



Budget Opportunities - FY 2021

Kevin Smith & Kelly Woo

FY 2021 BUDGET OPPORTUNITIES DISCUSSION

- Objective for the meeting is to review budget goals and funding opportunities for the FY 2021 Budget.
- Budget Calendar Year of Jan. 1, 2021 to Dec. 31, 2021.
- Staff has identified 10 ***Budget Opportunities*** for discussion.
- We will discuss budget opportunities for funding consideration in 2021 and beyond as well as other items the Board would like to discuss.
- **First Preliminary Budget and Narrative will be presented at the Sept. 23, 2020 Meeting based on discussion and findings of this workshop.**
- Information and Guidance only today.

Budgeting Process...

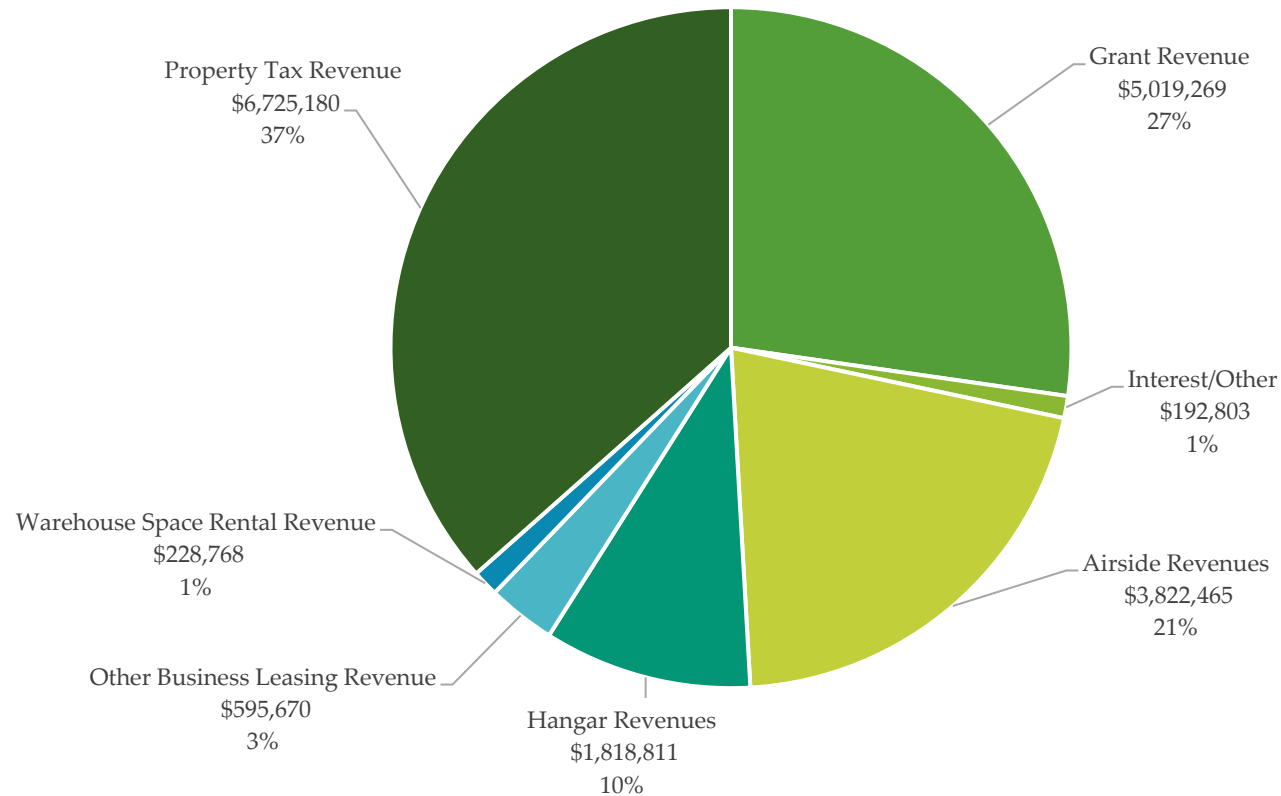
- Purpose of Workshop is to discuss any items relevant to budget planning for FY 2021.
- First preliminary budget review: September 23, 2020.
- Second preliminary budget review on October 26, 2020.
- We can do Special Budget Meetings if necessary.
- Final Budget approval: December 2, 2020 Regular Board meeting. Usually done as a Consent item.

