

**BOARD OF SUPERVISORS**  
**Agenda Item**



<b>Meeting Date:</b>	May 15, 2012
<b>Title:</b>	Consider a Loan to the Stafford Regional Airport Authority for Construction of an Airport Terminal Building
<b>Department:</b>	Finance and Budget
<b>Staff Contact:</b>	Maria Perrotte, Chief Financial Officer
<b>Board Committee/ Other BACC:</b>	N/A
<b>Staff Recommendation:</b>	N/A
<b>Budget Impact:</b>	N/A
<b>Time Sensitivity:</b>	May, 2012, requested by the SRAA

**ATTACHMENTS:**

1.	Background Report		
2.	Transportation Fund Forecasts		
3.	Proposed Resolution R12-113		

<input type="checkbox"/>	<b>Consent Agenda</b>	<input type="checkbox"/>	<b>Other Business</b>	<input checked="" type="checkbox"/>	<b>Unfinished Business</b>
<input type="checkbox"/>	<b>Discussion</b>	<input type="checkbox"/>	<b>Presentation</b>	<input type="checkbox"/>	<b>Work Session</b>
<input type="checkbox"/>	<b>New Business</b>	<input type="checkbox"/>	<b>Public Hearing</b>	<input type="checkbox"/>	<b>Add-On</b>

**REVIEW:**

X	County Administrator	
X	County Attorney	

<b>DISTRICT:</b>	Hartwood
------------------	----------

## **BACKGROUND REPORT**

At its March 20, 2012 meeting, the Board heard a presentation from Mr. Henry Scharpenberg with the Stafford Regional Airport Authority (SRAA), regarding proposed construction of a terminal building at the Stafford Regional Airport.

Estimated cost of the terminal building is \$3.6 million, with \$2.2 million funded by the Virginia Department of Aviation. Mr. Scharpenberg proposed financing the remaining \$1.4 million through a loan from Stafford County. The County's Transportation Fund could advance the funds as a loan to the SRAA if the funds are budgeted and appropriated.

### **Project Plan**

- Finalize terminal design
- Solicit/review/award construction contract contingent on August, 2012 Virginia Aviation Board approval
- Fall 2012, begin ground preparation/sitework
- Spring 2013, funds needed to pay construction contractor
- Late Summer 2014, facility complete

### **Business Case for New Terminal**

- One corporate client currently developing site; will yield \$2,800/month to SRAA
  - Of this amount, 55% (\$1,540/month, \$18,480/year) will be dedicated to repayment of current \$133,950 loan (MOU, August 2009)
- Five additional sites available over the next three years
  - At build-out, \$110,800/year dedicated to repayment of the \$1.4M loan

Depending on other transportation and road improvement projects, fuels tax receipts held by the Potomac and Rappahannock Transportation Commission (PRTC) could be available to reimburse the County for debt service costs if the SRAA were to default on repayment of the loan.

Attachment 2 presents Transportation Fund forecasts through FY2018, with and without SRAA repayment.

Proposed Resolution R12-113 budgets and appropriates \$1.4M in the Transportation Fund (in FY2013) to loan funds to SRAA and authorizes the County Administrator to sign a memorandum of understanding with the SRAA.



