



**Ways and Means
2011-13 Biennium**

**2011-13 Ways and Means
Presentation
Oregon Department of Aviation**

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State Airports Manager
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Agenda

- Agency Overview
- How We Achieve Our Mission
- Key Performance Measures
- Program Priorities
- Reduction Options





Mission (What We Do)

Support Oregon communities by preserving and enhancing aviation.

28 state owned public use airports

97 Public Use Airports (total)

350 + private airports

Vision: Advocate for growth, improvement and safe operation of aviation in Oregon.

Strategic Initiatives:

- Protect and Enhance Aviation as a part of the Oregon Transportation Plan.
 - Support Oregon aviation-related jobs and businesses
 - Work with the Federal Aviation Administration (FAA) on policies and funding for Oregon airports.
 - Support commercial air transportation and goods to and between Oregon cities.
 - Improve Safety and Operation Condition of State owned and operated airports.
 - Construct the Aurora Tower to enhance safety at the Aurora airport.
 - Outreach to Oregon Aviation Community.
 - Assist jurisdictions with attaining compliance with Airport Planning Rule. (OAR 660.013)
 - Advocate for policies and funding favorable for Oregon airports.
 - Implement required five year capital improvement projects
 - Strive for financial self-sustainability for state owned airport.
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How We Will Accomplish Our Mission

Foundation For Success In 2011-13 Set In 2010

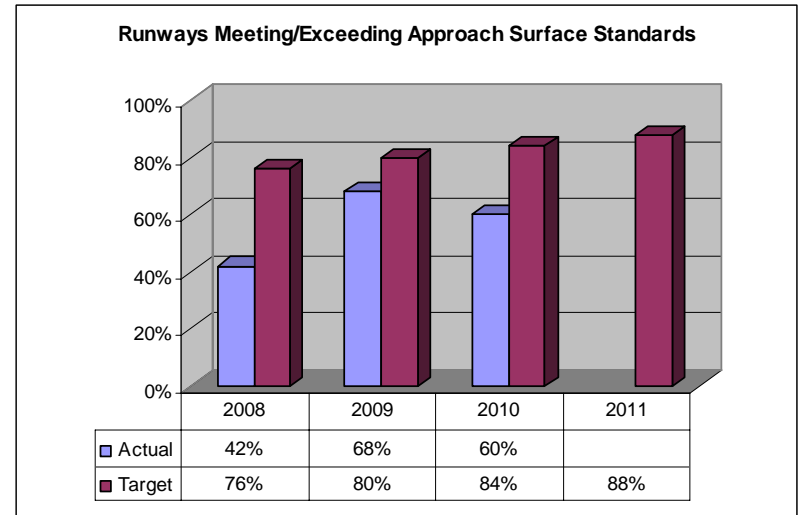
- Created a financially sustainable agency in the current biennium as well as for 2011-13 biennium.
 - Improved Financial Management –earning the State Controller’s Division CAFR Gold Star for 2010.
 - Reduced FTE by 5.0.
 - Built cohesive relationships with other agencies and FAA.
 - IGA with DAS for Leasing Management/Contracting/Billing.
 - IGA with ODOT for mowing.
 - Technological Enhancements- Aero II (pilot and aircraft registration)
 - Effectively support the Search and Rescue Program.
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Key Performance Measures

KPM # 2	Runways Meeting or Exceeding Approach Surface Standards	Measured since: 2007
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 meteorological conditions (VMC) for public use airports. Federal dollars are available for NPIAS (National Plan of Integrated Airports System) for obstruction removal.	
Owner	Department of Aviation, contact person is State Airports Manager, 503.378.4880.	

- OUR STRATEGY:** Identify state and federal funds to ensure maximum number of airports with proper approach surface standards.
- ABOUT THE TARGETS:** Data shows a decrease in number of airports that meet or exceed approach surface standards. This is affected by pending obstruction removal at public use airports and airports not eligible for federal funding, primarily 16 state owned airports.
- HOW WE ARE DOING:** This will change. Four federally funded airports in the state system are in the process of obstruction removal (trees) Aurora, Bandon, Cottage Grove and Siletz Bay.
- HOW WE COMPARE:** Comparator state information is not available.
- FACTORS AFFECTING RESULTS:** Declining revenues impact available funding for non-federal airports.
- WHAT NEEDS TO BE DONE:** Must identify funding resources to reduce backlog of obstructions at non-federally funded airports to increase percentage of airports with 20:1 glide slopes to improve safety for approaching aircraft. Cost of removal of obstructions could approach \$750,000.
- ABOUT THE DATA:** The data is available annually.

