

Oregon State Aviation Board
Draft Meeting Minutes

May 21, 2003

Independence, Oregon

Pursuant to notice made by press release to newspapers of general and local circulation throughout the state and mailed to persons on the mailing list of the Oregon State Aviation Board, a meeting of the Board was held at the Independence City Hall on May 21, 2003.

Board members attending included Bill Wilkins (Chair), Mike Burrill, Joe Smith and Steve Schreiber. Board member Carrie Novick attended via conference telephone. Also present were Oregon Department of Aviation (ODA) staff members Ann Crook, Daren Griffin, Carolyn Bolton, Angela Logan, Teddie Baker, Rebecca Jasso, Tom Franklin and Charlie Riordan. Lynn Rosik, Assistant Attorney General, attended by invitation. The only member of the general public in attendance was Dave Jensen from Malheur County.

Chair Wilkins called the meeting to order at 9:00 a.m. and Crook introduced Angela Logan, ODA's new Office Manager and Assistant to the Director.

Agenda Adjustments

The draft agenda was first amended to remove discussion of the FAM Grant Program, and then unanimously approved as amended.

Board Vacancy Update

In response to an inquiry by Chair Wilkins, Crook advised that the Governor has not yet announced appointment of a new member to fill the vacant position on the State Aviation Board. Appointment of a new Board Vice Chair, since the resignation of former member Mike Nelson of Baker City, has also not yet occurred.

Pavement Maintenance Program

Baker reviewed the proposed projects for 2003 Pavement Maintenance Program (PMP) funding, and asked that the Board consider approval as recommended. Smith moved to approve; Burrill seconded and the motion carried unanimously.

Report on Jordan Valley Airport Ownership

Griffin updated the Board regarding the Jordan Valley Airport development plan, reporting that Malheur County has agreed to serve as airport sponsor. Environmental and appraisal processes have been completed on the proposed property and a land site offer will be made through W&H Pacific. Griffin also reported that Malheur County has requested a formal Intergovernmental Agreement (IGA) between the County, the City of Jordan Valley, and the Oregon Department of Aviation for the actual operation and maintenance of that airport once it is constructed.

- Crook advised the Board that she is scheduled to meet with representatives from Malheur County and City of Jordan Valley next week in Ontario to discuss the development of the airport. She stated that strong consensus continues for moving ahead with the development plans.
- Crook also advised the Board that – due to current 2001-2003 biennium deadlines – the Department will most likely need to approach the Board for approval to seek E-Board funding to fund the Jordan Valley land purchase during the 2003-2005 biennium.

- Dave Jensen, Director of Malheur County Economic Development Department, addressed the Board regarding Malheur County's long-term plan for local management maintenance of the proposed airport, which involves a coordinated effort between the County and City and Oregon Department of Transportation (ODOT), who will provide snow plowing equipment/personnel as well as assistance with pavement maintenance. He also discussed the County's goal to secure long-term funding to not only maintain the airport for a 20 year period of time, but also to provide the required match for the pavement maintenance program and similar opportunities.

Budget Report

Jasso, the Department's Fiscal Analyst, provided a 7th Quarter 2001-2003 budget report. She reported that the Department has stayed under the projected 88% target for 7th Quarter. Search & Rescue revenues, which are derived from pilot registration fees, continue to be low at only 82% of target. Total overall agency expenditures are currently at 86%. The 2001-2003 budget limitation for Oregon Emergency Management Search & Rescue expenses was increased \$29,000 during a recent Ways & Means (in session) E-Board action, as previously approved by the Board. AVgas and jet fuel revenues are still below projections. Jasso indicated that in the 8th Quarter Summary Report, she will provide a detailed summary of revenues and expenditures for the biennium. She stressed that management and staff have taken steps to reduce expenses in an effort to ensure that the Agency ends the biennium within budget.

