

PLACER COUNTY GRAND JURY

11532 B Avenue, Auburn, CA 95603
E-mail: info@placergrandjury.org

Phone: (530) 886-5200
FAX: (530) 886-5201

June 27, 2022

Kathryn Rohlf, President, Board of Directors
Truckee Tahoe Airport District
10356 Truckee Airport Rd.
Truckee, CA 96161

Subject: Grand Jury Final Report – Truckee Tahoe Airport District – A Model Airport

Dear Ms. Rohlf:

The 2021-2022 Placer County Grand Jury hereby releases a report, entitled Truckee Tahoe Airport District – A Model Airport.

Enclosed is your pre-release copy of the above referenced report. Disclosure to the public is prohibited prior to public release, scheduled for June 30, 2022.

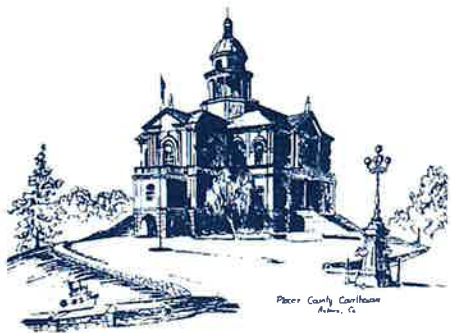
Also enclosed are instructions on how to respond to the report findings.

The report will be published primarily in electronic form and will be available on the Superior Court's website at www.PlacerGrandJury.org. Hard copies are being distributed as necessary.

Sincerely,

Lorena Sims, Foreperson
2021-2022 Placer County Grand Jury

Enclosures: Report, Instructions for Respondents



PLACER COUNTY GRAND JURY

Phone: (530) 886-5200

FAX (530) 886-5201

Mailing Address:

11532 B Avenue, Auburn, CA 95603

INSTRUCTIONS FOR RESPONDENTS

The legal requirements affecting respondents and responses to Grand Jury findings and recommendations are contained in California Penal Code, Section 933.05. The full text of the law is provided below.

Two different time periods for responses, and to whom you must respond is defined in Penal Code Section 933(c). They are as follows:

Type of Agency	Time Frame	To Whom
Government Boards	Ninety (90) Days	<ul style="list-style-type: none"> • Presiding Judge of the Superior Court
Elective Office or Agency Head	Sixty (60) Days	<ul style="list-style-type: none"> • Presiding Judge of the Superior Court • Information copy to Board of Supervisors

An original signed copy of the response must be provided to both of the following:

1. Presiding Judge of the Placer County Superior Court at the address listed below:

The Honorable Alan V. Pineschi
 Presiding Judge of the Superior Court
 County of Placer
 P.O. Box 619072
 Roseville, CA 95661

2. Placer County Grand Jury at the address listed below:

Placer County Grand Jury
 11532 B Avenue
 Auburn, CA 95603

When responding to more than one report, respondents must respond to each report separately.

You are encouraged to use the Response to Grand Jury Report Form, attached, to help format and organize your response. An electronic version of the form is available upon request from the Grand Jury.

Response to Grand Jury Report Form

Report Title: _____

Report Date: _____

Response By: _____ Title: _____

FINDINGS

- I (we) agree with the findings, numbered: _____.
- I (we) disagree wholly or partially with the findings, numbered: _____.
(Describe here or attach a statement specifying any portions of the findings that are disputed or not applicable; include an explanation of the reasons therefore.)

RECOMMENDATIONS

- Recommendations numbered _____ have been implemented.
(Describe here or attach a summary statement regarding the implemented actions.)
- Recommendations numbered _____ have not yet been implemented but will be implemented in the future, with a target date of _____.
(Per Penal Code 933.05(b)(2), a time frame for implementation must be included. Describe here or in an attachment.)
- Recommendations numbered _____ require further analysis. The further analysis will be completed by _____.
(Describe here or attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six (6) months from the date of publication of the grand jury report.)
- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.
(Describe here or attach an explanation.)

Date: _____ Signed: _____

Number of pages attached ____.

