	2009	900,000.00	494,710.55	405,289.45	5115	(8,238.55)	(8,238.55)		
65016	Cottage Grove Runway Fencing & Light	2009	910,000.00	771,128.33	138,871.67	5116	0.67	0.67		
65017	Chiloquin Aron Rehab Obstruction..	2009	2,830,000.00	0.00	2,830,000.00	5117	0.00	0.00		
65019	Lebanon Runway Safety Area....	2009	2,846,353.00	2,621,889.81	224,463.19	5119	(7,544.21)	(7,544.21)		
65020	Joseph Runway Safety Area...	2011	2,500,000.00	1,642,625.13	857,374.87	5120	(25,468.94)	(25,468.94)		
69684	Chiloquin Runway/apron rehab	2013	200,000.00	113,342.35	86,657.65	6020 5121	(2,839.90)	(2,839.90)		
					13,905,212.14	13,142,737.86	Totals	3,091,156.73	3,070,398.45	20,758.28

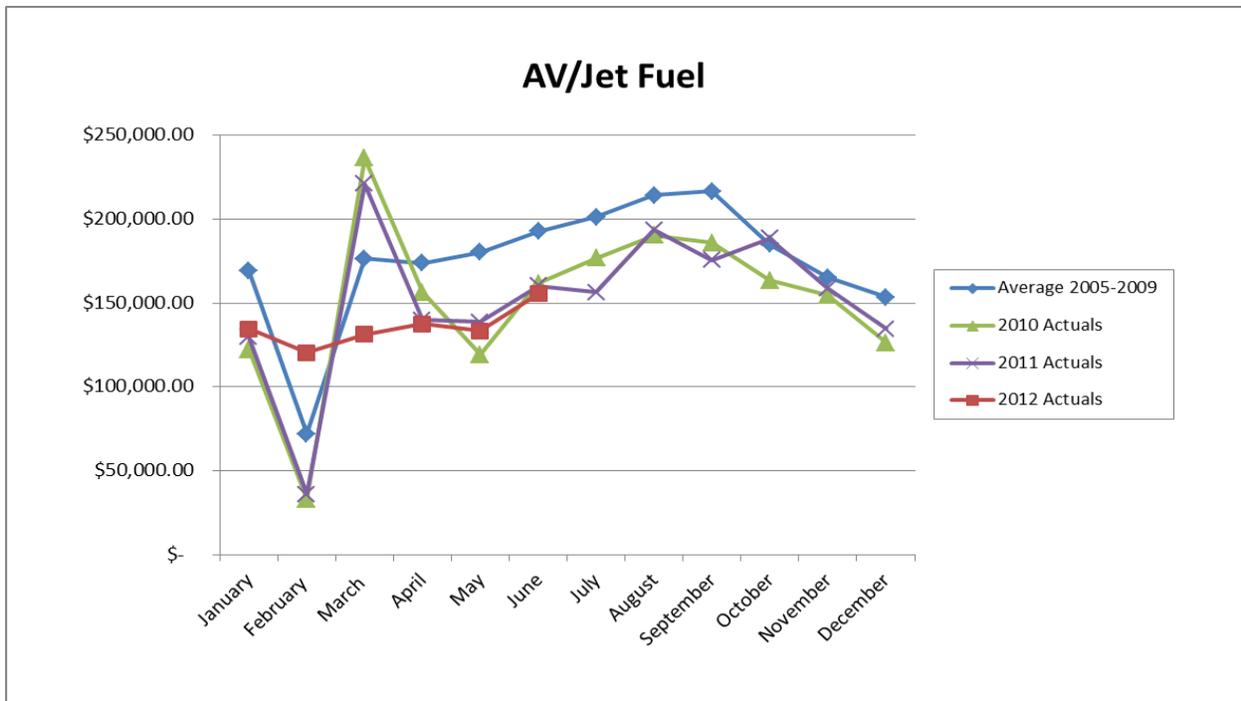
2009-11 Revenue Drivers



Operations Cost Drivers - Year to date biennium 2011-13



Revenue from AV/Jet Fuel Tax



State Owned Airport Profit and Loss Statement

Oregon Department of Aviation State Owned Airports		Prior Biennium			Current Biennium				
		as of June 30, 2011 w/ th period 13			7/1/11 thru 07/31/12				
		Revenues	Expenditures		Profit/ (Loss)	Revenues	Expenditures		Profit/ (Loss)
			Prsnl Svc	Svcs & Sppl			Prsnl Svc	Svcs & Sppl	
R03	ALKALI LAKE STATE AIRPORT	\$ 650	\$ 1,405	\$ 3,019	\$ (3,773)	\$ -	\$ 557	\$ 1,882	\$ (2,439)
UAO	AURORA STATE AIRPORT	350,054	27,540	180,405	142,108	163,715	8,433	43,526	111,756
S05	BANDON STATE AIRPORT	15,179	9,607	30,022	(24,451)	9,075	6,564	19,744	(17,232)
5S6	CAPE BLANCO STATE AIRPORT	7,093	2,232	11,272	(6,412)	4,188	1,864	12,819	(10,495)
CZK	CASCADE LOCKS STATE AIRPORT	200	2,215	8,660	(10,675)	734	494	2,594	(2,355)
2S7	CHILOQUIN STATE AIRPORT	4,459	3,630	7,676	(6,847)	1,870	1,626	6,638	(6,395)
3S9	CONDON STATE AIRPORT	3,658	2,901	5,953	(5,196)	1,390	1,558	1,966	(2,135)
