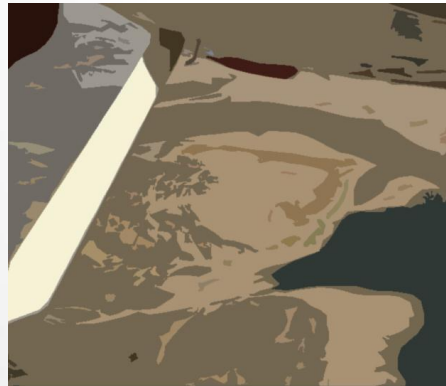




## Aviation Fee Increase Request



Presented by: Mitch Swecker, Director  
Oregon Department of Aviation



# ODA Duties & Roles

---

- Promote Aviation Business and Jobs (ORS 836.055)
- Airport Operations and Maintenance/28 Airports (ORS 836.025)
- Statutory Tall Structure Analysis Program (statewide)- (ORS 836-530)
- Manage Pavement Maintenance Program/66 airports (ORS 836.072)
- Statewide Capital Improvements Program – Partner w/FAA, 55 Airports (ORS 836.070/040)
- **License 97 Public Use Airports annually (ORS 836.105)**
- Register 360 Private Airports annually (ORS 836.610)
- **Register Oregon Pilots & Aircraft (over 4,000 of each) (ORS 837.025/ORS 837.040)**
- Aviation Safety Program (ORS 836.085)
  - Conducts FAA Mandated Airport Inspections (5010)
- Assistance to Airport Sponsors (Land use, FAA Regs, tech expertise) (ORS 836.010)
- ODA generates revenue to conduct operations
  - Aviation and Jet Fuel tax
  - Leases/access fees
  - Fuel Flowage/sales
  - Pilot/Aircraft registration
  - Inspections

**No General/Lottery Fund dollars**

# Purpose

---

## SB 269 – Proposed Fee Increases

- Policy Option Package #100 – Aviation Fee Increases
  - Pilot Registration fees
  - Aircraft Registration fees
  - Public Airport Registration fees

# Pilot Registration Requirements

---

- ▶ **ORS 837.020 Registration of pilots; renewal.**
  - every pilot operating within this state shall register with the Oregon Department of Aviation
  - A nonresident pilot of a scheduled or nonscheduled airline ...is not required to register under the provisions of this section unless the nonresident pilot engages in the piloting of aircraft other than certificated operation.
  - Nonresidents operating within this state, other than in a commercial operation, shall register with the department within 60 days of the date of arrival within the state.
  - Pilots operating commercially shall register prior to any commercial operation.
- ▶ **837.035 Disposition of moneys received for registration of pilot licenses; Aviation Search and Rescue Account. OEM May use funds to:**
  - Search for lost planes and lost persons,
  - Provide insurance for injuries or loss of life for SAR volunteers
  - Pilot survival education and training

