



U.S. Department
of Transportation
**Federal Aviation
Administration**

Western-Pacific Region
Airports Division
Safety and Standards Branch

Federal Aviation Administration
777 S. Aviation Blvd., Suite 150
El Segundo, CA 90245

January 31, 2024

Robb Etnyre
Airport Manager
Truckee-Tahoe Airport
10356 Truckee Airport Rd
Truckee, CA 96161

Dear Mr. Etnyre:

**Truckee-Tahoe Airport
Land Use Compliance Inspection – September 20-21, 2023
Truckee, California**

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.

The inspection revealed:

- 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 Homebasing 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) 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.

Please provide this office a Corrective Action Plan regarding the findings. This plan should be provided no later than March 15, 2024. The completion dates provided are negotiable and should be reflected in your Corrective Action Plan. If we can be of further assistance, please do not hesitate to contact Karl Zittel at (424) 405-7306 or karl.zittel@faa.gov.

Sincerely,

Brian Q. Armstrong
Manager, Safety & Standards Branch
Western-Pacific Region

Attachment

cc: ACO-100
SFO-ADO
Caltrans



Western-Pacific Region Airports Division

FY-2023 Post Inspection Land Use Report

Truckee-Tahoe Airport, Truckee, CA (TRK)

Prepared by:	Victor Globa Airports Compliance Program Manager Western-Pacific Region Airports Division 777 S. Aviation Blvd., Suite 150 El Segundo, CA 90245
Date of Inspection:	September 20-21, 2023
Inspection Site Location:	Truckee-Tahoe Airport
Airport Owner	Truckee-Tahoe Airport District
FAA Representatives	Victor Globa, Airport Compliance Program Manager, Western-Pacific Region, El Segundo, CA Karl Zittel, Airport Compliance Specialist, Western-Pacific Region, El Segundo, CA
County / Sponsor Contacts:	Robb Etnyre, Airport Manager Jeff Menasco, Director of Aviation

I. Purpose of the inspection:

In response to a General Accounting Office report issued in May 1999 entitled “Unauthorized Land Use Highlights Need for Improved Oversight and Enforcement” and language in Senate Report No. 106-55, also issued in May 1999, the Federal Aviation Administration (FAA) adopted a program to conduct annual land use and grant assurance compliance inspections at various airports.

The data collected by these inspections is compiled and included in the Annual Airport Improvement Program Report to Congress. This report lists airports that are not in compliance with grant assurances or other requirements with respect to airport lands.

2014 Airport Master Record Statistics (Jan 1, 2017 – Dec 31, 2017):

- Based aircraft – 114 (98 single-engine)
(7 multi-engine)
(1 jet)
(3 helicopters)
(4 glider)
(1 ultra-light)

- Operations – 35,000

TRUCKEE/TAHOE AIRPORT TRUCKEE, CALIFORNIA



II. Truckee-Tahoe Airport History and Land Background

Truckee-Tahoe Airport (TRK) is an FAA designated public Regional General Aviation Airport. It is situated in Martis Valley approximately two miles southeast of Truckee, California and seven miles north of Lake Tahoe. The airport straddles both Nevada County and Placer County lines and is managed by the Truckee-Tahoe Airport District, a bi-county Special District.

In 1933 an airstrip was cleared near the current agricultural inspection station on I-80. It was used by Boeing as an emergency landing runway for the Trans-Sierra airmail route between San Francisco and Salt Lake City. In the mid-1950s, a small Chamber of Commerce representing Truckee's business owners was eager to have a modern airport that would bring tourists to the area. By 1958, the Truckee Tahoe Airport District (TTAD) was formed by a vote of the people. The first elected TTAD board, a group of local businessmen, spent their own money and lots of time to obtain initial state and federal funding to build a runway, a terminal building and buy property surrounding the airport. The airport is funded by local airport commercial enterprises such as aviation fuel sales, aircraft services and fees, building and hangar leases, local property taxes and state and grant funding.

TRK has two asphalt runways: Runway 11/29 which is 7,000 by 100 ft and Runway 2/20 which is 4,650 by 75 ft TRK covers 1,200 acres at an elevation of 5,900 ft (1,800 m) above mean sea level.

As part of its “open space” campaign, the airport also owns neighboring land consisting of 1,500 acres at Waddle Ranch and 18 acres at Ponderosa Golf course. There is a voluntary, but strongly requested flying curfew between 10pm and 7am as part of the airport's good neighbor policy.

