

RESOLUTION NO. 2-0704

**AUTHORIZING LOAN TO TRI-COUNTY AIRPORT
FOR INSTALLATION OF A FUEL TANK, SINGLE POINT DISPENSER AND SUPPORTING SYSTEMS**

WHEREAS, the Tri-County Airport in Lone Rock has for many years been an important link in the economic well-being of the Counties of Iowa, Richland, and Sauk, which are the three Counties that own and operate the Airport; and

WHEREAS, in 1996, the Tri-County Airport installed a 2,000 gallon jet fuel tank and low pressure ten gallons per minute over the wing fueling system dispenser, and fuel sales are projected to be 15,000 gallons in 2004; and

WHEREAS, the small 2,000 gallon tank requires delivery of a partially full tanker, costing an additional thirty cents per gallon delivery charge compared to a full 7,000 load, an estimated \$4,500 expense in 2004; and

WHEREAS, the low speed 10 gallon per minute dispenser is causing the airport to lose its highest volume sales since it generally takes too long to pump 500 or 600 gallons at one time compared to a more efficient 60 gallon per minute single point system; and

WHEREAS, since the lengthening of the runway to 5,000 feet, other corporate flyers have inquired about the fueling capabilities and said they would require a high speed single point system; and

WHEREAS, the Commission has determined that installation of a larger fuel tank and more efficient fueling system is in the best interest of the future use and development of the Airport, and the Commission recommends to the County Boards of the three participating Counties that each County lend the Commission up to \$25,000 (totaling \$75,000) for this purpose; and

NOW, THEREFORE, BE IT RESOLVED, by the Iowa County Board of Supervisors that met in regular session, that approval is hereby granted for the installation by the Tri-County Airport Commission at the Tri-County Airport at Lone Rock of an 8,000 gallon double wall tank, high speed single point dispenser and supporting systems;

AND, BE IT FURTHER RESOLVED, by the Iowa County Board of Supervisors that met in regular session, that approval is hereby granted for Iowa County to extend a loan to the Tri-County Airport Commission for the above described purpose, under the following terms and conditions:

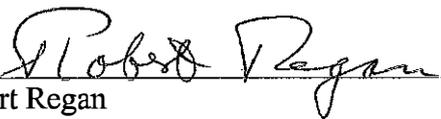
- * The principal amount shall be no more than \$25,000. The principal may be requested in no more than 3 draws, as funds are needed.
- * Simple interest on the unpaid balance shall be at a variable rate of 1.50% below the prime rate as published by the Federal Reserve Bank of New York. The rate in effect on the payment date shall be the rate applied to the unpaid principal balance for the previous six months. The prime rate in effect at the passage of this resolution is 4.25%.
- * The term of the loan shall be 20 years from the date the last draw is made.
- * Principal and interest payments shall be made on January 1 and July 1 of each year. Principal payments shall be based on the attached repayment schedule using 4.25% as the interest rate. If interest rates change from 4.25%; the principal shall remain as detailed on the attached schedule and interest paid shall vary.
- * Interest shall start to accrue from the date the final check for principal is issued.
- * There shall be no penalty for early repayment, so long as the repayment is of the full principal balance outstanding plus any accrued interest.

RESOLUTION 2-0704 Authorizing Loan to Tri-County Airport for Installation of a Fuel Tank, Single Point Dispenser and Supporting Systems.
Page 2

AND, BE IT FURTHER RESOLVED, by the Iowa County Board of Supervisors that met in regular session, that this Resolution shall be effective only upon the passage of a like Resolution by the County Boards of Sank and Richland Counties.

For consideration by the Iowa County Board of Supervisors on July 20, 2004.

Adopted this 20th day of July, 2004.



Robert Regan
Iowa County Chairman

ATTEST:



Greg Klusendorf
Iowa County Clerk

CERTIFICATION OF ADOPTION

This is to certify that the above resolution was duly adopted by the County Board of Iowa County on the 20th day of July, 2004.



Greg Klusendorf
Iowa County Clerk
Iowa County, Wisconsin

FISCAL NOTE: Up to \$25,000 to be paid to Tri-County Airport Commission upon request(s). Interest payments received will be budgeted and recorded as a revenue of the General Fund. Based on the current interest rate of 4.25 percent, the total interest earned over the 20-year term of the loan is estimated to be \$7,373.87. The interest actually earned may vary based on the total principal advanced and the interest rates in effect at the payment dates.

INFORMATION SYSTEMS NOTE: No impact.