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## **2024 Business Plan Anahim Lake Airport (1111)**

*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 Anahim Lake Airport function was established in 1975 through Bylaw No. 394 and merged with the Nimpo Lake Airstrip Service area through Bylaw No. 1195 in 1981. The taxation boundary was amended in 2013 through Bylaw No. 4840 to more accurately reflect the residents benefiting from the service. Requisition is by means of a tax applied to the assessed value of land and improvements within the specified area. The maximum requisition is the greater of \$55,000 or an amount raised by applying a tax rate of \$0.7322/\$1,000.

The airport achieved Transport Canada certification in 2010, which is necessary to maintain service by a scheduled carrier. A five-year contract to manage the airport was signed with Snooka Aircraft Services (2019-2024).

The role of the airport is significant to the community. It connects this remote area to the provincial, national and international air transportation network. This connection allows the rural location to become more attractive to industrial and commercial interests, improving its potential for economic development, and is generally the mainstay of the many tourism operators in the area.

The airport is vital for RCMP and medevac flights and during emergency events, such as forest fires and floods. The airport became the command post for the Ministry of Forests in the effort to control large interface wildfires near Anahim Peak in 2023, Hotnarko and Big Stick Lake in 2021, the Precipice Valley in 2017, and the Heckman Pass of Tweedsmuir Park in 2018.

The airport is served by scheduled service to Vancouver by Pacific Coastal Airlines under an Air Carrier Airport Use Agreement (October 2022-2025), which also uses Anahim Lake as the alternate landing site when conditions limit visibility at the Bella Coola Airport. Other regular traffic includes numerous charters and recreational traffic.

The annual budget covers basic operational costs such as insurance and minor maintenance items. Because of its limited tax base, the airport relies on provincial or federal funding for any major improvements. In 2013, the Anahim Lake Airport Fees and Charges Bylaw No. 4833 was adopted to allow the charging of landing fees at the airport to further diversify revenue streams. The fees were updated through Bylaw No. 5402 in 2022.

The Anahim Lake Airport Commission (Bylaw No. 4739) provides local guidance to development at the airport. The commission has membership from the local community associations, cattlemen's association and the Ulkatcho First Nation.

As Electoral Area J is the only stakeholder, and the *Local Government Act* requires more than one vote, the entire Board is responsible for the governance of this service.

## **Business Plan Goals, Rationale & Strategies**

### **2024 Goals**

- 1. Goal:** Complete the terminal building expansion project.  
**Rationale:** A design and cost estimate for an expansion of the terminal building was completed in 2022 and grant funding successfully obtained in 2023. The existing terminal building lacks space for a proper airport manager's office and office space for potential tenants such as Pacific Coastal Airlines or the BC Wildfire Service.  
**Strategy:** Off-site construction of modular building components will begin in winter 2024 with assembly planned when the ground is available in summer 2024. The design-build contractor for the project is the same firm retained for the original terminal construction in 2014. Grant funding is identified in the 2024 financial plan for this project.
- 2. Goal:** Construct a picnic spot with a gazebo and BBQ on the west side of the new terminal building expansion.  
**Rationale:** A picnic spot will increase the appeal and use of the airport property.  
**Strategy:** Regional District staff will work with the airport manager to construct the picnic spot and the project may be combined with the terminal building expansion work.
- 3. Goal:** Review the Airport Management and Operations contract.

**Rationale:** The current five-year contract expires in June 2024 and renewal, extension or posting is required to maintain airport operations.

**Strategy:** Options for the process will be discussed with the airport commission in spring 2024 and a preferred direction determined.

4. **Goal:** Acquire grant funding to construct an apron expansion.

**Rationale:** The existing apron is not able to accommodate the growing numbers of aircraft that are landing and parking at the airport, particularly fire-fighting aircraft and backcountry recreation charter flights.

**Strategy:** The concept design and cost estimate for the expansion was completed in 2018 and will serve as the basis for grant applications in June 2024. If grant funding is obtained, the project may be completed in 2025.

## 2025 Goals

1. **Goal:** Undertake an updated Obstacle Limitation Surface survey for the airport and surrounding terrain.

**Rationale:** An updated OLS survey is required every five years by Transport Canada to maintain airport certification.

**Strategy:** A qualified consultant will be retained to conduct the survey to the necessary standards.

2. **Goal:** Conduct the required external audit of the Safety Management System.

**Rationale:** Periodic SMS external audits are required by Transport Canada to maintain certification of the airport.

**Strategy:** Consulting services will be retained to conduct the required audit. Shared consultant travel costs with airports in Williams Lake and Quesnel will be sought to provide savings for the airport.

3. **Goal:** Review the Air Carrier Airport Use Agreement with Pacific Coastal Airlines.

**Rationale:** The current three-year contract expires in December 2025 and renewal or extension is required to maintain scheduled flight services.

