Interoffice Memorandum

To: Board of Directors

From: Hardy Bullock, Director of Aviation & Community Services

Subject: Corporate Aircraft Association Fuel Program Update

Date: November 30, 2016

Cc: Truckee Tahoe Airport District Staff

Corporate Aircraft Association is a collective of turbine aircraft operators who join as paid members. The association has membership requirements that are as follows:

- Operate at least one (1) turbine aircraft
- Not hold a Part 135 Certificate or have any affiliation whatsoever with a Part 135 operation
- Not be an Aircraft Management Company or Charter Broker
- Have a valid e-mail address
- Agree to be loyal to CAA Preferred FBOs

The association is designed for part 91 private aircraft owners and operators, not for commercial entities, fractional, or charter operators. The CAA website states, "Our goal is to increase the operating efficiencies of our members by combining our purchasing power and working with highly respected vendors of services and products that we all use. If you feel that this is an organization worthy of your interest please join CAA today."

Several locally based hangar tenants approached Airport staff to request that the Airport become a preferred fixed base fuel provider offering CAA contract fuel pricing. Staff negotiated the fuel rates directly with CAA and applied to become a Certified CAA retail fuel provider. The goal:

- 1. Provide locally based turbine operators access to competitive fuel pricing to avoid known repositioning flights to Carson City to buy Jet A fuel.
- 2. Provide flexible fueling options to locally based turbine operators to avoid transient tankering of low cost fuel that may inadvertently create an unneeded safety risk.
- 3. Support District Adopted Strategic Area 4.1 *Local Airport Users* and keep flying affordable for locally based pilots.

Corporate Aircraft Association Use data from 1/13/2016 to 10/31/2016

Total number of individuals who have used the CAA Program	88
	0
Total Hangar tenants who have used the CAA Program	8
Total number of CAA Sales	348
Total number of Hangar tenant CAA Sales	165
Total Gallons Sold	66,960
Total Gallons Sold to Hangar tenants	23,849
47% of CAA sales events are to our hangar tenants – 35.6% of Gallons Sold	
are to our Hangar tenants	

It is Staff's opinion that the program is working. Aircraft that are based at the airport are choosing to fuel here rather than flying to Carson City or other airports to purchase fuel thus reducing operations and preventing unwanted repositioning flights. The Gallons Sold versus the percent of local sales is correlated to our smaller than average based aircraft size for the participating aircraft i.e. we have more turbo prop and less turbine that typically have higher upload volumes. Staff recommends continuing this program.