

Meeting Date
May 17, 2016



AGENDA	
Section	Consent
Item No.	I.A.18

**AGENDA REPORT**  
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	Approval Re: Florida Department of Transportation (FDOT) Joint Participation Agreements (JPAs) for funds related to the construction of Administration Building/Pilot Services Facility and Hangar-F complex at Valkaria Airport. Additionally authorize a Commercial Paper Loan or best available financial mechanism to fund the non-reimbursable portion of the JPAs or the Airports' share to construct the projects.
DEPT/OFFICE:	VALKARIA AIRPORT

**Requested Action:**  
It is requested the Board of County Commissioners approve and authorize the Chairman to execute two pending Florida Department of Transportation (FDOT) Joint Participation Agreements (JPAs) for funds related to the construction of (1) a new Administration Building/Flight Services Facility and (2) new Hangar-F Complex. Authorize a Commercial Paper Loan or best available financial mechanism to fund the non-reimbursable portion of the JPAs or the Airports' share to construct the projects. Authorize County Manager or designee to make related budget changes contingent upon Legal and Risk approval of JPA.

**Summary Explanation & Background:**  
On August 29, 2007, the Board of County Commissioners adopted the Valkaria Airport Master Plan. This plan was updated in 2015 addressing various airport needs; runway, taxiway, lighting, hangars, administration building/pilot services facility and other airport improvement projects needed to meet growing operational requirements of the airport. This Master Plan and Airport Layout Plan have been accepted and approved by both the FAA and FDOT. Both construction projects are listed in the Short Term Capital Improvement Plan.  
  
On May 12, 2015 the BOARD approved and accepted two FDOT JPAs for the Design, Permitting, and Bidding of the Administration Building/Flight Services Facility and the Hangar-F Complex. Each JPA was \$150,000 ea.  
  
Both projects are currently out for procurement. Bids are due on May 26<sup>th</sup> 2016.

**PROJECT(1): Administration Building / Pilot Services Facility Construction Cost: \$1,500,000 (Estimated)**  
Funding Sources: FDOT 80% - \$1,200,000 and VA 20% - \$300,000  
Fiscal Impact: Airport Revenues pay all match monies. **No General Funds Required.**

**PROJECT(2): Hangar-F Complex Construction Cost: \$2,000,000 (Estimated)**  
Funding Sources: FDOT 80% - \$1,600,000 and VA 20% - \$400,000  
Fiscal Impact: Airport Revenues pay all match monies. **No General Funds Required.**

Revenues generated from the new hangar-F facility will cover all loan service & annual expenses for both projects and continue to produce additional revenues.

Contact: Steve Borowski ([steve.borowski@brevardcounty.us](mailto:steve.borowski@brevardcounty.us)) Phone: 321-952-4590

Clerk to the Board instruction:  
Exhibits Attached:  
Admin Building & Hangar-F Sketch,  
Project Financial Analysis.

<b>Contract /Agreement (If attached):</b>		Reviewed by County Attorney		Yes		No	<input type="checkbox"/>	PR	<input type="checkbox"/>
County Manager		Deputy County Manager		X					
Stockton Whitten		Assistant County Manager							
		N/A						Department Director / Extension	
		N/A						Steve Borowski, Airport Manager	
								PH. 952-4590	



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001  
Fax: (321) 264-6972  
Tammy.Rowe@brevardclerk.us

May 18, 2016

MEMORANDUM

TO: Steve Borowski, Valkaria Airport Manager

RE: Item II.A.18., Florida Department of Transportation (FDOT) Joint Participation Agreements (JPAs) for Funds Related to the Construction of Administration Building/Pilot Services Facility and Hanger-F Complex at Valkaria Airport

The Board of County Commissioners, in regular session on May 17, 2016, authorized execution of Florida Department of Transportation (FDOT) Joint Participation Agreements (JPAs) for funds related to the construction of a new Administration Building/Flight Services Facility, and a new Hanger-F Complex; authorized a Commercial Paper Loan or best available financial mechanism to fund the non-reimbursable portion of the JPAs or the Airports' share to construct the projects; and authorized the County Manager, or his designee, to make related budget changes contingent upon Legal and Risk approval of JPA.