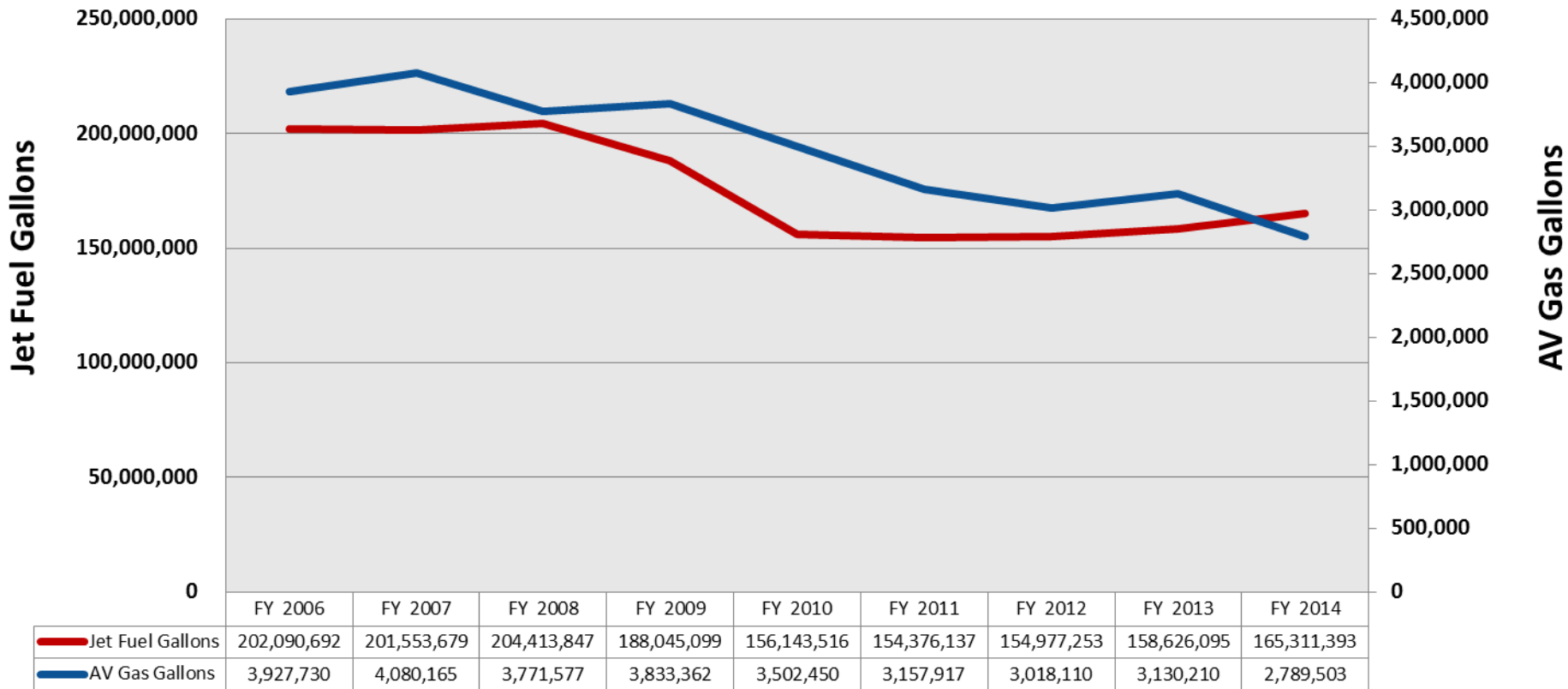
# Pilot Registration

## Why Fee Increase is Required

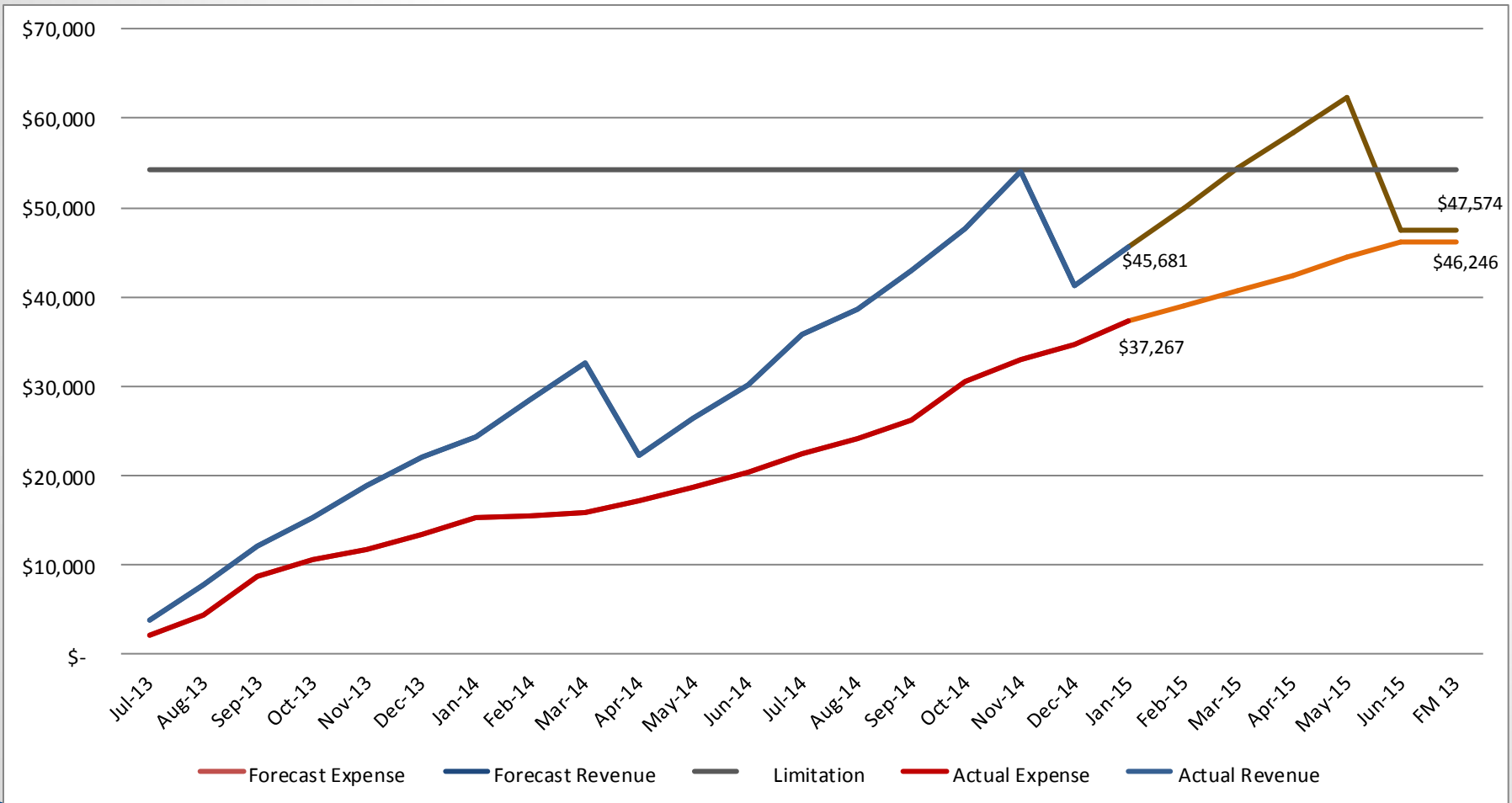
---

- ▶ Fees do not cover cost of OEM or ODA requirements
  - ODA reduced personal services from .5 FTE to .3 FTE
  - OEM reimbursements cover fraction of SAR coordinator FTE
  - Pays for fuel for actual SAR but not training/insurance
  - Registration software modernization
  
- ▶ Avgas fuel sales declining year over year –less GA flying
  
- ▶ Change in pilot population
  - Age
  - Cost of fuel
  - Time to train
  - Price of aircraft
