RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes  No X)

Resolution Approving Application for State Loan Funds for Installation of Approximately Ten County Hangars at Mariposa-Yosemite Airport and Directing Staff to:

1. Take $270 (two months' rent) deposits on up to 15 "T-type" hangars (to allow for drop-outs)
2. Apply for up to $125,000 in State Loan Funds for installation of hangars. (ATTACHMENT 2)
3. Develop formal bid specifications for up to ten "T-type" hangars to be placed upon County apron.
4. Return with periodic progress reports on the project.

The Airport Advisory Committee supports construction of up to ten County hangars to be offered for rent.

These hangars are proposed to be offered first to planes located on the reserved tiedown and on the existing waiting list who have shown interest (ATTACHMENT 1). There are additional pilots located elsewhere at the airport who want hangars (currently on transient spaces or other hangars) as well as off-airport aircraft owners who have expressed interest. The intent of this proposal is to NOT displace any aircraft renting a reserved space. The existing waiting list and status of each is shown on the attached list. At least six transient spaces, including large airplane spaces, will remain available until the apron expansion project is completed.

This project should be pursued because:

1. There is a demand for hangar space at the airport. Pilots are willing to spend money to put their aircraft out of the weather.
2. A part of the apron is over 20 years of age, which means the FAA assurances no longer apply, and the County can construct hangars.
3. A hangar project on existing apron is financially viable because the County can recoup the cost of construction from a market-based rental charge. (This was not true of hangars on the unimproved area to the west where substantial grading and other site improvements are required).
4. The hangars will provide a long-term income to the airport operation. In 12 years, all of the rental income would come back to the County to provide an annual income of about $13,000 above the future tiedown fees.

Staff recommends use of State Division of Aeronautics loan funds for this purpose. The hangar project would cost approximately $125,000. This would include up to 10 hangars, each rented for $135 per month. A loan for 12 years at 6.5% would cost $15,300 and generate about $16,200 annually.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board approved construction of private hangars on unimproved ground at the airport in 1991. A County hangar project on the County apron has been discussed at previous Board meetings regarding airport management. On December 5, 1995, the Board directed staff to proceed with developing this project and return with the loan application.
LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

1. No action. If the hangars are not constructed, there will continue to be demand for hangars at the airport and pressure to place hangars on areas not designated for this purpose by the Master Plan. Potential long-term revenue may be lost to the airport.

2. Solicit proposals for a new Fixed-Based Operator to install new hangars and operate the airport. This option is not recommended due to significant loss of long-term revenue to the airport.

COSTS:  
A. Budgeted current PY $125,000  
B. Total anticipated costs $125,000  
C. Required additional funding $125,000  
D. Internal transfers $  
SOURCE: ( ) 4/5th Vote Required  
A. Unanticipated revenues $  
B. Reserve for contingencies $  
C. Source description: State Division of Aeronautics Loan Program  
Balance in Reserve Contingencies, if approved: $  

* TO BE REPAID FROM HANGAR RENTAL

SPECIAL INSTRUCTIONS:
List the attachments and number the pages consecutively:  
1. Hangar waiting list, Mariposa/Yosemite Airport  
2. Application for State Division of Aeronautics Loan Funds

CLERK’S USE ONLY
Res. No.: 80  
Vote - Ayes:  
Noes:  
Absent:  
( ) Approved  
( ) Denied  
( ) Minute Order Attached  
( ) No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.

ATTEST: MARGIE WILLIAMS, Clerk of the Board  
County of Mariposa, State of California

By: Deputy

ADMINISTRATIVE OFFICER’S RECOMMENDATION:
This item on agenda as:

[ ] Recommended  
[ ] Not Recommended  
[ ] For Policy Determination  
[ ] Submitted with Comment  
[ ] Returned for Further Action

Comment:  

A.O. Initials:  

Action Form Revised 5/92