OPERATING REVENUES

FY 12/31/2020

\$18,402,966 (Estimated Year End)

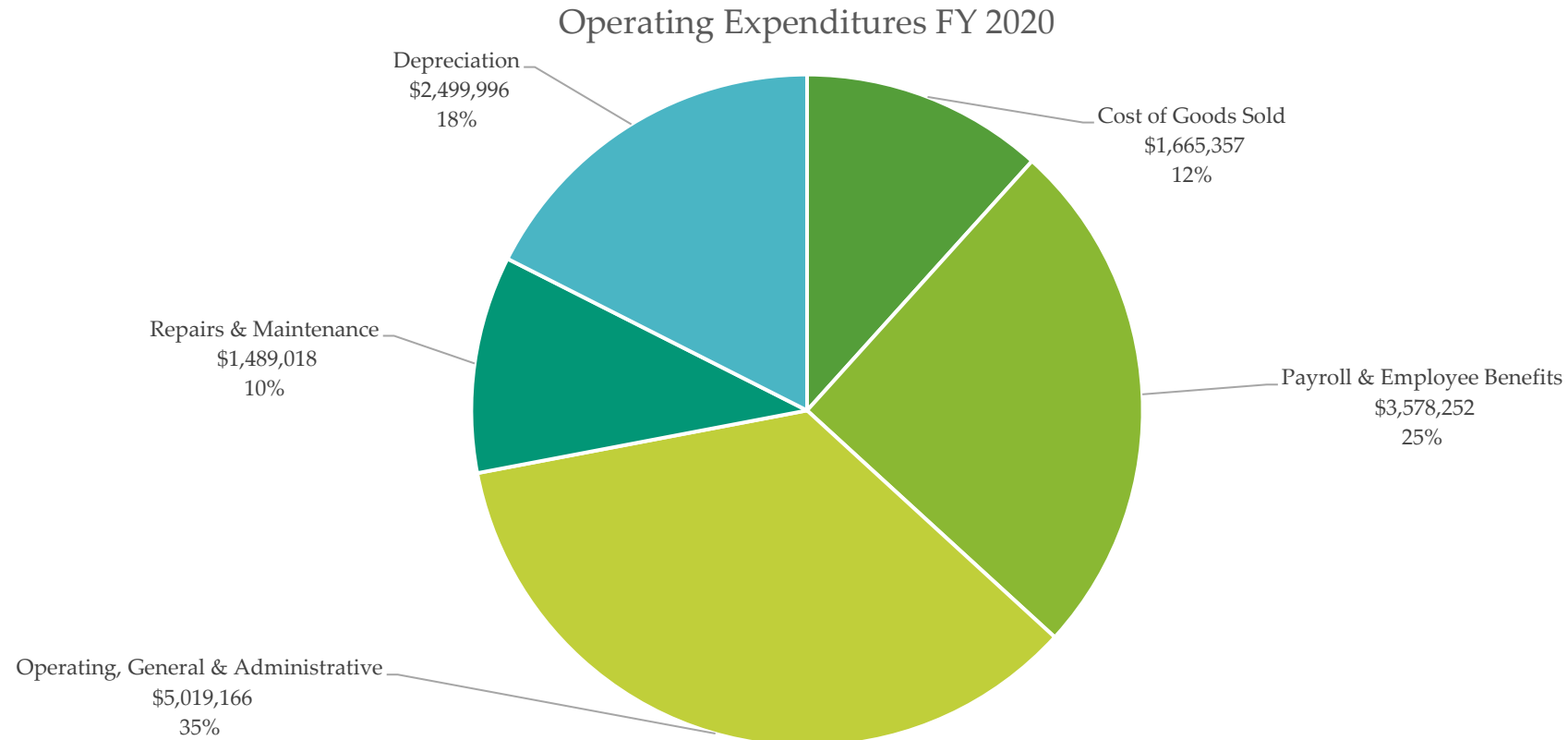
Operating Revenues FY 2020



OPERATING EXPENDITURES

FY 12/31/2020

\$14,251,790 (Estimated Year End)