Your continued cooperation is greatly appreciated.

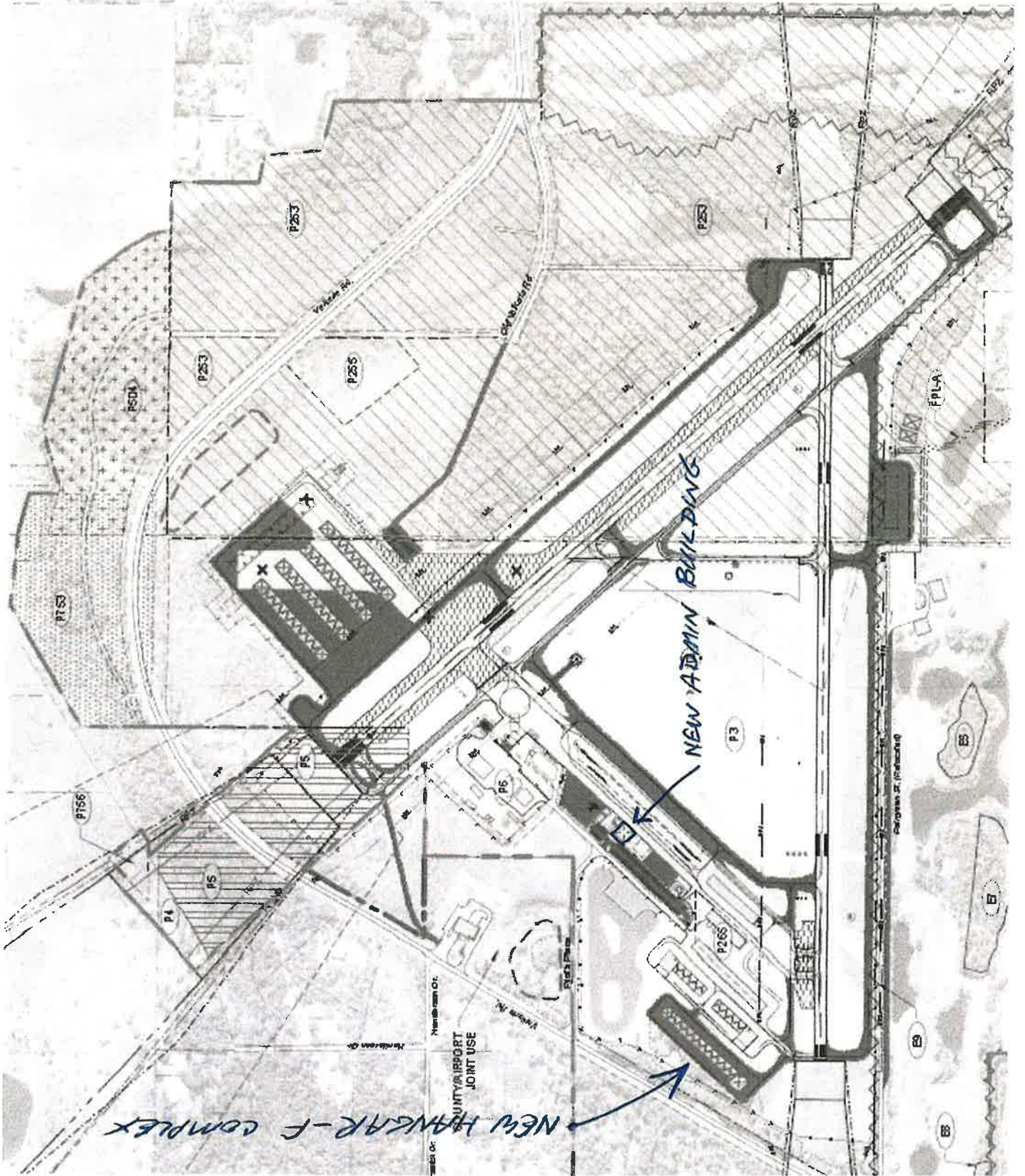
Sincerely yours,

BOARD OF COUNTY COMMISSIONERS  
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

/cm

cc: Contracts Administration  
Finance  
Budget



NEW HANGAR-F COMPLEX

NEW ADMIN BUILDING

COUNTY AIRPORT JOINT USE

FPLA

Parsons St. (Proposed)

Vehicle Rd.