The Airport has 220 hangars, (198 T-Hangars and 22 Executive or larger box hangars). There are 210 paved tie-downs for transient parking. A new terminal building was built in 2012.

Today, the airport comprises approximately 2,280-acres and is home to approximately 109 aircraft conducting approximately 35,000 operations annually. Flight training, aircraft maintenance, business and corporate operations occur daily at the airport.

A. Federal Land Transferred to the City

None

B. FAA Releases of Property

None

D. Land Releases by City Without FAA Release

Truckee Tahoe Airport District (TTAD) proposed a property exchange with the Tahoe-Truckee Sanitation Agency (TTSA). The proposal has TTAD conveying Fee Simple TRK Parcel B (35.63 acres) to the TTSA. In exchange, TTSA would provide to TTAD several parcels consisting of: Fee Simple Parcel A (28.24 acres), Fee Simple Parcel A1 (2.28 acres), along with Avigation Easement for Parcel C (10.34 acres). On March 27, 2023, FAA determined that under the “FAA Reauthorization Act of 2018” (the Act), Section 163, FAA does not have land use authority to regulate land use.

E. Grant Acquired Land

Grant Number	FY	Project Code	Project Description	Non-Primary	State	Entitlement	Discretionary	COVID-R	Total
3-06-0262-010-1993	1993	ST LA DV	Acquire Land for Development	\$0.00	\$234,000.00	\$234,000.00	\$0.00	\$0.00	\$234,000.00
3-06-0262-014-2001	2001	ST LA DV	Acquire Land for Development	\$150,000.00	\$2,136,000.00	\$2,286,000.00	\$1,288,449.00	\$0.00	\$3,574,449.00

F. Airport Improvement Program-Noise Compatibility Land

None

G. Sponsor Donated Land

The Sponsor holds title to all lands.

H. Federal Commitment and Investment

- a. Total Airport Improvement Program (and legacy Acts) Funding: \$41,596,773

Funding was used for runway, taxiway and apron construction, rehabilitation, and expansion. Additionally, funding was used for airport planning, airfield lighting, drainage projects, environmental mitigation, installation of weather reporting equipment, acquisition of snow removal equipment, perimeter fencing and other miscellaneous projects.

III. Funding Snapshot

Truckee-Tahoe Airport (TRK)
Truckee, CA (NPIAS N/G/S/Y)
FAA Site #: 02366.*A
Funding/Grant History

