



Agenda Date: 9/13/2005  
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## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Michael Stoltz for Robert Peterson - Director  
Public Works  
**REPORT BY:** Don Ridenhour, Asst Director, Public Works/Asst District Engineer, 259-8321  
**SUBJECT:** Balloon Launching Facility

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### **RECOMMENDATION**

Director of Public Works requests discussion and possible direction regarding the development of a balloon launching facility on County owned property adjacent to the Roads Division Corporation Yard on Silverado Trail in Yountville.

### **EXECUTIVE SUMMARY**

On April 19, 2005 the Board of Supervisors discussed the possibility of developing a balloon launching facility on County owned property adjacent to the Roads Division Corporation Yard located on Silverado Trail in Yountville. Direction was given to staff to further investigate possible options and return to the Board with estimated improvement costs and details for developing this site as a balloon launching facility. Staff has determined there are three scenarios for the Board to consider if it determines that it is appropriate to pursue development of the balloon launching facility. They are:

1. County development and active management of the balloon port.
2. County development of the balloon port as a "passive" facility open to the public with no fees charged for use.
3. Development and active management of the balloon port by a private concessionaire.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	A revenue source has not been determined for the development of a balloon port. It is estimated that initial construction costs may range from \$185,000 to

\$585,000 depending upon the option selected by the Board. If the balloon port was developed by the County, the cost would impact the General Fund. It is doubtful that this initial investment could be recovered through collection of future user fees given that a launch fee would only recover a maximum of \$17,500 per year. This revenue amount may be insufficient to cover annual operating costs.

If the balloon port was developed by a private concessionaire there would not be an immediate fiscal impact to the County other than agreement preparation.

There will be ongoing costs associated with the operation of a balloon port that will require further investigation. Initial analysis indicates these annual costs range from \$9,000 to \$101,000 depending upon the option chosen by the Board.

Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Development of a balloon port will offer the ballooning industry another option for launching and operating their business in the Napa Valley.
Is the general fund affected?	Yes
Future fiscal impact:	There will be staffing and maintenance costs associated with the operation of balloon port facilities dependant on how the balloon port is managed and maintained. Initial analysis indicates these costs range from \$9,000 to \$101,000 depending upon the option chosen by the Board.
Consequences if not approved:	The balloon industry has been experiencing difficulty in finding appropriate locations to launch balloons. If a balloon port is not pursued at this location it will eliminate one potential location for the ballooning industry.
Additional Information:	None

## **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 April 19, 2005 the Napa County Board of Supervisors directed staff to further investigate possible establishment of a hot air balloon port on the County's corporation yard, which is located on Silverado Trail near the Rector Dam and Yountville Office of the Department of Fish and Game. Staff from the Conservation, Development and Planning Department, County Counsel, Risk Manager, and Public Works have worked together to develop a matrix that describes three potential scenarios on how this property can be developed for this purpose. The three scenarios include:

1. COUNTY DEVELOPMENT AND ACTIVE MANAGEMENT OF THE BALLOON PORT. Under this scenario, the County would develop the facility and would charge launch fees to attempt to recoup some costs associated with its operation and maintenance. This scenario provides the County the greatest level of

control, with the tradeoff of the greatest liability, and the highest long term costs. The estimated capital cost of this scenario is \$185,000, while ongoing annual operating costs is \$101,000. Capital costs include considerations of the following elements: clearing and site preparation; security fencing; access road improvements; parking area; launch area; water supply; restroom facilities; and emergency water supply for fire suppression. It is estimated, based upon present launch fee of \$35 charged by the Town of Yountville, that the County may recoup \$17,500 on an annual basis based upon 500 launchings. The launch fee would have to be raised to \$202 to recover ongoing operating costs. This assumes that the market would bear this cost and there would be 500 launchings per year. This scenario also allows for the active enforcement of a "Code of Conduct" for all balloon launchings from this site. Additional insurance coverage would have to be obtained by the County because the County's General Liability coverage excludes aircraft/airfields. This cost has yet to be determined. Balloon Operators would also need to provide adequate airport/aircraft insurance and name the County as additional insured.

2. COUNTY DEVELOPMENT OF THE BALLOON PORT AS A "PASSIVE" FACILITY SIMILAR TO THE COUNTY BOAT RAMP. Under this scenario, the County would not charge fees for the facility, but would also have minimum annual operating expenses estimated at \$20,000. However, the County would have the highest capital cost due to the anticipated need to install a left turn pocket. Staff opines it will be necessary to construct a left turn lane and deceleration area at the entrance from Silverado Trail because of the unrestricted access by balloon operators, balloon patrons or the general public. This work will require the widening of Silverado Trail to accommodate an additional lane 12 feet wide and the addition of 8 feet wide shoulders for bicycle and pedestrians including widening of the existing bridge over Rector Creek. A full design study would need to be made to determine if the existing structure is suitable for widening or if replacement would need to be considered. The estimated capital cost of this scenario is \$285,000 to \$585,000. This scenario does not allow for the active enforcement of a "Code of Conduct" for balloon launchings from this site given that no monitor would be present at the site to regulate who launched and what procedures are followed. Compliance may become a problematic issue. Additional insurance coverage would have to be obtained by the County because the County's General Liability coverage excludes aircraft/airfields. This cost has yet to be determined. Ability to obtain additional insurance from Balloon Operators is also problematic because of lack of County presence at the site.
3. DEVELOPMENT AND ACTIVE MANAGEMENT OF THE BALLOON PORT BY A PRIVATE CONCESSIONAIRE. This scenario reduces county staff effort, cost and liability, and places the responsibility on a private operator to step forward if it is financially feasible to develop and operate this site. The private operator would have to be responsible for the capital costs estimated at \$185,000, and the costs to operate and maintain the facility. The private contractor may also have to apply for a Use Permit with the appropriate CEQA document. County ongoing annual operating costs (oversight of the private contractor) is estimated at \$9,000. This scenario also allows for the active enforcement of a "Code of Conduct" for all balloon launchings from this site. Additional insurance coverage would have to be obtained by the County because the County's General Liability coverage excludes aircraft/airfields. This cost has yet to be determined. Balloon Operators would also need to provide adequate airport/aircraft plus premises insurance and name the County as additional insured.

The attached matrix provides more details than the summary above.

The investigation of additional scenarios, including possible alternative sites and development of the corporation yard site into a public park with a broader recreational mission has not been attempted, given the Board's direction of providing a limited review and not to invest substantial staff time and effort in exploring options.

If the Board wishes to move forward to establish a hot air balloon port on the County's corporation yard, staff recommends option 3 be pursued, which would minimize County cost and liability while allowing the Balloon industry to move forward at their own pace and ability. Option 3 would allow the County to require necessary indemnification and insurance to appropriately protect itself against any liability caused by the actions of others while launching balloons from County owned property. Staff is requesting further direction before taking any further

action.

**SUPPORTING DOCUMENTS**

- A . Matrix Comparison of 3 Scenarios for County Balloon Port
- B . Public Works Internal Memo regarding Site Improvements
- C . Map of Proposed Site

CEO Recommendation: Approve

Reviewed By: Andrew Carey