



OREGON DEPARTMENT OF AVIATION ANNUAL REPORT

JULY 1, 2012 THROUGH JUNE 30, 2013



Pacific City Airport

TABLE OF CONTENTS

FROM THE DIRECTOR	3
OREGON AVIATION BOARD	5
ODA STAFF	8
AVIATION IN OREGON	9
ECONOMIC IMPORTANCE	10
AGENCY OVERVIEW	11
MISSION STATEMENT	11
AGENCY HISTORY	12
STATE AIRPORT FACILITIES	16
AIRPORT INFO REPORTING FOR OR. (AIRO)	28
PILOT AND AIRCRAFT REGISTRATION	30
AIRPORT IMPROVEMENT PROJECTS	32
CAPITAL CONSTRUCTION PROJECTS	32
PAVEMENT EVALUATION PROGRAM (PEP)	33
PAVEMENT MAINTENANCE PROGRAM (PMP)	34
TALL STRUCTURES EVALUATION	36
5010 MASTER RECORD INSPECTIONS	36
AIRPORT AND HELIPORT SITE INSPECTIONS	37
2011-2013 LEGISLATIVELY ADOPTED BUDGET	38
2013 STATE AIRPORT COSTS	41

FROM THE DIRECTOR

Mitch Swecker

The fiscal year that ended on June 30, 2013 was a solidly successful year for the Department of Aviation. The year brought stability to the agency and produced the sustainability the agency needs to succeed in the 13-15 Biennium. The year did bring some changes to the Aviation Department. Those changes and improvements in the agency occurred in multiple arenas; legislative, staff organization and workload allocation, Aviation Industry cluster development, completion of multiple airport projects and progress in the growth of the Statewide Capital Improvements Program (SCIP). This was also the first full year of ODA's successful partnership with Oregon Department of Transportation for central services including budget, contracting and procurement, human resources, information technology and lease management.

In the legislative arena, HB 5505 successfully passed ODA's budget as one of the first heard by the legislature and subsequently first approved by audit reviews post-session. It also proved the agency can operate within a small and declining budget while recognizing there are still financial challenges that have to be addressed either through service reductions or revenue increases in the near future. SB 178, a bill sponsored by the department, successfully passed and was signed by the Governor, granting ODA the ability to impose civil penalties for safety violations and enforcement of ORS 837. After 40 years of being able to do so, SB 602 banned seaplanes on Waldo Lake after a multiyear litigation struggle between the Oregon Seaplane Pilots Association and federal and state agencies. ODA also became involved in the Unmanned Aerial Systems (UAS) industry through the legislative process. HB 2710 regulating UAS in Oregon requires the state to register government operated UAS (also known as drones). This bill also requires ODA to report to the legislature in 2014 on how they are being used throughout the state.

In a related development, an Oregon consortium of business, academia and government formed an organization; Oregon Unmanned Aerial Business Enterprise (OR-UAS) to promote UAS in the state through grants and loans. They submitted an application to become one of the FAA's six test sites in the U.S. as mandated by the FAA Reauthorization Act of 2012. Oregon strategically partnered with Alaska and Hawaii in their application, making it the only multistate application among over 35 applications from across the United States. (Spoiler alert: This annual report covers through June 2013 however, Oregon was included in with Alaska as one of the 6 designated test sites in December 2013)

The Department commissioned a Human Resources study of staffing and made some much needed changes in organizational structure to become more efficient and able to meet the workload challenges of the next biennium. The staff also grew by one Full Time Equivalent (FTE) after years of declining staff size by adding a planner (Jeff Caines) as the Statewide Capital Improvements Plan (SCIP) coordinator. This has paid huge dividends in keeping FAA NonPrimary Entitlement (NPE) dollars in the state and helping to provide living wage airport construction jobs around the state. Thanks to an improved economic outlook, the end of the year also brought an end to furlough days and pay freezes to state employees.

The Aviation Industry Cluster, supported by the Department "took wing" with the formation of a nonprofit organization with a Board of Directors named ORAVI (Oregon Aviation Industry). ORAVI organized and sponsored a very successful conference in September of 2013 that included Ben "Flaps" Berry (one of the famed Tuskegee Airmen) as a featured speaker and industry panels that focused on access to capital for aviation businesses and Development of a trained work force for the Aviation Industry. This proved to be "Flaps" last public appearance as he passed away just two weeks later. Like all who attended this event, I felt exceptionally fortunate to have met him. The second annual conference was attended by over 130 aviation stakeholders from industry, government and the academic community.

The Agency completed a multitude of projects at FAA funded airports from Runway renovations to airport obstruction removal projects. The biggest project was a complete runway renovation at Chiloquin State Airport along with obstruction removal projects at Chiloquin and Siletz Bay State Airports. ODA also completed the design for the Aurora Air Traffic Control Tower.

ODA had a very successful year of Pavement Maintenance Program (PMP) projects, focusing on the NW region of the state during 2013. The agency also received the results of a 10 year study of the impact of PMP and the results are an impressive average 20.4 year increase in airport pavement life where PMP was done. This potentially extends the life of the average Oregon airport runway by 100% over the FAA's 20 year pavement life cycle expectations. This effectively provides the cost avoidance of an entire pavement replacement cycle saving an average of approximately \$2 million per cycle.

ODA also expanded its outreach to other Federal, state and local governments including: Business and industry (ORAVI and UAV communities, membership in boards and commissions (UAS, OAMA, CONNECTOREGON, Business Oregon, County Commissions, city councils). The AIRO Program continued to thrive at state airports both increasing in membership and in the scope of volunteer involvement. The Oregon Pilots Association (OPA) became a "force multiplier" for ODA's small staff by increasing their role as eyes and ears at State airports. They even formed a "maintenance wing" to provide volunteer work parties at selected airports throughout the year. OPA has become a valuable ally and partner to the Department of Aviation and proves it on a daily basis in the upkeep of Oregon Airports.

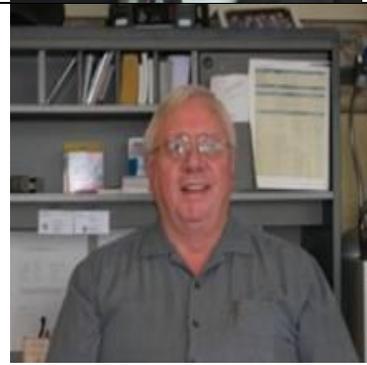
The Partnership between ODA and the Oregon Airport Manager's Association (OAMA) also continued to flourish with a member of the agency on the Board of OAMA and a third consecutive joint annual conference in Salem in early 2013 with both parties contributing to a successful conference and a joint OAMA, ORAVI and ODA reception at the Convention Center in Salem.

There are challenges ahead. The Department still needs to identify new revenue sources and will be putting forward legislative concepts for the 2015 legislative session. The agency still needs to be as efficient as possible in its' business practices and continues to review the roles of all of the state owned airports. There is always a need to expand aviation outreach and educate business and government leadership about how important aviation is to the state as a transportation mode, economic engine and community service provider throughout the state. The Oregon Department of Aviation stands ready to meet the challenges in the next biennium.

