

TRUCKEE TAHOE AIRPORT DISTRICT
BOARD OF DIRECTORS AGENDA ITEM SUMMARY

Topic: Revision of Policy Instruction 506
RE: Hangar Wait List

Purpose	Information:	Guidance:	Decision: X
Recommendation	Approve the revision of PI 506 regarding the hangar wait list and instruct staff to return wait list deposits to those awaiting a t-hangar assignment, as there are hangars available at this time.		
Last Action	The PI was last approved in September of 2011 in conjunction with the new numbering system. The last substantive change to the PI occurred in June of 2007.		
Discussion	<p>The District has used a hangar wait list to manage hangar assignments. The District currently has 94 hangar wait list deposits. The majority are awaiting t-hangar assignments; however, when they have been contacted in the past year as a hangar has become available, they have declined the hangar and asked to be returned to the bottom of the list. The most recent assignment was made to a person who went onto the list the day previous.</p> <p>There are some people waiting for executive hangars and that list will have to continue. The PI has been revised to separate the current list into two separate lists.</p> <p>Managing the wait list takes a great deal of staff time. Making calls to people when a hangar becomes available, awaiting their response, keeping the data base updated, reconciling the list with the deposits on hand, annual wait list update letters and the processing of related payments demand an unnecessary amount of staff time when there are hangars available. Staff proposes that all deposits on hand for people requesting t-hangars be returned, along with a letter stating that the District currently has hangars available, so a wait list is no longer required.</p> <p>If some people on the list cannot be located, their deposits may have to go through the State of California’s escheat funds process.</p> <p>In the future a t-hangar wait list may again be required – staff will follow the revised policy should that situation arise.</p> <p>There is a graph attached showing the following data:</p> <ul style="list-style-type: none"> • Gallons of 100LL fuel sold by fiscal year (blue bars) • The sales price per gallon of 100LL (green line) • The West B/C CPI index (red line) • The rental rate per square foot per month – including the monthly rate for an “average t-hangar” of 1,178 square feet (black line) • The number of vacant t-hangars by month (blue line) <p>Review of the data reveals the following:</p>		

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- The sales price of 100LL has increased by 31% over the period from September 2007 through February 2012. The number of gallons sold has correspondingly decreased – with a slight increase in the fiscal year ended September 2009 which showed the sales price per gallon dipping before continuing to climb through the current date.
- The CPI index is up 7% over the same period. and the monthly hangar rental rate is up 8%. The variance between the change in the CPI and the rental rate is related to the hangar rate being adjusted to reflect the results of the 2010 cost allocation study – which showed a higher District cost for hangars due to L and M row rolling on to the asset listing.
- The number of vacant hangars fluctuates; however, there is a definite upward trend the last year, with no relief in sight – although not shown on the chart, the number was 9 for March of 2012 as well). As stated above, all individuals on the hangar wait list have been contacted as hangars have come available over the past year and the list currently contains those who have declined a t-hangar and requested to be returned to the bottom of the list.

Fiscal Impact	The liability on the District's books for the hangar wait list deposits will be decreased as the deposits are returned. The \$50 non-refundable fee that the District charges a customer to go on the list will not be collected if there isn't a list. In the prior fiscal year the revenue from this fee was \$1,300.
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Communication Strategy	Refunds of the deposits on hand and explanatory letters will be sent to all those on the hangar wait list requesting a hangar door of less than 45 feet in width. In addition, an effort will be made to get the "T-hangars Currently Available" message out to the aviation community.
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Attachments	Revised Policy Instruction 506 Graph
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