

DEPARTMENT: Public Works

By: Marty Allan, Fleet/Fiscal
Manager

Phone: 966-5356

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

PUBLIC HEARING: Regarding proposed increases in fees for ground-lease, tie-downs and hangars at the Mariposa/Yosemite Airport. Fees have not been increased since July 1, 1997. New "T" hangars were constructed in 1997 and were charged \$135/month. The loan agreement for the hangars suggested an annual 3% increase to keep up with the loan payments. On June 13, 2001, the Airport Advisory Committee voted unanimously to bring fees into line with the loan agreement and have recommended increasing all of the above fees by 15% rounded to the nearest dollar. It is further recommended by staff to increase the fees for the "T" hangars by 3% per year automatically until the loan is paid in 2009. This would take place on July 1 of each year. Costs continue to rise for hangar maintenance as well as increase in loan payments. The fee increase would be effective with renewal of current contracts.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

On February 26, 1996, Res. No. 96-77, the Board approved the current rate structure effective July 1, 1997. On June 24, 1997, Res. No. 97-262, the Board approved the current rate for the "T" hangars effective July 1, 1997.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

1. Not approve increase causing potential shortfall in revenues to cover hangar operations.
2. Not approve and recommend a different rate.

COSTS: (X) Not Applicable

A. Budgeted current FY> \$ _____

B. Total anticipated Costs> \$ _____

C. Required additional funding> \$ _____

D. Internal transfers> \$ _____

COSTS: () 4/5th Vote Required

A. Unanticipated revenues> \$ _____

B. Reserve for contingencies> \$ _____

C. Source description: > _____

Balance in Reserve Contingencies, If Approved:
\$ _____

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

1. Public Hearing Notice

2. Proposed Rates

3. Loan Payment Schedule

**MARIPOSA COUNTY
BOARD OF SUPERVISORS**

**AGENDA
ACTION FORM**

AGENDA DATE: 7-24-01
AGENDA ITEM NO.: _____

CLERK'S USE ONLY

Res. No.: 01-218 Ord. No.: _____

Vote - Ayes: _____ Noes: _____

Absent: _____ Abstained: _____

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

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: _____

C.A.O. Initials: _____

PUBLIC HEARING NOTICE

Public Hearing Regarding Increasing Ground Lease, Tie-down and Hangar Fees at the
Mariposa/Yosemite Airport

On Tuesday, July 24, 2001 at 10:00 a.m., the Mariposa County Board of Supervisors will conduct a public hearing in the Board Room at the Government Center, 5100 Bullion Street, Mariposa, California, regarding a proposal to increase fees for ground lease, tie-downs and hangars at the Mariposa/Yosemite Airport.

Information on the fees will be available at the office of the Clerk of the Board. All interested citizens are invited to provide written and/or oral comments.

James J. Petropulos
Public Works Director

Publication dates: 7/3, 7/10, 7/17

word:\ap fee public hearing notice.doc

**AIRPORT
FISCAL YEAR 2001-02**

	No.	CURRENT	PROPOSED*
Tiedowns:			
Reserved tiedown	24	\$26.00 per month	\$30.00 per month
Transient tiedown	6	\$3.00 per night	\$3.45 per night
Dirt tiedown, north side	1	\$18.00 per month	\$21.00 per month
Hangars on "Improved" Apron			
Ground Lease Only:			
Metal hangar, south side	1	\$53.00 per month	\$61.00 per month
Metal "T" hangar, south side	2	\$32.00 per month	\$37.00 per month
Metal "T" hangar, south side	2	\$37.00 per month	\$43.00 per month
Metal hangar, south side	1	\$42.00 per month	\$48.00 per month
Wood hangar, north side	2	\$42.00 per month	\$48.00 per month
Hangars on "Unimproved" Apron:			
Ground Lease Only:			
New hangar, south side	4	\$30.00 per month	\$35.00 per month
New hangar, south side	1	\$45.00 per month	\$52.00 per month
New hangar, south side	3	\$65.00 per month	\$75.00 per month
Hangar Rentals:			
County Hangars	4	\$80.00 per month	\$92.00 per month
New County "T" hangars **	10	\$135.00 per month	\$155.00 per month**
County Hangar	1	\$300.00 per month	\$345.00 per month
Total number of spaces	62		

*Effective upon renewal of current contract.

