



TRUCKEE TAHOE AIRPORT DISTRICT GENERAL MANAGER REPORT

AGENDA TITLE: General Manager’s Monthly Update

MEETING DATE: February 28, 2024

PREPARED BY: Robb Etnyre, General Manager

Item 1. Truckee Tahoe Airport District 2024 Budget Focus Area Priorities:

<p>Vision Defines where we want to be in the future—our horizon line. A community-focused, sustainable, safe, and well-run airport district, respected locally and nationwide.</p>	<p>Mission Defines what we do, where we serve and who we serve. TTAD aims to provide safe, high-quality aviation services and facilities, reduce impact on our neighbors and the environment, invest in opportunities that increase community safety and provide sustained benefit to the entire Truckee Tahoe region.</p>	<p>Core Values Defines and drives the culture of our organization and what we focus on daily.</p> <ul style="list-style-type: none"> • Safety for all • Regionally focused • Responsible • Innovative 	<p>Guiding Principles Expands on core values and describes a set of principles that guide priorities and decision-making for the District.</p> <ul style="list-style-type: none"> • We adhere to high standards of safety, accountability, equitability, and transparency. • We care for and invest in our land, facilities, team, and community. • We maintain exclusive rights of airport land and facilities in perpetuity. • We strive to make fair and equitable decisions with property taxes and user fees. • We listen to and learn from all our partners, neighbors, and constituencies. • We are an industry leader in sustainable aviation innovation.
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ECONOMIC VIABILITY

Operate a fiscally responsible District and contribute measurable community investments to the region.

NATURAL RESOURCE CONSERVATION

Commit to climate-resilient practices and act to preserve and enhance the natural environment.



OPERATIONAL EFFICIENCY

Effectively and safely operate the District.

SOCIAL RESPONSIBILITY

Work to be a good neighbor and community partner for District and community outcomes.



Item 2. Board Workshops – March & April 2024

Following the January 2024 board workshop on Policy Instruction 311, I’m recommending the board hold two more workshops to address identified objectives of the Strategic Plan, as outlined here.

- March (TBD) board workshop on recapitalizing aging infrastructure.
 - Strategic Plan Goal: 1.B. FUTURE: Prioritize investments in airport safety, infrastructure, and operations on both airside and landside.
 - Strategy 1.B.3. Create an Infrastructure Investment Plan and Development Fund strategy to define roadmap for future opportunities.
 - Strategy 1.A.4. Explore opportunities for revenue generation while prioritizing existing infrastructure.
 - Strategy 2.A.2. Implement the Infrastructure Investment Plan (Development Fund) (see Focus Area 1, Goal B for details).
 - Strategy 2.A.6. Develop a Hangar Revitalization Plan to address long standing deficiencies, winter damage, safety zones and procedures, including non-conforming or non-permitted internal hangar structures.
 - Strategy 2.A.7. Prioritize the replacement of the ramp ground support equipment hangar.
- April (TBD) Policy Instruction 311 – Part II – Prioritizing Community Benefit Programs
 - Strategic Plan Goal:
 - 1.C. QUANTIFY: Quantify, track, and share economic, community and environmental investments and results.
 - 1.D. GIVE BACK: Develop a community investment strategy that aligns directly to airport vision, mission, values, and public purpose.
 - 1.D.1. Define budget allocation for community investments.

- 1.D.2. Review existing community investments to prioritize major projects that benefit the region and align with airport purpose and mission (see Focus Area 3, Goal A for more details).
- 3.D. COORDINATE: Align community investments with District goals.
 - 3.D.1. Quantify current community giving (in-kind, funding, etc.).
 - 3.D.2. Focus future community investment on three key pillars:
 - 1) Science, technology, engineering, arts, and mathematics (STEAM).
 - 2) Provides significant regional benefits through a partnership approach.
 - 3) Support interest in the aviation community.

Item 3. Federal Aviation Administration (FAA) Land Use Compliance Inspection - Report

Representatives of the Federal Aviation Administration conducted a land use inspection of the Truckee-Tahoe Airport (TRK) on September 20-21, 2023. The attached inspection was conducted to determine the airport’s compliance with Federal obligations dealing specifically with the use of airport property. Also attached is a draft reply to the FAA addressing the identified concerns from the inspection below. Additionally corrective action steps are addressed in the AvCom Report.