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 July 2008 Term expires 6/30/2016</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 November 2005. 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 July 2007. Term expires 6/30/15</p>

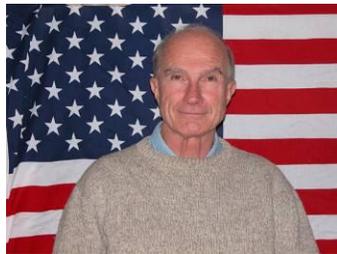


Nan Garnick is a lifetime resident of Central Oregon. Her aviation career began shortly before graduation from Redmond High School as a bookkeeper's assistant at Butler Aircraft. The explosive growth of aviation in Redmond and Central Oregon fostered Nan's aviation business acumen. In 2006, Nan and her 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 Feb 2008. 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 February 2002. Term expires 6/30/2013 (on extension)



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.

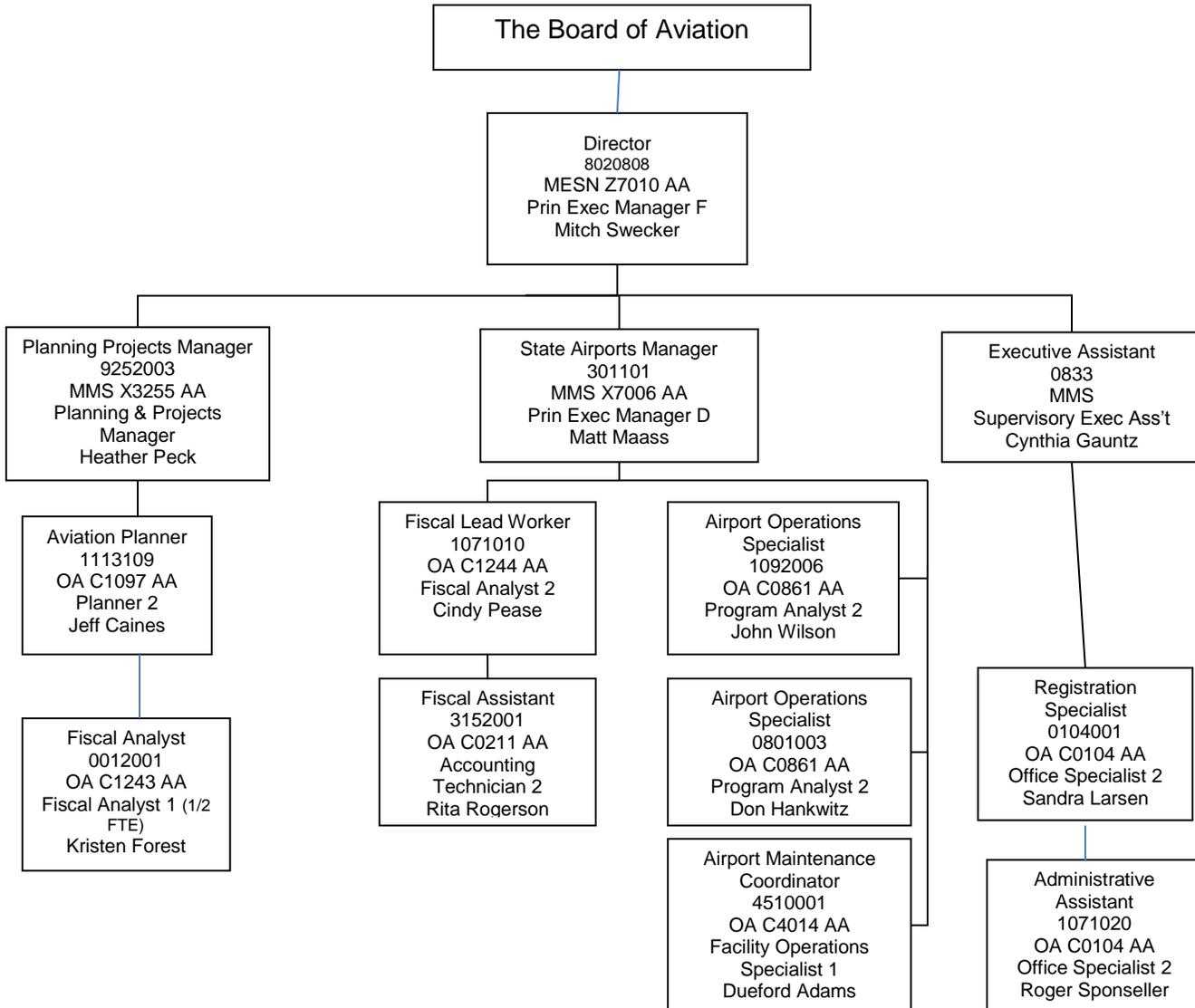
Since then he's served as District Attorney for Umatilla County, Executive Assistant to the Speaker of the Oregon House of Representatives, Executive Director of the Pacific Northwest Regional Commission, and a short stint holding an interim position in the Oregon House of Representatives. Between 1986 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 February 2002. 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. Term Expires 6/30/2016