61S	COTTAGE GROVE STATE AIRPORT	56,827	20,338	82,475	(45,987)	70,493	9,555	49,421	11,517
5S2	CRESCENT LAKE STATE AIRPORT	-	1,645	2,720	(4,365)	650	1,407	1,622	(2,379)
7S5	INDEPENDENCE STATE AIRPORT	177,147	7,785	27,054	142,308	97,444	5,406	13,192	78,845
JSY	JOSEPH STATE AIRPORT	109,096	7,775	151,462	(50,140)	44,414	7,090	74,906	(37,581)
S30	LEBANON STATE AIRPORT	49,542	10,211	21,670	17,661	28,334	5,592	20,780	1,962
26U	MCDERMITT STATE AIRPORT	688	1,984	7,141	(8,438)	489	3,140	4,492	(7,143)
00S	MCKENZIE BRIDGE STATE AIRPORT	550	1,430	1,256	(2,135)	0	738	42	(780)
4S9	MULINO AIRPORT	741,448	21,588	221,402	498,458	157,220	6,354	109,327	41,539
3S7	NEHALEM BAY STATE AIRPORT	-	1,902	4,878	(6,780)	650	182	0	468
5S0	OAKRIDGE STATE AIRPORT	2,176	2,348	5,092	(5,264)	1,511	1,372	2,329	(2,190)
28U	OWYHEE RESERVOIR STATE AIRPORT	-	302	707	(1,010)	0	0	106	(106)
PFC	PACIFIC CITY STATE AIRPORT	900	1,599	6,853	(7,552)	830	1,543	730	(1,443)
24S	PINEHURST STATE AIRPORT	180	1,341	2,479	(3,640)	1,010	354	1,088	(431)
64S	PROSPECT STATE AIRPORT	6,259	6,393	17,071	(17,205)	250	1,910	5,556	(7,216)
REO	ROME STATE AIRPORT	-	732	2,152	(2,885)	0	613	1,138	(1,752)
8S3	SANTIAM JUNCTION STATE AIRPORT	550	542	851	(843)	0	506	42	(548)
S45	SILETZ BAY STATE AIRPORT	14,775	3,435	15,223	(3,883)	7,870	2,905	9,472	(4,507)
3S6	TOKETTEE STATE AIRPORT	-	630	2,928	(3,558)	596	174	4,456	(4,034)
5S4	TOLEDO STATE AIRPORT	2,682	1,665	2,127	(1,109)	904	883	564	(544)
R33	WAKONDA BEACH STATE AIRPORT	1,722	1,154	2,418	(1,849)	279	1,349	2,599	(3,669)
35S	WASCO STATE AIRPORT	2,659	3,002	4,345	(4,687)	1,235	2,808	2,167	(3,740)
State Owned Airport TOTALS		\$ 1,548,495	\$ 147,332	\$ 829,310	\$ 571,853	\$ 595,149	\$ 74,977	\$ 393,198	\$ 126,975