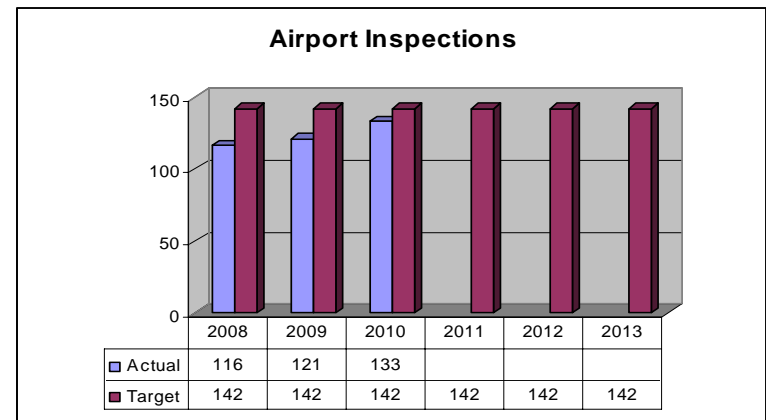




Key Performance Measures

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		
Owner	Department of Aviation, contact person is State Airports Manager, 503.378.4880.	

- OUR STRATEGY:** Target is percentage of airport runways rated good or better within the total inventory of public use airports in Oregon.
- ABOUT THE TARGETS:** ODA conducts 97 FAA sponsored inspections over a three year period. One third of the inspections are conducted annually. (32 in 2010). ODA conducts quarterly self inspections at 28 state owned airports. Total possible number of inspections is 142.
- HOW WE ARE DOING:** ODA completed 133 of 142 inspections (94%) in 2010. This is up from 82% in 2008 and 85% in 2009. 3 quarterly inspections were not conducted at Owyhee Reservoir due to remote location inaccessible by auto and eight inspection in eastern Oregon were not completed due to reduced travel related to funding shortfalls.
- HOW WE COMPARE:** Comparator state information is not available.
- FACTORS AFFECTING RESULTS:** Declining fuel tax revenues resulted in reduction in maintenance staff. Airport maintenance has been reduced to minimal repairs and inspections for safety.
- WHAT NEEDS TO BE DONE:** Identify expenditure efficiencies. Identify additional revenue sources to offset jet fuel tax shortfall.
- ABOUT THE DATA:** The data is available and updated regularly as a management tool.

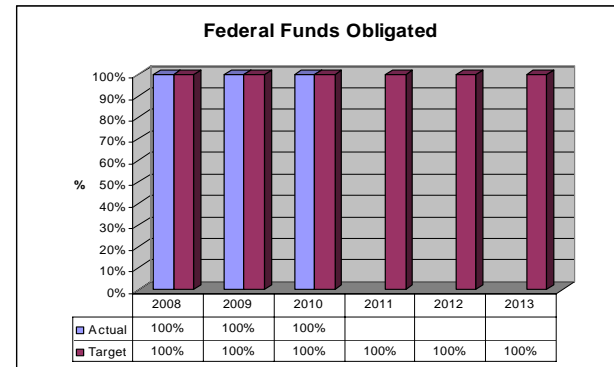




Key Performance Measures

KPM # 4	Percentage of Total Federal Funds Obligated or Expended	Measured since: 2007
Goal	To obligate 100% of available Federal Funding while adopting 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	Department of Aviation, contact person is State Airports Manager, 503.378.4880.	

- OUR STRATEGY:** 12 of 28 state airports receive \$150,000 annually in entitlement funds (Non-Primary Entitlement Program, or NPEP), for a total of \$1.8M. The state has up to four years to expend these funds on airport improvement projects. If funds are not spent within the four year time period, they are de-obligated to ODA and returned to the FAA for use at other airports.
- ABOUT THE TARGETS:** ODA pools funding over time in order to accomplish larger capital construction projects. The oldest entitlement dollars are programmed first, so that ODA never “loses” money due to lack of adequate planning and monitoring. The FAA requires ODA to maintain a five-year Capital Improvement Program (CIP) list..
- HOW WE ARE DOING:** The Department currently utilizes all available federal entitlement funds with no funds be returned to the FAA. When necessary, ODA works with FAA to transfer funds or amend grant descriptions to ensure that no federal dollars are lost. ODA predicts no loss of funds due to aging, unobligated entitlements.
- HOW WE COMPARE:** Comparator state information is not available.



