



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

Department of Public Works

DATE: April 5, 2007
BOARD MEETING DATE: April 24, 2007
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: David J. Clarke, Acting Director of Public Works

SUBJECT: Construction of T-Hangar Aircraft Storage Buildings, T-Shade Canopies, Taxiway Reconstruction and Other Related Improvements at the San Carlos Airport - (AIP Projects No. 3-06-0210-08/09).

Recommendation

Adopt resolutions:

1. adopting plans and specifications, determining prevailing wage scales, and calling for sealed proposals for the construction of T-hangar aircraft storage buildings, T-shade canopies, water main improvements, taxiway reconstruction, drainage improvements, power service upgrades and other related improvements at the San Carlos Airport (Airport).
2. authorizing the Director of Public Works to submit a loan application to the California Department of Transportation to help finance the construction of new T-hangar buildings, T-shade canopies and other related improvements at the Airport.

Vision Alignment

Commitment: Ensure basic health and safety for all.

Goal 7: Maintain and enhance the public safety of all residents and visitors.

Construction of the proposed T-hangar buildings and T-shade canopies will provide increased protection and security of aircraft for the benefit of Airport users.

Background

Previous Board Action

1. Adopted Resolution No. 66855 approving the proposed airport improvements included in this project as part of the Airport Master Plan/Modernization Project; certifying the Final Environmental Impact Report for these improvements and authorizing the Director of Public Works to develop plans for the implementation of the project.
2. Adopted Resolutions No. 66285 and No. 66944 accepting Airport Improvement Grants 3-06-0210-08 and 3-06-0210-09 from the Federal Aviation Administration (FAA), which include funding for taxiway reconstruction and drainage improvements in the aircraft apron areas where the proposed T-hangar buildings are to be constructed.
3. Adopted Resolution No. 66945 authorizing the President of the Board to accept matching grant funds from the California Department of Transportation Division of Aeronautics (DOT) equal to five percent (5%) of the aforesaid FAA grants.

History

The proposed project includes the construction of five metal hangar buildings comprising a total of 41 individual aircraft T-hangars along with one shade canopy structure comprising 29 T-shade canopy spaces at the Airport. The hangars are referred to as “T-hangars” because the individual hangar spaces are shaped like the letter “T” to most efficiently accommodate the shape of a single aircraft. The T-hangars are nested back-to-back in a single building with access for individual hangars on either side. The T-shade canopy building is similar to the T-hangar buildings except that there are no hangar doors and the sides of the building are open similar to a carport. The project also includes the reconstruction of taxiways, water main improvements, power service upgrades, drainage improvements and various other items related to the construction of the T-hangar and T-shade structures. The hangar buildings and T-shade canopies will be constructed on existing tiedown parking areas and will not result in a net increase of the total number of available parking spaces at the Airport.

There are currently 121 individuals on the Airport’s hangar waiting lists. Most have been waiting for almost five years for a hangar space to become available. The construction of the new hangars and T-shades will help address the long wait and high demand for these facilities. Aircraft owners at the Airport have made substantial investments in their aircraft and aircraft systems and these improvements will enhance the security of their aircraft and provide protection from the damaging effects of the sun and inclement weather.

The new structures include features which airport surveys have indicated are important to our tenants and hangar waiting list applicants such as easier-to-open rolling hangar doors, rain gutters, hangar dimensions that accommodate modern aircraft designs, improved lighting, dedicated power circuits and phone connections for flight planning and weather briefings.

The proposed improvements have also been designed with a number of energy efficient and green building features including energy efficient fluorescent lighting with automatic timer switches, translucent panels in each hangar bay to reduce or eliminate the need for lighting during daylight hours and engineering to accommodate and support the future installation of solar panel systems.

A portion of the project's taxiway reconstruction and drainage improvements are eligible for FAA and State grant funding and are being financed by grants previously accepted by your Board.

The DOT provides loans to airports for revenue-generating projects such as hangar development. We have discussed the proposed project with the DOT and they have indicated they are likely to approve a loan for costs associated with the project. The DOT requires a resolution from your Board authorizing the Director of Public Works to process the loan application and agreement.

Discussion

The FAA funded portion of the proposed project has been designed in accordance with FAA guidelines and has been reviewed and approved by the FAA.

Prior to the completion of the proposed improvements we will be bringing back to your Board recommendations updating the County's Airport Hangar and Tiedown Waiting List Policies and Procedures to include the assignment of the new T-hangars and T-shade canopies and amending the requirements for aircraft registration documents to permit Limited Liability Companies (LLCs).

A resolution has been approved as to form by County Counsel.

Fiscal Impact

The project will be primarily financed with a 15-year loan from the DOT airport loan program with the balance funded through a combination of Federal and State grants and the Airport Enterprise fund.

The cost of the project is estimated at \$5,280,000 and is proposed to be financed as follows:

Loan from DOT	\$4,000,000
FAA Grants 3-06-0210-08/09	\$ 760,000
State 5% Matching Grant	\$ 40,000
Airport Enterprise Fund	<u>\$ 480,000</u>
Total	\$5,280,000

Interest rates for DOT loans are currently at 5.1%, however, the actual rate will be determined at the time the loan application is processed. Staff are investigating alternate funding sources in the event the DOT is unable to provide a loan for the project. Repayment of the loan will be fully covered by revenue generated from the rental of the proposed improvements.

The FAA and State grant funded portion of the project will be initially financed from the Airport Enterprise Fund as the Federal and State grants are received on a reimbursable basis. The Airport Enterprise Fund has sufficient funds available to handle the cash flow requirements of this project while the loan agreement is processed and the monthly grant payments are being requested of the FAA and the State.

There is no impact to the General Fund.