OREGON DEPARTMENT OF AVIATION
Annual Performance Progress Report (APPR)
for Fiscal Year 2013-2014

Original Submission Date: 2014

Agency Mission:

To Preserve and Enhance Aviation in Supporting Oregon's Communities

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Department of Aviation

Agency Mission: To Preserve and Enhance Aviation in Supporting Oregon's Communities

I. EXECUTIVE SUMMARY

Contact: Mitch Swecker, Director	Phone: 503.378.2340
Alternate: Matt Maass, State Airports Manager	Phone: 503.378.2523

1. SCOPE OF REPORT

- These KPM are intended to measure the Department of Aviation's : (a) effectiveness and the efficiency in maintaining safe public-use airports within Oregon funded by aviation fuel tax receipts, (b) performance as viewed by its customers, (c) accountable and satisfactory performance of fiduciary responsibilities for management of federal and state funds received in grants and fees, (d) effectiveness in registering pilots and aircraft used to fund Oregon's Search and Rescue Program, and (e) effective and close coordination with the State Aviation Board in implementing policies for aviation in Oregon.
- Due to standards imposed by federal or other state governmental agencies, the inability to target performance in some programs or activities, the lack of need for performance measurement for decision-making in some programs or activities, a lack of effect on safety, funding, or state-wide implications, the following programs and activities are not included within the Department of Aviation's Key Performance Measures: (a) completion of construction/capital improvement projects, (b) incidental fee-programs (aircraft dealers, private airport registrations, etc.), (c) promulgation of legislation, (d) ability to compete for appropriation of federal funds for Oregon, (e) self-sufficiency of state-owned airports.

2. THE OREGON CONTEXT

Air transportation is an important part of Oregon's transportation system and airports are critical components of Oregon's transportation infrastructure. They support the state's economic and social wellbeing and livability by enabling the quick, efficient, and safe movement of people and goods. In 2014 there are 97 public use and over 360 private use airports in Oregon which provide a variety of different services to Oregonians, businesses and tourists.

Oregon's size, geography, and population distribution make air transportation more important for access, mobility, and connectivity than many other states. Air transportation plays a key role in connecting Oregon's rural populations with services, time sensitive cargo and commerce in both cities and rural communities. Aviation is also a logistic and economic bridge 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. Oregon's urban and rural communities depend heavily on their airports.

Oregon's system of airports plays an important role in economic development. The economic significance of Oregon's airport system is demonstrated by the following facts:

- There are more than 400 aviation related businesses in Oregon.

I. EXECUTIVE SUMMARY

- More than three million visitors arrive each year at Oregon's commercial service and general aviation airports.
- Spending by visitors and associated spin-offs account for a total annual benefit of approximately six billion to Oregon's economy.
- Visitor spending supports over 135,000 jobs in Oregon with an annual payroll estimated at $ 2.4 billion.
- Approximately 12,000 jobs are created by aviation-related tenants at Oregon's airports, and an additional 13,000 secondary jobs support tenant-related jobs.
- Annual output or spending related to all tenants at Oregon's system of commercial and general aviation airports is estimated at 5.9 billion.
- 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.

3. PERFORMANCE SUMMARY

The Legislatively-Approved Budget (LAB) included all approved Department of Aviation KPMs. Only KPM # 1 (Runway Pavements in Good or Better Condition) remains unchanged from previous KPM. KPM # 2 (Runway meeting or Exceeding Approach Surface Standards) and KPM # 5 (Customer Service Ratings) were amended to comport with the Oregon Aviation/Systems Plan metrics and are making progress to both and new measurement criterion. Remaining five KPM are relatively new and reflect "Progress Unclear." KPM Progress Summary

KPM Progress Summary	Key Performance Measures (KPMs) with Page References	# of KPMs
KPMs MAKING PROGRESS at or trending toward target achievement	(2) Runways meeting or exceeding approach surface standards (3) Public Use and state airports with current inspections, (4) Federal Funds obligation rate, (5) Customer Satisfaction survey results. (6) Aircraft Registered in Oregon, (8) Aviation Board Best Practices	6
KPMs NOT MAKING PROGRESS not at or trending toward target achievement	(1) Runway Pavements in Good or Better Condition. (7) Percent of pilots registered in Oregon.	2
KPMs - PROGRESS UNCLEAR target not yet set		0
	Total Number of Key Performance Measures (KPMs)	8

4. **CHALLENGES.**

For those KPM addressing the condition of state-owned airports the following represent the challenges: Legislative approval of requested budget, declining fuel tax revenues, increasing prices for asphalt, changes in bidding practices used by counties and commercial purchasers of asphalt, the increasing lengths of runways, weather patterns, and the changing character (weight, wingspan, type) of aircraft using Oregon's public-use airports.