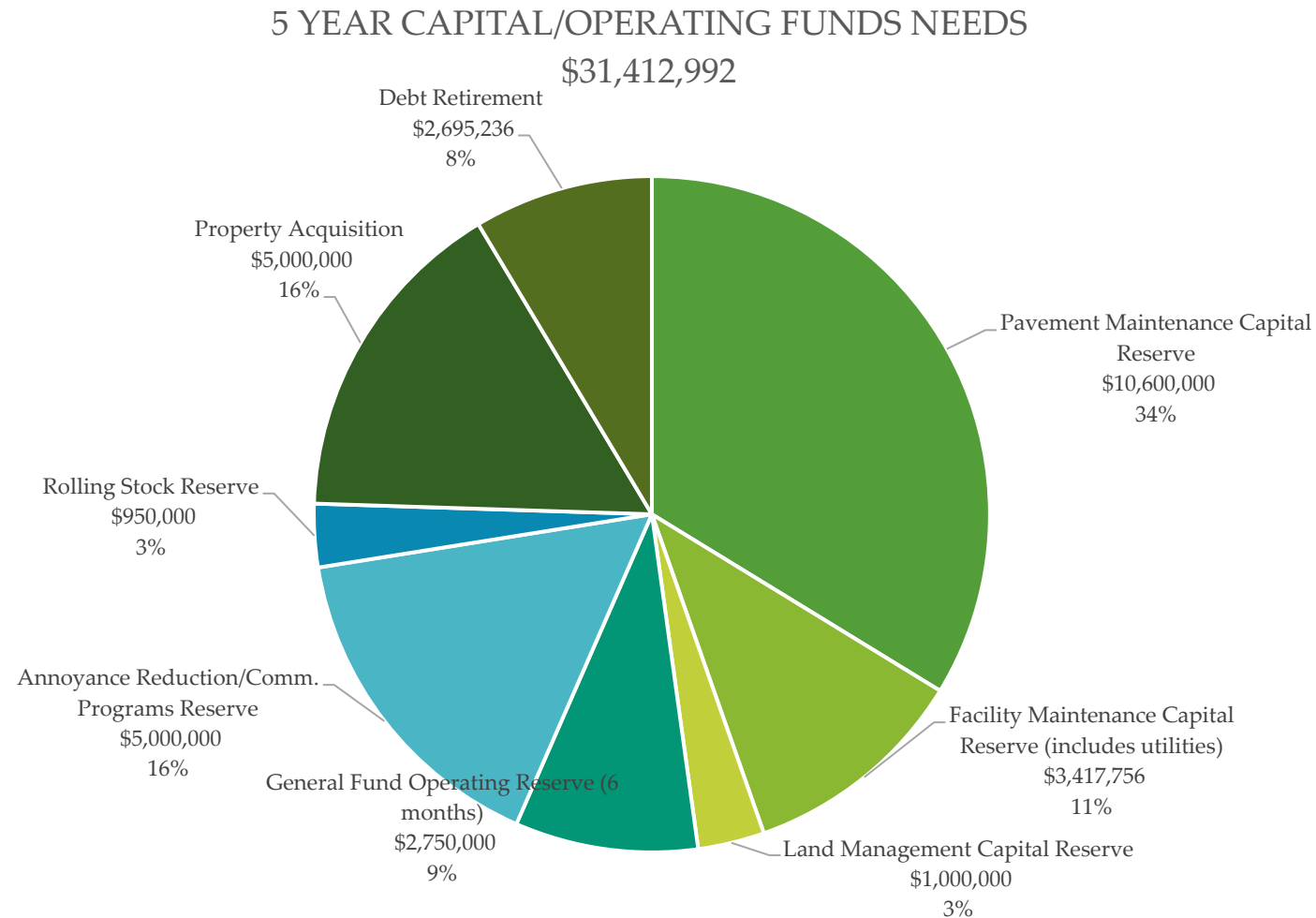


CAPITAL/OPERATING RESERVES

Target Reserves	Capital Operating Reserve Recommendation	Percentage	5 Year (2021 – 2025) Capital/Operating Funding Needs	Percentage
Pavement Maintenance Capital Reserve	\$1,000,000	13%	\$10,600,000	34%
Facility Maintenance Capital Reserve (includes utilities)	\$1,200,000	15%	\$3,417,756	11%
Land Management Capital Reserve	\$750,000	9%	\$1,000,000	3%
General Fund Operating Reserve (6 months)	\$1,900,000	24%	\$2,750,000	9%
Annoyance Reduction/Comm. Programs Reserve	\$1,000,000	13%	\$5,000,000	16%
Rolling Stock Reserve	\$550,000	7%	\$950,000	3%
Property Acquisition	\$1,000,000	13%	\$5,000,000	16%
Debt Retirement	\$600,000	8%	\$2,695,236	9%
Total (2020 Year End Estimate)	\$8,000,000		\$31,412,992	

5 YEAR CAPITAL/OPERATING FUNDS NEEDS

\$31,412,992



Budget Items Received from Board of Directors

- Director Stephens would like the following considered:
 - Agency Partnerships - \$500,000
 - Community Sponsorships - \$100,000
 - Housing Programs - \$250,000 for Truckee Tahoe Workforce Housing JPA
 - Lizzando Project Commitments - up to \$400,000
 - Transportation Projects - \$250,000
- Director Hetherington would like the following considered:
 - Initiate the process for a new Master Plan. The projections in the 2015 Master Plan for jets in 2020 was 2,222 operations and in 2019, the actual number was 4,430 operations. Given that growth and potential future growth, how are we addressing the impacts on the community?
 - Brainstorm and implement possible strategies to address this 3 times in overall operations in 15 years increase in operations and the potential future increases over the upcoming years.

Board of Director Comments - continued

- Laminate and post in all hangars the Fly Quiet 1 and Fly Quiet 2 hours and dollars saved by the tenant by their participation in the program(s).
- Laminate and post in all hangars the emergency landing areas as an educational tool.
- Review the website platform to evaluate its effectiveness.
- Develop literature that addresses greenhouse gas footprints and noise footprints per the type of aircraft that we typically see. Use this information in Connected newsletter, Tranquility Campaign, flight planning area, and in educational outreach by Mark Covey.
- Provide information to the Board and the community about the usage of the simulator and how many probable overflights that were not flown by the investment of property tax dollars to purchase said simulator.
- Funding to provide outreach to corporate and chief pilots to discuss their Standard Operating Procedures and possible other flight plans that could reduce fuel usage and timeframes.

District Goals

In 2020 the Board set the following budget goal:

- As part of the annual budget process, develop a method that clarifies revenue and expense line items as they relate to aviation, community, and the use of property tax.

Staff Recommendation: Use the Budget Narrative to discuss and clarify this goal. The narrative will discuss how property tax is applied to both aviation and community use.

