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December 23, 2024

Alex Thomas  
Planning and Programs Manager  
Tony Beach  
State Airports Manager  
Oregon Department of Aviation  
Brandy Steffen  
JLA

Re: December 23, 2024 Comment Letter on Behalf of Aurora Airport Improvement Association and TLM Holdings, LLC, Regarding the Aurora State Airport Master Plan – ODAV Proposed Preferred Alternative

Mr. Thomas, Mr. Beach and Ms Steffen,

This letter is written on behalf of the Aurora Airport Improvement Association (AAIA), whose members include Aurora Airport aviation private business stakeholders, and one of AAIA's members TLM Holdings, LLC, who is also a PAC Member, together referred to herein as "Aeronautical Stakeholders". Please include this letter in the record for the Oregon Department of Aviation's (ODAV) proposed "Preferred Alternative" for the Aurora State Airport Master Plan. We applaud Director Sugahara's statement that ODAV understands that the "Preferred Alternative" for the Aurora Airport Master Plan is widely opposed and his commitment that ODAV is willing to modify it. It is mission critical that ODAV modify the "Preferred Alternative" if the Aurora Airport is to continue to deliver significant tax benefits, family wage jobs, emergency resiliency and aeronautical innovation to the region and state. The current version of ODAV's proposed Preferred Alternative is inconsistent with these objectives.

### **EXECUTIVE SUMMARY OF REQUESTS**

The Preferred Alternative should be modified to reflect the Aeronautical Stakeholders' Alternative that was previously submitted and that is attached (Exhibit 1) in an updated, annotated form. The attached Aeronautical Stakeholders Alternative is consistent with ODAV's stated wishes to extend the runway by 500 feet to the north and move the airport toward FAA design standard compliance. A significant difference between ODAV's current Preferred Alternative and the Stakeholders' Alternative, however, is that the Stakeholders' Alternative does not

carry ODAV's \$150 million (plus) price tag to condemn the Aurora Airport front line aircraft hangars for which the owners have invested more than \$200 million and thereby created millions in tax revenue, created more than a 1000 good jobs and millions of dollars in direct and indirect tourist revenue for surrounding communities. ODAV's final Preferred Alternative must:

1. Remove the taking of the frontline hangars and remove the "Aeronautical Reserve" designation across the rest of the privately owned property at the airport.
2. Remove the proposed new taxi lane that isn't required by the FAA and makes no aircraft safety, efficiency or policy sense.
3. Remove the new commercial service road adjacent to the proposed new taxiway that also isn't required by the FAA. Replace it with the internal service road that was approved in the 2012 Master Plan and that as shown on the Stakeholders' Alternative is partially built and would cost ODAV nothing but the cost of some pavement.
4. Leave the drainfields in place because when improved, they are allowed in the RSA and are essential to the continued functioning of the airport. ODAV should simply require HDSE to bring the South Drainfield to meet FAA Design Standards.
5. Be developed in a collaborative in-person meeting that allows real discussion among stakeholders to occur to work out details so that the "Preferred Alternative" that emerges enables the airport to be successful and safe over the next 20 years and avoids needless, years-long litigation continuing the airport's languishment from neglect.

## **EXPLANATION**

### **ODAV is Bound by ORS 836.640-642**

ODAV must understand that it is bound by ORS 836.640-642, which is a statute developed by Business Oregon and adopted by the legislature to strongly encourage private investment at the Aurora Airport and that commanded ODAV to carry out that objective. ODAV's "Preferred Alternative" is in direct contravention of those statutes. The Aeronautical Stakeholder's Alternative (Exhibit 1) is consistent with that statute and reflects good aviation policy and safety.

Contrary to that statute, ODAV's proposed alternative contemplates ODAV taking by eminent domain the frontline hangars at the airport and authorizes for public acquisition all other private property at the Aurora Airport. ODAV's plan to wipe out the front line aircraft hangars has an unnecessary and staggering \$150 million plus public price tag. It unwisely seeks to bulldoze these important business aircraft hangars for which the owners have invested more than \$200 million,

created millions in tax revenue, more than a 1000 good jobs and millions in directly and indirectly related tourist revenue for surrounding communities, with ORS 836.640-642 as the catalyst. It anomalously designates areas that have been set aside in airport master plans for private airport related development since 1976, as areas for ODAV acquisition instead of planning for them to be developed with private airport related uses by bringing them into the airport boundary as contemplated by ORS 836.640-642.