California Penal Code

Section 933.05

- (a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:
- (1) The respondent agrees with the finding.
 - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.
- (b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:
- (1) The recommendation has been implemented, with a summary regarding the implemented action.
 - (2) The recommendation has not yet been implemented, but will be implemented in the future, ***with a timeframe for implementation***.
 - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
 - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefore.
- (c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.
- (d) A grand jury may request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release.
- (e) During an investigation, the grand jury shall meet with the subject of that investigation regarding the investigation, unless the court, either on its own determination or upon request of the foreperson of the grand jury, determines that such a meeting would be detrimental.
- (f) A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

Truckee Tahoe Airport District

A Model Airport



Photo Credit: Norma J. Worley

Truckee Tahoe Airport District A Model Airport

Summary

The Truckee Tahoe Airport District (TTAD) is one of the largest special districts in Placer County. The 2021 annual budget for the TTAD was \$18.9 million. The major funding sources include property taxes, fuel sales, and federal aviation subsidies. Although all homeowners pay property taxes, not all residents utilize the airport.

The Placer County Grand Jury investigated the budgeting process of the TTAD and was particularly interested in how funds were utilized that were received via property taxes. We found that the funds received were directed appropriately. The TTAD utilizes a transparent budget process which provides multiple opportunities for citizens to share concerns and suggestions on potential uses of these funds.

Glossary

FAA: Federal Aviation Administration, a division of the Department of Transportation that inspects and rates civilian aircraft and pilots, enforces the rules of air safety, and installs and maintains air-navigation and traffic-control facilities.

Special District: A political subdivision of the state, established to provide a single public service within a specific geographic area.

Taxiway: A route along which an aircraft can taxi when moving to or from a runway.

Background

The Truckee Tahoe Airport District was established in 1958 by vote of the citizens within the TTAD itself, in accordance with the California Airport Districts Act. The TTAD straddles both Placer and Nevada Counties, as does the airport.

In 2011, the board of the TTAD, with input from the Airport Community Advisory Team (ACAT), instituted the TTAD Strategic Plan. This plan serves as the blueprint for how the airport will operate and is part of the overall master plan. The master plan was last updated in 2000 and will expire at the end of 2025.

The Truckee Tahoe Airport is managed by a general manager, has twenty-five full-time employees, and five seasonal employees. The general manager oversees a budget of approximately \$19 million and reports to the board of directors. The board is elected by the citizens within the Truckee Tahoe special district and consists of five members who serve four-year, alternating terms.

The board of directors for the TTAD meets monthly, on the third Wednesday of the month. Monthly meetings and agendas are posted on the TTAD website.

The Truckee Tahoe Airport District is the only airport in Placer County that receives property taxes. The other Placer County general aviation airports are Auburn and Lincoln.

These two airports are funded via services, fuel sales, and city taxes. There are eight airport special districts within California that receive property tax funding (see Appendix 1).

Methodology

The grand jury interviewed multiple persons involved in the governing of the airport. The jury also reviewed information available on the airport's user-friendly website. The website includes an independent auditor's report.

Discussion

Airport Community Team

The general manager established an Airport Community Team (ACT) as a monthly virtual public forum. The board of directors receives input from the ACT. The team's purpose is to gather interested airport users and district constituents to discuss items of public interest and provide information regarding activities and programs of TTAD. The ACT is meant to be a free flow of ideas and information among the district, airport users, and the general public. The ACT is intended to inform and advise on policy and is not intended to set policy of the district. Setting district policy is reserved for the board of directors. The ACT is a vehicle for the district to convey information to stakeholders and a means to receive, consider, and convey public comment and sentiment regarding topics of interest to the board of directors at their monthly meetings. Activities and information from the ACT forums are reported monthly to the board of directors.