Grant Number	FY	Project Code	Project Description	Non-Primary	State	Entitlement	Discretionary	COVID-R	Total
3-06-0262-001-1983	1983	ST TW CO	Construct Taxiway	\$0.00	\$84,500.00	\$84,500.00	\$9,000.00	\$0.00	\$93,500.00
3-06-0262-001-1983	1983	ST RW IM	Extend Runway	\$0.00	\$452,643.00	\$452,643.00	\$40,846.00	\$0.00	\$493,489.00
3-06-0262-002-1984	1984	ST AP IM	Expand Apron	\$0.00	\$390,981.00	\$390,981.00	\$0.00	\$0.00	\$390,981.00
3-06-0262-002-1984	1984	RE TW IM	Rehabilitate Taxiway	\$0.00	\$103,400.00	\$103,400.00	\$0.00	\$0.00	\$103,400.00
3-06-0262-003-1986	1986	RE RW IM	Rehabilitate Runway	\$0.00	\$570,564.00	\$570,564.00	\$2,511.00	\$0.00	\$573,075.00
3-06-0262-003-1986	1986	RE TW IM	Rehabilitate Taxiway	\$0.00	\$237,333.00	\$237,333.00	\$1,667.00	\$0.00	\$239,000.00
3-06-0262-004-1987	1987	PL PL MA	Conduct Airport Master Plan Study	\$0.00	\$0.00	\$0.00	\$45,000.00	\$0.00	\$45,000.00
3-06-0262-005-1987	1987	RE TW IM	Rehabilitate Taxiway	\$0.00	\$299,372.00	\$299,372.00	\$0.00	\$0.00	\$299,372.00
3-06-0262-005-1987	1987	ST EQ WX	Install Weather Reporting Equipment	\$0.00	\$88,380.00	\$88,380.00	\$0.00	\$0.00	\$88,380.00
3-06-0262-006-1989	1989	ST EQ SN	Acquire Snow Removal Equipment	\$0.00	\$116,773.00	\$116,773.00	\$7,038.00	\$0.00	\$123,811.00
3-06-0262-006-1989	1989	ST EQ WX	Install Weather Reporting Equipment	\$0.00	\$65,727.00	\$65,727.00	\$0.00	\$0.00	\$65,727.00
3-06-0262-006-1989	1989	ST AP LI	Install Apron Lighting	\$0.00	\$67,500.00	\$67,500.00	\$0.00	\$0.00	\$67,500.00
3-06-0262-007-1990	1990	ST OT IM	Improve Airport Drainage	\$0.00	\$11,270.00	\$11,270.00	\$0.00	\$0.00	\$11,270.00
3-06-0262-007-1990	1990	ST AP CO	Construct Apron	\$0.00	\$416,992.00	\$416,992.00	\$0.00	\$0.00	\$416,992.00
3-06-0262-008-1991	1991	OT GT AC	Improve Access Road	\$0.00	\$24,825.00	\$24,825.00	\$0.00	\$0.00	\$24,825.00
3-06-0262-008-1991	1991	ST RW IM	Extend Runway	\$0.00	\$1,003,737.00	\$1,003,737.00	\$20,575.00	\$0.00	\$1,024,312.00
3-06-0262-009-1992	1992	ST TW CO	Construct Taxiway	\$0.00	\$50,000.00	\$50,000.00	\$0.00	\$0.00	\$50,000.00
3-06-0262-009-1992	1992	ST AP CO	Construct Apron	\$0.00	\$17,950.00	\$17,950.00	\$0.00	\$0.00	\$17,950.00
3-06-0262-009-1992	1992	ST EQ SN	Acquire Snow Removal Equipment	\$0.00	\$286,830.00	\$286,830.00	\$25,070.00	\$0.00	\$311,900.00
3-06-0262-009-1992	1992	RE TW IM	Rehabilitate Taxiway	\$0.00	\$212,670.00	\$212,670.00	\$0.00	\$0.00	\$212,670.00
3-06-0262-010-1993	1993	ST LA DV	Acquire Land for Development	\$0.00	\$234,000.00	\$234,000.00	\$0.00	\$0.00	\$234,000.00
3-06-0262-010-1993	1993	SP RW FR	Groove Runway	\$0.00	\$278,860.00	\$278,860.00	\$0.00	\$0.00	\$278,860.00
3-06-0262-010-1993	1993	RE RW LI	Rehabilitate Runway Lighting	\$0.00	\$252,000.00	\$252,000.00	\$0.00	\$0.00	\$252,000.00
3-06-0262-010-1993	1993	RE TW IM	Rehabilitate Taxiway	\$0.00	\$238,000.00	\$238,000.00	\$0.00	\$0.00	\$238,000.00