ODA STAFF

Organizational Chart for 2012-2013

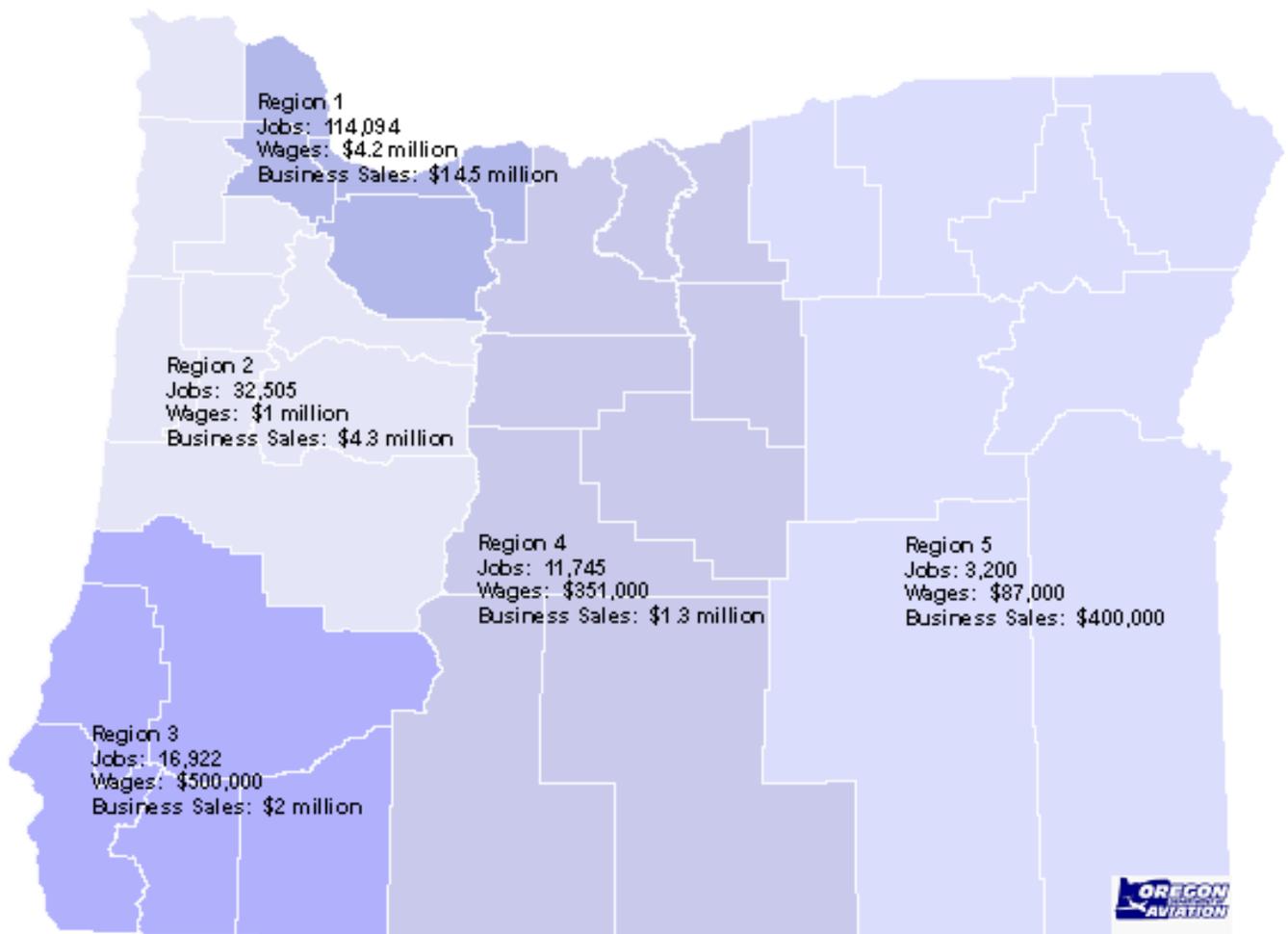


Economic Importance

A recent update to Chapter 8 (Economic Impact of Aviation in Oregon) shows that aviation continues to play an important role in Oregon's economy. The Report conducted by Mead and Hunt and ODA reports that Oregon provides over \$22 billion dollars in economic benefit and 76,000 jobs to the state just at airports and their satellite businesses alone. Combined with the aviation industry throughout the state, the amount of economic benefit to Oregon communities is many times that amount. (based on pending Business Oregon study). Oregon's airports continue to play a key role in ensuring economic growth and maintaining high standards of livability throughout the state with an average living wage that exceeds the national and state standards at \$57,000 average annual salary. Oregon communities depend on airports for business and recreational transportation hubs, economic development magnets (businesses move where there is airport access), high value time critical cargo and mail delivery, emergency and medevac access, and rural aerial firefighting. Since 2009, over 300 million dollars in FAA grant funds and over 89 million in CONNECTOREGON funding have maintained and improved the infrastructure of Oregon airports.

In 2013, The Aviation Board and the aviation business community held their second annual Aviation Industry summit in McMinnville at the Evergreen Aviation Museum. Over 130 aviation businesses,

Economic Value of Oregon Airports by Connect Oregon Region



higher education and government stakeholders 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.**

AGENCY OVERVIEW

The Oregon Department of Aviation (ODA) is 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 13 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 aircraft 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. 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 of the Aviation Industry Cluster identifying over 400 aviation businesses in the process. The Planning Department completed runway renovation projects at Joseph. The Agency also completed obstruction removal at Aurora, Bandon and Siletz Bay.

June 2013: With the close of the 11-13 biennium, ODA stabilized its business model and continued to work on streamlining the organization for an efficient and cost effective work force able to provide the aviation services needed by Oregon communities. ODA strengthened the Statewide Capital Improvement Program (SCIP) which coordinates between FAA and Oregon's 55 federally funded airports. Legislatively, ODA saw a ban on seaplanes at Waldo Lake through SB 602, received statutory authorization to impose civil penalties for violations of ORS 837 and entered a new area of aviation; Unmanned Aerial Systems (UAS) via HB 2710 and participation in attracting UAS businesses to Oregon through participation in a consortium of business and government that sought to include Oregon as one of the 6 FAA test sites directed by Congress in the 2012 FAA Reauthorization Act.

STATE AIRPORT FACILITIES



Sunrise over Mt. Jefferson at the Salem Office

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 in south-central Oregon just west of U.S Route 395, about 65 miles north of Lakeview and 40 miles east of Christmas Valley. 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 completed a Master Plan update in 2013 to prepare the airport for the future. The proposed Air Traffic Control Tower came a step closer to construction through the contracting of the design phase with Mead and Hunt and as of the publication of this report, is currently out to bid!



Aurora State 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.

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.

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.



Cascade Locks State Airport

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 2013, ODA completed a runway renovation and obstruction removal project.

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 2014-15, ODA will be completing a runway renovation for the runway at Cottage Grove.



Cottage Grove State 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 State Airport

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 plays a significant role in the area's ability to sustain economic growth. In 2013, the city and ODA jointly participated in a drainage study to optimize the water flow at and around the 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.

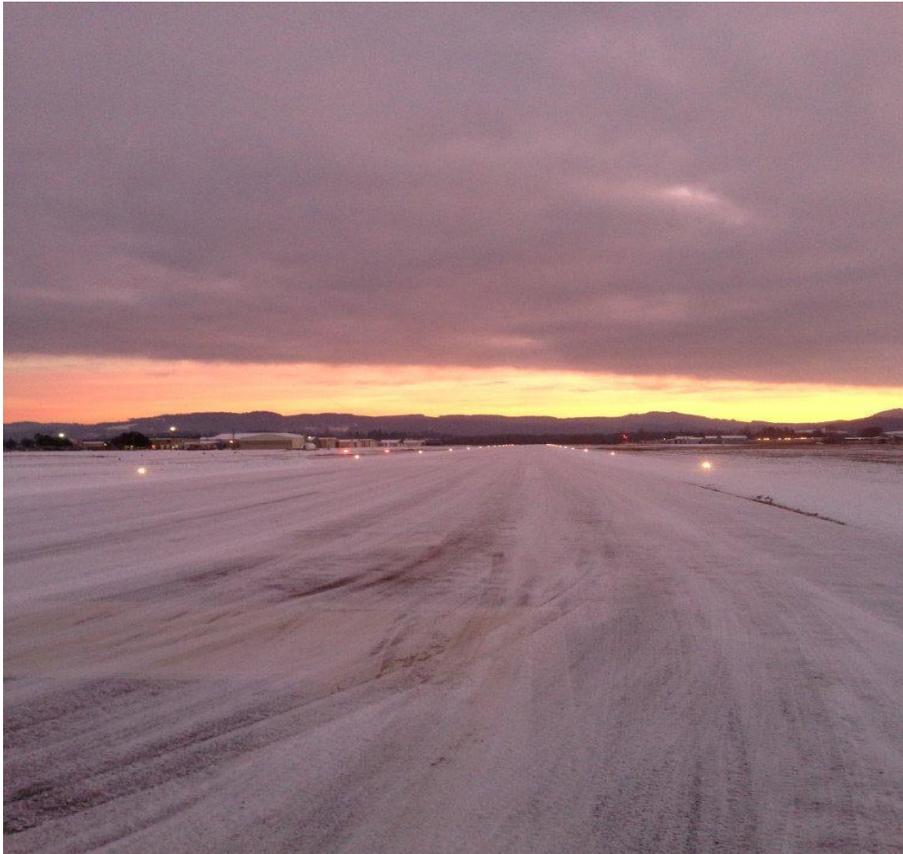
The airport currently has limited business jet activity, but would be able to accommodate the majority of business jet aircraft with its proposed 5,500-foot long runway. With development of an adequate runway length and additional landside facilities, Joseph State Airport will be capable of supporting economic growth for both communities, as well as providing better access to the State's airport system. After a successful runway renovation in 2011, ODA is planning for an obstruction removal and infield grading project in 2014.