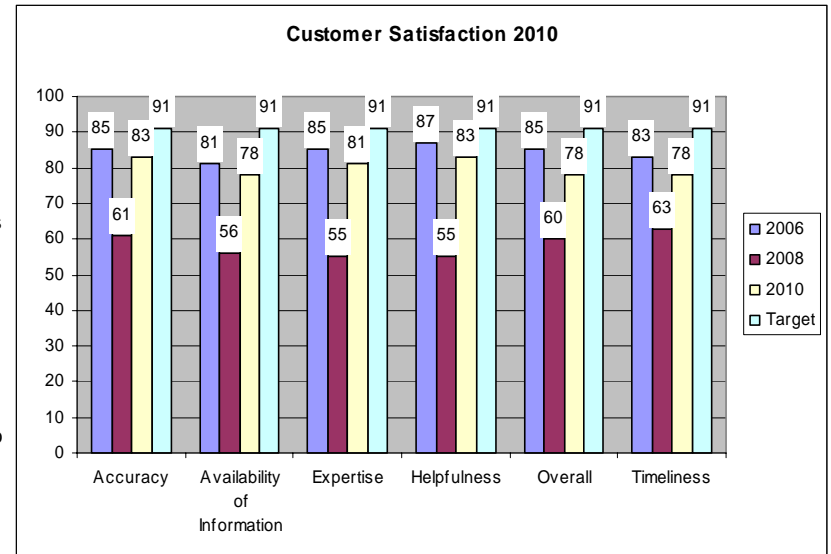
- FACTORS AFFECTING RESULTS:** Congressional Authorization of funding, FAA policy.
- WHAT NEEDS TO BE DONE:** Identify expenditure efficiencies. ID additional revenue.
- ABOUT THE DATA:** Data is available and updated regularly.



Key Performance Measures

KPM # 5	Percent of customers rating their satisfaction with agency's customer services as "good" or "excellent"; overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Measured since: 2006
Goal	Excellent Customer Satisfaction	
Oregon Context	Not Applicable.	
Data source	Customer Satisfaction Survey	
Owner	Department of Aviation, Fiscal Manager, 503.378.4881.	

- OUR STRATEGY:** Evaluate comments by customer and constituents on customer service and response time to improve service to aviation customers.
- HOW WE ARE DOING:** These results are an improvement over the 2008 survey.
- ABOUT THE TARGETS:** ODA's survey form asks for customer service improvement suggestions as well as the six standard questions that all state agencies must ask when conducting such surveys.
- HOW WE COMPARE:** Comparator state information is not available.
- FACTORS AFFECTING RESULTS:** Results are statistically valid at a 95% confidence level to +/-5.3% margin of error.
- WHAT NEEDS TO BE DONE:** Install customer service survey on ODA website to allow continuous access and feedback by customers and constituents.
- ABOUT THE DATA:** The data and comments are available upon request.

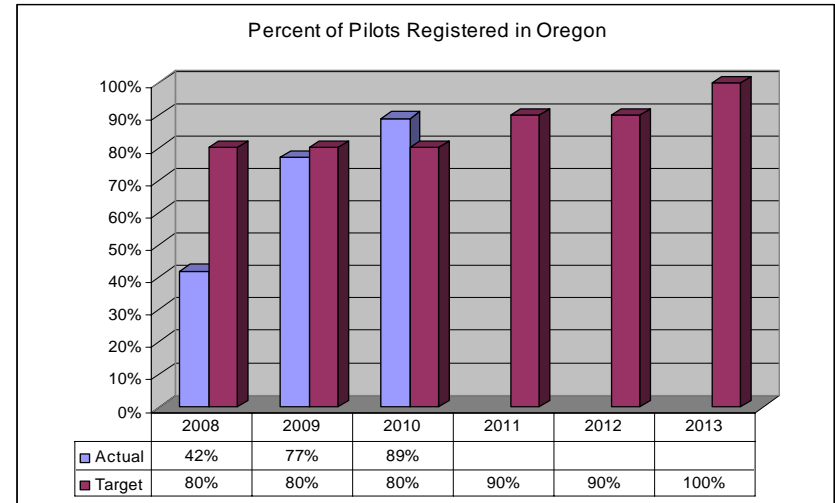




Key Performance Measures

KPM # 7	Percent of Pilots Registered	Measured since: 2007
Goal	Reconcile with FAA data and register all pilots with Oregon addresses	
Oregon Context	Not Applicable.	
Data source	ODA Electronic database and FAA pilot database.	
Owner	Department of Aviation, State Airports Manager, 503.378.4880.	