3-06-0262-010-1993	1993	ST RW IM	Extend Runway	\$0.00	\$357,800.00	\$357,800.00	\$0.00	\$0.00	\$357,800.00
3-06-0262-011-1994	1994	ST BD SN	Improve Snow Removal Equipment Bldg	\$0.00	\$603,000.00	\$603,000.00	\$162,000.00	\$0.00	\$765,000.00
3-06-0262-011-1994	1994	EN OT MT	Environmental Mitigation	\$0.00	\$36,000.00	\$36,000.00	\$0.00	\$0.00	\$36,000.00
3-06-0262-011-1994	1994	ST EQ SN	Acquire Snow Removal Equipment	\$0.00	\$441,000.00	\$441,000.00	\$0.00	\$0.00	\$441,000.00
3-06-0262-012-1998	1998	RE AP IM	Rehabilitate Apron	\$0.00	\$1,816,989.00	\$1,816,989.00	\$0.00	\$0.00	\$1,816,989.00
3-06-0262-012-1998	1998	SA RW SF	Improve Runway Safety Area	\$0.00	\$46,800.00	\$46,800.00	\$0.00	\$0.00	\$46,800.00
3-06-0262-012-1998	1998	ST AP IM	Expand Apron	\$0.00	\$198,000.00	\$198,000.00	\$0.00	\$0.00	\$198,000.00
3-06-0262-012-1998	1998	OT GT AC	Improve Access Road	\$0.00	\$158,900.00	\$158,900.00	\$0.00	\$0.00	\$158,900.00
3-06-0262-013-1999	1999	RE AP IM	Rehabilitate Apron	\$0.00	\$1,092,139.00	\$1,092,139.00	\$0.00	\$0.00	\$1,092,139.00
3-06-0262-014-2001	2001	ST LA DV	Acquire Land for Development	\$150,000.00	\$2,136,000.00	\$2,286,000.00	\$1,288,449.00	\$0.00	\$3,574,449.00
3-06-0262-015-2002	2002	PL PL MS	Conduct Miscellaneous Study	\$149,950.00	\$0.00	\$149,950.00	\$0.00	\$0.00	\$149,950.00
3-06-0262-016-2003	2003	ST TW LI	Install Taxiway Lighting	\$82,488.00	\$79,373.00	\$161,861.00	\$0.00	\$0.00	\$161,861.00
3-06-0262-016-2003	2003	ST TW CO	Construct Taxiway	\$67,512.00	\$63,042.00	\$130,554.00	\$0.00	\$0.00	\$130,554.00
3-06-0262-017-2006	2006	RE TW IM	Rehabilitate Taxiway	\$50,000.00	\$98,001.48	\$148,001.48	\$0.00	\$0.00	\$148,001.48
3-06-0262-017-2006	2006	RE RW IM	Rehabilitate Runway	\$400,000.00	\$0.00	\$400,000.00	\$0.00	\$0.00	\$400,000.00
3-06-0262-018-2007	2007	RE RW IM	Rehabilitate Runway	\$54,323.00	\$250,462.00	\$304,785.00	\$0.00	\$0.00	\$304,785.00
3-06-0262-018-2007	2007	ST EQ WX	Install Weather Reporting Equipment	\$88,537.00	\$0.00	\$88,537.00	\$0.00	\$0.00	\$88,537.00
3-06-0262-020-2008	2008	ST EQ SE	Install Perimeter Fencing	\$0.00	\$90,000.00	\$90,000.00	\$0.00	\$0.00	\$90,000.00
3-06-0262-020-2008	2008	RE RW IM	Rehabilitate Runway	\$111,240.00	\$468,643.00	\$579,883.00	\$0.00	\$0.00	\$579,883.00
3-06-0262-021-2009	2009	ST EQ SN	Acquire Snow Removal Equipment	\$30,341.00	\$0.00	\$30,341.00	\$0.00	\$0.00	\$30,341.00
3-06-0262-021-2009	2009	ST OT IN	Install Miscellaneous NAVAIDS	\$15,000.00	\$0.00	\$15,000.00	\$0.00	\$0.00	\$15,000.00
3-06-0262-021-2009	2009	ST AP LI	Install Apron Lighting	\$15,000.00	\$0.00	\$15,000.00	\$0.00	\$0.00	\$15,000.00
3-06-0262-022-2009	2009	RE RW IM	Rehabilitate Runway	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3-06-0262-023-2009	2009	ST EQ SN	Acquire Snow Removal Equipment	\$120,687.00	\$0.00	\$120,687.00	\$0.00	\$0.00	\$120,687.00
3-06-0262-024-2009	2009	ST EQ SN	Acquire Snow Removal Equipment	\$0.00	\$456,969.00	\$456,969.00	\$0.00	\$0.00	\$456,969.00
3-06-0262-025-2010	2010	RE RW IM	Rehabilitate Runway	\$104,137.00	\$0.00	\$104,137.00	\$0.00	\$0.00	\$104,137.00
3-06-0262-025-2010	2010	RE TW IM	Rehabilitate Taxiway	\$40,000.00	\$0.00	\$40,000.00	\$0.00	\$0.00	\$40,000.00
3-06-0262-026-2011	2011	RE TW IM	Rehabilitate Taxiway	\$0.00	\$673,661.00	\$673,661.00	\$0.00	\$0.00	\$673,661.00
3-06-0262-027-2012	2012	RE RW IM	Rehabilitate Runway	\$320,735.00	\$1,979,265.00	\$2,300,000.00	\$0.00	\$0.00	\$2,300,000.00
3-06-0262-028-2012	2012	ST OT IN	Install Miscellaneous NAVAIDS	\$0.00	\$70,000.00	\$70,000.00	\$0.00	\$0.00	\$70,000.00
3-06-0262-028-2012	2012	ST AP LI	Install Apron Lighting	\$0.00	\$360,766.00	\$360,766.00	\$0.00	\$0.00	\$360,766.00