1) Intermixing of operational, federal funding and public taxes in a single general fund. TTAD identifies multiple revenue sources that include operational rents, federal funding (AIP), and property tax revenue. However, TTAD funds numerous Agency Partnership and Community Sponsorship Expenses out of a single Airport Enterprise Fund. TTAD Homebased Program offers existing signatory tenants a monthly discount who choose to declare their aircraft homebased at TRK.

2) TTAD Fly QT Program - Discounts for aircraft based that commit to flying during certain hours.

3) Under Federal Regulation (2 CFR Part 200, Subpart F), entities spending \$750,000 or more in federal funds annually must undergo a single audit. The deadline for submitting this audit report is either within nine months after the end of the entity’s fiscal year or within 30 days following the receipt of the auditor’s report, whichever is earlier.

4) Sponsor owned aeronautical use hangars were being used for both aircraft storage and non-aeronautical related item storage. Additionally, aeronautical hangars are being used to store inoperative aircraft for lengthy periods of time.

5) 2222 Aeronautical hangars are being used to store inoperative aircraft for extended periods of time.

6) Airport Layout Plan – Exhibit A/Property Map should be updated to reflect non-aeronautical use. ALP currently indicates property as Aviation Use.

7) The airport lacks adequate hangar usage standards evidenced by the overabundance of non-aeronautical item storage in sponsor-owned aircraft hangars.

8) Airfield safety related recommendations.

Item 4. California Draft Legislation – SB 1193

SB 1193, as introduced, Menjivar. Airports: leaded aviation gasoline.

Existing law, the State Aeronautics Act, governs various matters relative to aviation in the state, and authorizes the Department of Transportation to adopt, administer, and enforce rules and regulations for the administration of the act. Under existing law, a violation of the State Aeronautics Act is a crime.

This bill would prohibit an airport operator or aviation retail establishment, as defined, from selling, distributing, or otherwise making available leaded aviation gasoline to consumers, consistent with a specified timeline, as provided.

This bill would require the department, in consultation with the State Department of Public Health and the California Environmental Protection Agency, to identify best management practices for reducing public health and environmental exposures to lead associated with airport operations. The bill would require the department, on or before July 1, 2025, to publish on its internet website initial guidance for airport operators regarding best airport operating practices to minimize environmental and public health impacts of lead exposure. The bill would require the department to publish updated guidance on or before July 1, 2026, as specified.

This bill would require each airport operator, on or before November 1, 2025, to submit to the department, and begin implementing, a plan to implement the best practices identified by the department to minimize environmental impacts and public health risks associated with leaded aviation gasoline use at airports. The bill would require each airport operator, by December 1, 2026, and each December 1 thereafter, to provide a status report to the department regarding its implementation of the plan, including the status of planning and investments to facilitate the supply of unleaded aviation gasoline at the airport, except as specified. The bill would require the department, in consultation with the State Department of Public Health and the California Environmental Protection Agency, to offer technical assistance to each airport operator that has not submitted a plan, or that does not implement the plan submitted to the department in the manner described in the plan.

Item 5. California Air Resource Board (CARB) – Public Hearing

The below and attached detail reference a CARB public hearing, which has recently been postponed, rescheduled in April 2024. The board may consider a position letter related to the adoption of sustainable aviation fuel at a later date after the next CARB workshop in April.

California is in the midst of a rapid transition to cleaner fuels and carbon neutrality, with just over 20 years to transition from today's significant fossil fuel usage to a future of clean fuels and technology. In 2022, CARB approved the 2022 Scoping Plan for Achieving Carbon Neutrality (2022 Scoping Plan Update), which charted a path to achieving carbon neutrality by 2045 and reducing greenhouse gas emissions 85% below 1990 levels by 2045. Meeting this goal will require the deployment of greenhouse gas emission reduction strategies at an unprecedented scale and pace. As transportation emissions, primarily from the use of fossil fuels, are California's single biggest source of greenhouse gas emissions and contributor to poor air quality, the State is working to rapidly increase the numbers of zero-emission vehicles on the road and deploy cleaner fuels to power them.

