

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

Original Submission Date: 2014

Finalize Date: 8/29/2014

2013-2014 KPM #	2013-2014 Approved Key Performance Measures (KPMs)
1	Percent of runways in good or better condition.
2	Percent of runways meeting or exceeding approach surface standards.
3	Number of State Airports with current Inspections.
4	Percentage of total Federal Funds obligated or spent.
5	Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.
6	Percent of aircraft registered
7	Percent of pilots registered
8	Percent of total best practices met by the board.

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2015-2017
	Title: Rationale:

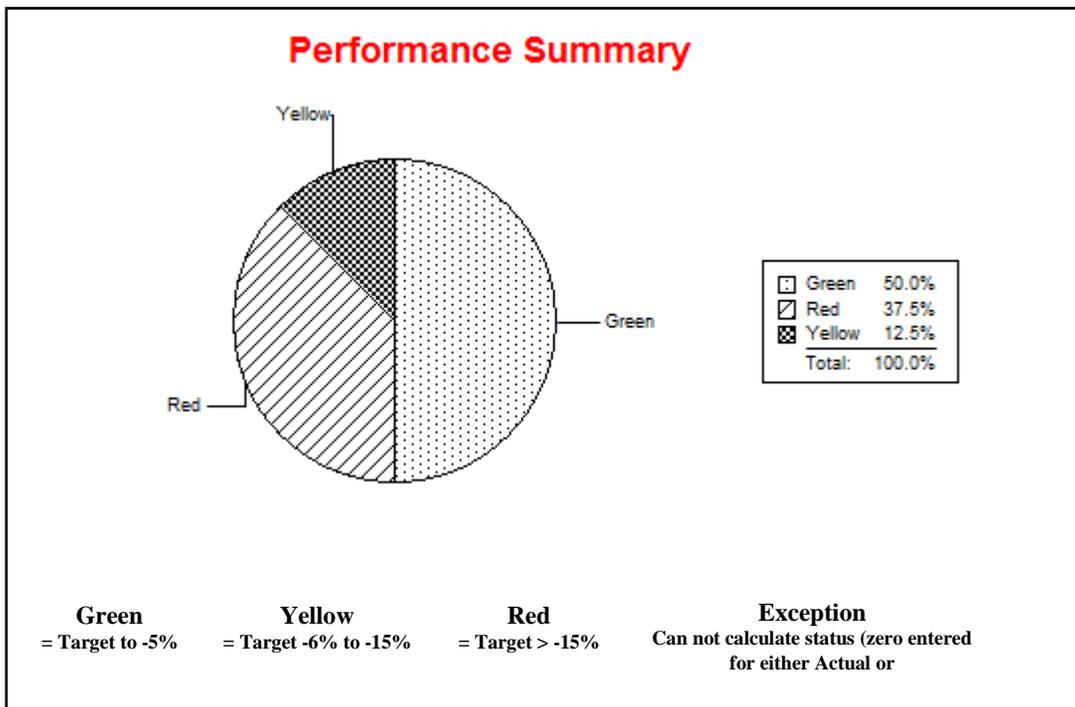
Agency Mission: To preserve and enhance Aviation in supporting Oregon's communities

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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 other funds revenue, (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.

2. THE OREGON CONTEXT

Aviation 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.
- Aviation is a 22 billion dollar industry in Oregon.
- 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

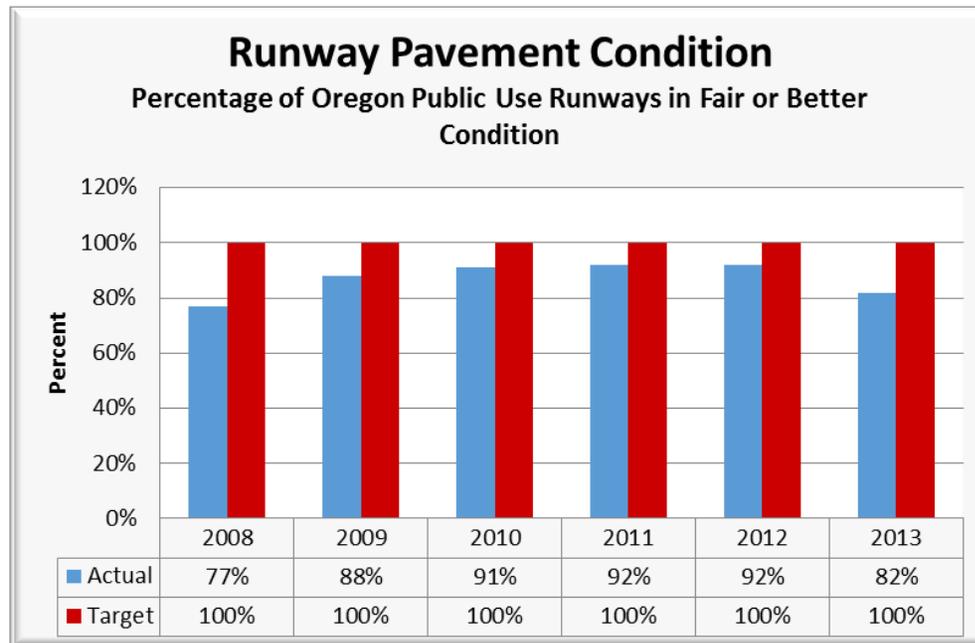
For those KPM addressing the condition of state-owned airports the following represent the challenges: Legislative approval of requested budget, inflation, declining fuel tax revenues, increasing prices for asphalt, changes in bidding practices used by counties and commercial purchasers of asphalt, the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