3-06-0262-029-2013	2013	RE AP IM	Rehabilitate Apron	\$150,000.00	\$903,000.00	\$1,053,000.00	\$0.00	\$0.00	\$1,053,000.00
3-06-0262-030-2014	2014	RE AP IM	Rehabilitate Apron	\$150,000.00	\$980,340.00	\$1,130,340.00	\$0.00	\$0.00	\$1,130,340.00
3-06-0262-031-2015	2015	RE AP IM	Rehabilitate Apron	\$0.00	\$67,392.00	\$67,392.00	\$0.00	\$0.00	\$67,392.00
3-06-0262-032-2015	2015	RE RW IM	Rehabilitate Runway	\$150,000.00	\$172,043.00	\$322,043.00	\$0.00	\$0.00	\$322,043.00
3-06-0262-032-2015	2015	RE TW IM	Rehabilitate Taxiway	\$0.00	\$830,872.00	\$830,872.00	\$0.00	\$0.00	\$830,872.00
3-06-0262-034-2015	2015	RE TW IM	Rehabilitate Taxiway	\$18,901.00	\$2,136,060.00	\$2,154,961.00	\$0.00	\$0.00	\$2,154,961.00
3-06-0262-035-2016	2016	ST AP IM	Expand Apron	\$31,245.00	\$233,755.00	\$265,000.00	\$0.00	\$0.00	\$265,000.00
3-06-0262-035-2016	2016	RE AP IM	Rehabilitate Apron	\$118,755.00	\$686,407.00	\$805,162.00	\$0.00	\$0.00	\$805,162.00
3-06-0262-036-2017	2017	RE RW IM	Rehabilitate Runway	\$157,733.00	\$71,533.00	\$229,266.00	\$0.00	\$0.00	\$229,266.00
3-06-0262-037-2018	2018	RE TW IM	Rehabilitate Taxiway	\$1,000,000.00	\$712,570.00	\$1,712,570.00	\$0.00	\$0.00	\$1,712,570.00
3-06-0262-038-2019	2019	RE RW IM	Rehabilitate Runway	\$175,646.00	\$115,627.00	\$291,273.00	\$90,206.00	\$0.00	\$381,479.00
3-06-0262-038-2019	2019	OT OT WR	Construct Wash Rack	\$331,331.00	\$0.00	\$331,331.00	\$0.00	\$0.00	\$331,331.00
3-06-0262-038-2019	2019	ST AP CO	Construct Apron	\$493,023.00	\$0.00	\$493,023.00	\$0.00	\$0.00	\$493,023.00
3-06-0262-039-2019	2019	RE TW IM	Rehabilitate Taxiway	\$0.00	\$107,334.00	\$107,334.00	\$0.00	\$0.00	\$107,334.00
3-06-0262-040-2020	2020	RC TW IM	Reconstruct Taxiway	\$150,000.00	\$449,673.00	\$599,673.00	\$3,209,865.78	\$429,600.00	\$4,239,138.78
3-06-0262-041-2020	2020	CV CA RE	CARES Act Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$157,000.00	\$157,000.00
3-06-0262-042-2021	2021	RC RW IM	Reconstruct Runway	\$150,000.00	\$209,627.01	\$359,627.01	\$0.00	\$41,050.00	\$400,677.01
3-06-0262-043-2021	2021	CV CR GN	CRRSA Act Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$23,000.00	\$23,000.00
3-06-0262-044-2021	2021	CV RG GN	General ARPA	\$0.00	\$0.00	\$0.00	\$0.00	\$59,000.00	\$59,000.00
3-06-0262-045-2022	2022	RE TW IM	Rehabilitate Taxiway	\$150,000.00	\$0.00	\$150,000.00	\$0.00	\$0.00	\$150,000.00
3-06-0262-046-2023	2023	RC RW IM	Reconstruct Runway	\$150,000.00	\$1,068,761.00	\$1,218,761.00	\$5,082,200.00	\$0.00	\$6,300,961.00

GRAND TOTAL ALL FUNDING SOURCES: \$ 41,596,773

IV. Findings

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.

Recommendation: Section 15.6(a) of FAA Order 5190.6B, Change 3, states: “Taxes assessed by a special taxing district surrounding the airport and dedicated for support of the airport, but not derived from the use of the airport, are generally not considered airport revenue subject to the Revenue Use Policy. These tax revenue funds should be kept separate from airport revenue accounts and may be used for purposes other than those listed in 49 U.S.C. § 47107(b) and § 47133.” TTAD’s co-mingling of funds as part of its Airport Enterprise Fund is ripe for a Grant Assurance 22, Economic Non-Discrimination, Grant Assurance 25, Airport Revenues. TTAD Airport Enterprise fund needs to separate tax revenue account from the airport revenue account to provide clarity on revenue use. As is, it

is unclear which revenue is used for the funding of community uses. Even though, TTAD records for the last six years (2017-2022) indicate that Total Partnership/Sponsorship expenses represent less than 14% of Property Tax Revenue.