5. **RESOURCES USED AND EFFICIENCY**

Department of Aviation (Aviation) – Agency Totals

	2009-2011 Actual	2011-13 Legislatively Approved	2013-15 Governor's Recommended	2013-15 Legislatively Approved
Other Funds	$7,320,330	$5,742,656	$6,098,002	
Federal Funds	$3,711,681	$4,086,055	$4,769,741	
Total Funds	**$11,032,011**	**$9,810,620**	**$10,867,743**	
Positions	17	12	12	

II. KEY MEASURE ANALYSIS

Agency Mission: To Preserve and Enhance Aviation in Supporting Oregon's Communities

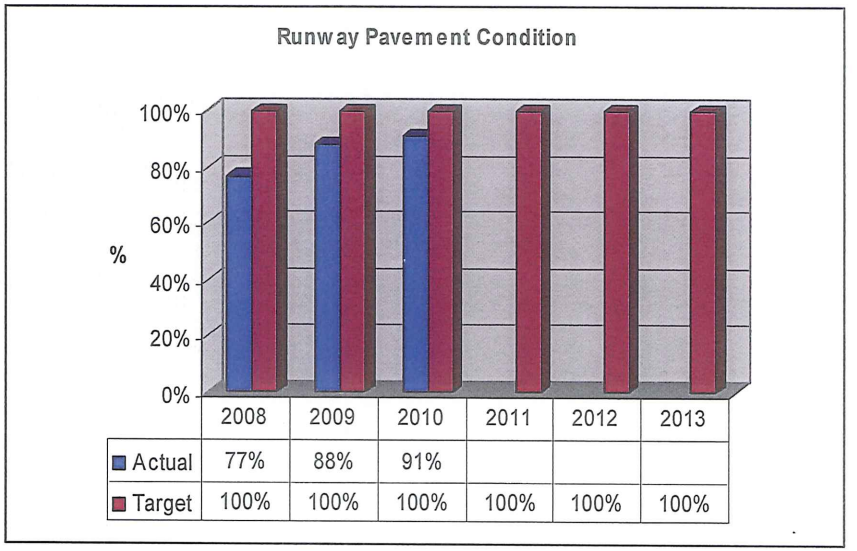
KPM # 1	Percent of runways in good or better condition.	Measured since: 2008
Goal	All Oregon's public-use airports shall have runway pavements in good or better condition.	
Oregon Context	Not Applicable.	
Data source	Pavement Evaluation Program measures all public-use airports in Oregon once every three (3) calendar years. Use of Micropaver software provides fact-based data indicating order of priority, budget, and specific work requirements annually.	
Owner	Oregon Department of Aviation State Planning and Construction Manager, Heather Peck, 503.378.3168.	

1. **OUR STRATEGY**

Maximize state and federal funds so that all public-use airports' runways are in fair or better condition. Target is percentage of paved airport runways rated fair or better within the total inventory of 66 paved public use airports in Oregon.

2. **ABOUT THE TARGETS**

Consulting firms assist in the program to ensure quality assurance and quality control as well as analysis of program deliverables. Firms bid to assist the program for a five-year contract to manage engineering aspects and on-site construction oversight as well as inspect and manage software and data collection for the pavement evaluation process. ODA reviews all data, compiles additional analysis, individually inspects the airports and manages the work of the contractors, consultants, engineers and inspectors. Grading scale was changed to reflect that scale "good or better" was changed to "fair or better" for the same metric. KPM should be changed to reflect fair or better to effectively measure the same metric.



