

Airport Expansion: Stalled on the Runway

by Kevin Collins

After an overwhelming defeat in the city income tax election, withdrawal of active participation from neighboring cities and the exploration of unorthodox measures such as a toll booth at Mahlon Sweet's entrance, attempts to fly the proposed \$17 million airport expansion might be likened to a balloon of the metal variety. Despite the strong headwind, proponents are staying the course.

The controversy around the proposed expansion shapes up as a microcosm of the prevailing disputes which the mayor and city council have been waging with opponents around the issues of development and growth. The battle lines have been drawn over questions of cost and financing, growth and liveability, environmental issues and an alleged sacrificing of service levels in order to woo outside business interests.

The central questions of need and cost have been disputed. The initial estimate of \$17 million for the completed project was based upon a "go ahead" in June 1986. As this will not be the case the actual costs would most certainly be higher. Airport manager Bob Shelby suggests, "There is not an indefinite shelf-life for this type of proposal." To date, the city has spent over \$700,000 on plans for the project which would include a terminal three times the size of the current facility at Mahlon Sweet.

Operation/Maintenance Costs

What has been less publicized is the additional operation and maintenance costs which would result from the treble increase. Airport manager Shelby projects a 50% increase in operating costs on ribbon cutting day. This would be in the neighborhood of \$700,000 per year. City Councilman Roger Rutan contends, "Plans for the facility factor in an operating deficit for five years." Both Shelby and Rutan are optimistic that increased revenues from the expanded facility will erase this deficit in the near future.

Opponents take a dim view of these projections and suggest parallels to other city projects such as the Hult Center (current operating deficit of approximately \$500,000 yearly.) Energy analyst and environmental activist David Freeman says, "A 50% operating increase for a threefold increase in size is extremely optimistic. There are certainly similarities to the Hult center where operating costs are not talked about when it was being planned and built. Regardless of the advisability of this scale of expansion, it is indisputable that money used to subsidize the Hult Center or, if necessary, the airport, means that much less money for other services such as parks, police and fire protection." Freeman is also a pilot with an instrument rating. He adds, "I'm not arguing that there aren't improvements which need to be made with regards to the baggage area, departure lounge and such. But this scale of expansion is like putting in a thumb tack with a sledge hammer and further saddling an already strapped economy in the process."

The proposed expansion has evolved from a \$40,000 conceptual design study in 1979. This began as an evaluation of the baggage claim services. Airport manager Bob Shelby explains, "The information from this study indicated several other shortcomings with the facility, such as inadequate depth of the terminal lobby, insufficient public seating and congestion with regards to security screening. The original airport was only built to house two airlines." Opponents argue that the 1979 study was based upon population growth estimates which have proven to be invalid.

Passenger Study

When Mayor Brian Obie took office, the expansion of the airport became a focal point of his Eugene Agenda. In April 1985, the city contracted with Cawood Communications and Ragatz Associates to do a passenger study over a four-day period in April. The results of this survey have been used to support airport expansion.

Liz Cawood, owner of the public relations company that conducted the study, suggests, "We undertook this study as a tool for helping the city's marketing with regards to airport users. To generalize these findings from passengers to the general public



was not our intention."

Critics contend that the survey is invalid with regards to the opinions of airport users as well. Ron Larsen, a research specialist with the University of Oregon, reviewed the questionnaire and findings. He observed, "There are inconsistencies in the data, and approximately 50% of the subjects who responded did not answer the satisfaction part of the questionnaire. This is relevant because people will have a tendency to respond more readily when they are dissatisfied. In addition, the design and wording of the questionnaire seemed to be significantly slanted in favor of expansion. Virtually every statement which the respondent was asked to agree or disagree with was worded positively with regards to expansion. Immediately after this section the respondents were asked to check the four things that most needed to be expanded or improved. There was no choice for non-expansion. I'm not in a position to say whether it is a case of torturing the data until it confesses. However, if you wanted to design an instrument which would give you an objective viewpoint, there doesn't seem to be much thought put into it. On the other hand, if you wanted to have a favorable result in terms of expansion, this would be, in my opinion, a good way to do that. As a research piece its validity is highly suspect and would, most probably, never be published in a journal."

City officials contend that public support for airport expansion was established through a series of town meetings in Eugene. Critics contend that it was the feedback from these same meetings which was the impetus for the city income tax election, which lost by an 80% margin. Roger Rutan counters, "I really don't think that you can draw the conclusion that people are not interested in the airport issue because of the election results. I think that people were merely saying that they don't want any new taxes."