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. Aggressive pursuit of renewals and outreach to pilots to encourage registration is our continuing strategy.
2. **ABOUT THE TARGETS:** Target is 80% accuracy in 2010.
3. **HOW WE ARE DOING:** Ongoing clean up of the database and elimination of duplicate registrations and expired pilot registrations show 6,032 current and past due pilot registrations. 5,358 are currently registered and paid up to date. 674 are shown as past due. 89% of pilots have been validated as registered in 2010.
4. **HOW WE COMPARE:** In 2009, Idaho reported 2,714 pilots registered.
5. **FACTORS AFFECTING RESULTS:** Increase in fees, letters to pilots in the database as part of a stepped up registration campaign increased the number of pilots in the database. Process is ongoing.
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.
7. **ABOUT THE DATA:** ODA has ongoing process of validating all pilot and aircraft registrations via comparisons to FAA database and letters to pilots.

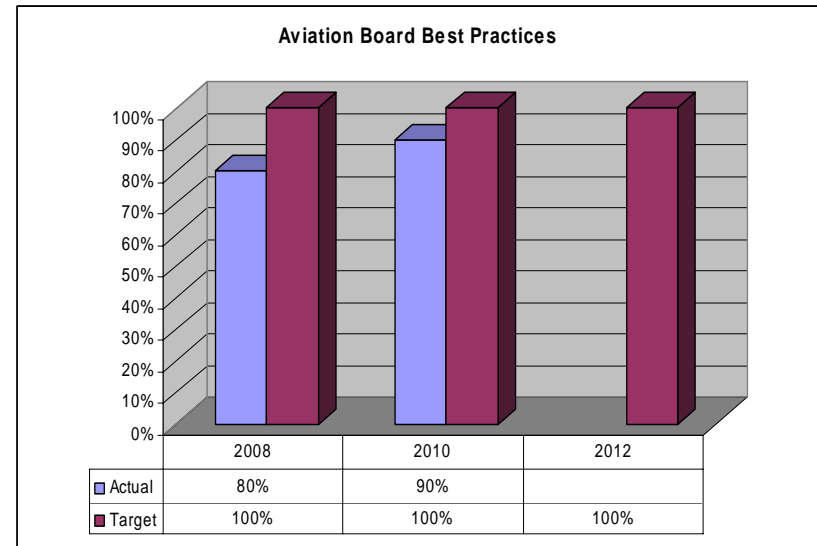




Key Performance Measures

KPM # 8	Total of Best Practices by the Board of Aviation	Measured since: 2007
Goal	Excellent Customer Satisfaction.	
Oregon Context	Not Applicable.	
Data source	Self Assessment of best practices	
Owner	Department of Aviation, State Airports Manager, 503.378.4880.	

1. **OUR STRATEGY:** ODA Board completes a Best Practices Survey to improve statewide aviation policy and oversight.
2. **ABOUT THE TARGETS:** List of 15 best practices self assessment were sent to the seven (7) Oregon Aviation Board Members in September, 2010.
3. **HOW WE ARE DOING:** In the 2010 survey completed in September, 2010; seven (7) of seven (7) board members responded to the fifteen (15) best practices identified. Results indicated that an average of thirteen (13) best practices were in compliance and two areas were identified as needing improvement. Those two areas being the performance feedback for the executive director and the second is lack of training sessions for board members.
4. **HOW WE COMPARE:** Comparative state information is not available.
5. **FACTORS AFFECTING RESULTS:** For the Director, performance feedback = short duration of incumbent. Board meetings have been moved to monthly from quarterly.
6. **WHAT NEEDS TO BE DONE:** Board provide formal performance feedback to Director. Implement training for board members.
7. **ABOUT THE DATA:** Survey results reflect 10% improvement in best practice compliance over 2008 best practice survey results.





Program Priorities

- Statewide Services-** Direction and management of the agency and airports.
 - Planning** – External services provided to Oregon’s aviation industry.
 - Airport Operations-** Daily administration of the twenty-eight (28) state-owned airports.
 - Airport Maintenance-** Maintaining state-owned airports to federal and state safety standards
 - Airport Services-** Managing more than 295 leases and other property agreements.
 - Aircraft Registration-** Ensures that all aircraft based or flown in Oregon be registered with ODA.
 - General Aviation Entitlement Program-** Federally fund airport improvement projects.
 - Capital Construction Projects-** Funds airport improvements.
 - Pavement Maintenance-** State-funded program to assist airports in Oregon in pavement preventative maintenance.
 - Search and Rescue-** (Multi-Agency impact) Funds air portion of search and rescue program at OEM.
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Reduction Options

To Achieve 10% Reduction:

- Reduction of all Service & Supply Inflation - (\$323,066) OF

- Reduction of Professional Services in the Operations Division - (\$389,798) OF (not grant related)