	2008	2009	2010	2011	2012	2013
Actual	77%	88%	91%			
Target	100%	100%	100%	100%	100%	100%

3. **HOW WE ARE DOING**

Pavement Maintenance continued as scheduled in 2011 and 2012 and has been successful in completing the program work as scheduled. Work was divided into 3 smaller contracts in 2012 to make it easier for MW/ESB contractors to bid. Results were contracted work finished ahead of schedule. 10 year study of the PMP program funded by FAA showed that PMP program extended service life of airport pavement by 20 plus years. FAA standards are that pavement is good for 20 years so this essentially doubles the life of pavement and potentially cost avoids an

entire renovation cycle.

4. **HOW WE COMPARE**
Comparator state information is not available.

5. **FACTORS AFFECTING RESULTS.**
Weather conditions, availability of matching funds for local municipalities and construction scheduling are all factors that may potentially affect results in any given period. Over time heavy emphasis on crack sealing instead of surface treatments has had the effect of decreasing overall pavement condition as recently shown in the 2012 index (for additional detail see ODA 2012 PMP Study). A complete PMP study was done in 2012 and ODA will incorporate recommendations that will enhance pavement preservation.

6. **WHAT NEEDS TO BE DONE**
Potential decline in fuel tax revenue during 2013 and the future could impact the ability to conduct the full PMP program. Future funding revenue streams will be analyzed as well as modifications to the type of pavement work to enhance overall pavement preservation. The agency will continue to review bidding practices to incorporate all local and regional contractors.

7. **ABOUT THE DATA**
The data is available and collated annually. The State of Oregon's 66 paved airports that are a part of this program are split up into 3 regions. The work alternates yearly by region. Every year a pavement evaluation is done for one region, the following construction season (or year) the construction work takes place.

Department of Aviation

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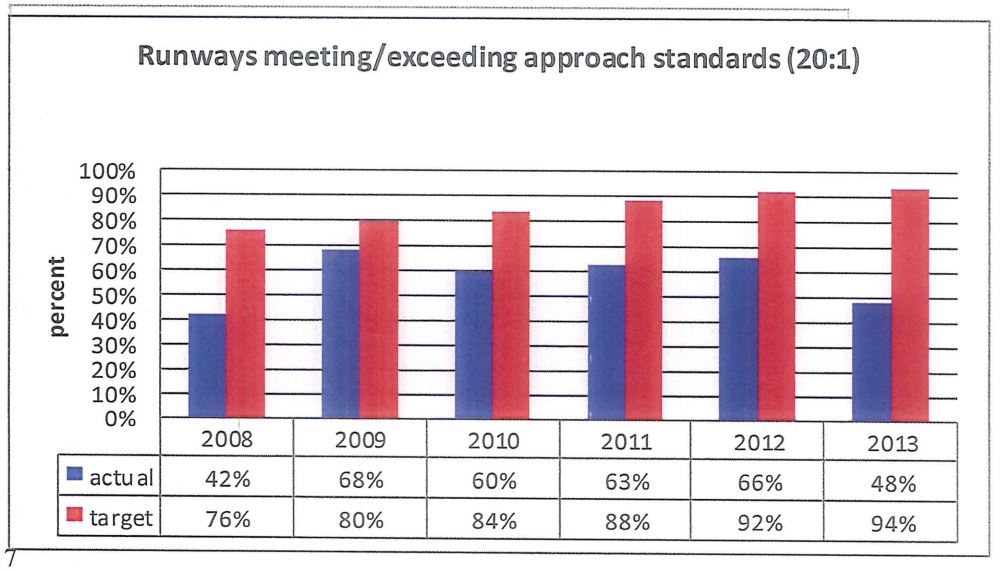
II. KEY MEASURE ANALYSIS

KPM # 2	Runways Meeting or Exceeding Approach Surface Standards	Measured since: 2008
Goal	All Oregon's public-use airports shall have runways meeting or exceeding approach surface standards.	
Oregon Context	Not Applicable.	
Data source	FAA part 77.25 standards require a 20:1 glide slope for visual meteorologic conditions (VMC) for public use airports. Federal dollars are available for NPIAS (National Plan of Integrated Airports System) for obstruction removal. Funding for nonNPIAS airports lags due to declining operations funding for obstruction removal.	
Owner	Oregon Department of Aviation State Airports Manager, Matt Maass, 503.378.2523.	