5. RESOURCES 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	6,202,750
Federal Funds	\$3,711,681	\$4,086,055	\$4,769,741	4,769,741
Total Funds	\$11,032,011	\$9,810,620	\$10,867,743	10,972,491
Positions	17	12	12	13

KPM #1	Percent of runways in good or better condition.	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 from “good or better” to “fair or better” for the same metric. KPM should be changed to reflect fair or better to effectively measure the same metric.

3. HOW WE ARE DOING

Pavement Maintenance continued as scheduled in 2013 and has been successful in completing the program work as scheduled. Work was divided into 3 smaller contracts in 2013 and 2014 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 has incorporated recommendations that will enhance pavement preservation.

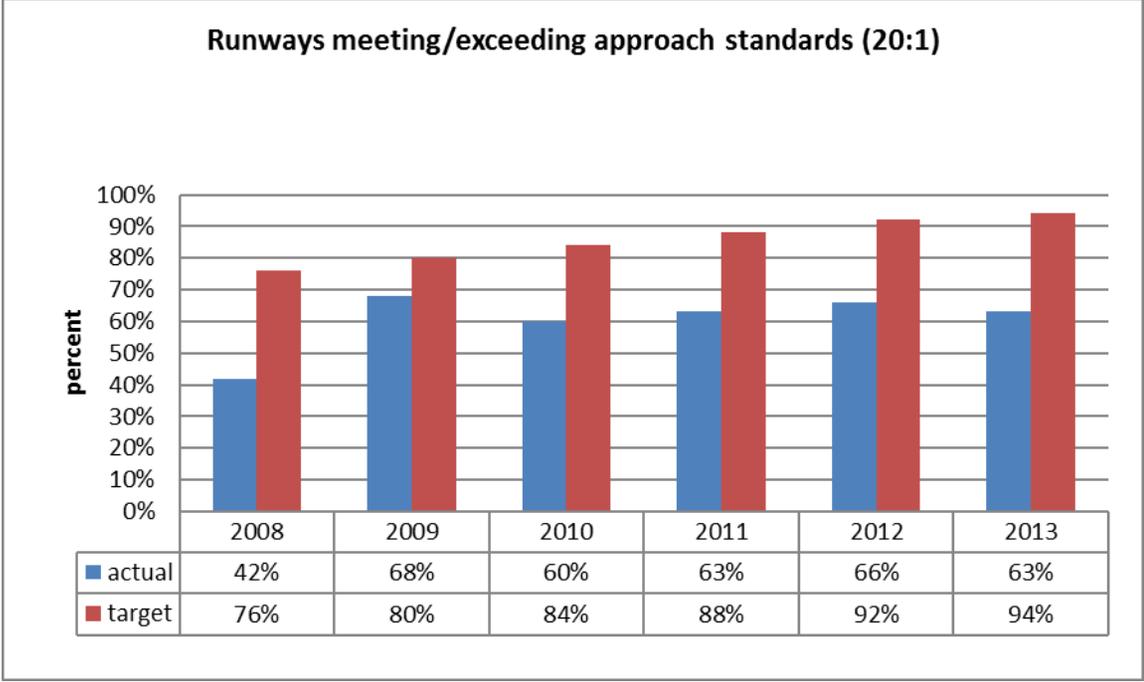
6. WHAT NEEDS TO BE DONE

Increasing cost of material and labor combined with the decline in fuel tax revenue from 2009-2014 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.

