**STAFF REPORT**

Subject: FY 18/19 Airport Budgets

Date: July 13, 2018

**ISSUE:** CONSIDER THE PROPOSED AIRPORT BUDGETS 1852, 1853, AND 1854, AND PROVIDE A RECOMMENDATION OF APPROVAL TO THE BOARD OF SUPERVISORS.

**BACKGROUND:**

One of the primary duties of the Airport Committee is to review the budget proposed by the Director of Transportation and if acceptable, forward to the Board of Supervisors with the Committee’s recommendation.

The airport budget comes in three components: Operations (1852), Construction (1853) and General - Hangar (1854). The primary funding sources for the airports comes from Annual Grants and hangar rental. Hangar rental and maintenance is contained within 1854, whereas operations of the airport field are contained within 1852. All federal and state funded airport construction projects are funded within 1853. Hangar rental revenues (1854) are proportioned to provide 7.9% to Operations (1852), 7.9% to Construction (1853) and 5% to administrative (Road Fund). Any funds collected within Operations (1852) and Construction (1853) must remain within the respective fund.

**DISCUSSION:**

Overall, the airport budgets and balances are struggling due to the excessive AWOS Cost and the lack of increases to the Annual Grant Program, which continues to diminish cash reserves in Operation, Construction and in Maintenance.

The overall condition of Ruth and Trinity Center airports is fair, Hayfork and Weaverville poor to very poor, and the remaining airport, Hyampom, is in good condition. The continuing major issues are addressing airport inspection requirements, weed control, and pavement preservation.

In summary, here are the major points of each budget:

1. **Operations** 
   * Annually (Annual Airport Grants) on average we collect $10k for Weaverville, Hayfork, and Trinity Center and $5k for Ruth and Hyampom for a total of $40k for the Trinity County Airport System maintenance and operations.
   * AWOS cost continue to outpace available revenues. Internet is down in Trinity Center.
   * The bathrooms need to be reconstructed at Weaverville Airport. This remains deferred.
   * Hyampom Airport continues to be well maintained by the Volunteer Fire Department at an annual cost of $2.5k. Several others have expressed interest in providing this service for Weaverville and Trinity Center, however Staff’s availability has not allowed time for the agreements to be prepared.,
   * Tie down chains were requested at Trinity Center, but are delayed due to upcoming construction and funding availability.
   * Long term, Buildings and Grounds has a mower, attachments and trailer for use at the airports, however finding staff has been very difficult due to competing demands.
   * The fence/gate at Trinity Center was damage beyond repair and needs to be replaced, estimated at $14,000.
   * Due to budget shortfall, crack sealing has been reduced.
   * Herbicide application needs to be funded (Critical).

1. **Construction** 
   * Several years ago, the County requested pavement treatments for Ruth, Hayfork and Trinity Center. The projects were approved for funding by the State this last FY.
   * Staff is working with FAA to have Ruth Airport Funded via ACIP program. The project was not selected this Fiscal Year.
   * A Consultant will soon be underway developing the Trinity Center Master Plan and Ruth Airport Layout Plan.
   * Staff needs to release a Request for Proposals for the Trinity Center Apron Area.
   * Funding allocation for Hayfork and Hyampom were return due to inability to perform within the requirements of the program. Due to the 2017 Storm, the department is not able to allocate the resources to complete these projects.
   * $25k continues to be reserved for Hyampom, received from the 2015 Fires.
   * Current budget is underfunded this year. Funds from 1854 are required to move projects forward.

1. **General – Hangars** 
   * Current maintenance budget for short term fixes is $12k, which is slightly under what is needed. Excess funds were used to offset A87 Fees (Indirect Cost).
   * Due to staff issues, buildings and grounds has only been able to construct one set of doors. Two are still needed. Cost $25k
   * Current maintenance budget for long term projects set aside $73,810.
   * The property description for Weaverville Airport is vague and combined with Solid Waste and the Jail. This budget includes funds to provide a lot line adjustment providing much clearer property line locations, and a better property description for the airport. (Funded but pending resources.)

There are several projects that will be taken under consideration for the next fiscal year.

* + Deferred Runway reconstruction (Ruth, Hayfork, Hyampom)
  + Continue to pursue Pavement Management Program funds
  + Trinity Center Apron Area
  + Hayfork ALP
  + Hayfork Taxiway

**ALTERNATIVES INCLUDING FINANCIAL IMPLICATIONS:**

* 1. Provide Staff with alternative recommendations. While it is understood that more work is desired for airport construction projects, the current staffing (deficit) will continue to not permit additional work done within the Department. Such deferral would require the Board of Supervisors to direct staff to defer road pavement and/or storm damage recovery projects and critical planning issues in the interest of advancing airport projects.

**RECOMMENDATION:** While staffing is and will continue to be problematic, the Department has a new Transportation Planner that will assist with planning studies and airport fund programing to allow for some improvements in delivery.

Further, Staff recommends to reallocate the following from Long Term Hanger Maintenance Reserves with no intention to repay;

$25,000 to Airport Construction for Planning Studies

$10,000 to Airport Operations to repair the gate at Trinity Center

$12,500 for herbicide applications on the runways at all airports

$2,500 to fix the AWOS internet connection

Consider reallocation of Hyampom Fire Damage Reimbursement $25,000 to other needs

This will reduce the reserve balance to $19,810.

Respectfully Submitted.

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Richard Tippett, Director