



building communities together

2019 Business Plan South Cariboo Regional Airport (1113)

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Working in partnership with communities, large and small, to make the Cariboo Chilcotin a socially, economically and environmentally desirable region to live, work and play.

Department/Function Services

The South Cariboo Regional Airport service was established by Supplementary Letters Patent No. 56, and became a function of the Cariboo Regional District in 1981 following successful negotiations with Block Bros who originally constructed the airport to facilitate access to its subdivision development at the 108 Mile Ranch.

The airport has the longest runway (4877 feet) in the south Cariboo and is the main access point to the area for large commercial aircraft as well as Medevac, RCMP and forest fire surveillance and suppression flights. A five-year contract (June 2018-2023) to manage the airport was signed with Dennis (Nick) Christianson of Nick's Rag and Tube.

The airport offers both avgas and jet fuel for sale year round. Currently five private hangars and four aircraft shelters are occupied by local pilots and companies on the property.

In 2013, a new self-serve fueling system was installed and accepts Visa and MasterCard. Since 2010, the airport offers GPS-based approach and departure procedures, which are published in the Canadian Air Pilot manual.

Electoral Areas G, H, and L and the District of 100 Mile House participate in this service, which is funded by means of a tax applied to the assessed value of land and improvements within the sub-regional service area. The maximum requisition is \$0.312/\$1,000.

Directors for Electoral Areas G, H, and L and District of 100 Mile House are responsible for the governance of this service and act, along with up to four appointed members, as the South Cariboo Regional Airport Commission, which was established to guide airport development and operations.

Business Plan Goals, Rationale & Strategies

2019 Goals

- 1. Goal:** Complete a runway overlay and remarking.
Rationale: Design for the overlay will be completed in 2018. In order to preserve the long-term viability of the runway and the airport, a full runway overlay is required.
Strategy: A Request for Proposals for the project will be issued based on the design plans developed by an engineering firm. Because the airport financial plan will not have enough capital reserves to cover the full project cost, the issuance of the RFP will be subject to obtaining a major infrastructure grant and or borrowing funds for the project.
- 2. Goal:** Replace the airside electrical system including all runway and navigational lighting.
Rationale: The electrical system has exceeded its functional lifespan and repair and replacement of parts is becoming difficult. Undertaking this project concurrently with the runway overlay provides good cost efficiency.
Strategy: The electrical system will be part of the runway overlay design scope and the entire system will be upgraded to LED lighting resulting in significant energy savings. Regional District Community Works Funding has been identified to support this project.
- 3. Goal:** Install a defibrillator in the terminal building.
Rationale: Defibrillators are becoming standard emergency medical equipment in public spaces and given the increasing number of visitors to the remote location, it is appropriate to have one at the airport.
Strategy: Regional District staff will work with the airport manager to procure the required equipment and necessary basic training.
- 4. Goal:** Install new length of tie down cables.
Rationale: Area for aircraft tie down has been reduced in recent years with the construction of a new hangar and the sunshade hangars in the infield. Demand for tie down space remains and good service to visiting aircraft continues to be an airport priority.
Strategy: The specifications and location for the new tie downs will be guided by the airport manager with support from Regional District staff. Capital funding for the project is allocated in the financial plan.
- 5. Goal:** Develop new aircraft loading and holding area.
Rationale: At times, the airport apron can be overwhelmed with aircraft traffic and key flights, such as medevacs are challenged for space and confidentiality. Developing a new area for high priority flights near the north end of the runway will help alleviate this concern.

Strategy: The specifications and location for the new loading zone will be guided by the airport manager with support from Regional District staff. Capital funding for the project is allocated in the financial plan.

2020 Goals

- 1. Goal:** Prepare locations for future private hangars.
Rationale: Only one location remains readily available for hangar construction. Any additional locations will need to be prepared for future private hangars.
Strategy: Project will be supervised by the Airport Manager with support from Regional District staff. This work may be done in conjunction with the runway overlay planned for 2019.
- 2. Goal:** Complete airside access road construction.
Rationale: An airside access road will facilitate the development of additional private hangars or access to off-site hangars and provide the ability to restrict traffic away from runway and apron areas.
Strategy: Project will be supervised by the Airport Manager with support from Regional District staff. This work may be done in conjunction with the runway overlay planned for 2019.

2021 Goal

Goal: Complete a regulatory review and redesign of the GNSS approach and departure procedures.

Rationale: Regulatory reviews of instrument flight procedures are required by Transport Canada every four years from the previous flight check. The procedures at the airport are due for review and, due to changes to the GNSS approach and departure design criteria by Transport Canada, a redesign of the GNSS procedures may also be necessary.

