



Agenda Date: 6/27/2006
Agenda Placement: 6V

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Michael Stoltz for Robert Peterson - Director
Airport
REPORT BY: Kathy Dubrin, Staff Services Analyst II , 259-8683
SUBJECT: Aviation Fuel Management Agreement with R.A. Bridgeford, Inc.

RECOMMENDATION

Director of Public Works/Aviation requests approval of and authorization for the Chair to sign an agreement with R.A. Bridgeford, Inc. for the term July 1, 2006 through June 30, 2018 to provide nonexclusive retail aviation fuel services at the Napa Valley Airport as the Fuel Manager for the County's owned fuel storage facility.

EXECUTIVE SUMMARY

This agreement authorizes the R.A. Bridgeford, a full service Fixed Base Operator (FBO), to continue as act as the County's Fuel Manager with the nonexclusive right to provide retail fuel services at the Airport. The term of this agreement is for twelve years with two additional five year option periods. This agreement's ending date and option periods are the same as the underlying FBO Agreement No. 3371. The Aviation Fuel Agreement option period may be exercised only if the R. A. Bridgeford also extends the term of the underlying FBO agreement.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Airport
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Continued fuel flowage fees will serve as a revenue source for operation and capital improvement needs.
Is the general fund affected?	No
Future fiscal impact:	Fuel flowage fees will serve as a revenue source for the Airport Enterprise

Fund past the current fiscal year.

Consequences if not approved: Retail aviation fueling services would not be provided, and fuel flowage fees would not continue as a revenue source for operation and capital improvement needs.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

On July 1, 1993 the County of Napa entered into Agreement No. 3370 with R. A. Bridgeford, Inc. to provide retail aviation fueling services at the Napa County Airport. The Agreement was extended for 12 years (four - 3 year agreements) expiring on June 1, 2005. During the process of developing a new agreement and without interruption to the Airport's customers, four amendments were approved extending the term of Agreement No. 3370 through June 30, 2006.

Upon repayment of the 1990 Certificates of Participation used to construct the fuel tank facility at the Airport, restrictions associated with financing were removed. In anticipation of this, an ad-hoc committee of the Airport Advisory Commission (AAC) made recommendations in 2001 as to the use of the County's fuel facility and future fueling operations at the Napa County Airport. Using these recommendations as a guideline, the recommended agreement has been developed.

In the new agreement, Bridgeford Flying Services, Inc. (Fuel Manager) will have the exclusive privilege of using the County owned fuel storage facility and as Fuel Manager shall be responsible for the management, routine maintenance and repair of the fuel facility utilized by the Fuel Manager. While having the exclusive right and obligation of operating the County's fuel facility, the Fuel Manager does not have the exclusive right to sell fuel at the airport. Therefore, as the airport continues to develop, it is anticipated it attract at least one additional full service FBO that can provide retail fuel services in the future.

In addition to the Fuel Manager being responsible for the maintenance of the County's Fuel Facility, the Airport Enterprise Fund will receive the fuel flowage fees on delivery of aviation fuel. This source of revenue will provide for all capital improvement costs for the County's Fuel facility and also supplement other services and improvements at the Airport.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Andrew Carey