** Automatic 3% increase annually till 2009.

Department of Transportation
 Aeronautics Program
 Airport Loan Program
 Revenue Generating Loans

HANGAR

AIRPORT: Mariposa-Yosemite

Date of Worksheet: 2/25/97

Loan # Mpa-1-96-L-2		Cost per Hangar	\$15,555
		Local Contribution	0
Number of Hangars	11		
Monthly Rent - Initial	\$135	Total Loan Amount	\$171,100
Annual Rent Increase	3.00 %	Interest Rate	5.5094 %
Monthly Rent, 12th Yr	\$187	Years of Loan	12

YEAR	-- Annual Payment to DOA --			Annual	- Accumulated Cost -	
	Principal	Interest	TOTAL	Income	- Cost or (Profit) -	Annual Total
1 97-98	\$7,820	\$9,426.58	\$17,247	\$17,820	(\$573)	(\$573)
2 98-99	9,008	8,995.75	18,004	18,355	(351)	(924)
3 99-00	10,196	8,499.46	18,695	18,905	(210)	(1,134)
4 00-01	11,385	7,937.72	19,323	19,472	(150)	(1,284)
5	12,573	7,310.47	19,883	20,057	(173)	(1,457)
	13,761	6,617.78	20,379	20,658	(279)	(1,736)
	14,949	5,859.63	20,809	21,278	(469)	(2,206)
8	16,137	5,036.03	21,173	21,916	(743)	(2,949)
9	17,326	4,146.98	21,473	22,574	(1,101)	(4,050)
10	18,514	3,192.42	21,706	23,251	(1,545)	(5,595)
11	19,702	2,172.41	21,874	23,949	(2,074)	(7,669)
12	19,729	1,086.95	20,816	24,667	(3,851)	(11,520)
13	0	0.00	0	0	0	0
14	0	0.00	0	0	0	0
15	0	0.00	0	0	0	0
16	0	0.00	0	0	0	0
17	0	0.00	0	0	0	0
18	0	0.00	0	0	0	0
19	0	0.00	0	0	0	0
20	0	0.00	0	0	0	0
21	0	0.00	0	0	0	0
22	0	0.00	0	0	0	0
23	0	0.00	0	0	0	0
24	0	0.00	0	0	0	0
25	0	0.00	0	0	0	0
Total	\$171,100	70,282.18	\$241,382	\$252,902	(\$11,520)	

Airport making money



COUNTY OF MARIPOSA

P.O. Box 784, Mariposa, CA 95338 (209) 966-3222

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MARIPOSA COUNTY BOARD OF SUPERVISORS

MINUTE ORDER

TO: JIM PETROPULOS, Public Works Director
FROM: MARGIE WILLIAMS, Clerk of the Board *MW*
SUBJECT: Airport Ground Leases, Tie-Down and Hangar Fees
Res. -01-218

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA,

ADOPTED THIS Order on July 24, 2001

ACTION AND VOTE:

Jim Petropulos, Public Works Director;

A) PUBLIC HEARING: Regarding Increasing Ground Leases, Tie Down and Hangar Fees at the Mariposa/Yosemite Airport

BOARD ACTION: Marty Allan, PWD/Fleet-Fiscal Manager, provided the staff report.

Public portion of the hearing was opened and input was provided by the following:

Harvey Ferrier expressed concern with what he called a "computer glitch" – a lack of incremental increases over the past few years that resulted in getting behind in revenue to meet the expenses. He stated he does not agree with the increase that is proposed. He cited an example of a house that he rented at a rate less than his loan payment; however, the value increased and he did not lose money overall, and he stated he feels this should apply to the hangars. He commented on past increases, and recommended that a three-percent increase be considered – something more in line with the cost-of-living index. He responded to a question from the Board clarifying his recommendation.

Klaus Heddergott stated he owns a hangar at the Airport, and he feels the proposed increases are unnecessary and excessive. He feels the fees are too high now. He stated many of the aircraft owners are not wealthy. He commented on the relatively low value of land in the Airport area, and he referred to fees at other airports. He urged the Board to not approve the increase.

Forbes Simpson stated he had the earliest privately owned hangar at the Airport. He stated he feels that consistency is needed, and he referred to increases he has seen.