  - Pilot registrations down by 6% each of past 3 biennium's

## Annual Jet Fuel and AV Gas Gallons



# Search & Rescue Cumulative 2013-2015 Totals



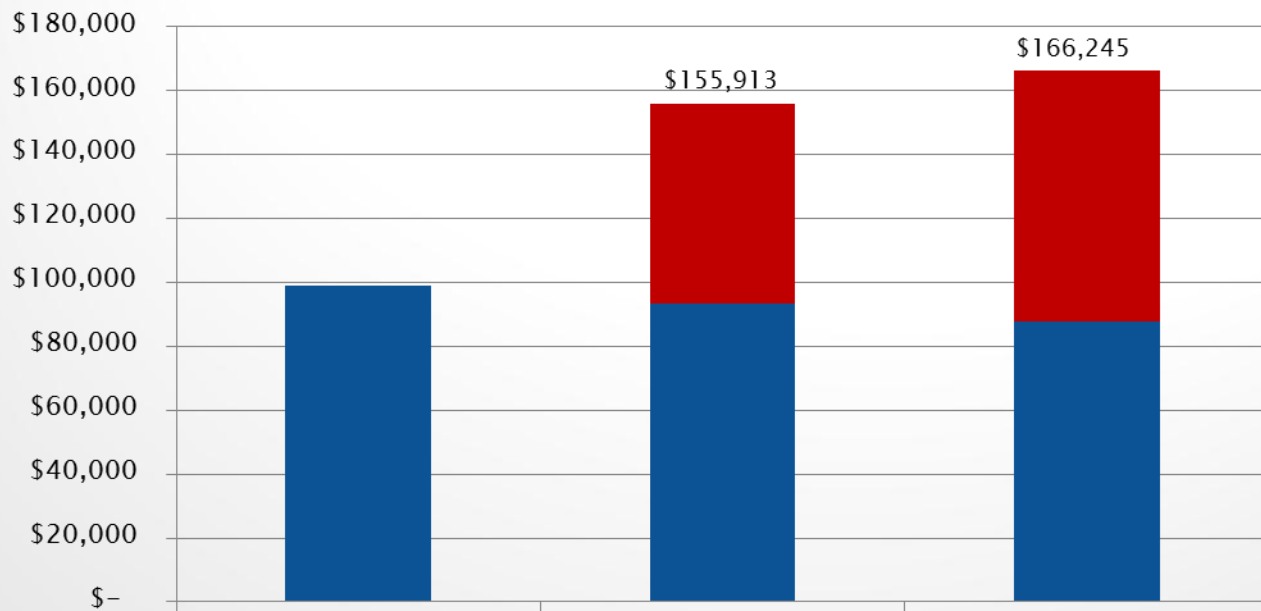
# Pilot Registration Funding

Search and Rescue Biennium 15-17 Forecast	
<b>**Forecasted Revenue from Pilot Registration for 15-17</b>	<b>\$ 93,216</b>
<b>Expenditures and transfers</b>	
Personal Services	\$ 52,415
Service and Supplies	\$ 9,258
Fuel Reimbursements	\$ 7,425
Transfers to OEM	\$ 51,750
<b>Total obligations (exp plus transfers)</b>	<b>\$ 120,848</b>
Shortfall	<b>\$ (27,632)</b>
**Does not include beginning balance	