Both elements of the preferred alternative are misguided. Among other objectives for the Aurora Airport, ORS 836.642 requires ODAV to “Preserve investments [at the Aurora Airport] and the level of service provided by [the Aurora Airport]” and to “promote economic development” at Aurora “by creating family wage jobs, increasing local tax bases” through support of private aviation-related uses so that they may “develop and thrive.” The preferred alternative is contrary to ORS 836.640-642 and expressly seeks to trade the private investment that the statute seeks to encourage and grow, for government condemnation and government ownership.

### **ODAV’s Preferred Alternative Gambles with the Aurora Airport’s Success, Risking Sending it Backwards and Making it Less Safe**

ODAV’s preferred alternative gambles with the economic benefits that private investment at the airport has delivered, risking their continuation. The threat of ODAV condemnation, not to mention ODAV actually engaging in such litigation against those owners, presents an unacceptable risk of driving away not only those aircraft hangar owners, but also their businesses, jobs and related tax and tourist revenue. Once they are gone, the stigma of such ODAV action makes the airport and indeed any airport that ODAV manages, a private investment pariah – potentially for decades. Such a risk should not be taken where, as here, a state statute commands ODAV otherwise and there are alternatives. The Stakeholders Alternative demonstrates that viable alternatives are available that carry a fraction of the cost of ODAV’s preferred alternative and come with none of the risks.

It is respectfully submitted that the justification for ODAV’s “preferred alternative” does not warrant its deleterious effects.

### **ODAV’s Desire for a Vehicle Service Road (VSR) and New Taxiway Cannot Justify ODAV’s Preferred Alternative. ODAV has Failed to Consider Better and Less Costly Alternatives for a VSR and new Taxiway**

ODAV’s desire for a “vehicle service road” (VSR) and a new aircraft taxiway are driving ODAV’s desire to condemn the frontline hangars. But neither objective necessitates ODAV’s Preferred Alternative, and neither are required by FAA. In

fact, if FAA were doing its job, it would be advising ODAV against both on their astonishing cost alone.

Regarding the VSR, the airport's 2012 master plan approved a VSR that has none of ODAV's Preferred Alternative's deleterious effects and does not carry a \$150 million condemnation price tag. At worst, the 2012 VSR costs the state some pavement. The private aeronautical stakeholder owners have offered ODAV the land needed for the 2012 MP VSR free of charge. We are unaware of any reason for ODAV to not pursue that 2012 MP VSR and there are only good reasons to do so. **Let that sink in: ODAV's current "Preferred Alternative" seeks to trade \$150 million of the public's money, risk more than 1,000 jobs, millions in tax and tourist revenue just to save some \$20,000 on pavement.** The idea is untenable, not to mention unacceptably wasteful and wholly unnecessary.

Similarly, if a new taxiway is required (and ODAV has not shown that it is), ODAV has utterly failed to explore reasonable options for such a new taxiway. ODAV says that it cannot put a new taxiway anywhere but where the ODAV "Preferred Alternative" puts it because ODAV does not own land elsewhere for a taxiway. This is insincere and disingenuous. **ODAV does not own the land where it wants the "Preferred Alternative" taxiway either** – that is why it is showing ODAV condemning the front line hangars. Moreover, many other features of ODAV's proposed alternative are on land ODAV does not own. ODAV simply has made no effort to come up with a less devastating and less expensive alternative. Even if ODAV had to acquire some private land for a new taxiway, ODAV can and must explore alternatives having far less adverse impact on the continuation and growth of private aeronautical investment at the airport, not to mention a price tag well south of the \$150 million plus for ODAV's Preferred Alternative.

### **ODAV Does not "Want" to Expand the Airport Boundary**

ODAV asserts that it simply does not "want" to extend the airport boundary to include the land that is now and has long been foreseen for private airport-related development. Instead, ODAV wants to designate that land for ODAV acquisition claiming that only this will "ensure" that land is put to aeronautical use. This claim cannot be insincere and is disingenuous. ODAV acquisition does nothing to put land at the airport to aeronautical use. Further, the private sector has put all of the land that it could into airport related uses and has been trying to put the rest to aeronautical use with no help from ODAV. Per ORS 836.640-642, the way ODAV ensures that land is developed with aeronautical use, is to expand the airport boundary to include such land. ODAV ownership does nothing to further that goal. Instead, as commanded in ORS 836.640-642, ODAV must expand the airport boundary to include the remaining undeveloped land at the airport that has been designated *in every master plan since 1976 as suitable for airport development*. Not "wanting" to do so is no justification and is contrary to ORS 836.640-642.