Target Completion Date: March 15, 2024

2. TTAD is required to report homebased aircraft to the appropriate County for tax purposes. TTAD Homebasing Program offers existing signatory tenants a monthly discount who choose to declare their aircraft homebased at TRK. The funding for this Signatory Incentive is provided through District funds, not aeronautical revenues.

Recommendation: Section 15.6(a) of *FAA Order 5190.6B, Change 3*, states: “Taxes assessed by a special taxing district surrounding the airport and dedicated for support of the airport, but not derived from the use of the airport, are generally not considered airport revenue subject to the Revenue Use Policy. These tax revenue funds should be kept separate from airport revenue accounts and may be used for purposes other than those listed in 49 U.S.C. § 47107(b) and § 47133.” TTAD’s co-mingling of funds as part of its Airport Enterprise Fund is ripe for a Grant Assurance 22, Economic Non-Discrimination, Grant Assurance 25, Airport Revenues, even though, any hangar tenant who chooses to participate is eligible for this signatory incentive regardless of aircraft type, participation is completely voluntary, there are no penalties for failure to participate in the program and failure to participate will not in any manner affect the price for other services or other relationships with the District. The TTAD Airport Enterprise Fund needs to separate its tax revenue account from the airport revenue account to provide clarity on revenue use. As is, it is unclear which revenue is used for the funding of the Homebasing program.

Target Completion Date: March 15, 2024

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.

In FY2021 (12/31/2021), TTAD expended over \$3.98 million in federal grants¹. According to federal guidelines, this level of expenditure mandated that a single audit report be filed by no later than September 30, 2022. However, TTAD's submission of this report did not occur until September 7, 2023². This delay of nearly one year in filing the single audit report represents a significant non-compliance with the federal regulation. Such non-compliance can have serious implications for TTAD's future federal funding and overall compliance status.

¹ *Truckee Tahoe Airport District Financial Statements with Independent Auditor’s Report, For Fiscal Years Ended December 31, 2021 and 2020* (p. 42), James Marta & Co. LLP

² Federal Audit Clearinghouse, Truckee Tahoe Airport District, Fiscal Year 2022, 2021, 2020

Recommendation: To prevent future occurrences, the following recommendations are proposed:

- a. Enhance internal communication with external auditors to ensure timely progress and submission of the audit report.
- b. Implement a tracking system for all critical deadlines in the finance department.

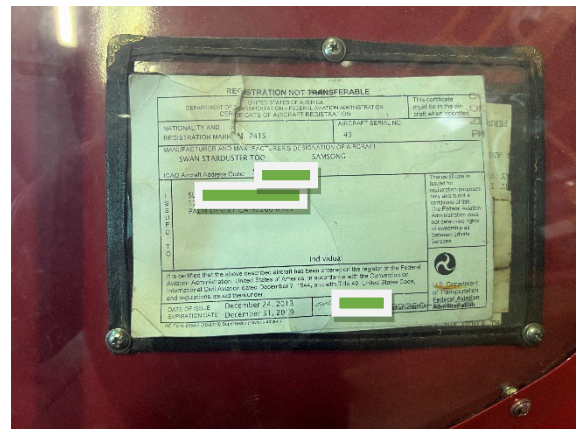
Target Completion Date: March 15, 2024

4. Fly QT Program - The TTAD provides a financial Signatory Incentive to TRK tenants that commit to the TTAD's voluntary quiet flying procedures. The funding for this Signatory Incentive is provided through District funds, not aeronautical revenues.

