



building communities together

2021 Business Plan South Cariboo Regional Airport (1113)

Darron Campbell, Manager of Community Services

Working in partnership with communities large and small to offer local, sub-regional, and regional services to ensure that the Cariboo Chilcotin is a socially, economically, and environmentally desirable region.

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. This contract was transferred in November 2020 for the remainder of the term to Donahue Airfield Services.

The airport offers both avgas and jet fuel for sale year-round. Currently six 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

2021 Goals

- 1. Goal:** Initiate a runway overlay and remarking project.
Rationale: Design for the overlay was 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:** Renovate the airport office and reception space.
Rationale: The airport manager office and reception area in the Regional District hangar has not been updated in many years. The electrical and mechanical systems are sound; however, the office furniture and finishing are very dated.
Strategy: Project will be supervised by the airport manager in consultation with Regional District staff. Funding is allocated in the financial plan for the project.
- 4. 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: Consulting services from Direct Approach Consulting Inc., which designed the original flight procedures and is the ongoing maintenance contractor, will be engaged to perform the review and redesign.

5. **Goal:** Install solar lights and a runway web camera to the highway sign.
Rationale: A billboard highway sign to identify the airport was constructed in 2019 and adding lighting will enhance visibility of the sign. The sign location is also an appropriate location to add a runway conditions web camera to provide pilots with an online option to receive information.
Strategy: Project will be supervised by the airport manager in consultation with Regional District staff. Funding is allocated in the financial plan for the project.
6. **Goal:** Improve aircraft landing tracking technology.
Rationale: New online aircraft tracking technology is available and may assist the airport in developing more accurate numbers for movements, which can be problematic due to after-business-hours traffic.
Strategy: Project will be developed by the airport manager in consultation with Regional District staff. Funding is allocated in the financial plan for the project.

2022 Goals

1. **Goal:** Replace the open sewer lagoons with an underground system.
Rationale: The sewer lagoons, which serve all the hangar buildings have never functioned properly due to a lack of adequate flow. An underground system will perform better and reduce the potential for conflicts with a new neighbouring subdivision.
Strategy: Project will be supervised by the airport manager in consultation with Regional District staff. Funding is allocated in the financial plan for the project.
2. **Goal:** Prepare locations for future private hangars.
Rationale: Only one location remains readily available for hangar construction and initial enquiries have been received for this final spot. Any additional locations will need site works to be prepared for future private hangars.
Strategy: Project will be supervised by the Airport Manager with support from Regional District staff. Initial discussions with the 108 Greenbelt Commission will be required to determine if additional space can be included in the airside development. This work may be done in conjunction with the runway overlay planned for 2021 or take place ahead of the overlay if major grant funding is not received.
3. **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 2021 or take place ahead of the overlay if major grant funding is not received.

2023 Goals

- 1. Goal:** Complete a master plan for airport development east of the runway.
Rationale: Development of the west side of the airport along Telqua Drive is limited by the amount of land available as well as road access. If the airport property had a direct connection to Highway 97 and utility services available on the east side of the runway, it would enable the Regional District to enter long term land agreements with major users like the Cariboo Fire Centre, and other private hangar developments.
Strategy: Design and engineering consulting services will be retained as necessary to analyze the potential options and confirm a concept plan to guide future development.
- 2. Goal:** Fuel system redesign and cost estimate.
Rationale: The fuel system is a key piece of airport infrastructure and the underground tanks are now 30 years old being installed in 1990. The tanks are inspected regularly; however, planning for their eventual replacement is appropriate.
Strategy: Design consulting services will be retained to develop a replacement plan and potential new location.

Overall Financial Impact

The 2021 requisition is increased by 55% from the 2020 requisition in the amount of \$146,500 for a current total requisition of \$412,906. This increase is required to account for the costs of short-term borrowing and allocations to capital reserves to serve as matching funding for a major infrastructure grant to rehabilitate the runway. No additional increase is planned for years 2022-2025.

The requisition was increased by 10% per year from 2014 until 2018. 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 about \$380,000 at the end of 2020. Major transfers to reserves and then out of reserves are planned for 2021-2023 to facilitate the runway rehabilitation 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 2020 is estimated at \$22,500 based on a long-term average of 75,000 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 2020 is \$21,000, which is below average but still reasonable when considering the effects of the COVID-19 pandemic on travel.

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 \$12,968, 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

In the challenging times of the global COVID-19 pandemic, the airport adjusted operating procedures and developed safety plans in order to continue to be open and available for aviation services and medevac flights. Many other local government and private airports were not able to maintain service.

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 2020 totaled 3,342, which is roughly the same traffic volume as 2019 and still demonstrating continued regular use of the airport. Included in these figures are 29 medevac flights, down from 47 medevacs for the same period in 2019, illustrating the ongoing importance of the airport to the well-being of local residents. In 2019, the airport had a total of 4,944 movements; 73 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: Complete a runway overlay and remarking.

- Not completed. Construction ready designs are complete; however, grant funding applications were not approved.

Goal: Replace the airside electrical system including all runway and navigational lighting.

- Not completed. Construction ready designs are complete; however, grant funding applications were not approved.

Goal: Develop new aircraft loading and holding area.

- Completed.

Goal: Renovate the airport office and reception space.

- Deferred to 2021 due to a priority for 2020 being major maintenance of the airport manager apartment.

Goal: Purchase asphalt crack filling equipment.

- Not complete. The new airport manager, Donahue Airfield Services has purchased the equipment directly and will be hired to complete the runway maintenance requirements.

Other Accomplishments:

In November 2020, the Airport Management and Operations Agreement was transferred from Nick's Rag and Tube, which held the contract for 12 years to Donahue Airfield Services for the remaining three years of the current term.