Truckee Tahoe Airport District 2020 Goals

Stay focused on our Mission: *The Truckee Tahoe Airport is a community airport that provides high-quality aviation facilities and services to meet local needs. We strive for low impact on our neighbors while enhancing the benefit to the community-at-large.*

Goals for 2020

(Not in Order of Priority)

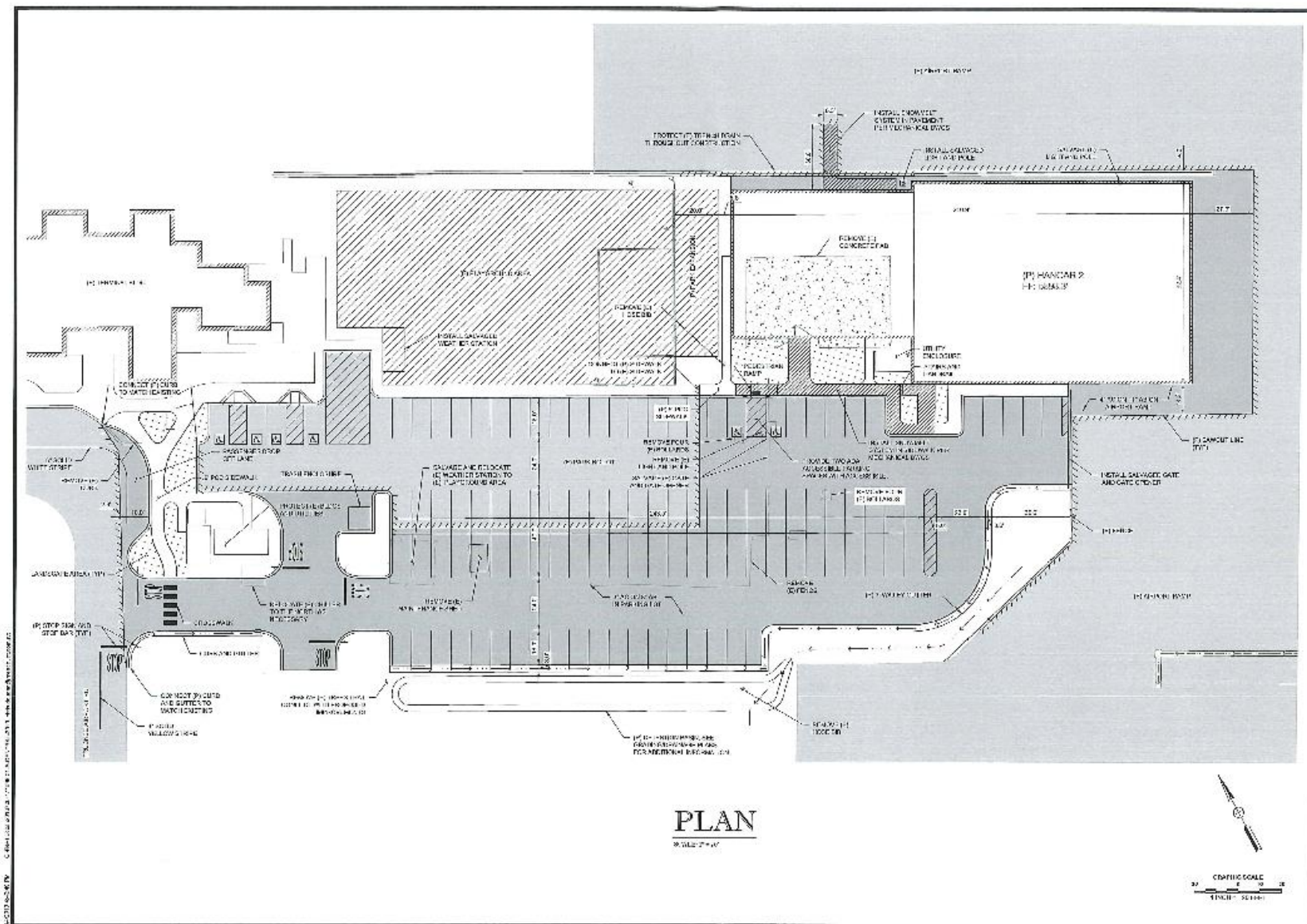
- Fully implement the ADS-B system and integrate data into the air traffic control system. Advance flight procedure work with the eventual goal of published and charted procedures to reduce noise and annoyance;
- Work with Air Traffic Control (TRK Tower and Oakland Center) to further detail specific instructions to pilots to increase safety, reduce annoyance, and leverage investment in ADS-B, Procedures, and Tower;
- Complete Taxiway A Reconstruction, Medivac Apron, and Aircraft Wash Rack project within Budget. Work with FAA to maximize AIP funding for 2021 projects;
- Find and implement achievable greenhouse gas emissions reduction projects including solar power, public transit, pilot, passenger, and operator education, and other green initiatives;
- Evaluate and improve the Agency Partnership program. Look for new opportunities to partner on projects with public agencies and non-profits who can assist implementing the District Mission;
- Continue supporting efforts to create more local affordable housing. Fully implement the new Housing JPA and successfully secure units for employee use. Continue working with the Mountain Housing Council 2.0 to advance the goals of that program;
- Support and sustain a happy, productive, and engaged work force. Assure they have the resources and tools needed to be successful;
- Our Goal is zero accidents and injuries. Our focus is to ensure our employees are equipped with the correct tools and apposite training to empower constant attention to safety and prudence in decisions;
- Find an affordable option for Hangar 2 and present a viable solution to the Board for review and consideration. Complete design work and bidding for the Administration Building expansion and bring to Board for final decision;
- Seek additional public transit partners to support regional transit connectivity. Look for additional opportunities to connect District and Reno-Tahoe International Airport via transit and shuttle.
- As part of the annual budget process, develop a method that clarifies revenue and expense line items as they relate to aviation, community, and the use of property tax.

