

# LT Airport issues a symptom of lousy economy in basin

By Kathryn Reed

As the economy sputters, a new phrase could be coined – fly and dash.

Lake Tahoe Airport has seen an increase in the number of pilots gassing up without paying, as well as shunning the landing fees.

“I attribute it to the economy,” Michael Golden, who operates Mountain West Aviation, told *Lake Tahoe News*.



Lake Tahoe Airport is losing money with pilots not paying for fuel.

Photo/Kathryn Reed

At the Airport Commission meeting in April, Golden talked a bit about what is going on with payments. He did not provide *Lake Tahoe News* a figure for how much his business and the city have lost because of people not paying their bills.

Because the South Lake Tahoe airport is not set up for a pilot

to swipe a credit card payment is not immediate for gas. Mountain West Aviation fuel trucks go to the plane and fill it up. Often times a pilot orders the gas the day they arrive, then don't pay when they leave a couple days later.

"We can't call the police and have them chase them. They are in the air," Golden told *LTN* days after the meeting.

However, the airport could track a pilot down by the tail number and have the FAA get involved as well as put a lien on the plane. The tail number could be used to find out where the plane landed, too. Tracking down the pilot is not the course the city is currently taking.

One pilot told *Lake Tahoe News* that fuel is the cheapest part of flying.

Even though pilots have to go from the tarmac through the Mountain West building they are walking by without paying and the employees are not able to get them to do so.

The same goes with paying the landing fee – which is about \$30 for a turbo prop and can be \$200 for a larger multi-million dollar airplane.

Golden's employees are responsible for collecting the fees and then giving them to the city. In fiscal year 2008-09 the airport collected \$39,180.11 in landing fees. For the first seven months of this fiscal year \$11,890.31 in landing fees has been paid.

Lake Tahoe Airport is the only airport in the region – including Reno and Sacramento – to charge a landing fee. No general aviation airport in the Bay Area charges a landing fee, Golden said.

Golden said the non-payers represent a cross-section of pilots, though primarily it's the mid-size, business-oriented flyer not paying.

He said the airport traffic was steady all winter, with numbers of landings increasing. More charter flights came in because the weather was fine for them, but not for smaller planes with different visual regulations.

“If you take the airport out of the equation, you remove a couple hundred thousand visits to the basin,” Golden said.

South Lake Tahoe Finance Director Christine Vuletich discussed nothing about the airport’s situation at the April 27 mid-year budget review with the City Council.

The city’s expenses are exceeding its revenues, which required the council to trim \$1.47 million from the general fund budget. To cover expenses, the council tapped into four reserve accounts and deferred payment from the Redevelopment Agency to the city – despite they are all city accounts and taxpayer money. The RDA is still paying the general fund account the \$7.2 million it raided unknowingly from taxpayers to complete the Heavenly Village project.

For the second year in a row Vuletich and her well-staffed department have been wrong about how much hotel tax would be collected. This, along with property and sales tax are the three major revenue sources for South Lake Tahoe.

Transient occupancy tax is off by 8 percent from projections or \$135,770; sales tax is off by 9 percent or \$235,336.

In the redevelopment area, which has a higher TOT, the hotel tax is 10 percent less than budgeted and property tax increment is 1 percent higher than anticipated.

The 911 fee of \$540,000 is still at-risk. (Click here to read more about that.) The council has yet to be briefed on the situation by the city attorney.

Another blow came Tuesday when a Sacramento Superior Court judge ruled the state can take \$2 billion from local

redevelopment agencies. This will be a more than \$2 million hit to South Lake Tahoe's bottom line; something that was not addressed with the city's mid-year budget revision.

The council approved the revised budget on a 5-0 vote. But it was noted the actions taken are one-time solutions to an ongoing problem. The council did not rule out putting more people on the unemployment lines. The unemployment rate in South Lake Tahoe is 17.7 percent.