



*building communities together*

## **2023 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.***

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### **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 Realty 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 Restricted Canadian Air Pilot manual due to higher clearance standards imposed by Transport Canada in 2021, which the runway is unable to comply with due to off site obstacles.

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**

### **2023 Goals**

- 1. Goal:** Initiate a runway overlay and remarking project.  
**Rationale:** Design for the overlay was completed in 2018. 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:** Fuel system redesign and cost estimate.  
**Rationale:** The fuel system is a key piece of airport infrastructure and the underground tanks are now more than 30 years old, having been 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.
- 4. Goal:** Review the airport management and operation contract.  
**Rationale:** The existing agreement with Donahue Airfield Services expires in June 2023 and a process for continuing ongoing contract services is required.  
**Strategy:** Options including an extension, renewal or posting the contract will be brought forward to the airport commission for consideration in March 2023.

5. **Goal:** Determine the feasibility of installing solar panels on the roof of the Regional District hangar and airport office building.  
**Rationale:** Solar panel technology has matured and is demonstrating good return on the capital investment in addition to the energy savings received. These savings in electrical costs would reduce the operating expenses of the airport buildings.  
**Strategy:** Qualified solar contractors will be requested to review the site and provide a system design and cost estimate. It is expected Community Works Funding will be allocated in the financial plan in 2024 for completion of the project.
6. **Goal:** Review the Obstacle Limitation Surface for the runway.  
**Rationale:** Changes by Transport Canada to the minimum standards for the OLS resulted in the airport approach procedures being moved from the Canadian Airport Pilot (CAP) to the Restricted CAP. This is detrimental to private aircraft that use GPS procedures and can't access the RCAP.  
**Strategy:** The critical issue with the OLS is the height of power poles across Highway 97 and options for relocation may be limited. If the power poles are relocated, numerous trees will also require removal to allow the runway to meet the minimum standard.
7. **Goal:** Prepare locations and access 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.

## 2024 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:** Install solar panels on the roof of the Regional District hangar and airport office building.

**Rationale:** Solar panel technology has matured and is demonstrating good return on the capital investment in addition to the energy savings received. These savings in electrical costs would reduce the operating expenses of the airport buildings.

**Strategy:** The project will be supervised by the airport manager with support from Regional District staff. Community Works Funding will be allocated in the financial plan for completion of the project.

### **Overall Financial Impact**

The 2023 requisition is the same as the 2022 requisition for a total of \$412,906. This amount 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 2024-2027.

The 2020 requisition increased by 55% from the 2020 requisition in the amount of \$146,500.

The requisition was also 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 \$30,000-\$45,000 plus \$15,000-\$20,000 for runway maintenance.

The service has projected capital reserve funds of about \$1.085 million at the end of 2022 with a planned transfer of \$200,000, which is possible due to adequate fuel sales and operational support through grant funding. Major transfers out of reserves are planned for 2023-2024 to facilitate the runway rehabilitation project, which is dependent on receiving significant infrastructure grant funding. In years three to five of the financial plan \$1 million is allocated back into reserves to assist with future major capital projects.

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 2023 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 2021 amounting to an estimated \$160,000 due to supplying the wildfire suppression efforts in the South Cariboo.

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 \$12,489, 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 airport experienced a return to normal operations for aviation services and medevac flights in 2022 following the challenging times of the global COVID-19 pandemic, through which many other local government and private airports were not able to maintain service.

The critical business plan goal for the airport and the Regional District continues to be undertaking a runway overlay project. The scope of the asphalt overlay will also include a replacement of the airside electrical system, upgrades 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. Hail damage to aircraft 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 31<sup>st</sup>, airport movements in 2022 totaled 1,124, a decrease of approximately 75% from 2021, when the airport served as a base for the Ministry of Forests during large interface wildfires. Included in these figures for 2022 are 30 medevac flights, an increase of 10 medevacs for the same period in 2021, illustrating the ongoing importance of the airport to the well-being of local residents. In 2021, the airport had a total of 4,917 movements; 41 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:** Initiate a runway overlay and remarking project.

- Not completed. Construction-ready designs are complete; however, infrastructure grant funding applications are still awaiting approval.

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

- Not completed. Construction-ready designs are complete; however, grant funding applications are still awaiting approval for the overlay project which must be completed concurrently.

**Goal:** Review the airport fees and charges bylaw.

- Completed. An updated bylaw with increased landing fees was adopted in June 2022.

**Goal:** Renovate the airport office and reception space.

- Completed.

**Goal:** Upgrade runway web cameras.

- Completed. The new high-resolution cameras will improve online runway condition reporting.

**Goal:** Fill runway cracks and repaint all runway lines.

- Completed. The work was completed in-house due to a lack of contractors available.

**Goal:** Prepare locations and access for future private hangars.

- Not completed. Goal deferred to 2023 due to other priorities including in-house completion of painting and crack filling.

### **Other Accomplishments:**

The airport received many local visitors during the 108 Ranch Community Open House event in May 2022.

A used snow blower was donated by the Prince George Airport Authority to the airport. The equipment required some minor repairs but will serve well to maintain the runway in winter.