KPM #2	Percent of runways meeting or exceeding approach surface standards.	2008
Goal	All of 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 at 41 non-federally state owned airports.

3. HOW WE ARE DOING

Decrease of 3% due to the inability of federally funded airports to provide the required 10% match and lack of funding at the State, County and Municipality level to fund obstruction removal at 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. The total estimated cost for removal of the obstructions \$750,000.

7. ABOUT THE DATA

The data is available annually.

KPM #3	Number of State Airports with current Inspections.	2008
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 the number of airports that have received inspections in the past biennium in comparison of the total possible inspections.

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

4. HOW WE COMPARE

Comparator state information is not available.

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.

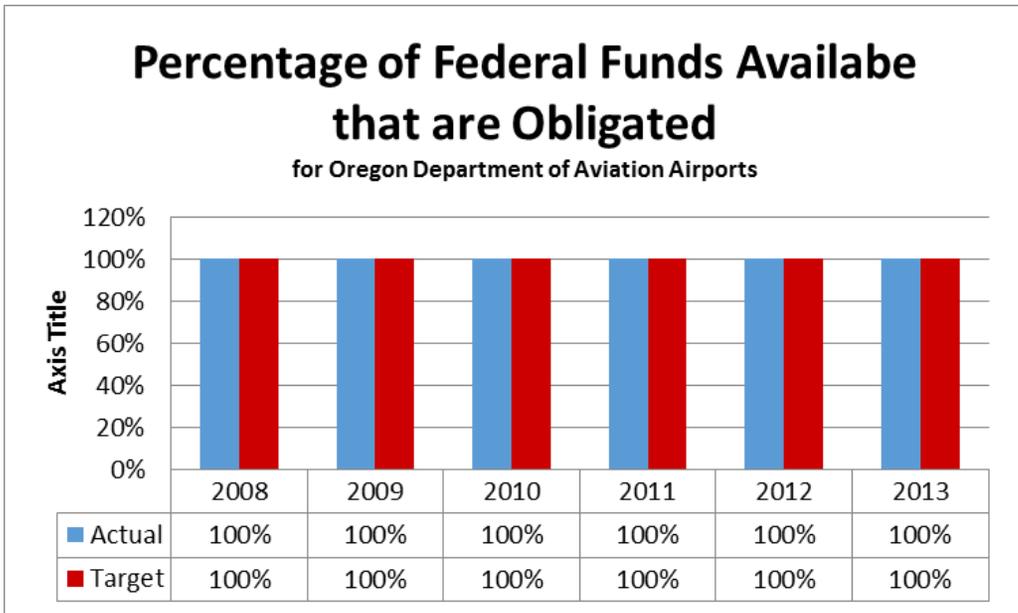
6. WHAT NEEDS TO BE DONE

Identify additional revenue sources and cost reduction to offset declines in fuel tax revenue.

7. ABOUT THE DATA

The data is available and updated monthly as a management tool. Summary is compiled annually.

KPM #4	Percentage of total Federal Funds obligated or spent.	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

The Oregon Department of Aviation currently owns and operates 28 public use airports. Of these, 12 are part 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 NPIAS airports, the funds are returned to the FAA and redistributed as discretionary funds at other airports anywhere in the United States.

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. In 2013 design of a major rehabilitation project at Cottage Grove was completed in preparation for Phase 2 of the project which includes runway rehabilitation and beacon replacement. Phase 2 to be completed in 2014, is funded with a transfer of NPE funds from 8 airports. 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 eligible projects identified in advance, ODA is not in jeopardy of having any entitlement dollars expiring. In 2012 ODA implemented the Statewide Capital Improvement Program (SCIP) , which coordinates projects on a statewide level among the 49 General Aviation federally funded airports. Since Inception, the SCIP has redirected approximately \$800,000 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 assists in the coordination of 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.

