

COUNCIL ACTION FORM

SUBJECT: AMENDMENT TO AIRPORT MASTER PLAN AND ADDENDA TO HANGAR LEASE AGREEMENTS TO ALLOW PRIVATE FUEL STORAGE

BACKGROUND:

On April 26, 2011, staff presented Council with a report on the issues regarding private fuel storage at the Ames Municipal Airport in the form of above ground fuel tanks. That report was a follow-up to a request made by Brian Aukes on March 24, 2011, initiating a discussion which led to the City Council approving a policy change to allow private fuel storage by those airport users who are able to meet all applicable standards and regulations.

The City of Ames established self-fueling standards under Appendix B of the "Ames Municipal Airport – Airport Master Plan". Appendix B was originally adopted in November 1997 and contains 20 sections outlining all of the standards, procedures, requirements, and responsibilities of the recipient of an approved "Self-Fueling Permit". This permit is required for any airports users wishing to dispense fuel at the Ames Municipal Airport. Currently, the Self-Fueling Permit also prohibits the use of private fuel storage.

In order to allow private fuel storage at the Airport, two types of changes will be required. One is an amendment to the overall self-fueling standards contained in Appendix B, adding language to Section 8 that permits private on-site fuel storage. The second is an addendum to each of the respective lease agreements of the requesting airport users.

The current language in the Self-Fueling Standards under Section 8 should be changed to read:

"Permittee must arrange for the storage of fuel (other than Permittee's own refueler) through either an approved FBO on the Airport or with an off-Airport storage facility, or using an approved on-site private fuel storage facility. ... Permittee shall demonstrate that satisfactory arrangements have been made with either an approved FBO or off-Airport fuel storage facility for the storage of fuel, or with an approved on-site private fuel storage facility ..."

As part of obtaining a Self-Fueling Permit, City staff will work with the lessees to gather the necessary documentation and insurance certificates to own and operate private fuel tanks. This process will also establish a routine equipment inspection and maintenance

process checklist as per guidance provided to smaller General Aviation Airports by the Federal Aviation Administration. The private owner will also submit a Spill Prevention Control and Countermeasure Plan (SPCC) that would remain on file with the City as long as the tank is in use.

At this time, the two airport users who own hangars and are requesting an addendum to their lease to allow private fuel storage are Brian Auks and Craig Summerfield. Staff met preliminarily with both users and made them aware of the additional requirements that come with owning and operating a fuel tank at the Ames Municipal Airport. **It should be noted that the addendum to the lease will not, in any way, allow the respective owner of a private fuel tank to sell or dispense their fuel to any other airport user for any reason. Violation of this provision would mean permanent loss of their ability to have private fuel storage.**

ALTERNATIVES:

- 1a. Approve the amendment to the “Ames Municipal Airport – Airport Master Plan”, “Appendix B: Standards and Requirements for Self-Fueling” to add the use of on-site private fuel storage.
- b. Approve an addendum to the respective lease agreements with Brian Aukes and Craig Summerfeld to allow the use of approved on-site private fuel storage.
2. Do not approve the Operating Standard amendment or any addendum to the Airport leases.

MANAGER’S RECOMMENDED ACTION:

Since the establishment of fueling standards at the Ames Airport in 1997, many changes have occurred, both locally and on a national level. Allowing users to maintain and operate private fuel storage will help the Ames Municipal Airport stay current with these national trends seen at other General Aviation Airports. This will not only serve as an economic benefit to airport users, it also provides a significant improvement in customer service in being responsive to the needs of our airport users.

Therefore, it is the recommendation of the City Manager that the City Council accept Alternative No. 1, thereby 1) approving the amendment to the “Ames Municipal Airport – Airport Master Plan”, “Appendix B: Standards and Requirements for Self-Fueling” to add the use of on-site private fuel storage and 2) approving an addendum to the respective lease agreements with Brian Aukes and Craig Summerfeld to allow the use of approved on-site private fuel storage.