

COUNCIL ACTION FORM

**SUBJECT: AGREEMENT WITH B & G PRODUCTIONS TO OPERATE DRONE
WITHIN 5 MILES OF AMES MUNICIPAL AIRPORT**

BACKGROUND:

On January 8, 2016, the City Council referred a request from Rod Bodholdt, owner of B & G Productions, to operate a drone, also known as a Small Unmanned Aircraft System (sUAS), within five miles of the Ames Municipal Airport. Since that time, staff has worked with Mr. Bodholdt to collect his required paperwork. This includes his FAA sUAS pilot's license, proof of his sUAS registration, and proof of insurance. All of these requirements are outlined in the regulations for sUAS that were recently finalized by the FAA.

Staff found that B & G Productions has complied with all applicable sUAS codes and standards, and has drafted an agreement with B & G Productions (Rod Bodholdt) to give permission to operate within the five-mile radius of the Ames Airport. This proposed agreement is identical to the two previous contracts approved by the Council for drone operations.

ALTERNATIVES:

1. Approve the agreement with B & G Productions, c/o Rod Bodholdt, to operate a sUAS within five miles of the Ames Municipal Airport.
2. Reject the agreement.

MANAGER'S RECOMMENDED ACTION:

By approving this agreement, the City will continue to support aviation innovation in the Ames area while complying with best safety practices in sUAS operation. Ultimately, the experience gained by working with these operators will help staff develop a complete sUAS policy for the City.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.

**AGREEMENT WITH BODHOLDT & GRUMMER PRODUCTIONS, INC.,
AUTHORIZING COMMERCIAL USE OF
UNMANNED AIRCRAFT SYSTEM IN THE CITY OF AMES**

THIS AGREEMENT is made and entered into by and between Bodholdt & Grummer Productions, Inc., (“Owner”) and the City of Ames, Iowa (“City”).

WHEREAS, City owns and operates a municipal airport located within the corporate boundaries of the city which is in active use for civil aviation activities on a daily basis; and

WHEREAS, as airport owner, the City is charged with control of the airspace around the City’s airport; and

WHEREAS, the Federal Aviation Administration is the national governmental authority whose duty it is to regulate and oversee all aspects of civil aviation; and

WHEREAS, Unmanned Aircraft Systems (UAS) are a technology that has recently become generally available for purchase and operation by citizens for uses which may include aerial photography; and

WHEREAS, the use of Unmanned Aircraft Systems creates the potential to disrupt air traffic and potentially endanger persons and property, both in flight and on the ground, and is therefore subject to regulation by the Federal Aviation Administration; and

WHEREAS, Owner is in the business of film production and has occasion to desire to photograph scenes in and around the City of Ames, which can more effectively be accomplished through the use of aerial photography; and

WHEREAS, Owner owns an Unmanned Aircraft System and would like to obtain the permission of the City to make commercial use of the UAS for aerial observation and photography of Ames and surrounding areas; and

WHEREAS, the Parties desire to work collaboratively with consideration of each other’s rights and interests, to assure public safety, and establish by agreement terms and conditions allowing Owner limited commercial operation of its UAS within the city.

NOW THEREFORE, in consideration of the above recitals and the provisions contained herein and reliance on the same, the Parties agree as follows:

I.
PURPOSE

The purpose of this agreement is to authorize Owner's operation of an Unmanned Aircraft System (UAS) under parameters specified herein, within a five nautical mile radius of the Ames Municipal Airport.

II.
OPERATION AUTHORITY AND PARAMETERS

- A. **Identity of UAS and Operator.** The City agrees to allow Owner to operate the Unmanned Aircraft System (hereinafter "UAS") per 14 CFR part 107, subparts A-C. This UAS may be flown only by an authorized Remote Pilot in Command with a Remote Pilot in Command certificate with a small UAS rating issued by the FAA, and herein referred to as "Operator."
- B. **Compliance.** Owner and Operator agree to strictly comply with all provisions and operational restrictions of 14 CFR part 107, subparts A-C, which are incorporated into this contract by this reference.
- C. **Additional Regulatory and Statutory Compliance.** Owner and Operator agree to comply with all other Federal Aviation Administration regulations which are presently in effect, or may come into effect, for Unmanned Aircraft Systems, as well as with all other Federal, State, Municipal or other laws or regulations which may exist or be enacted or adopted.

Owner and Operator also agree to comply with any policies that have been, or may be, established by the City regarding UAS operation, including but not limited to 1) the City's administrative policy on UAS operations, and 2) the City's minimum operation standards for UASs.

This agreement does not operate as a waiver of any other statutory or regulatory authority.

- D. **Special Local Requirements.** In addition to the above provisions, the City is requiring that Owner agree to the following:
1. Operator must carry a handheld radio tuned into the Ames Common Traffic advisory Frequency (CTAF) of 122.70 when operating inside the five nautical mile ring.
 2. Any operations between 50 feet above ground level and 200 feet above ground level inside the one to five nautical mile ring require contacting the FBO at least one hour prior to operations.