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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.



Lebanon State Airport

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. ODA is planning for a runway lighting, electrical system upgrade and beacon tower replacement for 2016.

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. McKenzie Bridge State Airport is also a strategic aerial firefighting airport staging site.



McKenzie Bridge State Airport

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. ODA is planning for an obstruction removal project for 2014 (planning) and 2015 (tree removal).

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. In 2013, Oakridge continued to be one of the strategic firefighting airports in the state.

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. The Oregon Pilots Association and Backcountry Pilot organizations have adopted Owyhee to keep it safe and operational



Owyhee State Airport

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. Continual urban encroachment threatens the viability of the airport as a recreational destination for Oregon and out of state pilots.

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.

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 2013.

Rome State Airport

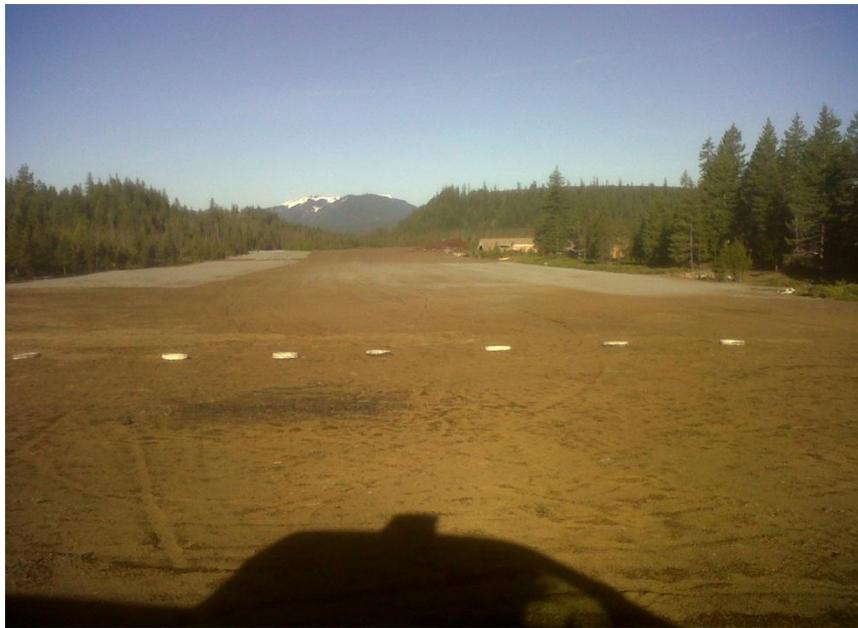
The State Highway Department constructed Rome State Airport for the Department of Defense, then transferred the airport to the Board of Aeronautics in 1957. The airport is located in southeast Oregon, west of U.S. Route 95 (Idaho-Oregon-Nevada Highway). There is no town associated with the location of the airport. It lies approximately 100 miles south of Bums 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. Rome was used in 2013 as a firefighting base.

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 remains a key firefighting airport.



Santiam Junction State Airport

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.



New Pavement at 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.



Toledo State Airport

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 continuity of the Oregon coastal airport system.

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

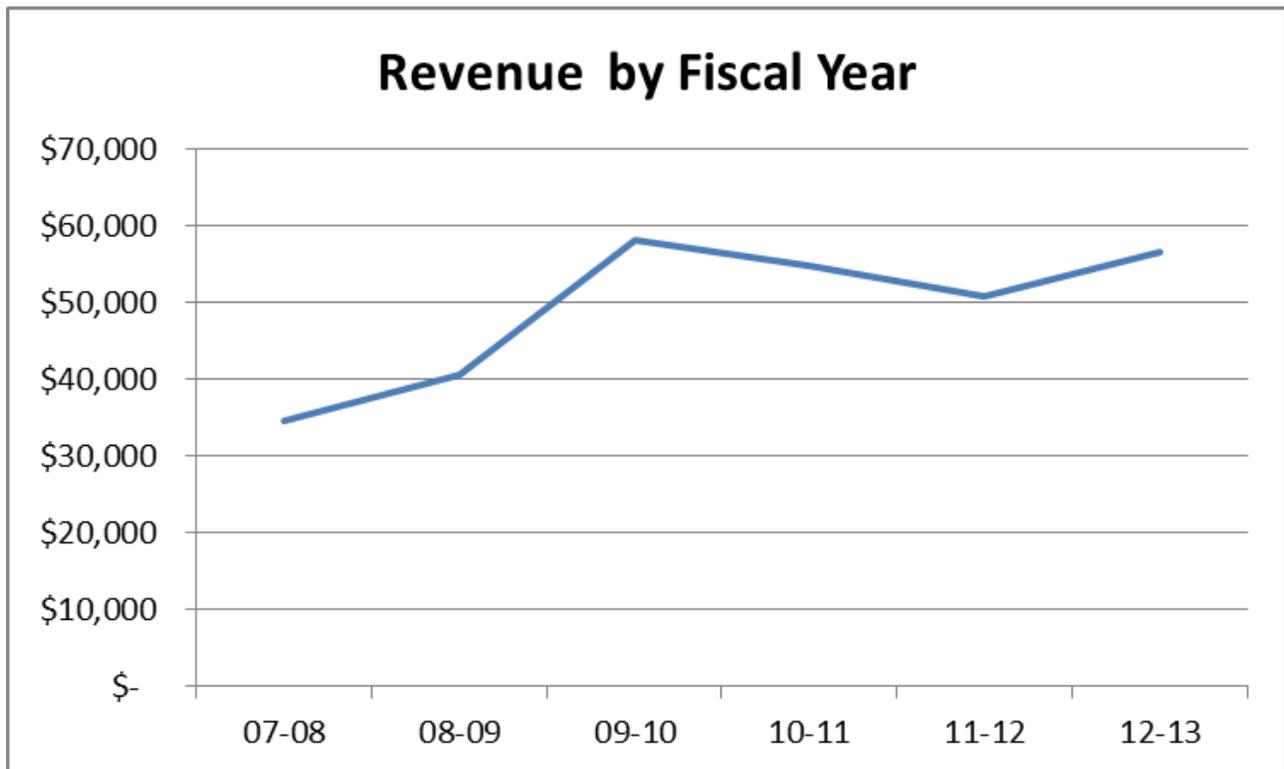
- **28-** ODA Airports staffed with at least one volunteer reporter (100%)
- **43-** Total assigned volunteers (100%)
- **15-** Volunteers that have attended training (35%)
- **3-** Other volunteer applications pending
- **3-** Volunteer resignations
- **20-** Airports with multiple reporters (71%)
- **6-** Multiple-airport reporters, (14%)
- **4-** “At-large” reporters (9% of volunteers)
- **11-** Inspections received in 2013
- **169-** 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- 28, Pacific City- 19, Nehalem Bay- 19 and Cottage Grove-15