## **ODAV Has Failed to Meaningfully Engage Airport Stakeholders in the Development of Airport Alternatives**

Contrary to the federal requirements cited in prior submittals, ODAV has failed to meaningfully engage airport stakeholders in ODAV's process for developing the "Preferred Alternative."

ODAV has improperly insisted upon remote meetings only, where it mutes speakers when ODAV is done hearing from them, but allows ODAV and its consultants to speak without limits, including to break into discussions by stakeholders, undermine stakeholder points, and failing to allow any discussion or iterative response.

ODAV has to date completely failed to consider the Airport Stakeholders' Alternative and has given no rational reason for failing to adjust the airport boundary to support airport related development. ODAV has insisted upon PAC members being locked in stone, despite PAC members designating legal counsel and others to participate as their representative. ODAV has even insisted upon deceased persons holding precious aviation-stakeholder PAC member seats.

The lack of any sincere ODAV effort at engagement is well-illustrated by the fact that 13 minutes before the close of business on Friday December 19, the last business day before the close of the final ODAV "Preferred Alternative" comment period, ODAV's consultant for the first time responded to an important issue raised at the December 10, 2024 "PAC" meeting, providing a link and inviting PAC members to review the materials at the link. That link led to completely unhelpful further links leading to materials dozens of pages in length. Clearly, ODAV had no interest in the Aviation Stakeholders' concerns and even less interest in a meaningful response from the stakeholders on the issue.

The underlying issue was and is an important one. It involves ODAV's "Preferred Alternative" eliminating with no reasonable alternative, the HDSE septic drain field that is critical to the continued viability of the private development (and jobs) at the airport. The airport stakeholders have provided undisputed evidence that the HDSE drainfield can be strengthened to meet FAA standards to remain in the RSA. ODAV responded on December 10, 2024 with vague, unsupported claims that the drainfield must be removed. The links provided by ODAV's consultant at 4:47 pm on December 20, 2024 do not demonstrate what, if any, problem it is that ODAV has with the stakeholders' supporting information for the drainfield to be improved and remain in place. If there is an issue, ODAV should engage with the Stakeholders to discuss it. Clearly, a drainfield is essential to support the airport's good jobs and the businesses that go with them. Ostensibly ODAV would have an interest in preserving those economic attributes and discussing, in a meaningful way, how the drain field can be improved to remain in

place consistent with FAA standards. Assuming ODAV has such an interest – and ORS 836.640-642 compels ODAV to have such an interest, ODAV should meet with the stakeholders to work the issue out. It will not be particularly hard or time consuming to do so.

**FAA Admits that the Runway Can be Extended, that an MOS Can be Approved and that the Master Plan need only Show Incremental Movement toward FAA Design Standard Compliance**

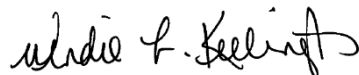
On December 10, 2024 FAA admitted that (1) it can approve a MOS, (2) that the runway can be extended on a MOS, and (3) that the master plan need only show progress toward meeting FAA design standards. Airport Planner Aron Faegre has submitted comments this date explaining that the MOS for the runway extension can not only be approved but it in fact must be shown on the ALP- as it was shown on the approved 2012 ALP. We join those comments. There is no reason for the Preferred Alternative to continue to hold the runway extension hostage to Hwy 551 moving 30 feet (or however far ODAV wants it to move) west. Moving Hwy 551 can occur later when and if funding for the same is provided. That is what the law says. That is what the master plan should contemplate. Importantly, that is the only truly safe way forward.

**Need for a Meaningful Meeting to Discuss a Tenable Preferred Alternative for the Aurora Airport**

Given the success of the airport and the commands of ORS 836.640-642, ODAV's approach to the development of the "Preferred Alternative" to date is nothing short of puzzling. The master plan has a 20-year planning horizon and should ensure Aurora Airport's continued growth and success over that horizon. ODAV should meet, in person, with the Aeronautical Stakeholders and explore a more normative and economically reasonable preferred alternative that is consistent with ORS 836.640-642. Exhibit 1, the Stakeholder's Alternative, is a good starting point for that discussion.

Thank you for your consideration.

Very truly yours,



Wendie L. Kellington

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CC: Clients