



Agenda Report

MEETING DATE: Tuesday, June 8, 2021

TO: City Council

FROM: AIRPORT DIRECTOR WILLIAMS
AIRPORT OPERATIONS MANAGER ROSAS

SUBJECT: APPROVAL OF MUNICIPAL AIRPORT PURCHASE ORDER FOR
SOLE SOURCE VENDOR OF UNLEADED AVIATION FUEL

STATEMENT OF ISSUES:

The Federal Aviation Administration (FAA), Environmental Protection Agency (EPA) and industry are partnering to remove lead from aviation gasoline (AvGas) as AvGas emissions have become the largest contributor to the relatively low levels of lead emissions produced in this country. We anticipate that AvGas fuel purchases will be reduced as much as 60% due to the introduction of unleaded fuel at the airport.

RECOMMENDED ACTION:

It is recommended the City Council approve and authorize the Municipal Airport to issue a sole source purchase order, in the amount of \$400,000.00, with Swift Fuels, LLC., of West Lafayette, Indiana to purchase unleaded aviation fuel for resale. The purchase order is valid effective July 1, 2021, expires June 30, 2022 and is funded via the Airport Enterprise Fund fuel expense account.

DISCUSSION:

Owners and operators of more than 167,000 piston-engine aircraft operating in the United States rely on aviation gasoline (AvGas) to power their aircraft. AvGas is the only remaining lead-containing transportation fuel. Although lead in AvGas prevents engine damage, lead is a toxic substance that can be inhaled or absorbed in the bloodstream. The FAA, EPA and industry are partnering to remove lead from AvGas. AvGas emissions have become the largest contributor to the relatively low levels of lead emissions produced in this country.

Over the last five years the Municipal Airport has continued to monitor the development of high octane, unleaded fuel formulations. The result of these efforts has identified Swift Fuels, LLC as a supplier of operationally safe alternatives to leaded AvGas. Swift Fuels, LLC is the sole provider of unleaded aviation fuel in the United States. There are no other sources for unleaded aviation fuel. Swift Fuel UL94 has been approved by the FAA as an authorized fuel for certain models of piston powered aircraft.

The City of Watsonville is uniquely positioned to become the first municipality on the Central Coast, whose airport will offer unleaded aviation fuel for sale to based flight schools, aircraft owners, operators and transient pilots. The Municipal Airport will continue to offer AvGas as an option given the substantial number of aircraft that require such fuel.

It is estimated that AvGas fuel purchases will be reduced by as much as 60% due to the introduction of unleaded aviation fuel as an available fuel at the airport.

STRATEGIC PLAN:

Approving the purchase order, and the subsequent purchase and resale of Swift Fuels, supports the Municipal Airport's commitment to lessen general aviation's environmental impact on the Airport, Community and the City.
03-Infrastructure & Environment

FINANCIAL IMPACT:

The fiscal impact of this proposed purchase order is net neutral, as the unleaded fuel purchased will substitute commensurate AvGas purchases for FY2021-2022.

ALTERNATIVE ACTION:

The City Council may choose not to issue the purchase order. Leaded AvGas sales will not be reduced.

ATTACHMENTS AND/OR REFERENCES (If any):

None.