RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes_ No X_)

Adopt Resolution Approving Application for State Loan Funds to Replace Fueling Facility at Mariposa-Yosemite Airport and direct staff to:
1. Submit Application for up to $145,000 in State loan funds for fueling facility at Mariposa-Yosemite Airport
2. Develop formal bid specifications for an above-ground, 24 hour, card lock (major credit card) system, to be installed per ATTACHMENT 2.
3. Develop work plan for site work to be completed by the County prior to placement of fuel tank.

The Airport Advisory Committee recommends installation of a 24 hour, above-ground, self-contained, fueling facility in place of the existing manually operated system.

There are several reasons for installation of a new fueling system:
1. By law, the existing underground tanks must be removed by 1998.
2. The FAA has indicated that grant funds sought for addition to the apron at the airport can be used to remove tanks under the apron.
3. When the current FBO/Manager contract has expired, there will still be a demand for fuel at the airport.
4. 24-hour fueling operations have proved to be money-makers at other airports.
5. A gap in fuel availability will not be desirable; i.e., a fueling system should be in place before the existing tanks are removed.
6. New requirements for above-ground systems may be passed in 1996, making these systems more expensive after the rules are passed.

Anticipated revenues will repay the loan and provide income to the airport for operations and improvements. ATTACHMENT 1 shows anticipated revenues and expenditures from the fueling operation.

Preliminary estimates have been provided by various manufacturers and contractors. A refined estimate for an above-ground system is included as ATTACHMENT 2.

An above-ground, self-contained unit is favored due to the ease of installation, portability and reduced requirement for contamination monitoring. Though in-ground tank units may be less expensive, the installation costs are much higher and there would be ongoing costs to monitor for leakage. The ground at the proposed location consists of broken shale and does not drain well. The above-ground system can also be purchased as a single product, with site work completed by County forces. The estimate and loan amount will be sufficient to cover the County labor, equipment and materials.

Staff recommends use of State Division of Aeronautics loan funds for this purpose (loan rate as of May 1995 = 6.06 %, funds are available). An application for these funds is included as ATTACHMENT 3. Division of Aeronautics staff indicate at least a three-month gap between submittal of the application and receipt of the funds and that it is not too difficult to request a actual loan amount less than shown on the application.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board was presented some options regarding fueling as part of the airport management item of October 24th, 1995. The details of this proposal was presented to the Board on December 5, 1995. The Board directed staff to also investigate the costs of an in-ground system. In the FY 95/96 budget, the Board approved funding for monitoring and cleanup of several County-owned sites that had documented fuel spills from underground tanks, including the airport. Monitoring is ongoing at this time.
LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

1. No Action:
   a. County would need to hire staff or require new manager to pump fuel.
   b. There would be an indefinite interruption in fuel availability when tanks are removed as part of a future apron project, before replacement of the system.

2. Direct staff to return with more detail.

3. Solicit proposals for Fixed Base Operator to install new system and operate airport. This option is NOT recommended due to delay in obtaining fueling system and significant loss of revenue to airport fund.

COSTS:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Budgeted current PHI</td>
</tr>
<tr>
<td></td>
<td>$145,000 *</td>
</tr>
<tr>
<td>B</td>
<td>Total anticipated costs</td>
</tr>
<tr>
<td></td>
<td>$145,000 *</td>
</tr>
<tr>
<td>D</td>
<td>Internal transfers</td>
</tr>
<tr>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

SOURCE: ( ) 4/5th Vote Required

SPECIAL INSTRUCTIONS:
List the attachments and number the pages consecutively:

1. Anticipated Revenues & Expenses for fueling system
2. Estimate for Above-ground fueling system
   * 3. Loan Application
   * to be repaid from fuel sales

CLERK'S USE ONLY

Res. No.: (4-3)
Vote - Ayes: 5
Noes: 0
Absent: 0
Approved: ( ) Denied
( ) Minute Order Attached ( ) No Action Necessary

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

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
K:\public\airbos3.doc