1. **OUR STRATEGY**
   100% compliance with FAA standards. Identify state and federal funds ensure maximum number of airports with proper approach surface standards.
2. **ABOUT THE TARGETS**
   Data shows a decrease in number of airports that meet or exceed approach surface standards. This is due to still insufficient funding to remove obstructions not eligible for federal funding, primarily 16 state owned airports.
3. **HOW WE ARE DOING**
   Decrease of 18% due to lack of funding to support state owned airports, especially non federally funded airports.
4. **HOW WE COMPARE**
   Comparator state information is not available.
5. **FACTORS AFFECTING RESULTS.**
   Funding for obstruction removal at 16 non-federally funded state owned airports is not available.
6. **WHAT NEEDS TO BE DONE**
   Must identify funding resources to reduce backlog of obstructions at non-NPIAS airports to improve percentage of airports with 20:1 glideslopes to improve safety for approaching aircraft. Cost of removal of obstructions could approach $750,000.
7. **ABOUT THE DATA**
   The data is available annually.



	2008	2009	2010	2011	2012	2013
actual	42%	68%	60%	63%	66%	48%
target	76%	80%	84%	88%	92%	94%

II. KEY MEASURE ANALYSIS

Agency Mission: To Preserve and Enhance Aviation in Supporting Oregon's Communities

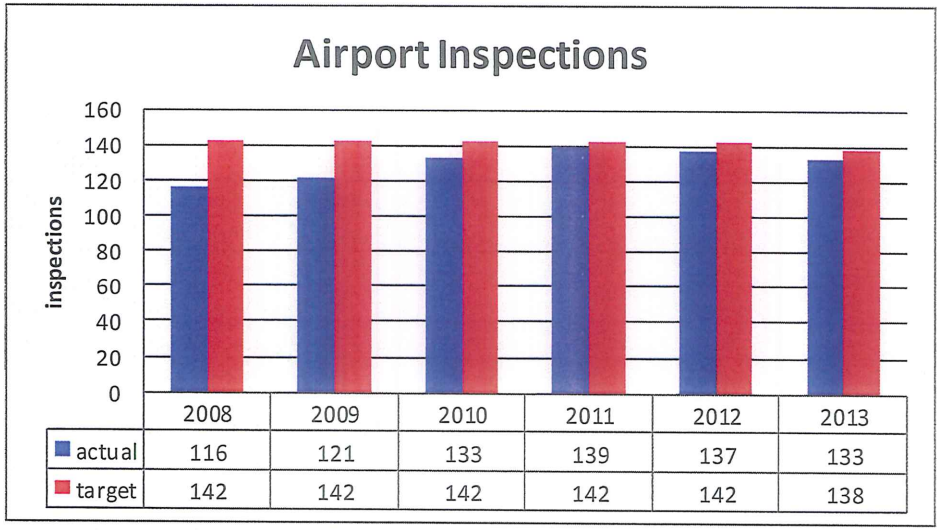
KPM # 3	State airports with current inspections	Measured since: 2007
Goal	All Oregon's public-use airports shall have current FAA 5010 and state airports should have quarterly self inspections on file.	
Oregon Context	Not Applicable.	
Data source	FAA	
Owner	Oregon Department of Aviation State Airports Manager, Matt Maass, 503.378.2523.	

1. **OUR STRATEGY**
   Target is percentage of airport runways rated good or better within the total inventory of public use airports in Oregon.

2. **ABOUT THE TARGETS**
   ODA conducts 97 FAA sponsored inspections over a three year period. One third of the inspections are conducted annually. (28 in 2013). ODA conducts quarterly self-inspections at 28 state owned airports. Total possible number of inspections is 138.

3. **HOW WE ARE DOING**
   ODA completed 133 of 138 inspections (96%). Only two inspections were conducted at Owyhee Reservoir due to remote location inaccessible by auto.

4. **HOW WE COMPARE**
   Comparator state information is not available.



	2008	2009	2010	2011	2012	2013
actual	116	121	133	139	137	133
target	142	142	142	142	142	138

5. **FACTORS AFFECTING RESULTS.**
   Reduction in staffing has reduced ability to maximize airport inspections. ODA has one maintenance staff and two operations staff for 28 airports.

6. **WHAT NEEDS TO BE DONE**
   Identify additional revenue sources and cost reduction to offset jet fuel tax shortfall.

7. **ABOUT THE DATA**
   The data is available and updated weekly as a management tool. Summary is compiled annually.