Budget Opportunities

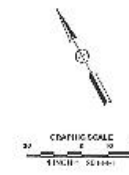
Staff Identified Budget Items

1. East Terminal Parking Lot Expansion

- Staff plans to included \$1,600,000 for the East Terminal Parking Lot expansion project in the FY2021 Budget. As part of the Hangar 2 and Hangar 3/EAA CAP replacement building design process, the final requirements and design for this area have been identified. Staff see great benefit in constructing this project now.
- Upgrading our terminal parking will allow better public parking options, employee parking, as well as circulation though and in front of our main parking area. We will also be able to relocate Gate 7 to a more favorable location.
- Our pickup and drop off area will also be expanded facilitating better public and passenger circulation in front of our main terminal building.
- Staff would like to move forward with this project in 2021.



PLAN



Mead & Hunt
 Mead & Hunt Inc.
 2000 Loring Way
 Madison, WI 53702
 Phone: 608 273 0370
 Fax: 608 273 0370

ARCHITECT
 1000 Loring Way
 Madison, WI 53702
 Phone: 608 273 0370
 Fax: 608 273 0370

**TRUCKEE TAHOE AIRPORT
 DISTRICT
 HANGAR 2**
 1000 Loring Way
 Truckee, CA 96161

STANDARD DRAWING
 THE DRAWING IS TO BE USED FOR THE
 CONSTRUCTION OF THE
 PROJECT.

C-101

2. EAA/CAP/Meeting Room Replacement Building

- Staff recommends commencing process to find a suitable replacement for the Experimental Aircraft Association (EAA) Building. The current building sits in the Airport Runway Visual Zone (RVZ) on our Airport Layout Plan and is designated for eventual removal.
- The building was originally constructed in 1963 and is reaching the end of its useful life.
- The Grant Agreement offer to reconstruct Taxiway G from FAA is anticipated to be \$4,491,000. The District is ineligible for this funding unless the building is removed. This project is scheduled for 2024.
- Staff proposes \$500,000 in FY2021 and \$1,250,000 in FY2022.
- This building would include facilities for EAA, Civil Air Patrol as well as an additional Public Meeting Room. We will also be able to move the CAP out of their current office Hangar End Pocket and provide a superior facility for the senior members and cadets.
- Staff has identified some cost-effective construction methods using quasit hut technology to make an attractive building but bring costs down from the \$5,500,000 option discussed as part of Hangar 2.

3. Administration Building Addition

- Staff is currently reviewing plans and bid documents for the Administration Building addition. Staff will have bid documents and pricing for this project in October.
- Cost is likely significant for this project, so staff is analyzing a few options to address near term office and staff needs.
- While this is a priority project, staff is exploring some ideas related to leasing office space to meet our interim needs. This could allow higher priority projects such as the parking lot expansion and EAA/CAP building to be complete to fully take advantage of FAA funding for 2/20 and Taxiway G.
- Staff has prepared two capital construction timelines on the next 2 slides prioritizing different projects for Board review and consideration.

Proposed Capital Construction Timelines – Option A

Year	Project	Total Annual Cost
2021	Construct Terminal Parking Lot Expansion- \$1,600,000 Begin Administration Building Expansion - \$1,250,000	\$2,850,000
2022	Complete Administration Building Expansion - \$750,000 Begin EAA/CAP/Public Building - \$750,000	\$1,500,000
2023	Complete EAA/CAP/Public Building - \$1,000,000	\$1,000,000
2024	Complete Ground Service Equipment Building (GSE) – \$750,000	\$750,000
	Total	\$6,100,000

* Do we want to work the Super T Hangar project into this mix or any other large capital construction projects?