Airport	AIRO Volunteer(s)
Alkali Lake State Airport	Paul & Robin Ehrhardt
Aurora State Airport	Harper Polling
Bandon State Airport	Wayne Crook, Ray Kimball
Cape Blanco State Airport	George Welch
Cascade Locks State Airport	Dale Fillmore, James Wisener
Chiloquin State Airport	Pegeen Fitzpatrick, Terry Hagel
Condon State Airport	Sam Bates, Dick Richelderfer
Cottage Grove State Airport	Cliff Cox, Shawn Kelly
Crescent Lake State Airport	Paul & Robin Ehrhardt, David Morrison
Independence State Airport	Debra Plymate, Ron Sterba
Joseph State Airport	Woody Begin, Wup Wynn
Lebanon State Airport	Larry Knox, Woody Begin
McDermitt State Airport	Woody Begin, Mike Bunch, Bret Dowty
McKenzie Bridge State Airport	Paul & Robin Ehrhardt, Cliff Cox
Mulino State Airport	Lisa Miley, Larry Stevens
Nehalem Bay State Airport	Robert Hall
Oakridge State Airport	Paul & Robin Ehrhardt, Dale Fillmore
Owyhee Res. State Airport	Bob Bement, Alan Daniels
Pacific City State Airport	Russell Elliott, Robert Hall
Pinehurst State Airport	Harley Swartz
Prospect State Airport	Walt Ridge
Rome State Airport	Dan Hutchison
Santiam Junction State Airport	Paul & Robin Ehrhardt, Bill Langdon
Siletz Bay State Airport	TJ Beck, Dave Kimberling
Toketee State Airport	Jeff Boler, Bill Langdon, Tom Weiss
Toledo State Airport	Jacob Accurso, Ron Goulet, Jack Peterson
Wakonda Beach State Airport	Richard Jacob, Jack Peterson
Wasco State Airport	Dick Richelderfer
At Large	Ron Rende, Mary Rosenblum, Dennis Smith, Karen Cardin

PILOT 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 between 2010 and 2012. Revenue increased in 2013. In 2009, pilot registration fees were increased from \$8.00 to \$12.00 per year.

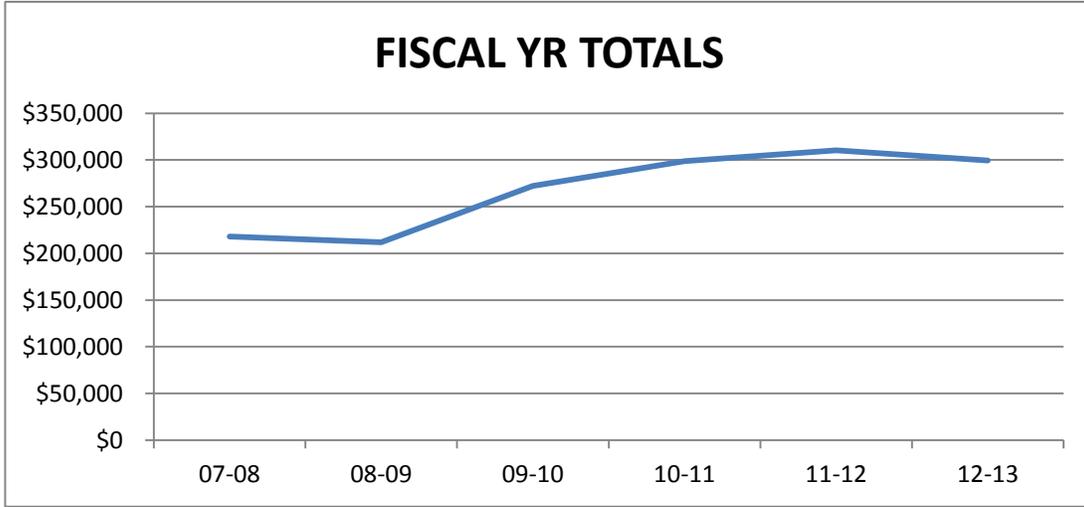
Pilot Registration Revenue by Fiscal Year



PILOT	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Total
07-08	\$ 3,522	\$ 3,334	\$ 1,851	\$ 2,018	\$ 2,826	\$ 3,304	\$ 2,910	\$ 2,657	\$ 3,386	\$ 2,642	\$ 2,997	\$ 3,142	\$ 34,589
08-09	\$ 1,902	\$ 3,317	\$ 3,751	\$ 6,421	\$ 4,717	\$ 2,845	\$ 3,428	\$ 2,696	\$ 3,719	\$ 3,264	\$ 2,560	\$ 1,905	\$ 40,525
09-10	\$ 3,033	\$ 3,028	\$ 17,581	\$ 7,942	\$ 4,374	\$ 2,349	\$ 2,624	\$ 4,741	\$ 3,377	\$ 3,618	\$ 3,150	\$ 2,292	\$ 58,109
10-11	\$ 4,459	\$ 4,045	\$ 7,754	\$ 5,364	\$ 3,768	\$ 2,545	\$ 4,080	\$ 4,381	\$ 4,347	\$ 4,616	\$ 3,334	\$ 6,221	\$ 54,914
11-12	\$ 4,296	\$ 4,573	\$ 3,778	\$ 3,615	\$ 3,048	\$ 4,606	\$ 3,725	\$ 3,992	\$ 4,798	\$ 4,412	\$ 4,217	\$ 5,675	\$ 50,735
12-13	\$ 4,577	\$ 5,326	\$ 4,083	\$ 5,370	\$ 6,476	\$ 4,018	\$ 5,693	\$ 4,606	\$ 4,880	\$ 4,040	\$ 4,306	\$ 3,145	\$ 56,520

AIRCRAFT REGISTRATION

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. The 12-13 aircraft registration brought the biennium total to a record \$309,000.



AC	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	
07-08	\$ 17,392	\$ 17,429	\$ 9,895	\$ 10,740	\$ 17,406	\$ 27,188	\$ 20,445	\$ 20,206	\$ 19,723	\$ 17,539	\$ 21,604	\$ 18,401	\$ 217,968
08-09	\$ 7,543	\$ 17,253	\$ 21,759	\$ 22,803	\$ 16,465	\$ 17,904	\$ 18,239	\$ 9,744	\$ 26,814	\$ 20,638	\$ 21,460	\$ 11,337	\$ 211,959
09-10	\$ 18,273	\$ 16,524	\$ 51,277	\$ 25,494	\$ 20,610	\$ 13,585	\$ 18,150	\$ 32,425	\$ 22,335	\$ 18,467	\$ 22,525	\$ 12,640	\$ 272,305
10-11	\$ 18,930	\$ 29,155	\$ 20,291	\$ 21,880	\$ 31,951	\$ 18,735	\$ 23,820	\$ 25,595	\$ 26,435	\$ 28,305	\$ 24,560	\$ 28,965	\$ 298,622
11-12	\$ 16,915	\$ 24,435	\$ 24,430	\$ 17,335	\$ 21,110	\$ 24,415	\$ 24,810	\$ 23,005	\$ 25,105	\$ 31,360	\$ 44,530	\$ 32,885	\$ 310,335
12-13	\$ 18,955	\$ 24,310	\$ 21,145	\$ 21,875	\$ 27,555	\$ 24,735	\$ 24,500	\$ 26,245	\$ 25,125	\$ 30,240	\$ 34,340	\$ 20,455	\$ 299,480

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 2012-2013 the following new projects were funded by the FAA AIP.