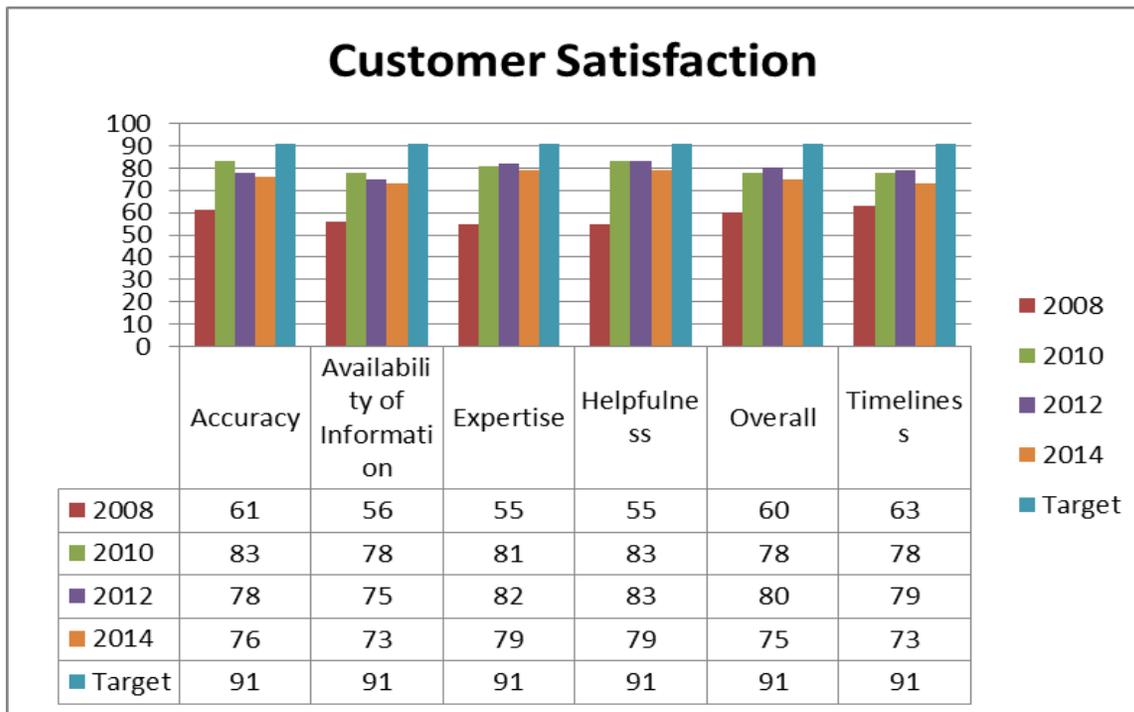
6. WHAT NEEDS TO BE DONE

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.

KPM #5	Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	2006
Goal	Excellent Customer Satisfaction	
Oregon Context	Not Applicable.	
Data Source	Customer Satisfaction Survey.	
Owner	Department of Aviation Business Manager, Joy Howard, 503.378.2894	



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

2. ABOUT THE TARGETS

ODA survey Percentages include Good or Excellent results combined. Survey covers tenants, aircraft owners, pilots and airport managers.

3. HOW WE ARE DOING

Our numbers show a decrease in each level of customer service. There has been quite a bit of staff turnover and reorganizations in the last couple of years. Staff has been reduced from 17 to 13 due to revenue shortfalls. With a new staff structure now in place, we are having several internal discussions to see where and how we can increase each level of customer service.

4. HOW WE COMPARE

Comparator state information is not available.

5. FACTORS AFFECTING RESULTS

Survey was entirely conducted using an online program called SurveyMonkey.