# TRANSPORTATION FUND with Airport Groundlease Revenue

	FY2011 Actual	FY2012 Estimated	FY2013 Adopted	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast	FY2017 Forecast	FY2018 Forecast
<b>Revenues</b>								
Gasoline Sales Tax	\$5,238,825	\$5,425,506	\$5,240,779	\$5,110,867	\$5,160,840	\$5,315,789	\$5,487,685	\$5,679,754
State Recordation Tax	714,506	715,000	715,000	715,000	715,000	715,000	715,000	715,000
Federal Revenue	139,175	306,785	0	0	0	0	0	0
Interest Revenue	5,587	4,000	2,500	2,000	1,500	1,000	1,000	1,000
Miscellaneous	(15,037)	0	0	0	0	0	0	0
Proffers	107,302	0	0	0	0	0	0	0
<b>Airport Groundlease</b>	<b>0</b>	<b>0</b>	<b>18,480</b>	<b>55,440</b>	<b>55,440</b>	<b>110,880</b>	<b>110,880</b>	<b>110,880</b>
<b>Total Sources</b>	<b>\$6,190,358</b>	<b>\$6,451,291</b>	<b>\$5,976,759</b>	<b>\$5,883,307</b>	<b>\$5,932,780</b>	<b>\$6,142,669</b>	<b>\$6,314,565</b>	<b>\$6,506,634</b>
<b>Expenditures</b>								
VRE Subsidy	\$2,634,002	\$2,505,805	\$2,347,707	2,418,138	2,490,682	2,565,403	2,642,365	2,721,636
deferred Spotsy VRE contribution (credit)	0	0	(455,067)	0	0	0	0	0
FRED Bus Service	477,656	511,239	526,337	542,127	558,391	575,143	592,397	610,169
FRED Bus Shelters	0	21,186	0	0	0	0	0	0
Airport Subsidy	85,715	85,714	85,714	85,714	85,714	85,714	85,714	85,714
Transportation Study	0	20,000	50,000	50,000	50,000	50,000	50,000	50,000
Transportation model	0	75,463	0	0	0	0	0	0
Transportation Fee Analysis	0	46,260	0	0	0	0	0	0
Debt Service Transfer to General Fund	0	0	10,000	10,000	10,000	10,000	10,000	10,000
Impact Fee Analysis	3,060	6,800	0	0	0	0	0	0
PRTC Subsidy	57,000	60,500	82,000	58,200	63,100	75,700	75,700	75,700
Financial Management	17,483	12,613	12,565	12,565	12,565	12,565	12,565	12,565
Transportation Plan Implementation	0	31,200	0	0	0	0	0	0
Street Signs	30,843	80,393	50,000	50,000	50,000	50,000	50,000	50,000
Social Services	21,767	30,000	40,000	40,000	40,000	40,000	40,000	40,000
Intergovernmental Transfers (Quantico Growth Mgmt)	45,000	0	100,000	0	0	0	0	0
Land Purchase (VRE Commuter Lot)	0	1,000,000	0	0	0	0	0	0
Gateway	0	0	100,000	100,000	100,000	100,000	100,000	100,000
Local Road Projects	954,997	772,066	500,000	500,000	500,000	500,000	500,000	500,000
<b>Capital Projects</b>								
Route 652, Truslow Rd, West of I-95 (PPTA)	0	0	650,000	2,483,556	0	0	0	0
Staffordboro Parking Lot	0	1,000,000	0	0	0	0	0	0
Route 608, Brooke Road, South of Eskimo Hill Road	0	461,000	0	0	0	0	0	0
Route 616, Poplar Rd, north of Kellogg Mill Rd	0	206,000	422,000	472,000	0	0	0	0
Route 627, Mountain View Rd from Joshua Rd to Rose Hill Farm Rd	0	1,873,000	3,467,000	0	0	0	0	0
Courthouse Road & Route 1 Intersection Improvements	0	0	0	100,000	1,462,500	0	0	0
Route 630, Courthouse Rd: Cedar Lane to Winding Creek Rd	0	0	0	0	0	1,566,631	0	0
Route 627, Mountain View Road Ext. to High School	0	290,000	1,360,000	0	0	0	0	0
Streetscape Phase 1	0	93,000	0	0	0	0	0	0
<b>Airport Terminal Construction</b>	<b>0</b>	<b>0</b>	<b>320,000</b>	<b>960,000</b>	<b>120,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Uses</b>	<b>\$4,327,523</b>	<b>\$9,182,239</b>	<b>\$9,668,256</b>	<b>\$7,882,300</b>	<b>\$5,542,952</b>	<b>\$5,631,155</b>	<b>\$4,158,741</b>	<b>\$4,255,784</b>
<b>Change in Fund Balance</b>	<b>\$1,862,835</b>	<b>(\$2,730,948)</b>	<b>(\$3,691,497)</b>	<b>(\$1,998,993)</b>	<b>\$389,828</b>	<b>\$511,514</b>	<b>\$2,155,824</b>	<b>\$2,250,850</b>
<b>Beginning of Year Fund Balance</b>	<b>\$7,102,301</b>	<b>\$8,965,136</b>	<b>\$6,234,188</b>	<b>\$2,542,691</b>	<b>\$543,698</b>	<b>\$933,525</b>	<b>\$1,445,039</b>	<b>\$3,600,863</b>
<b>Committed</b>								
Boswell's Corner Improvements	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
<b>Assigned:</b>								
	8,665,136	5,934,188	2,242,691	243,698	633,525	1,145,039	3,300,863	5,551,713
<b>Fund Balance, end of year</b>	<b>\$8,965,136</b>	<b>\$6,234,188</b>	<b>\$2,542,691</b>	<b>\$543,698</b>	<b>\$933,525</b>	<b>\$1,445,039</b>	<b>\$3,600,863</b>	<b>\$5,851,713</b>

In November, 2008, Stafford County voters approved a \$70 million road bond referendum. Project schedules are under review. The five year projection will be updated as the timing of the projects and the issuance of debt is determined.