Legislative Update

Crook provided an update on HB2173, which sought to enforce the Department's statutory pilot and aircraft registration requirements. She indicated the bill was halted on the Senate floor when Senator Dukes spoke in opposition to assessment of a penalty on pilot registration fees. This was because the bill language referred to a maximum penalty of \$500, and Dukes interpreted this to infer a flat penalty rate of the full \$500 even for failure to pay the \$8 annual pilot registration. The bill language was actually intended to denote a cap on penalties that would have allowed a graduated penalty schedule, proportionate to the unpaid fee, so that no penalty ever exceeded the \$500 maximum. This would have included penalties for failure to register aircraft as well as pilot registrations, since aircraft registration amounts are based on aircraft size and can constitute hundreds of dollars.

Crook also provided legislative updates on SB687 and SB688, which were Senator George's bills seeking to move aircraft and pilot registration to a three-year cycle. She reported that both bills passed the Senate, but were expected to fail in the House.

Crook reported that HB2454, regarding the new North Bend Tax District, had successfully passed both House and Senate, and the Governor is expected to sign.

Crook also informed the Board that the Department received approval from Ways & Means for \$100,000 to be earmarked for a new registration database. She stated that Senator Morris had strongly objected to the Department's request for a new building and so that request was withdrawn. She informed the Board that mandatory spending cuts currently include elimination of all raises and color printing, limited expenditures for meals and travel. She informed the Board that Legislature could tap into reserves of even those state agencies operating from dedicated funds. The Ways & Means Committee indicated that ODA may *not* need a six month reserve and that a three month reserve may be sufficient.

Airport Ownership Task Force

Chair Wilkins asked Board members Novick and Loacker and State Airports Manager Griffin to serve with him on the Airport Ownership Task Force. Loacker will give a more in-depth report at the July 2003 meeting.

Agency Audit

Crook informed the Board that the Agency is currently undergoing expenditure audit by the Oregon Secretary of State. Preliminary observations point toward required improvements in cash handling procedures. As a result of those early indicators, the Agency fiscal staff met with Department of Treasury personnel to review cash handling and mail handling procedures.

Introduction of New Senior Aviation Planner

Crook introduced newest staff member Charlie Riordan. Riordan gave a brief history of his past professional experience. He replaces Gary Viehdorfer as the agency's Senior Aviation Planner.

PDX Airspace Task Force Update

Crook indicated that her phone calls to the PDX Tower Chief to check on the status of this task force failed to result in any return contact, and that at this point in time she is going to suspend activity on this effort until staff from the PDX Tower take an active lead. Schreiber stated that there had been recent changes in the Tower Chief at PDX, which could explain the failure to respond.

Aerospace Economic Development Program

Burrill stated that he had nothing to report at this time.

Regional Air System Plan Conference

Schreiber gave a brief overview of the Regional Air System Plan Conference, which is planned for September 8th and 9th. Crook provided hand outs of the draft agenda and reported that the AAAE has agreed to work on conference advertisements, as well as to engage in partnering efforts with the Wildlife and Northwest Conferences occurring in conjunction with the Air System Conference dates. Coordinating these three conference will reduce overall costs.

Upcoming Agenda Items

The Board set the tentative agenda for the July 23, 2003 meeting in Burns:

- Discuss Intergovernmental Agreement on the proposed Jordan Valley Airport
- Jordan Valley development update
- Approval for Part Two of new Agency Computer Application
- Market Rate Analysis, Preliminary Rate Reports and Proposed Rates Increase (Non Valley) for State Airport Tenants
- Approval of rates for Aurora State Airport

Public Comment

Dave Jensen, Director of Malheur Economic Development Department, inquired regarding Department plans to celebrate 100 Years of Flight in December this year. Crook responded that the Department is planning a commemorative / celebratory event in partnership with Evergreen Aviation Museum in McMinnville in October. Bolton is also designing and publishing a gift book of aviation quotes in honor of this significant event. In addition, the Department is helping to sponsor an Oregon pilot to carry an Oregon flag to Kitty Hawk, along with pilots from the other 49 states in the U.S.

Schreiber indicated that several monuments are planned for Marine Drive at PDX as well as possibly other areas, in recognition of the Lewis & Clark Expedition.

There being no further business, the meeting adjourned at 2:15 pm

*Respectfully submitted,
Angela Logan
Assistant to the Director*