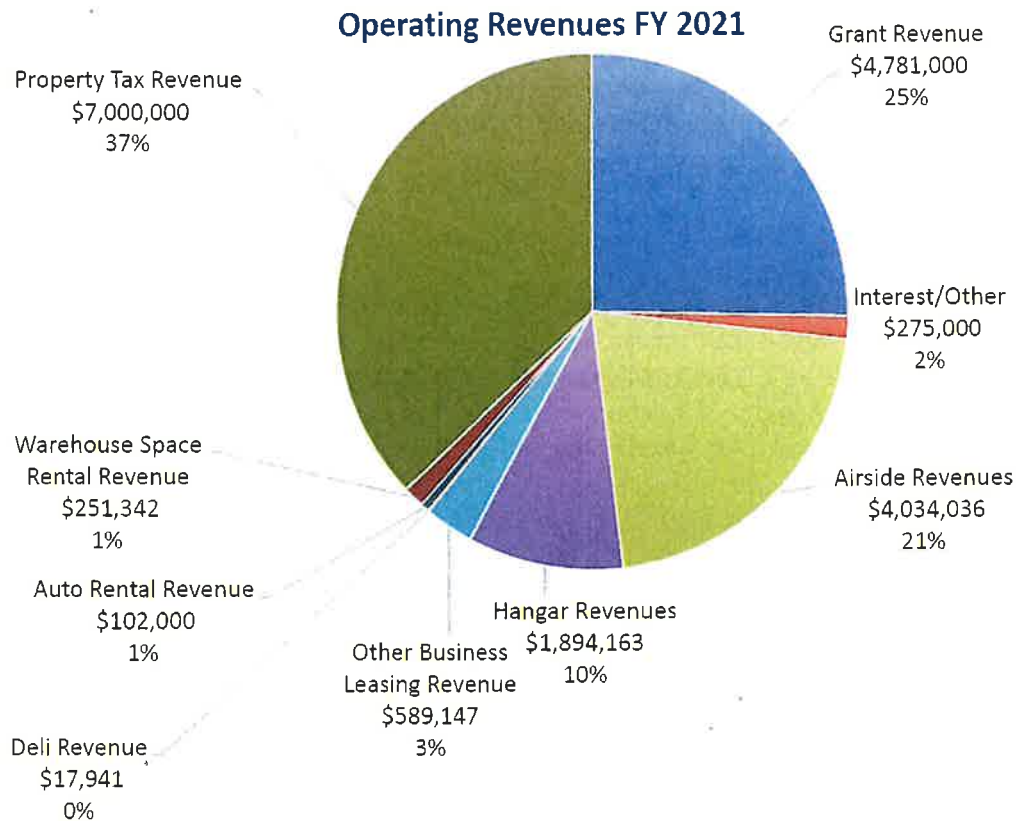


*Photo Credit:
Norma J. Worley*

Timeline and transparency of 2022 budget process

At the August 25, 2021 special meeting, the TTAD initiated the 2022 budget process. This workshop consisted of gathering input from management, the ACT, and the public. At the regular meeting on September 22nd, the TTAD had an extensive discussion about the budget. This particular meeting addressed jet fuel pricing, hangar rentals, and staff levels. At the October 27th regular meeting, the main focus was on the Revenue and Cost Allocation Study Report. This report focuses mainly on creating the airport's rates for services. At the regular meeting on December 1st, the board adopted the budget for the TTAD. The board scheduled an additional budget workshop in January 2022 to review more of the study and, if need be, vote to amend the budget at a regular board meeting. The board conducted the workshop to allow for more public comment and understanding of the Revenue and Cost Allocation Study Report.

The chart below represents the operating revenues for FY 2021:

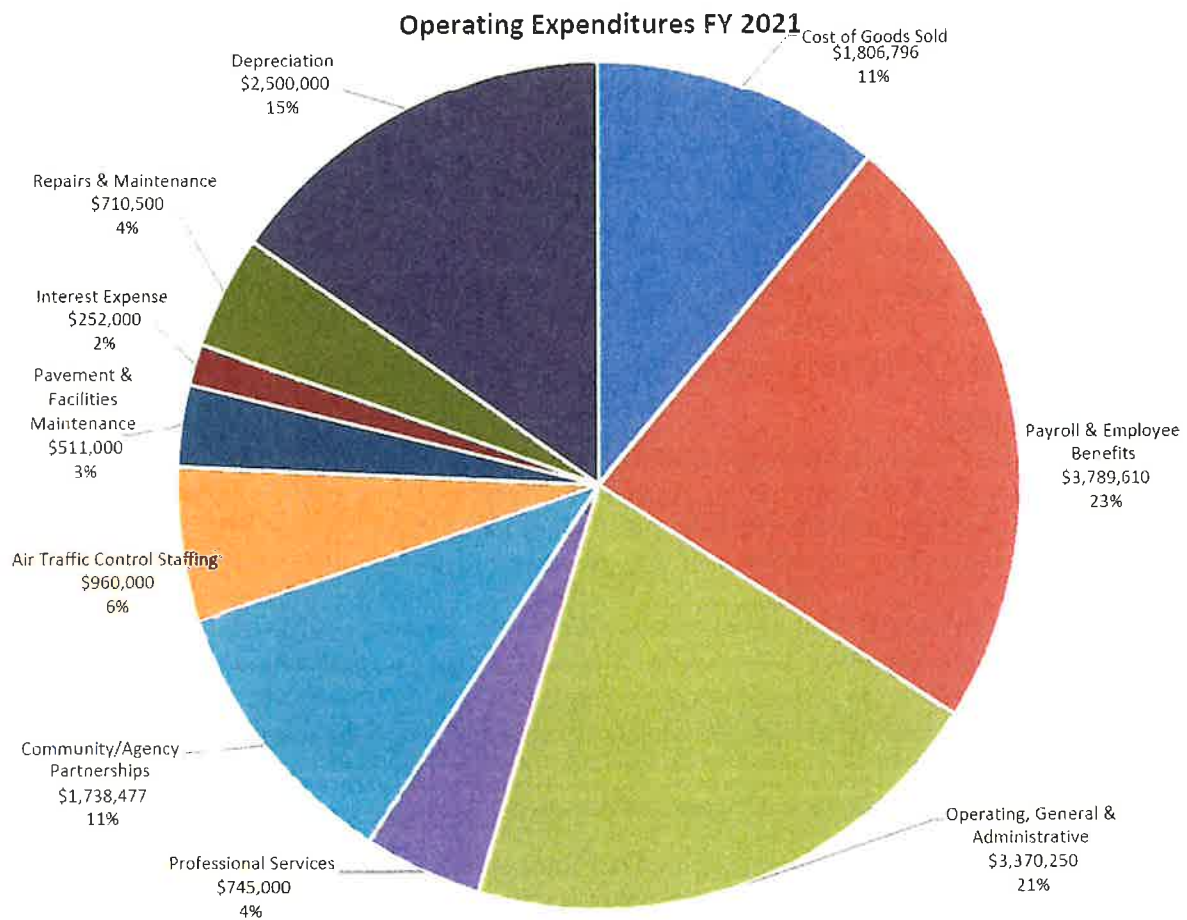


Source: FY 2021 Approved Budget

The three largest portions of revenue that the TTAD receives are:

- **Property tax revenue:** Received from taxpayers in both Placer and Nevada Counties. This money accounts for about 37 percent of the revenue for the airport. There is no requirement for these monies to be used for any specific purpose.
- **Grant revenues:** Received primarily from the FAA and constitutes about 25 percent of the operating revenue. The grant revenue from the FAA is specified to be used for airport infrastructure and maintenance projects.
- **Airside revenue:** Includes items such as jet fuel and transient use fees and makes up about 21 percent of the revenue for the airport.

The chart below represents the operating expenditures for FY 2021:



Source: FY 2021 Approved Budget

The three largest expenditures are:

- Payroll and employee benefits
- General operating costs including day-to-day operations, such as:
 - Annoyance reduction programs
 - Airport security and safety
 - Airshow
 - Equipment rental
 - Office lease
 - Grounds maintenance/landscaping
- Depreciation: buildings and equipment

In FY 2021 the board allocated 11 percent of the budget for community outreach/partnerships. The board of directors recognizes that property taxes received by the airport should benefit all residents not just pilots. Examples include multi-year commitments, such as the Tahoe Area Rapid Transit Free Fare Project, Lizzando Housing Project, Free Night Rider Service, and Highway 267 Year-Round Service. The board allocates these non-aviation related expenditures as recognition that not all taxpayers utilize the airport. During the annual budget process, citizens are allowed to make suggestions about how the funds should be distributed.

As noted earlier in this report, expenditures made using funds received from FAA grants are specified to be used for airport infrastructure and maintenance. These grant fund expenditures are not delineated as such in the actual airport expenditures, which could confuse the public (See Appendix 2).