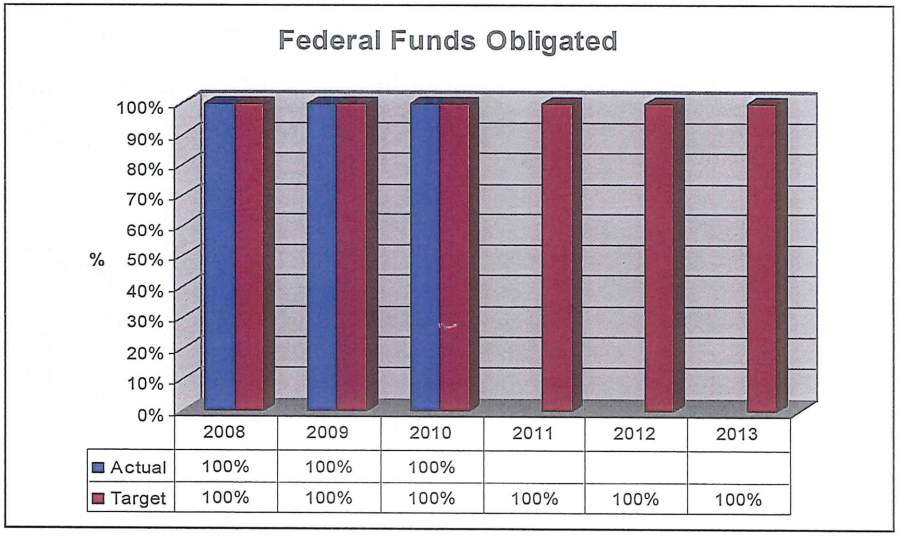
II. KEY MEASURE ANALYSIS

Agency Mission: To Preserve and Enhance Aviation in Supporting Oregon's Communities

KPM # 4	Percentage of total federal funds obligated or spent	Measured since: 2008
Goal	Obligate 100% of available federal funding. Adopt best business practices to administer an efficient and effective grant program.	
Oregon Context	Not Applicable.	
Data source	Departmental electronic data base and individual airport sponsor project/grant files.	
Owner	Oregon Department of Aviation State Planning and Construction Manager, Heather Peck, 503.378.3168.	

1. **OUR STRATEGY**

Oregon currently owns and operates 28 public use airports. Of these, 12 are parts of the National Plan of Integrated Airport System (NPIAS) and are eligible for federal funding through the FAA Airport Improvement Program. Each of these 12 NPIAS airports receives $150,000 annually in FAA funds (Non-Primary Entitlement - NPE), for a total of $1.8M/year. The state has up to four years to expend these funds on FAA eligible airport improvement projects. If funds are not spent or transferred to other NPE airports, the funds are returned to the FAA and redistributed as discretionary funds at other airports anywhere in the United States.



	2008	2009	2010	2011	2012	2013
Actual	100%	100%	100%			
Target	100%	100%	100%	100%	100%	100%

2. **ABOUT THE TARGETS**

Since the majority of the airport projects cost more than $150,000; ODA pools the available NPE funds from other airports to accomplish larger capital construction projects. In 2012, NPE funds from 11 airports were pooled and transferred to Chiloquin State Airport to complete a runway, apron and obstruction removal project. ODA has developed a 5 year Capital Improvement Program (CIP) plan that identifies capital improvement at each of the State's 12 NPIAS airports. By having Airport Improvements identified in advance, ODA is not in jeopardy of having any entitlement dollars expiring. Also, in 2012 ODA has begun implementing the Statewide Capital Improvement Project (SCIP) program, which coordinates projects on a statewide level among the 55 federally funded airports. To date, the SCIP program has redirected approximately $500,000 expiring dollars to other airports within Oregon, thus keeping entitlement fund within the State for future construction projects.

3. **HOW WE ARE DOING**

ODA continues to make improvements in planning, monitoring and closeout of federally funded airport projects. As stated above the Department currently utilizes all available NPE funds and coordinates the transfer of NPE funds between other airports to minimize the amount of funds to be returned to the FAA to be used as discretionary dollars at other airports.

4. **HOW WE COMPARE**
   Comparator state information is not available.

5. **FACTORS AFFECTING RESULTS.**
   Congressional authorization of NPIAS airport funding program under 2012 FAA reauthorization bill changed grant match for airport owners (sponsors) from 5% to 10%. Statewide, there may be airports that are unable to make their grant match. ODA has sufficient funds for the 13-15 biennium to provide grant match for all scheduled projects.