3. Any operations inside the one nautical mile ring of the Ames Municipal airport require FBO notification, and City of Ames notification, a minimum of 24 hours prior to operations, regardless of altitude.
 4. Operator shall have the ability to conduct operations on its own properties between the surface of the ground up to 50 feet above ground level without FBO or City notification inside the one to five nautical mile ring from the airport.
 5. Operator agrees to carry the Remote Pilot in Command Certificate any time the UAS is being operated, and agrees to present it for inspection upon request to any authorized representative of the FAA, or any Federal, State, County or Municipal official charged with enforcing local laws or regulations, or any peace officer.
 6. Owner and Operator agree to operate the UAS only above property they own, or above property that is owned by another who has expressly and in writing consented to UAS operation by Owner and Operator. Owner and Operator, upon request by the City, shall promptly furnish proof of express written consent.
 7. This agreement shall remain in effect so long as Owner remains as a corporation in good standing pursuant to the Iowa Secretary of State.
- E. **Flight Log.** Owner and Operator shall maintain a flight log which contains and complies with all the documentation necessary under FAA regulations, and allow City inspection of the log. When requested by the City, the furnished log shall be in the same form as the documentation submitted to the FAA.

III. INSURANCE REQUIREMENTS

Owner shall obtain, and keep in effect, insurance as follows:

- A. **Type.** Owner shall maintain General Liability or a similar type of policy of insurance that affords coverage of \$1,000,000 combined single limit per occurrence and \$2,000,000 in aggregate limits for bodily injury, personal injury, and property damage.
- B. **Deductibles.** Any deductibles or self-insured retentions must be declared and approved by the City of Ames. At the option of the City of Ames, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City of Ames, its officials and employees, or Owner shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses.
- C. **Endorsements.** Each insurance policy required shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits, except after thirty days prior written notice by certified mail, return receipt requested, has been given to the City. Owner shall furnish the City with certificates of insurance and original endorsements for effecting coverage required by this clause. The

certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be approved by the City before operations of the UAS commence. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

**IV.
INDEMNIFICATION**

To the fullest extent permitted by law, Owner and Operator shall indemnify and hold harmless the City of Ames, its officials, agents and employees from and against all claims, damages, losses and expenses, including but not limited to, attorneys fees arising out of or resulting from the operation of the UAS, provided that any such claim, damage, loss or expense 1) is attributable to bodily injury, sickness, disease or death, or to injury to, or destruction of, tangible property, including the loss of use resulting therefrom; and 2) is caused in whole or in part by any intentional or negligent act or omission of the Owner or Operator, or anyone directly or indirectly employed by the Owner or Operator, or anyone for whose acts the Owner or Operator may be liable, regardless of whether such claim, damage, loss, or expense is caused in part by a party indemnified hereunder.

**V.
TERM AND TERMINATION**

- A. **Term.** This agreement is in effect from December _____, 2016, to December 31, 2017, unless sooner terminated.
- B. **Termination.** The City may terminate this agreement by providing written notice of said termination to the other party. If a hazardous occurrence, danger or emergency renders written notification too slow, the City reserves the right to terminate this agreement upon verbal notification to the Owner or Operator to be expeditiously confirmed in writing.

**VI.
CONTACT PERSONS**

For purposes of carrying out the provisions of this agreement, including notification and reporting, the City's contact person is the Ames Municipal Airport Manager, Damion Pregitzer. The Owner's contact person shall be Rod Bodholdt. Each party shall promptly notify the other if there is a change of Contact person.

IN WITNESS WHEREOF, in consideration of the provisions set forth above, the parties have caused this agreement to be executed in their behalf.

BODHOLDT & GRUMMER
PRODUCTIONS , INC.

CITY OF AMES, IOWA

By _____
Jeffrey N. Grummer, President

By _____
Ann H. Campbell, Mayor

STATE OF IOWA, COUNTY OF STORY, ss:

Attest _____
Diane R. Voss, City Clerk

This instrument was acknowledged before me on _____, 2016, by Jeffrey N. Grummer as President of Bodholdt & Grummer Productions, Inc.

STATE OF IOWA, COUNTY OF STORY, ss:

Notary Public in and for the State of Iowa

On this _____ day of _____, 2015, before me, a Notary Public in and for the State of Iowa, personally appeared Ann H. Campbell and Diane R. Voss, to me personally known and who, by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Ames, Iowa; that the seal affixed to the foregoing instrument is the corporate seal of the corporation; and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as contained in Resolution No. _____ adopted by the City Council on the _____ day of _____, 2016, and that Ann H. Campbell and Diane R. Voss acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

Notary Public in and for the State of Iowa