\* Gasoline sales tax revenue projections provided by PRTC.

\*\* VRE subsidy projection provided by PRTC, reflects VRE Six-Year Plan



# TRANSPORTATION FUND

without Airport Groundlease Revenue

	FY2011 Actual	FY2012 Estimated	FY2013 Adopted	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast	FY2017 Forecast	FY2018 Forecast
<b>Revenues</b>								
Gasoline Sales Tax	\$5,238,825	\$5,425,506	\$5,240,779	\$5,110,867	\$5,160,840	\$5,315,789	\$5,487,685	\$5,679,754
State Recordation Tax	714,506	715,000	715,000	715,000	715,000	715,000	715,000	715,000
Federal Revenue	139,175	306,785	0	0	0	0	0	0
Interest Revenue	5,587	4,000	2,500	2,000	1,500	1,000	1,000	1,000
Miscellaneous	(15,037)	0	0	0	0	0	0	0
Proffers	107,302	0	0	0	0	0	0	0
<b>Airport Groundlease</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Sources</b>	<b>\$6,190,358</b>	<b>\$6,451,291</b>	<b>\$5,958,279</b>	<b>\$5,827,867</b>	<b>\$5,877,340</b>	<b>\$6,031,789</b>	<b>\$6,203,685</b>	<b>\$6,395,754</b>
<b>Expenditures</b>								
VRE Subsidy	\$2,634,002	\$2,505,805	\$2,347,707	2,418,138	2,490,682	2,565,403	2,642,365	2,721,636
deferred Spotsy VRE contribution (credit)	0	0	(455,067)	0	0	0	0	0
FRED Bus Service	477,656	511,239	526,337	542,127	558,391	575,143	592,397	610,169
FRED Bus Shelters	0	21,186	0	0	0	0	0	0
Airport Subsidy	85,715	85,714	85,714	85,714	85,714	85,714	85,714	85,714
Transportation Study	0	20,000	50,000	50,000	50,000	50,000	50,000	50,000
Transportation model	0	75,463	0	0	0	0	0	0
Transportation Fee Analysis	0	46,260	0	0	0	0	0	0
Debt Service Transfer to General Fund	0	0	10,000	10,000	10,000	10,000	10,000	10,000
Impact Fee Analysis	3,060	6,800	0	0	0	0	0	0
PRTC Subsidy	57,000	60,500	82,000	58,200	63,100	75,700	75,700	75,700
Financial Management	17,483	12,613	12,565	12,565	12,565	12,565	12,565	12,565
Transportation Plan Implementation	0	31,200	0	0	0	0	0	0
Street Signs	30,843	80,393	50,000	50,000	50,000	50,000	50,000	50,000
Social Services	21,767	30,000	40,000	40,000	40,000	40,000	40,000	40,000
Intergovernmental Transfers (Quantico Growth Mgmt)	45,000	0	100,000	0	0	0	0	0
Land Purchase (VRE Commuter Lot)	0	1,000,000	0	0	0	0	0	0
Gateway	0	0	100,000	100,000	100,000	100,000	100,000	100,000
Local Road Projects	954,997	772,066	500,000	500,000	500,000	500,000	500,000	500,000
<b>Capital Projects</b>								
Route 652, Truslow Rd, West of I-95 (PPTA)	0	0	650,000	2,483,556	0	0	0	0
Staffordboro Parking Lot	0	1,000,000	0	0	0	0	0	0
Route 608, Brooke Road, South of Eskimo Hill Road	0	461,000	0	0	0	0	0	0
Route 616, Poplar Rd, north of Kellogg Mill Rd	0	206,000	422,000	472,000	0	0	0	0
Route 627, Mountain View Rd from Joshua Rd to Rose Hill Farm Rd	0	1,873,000	3,467,000	0	0	0	0	0
Courthouse Road & Route 1 Intersection Improvements	0	0	0	100,000	1,462,500	0	0	0
Route 630, Courthouse Rd: Cedar Lane to Winding Creek Rd	0	0	0	0	0	1,566,631	0	0
Route 627, Mountain View Road Ext. to High School	0	290,000	1,360,000	0	0	0	0	0
Streetscape Phase 1	0	93,000	0	0	0	0	0	0
<b>Airport Terminal Construction</b>	<b>0</b>	<b>0</b>	<b>320,000</b>	<b>960,000</b>	<b>120,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Uses</b>	<b>\$4,327,523</b>	<b>\$9,182,239</b>	<b>\$9,668,256</b>	<b>\$7,882,300</b>	<b>\$5,542,952</b>	<b>\$5,631,155</b>	<b>\$4,158,741</b>	<b>\$4,255,784</b>
<b>Change in Fund Balance</b>	<b>\$1,862,835</b>	<b>(\$2,730,948)</b>	<b>(\$3,709,977)</b>	<b>(\$2,054,433)</b>	<b>\$334,388</b>	<b>\$400,634</b>	<b>\$2,044,944</b>	<b>\$2,139,970</b>
<b>Beginning of Year Fund Balance</b>	<b>\$7,102,301</b>	<b>\$8,965,136</b>	<b>\$6,234,188</b>	<b>\$2,524,211</b>	<b>\$469,778</b>	<b>\$804,165</b>	<b>\$1,204,799</b>	<b>\$3,249,743</b>
<b>Committed</b>								
Boswell's Corner Improvements	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
<b>Assigned:</b>	<b>8,665,136</b>	<b>5,934,188</b>	<b>2,224,211</b>	<b>169,778</b>	<b>504,165</b>	<b>904,799</b>	<b>2,949,743</b>	<b>5,089,713</b>
<b>Fund Balance, end of year</b>	<b>\$8,965,136</b>	<b>\$6,234,188</b>	<b>\$2,524,211</b>	<b>\$469,778</b>	<b>\$804,165</b>	<b>\$1,204,799</b>	<b>\$3,249,743</b>	<b>\$5,389,713</b>