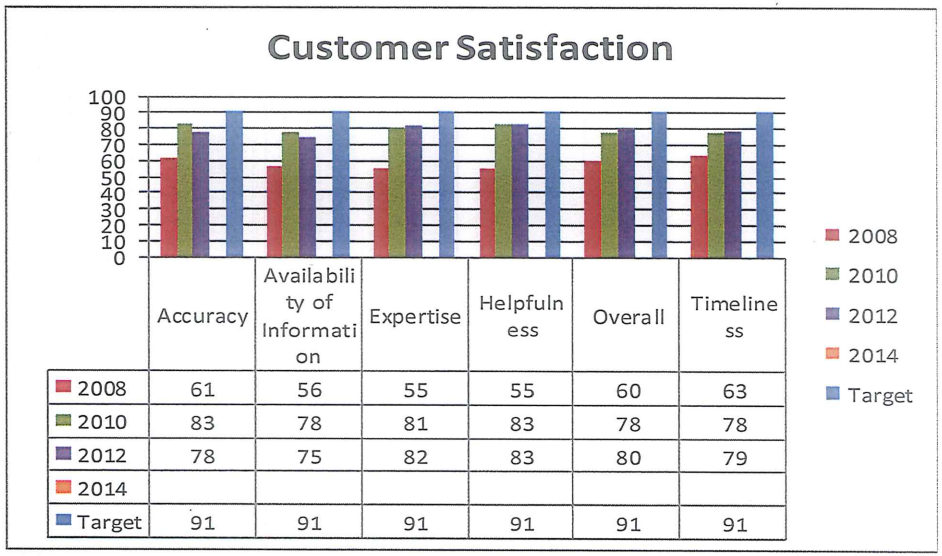
6. **WHAT NEEDS TO BE DONE**
   Continued support of the SCIP program to ensure that no NPE funds expire and are returned to the FAA from any state of Oregon NPIAS airport.

7. **ABOUT THE DATA**
   The data is updated on a continual basis and is available on demand.

II. KEY MEASURE ANALYSIS

Agency Mission: To Preserve and Enhance Aviation in Supporting Oregon's Communities

KPM # 5	Percent of customers rating their satisfaction with agency's customer service as "good" or "excellent"; overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information	Measured since: 2007
Goal	Excellent Customer Satisfaction	
Oregon Context	Not Applicable.	
Data source	Customer Satisfaction Survey	
Owner	Department of Aviation fiscal manager, 503.378.4881.	



	Accuracy	Availability of Information	Expertise	Helpfulness	Overall	Timeliness
2008	61	56	55	55	60	63
2010	83	78	81	83	78	78
2012	78	75	82	83	80	79
2014						
Target	91	91	91	91	91	91

1. **OUR STRATEGY**
   Evaluate comments by customers and constituents on customer service and response time to improve and enhance general aviation in the state of Oregon.

2. **ABOUT THE TARGETS**
   ODA survey percentages include Good, Very Good, or Excellent results combined. Survey respondents include airport managers, aviation businesses, aviation consultants, contractors, government employees, tenants, aircraft owners, and pilots.

3. **HOW WE ARE DOING**
   Survey in progress

4. **HOW WE COMPARE**
   Comparator state information is not available.

5. **FACTORS AFFECTING RESULTS**
   Survey was entirely conducted using an online program called SurveyMonkey.com.

6. **WHAT NEEDS TO BE DONE**
   Continue to work with aviation community to provide customer service to stakeholders and constituents. Continue outreach and education on aviation issues. Install customer service survey on ODA website to allow continuous access by customers and constituents.