Noise Abatement

The board of directors acknowledges that the noise created by arriving and departing aircraft is a concern to the community. As such, the board strives to be both an outstanding general aviation airport and a good neighbor. To help alleviate noise, the control tower implements low impact procedures and moves aircraft away from neighborhoods.

The current airport board has fielded many complaints concerning airport noise. One idea currently under consideration is the addition of a third runway, angled away from residential areas. Although some pilots have requested an increase in the number of hangars, the addition of hangars is not a priority to this board. According to persons interviewed, increasing the number of hangars would increase the number of planes utilizing the airport, resulting in a higher level of noise.

Fuel cost increases and positive effect on the budget

The airport staff is very sensitive to the market fluctuation of fuel costs. The board contracted with an external consultant to understand all the variables that should be included in jet fuel prices that they charge users. Airport management regularly adjusts prices according to market rates.

Conclusion

As a result of the grand jury's investigation, the jury determined the budgeting process of the TTAD was well managed and transparent. Effective management controls are in place to receive citizen comments and respond to citizen concerns.

Findings

The grand jury found that:

- F1:** Federal Aviation Administration-related grant expenditures are not easily identifiable in the budget documents.
- F2:** The budget expenditures and processes are appropriate, transparent, and well managed.
- F3:** The Truckee Tahoe Airport District has a professional management team and an effective board of directors.
- F4:** The airport board publicizes a budget calendar that spans over several months and is very open to public comment.
- F5:** The Truckee Tahoe Airport District is sensitive to citizen concerns regarding property tax usage.
- F6:** The Truckee Tahoe Airport District recognizes and continually addresses the importance of noise abatement.

Recommendations

The grand jury recommends that:

- R1:** By December 31, 2022, the Truckee Tahoe Airport District Board of Directors will enhance the budget provided to the public by delineating the usage of the Federal Aviation Administration grant revenue.

Request for Response:

Pursuant to Penal Code § 933.05, the Placer County Grand Jury requests a response from the following governing body:

	Recommendations Requiring Response	Response Due Date
Kathryn Rohlf President, Board of Directors Truckee Tahoe Airport District 10356 Truckee Airport Rd. Truckee, CA 96161	R1	September 1, 2022

Copies To:

Kevin Smith
General Manager
Truckee Tahoe Airport
10356 Truckee Airport Rd
Truckee, CA 96161

Appendix 1

These are the eight special airport districts within California that receive property taxes:

- Big Bear Airport District
- Cameron Park Airport District
- East Kern Airport District
- Indian Wells Airport District
- Minter Field Airport District
- Santa Maria Public Airport District
- Truckee Tahoe Airport District
- Yucca Valley Airport District

Appendix 2:

FAA Grant Funding

The airport receives grants from the FAA, known as Airport Improvement Program (AIP) grants. According to the FAA, the AIP provides grants to public agencies for the planning and development of public-use airports that are included in the National Plan of Integrated Airport Systems (NPIAS).

Airport Improvement Program grants for planning, development, or noise compatibility projects are at or associated with individual public-use airports such as the Truckee Tahoe Airport. A public-use airport is an airport open to the public that also meets the following criteria:

- Publicly owned, or
- Privately owned but designated by FAA as a reliever, or
- Privately owned but having scheduled service and at least 2,500 annual enplanements⁷⁰.

Further, to be eligible for a grant, an airport must be included in the NPIAS. The NPIAS, which is prepared and published every 2 years, identifies public-use airports that are important to public transportation and contribute to the needs of civil aviation, national defense, and the postal service.

Finally, airports planning to acquire an AIP-funded Navigational Aids System and/or an Automated Weather Observing System must coordinate closely with the FAA Non-Federal Program, from the beginning of the planning process. Eligible projects include those improvements related to enhancing airport safety, capacity, security, and environmental concerns. In general, airports can get AIP funds for most airfield capital improvements or rehabilitation projects and in some specific situations, for terminals, hangars, and nonaviation development. Certain professional services that are necessary for eligible projects (such as planning, surveying, and design) can also be eligible⁷¹.

⁷⁰ The act or process of boarding an aircraft.

⁷¹ "Overview: What is AIP?" Federal Aviation Administration, <https://www.faa.gov/airports/aip/overview/>, Accessed April 15, 2022.