	<u>Federal Share</u>	<u>ODA Share</u>
Chiloquin Runway Rehab/obstruction removal/Beacon tower	\$2,070,000	\$230,000
Cottage Grove Obstruction Removal Phase 2 (project completion)	\$202,50	\$22,500
Siletz Apron Rehab phase 1 (design / phase 1)	\$135,000	\$15,000
Oregon Aviation System Plan update (economic Impact study)	\$90,000	\$9,000

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, 2012 PMP 10 Year Study, and completed pavement maintenance work at various airports facilitated through the agency's Pavement Maintenance Program. ODA updated the 5 year FAA Capital Improvement Project Plans for the agency's 12 NPIAS airports 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 (associated work was funded through a AIP System Planning Grant sponsored by the FAA at a 90% federal share).

Along with the projects listed above, ODA has been working on an update to the Oregon Aviation Plan (2007 OAP) which has been focused on the statewide General Aviation System, Airport Inventory and the economic impacts that General Aviation has on the State's economy overall since 2007. This project is expected to be complete spring 2014.

Capital Construction Projects

Aurora Control Tower

This is the second phase of a two-part project that included an update to the airport's Master Plan and a contract for design for an Air Traffic Control Tower (ATCT). Final design and construction specifications were finalized this year allowing for the project to be bid. ODA anticipates the bidding phase to be complete in January 2014 with construction immediately to follow.

PAVEMENT EVALUATION PROGRAM (PEP)

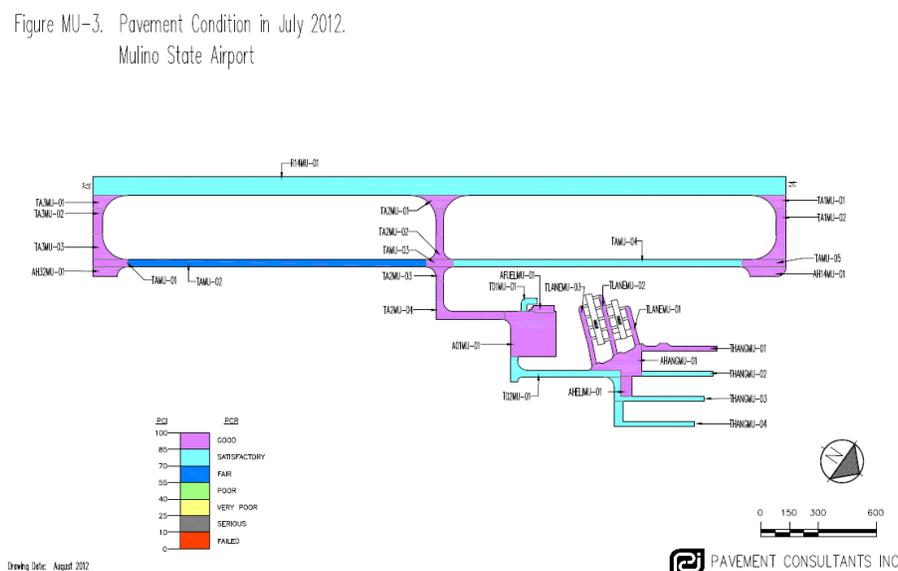
When the 1999 Oregon Legislature approved an increase to jet fuel and aviation gas taxes, ODA gained an additional revenue stream dedicated to addressing pavement deficiencies identified through the FAA-funded Pavement Evaluation Program (PEP). Through this program ODA provides pavement condition assessments 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, and 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 2014 Pavement Maintenance Program.

Ashland Municipal	Grants Pass
Bandon State	Illinois Valley
Brookings	Myrtle Creek Municipal
Cape Blanco State	Oakridge State
Chiloquin State	Paisley
Christmas Valley	Pinehurst State
Creswell	Prospect State
Florence Municipal	Roseburg Regional
Lake County	
Gold Beach Municipal	

Chart below is an example of a Pavement Maintenance CAD drawing from MicroPaver ©

Figure MU-3. Pavement Condition in July 2012.
Mulino State Airport



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 2013, the following airports in the Northwest region received pavement maintenance:

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	



Crack sealing at Scappoose photo credit - James Kirby, Jr., PE



Patch Repair; Rock compaction at Hillsboro photo credit - James Kirby, Jr., PE



Joint repair patching at Salem –photo credit - James Kirby, Jr., PE

NOTE: 2013 PMP was not conducted in the 2012 – 2013 fiscal year cycle. Construction did not start until August 2013 with final completion November 2013

TALL STRUCTURES EVALUATION

During the 2012-2013 fiscal year airspace analyses were conducted on all proposed tall structures in and around Oregon Airports. Through this process, ODA ensures that proposed structures do not encroach upon or negatively impact airports. ODA staff works with counties, cities, local agencies across the state in coordination with the FAA to review land use actions near airports and provide evaluations and analysis on tall structures to ensure there is no hazard to air navigation. ODA's mission is to assist in preserving airports through planning guidance and requirements and compliance of 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 2013, 28 airports were inspected.

AIRPORT NAME	ASSOCIATED CITY	LOC ID // FAA SITE #	Inspected
BAKER CITY MUNI	BAKER CITY	BKE 19358.*A	2013
BOARDMAN BOARDMAN	BOARDMAN	M50 19374.*A	2013
CHILOQUIN STATE	CHILOQUIN	2S7 19403.*A	2013
CHRISTMAS VALLEY	CHRISTMAS VALLEY	62S 19403.3*A	2013
COLUMBIA GORGE RGNL/THE DALLES MUNI	THE DALLES	DLS 19614.*A	2013
CONDON STATE PAULING FLD	CONDON	3S9 19405.4*A	2013
CORVALLIS MUNI	CORVALLIS	CVO 19407.*A	2013
GOLD BEACH MUNI	GOLD BEACH	4S1 19453.*A	2013
GRANT CO RGNL/OGILVIE FIELD	JOHN DAY	GCD 19480.*A	2013
KEN JERNSTEDT AIRFIELD	HOOD RIVER	4S2 19473.*A	2013
LAKE BILLY CHINOOK	CULVER	5S5 19415.2*A	2013
LAKE COUNTY	LAKEVIEW	LKV 19491.*A	2013
LEXINGTON	LEXINGTON	9S9 19500.5*A	2013
MADRAS MUNICIPAL	MADRAS	S33 19505.*A	2013
MALIN	MALIN	4S7 19506.*A	2013
MC KENZIE BRIDGE STATE	MCKENZIE BRIDGE	00S 19501.7*A	2013
MILLER MEMORIAL AIRPARK	VALE	S49 19627.*A	2013
MONUMENT MUNI	MONUMENT	12S 19524.4*A	2013
ONTARIO MUNI	ONTARIO	ONO 19554.*A	2013
PROSPECT STATE	PROSPECT	64S 19578.*A	2013
SANTIAM JUNCTION STATE	SANTIAM JUNCTION	8S3 19597.*A	2013
SISTERS EAGLE AIR	SISTERS	6K5 19607.3*A	2013
SKYPORT	CORNELIUS	4S4 19406.5*A	2013
SUNRIVER	SUNRIVER	S21 19609.8*A	2013
TOLEDO STATE	TOLEDO	5S4 19620.3*A	2013
VERNONIA MUNI	VERNONIA	05S 19631.*A	2013
WAKONDA BEACH STATE	WALDPORT	R33 19633.5*A	2013
WASCO STATE	WASCO	35S 19635.*A	2013