7. **ABOUT THE DATA**

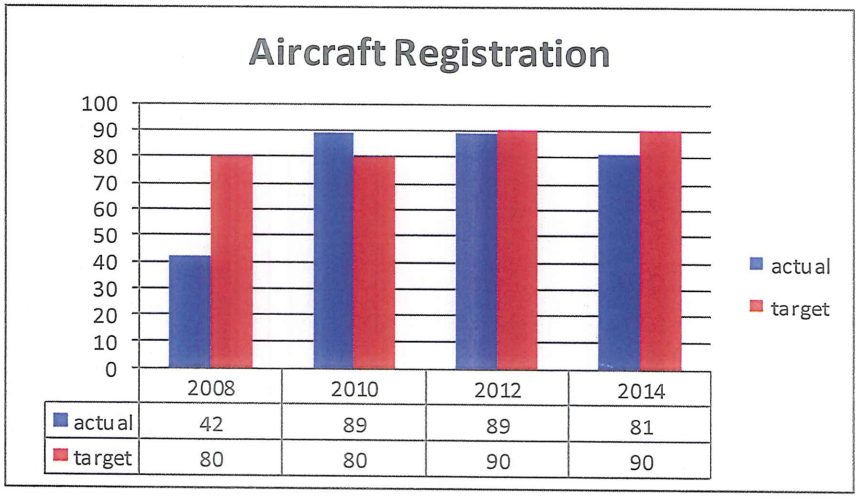
II. KEY MEASURE ANALYSIS

The data is available on a biennial basis.

KPM # 6	Percent of Aircraft Registered	Measured since: 2008
Goal	Enroll all eligible Oregon based aircraft into ODA database	
Oregon Context	Not Applicable.	
Data source	ODA Electronic Database	
Owner	Oregon Department of Aviation Business Manager, Joy Howard, 503-378-2894	

1. **OUR STRATEGY**
   ODA is in process of modernizing database and reconciling with both FAA and existing ODA database to ensure more accurate data and revenue collection. The new system is scheduled to be installed in 2015.

2. **ABOUT THE TARGETS**
   ODA is required by ORS 837 to charge a fee for civil aircraft registration. Aircraft Registration fees support the 10% grant match to FAA federal grants for airport improvements. Target is 100% accuracy. Modernizing database and increasing collection efforts are intended to increase this percentage and validate accuracy and collect all due revenue.



	2008	2010	2012	2014
actual	42	89	89	81
target	80	80	90	90

3. **HOW WE ARE DOING**

   - 3772 current active aircraft
   - 64 dealer aircraft
   - 927 no response/past due
     4763- 927= 3836

   ➢ 3836/4763 = 81%

4. **HOW WE COMPARE**
   Comparative data is not available.

5. **FACTORS AFFECTING RESULTS.**
   Many more pilots are submitting aircraft registrations that indicate they are no longer flying due to cost or other reasons.

6. **WHAT NEEDS TO BE DONE**
   Continue development of aircraft and pilot registration database, aggressive reconciliation of erroneous data and pursuit of all revenue identified as due to ODA. The agency is also pursuing the possibility of assessing a late fee.

7. **ABOUT THE DATA**
   ODA reconciles state data with FAA aircraft database and aggressively pursues unregistered pilots.

II. KEY MEASURE ANALYSIS

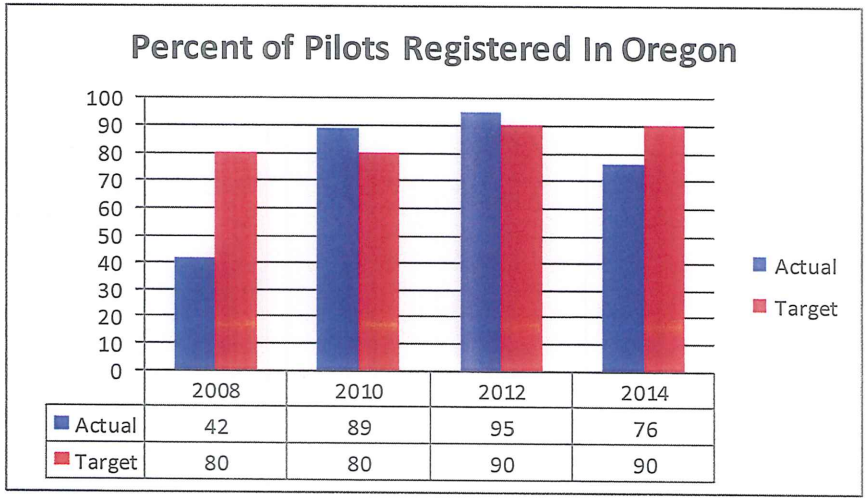
Agency Mission: To Preserve and Enhance Aviation in Supporting Oregon's Communities

KPM # 7	Percent of Pilots Registered	Measured since: 2008
Goal	Reconcile with FAA data and register all pilots with Oregon addresses	
Oregon Context	Not Applicable.	
Data source	ODA Electronic databases and FAA pilot database	
Owner	Oregon Department of Aviation Business Manager, Joy Howard, 503-378-2894	

1. **OUR STRATEGY**
   ODA is required by ORS 837 to charge a fee for Oregon pilot registration. $12 for initial pilot registration and $24 for two year renewal term.