In November, 2008, Stafford County voters approved a \$70 million road bond referendum. Project schedules are under review. The five year projection will be updated as the timing of the projects and the issuance of debt is determined.

\* Gasoline sales tax revenue projections provided by PRTC.

\*\* VRE subsidy projection provided by PRTC, reflects VRE Six-Year Plan

BOARD OF SUPERVISORS  
COUNTY OF STAFFORD  
STAFFORD, VIRGINIA

RESOLUTION

At a regular meeting of the Stafford County Board of Supervisors (the Board) held in the Board Chambers, Stafford County Administration Center, Stafford, Virginia, on the 15<sup>th</sup> day of May, 2012:

MEMBERS:

- Susan B. Stimpson, Chairman
- Cord A. Sterling, Vice Chairman
- Jack R. Cavalier
- Paul V. Milde III
- Ty A. Schieber
- Gary F. Snellings
- Robert "Bob" Thomas, Jr.

VOTE:

On motion of , seconded by , which carried by a vote of , the following was adopted:

A RESOLUTION TO BUDGET AND APPROPRIATE FY2013 TRANSPORTATION FUNDS FOR A LOAN TO THE STAFFORD REGIONAL AIRPORT AUTHORITY FOR CONSTRUCTION OF AN AIRPORT TERMINAL BUILDING AND TO AUTHORIZE THE COUNTY ADMINISTRATOR TO SIGN A MEMORANDUM OF UNDERSTANDING

WHEREAS, the Stafford Regional Airport Authority (SRAA) has presented plans for the construction of a terminal building at the Stafford Regional Airport; and

WHEREAS, the estimated cost of the terminal building is \$3.6 million, of which \$2.2 million is funded by the Virginia Department of Aviation; and

WHEREAS, the SRAA is proceeding with terminal design and construction contracts for presentation at the August, 2012 meeting of the Virginia Aviation Board; and

WHEREAS, the Board has been asked to consider granting a loan to the SRAA in the amount of \$1.4 million for the remainder of the construction costs; and

WHEREAS, the County's Transportation Fund could advance the funds as a loan to the SRAA;

NOW, THEREFORE, BE IT RESOLVED by the Stafford County Board of Supervisors on this the 15<sup>th</sup> day of May, 2012, that it be and hereby does budget and appropriate funds in an amount not to exceed One Million Four Hundred Thousand Dollars (\$1,400,000), unless amended by a duly-executed contract amendment, from the FY2013 Transportation Fund for a loan to the Stafford Regional Airport Authority for the construction of a terminal building; and

BE IT FURTHER RESOLVED that the County Administrator be and he hereby is authorized to sign a Memorandum of Understanding with the Stafford Regional Airport Authority.

AJR:MJP:skc