Airport & Heliport Site Inspection

As authorized by the State Aviation Board; Oregon Department of Aviation is required to evaluate new airport and helicopter sites as described in ORS 836.085; 836.090; 836.095. Further amplifying the statutes, OAR 738-020-0025 directs that ODA “*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.*”

2012-2013 Site Inspections on Proposed Airport and Heliport

Date of Application	Proposed Name	Airport/Heliport	Address	City
2/5/2013	Madison Ranches Inc.	Heliport	29299 Madison Rd	Echo
2/6/2013	Kaizer Hospital Sunnyside	Heliport	10180 SE Sunnyside Rd	Portland
3/6/2013	Swanson Group Aviation	Heliport	PO Box 250	Glendale
4/2/2013	Fee Field	Airport	640 NE 3rd Street	McMinnville
4/22/2013	Berlin Haus	Airport	31330 Berlin Ridge Road	Lebanon



Airport Site Inspection Photo

2011-2013 LEGISLATIVELY APPROVED BUDGET

Beginning Balance \$1,449,922

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

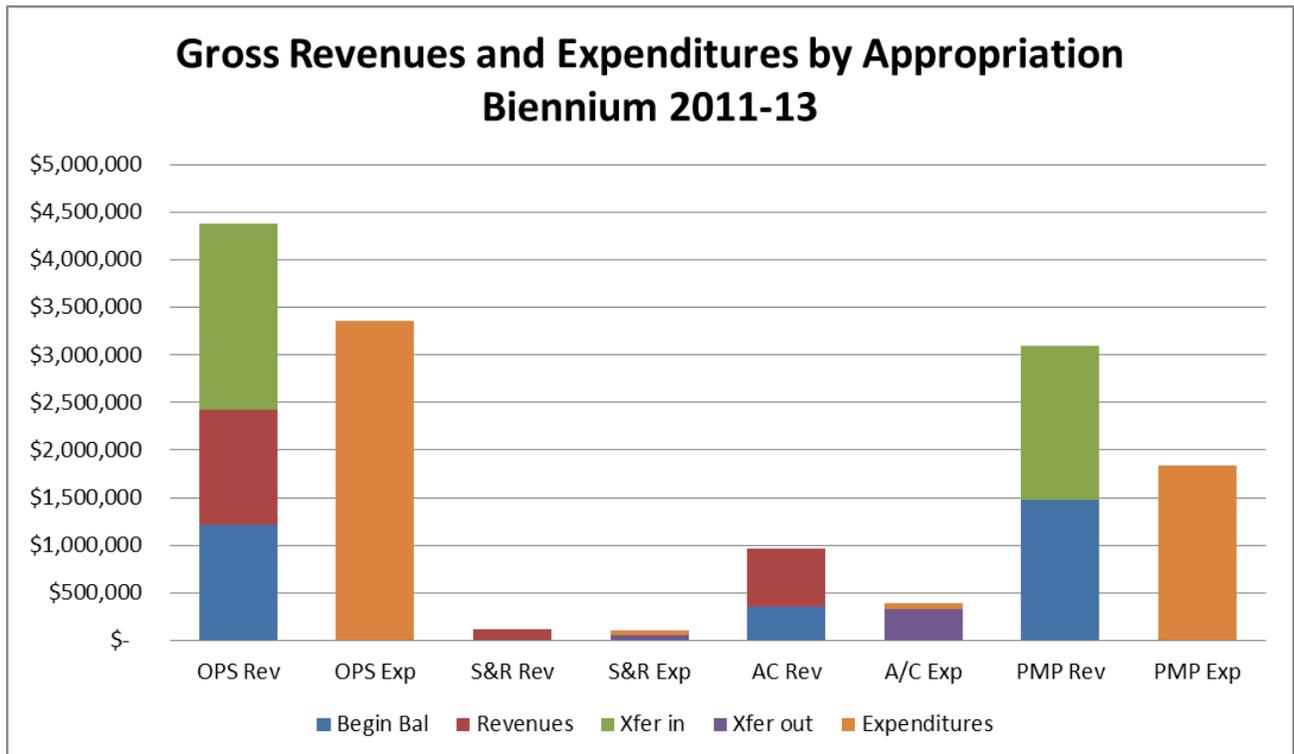
Operations \$3,956,095
Search & Rescue \$53,900
General Aviation Entitlement Program \$2,772,055
Aircraft Registration \$66,749
Pavement Maintenance \$1,908,331
Capital Construction \$210,526

