

Legislation Text

File #: 18-318, **Version:** 1

Presenter/Contact
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SUBJECT:

Approval for the City Manager to execute an agreement with Epic Aviation for the lease of a Jet A refueling vehicle.

BACKGROUND / RATIONALE:

In the FY 2017-18 budget, the Airport has funds allocated to purchase a new 5,000 gallon Jet A mobile refueler for \$210,000. At the 27 November 2017 council meeting, staff recommended the refueler be leased instead of purchased with a projected cost of \$3,000/month (\$36,000/yr). The savings from leasing versus purchasing in FY 2017-18 enables the airport to perform repairs to the main terminal building and Air Traffic Control Tower due to damage sustained from Hurricane Harvey. City Council approved leasing a refueler and using the remaining funds to conduct needed repairs.

ADDRESSES A NEED/ISSUE IN A CITY PLAN OR COUNCIL PRIORITY:

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FISCAL IMPACT:

Monthly lease payments for the Jet A refueler will be \$2,395 effective August 1, 2018. Lease payments will be incorporated in the FY 2018-19 budget. Based on current revenue growth projections, the monthly and annual lease payments can be absorbed into the existing expenditure commitments. Therefore, sufficient funds are available to lease the vehicle as described above.

COMMITTEE RECOMMENDATION:

NA

STAFF RECOMMENDATION:

Staff recommends approval of the City Manager to execute a lease agreement with EPIC Aviation for a 5,000 gallon Jet A refueling vehicle.