Proposed Capital Construction Timelines – Option B

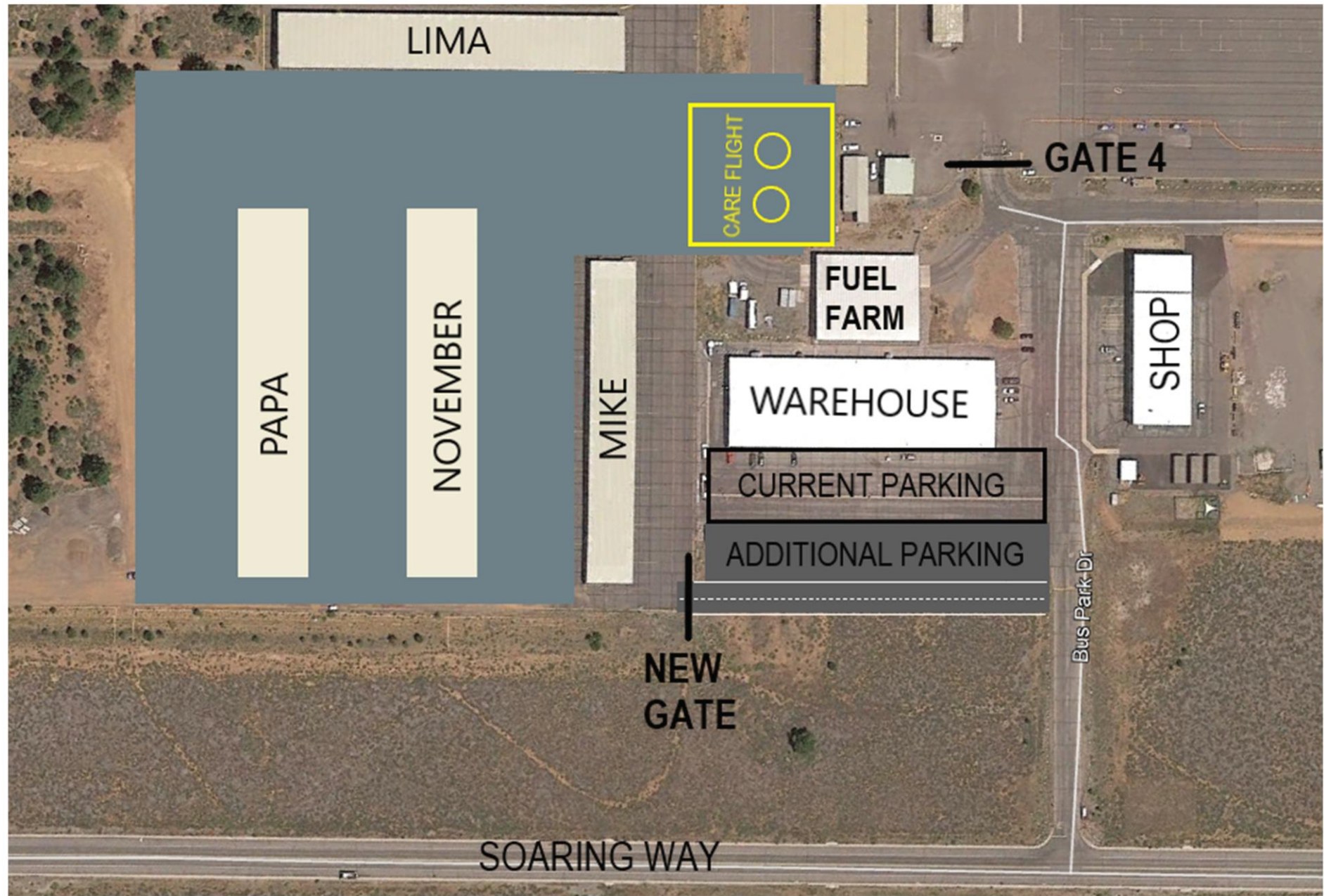
Year	Project	Total Annual Cost
2021	Construct Terminal Parking Lot Expansion (\$1,600,000) & Begin EAA/CAP/Public Building (\$500,000)	\$2,100,000
2022	Complete EAA/CAP/Public Building (\$1,250,000) and Ground Service Equipment Building (\$750,000)	\$2,000,000
2023	Administration Building Expansion	\$1,000,000
2024	Administration Building Expansion	\$1,000,000
	Total	\$6,100,000

4. Pavement Management

- Staff proposes to include \$500,000 for annual pavement maintenance projects.
- These funds will be used to meet our AIP FAA match requirement for new FY2021 projects as well as a few other small non-AIP eligible pavement projects such as “*mill and fill*” work in the Taxiway T, M, and L. ramp areas.
- The only large project on the schedule is the FAA AIP funded Taxiway A project. This is \$4,200,000 project 100% funded by FAA. This is a FY2020 approved project set to begin in May of 2021.
- The updated 5 Year ACIP will be presented for approval at the Sept. 23, 2020 Board Meeting.
- FAA will likely fund Engineering and Design of the Runway 2/20 Reconstruction project in 2021 in anticipation of a 2022 or 2023 construction. Staff is also looking at the feasibility of including the Runway 2/20 widening and lengthening outlined on our ALP into this project.

5. Warehouse Parking and West Hangar Rows Access Gate

- Staff would like to propose construction of a new access Road and Gate to our West Hangar Rows and Warehouse.
- This new access road would move all west hangar access to a more efficient access point away from medivac, fuel farm, and operations facilities. This would also give an opportunity to provide more parking spaces at our current warehouse area.
- This project is not eligible for FAA AIP funding.
- Budget Request: \$470,000 for pavement and gate system.