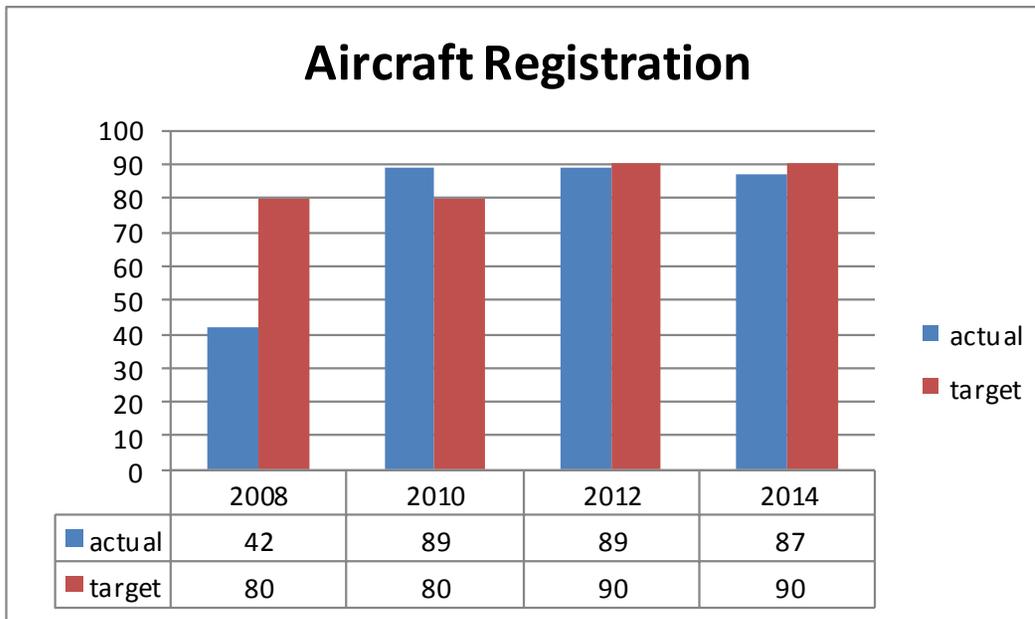
6. WHAT NEEDS TO BE DONE

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

The data is available on a biennial basis.

KPM #6	Percent of aircraft registered	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 in planning for 2015 when funding can be confirmed.

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.

3. HOW WE ARE DOING

- 3,975 current active aircraft
 - 39 dealer aircraft
 - 540 no response/past due
4,014- 540= 3,474
- $3,474/4,014 = 87\%$

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.

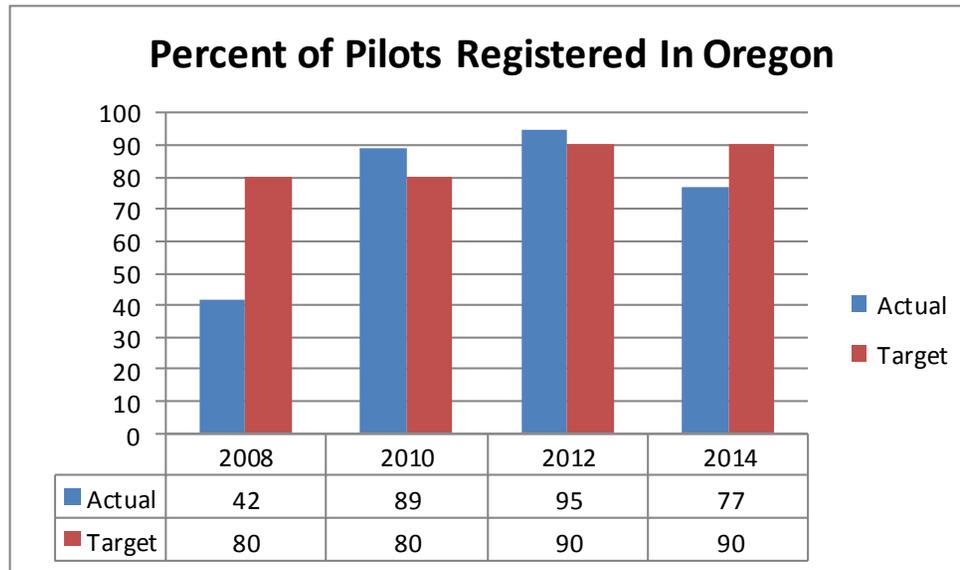
6. WHAT NEEDS TO BE DONE

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 collections and assessing a late fee. The agency has a legislative concept in to increase registration fees to provide additional revenue for airport maintenance.

7. ABOUT THE DATA

ODA reconciles state data with FAA aircraft database and aggressively pursues unregistered pilots.

KPM #7	Percent of pilots registered	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 keep the database current to eliminate duplicate and expired pilot registrations. The database shows a total of 5,679 current and past due pilot registrations. Of that number, 4,352 are currently registered and paid up to date, and 1,327 are shown as past due. $(4,352/5,679 = 77\%)$

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.