Old to New Rd.

P253

P255

P257

PT53

PT56

P1

P5

P5

P5

P3

P256

B

B

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B

<b>Hangar F and Admin Building Financial Analysis</b>
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	Admin Building	Hangar F	Total
Estimated Project Cost	\$1,500,000	\$2,000,000	\$3,500,000
FDOT Portion @ 80%	\$1,200,000	\$1,600,000	\$2,800,000
Airport Match @ 20%	\$300,000	\$400,000	\$700,000

•	Estimated Yearly Revenue _____ (Hangar F 100% occupancy)	\$83,680
○	Estimated Yearly Expenses _____ (Both Projects)	<u>-\$10,000</u>
○	Estimate After Expenses _____	\$73,680

**Projected Net Income Based on Note Payment Options at 2%.**

Note	Dept Service	Net Revenue
18 Years	\$46,691.47	\$26,988.53
15 Years	\$54,477.83	\$19,203.17
13 Years	\$61,682.85	\$11,999.15

**NOTES:**

- **No General Funds are required for this project.**
- **100% of existing hangars are occupied and there are 195 people on the hangar waiting list. Valkaria airport can't keep up with demand.**
- **The airport has experienced almost 100% occupancy rate for hangar complexes A & B since their inception twentythree years ago, and 100% occupancy rate for hangar complexes C (7 years) and D & E (3 years).**
- **Hangar-F occupancy could go down 26% and still meet 100% of the loan payments.**
- **100% occupancy produces \$19,203 net revenue (Loan @ 2% interest for 15 years).**
- **This analysis doesn't include using any of the airports existing charges for services (revenues), which have been in the black for ten years and received an additional \$33K increase this year.**
- **Florida Local Government Finance Programs, Six-Month Average "All-In Rate" is 1.24%**

<b>Hangar F and Admin Building Financial Analysis</b>
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	Admin Building	Hangar F	Total
Estimated Project Cost	\$1,500,000	\$2,000,000	\$3,500,000
FDOT Portion @ 80%	\$1,200,000	\$1,600,000	\$2,800,000
Airport Match @ 20%	\$300,000	\$400,000	\$700,000

• Estimated Yearly Revenue _____ (Hangar F 100% occupancy)	\$83,680
○ Estimated Yearly Expenses _____ (Both Projects)	<u>-\$10,000</u>
○ Revenue After Expenses _____	\$73,680

**Projected Net Income Based on Note Payment Options at 1.2%.**

Note	Dept Service	Net Revenue
18 Years	\$43,471.94	\$30,208.06
15 Years	\$51,271.29	\$22,409.71
13 Years	\$58,477.09	\$15,204.91

**NOTES:**

- No General Funds are required for this project.
- 100% of existing hangars are occupied and there are 195 people on the hangar waiting list. Valkaria airport can't keep up with demand.
- The airport has experienced almost 100% occupancy rate for hangar complexes A & B since their inception twentythree years ago, and 100% occupancy rate for hangar complexes C (7 years) and D & E (3 years).
- Hangar-F occupancy could go down 26% and still meet 100% of the loan payments.
- 100% occupancy produces \$19,203 net revenue (Loan @ 2% interest for 15 years).
- This analysis doesn't include using any of the airports existing charges for services (revenues), which have been in the black for ten years and received an additional \$33K increase this year.
- Florida Local Government Finance Programs, Six-Month Average "All-In Rate" is 1.24%