Bill Foschaar stated he has a hangar at the Airport and is Chairman of the Airport Advisory Committee. He commented on changes at the Airport and improvements and the history of the fee increases. He stated he is in favor of the increases being proposed because he wants the Airport to be as self-sufficient as possible. He feels the hangars should pay for themselves. He does not want the County to pay for his entertainment, i.e., spending time at the Airport with his plane. He responded to a question from

the Board relative to the Advisory Committee's recommendation on this matter and advised that the Committee vote unanimously in favor of the proposed increase.

Cameron Jacobi stated he has a hangar at the Airport, and he does not feel the rate increases are justified. He suggested that the loan for the hangars be refinanced. He noted that the pilots also pay property taxes on their aircraft and possessory interest taxes on the hangars – this adds to their overall costs.

Larry Todd stated he has a hangar and pays rent and taxes, and he uses his plane for the civil air patrol. He stated he can understand a reasonable rate increase, perhaps something tied to the CPI. He stated he is not sure that an increase across the board at this time is justified. He feels other revenue producing opportunities should be explored at the Airport. He suggested that consideration could be given to charging for private vehicles left at the Airport; charging the larger planes that stay here a day or so when the weather doesn't allow for landings in the valley; leaving notes on the windows relative to fee amounts and having an overnight drop box for tie-down fees to be deposited; and he feels that overnight parking fees could be increased. He responded to a question from the Board as to whether these suggestions have been discussed with the Airport Advisory Committee. Bill Foschaar stated he feels the Committee could discuss these issues at the next meeting.

Richard Kunstman commented that the effective rate of increase would have been higher if three-percent increases had been assessed each year.

Harvey Ferrier noted that the County does not receive any revenue from other public facilities such as the administration, library, and park facilities; and he noted the Airport is also a public facility.

Public portion of the hearing was closed and the Board commenced with deliberations. Marty Allan responded to issues that were raised; advised of revenue received annually from Civil Aeronautics and of the interest rate on the loan. Supervisor Balmain advised that he also rents a County T-hangar at the Airport, and he feels he can make a decision without having a conflict on this matter. Marty Allan and Jim Petropulos responded to questions from the Board relative to the recommended increase, loan information, profit and loss information for the hangars, vacancy status for the hangars and waiting list status, and the possibility of having smaller incremental increases. (M)Reilly, (S)Stewart, Res. 01-218 adopted approving a rate increase in the amount of ten-percent for ground-lease, tie-downs and hangars, with direction to staff to bring back an adjustment in future years to balance the loan payments with the revenue; and for the transient tie-down fee to be \$4.00/night. Discussion was held relative to having five-percent increases in the future until revenues catch up with the costs. Ayes: Unanimous. Direction was also given for staff to review the suggestions that were made. Hearing was closed.

cc: Ken Hawkins, Auditor
Jeff Green, County Counsel
Mary Hodson, Staff Analyst
Airport Advisory Committee
Airport
File

**AIRPORT
FISCAL YEAR 2001-02**

RES. NO. 01-218

Revised 07/24/01

**AIRPORT
FISCAL YEAR 2001-02**

	No.	CURRENT	NEW *
Tiedowns:			
Reserved tiedown	24	\$26.00 per month	\$28.60 per month
Transient tiedown	6	\$3.00 per night	\$4.00 per night
Dirt tiedown, north side	1	\$18.00 per month	\$19.80 per month
Hangars on "Improved" Apron			
Ground Lease Only:			
Metal hangar, south side	1	36' x 24' \$53.00 per month	\$58.30 per month
Metal "T" hangar, south side	2	irregular \$32.00 per month	\$35.20 per month
Metal "T" hangar, south side	2	irregular \$37.00 per month	\$40.70 per month
Metal hangar, south side	1	36' x 33' \$42.00 per month	\$46.20 per month
Wood hangar, north side	2	30' x 40' \$42.00 per month	\$46.20 per month
Hangars on "Unimproved" Apron:			
Ground Lease Only:			
New hangar, south side	4	36' x 42' \$30.00 per month	\$33.00 per month
New hangar, south side	1	42' x 54' \$45.00 per month	\$49.50 per month
New hangar, south side	3	60' x 54' \$65.00 per month	\$71.50 per month
Hangar Rentals:			
County Hangars	4	irregular \$80.00 per month	\$88.00 per month
New County "T" hangars **	10	irregular \$135.00 per month	\$148.50 per month
County Hangar	1	36' x 42' \$300.00 per month	\$330.00 per month
Total number of spaces	62		

***Effective upon renewal of current contract or September 1, 2001.
Approved by the Board on July 24, 2001**