Strategy: If this task is not continued by Transport Canada as a service to small airports, then Direct Approach Consulting Inc., which designed the original flight procedures and is the ongoing maintenance contractor, will perform the review and redesign.

Overall Financial Impact

The 2019 requisition is the same as 2018 for a current total requisition of \$230,268.

The requisition was increased by 10% per year from 2014 until 2018 and then no increase is planned for 2019-23. The South Cariboo Regional Airport Commission recommended these increases to accommodate a larger transfer to capital reserves to help rebuild the fund following a draw for the purchase of land and in anticipation of major future infrastructure replacement costs.

The long-term capital plan, completed in 2012 by EBA Engineering Consultants, identifies more than \$3.4 million in capital investments over the next 5-15 years for the airport.

Currently, the average annual capital and major repair expenditure planned for the airport is \$30-\$45,000 plus \$10-\$15,000 for runway maintenance.

The service has projected capital reserve funds of \$374,289 at the end of 2018 including a transfer to reserves of \$100,000 in 2018. The transfer to capital reserves in 2020-23 is consistent at \$150,000 per year. In contrast, a large transfer from reserves may be required in 2019 to facilitate the runway overlay project.

Fuel sales provide significant revenue for the airport; however, they are highly unpredictable based on commercial and local forest fire fighting activity. The Regional District includes a mark-up of \$0.30 per litre to support airport operations and improvements. Preliminary net revenue for 2019 is estimated at \$22,500 based on a long-term average of 90,000 litres for annual sales. This additional revenue will support capital works at the airport and help manage short-term requisition increases.

A major increase in net fuel sale revenues occurred in 2017 and to a lesser degree in 2018 due to supplying the wildfire suppression efforts in the South Cariboo. The estimated net revenue in 2018 is \$40,000 and this enables larger than planned contributions to capital reserves.

Revenue from landing and tie-down fees is retained by the Airport Manager under the renewed management and operations contract signed in 2018.

Private hangar development at the airport, through Use and Occupancy agreements, generates revenues of \$10,965 in 2019, but there is only limited potential to increase significantly beyond the current level unless new property is made available at the site.

Significant Issues & Trends

The scope of the runway overlay project will also include a replacement of the airside electrical system, upgrade to the runway lighting and replacing the VASI navigational lighting with a PAPI system. All lighting will be upgraded to LED resulting in significant energy savings. These capital projects, along with the AWOS replacement, which occurred in 2018, were identified in a long-term capital plan completed in 2012 by EBA Engineering Consultants. Completing these works addresses the majority of priority capital projects identified by EBA and ensures the long term viability of airport infrastructure.

These major capital expenditures are not fully accounted for in the financial plan and will challenge operation of the airport in the future. Projects will require grant funding and potentially short-term borrowing; but access to capital reserves will also be beneficial.

Demand for private hangar space has returned following several low-interest years, probably due to broad economic issues at all levels. As such, there is the potential for a renewed emphasis on preparing space for hangars. Recent hail damage to aircraft also led to construction of a four-bay private sunshade structure and it is expected that interest in this approach to protecting aircraft will expand.

As of August 31st, airport movements in 2018 totaled 4,200, up approximately 62% from 2017, demonstrating continued regular use of the airport. Included in these figures are 39 medevac flights, down from 43 medevacs for the same period in 2017, but still illustrating the ongoing importance of the airport to the well-being of local residents. In 2017, the airport had a total of 4,478 movements; 50 of these were medevacs.

The Cariboo Regional District is a signatory on the Province of BC/UBCM Climate Action Charter, and has committed to continuing work towards carbon neutrality in respect of corporate operations.

Measuring Previous Years Performance

Goal: Develop engineering plans for a runway overlay and additional aircraft parking.

- Completed. Grant funding was obtained to complete the design plans and cost estimate that will be used to support further grant applications for the runway reconstruction.

Goal: Complete a regulatory review and redesign of the GNSS approach and departure procedures.

- Not completed. NavCanada completed a redesign in 2017 and agreed to maintain the procedures until 2022.

Goal: Review the airport management contract.

- Completed. A five-year contract was awarded to Nick's Rag and Tube following a Request for Proposals process.

Goal: Replace the AWOS automated weather information system.

- Completed. Grant funding was obtained to install the new system in August 2018.

Other Accomplishments:

The airport once again proved itself to be critical public infrastructure during the wildfire events of 2017 and 2018. The emergency generator performed perfectly and allowed the airport to continue to pump fuel and operate runway lights for firefighting aircraft when the entire 108 Ranch area lost power in 2017.