There is general agreement that the airport is in need of improvements. The extent and cost is the operative question. Opponents of large scale expansion charge that the predominant purpose for the development is to present a more attractive image to outside business interests. Steve Adey, president of the Whiteaker Neighborhood Association, states, "From a demand standpoint, the size of the airport is adequate for current usage, with some needed improvements. It is obvious that the current city administration feels that it does not present the desired image. The question arises as to whether it is appropriate for the citizens of Eugene to shoulder an exorbitant project

that is going to serve the needs of a tiny percentage of people."

Councilman Rutan denies that the airport project is largely cosmetic in nature. "Image is way down on the list of our priorities," he says. "Much needed facilities are what we are buying. The current facility simply does not work for the needs we have. On early morning flights the lines get so backed up that things don't move. We're not trying to build a Taj Mahal. In fact, we hope that the expansion will not be inadequate for the future needs of the area. Right now, PSA is operating out of a trailer."

At least one of Rutan's fellow councilmen and expansion advocates infers that image is an important consideration. Councilman Richard Hansen stated at a recent hearing: "The airport may be fine for people like you and me, but not for the kind of business people we are trying to attract here."

Sound Fiscal Policy?

Exploration of a regional funding base arose from the concerns highlighted by Commissioner DeFazio during the income tax campaign. This has been abandoned due to non-participation by cities such as Springfield and Cottage Grove. In addition, the city of Eugene seemed to feel a certain ownership of the project due to a \$610,000 schematic design study it undertook in July 1985. Manager Shelby contends, "This was a good investment. Not only would it have cost more the longer it was put off, but that aspect will be in place when the project is ready to begin."

This line of reasoning does not sit well with critics. "This is certainly not sound fiscal policy," contends Freeman. "They've already spent 3/4 of a million dollars on something that they have not established any valid need for. Further, no real basis was established for how it is going to be paid for."

While most principals identify needed areas for improvements, Rutan's representation of woeful inadequacy is not shared by many employees at the airport and in the local travel industry. Robin Bowles, supervisor of operations for PSA at Mahlon Sweet, stated, "I don't have any complaints. It seems to work fine for us." Burt Moreno, manager of Eugene Travel, contends, "The airport seems to meet the current needs of the area, provided that certain improvements and adjustments are made, such as, the baggage area, departure lounge and, perhaps, covered walkways."

Bob Heilman owns the security company which maintains the airport. "There are definitely improvements which need to be made," he says. "The departure lounge is so

small that when there is a delay or hold-up of any kind we have to stop people outside of the security gate because we can't fit any more in. The inside can turn into a sauna. The lounge needs to be at least twice as large as it is now, but I don't know if I'd spend \$17 million for it."

Others Comment

Several restaurant and counter personnel at the airport were questioned with regards to perceived passenger dissatisfaction. Virtually all indicated that they do not hear frequent or strong complaints about facilities or services. Mike Bey is the manager of the Hertz rental counter directly in front of the departure lounge. He relates, "Things run pretty smoothly most of the time. When there is a back-up or delay, people seem to take it in stride. The inconvenience factor is certainly no greater than at other airports." Ed Monks, a Eugene attorney who grew up in metropolitan New York City, echoes, "Compared with airports in metropolitan areas Mahlon Sweet is much above average in terms of convenience—excluding flight schedules and destinations. At times there are long lines at the counter but this is not severe. I have heard several people complain about baggage pick-up. This has never been a big problem for me, again, in relation to other airports."

Certain of the problem areas may not be entirely related to the facility itself. Dean Runyan, one of the designers of the passenger study, gives an example: "A good deal of the baggage problems seem to be related to the policies of the airlines themselves. Eugene is a turnaround point for many flights and they often tend to place the unloading of baggage a couple of notches down the priority list."

Carol Foster is co-owner of Ambassador Travel in Eugene. "There are some real problems with operations at the airport, especially at certain times of the day," she says. "But, like personal finances, it comes down to a question of priorities. If I had to choose between an expanded airport and an expanded library, I'd be hard pressed. I don't feel an expanded airport is going to expand our travel business. I think an expanded economy will. As to whether an expanded airport will significantly attract new business, I'm not an economist."

Standing in front of the Hertz booth during a quiet lull, manager Mike Bey offers, "I guess the theory is that things like an expanded airport will attract new businesses and eventually the benefits will flow down to everyone. Unfortunately, that's a theory and things like property taxes are reality."