The Low Carbon Fuel Standard (LCFS) is a key part of California's transportation decarbonization strategy and a successful one thus far. The LCFS provides the economic incentives to produce cleaner fuels like electricity, hydrogen and biofuels that are needed to displace fossil fuels and reduce transportation sector emissions. The LCFS has supported the displacement of billions of gallons of petroleum fuels with lower carbon alternatives, and without these alternative fuels the State risks returning to higher levels of fossil fuel use and fewer climate and air quality benefits. With clear scientific consensus on the need to rapidly decarbonize and achieve carbon neutrality by mid-century, the significant health and economic benefits of phasing down fossil fuel use, and the introduction of federal funding for alternative fuels and clean energy, staff is proposing updates to the LCFS regulation.

CARB may also consider other changes to the sections affected, as listed on page 2 of this notice, or other sections within the scope of this notice, during the course of this rulemaking process.

Item 6. Truckee Tahoe Airport Sustainability Report 2022 & Land Management Report 2020-2023 - nZero

Truckee Tahoe Airport Sustainability Report 2022:

In 2022 the airport tracked Scope 1 & 2 emissions, across 22 different sites within the airport grounds. Scope 1 sources included natural gas used for heating at 5 different sites, and diesel and gasoline used to fuel airport equipment and machinery. Scope 2 emissions came from purchased electricity. In total, the airport emitted 404 metric tons of carbon dioxide equivalent (CO₂e) in 2022 across Scopes 1 & 2, with 61.5% Scope 1, and 38.5% Scope 2. The main terminal and rental

car facilities were identified as the two highest emitters in 2022, comprising nearly 40% of the airport's total emissions.

In addition to tracking their Scope 1 & 2 emissions, the airport prioritized transitioning from selling Jet A to blended sustainable aviation fuel (SAF), setting a goal of reaching 100% blended SAF by the end of 2023. Though 20-30% more costly than Jet A, transitioning to blended SAF provides the airport a lucrative opportunity to reduce their emissions and continue to push the sustainability envelope forward in the aviation industry. In 2022 they made significant progress towards this goal by reaching 50% blended SAF in their fuel sales, on track to completely transition to blended SAF by the end of 2023.

Land Management Report 2020-2023: *Including the airport and its associated land, there are 5 primary land areas that Truckee Tahoe Airport manages that make up a total of 2,199 acres, as well as one 151 acre parcel of land that is held as a conservation easement. The land areas include the Truckee Tahoe Airport, Waddle Ranch, Ponderosa Golf Course, Martis Valley Estates (the "L" shaped property), Alder Hill Beacon, and the conservation easement - Jones Property (otherwise known as Elizabethtown Meadows). Waddle Ranch is the largest of these land parcels at 1,512 acres, while the airport is the second largest at 602 acres. The remaining 82 acres of land are divided between Ponderosa Golf Course (53 acres), Martis Valley Estates (18 acres), and Alder Hill Beacon (14 acres). Truckee Tahoe Airport owns the 5 parcels of land, and manages the land under the conservation easement.*

Item 7. Bioenergy Study – Update

An updated presentation and scoping study are scheduled for board / partner review this month to address our strategic plan goal below.

- Strategic Plan Goal: 4.D. MITIGATE: Contribute to wildfire mitigation, wildfire risk reduction, and forest management.
 - o 4.D.1. Explore collaborative efforts to create a bioenergy facility to address the biomass being removed from partners within the District (see Focus Area 3, Goal B for details).

ATTACHMENTS

- Truckee Tahoe Airport 2023-2026 Strategic Plan
- Rolling Agenda
- FAA Land Use Inspection Report – Final 2023
- Draft Response: FAA Land Use Inspection Report
- Truckee Tahoe Airport Sustainability Report 2022 – nZero
- Truckee Tahoe Airport Land Management Report 2020-2023 - nZero
- California Legislation SB 1193
- California Air Resource Board Notice of Public Hearing
- Aviation and Communication Reports
- Financial Report and Statements