**Strategy:** A renewal agreement will be negotiated by Regional District staff with support from the airport manager and brought forward to the Anahim Lake Airport Commission for consideration.

4. **Goal:** Apply for grant funding for a runway rehabilitation project.

**Rationale:** An application will be submitted to the federal Airport Capital Assistance Program for this major project. The lead time on this program is 18 months to two years so the application will be submitted well in advance of project delivery. The runway has been well maintained, but was last paved in 2000 so will benefit from an overlay by 2026-27.

**Strategy:** Consultant engineering resources will be required and retained to prepare the design and cost estimates for the ACAP application.

### **Overall Financial Impact**

The 2024 requisition is the same as the 2023 requisition.

The 2023 requisition was the same as the 2022 requisition. This amount is increased by 2% per year from 2025-2028 through the five-year plan and is required to deal with increasing maintenance costs at the airport, such as filling runway cracks and brushing. This minor inflationary increase is made possible due to other additional revenue streams, such as grants, landing fees and fuel sales.

The five-year capital and major maintenance plan for the service identifies a consistent average annual expenditure of about \$30,000 which includes facility and runway improvements. This figure may vary from year to year as new projects are approved.

The service has projected capital reserve funds of \$390,000 at the end of 2023, including a contribution of \$15,000 in 2023. A significant transfer of \$100,000 was possible in 2021 due to high-volume fuel sales from the wildfire response and will facilitate major capital projects included in the business plan goals.

Fuel sales provide significant revenue for the airport; however, they are highly unpredictable based on commercial flights and local forest fire fighting activity. The Regional District includes a mark-up of at least \$0.30 per litre to support airport operations and improvements. Preliminary net revenue for 2024 is estimated at \$15,000 based on a long-term average for sales. Net revenues amounting to approximately \$110,000 were generated in 2023 due to supplying fuel to the wildfire suppression efforts in the Chilcotin.

Landing fees of \$30 for fixed wing aircraft and \$15 for helicopters on commercial, non-scheduled flights were implemented at the airport in 2022. Preliminary net revenue from landing fees for 2023 is estimated at \$18,000. Based on the long-term average, net revenue in 2024 is expected to be \$4,500, based on the new fees and charges bylaw.

### **Significant Issues & Trends**

As of August 31, airport movements in 2023 were 2,544, up 140% from 2022 due to regular use as a base for the Ministry of Forests during large interface wildfires. Included in these movement figures are 15 medevac flights, up from 12 in 2022 for the same period, illustrating the ongoing importance of the airport to the well-being of residents.

In 2022, the airport had an annual total of 1,054 movements as well as 12 total medevacs.

Activity at the airport during wildfire fighting operations has been overwhelming in recent years and, while the benefit of increased fuel sales has allowed larger contributions to capital reserves, the situation also highlighted the need for more apron and terminal building space at the airport. Consideration is also being given to establishing a permanent base of operations for the BC Wildfire Service at the airport.

The first private hangar is expected to be constructed at the airport in 2024 and this has the potential to lead to further development. A basic airport master plan has been created to help guide hangar construction locations. Depending on preferred lot size, approximately eight hangar locations could be made available and this would also require construction of a taxi way to allow airside access.

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:** Acquire grant funding to construct an apron expansion.

- Not completed. Goal will be carried forward to 2024 and the next available ACAP grant funding intake.

**Goal:** Install photovoltaic solar panels on the terminal building.

- Completed. Solar panels began generating power in June 2023.

**Goal:** Improve water drainage around the taxiway and apron.

- Completed. The area was drained and pooling water greatly reduced.

**Goal:** Construct a picnic spot with a gazebo and BBQ on the west side of the terminal.

- Not completed. Project was deferred in favour of other priorities and may be combined with the terminal building expansion work.

**Goal:** Apply for grant funding for the terminal building expansion project.

- Completed. Grant funding was successfully obtained from the Rural Economic Diversification and Infrastructure Program and Northern Development. Off-site modular construction will begin in winter 2024.

### **Other Accomplishments**

Wildfire response activity at the airport was substantial in 2023, surpassing aircraft movements and fuel sales experienced during the unprecedented wildfire season in the

Cariboo Chilcotin for 2021. In-aircraft fueling was again requested by the BC Wildfire Service, which required long hours from the airport manager throughout August and early September.

A significant effort in 2020 was spent dealing with Transport Canada and the results from an extensive audit performed in April 2019. The audit identified minor issues with runway condition compliance, but resulted in severe restrictions imposed by Transport Canada, which in turn limited service from scheduled flights, both to Anahim Lake and Bella Coola. It took several years and major grant funding to resolve these issues, but the airport was finally able to resume normal operations.

A long-term hangar construction and use agreement was completed with Bella Coola Heli Sports. The land parcel has been cleared and construction is expected in 2024. This will be the first private hangar built on airport lands.