6. Funding for Regional Housing, Transit, and Agency Partnerships

- Staff Proposes \$1,000,000 for Housing, Transit, and Agency Partnerships in FY2021. This is the same amount of funding as 2020.
- Funds can be moved between categories by the Board of Directors based on funding needs.
- In addition to these funds, the following commitments from prior years will be included in the Budget separate from the \$1,000,000.

<u>TRANSIT</u>	<u>HOUSING</u>	<u>AGENCY PARTNERSHIPS</u>
<ul style="list-style-type: none">- \$160,000 for TART Free Fare Project- \$92,977 for Free Night Rider Transit Service- \$40,000 for Community Event shuttle Program- \$3,500 for Airport North Lake Tahoe Express- \$67,000 Highway 267 Year-Round Service	<ul style="list-style-type: none">- \$240,000 for Lizzando. This will cover construction of 6 units.- \$55,000 for Mountain Housing Council	<ul style="list-style-type: none">- \$30,000 for final year of AIM HIGH Partnership
Total \$363,477	Total \$295,000	Total \$30,000

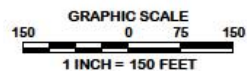
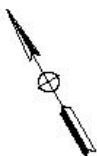
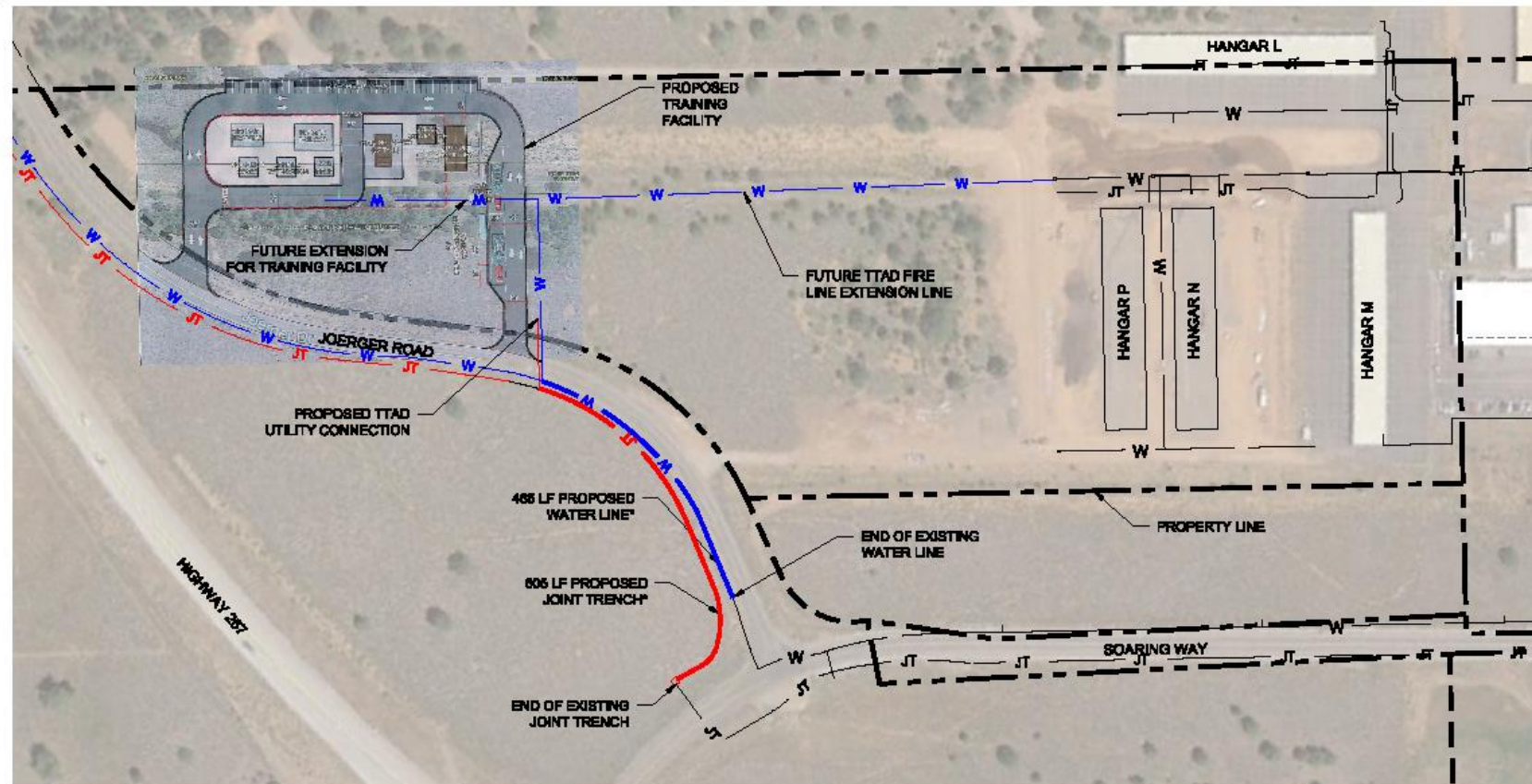


7. Community Sponsorships and Partnerships

- The FY2020 Budget included \$70,000 for Sponsorships. (\$0 to \$3000)
- District is on track to spend approximately \$60,000 of the \$70,000 budgeted in FY2020 on individual community sponsorships. There has been reduced demand for these funds due COVID-19 impacts.
- Staff proposes \$75,000 for FY2021.