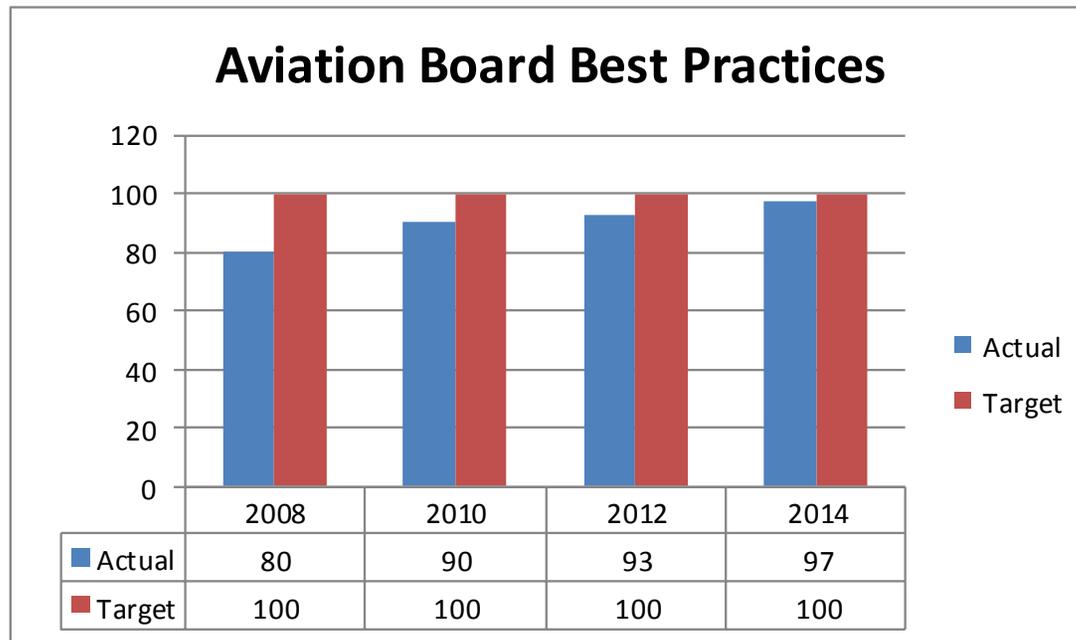
6. WHAT NEEDS TO BE DONE

Increase of fees and charging a late fee assessment. Continue modernization of database and reconciliation of pilot registrations. Fee increase legislative concept will increase revenue available to Oregon Emergency Management.

7. ABOUT THE DATA

Data is available on biennial basis.

KPM #8	Percent of total best practices met by the board.	2008
Goal	Governance Best Practices.	
Oregon Context	Not Applicable.	
Data Source	Self Assessment of best practices.	
Owner	Oregon Department of Aviation Business Manager, Joy Howard, 503.378.2894	



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

We received the survey back from the appointed Board members. The Board members were asked to give a response of “yes” or “no” with the option to provide comments for each of the best practices questions. With the exception of two best practices, each of the Board members gave a response of yes for each question. We have identified to two responses (1. Board review of the Annual Performance Progress Report; 2. Board members identify and attend appropriate training sessions) where only 5 identified a response of “yes” and will work to ensure we address these issues in the future.

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.

6. WHAT NEEDS TO BE DONE

Board provides formal performance feedback to Director. Increase board training.

7. ABOUT THE DATA

Survey is provided on a biennial basis.

AVIATION, OREGON DEPARTMENT of	III. USING PERFORMANCE DATA
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Agency Mission: To preserve and enhance Aviation in supporting Oregon's communities

Contact: Mitch Swecker, Director	Contact Phone: 503-378-2340
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Alternate: Matt Maass, State Airports Manager	Alternate Phone: 503-378-2523
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The following questions indicate how performance measures and data are used for management and accountability purposes.

1. INCLUSIVITY	<ul style="list-style-type: none"> * Staff : Management and represented staff. * Elected Officials: Governor’s Office * Stakeholders: Oregon Airport Manager’s Association, Oregon Pilot’s Association, Aircraft Owners and Pilots Association – NW Chapter * Citizens: Airport Advisory Committees – State-Owned Airports, local OPA and EAA chapters
2 MANAGING FOR RESULTS	In conjunction with the annual updates to the Oregon Aviation/System Plan 2007, the KPM are calculated and used to make adjustments to annual budget priorities, outreach, and capital improvement program projects. 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.
3 STAFF TRAINING	In 2010, there was significant staff reorganization based on a multiagency management review team. The team included many recommendations to improve processes, staff performance and metrics. The KPMs are metrics that have practical economic and safety value to the agency.
4 COMMUNICATING RESULTS	<ul style="list-style-type: none"> * Staff : Regular compliance with metrics related to KPMs. KPMs are current for airport safety (inspections), Using FAA and Operations funding for pavement and airport infrastructure improvements. Metrics for generating revenue from aircraft and pilot registration are daily activities measured and reported to the Aviation Board. Customer Service is a daily activity. Customer surveys conducted periodically to determine agency performance and provide feedback. * Elected Officials: Review with Chair, Senate and House Subcommittee on Transportation, Governor’s Office.

	<p>* Stakeholders: Post results to agency website; brief at stakeholder conferences/meetings; publish in ODA newsletter.</p>
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* **Citizens:** Post results to agency website; brief at stakeholder conferences/meetings; publish in ODA newsletter.