2. **ABOUT THE TARGETS**
   Fees for pilot registration go to the Oregon Emergency Management for Search and Rescue organizations as well as .30 FTE of an aviation search and rescue position.

3. **HOW WE ARE DOING**
   There are ongoing efforts to clean up the database to eliminate duplicate and expired pilot registrations. The database shows a total of 5483 current and past due pilot registrations. Of that number, 4180 are currently registered and paid up to date, and 1303 are shown as past due. (4180/5483= 76%)



	2008	2010	2012	2014
Actual	42	89	95	76
Target	80	80	90	90

4. **HOW WE COMPARE**
   State comparative data is not available.

5. **FACTORS AFFECTING RESULTS.**
   Pilots are reporting they are no longer flying due to cost or the condition of aircraft. Age of pilot base is also a concern. Younger pilots are not getting licensed due to cost and time required.

6. **WHAT NEEDS TO BE DONE**
   Increase of fees and charging a late fee assessment. Continue modernization of database and reconciliation of pilot registrations.

7. **ABOUT THE DATA**

   Data is available on biannual basis.

II. KEY MEASURE ANALYSIS

Agency Mission: To Preserve and Enhance Aviation in Supporting Oregon's Communities

KPM # 8	Percent of total best practices met by the board.	Measured since: 2008
Goal	Governance Best Practices.	
Oregon Context	Not Applicable.	
Data source	Self Assessment of best practices	
Owner	Oregon Department of Aviation Director, Mitch Swecker, 503.378.2340	

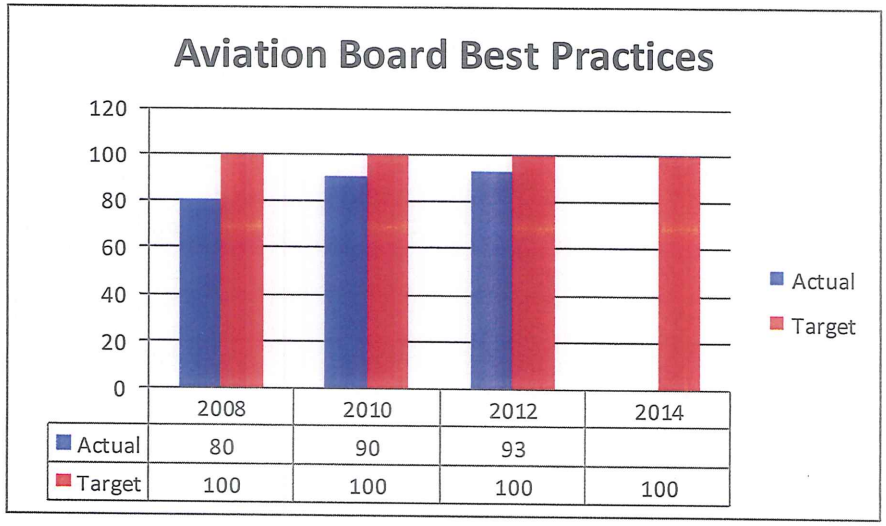
1. **OUR STRATEGY**
   ODA Board completes Best Practices survey to improve statewide aviation policy and oversight.

2. **ABOUT THE TARGETS**
   List of 15 best practices self-assessment sent to 7 Oregon Aviation Board members for 2014.

3. **HOW WE ARE DOING**
   Survey in progress

4. **HOW WE COMPARE**
   Comparative state information is not available.

5. **FACTORS AFFECTING RESULTS.**
   Board meetings have been moved to monthly from quarterly. Informal feedback is regular and re-occurring.



	2008	2010	2012	2014
Actual	80	90	93	
Target	100	100	100	100

6. **WHAT NEEDS TO BE DONE**
   Board provide formal performance feedback to Director. Increase board training.

7. **ABOUT THE DATA**
   Survey is provided on a biannual basis.