Recommendation: Section 15.6(a) of FAA Order 5190.6B, Change 3, states: "Taxes assessed by a special taxing district surrounding the airport and dedicated for support of the airport, but not derived from the use of the airport, are generally not considered airport revenue subject to the Revenue Use Policy. These tax revenue funds should be kept separate from airport revenue accounts and may be used for purposes other than those listed in 49 U.S.C. § 47107(b) and § 47133." TTAD's co-mingling of funds as part of its Airport Enterprise Fund is ripe for a Grant Assurance 22, Economic Non-Discrimination, Grant Assurance 25, Airport Revenues, even though, any hangar tenant who chooses to participate is eligible for this signatory incentive regardless of aircraft type, participation is completely voluntary, there are no penalties for failure to participate in the program and failure to participate will not in any manner affect the price for other services or other relationships with the District. The TTAD Airport Enterprise Fund needs to separate its tax revenue account from the airport revenue account to provide clarity on revenue use. As is, it is unclear which revenue is used for the funding of the FlyQT program.

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5. Aeronautical hangars are being used to store inoperative aircraft for extended periods of time. Hangar F11 houses a Samsung Swan Starduster Too aircraft. While the aircraft has a valid operating certificate based on FAA's database, it appears the aircraft has not been operated recently due to dust build-up, flat tire and posted operating certificate expiration dated December 31, 2019. The tenant has been paying aeronautical rates when the aircraft doesn't appear operational nor aeronautical. This concern can be remedied by adopting the FAA "*Policy on the Non-Aeronautical Use of Airport Hangars, effective July 1, 2017*" and incorporating this policy into the airport minimum standards.



Recommendation: The sponsor should address the non-aeronautical use and write enforceable hangar use standards that are consistently applied to avoid discrimination and address proper hangar usage as defined in the above-mentioned policy.

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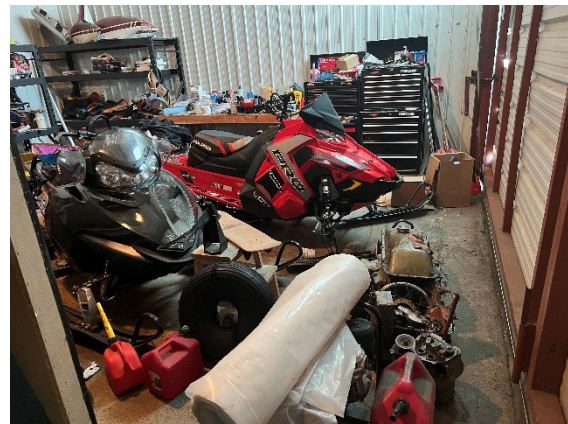
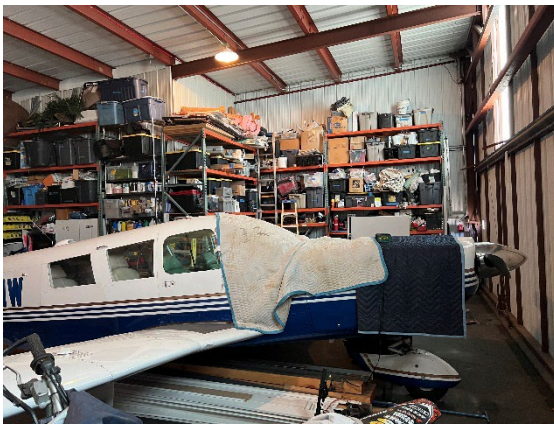
- Airport Layout Plan – Exhibit A/Property Map should be updated to reflect non-aeronautical use. ALP currently indicates property as Aviation Use.



Recommendation: Sponsor provide the ADO an Informal Correction Revision to the Property Map identifying the non-aeronautical use facilities on the airport and get concurrence from the ADO for non-aeronautical use.

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7. The airport lacks adequate hangar usage standards evidenced by the overabundance of non-aeronautical item storage in sponsor-owned aircraft hangars. We visited several aircraft hangars and found most aircraft had unimpeded ingress/egress to the ramp area, however, many hangars are used for storing furniture, snowmobiles, boats, vehicles, housewares, books, and other items resulting in the non-aeronautical storage becoming predominant and the aeronautical use becoming incidental.



Most of these concerns could be remedied by adopting the “*Policy on the Non-aeronautical Use of Airport Hangars effective July 1, 2017*” and incorporating this policy into the airport minimum standards.

Recommendation: The sponsor should write enforceable hangar use standards that are consistently applied to avoid discrimination and address proper hangar usage as defined in the above-mentioned policy.

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8. The safety inspection of the airfield revealed several issues:
 - a. A few airfield sign bases had erosion that should be flush to ground level.
 - b. No fence line, However vehicle prevention has been established with either large rock, barricades, and large drainage ditches.
 - c. One faded sign in the construction area. Replacement has been obtained and will be replaced by TTAD following construction.