To guide future hangar development, an airport master plan was created to identify feasible locations for construction while also allowing taxi way access and airside security for certification.



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## **2024 Business Plan South Cariboo Regional Airport (1113)**

*Darron Campbell, Manager of Community Services*

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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 (5293 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 2023-2028) to manage the airport is in place with 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**

### **2024 Goals**

- 1. 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.
- 2. 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.
- 3. 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.
- 4. 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.

## 2025 Goals

- 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.
- 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 2024 requisition is increased by 135% from the 2023 requisition for a total of \$971,452. This amount is required to account for the costs of short-term borrowing and ongoing allocations to capital reserves. No additional increase is planned for years 2025-2028.

The 2023 requisition was the same as the 2022 requisition.

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. Major projects are undertaken by financial planning several years in advance and supported by grant funding where possible.

The service has projected capital reserve funds of about \$1.11 million at the end of 2023. Transfers out of reserves may be required for 2023-2024 to facilitate the airside rehabilitation project, which was completed with support from significant infrastructure grant funding. In years three to five of the financial plan \$1.2 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 2024 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.

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 critical business plan goal for the airport and the Regional District was achieved with completion of the airside rehabilitation project. The scope of the asphalt overlay also included a full replacement of the airside electrical system, upgrades to the runway lighting and replacing the VASI navigational lighting with a PAPI system. All lighting was 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.

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, airport movements in 2023 totaled 767, a decrease of approximately 24% from 2022 due in part to the runway closure on August 8 for the airside rehabilitation project. Included in these figures for 2023 are 16 medevac flights, a decrease of 14 medevacs for the same period in 2022, but still illustrating the ongoing importance of the airport to the well-being of local residents. In 2022, the airport had a total of 1,287 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.

- Completed. Grant funding and short-term borrowing were utilized to deliver this important project ensuring the long-term viability of the airport.

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

- Completed. A full electrical system upgrade to LED lighting was completed in conjunction with the airside rehabilitation.

**Goal:** Fuel system redesign and cost estimate.

- Not completed. Project was deferred until after the airside rehabilitation.

**Goal:** Review the airport management and operation contract.

- Completed. A new five-year contract was signed with Donahue Airfield Services.

**Goal:** Determine the feasibility of installing solar panels on the roof of the Regional District hangar and airport office building.

- Not completed. Project was deferred until after the airside rehabilitation.

**Goal:** Review the Obstacle Limitation Surface for the runway.

- Not completed. Project was deferred until after the airside rehabilitation.

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

- In progress. It is expected this work may be completed during the airside rehabilitation, subject to contractor capacity.

### **Other Accomplishments:**

The airport manager hosted a very successful fly-in event on June 4.

The BC Wildfire Service once again was stationed at the airport in May in response to an early season wildfire.



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## **2024 Business Plan Quesnel Regional Airport Contribution Service (1114)**

*Darron Campbell, Manager of Community Services*

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### **Department/Function Services**

The Quesnel Regional Airport contribution function was established through Bylaw No. 5151 in 2018 following a referendum of the participating electoral areas. The purpose of the function is to provide a contribution to the City of Quesnel to support operation of the Quesnel Regional Airport in recognition that the residents and businesses across the North Cariboo receive economic and social benefits from the airport.

The funding is provided through a three-year contribution agreement with the City (2022-2024). The agreement is limited to direct operating costs at the airport and does not include funding for capital projects at this time.

To enable input into airport operations, the City has established an Airport Advisory Committee with representation from elected officials from the Regional District and the City as well as key airport stakeholders.

Participants in the service are Electoral Areas A, B, C and I, which are taxed based on the assessed value of land and improvements. The maximum requisition is the greater of \$90,000 or \$0.0682/\$1,000 of assessment.

### **Business Plan Goals, Rationale & Strategies**

#### **2024 Goal**

**Goal:** Review the airport contribution agreement with the City of Quesnel

**Rationale:** The three-year contribution agreement between the Cariboo Regional District and the City of Quesnel for sharing operating costs at the Quesnel Regional Airport will expire at the end of 2024.

**Strategy:** Staff will review the agreement and renew it if terms and conditions remain unchanged. If amendments are required, a new agreement will be brought forward to the North Cariboo Rural Directors Caucus for consideration.

### **Overall Financial Impact**

The 2024 requisition is the same as the 2023 requisition at \$70,000.

The requisition is currently maintained at \$70,000 annually over the five-year financial plan; however, this may require amendment in 2025 based on a renewal of the contribution agreement with the City of Quesnel.

### **Significant Issues & Trends**

The COVID-19 situation had major negative effects on airport revenues with the loss of passenger fees from scheduled service of Central Mountain Air. Other aspects of airport business were also generally lower but rebounded well after the initial travel restrictions and advisories due to the pandemic.

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**

No new goals were identified in 2023.