8. *Utilities for Joerger Road Properties*

- Staff is working with Auerbach Engineering to better understand cost share for utilities for Joerger Road.
- Participation will help facilitate future development of District properties as well as enhance fire follows for District water system.
- Staff estimates total participation at \$130,000. This includes construction costs as well as design, engineering, and project management costs.
- This participation covers ½ of cost for improvements from Soaring Way Round-a-bout to the proposed Fire Districts training facility. See map on following slide.
- A more detailed presentation and action item will be provided on the Sept. or Oct. Board Agenda.



LEGEND

- W — EXISTING WATER LINE
- JT — EXISTING JOINT TRENCH
- W — PROPOSED WATER LINE
- JT — PROPOSED JOINT TRENCH

*DISTANCES DON'T INCLUDE
CROSSING JOERGER DRIVE

JOERGER RANCH UTILITIES
TRUCKEE TAHOE AIRPORT DISTRICT
420.21 JULY 2020

AUERBACH ENGINEERING CORPORATION

9. Proposed Studies for 2021

- **Finalization of Pavement Management Plan (PMP) - \$35,000**

- The update to the 2014 PMP was started in 2020 and will be completed by February 2021. Project cost is \$125,000. The FY2020 Budget included \$90,000 for this project. Staff is seeking the remaining \$35,000 to complete the project. The previous plan has been a valuable tool to manage pavement and to facilitate FAA funding of many of our pavement projects. This plan will be presented to the Board at the February 2021 Board of Directors Meeting. The District is required to have a PMP to be eligible for Federal Airport Improvement Program (AIP) funding.

- **Continuation of Flight Procedure Development - \$75,000**

- This funding will be used to continue the flight procedure development process to secure new and improved charted and visual procedures. New procedure tools will be available to the District with the implementation of ADS-B and the Air Traffic Control Tower. The end goal is to enact procedures that will decrease noise and annoyance and increase safety and efficiency.

- **Godbe Survey - \$40,000**

- The last Godbe survey was conducted in 2017. Previous surveys were conducted in 2005, 2009, 2013. Staff recommends the District continue this program and approve funding for a 2021 Survey.

- **FAA Land Release and Property Transfer - \$30,000**

- Staff has completed much of the work for the final FAA land release application. This funding is necessary to complete the final applications, environmental, and legal requirements to facilitate the release and then acquisition of new property related to the TTSA land Transfer.

9. Proposed Studies for 2021 (continued)

- **Airport Layout Plan (ALP) Update - \$60,000**

- The Board approved \$90,000 for the ALP update in FY2020. The original ALP was approved in 2015 and has had 3 amendments. It is a best practice to update ALP every 5 years to assure information is accurate and all amendments are included on main plan set. This ALP update also includes some land use work to secure more Non-Aviation properties on Joerger Road for future community use as well as an update to the Aircraft Operations Forecast. Staff seeks an additional \$60,000 to complete this work.

- **Update to Airport Safety Gap Analysis- \$50,000**

- Staff is proposing to update the 2015 Gap Analysis and Safety Assessment. It is a recommended best practice to update this assessment every 5 years. The last study completed in 2015 has been a valuable tool to assist staff in identifying and mitigating airport safety and security procedures and practices.

- **Precision Approach Path Indicator (PAPI) Analysis- \$15,000**

- Staff will use this funding to continue analyzing and working with FAA on cost and future programming of PAPIs for Runways 11, 2, and 20. These may be necessary for future approach procedures to these runways.

10. Additional List of Budget Items for consideration in 2021

- \$250,000 for 2021 Air Show.
- \$125,000 for Runway and Taxi way stripping.
- \$185,000 for Network, Security, GIS, and web service equipment.
- \$175,000 for Forest Management improvements.
- \$35,000 for Tug Replacement
- \$70,000 for Equipment Mobile Lift System
- \$645,000 for Facility Maintenance Plan projects. The new FMP will be presented to the Board at the October 2020 Meeting.
- \$25,000 for additional airport perimeter fence
- \$960,000 for Tower Staffing and Studies

10. Additional List of Budget Items for 2019 (Continued)

- \$40,000 for RASC Membership. (\$10,000 for TNT TMA and \$30,000 for District.)
- \$10,000 for Bike Share should the Town and/or Counties reengage a program.
- \$25,000 for new Sign on Airport Road and SR 267.
- \$110,000 – Ongoing funding commitments (BGCNLT, Excellence in Education, etc.)
- \$90,000 for Obstruction Removal
- \$60,000 Admin. Building Snow Melt System
- \$50,000 for playground expansion
- \$50,000 for Greenhouse Gas reduction strategies and programs.

Budgeting Process...

- Further refinement and development of the budget over next three months.
- Discuss any items relevant to budget planning for FY 2021
- Next budget review: September 23, 2020.
- We can do Special Budget Meeting if necessary.
- Second budget review on October 28, 2020
- Final Budget approval: December 2, 2020 Regular Board meeting