Proposed airport plan to cost city \$5 million

By Jolayne Houtz

Although some of the funding for the proposed Mahlon Sweet Airport expansion is still up in the air, a city councilor said construction on the \$17.7 million project may be started in spring and be completed as early as fall 1988.

But the City Council first must decide how to raise \$4.5 million to \$5.5 million to pay for its share of the project. Roger Rutan, head of the council's airport subcommittee, said subcommittee members are recommending that the money come from existing city funds, not from a property tax increase or from cutting any major city

The expansion project is "the City Council's number one priority," Rutan said. "I think we can find some money somewhere that is not being used effectively. We're not going to be closing the library . . . or the Hult Center," he said.

The expanded airport terminal would accommodate more airlines with three times the space in the existing building. Currently, two of the four airlines at the airport have their offices in mobile homes outside the terminal.

The expansion also would provide a larger, mechanized baggage claim area, a new heating and air conditioning system, enclosed passages connecting the terminal to airplanes and increased space for parking and rental car

The Federal Aviation Administration is expected to pay about \$5 million of the project's costs. Another \$1.5 million is expected to come from Lane County road funds, and \$1 million for the project will come from state lottery funds. Fees paid by the four airlines now serving the airport are expected to raise between \$4.5 million and \$5 million.

That leaves the City of Eugene with about \$5 million as its share of the project, Rutan said.

As a last resort, Rutan said the city could opt for a 20-year general obligation bond issue or a 10-year serial tax levy, both of which would require voter approval.

But the subcommittee's recommendation is to use money from internal sources to pay for the project. The City Council will meet before Dec.

15 to discuss financing options. Rutan said

Some internal financing possibilities include allocating money from the city's contingency fund, using loans from other city funds that would be repaid in the future or using the city's capital reserves to pay cash for the expansion.

With more people traveling as competition between the airlines drives the cost of flying down. Rutan said the airport's current condition is chasing away potential passengers.

Airport officials are working with the airlines to improve fares and schedules at the Eugene airport to attract more passengers, he said.

'A lot of people will just drive to Portland if it's a hassle to leave from Eugene." he said.

With deregulation, many airlines have decided not to fly out of smaller airports, leaving only Portland, Eugene and Medford with major airline service, he said.

This means more people must travel from outlying areas to fly out of Mahlon Sweet Airport, Rutan said

Some parts of the expansion

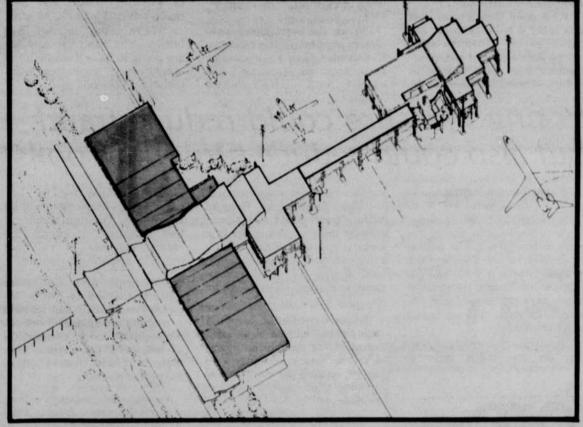
project already have been completed, such as runway improvements and underground utility work. A new \$2 million air traffic control tower recently was dedicated at the airport.

The terminal was built in 1964 to serve two airlines, said Bob Shelby, the airport's aviation director. But with five airlines now at the airport, the building is straining to hold

Several airlines, including Western/Delta Airlines and Alaska Airlines, have expressed interest in serving the Eugene airport when the new terminal is completed, Rutan said.

The number of passenger boardings at the airport has increased dramatically over the last decade. In 1975, about 280,000 passengers used Mahlon Sweet, compared to about 400,000 annually now.

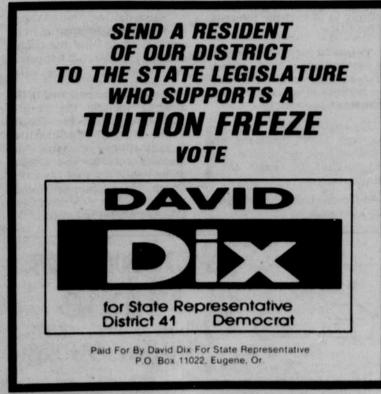


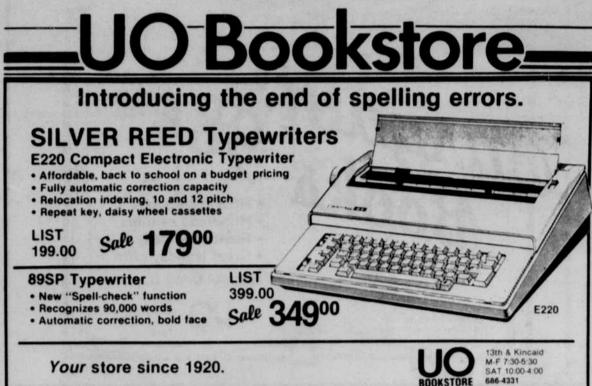


Courtesy of the City of Eugene

The shaded area is the existing terminal at the Eugene Mahlon Sweet Airport. The rest would be added as part of a proposed expansion project.







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