



Legislation Details (With Text)

File #: 22-1415 **Version:** 1 **Name:** LBA - Airport Fuel Fee
Type: Resolution **Status:** Adopted
File created: 11/14/2022 **In control:** City Council
On agenda: 12/6/2022 **Final action:** 12/6/2022

Title: Recommendation to receive supporting documentation into the record, conclude the public hearing, and adopt resolution amending the Master Fee and Charges Schedule for changes to the fuel flowage fees at Long Beach Airport. (Districts 4,5)

Sponsors: Long Beach Airport

Indexes:

Code sections:

Attachments: 1. 120622-H-30sr&att, 2. 120622-H-30 Corresp. Quigley, 3. 120622-H-30 Corresp. Botorff, 4. RES-22-0205.pdf

Date	Ver.	Action By	Action	Result
12/6/2022	1	City Council	approve recommendation and adopt	Pass

Recommendation to receive supporting documentation into the record, conclude the public hearing, and adopt resolution amending the Master Fee and Charges Schedule for changes to the fuel flowage fees at Long Beach Airport. (Districts 4,5)

City Council approval is requested to amend the Master Fee and Charges Schedule to modify the fuel flowage fee to exempt unleaded aviation gasoline (unleaded avgas) deliveries from fees in 2023, 2024 and 2025. The current fuel flowage fee of \$0.06 per gallon is paid by fuel suppliers and applies to fuel delivered to Long Beach Airport (Airport), including both leaded and unleaded fuel varieties. Approximately 380,000 gallons of leaded avgas are delivered to the Airport annually, generating less than \$25,000 in annual fuel flowage fee revenue. The exemption is intended to incentivize fuel providers and users at the Airport to commence the transitioning process for the sale of unleaded avgas for the general aviation community.

The Federal Aviation Administration (FAA) has identified the year 2030 for the elimination of leaded avgas for all piston-powered aircraft. In support of the transition, some airports have waived their fuel delivery fee on unleaded fuel to incentivize fuel providers and users to transition to unleaded avgas. The Airport proposes that unleaded avgas be exempted from the existing fuel flowage fee for a period of three years, in support of the transition to the use of unleaded fuel.

On October 18, 2022, the City Council directed the City Manager to work with the Long Beach Airport staff and stakeholders to establish a plan that reduces and mitigates lead pollution and implements potential programs and incentives to transition to the sale and use of commercially viable unleaded aviation fuels. This recommendation aligns with City Council's directive.

This matter was reviewed by Principal Deputy City Attorney Richard F. Anthony on October 27, 2022 and by Budget Operations and Development Officer Rhutu Amin Gharib on November 9, 2022.

City Council action to amend the Master Fee and Charges Schedule for changes to Airport Fuel Flowage Fees is requested on December 6, 2022, to implement an incentive for Airport users to transition to unleaded avgas starting in 2023.

The decrease in revenues is anticipated to be minimal in the first year. The Airport's financial position will not be negatively impacted by the three-year exemption period. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

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CYNTHIA GUIDRY
DIRECTOR, LONG BEACH AIRPORT

APPROVED:

THOMAS B. MODICA
CITY MANAGER