# Pilot Registrations

## Projected Revenue



	2013-15	2015-17	2017-19
Increase in Revenue from SB 269	\$-	\$62,830	\$78,747
Projected Rev. w/o Fee Increase	\$99,024	\$93,083	\$87,498

# Aircraft Registration Fees

- ▶ 837.040 Persons required to register aircraft; application; timing; late fees; rules. (1) Except as provided in subsection (2) of this section, **the following are required to register civil aircraft with the Oregon Department of Aviation:**
  - (a) **The owner of a civil aircraft that is capable of flight and that is based in this state.**
  - (b) **The owner of a civil aircraft that is used for commercial operations in this state.**
- ▶ (5)(a) The owner of a civil aircraft that is based in Oregon shall register the aircraft within 60 days of the date the aircraft becomes subject to registration. The owner of a civil aircraft that is not based in Oregon but that is used in Oregon for commercial operations shall register the aircraft prior to the first time the aircraft is used in Oregon for commercial operations.

Aircraft Registration Fee Title	Current Annual Fee	Proposed Annual Fee
Ex-Military, Ex-Air Carrier Turbojet	200	300
Ex-Military, MultiEngine	200	300
Experimental	40	55
Gyrocopter or glider	40	55
Home Built	40	55
Lighter than air (balloon)	40	55
Sail Plane	40	55
Ultralight	30	55
Helicopter Piston	55	65
Helicopter Turbine	110	175
Multi-engine Piston	90	150
Multi-engine Turbine	200	300
Single Engine Piston	55	65
Single Engine Turbine	200	250
TurboJet	350	700

# Aircraft Registration

## Why Fee Increase is required?

---

- ▶ **FAA Reauthorization 2012 – Doubled Sponsor match from 5% to 10%**
  
- ▶ **Cost of Construction – CPI increase**
  - New Federal Mandate for Environmental assessments
  - Wildlife assessments (endangered and threatened species)
  - Requires additional coordination with U.S. Fish and Wildlife
  - Required to use consultant for these studies
  
- ▶ **Deterioration of non-federally funded airports**
  - Obstructions
  - Runway pavement 
  
- ▶ **Other states charge more for aircraft registration**
  - California 1% of Aircraft value
  - Montana – up to \$3,000
  - Idaho – up to \$600
  - Washington – up to \$140 (but higher fees on fuel \$.11 /sales tax 6.5% on fuel and aircraft)
  - Larger aircraft come to Oregon to register aircraft due to low cost

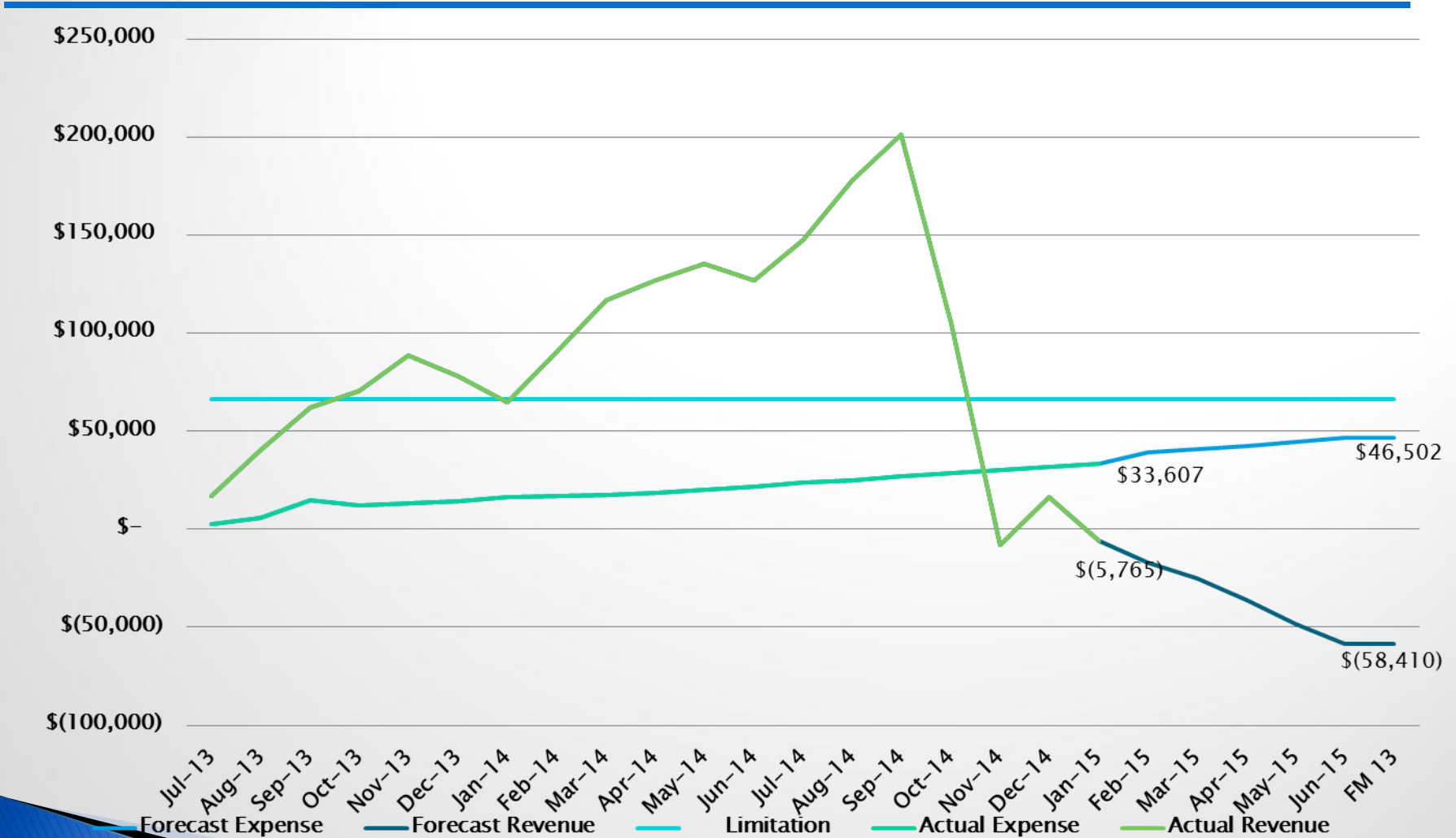
▶ **UAS – Registration of public use UAS in 2016**