Total Expenditures \$8,967,656

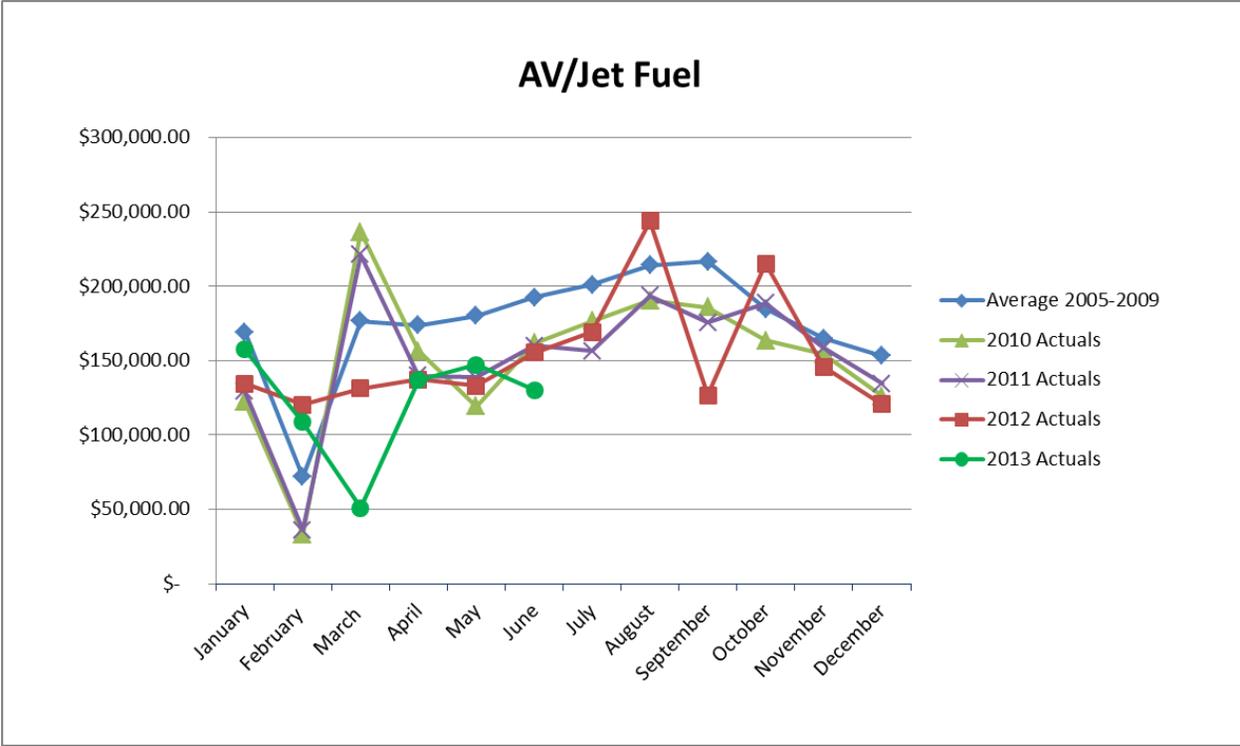
Ending Balance \$2,491,664

Available Limitation and cash balance as of June 30, 2013

Appropriation #	Airport or Program	Appn Year	Limitation	Amount Spent	Available Limitation	Fund Cash Balance
State Limitations						
30000	Operations	2013	3,636,101.00	3,365,531.03	270,569.97	1,015,572.42
31000	Search & Rescue	2013	53,900.00	50,037.73	3,862.27	15,690.00
34000	GA Entitlement-State	2013	180,964.00	47,261.70	133,702.30	(46.20)
36000	Aircraft Registration	2013	66,749.00	64,047.09	2,701.91	612,122.94
37000	Pavement Maintenance	2013	1,908,331.00	1,835,710.11	72,620.89	1,269,077.03
Capital Construction-State Side						
33014	Aurora Land & Taxiway	2009	229,306.00	226,609.68	2,696.32	0.00
33015	Bandon Apron & Taxiway Relocation	2009	47,368.00	26,318.56	21,049.44	0.00
33016	Cottage Grove Runway...	2009	47,894.00	40,884.78	7,009.22	0.00
33017	Chiloquin Rehab, Obstruct & Light	2009	196,947.00	166,044.89	30,902.11	0.00
33019	Lebanon Runway Safety Area...	2009	259,808.00	185,317.15	74,490.85	0.00
33020	Joseph Capital Construction	2011	127,632.00	88,143.55	39,488.45	0.00
39683	Chiloquin Runway/apron rehab	2013	10,526.00	10,024.88	501.12	0.00
33901	Aurora Air Traffic Control Tower	2011	2,695,200.00	149,113.28	2,546,086.72	(29,852.80)
Federal Limitations						
60000	Operations-Federal Funds	2013	500,000.00	384,264.42	115,735.58	(22,803.07)
64000	GA Entitlement-Federal Funds	2013	2,772,055.00	637,915.27	2,134,139.73	(20,825.82)
Capital Construction-Federal Side						
65014	Aurora Land Acquisition & Taxiway	2009	4,356,816.00	4,305,575.61	51,240.39	0.00
65015	Bandon Apron & Taxiway Relocation	2009	900,000.00	500,017.00	399,983.00	0.00
65016	Cottage Grove Runway Fencing & Light	2009	910,000.00	771,129.00	138,871.00	0.00
65017	Chiloquin Aron Rehab Obstruction..	2009	2,830,000.00	1,494,396.00	1,335,604.00	0.00
65019	Lebanon Runway Safety Area...	2009	2,846,353.00	2,657,452.00	188,901.00	0.00
65020	Joseph Runway Safety Area...	2011	2,500,000.00	1,674,714.86	825,285.14	(14,584.17)
69684	Chiloquin Runway/apron rehab	2013	200,000.00	190,472.20	9,527.80	(2,328.20)
65023	Aurora Traffic Control Tower Equipment	2013	614,000.00	0.00	614,000.00	614,000.00
			27,889,950.00	18,870,980.79	9,018,969.21	3,436,022.13



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 ith period 13			7/1/11 thru 06/30/13		
	Revenues	Expenditures	Profit/(Loss)	Revenues	Expenditures	Profit/(Loss)	
R03	ALKALI LAKE STATE AIRPORT	\$ 650	\$ 4,423	\$ (3,773)	\$ -	\$ 2,973	\$ (2,973)
UAO	AURORA STATE AIRPORT	350,054	\$ 207,946	142,108	351,325	\$ 101,169	250,155
S05	BANDON STATE AIRPORT	15,179	\$ 39,630	(24,451)	18,627	\$ 34,586	(15,959)
5S6	CAPE BLANCO STATE AIRPORT	7,093	\$ 13,504	(6,412)	7,072	\$ 19,811	(12,738)
CZK	CASCADE LOCKS STATE AIRPORT	200	\$ 10,875	(10,675)	1,139	\$ 9,765	(8,626)
2S7	CHILOQUIN STATE AIRPORT	4,459	\$ 11,305	(6,847)	4,492	\$ 15,214	(10,721)
3S9	CONDON STATE AIRPORT	3,658	\$ 8,854	(5,196)	3,930	\$ 5,848	(1,919)
61S	COTTAGE GROVE STATE AIRPORT	56,827	\$ 102,813	(45,987)	112,491	\$ 127,840	(15,349)
5S2	CRESCENT LAKE STATE AIRPORT	-	\$ 4,365	(4,365)	650	\$ 24,459	(23,809)
7S5	INDEPENDENCE STATE AIRPORT	177,147	\$ 34,839	142,308	197,026	\$ 34,207	162,819
JSY	JOSEPH STATE AIRPORT	109,096	\$ 159,237	(50,140)	92,227	\$ 154,030	(61,803)
S30	LEBANON STATE AIRPORT	49,542	\$ 31,882	17,661	55,026	\$ 56,076	(1,050)
26U	MCDERMITT STATE AIRPORT	688	\$ 9,125	(8,438)	1,641	\$ 9,372	(7,731)
00S	MCKENZIE BRIDGE STATE AIRPORT	550	\$ 2,685	(2,135)	0	\$ 1,947	(1,947)
4S9	MULINO AIRPORT	741,448	\$ 242,989	498,458	293,907	\$ 193,065	100,842
3S7	NEHALEM BAY STATE AIRPORT	-	\$ 6,780	(6,780)	650	\$ 2,900	(2,250)
5S0	OAKRIDGE STATE AIRPORT	2,176	\$ 7,440	(5,264)	2,555	\$ 7,192	(4,637)
28U	OWYHEE RESERVOIR STATE AIRPORT	-	\$ 1,010	(1,010)	0	\$ 177	(177)
PFC	PACIFIC CITY STATE AIRPORT	900	\$ 8,452	(7,552)	1,730	\$ 7,358	(5,628)
24S	PINEHURST STATE AIRPORT	180	\$ 3,820	(3,640)	1,175	\$ 2,736	(1,561)
64S	PROSPECT STATE AIRPORT	6,259	\$ 23,464	(17,205)	250	\$ 14,959	(14,709)
REO	ROME STATE AIRPORT	-	\$ 2,885	(2,885)	2,750	\$ 2,408	342
8S3	SANTIAM JUNCTION STATE AIRPORT	550	\$ 1,393	(843)	0	\$ 1,167	(1,167)
S45	SILETZ BAY STATE AIRPORT	14,775	\$ 18,658	(3,883)	17,183	\$ 17,610	(427)
3S6	TOKETTEE STATE AIRPORT	-	\$ 3,558	(3,558)	596	\$ 5,784	(5,188)
5S4	TOLEDO STATE AIRPORT	2,682	\$ 3,792	(1,109)	2,656	\$ 3,273	(617)
R33	WAKONDA BEACH STATE AIRPORT	1,722	\$ 3,571	(1,849)	1,571	\$ 5,453	(3,883)
35S	WASCO STATE AIRPORT	2,659	\$ 7,347	(4,687)	2,093	\$ 6,945	(4,852)
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	State Owned Airport TOTALS	\$ 1,548,495	\$ 976,642	\$ 571,853	\$ 1,172,760	\$ 868,323	\$ 304,437