



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** PUBLIC WORKS

**File #:** 24-385

Board Meeting Date: 5/21/2024

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors  
**From:** Ann M. Stillman, Director of Public Works  
**Subject:** Master Fee Schedule for the San Carlos and Half Moon Bay Airports

**RECOMMENDATION:**

Adopt a resolution authorizing the San Carlos and Half Moon Bay Airports Master Fee Schedule for the use of facilities at the San Carlos and Half Moon Bay Airports, effective July 1, 2024.

**BACKGROUND:**

This Board has previously adopted resolutions establishing a schedule of fees for the use of facilities at the San Carlos and Half Moon Bay Airports (Airports), referred to as the Airports Master Fee Schedule, which has included annual rate adjustments for the use of facilities at the Airports. The current Airports Master Fee Schedule was adopted by this Board on July 13, 2021 by Resolution No. 078311.

**DISCUSSION:**

The Airports Enterprise Fund is financed primarily through business, tenant, and transient user fees collected for the use of Airport facilities. These fees are set at fair market value (FMV) for aviation use as required by the Federal Aviation Administration (FAA) as a condition of accepting FAA grant monies and are consistent with comparable airports. The Department of Public Works (Department) recommends adopting the proposed Airports Master Fee Schedule to allow the Airports to remain financially sustainable, meet operational cost increases, financial obligations, and FAA requirements.

The proposed Airports Master Fee Schedule includes a three percent (3 percent) annual increase for aircraft hangars, tiedowns, t-shades, aviation storage, and landing fees (Fees) effective July 1, 2024, and each July 1st thereafter.

The Department recently conducted a fee study consistent with FAA guidelines to ensure that all fees are set at FMV for aviation use. The fee study determined that many of the current hangar, tiedown, and t-shade fees are below FMV. To correct this discrepancy, the Department proposes FMV adjustments to hangar, tiedown, and t-shade fees in FY 2024-25, FY 2025-26, and FY 2026-27 in

addition to 3 percent annual increases each July 1st, with the goal of reaching FMV by the end of FY 2026-27. Following the three-year adjustment period, the Department will assess the Airport fees to ensure compliance with FAA requirements for FMV fees. Once the fees reach FMV, anticipated for end of FY 2026-27, the fees will be adjusted annually by 3 percent each July 1st.

The fee for rental car overnight parking, for rental car operators with County Permits, will increase from \$75 to \$100 per month for each parking space.

The Airports Master Fee Schedule includes a modification to the method for determining aircraft overnight parking fees to be based on aircraft weight, rather than wingspan. This will not impact the fees currently being charged for aircraft overnight parking; however, this approach aligns with industry standards and the existing Vector Airport System can be utilized for automatic tracking and billing of aircraft overnight parking fees based on weight.

An Independent Operator Fee has been added to the Airports Master Fee Schedule for temporary commercial operators engaging in aeronautical services such as aircraft charter, air tour, or other air transportation for hire services at the Airports without a County lease or operating agreement. The Independent Operator Fee will be charged in addition to any landing and aircraft overnight parking fees.

The Department has engaged with the Pilot Associations, tenants, businesses, and users at both Airports regarding the proposed Airports Master Fee Schedule, offering an opportunity for comments and questions.

County Attorney has reviewed and approved the resolution as to form.

**FISCAL IMPACT:**

The increase in revenue to the Airport Enterprise Fund from the Fee adjustments is estimated to be \$203,000 in FY 2024-25. There is no impact to the General Fund.

Attachment: Airports Master Fee Schedule