# Deferred Maintenance at Non-NPIAS Airports

State Airports	Obstruction Removal	Pavement repair/maintenance Including 5/10yr Avg PCI Data	Restripe Pavement	Shoulder Repair (3/4-gravel)	NavAids (incl. windcones) & Lighting	Fencing + Gates	Signage	Grading, etc		Misc
Alkali Lake (R03)				\$5,000	\$3,500	\$46,000	\$1,000	Grade Rwy	\$3,000	
Cape Blanco (5S6)		CS & Slurry Seal Rwy/Twy Avg PCI 60/40 \$140,000	\$15,000	\$5,000	\$3,500	\$76,000	\$1,000			
Cascade Locks (CZK)	\$65,000	CS & Slurry Seal Rwy/Twy Avg PCI 70/55 \$20,000	\$3,000	\$5,000	\$8,500	\$82,000	\$1,000			Renovate Bathroom \$4,000 Automated Wx \$75,000
Crescent Lake (5S2)	\$75,000	Failed - Reconstruct Runway \$1,082,250	\$7,000	\$10,000			\$1,000	Grade RSA	\$20,000	Runway renovation
McKenzie Bridge (00S)	\$50,000			\$20,000	\$8,500		\$1,000	Grade, Pack & Reseed Rwy	\$25,000	Regrade Tie Down Apron \$3,000
Nehalem Bay (3S7)	\$20,000	Avg PCI 85/70	\$7,000	\$5,000	\$3,500	\$123,000	\$1,000			
Oakridge (5S0)	\$60,000	CS & Slurry Seal Rwy/Twy Avg PCI 40/25 Reconstruct Runway \$1,569,447	\$7,000	\$10,000	\$78,500		\$1,000			
Owyhee Reservoir (28U)				\$5,000	\$3,500		\$1,000	Grade Rwy	\$10,000	
Pacific City (PFC)		Slurry Seal Rwy, Apron Avg PCI 70/55 \$30,000	\$3,000		\$3,500		\$1,000			Renovate Bathroom \$4,000 AWOS and O&M \$225,000 Stormwater Drainage clean up \$7,000 Replace Tide Gates \$15,000
Pinehurst (24S)	\$20,000	CS Rwy Avg PCI 85/70 \$35,000	\$7,000		\$3,500		\$1,000			
Prospect (64S)	\$120,000	Runway renovation Avg PCI 30/Failed Reconstruct Runway \$1,850,000	\$7,000		\$78,500		\$1,000	Improve RSAs	\$5,000	
Rome (REO)				\$10,000	\$3,500	\$5,000	\$1,000	Grade Rwy	\$10,000	Upgrade ASOS \$20,000
Santium Junction (8S3)	\$45,000			\$5,000	\$3,500		\$1,000	Grade Rwy	\$10,000	
Toketee (3S6)	\$50,000			\$15,000	\$7,000		\$1,000	Grade, Pack & Reseed Rwy	\$25,000	
Toledo (5S4)	\$50,000	Avg PCI 55/40 Reconstruct Runway \$647,500	\$7,000		\$3,500	\$46,000	\$1,000			
Wakonda Beach (R33)	\$50,000			\$22,000	\$3,500	\$24,400	\$1,000	Grade, Pack & Reseed Rwy	\$25,000	Repair Stormwater Drainage System \$15,000
<b>Total:</b>	<b>\$605,000</b>	<b>\$5,374,197</b>	<b>\$63,000</b>	<b>\$117,000</b>	<b>\$216,000</b>	<b>\$402,400</b>	<b>\$16,000</b>		<b>\$133,000</b>	<b>\$368,000</b>
									<b>GRAND TOTAL NON-NPIAS:</b>	<b>\$15,382,318</b>


