



June 3, 2015

**BRIEFING SUMMARY
ALBERNI VALLEY REGIONAL AIRPORT
EXPANSION PLANS**

PURPOSE

The purpose of this summary is to inform the public of the Alberni-Clayoquot Regional District's expansion plans at the Alberni Valley Regional Airport (AVRA).

CURRENT SITUATION

The Alberni Valley Regional Airport, opened in 1993, is a registered airport with a single 3,952' x 75' runway and no published instrument approach. It is home to a number of current avionics, maintenance, forestry, and airport-oriented tenants. Owned debt-free by the ACRD, the airport is a critical piece of infrastructure for the Alberni Valley's economic development plans, particularly for aerospace sector development.

The ACRD Board of Directors is prepared to make a significant investment (\$7.43M, based on Class A estimates) to expand the runway and provide a medium intensity lighting system, in order to:

- Retain and expand aerospace activity and employment.
- Attract courier service.
- Attract scheduled service (supporting tourism and social/economic development in the Alberni Valley).
- Support future container terminal development and LNG terminal development in the Alberni Valley.
- Provide an alternate landing for the Tofino Airport and, occasionally, the Qualicum Beach Airport when weather conditions do not permit landing.

A February 2015 business case by Operations Economics Inc. shows that the AVRA runway expansion project will create 34 FTEs; \$1.99M in wages; \$2.6M in GDP and \$3.1M in economic output. New aerospace activity (conversion of military C130 aircraft into water tankers by Coulson Aviation) would create annual activity of 15 FTEs; \$1.0M in wages; \$1.4M in GDP and \$4.3M total economic activity. Regularly scheduled service from Vancouver would create 5 FTEs; \$193K in wages; \$276K in GDP; and \$480K in economic output.

To help fund the \$7.43M capital costs, applications have been made to the Build Canada Fund (2/3 of project for the runway extension) and the Gas Tax Strategic Priorities Fund (up to 100% of project costs for the runway extension and lighting). An application may be made to the BC Air Access Program (50% of project costs).

Operating funds and the ACRD's share of capital funds will be secured through bylaws that permit an increase in tax requisition and borrowing. The ACRD Board of Directors has directed that an Alternate Approval Process be conducted for approvals that enable borrowing up to \$6M (to provide flexibility to proceed with the majority of the project regardless of funding secured from grants).

NEXT STEPS

The following are key steps in the process:

- Undertake an Alternate Approval Process – 32 days to receive counter petitions from the electorate. This process will commence following the Inspector of Municipalities signing the required bylaws.
- Board consideration of the AAP results, if more than 10% of the electorate submits a petition the bylaws must go to referendum.
- Determination of the grant applications for provincial and federal funding.
- GPS approach work in the field – clearing and surveying.
- Once approvals and funding are in place tender the work – construction drawings and specifications are prepared.

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DETAILED BACKGROUND & DIAGRAMS

The Alberni Valley Regional Airport currently accommodates a unique mix of aviation (aircraft) operations on a year-round basis. Fixed wing and rotary wing (helicopter) aircraft movements are supplemented by non-powered fixed wing (glider) activity. At present, the frequency of movements of these various types of aircraft is low enough that they co-exist without difficulty.

There is no airline currently supporting scheduled passenger service at this airport. With the proposed investments the Alberni Valley Regional Airport will be in the position to secure scheduled service.

The runway is currently 3,952 feet in length and 75 feet wide. A 'Runway Extension Pre-Design Report', completed September 17, 2014, presented three options of lengthening and two options of widening the runway as well as installing a medium intensity airfield lighting system. The option preferred by the ACRD is to extend the length of the runway to 5,000 feet and the width to 100 feet.

A geotechnical study utilizing a Falling Weight Deflectometer and test pitting was done the first week of October 2014. Preliminary results conclude the existing runway and perpendicular section of the taxiway appear to be more than capable of handling the loading of a Hercules L-100.

The Hercules L-100 is the target aircraft in part because a locally-owned diversified company with a very innovative aviation division is intent on acquiring more Hercules L-100 (military version of the C-130) and converting these to water bombers. This company is the anchor tenant at the airport. Their new initiative requires a 5,000 foot runway.

Regardless of the company's decision about where to put their new operation, a longer and wider runway will attract a larger field of potential aerospace operations as well as scheduled passenger service.

A Business Plan was completed by Operations Economics Inc. February 16, 2015. The plan confirms the proposed works are a sound investment for the ACRD and senior levels of government. The project has the following benefits:

- identifies an opportunity to grow the Coulson Group L100/C-130 air tanker business in Port Alberni as opposed to southern California or Singapore;
- identifies an opportunity to grow the aerospace sector in BC by having other businesses contract work to the Coulson Group at the AVRA and take on additional work at their own respective locations;
- allows the AVRA to serve as an alternate to the Regional Districts certified airport - Tofino-Long Beach Airport (CYAZ) when the latter is fogged in or has other weather-related issues;

In April 2015 Tetra Tech finalized the construction drawings and specifications of the project, ready for tender. Tetra Tech's work on the detailed design enabled production of the Class A cost estimates upon which the project is based.

The cost estimates of the three components of the projects are as follows:

1. The Runway Extension is estimated to cost \$5,958,820. Reasons for this expense include:
 - 20,870 dump truck loads of soil to be removed.
 - 4,100 tonnes of asphalt to be placed.
 - 29 acres to be cleared and grubbed.
 - 14 acres to be finished graded and drained.
 - all works to meet stringent industry standards, this requires qualified engineering supervision, inspection and testing .
2. Establishing an Obstacle Limitation Surface (OLS) that would be acceptable to the design of a public GPS approach is estimated to cost \$350,000. This involves managing the OLS which are the trees and land that protrude into the defined flying paths as well as surveying and registering the approaches with Nav Canada. Money is already committed to this project and within the current budget. The cost is not reflected in the \$7.43M figure. It includes a \$180,000 contribution from the Community Forest Legacy Fund and the remaining funds from a capital reserve fund.
3. Installation of navigational aids (medium intensity lighting) is estimated to be \$1,468,500.

The project is to be funded in partnership with senior levels of government and applications have been made to the Build Canada Fund (2/3 of project for the runway extension) and the Gas Tax Strategic Priorities Fund (up to 100% of project costs for the runway extension and lighting). An application may be made to the BC Air Access Program (50% of project costs).

In order to secure the regional districts share of funds a borrowing bylaw and increase in the operating limits for the airport service are required. The Board has directed that these approvals enable borrowing up to \$6 million to provide flexibility to proceed with the runway extension project regardless of funding secured from grants. These bylaws will require public consultation in the form of an Alternate Approval Process.

The ACRD requires access to crown land surrounding the airport for the purposes of managing Obstacle Limitation Surfaces. The regional district is working with Forest Lands and Natural Resources staff in Port Alberni to prepare the necessary applications. The ACRD has commenced consultation with each of the license holders and the Tseshaht and Hupacasath First Nations.

The lands are within the Agricultural Land Reserve, the regional district is confirming the Commission's support for airport use. The regional district will protect soils and encourage agricultural use of the land following construction.