To Achieve 25% Reduction:

- Reduction of Pavement Maintenance Program - (\$1,069,295) OF
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Additional Budget Items

- Supplemental Budget Request 2009-11
- Bandon State Airport Grant Application
 - Authorization to apply for grant from FAA for Blast Pad and Runway Safety Area improvements
- Budget Note Response: Search and Rescue Program



Search & Rescue

Search and Rescue Program

ORS 837.020, ORS 404, SB 5504, ORS 835, HB 5037-A

Program Overview:

- The Oregon Search and Rescue program (SAR) currently resides within the Office of Emergency Management (OEM), a division of the Oregon Military Department.
- It is managed by the SAR coordinator, who is appointed by the Director of the Office of Emergency Management.
- This program coordinates statewide air, ground and marine search and rescue activities.
- The mission of this program is to provide coordination of search and rescue activities with multiple entities throughout the state, to assist in the development of training and educational programs and to gather and disseminate key statistical and resource information to statewide user groups.

Revenue Sources:

This program is funded by Pilot Registration revenue. ODA transfers out revenue to OMD to fund this program. As well currently the .50 FTE of the SAR Coordinator position is being funded with 9-1-1 tax revenue from OMD.



Aircraft Registration

Aircraft Registration

ORS 837.040, 738.080, 837.075

Program Overview:

- All aircraft based or flown in Oregon must be registered with the Oregon Department of Aviation.
- All revenue received from aircraft registration is used as the 5% match for our Federal Fund grants received from the Federal Aviation Administration (FAA).

Revenue Sources:

- Annual aircraft registration (ORS 837.040 & 738.080)
 - Annual pilot registration (ORS 837.020) and
 - Aircraft dealer license fees (837.075).
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Pavement Maintenance Program

Pavement Maintenance Program (PMP)

ORS 835.015

Program Overview:

This is a state-funded program to assist airports in Oregon in:

- Addressing periodic maintenance projects for safety and economic reasons
- Helping small airports who have little funding the ability to address pavement problems.
- Supporting a proactive approach to airport pavement health.

Revenue Sources:

Funded by State Other Funds - Aircraft and jet fuel tax revenue.

- 1 cent per gallon tax on jet fuel - 47% to Operations and 53% to PMP. (ORS 319.020(2))
 - 9 cents per gallon tax on aviation fuel - 47% to Operations and 53% to PMP (ORS 319.020 (2))
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General Aviation Entitlement Program

General Aviation Entitlement Program

Program Overview:

- Administers Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grants awarded to the Oregon Department of Aviation for twelve (12) of the department's twenty-eight (28) state-owned airports.
- Projects funded under this program include non-capital improvement projects such as safety improvements, obstruction removals, beacon/towers, fencing, small scale pavement rehabilitations, security improvements and more.
- ODA works with FAA to develop a 5-year funding program that maximizes FAA funds while leveraging benefits of owning multiple federally funded airports.

Revenue Sources:

Funded 95% Federal Funds, 5% Other Funds (source- Aircraft Registration revenue).



Capital Construction Projects for 2011-13

- Joseph Airport Runway Taxiway/Apron Rehabilitation- POP 101
- Aurora State Airport Air Traffic Control Tower- POP 102
- Chiloquin State Airport Runway and Apron Rehabilitation- POP 103
- Bandon Blast Pad and Runway Safety Area





Proposed Legislation

Senate Bill 54- Permits Director of Oregon Department of Aviation to impose civil penalties for violations of aviation laws, rules or orders.



Policy Option Packages – 2011-13

- **POP 081-** May 2010 Eboard
 - **POP 101-** Joseph Airport Runway Taxiway/Apron Rehabilitation
 - **POP 103-** Chiloquin State Airport Runway and Apron Rehabilitation Design
 - **POP 106-** General Aviation Entitlement Projects
 - **POP 107-** System Planning
 - **POP 280-** Migrating Agency to ODOT
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Supplemental Budget Request – 2009-11 LAB

- Aurora Air Traffic Control Tower- POP 102
 - Accelerated Timeline= April 1, 2011
 - Limitation of \$2,695,200 for ConnectOregon III funds received for the project.

 - Joseph Airport Runway- POP 101
 - Accelerated Timeline = April 1, 2011
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Bandon State Airport Grant Application

- ODA is requesting the ability to apply for a Federal grant for the Bandon Apron and Taxiway Relocation project at the Bandon State Airport.
 - This grant would provide the funding to do the following:
 - Reconstruct the Runway Safety Area (RSA)
 - Construction of a Blast Pad
-