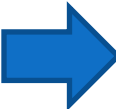
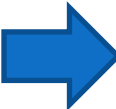
# Aircraft Registration Cumulative Totals



# Planned Projects for 15-17

---

## ▶ Construction Projects

- GA Entitlement projects – Policy Option Package #101 
- Condon – Policy Option Package #102 
- McDermitt – Policy Option Package #103 

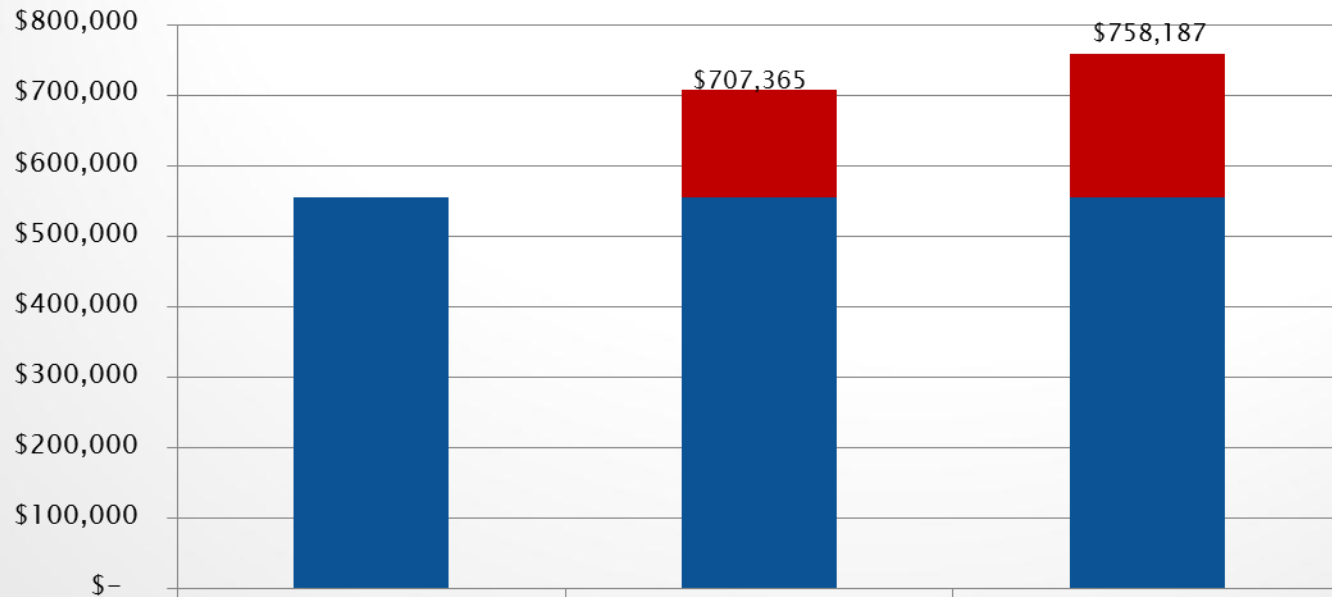


# Aircraft Registration Funding

Aircraft Registration Biennium 15-17 Forecast	
<b>**Forecast Revenue from Aircraft Registration for 15-17</b>	<b>\$ 555,930</b>
<b>Expenditures and transfers</b>	
Personal Services	\$ 52,415
Service and Supplies	\$ 9,761
GA Entitlement Grant Match Transfers	\$ 327,197
Capital Construction Grant Match Transfers	\$ 427,778
<b>Total Obligations (expenditures plus transfers)</b>	<b>\$ 817,151</b>
Shortfall	<b>\$ (261,221)</b>
<b>**Does not include beginning balance</b>	

