



Legislation Details (With Text)

File #: 21-0652 **Version:** 1

Type: Agenda Item **Status:** Department Matters

File created: 4/12/2021 **In control:** Board of Supervisors

On agenda: 4/19/2021 **Final action:** 4/19/2021

Title: Planning and Building Department, Airports Division, providing the Board with an update on the Airports Division objectives and Fiscal Year 2021-22 Budget.

FUNDING: General Fund / User Fees.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - 21-22 Budget Presentation - 4-19-21_tm

Date	Ver.	Action By	Action	Result
4/19/2021	1	Board of Supervisors	Received and Filed	

Planning and Building Department, Airports Division, providing the Board with an update on the Airports Division objectives and Fiscal Year 2021-22 Budget.

FUNDING: General Fund / User Fees.

DISCUSSION / BACKGROUND

As part of the Fiscal Year (FY) 2020-21 budget development process and the Board's adoption of the recommended budget, the Airports Division was transferred from the Chief Administrative Office, Community Development Finance and Administration Division, and became a part of the Planning and Building Department (Planning and Building) effective July 1, 2020. Since its arrival, staff have worked diligently to address historical issues in order to better professionalize the Airports Division and provide airport users an improved experience when interacting with the County.

Currently, staff is working through a backlog of 68 leases that are either new or have expired. As part of that process, staff is streamlining the insurance review requirements by utilizing the Ebix software system, while acting swiftly to bring leases to the Board. Efforts are also being made to gain full collection of unpaid invoices for hangar lessees and negotiations are ongoing with each of the four (4) Fixed Base Operators (FBOs) across both the Georgetown and Placerville Airports. Additionally, staff is updating the F-10 Policy related to FBOs and has completed a benchmark study on comparator airports throughout the region.

Though these efforts are significant and are resulting in improvements to the program, a strategic effort is necessary in order to address the Airports financial issues in the long-term. Historically, the Placerville Airport has been able to utilize its fund balance to offset the revenue and expenditure deficits; however, that fund balance has been drawn down over the previous budget cycles and it's anticipated that this fund balance will be exhausted by the end of FY 2020-21. The Georgetown Airport has historically received a General Fund Contribution, though that number has increased over the years. Currently, the Airports Division is staffed by 2.25 FTEs, with one (1) employee covering

operations and maintenance at both the Placerville and Georgetown Airports, and one (1) Senior Administrative Analyst splitting time with the Cemeteries Division. The significant administrative workload and backlog of work that current staff are tasked with and are unable to perform in a timely manner necessitates additional administrative help. Planning and Building's budget request for FY 2021-22 includes the addition of one (1) FTE Administrative Technician, or alternatively two (2) extra-help Administrative Technicians, to support both the Airports and Cemeteries Divisions. Staff is also currently evaluating responses to a Request for Proposals (RFP) process for hiring a consultant to conduct a department-wide fee study and recommendation. This fee study will include an analysis of airport fees. However, it is anticipated that any proposed fee increases to airport user fees will not alleviate the need for General Fund support, and the amounts needed for both the Placerville and Georgetown Airports will continue to increase over the years to account for increased operational costs.

On March 16, 2021 (File No. 21-0140, Item No. 24), the Board approved an update to the Strategic Plan, which included language within the Economic Development component aimed at leveraging the County's Airports as strategic assets. This update commenced the formal process of working with the airport user community and Airports Advisory Committee to develop a set of Economic Development Principles to help shape the future of the airports. The Economic Development Principles identified during this process will form the basis of a wider Economic Development Plan for the airports, aimed at a suggested plan for how to achieve the goals of the Strategic Plan.

The request for additional General Fund for Airports will allow the continued maintenance and operation of the Airports, as well as the resources necessary to develop higher level strategic objectives that are anticipated to leverage the airports as an asset to the County over time.

PRIOR BOARD ACTION

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION / COMMENTS

Receive the report as recommended and provide direction to staff for the FY 2021-22 Budget.

FINANCIAL IMPACT

As part of the proposed FY 2021-22 budget, Planning and Building is requesting General Fund contributions of \$197,617 for the Placerville Airport and \$146,211 for the Georgetown Airport to cover ongoing staffing, operational, and maintenance related costs, as well as supplemental budget requests, including, but not limited to, the following:

Should some or all of these requests not be considered as part of the FY 2021-22 Recommended Budget, staff will update the budget as well as corresponding priorities and operations accordingly.

CLERK OF THE BOARD FOLLOW-UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Economic Development, Good Governance, Infrastructure

CONTACT

Chris Perry, Assistant Director
Planning and Building Department