# Aircraft Registrations

## Projected Revenue



	2013-15	2015-17	2017-19
Increase in Revenue from SB 269	\$-	\$151,435	\$202,257
Projected Rev. w/o Fee Increase	\$555,930	\$555,930	\$555,930



# Airport Registration Fees

- ▶ **836.105 Licensing of airports; fees; rules.** Except as provided in ORS 836.080, the Oregon Department of Aviation is authorized to provide for the licensing of airports and the annual renewal of such licenses. The following apply to this section:
  - ▶ (1) The department may charge license fees not exceeding **\$30** for each original license, and not exceeding **\$30** for each renewal thereof.
  - ▶ Statute has not changed since 1997

<b>Public Airport Registration Fees</b>	<b>Current Fee</b>	<b>Proposed Fee</b>
<b>Fee Title/Description</b>	Annually	Annually
NEW: Category I - Commercial Service	\$ 30	\$ 150
NEW: Category II - Urban General Aviation	\$ 30	\$ 100
NEW: Category III - Regional General Aviation	\$ 30	\$ 75
NEW: Category IV - Local General Aviation	\$ 30	\$ 50
NEW: Category V - Remote Access	\$ 30	\$ 30

# Airport License Fee

## Why Increase is Required

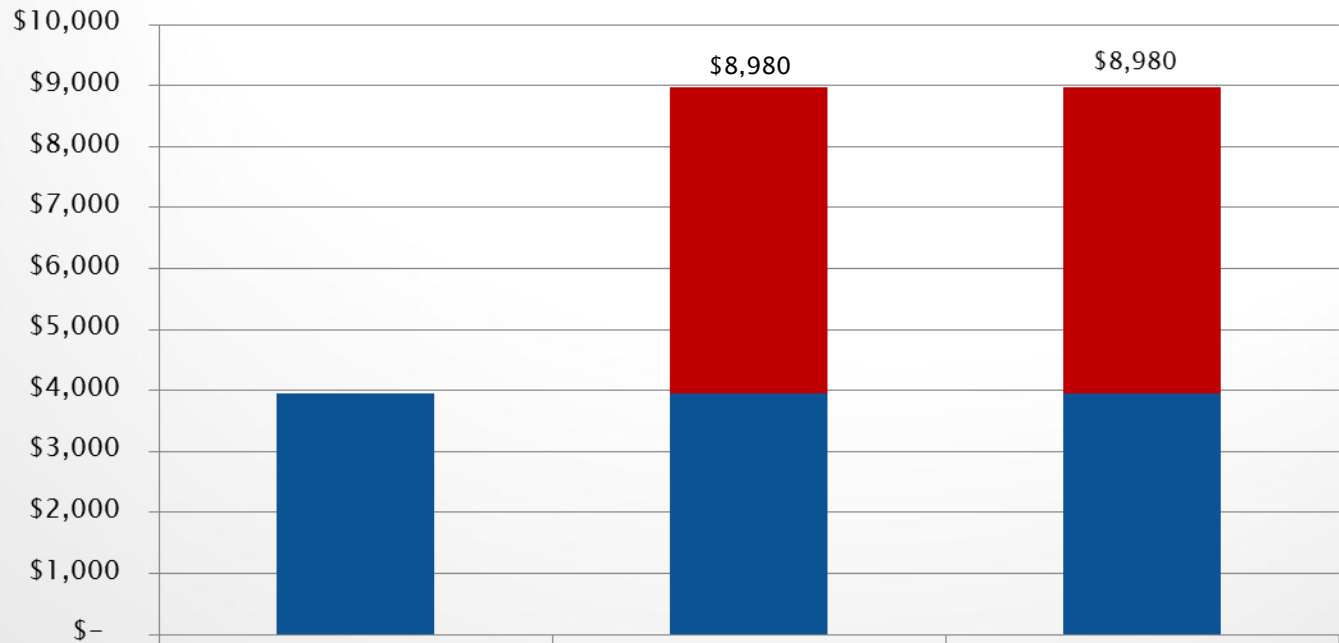
---

- **Airport License Fees at \$30 for all categories of airport since 1997**
  - Does not cover cost of administration
  - Fee increase will help with services provided by ODA
    - General Airport support and outreach
    - Airport Master Planning
    - Tall structures analysis near airports
    - Airport Land Use support
    - FAA grant coordination
- **Deferred Maintenance**
  - Deferred Maintenance for 28 airports and Salem office building totals > \$15m.
    - Deferred facilities maintenance list for 28 state-owned airports
    - \$630,000 is for the Salem Office building. See breakdown below.

Roof	\$150,000
HVAC	\$350,000
Building Exterior	\$45,000
Other	\$85,000
<b>Total</b>	<b>\$630,000</b>

# Airport Registrations

## Projected Revenue



	2013-15	2015-17	2017-19
Increase in Revenue from SB 269	\$-	\$5,020	\$5,020
Projected Rev. w/o Fee Increase	\$3,960	\$3,960	\$3,960

# Questions?



# Environmental Factors



Crescent Lake - pavement damage



# Major Budget Information

## POLICY PACKAGE #101

State-Owned Airports	Proposed Projects, FFY 2015	Federal Amount	Match Requirement 10%	Project Cost	Source of Matching Fund
Lebanon	Master Plan	135,000	15,000	150,000	AC FEE
Mulino	Obstruction Removal	297,000	33,000	330,000	AC FEE
<b>2015 Total</b>		<b>432,000</b>	<b>48,000</b>	<b>480,000</b>	
State-Owned Airports	Proposed Projects, FFY 2016	Federal Amount	Match Requirement 10%	Project Cost	Source of Matching Fund
Aurora	Phase 1 Obstruction Removal(Environmental)\AGIS Survey	184,500	20,500	205,000	AC FEE
Chiloquin	Phase 1 Environmental for Fencing	45,000	5,000	50,000	AC FEE
Independence	Master Plan	270,000	30,000	300,000	AC FEE
<b>2016 Total</b>		<b>499,500</b>	<b>55,500</b>	<b>555,000</b>	
State-Owned Airports	Proposed Projects, FFY 2017	Federal Amount	Match Requirement 10%	Project Cost	Source of Matching Fund
Aurora	Phase 2 Obstruction Removal	69,300	7,700	77,000	AC FEE
Bandon	Phase 1 Land Acquisition	135,000	15,000	150,000	AC FEE
Chiloquin	Phase 2 Fencing Design and Construction	270,000	30,000	300,000	AC FEE
Chiloquin	Phase 1 Taxiway and Apron Rehab Construction/Fencing	135,000	15,000	150,000	AC FEE
Cottage Grove	Master Plan	135,000	15,000	150,000	AC FEE
Independence	Phase 1 Environmental for Fencing	22,500	2,500	25,000	AC FEE
<b>2017 Total</b>		<b>766,800</b>	<b>82,500</b>	<b>852,000</b>	
	<b>GRAND TOTAL 15-17 Biennium</b>	<b>1,698,300</b>	<b>188,700</b>	<b>1,887,000</b>	



# Major Budget Information

## Capital Construction Projects 15-17

### Condon State Airport – Policy Option Package #102

**Project:** Improve Taxiway - Widen, Improve airport drainage, Install airport beacon and lighted wind cones, Runway 25-Improve RSA.

FFY	Phase	Description	Federal Funds	Other Funds	Total Funds
2016	Phase 1	Design	275,000	30,555	305,555
2017	Phase 2	Construction	1,760,000	195,556	1,955,556
<b>Total</b>			<b>2,035,000</b>	<b>226,111</b>	<b>2,261,111</b>

### McDermitt State Airport - Policy Option Package #103

**Project:** Rehabilitate runway including lighting and rehabilitate rotating beacon.

FFY	Phase	Description	Federal Funds	Other Funds	Total Funds
2016	Phase 1	Design	165,000	18,333	183,333
2017	Phase 2	Construction	1,650,000	183,334	1,833,334
<b>Total</b>			<b>1,815,000</b>	<b>201,667</b>	<b>2,016,667</b>

<b>Capital Construction Total</b>	<b>3,850,000</b>	<b>427,778</b>	<b>4,277,778</b>
-----------------------------------	------------------	----------------	------------------



# Appendices

## Capital Construction Projects 15-17

### Condon State Airport – Policy Option Package #102

**Project:** Improve Taxiway - Widen, Improve airport drainage, Install airport beacon and lighted wind cones, Runway 25-Improve RSA.

FFY	Phase	Description	Federal Funds	Other Funds	Total Funds
2016	Phase 1	Design	275,000	30,555	305,555
2017	Phase 2	Construction	1,760,000	195,556	1,955,556
<b>Total</b>			<b>2,035,000</b>	<b>226,111</b>	<b>2,261,111</b>

### McDermitt State Airport - Policy Option Package #103

**Project:** Rehabilitate runway including lighting and rehabilitate rotating beacon.

FFY	Phase	Description	Federal Funds	Other Funds	Total Funds
2016	Phase 1	Design	165,000	18,333	183,333
2017	Phase 2	Construction	1,650,000	183,334	1,833,334
<b>Total</b>			<b>1,815,000</b>	<b>201,667</b>	<b>2,016,667</b>

<b>Capital Construction Total</b>	<b>3,850,000</b>	<b>427,778</b>	<b>4,277,778</b>
-----------------------------------	------------------	----------------	------------------

